



(Company Registration No. 191200018G)
(Incorporated in Singapore)

ANNOUNCEMENT - S\$372 MILLION TERM LOAN FACILITIES FOR REDEVELOPMENT PROJECT ON THE FORMER SPECIALISTS' CENTRE AND HOTEL PHOENIX SITE

Further to the announcement on 7 June 2010, the Board of Directors of United Engineers Limited (the "Company") wishes to announce that it has procured and accepted term loan facilities amounting to S\$372 million from a consortium of 5 banks, namely United Overseas Bank Limited, DBS Bank Ltd, Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), Bank of China Limited, Singapore Branch and The Bank of East Asia Limited, Singapore Branch.

The Company through its subsidiaries, namely UE Orchard Pte Ltd and UE Somerset Pte Ltd, will undertake the redevelopment project on the former Specialists' Centre and Hotel Phoenix site (the "Project"). The Project comprises two phases of redevelopment works, Phase 1 being the development and construction of a hotel cum retail mall and a pedestrian bridge, and Phase 2 being the construction of an underpass.

The proceeds from the term loan facilities will be utilised to partially finance both Phase 1 related construction and financing costs. Phase 2 redevelopment works will be funded internally.

None of the Directors of the Company is deemed to have any interest, direct or indirect, in the above transaction save for Mr Lai Teck Poh, a non-executive Director of the Company, who is also a Director of OCBC Bank.

BY ORDER OF THE BOARD

Heng Fook Pyng, Jeslyn
Company Secretary

Date: 16 July 2010