

MF GLOBAL SINGAPORE PTE. LIMITED
Company Registration No. 198403253G
(Provisional Liquidators Appointed)
c/o 16 Raffles Quay #22-00
Singapore 048581

FOR IMMEDIATE RELEASE

11 November 2011

GENERAL UPDATE ON CUSTOMER TRADING POSITIONS AND MONIES AND ASSETS OF CUSTOMERS OF MF GLOBAL SINGAPORE PTE. LIMITED (PROVISIONAL LIQUIDATORS APPOINTED) (the “Company”)**Status of Customers’ Monies and Assets**

Under the Securities and Futures Act, the Company, as a holder of a Capital Market Services licence, is required to segregate the monies and assets of a customer. Customers’ monies and assets which are segregated can only be utilised by the Company in accordance with the Securities and Futures Act. Segregated customers’ monies and assets should not be co-mingled with the Company’s own monies and assets.

Based on the review to-date of the Company’s available records, the Provisional Liquidators estimate that there is an aggregate sum of around US\$309 million in segregated monies and assets belonging to its customers held by various financial institutions.

Out of this, an aggregate sum in the region of US\$160 million is held by financial institutions in Singapore, and an estimated US\$149 million is held outside of Singapore in Malaysia, Hong Kong, United Kingdom, Dubai, Indonesia, and Taiwan.

To the extent that some of the Company’s customers’ monies and assets may be currently held otherwise than in segregated accounts in banks in the name and control of the Company, the Provisional Liquidators have written to the relevant third parties to ask for a full account and the immediate return of such monies and assets, and to return such monies and assets to the Company in Singapore. These parties comprise either correspondent brokers of the Company (for exchange traded transactions) or counterparties of the Company (for OTC bi-lateral transactions entered into by the Company for its customers). The Provisional Liquidators have also asked that, pending such return, these monies and assets be maintained in segregated accounts in trust directly (in the case of correspondent brokers) or ultimately (in the case of OTC transactions) for the Company’s customers.

The Provisional Liquidators continue to work with all relevant third parties, including relevant administrators of offshore MF Global entities and the Company’s counterparties and correspondent brokers to recover customers’ monies and assets as quickly as practicable. Where customers’ monies and assets are denominated in foreign currencies and/or are

overseas, please note that the return of such monies and assets will be subject to relevant arrangements in those jurisdictions, including the positions taken by the regulators and insolvency administrators of the MF Global entities in those jurisdictions.

Trading Positions on SGX

Upon the close of trading on 3 November 2011, Singapore Exchange Limited ("SGX") has suspended the membership of MF Global Singapore Pte. Limited on Singapore Exchange Securities Trading Limited, Singapore Exchange Derivatives Trading Limited and Singapore Exchange Derivatives Clearing Limited with immediate effect.

All its customers' open positions on SGX have since been closed out or transferred. Based on the records of the Company, excess margins amounting to about US\$40 million in respect of customers of the Company are currently maintained with and held by SGX. The Company is currently reconciling its records in relation these positions and any associated margin, with a view to facilitating the release of such margins.

Trading Positions on Overseas Exchanges

As regards overseas exchange traded contracts, the bulk of the open positions of the Company's customers have either been closed out or transferred by the Company, or closed out by overseas clearing houses or exchanges. To the extent that it remains possible, the Company continues to work towards closing or transferring all remaining open positions on overseas exchanges, and seeking customers instructions in this regard. As previously noted, the Company's ability to close out or transfer open positions on overseas exchanges has been affected and may continue to be affected by the status of its correspondent overseas clearing members or by the denial or suspension on overseas exchanges.

Elaboration on the status of positions of customers of the Company on the various overseas exchanges is set out below, based on information received by the Company from the relevant counter-parties, clearing members, and exchanges.

Positions on CME Group Products

The Company has submitted all instructions to transfer (without margin) or to close-out open positions in relation to products on the Chicago Mercantile Exchange Group ("CME"), including OTCs, which are cleared by Bank of New York Mellon Clearing LLC ("BNYMC"). The Company understands that the vast majority of these instructions have been executed, with only a small number remaining to be executed. Any remaining open positions which have not been transferred or closed-out will be liquidated by BNYMC. Customers who have provided instructions to transfer such open positions are advised to check with their new broker as to the status of such transfers. Customers whose positions have been liquidated will be advised of the close-out values once the Company is advised of the same by BNYMC. Confirmed transfers and close-outs will be reflected in statements issued to customers once the Company has received such information from BNYMC.

Positions on ICE US, NYSE Liffe US, Kansas City

The Company has onward submitted all instructions to transfer (without margin) open positions on ICE US, NYSE Liffe US, and Kansas City, for which MF Global, Inc. ("MFGI") is the clearing member, to the Trustee of MFGI, Hughes Hubbard & Reed LLP. The Company understands that the Trustee of MFGI is reviewing and processing these instructions insofar as possible, although the Company has been informed that no associated margin or collateral will be transferred. The Company has been informed that for remaining open positions which have not been transferred by Friday 11 November 5 p.m. NY time, such positions will be closed-out.

The Company is awaiting confirmation as to the status of the above transfers from the Trustee of MFGI. Completed transfers will be reflected in statements issued to customers once the Company has been notified of the same by the Trustee of MFGI. In the meantime, customers who have provided instructions to transfer such open positions are advised to check with their new brokers as to the status of such transfers.

The Company understands that on 2 November 2011, the United States Bankruptcy Court of the Southern District of New York granted the Trustee of MFGI an order "approving the transfer of certain segregated customer commodity positions and extending the trustee's authorisation to operate the business of MF Global Inc in the ordinary course." It was reported in the media that, pursuant to this Court Order, the US Bankruptcy Court granted a request by the Trustee of MFGI to transfer 50,000 MF Global accounts to new firms. The Company has since been informed by the Trustee of MFGI that bulk transfers of commodity positions and associated margins in respect of U.S. customers of MFGI have been effected. However, transfer of positions of non-US customers (including customers of the Company) will be dealt with on a case-by-case basis and no associated margins or collateral will be transferred.

Positions on Sydney Foreign Exchange ("SFE")

The Company is given to understand from publicly released information that all open positions on the SFE have been closed-out. The Company is currently awaiting confirmation of the close-out values from MF Global Australia Limited (Administrators Appointed) ("MFGA"). Close-out values will be reflected in statements issued to customers once the Company has received such information from MFGA.

Positions on Bursa Malaysia, HK Futures Exchange ("HKFE"), Tokyo Stock Exchange ("TSE"), Osaka Stock Exchange ("OSE"), Tokyo Commodities Exchange ("TOCOM"), Korea Stock Exchange ("KSE")

All open positions of customers of the Company in respect of products on Bursa Malaysia, HKFE, OSE, TSE, and TOCOM, and KSE, have been either transferred or liquidated pursuant to customers' instructions or unilaterally by the Company's counter-parties.

Positions on NYSE Liffe UK, London Metal Exchange ("LME"), MONEP, and Dubai Gold Exchange ("DGCX")

The Company has onward submitted all instructions received from its customers to transfer (without margin) or to close out open positions on NYSE Liffe UK, LME, MONEP, and DGCX, to MF Global UK Limited (In Administration) ("MFGUK"), which is the Company's clearing member.

The Company understands that such instructions are being reviewed and processed by the Administrators of MFGUK.

Information on the final status of the above transfers or close outs has yet to be received by the Company. The Company continues to follow up closely on the status of the execution of its instructions. Confirmed transfers or close outs will be reflected in statements issued to customers once the Company has been notified of the same by the Administrators of MFGUK. In the meantime, customers who have provided instructions to transfer such open positions are advised to check with their new brokers as to the status of such transfers, and to ensure that their respective new brokers specifically respond to requests by clearing members for confirmation that these new brokers accept these transfers.

Positions on ICE Clear Europe, Eurex Clearing AG, Montreal Exchange, Grupo BME (MEFF), NASDAQ OMX, and South African Futures Exchange

The Company understands that all positions of the customers of the Company on ICE Clear Europe, Eurex Clearing AG, Montreal Exchange, Grupo BME (MEFF), NASDAQ OMX, and South African Futures Exchange, have been closed out by these various exchanges and clearing houses. The close out values of these positions have yet to be communicated to the Company, but the Company is continuing to chase up closely on this.

Contracts for Differences (“CFDs”)

The counterparty of the Company’s CFD customers is MF Global Australia Limited (“MFGA”), which went into administration on 1 November 2011. Based on a press statement issued by the Insolvency Administrators of MFGA on 3 and 7 November 2011:-

- (a) *Australian and Asian Equity CFDs* have been closed out;
- (b) *FX CFDs* have been closed out;
- (c) *Australian Index and Commodity CFDs* have been closed out;
- (d) *European and US Equity CFDs* have not been closed out. The Company is awaiting confirmation of the status of these CFDs from MFGA;
- (e) *International Index and Commodity CFDs* are hedged by MFGA through futures contracts on the relevant offshore exchange, and MFGA understands that some of these underlying futures positions may have been closed out. MFGA is awaiting confirmation from relevant parties on this.

Accordingly, a very substantial bulk of the Company’s CFD positions have already been closed out. Given that CFDs are bilateral in nature, it may not be practical to transfer any remaining open CFD positions to another counterparty. The Company is awaiting further details from MFGA in respect of the above CFDs, so as to confirm its own calculations for purposes of the Company’s closed out transactions. Once the Company has this information and is able to determine the amounts relevant for customers, notice will be given to customers.

Leveraged Foreign Exchange (“LFX”)

All LFX positions of the Company’s customers have been closed out.

In this regard, MFGS is the counterparty to its LFX customers and in turn entered into mirror hedging transactions with its liquidity provider. MFGS’ liquidity provider has exercised its right pursuant to the insolvency of MFGS’ US parent to close out all MFGS’ hedging transactions as of 1 November 2011. The liquidity provider and MFGS are working on the relevant close out settlement amounts as the result of the close out. The Company has been chasing for and is still awaiting the statement of settlement amounts as calculated by its liquidity provider, expecting that the liquidity provider will calculate the same in accordance with the best practice recommendation issued by the Singapore Foreign Exchange Committee following the failure of the MF Global group in the United States. Once the Company is able to determine the amounts relevant for customers, the customers will be notified accordingly.

Sale of the Company / Business and Assets of the Company

The Provisional Liquidators confirm that the efforts to realise value from MF Global’s Asian franchise (which includes the Company) are now focused on selling each business unit individually. These sale processes are being led by the relevant administrator in each jurisdiction. Patrick Cowley of KPMG, one of the Provisional Liquidators in Hong Kong said: *“Although the bids received for the entire Asian platform were very encouraging, and we were all hopeful that a deal could be done, the complexities and challenges arising from the Chapter 11 filing in New York, as clients and exchanges have sought to unwind and minimise client exposures, have meant that the bidders were not able to reach the point where terms could be agreed in the time available. This is an unfortunate set of circumstances, especially where, as far as I have seen, prior to the Chapter 11 filing, the Asian businesses were well capitalised, solvent and well managed.”*

The Provisional Liquidators of the Company are now in negotiations with a number of shortlisted bidders interested in acquiring the business and assets of or equity in the Company. Bob Yap, Head of Transactions & Restructuring at KPMG in Singapore and one of the Provisional Liquidators of the Singapore unit said: *“We regret that a deal for the sale of the entire Asian platform could not be reached. We are currently in negotiations with shortlisted bidders, and hope to be able to conclude a sale of the business and assets or equity of MF Global Singapore. More information will be available early next week.”*

Messrs Bob Yap Cheng Ghee, Peter Chay Fook Yuen and Roger Tay Puay Cheng
For and on behalf of
MF Global Singapore Pte. Limited
(Provisional Liquidators Appointed)

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