

MF GLOBAL SINGAPORE PTE. LIMITED
Company Registration No. 198403253G
(In Creditors' Voluntary Liquidation)
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MEDIA RELEASE

CREDITORS OF MF GLOBAL SINGAPORE TO GET FIRST INTERIM DIVIDEND SOON

- *Liquidators expect to declare an interim dividend to creditors in fourth quarter of 2012*
- *98% of qualified customers received interim payment of provisional entitlement to customer segregated and proprietary funds*
- *US\$427 million or 94.4% of customer segregated and proprietary funds collected*
- *Balance of customer segregated and proprietary funds to be recovered depends on overseas affiliates and legal proceedings*

SINGAPORE, 11 October 2012 – The Liquidators of MF Global Singapore Pte. Limited (In Creditors' Voluntary Liquidation) (the "Company") have announced that it intends to declare the first interim dividend to creditors in the fourth quarter of 2012.

The Liquidators, Messrs Chay Fook Yuen, Bob Yap Cheng Ghee, and Tay Puay Cheng, said they have already contacted creditors who have not submitted their proof of claims to do so. The claims will be adjudicated and creditors will be informed of the result in due course.

In their statement, the Liquidators also announced that more than 98% of customers who qualified to receive interim payment of their respective provisional entitlement to the collected customer segregated and proprietary funds, have been paid a total of approximately US\$294 million. The remaining claims include those of (i) customers who have yet to submit their payment details to the Company and (ii) claims of MF Global affiliates set aside pending reconciliation of inter-affiliate balances. The High Court of Singapore had earlier approved an

interim distribution of up to US\$350 million of customer segregated and proprietary funds collected by the Company.

The Company went under on 1 November 2011 after its ultimate parent, MF Global Holdings Ltd., filed for Chapter 11 bankruptcy in the United States of America. The Singapore affiliate had over 6,000 customers with complex trading positions in futures and options, foreign exchange, bullion and contracts for differences. The Chapter 11 filing triggered a series of insolvencies of MF Global affiliates around the world, leading to force-closures of customers' trading positions, as well as restricted transfers of positions and margins.

The KPMG partners were appointed provisional liquidators on 1 November 2011, and confirmed as liquidators on 28 May 2012. In the last 11 months, they have taken and continue to take all necessary actions, locally and overseas, to recover customer segregated and proprietary funds, as well as house funds, from local and overseas financial institutions, counterparties, clearing members and clearing houses.

The Liquidators have also kept customers and creditors abreast of the progress in recovering customer segregated and proprietary funds and the liquidation process.

About US\$427 million of customer segregated and proprietary funds have been recovered to date. This figure represents about 94.4% of the estimated amounts that are provisionally attributable to customers as at 31 August 2012.

Some US\$58 million of customer segregated and proprietary funds remain locked up with affiliates of the Company in the UK, Hong Kong, Australia, and the US. The process of recovery of the remaining customer segregated and proprietary funds continues to be hampered by ongoing legal proceedings in other jurisdictions and delays in obtaining information from overseas affiliates.

One of the joint and several Liquidators, Mr Bob Yap said: "We are pleased that despite the complexity involved in liquidating the Company, we anticipate to be able to declare the first interim dividend to creditors in the fourth quarter of 2012.

At the same time, we have managed to pay almost every customer who qualifies for the first interim payment of customer segregated and proprietary funds. Customers and creditors of the Company can rest assured that my team and I will continue to work tirelessly to recover all the funds that are recoverable."

The Liquidators from KPMG also gave an update on the status of the remaining customer segregated and proprietary funds to be collected:

- In Australia where MF Global Singapore's client monies were stuck with MF Global Australia Limited (In Liquidation) ("MF Global Australia"), the Supreme Court of New South Wales released its judgment on 29 August 2012 in respect of an application by MF Global Australia's liquidators for directions on the treatment of client monies, and held that (a) all client monies are to be pooled across each product line (i.e. CFDs and Futures respectively); and (b) for purposes of ascertaining a customer's entitlement on a *pari passu* basis as required under Australia's laws, a client's entitlement should be calculated based on the Gross Liquidation Value ("GLV") using mark-to-market prices as at 31 October 2011 (being the last trading day before the appointment of administrators to MF Global Australia on 1 November 2011), instead of using actual close-out prices. A copy of the Judgment is available on MF Global Australia's website at <http://www.deloitte.com/au/mfglobal>. The Liquidators have recently received the Notice of GLV from MF Global Australia and are presently verifying the information provided.
- In the UK, the special administrators of MF Global UK Limited (In Special Administration) ("MF Global UK") have started legal proceedings in the UK to determine the appropriate valuation date for clients' claims against MF Global UK where clients held open positions as at 31 October 2011. This is so that a client's entitlement, on

a *pari passu* and pooled basis as required under UK's laws, can be ascertained. The matter is scheduled for hearing from 29 to 31 October 2012.

- In Hong Kong, MF Global Hong Kong Limited (In Liquidation) ("MF Global Hong Kong") has informed the Liquidators that the Company did not qualify to receive the initial interim payment under MF Global Hong Kong's interim distribution of customer segregated funds.

- In the US, the Liquidators have received Letters of Determination from MF Global Inc informing that subject to certain conditions and approvals, the Company's claims against MF Global Inc for customer segregated and proprietary funds, will be allowed in full. The Liquidators of the Company are awaiting supplementary information and supporting documentary evidence pursuant to the Letters of Determination, and further information relating to the distribution of customer segregated and proprietary funds from MF Global Inc.

The Liquidators said the work of verifying and reconciling customers' positions and final entitlements continues. However, delays in receipt of the relevant information from the Company's affiliates have protracted this process.

For example, the Liquidators are still awaiting the receipt of final GLV information from MF Global Australia pursuant to the decision made in the Australian legal proceedings; the final transfer and close-out information from its UK affiliate remains outstanding pending Court determination; and supplementary information and supporting documentary evidence from MF Global Inc remains to be provided to the Company.

The information set out in the interim and provisional statements of account issued to customers for purposes of the interim distribution of customer segregated and proprietary funds is subject to final verification and reconciliation. The Liquidators said customers would be issued with the final statements of account upon the completion of the verification and reconciliation of all their accounts and positions.

The Liquidators will continue to provide regular updates to the customers and creditors on the status of the liquidation and will work diligently to recover the remaining uncollected customer segregated and proprietary funds and Company's funds and assets.

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Messrs Chay Fook Yuen, Bob Yap Cheng Ghee and Tay Puay Cheng
For and on behalf of
MF Global Singapore Pte. Limited
(In Creditors' Voluntary Liquidation)