

MF GLOBAL SINGAPORE PTE. LIMITED
Company Registration No. 198403253G
(Provisional Liquidators Appointed)
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Singapore 048581

FOR IMMEDIATE RELEASE

24 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”)

Bob Yap, Head of Transactions and Restructuring at KPMG in Singapore, and one of the Provisional Liquidators of the Company said:

“We are pleased to update that significant progress is being made in the process of winding-down the business of the Company and collection of monies and assets of the Company and its customers.

Of the US\$309 million of customers’ funds maintained with financial institutions in Singapore and overseas, we have successfully taken control of over US\$180 million and are confident that significant progress will be made in relation to the remainder of the above US\$309 million.

In addition, a further estimated sum of about US\$177.9 million has been identified as being maintained with third party correspondent brokers, counterparties and clearing members (including MF Global Affiliates). We are working closely with these parties to verify and reconcile the amount of customers’ monies and assets (including the close-out prices) following the successful close-outs or transfers of almost all customer positions. Efforts in relation to the verification and reconciliation process continue around the clock, and we are focused on moving as quickly as possible to return funds back to the customers once such process is completed.”

Status of Customers’ Monies and Assets Maintained with Financial Institutions

As previously announced on 11 November 2011, 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 maintained with various financial institutions.

Out of this sum of US\$309 million, as at 11 November 2011, an aggregate sum in the region of US\$160 million was maintained with financial institutions in Singapore, and an estimated US\$149 million was maintained outside of Singapore with various financial institutions in Malaysia, Hong Kong, United Kingdom, Dubai, Indonesia, and Taiwan.

The Provisional Liquidators have sought the return of these monies from the above financial institutions and as a result of such efforts, the Provisional Liquidators have successfully taken control of over US\$180 million of the above US\$309 million.

The Provisional Liquidators continue to work closely with the regulators, as well as the above financial institutions, to procure the handing over of control and return of the remainder of the above US\$309 million. The Provisional Liquidators are confident that further significant progress will be made in this regard soon.

Status of Customers' Monies and Assets Maintained with Third Party Correspondent Brokers / Counterparties / Clearing Houses

As also previously pointed out, some of the Company's customers' monies and assets are also currently maintained with correspondent brokers of the Company (for exchange traded transactions), counterparties of the Company (for OTC bi-lateral transactions entered into by the Company for its customers), and clearing houses.

The total sum maintained with these third parties amounts to about US\$177.9 million (as at 21 November 2011). Based on the books and records of the Company, out of the above total sum, about US\$52.8 million was maintained with MF Global Affiliates (of which an estimated US\$15.3 million was maintained with MF Global Inc. ("MFGI")) and some US\$62 million was maintained with Bank of New York Mellon Clearing LLC, which is the clearing member of the Company for trades on the CME Group of Exchanges. The remaining amount of some US\$63.1 million was maintained with other third party correspondent brokers, counterparties and clearing houses.

The Provisional Liquidators have written to the relevant MF Global Affiliates, counterparties, and correspondent brokers, to ask for a full account and the immediate return of monies and assets maintained with them in the name and control of the Company. 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 its affiliates and relevant third parties, including relevant administrators of offshore MF Global Affiliates and the Company's counterparties and correspondent brokers to reconcile and 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 administrators of the MF Global Affiliates in those jurisdictions.

Release of Customers' Funds

The Provisional Liquidators have been and continue to work hard to reconcile and verify the records of the Company in relation to the customers' account balances and segregated accounts, and to verify customers' ownership to the monies and assets in such accounts.

In this regard, the Provisional Liquidators are also awaiting the provision of information in respect of the positions under each of the Company's customer accounts from certain counterparties and/or correspondent brokers.

The Provisional Liquidators will only be in a position to release all customers' monies and assets to the Company's customers after the Provisional Liquidators have completed their

review and reconciliation of the Company's books and records, and all monies and assets in the name and control of the Company have been returned to it. This is because the Provisional Liquidators need to ensure that all customers with funds maintained with or through the Company are treated equally and fairly, and there is an adequate pool of customers' monies and assets to facilitate the return of all customers' funds.

The above process will take some time and will depend very much on the position taken by the respective regulators in the relevant jurisdictions, correspondent brokers, clearing houses and/or administrators of the MF Global Affiliates, as well as the speed at which requested pricing and other information are provided by the above third parties to the Provisional Liquidators.

All the above figures are approximates as of 23 November 2011, based on the books and records of the Company.

Trading Positions with ICE Clear US, NYSE Liffe US, and Kansas City Board of Trade - Reported Apparent Shortfall in Segregated Customer Accounts of MF Global Inc. ("MFGI")

Further to the Company's general update on 11 November 2011, all open positions with ICE Clear US, NYSE Liffe US, and Kansas City Board of Trade, for which MFGI is the clearing member, have either been transferred (without margin) or closed out pursuant to customers' instructions or unilaterally by MFGI.

It was recently reported in the media on or around 22 November 2011 that the Trustee of MFGI had indicated that there is an apparent shortfall in MFGI's segregated customer accounts which may exceed US\$1.2 billion, more than double the previous estimate of about US\$600 million (comprising 22% of the total segregated customer funds maintained with MFGI of US\$5.4 billion). The above apparent shortfall was also reported as primarily being in MFGI's commodities accounts.

MFGI is a separate entity from the Company. MFGI is a correspondent broker of the Company with respect to commodities trades carried out by the Company with ICE Clear US, NYSE Liffe US, and Kansas City Board of Trade (the "**MFGI-Related Trades**"). Based on the Company's books and records and as at 21 November 2011, about US\$15.3 million of segregated monies of the Company's customers was maintained with MFGI (under the Company's omnibus account with MFGI, which is a master account where the Company's customers' monies and assets are maintained in).

The Provisional Liquidators are seeking clarification from the Trustees of MFGI as to whether any part of the above apparent shortfall relates to the segregated funds of the Company's customers who dealt in the MFGI-Related Trades. The Provisional Liquidators have asked the Trustee of MFGI for a full account and the immediate return of all monies and assets (including proprietary monies and assets) belonging, due and/or attributable to the Company and its customers. However, as the Trustee has been and continues to liquidate positions and to reconcile MFGI's books as well as investigate into the above shortfall, it will take some time before the Trustee of MFGI will be in a position to confirm the extent to which the above apparent shortfall pertains, if at all, to the segregated monies and assets of the Company's customers. As stated by the Trustee of MFGI in his message of 10 November 2011 to commodities customers of MFGI, "*until an investigation into complex cash movements of MF Global is completed ... we will not know the extent of any deficiency in funds which should have been segregated by MF Global for your benefit. While the investigation is proceeding around the clock we are unable to estimate when it will be complete.*"

It was also recently reported in the media that on 17 November 2011, the United States Bankruptcy Court of the Southern District of New York granted the Trustee of MFGI an order approving the *“return [of] a sixty-percent distribution to those former MFGI customers that had only cash in their accounts as of the commencement of this proceeding on October 31, 2011”* (the **“US Order of Court”**).

The Company has since been informed by the Trustee of MFGI that the US Order of Court does not apply to the Company’s customers who dealt in MFGI-related Trades for which MFGI is the Company’s counterparty. This is because the customer on MFGI’s books and records is the Company (maintaining a master account with MFGI for and on behalf of its customers for purposes of holding monies and assets of customers), and not the customers of the Company, and the amount maintained by the Company with MFGI as at 31 October 2011 did not consist of cash only, as there were positions which remained open as at 31 October 2011.

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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