

FOR IMMEDIATE RELEASE

Press release

Singapore companies remain optimistic about economy in spite of global financial turmoil and economic uncertainties

- **84% of businesses in Singapore display continued confidence in country's economy**
- **Singapore ranked fourth most optimistic in the world**

Balance of optimism vs pessimism over the next 12 months

 Philippines	95
 India	95
 Vietnam	87
 Singapore	84
 Hong Kong	82
 Poland	78
 Australia	77
 Mainland China	77
 South Africa	75
 Denmark	74
 Brazil	70
 Netherlands	70
 Germany	67
 Botswana	66
 Mexico	62
 Armenia	61
 Sweden	61
 Russia	58
 Canada	42
 Malaysia	38
 Argentina	38
 France	36
 New Zealand	30
 Turkey	28
 Belgium	26
 US	22
 Greece	22
 Ireland	17
 UK	14
 Spain	1
 Italy	0
 Taiwan	(9)
 Thailand	(30)
 Japan	(44)

Source: Grant Thornton International Business Report 2008

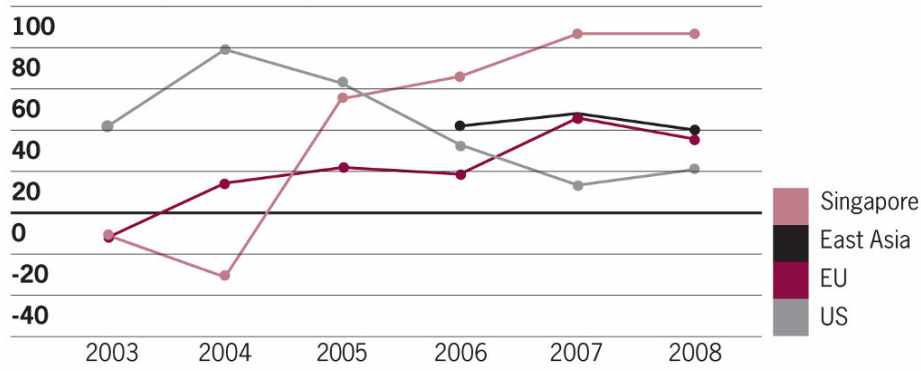
Singapore, 7 January 2008- According to survey findings by Grant Thornton International Business Report (IBR), Singapore is ranked fourth most optimistic in the world, with an optimistic balance* of +84 per cent. Topping the chart are Philippines and India, showing an optimism balance of +95 percent, followed by Vietnam (+87 per cent). Optimism from this group is dramatically higher than the global average (+42 per cent) and East Asia average (+40 per cent). Their optimism can be attributed to the robust economic growth of recent years and widespread expectations that the momentum will be sustained during 2008.

When asked about specific business practices, Singaporean survey respondents were positive about the future. For instance, a balance of +71 per cent of businesses in Singapore are optimistic about turnover in 2008, despite the figure being slightly lower than that found in the previous year. Businesses in Singapore were also more optimistic about selling prices, exports and investments in new buildings, plant and machinery.

Aw Eng Hai, a partner with Foo Kon Tan Grant Thornton, the Singapore member firm of Grant Thornton International commented: "Although we have entered a period of greater uncertainty, amidst concern over fallout from the US sub-prime mortgage crisis and the increased business costs, it is encouraging to know that businesses in Singapore remain confident in the country's economy".

The annual survey of privately held businesses shows that despite intense media coverage of the global financial crisis, +42 per cent of global businesses report feeling optimistic about the economic outlook for the next 12 months. This is only three percentage points lower than that reported in January 2007.

Balance of optimism vs pessimism 2003-8



Source: Grant Thornton International Business Report 2008

Although global optimism has fell overall, developing East Asian countries generally continues to experience healthy expansion in contrast to the EU and US. Since 2003, optimism levels in Singapore have improved dramatically. Japan however, reported a slump in its pessimism levels from last year's balance of -5% to -44%, making it the least optimistic out of 34 countries covered in the global survey of business expectations.

Notes to editors

* The figure is the percentage balance of the respondents who are optimistic less those who are pessimistic. The highest possible figure countries are able to record is +100% and the lowest -100%.

About the International Business Report

Grant Thornton International started a major annual survey of the attitudes and expectations of small and medium-sized businesses in 1992 called the European Business Survey (EBS). In 2003 the research project was widened to an international perspective covering medium-sized businesses and renamed the International Business Owners Survey (IBOS).

In 2007, the survey's name was changed from IBOS to the International Business Report (IBR). The IBR survey draws upon 15 years of trend data for original EBS participants and 5 years for original IBOS countries. The 15 year trend data is available for: France, Germany, Greece, Ireland, Italy, Netherlands, Poland, Spain, Sweden, Turkey and the UK, while the 5 year trend data is available for Australia, Canada, Hong Kong, India, Japan, Mexico, Singapore, South Africa and the US.

Grant Thornton International will donate US\$5 to UNICEF for every completed IBR questionnaire. In 2007, this resulted in a donation of US\$36,465.

The research was conducted by Experian Business Strategies Limited. To find out more about IBR and to obtain details of IBR reports and results please visit www.internationalbusinessreport.com.

About Foo Kon Tan Grant Thornton

Foo Kon Tan Grant Thornton is the Singapore member of Grant Thornton International, one of the world's leading organisations of independently owned and managed accounting and consulting firms providing assurance, tax and specialist business advice to privately held businesses and public interest entities.

Grant Thornton International is not a worldwide partnership. All Grant Thornton International member firms share a commitment to providing the same high quality service to their clients wherever they choose to do business. Member firms operate in over 110 countries in more than 520 offices worldwide.

About Grant Thornton International Ltd

All references to Grant Thornton International in the press release are to Grant Thornton International Ltd. Grant Thornton International Ltd is a non-practising international umbrella organisation and does not deliver services in its own name or otherwise. Each member and correspondent firm in Grant Thornton International is a separate national firm.

For further information please contact:

Foo Kon Tan Grant Thornton
Penny Yick
T +65 6304 2398
E pyick@grantthornton.com.sg

Huntington Communications
Cindy Yeo
T +65 6339 2883
E cindy.yeo@huntington.com.sg