

AT A GLANCE

PINNACLE NOTES SERIES 9 AND 10

Issuer	Pinnacle Performance Limited
Arranger	Morgan Stanley Asia
Issue date	Dec 14, 2007
Offer period	Oct 29 to Nov 30, 2007
Type of note	First-to-default note type
Scheduled maturity date	June 14, 2013
Return	Series 9: Interest rate of 5.25% pa Series 10: Interest rate of 5% pa + Equity Bonus Coupon of between 2 to 4%.

Source: PINNACLE PERFORMANCE LTD

Pinnacle Notes Series 9&10: Secured¹ Credit-linked Notes

Profit from bull and bear markets
 Earn **5.00%** p.a. PLUS a potential
Equity Bonus Coupon
 of up to **4.00%** p.a.
 over 5.5 years^{2, 3}

Interest rates shown are those of Pinnacle Series 10.
 Alternatively, earn 5.25% p.a. for 5.5 years regardless of price movements of the Shares of the Basket Companies with Pinnacle Series 9².

Credit-linked to these Reference Entities⁴:
Australia • Hong Kong • Singapore • SingTel • Temasek

Offer Period: From 29 October 2007 to 30 November 2007 (subject to extension or early closure)
 Denominations: SGD5,000

How many investors are affected and how much was invested?

About **700 investors**
 put in almost **\$26 million**

Who sold these Notes in Singapore and where else in the world were they sold?

Morgan Stanley Pinnacle Notes Series 9 and 10 were sold by four stockbrokers - DMG & Partners, Kim Eng Securities, OCBC Securities and UOB Kay Hian - and finance company Hong Leong Finance. They were sold only in Singapore.

What is happening to the other Pinnacle Notes series?

There were 16 notes in Morgan Stanley Pinnacle Notes series. Series 8, 15 and 16 are principal protected. According to figures obtained by ST, Series 1 to 7 have face values, including accrued interest, of between 1.7 and 16.1 per cent as at Nov 7. The values of the other series are not available.