

3 March 2011

SINGAPORE EXCHANGE LIMITED

2 Shenton Way, #19-00, SGX Centre 1

Singapore 068804

Attention : Ms Siew Wun Mui (Vice President, Issuer Regulations)

Dear Sirs

ANNOUNCEMENT ON UNAUTHORISED BANK TRANSFERS

We refer to your letter of 3 March 2011.

Our response to the questions raised by the Exchange:-

1. Ichiban Real Estate Development (Suzhou) Co., Ltd ("Ichiban") had various business discussions with the group previously. These discussions however did not lead to any business dealings with the group including Crystal Display Components (Shanghai) Co., Limited ("SHCD"). Ichiban does not have any relationship with any director or controlling shareholder of the Company. The Audit Committee is still in the process of establishing whether there is any relationship between Ichiban and any senior executives of the group.
2. The internal audit team of the group led by Mr Shirakawa Takeshi was tasked by the Board to conduct a thorough review of all financial and banking transactions of SHCD and other subsidiary companies of the group to ensure that there were no other unauthorized banking or financial transactions by any subsidiary company within the group during the FY 2010. The internal auditors did not discover any other unauthorized banking or financial transactions by any other group company, or any other questionable bank transfers made to any other parties, save for the unauthorized bank transfers between Ichiban and SHCD.

3. The bank transfers were not authorized by the Board. The Audit Committee will in the course of its investigations establish the purpose of the bank transfers. There were a total of 7 bank transfers between SHCD and Ichiban. Each time, it involved SHCD transferring a sum of RMB 30 Million to Ichiban's bank account and Ichiban transferring back the sum of RMB 30 Million to SHCD after a period of time. After the last transfer of RMB 30 Million from Ichiban to SHCD, there were no further bank transfers between the two companies. As all monies remitted by SHCD to Ichiban have been fully repaid to SHCD, the Company takes the position that there is at present no evidence that SHCD has suffered any loss as a result of any of the bank transfers.
4. The Company's PRC lawyers, Haibu Attorneys-at-Law, opined to the Board that the acts of the relevant SHCD executives did not constitute criminal misappropriation of funds under PRC laws on the basis of:-
 - (a) the evidence which the PRC lawyers had obtained from their facts finding exercise carried out in January 2011;
 - (b) their review of the relevant PRC laws and regulations, in particular, Article 272 of the Criminal Law of the People's Republic of China; and
 - (c) the PRC lawyers' experience with reference to past precedent practices of the PRC courts.
5. The Audit Committee has appointed Mr Robson Lee, Partner of Shook Lin & Bok LLP to advise the committee in its investigations. The Company's auditors, Deloitte & Touche, will be assisting the Audit Committee in its investigations.

Yours faithfully

For and on behalf of
the Board of CDW Holding Limited


Philip Dymo
Executive Director