

UOB - Premier Regional Bank

First Half / Second Quarter 2004

Group Results Briefing

Address by
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Panel Members

- **Mr Wee Ee Cheong** Deputy Chairman & President
- **Mr Samuel Poon** SEVP, Institutional & Individual Financial Services
- **Mr Terence Ong** SEVP, Global Treasury / Asset Management
- **Mr Francis Lee** SEVP, International
- **Mr Kuek Tong Au** EVP, Corporate Services
- **Ms Susan Hwee** EVP, Information Technology

Agenda

Overview of 1H04 Performance

Update on Strategic Initiatives

UOB is Poised for Further Growth

Overview of 1H04 Performance

- **Strong profitability achieved**
 - NPAT increased by 40.5% to \$705m
- **Cash ROE increased to 12.0% from 9.4%**
 - On track to achieve long term ROE target of 15% in 2006 & 20% in 2010
- **Cash ROA improved 0.25% pt to 1.38%**
 - Continued efficiency in asset utilisation
- **Maintained high NIM of 2.15% despite intense competition**

Update on Strategic Initiatives - Region as Key to Future Growth

- **Scale up existing operations in key markets:**
 - Malaysia
 - Thailand
 - Indonesia
- **Recent acquisitions provide growth catalysts for Thailand & Indonesia**
 - More significant contribution in medium to long term

Thailand

- * Scale increased 4-fold with completion of BOA acquisition
- * Enhanced position in Consumer & SME markets

Indonesia

- * Leverage Bank Buana's distribution strength to make inroads into strategic business segments

Update on Strategic Initiatives - Region as Key to Future Growth

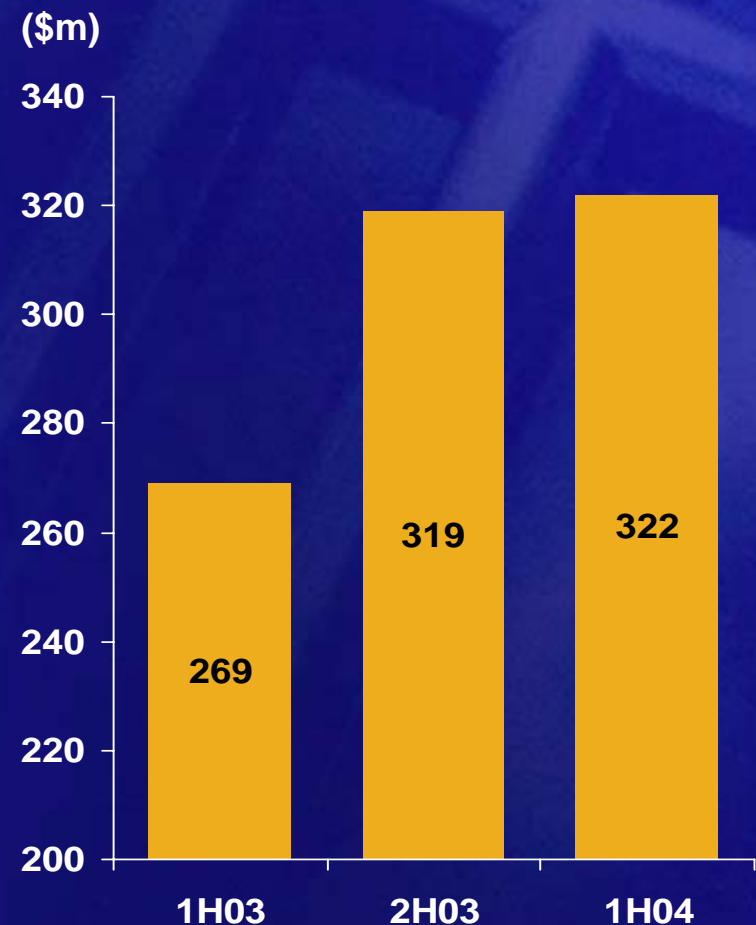
- **Continue to keep options open to acquisitions, while growing organically**
- **Build presence to be positioned for long term growth in Greater China**
- **Consolidate regional infrastructure to improve operational efficiency**

Update on Strategic Initiatives - Diversify Income Base

Multi-Pronged Approach; through various business units

- Fees & commissions represent 63% of non-interest income
- Good progress in credit cards, fund management, investment-related and trade-related activities
- Proactively tapping on Asia's rich for wealth management

Fee & Commission Income



Update on Strategic Initiatives - Capital Management

Guiding Principle of Maximising Value for Shareholders

- Improve capital efficiency with view for future growth
- Obtained mandate for share buy back of up to 5% of issued share capital
- MAS' revised CAR requirements provide more flexibility in the long term
- Active pursuit of favourable divestment opportunities
- Maximise shareholder returns through high dividend policy
 - Interim dividend for 1H04 is 20%

UOB is Poised for Further Growth

- **Economic potential in region & cyclical upturn beneficial to businesses, including banks**
- **Taken decisive move to enhance regional footprint**
- **Well positioned with stable leadership & strong management team**



**On Track to Achieve Mission :
To be a Premier Bank in the Asia Pacific Region**