United Overseas Bank Group
First Half 2008 Briefing

Results Overview

Wee Ee Cheong
Deputy Chairman & Chief Executive Officer

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# Overview of Financial Performance

## Key Indicators 1H08

<table>
<thead>
<tr>
<th>Indicator</th>
<th>1H08</th>
<th>YoY Change</th>
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<tbody>
<tr>
<td>Operating Profit ($m)</td>
<td>Higher NII</td>
<td>1,675</td>
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<tr>
<td>Net Profit After Tax ($m)</td>
<td>Consistent uptrend</td>
<td>1,130</td>
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<tr>
<td>Net Loans ($m)</td>
<td>Broad-based growth</td>
<td>97,395</td>
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<tr>
<td>NIM^ (%)</td>
<td>Effective asset &amp; liability management</td>
<td>2.22</td>
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<td>Expense / Income (%)</td>
<td>Disciplined cost control</td>
<td>37.7</td>
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<tr>
<td>ROE^ (%)</td>
<td>Continues to improve</td>
<td>13.8</td>
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<tr>
<td>Non-NII / Total Income (%)</td>
<td>Reflecting weaker market conditions</td>
<td>35.9</td>
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<tr>
<td>Offshore Profit Contribution# (%)</td>
<td>Positive long-term outlook</td>
<td>25.6</td>
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^ Computed on an annualised basis
# Before tax and amortisation of intangible assets
Singapore – Continued Robust Growth

- Operating profit up 19%; Loans up 25%
- Housing loan growth momentum continued amid healthy market correction
- Further grew SME & Corporate portfolios. Selective & focus on quality credits
- Strong asset quality with low NPL ratio at 0.8%
- Well-placed to seize growth opportunities
Overseas – Anchoring Regional Franchise

- Overseas operating profit down 6%. But core NII up 18%; Loans grew 8%
- Asset quality remains sound
- Core business intact. Continue to focus on Consumer & SME segments
- Ongoing infrastructure investments for future growth
- Short-term uncertainties in region, but long-term potential
- Prudent & disciplined in building regional franchise
Overseas – Markets In Review

- **Malaysia**
  - Double-digit growth in loans & NII
  - Infrastructure in place. Continued focus in target segments

- **Thailand**
  - Turned around with improved loans & profits
  - Pursue disciplined growth

- **Indonesia**
  - Progressing well in core franchise. Continue to invest
  - Consolidating position with tender offer of remaining stake in Buana

- Further inroads in China & Vietnam – Strategic investments to complement organic growth
Disciplined Balance Sheet Management

- Well-diversified asset base
  - 54% in loans across countries, segments, industries
  - 10% in investment-grade securities
  - Maintain quality book; conservative provisioning policy

- Sound liquidity management
  - 22% of deposits deployed into cash & balances with central banks, T-bills & government securities
  - Stable funding sources – 75% from customer deposits

- Strong capital position
  - 10.2% Tier 1 CAR & 14.4% Total CAR well-above regulatory minimum
  - Monitoring market for opportunities
  - Consistent dividend payout – Net interim dividend of 20 cents per share
In Summary

- Commendable performance in first half. Core business remains strong
- Global environment continues to be challenging. Asia not spared, but remains fairly resilient
- UOB well-positioned to meet challenges ahead – Strong franchise, balance sheet strength, valued distribution network
- Stay vigilant in managing risk. Focus on fundamentals. Expect moderating growth for 2008
- Continue to diversify & build franchise for long-term viability