

Full Year 2018 Results

Record Earnings Supported by Strong Balance Sheet

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Deputy Chairman and Chief Executive Officer

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Record FY18 Earnings Built on Solid Growth Momentum of Core Business

\$4.0b

Net profit
after tax

▲ 18% YoY

\$262b

Gross customer
loans

▲ 11% YoY

\$6.2b

Net interest
income

▲ 13% YoY

1.82%

Net interest
margin

▲ 5bp YoY

\$2.0b

Net fee
income

▲ 5% YoY

43.9%

Cost to
income ratio

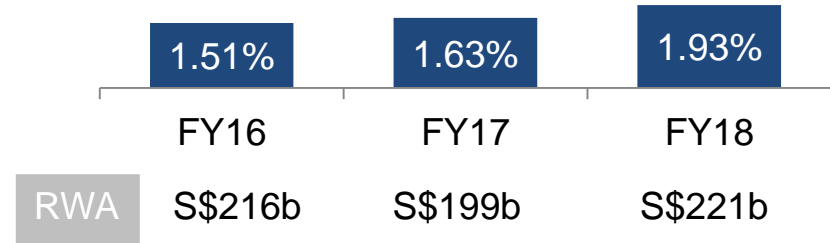
▲ 0.2%pt YoY

Disciplined Balance Sheet Management

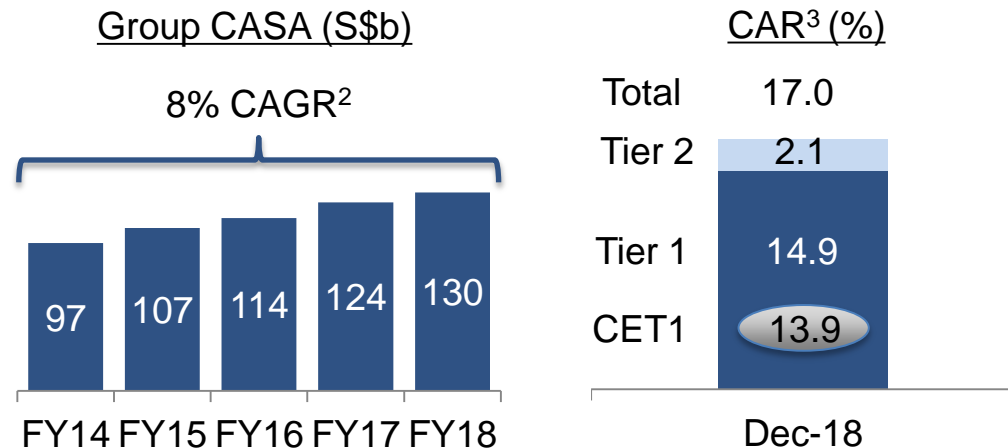
- **Improved balance sheet efficiency**
 - Stronger RoRWA¹ driven by higher profit
- **Healthy portfolio quality**
 - NPL ratio improved to 1.5% in 2018
 - 16bp credit cost on loans lower YoY
 - Adequate non-performing assets reserve cover: 87%, or 202% including collateral
- **Proactive liability management**
 - Liquidity Coverage Ratios: S\$ (209%) and all-currency (135%)
 - Net stable funding ratio: 107%
- **Robust capital; 13.9% CET1 CAR³**
- **Total dividend / share ▲ to \$1.20, vs \$1.00 in FY17**

Balance Sheet Efficiency a Key Priority

RoRWA¹



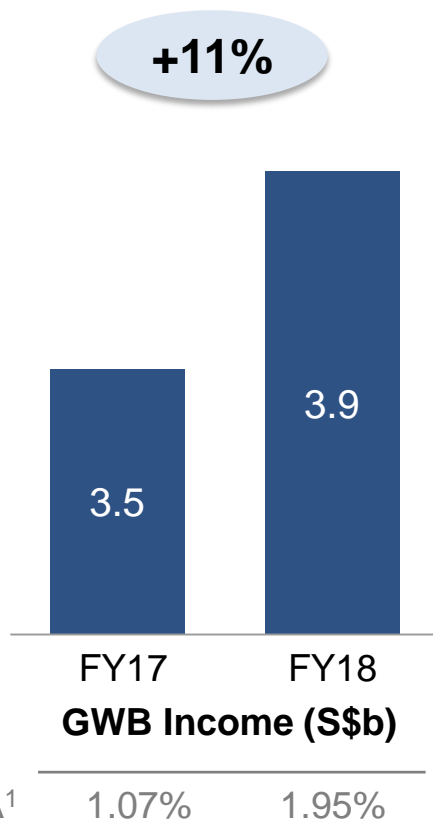
Liability Management and Capital



1. RoRWA: Return on average risk-weighted assets.
 2. Compound annual growth rate (CAGR) computed over 4 years (2014 to 2018).
 3. Capital adequacy ratio

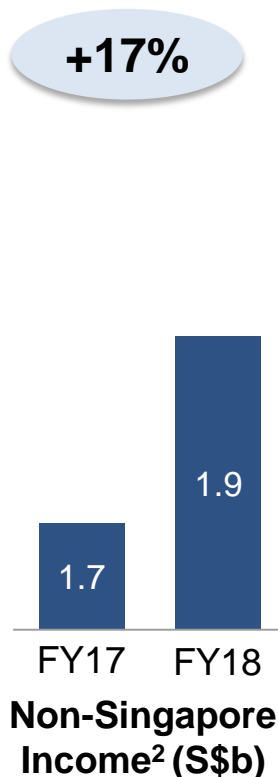
Tapping Intra-Regional Flows through Diversification

Strong income & RoRWA¹ growth...

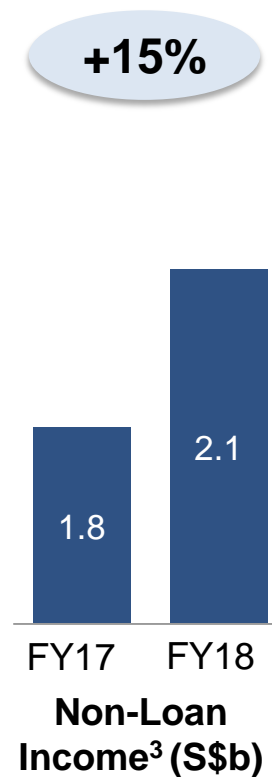


... supported by diverse sources

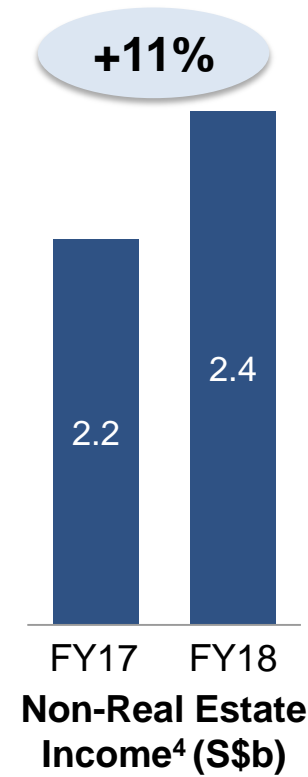
By geography



By product



By sector



1. RoRWA: Ratio of "Profit before tax" to "Average segment RWA".
2. Income from Hong Kong, China, Malaysia, Thailand, Indonesia, others.
3. Income from Cash, Trade, Global Markets, Investment Banking, others.
4. Income from Industrial, Financial Institutions, Oil & Gas, Consumer Goods, Construction & Infrastructures, Technology, Media & Telecommunications (TMT), Healthcare, Logistics, others.

Strategic Initiatives to Tap Intra-Regional Flows

1

Strengthen Connectivity

Support and grow with our customers in the region

- Focused on tapping Chinese / ASEAN flows
- FDI¹ advisory team, supporting companies' regional expansion

Cross-border revenue:
+15% growth² &
25% of GWB income
FDI³ contributed **S\$46b** of
deposit flows⁴

2

Sector Specialisation

Offer customised solutions to our customers

- Focused sector teams supporting RM³ with insights & solutions

Non-loan income:
+15%²
Non-real estate income:
+11%²

3

Products & Platforms

Building new capabilities

- New product platforms
- Re-designed customer journeys
- Rapid deployment across the Group

GWB e-Banking customers
~20% growth²
Targeted cost productivity
improvement⁵:
~10-15%

1. FDI: Foreign Direct Investment.
2. 2018 year-on-year growth.
3. RM: Relationship Manager.

4. Deposit flows in 2018.

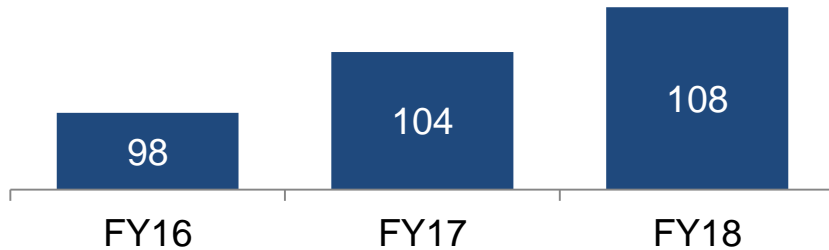
5. 2021 target.

6. The Asian Banker Transaction Awards 2018, in Singapore.

Serving the Rising Affluent via Our Extensive In-country Presence

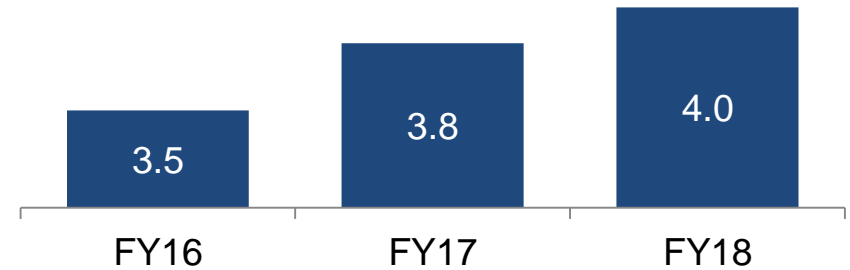
Gross Loans (Group Retail¹): +4% YoY in FY18

S\$b



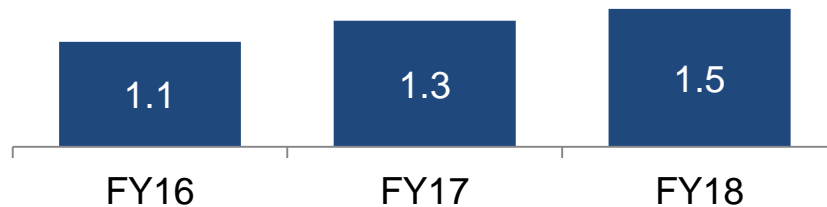
Income³ (Group Retail¹) +4% YoY in FY18

S\$b

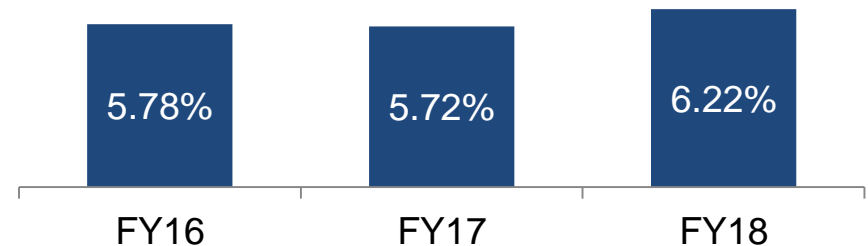


High Affluent² Income: +10% YoY in FY18

S\$b



Segment RoRWA⁴ +0.50%pt YoY in FY18



AUM S\$93b S\$104b S\$111b

1. Includes Business Banking.
2. High Affluent comprises Privilege Banking and High Net Worth (Privilege Reserve + Private Bank) segments.
3. Income includes fee and commission income that is net of directly attributable expenses.
4. RoRWA: Ratio of "Profit before tax" to "Average segment RWA".

Leveraging Digitalisation and Partnerships to Grow and Deepen Customer Franchise

1

Digital Bank

Targeting Mobile-First and Mobile-Only Generation

- Delivered and launched TMRW in Thailand within 14 months

Target 5 markets
3-5m customers
Engagement Index >7
Steady-state cost-income ratio ~35%

2

Omni-Channel Experience

Deepening customer engagement

- Digitised application & approval of consumer products¹
- Growth in Mighty app usage
- Leveraging data analytics & machine learning across customer touch points

UOB Mighty App:
Transaction volume: +125%²
New Orchard Wealth Banking Centre with state of the art features

3

Ecosystem Partnerships

Forging collaborations to widen distribution reach

- Strengthening customer acquisition & deepen customer wallet share
- Improving banking access by plugging into consumers' lifestyles

Regional bancassurance arrangement with Prudential
Strategic alliance with Grab
Partnerships in property and car ecosystems

1. Include UOB Housing Loan, Car Loan, Credit Cards and Deposits.

2. 2018 year-on-year growth

Prudent in navigating headwinds

Global
uncertainties

Heightened
geopolitical
risks

Volatile
financial
markets

UOB well positioned to ride on Southeast Asia's immense long-term potential

Building sector
specialisation

Growing
connectivity
across the
region

Enhancing
capabilities,
boosting
productivity

Delivering
seamless
omni-channel
experience

Forging
ecosystem
partnerships

Tapping rising
affluence in
the region

Thank You

