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News Release

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UOB's 2Q26 net profit rises 10% YoY to S$1.5 billion

Strong growth in ASEAN markets in wealth management and trade

Singapore, 7 August 2026 – UOB Group reported a net profit of S$1.5 billion for the second quarter of 2026 (2Q26), up 10% compared with a year ago, reflecting the Group's resilient performance amid macroeconomic uncertainties and market volatility. For the first half of 2026, net profit rose 3% compared with the same period last year.

The Board declared an interim dividend of 88 cents per ordinary share, representing a payout ratio of approximately 50%.

Net profit for 2Q26 was 10% higher at S$1.5 billion compared with a year ago, demonstrating the strength of our diversified franchise. Despite healthy loan growth of 5% and active balance sheet management, net interest income eased 2% from the previous year due to margin pressures from the lower interest rate environment. Net fee income rose 5% year on year to S$665 million, led by record wealth management fees, although this was partially offset by softer loan-related fees from capital market activities.

The Group's non-performing loan ratio stood at 1.6%. Credit costs for 2Q26 remained within expectations at 28 basis points.

In 1H26, Group Wholesale Banking continued to build on its positive business momentum in a challenging operating environment. Transaction banking remained a key contributor, representing close to half of total wholesale banking income. This was supported by a 33% year-on-year increase in trade loans, and a resilient CASA growth of 9%, reflecting robust client demand for the Bank's integrated cash management and trade solutions.

Across the Bank's ASEAN-4 markets of Malaysia, Indonesia, Thailand and Vietnam, trade loans grew 14% and CASA balances rose 9% year on year, underscoring the strength of our Group's regional franchise in capturing growing customer flows and business activity across ASEAN.

Cross-border income remained steady, accounting for 28% of total wholesale banking income, backed by the Group's strength in regional connectivity.

Group Retail Banking also performed well in 1H26, supported by growth in wealth management, card billings and deposits.

Wealth management income for 1H26 rose 16% from the previous year, underpinned by growth in assets under management (AUM) and higher conversion of clients' deposits into invested AUM. The Group saw strong wealth momentum across its ASEAN-4 markets, with wealth management income growing 30% year on year, led by Malaysia and Thailand. This demonstrates the growing scale of the Group's regional franchise and the increasing engagement of customers across its wealth proposition. The Group continued to see positive net new money inflows, bringing high-net-worth AUM to S$204 billion, up 7% from a year ago.

The Group's retail deposits grew 2%, supported by a resilient CASA growth of 4%, despite the lower interest rate backdrop. Credit card income increased 13% from the previous year, along with steady growth in card billings, driven by the strength of the Group's diversified retail franchise and robust customer engagements across its differentiated and exclusive lifestyle offerings.

CEO Statement

Mr Wee Ee Cheong, UOB's Deputy Chairman and Chief Executive Officer, said, "Our results reflect the resilience of our diversified franchise, and the momentum building across our key ASEAN markets. Wealth management reached new highs, while transaction banking benefited from healthy customer activity across the region.

Our ASEAN strategy is gaining traction. We are seeing good progress across our businesses as we deepen customer relationships, expand our capabilities and connect customers to opportunities across our regional network.

Looking ahead, we see significant opportunities to grow wealth, support cross-border ambitions and capture a larger share of trade and investment flows across ASEAN. We are sharpening our focus and investing in capabilities that will drive long-term value for our customers and shareholders."

UOB

Financial Performance

	1H26 S$'m	1H25 S$'m	YoY +/(-)%	2Q26 S$'m	1Q26 S$'m	QoQ +/(-)%	2Q25 S$'m	YoY +/(-)%
Net interest income	4,621	4,745	(3)	2,297	2,324	(1)	2,336	(2)
Net fee income	1,302	1,330	(2)	665	637	4	636	5
Other non-interest income	1,094	1,047	4	632	462	37	493	28
Total income	**7,017**	**7,121**	**(1)**	**3,595**	**3,422**	**5**	**3,465**	**4**
Less: Total expenses	3,152	3,095	2	1,629	1,523	7	1,535	6
Operating profit	**3,865**	**4,027**	**(4)**	**1,965**	**1,899**	**3**	**1,929**	**2**
Less: Amortisation of intangible assets	14	16	(13)	7	7	(2)	9	(23)
Less: Allowance for credit and other losses	414	569	(27)	211	203	4	279	(24)
Add: Associates and joint ventures	59	19	>100	36	23	59	(3)	>100
Net profit before tax	**3,495**	**3,460**	**1**	**1,784**	**1,712**	**4**	**1,638**	**9**
Less: Tax & non-controlling interests	580	632	(8)	306	274	12	301	2
Net profit	**2,915**	**2,828**	**3**	**1,478**	**1,437**	**3**	**1,338**	**10**

1H26 versus 1H25

Net profit for 1H26 rose 3% to S$2.9 billion, demonstrating the Group's resilient performance amid heightened global uncertainty and market volatility. While income growth moderated across several business streams, the Group continued to benefit from the strength of its diversified franchise and disciplined cost management.

Net interest income stood at S$4.6 billion, 3% lower than a year ago, as active funding cost management, balance sheet optimisation and loan expansion helped cushion the impact of margin compression in the prevailing rate environment. Net fee income eased 2% from the high base recorded last year, reflecting softer investment banking fees. Wealth management was a bright spot, delivering double-digit growth to a record half-year high on the back of sustained client engagement and strong demand for investment products.

Other non-interest income increased 4% year on year to S$1.1 billion, partly supported by non-recurring gains from asset divestments, which more than offset lower trading and investment income amid fewer liquidity management and market opportunities. Customer-related treasury income continued its positive momentum, reaching a new high driven by healthy hedging and investment demand from customers.

Cost growth remained well managed, with total expenses rising a modest 2% to S$3.2 billion, resulting in a cost-to-income ratio of 44.9%. Total allowance declined 27% to S$414 million as the release of general allowance more than offset the specific allowance for a single real estate account in Greater China. Consequently, total credit costs on loans improved to 27 basis points for 1H26.

2Q26 versus 1Q26

Net profit increased 3% quarter on quarter to S$1.5 billion, reflecting the Group's steady performance despite continued market uncertainty.

Net interest income remained broadly stable at S$2.3 billion. While net interest margin narrowed by 8 basis points to 1.74% due to lower asset yields, this was partly mitigated by loan growth of 2%. Net fee income rose 4% to S$665 million, supported by broad-based growth across fee businesses, which helped offset softer investment banking activities. Wealth management fees reached a new high, underpinned by sustained client engagement and healthy demand for investment and advisory solutions. Other non-interest income increased 37% to S$632 million boosted by non-recurring gains from asset divestments. Customer-related treasury income remained resilient on the back of healthy demand for hedging solutions, while trading and investment income moderated amid lower market and reduced liquidity management activities.

Total expenses increased 7% to S$1.6 billion, reflecting continued investments in strategic priorities and business capabilities, with cost-to-income ratio at 45.3%. Total allowance rose 4% to S$211 million, mainly reflecting the downgrade of a closely monitored real estate account in Greater China. The increase in specific allowance was partly offset by release of general allowance, with total credit costs remaining within expectation at 28 basis points.

2Q26 versus 2Q25

Net interest income declined 2% to S$2.3 billion, reflecting low net interest margins in the prevailing rate environment. Net fee income increased 5% to S$665 million, supported by strong growth in wealth and fund management activities. Other non-interest income rose 28%, benefitting from non-recurring gains from asset divestments. Total expenses increased 6% to S$1.6 billion, reflecting continued investments in talent, technology and strategic business initiatives. Total allowance decreased 24% mainly due to write-back of general provision.

Asset Quality

The Group's non-performing loan (NPL) ratio was at 1.6%. New non-performing assets (NPA) formation was mainly attributable to a single real estate account in Greater China. Coverage for performing loans remained adequate at 0.9%, while NPA coverage stood at 88% or 306% after taking collateral into account.

Capital, Funding and Liquidity Positions

The Group maintained a strong capital, funding and liquidity position. Common Equity Tier 1 Capital Adequacy Ratio remained robust at 15.4% despite the distribution of 2025 final dividends. Liquidity remained ample, with average all-currency Liquidity Coverage Ratio at 159% and Net Stable Funding Ratio at 114%, both comfortably above regulatory requirements.

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