Disclaimer: This material that follows is a presentation of general background information about the Bank’s activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. It is not to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. This material should be considered with professional advice when deciding if an investment is appropriate. UOB Bank accepts no liability whatsoever with respect to the use of this document or its content.
A Robust Singapore Banking Industry

- Rapid liberalization has strengthened Singapore’s competitiveness as a financial centre. Financial services accounted for 12% of nominal GDP in 3Q07
- Favourable and stable environment – Strong sovereign credit ratings of Aaa (Moody’s), well-regulated banking sector
- Sound corporate governance framework – High degree of transparency and disclosure standards
- Monetary Authority of Singapore’s capital adequacy requirements remain one of the strongest in the region.
- Strong risk management capability among banks in the region
- Leading product and operational sophistication in Southeast Asia
UOB Overview

**Founding**
Founded in August 1935 by a group of Chinese businessmen and Datuk Wee Kheng Chiang, grandfather of the present UOB Group CEO, Mr Wee Ee Cheong

**Expansion**
UOB has grown over the decades through organic means and a series of acquisitions. It is today a leading bank in Singapore with an established presence in ASEAN. The Group has a total network of 525 offices over 18 countries and territories

**Key Statistics**
- Total Assets: S$172.2 billion
- Shareholder’s Equity: S$17.2 billion
- Gross Loans: S$87.1 billion
- Customer Deposits: S$104.8 billion
- ROAA: 1.27%
- ROAE: 12.8%
- NIM: 2.05%
- Non-interest / Total Income: 37.8%
- Cost / Income: 40.7%
- Tier 1 CAR: 10.2%
- Total CAR: 14.8%
- Moody’s: Aa1 LT Bank Deposits
- S&P’s: A+ LT Counterparty Credit

Note: Financial statistics for the nine months ended 30 September 2007
Datuk Wee Kheng Chiang, founded the United Chinese Bank (UCB) together with 6 other Chinese businessmen.

UCB changed its name to United Overseas Bank (UOB) in 1965. UOB's first overseas branch opened in Hong Kong in 1971.

UCB acquired CKB in 1971. UOI, with principal activities in underwriting of general insurance and reinsurance, was incorporated.

1980s
- UOB acquired a majority interest in FEB and ICB.

1999
- Acquired majority stake in UOBR.

1991
- UOB Life Assurance commenced operations.

2000
- UOB merged its stockbroking arm, UOB Securities, and its wholly-owned subsidiaries, UOBS Research in Malaysia and UOB Securities Nominees, with Kay Hian Holdings to form a new associate, UOB-Kay Hian Holdings.

2004
- Acquired a 23% interest in PT Bank Buana Indonesia Tbk, making it an associate of UOB.
- Acquired a 97% interest in Bank of Asia Public Company Limited, Thailand.

2005
- Completed the integration of Bank of Asia and UOB Radanasin Bank, and established United Overseas Bank (Thai).
- Increased stake in PT Bank Buana from 23% to 61.1%.

2007

2001
- Acquired 100% shareholding in Overseas Union Bank Limited (OUB).

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Execution Track Record

1935
- Founded the United Chinese Bank (UCB) together with 6 other Chinese businessmen.

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- UOB obtained a listing on the then Joint Stock Exchange of Singapore and Malaya.

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2007
Established International Presence

Total Assets Breakdown

- Singapore: 64%
- ASEAN: 18%
- Asia-Pacific: 11%
- Rest of the world: 7%

Profit Before Tax Breakdown

- Singapore: 71%
- ASEAN: 15%
- Asia-Pacific: 5%
- Rest of the world: 9%

More than 500 Offices / Branches in 18 Countries

- USA - 3
- Canada - 1
- France - 1
- UK - 1
- China - 11
- Hong Kong - 7
- Taiwan - 3
- Japan - 1
- South Korea - 1
- Indonesia - 218
- Thailand - 155
- Malaysia - 43
- Brunei - 3
- Australia - 2
- Myanmar - 1
- Philippines - 1
- Vietnam - 1

Note: For the nine months ended 30 September 2007
To be recognized as a leader in consumer and SME banking services in the region with investment banking and treasury products in support.
The UOB Difference

- Strong Management Team
- Well-Established Regional Network
- Well-Diversified Portfolio
- Focus on Long-Term Returns
- Keen Understanding of Markets & Customers
- Proven Execution Track Record
## Financial Highlights

<table>
<thead>
<tr>
<th>(S$m)</th>
<th>2002</th>
<th>2006⁽¹⁾</th>
<th>'02 – '06 CAGR</th>
<th>9M07</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income Statement</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>2,128</td>
<td>2,710</td>
<td>6.2%</td>
<td>2,237</td>
</tr>
<tr>
<td>Non interest income</td>
<td>906</td>
<td>1,514</td>
<td>13.7%</td>
<td>1,360</td>
</tr>
<tr>
<td>Total income</td>
<td>3,034</td>
<td>4,224</td>
<td>8.6%</td>
<td>3,597</td>
</tr>
<tr>
<td>Total expense</td>
<td>1,074</td>
<td>1,736</td>
<td>12.8%</td>
<td>1,463</td>
</tr>
<tr>
<td>Operating profit⁽²⁾</td>
<td>1,960</td>
<td>2,488</td>
<td>6.1%</td>
<td>2,134</td>
</tr>
<tr>
<td>Impairment charges on loans</td>
<td>422</td>
<td>142</td>
<td>(23.8%)</td>
<td>89</td>
</tr>
<tr>
<td>Net profit</td>
<td>1,006</td>
<td>1,882</td>
<td>17.0%</td>
<td>1,603</td>
</tr>
<tr>
<td><strong>Key Ratios</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest margin⁽³⁾</td>
<td>2.2%</td>
<td>2.0%</td>
<td>(2.4%)</td>
<td>2.1%</td>
</tr>
<tr>
<td>Expense / Income</td>
<td>35.4%</td>
<td>41.1%</td>
<td>3.8%</td>
<td>40.7%</td>
</tr>
<tr>
<td>ROA⁽³⁾</td>
<td>0.9%</td>
<td>1.2%</td>
<td>7.7%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Cash ROE⁽³⁾⁽⁴⁾</td>
<td>9.5%</td>
<td>12.4%</td>
<td>6.9%</td>
<td>12.8%</td>
</tr>
</tbody>
</table>

⁽¹⁾ Excluding one-time gain in 2006
⁽²⁾ Before amortization and impairment charges
⁽³⁾ 9M07: Computed on an annualized basis
⁽⁴⁾ Calculated based on profit attributable to equity holders of the Bank net of subsidiary preference share dividend incurred for the financial period
## Financial Highlights (cont’d)

<table>
<thead>
<tr>
<th></th>
<th>Dec 2002</th>
<th>Dec 2006</th>
<th>‘02 – ’06 CAGR</th>
<th>Sep 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance Sheet</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Assets</td>
<td>107,430</td>
<td>161,312</td>
<td>10.7%</td>
<td>172,192</td>
</tr>
<tr>
<td>Customer Loans (Net)</td>
<td>58,884</td>
<td>76,875</td>
<td>6.9%</td>
<td>85,161</td>
</tr>
<tr>
<td>Customer Deposits</td>
<td>67,919</td>
<td>95,552</td>
<td>8.9%</td>
<td>104,798</td>
</tr>
<tr>
<td>Tier-1 Capital Adequacy Ratio</td>
<td>12.2%</td>
<td>11.0%</td>
<td>(2.6%)</td>
<td>10.2%</td>
</tr>
<tr>
<td>Total Capital Adequacy Ratio</td>
<td>15.3%</td>
<td>16.3%</td>
<td>1.6%</td>
<td>14.8%</td>
</tr>
<tr>
<td><strong>Asset Quality</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NPLs</td>
<td>5,679</td>
<td>3,165</td>
<td>(13.6%)</td>
<td>2,032</td>
</tr>
<tr>
<td>Coverage Ratio</td>
<td>61.7%</td>
<td>79.2%</td>
<td>6.4%</td>
<td>97.0</td>
</tr>
<tr>
<td>NPLs ratio</td>
<td>9.0%</td>
<td>4.0%</td>
<td>(18.4%)</td>
<td>2.3%</td>
</tr>
</tbody>
</table>
Singapore Outlook Promising

- Singapore enjoys economic leadership status within ASEAN
  - As a key Asian financial services hub, Singapore has continued drawing a multitude of global multinational banks and corporations, thereby contributing to a strong across-the-board economic boom
  - Positive governmental policies have enabled smooth transformation from a manufacturing to a knowledge- and service-based economy
  - Reduced dependence on US consumer with export exposure to the US having more than halved from 25% in 1999 to just over 11%
  - Leisure and infrastructure expansion through domestic mega projects (2 new integrated resorts, debut of Formula One Grand Prix street race slated for 2008)

Source: Wall Street Research
Stronger Southeast Asia Economies

- Economic fundamentals across the region are much more robust than pre-1997
  - Strong GDP outlook across all economies
  - High levels of foreign exchange reserves
  - FDI inflows strong and improving
- Economic activities more broad-based with less dependence on US economy
- Asian currencies have strengthened vis-à-vis the US dollar
- Key structural issues related to weak financial systems and poor governance have been addressed
- The banking sector remains strong with high levels of capitalization and low NPL levels across the region
- More stable socio-political environment across the key Southeast Asian economies
Some Macro Risks But UOB Remains Insulated

<table>
<thead>
<tr>
<th>Concerns</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Challenging macro environment with Inflationary pressure, real estate deflation and tightening credit</td>
<td>- Macro fundamentals remain strong in Asia with buoyant consumer demand and ample liquidity</td>
</tr>
<tr>
<td>- Risk of a US economy slowdown is now higher</td>
<td>- Asia growth should remain resilient despite any US slowdown</td>
</tr>
<tr>
<td>- Widening credit spreads and reduction of risk tolerance</td>
<td>- Global credit markets are now more settled</td>
</tr>
<tr>
<td>- Appreciation of global currencies weakens US$-based revenue flows</td>
<td>- Limited UOB exposure to high risk credit</td>
</tr>
<tr>
<td>- Potential risk of mortgage market slowdown</td>
<td>- Economic growth has been broad-based</td>
</tr>
<tr>
<td>- Risk of weaker consumer confidence to personal lending growth</td>
<td>- Healthy pipeline of residential completions</td>
</tr>
<tr>
<td></td>
<td>- Strengthened regional platform can easily scale up for increased volume</td>
</tr>
</tbody>
</table>

**UOB is largely insulated from any US recessionary downturn. Importantly, the Bank will continue to benefit from the strong domestic demand in its core markets of Singapore and ASEAN**
Expand Southeast Asia Franchise

- **Malaysia – Poised for accelerated growth**
  - Largest foreign branch network
  - Long-established history with good local knowledge and understanding of customers and market (2nd home market)
  - Aim to become the top 3 foreign bank
  - Leverage on Group’s strong regional presence to strengthen market position in Consumer & SME segments

- **Thailand – Ready for expansion**
  - Focused on targeted segments. Meantime managing balance sheet for long-term
  - Infrastructure in place. Getting ready to ramp up business once climate improves
  - Plan to grow card and mortgage business, and focus on retail SMEs and corporates’ regional requirements

- **Singapore – Well-placed for expansion**
  - Dominance in consumer and SME markets
  - Robust economic outlook with buoyant property market. Expect increasing affluence and demand for wealth solutions
  - UOB well-placed to seize upside from its leadership position in growth segments
  - Growth momentum to continue

- **Indonesia – Entrench market position**
  - Strengthening UOB brand name and enhancing operating infrastructure for long-term growth
  - Expand activities to increase share in consumer and SME markets
  - Expansion on track

*Continue to build on established positions in the 4 Southeast Asian Pillars*
Next Growth Phase - China

- Our first office in China was set up in Beijing in 1984
- We have 8 branches (including Puxi sub-branch) in China
- Greater China is one of our key growth markets
- Recently gained local incorporation status. We will focus on high-end affluent consumers and foreign JV business, targeting SOEs, listed & non-listed large corporates. Will also open more branches.
- Seek strategic investments and alliances to gain access to distribution network – potential investment in China’s Evergrowing Bank
- Capturing commodity trade financing opportunities in Greater China
Next Growth Phase (Cont’d)

- **Vietnam**
  - Seeking to grow branch network – first Singapore bank to establish presence in country (Full-service branch in Ho Chi Minh City)
  - Fast growing market. Opportunities in consumer banking. UOB is leading credit card merchant acquirer
  - Developing Vietnam as another key growth pillar – acquired 10% stake in Southern Commercial Joint Stock Bank with room to increase stake further

- **India**
  - Intend to be disciplined and prudent by focusing on selective segments as we build understanding of the market
  - Applying to set up first branch in Mumbai

- **OECD**
  - Provide risk diversification and balanced global portfolio
  - Will continue to be a meaningful overseas contributor
Approach To Capital Management

Seek Capital Efficiency
- Review mix of capital structure
- Option of share buyback and/or special dividend for any excess capital

Strong Capital for Strategic Flexibility
- Keep buffer above regulatory CAR to maintain high credit ratings
- Reserve capital as we see opportunities in Singapore and region to strengthen franchise

High Dividend Policy
- Special dividend of 15 cents per share in 1H07. Total dividend of 35 cents per share for the period
- Target for consistent high payout to reward shareholders
Awards & Accolades

Locally and overseas, with the Bank’s strong financial performance and regional reputation, it continues to receive strong endorsement with numerous accolades from leading publications, trade organisations and the investment community.

“Best SME Bank in Asia Pacific”
2007

“Best Local Private Bank – Singapore (2nd)”
2007

“Best Domestic Bank – Singapore”
2006

“Top 10 Best Managed Companies – Singapore”
“Top 10 Best Investor Relations – Singapore”
2006

“Best Bank - Singapore”
“Best Sub-Custodian Bank – Singapore”
2006

“Most Valuable Singapore Brand – 2nd position”
In Conclusion

Singapore a new growth paradigm – UOB well-positioned to capture upside

Prized distribution network in region. Regional franchise value to further enhance with Asia’s growth. Best SEA proxy

Regional growth potential supported by strong Singapore risk management culture

Discipline in balance sheet management; diversified portfolio, core lending franchise, strong liquidity

Focus on building operating infrastructure for regional differentiation and long-term sustainable growth

Positive outlook despite short-term challenges. Strategy intact, core business remains strong

UOB remains the most compelling bank investment story in Southeast Asia