United Overseas Bank
Investor Roadshow
November 2006

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Agenda

1. Overview of UOB Group
2. Growth and Regional Strategy
3. Infrastructure, Systems & Operations
4. Review of Financial Performance
5. Capital Management
Overview Of UOB Group

- Established in 1935. Listed on Singapore Stock Exchange since 1970
- Vast network of 504 offices in 18 countries
- Leading Singapore bank with strong regional platform in key Southeast Asian countries – Malaysia, Thailand and Indonesia

Strong operating platform:
- Market capitalization of S$25bn* (~US$16bn)#
- Total assets of S$157bn** (~US$100bn)#
- Net profit after tax of S$2,034mm** (~US$1.3bn)#

Robust capital levels
- Tier I CAR of 10.8%**
- Total CAR of 16.1%**

Strong credit ratings:
- Aa3 for long-term bank deposits (stable outlook) by Moody’s
- A+ for long-term counterparty credit (stable outlook) by S&P

* As at September 29, 2006
** As at September 30, 2006
# S$1=US$0.6349
One Of The World’s Leading Credits

**Bank Financial Strength**

<table>
<thead>
<tr>
<th>Rating</th>
<th>HSBC</th>
<th>Hang Seng</th>
<th>UOB</th>
<th>ABN Amro</th>
<th>OCBC</th>
<th>Westpac</th>
<th>DBS</th>
<th>StanChart</th>
<th>Maybank</th>
<th>Kookmin Bank</th>
<th>Shinhan</th>
<th>Bangkok Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>B+</td>
<td></td>
<td>B+</td>
<td>B</td>
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**Long-Term Bank Deposit**

<table>
<thead>
<tr>
<th>Rating</th>
<th>HSBC</th>
<th>DBS</th>
<th>UOB</th>
<th>ABN Amro</th>
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<th>Shinhan</th>
<th>Bangkok Bank</th>
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<tr>
<td>Baa1</td>
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<td>Baa2</td>
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</tbody>
</table>

**UOB is one of the highest rated banks globally**

Source: Moody’s as of October 2006
UOB’s mission: To be a premier banking group in the Asia-Pacific region, committed to providing quality products and excellent customer service
Proven Execution Track Record

Acquired BOA in 2004
Acquired CKB in 1971
Acquired LWB in 1973
Acquired FEB in 1984
Acquired ICB in 1987
Acquired OUB in 2001
Acquired UOBR & UOBP in 1999
Acquired Buana in 2005

Profit (S$mm)


9M06: S$2,034mm
2005: S$1,709mm
2000: S$913mm
1995: S$633mm
1990: S$226mm
1985: S$99mm
1980: S$92mm

Acquired CKB in 1971
To be recognized as a leader in consumer and SME banking services in the region with investment banking and treasury products in support
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Singapore: Positive Macroeconomic Indicators

**Real GDP Growth**
- 2005: 6.4%
- 2006E: 7.3%
- 2007E: 4.6%

**Private Consumption Growth**
- 2005: 2.5%
- 2006E: 4.4%
- 2007E: 4.1%

**Foreign Direct Investments**
- 2005: 16.2 US$ bn
- 2006E: 18.2 US$ bn
- 2007E: 15.6 US$ bn

**Foreign Exchange Reserves**
- 2005: 115.8 US$ bn
- 2006E: 134.6 US$ bn
- 2007E: 136.7 US$ bn

**Singapore Property Index**
- Oct-05: 0
- Jan-06: 20
- Apr-06: 40
- Jul-06: 60
- Oct-06: 80

Source: EIU, as of October 4, 2006
(1) Bloomberg as of October 13, 2006
SE Asia: Positive Macroeconomic Indicators

**Real GDP Growth**

- **Malaysia:** 5.3, 4.5, 5.6, 5.5, 4.8, 6.0
- **Thailand:** 4.2, 5.3, 5.6, 4.8, 5.5, 6.0
- **Indonesia:** 4.1, 5.3, 5.6, 5.0, 3.7

**Private Consumption Growth**

- **Malaysia:** 9.2, 4.4, 4.0, 5.7, 3.4, 3.2
- **Thailand:** 4.0, 5.0, 3.9, 4.3
- **Indonesia:** 5.0, 3.8

**Foreign Direct Investments**

- **Malaysia:** 4.0, 4.0, 4.1, 4.1, 4.1, 5.0
- **Thailand:** 5.2, 4.1, 3.8, 3.8, 3.8, 3.7
- **Indonesia:** 3.7, 3.7

**Foreign Exchange Reserves**

- **Malaysia:** 70.2, 50.7, 33.0, 82.4, 57.6, 35.1, 90.8, 62.8, 39.2
- **Thailand:** 10.3, 12.5, 12.3
- **Indonesia:** 3.9, 4.1

**Unemployment Rate**

- **Malaysia:** 5.3, 5.6, 5.5
- **Thailand:** 4.2, 5.6, 5.3
- **Indonesia:** 4.5, 4.8

**Inflation**

- **Malaysia:** 3.6, 1.8, 3.6, 2.1, 3.6, 2.0
- **Thailand:** 3.1, 4.5, 4.1
- **Indonesia:** 4.1, 7.0

Source: EIU, as of October 4, 2006
Market Leader In Singapore

- Highest brand value among all Singapore financial institutions
- #1 credit card issuer and acquirer
- Built up investment banking capabilities and extend into the region
- Market leader in private property segment
- Focus on customer-related business for sustainable Treasury growth
- Leading SME player
Venturing Beyond Singapore

- See the region as key to our long-term growth given strategic location of Singapore
- UOB has unique competitive advantages venturing into the region
  - Familiar with the markets to seize opportunities
  - Natural flow of customers’ regional expansions
  - Existing infrastructure that can be scaled up
- Also recognize huge upside potential of Southeast Asia
  - Southeast Asia’s resilient economies
  - GDP growth projected to surpass world’s growth
  - Strengthening intra-regional trade
Established Southeast Asia Platform

- **Malaysia**
  - Long-established history with good local knowledge and understanding of customers and market
  - Largest foreign branch network with 39 branches/offices
  - Focus on consumer and SME and expand sales and distribution channels for wealth management

- **Singapore**
  - Leading local bank with dominance in consumer and SME markets
  - Well-entrenched with 71 branches/offices
  - Aggressively pursuing growth in target segments

- **Thailand**
  - Completed integration of BOA and UOBR, becoming 8th largest commercial bank in Thailand
  - Scale increased more than 3 times to 155 branches/offices
  - Improving risk management framework and credit management systems to allow business activities to scale up

- **Indonesia**
  - Enhanced foothold with controlling stake in Bank Buana
  - Network expanded to 204 branches/offices
  - Upgrading infrastructure and processes. Laying groundwork for expansion into consumer and SME

Successfully built a solid regional banking footprint with 4 key Southeast Asian pillars
Beyond The Four Pillars

- **China**
  - Deepen market understanding through existing network and possible future tie-ups. Continue with organic growth and branch expansion but keep eye for strategic alliances and M&As
  - Expanding capability in Renminbi banking services and capturing opportunities that come with them
  - Expanded structured trade and commodity finance team in Hong Kong to provide financing for growing commodity trade in Greater China region

- **Vietnam**
  - 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 acquirer.

- **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**
  - Will continue to be a meaningful overseas contributor
Overseas Expansion On Track

- Regionalisation efforts seeing results. Established strong SEA platform. ASEAN’s 9M06 pre-tax profit grew 84% yoy.

- Operations outside ASEAN key to achieving well-balanced global portfolio.

- Promote synergies across countries, products and customers in expanded regional footprint.

- Pre-tax offshore profit contribution in 9M06 accounts for 31.5%**.

* Before intangible assets amortised / impaired
** Excluding the one-time gain
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IT Management Philosophy

Differentiation through customer segmentation and service

Leveraging volume to create infrastructure scale

Fast and measurable benefits
Operating Infrastructure – Track Record Of Execution

- Integrated Thailand operations and IT systems in 12 months (UOB Radanasin and Bank of Asia), on 28 Nov 2005 to become UOB (Thai)
- Re-engineered all branch operations in Singapore. Focus on sales, operational efficiency, mobile sales team, wealth management centers. Upgraded tools – CRM, Teller, Credit Management & workflow
- Established Basel-related infrastructure and processes
- Created Centers of Operating Excellence in IT and Operations starting in Singapore. Improving overall efficiency and reducing operational risks as we grow into the region
Infrastructure Investment

Expense-To-Income Ratio

IT Operating Expenditure As A % Of Revenue

2002 2003 2004 2005 9M06

UOB Group
Source: Gartner - Global Financial Institutions

* Excluding the one-time income
2006 & Beyond

- Investment focus
  - Roll out tested business models and best practices to the region
  - Basel II IRB adoption by 2008
  - Regional Disaster Recovery & Backup facilities

- Bring about ability to scale, better risk management, overall improvement in IT infrastructure and operations efficiency

- Despite infrastructure investments & post-acquisition integration, overall IT cost well-contained
  - 154 branches – Thailand
  - 200 branches – Indonesia
  - 37 branches – Malaysia
  - 61 branches – Singapore
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## Strong Operating Performance

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</thead>
<tbody>
<tr>
<td>Operating Profit*</td>
<td>S$1,960mm</td>
<td>S$2,064mm</td>
<td>S$2,032mm</td>
<td>S$2,337mm</td>
<td>S$2,379mm</td>
</tr>
<tr>
<td>Net Profit After Tax</td>
<td>S$1,006mm</td>
<td>S$1,202mm</td>
<td>S$1,452mm</td>
<td>S$1,709mm</td>
<td>S$2,034mm</td>
</tr>
<tr>
<td>Earnings Per Share</td>
<td>S$0.64</td>
<td>S$0.77</td>
<td>S$0.93</td>
<td>S$1.11</td>
<td>S$1.59</td>
</tr>
<tr>
<td>Cash ROE</td>
<td>9.5%</td>
<td>10.9%</td>
<td>12.4%</td>
<td>12.9%</td>
<td>16.7%</td>
</tr>
<tr>
<td>Non-Interest Income / Total Income</td>
<td>29.9%</td>
<td>34.5%</td>
<td>33.9%</td>
<td>37.6%</td>
<td>44.5%</td>
</tr>
</tbody>
</table>

* Before amortization and impairment charges
Higher Net Interest Income & Loan Margin

Net Interest Income and Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Interest Income (S$mm)</th>
<th>Average Interest Margin (%)</th>
<th>Loan Margin (%)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>2,128</td>
<td>3.12%</td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>2,071</td>
<td>3.13%</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>2,155</td>
<td>3.01%</td>
<td></td>
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<tr>
<td>2005</td>
<td>2,348</td>
<td>3.18%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Net Interest Income (S$mm)</th>
<th>Average Interest Margin (%)</th>
<th>Loan Margin (%)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>3Q05</td>
<td>578</td>
<td>3.08%</td>
<td></td>
</tr>
<tr>
<td>4Q05</td>
<td>614</td>
<td>3.24%</td>
<td></td>
</tr>
<tr>
<td>1Q06</td>
<td>653</td>
<td>3.19%</td>
<td></td>
</tr>
<tr>
<td>2Q06</td>
<td>671</td>
<td>3.29%</td>
<td></td>
</tr>
<tr>
<td>3Q06</td>
<td>684</td>
<td>3.26%</td>
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</tr>
</tbody>
</table>

* Computed based on loan yields less cost of deposits
Significant Non-Interest Income Contribution

Non-Interest Income (Non-NII) and Non-NII Ratio

Fee Income (S$mm) | Other Income (S$mm) | Non-NII / Total Income Ratio (%)
--- | --- | ---
234 | 293 | 221
115 | 121 | 82
33.0% | 31.6% | 116
37.7% | 40.3% | 34.9%
37.6% | 34.5% | 33.9%

2002: 406 | 906 | 29.9%
2003: 501 | 1,089 | 34.5%
2004: 588 | 1,104 | 33.9%
2005: 706 | 1,414 | 37.6%
3Q05: 234 | 350 | 37.7%
4Q05: 293 | 414 | 40.3%
1Q06: 222 | 350 | 34.9%
2Q06*: 82 | 310 | 31.6%
3Q06: 221 | 337 | 33.0%

* Excluding the one-time income
Stable Operating Expenses

Operating Expenses and Expense / Income Ratio

- 2002: Operating Expenses = $1,074mn, IT Expenses = $199mn, Expense / Income Ratio = 35.4%
- 2003: Operating Expenses = $1,095mn, IT Expenses = $199mn, Expense / Income Ratio = 34.7%
- 2004: Operating Expenses = $1,227mn, IT Expenses = $188mn, Expense / Income Ratio = 37.6%
- 2005: Operating Expenses = $1,424mn, IT Expenses = $222mn, Expense / Income Ratio = 37.9%

- 3Q05: Operating Expenses = $353mn, IT Expenses = $55mn, Expense / Income Ratio = 38.1%
- 4Q05: Operating Expenses = $404mn, IT Expenses = $60mn, Expense / Income Ratio = 39.3%
- 1Q06: Operating Expenses = $396mn, IT Expenses = $56mn, Expense / Income Ratio = 39.5%
- 2Q06*: Operating Expenses = $419mn, IT Expenses = $59mn, Expense / Income Ratio = 42.7%
- 3Q06: Operating Expenses = $424mn, IT Expenses = $59mn, Expense / Income Ratio = 41.6%

* Excluding the one-time income
Higher Profit Contribution From Overseas Operations

<table>
<thead>
<tr>
<th>Geographical Segment</th>
<th>9M06</th>
<th>9M05</th>
<th>Incr/(Decr)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$mm</td>
<td>S$mm</td>
<td>%</td>
</tr>
<tr>
<td>Singapore (including ACU)**</td>
<td>1,200</td>
<td>1,295</td>
<td>(7.3)</td>
</tr>
<tr>
<td>Other ASEAN countries</td>
<td>370</td>
<td>201</td>
<td>84.1</td>
</tr>
<tr>
<td>Other Asia-Pacific countries</td>
<td>65</td>
<td>87</td>
<td>(25.3)</td>
</tr>
<tr>
<td>Rest of the world</td>
<td>117</td>
<td>108</td>
<td>8.3</td>
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<tr>
<td>Profit Before Tax</td>
<td>1,752</td>
<td>1,691</td>
<td>3.6</td>
</tr>
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</table>

* Before amortisation and impairment charges
** Excluding the one-time gain

9M06
- Singapore: 68%
- ASEAN: 21%
- Asia-Pacific: 4%
- Rest of the world: 7%

9M05
- Singapore: 77%
- ASEAN: 12%
- Asia-Pacific: 5%
- Rest of the world: 6%
Growth In Loans & Deposits

Customer Loans, Deposits and L/D Ratio

<table>
<thead>
<tr>
<th></th>
<th>Dec'04</th>
<th>Dec'05</th>
<th>Mar'06</th>
<th>Jun'06</th>
<th>Sep'06</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Customer Loans (S$bn)</td>
<td>64.3</td>
<td>67.1</td>
<td>67.4</td>
<td>70.2</td>
<td>73.7</td>
</tr>
<tr>
<td>Customer Deposits (S$bn)</td>
<td>79.0</td>
<td>85.5</td>
<td>88.1</td>
<td>89.8</td>
<td>89.0</td>
</tr>
<tr>
<td>Loans / Deposits (L/D) Ratio (%)</td>
<td>81.4 %</td>
<td>78.5 %</td>
<td>76.5 %</td>
<td>78.2 %</td>
<td>82.8 %</td>
</tr>
</tbody>
</table>
Decrease In NPLs Across Major Countries

<table>
<thead>
<tr>
<th>Group: NPLs (S$mm)</th>
<th>NPL Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>5,484</td>
</tr>
<tr>
<td>Malaysia</td>
<td>3,931</td>
</tr>
<tr>
<td>Thailand</td>
<td>3,950</td>
</tr>
<tr>
<td>Other</td>
<td>3,836</td>
</tr>
<tr>
<td>Total</td>
<td>3,532</td>
</tr>
</tbody>
</table>

Dec'04 | Dec'05 | Mar'06 | Jun'06 | Sep'06
---|---|---|---|---
492  | 1,170 | 873  | 2,949 | 408  
419  | 906  | 651  | 1,955 | 961  
452  | 926  | 678  | 1,894 | 978  
464  | 978  | 620  | 1,774 | 620  
|     |    |     |    | 1,543 |

- Singapore
- Malaysia
- Thailand
- Other
Agenda

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5. Capital Management
Approach To Capital Management

- Strong capital position for strategic flexibility
  - Capital position strengthened by divestment gain and reduction in earmarked capital for the non-core assets
  - Track record of investing capital efficiently
  - Continue to focus on strengthening our Asian banking franchise
  - In absence of opportunities, option to return excess capital to shareholders

- Ensure capital efficiency while pursuing growth
  - Rebalanced capital mix with Hybrid Tier 1 capital
  - Share buyback program
  - Continuously review capital structure to take course of action that balances capital efficiency with UOB’s growth objective, shareholder expectations and rating agency views

- Continue high dividend policy

- Basel II initiatives
Strong Capital Position

**Capital Adequacy Ratio**

- Dec'04: 15.6%
- Dec'05: 16.1%
- Mar'06: 16.0%
- Jun'06: 16.5%
- Sep'06: 16.1%

- Dec'04: 11.0%
- Dec'05: 11.0%
- Mar'06: 11.2%
- Jun'06: 11.2%
- Sep'06: 10.8%

**Capital Structure**

- Shareholders' Equity
  - Dec'02: 20
  - Dec'03: 29
  - Dec'04: 41
  - Dec'05: 39
  - Sep'06: 37

- Hybrid Tier 1
  - Dec'02: 80
  - Dec'03: 71
  - Dec'04: 59
  - Dec'05: 56
  - Sep'06: 59

- Upper Tier 2
  - Dec'02: 80
  - Dec'03: 71
  - Dec'04: 59
  - Dec'05: 56
  - Sep'06: 59

- Total CAR
  - Dec'02: 80
  - Dec'03: 71
  - Dec'04: 59
  - Dec'05: 56
  - Sep'06: 59

**Legend**
- Blue: Total CAR
- Red: Tier 1 CAR
Consistently High Dividend Payouts

Return of excess capital $230mm (Dividend in Specie)

Includes Share Buyback of $500mm

S$1,244mm

Return of excess capital $351mm (Dividend in Specie)

Includes Share Buyback of $231mm

S$720mm

S$748mm

S$1,088mm

S$719mm

2002 2003 2004 2005 1H06

18.8cts 40cts 40cts 40cts 20cts

15cts 25cts 20cts 20cts 20cts

2002 2003 2004 2005 1H06

Interim  Final  Dividend in Specie  Special  Profit Utilization
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.