Nomura Asia Equity Forum

9 July 2008

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Singapore Company Reg No. 193500026Z
Agenda

1. Business Overview
2. Financial Overview
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 524 offices over 18 countries and territories

Key Statistics*

- Total Assets: S$185.8 billion
- Shareholder's Equity: S$17.0 billion
- Net Customer Loans: S$94.4 billion
- Customer Deposits: S$109.6 billion
- ROAE (annualised): 12.7%
- ROAA (annualised): 1.17%
- NIM (annualised): 2.20%
- Non-interest / Total Income: 32.7%
- Expense / Income: 39.2%
- Tier 1 CAR: 9.9%
- Total CAR: 14.3%
- Moody’s: Aa1 LT Bank Deposits
- S&P’s: A+ LT Counterparty Credit

* Financial statistics for the first quarter of 2008
Execution Track Record

Profit (S$ million)

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

* 2006 net profit after tax was S$2,570 million including one-time gain
Established Global Presence

Total Assets Breakdown

- Singapore: 65%
- Rest of the world: 14%
- Greater China: 4%
- Indonesia: 2%
- Thailand: 5%
- Malaysia: 10%

Profit Before Tax Breakdown

- Singapore: 69%
- Rest of the world: 12%
- Indonesia: 4%
- Thailand: 4%
- Malaysia: 11%

More than 500 offices in 18 countries

- USA: 3
- Canada: 1
- France: 1
- UK: 1
- Singapore: 72
- Indonesia: 218
- Thailand: 154
- Malaysia: 43
- Hong Kong: 7
- Taiwan: 3
- Japan: 1
- South Korea: 1
- China: 11
- Greater China: 4
- Vietnam: 1
- Myanmar: 1
- Brunei: 3
- Australia: 2
- Philippines: 1
- Malaysia: 43
- Thailand: 154
- Indonesia: 218

For the first quarter of 2008
The UOB Difference

Well-Established Regional Network

Well-Diversified Portfolio

Proven Execution Track Record

Keen Understanding of Markets & Customers

Focus on Long-Term Returns

Strong Management Team
Strategic Focus

To be recognized as a leader in consumer and SME banking services in the region with investment banking and treasury products in support
Expand Southeast Asia Franchise

- **Malaysia**
  - Good growth despite competition
  - Strong governance and risk management structure in place
  - Leverage on strengths to enhance market position in core segments whilst building capacity and capabilities

- **Thailand**
  - Good loan growth momentum
  - Infrastructure scaled up - ready to grow but maintain discipline
  - Tap opportunities in targeted businesses

- **Singapore**
  - Robust domestic demand – Well-placed to seize opportunities in key segments
  - Strong liquidity position enables us to capitalise on rising credit pricing
  - Maintain discipline in diversifying risk and exposure for sustainability

- **Indonesia**
  - Focused growth in consumer and SME markets
  - Enhancing operating infrastructure for business growth. Pacing investments
  - Strengthen brand name while improving market positions

**Build on prized distribution network to grow in region**
Next Growth Phase – Beyond the Four Pillars

- **China**
  - Newly locally incorporated China subsidiary. Operates 8 branches (including Puxi sub-branch). Intends to expedite branch network expansion
  - Focus on organic growth targeting affluent consumer & institutional segments
  - Strategic partnerships to access distribution network

- **Vietnam**
  - First Singapore bank to establish local presence. Also a leading credit card merchant acquirer
  - See Vietnam as another key growth pillar. Opportunities in consumer banking.
  - Seek to open more branches. To increase 10% stake in Southern Bank

- **India**
  - Successfully obtained in-principle approval to open first branch in Mumbai
  - To focus on selective segments while we build understanding of the market

- **OECD**
  - Provide risk diversification and balanced portfolio
  - Will continue to be a meaningful overseas contributor

*Building diversified global portfolio*
Agenda

1  Business Overview

2  Financial Overview
## A Good First Quarter 2008

<table>
<thead>
<tr>
<th>Key Indicators</th>
<th>1Q08</th>
<th>4Q07</th>
<th>QoQ Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Profit^ ($m)</td>
<td>770</td>
<td>719</td>
<td>↑ 7.0%</td>
</tr>
<tr>
<td>Higher NII &amp; disciplined cost management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Profit After Tax ($m)</td>
<td>529</td>
<td>506</td>
<td>↑ 4.6%</td>
</tr>
<tr>
<td>Core business remains strong</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROE* (%)</td>
<td>12.7</td>
<td>12.0</td>
<td>↑ 0.7%pt</td>
</tr>
<tr>
<td>Steady upward trend</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-NII / Total Income (%)</td>
<td>32.7</td>
<td>41.7</td>
<td>↓ 9.0%pt</td>
</tr>
<tr>
<td>Reflecting weaker market sentiments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offshore Profit Contribution# (%)</td>
<td>31.0</td>
<td>35.5</td>
<td>↓ 4.5%pt</td>
</tr>
<tr>
<td>Overseas growth outpaced by Singapore</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

^ Before amortisation of intangible assets and impairment charges  
* Computed on an annualised basis  
# Before tax and amortisation of intangible assets
Best Quarter Performance in NII and NIM

### Net Interest Income and Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Interest Income (NII) ($m)</th>
<th>Net Interest Margin* (%)</th>
<th>Loan Margin* (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>2,155</td>
<td>3.01%</td>
<td>2.10%</td>
</tr>
<tr>
<td>2005</td>
<td>2,348</td>
<td>3.18%</td>
<td>1.99%</td>
</tr>
<tr>
<td>2006</td>
<td>2,710</td>
<td>3.25%</td>
<td>1.99%</td>
</tr>
<tr>
<td>2007</td>
<td>2,980</td>
<td>3.21%</td>
<td>2.04%</td>
</tr>
</tbody>
</table>

* Excluding interest recovery in 1Q07
### Stable Fee and Commission Income

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Fee Income ($m)</th>
<th>Other Income* ($m)</th>
<th>Fee Income / Total Income Ratio* (%)</th>
<th>Non-NII / Total Income Ratio* (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>1,104</td>
<td>398</td>
<td>33.9%</td>
<td>21.7%</td>
</tr>
<tr>
<td>2005</td>
<td>1,414</td>
<td>514</td>
<td>37.6%</td>
<td>23.9%</td>
</tr>
<tr>
<td>2006</td>
<td>1,514</td>
<td>511</td>
<td>35.8%</td>
<td>23.7%</td>
</tr>
<tr>
<td>2007</td>
<td>1,892</td>
<td>614</td>
<td>38.8%</td>
<td>26.2%</td>
</tr>
<tr>
<td>2004</td>
<td>432</td>
<td>173</td>
<td>36.2%</td>
<td>21.7%</td>
</tr>
<tr>
<td>2005</td>
<td>536</td>
<td>206</td>
<td>41.3%</td>
<td>25.4%</td>
</tr>
<tr>
<td>2006</td>
<td>532</td>
<td>259</td>
<td>35.5%</td>
<td>28.8%</td>
</tr>
<tr>
<td>2007</td>
<td>532</td>
<td>330</td>
<td>41.7%</td>
<td>29.0%</td>
</tr>
<tr>
<td>1Q07</td>
<td>111</td>
<td>303</td>
<td>32.7%</td>
<td>24.0%</td>
</tr>
</tbody>
</table>

*Excluding one-time income of $613m in 2006.
Continued Infrastructure Investments

### Operating Expenses and Expense / Income Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Expenses ($m)</th>
<th>IT costs ($m)</th>
<th>Expense / Income Ratio* (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>1,227</td>
<td>188</td>
<td>37.6%</td>
</tr>
<tr>
<td>2005</td>
<td>1,424</td>
<td>222</td>
<td>37.9%</td>
</tr>
<tr>
<td>2006</td>
<td>1,736</td>
<td>256</td>
<td>41.1%</td>
</tr>
<tr>
<td>2007</td>
<td>2,018</td>
<td>272</td>
<td>41.4%</td>
</tr>
<tr>
<td>1Q07</td>
<td>472</td>
<td>70</td>
<td>39.5%</td>
</tr>
<tr>
<td>2Q07</td>
<td>504</td>
<td>71</td>
<td>38.9%</td>
</tr>
<tr>
<td>3Q07</td>
<td>487</td>
<td>64</td>
<td>43.6%</td>
</tr>
<tr>
<td>4Q07</td>
<td>556</td>
<td>67</td>
<td>39.2%</td>
</tr>
<tr>
<td>1Q08</td>
<td>496</td>
<td>67</td>
<td></td>
</tr>
</tbody>
</table>

* Excluding one-time income of $613m in 2006
Impairment Charges on Loans Remain Benign

Individual Impairment on Loans Charged to P&L

* On annualised basis for quarters

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**Individual Impairment Charges on Loans / Average Gross Customer Loans (basis points)**

- 2004: 36 bp
- 2005: 31 bp
- 2006: 19 bp
- 2007: 18 bp

- 1Q07: 43 bp
- 2Q07: 16 bp
- 3Q07: (30) bp
- 4Q07: 29 bp
- 1Q08: 4 bp

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**Individual Impairment Charges on Loans ($m)**

- 2004: 235
- 2005: 215
- 2006: 142
- 2007: 155

- 1Q07: 86
- 2Q07: 33
- 3Q07: (30)
- 4Q07: 67
- 1Q08: 10
## NPL Ratio Continues to Improve

<table>
<thead>
<tr>
<th></th>
<th>Mar'07</th>
<th>Jun'07</th>
<th>Sep'07</th>
<th>Dec'07</th>
<th>Mar'08</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NPL^ ($m)</strong></td>
<td>2,983</td>
<td>2,380</td>
<td>2,030</td>
<td>1,713</td>
<td>1,602</td>
</tr>
<tr>
<td><strong>NPL Ratio^</strong></td>
<td>3.7%</td>
<td>2.8%</td>
<td>2.3%</td>
<td>1.8%</td>
<td>1.6%</td>
</tr>
</tbody>
</table>

### Breakdown

- **Singapore**:
  - Mar'07: 1,163
  - Jun'07: 1,005
  - Sep'07: 761
  - Dec'07: 628
  - Mar'08: 555

- **Malaysia**:
  - Mar'07: 841
  - Jun'07: 585
  - Sep'07: 527
  - Dec'07: 495
  - Mar'08: 504

- **Thailand**:
  - Mar'07: 287
  - Jun'07: 403
  - Sep'07: 418
  - Dec'07: 436
  - Mar'08: 393

- **Indonesia**:
  - Mar'07: 115
  - Jun'07: 94
  - Sep'07: 77
  - Dec'07: 73
  - Mar'08: 68

- **Other**:
  - Mar'07: 577
  - Jun'07: 293
  - Sep'07: 247
  - Dec'07: 81
  - Mar'08: 82

^ Excluding debt securities
Strong Growth in Loans and Deposits

Customer Loans, Deposits and L/D Ratio

<table>
<thead>
<tr>
<th>Month</th>
<th>Net Customer Loans ($b)</th>
<th>Customer Deposits ($b)</th>
<th>Loans / Deposits (L/D) Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar'07</td>
<td>79.0</td>
<td>99.7</td>
<td>79.3%</td>
</tr>
<tr>
<td>Jun'07</td>
<td>82.5</td>
<td>104.5</td>
<td>78.9%</td>
</tr>
<tr>
<td>Sep'07</td>
<td>85.2</td>
<td>104.8</td>
<td>81.3%</td>
</tr>
<tr>
<td>Dec'07</td>
<td>92.7</td>
<td>107.0</td>
<td>86.6%</td>
</tr>
<tr>
<td>Mar'08</td>
<td>94.3</td>
<td>109.6</td>
<td>86.1%</td>
</tr>
</tbody>
</table>

Net Customer Loans ($b)  
Customer Deposits ($b)  
Loans / Deposits (L/D) Ratio (%)
### Well-Diversified and Liquid Balance Sheet

<table>
<thead>
<tr>
<th>Total Assets ($m)</th>
<th>Mar'07</th>
<th>Jun'07</th>
<th>Sep'07</th>
<th>Dec'07</th>
<th>Mar'08</th>
</tr>
</thead>
<tbody>
<tr>
<td>166,728</td>
<td>11.3%</td>
<td>12.0%</td>
<td>12.0%</td>
<td>10.1%</td>
<td>11.4%</td>
</tr>
<tr>
<td>170,063</td>
<td>14.4%</td>
<td>11.5%</td>
<td>9.5%</td>
<td>8.7%</td>
<td>10.2%</td>
</tr>
<tr>
<td>172,192</td>
<td>9.4%</td>
<td>9.1%</td>
<td>9.5%</td>
<td>9.7%</td>
<td>10.1%</td>
</tr>
<tr>
<td>174,950</td>
<td>11.2%</td>
<td>11.3%</td>
<td>11.6%</td>
<td>11.3%</td>
<td>10.3%</td>
</tr>
<tr>
<td>185,784</td>
<td>6.3%</td>
<td>7.6%</td>
<td>8.0%</td>
<td>7.2%</td>
<td>7.2%</td>
</tr>
<tr>
<td>Cash, bal &amp; placements with central banks</td>
<td>47.4%</td>
<td>48.5%</td>
<td>49.4%</td>
<td>53.0%</td>
<td>50.8%</td>
</tr>
<tr>
<td>Placements &amp; bal with banks &amp; agents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Others</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Other Securities</td>
<td></td>
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</tr>
<tr>
<td>Government Securities</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Customer Loans</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
Capital Position Remains Strong

<table>
<thead>
<tr>
<th></th>
<th>Mar'07</th>
<th>Jun'07</th>
<th>Sep'07</th>
<th>Dec'07</th>
<th>Mar'08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 Capital ($m)</td>
<td>12,451</td>
<td>12,382</td>
<td>12,210</td>
<td>12,461</td>
<td>12,011</td>
</tr>
<tr>
<td>Risk-Weighted Assets ($m)</td>
<td>111,781</td>
<td>114,842</td>
<td>120,181</td>
<td>124,772</td>
<td>121,304</td>
</tr>
</tbody>
</table>

Capital Adequacy Ratio (CAR)

- **Total CAR**
  - Mar'07: 16.2%
  - Jun'07: 15.7%
  - Sep'07: 14.8%
  - Dec'07: 14.5%
  - Mar'08: 14.3%

- **Tier 1 CAR**
  - Mar'07: 11.1%
  - Jun'07: 10.8%
  - Sep'07: 10.2%
  - Dec'07: 10.0%
  - Mar'08: 9.9%
Maintain High Net Dividend Rate

<table>
<thead>
<tr>
<th>Year</th>
<th>Special Dividend</th>
<th>Cash Dividend</th>
<th>Dividend Payout</th>
<th>Dividend Payout Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>-</td>
<td>$744m</td>
<td>$744m</td>
<td>51%</td>
</tr>
<tr>
<td>2005</td>
<td>$351m*</td>
<td>$737m</td>
<td>$1,088m</td>
<td>64%</td>
</tr>
<tr>
<td>2006</td>
<td>$369m</td>
<td>$868m</td>
<td>$1,237m</td>
<td>48%</td>
</tr>
<tr>
<td>2007</td>
<td>$187m</td>
<td>$929m</td>
<td>$1,116m</td>
<td>53%</td>
</tr>
</tbody>
</table>

* Dividend in specie of shares in United Overseas Land Limited.
In Summary

- UOB will benefit from strong domestic structural growth to drive its businesses and cushion impact from global or regional slowdown
- Region will provide the growth catalyst and upside potential in long-term
- Established a prized Southeast Asia distribution network. Ongoing investments in our franchise to capture region’s potential
- Managing risks with Singapore’s operational control through technology
- Continued portfolio diversification to spread risks and meet different business cycles
- Maintain discipline in balance sheet management for quality and sustainability
- Strategy intact; long-term growth on track