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.

Singapore Company Reg No. 193500026Z
Agenda

1. Overview of UOB Group
2. Macroeconomic Outlook
3. Strong UOB Fundamentals
4. Our Growth Drivers
5. Latest Financials
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 the ASEAN region. The Group has an international network of over 500 offices in 19 countries and territories.

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Note: Financial statistics as at 31 March 2015.
1. FX rate used: USD 1 = SGD 1.375 as at 31 March 2015.
2. Based on final rules effective 1 January 2018.
3. Leverage ratio is calculated based on the revised MAS Notice 637 which took effect from 1 January 2015.
4. Calculated based on profit attributable to equity holders of the Bank net of preference share dividend and capital securities distributions.
5. Computed on an annualised basis.

---

**Key Statistics for 1Q15**

- Total assets: SGD313.6b (USD228.1b\(^1\))
- Shareholder’s equity: SGD30.8b (USD22.4b\(^1\))
- Gross loans: SGD203.3b (USD147.9b\(^1\))
- Customer deposits: SGD239.4b (USD174.1b\(^1\))
- Common Equity Tier 1 CAR: 14.3%
- Proforma Common Equity Tier 1 CAR\(^2\): 12.8%
- Leverage ratio\(^3\): 7.6%
- ROA: 1.04%\(^5\)
- ROE\(^4\): 11.1%\(^5\)
- NIM: 1.76%\(^5\)
- Non-interest/Total income: 38.6%
- NPL ratio: 1.2%
- Loans/Deposits ratio: 83.4%
- Cost / Income: 43.6%
- Credit Ratings:

<table>
<thead>
<tr>
<th>Credit Ratings</th>
<th>Moody’s</th>
<th>S&amp;P</th>
<th>Fitch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuer Rating (Senior Unsecured)</td>
<td>Aa1</td>
<td>AA–</td>
<td>AA–</td>
</tr>
<tr>
<td>Outlook</td>
<td>Stable</td>
<td>Stable</td>
<td>Stable</td>
</tr>
<tr>
<td>Short Term Debt</td>
<td>P-1</td>
<td>A-1+</td>
<td>F1+</td>
</tr>
</tbody>
</table>
A Leading Singapore Bank With Established Franchise In Core Market Segments

**Group Retail**
- Best Retail Bank in Singapore\(^1\)
- Strong player in credit cards and private residential home loan business

**Group Wholesale Banking**
- Best SME Banking\(^1\)
- Seamless access to regional network for our corporate clients

**Global Markets and Investment Management**
- Strong player in Singapore dollar treasury instruments
- UOB Asset Management is one of Singapore’s most awarded fund managers\(^2\)

---

### UOB Group’s recognition in the industry

- **The Banker**
  - Bank of the Year, Singapore
- **Global Finance**
  - Best Bank in Singapore
- **The Asian Banker**
  - Best Retail Bank in Singapore
  - Best SME Banking

---

### Highest 1Q15 NIM among local peers

<table>
<thead>
<tr>
<th>Bank</th>
<th>NIM</th>
<th>Loan margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>UOB</td>
<td>1.76%</td>
<td>2.19%</td>
</tr>
<tr>
<td>DBS</td>
<td>1.69%</td>
<td>1.86%</td>
</tr>
<tr>
<td>OCBC</td>
<td>1.62%</td>
<td>1.91%</td>
</tr>
</tbody>
</table>

Loan margin is the difference between the rate of return from customer loans and costs of deposits.

Source: Company reports.

---

1. The Asian Banker Excellence in Retail Financial Services International Awards 2011 (Retail and SME Banking), 2012 & 2014 (Retail Banking).
2. The Edge Lipper – Singapore Fund Awards.
UOB Group’s management has a proven track record in steering the Group through various global events and crises. Achieved record NPAT of SGD3,249 million in 2014.

- Stability of management team ensures consistent execution of strategies
- Disciplined management style which underpins the Group’s overall resilience and sustained performance

Acquired UOBR in 1999
Acquired BOA in 2004
Acquired OUB in 2001
Acquired Buana in 2005

1980: S$92m
1985: S$99m
1990: S$226m
1995: S$633m
2000: S$913m
2004: S$1,452m
2007: S$2,109m
2009: S$1,902m
2010: S$2,696m
2011: S$2,327m
2013: S$3,008m
2014: S$3,249m

Expanding Regional Banking Franchise

**Extensive Regional Footprint with 500+ Offices**

- MYANMAR: 2 offices
- THAILAND: 156 offices
- MALAYSIA: 47 offices
- SINGAPORE: 76 offices
- INDONESIA: 211 offices
- VIETNAM: 1 office
- GREATER CHINA: 26 offices

Most diverse regional franchise among Singapore banks; effectively full control of regional subsidiaries.

Integrated regional platform improves operational efficiencies, enhances risk management and provides faster time-to-market and seamless customer service.


Aim for region to contribute 40% of Group’s PBT in medium term.

**Profit before Tax and Intangibles by Region**

<table>
<thead>
<tr>
<th>Region</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>1Q15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>1,996</td>
<td>1,840</td>
<td>2,256</td>
<td>2,181</td>
<td>2,345</td>
<td>51</td>
</tr>
<tr>
<td>Indonesia</td>
<td>395</td>
<td>450</td>
<td>557</td>
<td>555</td>
<td>593</td>
<td>555</td>
</tr>
<tr>
<td>Greater China</td>
<td>156</td>
<td>180</td>
<td>222</td>
<td>252</td>
<td>324</td>
<td>72</td>
</tr>
<tr>
<td>Thailand</td>
<td>175</td>
<td>147</td>
<td>118</td>
<td>146</td>
<td>159</td>
<td>104</td>
</tr>
<tr>
<td>Others</td>
<td>143</td>
<td>184</td>
<td>178</td>
<td>146</td>
<td>159</td>
<td>146</td>
</tr>
</tbody>
</table>

32% of Group PBT

41% of Group PBT

Note: Profit before tax and intangibles excluded gain on UOB Life and UIC for 2010.

Agenda

1. Overview of UOB Group
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Central Banks’ Recent Easing Moves Spurred by Low/Negative Inflation & Weak Growth

Recent Central Banks’ Policy Decisions on Rates in year-to-date 2015

- **Contractionary**
  - +50bps
    - Brazil

- **Expansionary**
  - **QE** (Eurozone) and Slowing the rise of S$ (Singapore)
  - -100bps and more
    - Pakistan, Russia
  - -50bps
    - Thailand, India, Australia, Switzerland, Egypt, Turkey
  - -25bps
    - Indonesia, S. Korea, Romania, Peru, Denmark, Canada

Sources: Bloomberg and various news wires
1. QE: Quantitative easing
Fed Expected to Hike Rates in 2015, With Conclusion of QE Tapering in 2014

**Effects Of Low Interest Rates & QE**
- Increased liquidity
- Lower interest rates and borrowing costs
- Flow of hot money in search of yields
- Wealth effects from higher equity and asset prices

**Negative Implications on Markets**
- Asset bubbles with influx of hot money
- Rise in household debt and corporate leverage
- More carry trades (borrowing funds in US$ to invest in higher yield emerging market assets)
- Investments in marginal assets

**Impact Of Reversing QE & Low Rates**
- Reversal of capital flows and unwinding of carry trades
- Depreciation of Asian currencies → unhedged foreign exchange (FX) risks
- Depletion of FX reserves to stabilize currencies
- Higher interest rates → higher debt servicing for corporates and consumers
- Correction in property and financial markets → impact on LTVs for property and mortgage portfolio, margin financing

*Indonesia and India* are most vulnerable due to higher current account deficits relative to other Asian countries (and increasingly being financed by volatile portfolio flows)

*Hong Kong and Singapore* are vulnerable to major corrections in the property market

Burgeoning household debt in *Malaysia, Singapore* and *Thailand* could also cause problems, should interest rates rise
Singapore Interest Rates Lifted by Stronger US$; Further Upside When Fed Eventually Hikes Rates

UOB’s S$ Floating-rate Loans to Benefit from Uptrend in Singapore’s Short-term Interest Rates

SIBOR / SOR (%)  

S$ per US$  

3-mth SOR (LHS)  
3-mth SIBOR (LHS)  
S$ vs US$ (RHS)
Southeast Asia – Resilient Key Markets

- The long-term fundamentals and prospects of key Southeast Asian markets have greatly improved since the 1997 Asian Financial Crisis.
- Compared with 1997, they have:
  - Significantly higher levels of foreign reserves
  - Healthier current account and balance of payment positions
  - Lower levels of corporate leverage
  - Lower levels of foreign currency debts

### Asian Foreign Reserves

<table>
<thead>
<tr>
<th>Country</th>
<th>1998</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>75</td>
<td>254</td>
</tr>
<tr>
<td>Thailand</td>
<td>30</td>
<td>148</td>
</tr>
<tr>
<td>Malaysia</td>
<td>26</td>
<td>115</td>
</tr>
<tr>
<td>Indonesia</td>
<td>24</td>
<td>106</td>
</tr>
</tbody>
</table>

2014 foreign reserves include foreign currency reserves (in convertible foreign currencies)
Source: IMF

### Current Account as % of GDP

<table>
<thead>
<tr>
<th>Country</th>
<th>1997</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>15.2</td>
<td>19.1</td>
</tr>
<tr>
<td>Malaysia</td>
<td>-5.9</td>
<td>-2.0</td>
</tr>
<tr>
<td>Thailand</td>
<td>-2.0</td>
<td>-3.0</td>
</tr>
<tr>
<td>Indonesia</td>
<td>-1.8</td>
<td>-3.0</td>
</tr>
</tbody>
</table>

Source: IMF, UOB Economic-Treasury Research

### Asian Corporates: Total Debt to Equity Ratio

<table>
<thead>
<tr>
<th>Country</th>
<th>End Jun-98</th>
<th>End Dec-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>132</td>
<td>235</td>
</tr>
<tr>
<td>Singapore</td>
<td>102</td>
<td>46</td>
</tr>
<tr>
<td>Thailand</td>
<td>77</td>
<td>209</td>
</tr>
<tr>
<td>Indonesia</td>
<td>86</td>
<td>49</td>
</tr>
</tbody>
</table>

Total debt to equity ratio = total ST and LT borrowings divided by total equity, multiplied by 100
Sources: MSCI data from Bloomberg, UOB Economic-Treasury Research

### Foreign Currency Loans as % of Total Loans

<table>
<thead>
<tr>
<th>Country</th>
<th>1996</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore*</td>
<td>67</td>
<td>49</td>
</tr>
<tr>
<td>Indonesia</td>
<td>21</td>
<td>16</td>
</tr>
<tr>
<td>Thailand</td>
<td>38</td>
<td>9</td>
</tr>
<tr>
<td>Malaysia</td>
<td>36</td>
<td>5</td>
</tr>
</tbody>
</table>

* Foreign currency loans in 1996 approximated by using total loans of Asia Currency Units
Sources: Central banks
Singapore's 1Q15 GDP (adv. est.) grew 2.1% y/y; key drag from manufacturing due to slowdown in electronics, precision engineering and transport engineering clusters. Weakness was also partly due to the low base last year. The services sector remained robust and grew 3.1% y/y.

2015 GDP forecast to grow 2.9% (2014: +2.9%), as the manufacturing sector is expected to pick up (+3.4% vs. +2.6% in 2014) due to improvement in US economy.

Core inflation for 2015 will ease towards 1.2% (2014: 1.9%) as lower commodity prices and slower growth in healthcare costs outweigh cost pressures from the tight labour market.
SEA Banking Sector: Strong Fundamentals Remain Intact

Key Banking Trends

- There has been a resurgence in loan demand after the deleveraging of ASEAN banks during the Global Financial Crisis.
- ASEAN banks have healthy capital and funding levels:
  - Singapore banks enjoy one of the highest capital ratios in the region.
  - As solvency is not generally an issue in ASEAN, focus would be on putting the excess capital to productive uses.
- Policy changes in regulation, liquidity, rates and sector consolidation are shaping the ASEAN banking business models going forward.

Source: Research estimates, Monetary Authority of Singapore

Higher NIM, Lower Credit Penetration in Region

(Net interest margin and private-sector credit / GDP, in %)

<table>
<thead>
<tr>
<th>Country</th>
<th>2010 – 13A Avg.</th>
<th>2014E</th>
<th>Private-sector credit/GDP (3Q14)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>7.0</td>
<td>6.8</td>
<td>38%</td>
</tr>
<tr>
<td>Thailand</td>
<td>127%</td>
<td>3.2</td>
<td>3.2</td>
</tr>
<tr>
<td>China</td>
<td>186%</td>
<td>2.7</td>
<td>2.7</td>
</tr>
<tr>
<td>Malaysia</td>
<td>131%</td>
<td>2.5</td>
<td>2.3</td>
</tr>
<tr>
<td>Singapore</td>
<td>141%</td>
<td>1.8</td>
<td>1.7</td>
</tr>
</tbody>
</table>

Source: Research estimates, BIS, IMF

Robust Capital Positions

(Tier 1 CAR, in %)

<table>
<thead>
<tr>
<th>Country</th>
<th>2013A</th>
<th>2014E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>15.3</td>
<td>16.1</td>
</tr>
<tr>
<td>Singapore</td>
<td>13.8</td>
<td>13.6</td>
</tr>
<tr>
<td>Malaysia</td>
<td>11.7</td>
<td>12.3</td>
</tr>
<tr>
<td>Thailand</td>
<td>11.2</td>
<td>12.5</td>
</tr>
<tr>
<td>China</td>
<td>10.1</td>
<td>10.5</td>
</tr>
</tbody>
</table>

Source: Research estimates

Stable Funding – Adequate Loan-to-Deposit Ratios

(Loan-to-deposit ratio, in %)

<table>
<thead>
<tr>
<th>Country</th>
<th>2013A</th>
<th>2014E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thailand</td>
<td>100</td>
<td>102</td>
</tr>
<tr>
<td>Indonesia</td>
<td>93</td>
<td>92</td>
</tr>
<tr>
<td>Malaysia</td>
<td>87</td>
<td>89</td>
</tr>
<tr>
<td>Singapore</td>
<td>86</td>
<td>85</td>
</tr>
<tr>
<td>China</td>
<td>68</td>
<td>69</td>
</tr>
</tbody>
</table>

Source: Research estimates
Prospects for Asia Remain Optimistic Due to Growing Population and Consumer Affluence

**Growing Global Middle Class**

APAC’s middle class:
2009: 28% of global middle class
2030: 66%

**Spending by Global Middle Class**

APAC’s middle class spending:
2009: 23% of global middle class
2030: 56%

<table>
<thead>
<tr>
<th>Region</th>
<th>2009</th>
<th>2020</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>$10t</td>
<td>$14.8t</td>
<td>$32.6t</td>
</tr>
<tr>
<td>LatAm</td>
<td>$5.0t</td>
<td>$14.8t</td>
<td></td>
</tr>
<tr>
<td>Middle East &amp; North Africa</td>
<td>$5.0t</td>
<td>$14.8t</td>
<td></td>
</tr>
<tr>
<td>Sub Saharan Africa</td>
<td>$0t</td>
<td>$10t</td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>$3.2b</td>
<td>$4b</td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>$1.7b</td>
<td>$2b</td>
<td></td>
</tr>
</tbody>
</table>

Source: UN, OECD, The Brookings Institution, UOB Economic-Treasury Research
Room For More Optimism As Intra-Regional Trade is Set to Thrive in ASEAN after AEC\textsuperscript{1} Kicks Off

<table>
<thead>
<tr>
<th>Association of Southeast Asian Nations (ASEAN)</th>
<th>European Union (EU)</th>
<th>North American Free Trade Agreement (NAFTA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of total goods trade, %</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extra-regional (excluding China)</td>
<td>$0.7 trillion</td>
<td>$2.2 trillion</td>
</tr>
<tr>
<td>Trade with China</td>
<td>$3.4 trillion</td>
<td>$8.2 trillion</td>
</tr>
<tr>
<td>Intra-regional</td>
<td>$2.2 trillion</td>
<td>$4.8 trillion</td>
</tr>
<tr>
<td>2000</td>
<td>73</td>
<td>34</td>
</tr>
<tr>
<td>2003</td>
<td>69</td>
<td>31</td>
</tr>
<tr>
<td>2006</td>
<td>65</td>
<td>64</td>
</tr>
<tr>
<td>2012</td>
<td>63</td>
<td>66</td>
</tr>
</tbody>
</table>

Source: Comtrade; McKinsey Global Institute analysis

1. AEC: ASEAN Economic Community
## Basel III Implementation across Jurisdictions

<table>
<thead>
<tr>
<th>Particulars</th>
<th>BCBS</th>
<th>Singapore</th>
<th>Malaysia</th>
<th>Thailand</th>
<th>Indonesia</th>
<th>Hong Kong</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Minimum CET1</strong></td>
<td>4.5%</td>
<td>6.5%¹</td>
<td>4.5%</td>
<td>4.5%</td>
<td>4.5%</td>
<td>4.5%</td>
<td>5.0%</td>
</tr>
<tr>
<td><strong>Minimum Tier 1</strong></td>
<td>6.0%</td>
<td>8.0%¹</td>
<td>6.0%</td>
<td>6.0%</td>
<td>6.0%</td>
<td>6.0%</td>
<td>6.0%</td>
</tr>
<tr>
<td><strong>Minimum Total Capital</strong></td>
<td>8.0%</td>
<td>10.0%¹</td>
<td>8.0%</td>
<td>8.5%</td>
<td>8.0%</td>
<td>8.0%</td>
<td>8.0%</td>
</tr>
<tr>
<td><strong>Full Compliance</strong></td>
<td>Jan-15</td>
<td>Jan-15</td>
<td>Jan-15</td>
<td>Jan-13</td>
<td>Jan-14</td>
<td>Jan-15</td>
<td>Jan-13</td>
</tr>
<tr>
<td><strong>Capital Conservation Buffer</strong></td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
</tr>
<tr>
<td><strong>Full Compliance</strong></td>
<td>Jan-19</td>
<td>Jan-19</td>
<td>Jan-19</td>
<td>Jan-19</td>
<td>Jan-19</td>
<td>Jan-19</td>
<td>Jan-19</td>
</tr>
<tr>
<td><strong>Countercyclical Capital Buffer²</strong></td>
<td>Up to 2.5%</td>
<td>Up to 2.5%</td>
<td>Under consideration</td>
<td>Up to 2.5%</td>
<td>Up to 2.5%</td>
<td>Up to 2.5%</td>
<td>Up to 2.5%</td>
</tr>
<tr>
<td><strong>Full Compliance</strong></td>
<td>Jan-19</td>
<td>Jan-19</td>
<td>Jan-19</td>
<td>Jan-19</td>
<td>Jan-19</td>
<td>Jan-19</td>
<td>Jan-19</td>
</tr>
<tr>
<td><strong>D-SIB</strong></td>
<td>–</td>
<td>2.0%</td>
<td>1.0% – 3.5%</td>
<td>Pending</td>
<td>Pending</td>
<td>1.0% – 2.5%</td>
<td>Pending</td>
</tr>
<tr>
<td><strong>G-SIB</strong></td>
<td>1.0% – 3.5%</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>1.0%</td>
</tr>
<tr>
<td><strong>Minimum Leverage Ratio (Pillar 1)</strong></td>
<td>3.0%</td>
<td>Pending</td>
<td>Pending</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td><strong>Full Compliance</strong></td>
<td>2018</td>
<td>Pending</td>
<td>Pending</td>
<td>2018</td>
<td>2018</td>
<td>Pending</td>
<td>2013</td>
</tr>
</tbody>
</table>

### % of Risk Weighted Assets

- **G-SIB**: 1% – 3.5%
- **D-SIB**: 2.5%
- **Countercyclical Capital Buffer**: 2.5%
- **Capital Conservation Buffer**: 2.5%
- **Tier 2**: 2.0%
- **AT1**: 1.5%
- **Minimum CET1**: 4.5%
- **BCBS**: 16.5%
- **Singapore**: 15.0%
- **Malaysia**: 13.0%
- **Thailand**: 15.0%
- **Indonesia**: 15.0%
- **Hong Kong**: 13.0%
- **China**: 14.0%

**Source:** Regulatory notifications and rating reports

1. Includes 2% for D-SIB buffer
2. Each local regulator determines its own level of countercyclical capital buffer to accumulate capital in periods of economic expansion.
# Resolution Regime Overview

## Resolution Regime in Asia

<table>
<thead>
<tr>
<th>Country</th>
<th>Public Discussion</th>
<th>Existing Resolution Powers</th>
<th>Factors influencing views on bail-in</th>
<th>How Past resolution been handled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>No</td>
<td>Transfer powers; no statutory bail-in</td>
<td><strong>Role as an international financial centre; strength of system; good coordination between regulator and local banks</strong></td>
<td>Crisis prevention tools; no record of bank failures in the past</td>
</tr>
<tr>
<td>Indonesia</td>
<td>No</td>
<td>Transfer powers; no statutory bail-in</td>
<td><strong>History of public sector bailouts</strong></td>
<td>Liquidation; public funds</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>Yes</td>
<td>Transfer powers; statutory bail-in proposed</td>
<td><strong>Role as an international financial centre and presence of G-SIBs</strong></td>
<td>Liquidation; public funds; M&amp;A</td>
</tr>
<tr>
<td>China</td>
<td>No</td>
<td>Transfer powers; no statutory bail-in</td>
<td><strong>Risk of contagion in debt market; role of government in banking sector</strong></td>
<td>Capital injections; NPL disposals; forbearance</td>
</tr>
</tbody>
</table>

1. **Bold text** indicates factors in favor of implementing a bail-in regime; **italic text** indicates factors against

## Resolution Regime: Priorities for 2015

As per Financial Stability Board (FSB), any Financial Institution that could be systemically significant or critical if it fails, should be subject to a resolution regime that has the Key Attributes set out. Reforms on resolution regimes are still underway and the FSB has identified the following priorities for 2015 to help further advance progress on this area:

- Finalise the common international standard on TLAC that G-SIBs must have;
- Achieve the broad adoption of contractual recognition of temporary stays on early termination and cross-default rights in financial contracts and finalise FSB guidance on effective cross-border recognition;
- Develop further guidance to support resolution planning by home and host authorities, in particular in regard to funding arrangements and operational continuity of core critical services; and
- Promote full implementation of FSB’s requirements for resolution regimes and resolution planning beyond the banking sector

Source: Moody’s report on A Compendium of Bank Resolution and Bail-in Regimes in the Asia-Pacific, Regulatory notifications

Note: Malaysia and Thailand have also yet to implement a framework for resolution regime
Agenda

1. Overview of UOB Group
2. Macroeconomic Outlook
3. Strong UOB Fundamentals
4. Our Growth Drivers
5. Latest Financials
<table>
<thead>
<tr>
<th>Strong Management with Proven Track Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Proven track record in steering the bank through various global events and crises</td>
</tr>
<tr>
<td>▪ Stability of management team ensures consistent execution of strategies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consistent and Focused Financial Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Delivered record NPAT of SGD3,249m in FY14, driven by broad-based growth</td>
</tr>
<tr>
<td>▪ Decent start to 2015 with NPAT of S$801m in 1Q15; NIM widened by 7 basis points over 4Q14 in a rising interest rate environment</td>
</tr>
<tr>
<td>▪ Improved fee income capabilities since 2010</td>
</tr>
<tr>
<td>▪ Well-controlled costs while continuing to invest in building long-term capabilities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Prudent Management of Capital, Liquidity and Balance Sheet</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Strong capital base; Common Equity Tier 1 capital adequacy ratio of 14.3% as at 31 March 2015, well above Basel III capital requirements</td>
</tr>
<tr>
<td>▪ Liquid and well diversified funding mix with loan/deposits ratio at 83.4%</td>
</tr>
<tr>
<td>▪ Stable asset quality, with well-diversified loan portfolio</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Delivering on Regional Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Holistic regional bank with effective full control of subsidiaries in key markets with lower credit penetration</td>
</tr>
<tr>
<td>▪ Key regional franchise continues to deliver as we leverage regional business flows</td>
</tr>
<tr>
<td>▪ Entrenched local presence: ground resources and integrated regional network to better address the needs of our targeted segments</td>
</tr>
</tbody>
</table>

Source: Company report
Diversified Loan Portfolio

Gross Customer Loans by Geography

- Singapore: 56%
- Malaysia: 13%
- Indonesia: 5%
- Thailand: 6%
- Greater China: 12%
- Others: 8%

Gross Customer Loans by Currency

- SGD: 53%
- USD: 17%
- MYR: 12%
- THB: 5%
- IDR: 2%
- Others: 11%

Gross Customer Loans by Maturity

- <1 year: 34%
- 1-3 years: 18%
- 3-5 years: 12%
- >5 years: 35%

Gross Customer Loans by Industry

- Financial Institutions: 15%
- Manufacturing: 8%
- Building & Construction: 13%
- Transport, storage & communication: 5%
- Others: 5%
- Professionals and private individuals: 13%
- General Commerce: 14%
- Housing Loans: 27%

Note: Financial statistics as at 31 March 2015.
1. Loans by geography are classified according to where credit risks reside, largely represented by the borrower’s country of incorporation / operation (for non-individuals) and residence (for individuals).
Financials were as of 31 March 2015, except for Standard Chartered (SBC), CIMB and Maybank, whose financials were as of 31 December 2014. Ratios of BCA were bank only.

1. ROA calculated on an annualised basis
Strong Capitalisation and Low Leverage

(Total CAR, Tier 1 CAR, Common Equity Tier 1 CAR in %)

(BCA) 19.6
(Bangkok Bank) 18.0
(UOB) 17.4
(SCB) 15.2
(Maybank) 15.2
(HSBC) 14.3
(OCBC) 14.3
(DBS) 12.9
(BOA) 12.9
(CIMB) 12.9
(JPM) 12.9
(Citi) 12.9

Capital raised from 2013 – 2015 YTD (US$ bn)¹

- 0.2
- - 1.1
1.1 11.9 3.9 0.6 8.4 1.1 16.2 12.3

Return on Average Equity ²

20.2% 11.6% 11.1% 7.8% 13.8% 11.5% 13.2% 12.2% 5.4% 9.2% 11.0% 9.0%

Leverage

(BCA) 7.0x
(Bangkok Bank) 8.5x
(Citi) 9.6x
(UOB) 11.5x
(BOA) 11.8x
(DBS) 12.3x
(Maybank) 13.1x
(OCBC) 13.3x
(JPM) 13.5x
(CIMB) 14.1x
(HSBC) 15.1x
(SCB) 17.3x

Source: Company reports, Dealogic.
Financials were as of 31 March 2015, except for Standard Chartered (SCB), Maybank and CIMB, whose financials were as of 31 December 2014.
1. From 1 January 2015 till 5 May 2015 and includes Tier 1 capital
2. Computed on an annualised basis.
3. Leverage is calculated as tangible assets (reported total assets less goodwill and intangibles) divided by tangible equity (reported total equity less goodwill and intangibles).

UOB is one of the most well-capitalised banks with lower gearing compared with some of the most renowned banks globally.
### Debt Issuance History

<table>
<thead>
<tr>
<th>Issue Date</th>
<th>Type</th>
<th>Structure</th>
<th>Call</th>
<th>Coupon</th>
<th>Amount</th>
<th>Issue Rating (M / S&amp;P / F)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tier 1</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nov 2013</td>
<td>B3</td>
<td>AT1</td>
<td>Perpetual</td>
<td>2019</td>
<td>4.750%</td>
<td>SGD500m A3 / BB+/BBB</td>
</tr>
<tr>
<td>Jul 2013</td>
<td>B3</td>
<td>AT1</td>
<td>Perpetual</td>
<td>2018</td>
<td>4.900%</td>
<td>SGD850m A3 / BB+/BBB</td>
</tr>
<tr>
<td>Dec 2005</td>
<td>B2</td>
<td>AT1</td>
<td>Perpetual</td>
<td>2016</td>
<td>5.796%</td>
<td>USD500m A3 / BB-/BBB</td>
</tr>
<tr>
<td><strong>Tier 2</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May 2014</td>
<td>B3</td>
<td>T2</td>
<td>12NC6</td>
<td>2020</td>
<td>3.500%</td>
<td>SGD500m A2 / BB+/A+</td>
</tr>
<tr>
<td>Mar 2014</td>
<td>B3</td>
<td>T2</td>
<td>10.5NC5.5</td>
<td>2019</td>
<td>3.750%</td>
<td>USD800m A2 / BB+/A+</td>
</tr>
<tr>
<td>Oct 2012</td>
<td>B2</td>
<td>LT2</td>
<td>10NC5</td>
<td>2017</td>
<td>2.875%</td>
<td>USD 500m Aa3 / A+/A+</td>
</tr>
<tr>
<td>Jul 2012</td>
<td>B2</td>
<td>LT2</td>
<td>10NC5</td>
<td>2017</td>
<td>3.150%</td>
<td>SGD1,200m Aa3 / A+/A+</td>
</tr>
<tr>
<td>Apr 2011</td>
<td>B2</td>
<td>LT2</td>
<td>10NC5</td>
<td>2016</td>
<td>3.450%</td>
<td>SGD1,000m Aa3 / A+/A+</td>
</tr>
<tr>
<td><strong>Senior Unsecured</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sep 2014</td>
<td>-</td>
<td>5.5yr FXN</td>
<td>-</td>
<td>-</td>
<td>2.50%</td>
<td>USD500m Aa1 / AA-/AA-</td>
</tr>
<tr>
<td>Sep 2014</td>
<td>-</td>
<td>4yr FRN</td>
<td>-</td>
<td>-</td>
<td>BBSW 3m +0.64%</td>
<td>AUD300m Aa1 / AA-/AA-</td>
</tr>
<tr>
<td>Apr 2014</td>
<td>-</td>
<td>1yr FRN</td>
<td>-</td>
<td>-</td>
<td>3mGBP LIBOR flat</td>
<td>GBP200m Aa1 / AA-/AA-</td>
</tr>
<tr>
<td>Nov 2013</td>
<td>-</td>
<td>3yr FRN</td>
<td>-</td>
<td>-</td>
<td>BBSW 3m +0.65%</td>
<td>AUD300m Aa1 / AA-/AA-</td>
</tr>
<tr>
<td>Jun 2013</td>
<td>-</td>
<td>3yr FRN</td>
<td>-</td>
<td>-</td>
<td>2.50%</td>
<td>CNY500m Aa1 / AA-/AA-</td>
</tr>
<tr>
<td>Mar 2012</td>
<td>-</td>
<td>5yr FXN</td>
<td>-</td>
<td>-</td>
<td>2.20%</td>
<td>HKD1,000m Aa1 / AA-/AA-</td>
</tr>
<tr>
<td>Mar 2012</td>
<td>-</td>
<td>5yr FXN</td>
<td>-</td>
<td>-</td>
<td>2.25%</td>
<td>USD750m Aa1 / AA-/AA-</td>
</tr>
</tbody>
</table>

B2: Basel II, B3: Basel III, AT1: Additional Tier 1, T2: Tier 2, LT2: Lower Tier 2
FXN: Fixed Rate Notes; FRN: Floating Rate Notes
Above table includes only rated debt issuances; updated as of 26 February 2015

### Debt Maturity Profile

(SGD m equivalent)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>USD</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SGD</strong></td>
<td>407</td>
<td>688</td>
<td>177</td>
<td>1,000</td>
<td>500</td>
<td>688</td>
</tr>
<tr>
<td><strong>HKD</strong></td>
<td>111</td>
<td>314</td>
<td>1,200</td>
<td>1,719</td>
<td>314</td>
<td>500</td>
</tr>
<tr>
<td><strong>GBP</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CNY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>AUD</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Maturities shown at first call date rather than ultimate maturity.
FX rates as at 31 March 2015: USD 1 = SGD 1.38;
SGD 1 = MYR 2.69; SGD 1 = HKD 5.64; AUD 1 = SGD 1.05;
SGD 1 = CNY 4.51; 1 GBP = SGD 2.04.
### Robust Risk Management Framework

<table>
<thead>
<tr>
<th>Robust Risk Management Framework</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Operate under strict regulatory regime; prudential standards in line with global best practices</td>
</tr>
<tr>
<td>- Strong risk culture; do not believe in achieving short-term gains at the expense of long-term interests</td>
</tr>
<tr>
<td>- Focused on businesses which we understand and are well-equipped to manage</td>
</tr>
<tr>
<td>- Active board and senior management oversight</td>
</tr>
<tr>
<td>- Comprehensive risk management policies, procedures and limits governing credit risks, funding risks, interest rate risks, market risks and operational risks</td>
</tr>
<tr>
<td>- Regular stress tests</td>
</tr>
<tr>
<td>- Strong internal controls and internal audit process</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Common Operating Framework across Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Standardised and centralised core banking systems completed at end-2013</td>
</tr>
<tr>
<td>- Common operating framework integrates regional technology, operations and risk infrastructure, ensuring consistent risk management practices across core markets</td>
</tr>
<tr>
<td>- Core framework anchored to Singapore head office’s high corporate governance standards</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Risks to Monitor</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Property-related risks:</td>
</tr>
<tr>
<td>- Healthy portfolio: low NPL ratio and provisions</td>
</tr>
<tr>
<td>- Majority of housing loans are for owner-occupied properties; comfortable average LTV ratio; delinquency and NPL trends regularly analysed</td>
</tr>
<tr>
<td>- c.50% of property-related corporate loans are short-term development loans with diversified risks; progress, sales and cashflow projections of projects closely monitored</td>
</tr>
<tr>
<td>- Exposure to steepening yield curve: Investment portfolio (mainly liquid asset holdings) monitored daily with monthly reporting to ALCO. Average duration reduced to 2 – 3 years.</td>
</tr>
<tr>
<td>- Exposure to declining regional currencies: Ensure loans only granted to borrowers who have foreign currency revenues; otherwise, borrowers are required to hedge open positions</td>
</tr>
</tbody>
</table>
Managing Risks for Stable Growth

- Prudent approach has been key to delivering sustainable returns over the years

- Institutionalised framework through GRAS
  - Outlines risk and return objectives to guide strategic decision-making
  - Comprises 6 dimensions and 14 metrics
  - Entails instilling prudent culture as well as establishing policies and guidelines
  - Invests in capabilities, leverage integrated regional network to ensure effective implementation across key markets and businesses
## Resilient Asset Quality; High Impairment Coverage

### Stable NPL Ratio

<table>
<thead>
<tr>
<th>(SGD m)</th>
<th>Mar-14</th>
<th>Jun-14</th>
<th>Sep-14</th>
<th>Dec-14</th>
<th>Mar-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substandard NPA</td>
<td>1,289</td>
<td>1,429</td>
<td>1,832</td>
<td>1,855</td>
<td>1,900</td>
</tr>
<tr>
<td>Doubtful NPA</td>
<td>598</td>
<td>570</td>
<td>548</td>
<td>536</td>
<td>605</td>
</tr>
<tr>
<td>Loss NPA</td>
<td>474</td>
<td>541</td>
<td>143</td>
<td>197</td>
<td>187</td>
</tr>
<tr>
<td>NPL Ratio</td>
<td>1.1%</td>
<td>1.2%</td>
<td>1.2%</td>
<td>1.2%</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

### Consistently High Impairment Coverage

<table>
<thead>
<tr>
<th>(SGD m)</th>
<th>Mar-14</th>
<th>Jun-14</th>
<th>Sep-14</th>
<th>Dec-14</th>
<th>Mar-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Impairment (SGD m)</td>
<td>2,548</td>
<td>2,611</td>
<td>2,701</td>
<td>2,783</td>
<td>2,890</td>
</tr>
<tr>
<td>Collective Impairment (SGD m)</td>
<td>779</td>
<td>834</td>
<td>659</td>
<td>657</td>
<td>699</td>
</tr>
<tr>
<td>Cumulative Impairment / Total NPL (%)</td>
<td>316.3%</td>
<td>305.1%</td>
<td>311.4%</td>
<td>350.3%</td>
<td>362.5%</td>
</tr>
<tr>
<td>Cumulative Impairment / Unsecured NPL (%)</td>
<td>160.2%</td>
<td>149.2%</td>
<td>146.8%</td>
<td>145.9%</td>
<td>147.0%</td>
</tr>
</tbody>
</table>

### Key Indicators
- **Resilient Asset Quality**: High Impairment Coverage
- **Stable NPL Ratio**: Consistently High Impairment Coverage
- **Substandard NPA**: 1,289, 1,429, 1,832, 1,855, 1,900
- **Doubtful NPA**: 598, 570, 548, 536, 605
- **Loss NPA**: 474, 541, 143, 197, 187
- **NPL Ratio**: 1.1%, 1.2%, 1.2%, 1.2%, 1.2%
- **Impairment Coverage**: 316.3%, 305.1%, 311.4%, 350.3%, 362.5%
- **Total NPL**: Substandard, Doubtful, Loss
- **Cumulative Impairment**: Total NPL, Unsecured NPL

---

[26]
Focusing on Preserving Balance Sheet Strength

- Overall portfolio resilient in face of market uncertainties

- Diversifying funding sources and reducing reliance on interbank market
  - Remain mainly deposit-funded

- Comfortable in meeting new Liquidity Coverage Ratio requirements from 1Q 2015 onwards

*The definition of ‘Customer Deposits’ was expanded to include deposits from financial institutions relating to fund management and operating accounts from 1Q14 onwards.*
Agenda

1. Overview of UOB Group
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## Our Growth Drivers

### Realise Full Potential of our Integrated Platform
- Provides us with ability to serve expanding regional needs of our customers
- Improves operational efficiency, enhances risk management, seamless customer experience and faster time to market

### Sharpen Regional Focus
- Global macro environment remains uncertain. The region’s long-term fundamentals continue to remain strong
- Region is our future engine of growth

### Reinforce Fee Income Growth
- Grow fee income to offset competitive pressures on loans and improve return on capital
- Increase client wallet share size by intensifying cross-selling efforts, focusing on service quality and expanding range of products and services

### Long-term Growth Perspective
- Disciplined approach in executing growth strategy, balancing growth with stability
- Focus on risk adjusted returns; ensure balance sheet strength amidst global volatilities
Milestone in Regionalisation

- Harnessing potential of regional network through an integrated platform
  - Completion of platform at end-2013

- Integrated regional platform to bring:
  - Improved productivity and operational efficiency
  - Quicker speed to market
  - Enhanced risk management
  - Consistent and seamless customer experience

- Positions us for next stage of regional business growth

Full Rollout of Integrated Regional Platform

- China: Completed 3Q 2012
- Thailand: Completed 3Q 2012
- Malaysia: Completed 4Q 2013
- Singapore: IT Center of Excellence (Hubbed for scale)
- Indonesia: Completed 3Q 2013

- All other overseas locations (across 14 countries) completed
Building 3 growth pillars in wholesale banking
- Strengthen geographical footprint
- Develop integrated portfolio of product solutions
- Improve breadth and depth of client portfolio

Capturing more opportunities to cross-sell and diversify beyond loans into fees and deposits

Targeting for overseas wholesale profit contribution of 50% by 2015
Making Good Progress in Transaction Banking

- Healthy growth in trade assets spurred by new and deeper client acquisition
- Continue to invest in regional cash management and liquidity management solutions
- Focus on supply chain solutions to address clients’ working capital & trade flow requirements
- Leveraging our franchise in growing deposit base
Wealth management’s¹ FY2010 – 2014 performance:
- AUM up from $48bn to $80bn
- Customer base grew from 100,000 to 191,000
- Widened regional wealth management footprint from 29 to 51 wealth management centres

Sharpening our focus on private banking as customers’ needs grow
- Tapping on strong network and customer franchise in the region

1. Wealth Management comprises Privilege Banking, Privilege Reserve and Private Banking customer segments
Tapping on Increasing Connectivity in ASEAN

Strong ASEAN-China and Intra-ASEAN Flows

ASEAN-China
2013 Total trade: US$405bn
10-yr CAGR: 17%

Intra-ASEAN
2013 Total trade: US$609bn
10-yr CAGR: 11%
2030 forecast: US$1.9tn (3X increase)

AEC¹: New growth catalyst

Digitising our 500-branch network in core markets

UOB: Towards a Multi-Channel Model

MYANMAR
2 offices

THAILAND
156 offices

MALAYSIA
47 offices

SINGAPORE
76 offices

GREATER CHINA
26 offices²

VIETNAM
1 office²

INDONESIA
211 offices

Source: UOB Global Economics & Markets Research
1. AEC: ASEAN Economic Community.
Why UOB?

Stable Management
- Proven track record in steering the bank through various global events and crises
- Stability of management team ensures consistent execution of strategies

Integrated Regional Platform
- Entrenched local presence. Ground resources and integrated regional network allow us to better address the needs of our targeted segments
- Truly regional bank with full ownership and control of regional subsidiaries

Strong Fundamentals
- Sustainable revenue channels as a result of carefully-built core business
- Strong balance sheet, sound capital & liquidity position and resilient asset quality – testament of solid foundation built on the premise of basic banking

Balance Growth with Stability
- Continue to diversify portfolio, strengthen balance sheet, manage risks and build core franchise for the future
- Maintain long-term perspective to growth to ensure sustainable shareholder returns

Proven track record of financial conservatism and strong management committed to the long term
Agenda

1. Overview of UOB Group
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4. Our Growth Drivers
5. Latest Financials
## FY14 Financial Overview

### Net Profit After Tax\(^1\) (NPAT) Movement, FY14 vs FY13

<table>
<thead>
<tr>
<th>(SGD m)</th>
<th>FY13 net profit after tax</th>
<th>Net interest income</th>
<th>Fee income</th>
<th>Other non-interest income</th>
<th>Expenses</th>
<th>Impairment charges</th>
<th>Share of profit of associates and joint ventures</th>
<th>Tax and non-controlling interests</th>
<th>FY14 net profit after tax</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,008</td>
<td>+10.6%</td>
<td>+1.1%</td>
<td>+32.3%</td>
<td>+8.6%</td>
<td>+48.1%</td>
<td>-21.9%</td>
<td>-0.1%</td>
<td>3,249</td>
</tr>
</tbody>
</table>

\(+8.0\)%

Key Indicators

<table>
<thead>
<tr>
<th>Key Indicators</th>
<th>FY14</th>
<th>FY13</th>
<th>YoY Change</th>
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</thead>
<tbody>
<tr>
<td>NIM (%)</td>
<td>1.71</td>
<td>1.72</td>
<td>(0.01)% pt</td>
</tr>
<tr>
<td>Non-NII / Income (%)</td>
<td>38.9</td>
<td>38.7</td>
<td>0.2% pt</td>
</tr>
<tr>
<td>Expense / Income ratio (%)</td>
<td>42.2</td>
<td>43.1</td>
<td>(0.9)% pt</td>
</tr>
<tr>
<td>ROE (%)(^2)</td>
<td>12.3</td>
<td>12.3</td>
<td>0.0% pt</td>
</tr>
</tbody>
</table>

---

1. Refer to profit attributable to equity holders of the Bank.
2. Calculated based on profit attributable to equity holders of the Bank net of preference share dividends and capital securities distributions.

---

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1Q15 Financial Overview

Net Profit After Tax Movement, 1Q15 vs 4Q14

(SGD m)

<table>
<thead>
<tr>
<th>1Q15</th>
<th>4Q14</th>
<th>QoQ Change</th>
<th>1Q14</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIM (%)(^2)</td>
<td>1.76</td>
<td>1.69</td>
<td>+0.07% pt</td>
<td>1.73</td>
</tr>
<tr>
<td>Non-NII / Income (%)</td>
<td>38.6</td>
<td>36.8</td>
<td>+1.8% pt</td>
<td>36.7</td>
</tr>
<tr>
<td>Expense / Income ratio (%)</td>
<td>43.6</td>
<td>43.5</td>
<td>+0.1% pt</td>
<td>43.1</td>
</tr>
<tr>
<td>ROE (%)(^2,3)</td>
<td>11.1</td>
<td>11.3</td>
<td>(0.2)% pt</td>
<td>12.4</td>
</tr>
</tbody>
</table>

1. Refer to profit attributable to equity holders of the Bank.
2. Computed on an annualised basis.
3. Calculated based on profit attributable to equity holders of the Bank net of preference share dividends and capital securities distributions.
NII driven by Growth in Loans and Margins

Note: The definition of ‘Customer Deposits’ was expanded to include deposits from financial institutions relating to fund management and operating accounts from 1Q14 onwards. The interest expenses relating to these deposits and the corresponding impact to loan margin and interbank/securities margin for FY2013 were restated accordingly.
Steady Non-Interest Income Mix Underpins Diversity

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

Fee Income (SGD m) | Other Non-Interest Income (SGD m) | Non-NII / Total Income (%) | Fee Income / Total Income (%)

2011: 1,318 | 703 | 35.5% | 23.1%
2012: 1,508 | 1,070 | 39.7% | 23.2%
2013: 1,731 | 870 | 38.7% | 25.8%
2014: 1,749 | 1,151 | 38.9% | 23.5%

2011: 2,021 | 642 | 228 | 36.7% | 23.6%
2012: 2,578 | 760 | 350 | 40.3% | 21.8%
2013: 2,600 | 870 | 414 | 41.4% | 24.1%
2014: 2,900 | 1,151 | 410 | 36.8% | 24.3%

1Q14: 1,070 | 228 | 414 | 36.7% | 23.6%
2Q14: 1,508 | 350 | 410 | 40.3% | 21.8%
3Q14: 1,731 | 341 | 475 | 41.4% | 24.1%
4Q14: 1,749 | 232 | 450 | 36.8% | 24.3%
1Q15: 1,749 | 301 | 453 | 38.6% | 23.2%
Broad-based Growth in Fee Income

Breakdown of Fee Income

(SGD m)

Credit card  Fund management  Wealth management  Loan-related  Service charges  Trade-related  Others

2011  1,318  95  249  100  389  156  98  231

2012  1,508  120  256  107  446  210  129  240

2013  1,731  114  268  111  504  299  172  262

2014  1,749  59  273  113  490  377  156  281

1Q14  414  15  66  27  110  102  32  62

2Q14  410  14  69  26  106  88  38  71

3Q14  475  14  70  28  146  100  46  72

4Q14  450  16  69  32  129  88  40  76

1Q15  453  16  64  28  116  110  38  81
Disciplined Cost Management

Operating Expenses and Expense / Income Ratio

Staff Costs (SGD m)  Other Operating Expenses (SGD m)  Expense / Income Ratio (%)
Total Loans Charge-off Rate Relatively Stable

Individual Impairment Charges on Loans (SGD m)

- 2011: 163
- 2012: 454
- 2013: 136
- 2014: 238

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

- 1Q14: 32bps
- 2Q14: 32bps
- 3Q14: 32bps
- 4Q14: 32bps
- 1Q15: 32bps

(0)bps

- 1Q14: 19bps
- 2Q14: 15bps
- 3Q14: 14bps
- 4Q14: 12bps

(2)

- 1Q14: 93
- 2Q14: 75
- 3Q14: 73
- 4Q14: 61

**Notes:**

- Total Loans Charge-off Rate Relatively Stable
- Computed on an annualised basis.
Healthy Loan Growth

<table>
<thead>
<tr>
<th>Gross Loans *</th>
<th>Mar-15 SGD b</th>
<th>Dec-14 SGD b</th>
<th>QoQ +/- (%)</th>
<th>Mar-14 SGD b</th>
<th>YoY +/- (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>114.5</td>
<td>109.7</td>
<td>4.3</td>
<td>109.7</td>
<td>4.3</td>
</tr>
<tr>
<td>Regional:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malaysia</td>
<td>72.5</td>
<td>73.0</td>
<td>-0.6</td>
<td>63.1</td>
<td>15.0</td>
</tr>
<tr>
<td>Thailand</td>
<td>25.9</td>
<td>25.8</td>
<td>0.5</td>
<td>24.8</td>
<td>4.3</td>
</tr>
<tr>
<td>Indonesia</td>
<td>11.4</td>
<td>10.8</td>
<td>5.2</td>
<td>10.0</td>
<td>14.1</td>
</tr>
<tr>
<td>Greater China</td>
<td>11.0</td>
<td>11.1</td>
<td>-1.1</td>
<td>10.3</td>
<td>6.2</td>
</tr>
<tr>
<td>Others</td>
<td>16.3</td>
<td>16.6</td>
<td>-1.9</td>
<td>15.8</td>
<td>3.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>203.3</strong></td>
<td><strong>199.3</strong></td>
<td><strong>2.0</strong></td>
<td><strong>188.6</strong></td>
<td><strong>7.8</strong></td>
</tr>
</tbody>
</table>

| USD Loans     | 34.0         | 33.5         | 1.7         | 29.0         | 17.3       |

* Loans by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals).
Stable Liquidity Position

Customer Loans, Deposits and LDR

- Net Customer Loans (SGD b)
- Customer Deposits (SGD b)
- Group Loan/Deposit Ratio (LDR) (%)
- SGD LDR (%)
- USD LDR (%)

Mar-14 | 185.3 | 216.6 | 189.7 | 216.1 | 192.6 | 224.4 | 195.9 | 233.8 | 199.7 | 239.4

Jun-14 | 185.3 | 216.6 | 189.7 | 216.1 | 192.6 | 224.4 | 195.9 | 233.8 | 199.7 | 239.4

Sep-14 | 185.3 | 216.6 | 189.7 | 216.1 | 192.6 | 224.4 | 195.9 | 233.8 | 199.7 | 239.4

Dec-14 | 185.3 | 216.6 | 189.7 | 216.1 | 192.6 | 224.4 | 195.9 | 233.8 | 199.7 | 239.4

Mar-15 | 185.3 | 216.6 | 189.7 | 216.1 | 192.6 | 224.4 | 195.9 | 233.8 | 199.7 | 239.4
Robust Credit Quality; NPL Ratio Stable at 1.2%

NPL ratio

Mar-14  1.1%
Jun-14  1.2%
Sep-14  1.2%
Dec-14  1.2%
Mar-15  1.2%

NPL* (SGD m)

Mar-14  2,077
Jun-14  2,309
Sep-14  2,289
Dec-14  2,358
Mar-15  2,442

* NPL by geography is classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals).
Strong Impairment Coverage

Consistently High Impairment Coverage

<table>
<thead>
<tr>
<th></th>
<th>Cumulative Impairment / Total NPL (%)</th>
<th>Cumulative Impairment / Unsecured NPL (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar-14</td>
<td>160.2%</td>
<td></td>
</tr>
<tr>
<td>Jun-14</td>
<td>149.2%</td>
<td></td>
</tr>
<tr>
<td>Sep-14</td>
<td>146.8%</td>
<td></td>
</tr>
<tr>
<td>Dec-14</td>
<td>145.9%</td>
<td></td>
</tr>
<tr>
<td>Mar-15</td>
<td>147.0%</td>
<td></td>
</tr>
</tbody>
</table>

- 779, 2,548 for Mar-14
- 834, 2,611 for Jun-14
- 659, 2,701 for Sep-14
- 657, 2,783 for Dec-14
- 699, 2,890 for Mar-15

Collective Impairment (SGD m)
Individual Impairment (SGD m)
Cumulative Impairment / Total NPL (%)
Strong Capital and Leverage Ratios

Leverage ratio ¹

<table>
<thead>
<tr>
<th></th>
<th>Mar-14</th>
<th>Jun-14</th>
<th>Sep-14</th>
<th>Dec-14</th>
<th>Mar-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total CAR</td>
<td>12.5%</td>
<td>12.5%</td>
<td>12.6%</td>
<td>12.6%</td>
<td>12.8%</td>
</tr>
<tr>
<td>Tier 2 CAR</td>
<td>14.0%</td>
<td>13.9%</td>
<td>14.0%</td>
<td>13.9%</td>
<td>14.3%</td>
</tr>
<tr>
<td>Tier 1 / CET1 CAR</td>
<td>17.7%</td>
<td>17.8%</td>
<td>17.0%</td>
<td>16.9%</td>
<td>17.1%</td>
</tr>
</tbody>
</table>

Proforma CET1 CAR ²

<table>
<thead>
<tr>
<th></th>
<th>Mar-14</th>
<th>Jun-14</th>
<th>Sep-14</th>
<th>Dec-14</th>
<th>Mar-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>SGD b</td>
<td>23</td>
<td>23</td>
<td>24</td>
<td>25</td>
<td>26</td>
</tr>
<tr>
<td>Common Equity Tier 1 Capital</td>
<td>23</td>
<td>23</td>
<td>24</td>
<td>25</td>
<td>26</td>
</tr>
<tr>
<td>Tier 1 Capital</td>
<td>29</td>
<td>30</td>
<td>29</td>
<td>30</td>
<td>31</td>
</tr>
<tr>
<td>Total Capital</td>
<td>161</td>
<td>168</td>
<td>171</td>
<td>179</td>
<td>182</td>
</tr>
<tr>
<td>Risk-Weighted Assets</td>
<td>17.6%</td>
<td>0.07%</td>
<td>0.08%</td>
<td>22.9%</td>
<td>23.9%</td>
</tr>
</tbody>
</table>

¹ Leverage ratio is calculated based on the revised MAS Notice 637 which took effect from 1 January 2015.
² Based on final rules effective 1 January 2018.
Stable Dividend Payout

<table>
<thead>
<tr>
<th>Year</th>
<th>Payout amount (SGD m)</th>
<th>Payout ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>944</td>
<td>41</td>
</tr>
<tr>
<td>2012</td>
<td>1,102</td>
<td>39</td>
</tr>
<tr>
<td>2013</td>
<td>1,182</td>
<td>39</td>
</tr>
<tr>
<td>2014</td>
<td>1,202</td>
<td>37</td>
</tr>
</tbody>
</table>