

UOB - Premier Regional Bank

First Half / Second Quarter 2004

Group Results Briefing

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30 July 2004

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Higher Profit Recorded in 1st Half 2004

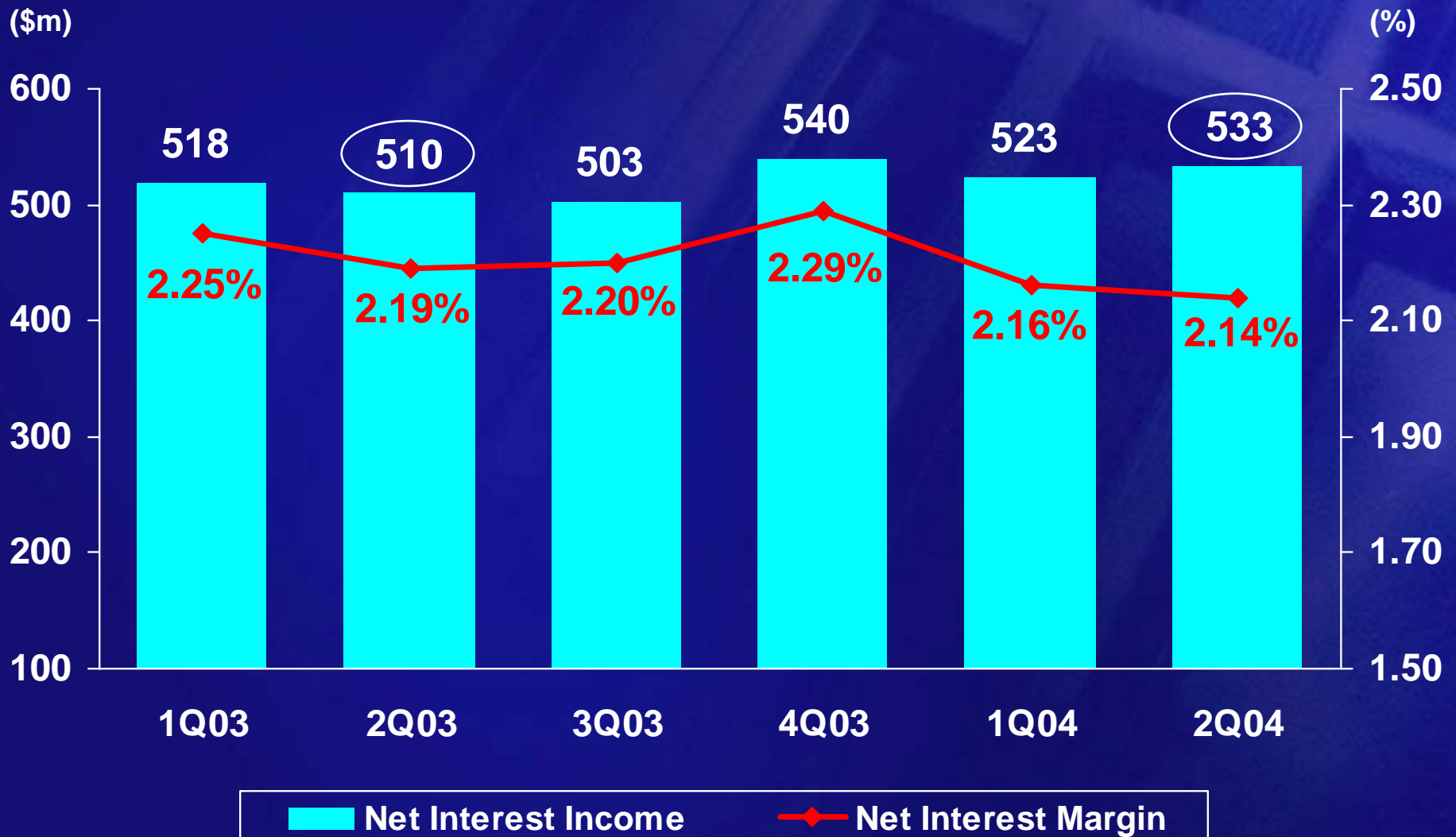
	1H04	1H03	Incr / (Decr)	
	\$m	\$m	\$m	%
Net Interest Income	1,056	1,028	28	2.7
Non-Interest Income	515	547	(32)	(5.7)
Total Income	1,571	1,575	(4)	(0.2)
Less: Operating Expenses	548	537	11	2.1
Operating Profit before Goodwill and Provisions	1,023	1,038	(15)	(1.4)
Less: Goodwill Amortisation	101	102	(1)	(1.2)
Provisions	76	280	(204)	(72.9)
Operating Profit after Goodwill and Provisions	846	656	190	29.0
Share of Profit of Associates	76	30	46	156.3
Profit before Tax & Minority Interests	922	686	236	34.5
Less: Tax & Minority Interests	218	185	33	18.0
Net Profit After Tax	705	501	204	40.5

Profit Growth in 2nd Quarter 2004

	2Q04	2Q03	Incr / (Decr)	
	\$m	\$m	\$m	%
Net Interest Income	533	510	23	4.3
Non-Interest Income	222	278	(56)	(20.1)
Total Income	755	789	(34)	(4.3)
Less: Operating Expenses	280	271	9	3.4
Operating Profit before Goodwill and Provisions	474	517	(43)	(8.3)
Less: Goodwill amortisation	50	51	(1)	(1.3)
Provisions	16	171	(155)	(90.9)
Operating Profit after Goodwill and Provisions	408	296	112	38.1
Share of Profit of Associates	47	27	20	73.5
Profit before Tax & Minority Interests	455	323	132	41.0
Less: Tax & Minority Interests	108	84	24	27.9
Net Profit After Tax	347	239	108	45.6

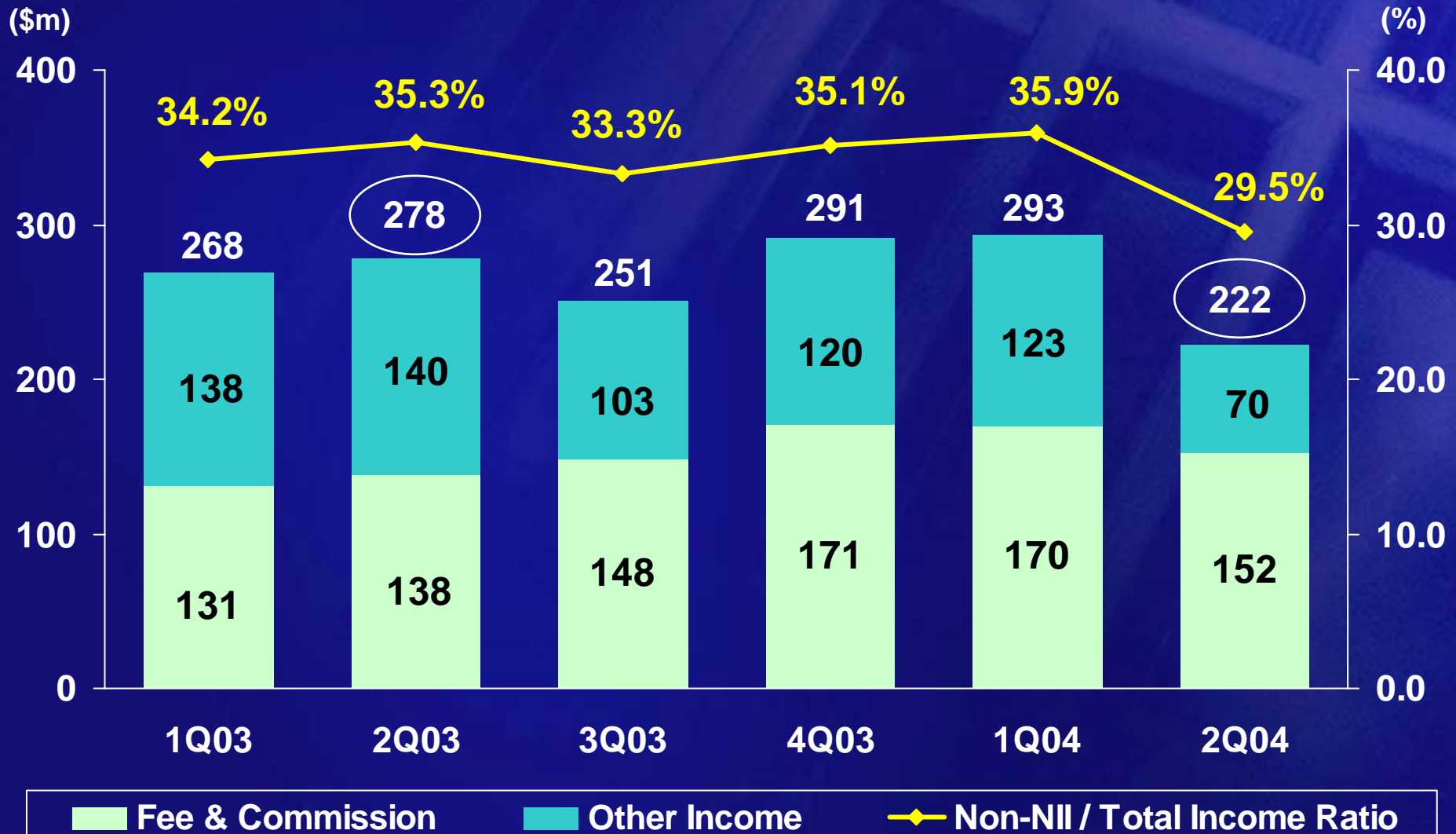
Higher Net Interest Income despite Lower Margin

Net Interest Income & Margin



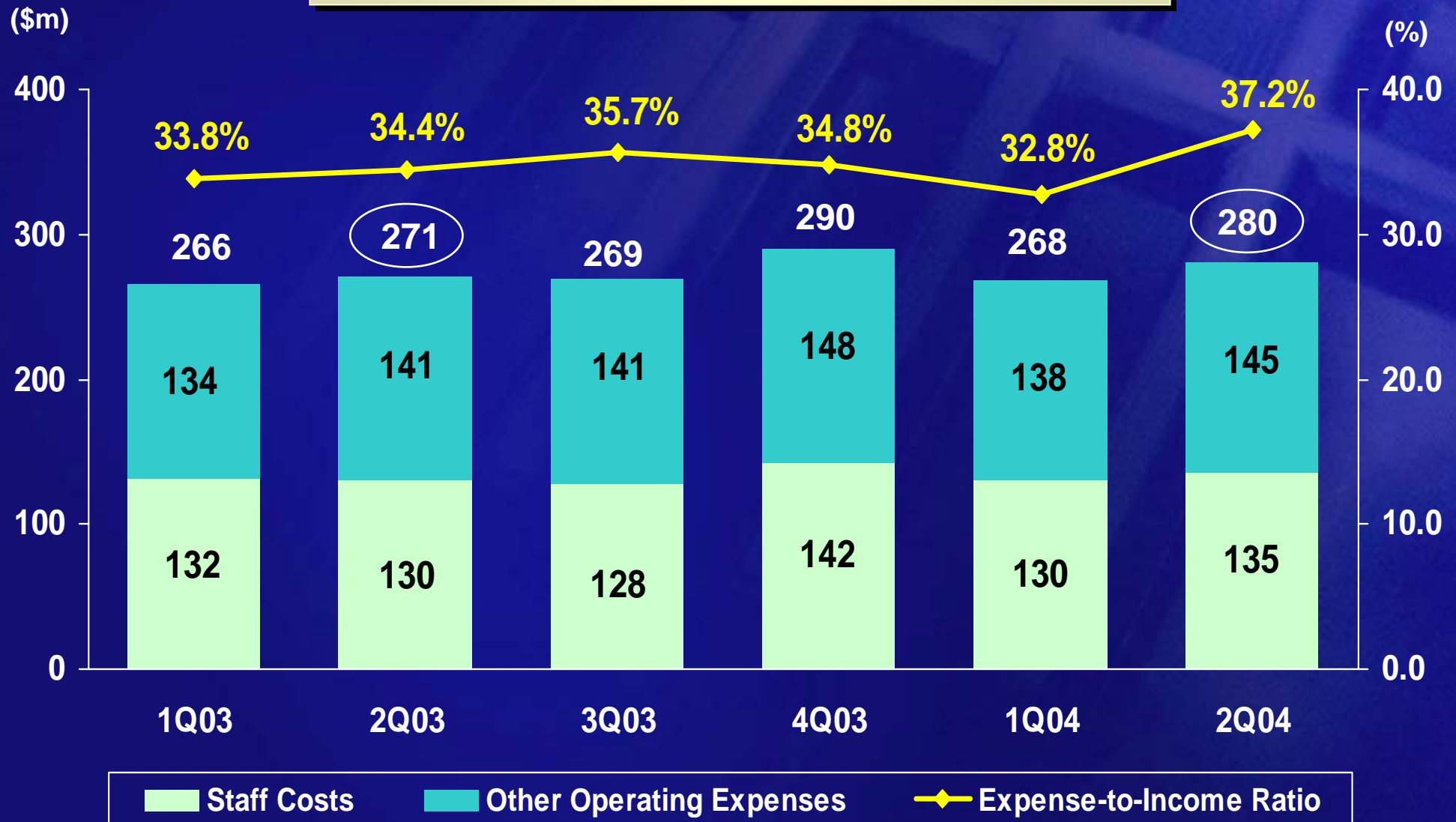
Improved Fee-based Income overshadowed by Lower Contributions from Securities and FX Dealings

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



Continue Disciplined Costs Management

Operating Expenses & Expense-to-Income Ratio

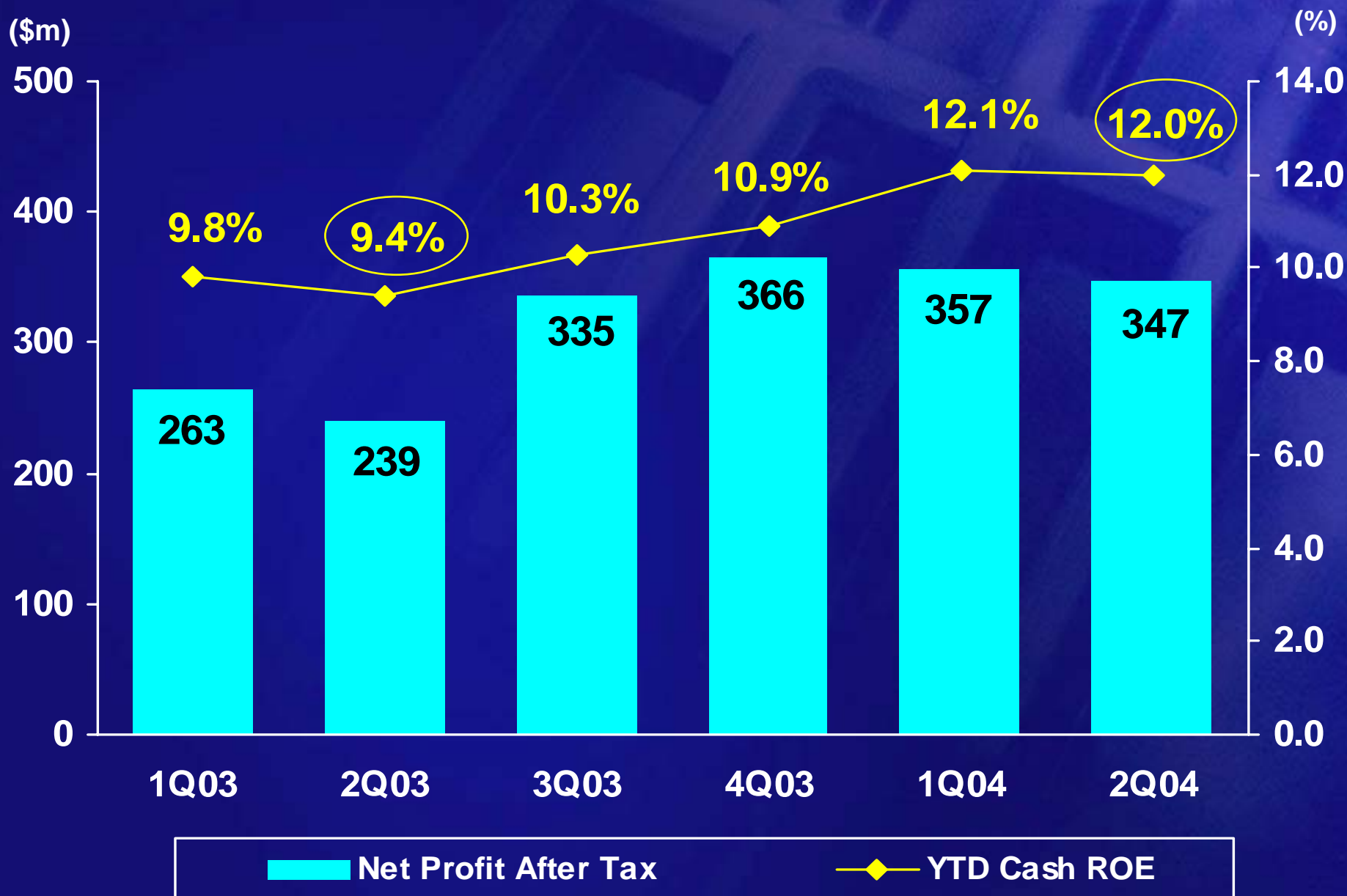


Reduced Provision Charges

Provisions Charged to Income Statement



Higher YTD Cash ROE from Profit Growth



Improved Earnings Per Share

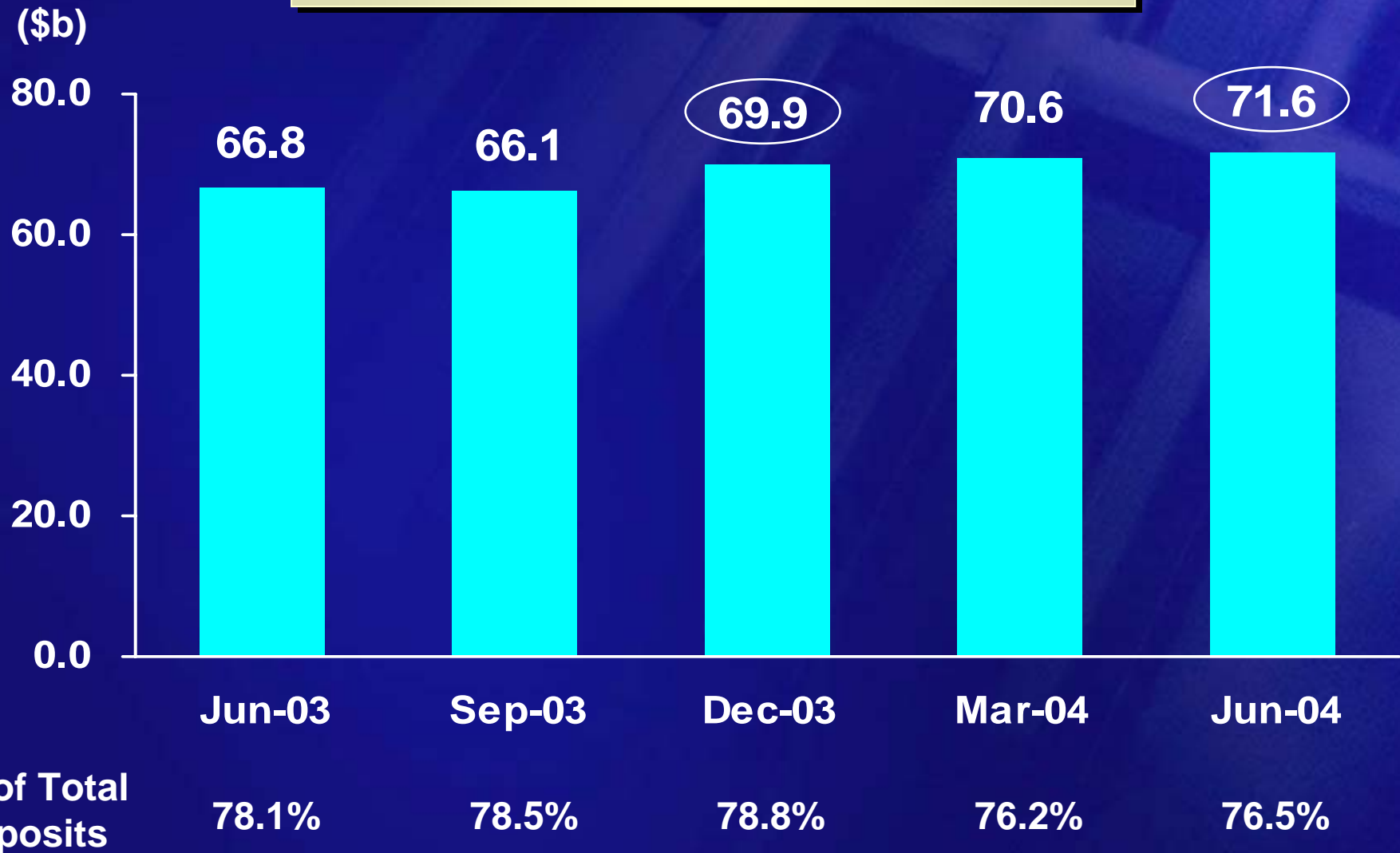


Loans Demand Relatively Stable



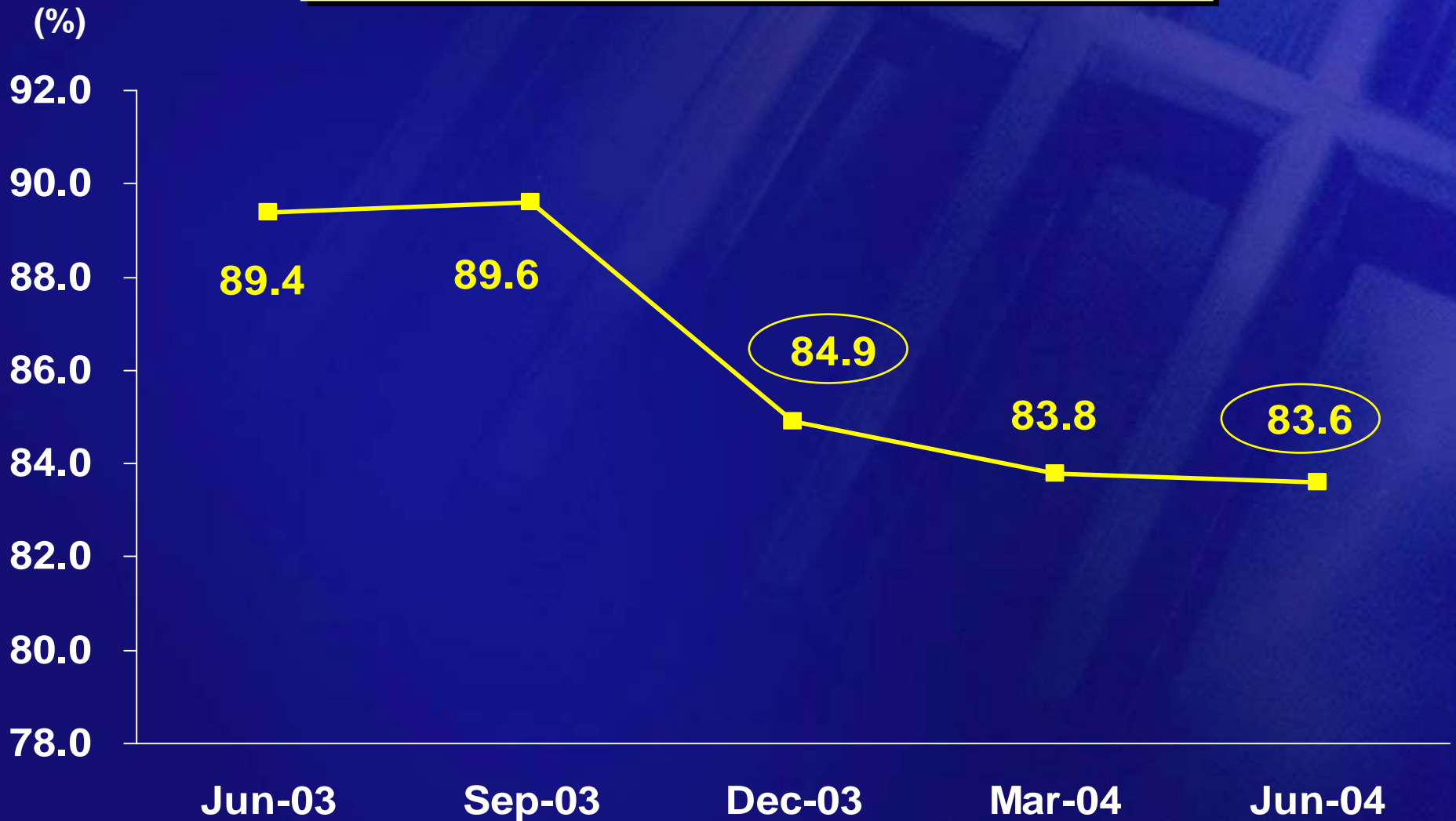
Growth in Customer Deposits

Customer Deposits

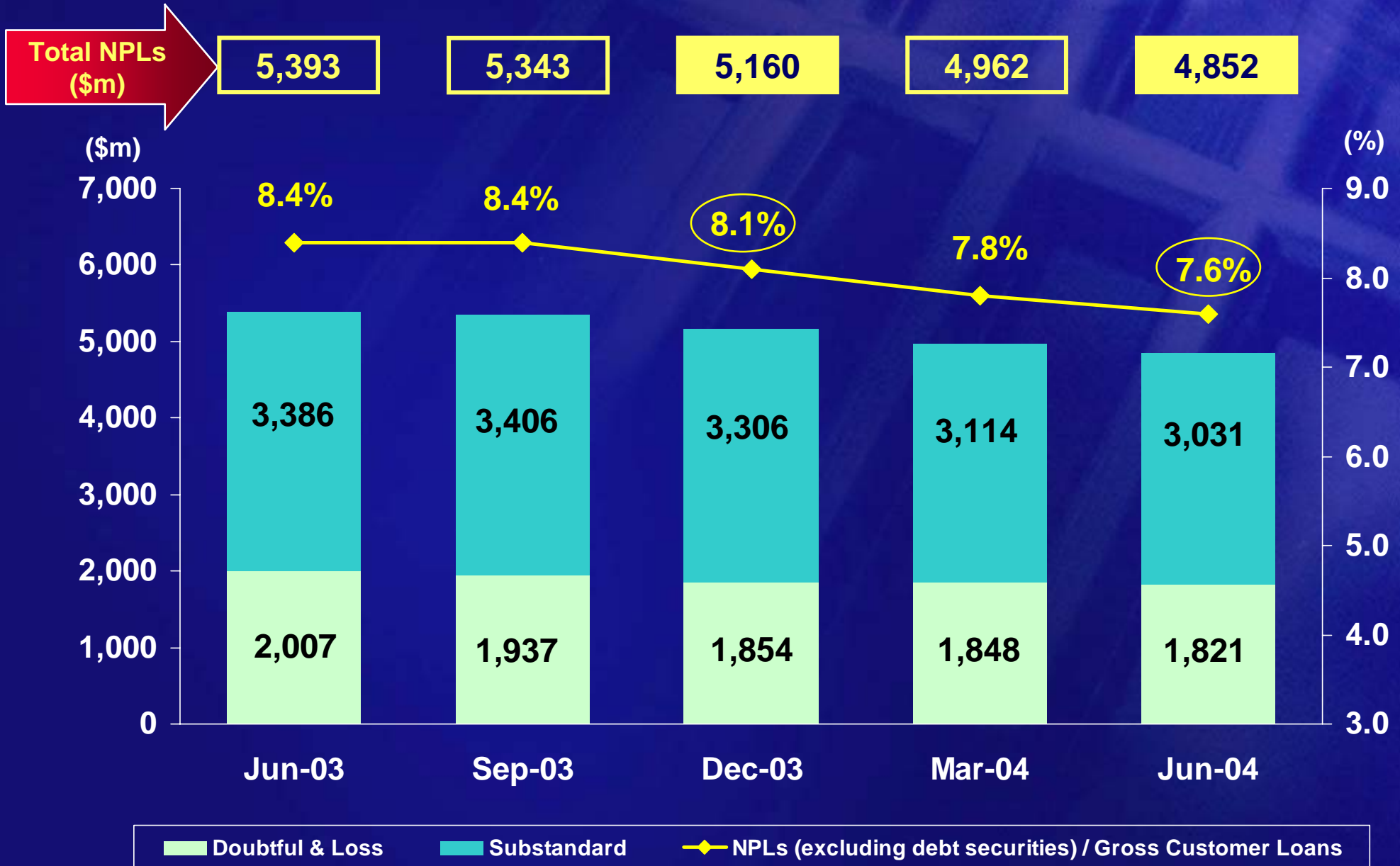


Lower Loans / Deposits Ratio

Loans / Deposits Ratio



Decline in Non-Performing Loans (NPLs)



Reduction in NPLs Mainly from Singapore



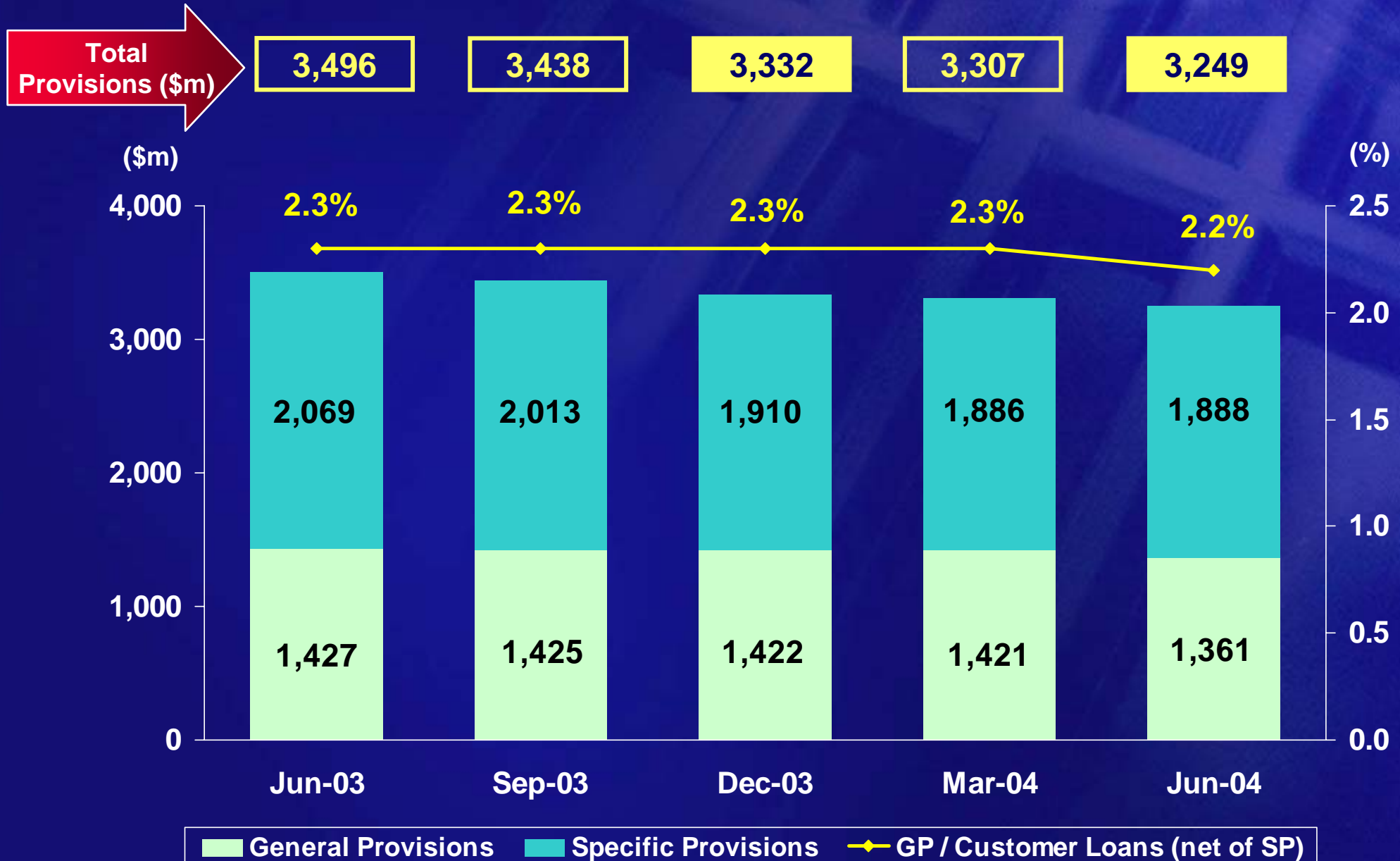
Improved NPLs Ratios for Most Sectors

NPLs Ratios By Industry

	<u>Jun-04</u>	<u>Dec-03</u>	<u>Incr / (Decr)</u>	<u>Jun-03</u>	<u>Incr / (Decr)</u>
	%	%	% pts	%	% pts
Transport, storage and communication	3.8	5.0	(1.2)	6.1	(2.3)
Building and construction	10.9	10.3	0.6	9.6	1.3
Manufacturing	12.5	12.7	(0.2)	15.7	(3.2)
Non-bank financial institutions	7.6	9.5	(1.9)	9.0	(1.4)
General commerce	8.1	8.1	-	8.3	(0.2)
Professionals and private individuals	8.8	9.6	(0.8)	10.2	(1.4)
Housing loans	3.5	4.3	(0.8)	4.3	(0.8)
Other	6.7	5.7	1.0	5.5	1.2
NPLs* /					
Gross Customer Loans	<u>7.6</u>	<u>8.1</u>	<u>(0.5)</u>	<u>8.4</u>	<u>(0.8)</u>

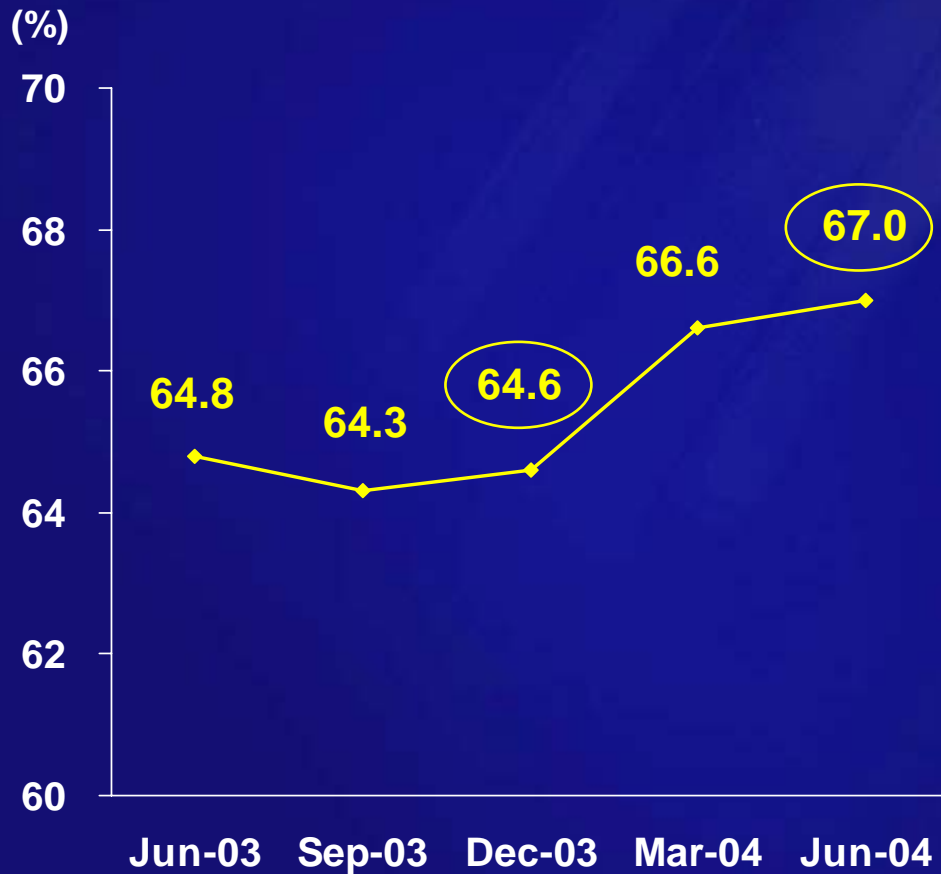
* Excluding debt securities

Decrease in Cumulative Provisions in Tandem with the Drop in NPLs



Higher Provision Coverage against Total NPLs

Cumulative Provisions /
Total NPLs Ratio

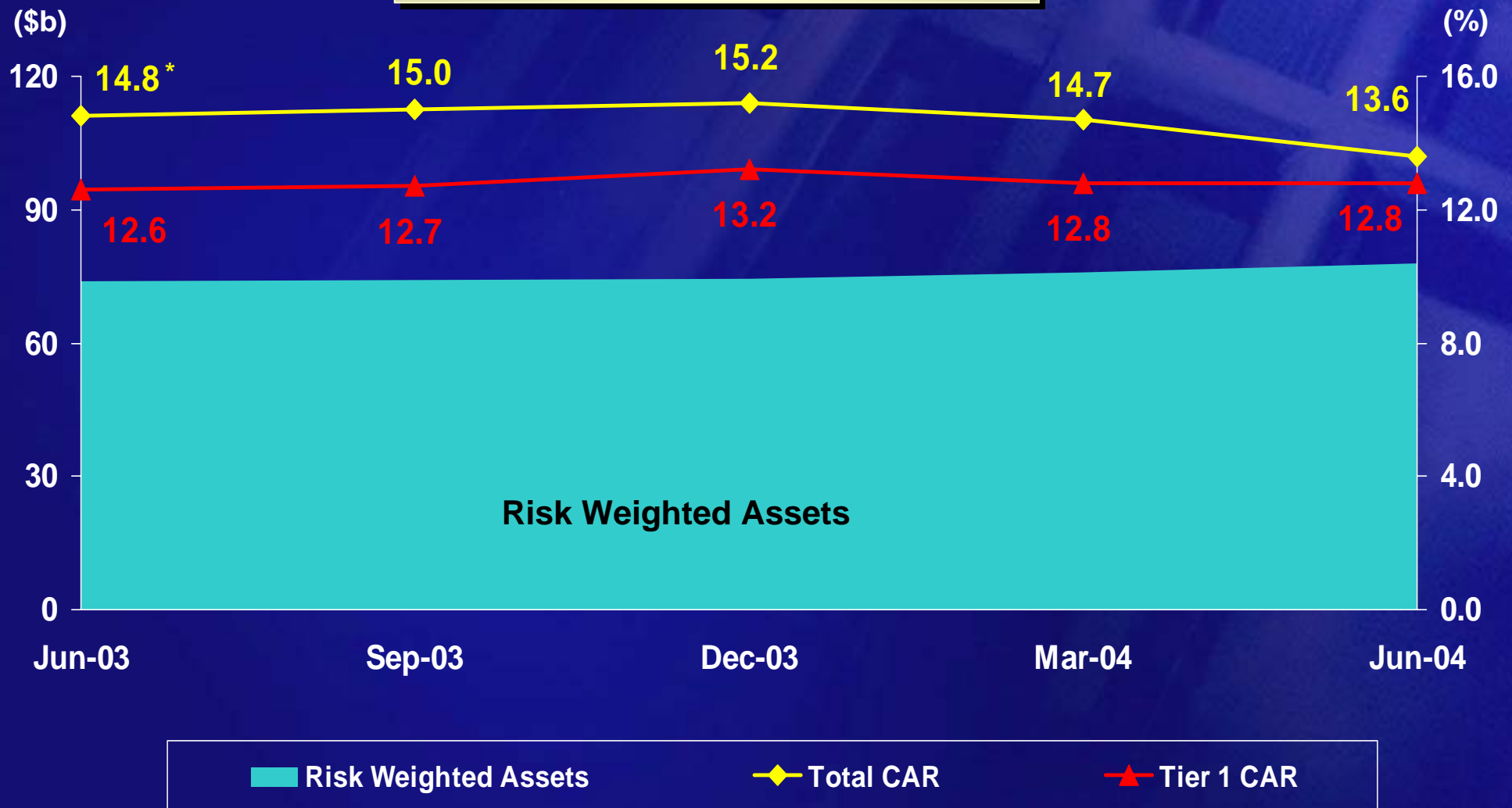


Cumulative Provisions /
Unsecured NPLs Ratio



Strong Capital Position

Capital Adequacy Ratio



* Including the US\$1 billion 4.50% Subordinated Notes due 2013

Continue to Reward Shareholders with High Dividends



In Summary ...

	1H04	1H03	Incr / (Decr)	2Q04	2Q03	Incr / (Decr)
Net Profit After Tax	\$705m	\$501m	40.5%	\$347m	\$239m	45.6%
ROE (excluding goodwill)	12.0%	9.4%	2.6% pt	11.9%	9.0%	2.9% pt
Expense-to-Income Ratio	34.9%	34.1%	0.8% pt	37.2%	34.4%	2.8% pt
NPLs*/Gross Customer Loans	7.6%	8.4%	(0.8)% pt	7.6%	8.4%	(0.8)% pt
Dividend Rate - Interim	20.0%	20.0%	-	20.0%	20.0%	-

* Excluding debt securities