

UNITED OVERSEAS BANK LIMITED

*Incorporated in the Republic of Singapore
Company Registration Number: 193500026Z*

To : All Shareholders

The Board of Directors of United Overseas Bank Limited wishes to make the following announcement:

Financial Results

The unaudited financial results of the Group for the first quarter of 2008 are enclosed.

Ordinary Share Dividend

No dividend on ordinary shares has been declared for the first quarter of 2008.

Subsidiary Preference Share Dividend

During the first quarter of 2008, semi-annual dividends at an annual rate of 5.796% totalling USD14 million, approximately S\$20 million (first quarter of 2007: USD14 million, approximately S\$22 million) were paid on the 5,000 non-cumulative non-convertible guaranteed SPV-A preference shares issued by the Bank's wholly-owned subsidiary, UOB Cayman I Limited.

Confirmation by Directors

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results of the Group for the first quarter of 2008 to be false or misleading.

**BY ORDER OF THE BOARD
UNITED OVERSEAS BANK LIMITED**

Mrs Vivien Chan
Secretary

Dated this 6th day of May 2008

The results are also available at the Bank's website at www.uobgroup.com



United Overseas Bank Limited

Incorporated in the Republic of Singapore
Company Registration Number: 193500026Z

Group Financial Report for the First Quarter 2008

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Notes:

- 1 The financial statements are presented in Singapore dollars.
 - 2 Certain comparative figures have been restated to conform with the current period's presentation.
 - 3 Certain figures in this report may not add up to the respective totals due to rounding.
 - 4 Amounts less than \$500,000 in absolute term are shown as "0".
- "NM" denotes not meaningful.

Financial Highlights

| | 1Q08 | 4Q07 | + / (-) % | 1Q07 | + / (-) % |
|--|-------|-------|--------------|-------|--------------|
| Profit and Loss Summary (\$m) | | | | | |
| Net interest income | 852 | 743 | 14.6 | 762 | 11.8 |
| Non-interest income | 414 | 532 | (22.1) | 432 | (4.1) |
| Total income | 1,266 | 1,275 | (0.7) | 1,194 | 6.1 |
| Less: Total expenses | 496 | 556 | (10.7) | 472 | 5.2 |
| Operating profit | 770 | 719 | 7.0 | 722 | 6.7 |
| Less: Intangible assets | 3 | 2 | 21.9 | 3 | (9.9) |
| Less: Impairment charges | 89 | 128 | (30.3) | 87 | 1.8 |
| Add: Share of profit of associates | 22 | 48 | (53.8) | 47 | (53.1) |
| Less: Tax and minority interests | 171 | 131 | 30.2 | 160 | 6.6 |
| Net profit after tax ¹ | 529 | 506 | 4.6 | 518 | 2.1 |
| Financial Indicators | | | | | |
| Income mix (%) | | | | | |
| Net interest income | 67.3 | 58.3 | 9.0% pt | 63.8 | 3.5% pt |
| Non-interest income | 32.7 | 41.7 | (9.0)% pt | 36.2 | (3.5)% pt |
| Profit distribution (%) | | | | | |
| Singapore | 69.0 | 64.5 | 4.5% pt | 72.7 | (3.7)% pt |
| Overseas | 31.0 | 35.5 | (4.5)% pt | 27.3 | 3.7% pt |
| Basic earnings per ordinary share (\$) ^{2,3} | 1.38 | 1.31 | 5.3 | 1.33 | 3.8 |
| Return on average ordinary shareholders' equity (%) ^{2,3} | 12.7 | 12.0 | 0.7% pt | 12.4 | 0.3% pt |
| Return on average total assets (%) ³ | 1.17 | 1.16 | 0.01% pt | 1.27 | (0.10)% pt |
| Net interest margin (%) ³ | 2.20 | 1.94 | 0.26% pt | 2.18 | 0.02% pt |
| Expense / Income ratio (%) | 39.2 | 43.6 | (4.4)% pt | 39.5 | (0.3)% pt |

Notes:

- 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 subsidiary preference share dividend incurred for the financial period.
- 3 Computed on an annualised basis.

Financial Highlights (cont'd)

| | Mar-08 | Dec-07 | + / (-) % | Mar-07 | + / (-) % |
|--|----------------|---------|--------------|---------|--------------|
| Financial Indicators (cont'd) | | | | | |
| Customer loans (net) (\$m) | 94,373 | 92,669 | 1.8 | 79,042 | 19.4 |
| Customer deposits (\$m) | 109,580 | 106,967 | 2.4 | 99,674 | 9.9 |
| Loans / Deposits ratio (%) ¹ | 86.1 | 86.6 | (0.5)% pt | 79.3 | 6.8% pt |
| NPL ratio (%) ² | 1.6 | 1.8 | (0.2)% pt | 3.7 | (2.1)% pt |
| Total assets (\$m) | 185,784 | 174,950 | 6.2 | 166,728 | 11.4 |
| Shareholders' equity (\$m) ³ | 16,992 | 17,329 | (1.9) | 17,507 | (2.9) |
| Revaluation surplus (\$m) ⁴ | 3,273 | 3,263 | 0.3 | 1,489 | 119.8 |
| Net asset value ("NAV") per ordinary share (\$) ⁵ | 10.73 | 10.91 | (1.6) | 10.95 | (2.0) |
| Revalued NAV per ordinary share (\$) ⁵ | 12.91 | 13.07 | (1.2) | 11.92 | 8.3 |
| Net tangible asset per ordinary share (\$) ⁵ | 7.92 | 8.10 | (2.2) | 8.15 | (2.8) |
| Capital adequacy ratios (%) | | | | | |
| Tier 1 | 9.9 | 10.0 | (0.1)% pt | 11.1 | (1.2)% pt |
| Total | 14.3 | 14.5 | (0.2)% pt | 16.2 | (1.9)% pt |

Notes:

- 1 Refer to net customer loans and customer deposits.
- 2 Refer to non-performing loans (excluding debt securities and contingent assets) as a percentage of gross customer loans.
- 3 Refer to equity attributable to equity holders of the Bank.
- 4 Refer to revaluation surplus on properties not recognised in the financial statements.
- 5 Subsidiary preference shares were excluded from the computation.

Performance Review

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") with modification to FRS39 Financial Instruments: Recognition and Measurement in respect of loan loss provisioning, as provided in Notice to Banks No. 612 "Credit Files, Grading and Provisioning" issued by Monetary Authority of Singapore ("MAS"). Except as disclosed, the accounting policies and computation methods adopted in the financial statements for the first quarter of 2008 are the same as those adopted in the audited financial statements for the financial year ended 31 December 2007.

First Quarter 2008 ("1Q08") versus Fourth Quarter 2007 ("4Q07")

Group NPAT increased 4.6% to \$529 million in 1Q08, with operating profit grew 7.0% to \$770 million.

Operating income was flat at \$1,266 million. Net interest income rose 14.6% to \$852 million, mainly contributed by improved interest margin and loan growth. This was, however, largely offset by lower fee and commission income and lower trading and investment income.

Total operating expenses decreased 10.7% to \$496 million. The decrease was mainly on bonus provision and business promotion expenses. Expense-to-income ratio improved 4.4% points to 39.2%.

Impairment charges were \$89 million compared to \$128 million in 4Q07. The decrease was largely due to lower impairment charges on loans and collateralised debt obligations ("CDO").

Net customer loans increased 1.8% to \$94,373 million as at 31 March 2008. Non-performing loans of \$1,602 million was 1.6% (31 December 2007: 1.8%) of gross customer loans.

First Quarter 2008 ("1Q08") versus First Quarter 2007 ("1Q07")

Group NPAT for 1Q08 increased 2.1% to \$529 million, with operating profit grew 6.7% to \$770 million.

Operating income rose 6.1% to \$1,266 million. The increase was mainly due to higher net interest income and fee and commission income, partially offset by lower trading and investment income.

Total operating expenses increased 5.2% to \$496 million, primarily driven by higher staff costs. Expense-to-income ratio improved 0.3% point to 39.2%.

Impairment charges increased 1.8% to \$89 million, largely attributed to provision for CDO, partly offset by lower impairment charges on loans.

Net customer loans rose 19.4% to \$94,373 million as at 31 March 2008. Non-performing loans was \$1,602 million, representing 1.6% (31 March 2007: 3.7%) of gross customer loans.

Net Interest Income

Net Interest Margin

| | 1Q08 | | | 4Q07 | | | 1Q07 | | |
|--|-----------------|---------------------|--------------|-----------------|---------------------|--------------|-----------------|---------------------|--------------|
| | Average Balance | Annualised Interest | Average Rate | Average Balance | Annualised Interest | Average Rate | Average Balance | Annualised Interest | Average Rate |
| | \$m | \$m | % | \$m | \$m | % | \$m | \$m | % |
| Interest bearing assets | | | | | | | | | |
| Customer loans | 93,128 | 4,765 | 5.12 | 86,821 | 4,589 | 5.29 | 77,988 | 4,720 | 6.05 |
| Interbank balances | 31,834 | 1,209 | 3.80 | 35,148 | 1,320 | 3.76 | 37,384 | 1,673 | 4.48 |
| Securities | 30,766 | 1,244 | 4.04 | 29,858 | 1,209 | 4.05 | 26,472 | 1,222 | 4.61 |
| Total | 155,728 | 7,218 | 4.63 | 151,827 | 7,118 | 4.69 | 141,844 | 7,615 | 5.37 |
| Interest bearing liabilities | | | | | | | | | |
| Customer deposits | 108,417 | 2,134 | 1.97 | 107,920 | 2,418 | 2.24 | 98,838 | 2,650 | 2.68 |
| Interbank balances / other | 42,763 | 1,658 | 3.88 | 40,319 | 1,751 | 4.34 | 38,298 | 1,875 | 4.90 |
| Total | 151,181 | 3,791 | 2.51 | 148,239 | 4,169 | 2.81 | 137,136 | 4,526 | 3.30 |
| Loan margin | | | 3.15 | | | 3.05 | | | 3.37 |
| Net interest income / margin ¹ | | 3,426 | 2.20 | | 2,949 | 1.94 | | 3,089 | 2.18 |

Volume and Rate Analysis

| | 1Q08 vs 4Q07 | | | 1Q08 vs 1Q07 | | |
|----------------------------|---------------|--------------|-------------|---------------|--------------|--------------|
| | Volume Change | Rate Change | Net Change | Volume Change | Rate Change | Net Change |
| | \$m | \$m | \$m | \$m | \$m | \$m |
| Interest income | | | | | | |
| Customer loans | 84 | (40) | 44 | 226 | (215) | 11 |
| Interbank balances | (31) | 3 | (28) | (61) | (53) | (114) |
| Securities | 9 | (0) | 9 | 49 | (43) | 6 |
| Total | 62 | (37) | 25 | 214 | (311) | (98) |
| Interest expense | | | | | | |
| Customer deposits | 3 | (75) | (72) | 63 | (191) | (127) |
| Interbank balances / other | 25 | (48) | (23) | 49 | (103) | (54) |
| Total | 28 | (123) | (95) | 113 | (294) | (181) |
| Change in number of days | - | - | (12) | - | - | 7 |
| Net interest income | 34 | 86 | 108 | 101 | (18) | 90 |

1Q08 vs 4Q07

Net interest income rose 14.6% to \$852 million. The increase was attributed to higher interest margin and loan growth. Net interest margin increased 26 basis points to 2.20%, and loan margin improved 10 basis points to 3.15%, due mainly to the tight credit and liquidity conditions in the market, as well as a steeper yield curve.

1Q08 vs 1Q07

Net interest income grew 11.8% to \$852 million, contributed mainly by loan growth. Net interest margin increased 2 basis points to 2.20%, mainly due to improved asset mix. The decrease in loan margin by 22 basis points to 3.15% was largely due to interest recovery on non-performing loans in 1Q07.

Note:

¹ Net interest margin represents annualised net interest income as a percentage of total interest bearing assets.

Non-Interest Income

| | 1Q08 | 4Q07 | + / (-) | 1Q07 | + / (-) |
|--|-------------|------------|---------------|------------|---------------|
| | \$m | \$m | % | \$m | % |
| Fee and commission income | | | | | |
| Credit card | 44 | 50 | (13.3) | 38 | 14.9 |
| Fund management | 55 | 108 | (49.1) | 62 | (10.7) |
| Futures broking | 9 | 8 | 9.9 | 9 | (0.3) |
| Investment-related | 30 | 67 | (55.6) | 40 | (24.5) |
| Loan-related | 74 | 56 | 32.0 | 44 | 69.8 |
| Service charges | 21 | 22 | (6.5) | 18 | 16.0 |
| Trade-related | 53 | 48 | 11.8 | 42 | 26.8 |
| Other | 17 | 10 | 73.4 | 7 | 144.2 |
| | 303 | 370 | (18.0) | 259 | 17.1 |
| Dividend income | 3 | 6 | (54.6) | 3 | (18.7) |
| Rental income | 24 | 22 | 9.2 | 16 | 50.0 |
| Other operating income | | | | | |
| Net gain / (loss) from: | | | | | |
| Trading activities | 6 | 25 | (75.6) | 29 | (79.6) |
| Non-trading activities | | | | | |
| Financial instruments measured at fair value | | | | | |
| to profit and loss | (53) | (29) | (84.5) | 16 | (441.7) |
| Available-for-sale assets and other | 79 | 96 | (17.0) | 33 | 143.4 |
| | 32 | 92 | (64.7) | 78 | (58.4) |
| Other income | 51 | 42 | 23.0 | 75 | (31.9) |
| | 84 | 133 | (37.2) | 153 | (45.3) |
| Total | 414 | 532 | (22.1) | 432 | (4.1) |
| Fee and commission income / Total income (%) | 24.0 | 29.0 | (5.0)% pt | 21.7 | 2.3 % pt |
| Non-interest income / Total income (%) | 32.7 | 41.7 | (9.0)% pt | 36.2 | (3.5)% pt |

1Q08 vs 4Q07

Non-interest income declined 22.1% to \$414 million. The decrease was mainly due to lower fee and commission income from fund management and investment-related activities, and lower trading and investment income. These were partly offset by higher fee income from loan-related activities.

1Q08 vs 1Q07

Non-interest income decreased 4.1% to \$414 million. The lower trading and investment income was partially offset by higher fee and commission income, largely from loan-related and trade-related activities.

Operating Expenses

| | 1Q08 | 4Q07 | + / (-) | 1Q07 | + / (-) |
|---|------------|--------|-----------|--------|-----------|
| | \$m | \$m | % | \$m | % |
| Staff costs | 267 | 279 | (4.5) | 241 | 10.6 |
| Other operating expenses | | | | | |
| Revenue-related | 116 | 159 | (27.4) | 114 | 1.0 |
| Occupancy-related | 45 | 44 | 1.7 | 40 | 13.4 |
| IT-related | 37 | 38 | (0.7) | 42 | (11.3) |
| Other | 32 | 36 | (11.2) | 35 | (8.1) |
| | 230 | 277 | (17.0) | 231 | (0.5) |
| Total | 496 | 556 | (10.7) | 472 | 5.2 |
| Of which: | | | | | |
| Depreciation of assets | 33 | 35 | (4.4) | 35 | (5.4) |
| Total IT costs ¹ | 67 | 67 | (0.1) | 70 | (4.4) |
| Total IT costs / Total operating expenses (%) | 13.4 | 12.0 | 1.4 % pt | 14.8 | (1.4)% pt |
| Expense / Income ratio (%) | 39.2 | 43.6 | (4.4)% pt | 39.5 | (0.3)% pt |
| Manpower (number) | 21,818 | 21,432 | 386 no. | 20,461 | 1,357 no. |

1Q08 vs 4Q07

Total operating expenses decreased 10.7% to \$496 million. Staff costs reduced 4.5% to \$267 million, mainly due to lower bonus provision. Other operating expenses decreased 17.0% to \$230 million, largely due to higher expenses on business promotions in previous quarter. Expense-to-income ratio improved 4.4% points to 39.2%.

1Q08 vs 1Q07

Total operating expenses increased 5.2% to \$496 million. Staff costs rose 10.6% to \$267 million, primarily on increased headcount. Other operating expenses were flat at \$230 million. Expense-to-income ratio improved 0.3% point to 39.2%.

Note:

1 Comprise IT staff costs and other IT-related expenses.

Impairment Charges

| | 1Q08 | 4Q07 | + / (-) | 1Q07 | + / (-) |
|--|-------------|------|---------|------|---------|
| | \$m | \$m | % | \$m | % |
| Individual impairment on loans | | | | | |
| Singapore | (3) | 22 | (113.7) | 28 | (110.8) |
| Malaysia | 7 | 8 | (8.5) | 23 | (70.1) |
| Thailand | 6 | 24 | (77.3) | 35 | (84.5) |
| Indonesia | (0) | (2) | 99.3 | 1 | (101.0) |
| Greater China ¹ | 2 | 3 | (49.2) | (3) | NM |
| Other | (1) | 11 | (109.1) | 1 | (203.8) |
| | 10 | 67 | (85.2) | 86 | (88.6) |
| Individual impairment on securities and other assets | 32 | 61 | (48.4) | 1 | NM |
| Collective impairment | 48 | - | NM | - | NM |
| Total | 89 | 128 | (30.3) | 87 | 1.8 |

1Q08 vs 4Q07

Impairment charges were \$89 million compared to \$128 million in 4Q07. The decrease was largely due to lower individual impairment on loans and CDO. These were partly negated by collective impairment provided for loans and CDO.

1Q08 vs 1Q07

Impairment charges increased 1.8% to \$89 million. The increase was mainly due to collective impairment provided for CDO and loans, and individual impairment on CDO and investments. These were partially offset by lower individual impairment on loans.

Note:

¹ Greater China comprises China, Hong Kong S.A.R. and Taiwan.

Customer Loans

| | Mar-08 | Dec-07 | Mar-07 |
|-----------------------------|---------------|--------|--------|
| | \$m | \$m | \$m |
| Gross customer loans | 96,257 | 94,583 | 81,563 |
| Less: Individual impairment | 597 | 645 | 1,248 |
| Collective impairment | 1,286 | 1,270 | 1,273 |
| Net customer loans | 94,373 | 92,669 | 79,042 |

| | Mar-08 | | Dec-07 | | Mar-07 | |
|---------------------------------------|---------------|--------------|--------|-------|--------|-------|
| | \$m | % | \$m | % | \$m | % |
| By Industry | | | | | | |
| Transport, storage and communication | 5,508 | 5.7 | 5,312 | 5.6 | 4,232 | 5.2 |
| Building and construction | 12,297 | 12.8 | 11,024 | 11.6 | 8,382 | 10.3 |
| Manufacturing | 10,029 | 10.4 | 9,840 | 10.4 | 9,444 | 11.6 |
| Non-bank financial institutions | 15,893 | 16.5 | 16,277 | 17.2 | 12,829 | 15.7 |
| General commerce | 12,742 | 13.2 | 12,825 | 13.6 | 11,671 | 14.3 |
| Professionals and private individuals | 11,391 | 11.8 | 11,222 | 11.9 | 10,349 | 12.7 |
| Housing loans | 22,879 | 23.8 | 22,598 | 23.9 | 19,793 | 24.3 |
| Other | 5,518 | 5.8 | 5,487 | 5.8 | 4,863 | 5.9 |
| Total (gross) | 96,257 | 100.0 | 94,583 | 100.0 | 81,563 | 100.0 |

By Currency

| | | | | | | |
|-------------------|---------------|--------------|--------|-------|--------|-------|
| Singapore dollar | 52,002 | 54.0 | 50,361 | 53.2 | 42,072 | 51.6 |
| US dollar | 14,559 | 15.1 | 14,146 | 15.0 | 12,859 | 15.8 |
| Malaysian ringgit | 11,141 | 11.6 | 10,821 | 11.4 | 9,150 | 11.2 |
| Thai baht | 6,370 | 6.6 | 6,967 | 7.4 | 7,198 | 8.8 |
| Indonesian rupiah | 2,443 | 2.6 | 2,332 | 2.5 | 2,224 | 2.7 |
| Other | 9,741 | 10.1 | 9,956 | 10.5 | 8,061 | 9.9 |
| Total (gross) | 96,257 | 100.0 | 94,583 | 100.0 | 81,563 | 100.0 |

By Maturity

| | | | | | | |
|---------------------------------|---------------|--------------|--------|-------|--------|-------|
| Within 1 year | 37,244 | 38.7 | 38,499 | 40.7 | 34,626 | 42.4 |
| Over 1 year but within 3 years | 16,414 | 17.0 | 13,764 | 14.6 | 10,715 | 13.1 |
| Over 3 years but within 5 years | 13,650 | 14.2 | 14,324 | 15.1 | 10,728 | 13.2 |
| Over 5 years | 28,949 | 30.1 | 27,996 | 29.6 | 25,495 | 31.3 |
| Total (gross) | 96,257 | 100.0 | 94,583 | 100.0 | 81,563 | 100.0 |

Net customer loans grew 1.8% and 19.4% over 31 December 2007 and 31 March 2007 respectively to \$94,373 million as at 31 March 2008. The increase was broad-based across most of the industries.

Total Deposits

| | Mar-08 | | Dec-07 | | Mar-07 | |
|-------------------|----------------|--------------|---------|-------|---------|-------|
| | \$m | % | \$m | % | \$m | % |
| Banker deposits | 39,531 | 26.5 | 32,091 | 23.1 | 33,709 | 25.3 |
| Customer deposits | 109,580 | 73.5 | 106,967 | 76.9 | 99,674 | 74.7 |
| Total | 149,111 | 100.0 | 139,059 | 100.0 | 133,384 | 100.0 |

Loans / Deposits ratio (%) **86.1** 86.6 79.3

By Maturity

| | | | | | | |
|---------------------------------|----------------|--------------|---------|-------|---------|-------|
| Within 1 year | 145,542 | 97.6 | 135,332 | 97.3 | 129,507 | 97.1 |
| Over 1 year but within 3 years | 1,583 | 1.1 | 1,564 | 1.1 | 1,713 | 1.3 |
| Over 3 years but within 5 years | 1,539 | 1.0 | 1,707 | 1.2 | 1,505 | 1.1 |
| Over 5 years | 448 | 0.3 | 456 | 0.4 | 659 | 0.5 |
| Total | 149,111 | 100.0 | 139,059 | 100.0 | 133,384 | 100.0 |

Customer Deposits by Product Group

| | | | | | | |
|------------------|----------------|--------------|---------|-------|--------|-------|
| Fixed deposits | 68,614 | 62.6 | 68,738 | 64.2 | 65,832 | 66.1 |
| Savings deposits | 22,523 | 20.6 | 19,044 | 17.8 | 17,088 | 17.1 |
| Current accounts | 15,261 | 13.9 | 15,369 | 14.4 | 12,825 | 12.9 |
| Other | 3,183 | 2.9 | 3,817 | 3.6 | 3,928 | 3.9 |
| Total | 109,580 | 100.0 | 106,967 | 100.0 | 99,674 | 100.0 |

Customer deposits increased 2.4% and 9.9% over 31 December 2007 and 31 March 2007 respectively to \$109,580 million as at 31 March 2008. The increase over both comparative quarters was largely from savings deposits.

Debts Issued

| | Mar-08 | Dec-07 | Mar-07 |
|---------------------------------|--------------|--------------|--------------|
| | \$m | \$m | \$m |
| Subordinated debts | | | |
| Due after one year (unsecured) | 5,294 | 5,242 | 5,272 |
| Other debts issued | | | |
| Due within one year (secured) | - | - | 788 |
| Due within one year (unsecured) | 469 | 923 | 101 |
| Due after one year (unsecured) | 443 | 502 | 396 |
| | 912 | 1,425 | 1,285 |
| Total | 6,206 | 6,666 | 6,556 |

Shareholders' Equity

| | | | |
|--|---------------|---------------|---------------|
| Shareholders' equity | 16,992 | 17,329 | 17,507 |
| Add: Revaluation surplus | 3,273 | 3,263 | 1,489 |
| Shareholders' equity including revaluation surplus | 20,265 | 20,592 | 18,996 |

Shareholders' equity decreased 1.9% and 2.9% over 31 December 2007 and 31 March 2007 respectively to \$16,992 million as at 31 March 2008. The decrease was attributed mainly to revaluation loss on available-for-sale assets, partially offset by profit for the financial period.

As at 31 March 2008, revaluation surplus of \$3,273 million on the Group's properties was not recognised in the financial statements.

Changes in Ordinary Shares of the Bank

| | Number of shares ('000) | |
|--|-------------------------|-----------|
| | 1Q08 | 1Q07 |
| Issued ordinary shares | | |
| Balance at beginning of period | 1,523,760 | 1,523,276 |
| Exercise of share options granted under the UOB 1999 Share Option Scheme | 46 | 236 |
| Balance at end of period | 1,523,806 | 1,523,512 |
| Treasury shares | | |
| Balance at beginning of period | (11,597) | - |
| Share buyback | (6,723) | - |
| Balance at end of period | (18,320) | - |
| Total | 1,505,486 | 1,523,512 |

| | Mar-08 | Dec-07 | Mar-07 |
|--|--------|--------|--------|
| | '000 | '000 | '000 |
| Number of new shares that would have been issued upon exercise of all outstanding options under the UOB 1999 Share Option Scheme | 407 | 453 | 716 |

Non-Performing Assets

| | Mar-08 | Dec-07 | Mar-07 |
|--|---------------|--------|--------|
| Non-Performing Assets ("NPA") (\$m) | | | |
| Loans ("NPL") | 1,602 | 1,713 | 2,983 |
| Debt securities | 284 | 2 | 3 |
| Total | 1,886 | 1,715 | 2,986 |
| Cumulative Impairment (\$m) | | | |
| Individual | 832 | 647 | 1,250 |
| Collective | 1,312 | 1,270 | 1,273 |
| Total | 2,144 | 1,917 | 2,523 |
| Ratios (%) | | | |
| NPL ratio ¹ | 1.6 | 1.8 | 3.7 |
| NPA ratio ² | 1.0 | 1.0 | 1.8 |
| Cumulative impairment as % of gross customer loans ³ | 2.0 | 2.0 | 3.1 |
| Cumulative impairment as % of total assets | 1.2 | 1.1 | 1.5 |
| Collective impairment as % of gross customer loans net of individual impairment ³ | 1.3 | 1.4 | 1.6 |

Group NPA of \$1,886 million as at 31 March 2008 constituted 1.0% (31 December 2007: 1.0% and 31 March 2007: 1.8%) of total assets.

Group NPL continued to manage down to \$1,602 million as at 31 March 2008. Correspondingly, NPL ratio improved to 1.6% from 1.8% and 3.7% as at 31 December 2007 and 31 March 2007 respectively.

Notes:

- 1 Refer to non-performing loans (excluding debt securities and contingent assets) as a percentage of gross customer loans.
- 2 Refer to non-performing assets (excluding contingent assets) as a percentage of total assets.
- 3 Debt securities and contingent assets were excluded from the computation.

Non-Performing Assets (cont'd)

| | Mar-08 | | Dec-07 | | Mar-07 | |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | \$m | % | \$m | % | \$m | % |
| NPA by Grading | | | | | | |
| Substandard | 1,040 | 55.1 | 1,106 | 64.5 | 1,946 | 65.2 |
| Doubtful | 326 | 17.3 | 76 | 4.4 | 160 | 5.3 |
| Loss | 520 | 27.6 | 533 | 31.1 | 880 | 29.5 |
| Total | 1,886 | 100.0 | 1,715 | 100.0 | 2,986 | 100.0 |

Secured NPA

| | | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Secured | 928 | 49.2 | 1,001 | 58.4 | 1,648 | 55.2 |
| Unsecured | 958 | 50.8 | 714 | 41.6 | 1,338 | 44.8 |
| Total | 1,886 | 100.0 | 1,715 | 100.0 | 2,986 | 100.0 |

Ageing of NPA (Days) ¹

| | | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Current | 529 | 28.1 | 203 | 11.8 | 278 | 9.3 |
| ≤ 90 | 151 | 8.0 | 216 | 12.6 | 278 | 9.3 |
| 91 to 180 | 161 | 8.5 | 202 | 11.8 | 315 | 10.6 |
| ≥ 181 | 1,045 | 55.4 | 1,094 | 63.8 | 2,115 | 70.8 |
| Total | 1,886 | 100.0 | 1,715 | 100.0 | 2,986 | 100.0 |

| | Mar-08 | | Dec-07 | | Mar-07 | |
|---|------------|---------------------------------|------------|---------------------------------|------------|---------------------------------|
| | NPL \$m | Individual Impairment \$m | NPL \$m | Individual Impairment \$m | NPL \$m | Individual Impairment \$m |
| | | | | | | |
| Restructured NPL for the quarter | | | | | | |
| Substandard | 6 | 1 | 16 | 1 | 20 | - |
| Doubtful | - | - | 3 | 2 | - | - |
| Loss | 15 | 15 | 5 | 5 | 3 | 3 |
| Total | 21 | 16 | 24 | 8 | 23 | 3 |

NPL by Industry

| | | | | | | |
|---------------------------------------|--------------|------------|--------------|------------|--------------|--------------|
| Transport, storage and communication | 18 | 12 | 20 | 12 | 58 | 30 |
| Building and construction | 132 | 44 | 145 | 46 | 391 | 145 |
| Manufacturing | 424 | 202 | 418 | 206 | 759 | 396 |
| Non-bank financial institutions | 164 | 31 | 179 | 33 | 330 | 109 |
| General commerce | 313 | 152 | 347 | 171 | 644 | 311 |
| Professionals and private individuals | 251 | 104 | 272 | 111 | 400 | 177 |
| Housing loans | 245 | 31 | 263 | 35 | 297 | 26 |
| Other | 55 | 21 | 69 | 31 | 104 | 54 |
| Total | 1,602 | 597 | 1,713 | 645 | 2,983 | 1,248 |

Note:

¹ Where payment of interest or principal of an account is overdue, all outstanding balances of that account are deemed non-current and aged accordingly.

Non-Performing Assets (cont'd)

| | NPL | Cumulative Impairment | NPL Ratio | Secured NPL as % of respective NPL | Cumulative Impairment as % of respective NPL |
|----------------------|--------------|--------------------------|--------------|--|--|
| | \$m | \$m | % | % | % |
| NPL by Region | | | | | |
| Singapore | | | | | |
| Mar 08 | 555 | 754 | 0.9 | 59.3 | 135.9 |
| Dec 07 | 628 | 726 | 1.1 | 60.2 | 115.6 |
| Mar 07 | 1,163 | 951 | 2.4 | 56.6 | 81.7 |
| Malaysia | | | | | |
| Mar 08 | 504 | 362 | 4.1 | 61.5 | 71.8 |
| Dec 07 | 495 | 368 | 4.2 | 61.8 | 74.3 |
| Mar 07 | 577 | 344 | 5.8 | 63.4 | 59.6 |
| Thailand | | | | | |
| Mar 08 | 393 | 315 | 5.6 | 45.5 | 80.2 |
| Dec 07 | 436 | 348 | 6.5 | 45.6 | 79.8 |
| Mar 07 | 841 | 694 | 12.3 | 45.4 | 82.5 |
| Indonesia | | | | | |
| Mar 08 | 68 | 98 | 1.8 | 73.5 | 144.1 |
| Dec 07 | 73 | 103 | 2.0 | 74.0 | 141.1 |
| Mar 07 | 115 | 125 | 3.5 | 53.9 | 108.7 |
| Greater China | | | | | |
| Mar 08 | 16 | 65 | 0.5 | 75.0 | 406.3 |
| Dec 07 | 18 | 66 | 0.6 | 94.4 | 366.7 |
| Mar 07 | 17 | 49 | 0.6 | 82.4 | 288.2 |
| Other | | | | | |
| Mar 08 | 66 | 289 | 0.6 | 72.7 | 437.9 |
| Dec 07 | 63 | 304 | 0.6 | 73.0 | 482.5 |
| Mar 07 | 270 | 358 | 2.7 | 60.7 | 132.6 |
| Group NPL | | | | | |
| Mar 08 | 1,602 | 1,883 | 1.6 | 57.9 | 117.5 |
| Dec 07 | 1,713 | 1,915 | 1.8 | 58.4 | 111.8 |
| Mar 07 | 2,983 | 2,521 | 3.7 | 55.2 | 84.5 |

Performance by Business Segment

\$m

| | PFS | IFS | GMIM | Other | Total |
|-----------------------------------|---------------|---------------|---------------|--------------|----------------|
| 1Q08 | | | | | |
| Operating income | 463 | 535 | 244 | 24 | 1,266 |
| Operating expenses | (213) | (163) | (98) | (3) | (477) |
| Impairment charges | (5) | (12) | (44) | (28) | (89) |
| Amortisation of intangible assets | (1) | (2) | - | - | (3) |
| Segment profit | 244 | 358 | 102 | (7) | 697 |
| Unallocated corporate expenses | | | | | (19) |
| Share of profit of associates | | | | | 22 |
| Profit before tax | | | | | 700 |
| Segment assets | 34,635 | 63,722 | 79,585 | 2,256 | 180,198 |
| Intangible assets | 1,189 | 2,313 | 668 | 80 | 4,250 |
| Investment in associates | | | | | 1,229 |
| Unallocated assets | | | | | 107 |
| Total assets | | | | | 185,784 |
| Segment liabilities | 59,934 | 52,764 | 54,315 | 589 | 167,602 |
| Unallocated liabilities | | | | | 806 |
| Total liabilities | | | | | 168,408 |
| Other information | | | | | |
| Gross customer loans | 34,270 | 61,987 | - | - | 96,257 |
| Non-performing loans | 496 | 1,106 | - | - | 1,602 |
| Individual impairment on loans | 135 | 462 | - | - | 597 |
| Capital expenditure | 13 | 16 | 2 | 2 | 33 |
| Depreciation of assets | 12 | 15 | 2 | 4 | 33 |
| 1Q07 | | | | | |
| Operating income | 396 | 506 | 305 | (13) | 1,194 |
| Operating expenses | (183) | (141) | (101) | (19) | (444) |
| Impairment charges | (13) | (51) | - | (23) | (87) |
| Amortisation of intangible assets | (1) | (2) | - | - | (3) |
| Segment profit | 199 | 312 | 204 | (55) | 660 |
| Unallocated corporate expenses | | | | | (29) |
| Share of profit of associates | | | | | 47 |
| Profit before tax | | | | | 678 |
| Segment assets | 30,438 | 52,043 | 73,989 | 4,633 | 161,103 |
| Intangible assets | 1,197 | 2,340 | 671 | 80 | 4,288 |
| Investment in associates | | | | | 1,245 |
| Unallocated assets | | | | | 92 |
| Total assets | | | | | 166,728 |
| Segment liabilities | 57,187 | 44,302 | 46,204 | 170 | 147,863 |
| Unallocated liabilities | | | | | 972 |
| Total liabilities | | | | | 148,835 |
| Other information | | | | | |
| Gross customer loans | 30,142 | 51,421 | - | - | 81,563 |
| Non-performing loans | 697 | 2,286 | - | - | 2,983 |
| Individual impairment on loans | 203 | 1,045 | - | - | 1,248 |
| Capital expenditure | 13 | 12 | 2 | 42 | 69 |
| Depreciation of assets | 14 | 13 | 2 | 6 | 35 |

Performance by Business Segment (cont'd)

The Group's businesses are organised into four segments based on the types of products and services that it provides. These segments are Personal Financial Services ("PFS"), Institutional Financial Services ("IFS"), Global Markets and Investment Management ("GMIM") and Other.

Personal Financial Services

PFS segment covers Consumer, Privilege and Private Banking. Consumer Banking serves the mass individual customers with a wide range of products and services, including deposits, loans, investments, credit and debit cards and life assurance products. Privilege Banking provides an extended range of financial services, including wealth management, offshore and restricted products such as structured notes, funds of hedge funds, and high networth insurance plans to the wealthy and affluent customers. For the accredited investors and high networth individuals, Private Banking provides an elevated level of personal services and consultation.

Segment profit rose 22.6% to \$244 million in 1Q08. The increase was mainly attributed to higher fee income from insurance and credit card operations, and higher net interest income from loan growth. These were partially offset by higher staff costs and revenue-related expenses in line with the increased business activities.

Institutional Financial Services

IFS segment encompasses Commercial Banking, Corporate Banking, Corporate Finance and Capital Markets. Commercial Banking serves the small and medium-sized enterprises. Corporate Banking serves large local corporations, government-linked companies and agencies, including non-bank financial institutions. Both Commercial Banking and Corporate Banking provide customers with a broad range of products and services that include current accounts, deposits, lending, asset finance, trade finance, structured finance, cash management and cross-border payments. Corporate Finance serves corporations with services that include lead managing and underwriting equity offerings and providing corporate advisory services. Capital Markets specialises in providing solution-based structures to meet clients' financing requirements in the area of structuring, underwriting and arranging syndicated loans, project finance and structured finance, and underwriting and lead managing bond issues.

Segment profit grew 14.7% to \$358 million in 1Q08. The increase was mainly on net interest income from expanded loan portfolio, higher loan-related and trade-related fee income and lower loan impairment charges. These were partially negated by higher revenue-related expenses to support the business growth, and lower gain on sale of foreclosed securities.

Global Markets and Investment Management

GMIM segment provides a comprehensive range of treasury products and services, including foreign exchange, money market, fixed income, derivatives, margin trading, futures broking, gold products, as well as an array of structured products. It is a dominant player in Singapore dollar treasury instruments as well as a provider of banknote services in the region. It also engages in asset management, proprietary investment activities and the management of excess liquidity and capital funds.

Segment profit was lower by 50.0% to \$102 million in 1Q08 amidst the US sub-prime and liquidity crisis. The decrease was mainly due to impairment charges on CDO investments, mark-to-market losses on fixed income portfolio as opposed to gains in 1Q07, decrease in management, performance and structuring fees, and lower return on capital funds. These were partially offset by higher contributions from foreign exchange trading, active interest rate management and overseas treasuries.

Other

Other segment includes property-related activities and insurance businesses.

The segment recorded a lower loss of \$7 million in 1Q08 compared to a loss of \$55 million in 1Q07. This was mainly due to higher realised gain on investment securities, and higher rental income on properties due to increased rental and occupancy rates. These were partially offset by provision for a long-term investment.

Performance by Geographical Segment¹

| | 1Q08 | 4Q07 | 1Q07 |
|-------------------------------|------------------|----------------|----------------|
| | \$m | \$m | \$m |
| Total Operating Income | | | |
| Singapore | 792 | 745 | 740 |
| Malaysia | 144 | 152 | 141 |
| Thailand | 114 | 122 | 107 |
| Indonesia | 65 | 52 | 70 |
| Greater China | 29 | 70 | 37 |
| Other | 122 | 134 | 99 |
| Total | 1,266 | 1,275 | 1,194 |
| Profit before Tax | | | |
| Singapore | 485 | 412 | 495 |
| Malaysia | 80 | 77 | 69 |
| Thailand | 31 | 22 | (3) |
| Indonesia | 27 | 22 | 37 |
| Greater China | (4) ² | 26 | 22 |
| Other | 83 | 80 | 61 |
| | 703 | 639 | 681 |
| Intangible assets amortised | (3) | (2) | (3) |
| Total | 700 | 637 | 678 |
| | | | |
| | Mar-08 | Dec-07 | Mar-07 |
| | \$m | \$m | \$m |
| Total Assets | | | |
| Singapore | 118,591 | 111,305 | 105,677 |
| Malaysia | 17,680 | 15,771 | 15,303 |
| Thailand | 9,724 | 9,740 | 10,195 |
| Indonesia | 3,960 | 3,943 | 3,799 |
| Greater China | 7,947 | 7,644 | 7,363 |
| Other | 23,632 | 22,282 | 20,103 |
| | 181,534 | 170,685 | 162,440 |
| Intangible assets | 4,250 | 4,265 | 4,288 |
| Total | 185,784 | 174,950 | 166,728 |

Notes:

- Based on the location where the transactions and assets are booked which approximates that based on the location of the customers and assets. Information is stated after elimination of inter-segment transactions.
- The loss was due to revaluation loss on the USD capital injection in China. The USD exposure was fully hedged at the Group and a corresponding revaluation gain was registered in Singapore. Excluding the revaluation loss, Greater China would have recorded a pre-tax profit of \$26m for 1Q08.

Capital Adequacy Ratios

| | Mar-08 | Dec-07 | Mar-07 |
|--|----------------|----------------|----------------|
| | \$m | \$m | \$m |
| Tier 1 capital | | | |
| Share capital | 1,894 | 2,014 | 2,250 |
| Subsidiary preference shares | 832 | 832 | 832 |
| Disclosed reserves / other | 14,134 | 13,894 | 13,671 |
| Capital deductions | | | |
| Intangible assets | (4,264) | (4,279) | (4,302) |
| Other | (585) | - | - |
| | 12,011 | 12,461 | 12,451 |
| Upper Tier 2 capital | | | |
| Cumulative collective impairment / other | 724 | 1,511 | 1,501 |
| Subordinated notes | 5,249 | 5,196 | 5,222 |
| Capital deductions | (585) | - | - |
| | 5,388 | 6,707 | 6,723 |
| Capital deductions | - | (1,086) | (1,056) |
| Total capital | 17,399 | 18,082 | 18,118 |
| Risk-weighted assets ¹ | 121,304 | 124,772 | 111,781 |
| Capital adequacy ratios ("CAR") | | | |
| Tier 1 | 9.9% | 10.0% | 11.1% |
| Total | 14.3% | 14.5% | 16.2% |

The Group adopted Basel II framework for its CAR computation in accordance with the revised MAS Notice 637 with effect from January 2008.

Group tier 1 CAR and total CAR as at 31 March 2008 were 3.9% points and 4.3% points above the minimum 6% and 10% required by MAS respectively.

Note:

¹ Include operational risk (with effect from January 2008) and market risk.

Consolidated Profit and Loss Account (Unaudited)

| | 1Q08 | 4Q07 | + / (-) | 1Q07 | + / (-) |
|--|--------------|-------------|----------------|-------------|----------------|
| | \$m | \$m | % | \$m | % |
| Interest income | 1,795 | 1,794 | - | 1,878 | (4.4) |
| Less: Interest expense | 943 | 1,051 | (10.3) | 1,116 | (15.5) |
| Net interest income | 852 | 743 | 14.6 | 762 | 11.8 |
| Dividend income | 3 | 6 | (54.6) | 3 | (18.7) |
| Fee and commission income | 303 | 370 | (18.0) | 259 | 17.1 |
| Rental income | 24 | 22 | 9.2 | 16 | 50.0 |
| Other operating income | 84 | 133 | (37.2) | 153 | (45.3) |
| Total non-interest income | 414 | 532 | (22.1) | 432 | (4.1) |
| Total operating income | 1,266 | 1,275 | (0.7) | 1,194 | 6.1 |
| Less: Staff costs | 267 | 279 | (4.5) | 241 | 10.6 |
| Other operating expenses | 230 | 277 | (17.0) | 231 | (0.5) |
| Total operating expenses | 496 | 556 | (10.7) | 472 | 5.2 |
| Operating profit before amortisation and impairment charges | 770 | 719 | 7.0 | 722 | 6.7 |
| Less: Intangible assets amortised | 3 | 2 | 21.9 | 3 | (9.9) |
| Impairment charges | 89 | 128 | (30.3) | 87 | 1.8 |
| Operating profit after amortisation and impairment charges | 678 | 589 | 15.0 | 631 | 7.4 |
| Share of profit of associates | 22 | 48 | (53.8) | 47 | (53.1) |
| Profit before tax | 700 | 637 | 9.9 | 678 | 3.2 |
| Less: Tax | 163 | 117 | 40.0 | 145 | 12.9 |
| Profit for the financial period | 537 | 521 | 3.1 | 534 | 0.6 |
| Attributable to: | | | | | |
| Equity holders of the Bank | 529 | 506 | 4.6 | 518 | 2.1 |
| Minority interests | 8 | 15 | (47.8) | 16 | (51.1) |
| | 537 | 521 | 3.1 | 534 | 0.6 |
| Earnings per ordinary share (\$) ¹ | | | | | |
| Basic | 1.38 | 1.31 | 5.3 | 1.33 | 3.8 |
| Diluted | 1.38 | 1.31 | 5.3 | 1.33 | 3.8 |

Note:

1 Annualised.

Consolidated Balance Sheet (Unaudited)

| | Mar-08 | Dec-07 ¹ | Mar-07 |
|--|----------------|---------------------|----------------|
| | \$m | \$m | \$m |
| Equity | | | |
| Share capital | 1,894 | 2,014 | 2,250 |
| Subsidiary preference shares | 832 | 832 | 832 |
| Capital reserves | 3,024 | 3,714 | 4,148 |
| Statutory reserves | 3,132 | 3,132 | 3,130 |
| Revenue reserves | 7,847 | 7,328 | 6,858 |
| Share of reserves of associates | 263 | 310 | 288 |
| Equity attributable to equity holders of the Bank | 16,992 | 17,329 | 17,507 |
| Minority interests | 384 | 398 | 386 |
| Total | 17,375 | 17,726 | 17,893 |
| Liabilities | | | |
| Deposits and balances of banks and agents | 39,531 | 32,091 | 33,709 |
| Deposits and balances of non-bank customers | 109,580 | 106,967 | 99,674 |
| Bills and drafts payable | 1,971 | 1,824 | 430 |
| Other liabilities | 11,120 | 9,675 | 8,465 |
| Debts issued | 6,206 | 6,666 | 6,556 |
| Total | 168,408 | 157,224 | 148,835 |
| Total equity and liabilities | 185,784 | 174,950 | 166,728 |
| Assets | | | |
| Cash, balances and placements with central banks | 21,222 | 17,667 | 18,804 |
| Singapore Government treasury bills and securities | 8,690 | 9,134 | 7,438 |
| Other government treasury bills and securities | 4,650 | 3,482 | 3,086 |
| Trading securities | 525 | 410 | 486 |
| Placements and balances with banks and agents | 18,940 | 15,207 | 24,014 |
| Loans to non-bank customers | 94,373 | 92,669 | 79,042 |
| Investment securities | 18,625 | 19,417 | 18,253 |
| Other assets | 11,229 | 9,359 | 8,214 |
| Investment in associates | 1,229 | 1,261 | 1,245 |
| Properties and other fixed assets | 2,051 | 2,081 | 1,858 |
| Intangible assets | 4,250 | 4,265 | 4,288 |
| Total | 185,784 | 174,950 | 166,728 |
| Off-Balance Sheet Items | | | |
| Contingent liabilities | 12,810 | 13,082 | 10,481 |
| Financial derivatives | 399,869 | 388,058 | 442,957 |
| Commitments | 48,988 | 48,359 | 46,422 |

Note:

1 Audited.

Consolidated Statement of Changes in Equity (Unaudited)

| | Equity Attributable to Equity Holders of the Bank | | | | | | | | |
|---|---|------------------------------|------------------|--------------------|------------------|---------------------------------|--------|--------------------|--------------|
| | Share Capital | Subsidiary Preference Shares | Capital Reserves | Statutory Reserves | Revenue Reserves | Share of Reserves of Associates | Total | Minority Interests | Total Equity |
| | \$m | \$m | \$m | \$m | \$m | \$m | \$m | \$m | \$m |
| Balance at 1 January 2008 | 2,014 | 832 | 3,714 | 3,132 | 7,328 | 310 | 17,329 | 398 | 17,726 |
| Currency translation adjustments | - | - | (126) | - | - | - | (126) | (6) | (132) |
| Change in available-for-sale reserve | | | | | | | | | |
| Net change in fair value | - | - | (549) | - | - | - | (549) | 6 | (543) |
| Transferred to profit and loss account on disposal / impairment | - | - | (18) | - | - | - | (18) | (9) | (27) |
| Change in share of associates' reserves | - | - | - | - | - | (46) | (46) | - | (46) |
| Total losses recognised directly in equity | - | - | (694) | - | - | (46) | (740) | (9) | (749) |
| Profit for the financial period | - | - | - | - | 529 | - | 529 | 8 | 537 |
| Total gains / (losses) recognised for the financial period | - | - | (694) | - | 529 | (46) | (211) | (1) | (212) |
| Transfer (from) / to revenue reserves | - | - | (0) | 0 | (0) | - | - | - | - |
| Change in minority interests | - | - | - | - | - | - | - | (0) | (0) |
| Dividends | - | - | - | - | (10) | - | (10) | (12) | (22) |
| Share buyback - held in treasury | (120) | - | - | - | - | - | (120) | - | (120) |
| Share-based payment | - | - | 3 | - | - | - | 3 | - | 3 |
| Issue of shares under share option scheme | 1 | - | - | - | - | - | 1 | - | 1 |
| Balance at 31 March 2008 | 1,894 | 832 | 3,024 | 3,132 | 7,847 | 263 | 16,992 | 384 | 17,375 |
| Balance at 1 January 2007 | 2,247 | 832 | 3,969 | 3,130 | 6,356 | 257 | 16,791 | 385 | 17,176 |
| Currency translation adjustments | - | - | 60 | - | - | - | 60 | (5) | 55 |
| Change in available-for-sale reserve | | | | | | | | | |
| Net change in fair value | - | - | 162 | - | - | - | 162 | 1 | 163 |
| Transferred to profit and loss account on disposal / impairment | - | - | (43) | - | - | - | (43) | (0) | (43) |
| Change in share of associates' reserves | - | - | - | - | - | 27 | 27 | - | 27 |
| Transfer to revenue reserves upon disposal of associates | - | - | - | - | (5) | 5 | - | - | - |
| Total gains / (losses) recognised directly in equity | - | - | 180 | - | (5) | 32 | 206 | (4) | 202 |
| Profit for the financial period | - | - | - | - | 518 | - | 518 | 16 | 534 |
| Total gains recognised for the financial period | - | - | 180 | - | 513 | 32 | 724 | 11 | 736 |
| Transfer from revenue reserves | - | - | 0 | - | (0) | - | - | - | - |
| Change in minority interests | - | - | - | - | - | - | - | (1) | (1) |
| Dividends | - | - | - | - | (11) | - | (11) | (10) | (21) |
| Issue of shares under share option scheme | 3 | - | - | - | - | - | 3 | - | 3 |
| Balance at 31 March 2007 | 2,250 | 832 | 4,148 | 3,130 | 6,858 | 288 | 17,507 | 386 | 17,893 |

Consolidated Cash Flow Statement (Unaudited)

| | <u>1Q08</u> | <u>1Q07</u> |
|---|---------------|---------------|
| | \$m | \$m |
| Cash flows from operating activities | | |
| Operating profit before amortisation and impairment charges | 770 | 722 |
| Adjustments for: | | |
| Depreciation of assets | 33 | 35 |
| Net gain on disposal of assets | (3) | (34) |
| Share-based payment | 3 | - |
| Operating profit before working capital changes | <u>804</u> | <u>723</u> |
| Changes in working capital | | |
| Increase in deposits | 10,052 | 4,383 |
| Increase in bills and drafts payable | 148 | 42 |
| Increase in other liabilities | 1,481 | 240 |
| Increase in trading securities | (115) | (2) |
| (Increase) / decrease in placements and balances with banks and agents | (3,733) | 517 |
| Increase in loans to non-bank customers | (1,737) | (2,253) |
| Increase in other assets | (1,877) | (24) |
| Cash generated from operations | <u>5,023</u> | <u>3,627</u> |
| Income tax paid | (179) | (57) |
| Net cash provided by operating activities | <u>4,843</u> | <u>3,571</u> |
| Cash flows from investing activities | | |
| Net cash flow on disposal / (acquisition) of: | | |
| Investment securities and associates | 182 | (502) |
| Properties and other fixed assets | (2) | (28) |
| Change in minority interests | (10) | (5) |
| Dividends received from associates | 1 | 7 |
| Net cash provided by / (used in) investing activities | <u>171</u> | <u>(528)</u> |
| Cash flows from financing activities | | |
| Proceeds from issue of shares | 1 | 3 |
| Net decrease in debts issued | (461) | (40) |
| Share buyback | (120) | - |
| Dividends paid on subsidiary preference shares | (20) | (22) |
| Dividends paid to minority interests | (12) | (10) |
| Net cash used in financing activities | <u>(612)</u> | <u>(69)</u> |
| Currency translation adjustments | (124) | 62 |
| Net increase in cash and cash equivalents for the financial period | <u>4,278</u> | <u>3,036</u> |
| Cash and cash equivalents at beginning of the financial period | <u>30,283</u> | <u>26,292</u> |
| Cash and cash equivalents at end of the financial period | <u>34,561</u> | <u>29,328</u> |
| Represented by: | | |
| Cash, balances and placements with central banks | 21,222 | 18,804 |
| Singapore Government treasury bills and securities | 8,690 | 7,438 |
| Other government treasury bills and securities | 4,650 | 3,086 |
| Cash and cash equivalents at end of the financial period | <u>34,561</u> | <u>29,328</u> |

Balance Sheet of the Bank (Unaudited)

| | Mar-08 | Dec-07 ¹ | Mar-07 |
|--|----------------|---------------------|---------|
| | \$m | \$m | \$m |
| Equity | | | |
| Share capital | 1,894 | 2,014 | 2,250 |
| Capital reserves | 3,060 | 3,597 | 3,951 |
| Statutory reserves | 2,753 | 2,753 | 2,753 |
| Revenue reserves | 6,061 | 5,623 | 5,366 |
| Total | 13,768 | 13,987 | 14,320 |
| Liabilities | | | |
| Deposits and balances of banks and agents | 37,073 | 30,142 | 29,884 |
| Deposits and balances of non-bank customers | 86,498 | 84,312 | 76,944 |
| Deposits and balances of subsidiaries | 3,461 | 4,047 | 3,785 |
| Bills and drafts payable | 161 | 372 | 186 |
| Other liabilities | 8,156 | 7,013 | 5,593 |
| Debts issued | 6,688 | 6,665 | 6,391 |
| Total | 142,036 | 132,551 | 122,783 |
| Total equity and liabilities | 155,805 | 146,538 | 137,103 |
| Assets | | | |
| Cash, balances and placements with central banks | 16,838 | 14,976 | 15,059 |
| Singapore Government treasury bills and securities | 8,598 | 9,052 | 7,329 |
| Other government treasury bills and securities | 2,848 | 1,878 | 2,309 |
| Trading securities | 333 | 110 | 175 |
| Placements and balances with banks and agents | 16,268 | 13,220 | 20,043 |
| Loans to non-bank customers | 71,793 | 71,994 | 60,294 |
| Placements with and advances to subsidiaries | 2,946 | 646 | 588 |
| Investment securities | 17,362 | 18,205 | 16,545 |
| Other assets | 9,320 | 7,687 | 6,211 |
| Investment in associates | 373 | 373 | 373 |
| Investment in subsidiaries | 4,602 | 3,859 | 3,852 |
| Properties and other fixed assets | 1,340 | 1,357 | 1,143 |
| Intangible assets | 3,182 | 3,182 | 3,182 |
| Total | 155,805 | 146,538 | 137,103 |
| Off-Balance Sheet Items | | | |
| Contingent liabilities | 10,444 | 11,089 | 8,303 |
| Financial derivatives | 381,893 | 377,779 | 435,880 |
| Commitments | 39,661 | 39,872 | 37,256 |
| Net asset value per ordinary share (\$) | 9.15 | 9.25 | 9.40 |

Note:

1 Audited.

Statement of Changes in Equity of the Bank (Unaudited)

| | Share Capital | Capital Reserves | Statutory Reserves | Revenue Reserves | Total Equity |
|--|------------------|---------------------|-----------------------|---------------------|-----------------|
| | \$m | \$m | \$m | \$m | \$m |
| Balance at 1 January 2008 | 2,014 | 3,597 | 2,753 | 5,623 | 13,987 |
| Currency translation adjustments | - | 4 | - | - | 4 |
| Change in available-for-sale reserve | | | | | |
| Net change in fair value | - | (539) | - | - | (539) |
| Transferred to profit and loss account on disposal / impairment | - | (4) | - | - | (4) |
| Total losses recognised directly in equity | - | (540) | - | - | (540) |
| Profit for the financial period | - | - | - | 438 | 438 |
| Total gains / (losses) recognised for the financial period | - | (540) | - | 438 | (102) |
| Share buyback - held in treasury | (120) | - | - | - | (120) |
| Share-based payment | - | 3 | - | - | 3 |
| Issue of shares under share option scheme | 1 | - | - | - | 1 |
| Balance at 31 March 2008 | 1,894 | 3,060 | 2,753 | 6,061 | 13,768 |
| Balance at 1 January 2007 | 2,247 | 3,818 | 2,753 | 4,989 | 13,807 |
| Currency translation adjustments | - | (1) | - | - | (1) |
| Change in available-for-sale reserve | | | | | |
| Net change in fair value | - | 177 | - | - | 177 |
| Transferred to profit and loss account on disposal / impairment | - | (42) | - | - | (42) |
| Total gains recognised directly in equity | - | 134 | - | - | 134 |
| Profit for the financial period | - | - | - | 376 | 376 |
| Total gains recognised for the financial period | - | 134 | - | 376 | 510 |
| Issue of shares under share option scheme | 3 | - | - | - | 3 |
| Balance at 31 March 2007 | 2,250 | 3,951 | 2,753 | 5,366 | 14,320 |