



UOB Group Full Year 2010

Financial Highlights

Lee Wai Fai
Chief Financial Officer

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Record Profit of \$2.7 billion

Strong Fee Income Offset Pressure on NII



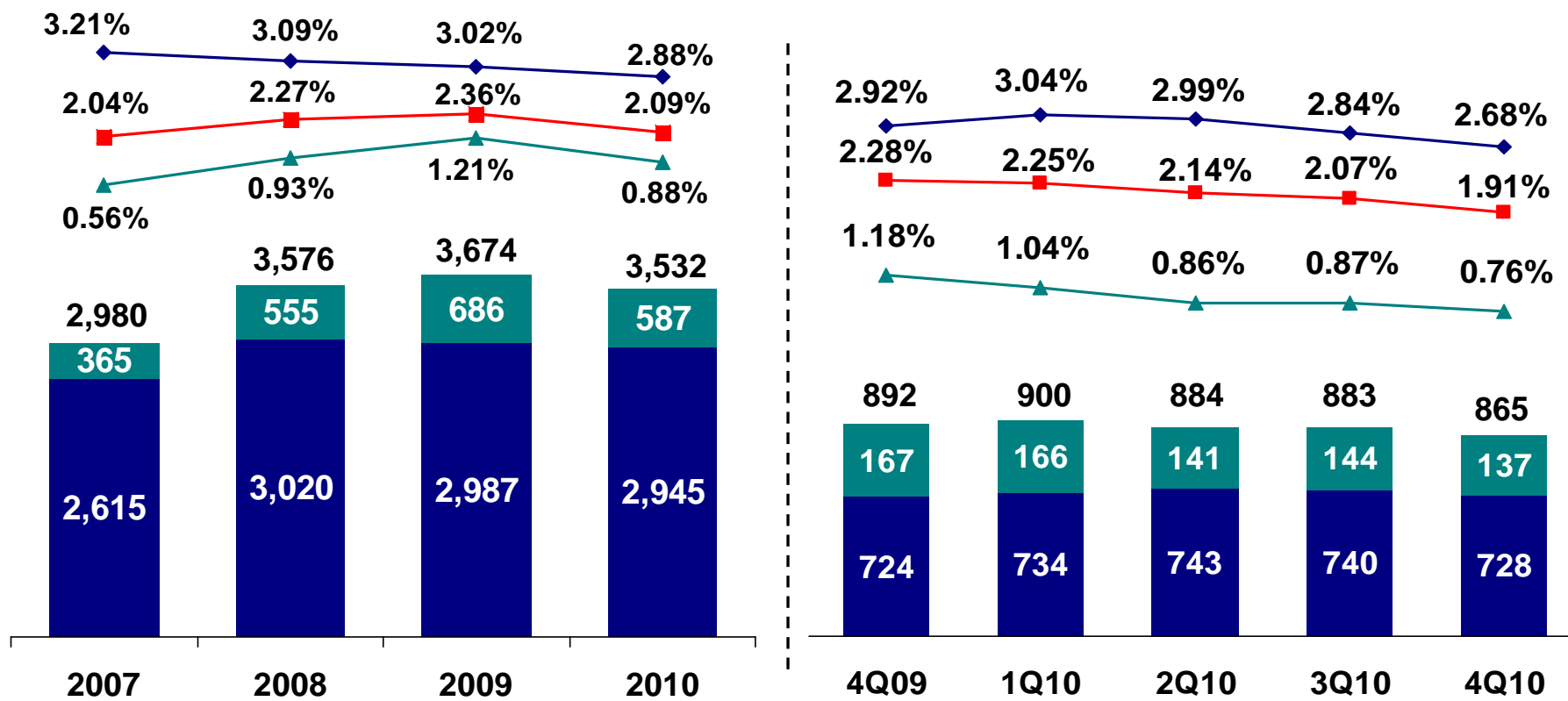
	2010 \$m	2009 \$m	+/(-) %
Net interest income	3,532	3,674	(3.9)
Fee and commission income	1,163	976	19.1
Other non-interest income	1,105	755	46.3
Total income	5,800	5,405	7.3
Less: Total expenses	2,258	2,074	8.8
Operating profit	3,542	3,331	6.3
Less: Intangible assets amortised	11	10	6.5
Individual impairment – loans	190	604	(68.6)
Individual impairment – other assets	48	11	>100.0
Collective impairment	236	506	(53.4)
Add: Share of profit of associates	139	107	30.5
Less: Tax & minority interests	501	404	23.9
Net Profit After Tax (NPAT)	2,696	1,902	41.8

Quarter Profit Higher at \$706 million

	4Q10	3Q10	+/(-)	4Q09	+/(-)
	\$m	\$m	%	\$m	%
Net interest income	865	883	(2.1)	892	(3.0)
Fee and commission income	310	284	9.2	247	25.5
Other non-interest income	390	301	29.7	103	>100.0
Total income	1,565	1,468	6.6	1,242	26.0
Less: Total expenses	620	555	11.6	554	12.0
Operating profit	945	912	3.6	688	37.2
Less: Intangible assets amortised	3	3	(3.4)	3	(1.6)
Individual impairment – loans	128	44	>100.0	127	1.2
Individual impairment – other assets	30	10	>100.0	(23)	>100.0
Collective impairment	22	80	(72.8)	(59)	>100.0
Add: Share of profit of associates	38	29	33.4	19	95.4
Less: Tax & minority interests	94	116	(18.7)	139	(32.1)
NPAT	706	688	2.6	522	35.2

Lower Net Interest Margin Liquidity and Competition Contributing Factors

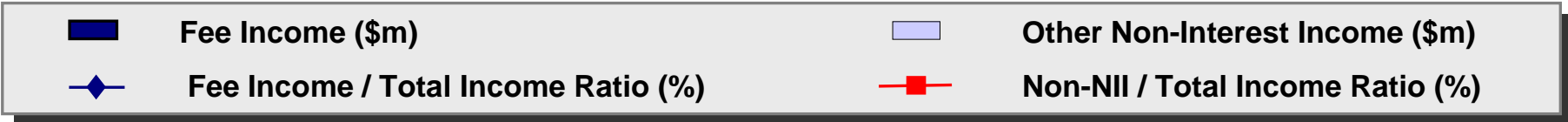
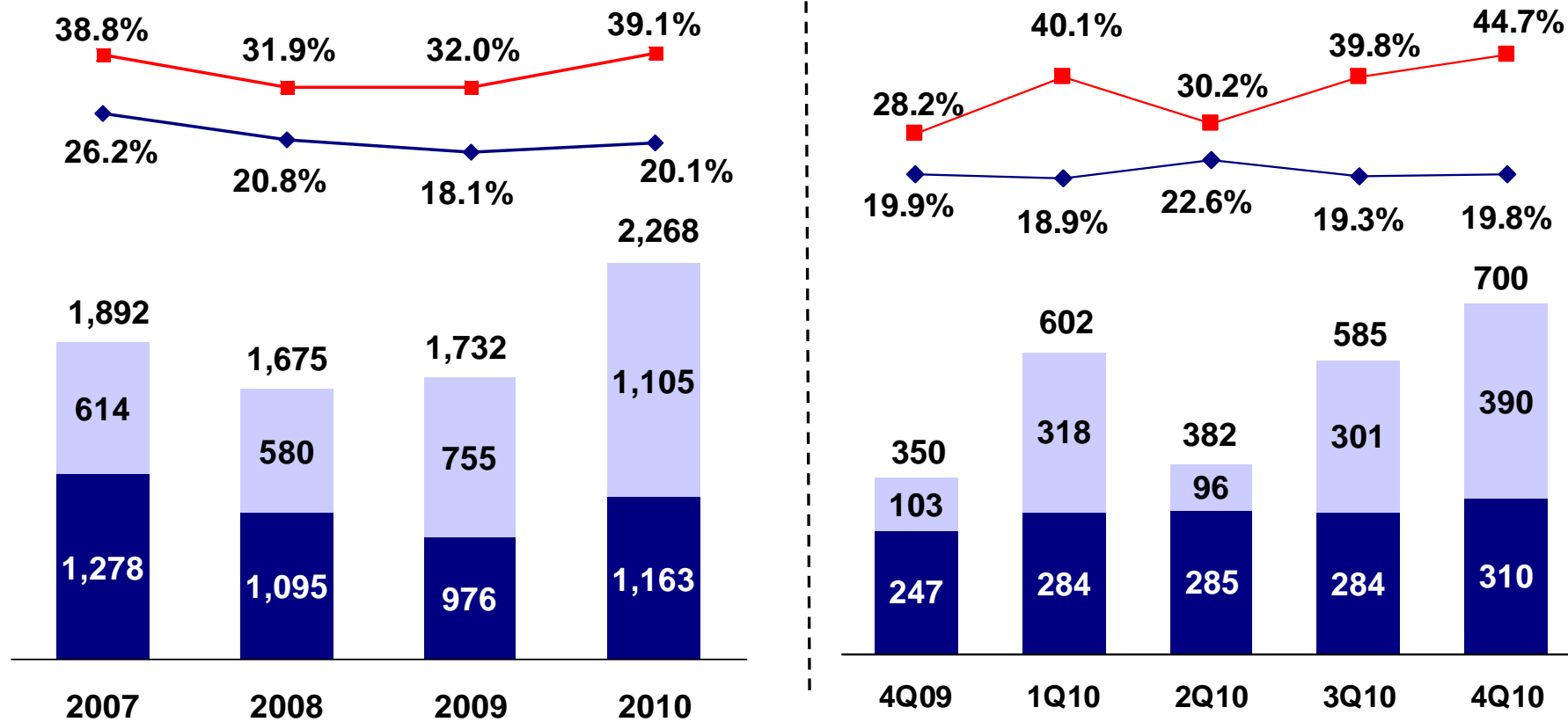
Net Interest Income and Margin



■ NII from Loans (\$m) ■ NII from Interbank & Securities (\$m)
◆ Loan Margin (%) ▲ Interbank & Securities Margin (%) ■ Net Interest Margin (%)

Strong Non-Interest Income Delivered Robust Fee Income

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

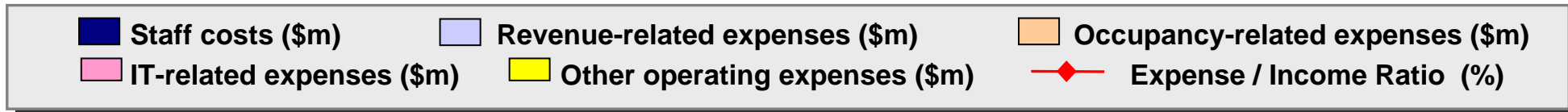
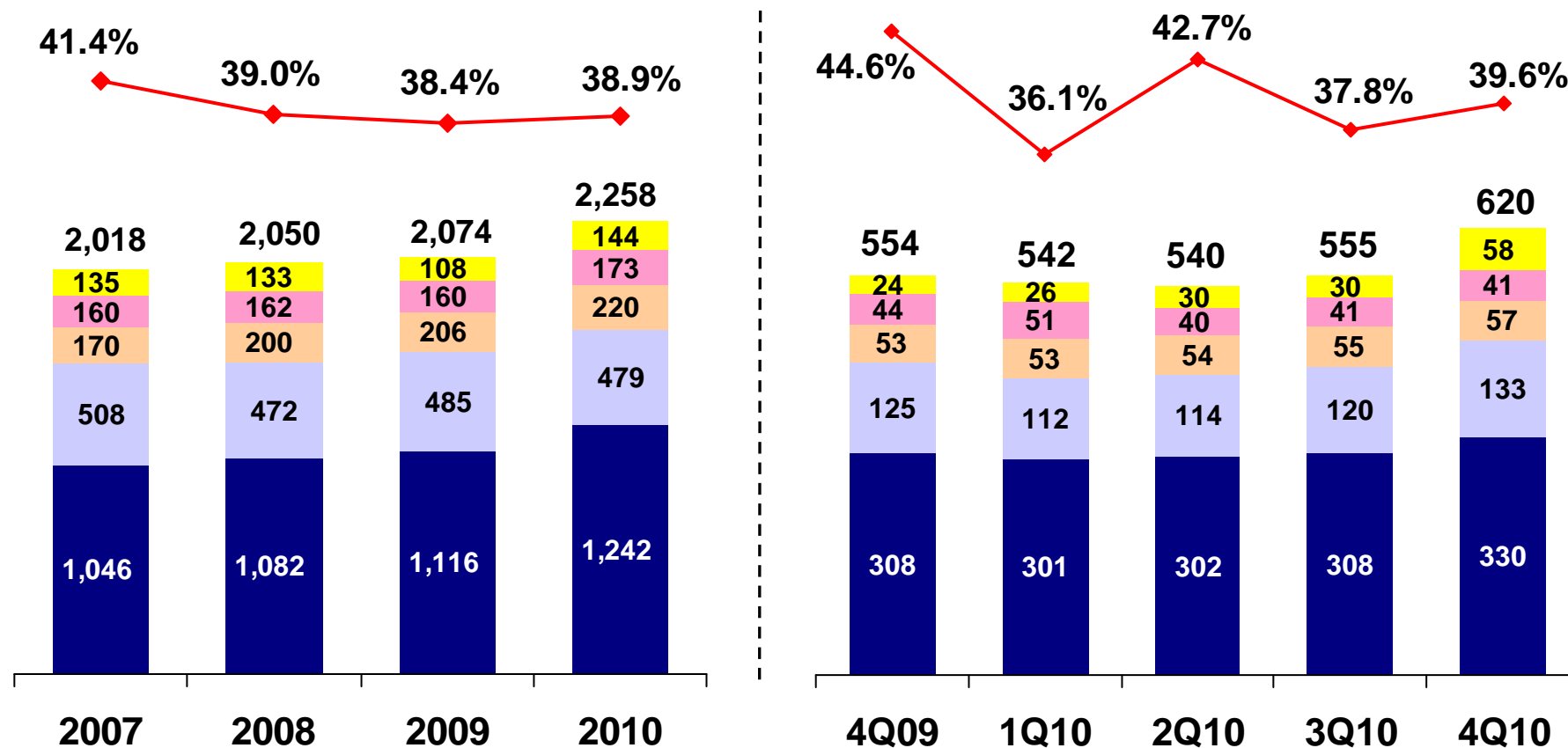


Improving Return on Risk-weighted Assets

	2010	2009	2008	2010 / 2008
	\$m	\$m	\$m	%
Gross Loans	115,122	101,744	102,033	12.8
Total RWA	106,889	100,908	114,712	(6.8)
Loan margin (%)	2.88	3.02	3.09	(0.21)%pt
As a % of average total RWA:				
• NII from loans + loan fee income (%)	3.1	3.0	2.7	0.4%pt
• NII from loans + fee & commission income (%)	4.0	3.7	3.4	0.6%pt

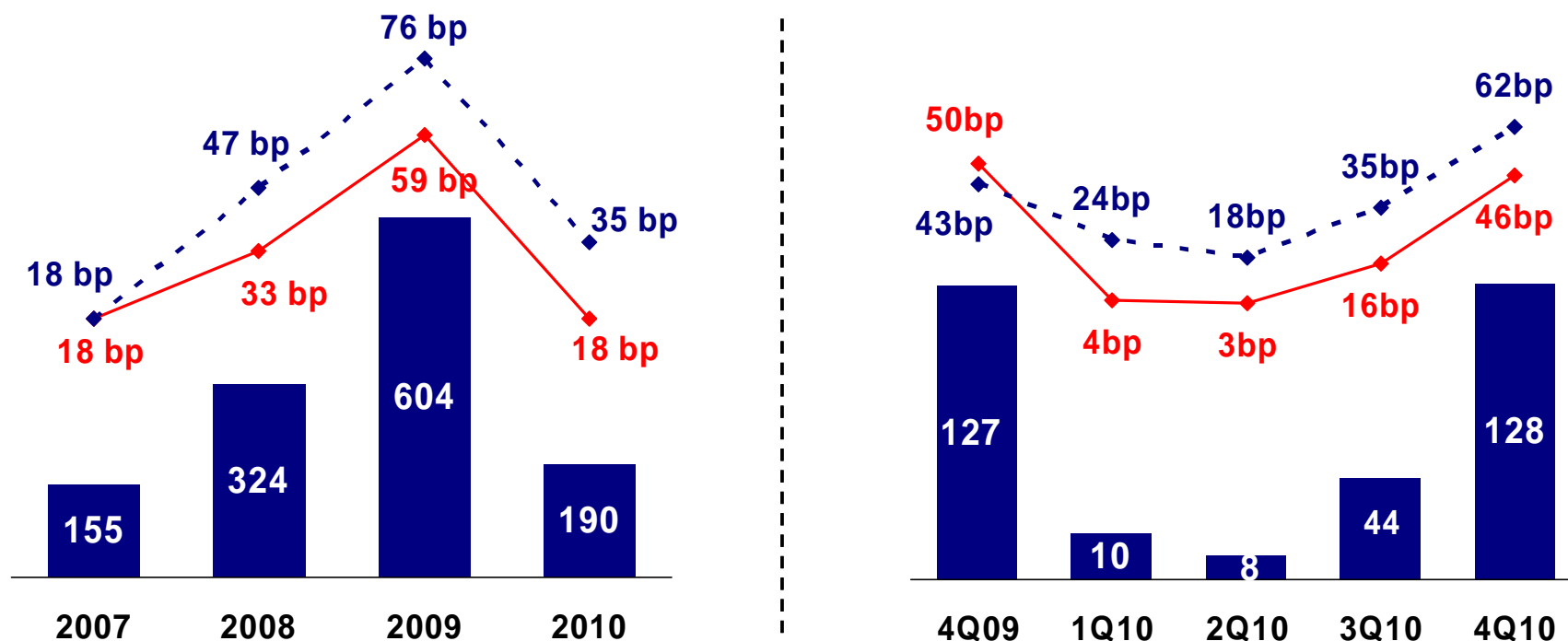
Expenses Well Paced

Operating Expenses and Expense / Income Ratio



Lower Provisions from Improving Asset Quality

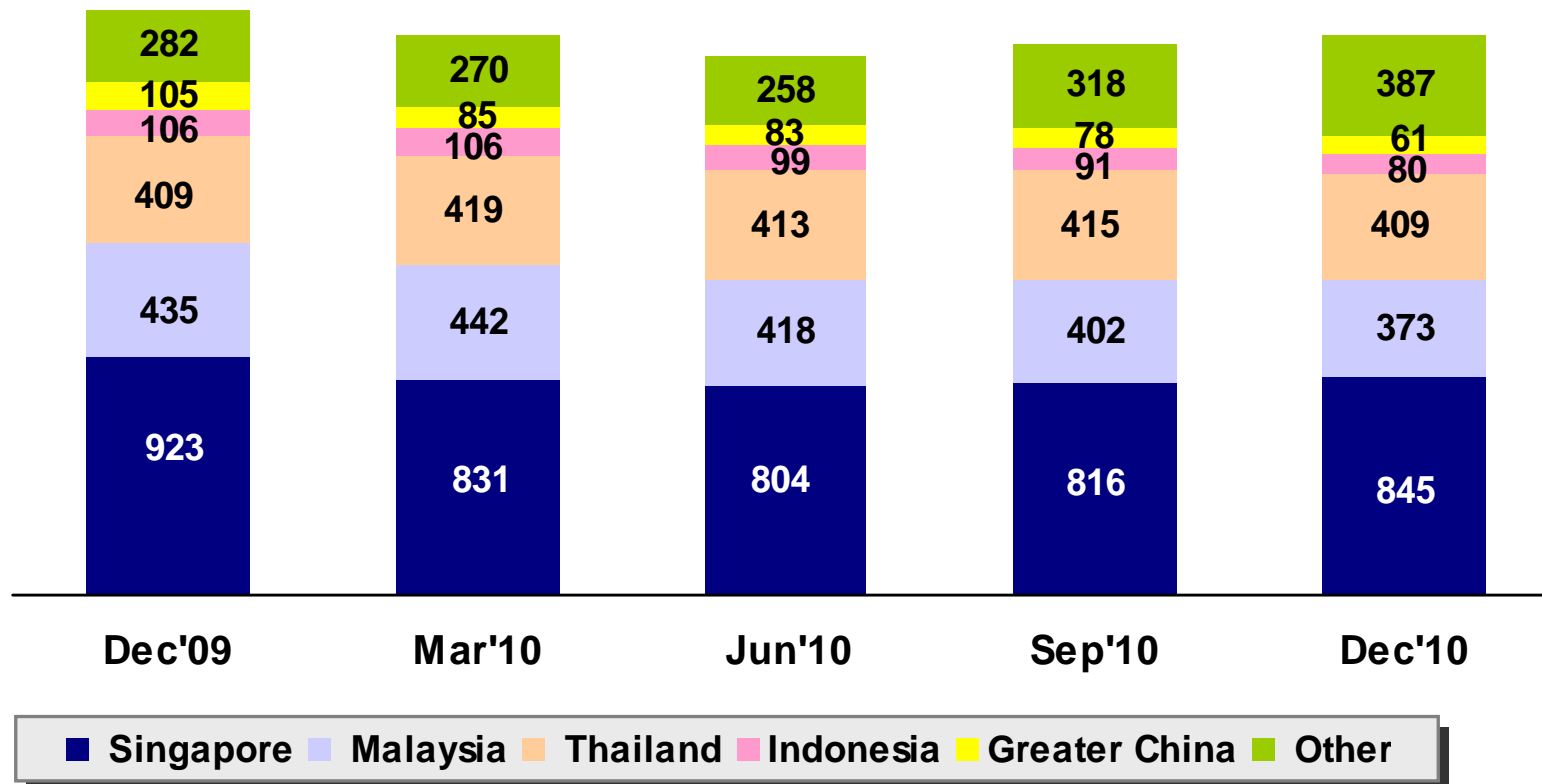
Impairment Charges on Loans



* On annualised basis

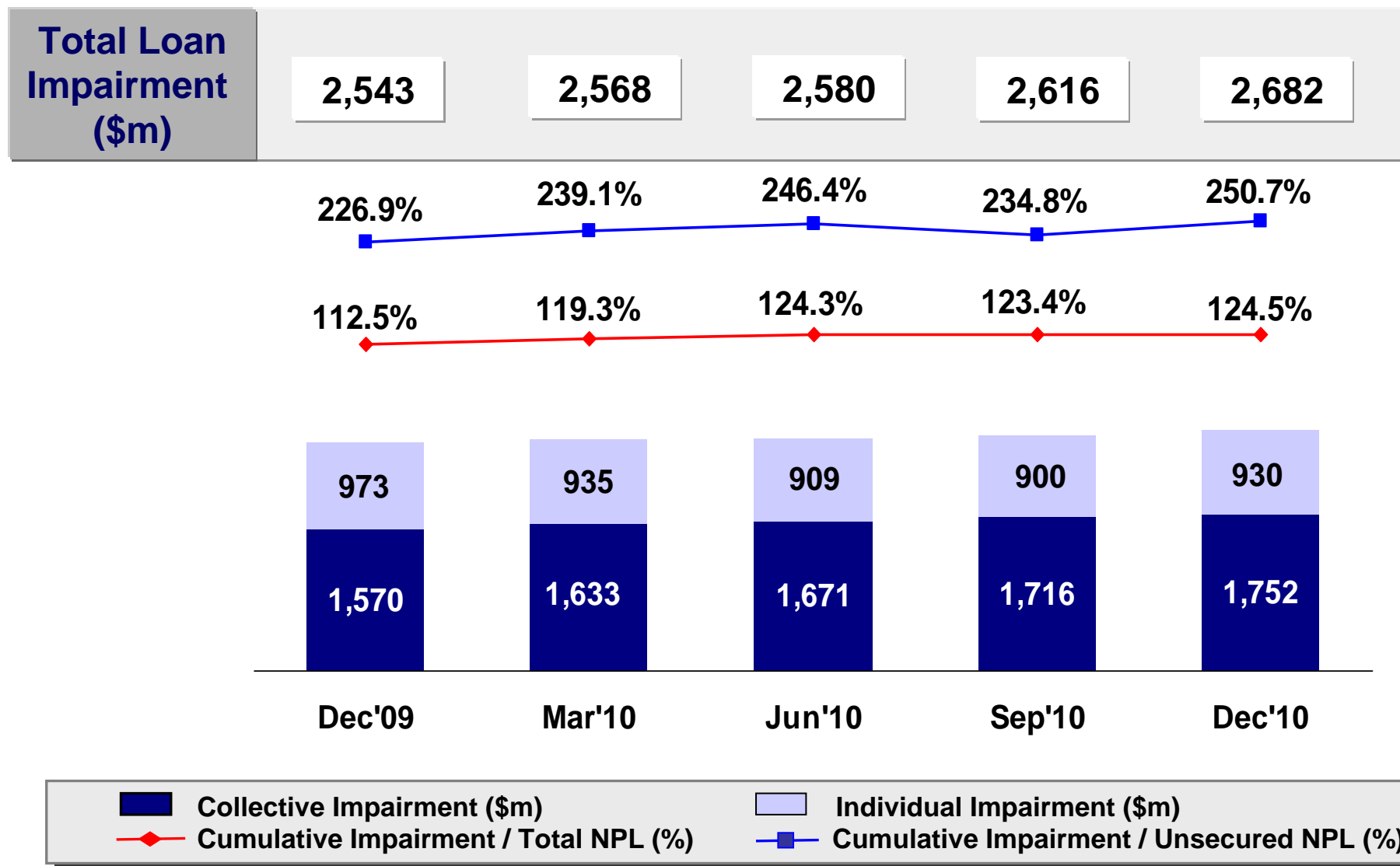
NPL Ratio Improved to 1.8%

NPL (\$m)	2,260	2,153	2,075	2,120	2,155
NPL Ratio *	2.2%	2.0%	1.9%	1.9%	1.8%



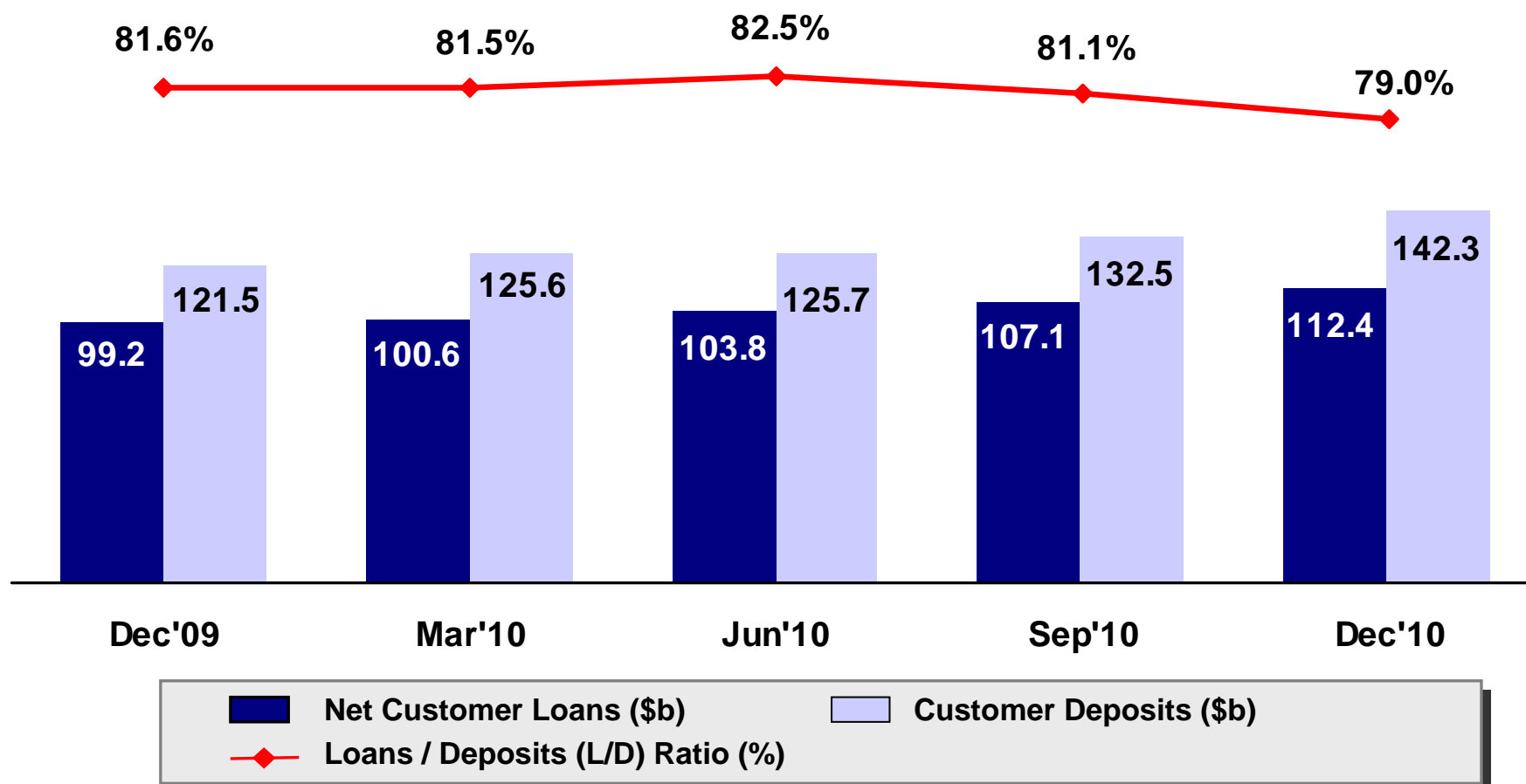
* Debt securities and contingent assets are excluded from the computation.

Strong Impairment Coverage



Loan Growth Escalates, Deposits to Keep Pace

Customer Loans, Deposits and L/D Ratio



Loan Growth Accelerates, Regional Growth Showing Good Momentum

Gross Loans	2010	2009	+/(-)	4Q10	3Q10	+/(-)
	\$m	\$m	%	\$m	\$m	%
Singapore	75,534	67,350	12.2	75,534	71,938	5.0
Regional:	31,598	25,707	22.9	31,598	29,193	8.2
Malaysia	15,278	12,120	26.1	15,278	14,425	5.9
Thailand	7,050	6,077	16.0	7,050	6,473	8.9
Indonesia	3,975	3,499	13.6	3,975	3,779	5.2
Greater China	5,295	4,011	32.0	5,295	4,515	17.3
Other	7,990	8,688	(8.0)	7,990	8,586	(6.9)
Total	115,122	101,744	13.1	115,122	109,716	4.9

Regional Franchise Showing Results, Growth More than Doubled Singapore

Operating profit	2010	2009	+ / (-)	At constant FX rate
	\$m	\$m	%	+ / (-) %
Singapore	2,419	2,308	4.8	4.8
Regional:	883	772	14.4	12.1
Malaysia	453	361	25.5	22.6
Thailand	131	144	(8.7)	(9.7)
Indonesia	186	172	8.3	1.5
Greater China	112	95	18.1	26.8
Other	240	251	(4.4)	(3.0)
Total	3,542	3,331	6.3	5.9

2010

Singapore : 68%

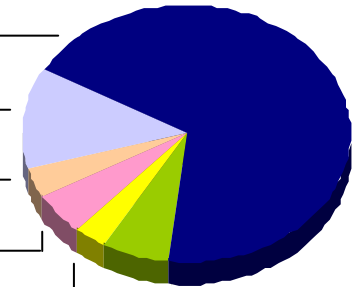
Malaysia : 13%

Thailand : 4%

Indonesia : 5%

Greater China : 3%

Other : 7%



2009

Singapore : 69%

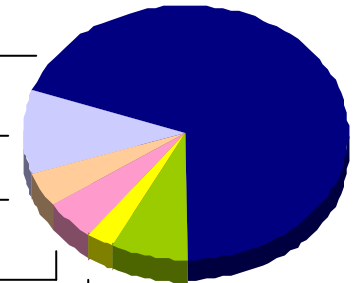
Malaysia : 11%

Thailand : 4%

Indonesia : 5%

Greater China : 3%

Other : 8%



Performance by Business Segment

	2010 \$m	2009 \$m	+ / (-) %
Segment Operating profit			
Group Retail (GR)	1,047	1,068	(2.0)
Group Institutional Financial Svc (GIFS)	1,414	1,356	4.3
Global Markets & Investment Mgt (GMIM)	755	1,093	(30.9)
Other	326	(186)	>100.0
Total	3,542	3,331	6.3

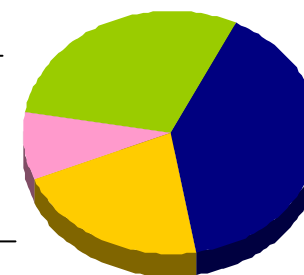
2010

GR : 30%

Other : 9%

GMIM : 21%

GIFS : 40%



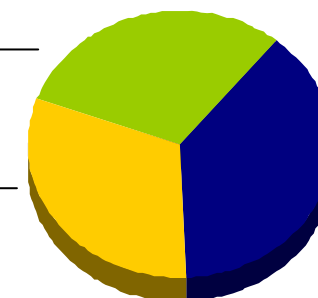
2009

GR : 32%

GMIM : 33%

GIFS : 41%

Other : (6)%



Singapore – Summarised P/L

	2010	2009	+/(-)	4Q10	3Q10	+/(-)
	\$m	\$m	%	\$m	\$m	%
Net interest income	2,077	2,300	(9.7)	500	515	(2.9)
Fee and commission income	715	619	15.5	186	171	9.0
Other non-interest income	938	604	55.1	349	257	35.9
Total income	3,730	3,522	5.9	1,035	942	9.8
Less: Total expenses	1,310	1,214	7.9	356	326	9.3
Operating profit	2,419	2,308	4.8	679	616	10.1
Less: Total impairment charges	250	814	(69.2)	85	80	6.3
Add: Share of profit of associates	122	100	21.1	34	26	32.1
Net profit before tax	2,290	1,594	43.7	628	562	11.7

Singapore – Key Financial Indicators

	2010	2009	+/(-)	4Q10	3Q10	+/(-)
	%	%	% pt	%	%	% pt
Net interest margin	1.68	2.06	(0.38)	1.52	1.63	(0.11)
Non-NII / Total income	44.3	34.7	9.6	51.7	45.4	6.3
Expense / Total income	35.1	34.5	0.6	34.4	34.6	(0.2)
Customer loans (net) – \$'m	73,729	65,637	12.3%	73,729	70,184	5.1%
Loans / Deposits	72.0	74.1	(2.1)	72.0	72.8	(0.8)
NPL ratio	1.1	1.4	(0.3)	1.1	1.1	-

Malaysia – Summarised P/L

	2010	2009	+/(-)	4Q10	3Q10	+/(-)
	RM'm	RM'm	%	RM'm	RM'm	%
Net interest income	1,163	961	21.0	298	297	0.3
Fee and commission income	363	272	33.5	102	98	4.1
Other non-interest income	147	154	(4.5)	26	26	-
Total income	1,673	1,387	20.6	426	421	1.2
Less: Total expenses	599	511	17.2	182	142	28.2
Operating profit	1,074	876	22.6	244	279	(12.5)
Less: Total impairment charges	173	216	(19.9)	67	42	59.5
Add: Share of profit of associates	36	(4)	>100.0	9	5	80.0
Net profit before tax	937	656	42.8	186	242	(23.1)
Net profit before tax (\$m)	395	271	46.0	78	104	(25.1)

Malaysia – Key Financial Indicators

	2010 %	2009 %	+/(-) % pt	4Q10 %	3Q10 %	+/(-) % pt
Net interest margin	2.87	2.37	0.50	2.58	3.13	(0.55)
Non-NII / Total income	30.5	30.7	(0.2)	30.0	29.5	0.5
Expense / Total income	35.8	36.8	(1.0)	42.7	33.7	9.0
Customer loans (net) – RM'm	35,901	28,851	24.4%	35,901	33,029	8.7%
Loans / Deposits	92.0	91.3	0.7	92.0	101.1	(9.1)
NPL ratio	2.4	3.5	(1.1)	2.4	2.8	(0.4)

Thailand – Summarised P/L



	2010	2009	+/(-)	4Q10	3Q10	+/(-)
	THB'm	THB'm	%	THB'm	THB'm	%
Net interest income	6,977	7,013	(0.5)	1,815	1,727	5.1
Fee and commission income	2,021	1,989	1.6	536	501	7.0
Other non-interest income	512	801	(36.1)	13	142	(90.8)
Total income	9,510	9,803	(3.0)	2,364	2,370	(0.3)
Less: Total expenses	6,442	6,404	0.6	1,733	1,608	7.8
Operating profit	3,068	3,399	(9.7)	631	762	(17.2)
Less: Total impairment charges	1,048	1,578	(33.6)	190	292	(34.9)
Add: Share of profit of associates	6	9	(33.3)	3	(3)	>100.0
Net profit before tax	2,026	1,830	10.7	444	467	(4.9)
Net profit before tax (S\$m)	87	78	12.1	19	20	(4.0)

Thailand – Key Financial Indicators

	2010 %	2009 %	+/(-) % pt	4Q10 %	3Q10 %	+/(-) % pt
Net interest margin	3.45	3.80	(0.35)	3.32	3.51	(0.19)
Non-NII / Total income	26.6	28.5	(1.9)	23.2	27.1	(3.9)
Expense / Total income	67.7	65.3	2.4	73.3	67.8	5.5
Customer loans (net) – THB'm	158,439	137,547	15.2%	158,439	142,576	11.1%
Loans / Deposits	103.4	90.5	12.9	103.4	94.2	9.2
NPL ratio	5.2	6.1	(0.9)	5.2	5.8	(0.6)

Indonesia – Summarised P/L

	2010	2009	+ / (-)	4Q10	3Q10	+ / (-)
	IDR'b	IDR'b	%	IDR'b	IDR'b	%
Net interest income	1,963	1,918	2.3	498	502	(0.8)
Fee and commission income	418	370	13.0	124	99	25.3
Other non-interest income	214	279	(23.3)	54	53	1.9
Total income	2,595	2,567	1.1	676	654	3.4
Less: Total expenses	1,349	1,339	0.7	328	335	(2.1)
Operating profit	1,246	1,228	1.5	348	319	9.1
Less: Total impairment charges	74	133	(44.4)	10	9	11.1
Net profit before tax	1,172	1,095	7.0	338	310	9.0
Net profit before tax (S\$m)	175	153	13.9	49	46	5.2

Indonesia – Key Financial Indicators

	2010	2009	+ / (-)	4Q10	3Q10	+ / (-)
	%	%	% pt	%	%	% pt
Net interest margin	6.40	6.40	-	6.05	6.60	(0.55)
Non-NII / Total income	24.4	25.3	(0.9)	26.3	23.2	3.1
Expense / Total income	52.0	52.2	(0.2)	48.5	51.2	(2.7)
Customer loans (net) – IDR'b	27,427	22,977	19.4%	27,427	25,202	8.8%
Loans / Deposits	96.8	87.6	9.2	96.8	99.5	(2.7)
NPL ratio	2.0	3.0	(1.0)	2.0	2.4	(0.4)

Greater China – Summarised P/L

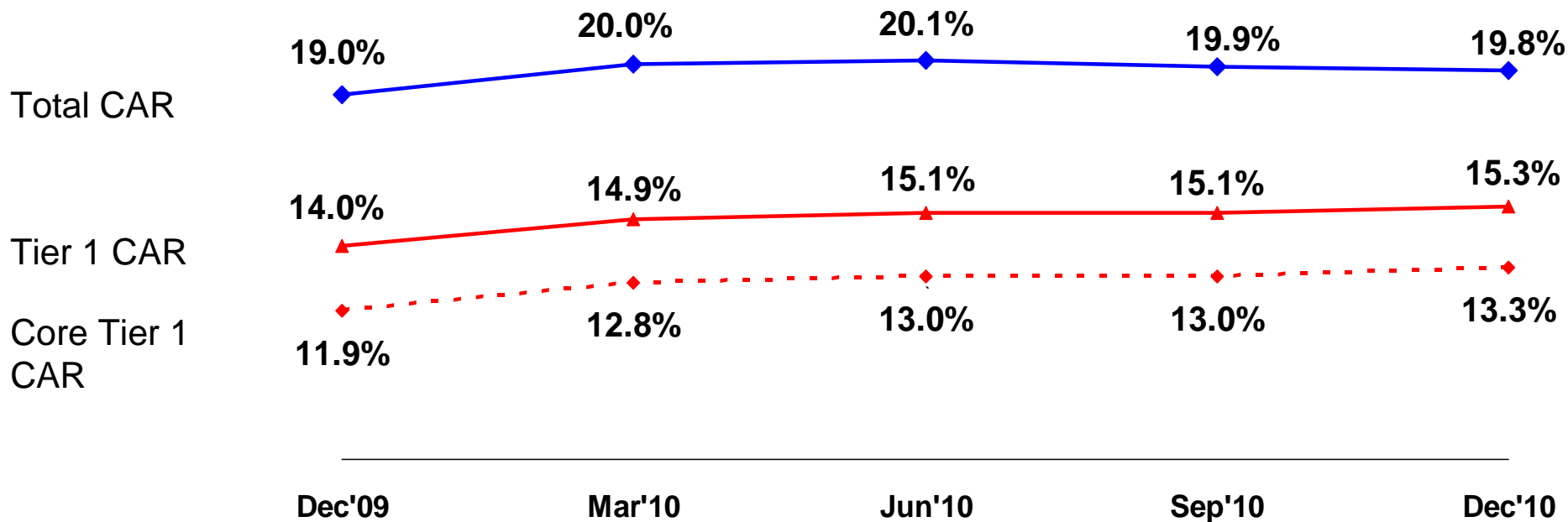
	2010	2009	+/(-)	4Q10	3Q10	+/(-)
	S\$m	S\$m	%	S\$m	S\$m	%
Net interest income	97	118	(17.7)	23	24	(4.8)
Fee and commission income	42	28	51.2	13	9	45.9
Other non-interest income	88	55	59.2	32	30	6.5
Total income	227	201	12.9	68	63	7.9
Less: Total expenses	115	106	8.3	35	27	28.8
Operating profit	112	95	18.1	33	36	(8.0)
Less: Total impairment charges	8	14	(42.1)	7	(0)	>100.0
Add: Share of profit of associates	1	1	>100.0	0	0	(0.7)
Net profit before tax	105	81	29.3	26	36	(29.1)

Greater China – Key Financial Indicators

	2010	2009	+/(–)	4Q10	3Q10	+/(–)
	%	%	% pt	%	%	% pt
Net interest margin	1.11	1.61	(0.50)	0.89	1.04	(0.15)
Non-NII / Total income	57.1	41.2	15.9	66.6	62.2	4.4
Expense / Total income	50.5	52.7	(2.2)	51.6	43.2	8.4
Customer loans (net) – S\$m	5,231	3,922	33.4%	5,231	4,449	17.6%
Loans / Deposits	91.5	91.3	0.2	91.5	87.9	3.6
NPL ratio	1.2	2.6	(1.4)	1.2	1.7	(0.5)

Strong Capital Position

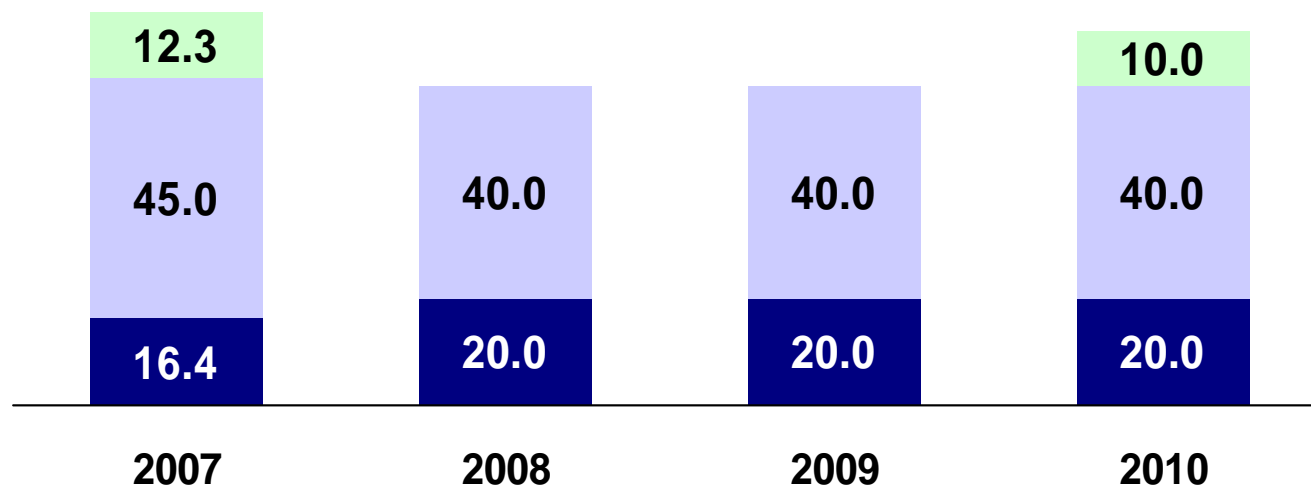
Capital Adequacy Ratios






\$m

Core Tier 1 Capital	11,978	12,942	13,175	13,411	14,213
Tier 1 Capital	14,127	15,091	15,324	15,560	16,362
RWA	100,908	101,414	101,174	103,269	106,889

Special Dividend Recommended, in Addition to Final Dividend



Net dividend per ordinary share (¢)			
		Interim	
			Final
			
			Special

Payout amount (\$m)	1,113	903	903	1,077
Payout ratio (%)	53	47	48	40

In Summary, Year 2010 Results Showed:

- **Record NPAT of \$2.7 billion**
- **Robust fee income alleviated pressure on NII**
- **Expenses well managed, continued to invest for future growth**
- **Investment in a regional franchise yielding results:-**
 - **Delivered double-digit growth in Singapore and the key regions**
 - **Cross-selling efforts boosted strong fee income growth**
- **Asset quality remained sound, NPL ratio low at 1.8%**
- **Balance sheet and capital position continued to be strong**
- **Final and special dividend recommended**