



# UOB Group Full Year 2012

## Financial Highlights

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**Group Chief Financial Officer**

**27 February 2013**

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# Record High NPAT of \$2.8 billion in 2012, up 21% YoY



	2012	2011	+/(-)
	\$m	\$m	%
Net interest income	3,917	3,678	6.5
Fee and commission income	1,508	1,318	14.4
Other non-interest income	1,070	703	52.3
<b>Total income</b>	<b>6,495</b>	<b>5,699</b>	<b>14.0</b>
Less: Total expenses	2,747	2,450	12.1
<b>Operating profit</b>	<b>3,748</b>	<b>3,248</b>	<b>15.4</b>
Less: Individual impairment	475	221	>100.0
Collective impairment	2	303	(99.5)
Intangible assets amortised	7	10	(29.5)
Add: Associates & joint ventures	87	93	(6.2)
Less: Tax & non-controlling interests	548	481	14.0
<b>Net profit after tax</b>	<b>2,803</b>	<b>2,327</b>	<b>20.5</b>

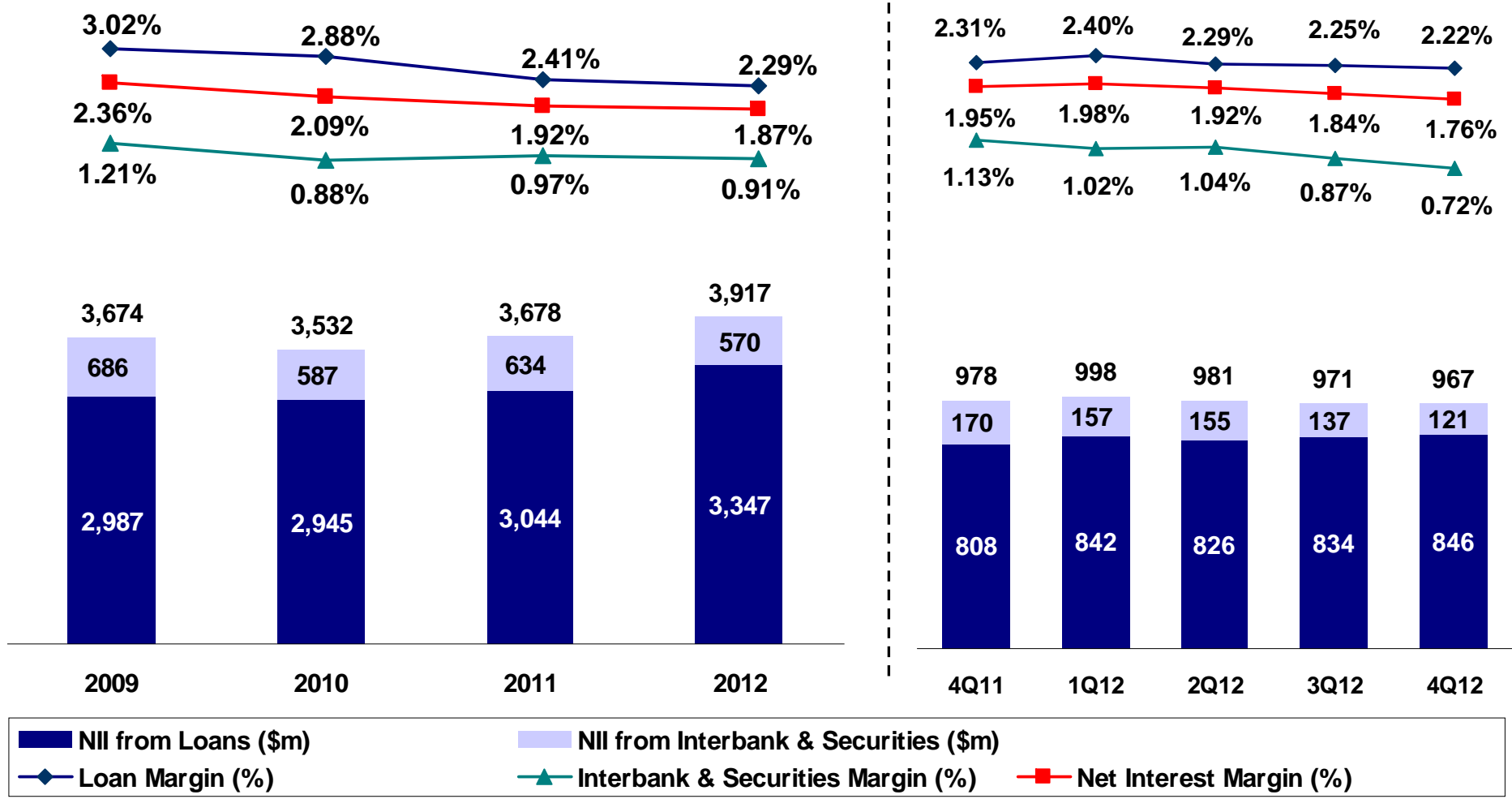
# 4Q12 NPAT at \$696 million, up 25% YoY, 2% lower QoQ



	4Q12	3Q12	+/(-)	4Q11	+/(-)
	\$m	\$m	%	\$m	%
Net interest income	967	971	(0.5)	978	(1.2)
Fee and commission income	388	372	4.1	327	18.7
Other non-interest income	238	321	(25.7)	173	37.5
<b>Total income</b>	<b>1,592</b>	<b>1,664</b>	<b>(4.3)</b>	<b>1,478</b>	<b>7.7</b>
Less: Total expenses	719	687	4.6	625	15.0
<b>Operating profit</b>	<b>874</b>	<b>976</b>	<b>(10.5)</b>	<b>853</b>	<b>2.4</b>
Less: Individual impairment	229	86	>100.0	134	71.2
Collective impairment	(79)	33	(>100.0)	92	(>100.0)
Intangible assets amortised	-	2	NM	3	NM
Add: Associates & joint ventures	17	21	(21.7)	0	>100.0
Less: Tax & non-controlling interests	45	170	(73.6)	67	(33.2)
<b>Net profit after tax</b>	<b>696</b>	<b>707</b>	<b>(1.5)</b>	<b>558</b>	<b>24.7</b>

# NII continued to trend up despite NIM compression

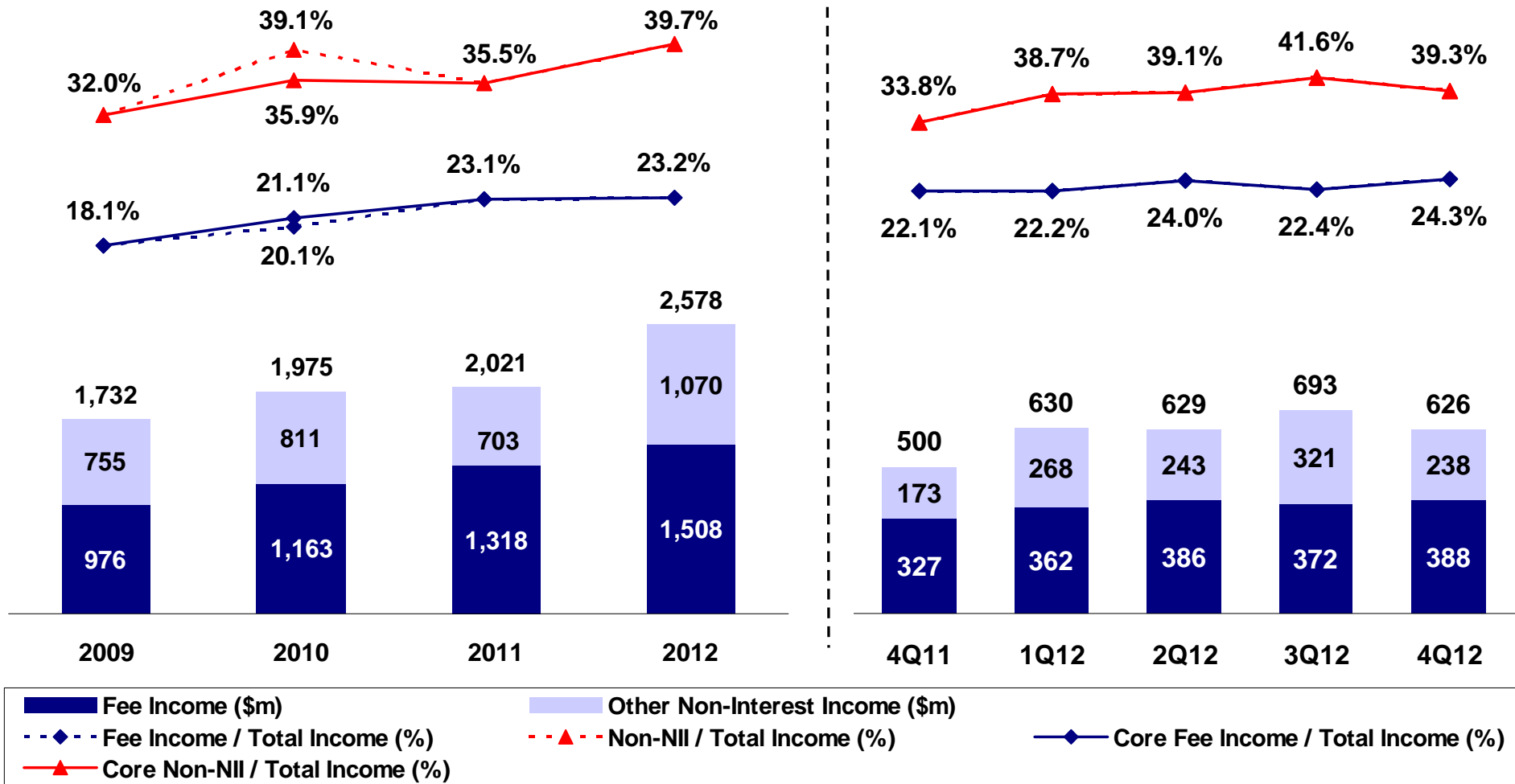
## Net Interest Income (NII) and Margin



# Fee Income Hit New Highs for 4Q12 and FY12; Non-NII Rose 28% to \$2.6 billion in FY12



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

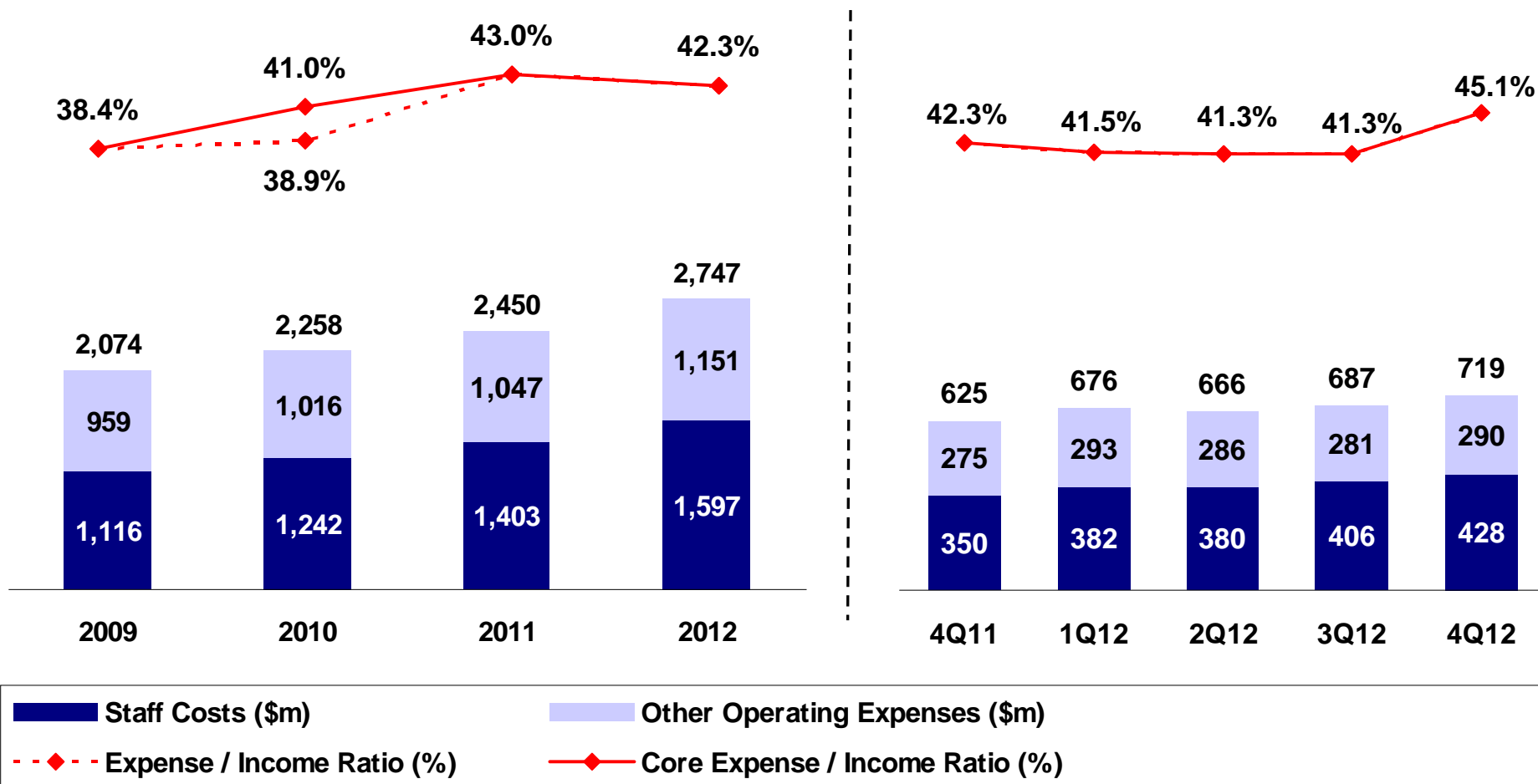


Note: core income excluded gain on UOB Life and UIC for 2010.

# FY12 Cost-Income Ratio Improved to 42.3%, with Higher Revenue Growth



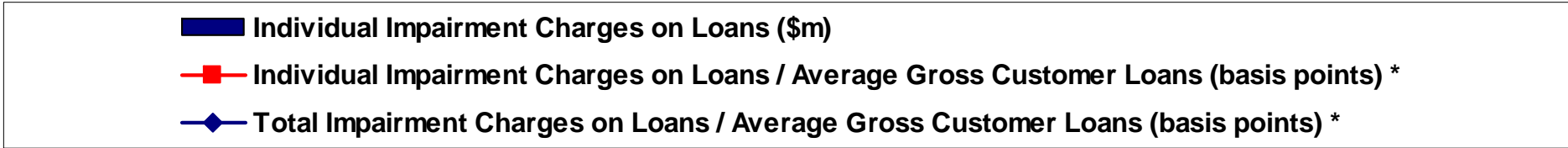
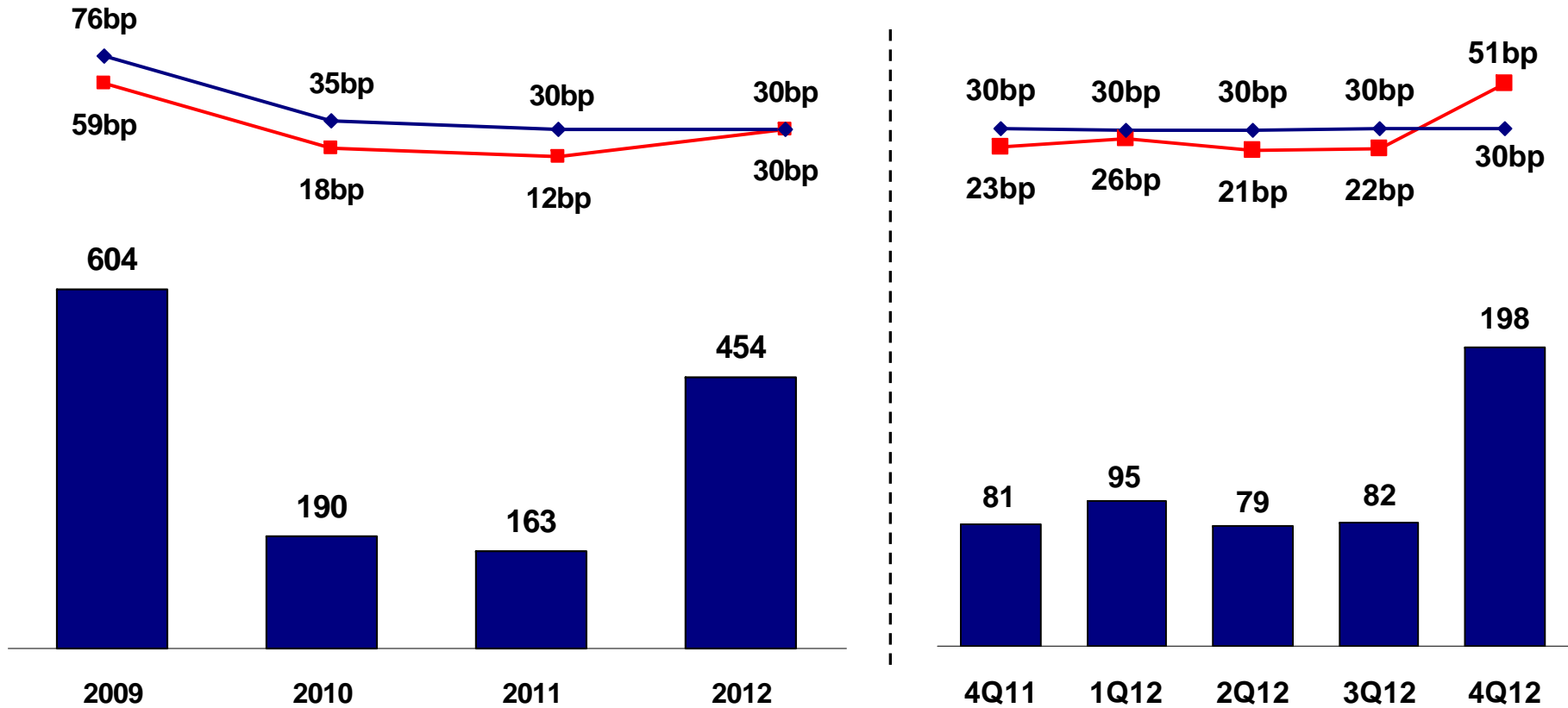
## Operating Expenses and Expense / Income Ratio



Note: core income excluded gain on UOB Life and UIC for 2010.

# Total Credit Costs Remained Stable

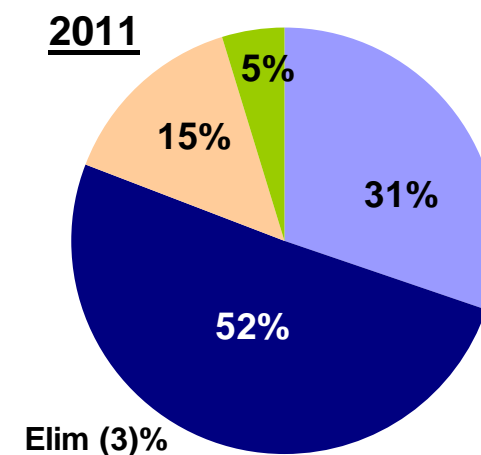
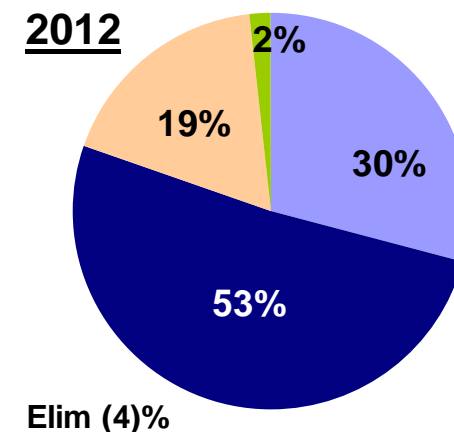
## Impairment Charges on Loans



\* On annualised basis

# Performance by Business Segment

Segment Operating Profit	2012 \$m	2011 \$m	+ / (-) %
Group Retail (GR)	1,136	1,018	11.6
Group Wholesale (GW)	1,994	1,697	17.5
Global Markets & Investment Mgt (GMIM)	704	491	43.4
Others	65	157	(58.6)
Elimination	(151)	(115)	(31.3)
<b>Total</b>	<b>3,748</b>	<b>3,248</b>	<b>15.4</b>

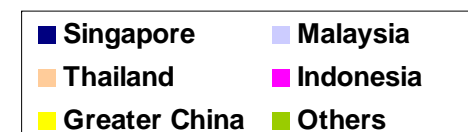
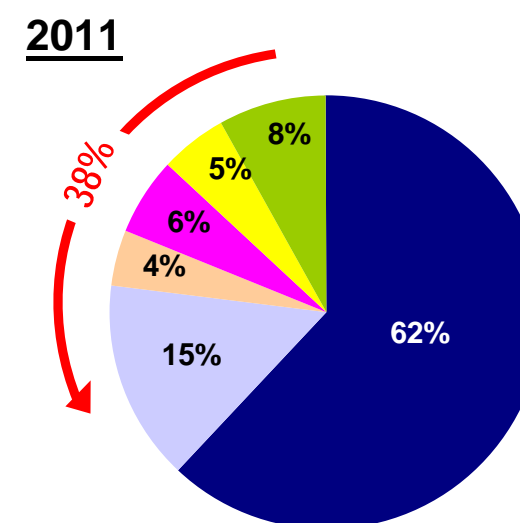
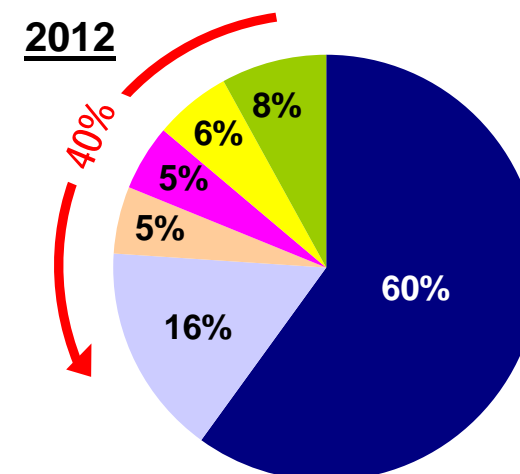


GR GW GMIM Others



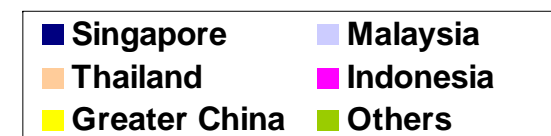
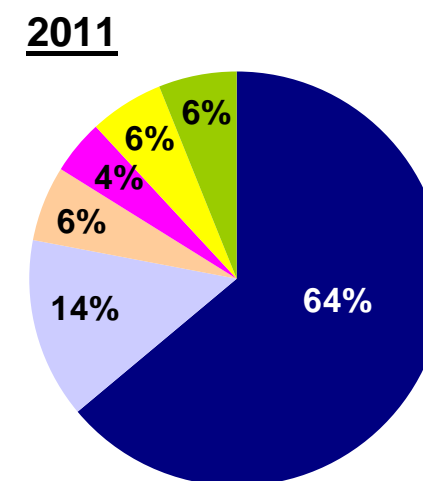
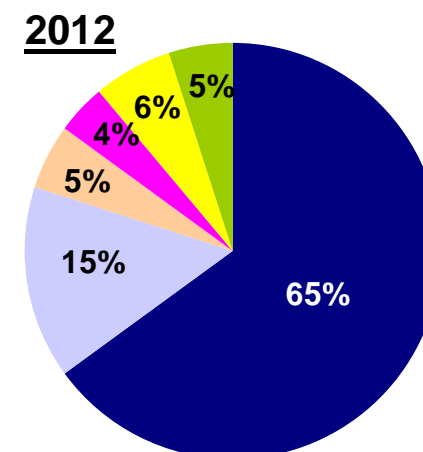
# Strong Performance in Singapore and the Region. Region's Operating Profit Up 29% YoY, outpaced Singapore's 12% growth

Operating Profit	2012 \$m	2011 \$m	+/(-) %	At constant FX rate +/(-) %
Singapore	2,243	2,008	11.7	11.7
Regional:	1,217	967	25.9	29.1
Malaysia	608	506	20.2	22.0
Thailand	182	120	51.6	55.1
Indonesia	195	182	7.2	15.4
Greater China	232	158	46.3	46.3
Others	288	274	5.0	6.0
<b>Total</b>	<b>3,748</b>	<b>3,248</b>	<b>15.4</b>	<b>16.3</b>



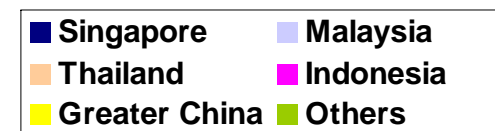
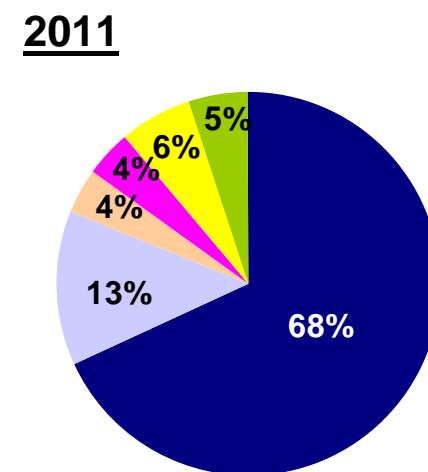
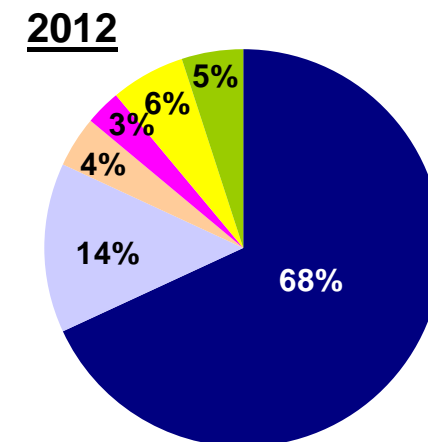
# FY12 Loans Grew 8%, contributed by Singapore and the Regional Countries

Gross Loans	2012	2011	+ / (-)	4Q12	3Q12	+ / (-)
	\$b	\$b	%	\$b	\$b	%
Singapore	101.1	92.3	9.6	101.1	98.3	2.8
Regional:	46.8	42.7	9.5	46.8	45.7	2.3
Malaysia	23.5	20.7	13.3	23.5	23.2	1.2
Thailand	8.5	7.8	8.9	8.5	8.3	3.1
Indonesia	5.6	5.8	(2.9)	5.6	5.6	0.6
Greater China	9.2	8.4	8.8	9.2	8.7	5.6
Others	8.0	8.9	(10.6)	8.0	8.4	(5.2)
<b>Total</b>	<b>155.9</b>	<b>143.9</b>	<b>8.3</b>	<b>155.9</b>	<b>152.4</b>	<b>2.2</b>
USD Loans	18.1	19.8	(8.4)	18.1	18.6	(2.3)



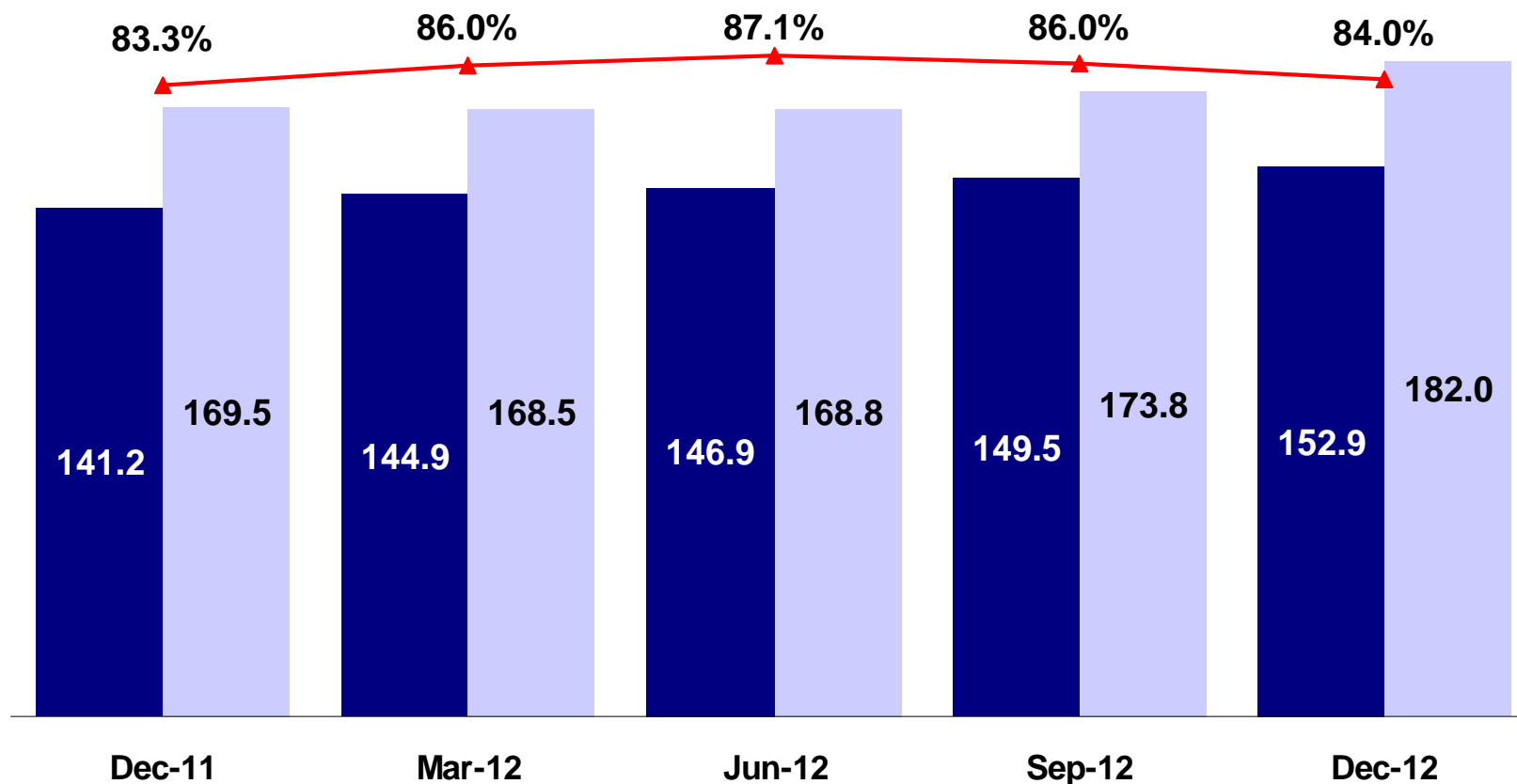
# Deposits Up 7% YoY Supported by a Strong Deposits Franchise

	2012	2011	+/(-)	4Q12	3Q12	+/(-)
	\$b	\$b	%	\$b	\$b	%
Singapore	123.4	115.7	6.6	123.4	117.9	4.6
Regional:	50.3	44.9	11.8	50.3	47.6	5.6
Malaysia	26.2	21.6	21.5	26.2	25.2	4.0
Thailand	8.2	7.0	17.7	8.2	7.0	16.1
Indonesia	5.8	6.1	(4.3)	5.8	6.0	(3.3)
Greater China	10.1	10.4	(2.9)	10.1	9.3	7.7
Others	8.4	8.8	(4.7)	8.4	8.3	1.0
<b>Total</b>	<b>182.0</b>	169.5	7.4	<b>182.0</b>	173.8	4.7
USD Deposits	21.9	19.8	10.6	21.9	20.8	5.5
USD LDR (%)	81.6	98.7	(17.1)%pt	81.6	88.1	(6.5)%pt



# Stable Liquidity Position

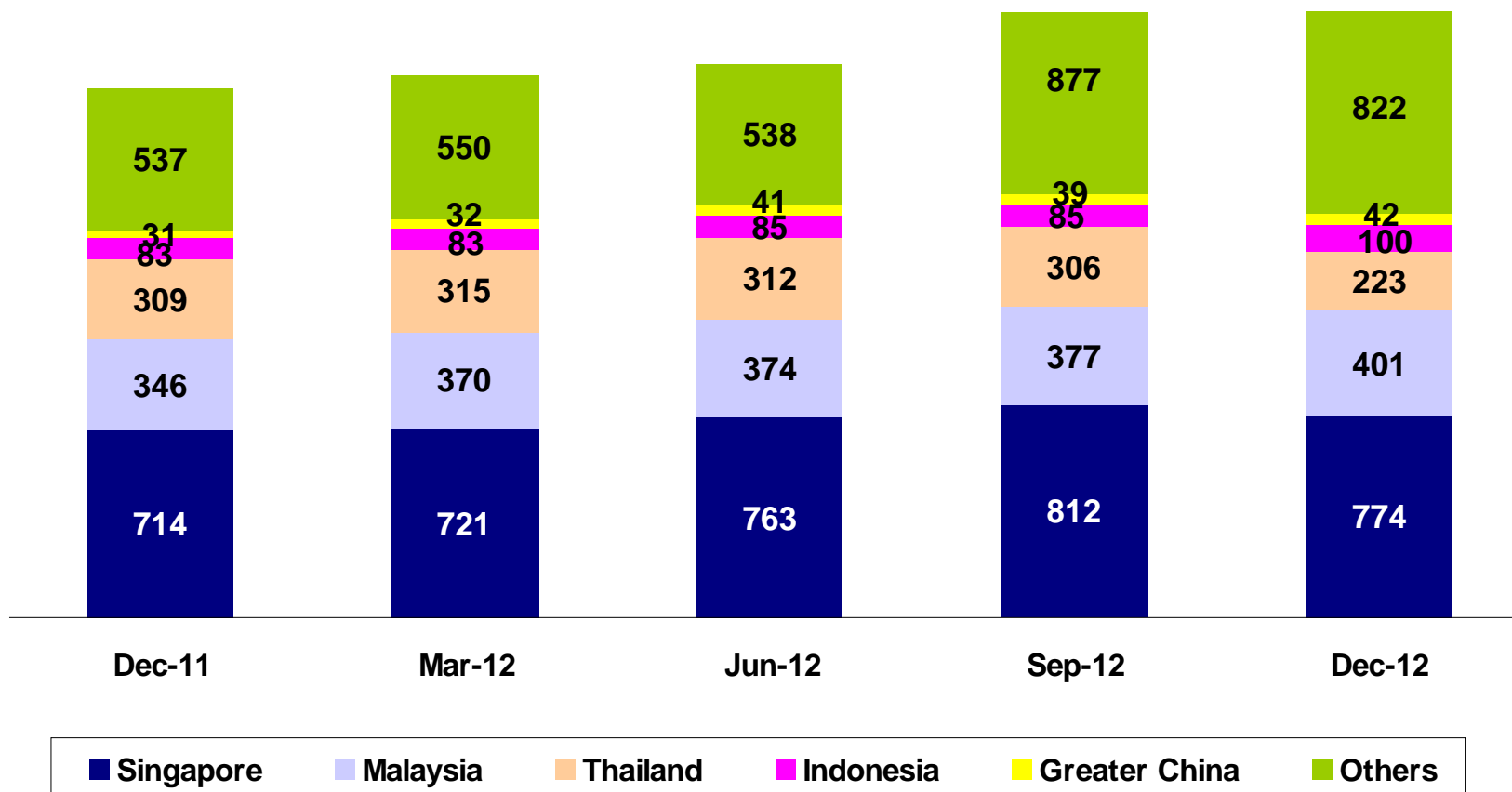
## Customer Loans, Deposits and LDR



# Credit Quality Intact; NPL Ratio Steady at 1.5%

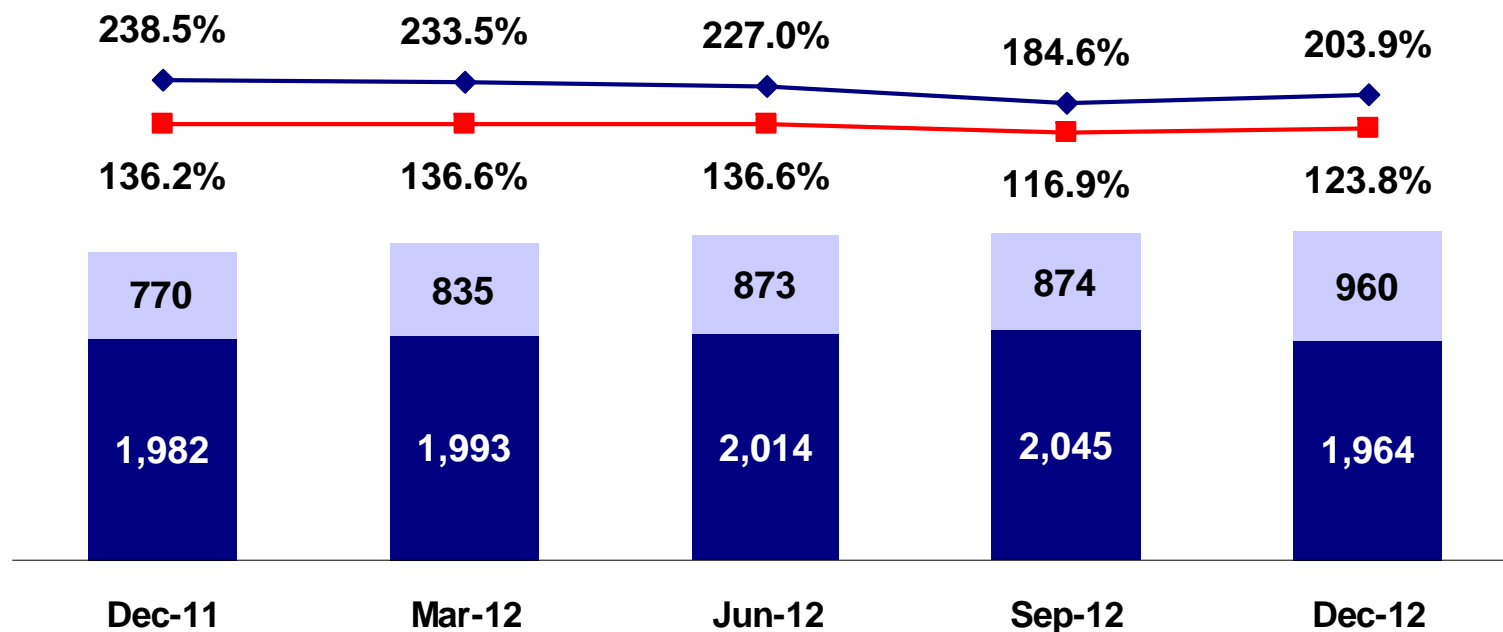


NPL (\$m)	2,020	2,071	2,113	2,496	2,362
NPL Ratio	1.4%	1.4%	1.4%	1.6%	1.5%



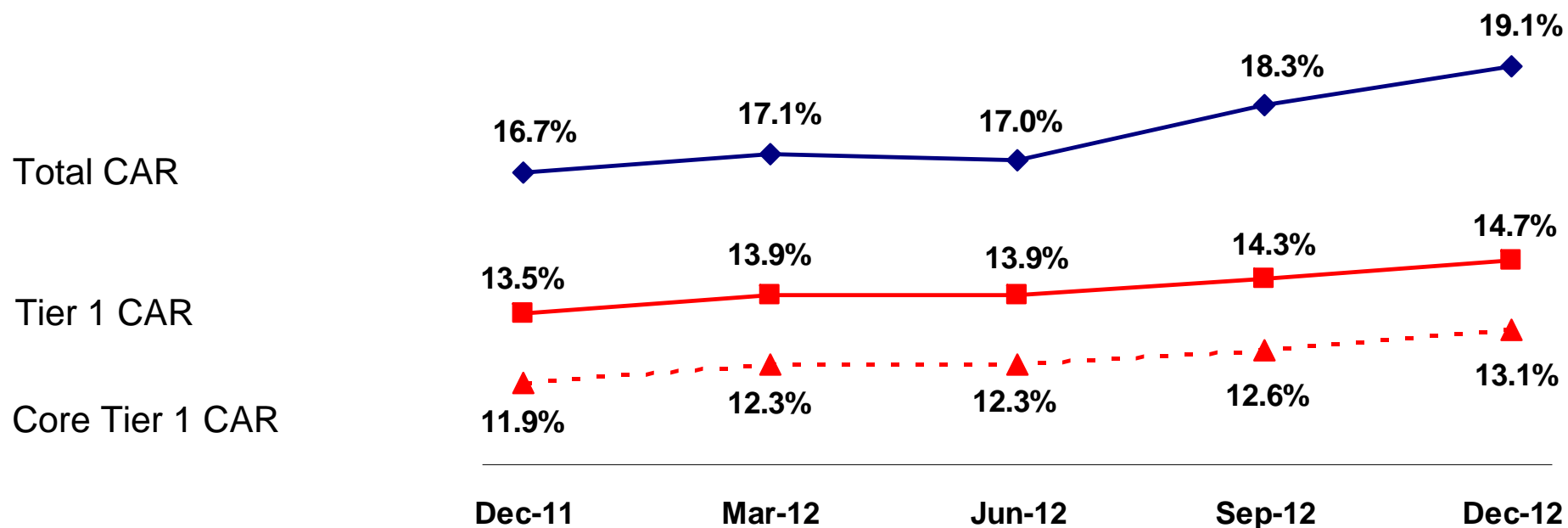
# Strong Impairment Coverage

<b>Total Loan Impairment (\$m)</b>	<b>2,752</b>	<b>2,828</b>	<b>2,887</b>	<b>2,919</b>	<b>2,924</b>
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# Capital Ratios Remained Strong

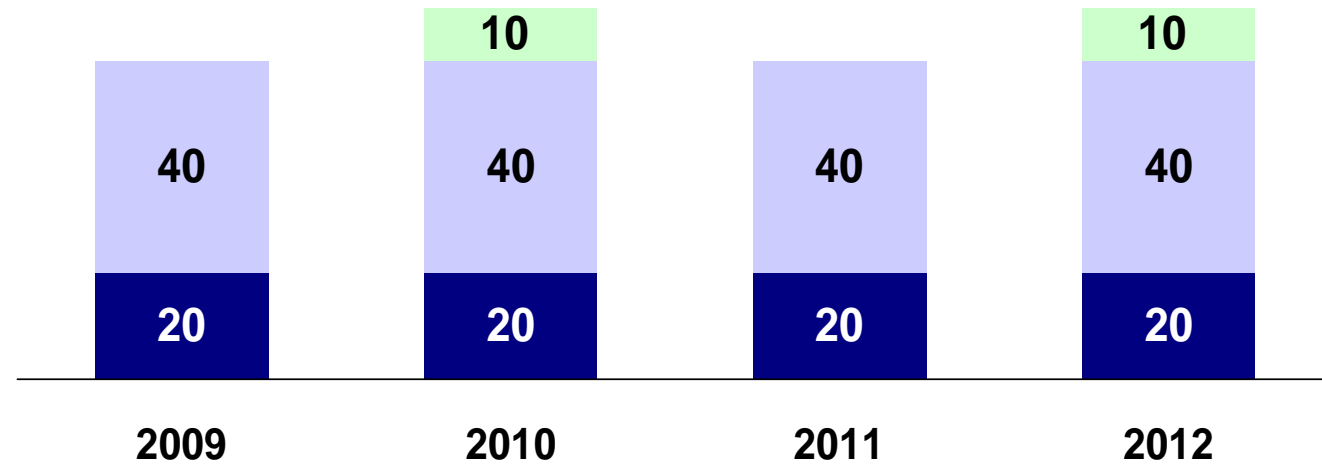
## Capital Adequacy Ratios (CAR)



\$b

Core Tier 1 Capital	15.9	16.5	16.5	16.7	17.4
Tier 1 Capital	18.0	18.6	18.6	18.9	19.6
Total Capital	22.3	23.0	22.7	24.2	25.4
Risk-weighted assets (RWA)	133.6	134.1	134.0	132.5	133.1

# Special Dividend Recommended, in Addition to Final Dividend



Net dividend per ordinary share (¢)			
	Interim	Final	Special

<b>Payout amount (\$m)</b>	<b>903</b>	<b>1,077</b>	<b>944</b>	<b>1,102</b>
<b>Payout ratio (%)</b>	<b>48</b>	<b>44</b>	<b>41</b>	<b>39</b>



# Singapore – Summarised Income Statement

	2012	2011	+/(-)	4Q12	3Q12	+/(-)
	\$m	\$m	%	\$m	\$m	%
Net interest income	2,102	2,049	2.6	506	520	(2.7)
Fee and commission income	934	792	17.9	238	228	4.2
Other non-interest income	754	498	51.4	166	240	(30.8)
<b>Total income</b>	<b>3,790</b>	<b>3,339</b>	<b>13.5</b>	<b>910</b>	<b>988</b>	<b>(7.9)</b>
Less: Total expenses	1,547	1,331	16.2	394	395	(0.3)
<b>Operating profit</b>	<b>2,243</b>	<b>2,008</b>	<b>11.7</b>	<b>516</b>	<b>593</b>	<b>(13.0)</b>
Less: Total impairment charges	55	260	(79.0)	(68)	43	(>100.0)
Add: Associates & joint ventures	68	92	(26.2)	14	17	(16.1)
<b>Profit before tax</b>	<b>2,256</b>	<b>1,840</b>	<b>22.6</b>	<b>598</b>	<b>567</b>	<b>5.5</b>

# Singapore – Key Financial Indicators



	2012	2011	+/(–)	4Q12	3Q12	+/(–)
	%	%	% pt	%	%	% pt
Net interest margin	1.50	1.52	(0.02)	1.37	1.48	(0.11)
Non-NII / Total income	44.5	38.6	5.9	44.4	47.4	(3.0)
Expense / Total income	40.8	39.9	0.9	43.3	40.0	3.3
Customer loans (net) - \$b	99.3	90.5	9.8%	99.3	96.5	3.0%
Customer deposits - \$b	123.4	115.7	6.6%	123.4	117.9	4.6%
Loans / Deposits	80.5	78.2	2.3	80.5	81.8	(1.3)
NPL ratio	0.8	0.8	-	0.8	0.8	-

## Malaysia – Summarised Income Statement

	2012	2011	+/(–)	4Q12	3Q12	+/(–)
	RM'm	RM'm	%	RM'm	RM'm	%
Net interest income	1,515	1,355	11.8	392	388	1.0
Fee and commission income	517	417	24.0	161	114	41.2
Other non-interest income	235	173	35.8	57	60	(5.0)
<b>Total income</b>	<b>2,267</b>	<b>1,945</b>	<b>16.6</b>	<b>610</b>	<b>562</b>	<b>8.5</b>
Less: Total expenses	760	710	7.0	221	187	18.2
<b>Operating profit</b>	<b>1,507</b>	<b>1,235</b>	<b>22.0</b>	<b>389</b>	<b>375</b>	<b>3.7</b>
Less: Total impairment charges	180	170	5.9	63	5	>100.0
Add: Associates & joint ventures	55	35	57.1	10	13	(23.1)
<b>Profit before tax</b>	<b>1,382</b>	<b>1,100</b>	<b>25.6</b>	<b>336</b>	<b>383</b>	<b>(12.3)</b>
<b>Profit before tax (\$m)</b>	<b>557</b>	<b>450</b>	<b>23.6</b>	<b>134</b>	<b>153</b>	<b>(11.9)</b>

## Malaysia – Key Financial Indicators

	2012	2011	+ / (-)	4Q12	3Q12	+ / (-)
	%	%	% pt	%	%	% pt
Net interest margin	2.16	2.59	(0.43)	2.07	2.15	(0.08)
Non-NII / Total income	33.2	30.3	2.9	35.7	31.0	4.7
Expense / Total income	33.5	36.5	(3.0)	36.2	33.3	2.9
Customer loans (net) - RM'b	57.7	49.6	16.1%	57.7	56.9	1.3%
Customer deposits - RM'b	65.6	52.7	24.5%	65.6	63.1	4.1%
Loans / Deposits	87.9	94.2	(6.3)	87.9	90.3	(2.4)
NPL ratio	1.7	1.7	-	1.7	1.6	0.1

## Thailand – Summarised Income Statement



	2012	2011	+/(-)	4Q12	3Q12	+/(-)
	THB'm	THB'm	%	THB'm	THB'm	%
Net interest income	9,992	8,183	22.1	2,652	2,616	1.4
Fee and commission income	2,898	2,300	26.0	742	744	(0.3)
Other non-interest income	318	44	>100.0	64	36	77.8
<b>Total income</b>	<b>13,208</b>	<b>10,527</b>	<b>25.5</b>	<b>3,458</b>	<b>3,396</b>	<b>1.8</b>
Less: Total expenses	8,663	7,596	14.0	2,392	2,191	9.2
<b>Operating profit</b>	<b>4,545</b>	<b>2,931</b>	<b>55.1</b>	<b>1,066</b>	<b>1,205</b>	<b>(11.5)</b>
Less: Total impairment charges	1,612	1,515	6.4	428	201	>100.0
Add: Associates & joint ventures	-	(186)	NM	-	-	-
<b>Profit before tax</b>	<b>2,933</b>	<b>1,230</b>	<b>&gt;100.0</b>	<b>638</b>	<b>1,004</b>	<b>(36.5)</b>
<b>Profit before tax (\$m)</b>	<b>118</b>	<b>50</b>	<b>&gt;100.0</b>	<b>25</b>	<b>40</b>	<b>(36.3)</b>

# Thailand – Key Financial Indicators



	2012	2011	+ / (-)	4Q12	3Q12	+ / (-)
	%	%	% pt	%	%	% pt
Net interest margin	3.48	3.28	0.20	3.36	3.42	(0.06)
Non-NII / Total income	24.3	22.3	2.0	23.3	23.0	0.3
Expense / Total income	65.6	72.2	(6.6)	69.2	64.5	4.7
Customer loans (net) - THB'b	207.8	183.9	13.0%	207.8	200.5	3.6%
Customer deposits - THB'b	205.0	169.0	21.3%	205.0	176.9	15.8%
Loans / Deposits	101.4	108.8	(7.4)	101.4	113.3	(11.9)
Loans / Deposits (Include Bills of Exchange*)	91.2	87.1	4.1	91.2	99.3	(8.1)
NPL ratio	2.6	4.0	(1.4)	2.6	3.7	(1.1)

\* UOB(Thai) offers bills of exchange to customers as an alternative deposit product, common in Thailand's market. This product serves as an alternative funding source and is reflected separately from deposits.

## Indonesia – Summarised Income Statement



	2012	2011	+/(–)	4Q12	3Q12	+/(–)
	IDR'b	IDR'b	%	IDR'b	IDR'b	%
Net interest income	2,572	2,099	22.5	637	653	(2.5)
Fee and commission income	613	629	(2.5)	138	163	(15.3)
Other non-interest income	248	285	(13.0)	(12)	93	(>100.0)
<b>Total income</b>	<b>3,433</b>	<b>3,013</b>	<b>13.9</b>	<b>763</b>	<b>909</b>	<b>(16.1)</b>
Less: Total expenses	1,961	1,737	12.9	512	465	10.1
<b>Operating profit</b>	<b>1,472</b>	<b>1,276</b>	<b>15.4</b>	<b>251</b>	<b>444</b>	<b>(43.5)</b>
Less: Total impairment charges	77	212	(63.7)	(17)	48	(>100.0)
<b>Profit before tax</b>	<b>1,395</b>	<b>1,064</b>	<b>31.1</b>	<b>268</b>	<b>396</b>	<b>(32.3)</b>
<b>Profit before tax (\$m)</b>	<b>184</b>	<b>151</b>	<b>21.8</b>	<b>34</b>	<b>52</b>	<b>(34.2)</b>

## Indonesia – Key Financial Indicators



	2012	2011	+/(-)	4Q12	3Q12	+/(-)
	%	%	% pt	%	%	% pt
Net interest margin	5.29	5.20	0.09	5.00	5.29	(0.29)
Non-NII / Total income	25.1	30.3	(5.2)	16.5	28.2	(11.7)
Expense / Total income	57.1	57.7	(0.6)	67.1	51.2	15.9
Customer loans (net) - IDR't	44.4	40.3	10.3%	44.4	43.0	3.2%
Customer deposits - IDR't	46.5	42.8	8.5%	46.5	46.9	(1.0%)
Loans / Deposits	95.6	94.0	1.6	95.6	91.7	3.9
NPL ratio	1.8	1.4	0.4	1.8	1.5	0.3



# Greater China – Summarised Income Statement



	2012	2011	+/(-)	4Q12	3Q12	+/(-)
	\$m	\$m	%	\$m	\$m	%
Net interest income	233	176	32.6	56	55	2.3
Fee and commission income	67	67	(0.3)	15	21	(28.6)
Other non-interest income	114	80	42.4	39	25	58.1
<b>Total income</b>	<b>414</b>	<b>323</b>	<b>28.2</b>	<b>110</b>	<b>100</b>	<b>9.8</b>
Less: Total expenses	182	164	10.8	51	45	12.0
<b>Operating profit</b>	<b>232</b>	<b>158</b>	<b>46.3</b>	<b>60</b>	<b>55</b>	<b>8.0</b>
Less: Total impairment charges	7	5	26.9	1	3	(60.0)
Add: Associates & joint ventures	(2)	(5)	57.1	(1)	(1)	(84.3)
<b>Profit before tax</b>	<b>222</b>	<b>147</b>	<b>50.8</b>	<b>57</b>	<b>52</b>	<b>10.4</b>

## Greater China – Key Financial Indicators



	2012	2011	+/(-)	4Q12	3Q12	+/(-)
	%	%	% pt	%	%	% pt
Net interest margin	1.27	1.20	0.07	1.21	1.20	0.01
Non-NII / Total income	43.7	45.5	(1.8)	48.9	45.2	3.7
Expense / Total income	44.0	50.9	(6.9)	45.9	45.0	0.9
Customer loans (net) - \$b	9.1	8.4	8.9%	9.1	8.6	5.6%
Customer deposits - \$b	10.1	10.4	(2.9%)	10.1	9.3	7.7%
Loans / Deposits	90.5	80.7	9.8	90.5	92.2	(1.7)
NPL ratio	0.5	0.4	0.1	0.5	0.4	0.1