UOB 大華銀行

United Overseas Bank Limited
(Incorporated in the Republic of Singapore)
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Co. Reg. No. 193500026Z

To: All Shareholders

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

Unaudited Financial Results for the First Quarter Ended 31 March 2014
Details of the financial results are in the accompanying Group Financial Report.

Dividends and Distributions
Ordinary share dividend
No dividend on ordinary shares has been declared for the first quarter of 2014.

Preference share dividend
On 17 March 2014, a semi-annual dividend at an annual rate of 5.796% totalling US$14 million (1Q13: US$14 million) was 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.

Capital securities distributions
On 23 January 2014, a semi-annual distribution at an annual rate of 4.90% totalling S$21 million was paid on the Bank's S$850 million 4.90% non-cumulative non-convertible perpetual capital securities for the period from 23 July 2013 up to, but excluding, 23 January 2014.

Interested Person Transactions
The Bank has not obtained a general mandate from shareholders for Interested Person Transactions.

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 ended 31 March 2014 to be false or misleading.

BY ORDER OF THE BOARD
UNITED OVERSEAS BANK LIMITED

Mrs Vivien Chan
Secretary

Dated this 30th day of April 2014

The results are also available at www.uobgroup.com

Group Financial Report

For the First Quarter 2014

United Overseas Bank Limited
Incorporated in the Republic of Singapore
Company Registration Number: 193500026Z

Contents

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.

"NA" denotes not applicable.

Financial Highlights

	1Q14	1Q13	+/(-) %	4Q13	+/(-) %
Selected income statement items ($m)					
Net interest income	**1,110**	964	15.2	1,095	1.3
Fee and commission income	**414**	453	(8.6)	435	(4.8)
Other non-interest income	**228**	255	(10.6)	212	7.5
Total income	**1,752**	1,672	4.8	1,742	0.6
Less: Total expenses	**755**	696	8.6	762	(0.9)
Operating profit	**997**	976	2.1	980	1.7
Less: Impairment charges	**157**	130	20.5	139	13.4
Add: Share of profit of associates and joint ventures	**43**	24	79.5	14	>100.0
Net profit before tax	**882**	870	1.5	855	3.2
Less: Tax and non-controlling interests	**94**	148	(36.2)	82	14.8
Net profit after tax [1]	**788**	722	9.2	773	2.0
Selected balance sheet items ($m)					
Net customer loans	**185,270**	164,347	12.7	178,857	3.6
Customer deposits	**216,617**	197,420	9.7	214,548	1.0
Total assets	**295,999**	266,741	11.0	284,229	4.1
Shareholders' equity [1]	**27,253**	26,062	4.6	26,388	3.3
Key financial ratios (%)					
Net interest margin [2]	**1.73**	1.70		1.74	
Non-interest income/Total income	**36.7**	42.4		37.1	
Expense/Income ratio	**43.1**	41.6		43.8	
Overseas profit before tax contribution	**46.2**	38.1		42.1	
Loan charge off rate (bp) [2]					
Exclude collective impairment	**(0)**	8		11	
Include collective impairment	**32**	30		30	
NPL ratio [3]	**1.1**	1.3		1.1	

Notes:
1 Relate to amount attributable to equity holders of the Bank.
2 Computed on an annualised basis.
3 Refer to non-performing loans as a percentage of gross customer loans.

Financial Highlights *(cont'd)*

	1Q14	1Q13	4Q13
Key financial ratios (%) *(cont'd)*			
Return on average total assets [1]	**1.10**	1.12	1.11
Return on average ordinary shareholders' equity [1,2]	**12.4**	11.6	12.8
Loan/Deposit ratio [3]	**85.5**	83.2	83.4
Capital adequacy ratios			
Common Equity Tier 1	**14.0**	14.3	13.2
Tier 1	**14.0**	14.3	13.2
Total	**17.7**	18.0	16.6
Earnings per ordinary share ($) [1,2]			
Basic	**1.94**	1.73	1.94
Diluted	**1.93**	1.72	1.93
Net asset value ("NAV") per ordinary share ($) [4]	**15.90**	15.18	15.36
Revalued NAV per ordinary share ($) [4]	**18.57**	17.52	17.96

Notes:
1 Computed on an annualised basis.
2 Calculated based on profit attributable to equity holders of the Bank net of preference share dividend and capital securities distributions.
3 Refer to net customer loans and customer deposits.
4 Preference shares and capital securities are excluded from the computation.

Performance Review

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") as required by the Singapore Companies Act, with modification to FRS39 Financial Instruments: Recognition and Measurement in respect of loan loss provisioning, as provided in the Monetary Authority of Singapore ("MAS") Notice 612 Credit Files, Grading and Provisioning.

The new/revised FRS applicable to the Group with effect from 1 January 2014 are listed below. The adoption of these FRS has no significant impact on the financial statements of the Group.

- FRS27 Separate Financial Statements
- FRS28 Investments in Associates and Joint Ventures
- FRS110 Consolidated Financial Statements
- FRS111 Joint Arrangements
- FRS112 Disclosure of Interests in Other Entities
- Amendments to FRS32 – Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS36 – Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to FRS39 – Novation of Derivatives and Continuation of Hedge Accounting

In 1Q14, the Group reviewed the nature of deposits from financial institutions to distinguish deposits relating to fund management and operating accounts from those relating to interbank money market activities. Consequently, the definition of "Deposits and balances from Customers" has been expanded to include the former. Prior period comparatives have been restated to conform with the current period presentation and is disclosed under "Customer Deposits" in page 13.

Other than the above changes, the accounting policies and computation methods adopted in the financial statements for the first quarter 2014 are the same as those adopted in the audited financial statements for the financial year ended 31 December 2013.

First quarter 2014 ("1Q14") performance

The Group registered its 1Q14 net earnings at $788 million. The increase of 9.2% over first quarter of 2013 ("1Q13") was led by strong contribution in net interest income, coupled with lower taxes from the write-back of prior-years' income tax.

Total income increased 4.8% year-on-year to $1.75 billion. The growth was supported by higher net interest income which grew 15.2% from 1Q13 to $1.11 billion in 1Q14. Net interest margin improved 3 basis points to 1.73% in 1Q14.

Fee and commission income for 1Q14 was $414 million, 8.6% lower from a year ago. The decline came mainly from lower loan processing fees and fund management fees but partly compensated by higher wealth management distribution fees. Trading and investment income decreased 5.5% to $149 million on lower gains from sale of securities and trading income.

Operating expenses grew 8.6% to $755 million compared to 1Q13. Staff costs rose 9.4% to $454 million as the Group continued to invest in talent across Singapore and the regions to support its business franchise, while other operating expenses primarily revenue-related expenses were 7.3% higher. Consequently, expense-to-income ratio increased from 41.6% in 1Q13 to 43.1% in 1Q14.

Total impairment charges increased 20.5% to $157 million as collective impairment charges were set aside in line with loan growth, while individual impairment charges declined 16.7% to $32.8 million in 1Q14. Total loan charge off rate was relatively stable at 32 basis points.

Compared with fourth quarter of 2013 ("4Q13"), net earnings recorded a 2.0% increase to reach $788 million.

Total income was 0.6% higher at $1.75 billion in 1Q14, mainly driven by a 1.3% growth in net interest income. Trading and investment income increased 3.5% to $149 million due to higher customer demand for treasury products. Fee and commission income declined 4.8% to $414 million due to lower loan processing fees, fund management fees and credit card income but offset by higher wealth management distribution fees.

Total expenses declined marginally by 0.9% to $755 million.

Individual impairment charges decreased 62.9% in 1Q14 to $32.8 million while higher collective impairment charges were made in line with loan growth.

<u>Performance Review</u> *<u>(cont'd)</u>*

First quarter 2014 ("1Q14") performance *(cont'd)*

Gross customer loans rose 12.7% year-on-year and 3.6% over the previous quarter to $189 billion as at 31 March 2014. The increase was broad-based across territories and industries.

Customer deposits recorded a 9.7% increase year-on-year and 1.0% from 4Q13 to $217 billion as at 31 March 2014 on higher deposits from current and savings accounts. The Group's loan-to-deposit ratio as at 31 March 2014 stood at 85.5%.

Asset quality remained strong. Non-performing loans ("NPL") decreased 7.2% over a year ago to $2.08 billion, while NPL ratio improved from 1.3% to 1.1% in 1Q14. NPL was little changed from the previous quarter.

Shareholders' equity increased 4.6% year-on-year and 3.3% over 4Q13 to $27.3 billion as at 31 March 2014 on higher retained earnings. Return on shareholders' equity was 12.4% for 1Q14.

The Group's capital position remained strong and well above the MAS minimum requirements with Common Equity Tier 1 ("CET1"), Tier 1 and Total CAR at 14.0%, 14.0% and 17.7% respectively as at 31 March 2014.

Net Interest Income

Net interest margin

	1Q14			1Q13			4Q13		
	Average balance	**Interest**	**Average rate**	Average balance	Interest	Average rate	Average balance	Interest	Average rate
	$m	**$m**	**%**	$m	$m	%	$m	$m	%
Interest bearing assets									
Customer loans	**185,228**	**1,412**	**3.09**	158,288	1,253	3.21	178,053	1,397	3.11
Interbank balances	**47,597**	**191**	**1.63**	40,279	153	1.54	42,524	176	1.64
Securities	**27,164**	**141**	**2.11**	31,617	145	1.87	28,405	138	1.93
Total	**259,989**	**1,745**	**2.72**	230,184	1,552	2.73	248,981	1,711	2.73
Interest bearing liabilities									
Customer deposits	**213,325**	**540**	**1.03**	194,498	500	1.04	207,826	529	1.01
Interbank balances/others	**38,651**	**95**	**1.00**	28,736	88	1.25	34,592	87	1.00
Total	**251,976**	**635**	**1.02**	223,234	588	1.07	242,418	616	1.01
Net interest margin [1]			**1.73**			1.70			1.74

Volume and rate analysis

	1Q14 vs 1Q13			1Q14 vs 4Q13		
	Volume change	Rate change	Net change	Volume change	Rate change	Net change
	$m	$m	$m	$m	$m	$m
Interest income						
Customer loans	213	(54)	159	56	(10)	47
Interbank balances	28	10	38	21	(2)	19
Securities	(20)	16	(4)	(6)	12	6
Total	221	(28)	193	71	1	72
Interest expense						
Customer deposits	48	(8)	40	14	9	23
Interbank balances/others	36	(29)	7	10	(1)	10
Total	84	(37)	47	24	9	33
Change in number of days	-	-	-	-	-	(24)
Net interest income	137	10	146	47	(7)	15

Net interest income recorded an increase of 15.2% from 1Q13 and 1.3% over the previous quarter to $1.11 billion for 1Q14. The increase was largely driven by loan growth.

Net interest margin improved 3 basis points from 1Q13 to 1.73% in 1Q14, and remained flat when compared with 4Q13.

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

Non-Interest Income

	1Q14	1Q13	+/(-)	4Q13	+/(-)
	$m	$m	%	$m	%
Fee and commission income					
Credit card	**62**	58	7.6	72	(12.8)
Fund management	**32**	53	(39.1)	39	(18.7)
Investment-related	**114**	106	7.8	101	13.6
Loan-related	**101**	133	(24.0)	113	(10.8)
Service charges	**27**	28	(4.6)	30	(9.3)
Trade-related	**66**	58	13.4	70	(5.3)
Others	**12**	18	(31.9)	11	7.3
	414	453	(8.6)	435	(4.8)
Other non-interest income					
Dividend income	**4**	9	(56.1)	3	24.5
Rental income	**29**	28	5.1	30	(1.4)
Trading income/(loss)	**2**	34	(93.1)	7	(65.3)
Non-trading income/(loss)					
Financial instruments at fair value through profit or loss	**124**	66	87.2	154	(19.3)
Available-for-sale assets and others	**23**	57	(59.9)	(16)	>100.0
Trading and investment income	**149**	158	(5.5)	144	3.5
Other income	**46**	60	(24.5)	35	30.1
Other operating income	**195**	218	(10.7)	179	8.7
	228	255	(10.6)	212	7.5
Total	**642**	708	(9.3)	647	(0.7)

Fee and commission income recorded $414 million in 1Q14, 8.6% and 4.8% lower from 1Q13 and 4Q13 respectively. The decrease was mainly attributed to lower loan processing and fund management fees, offset by higher fee income earned from wealth management business.

Trading and investment income improved 3.5% quarter-on-quarter to $149 million in 1Q14, led mainly by higher customer demand for treasury products. Compared with 1Q13, it declined 5.5% due mainly to lower gains from sale of securities and trading income.

Operating Expenses

	1Q14	1Q13	+/(-)	4Q13	+/(-)
	$m	$m	%	$m	%
Staff costs	**454**	415	9.4	447	1.6
Other operating expenses					
Revenue-related	**151**	134	13.0	152	(0.5)
Occupancy-related	**72**	77	(6.2)	72	(0.9)
IT-related	**43**	40	8.4	41	6.5
Others	**35**	30	15.1	50	(30.4)
	301	280	7.3	315	(4.5)
Total	**755**	696	8.6	762	(0.9)
Of which, depreciation of assets	**35**	31	12.5	34	4.1
Manpower (number)	**24,775**	23,994	781	24,484	291

Compared with 1Q13, total operating expenses increased 8.6% to $755 million in 1Q14. The increase was attributed to higher staff costs in Singapore and the region as well as revenue-related expenses. Consequently, expense-to-income ratio increased from 41.6% to 43.1%.

Compared with 4Q13, total operating expenses were marginally lower. Expense-to-income ratio decreased from 43.8% to 43.1%.

Impairment Charges

	1Q14	1Q13	+/(-)	4Q13	+/(-)
	$m	$m	%	$m	%
Individual impairment on loans [1]					
Singapore	**0**	(21)	>100.0	29	(98.9)
Malaysia	**5**	(2)	>100.0	7	(28.7)
Thailand	**(6)**	5	(>100.0)	16	(>100.0)
Indonesia	**5**	2	>100.0	(5)	>100.0
Greater China [2]	**(1)**	1	(>100.0)	(2)	55.3
Others	**(6)**	47	(>100.0)	7	(>100.0)
	(2)	32	(>100.0)	51	(>100.0)
Individual impairment on securities and others	**35**	7	>100.0	37	(5.9)
Collective impairment	**124**	91	36.5	50	>100.0
Total	**157**	130	20.5	139	13.4

Credit quality on the loan portfolio remained benign. Individual impairment charges for 1Q14 declined over both comparative quarters. Collective impairment of $124 million was set aside in line with loan growth. Total loan charge off rate was 32 basis points in 1Q14.

Notes:
1 Based on the location where the non-performing loans are booked.
2 Comprise China, Hong Kong and Taiwan.

Customer Loans

	Mar-14	Dec-13	Mar-13
	$m	$m	$m
Gross customer loans	**188,597**	181,978	167,347
Less: Individual impairment	**779**	798	936
Collective impairment	**2,548**	2,323	2,064
Net customer loans	**185,270**	178,857	164,347
By industry			
Transport, storage and communication	**8,178**	7,983	7,047
Building and construction	**23,949**	23,845	20,946
Manufacturing	**16,879**	15,999	16,064
Financial institutions	**30,375**	29,173	24,219
General commerce	**23,556**	22,159	20,164
Professionals and private individuals	**24,626**	24,611	23,236
Housing loans	**51,602**	50,487	48,023
Others	**9,431**	7,722	7,648
Total (gross)	**188,597**	181,978	167,347
By currency			
Singapore dollar	**104,373**	101,538	96,141
US dollar	**29,018**	26,923	20,189
Malaysian ringgit	**23,634**	23,308	22,358
Thai baht	**9,369**	9,148	8,697
Indonesian rupiah	**4,742**	4,242	4,670
Others	**17,462**	16,819	15,291
Total (gross)	**188,597**	181,978	167,347
By maturity			
Within 1 year	**63,523**	59,256	54,336
Over 1 year but within 3 years	**38,583**	37,508	31,340
Over 3 years but within 5 years	**20,699**	20,620	20,937
Over 5 years	**65,793**	64,595	60,734
Total (gross)	**188,597**	181,978	167,347
By geography [1]			
Singapore	**123,065**	119,028	110,024
Malaysia	**25,861**	25,215	23,909
Thailand	**9,948**	9,837	9,212
Indonesia	**5,933**	5,393	5,699
Greater China	**13,343**	12,259	8,961
Others	**10,447**	10,246	9,542
Total (gross)	**188,597**	181,978	167,347

Gross customer loans rose 12.7% year-on-year and 3.6% over the quarter to $189 billion as at 31 March 2014. The strong loan growth was broad-based across territories and industries.

In Singapore, loans grew 11.9% and 3.4% respectively over 1Q13 and 4Q13 to reach $123 billion. Regional countries continued to record strong growth of 15.3% over a year ago and 4.5% quarter-on-quarter to $55.1 billion as at 31 March 2014. Compared with 4Q13, US dollar loans increased 7.8% to $29.0 billion with US dollar loan-to-deposit ratio at 70.2% as at 31 March 2014.

Note:
1 Based on the location where the loans are booked.

Non-Performing Assets

	Mar-14	Dec-13	Mar-13
	$m	$m	$m
Loans ("NPL")	**2,077**	2,074	2,239
Debt securities and others	**284**	240	359
Non-Performing Assets ("NPA")	**2,361**	2,314	2,598
By grading			
Substandard	**1,289**	1,265	1,280
Doubtful	**474**	462	687
Loss	**598**	587	631
Total	**2,361**	2,314	2,598
By security coverage			
Secured	**1,083**	1,088	973
Unsecured	**1,278**	1,226	1,625
Total	**2,361**	2,314	2,598
By ageing			
Current	**324**	295	359
Within 90 days	**140**	197	142
Over 90 to 180 days	**245**	241	214
Over 180 days	**1,652**	1,581	1,883
Total	**2,361**	2,314	2,598
Cumulative impairment			
Individual	**940**	958	1,174
Collective	**2,675**	2,450	2,240
Total	**3,615**	3,408	3,414
As a % of NPA	**153.1%**	147.3%	131.4%
As a % of unsecured NPA	**282.9%**	278.0%	210.1%

	NPL	NPL ratio	NPL	NPL ratio	NPL	NPL ratio
	$m	%	$m	%	$m	%
NPL by industry						
Transport, storage and communication	**823**	**10.1**	819	10.3	968	13.7
Building and construction	**133**	**0.6**	123	0.5	109	0.5
Manufacturing	**227**	**1.3**	223	1.4	308	1.9
Financial institutions	**97**	**0.3**	102	0.3	127	0.5
General commerce	**259**	**1.1**	265	1.2	238	1.2
Professionals and private individuals	**170**	**0.7**	192	0.8	149	0.6
Housing loans	**333**	**0.6**	311	0.6	287	0.6
Others	**35**	**0.4**	39	0.5	53	0.7
Total	**2,077**	**1.1**	2,074	1.1	2,239	1.3

Non-Performing Assets *(cont'd)*

	NPL	NPL ratio	Total cumulative impairment as a % of NPL	Total cumulative impairment as a % of unsecured NPL
	$m	**%**	**%**	**%**
NPL by geography [1]				
Singapore				
Mar-14	**781**	**0.6**	**271.7**	**768.8**
Dec-13	812	0.7	237.3	688.2
Mar-13	737	0.7	244.6	536.6
Malaysia				
Mar-14	**414**	**1.6**	**119.8**	**459.3**
Dec-13	411	1.6	119.5	423.3
Mar-13	398	1.7	113.3	344.3
Thailand				
Mar-14	**211**	**2.1**	**134.1**	**255.0**
Dec-13	203	2.1	140.4	285.0
Mar-13	237	2.6	105.9	188.7
Indonesia				
Mar-14	**105**	**1.8**	**41.9**	**133.3**
Dec-13	88	1.6	40.9	128.6
Mar-13	98	1.7	63.3	1,240.0
Greater China				
Mar-14	**29**	**0.2**	**272.4**	**415.8**
Dec-13	29	0.2	269.0	390.0
Mar-13	43	0.5	176.7	217.1
Others				
Mar-14	**537**	**5.1**	**56.4**	**60.0**
Dec-13	531	5.2	57.3	60.8
Mar-13	726	7.6	49.2	51.7
Group NPL				
Mar-14	**2,077**	**1.1**	**160.2**	**316.3**
Dec-13	2,074	1.1	150.5	298.9
Mar-13	2,239	1.3	134.0	225.6

Asset quality continued to be strong. Group NPL declined to $2.08 billion as at 31 March 2014 from $2.24 billion a year ago. NPL ratio was lower at 1.1% and NPL coverage was higher at 160%.

Compared with 31 December 2013, Group NPL ratio stabilised at 1.1%.

Note:

1 Based on the location where the non-performing loans are booked.

Customer Deposits

	Mar-14	Dec-13	Mar-13
	$m	$m	$m
By product			
Fixed deposits	**115,235**	120,773	110,125
Savings deposits	**47,753**	45,492	45,024
Current accounts	**46,412**	40,289	35,065
Others	**7,218**	7,993	7,206
Total	**216,617**	214,548	197,420
By maturity			
Within 1 year	**210,581**	210,750	191,498
Over 1 year but within 3 years	**4,759**	2,488	4,710
Over 3 years but within 5 years	**431**	488	589
Over 5 years	**847**	822	622
Total	**216,617**	214,548	197,420
By currency			
Singapore dollar	**109,366**	106,573	106,064
US dollar	**40,987**	40,902	29,174
Malaysian ringgit	**26,683**	26,521	26,407
Thai baht	**9,153**	9,235	8,477
Indonesian rupiah	**4,634**	4,320	4,763
Others	**25,796**	26,997	22,535
Total	**216,617**	214,548	197,420
Loan/Deposit ratio (%)	**85.5**	83.4	83.2

In 1Q14, the Group reviewed the nature of deposits from financial institutions to distinguish deposits relating to fund management and operating accounts from those relating to interbank money market activities. Consequently, the definition of "Deposits and balances from Customers" has been expanded to include the former.

Prior period comparatives have been restated to conform with the current period presentation.

	As previously reported	Reclassification	As restated
Dec-13	$m	$m	$m
Deposits and balances with banks	26,247	(12,541)	13,706
Deposits and balances with customers	202,006	12,541	214,548
Mar-13			
Deposits and balances with banks	26,301	(9,144)	17,157
Deposits and balances with customers	188,276	9,144	197,420

Customer deposits recorded a 9.7% increase year-on-year to $217 billion as at 31 March 2014 contributed largely from current accounts and fixed deposits. US dollar deposits accounted for 60% of the deposit growth.

Compared with 4Q13, customer deposits grew 1.0% mainly on higher current and savings deposits. The Group's loan-to-deposit ratio as at 31 March 2014 stood at 85.5%.

Debts Issued (unsecured)

	Mar-14	Dec-13	Mar-13
	$m	$m	$m
Subordinated debts	**6,317**	5,357	6,674
Commercial papers	**12,174**	9,734	4,736
Fixed and floating rate notes	**2,523**	2,080	1,803
Others	**1,983**	1,810	1,587
Total	**22,997**	18,981	14,801
Due within 1 year	**14,315**	11,507	6,479
Due after 1 year	**8,682**	7,474	8,321
Total	**22,997**	18,981	14,801

During the quarter, the Group issued US$800 million 3.75% fixed rate subordinated notes under its Euro Medium Term Note programme which provides a stable source of funds for the Group. The Group also issued fixed and floating rate notes and US dollar commercial papers to diversify its funding sources.

Shareholders' Equity

	Mar-14	Dec-13	Mar-13
	$m	$m	$m
Shareholders' equity	**27,253**	26,388	26,062
Add: Revaluation surplus	**4,196**	4,098	3,680
Shareholders' equity including revaluation surplus	**31,449**	30,486	29,742

Shareholders' equity increased 4.6% year-on-year and 3.3% over 4Q13 to $27.3 billion as at 31 March 2014 contributed largely by retained earnings.

As at 31 March 2014, revaluation surplus of $4.20 billion on the Group's properties was not recognised in the financial statements.

Changes in Issued Shares of the Bank

	Number of shares	
	1Q14	1Q13
	'000	'000
Ordinary shares		
Balance at beginning/end of period	**1,590,494**	1,590,494
Treasury shares		
Balance at beginning of period	**(14,069)**	(15,733)
Share buyback - held in treasury	**-**	-
Issue of shares under share-based compensation plans	**191**	120
Balance at end of period	**(13,878)**	(15,613)
Ordinary shares net of treasury shares	**1,576,616**	1,574,881
Preference shares		
Class E non-cumulative non-convertible preference shares at beginning/end of period	**-**	13,200

Performance by Operating Segment

The Group is organized to be segment-led across key markets. Global segment heads are responsible for driving business, with decision-making balanced with a geographical perspective. For internal management purposes, the following segments represent the key customer segments and business activities:

Group Retail ("GR")
GR segment covers Consumer, Privilege, Business and Private Banking. Consumer Banking serves the individual customers, while Business Banking serves small enterprises with a wide range of products and services, including deposits, loans, investments, credit and debit cards and insurance products. Privilege Banking provides an extended range of financial services, including wealth management, and restricted products such as structured notes, funds of hedge funds, and insurance plans to the wealthy and affluent customers. Private Banking caters to the high net worth individuals and accredited investors, offering financial and portfolio planning, including investment management, asset management and estate planning.

Segment profit increased 9.4% to $303 million in 1Q14, mainly driven by higher net interest income and higher non-interest income from treasury and credit card products. The increase was partly negated by higher business volume-related costs.

Group Wholesale Banking ("GWB")
GWB segment encompasses Commercial Banking, Corporate Banking, Financial Institutions Group ("FIG"), Corporate Finance and Debt Capital Markets. Commercial Banking serves the medium and large enterprises, while Corporate Banking serves large local corporations, government-linked companies and agencies, and FIG serves financial institutions. Commercial Banking, Corporate Banking and FIG provide customers with a broad range of products and services that include current accounts, deposits, lending, asset finance, ship finance, trade finance, structured finance, cash management and cross-border payments. Corporate Finance provides services that include lead managing and underwriting equity offerings and corporate advisory services. Debt Capital Markets specialises in solution-based structures to meet clients' financing requirements in structuring, underwriting and arranging syndicated loans for general corporate needs, leveraged buy-outs, project and structured finance, and underwriting and lead managing bond issues.

Segment profit grew 8.1% to $562 million in 1Q14, supported by higher net interest income and write-back on impairment charges. The growth was partly negated by lower fee and commision income from loan-related activities as well as higher operating expenses.

Global Markets and Investment Management ("GMIM")
GMIM segment provides a comprehensive range of treasury products and services, including foreign exchange, money market, fixed income, derivatives, margin trading, futures broking, precious metals 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 management of excess liquidity and capital funds. Income from treasury products and services offered to customers of other operating segments, such as Group Retail and Group Wholesale Banking, is reflected in the respective customer segments.

Segment profit decreased 45.1% to $67 million in 1Q14, mainly attributed to lower income from Global Markets treasury activities, lower fee income from fund management activities and higher impairment charges.

Others
Others include property-related activities, insurance businesses and income and expenses not attributable to other operating segments mentioned above.

Other segment recorded a loss of $50 million in 1Q14, the same level as 1Q13. The loss was mainly attributable to overhead expenses.

Performance by Operating Segment [1] *(cont'd)*

	GR	GWB	GMIM	Others	Elimination	Total
	$m	$m	$m	$m	$m	$m
1Q14						
Operating income	**720**	**717**	**195**	**163**	**(43)**	**1,752**
Operating expenses	**(381)**	**(159)**	**(95)**	**(163)**	**43**	**(755)**
Impairment charges	**(36)**	**4**	**(34)**	**(91)**	**-**	**(157)**
Share of profit of associates and joint ventures	**-**	**-**	**1**	**42**	**-**	**43**
Profit before tax	**303**	**562**	**67**	**(50)**	**-**	**882**
Segment assets	**84,192**	**126,423**	**80,943**	**3,439**	**(4,146)**	**290,851**
Intangible assets	**1,317**	**2,087**	**659**	**89**	**-**	**4,152**
Investment in associates and joint ventures	**-**	**-**	**9**	**987**	**-**	**996**
Total assets	**85,509**	**128,510**	**81,611**	**4,515**	**(4,146)**	**295,999**
Segment liabilities	**103,519**	**92,935**	**67,100**	**9,769**	**(4,776)**	**268,547**
Other information						
Inter-segment operating income	**77**	**(84)**	**(80)**	**130**	**(43)**	**-**
Gross customer loans	**83,620**	**104,729**	**234**	**14**	**-**	**188,597**
Non-performing assets	**589**	**1,671**	**20**	**81**	**-**	**2,361**
Capital expenditure	**5**	**1**	**2**	**51**	**-**	**59**
Depreciation of assets	**2**	**1**	**1**	**31**	**-**	**35**
1Q13						
Operating income	661	677	240	154	(60)	1,672
Operating expenses	(363)	(145)	(110)	(138)	60	(696)
Impairment charges	(21)	(12)	(9)	(88)	-	(130)
Share of profit of associates and joint ventures	-	-	1	23	-	24
Profit before tax	277	520	122	(49)	-	870
Segment assets	78,240	98,122	85,433	4,105	(4,462)	261,438
Intangible assets	1,328	2,102	664	81	-	4,175
Investment in associates and joint ventures	-	-	18	1,110	-	1,128
Total assets	79,568	100,224	86,115	5,296	(4,462)	266,741
Segment liabilities	98,667	81,991	54,603	10,303	(5,083)	240,481
Other information						
Inter-segment operating income	104	(65)	(63)	84	(60)	-
Gross customer loans	77,655	89,365	298	29	-	167,347
Non-performing assets	539	1,873	97	89	-	2,598
Capital expenditure	2	2	1	41	-	46
Depreciation of assets	2	1	1	27	-	31

Note:
1 Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Performance by Geographical Segment [1]

	1Q14	1Q13	4Q13
	$m	$m	$m
Total operating income			
Singapore	**1,004**	937	972
Malaysia	**242**	224	257
Thailand	**158**	156	166
Indonesia	**99**	112	106
Greater China	**160**	151	125
Others	**89**	91	116
Total	**1,752**	1,672	1,742
Profit before tax			
Singapore	**475**	539	495
Malaysia	**160**	128	138
Thailand	**57**	42	31
Indonesia	**24**	44	52
Greater China	**101**	99	58
Others	**66**	18	81
Total	**882**	870	855

The Group's pre-tax profit grew 1.5% from a year ago to $882 million in 1Q14, while total income registering 4.8% increase to $1.75 billion.

Compared with 4Q13, the Group's pre-tax profit increased 3.2% contributed mainly by the regional countries.

	Mar-14	Dec-13	Mar-13
	$m	$m	$m
Total assets			
Singapore	**182,002**	176,590	167,073
Malaysia	**36,969**	35,647	34,307
Thailand	**15,448**	15,608	15,433
Indonesia	**7,810**	7,173	7,582
Greater China	**29,189**	27,395	19,106
Others	**20,428**	17,672	19,065
	291,847	280,085	262,567
Intangible assets	**4,152**	4,144	4,175
Total	**295,999**	284,229	266,741

Note:
1 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.

Capital Adequacy Ratios [1,2]

	Mar-14	Dec-13	Mar-13
	$m	$m	$m
Share capital	**3,159**	3,155	3,125
Disclosed reserves/others	**21,835**	20,981	20,765
Regulatory adjustments [3]	**(2,387)**	(2,348)	(2,761)
Common Equity Tier 1 Capital ("CET1")	**22,607**	21,788	21,129
Preference shares/others	**2,180**	2,180	1,936
Regulatory adjustments - capped [3]	**(2,180)**	(2,180)	(1,936)
Additional Tier 1 Capital ("AT1")	**-**	-	-
Tier 1 Capital	**22,607**	21,788	21,129
Subordinated notes	**5,167**	4,692	4,692
Provisions/others	**837**	867	796
Regulatory adjustments	**(13)**	(37)	(39)
Tier 2 Capital	**5,991**	5,522	5,449
Eligible Total Capital	**28,598**	27,310	26,578
Risk-Weighted Assets ("RWA")	**161,498**	164,911	147,559
Capital Adequacy Ratios ("CAR")			
CET1	**14.0%**	13.2%	14.3%
Tier 1	**14.0%**	13.2%	14.3%
Total	**17.7%**	16.6%	18.0%

The Group's CET1, Tier 1 and Total CAR as at 31 March 2014 were well above the regulatory minimum requirements.

Compared to a year ago, the RWA was higher due mainly to asset growth. Total capital also increased resulting from retained earnings and the issuance of Basel III-compliant instruments, partially offset by the reduced eligibility of the Group's preference shares and subordinated debts.

The capital ratios improved from the previous quarter mainly due to retained earnings and the issuance of US$800 million 3.75% fixed rate subordinated notes, qualifying as Tier 2 Capital, coupled with lower RWA. The lower RWA was largely due to updates to credit risk models and the implementation of bilateral netting on OTC derivatives, partially offset by asset growth.

Notes:

1 For year 2014, banks incorporated in Singapore are to maintain minimum CAR of CET1 at 5.5% (2013: 4.5%), Tier 1 at 7% (2013: 6%) and Total at 10%. By year 2019, including the capital conservation buffer of 2.5%, the minimum CAR will be CET1 at 9%, Tier 1 at 10.5% and Total at 12.5%.

2 More regulatory disclosure is available in the UOB website at www.uobgroup.com/investor/financial/overview.html.

3 This includes goodwill, other intangible assets and deferred tax assets for which MAS has allowed a progressive phase-in deduction against CET1 capital at 0% in 2013 and reaching 100% in 2018, with the remaining against AT1 and capped at available AT1.

Consolidated Income Statement (Unaudited)

	1Q14	1Q13	+/(-)	4Q13	+/(-)
	$m	$m	%	$m	%
Interest income	**1,745**	1,552	12.4	1,711	2.0
Less: Interest expense	**635**	588	7.9	616	3.1
Net interest income	**1,110**	964	15.2	1,095	1.3
Fee and commission income	**414**	453	(8.6)	435	(4.8)
Dividend income	**4**	9	(56.1)	3	24.5
Rental income	**29**	28	5.1	30	(1.4)
Other operating income	**195**	218	(10.7)	179	8.7
Non-interest income	**642**	708	(9.3)	647	(0.7)
Total operating income	**1,752**	1,672	4.8	1,742	0.6
Less: Staff costs	**454**	415	9.4	447	1.6
Other operating expenses	**301**	280	7.3	315	(4.5)
Total operating expenses	**755**	696	8.6	762	(0.9)
Operating profit before impairment charges	**997**	976	2.1	980	1.7
Less: Impairment charges	**157**	130	20.5	139	13.4
Operating profit after impairment charges	**840**	846	(0.7)	841	(0.2)
Share of profit of associates and joint ventures	**43**	24	79.5	14	>100.0
Profit before tax	**882**	870	1.5	855	3.2
Less: Tax	**89**	143	(37.8)	78	13.7
Profit for the financial period	**794**	727	9.2	777	2.1
Attributable to:					
Equity holders of the Bank	**788**	722	9.2	773	2.0
Non-controlling interests	**5**	5	10.0	4	37.7
	794	727	9.2	777	2.1

Consolidated Statement of Comprehensive Income (Unaudited)

	1Q14 $m	1Q13 $m	+/(-) %	4Q13 $m	+/(-) %
Profit for the financial period	**794**	727	9.2	777	2.1
Currency translation adjustments	**58**	158	(63.6)	(94)	>100.0
Change in available-for-sale reserve					
Change in fair value	**69**	179	(61.2)	22	>100.0
Transfer to income statement on disposal/impairment	**(37)**	(24)	(56.6)	40	(>100.0)
Tax relating to available-for-sale reserve	**6**	(22)	>100.0	(7)	>100.0
Change in share of other comprehensive income of associates and joint ventures	**3**	6	(56.5)	(12)	>100.0
Remeasurement of defined benefit obligation [1]	**-**	-	-	(4)	NM
Other comprehensive income for the financial period, net of tax	**99**	297	(66.9)	(56)	>100.0
Total comprehensive income for the financial period, net of tax	**892**	1,024	(12.9)	721	23.7
Attributable to:					
Equity holders of the Bank	**884**	1,017	(13.0)	716	23.5
Non-controlling interests	**8**	7	3.7	5	49.0
	892	1,024	(12.9)	721	23.7

Note:
1 Refer to item that will not be reclassified subsequently to Income Statement.

Consolidated Balance Sheet (Unaudited)

	Mar-14	Dec-13[1]	Mar-13
	$m	$m	$m
Equity			
Share capital and other capital	**5,336**	5,333	5,274
Retained earnings	**12,760**	12,003	10,902
Other reserves	**9,156**	9,053	9,886
Equity attributable to equity holders of the Bank	**27,253**	26,388	26,062
Non-controlling interests	**199**	189	199
Total	**27,452**	26,577	26,261
Liabilities			
Deposits and balances of banks	**19,900**	13,706	17,157
Deposits and balances of customers	**216,617**	214,548	197,420
Bills and drafts payable	**985**	1,035	1,931
Other liabilities	**8,048**	9,382	9,172
Debts issued	**22,997**	18,981	14,801
Total	**268,547**	257,652	240,481
Total equity and liabilities	**295,999**	284,229	266,741
Assets			
Cash, balances and placements with central banks	**31,338**	26,881	30,783
Singapore Government treasury bills and securities	**8,842**	9,655	13,684
Other government treasury bills and securities	**10,456**	7,943	8,691
Trading securities	**812**	628	381
Placements and balances with banks	**31,447**	31,412	19,385
Loans to customers	**185,270**	178,857	164,347
Investment securities	**12,047**	12,140	12,830
Other assets	**8,315**	9,280	9,066
Investment in associates and joint ventures	**996**	997	1,128
Investment properties	**988**	985	1,007
Fixed assets	**1,335**	1,308	1,265
Intangible assets	**4,152**	4,144	4,175
Total	**295,999**	284,229	266,741
Off-balance sheet items			
Contingent liabilities	**22,450**	24,098	18,416
Financial derivatives	**514,849**	451,573	390,820
Commitments	**75,911**	69,757	66,150
Net asset value per ordinary share ($)	**15.90**	15.36	15.18

Note:
1 Audited.

Consolidated Statement of Changes in Equity (Unaudited)

	Attributable to equity holders of the Bank					
	Share capital and other capital	Retained earnings	Other reserves	Total	Non-controlling interests	Total equity
	$m	$m	$m	$m	$m	$m
Balance at 1 January 2014	**5,333**	**12,003**	**9,053**	**26,388**	**189**	**26,577**
Profit for the financial period	**-**	**788**	**-**	**788**	**5**	**794**
Other comprehensive income for the financial period	**-**	**-**	**96**	**96**	**2**	**99**
Total comprehensive income for the financial period	**-**	**788**	**96**	**884**	**8**	**892**
Transfers	**-**	**(2)**	**3**	**1**	**(1)**	**-**
Change in non-controlling interests	**-**	**-**	**0**	**0**	**3**	**4**
Dividends	**-**	**(29)**	**-**	**(29)**	**(0)**	**(29)**
Share-based compensation	**-**	**-**	**8**	**8**	**-**	**8**
Issue of shares under share-based compensation plans	**4**	**-**	**(4)**	**-**	**-**	**-**
Balance at 31 March 2014	**5,336**	**12,760**	**9,156**	**27,253**	**199**	**27,452**
Balance at 1 January 2013	5,272	10,222	9,586	25,080	192	25,272
Profit for the financial period	-	722	-	722	5	727
Other comprehensive income for the financial period	-	-	295	295	3	297
Total comprehensive income for the financial period	-	722	295	1,017	7	1,024
Dividends	-	(42)	-	(42)	(1)	(43)
Share-based compensation	-	-	7	7	-	7
Increase in statutory reserves	-	-	1	1	-	1
Issue of shares under share-based compensation plans	2	-	(2)	-	-	-
Balance at 31 March 2013	5,274	10,902	9,886	26,062	199	26,261

Consolidated Cash Flow Statement (Unaudited)

	1Q14	1Q13
	$m	$m
Cash flows from operating activities		
Operating profit before impairment charges	**997**	976
Adjustments for:		
Depreciation of assets	**35**	31
Net gain on disposal of assets	**(28)**	(92)
Share-based compensation	**8**	7
Operating profit before working capital changes	**1,012**	922
Increase/(decrease) in working capital		
Deposits and balances of banks	**6,194**	4,763
Deposits and balances of customers	**2,070**	6,247
Bills and drafts payable	**(50)**	359
Other liabilities	**(1,378)**	(600)
Restricted balances with central banks	**(55)**	(142)
Government treasury bills and securities	**(1,699)**	332
Trading securities	**(178)**	(115)
Placements and balances with banks	**(35)**	(3,394)
Loans to customers	**(6,566)**	(11,540)
Investment securities	**139**	(1,527)
Other assets	**956**	255
Cash generated from/(used in) operations	**409**	(4,442)
Income tax paid	**(43)**	(60)
Net cash provided by/(used in) operating activities	**366**	(4,502)
Cash flows from investing activities		
Net cash flow on disposal/(acquisition) of:		
Properties and other fixed assets	**(63)**	(17)
Dividends received from associates and joint ventures	**60**	-
Net cash used in investing activities	**(3)**	(17)
Cash flows from financing activities		
Net increase in debts issued	**4,015**	2,000
Change in non-controlling interests	**4**	-
Dividends paid on preference shares	**(18)**	(51)
Distribution for perpetual capital securities	**(21)**	-
Dividends paid to non-controlling interests	**(0)**	(1)
Net cash provided by financing activities	**3,979**	1,948
Currency translation adjustments	**60**	155
Net increase/(decrease) in cash and cash equivalents	**4,403**	(2,416)
Cash and cash equivalents at beginning of the financial period	**21,244**	28,293
Cash and cash equivalents at end of the financial period	**25,647**	25,877

Balance Sheet of the Bank (Unaudited)

	Mar-14	Dec-13[1]	Mar-13
	$m	$m	$m
Equity			
Share capital and other capital	**4,505**	4,501	4,443
Retained earnings	**9,812**	9,255	8,607
Other reserves	**9,448**	9,446	9,715
Total	**23,764**	23,202	22,765
Liabilities			
Deposits and balances of banks	**18,892**	13,131	16,001
Deposits and balances of customers	**165,114**	163,492	149,308
Deposits and balances of subsidiaries	**2,812**	2,630	6,500
Bills and drafts payable	**214**	254	434
Other liabilities	**6,175**	7,290	7,168
Debts issued	**22,562**	18,546	9,779
Total	**215,769**	205,344	189,190
Total equity and liabilities	**239,533**	228,546	211,955
Assets			
Cash, balances and placements with central banks	**19,793**	13,854	17,272
Singapore Government treasury bills and securities	**8,713**	9,526	13,557
Other government treasury bills and securities	**4,880**	3,628	4,410
Trading securities	**611**	566	238
Placements and balances with banks	**27,363**	28,032	16,729
Loans to customers	**141,412**	136,538	124,167
Placements with and advances to subsidiaries	**8,685**	7,691	5,958
Investment securities	**10,817**	10,969	11,566
Other assets	**6,697**	7,196	7,486
Investment in associates and joint ventures	**269**	269	329
Investment in subsidiaries	**4,758**	4,752	4,760
Investment properties	**1,279**	1,281	1,305
Fixed assets	**1,075**	1,061	995
Intangible assets	**3,182**	3,182	3,182
Total	**239,533**	228,546	211,955
Off-balance sheet items			
Contingent liabilities	**15,640**	15,860	13,246
Financial derivatives	**421,597**	375,040	335,006
Commitments	**57,864**	53,984	51,781
Net asset value per ordinary share ($)	**14.22**	13.86	13.62

Note:
1 Audited.

Statement of Changes in Equity of the Bank (Unaudited)

	Share capital and other capital	Retained earnings	Other reserves	Total equity
	$m	$m	$m	$m
Balance at 1 January 2014	**4,501**	**9,255**	**9,446**	**23,202**
Profit for the financial period	**-**	**578**	**-**	**578**
Other comprehensive income for the financial period	**-**	**-**	**(2)**	**(2)**
Total comprehensive income for the financial period	**-**	**578**	**(2)**	**575**
Dividends	**-**	**(21)**	**-**	**(21)**
Share-based compensation	**-**	**-**	**8**	**8**
Issue of shares under share-based compensation plans	**4**	**-**	**(4)**	**-**
Balance at 31 March 2014	**4,505**	**9,812**	**9,448**	**23,764**
Balance at 1 January 2013	4,440	8,120	9,572	22,133
Profit for the financial period	-	520	-	520
Other comprehensive income for the financial period	-	-	139	139
Total comprehensive income for the financial period	-	520	139	658
Dividends	-	(33)	-	(33)
Share-based compensation	-	-	7	7
Issue of shares under share-based compensation plans	2	-	(2)	-
Balance at 31 March 2013	4,443	8,607	9,715	22,765

Capital Adequacy Ratios of Major Bank Subsidiaries

The information below is prepared on solo basis under the capital adequacy framework of the respective countries.

	Mar-14			
	Total Risk-Weighted Assets	Capital Adequacy Ratios		
		CET1	Tier 1	Total
	$m	%	%	%
United Overseas Bank (Malaysia) Bhd	**15,613**	**14.4**	**14.4**	**17.0**
United Overseas Bank (Thai) Public Company Limited	**9,416**	**13.2**	**13.2**	**16.0**
PT Bank UOB Indonesia	**6,732**	**NA**	**14.8**	**15.8**
United Overseas Bank (China) Limited	**5,065**	**15.7**	**15.7**	**16.7**