



Macquarie Capital Securities Financials Conference

26 June 2008

Disclaimer : This material that follows is a presentation of general background information about the Bank's activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. It is not to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. This material should be considered with professional advice when deciding if an investment is appropriate. UOB Bank accepts no liability whatsoever with respect to the use of this document or its content.

Singapore Company Reg No. 193500026Z



Agenda

1

Business Overview

2

Financial Overview

UOB Overview

Founding

Founded in August 1935 by a group of Chinese businessmen and Datuk Wee Kheng Chiang, grandfather of the present UOB Group CEO, Mr Wee Ee Cheong

Expansion

UOB has grown over the decades through organic means and a series of acquisitions. It is today a leading bank in Singapore with an established presence in ASEAN. The Group has a total network of 524 offices over 18 countries and territories

Key Statistics*

- Total Assets: S\$185.8 billion
- Shareholder's Equity: S\$17.0 billion
- Net Customer Loans: S\$94.4 billion
- Customer Deposits: S\$109.6 billion

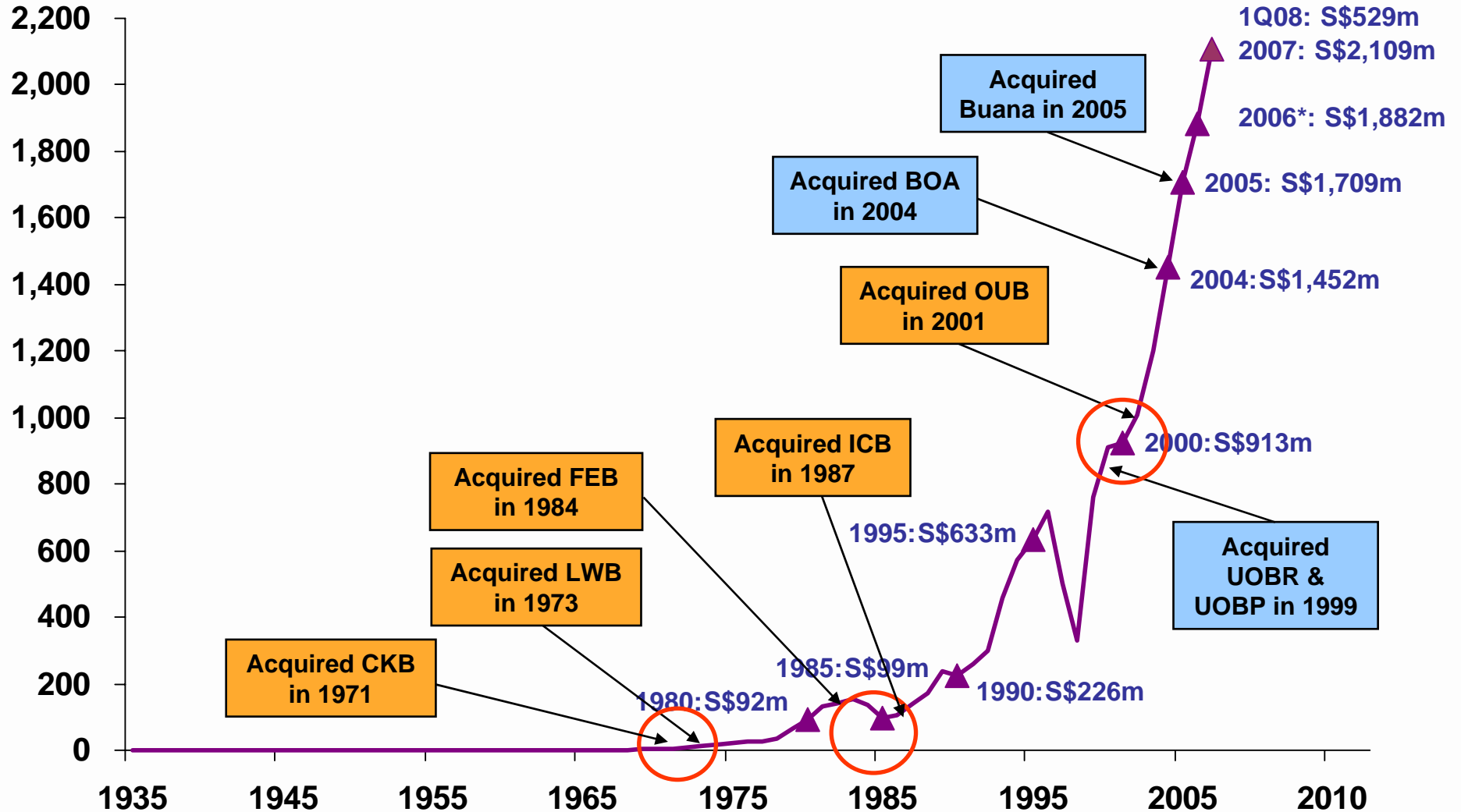
- ROAE (annualised): 12.7%
- ROAA (annualised): 1.17%
- NIM (annualised): 2.20%
- Non-interest / Total Income: 32.7%
- Expense / Income: 39.2%
- Tier 1 CAR: 9.9%
- Total CAR: 14.3%

- Moody's: Aa1 LT Bank Deposits
- S&P's: A+ LT Counterparty Credit

* Financial statistics for the first quarter of 2008

Execution Track Record

Profit (S\$ million)

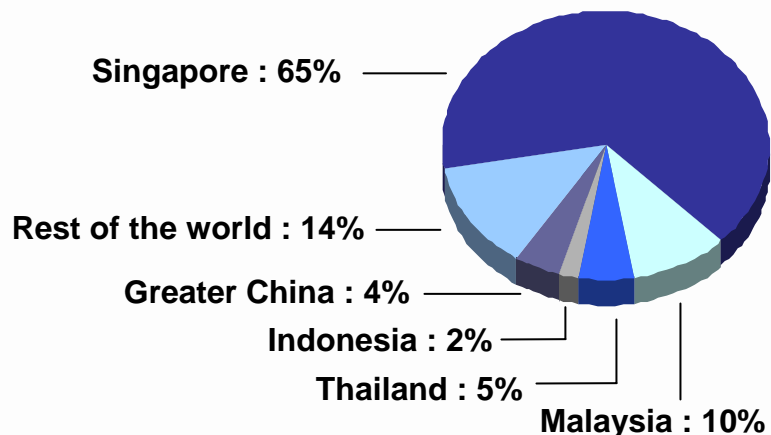


* 2006 net profit after tax was S\$2,570 million including one-time gain

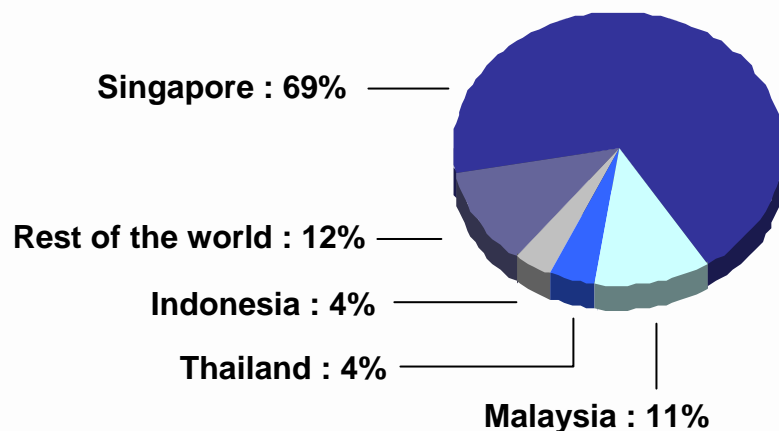


Established Global Presence

Total Assets Breakdown



Profit Before Tax Breakdown

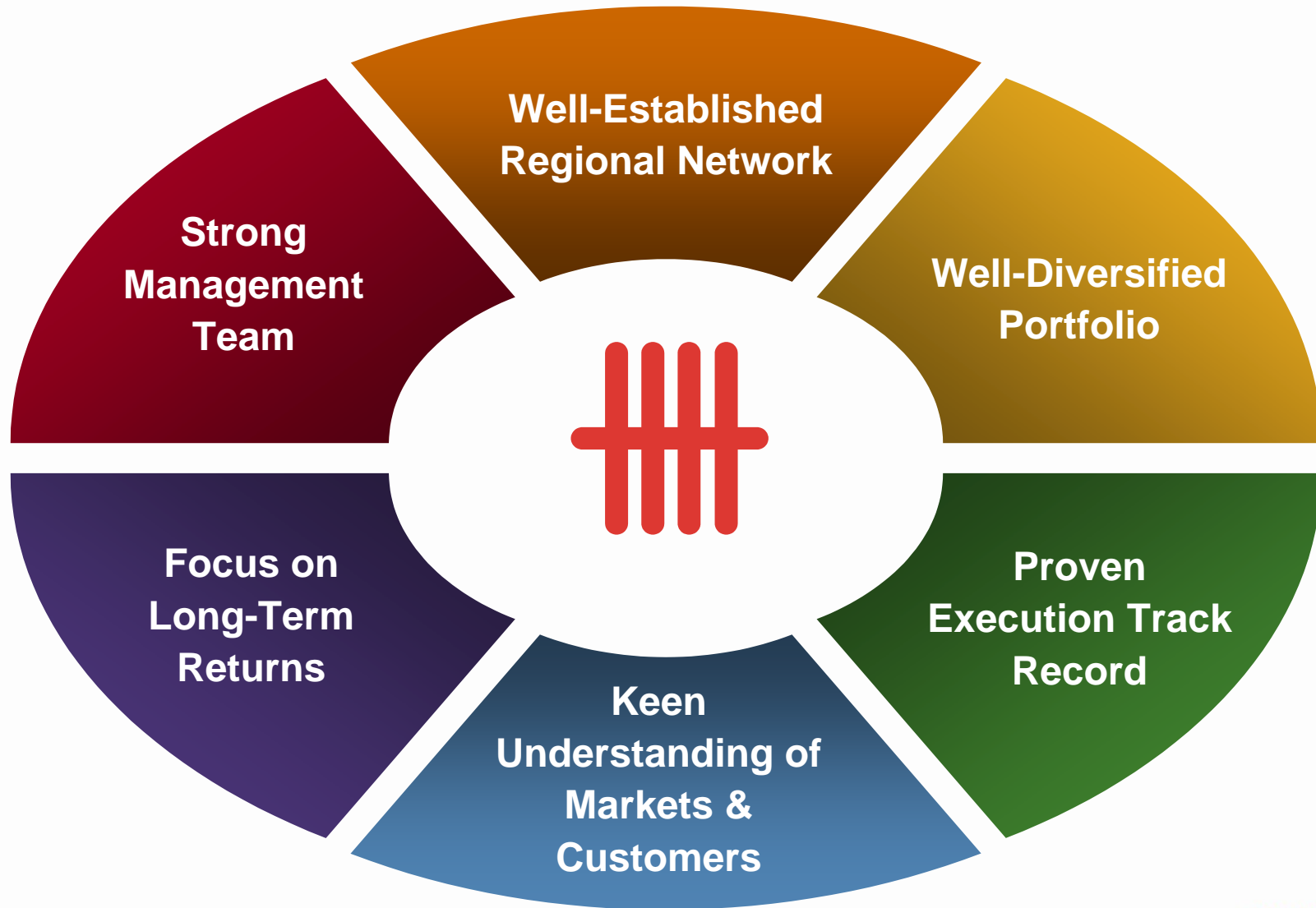


More than 500 offices in 18 countries

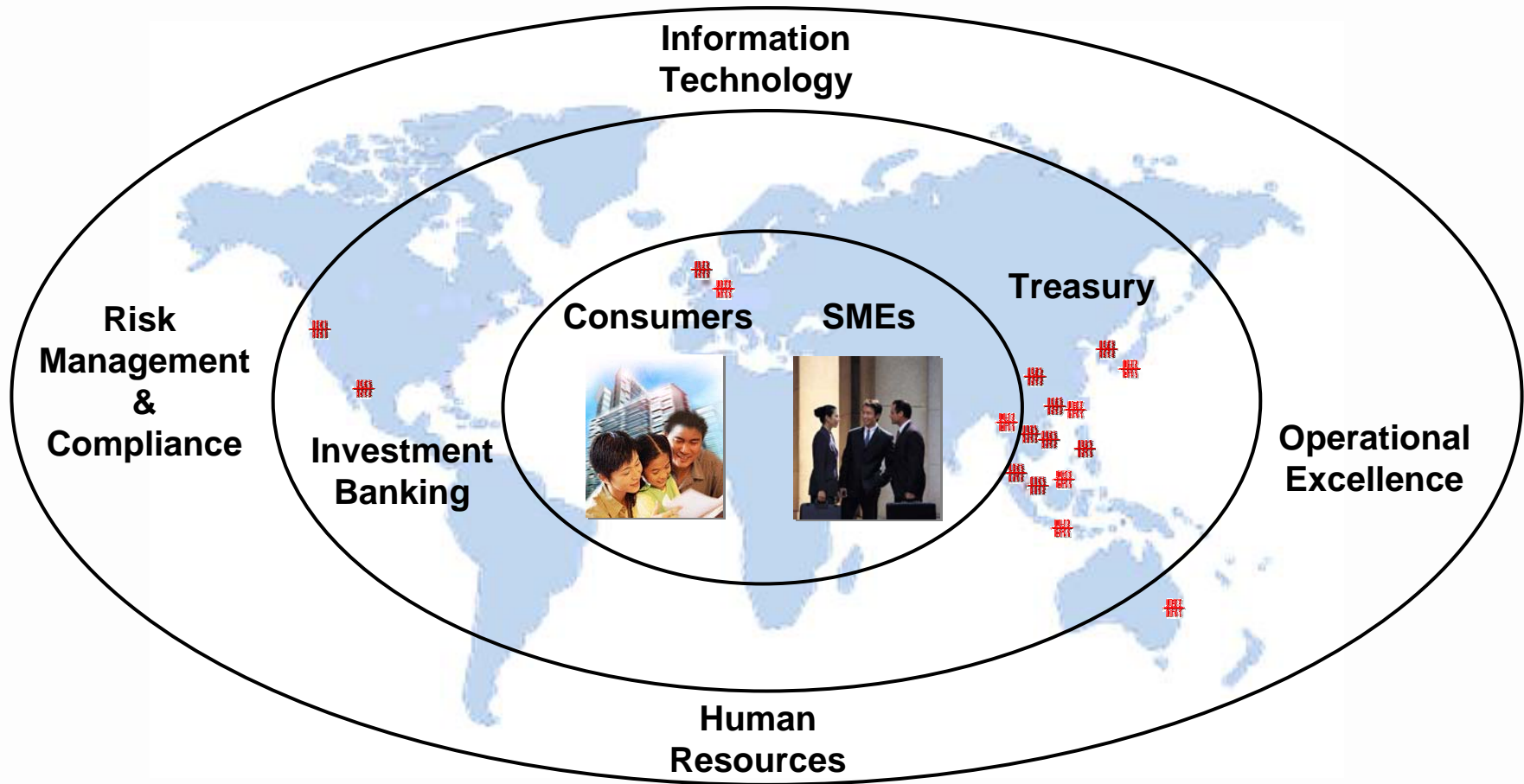


For the first quarter of 2008

The UOB Difference



Strategic Focus



To be recognized as a leader in consumer and SME banking services in the region with investment banking and treasury products in support

Expand Southeast Asia Franchise

Malaysia

- Good growth despite competition
- Strong governance and risk management structure in place
- Leverage on strengths to enhance market position in core segments whilst building capacity and capabilities

Thailand

- Good loan growth momentum
- Infrastructure scaled up - ready to grow but maintain discipline
- Tap opportunities in targeted businesses

Singapore

- Robust domestic demand – Well-placed to seize opportunities in key segments
- Strong liquidity position enables us to capitalise on rising credit pricing
- Maintain discipline in diversifying risk and exposure for sustainability

Indonesia

- Focused growth in consumer and SME markets
- Enhancing operating infrastructure for business growth. Pacing investments
- Strengthen brand name while improving market positions

Build on prized distribution network to grow in region

Next Growth Phase – Beyond the Four Pillars

▪ China

- Newly locally incorporated China subsidiary. Operates 8 branches (including Puxi sub-branch). Intends to expedite branch network expansion
- Focus on organic growth targeting affluent consumer & institutional segments
- Seek strategic partnerships to access distribution network

▪ Vietnam

- First Singapore bank to establish local presence. Also a leading credit card merchant acquirer
- See Vietnam as another key growth pillar. Opportunities in consumer banking.
- Seek to open more branches. To increase 10% stake in Southern Bank

▪ India

- Successfully obtained in-principle approval to open first branch in Mumbai
- To focus on selective segments while we build understanding of the market

▪ OECD

- Provide risk diversification and balanced portfolio
- Will continue to be a meaningful overseas contributor

Building diversified global portfolio

Agenda

1

Business Overview

2

Financial Overview

A Good First Quarter 2008

Key Indicators		1Q08	4Q07	QoQ Change
Operating Profit ^ (\$m)	Higher NII & disciplined cost management	770	719	↑ 7.0%
Net Profit After Tax (\$m)	Core business remains strong	529	506	↑ 4.6%
ROE * (%)	Steady upward trend	12.7	12.0	↑ 0.7%pt
Non-NII / Total Income (%)	Reflecting weaker market sentiments	32.7	41.7	↓ 9.0%pt
Offshore Profit Contribution # (%)	Overseas growth outpaced by Singapore	31.0	35.5	↓ 4.5%pt

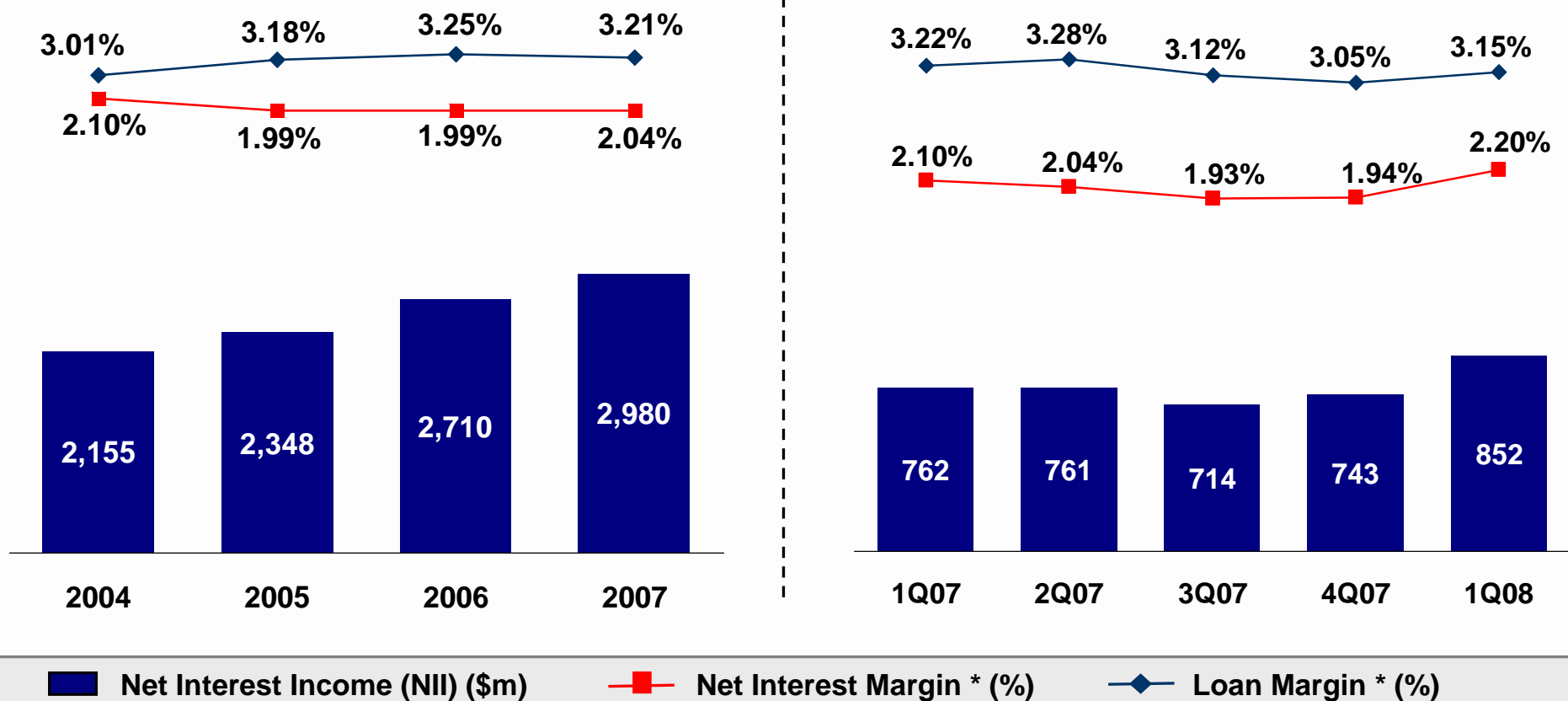
^ Before amortisation of intangible assets and impairment charges

* Computed on an annualised basis

Before tax and amortisation of intangible assets

Best Quarter Performance in NII and NIM

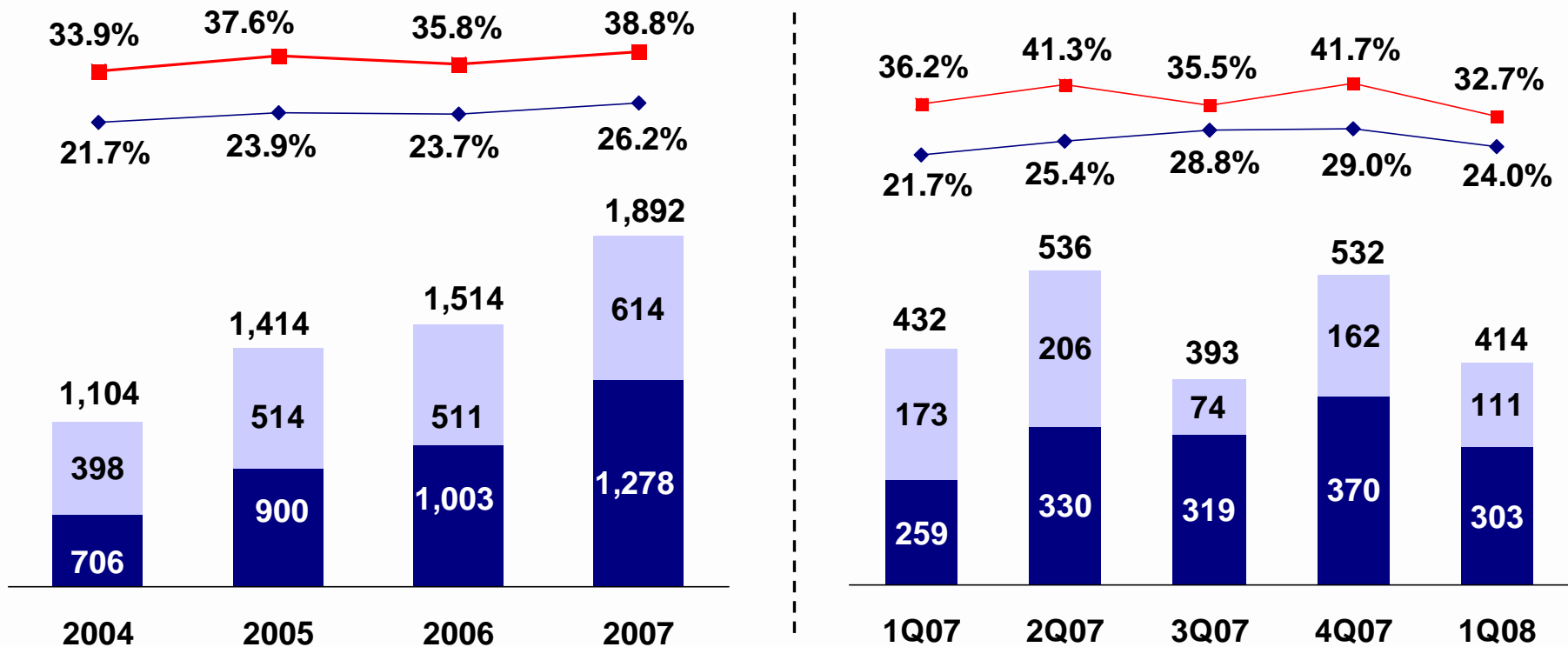
Net Interest Income and Margin



* Excluding interest recovery in 1Q07

Stable Fee and Commission Income

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



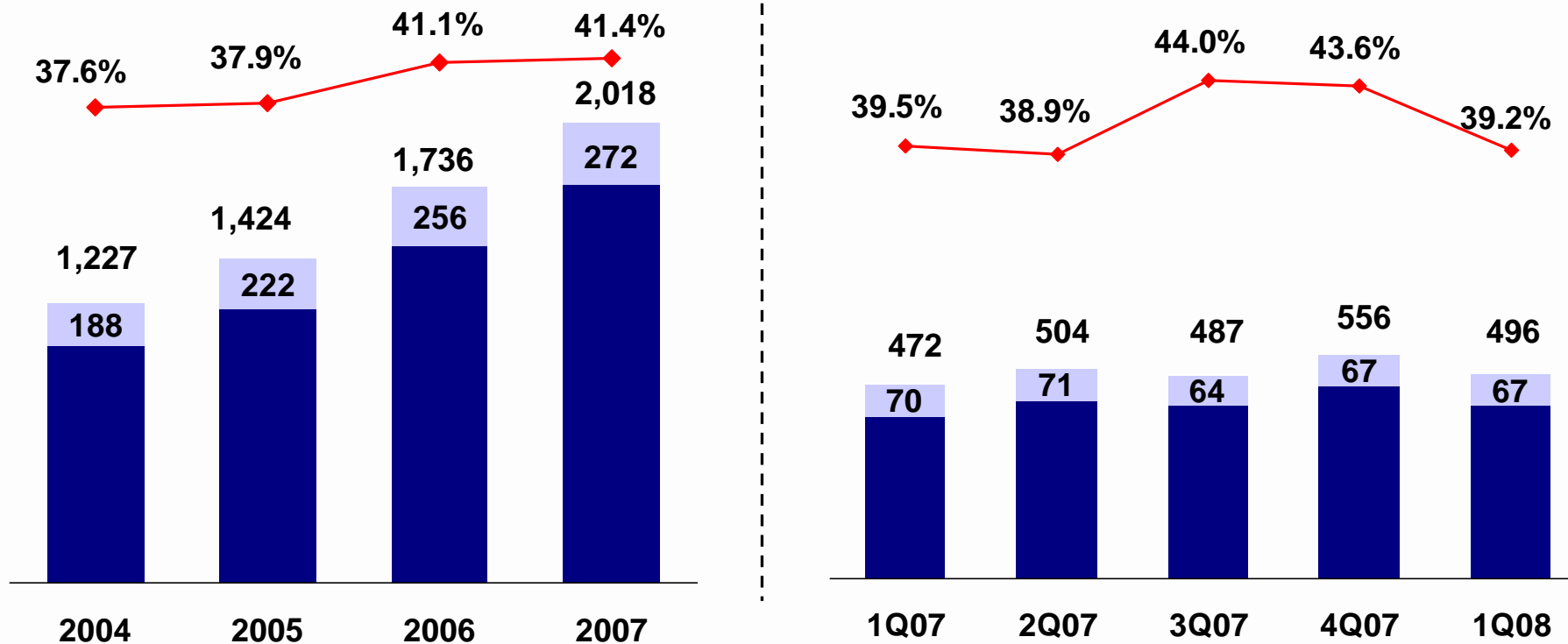
■ Fee Income (\$m)
◆ Fee Income / Total Income Ratio * (%)

■ Other Income * (\$m)
■ Non-NII / Total Income Ratio * (%)

* Excluding one-time income of \$613m in 2006.

Continued Infrastructure Investments

Operating Expenses and Expense / Income Ratio



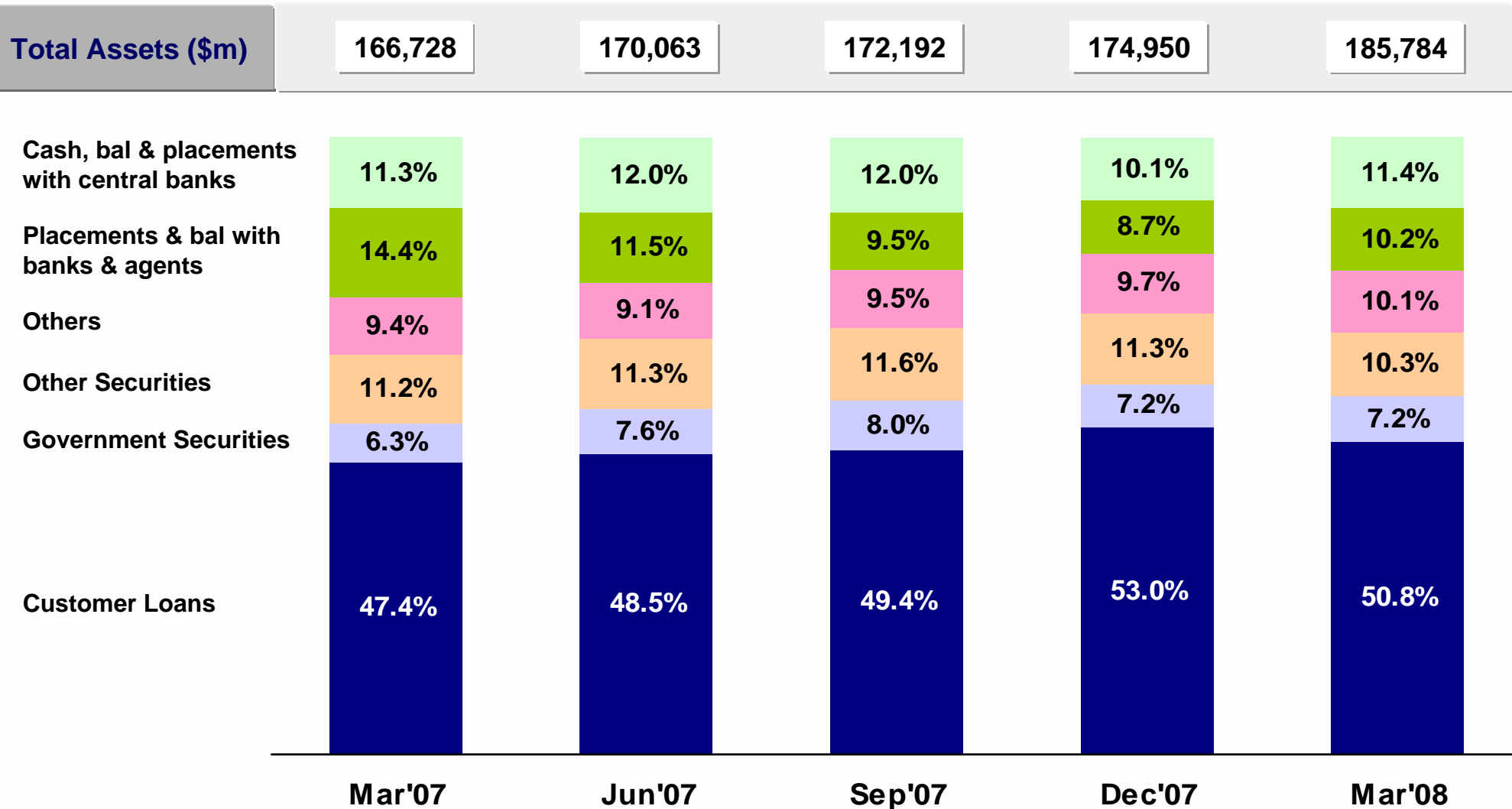
■ Operating Expenses (\$m)

■ IT costs (\$m)

◆ Expense / Income Ratio* (%)

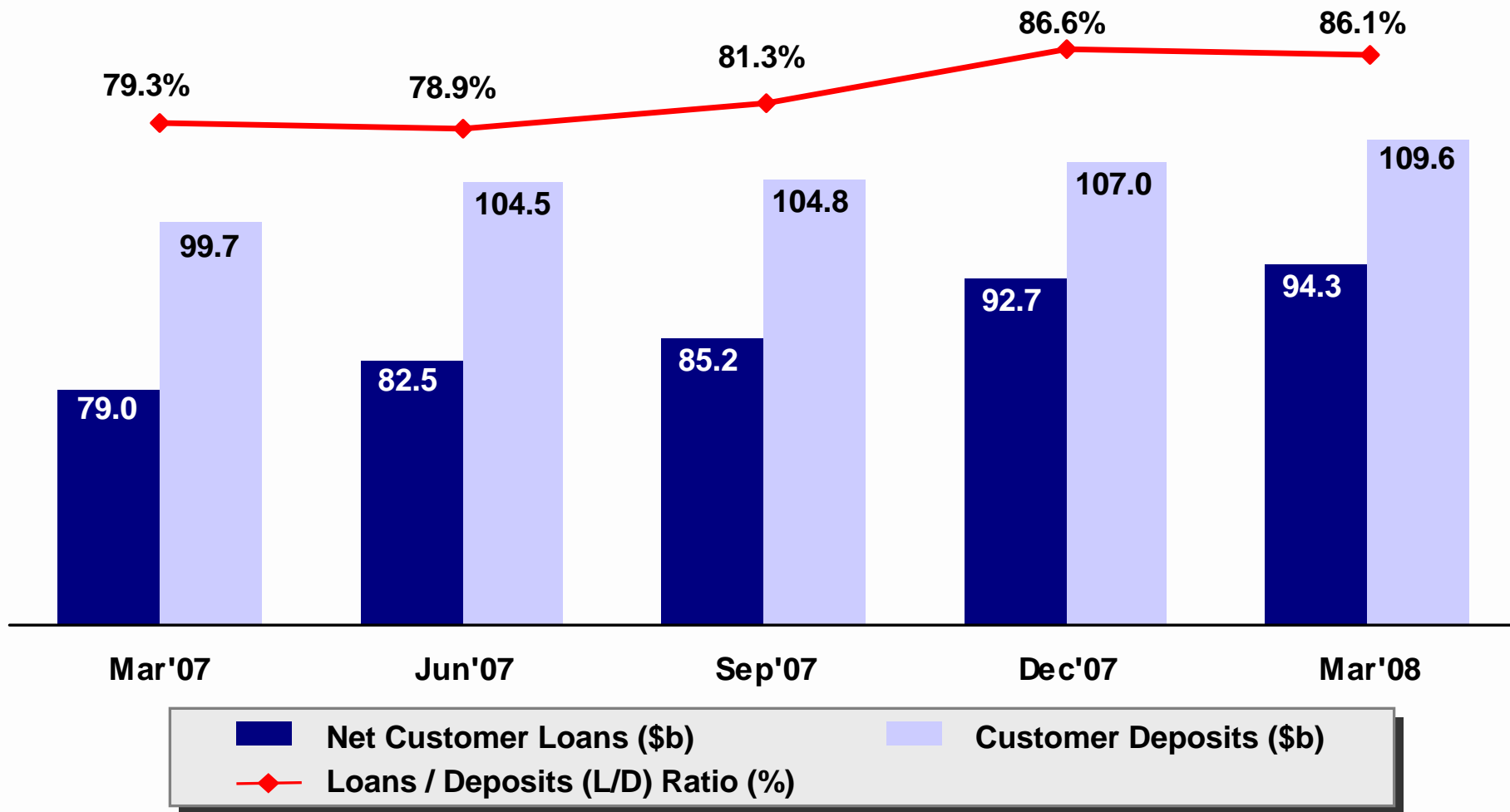
* Excluding one-time income of \$613m in 2006

Well-Diversified and Liquid Balance Sheet



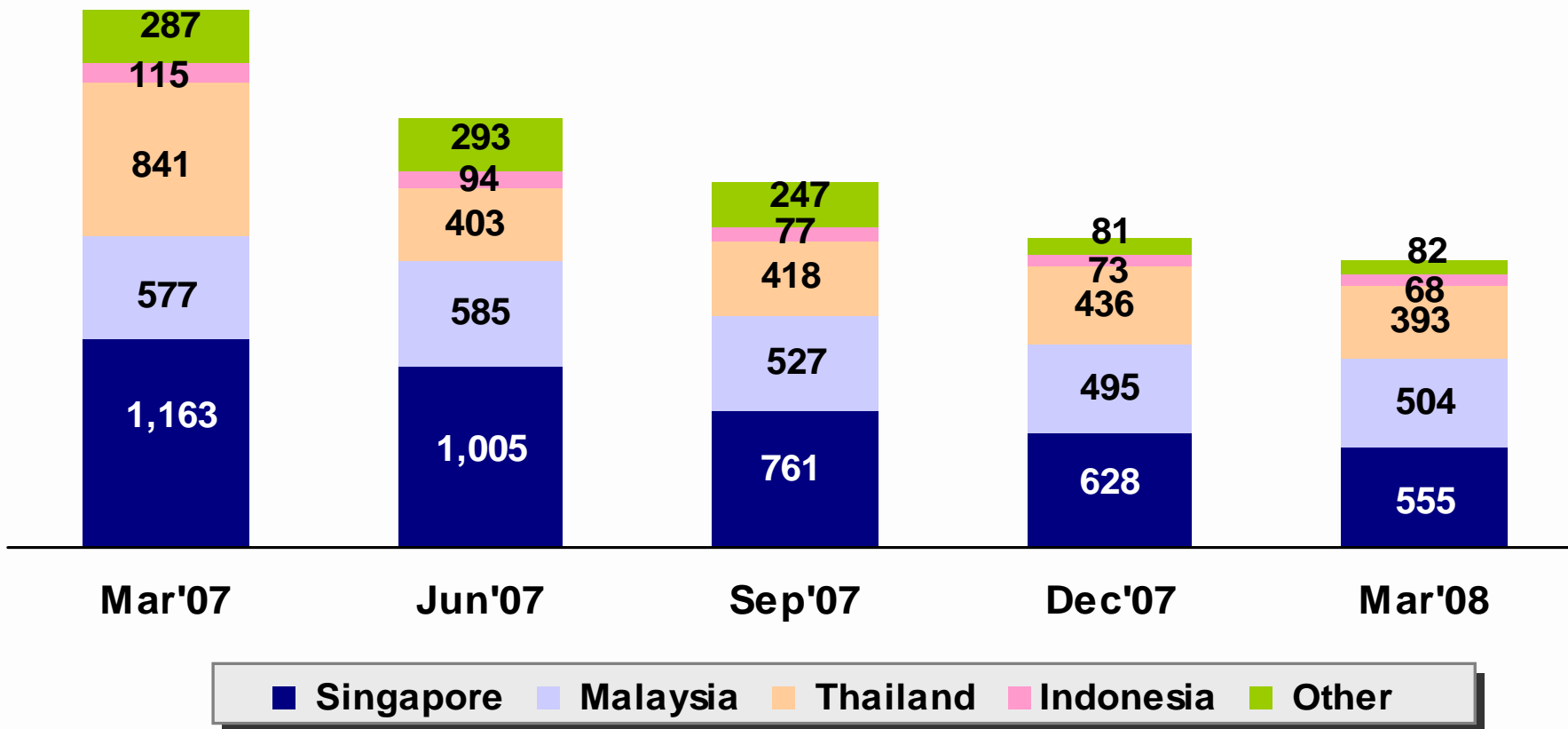
Strong Growth in Loans and Deposits

Customer Loans, Deposits and L/D Ratio



NPL Ratios Continue to Improve

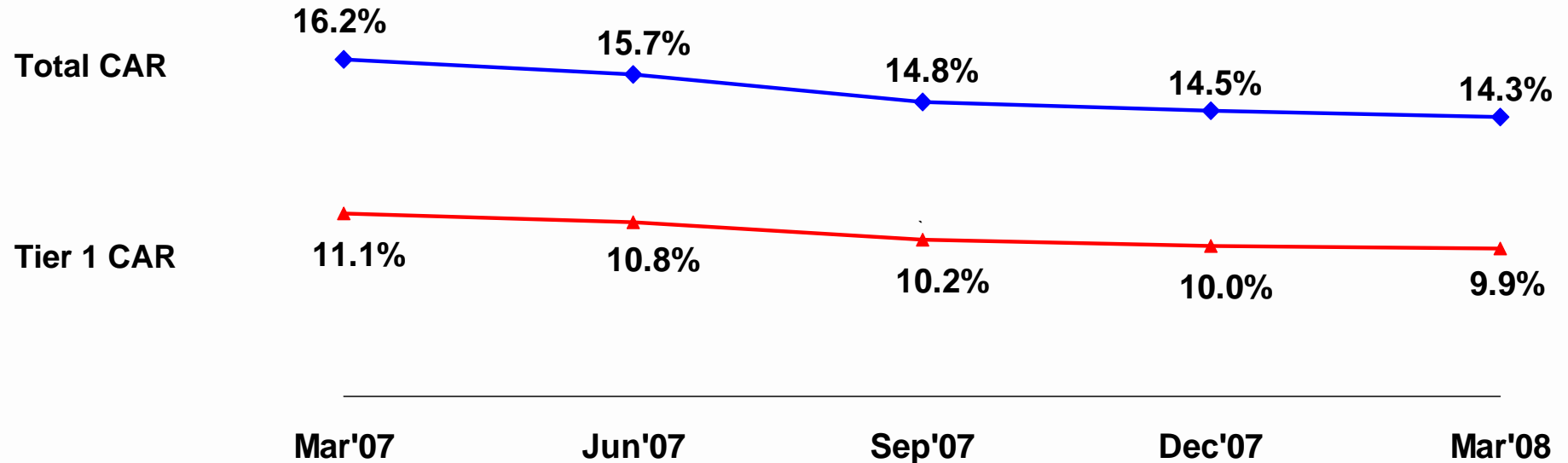
NPL[^] (\$m)	2,983	2,380	2,030	1,713	1,602
NPL Ratio[^]	3.7%	2.8%	2.3%	1.8%	1.6%



[^] Excluding debt securities

Capital Position Remains Strong

Capital Adequacy Ratio (CAR)



	Mar'07	Jun'07	Sep'07	Dec'07	Mar'08
Tier 1 Capital (\$m)	12,451	12,382	12,210	12,461	12,011
Risk-Weighted Assets (\$m)	111,781	114,842	120,181	124,772	121,304

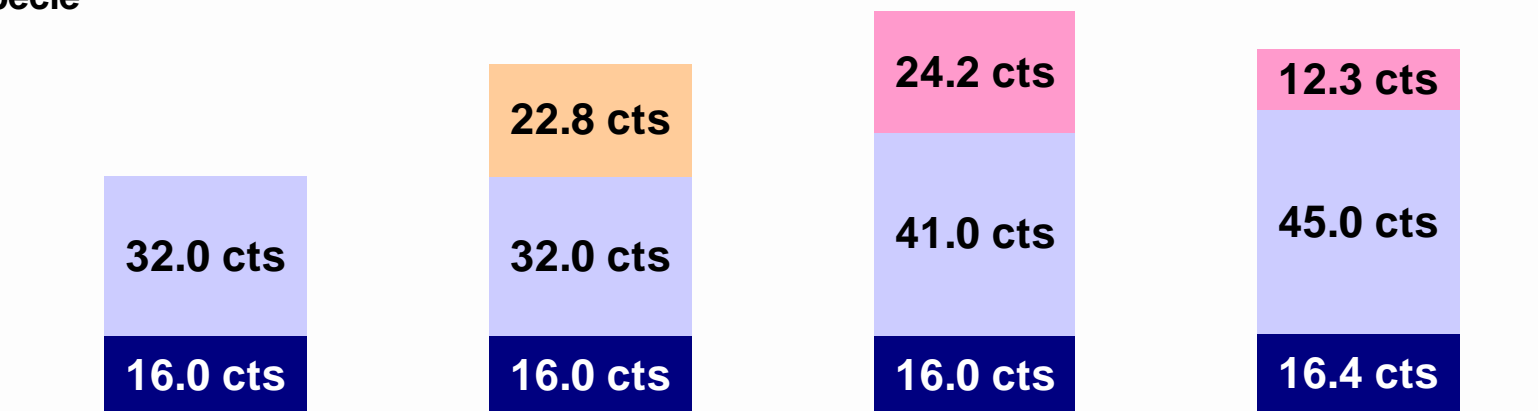
Maintain High Net Dividend Rate

Special

Dividend in Specie

Final

Interim



2004

2005

2006

2007

Special Dividend

-

\$351m*

\$369m

\$187m

Cash Dividend

\$744m

\$737m

\$868m

\$929m

Dividend Payout

\$744m

\$1,088m

\$1,237m

\$1,116m

Dividend Payout Ratio

51%

64%

48%

53%

* Dividend in specie of shares in United Overseas Land Limited.

In Summary

- UOB will benefit from strong domestic structural growth to drive its businesses and cushion impact from global or regional slowdown
- Region will provide the growth catalyst and upside potential in long-term
- Established a prized Southeast Asia distribution network. Ongoing investments in our franchise to capture region's potential
- Managing risks with Singapore's operational control through technology
- Continued portfolio diversification to spread risks and meet different business cycles
- Maintain discipline in balance sheet management for quality and sustainability
- Strategy intact; long-term growth on track