

UOB Group

Resilient Earnings Supported by Strong Balance Sheet

November 2018

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Agenda

1. Overview of UOB Group
2. Macroeconomic Outlook
3. Strong UOB Fundamentals
4. Our Growth Drivers
5. Latest Financials



Overview of UOB Group

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 organically and through a series of strategic acquisitions. It is today a leading bank in Asia with an established presence in the Southeast Asia region. The Group has a global network of more than 500 branches and offices in 19 countries and territories.

Note: Financial statistics as at 30 September 2018.

1. USD1 = SGD 1.36725 as at 30 September 2018.
2. Average for 3Q18.
3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions.
4. Computed on an annualised basis.

Key Statistics for 9M18

■ Total assets	: SGD383b (USD280b ¹)
■ Shareholder's equity	: SGD37b (USD27b ¹)
■ Gross loans	: SGD255b (USD187b ¹)
■ Customer deposits	: SGD294b (USD215b ¹)
■ Loan/Deposit ratio	: 85.7%
■ Net stable funding ratio	: 110%
■ Average all-currency liquidity coverage ratio	: 142% ²
■ Common Equity Tier 1 CAR	: 14.1%
■ Leverage ratio	: 7.4%
■ Return on equity ^{3, 4}	: 11.6%
■ Return on assets ⁴	: 1.11%
■ Return on risk-weighted assets ⁴	: 2.02%
■ Net interest margin ⁴	: 1.83%
■ Non-interest income/ Total income	: 33.2%
■ Cost / Income	: 43.8%
■ Non-performing loan ratio	: 1.6%
■ Credit Ratings	

	Moody's	S&P	Fitch
Issuer Rating (Senior Unsecured)	Aa1	AA-	AA-
Outlook	Stable	Stable	Stable
Short Term Debt	P-1	A-1+	F1+

A Leading Singapore Bank; Established Franchise in Core Market Segments



Group Retail

- Best Retail Bank in Singapore¹
- Strong player in credit cards and private residential home loan business

Group Wholesale Banking

- Best SME Banking¹
- Seamless access to regional network for our corporate clients

Global Markets

- Strong player in Singapore dollar treasury instruments

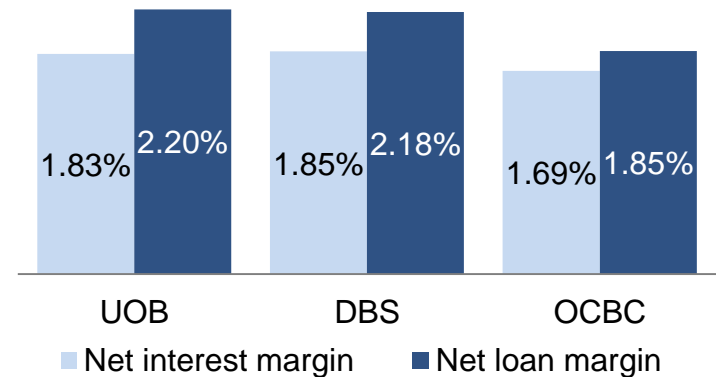
UOB Group's recognition in the industry

  <p>Bank of the Year, Singapore, 2015</p>	 <p>RETAIL BANKER INTERNATIONAL Asia Trailblazer Awards 2018 Excellence in Mobile Banking - Overall</p> <p>Excellence in Mobile Banking – Overall, 2018</p>	  <p>Best Retail Bank¹</p> <p>SME Bank of the Year¹</p>
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Source: Company reports.

1. The Asian Banker "Excellence in Retail Financial Service Awards": 2016 & 2017 (SME Bank of the Year), 2014 (Best Retail Bank in Asia Pacific and Singapore).

Higher 9M18 margin than peers

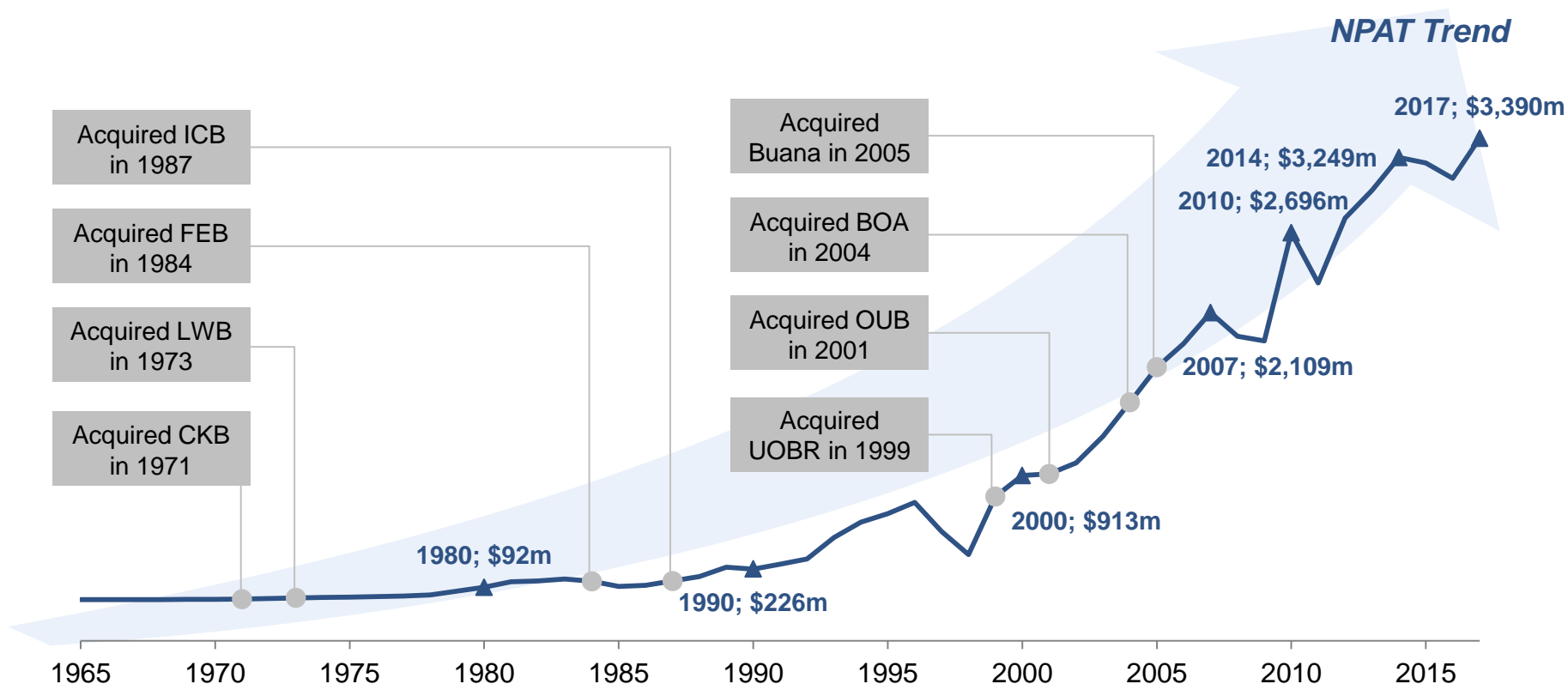


Loan margin is the difference between the rate of return from customer loans and costs of deposits.

Source: Company reports.

Proven Track Record of Execution

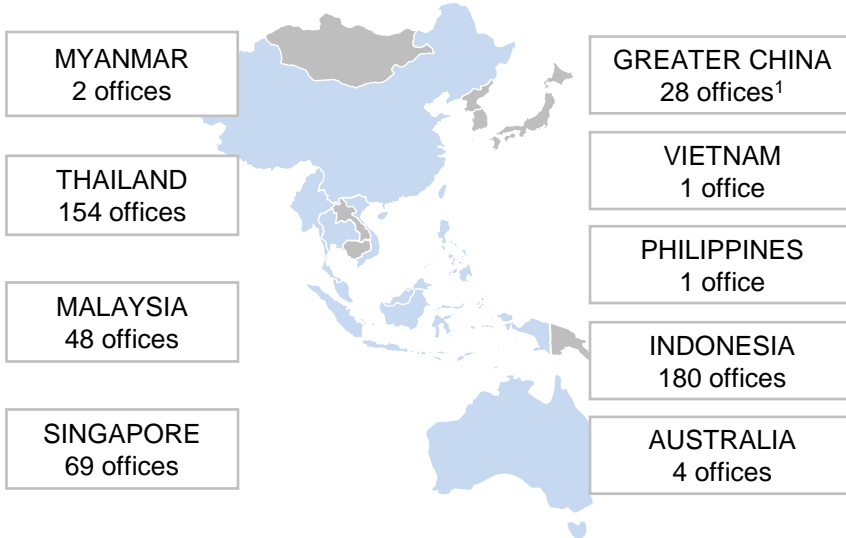
- UOB Group's management has a proven track record in steering the Group through various global events and crises.
- Stability of management team ensures consistent execution of strategies
- Disciplined management style which underpins the Group's overall resilience and sustained performance



Note: Bank of Asia Public Company Limited (“BOA”), Chung Khiaw Bank Limited (“CKB”), Far Eastern Bank Limited (“FEB”), Industrial & Commercial Bank Limited (“ICB”), Lee Wah Bank Limited (“LWB”), Overseas Union Bank Limited (“OUB”), Radanasin Bank Thailand (“UOBR”).

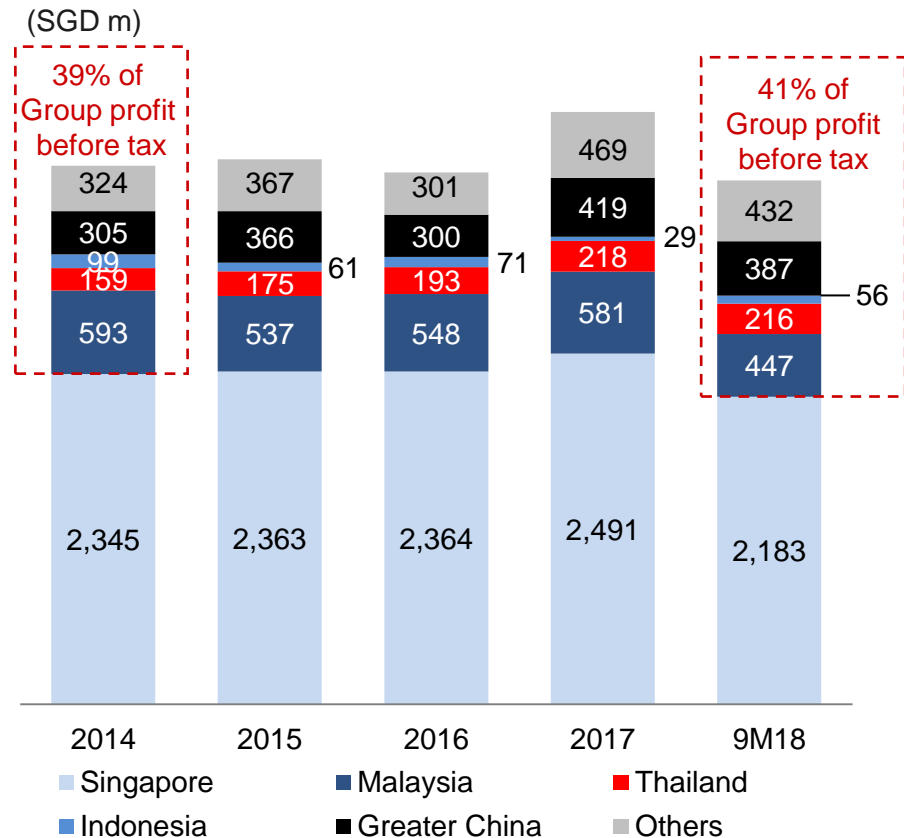
Expanding Regional Banking Franchise

Extensive Regional Footprint with c.500 Offices



- Most diverse regional franchise among Singapore banks; effectively full control of regional subsidiaries
- Integrated regional platform improves operational efficiencies, enhances risk management and provides faster time-to-market and seamless customer service
- Organic growth strategies in emerging/new markets of China and Indo-China

Profit Before Tax by Region



Established regional network with key Southeast Asian pillars, supporting fast-growing trade, capital and wealth flows

1. UOB owns c13% in Hengfeng Bank (formerly Evergrowing Bank) in China.

Why UOB?

Stable Management

- Proven track record in steering the bank through various global events and crises
- Stability of management team ensures consistent execution of strategies

Integrated Regional Platform

- Entrenched local presence. Ground resources and integrated regional network allow us to better address the needs of our targeted segments
- Truly regional bank with full ownership and control of regional subsidiaries

Strong Fundamentals

- Sustainable revenue channels as a result of carefully-built core business
- Strong balance sheet, sound capital & liquidity position and resilient asset quality – testament of solid foundation built on the premise of basic banking

Balance Growth with Stability

- Continue to diversify portfolio, strengthen balance sheet, manage risks and build core franchise for the future
- Maintain long-term perspective to growth for sustainable shareholder returns

Proven track record of financial conservatism and strong management committed to the long term



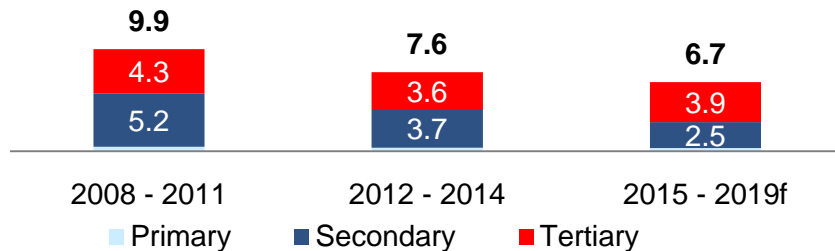
Macroeconomic Outlook

Trade Tensions Cloud China's Outlook but Low Risk of Hard Landing

- The Chinese economy has its underlying momentum, supported by rebalancing reforms and steady jobs market.
- Low central government debt underpins China's fiscal capacity, which could help mitigate "black swan" events.
- Base case scenario: 2018 GDP to remain in line with the official target of "about 6.5%" growth, trade tensions with US to pose more downside risk in 2019, this together with US monetary tightening would result in more volatility in capital flows and RMB. PBoC has eased credit conditions and used its fiscal levers to provide targeted support.

Structural Shift of China's Economy

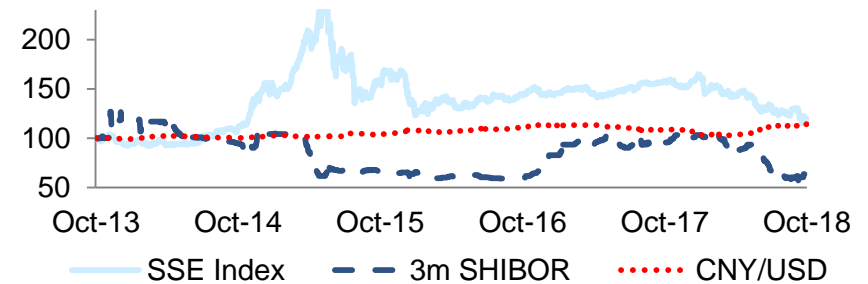
(Average Contribution to GDP growth rate, %)



Source: IMF, CEIC, UOB Global Economics & Markets Research

Episodes of Market Volatility Contained

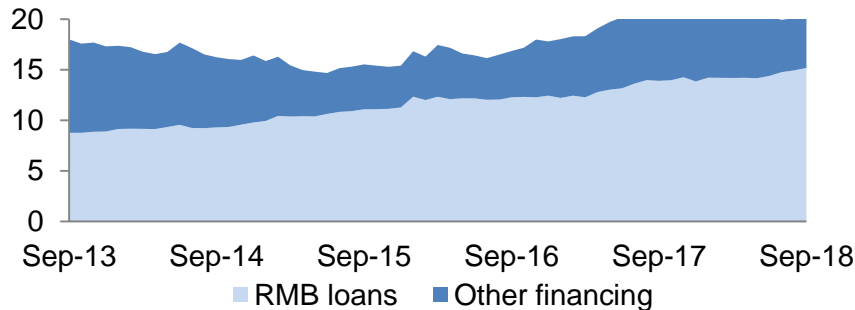
(Oct'13 = 100)



Source: Bloomberg, UOB Global Economics & Markets Research

New Financing Increasingly from Banking Sector

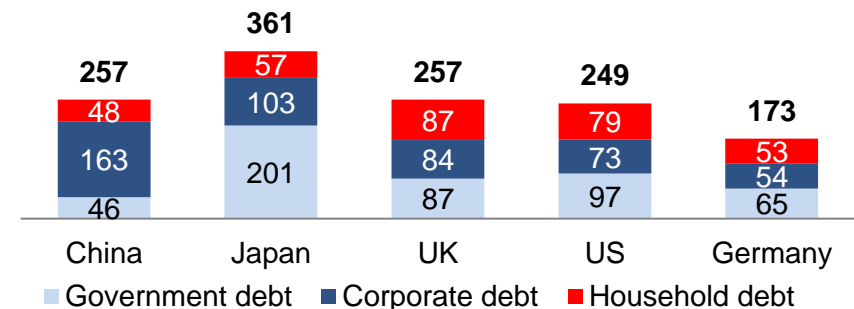
(Rolling 12 months, CNY trn)



Source: PBOC, UOB Global Economics & Markets Research

Source of China Debt Risk

(2017, % of GDP)

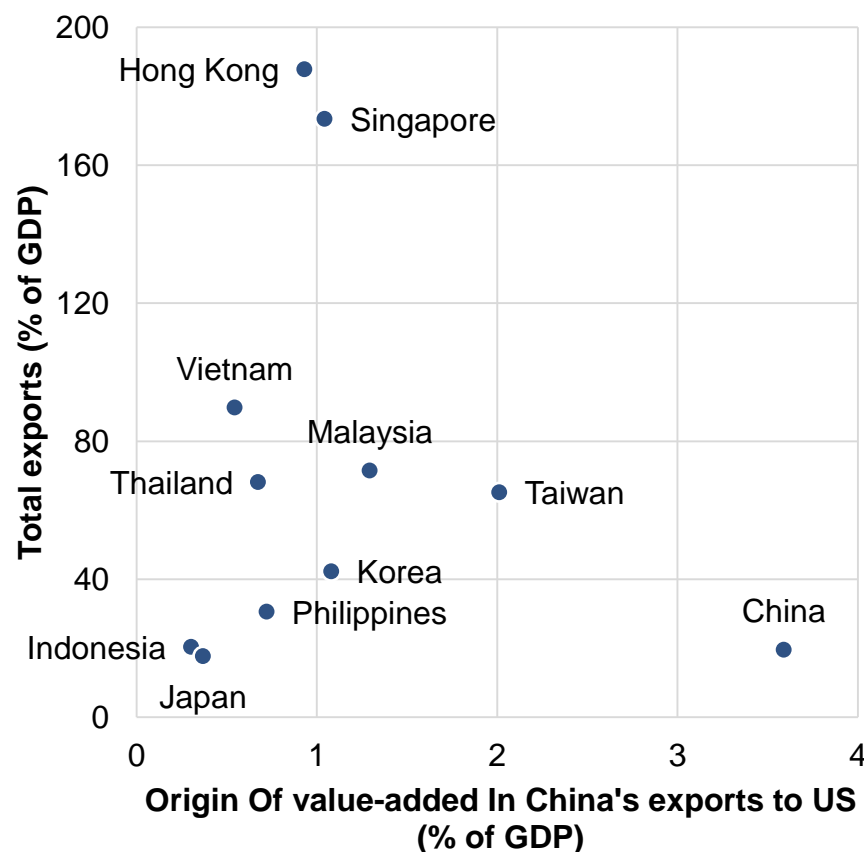
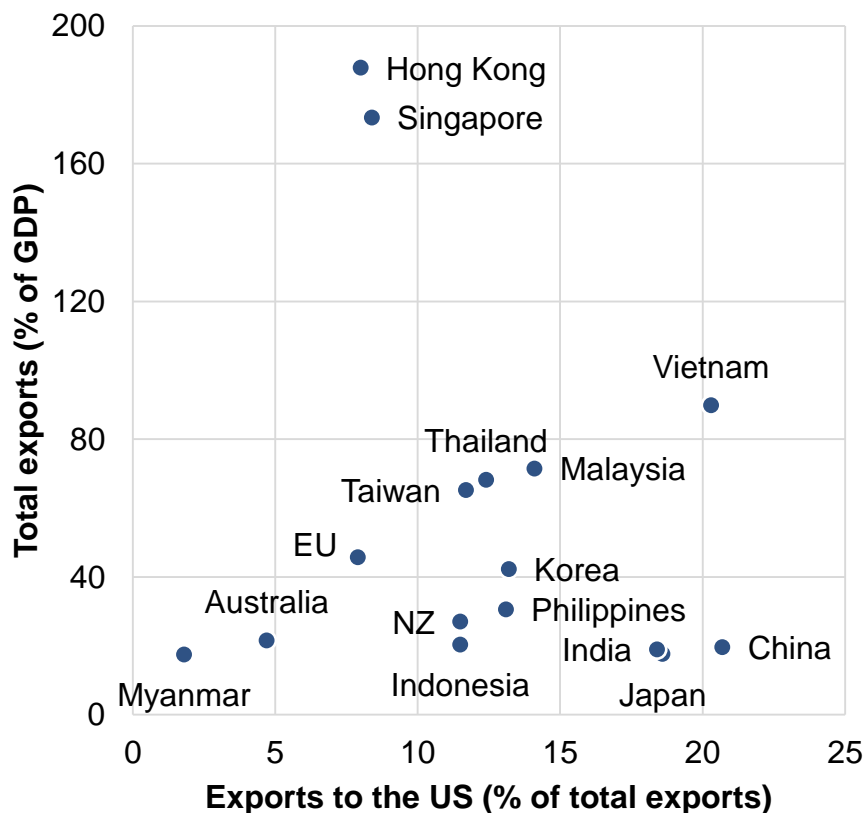


Source: BIS, Macrobond, UOB Global Economics & Markets Research

Global Trade Tension Negative for Small Open Economies in Asia

Direct Vulnerability to US Exports:
China, Japan, Vietnam and India Stand Out

Indirect Vulnerability to US Exports via China:
Taiwan, followed by Korea, Singapore & Malaysia



Sources: CEIC, Bloomberg, UOB Global Economics & Markets Research

Sources: CEIC, OECD (2011 data), UOB Global Economics & Markets Research

Implication on Regional Policy Rates

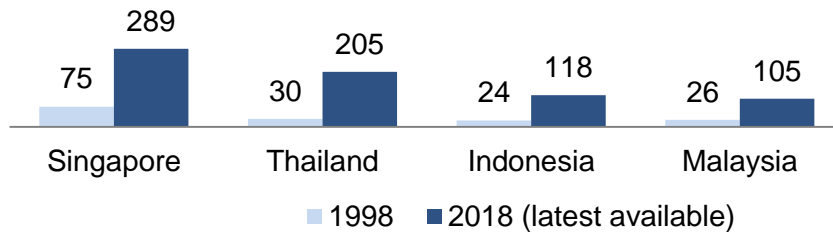
	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18f	1Q19f	2Q19f
US 10-Year Treasury	2.39	2.30	2.33	2.40	2.74	2.86	3.06	3.20	3.25	3.35
US Fed Funds	1.00	1.25	1.25	1.50	1.75	2.00	2.25	2.50	2.75	3.00
SG 3M SIBOR	0.95	1.00	1.12	1.50	1.45	1.52	1.64	1.95	2.05	2.30
SG 3M SOR	0.86	0.75	1.01	1.30	1.48	1.59	1.64	1.85	2.00	2.25
MY Overnight Policy Rate	3.00	3.00	3.00	3.00	3.25	3.25	3.25	3.25	3.25	3.25
TH 1-Day Repo	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.75	1.75	1.75
ID 7-Day Reverse Repo	4.75	4.75	4.25	4.25	4.25	5.25	5.75	6.00	6.50	6.75
CH 1-Year Deposit Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50

- The projected Fed Funds Target Rate (FFTR) range of 2.25%-2.50% by end-2018 incorporates one more hike at the Dec 2018 FOMC. In 2019, three 25bps hikes are expected, which implies that the Fed is likely to exceed its long run FFTR of 3.0% by mid-2019. Balance-sheet reduction – which began in October 2017 – reached its equilibrium state (US\$50bn in Oct'18) and is set to continue at this level in 2019. A higher degree of convergence in global rates with the US is expected in 2H18, with the exception of Japan.
- Growth in regional economies generally moderated in 2H18, after a resilient 1H18. The US-China trade tensions could pose downside risks to growth in 2019. Our base case remains for a long negotiation process with some bouts of escalation before reaching a resolution. Tariffs and elevated oil prices could add to inflationary pressure ahead, while monetary policy bias remains tilted towards normalisation in 2018.
- Capital flight remains a risk for Asia amid escalating trade tensions, and currencies are likely to weaken further in 1H19. Economies with current account and fiscal deficits could be pressured to tighten their monetary policy.
- Short-term interest rates in Singapore are expected to rise further in 2019, alongside projections for higher Fed rates.

Southeast Asia: Resilient Key Markets

Significantly Higher Foreign Reserves

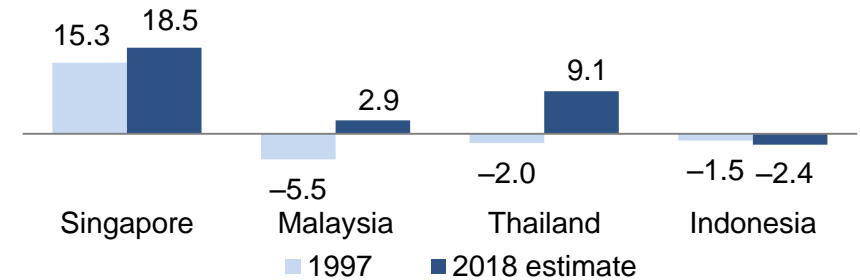
(USD billion)



Sources: World Bank, IMF

Healthy Current Account Balances

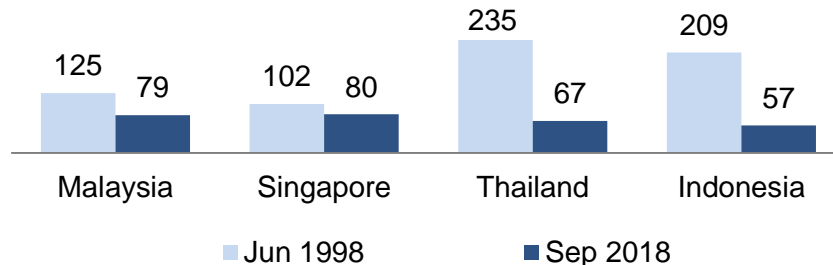
(% of GDP)



Source: IMF

Lower Debt to Equity Ratio

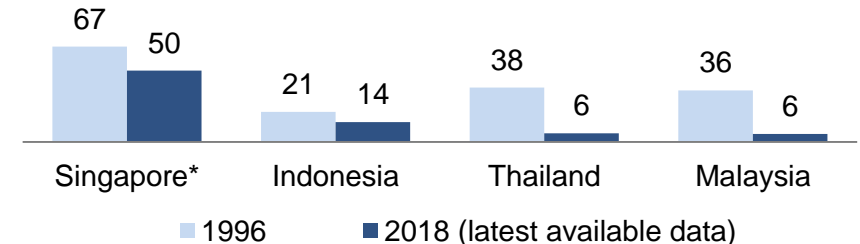
(%)



Total debt to equity ratio = total ST and LT borrowings divided by total equity, multiplied by 100; sources: MSCI data from Bloomberg

Lower Foreign Currency Loan Mix

(%)



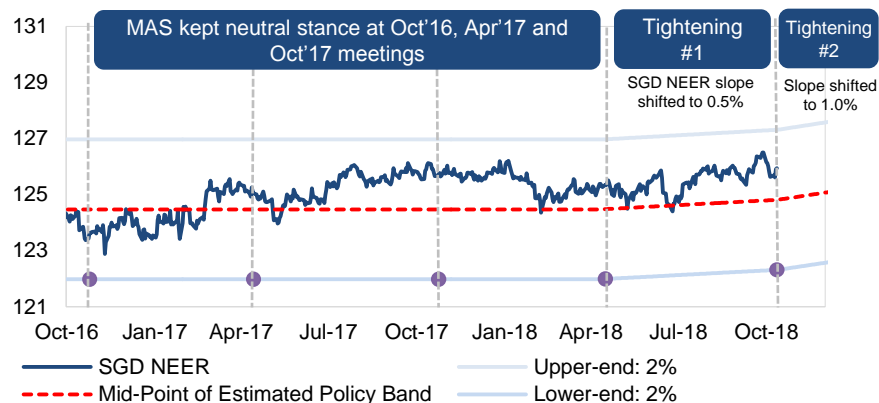
* Foreign currency loans in 1996 approximated by using total loans of Asia Currency Units; sources: Central banks

Long-term fundamentals and prospects of key Southeast Asia have greatly improved since the 1997 Asian Financial Crisis.

Singapore GDP Growth to Moderate in 2019 Amidst Further Policy Tightening

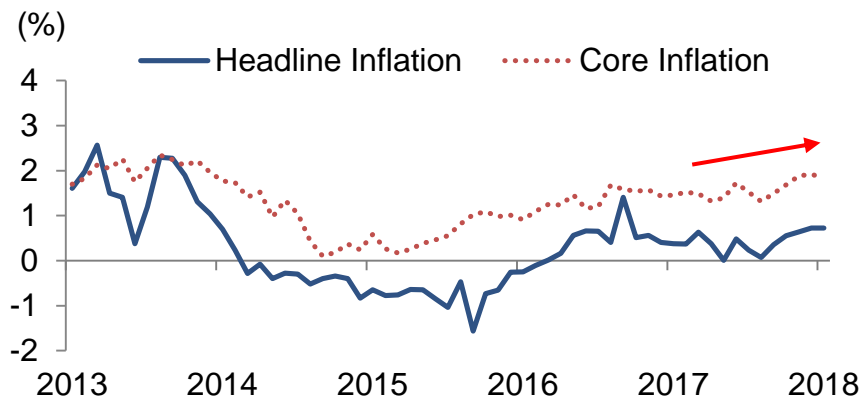
- 3Q18 GDP growth slowed to 2.6% yoy (2Q18: +4.1%). Manufacturing slowed markedly to 4.5% yoy, while services growth was stable at 2.9% yoy. In 2019, GDP growth may ease to 2.8% (2018f: +3.4%) due to the tech cycle slowdown, impact from US trade policy and further slowdown in China.
- The MAS tightened its monetary policy further due to growth staying above potential and higher core inflation. It raised “slightly” the slope of S\$NEER policy band, which is estimated as a 1.0% per annum slope (up from 0.5% introduced in Apr’18). The MAS could tighten further with another slope increase at the Apr’19 meeting, but the biggest uncertainty is the US-China trade conflict.

MAS Normalised SGD NEER Further in Oct’18



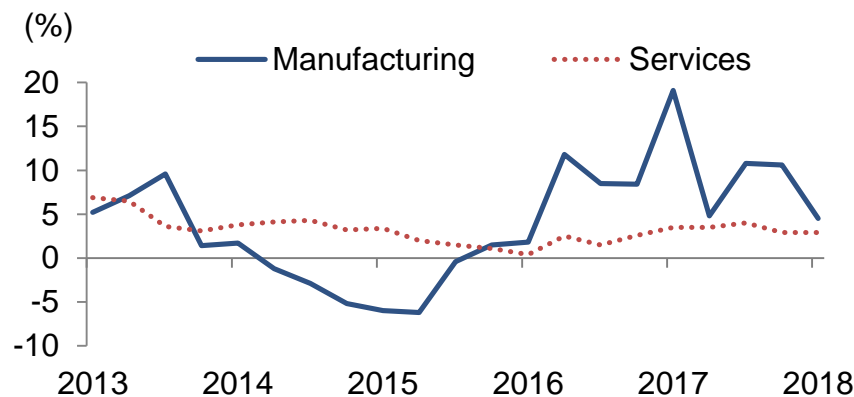
Source: CEIC, UOB Global Economics & Markets Research

2019 Core Inflation To Average Higher 1.5-2.5%



Source: Singapore Department of Statistics

Stable Services, Manufacturing Slowdown

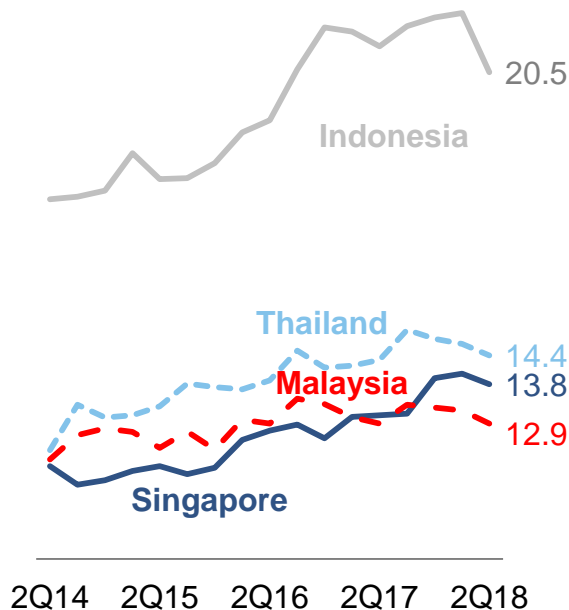


Source: Singapore Department of Statistics

Southeast Asia Banking Sectors: Strong Fundamentals Remain Intact

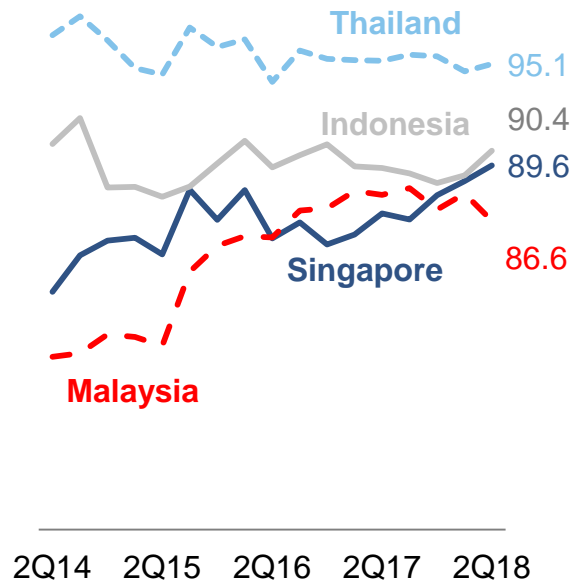
Robust Capital Positions

(Common equity Tier 1 capital adequacy ratio, in %)



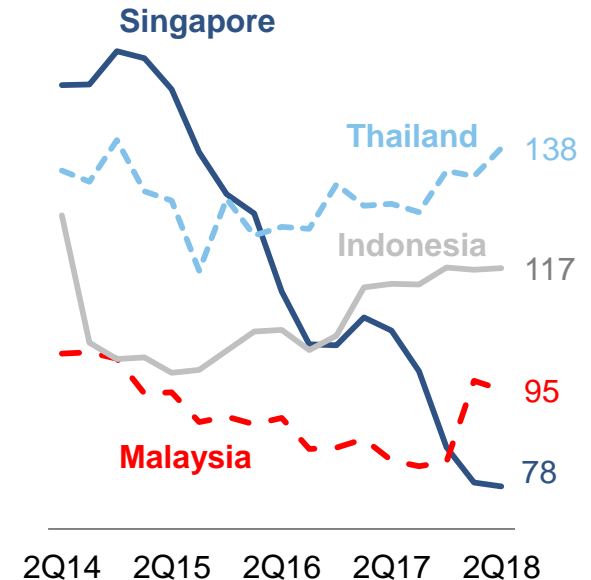
Adequate Loan/Deposit Ratio

(Loan/deposit ratio, in %)



Healthy Reserves

(NPL reserve cover, in %)

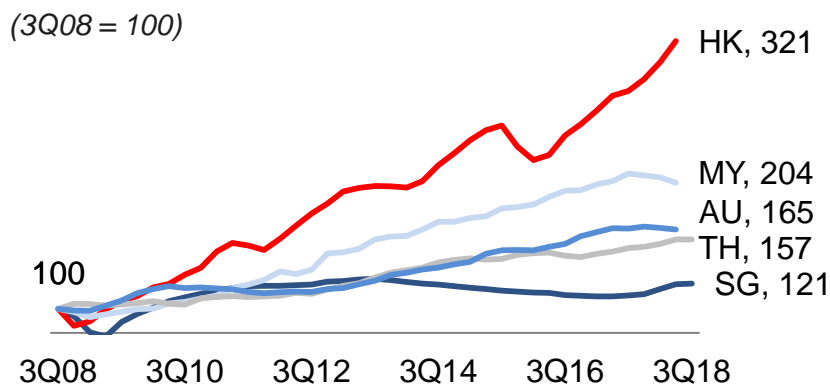


Note: For Singapore, common equity Tier 1 capital adequacy ratio and NPL reserve cover are based on the average of the three Singapore banking groups, while the loans/deposit ratio approximates that of Singapore dollar.

Source: Central banks, banks

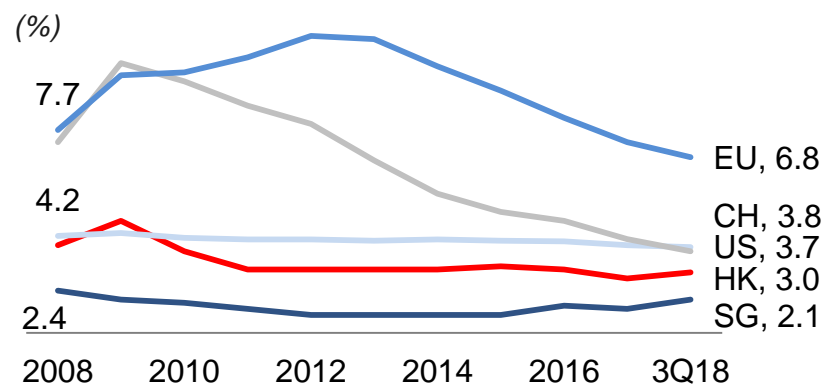
Conducive Macro Conditions Underpin Singapore Property Market

Regional House Price Indices over Last 10 Years



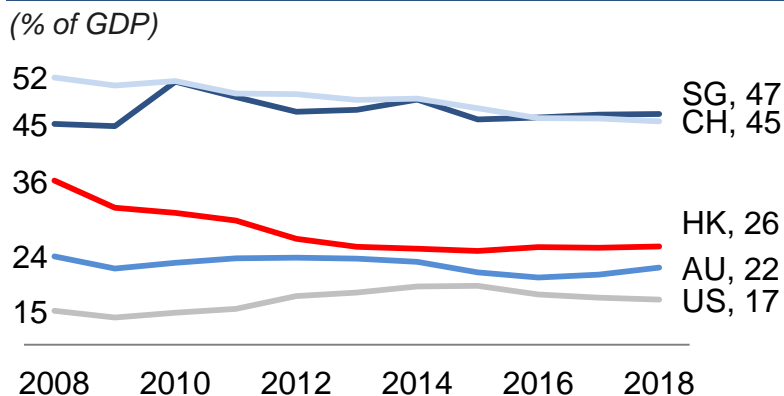
Sources: CEIC, UOB Economic-Treasury Research

Low Unemployment vs Global Peers



Sources: CEIC, UOB Economic-Treasury Research

High National Savings Rate



Sources: IMF, UOB Economic-Treasury Research

SG Household Income in Line with Property Prices

	2007	3Q18	+/(−)
Price ¹ (SGD / sq ft)	940	1,134	+21%
Unit size (sq ft)	1,200	1,200	–
Unit costs (SGD m)	1.13	1.36	+21%
Interest rate (%)	3.72	2.25	
Household income ² (SGD / mth)	11,933	16,826	+41%
Debt servicing ratio ³ (%)	33	23 ⁴	

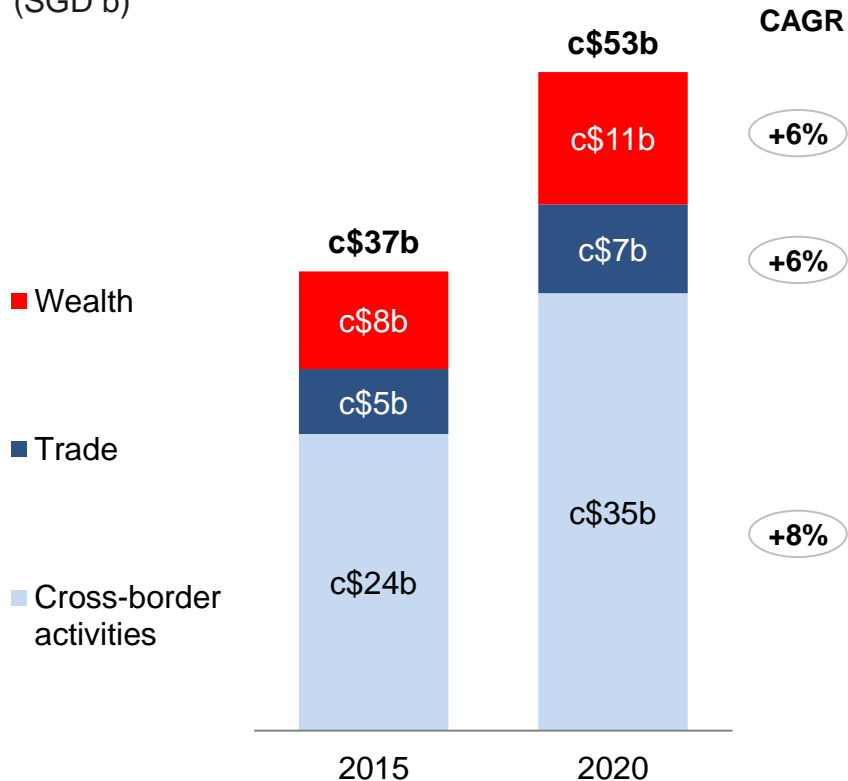
1. Reflects median price of non-landed private residential
2. Reflects median of resident households living in private properties
3. Based on a 30-year housing loan, with a loan-to-value of 75%
4. A housing loan with 5% interest rate would increase DSR to 33%

Sources: URA, CEIC, Singapore Statistics, UOB Economic-Treasury Research

Revenue Potential from 'Connecting the Dots' in the Region

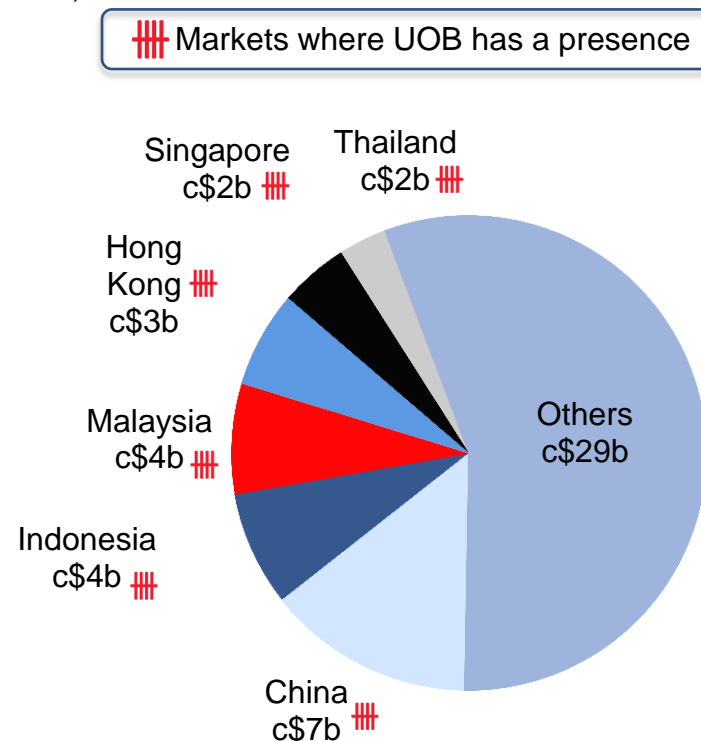
Industry's Potential Connectivity Revenue

(SGD b)



Industry's Potential Connectivity Revenue (2020)

(SGD b)



Note: 'Trade' and 'cross-border activities' capture both inbound and outbound flows of Southeast Asia, with 'trade' comprising exports and imports while 'cross-border activities' comprising foreign direct investments and M&A. 'Wealth' captures offshore and onshore assets booked in Singapore as a wealth hub. Incorporating BCG analysis, these are converted into banking revenue potential.

Source: Boston Consulting Group's analysis, Boston Consulting Group Global Banking Revenue pool

Basel III across the Region

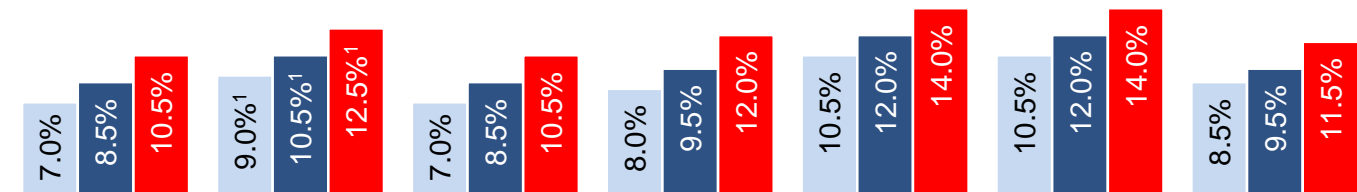
	BCBS	Singapore	Malaysia	Thailand	Indonesia	Hong Kong	China
Minimum CET1 CAR	4.5%	6.5% ¹	4.5%	4.5%	4.5%	4.5%	5.0%
Minimum Tier 1 CAR	6.0%	8.0% ¹	6.0%	6.0%	6.0%	6.0%	6.0%
Minimum Total CAR	8.0%	10.0% ¹	8.0%	8.5%	8.0%	8.0%	8.0%
Full Compliance	Jan-15	Jan-15	Jan-15	Jan-13	Jan-14	Jan-15	Jan-13
Capital Conservation Buffer	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Full Compliance	Jan-19	Jan-19	Jan-19	Jan-19	Jan-19	Jan-19	Jan-19
Countercyclical Buffer ²	Up to 2.5%	Up to 2.5%	Up to 2.5%	Up to 2.5%	Up to 2.5%	Up to 2.5%	Up to 2.5%
2018 Requirement	n/a	0%	0%	0%	0%	1.875%	0%
D-SIB Buffer	n/a	2.0%	Pending	1.0%	1.0%–3.5% ³	1.0%–3.5%	1.0% ⁴
G-SIB Buffer	1.0%–3.5%	n/a	n/a	n/a	n/a	n/a	1.0% ⁴
Minimum Leverage Ratio	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	4.0%
Full Compliance	2018	2018	2018	2020	2018	2018	2013
Minimum LCR	100%	100%	100%	100%	100%	100%	100%
Full Compliance	Jan-19	Jan-19	Jan-19	Jan-20	Dec-18	Jan-19	Dec-18
Minimum NSFR	100%	100%	100%	100%	100%	100%	100%
Full Compliance	Jan-18	Jan-18	Jan-20	Jul-18	Jan-18	Jan-18	n/a

% of risk weighted assets⁵

■ Minimum CET1

■ Minimum Tier 1 CAR

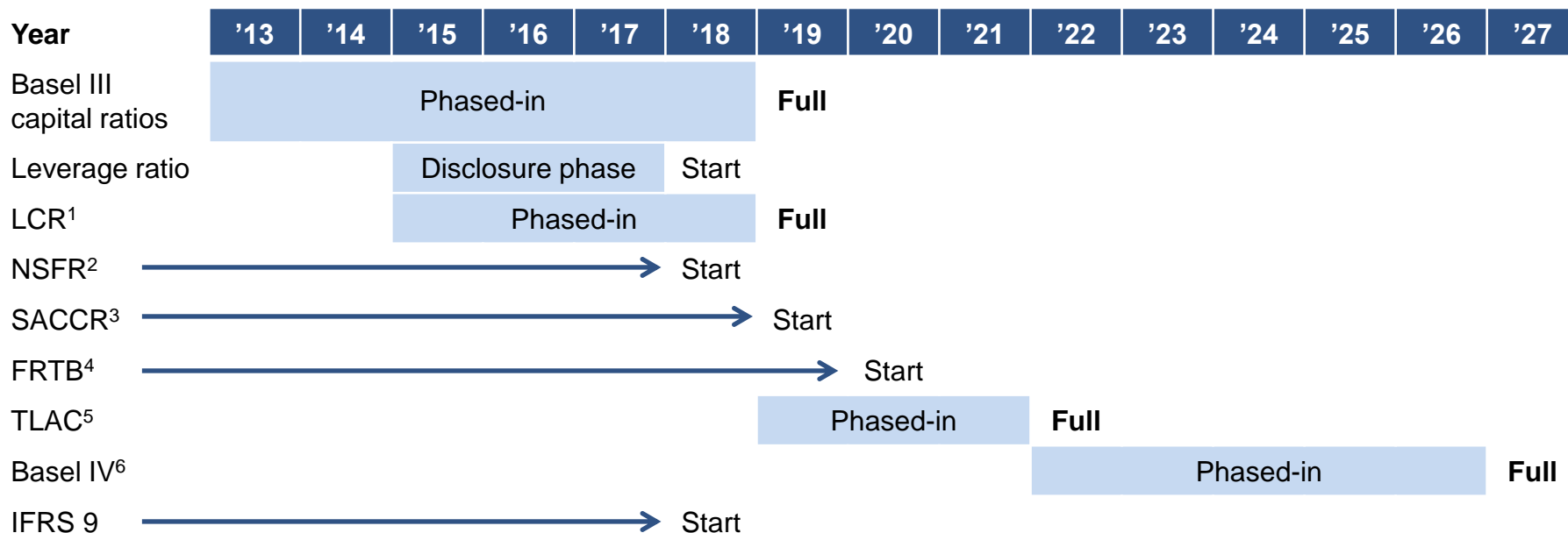
■ Minimum Total CAR



Source: Regulatory notifications.

1. Includes 2% for D-SIB buffer for the three Singapore banks.
2. Each regulator determines its own level of countercyclical capital buffer.
3. According to the regulations, Indonesia D-SIBs will initially be subject to a D-SIB buffer of up to 2.5%.
4. In China, G-SIBs are only subject to the higher of G-SIB and D-SIB buffer
5. Minimum ratios on fully-loaded basis, including capital conservation buffer and D-SIB surcharge, but excluding countercyclical capital buffer and G-SIB surcharge

Banking Regulations Still Evolving



“ Banks need to be profitable in order to be strong. Retained earnings are one of the major sources of equity – which is the highest quality capital that banks hold. Banks also need to be profitable to be able to support the real economy. They have to earn a decent return for intermediating credit, otherwise they will do less of it. ”

– Mr Ravi Menon, Managing Director, Monetary Authority of Singapore, 20 April 2017

“ ...certain liabilities should be excluded from the scope of bail-in because their repayment is necessary to ensure the continuity of essential services and to avoid widespread and disruptive contagion to other parts of the financial system. The proposed scope of bail-in would hence exclude liabilities such as ... senior debt and all deposits. ”

– Consultation Paper by the Monetary Authority of Singapore, June 2015

Source: BCBS

1. Liquidity Coverage Ratio
2. Net Stable Funding Ratio
3. Standardised Approach for measuring Counterparty Credit Risk exposure (MAS has not announced implementation date)
4. Fundamental Review of the Trading Book (MAS has not announced implementation date)
5. Total Loss Absorbing Capacity (not applicable to Singapore banks)
6. Basel IV: Reducing variation in credit risk-weighted assets

Impact of Basel IV¹ Likely to be Manageable

Retail credit

Wholesale credit

Others

LGD² floor of Retail Mortgage cut to 5% from 10%

Unsecured corporate FIRB⁵ LGD² cut to 40% from 45%

CCF⁶ for general commitments cut to 40% from 75%

Higher haircuts and lower FIRB⁵ secured LGD

Removal of 1.06 multiplier for IRB⁸ RWA⁷

LGD² and PD³ floors introduced for QRRE⁴ and Other Retail

CCF⁶ for unconditional cancellable commitments raised to 10% from 0%

PD³ floor of bank asset class raised to 5bp from 3bp

RWA⁷ output floor set at 72.5% of that of standardised approach

Fundamental review of the trading book

Lower RWA

Higher RWA

Source: BCBS

1. Basel IV: Reducing variation in risk-weighted assets
2. Loss given default
3. Probability of default
4. Qualifying revolving retail exposures

5. Foundation internal rating-based approach
6. Credit conversion factor
7. Risk weighted assets
8. Internal rating-based approach



Strong UOB Fundamentals

Strong UOB Fundamentals



Strong Management with Proven Track Record

- Proven track record in steering the bank through various global events and crises
- Stability of management team ensures consistent execution of strategies

Consistent and Focused Financial Management

- Stable income over the last quarter amid the subdued business environment
- Continue to invest in building long-term capabilities in a disciplined manner
- Total credit costs expected to be below long-term trend of 28bp
- Higher profit supports an increase in interim dividend to 50 cents per share

Disciplined Management of Balance Sheet

- Strong capital base; Common Equity Tier 1 capital adequacy ratio of 14.1% as at 30 September 2018
- Liquid and well diversified funding mix with loan/deposits ratio at 85.7%
- Stable asset quality, with a diversified loan portfolio

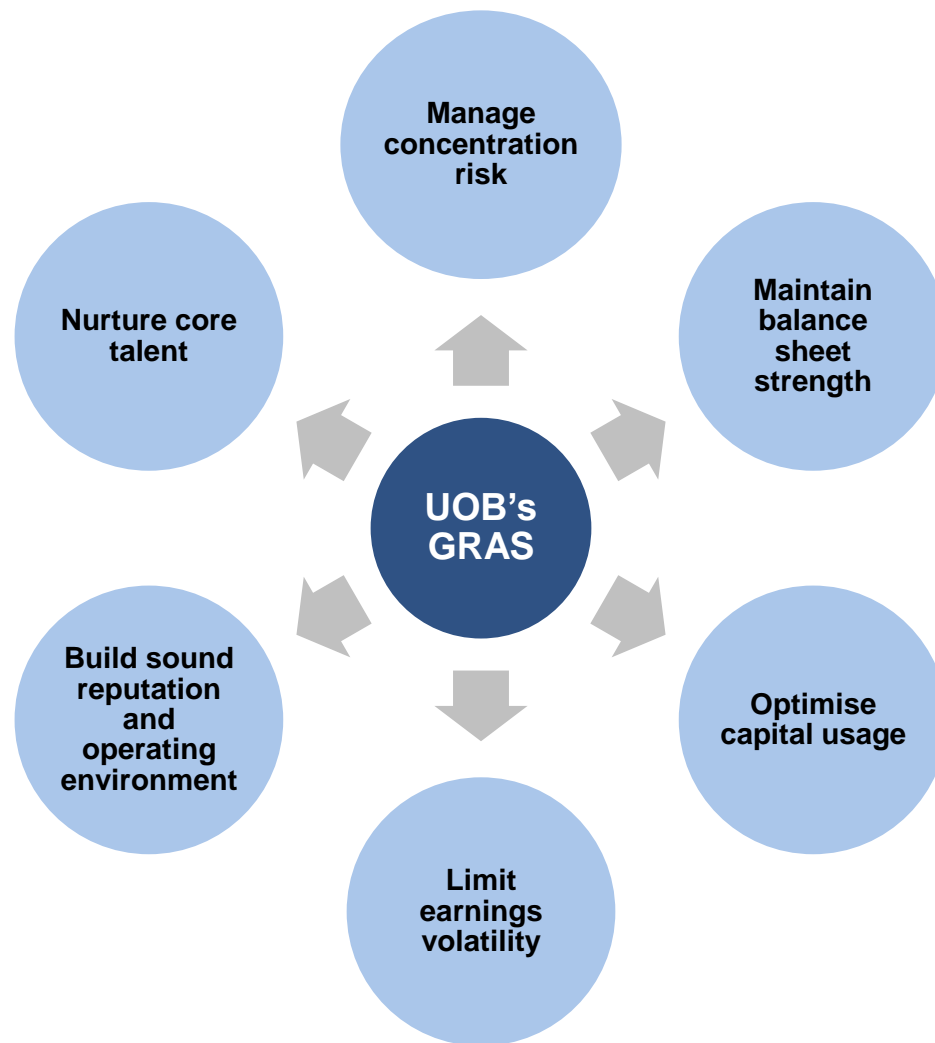
Delivering on Regional Strategy

- Holistic regional bank with effectively full control of subsidiaries in key markets
- Focus on profitable niche segments and intra-regional needs of customers
- Entrenched local presence: ground resources and integrated regional network to better address the needs of our targeted segments

***UOB is focused on the basics of banking;
Stable management team with proven execution capabilities***

Managing Risks for Stable Growth

- **Prudent approach has been key to delivering sustainable returns over the years**
- **Institutionalised framework through Group Risk Appetite Statement (GRAS):**
 - Outlines risk and return objectives to guide strategic decision-making
 - Comprises 6 dimensions and 14 metrics
 - Entails instilling prudent culture as well as establishing policies and guidelines
 - Invests in capabilities, leverage integrated regional network to ensure effective implementation across key markets and businesses



Competitive Against Peers

			Standalone Strength		Efficient Cost Management	Competitive ROAA ¹	Well-Maintained Liquidity
Moody's	S&P	Fitch		Moody's baseline credit assessment	Costs/income ratio	Return on average assets	Loan/deposit ratio
Aa1	AA-	AA-	UOB	a1	43.8%	1.11%	85.7%
Aa1	AA-	AA-	OCBC	a1	42.7%	1.24%	88.5%
Aa1	AA-	AA-	DBS	a1	43.2%	1.08%	87.7%
A2	A	AA-	HSBC	a2	62.1%	1.52%	73.0%
A2	BBB+	A+	SCB	baa1	68.0%	0.47%	68.2%
Baa1	A-	n.r.	CIMB	baa2	51.3%	0.92%	94.0%
A3	A-	A-	MBB	a3	46.9%	1.00%	92.8%
Baa1	BBB+	BBB+	BBL	baa2	42.1%	1.16%	88.0%
Baa3	n.r.	BBB-	BCA	baa3	45.5%	3.90%	80.9%
A-	A-	A+	BOA	baa1	58.4%	1.20%	68.4%
Baa1	BBB+	A	Citi	baa2	57.3%	0.96%	65.9%
Aa3	AA-	AA-	CBA	a2	44.8%	0.96%	119.5%
Aa3	AA-	AA-	NAB	a2	50.0%	0.70%	143.2%

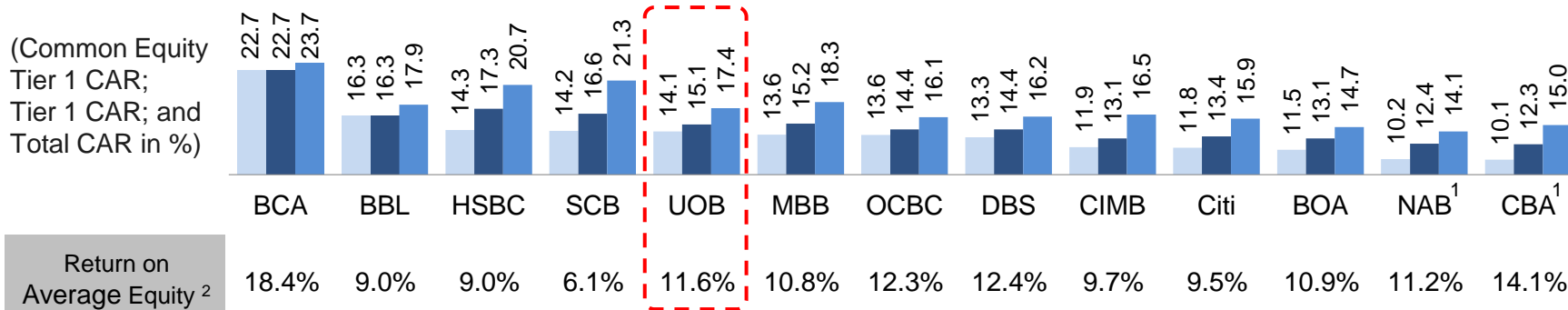
Source: Company reports, Credit rating agencies (updated as of 5 Nov 2018).

Banks' financials were as of 30 Sep 18, except for those of SCB, CIMB, Maybank and CBA (which were as of 30 Jun 18).

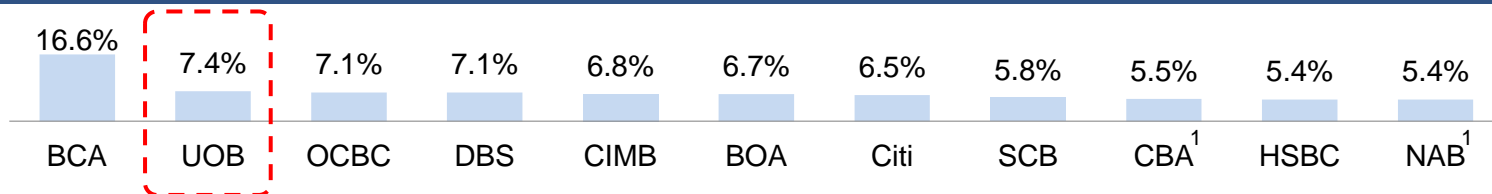
1. Computed on an annualised year-to-date basis.

Strong Capital and Leverage Ratios

Reported Common Equity Tier 1 CAR, Tier 1 CAR and Total CAR



Reported Leverage Ratio³



UOB is among the most well-capitalised banks, with capital ratios comfortably above regulatory requirements and high compared with some of the most renowned banks globally

Source: Company reports.

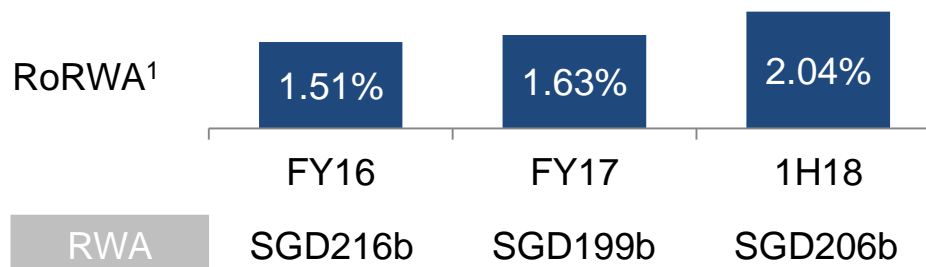
Banks' financials were as of 30 Sep 18, except for those of SCB, CIMB, Maybank and CBA (which were as of 30 Jun 18).

1. NAB's and CBA's CARs are based on APRA's standards. Their internationally comparable CET1 CAR was 14.6% (30 Sep 18) and 15.5% (30 Jun 18), respectively.
2. Computed on an annualised year-to-date basis.
3. BBL and MBB do not disclose their leverage ratio.

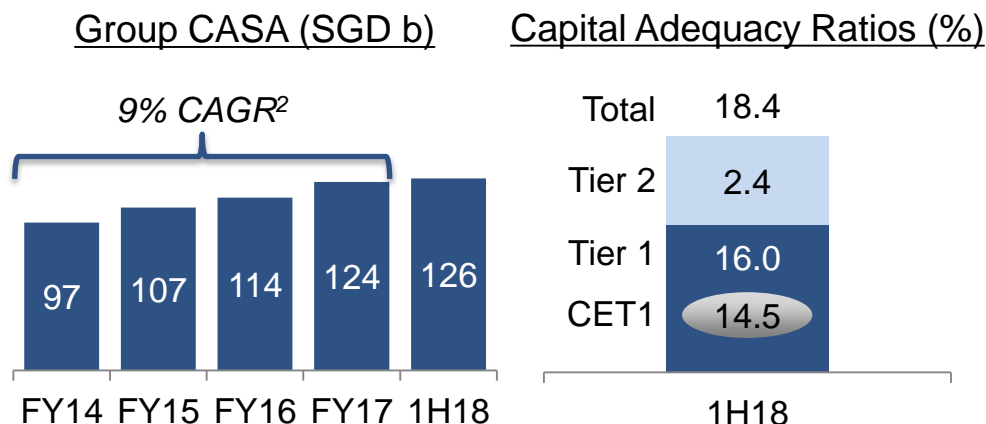
Disciplined Balance Sheet Management

- Improved balance sheet efficiency**
 - Stronger RoRWA¹ driven mainly by higher profit
- Healthy portfolio quality**
 - 11bps credit cost on NPL lower YoY
 - NPL ratio stable at 1.7%
 - Adequate non-performing assets reserve cover: 89%, or 190% including collateral
- Proactive liability management**
 - Liquidity Coverage Ratios³: SGD (206%) and all-currency (142%)
 - Net stable funding ratio: 110%, above regulatory requirement
- Robust capital; 14.5% CET1 ratio**
- Interim dividend/share raised to 50 cents**

Balance Sheet Efficiency a Key Priority



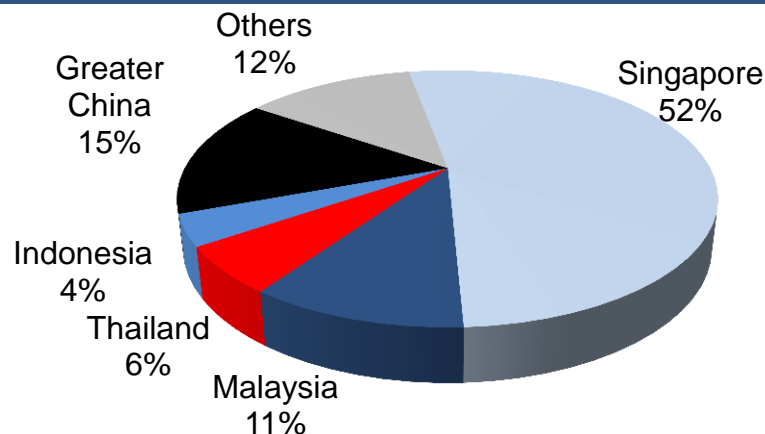
Liability Management and Capital



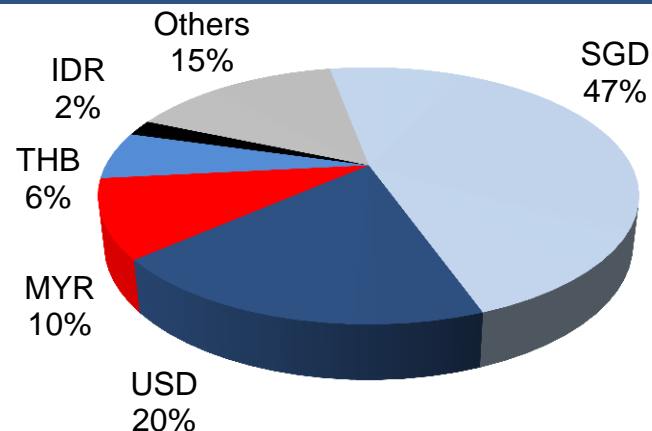
1. Return on average risk-weighted assets (RoRWA) is computed on an annualised basis for 1H18.
 2. Compound annual growth rate (CAGR) computed over 3 years (2014 to 2017).
 3. Average ratios for second quarter of 2018.

Diversified Loan Portfolio

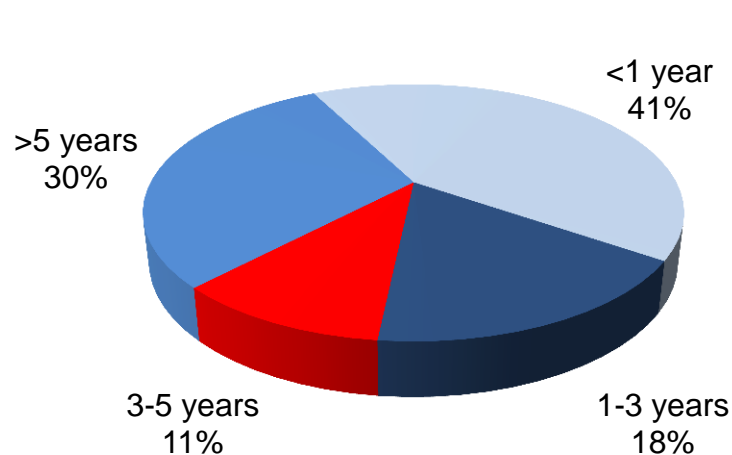
Gross Customer Loans by Geography ¹



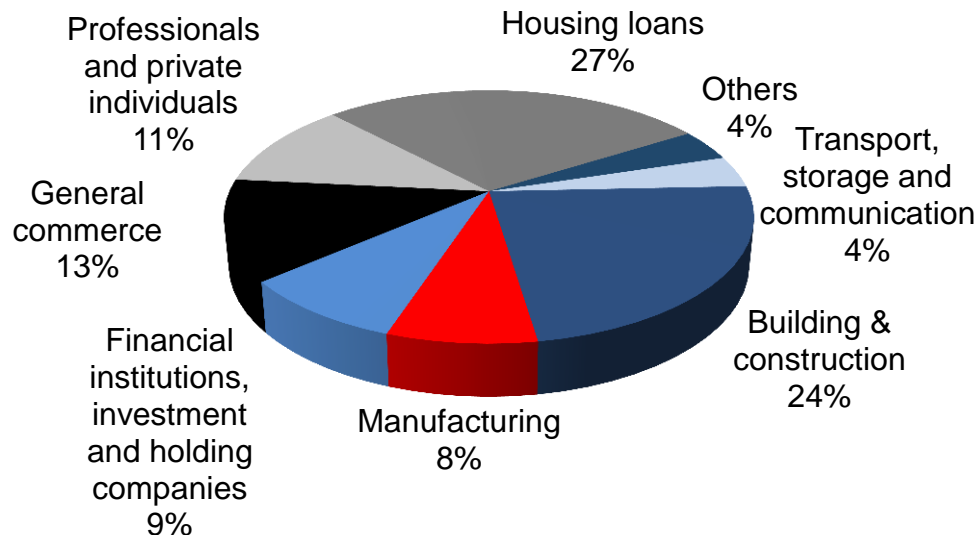
Gross Customer Loans by Currency



Gross Customer Loans by Maturity



Gross Customer Loans by Industry



Note: Financial statistics as at 30 September 2018.

1. Loans by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals).

Strong Investment Grade Credit Ratings



MOODY'S
INVESTORS SERVICE

Aa1 / Stable / P-1

- Capital good by global standards
- Deposit-funded and liquid balance sheet
- Traditional banking presence in Singapore, Malaysia and other markets



AA- / Stable / A-1+

- Well-established market position, strong funding and prudent management record
- Will maintain its capitalisation and asset quality while pursuing regional growth

FitchRatings AA- / Stable / F1+

- Sound capital and high loan-loss buffers
- Disciplined funding strategy, supported by its strong domestic franchise

Debt Issuance History

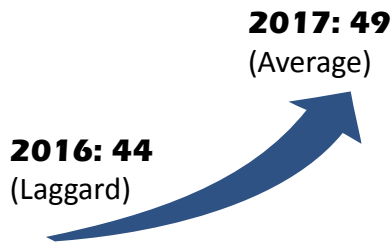
Issue Date	Structure	Call	Coupon	Amount	Ratings (M/S/F)
Additional Tier 1					
Oct-17	Perpetual	2023	3.875%	USD650m	Baa1 / - /BBB
May-16	Perpetual	2021	4.00%	SGD750m	Baa1 / - /BBB
Nov-13	Perpetual	2019	4.75%	SGD500m	Baa1/BBB-/BBB
Tier 2					
Feb-17	12NC7	2024	3.50%	SGD750m	A3 / - / A+
Sep-16	10½NC5½	2022	2.88%	USD600m	A3 / - / A+
Mar-16	10½NC5½	2021	3.50%	USD700m	A3 / - / A+
May-14	12NC6	2020	3.50%	SGD500m	A3 / BBB+ / A+
Mar-14	10½NC5½	2019	3.75%	USD800m	A3 / BBB+ / A+
Senior Unsecured					
Jul-18	3½yr FRN	-	BBSW 3m+0.81%	AUD600m	Aa1 / AA- / AA-
Apr-18	3yr FRN	-	3m LIBOR+0.48%	USD500m	Aa1 / AA- / AA-
Apr-18	3yr FXN	-	3.20%	USD700m	Aa1 / AA- / AA-
Nov-17	1yr FRN	-	BBSW 3m+0.26%	AUD400m	Aa1 / AA- / AA-
Apr-17	4yr FRN	-	BBSW 3m+0.81%	AUD300m	Aa1 / AA- / AA-
Sep-14	5½yr FXN	-	2.50%	USD500m	Aa1 / AA- / AA-
Covered					
Sep-18	5yr FXN	-	0.250%	EUR500m	Aaa / AAA / -
Feb-18	5yr FRN	-	3m LIBOR+0.24%	GBP350m	Aaa / AAA / -
Jan-18	7yr FXN	-	0.500%	EUR500m	Aaa / AAA / -
Feb-17	3yr FXN	-	2.125%	USD500m	Aaa / AAA / -
Feb-17	5yr FXN	-	0.125%	EUR500m	Aaa / AAA / -
Mar-16	5yr FXN	-	0.250%	EUR500m	Aaa / AAA / -

Debt Maturity Profile

	2018	2019	2020	2021	2022	2023	2024	2025
	SGDm	SGDm	SGDm	SGDm	SGDm	SGDm	SGDm	SGDm
	-	-	-	-	-	889	-	-
	-	-	-	750	-	-	-	-
	-	500	-	-	-	-	-	-
	-	-	-	-	-	-	750	-
	-	-	-	-	820	-	-	-
	-	-	-	957	-	-	-	-
	-	-	500	-	-	-	-	-
	-	1,094	-	-	-	-	-	-
	-	-	-	-	592	-	-	-
	-	-	-	684	-	-	-	-
	-	-	-	957	-	-	-	-
	395	-	-	-	-	-	-	-
	-	-	-	296	-	-	-	-
	-	-	684	-	-	-	-	-
	-	-	-	-	-	794	-	-
	-	-	-	-	-	625	-	-
	-	-	-	-	-	-	-	794
	-	-	684	-	-	-	-	-
	-	-	-	-	794	-	-	-
	-	-	-	794	-	-	-	-
Total	395	1,594	1,867	4,438	2,207	2,308	750	794

The table comprises UOB's public rated issues; Maturities shown at first call date for AT1 and T2 notes; FXN: Fixed Rate Notes; FRN: Floating Rate Notes; Updated as of 5 Nov 2018. FX rates at 30 Sep 2018: USD 1 = SGD 1.37; AUD 1.01 = SGD 1; 1 GBP = SGD 1.79; EUR 1 = SGD 1.59.

Sustainability Reporting a Multi-Year Journey, with Progress Recognised



Sustainalytics is the leading independent global provider of ESG¹ and corporate governance research and ratings to investors.

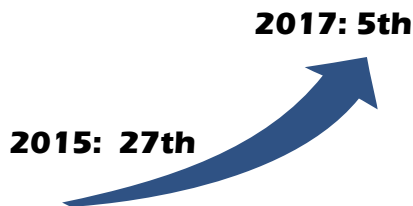


“... UOB has satisfied the requirements to become a constituent of the FTSE4Good Index Series.”

Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong ESG¹ practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.



Singapore Ranking



CGIO² and SID³ have been appointed by the Monetary Authority of Singapore (MAS) as Singapore's domestic ranking body for the ASEAN Corporate Governance Initiative.

Note: 2016 was a gap year for revision and no assessment was conducted.



Best Inaugural Sustainability Report (Mainboard), 2017

The Singapore Sustainability Reporting Awards was organised by the SID³, and supported by Singapore Exchange.



Leader Award

Organised by SG Enable, the award recognises committed employers who have done well in hiring and integrating persons with disabilities into their workforce.

1. ESG: Environmental, Social and Governance
2. CGIO: NUS Business School's Centre for Governance, Institutions and Organisations
3. SID: Singapore Institute of Directors



Our Growth Drivers

Our Growth Drivers

Realise Full Potential of our Integrated Platform

- Provides us with ability to serve expanding regional needs of our customers
- Improves operational efficiency, enhances risk management, seamless customer experience and faster time to market

Sharpen Regional Focus

- Global macro environment remains uncertain. The region's long-term fundamentals continue to remain strong
- Region is our future engine of growth

Reinforce Fee Income Growth

- Grow fee income to offset competitive pressures on loans and improve return on capital
- Increase client wallet share size by intensifying cross-selling efforts, focusing on service quality and expanding range of products and services

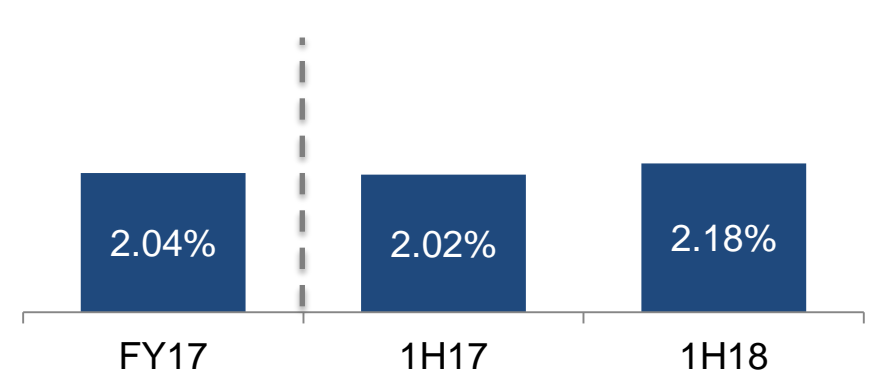
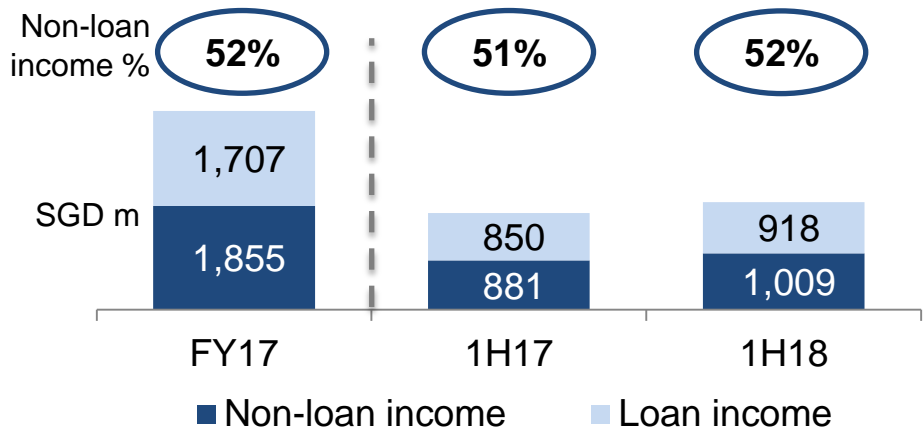
Long-term Growth Perspective

- Disciplined approach in executing growth strategy, balancing growth with stability
- Focus on risk adjusted returns; ensure balance sheet strength amidst global volatilities

Wholesale Banking: Income Diversification Remains Key

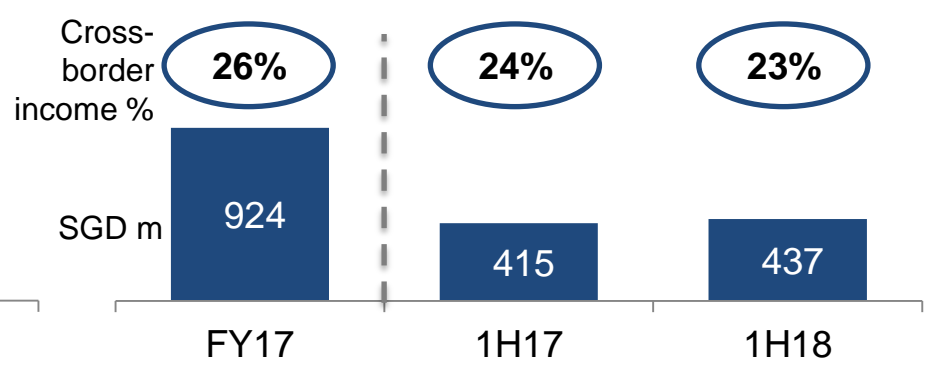
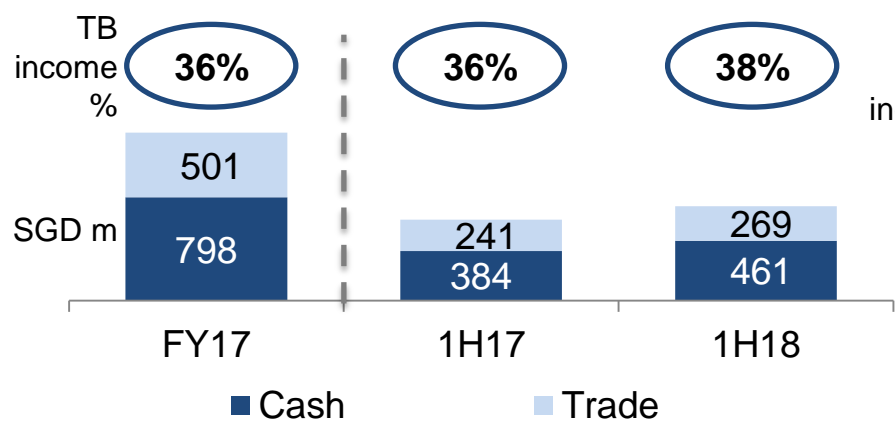
Non-loan income: +15% YoY in 1H18

Segment RoRWA¹: +0.16% pt YoY in 1H18



Transaction banking income: +17% YoY in 1H18

Cross-border income: +5% YoY in 1H18

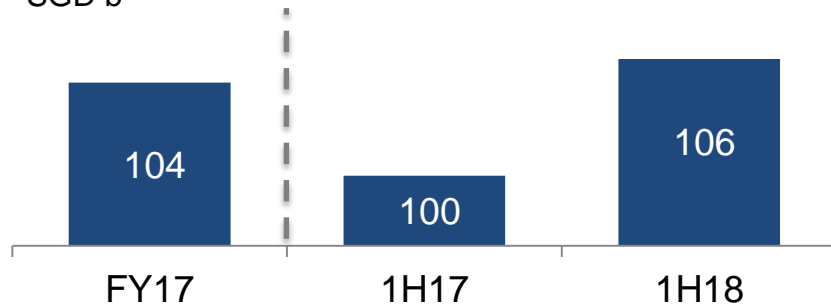


1. RoRWA: Ratio of "Operating profit" to "Average segment RWA"

Retail Banking: Steady Improvement in Performance

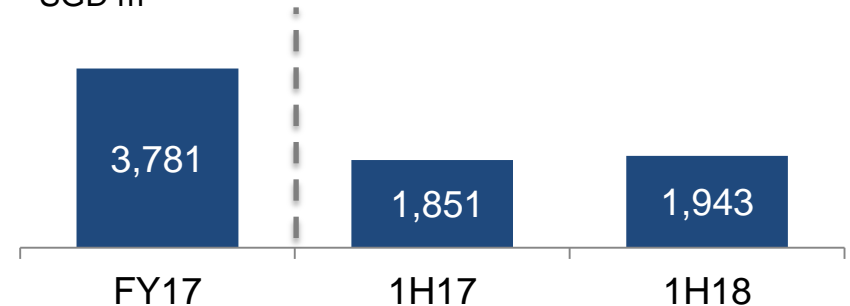
Gross Loans (Group Retail¹): +6% YoY in 1H18

SGD b



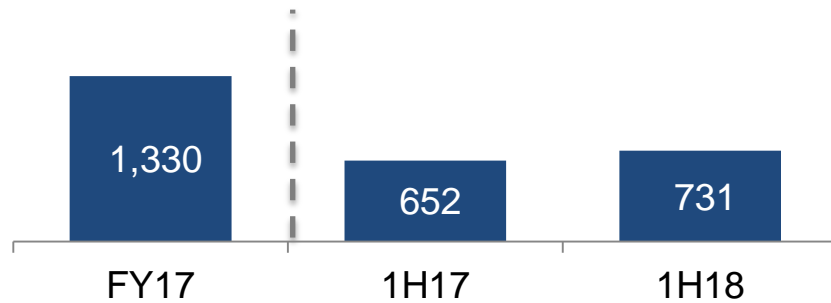
Income³ (Group Retail¹) +5% YoY in 1H18

SGD m

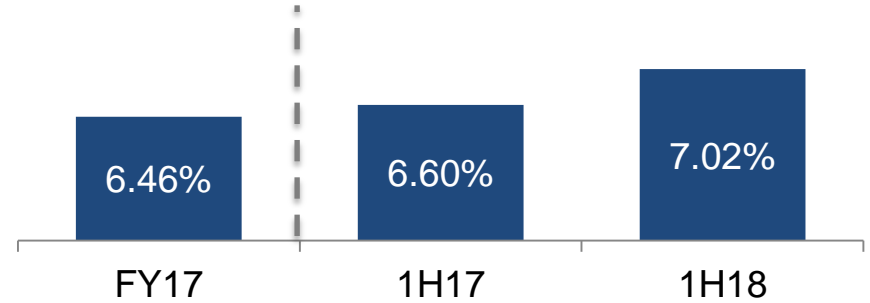


High Affluent² income: +12% YoY in 1H18

SGD m



Segment RoRWA⁴ +0.42% pt YoY in 1H18



AUM SGD104 b SGD99 b SGD108 b

1. Includes Business Banking.
2. Wealth management comprises Privilege Banking and High Net Worth (Privilege Reserve + Private Bank) segments.
3. Income includes fee and commission income that is net of directly attributable expenses.
4. RoRWA: Ratio of "Operating profit" to "Average segment RWA"

The retail banking future

Digital Banking ~~or~~ and Digital Bank

- Digital banking (omni-channel) and the digital bank (mobile only): distinct and will co-exist
- Data-centric digital banks will drive **unprecedented** disruption globally
- **Opportunities** will open for progressive banks, big techs and FinTechs
- **Emerging** capabilities to power this will **accelerate**

The new business model

From “Cross-selling to Engaging”

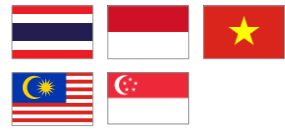
- The data-centric Digital Bank’s advantage: **Digital Engagement**
- A unique business model: **ATGIE**
 - **Acquire**
 - **Transact**
 - **Generate data**
 - **Insight**
 - **Engage**
- Lower cost-to-serve and increased access will drive large-scale **financial inclusion**

The new Digital Bank

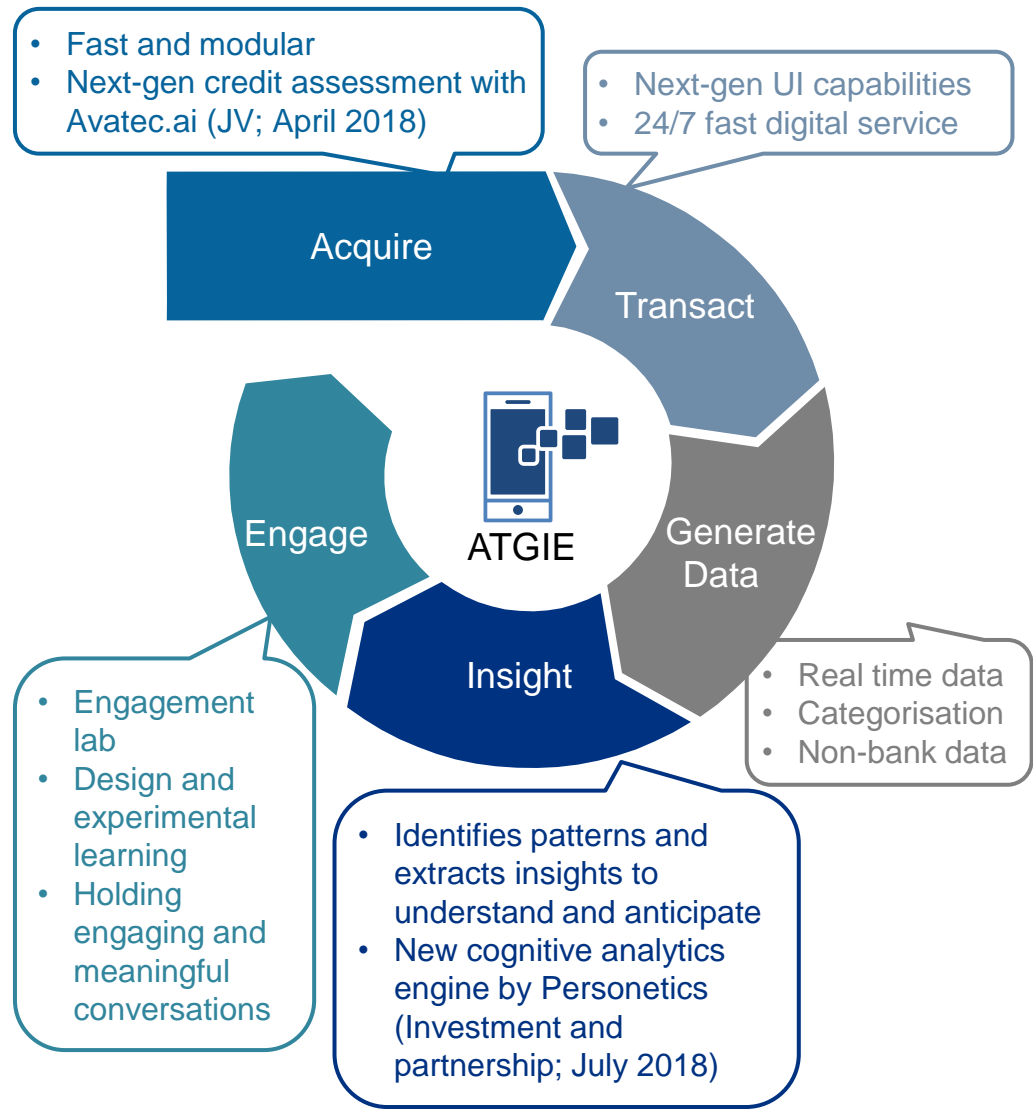
Making it Simple, Engaging and Transparent

- **Simple**
Intuitive user interface, remembers you, fast and fully digital experience
- **Engaging**
Anticipates your needs and prompts you towards smarter spending and saving habits
- **Transparent**
Promotes openness and engenders trust

Achieving our Goals for Digital Bank

 <p>Countries</p>	<p>5</p>	<p>Scaling our regional franchise</p>
<p>Target customers</p>	<p>3–5m</p>	<p>Mobile savvy</p>
<p>Engagement</p>	<p>>7 / 10</p>	<p>Customer Engagement Index</p>
<p>Steady-state cost/income ratio</p>	<p>~35%</p>	<p>Leveraging process redesign & digitisation</p>

Powering the Digital Bank for Engagement



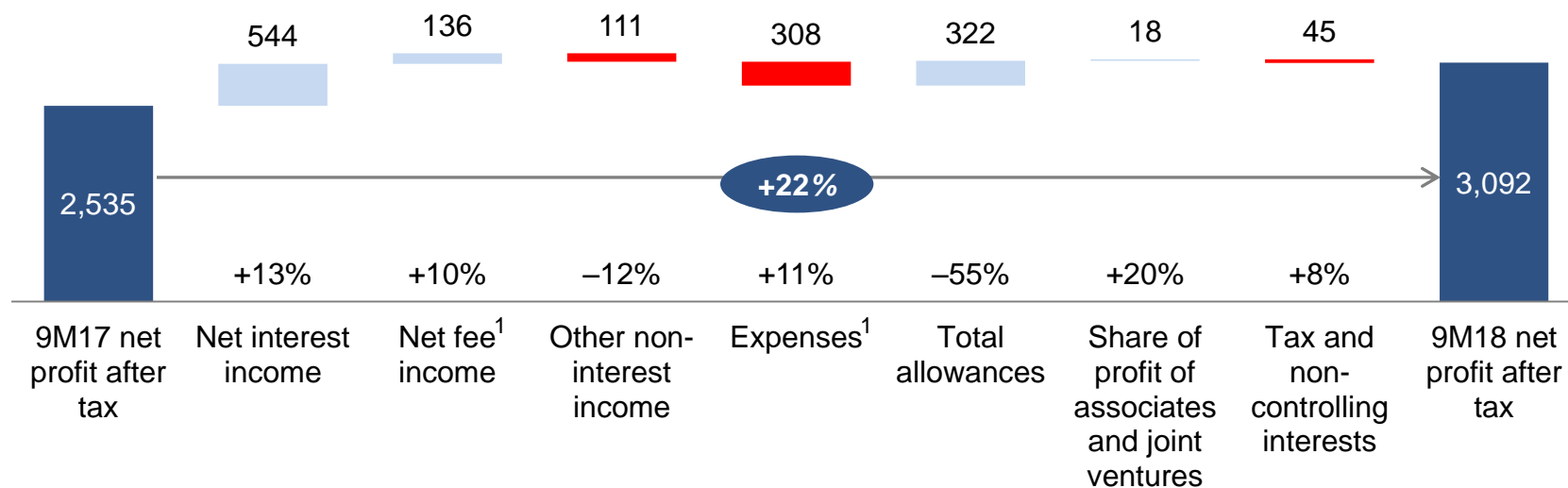


Latest Financials

9M18 Financial Overview

Net Profit After Tax (NPAT) Movement, 9M18 vs 9M17

(SGD m)



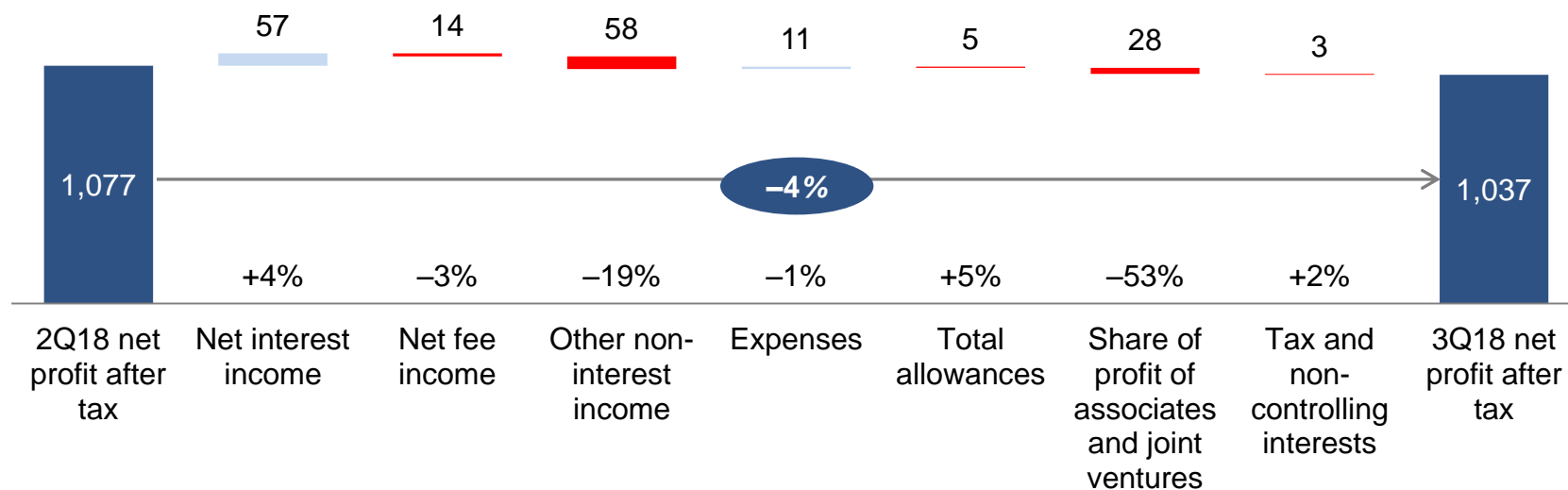
Key Indicators	9M18	9M17	YoY Change
Net interest margin (%) ²	1.83	1.76	+0.07% pt
Non-interest income / Income (%)	33.2	35.8	(2.6) pt
Cost / Income ratio (%)	43.8	42.8	+1.0% pt
Return on equity (%) ^{2,3}	11.6	10.3	+1.3% pt
Return on risk-weighted assets (%) ²	2.02	1.60	+0.42% pt

1. Fee income and expenses have been restated where expenses directly attributable to fee income are presented net of fee income.
2. Computed on an annualised basis.
3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions.

3Q18 Financial Overview

Net Profit After Tax (NPAT) Movement, 3Q18 vs 2Q18

(SGD m)



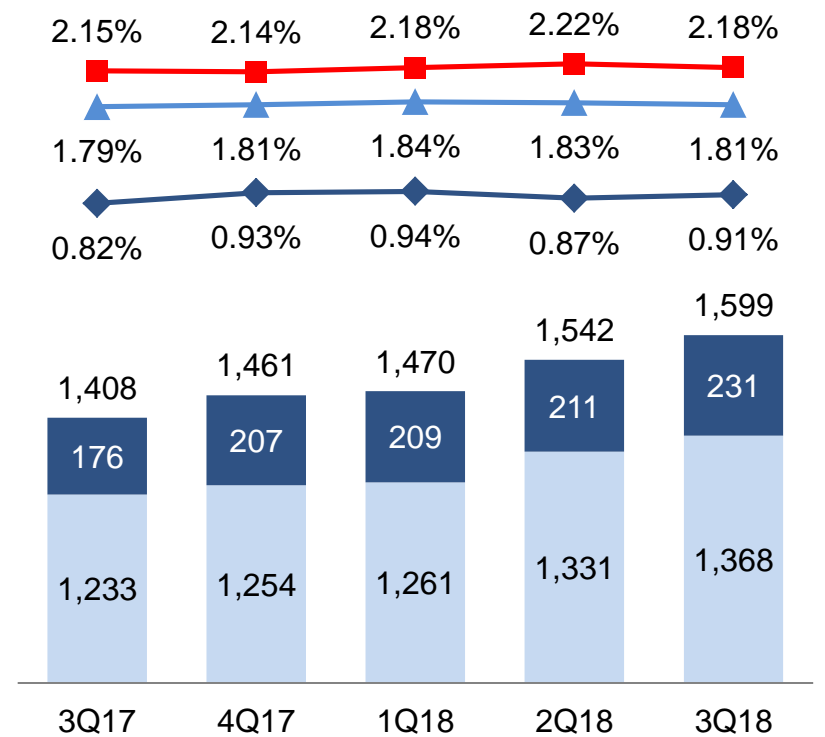
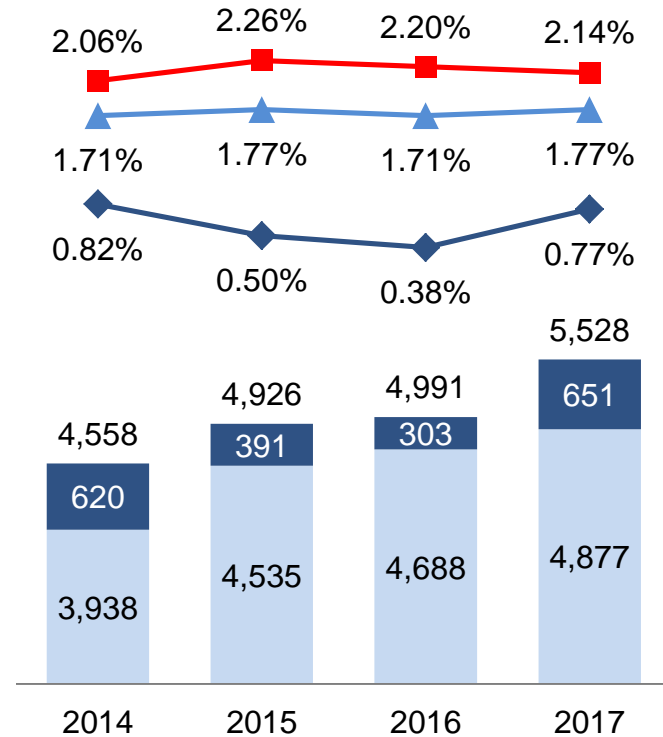
Key Indicators	3Q18	2Q18	QoQ Change	3Q17	YoY Change
Net interest margin (%) ¹	1.81	1.83	(0.02) pt	1.79	+0.02% pt
Non-interest income / Income (%)	31.3	34.2	(2.9) pt	34.9	(3.6) pt
Cost / Income ratio (%)	43.4	43.6	(0.2) pt	41.6	+1.8% pt
Return on equity (%) ^{1,2}	11.7	12.1	(0.4) pt	10.5	+1.2% pt
Return on risk-weighted assets (%) ¹	1.99	2.13	(0.14) pt	1.69	+0.30% pt

1. Computed on an annualised basis.

2. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions.

Volume Sustained Growth in Net Interest Income; Margin Stable

Net Interest Income and Net Interest Margin



Net interest income – loans (SGD m)

Net loan margin (%) *

Overall net interest margin (%) *

Net interest income – interbank & securities (SGD m)

Net interbank & securities margin (%) *

* Computed on an annualised basis, where applicable.

Broad-based Increase in Loan Portfolio

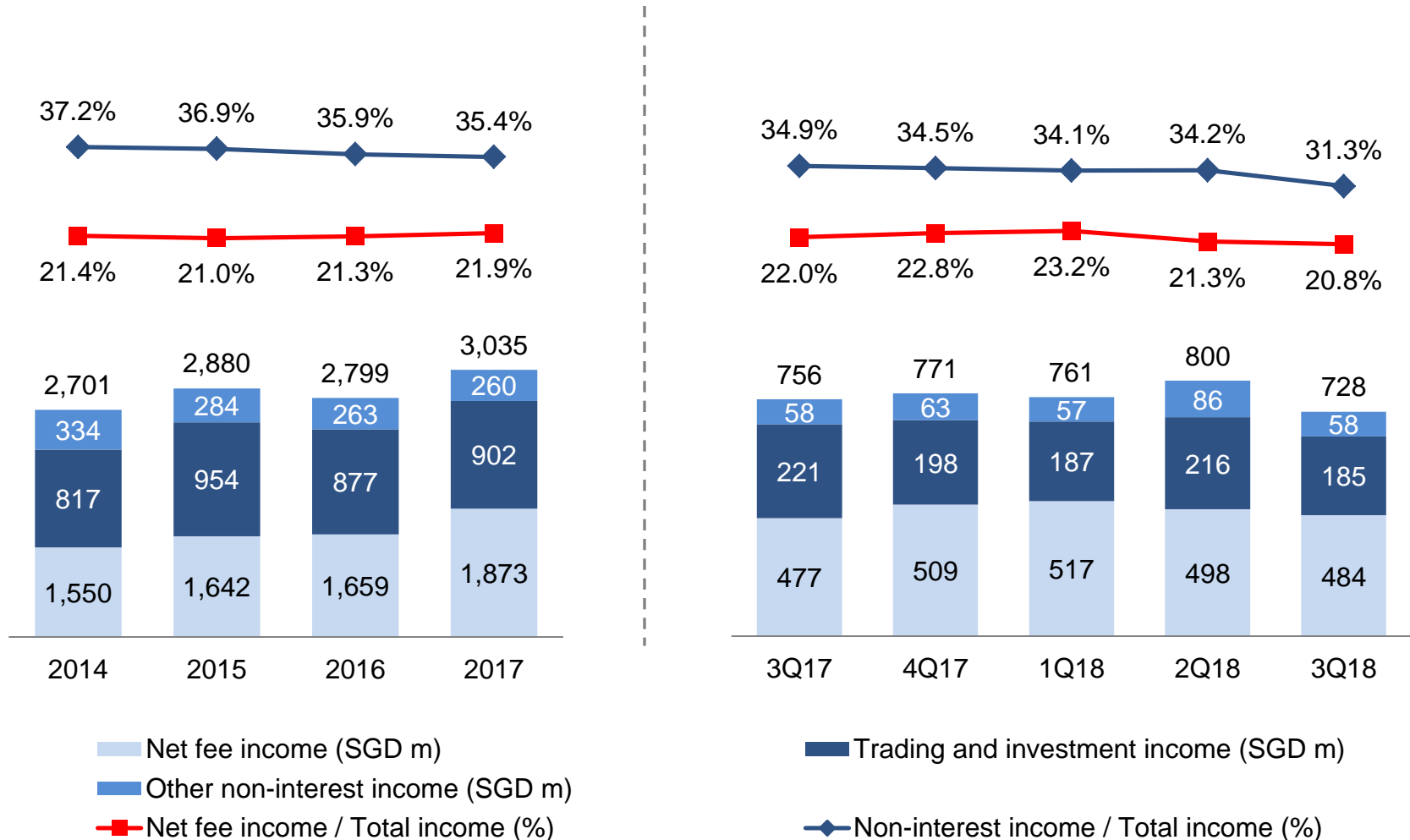


	Sep-18 SGD b	Jun-18 SGD b	QoQ +/(–) %	Sep-17 SGD b	YoY +/(–) %
Gross Loans					
<i>By Geography</i>					
Singapore	133	131	+2	127	+5
Regional:	95	94	+2	84	+14
<i>Malaysia</i>	29	29	–0	26	+11
<i>Thailand</i>	16	16	+4	14	+13
<i>Indonesia</i>	11	11	+2	11	–1
<i>Greater China</i>	39	38	+2	32	+23
Others	27	25	+5	23	+15
Total	255	250	+2	234	+9
<i>By Industry</i>					
Transport, storage and communication	10	10	+4	10	+3
Building and construction	60	58	+4	54	+12
Manufacturing	22	22	–1	19	+13
Financial institutions, investment & holding companies	23	22	+5	18	+25
General commerce	32	31	+3	30	+7
Professionals and private individuals	29	29	+0	28	+4
Housing loans	68	67	+1	64	+6
Others	12	12	+2	12	+2
Total	255	250	+2	234	+9

Note: Loans by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals).

Non-Interest Income Softened with Subdued Market Conditions

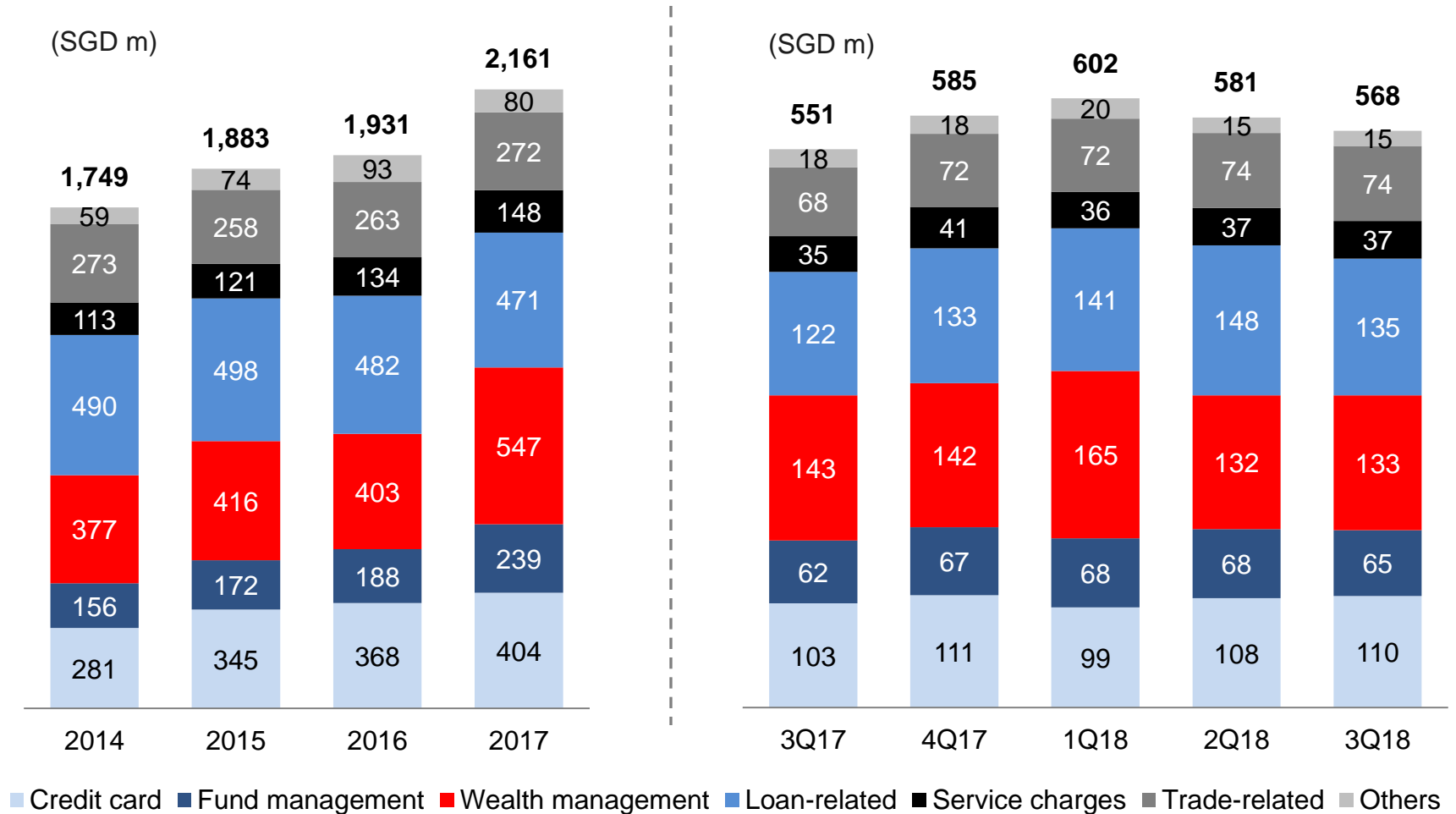
Non-Interest Income and as a % of Total Income



Note: Fee income has been restated where the amounts are net of expenses directly attributable to fee income.

Broad-based Focus in Fee Income

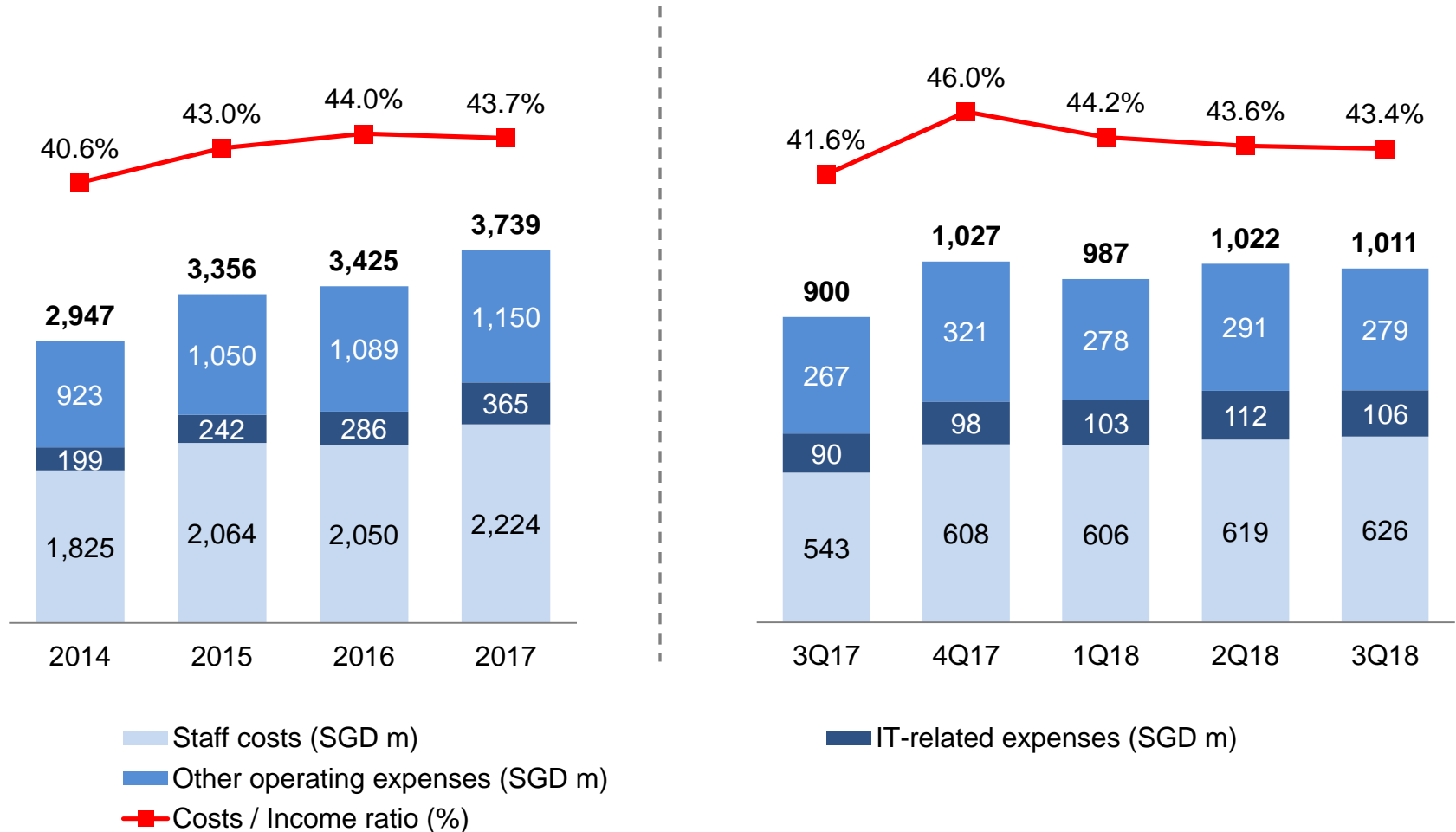
Breakdown of Fee Income



Note: The amounts represent fee income on a gross basis.

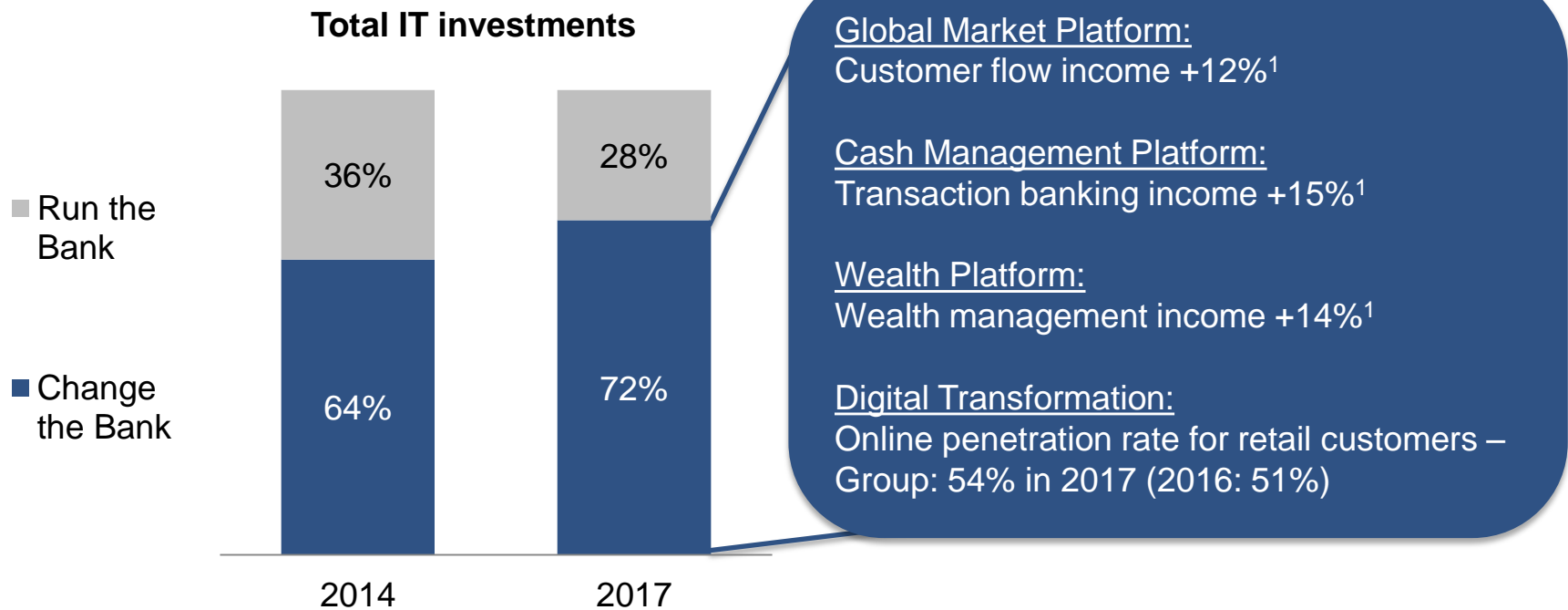
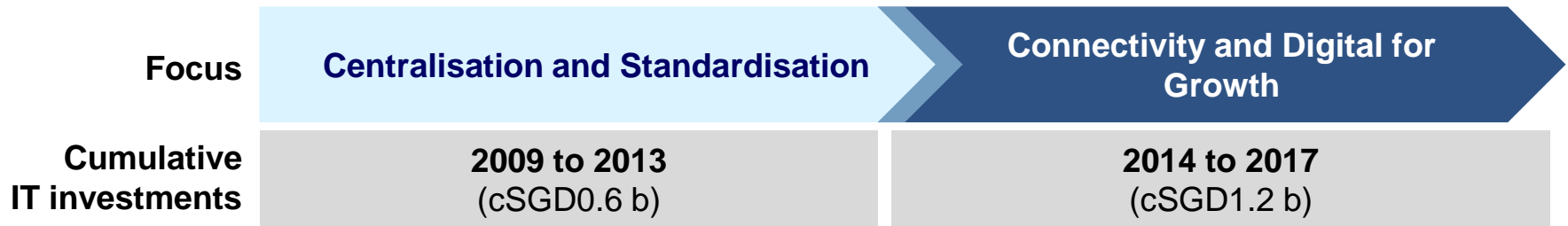
Pacing Growth in Operating Expenses, with Maintaining a Stable CIR

Operating Expenses and Costs / Income Ratio



Note: Expenses have been restated where the amounts no longer include expenses directly attributable to fee income.

IT Investments Shifting Towards “Changing the Bank”



1. CAGR computed over 4 years (2013 to 2017)

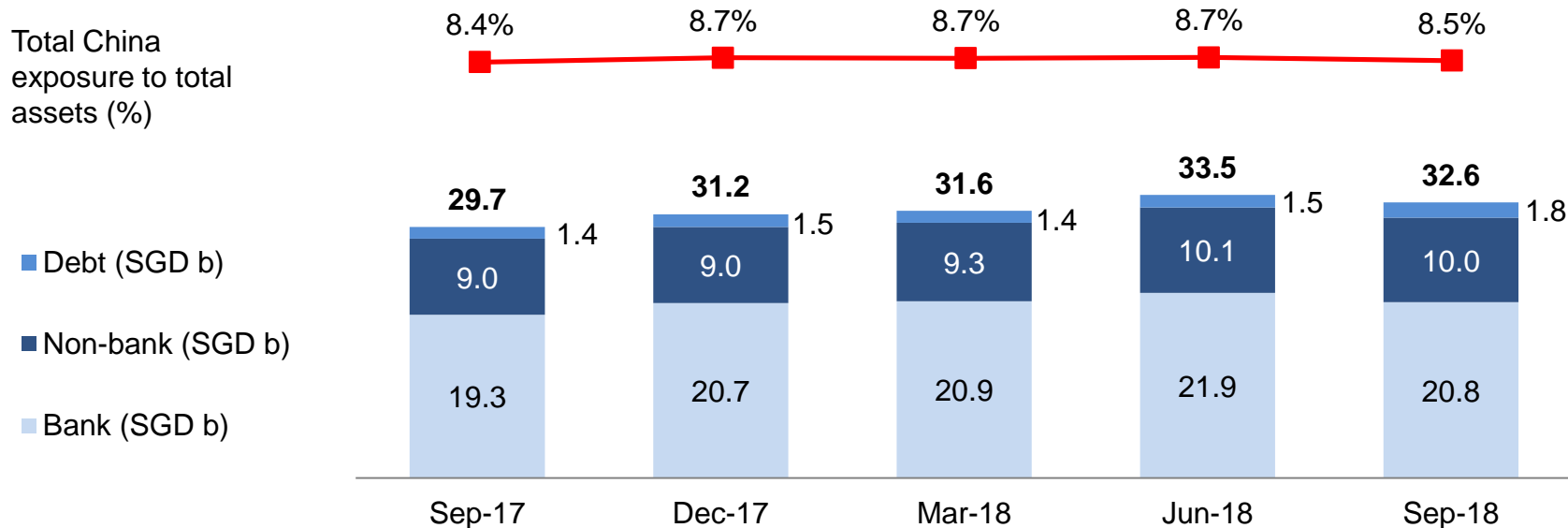
Exposure to China

Bank exposure as of 30 September 2018

- Bank exposure accounted for 65% of total exposure to China
- Top 5 domestic banks and 3 policy banks accounted for 70% of total bank exposure
- 99% with <1 year tenor
- Trade exposures mostly with bank counterparties, representing about half of bank exposure

Non-bank exposure as of 30 September 2018

- Target customers include top-tier state-owned enterprises, large local corporates and foreign investment enterprises
- NPL ratio at 0.5%
- 50% denominated in RMB
- 50% with <1 year tenor



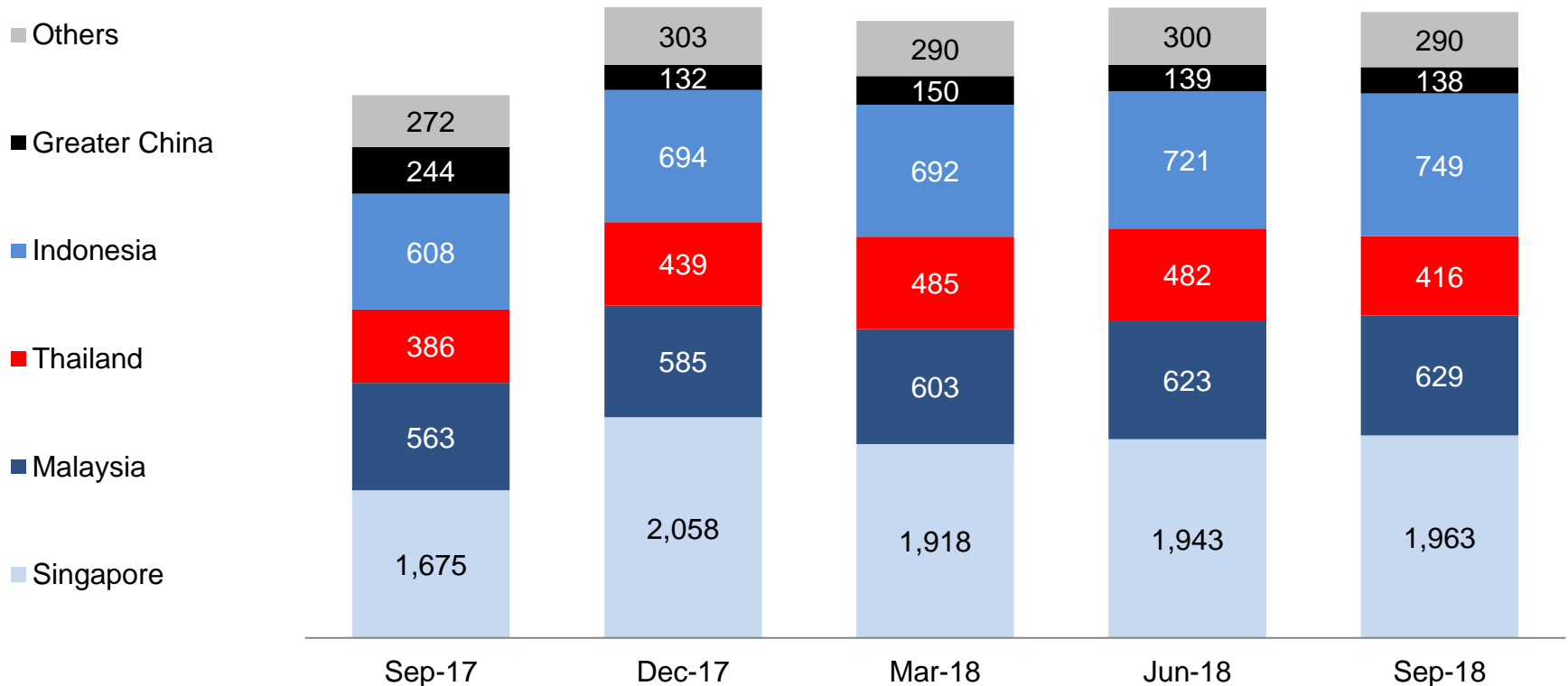
Note: Classification is according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals).

Stable New NPA Formation

(SGD m)	3Q16	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18
NPA at start of period	3,164	3,632	3,480	3,543	3,587	3,919	4,389	4,323	4,404
New NPA	780	387	424	537	799	1,167	416	436	475
Upgrades, recoveries and translations	(201)	(320)	(293)	(255)	(369)	(354)	(310)	(212)	(398)
Write-offs	(111)	(219)	(68)	(238)	(98)	(343)	(172)	(143)	(107)
NPA at end of period	3,632	3,480	3,543	3,587	3,919	4,389	4,323	4,404	4,374

NPL Ratio Improved to 1.6%

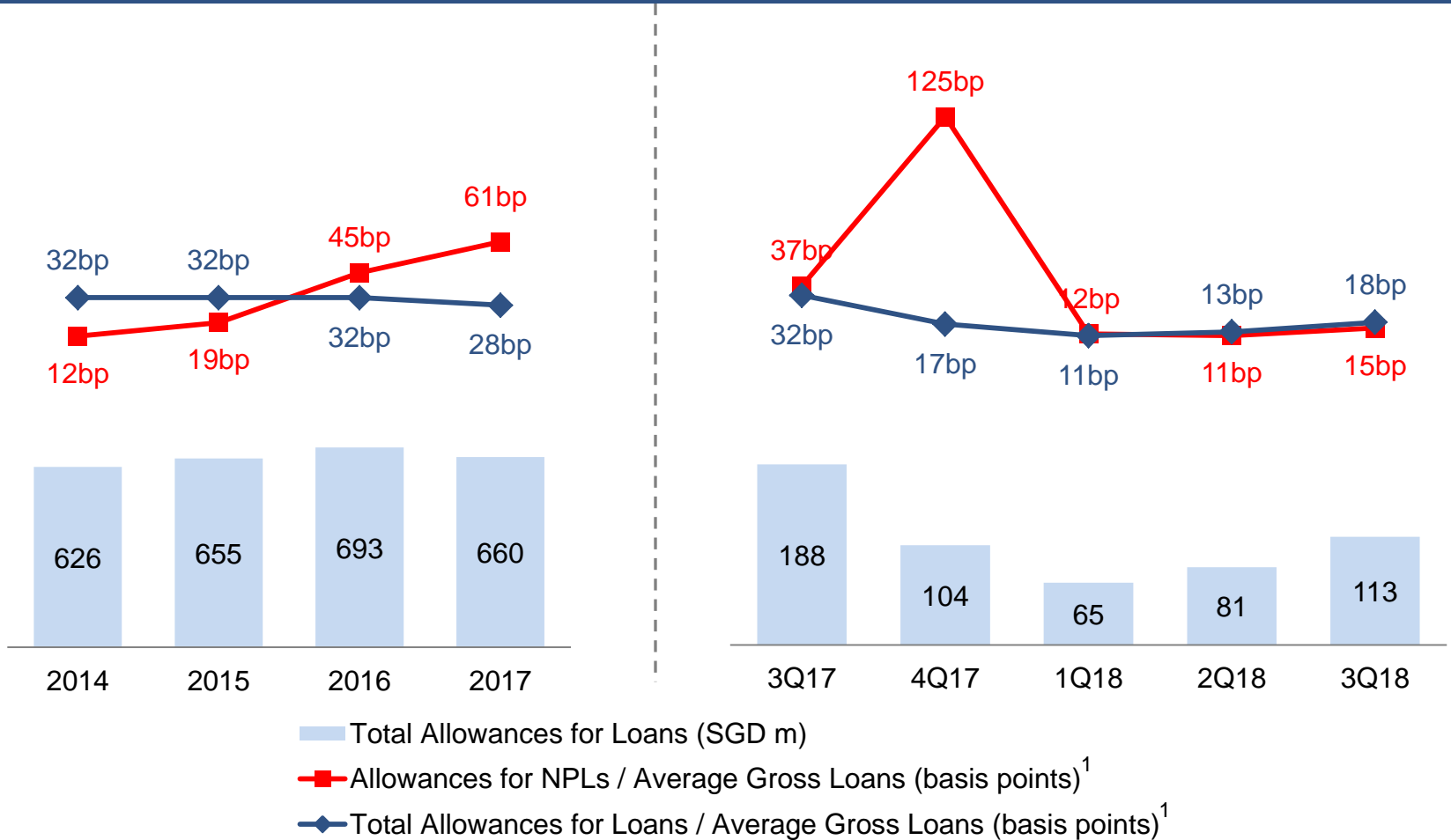
NPL ratio	1.6%	1.8%	1.7%	1.7%	1.6%
NPLs (SGD m)	3,748	4,211	4,138	4,208	4,185



Note: NPLs by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals).

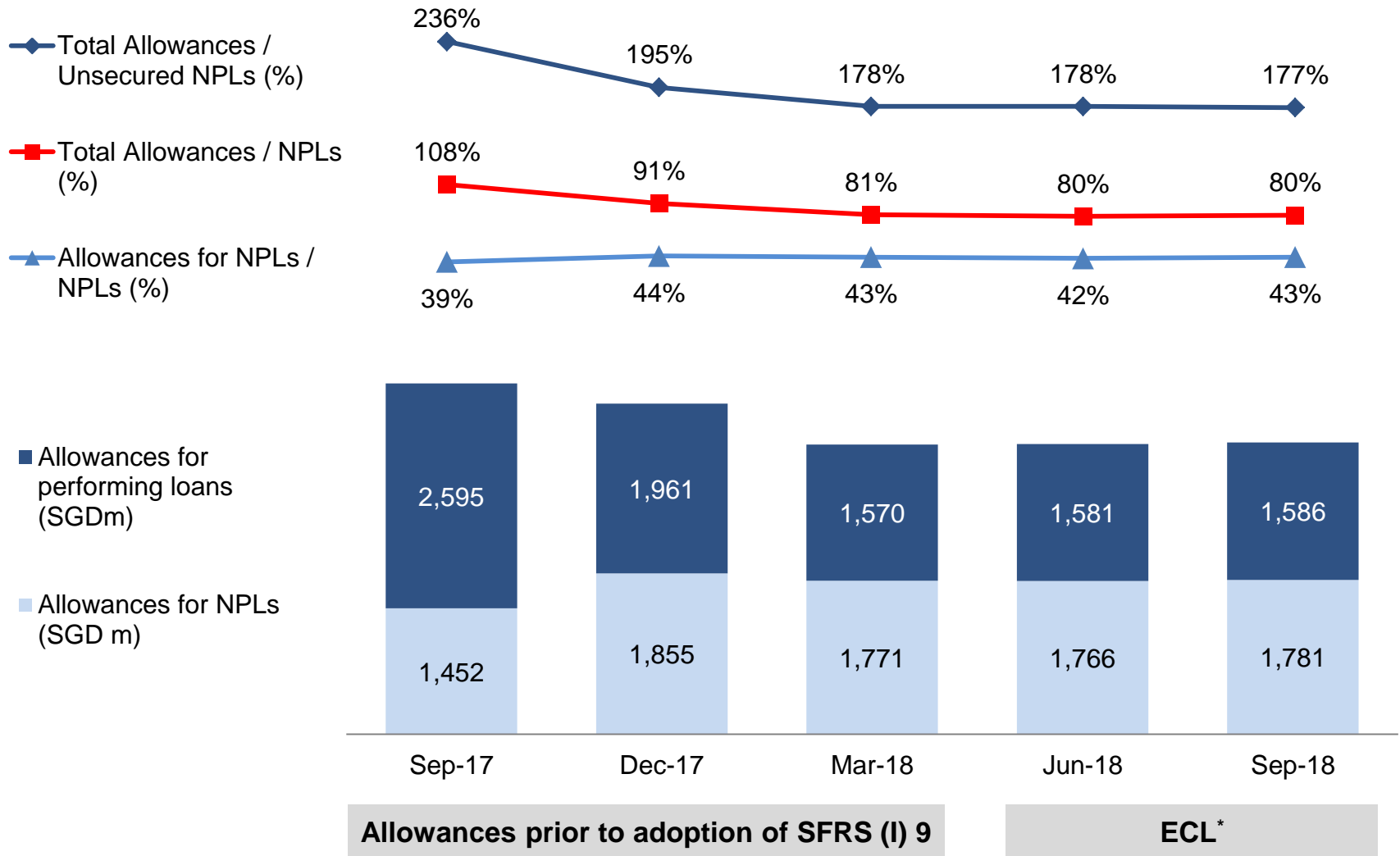
Credit Costs Inching up to More Normalised Level

Allowances for Loans



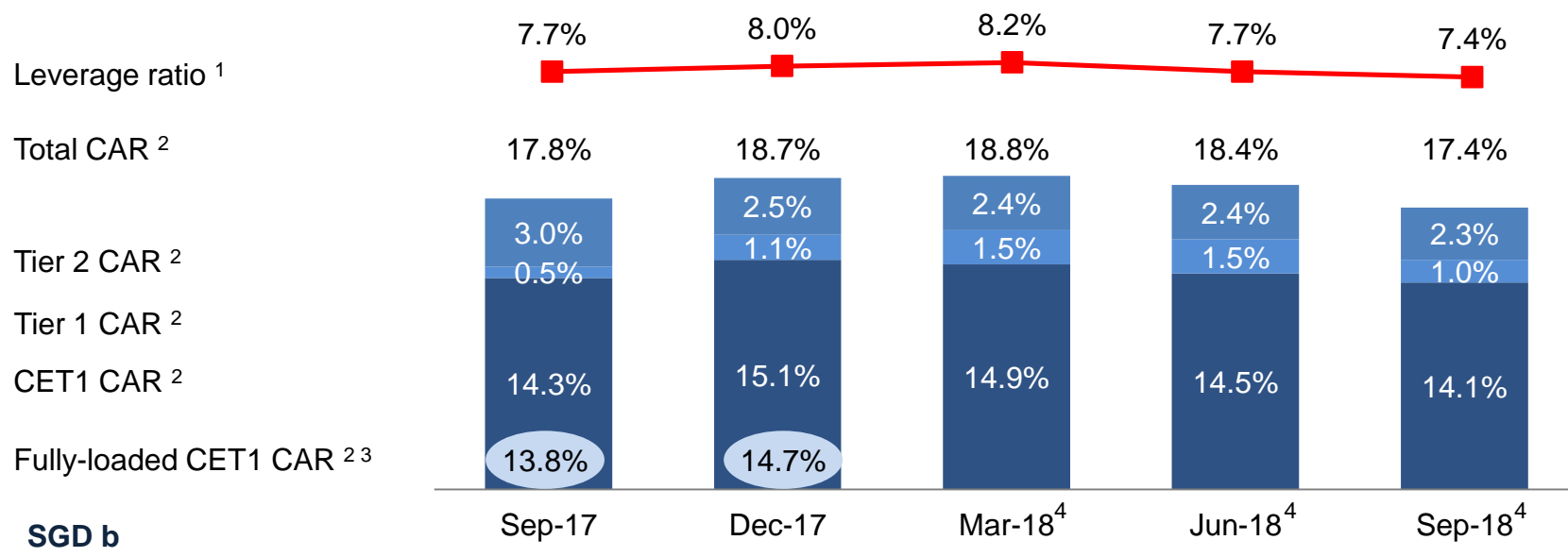
1. Computed on an annualised basis, where applicable.

Adequate NPL Reserve Coverage Ratios



* ECL: Expected credit losses under Singapore Financial Reporting Standards (International) 9: Financial Instruments

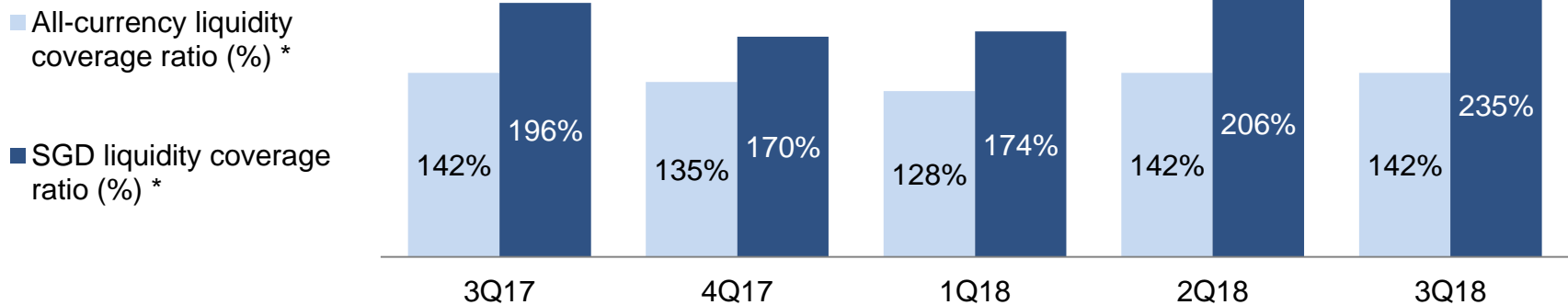
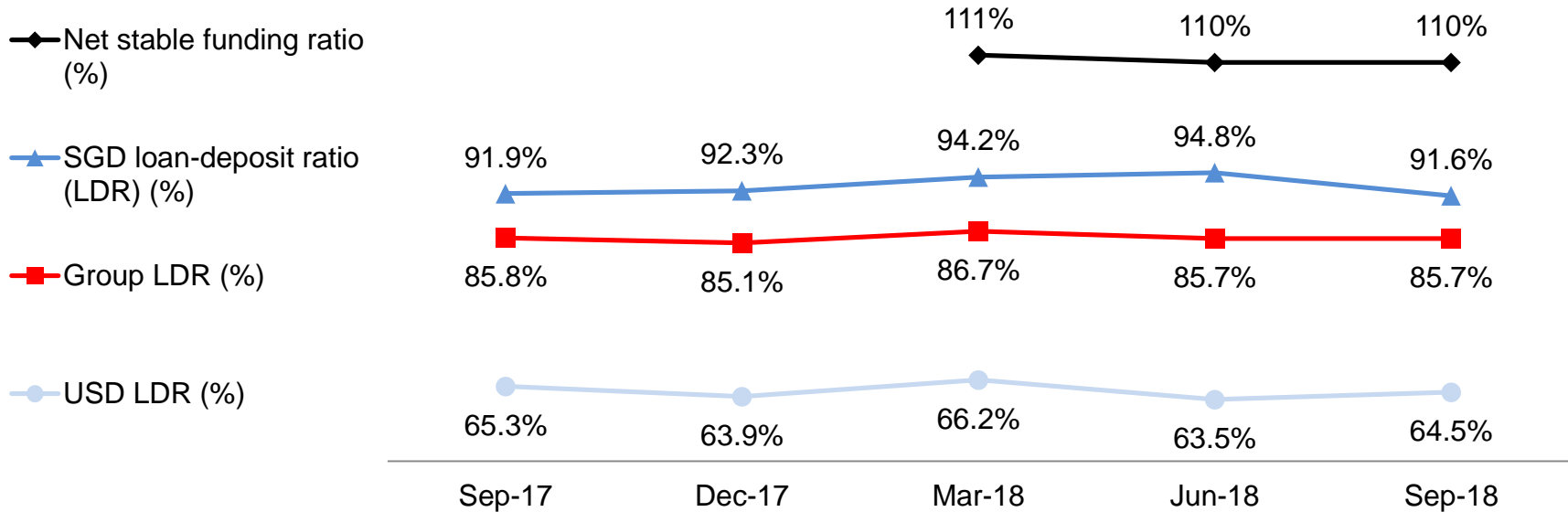
Strong Capital and Leverage Ratios



SGD b	Sep-17	Dec-17	Mar-18 ⁴	Jun-18 ⁴	Sep-18 ⁴
Common Equity Tier 1 Capital	29	30	30	30	30
Tier 1 Capital	31	32	33	33	32
Total Capital	37	37	38	38	37
Risk-Weighted Assets	206	199	202	206	213
<i>Credit</i>	180	176	179	182	188
<i>Market</i>	13	9	9	10	10
<i>Operational</i>	14	14	14	14	15

1. Leverage ratio is calculated based on the revised MAS Notice 637.
2. CAR: Capital adequacy ratio
3. Fully phased in, as per Basel III rules.
4. All capital ratios are fully-phased in from 2018 onwards.

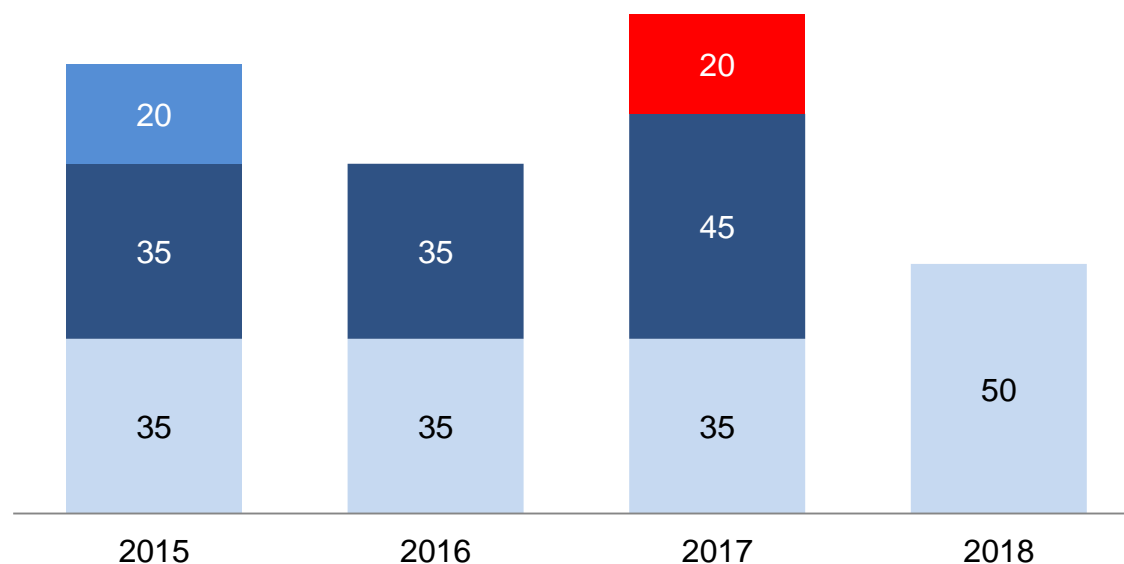
Stable Liquidity and Funding Position



* Liquidity coverage ratios are computed on a quarterly average basis

Note: Net stable funding ratio is a new regulatory requirement from 2018 onwards

Higher Interim Dividend for 2018



Net dividend per ordinary share (¢)	Interim	Final	Special	UOB 80th Anniversary
Payout amount (SGD m)	1,444	1,135	1,661	835
Payout ratio (%)	45	37	49	41
Payout ratio (excluding special/one-off dividends) (%)	35	37	39	41

Note: The Scrip Dividend Scheme was applied to UOB 80th Anniversary dividend for the financial year 2015; interim and final dividends for the financial year 2016; as well as interim, final and special dividends for the financial year 2017. The Scheme provides shareholders with the option to receive Shares in lieu of the cash amount of any dividend declared on their holding of Shares. For more details, please refer to http://www.uobgroup.com/investor/stock/dividend_history.html.

Thank You

