

UOB Group Full Year 2006 Results Briefing

FINANCIAL HIGHLIGHTS

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Agenda

1

Review of Financial Performance

2

Business & Geographical Segments

3

Loans, Deposits & Asset Quality

4

Review of Key Territories

5

Capital Management

Record Profit of \$2.57 billion

	2006 \$m	2005 \$m	+ / (-) %
Net interest income	2,710	2,348	15.5
Non-interest income	1,514	1,414	7.1
Total income	4,224	3,761	12.3
Less: Total expenses	1,736	1,424	21.9
Operating profit	2,488	2,337	6.4
Less: Intangible assets amortised / impaired	13	60	(79.2)
Other impairment charges	181	174	4.1
Add: Share of profit of associates	152	100	51.7
Less: Tax & minority interests	564	495	14.1
Net profit after tax (excluding one-time gain)	1,882	1,709	10.1
Add : One-time gain	689	-	NM
Net profit after tax	2,570	1,709	50.4

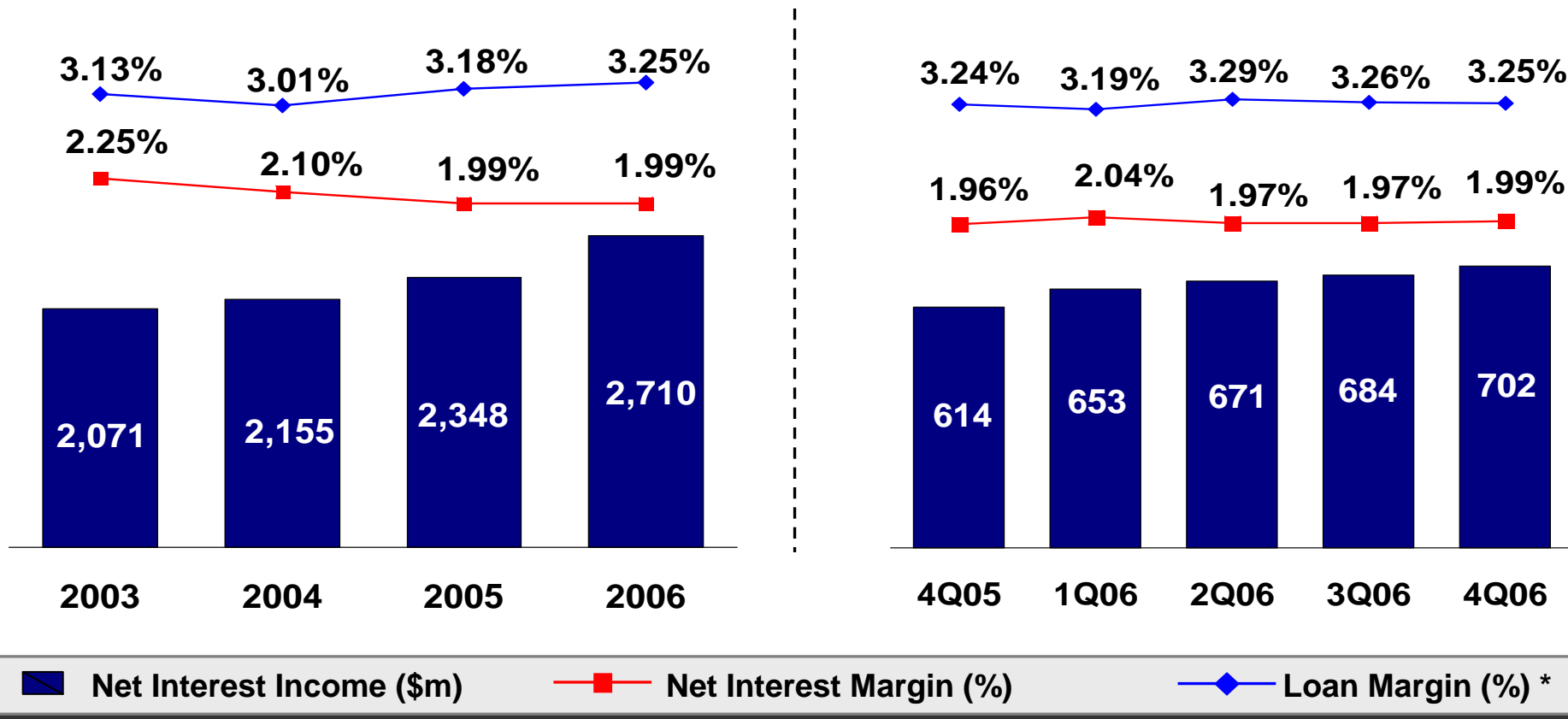
“NM” denotes not meaningful.

Quarter-on-Quarter Profit Up 16.0%

	4Q06	3Q06	+ / (-)	4Q05	+ / (-)
	\$m	\$m	%	\$m	%
Net interest income	702	684	2.6	614	14.4
Non-interest income	517	337	53.4	414	24.8
Total income	1,219	1,021	19.3	1,028	18.6
Less: Total expenses	497	424	17.1	404	23.0
Operating profit	722	597	20.9	623	15.8
Less: Intangible assets amortised	3	3	(4.2)	2	47.1
Other impairment charges	64	26	150.6	74	(12.5)
Add: Share of profit of associates	50	31	63.2	23	116.1
Less: Tax & minority interests	167	136	23.2	139	20.3
Net profit after tax	537	463	16.0	432	24.3

Higher Net Interest Income and Loan Margin

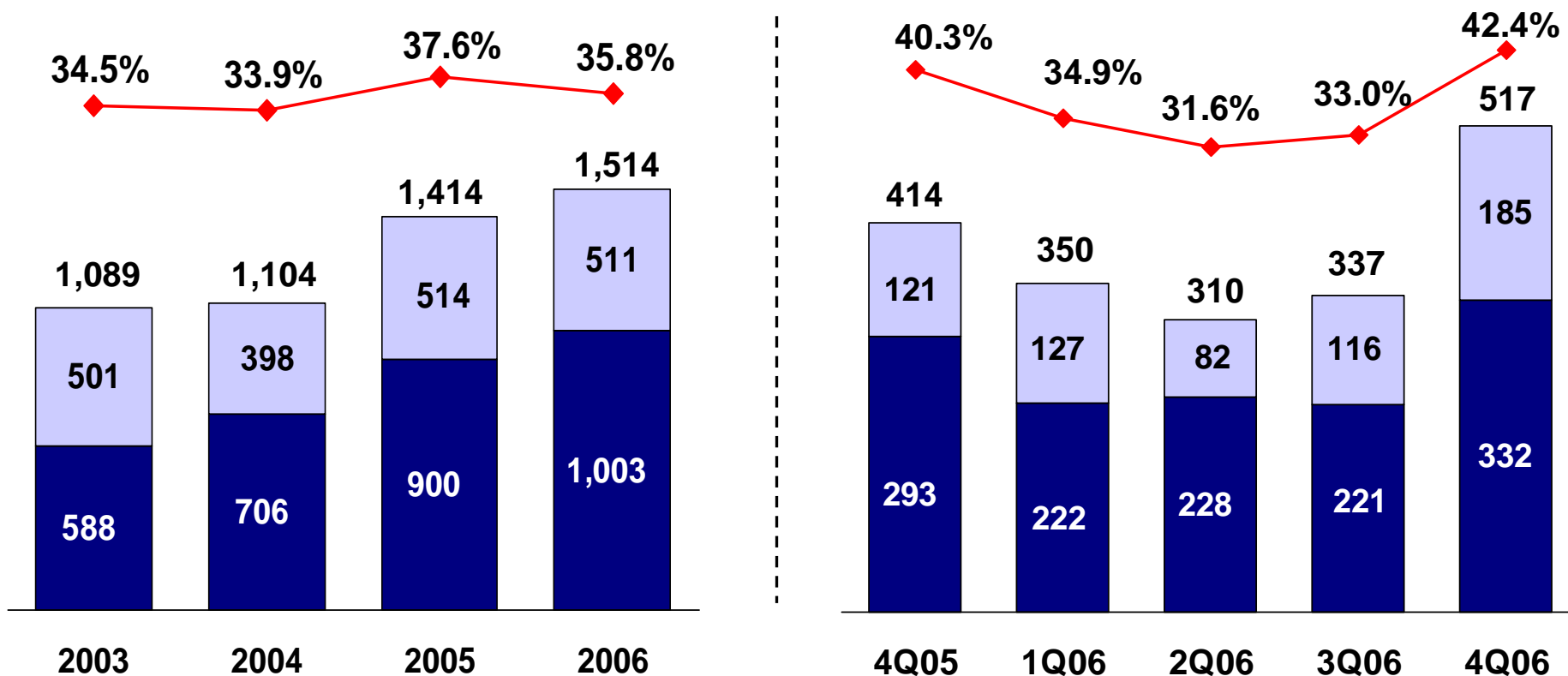
Net Interest Income and Margin



* Computed based on loan yield less cost of deposits

Higher Fee and Commission Income

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



■ Fee Income (\$m)

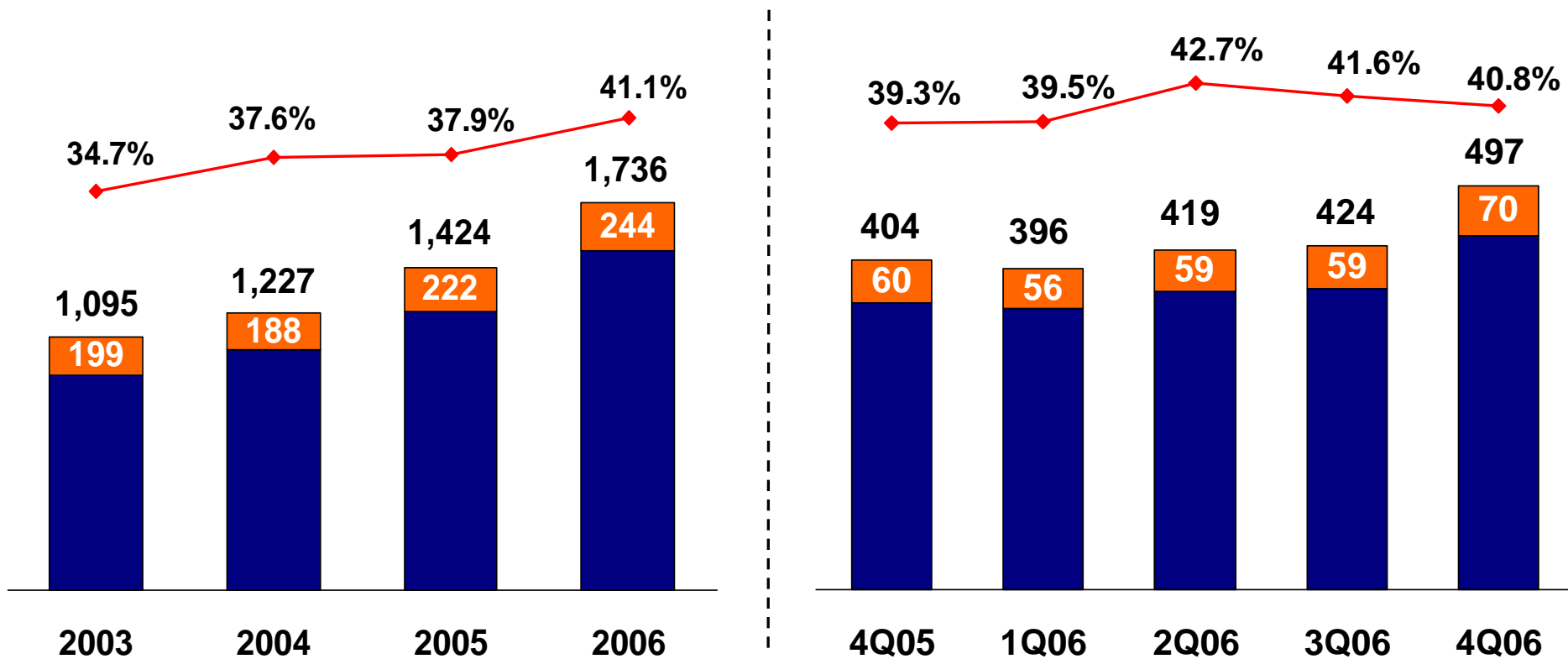
□ Other Income* (\$m)

◆ Non-NII / Total Income Ratio* (%)

* Excluding the one-time income

Continue Infrastructure Investments

Operating Expenses and Expense / Income Ratio

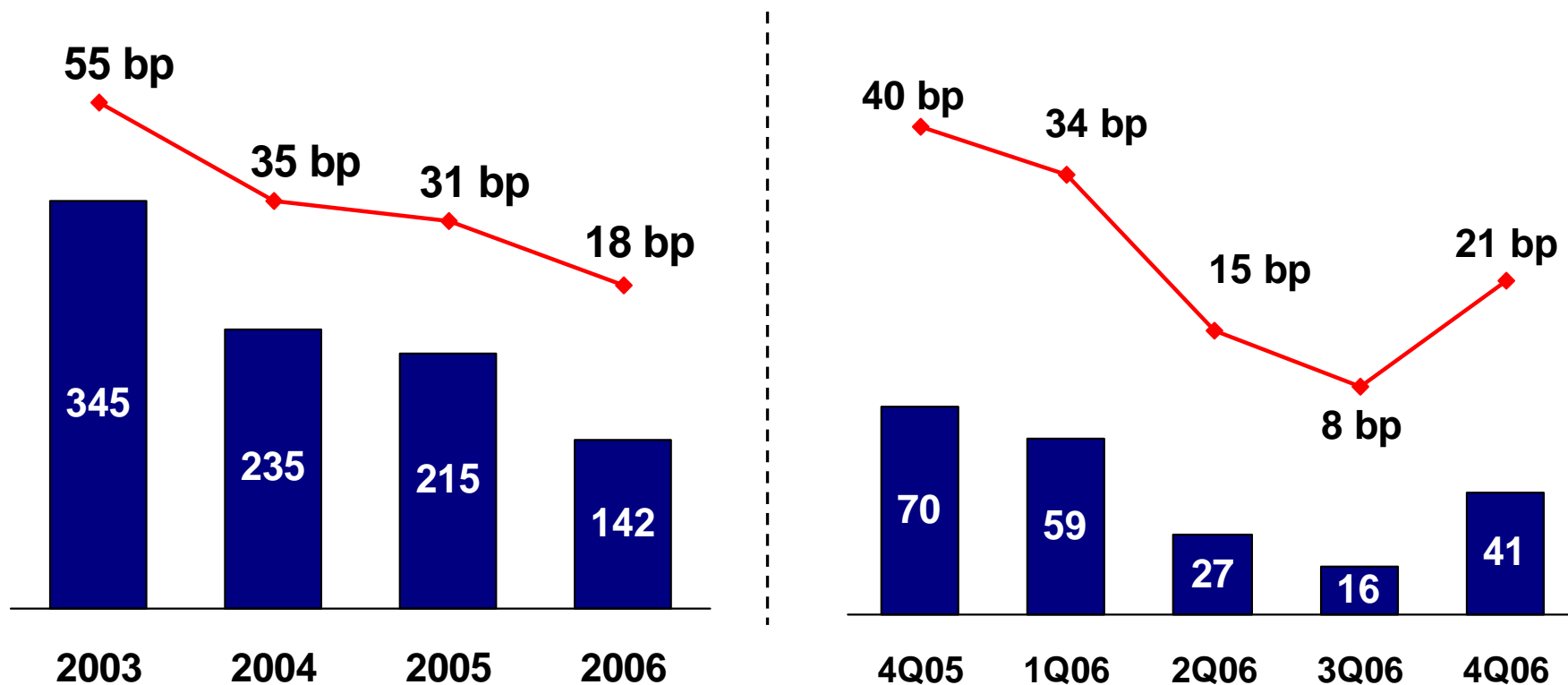


■ Operating Expenses (\$m)
 ■ IT Expenses (\$m)
 ◆ Expense / Income Ratio * (%)

* Excluding the one-time income

Lower Impairment Charges on Loans Year-on-Year

Individual Impairment on Loans Charged to Profit & Loss Account



■ Individual Impairment Charges on Loans (\$m)

◆ Individual Impairment Charges on Loans / Gross Customer Loans (basis points) *

* On annualised basis for quarters

Profit Contribution by Business Segment

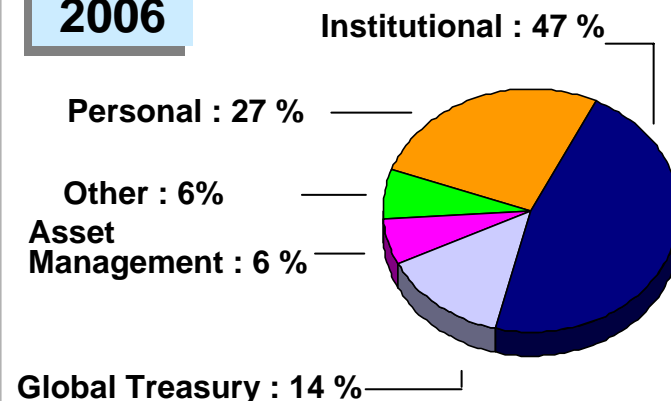
Business Segment

Segment Pre-tax Profit *	2006 \$m	2005 \$m	+ / (-) %
Personal Financial Services	630	548	15.0
Institutional Financial Services	1,110	1,034	7.4
Global Treasury	326	308	5.8
Asset Management	151	125	20.8
Other - exclude GP [^]	155	140	10.7
- write-back of GP	-	56	NM
Total	2,372	2,211	7.3

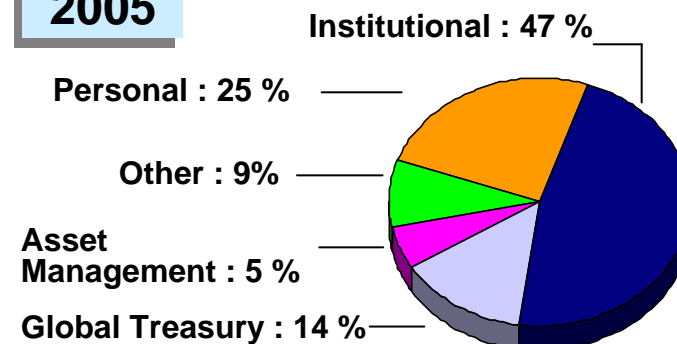
* Excluding one-time income of \$613 million in 2006, and before unallocated expenses, amortisation / impairment of intangible assets, and share of profit of associates

[^]GP denotes collective impairment charge

2006



2005



Higher Operating Profit Contribution from Overseas Operations

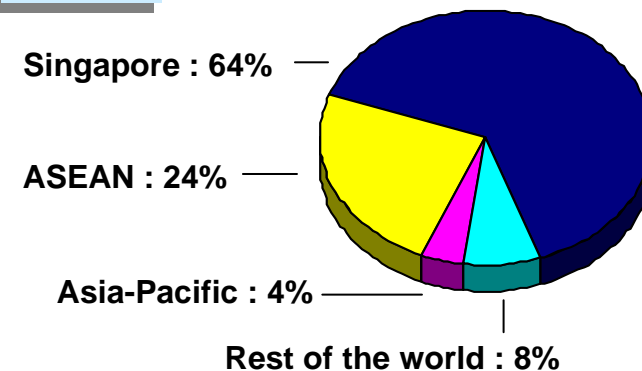
Geographical Segment

Operating Profit *	2006	2005	+ / (-)
	\$m	\$m	%
Singapore (including ACU) **	1,598	1,706	(6.3)
Other ASEAN countries	602	409	47.2
Other Asia-Pacific countries	100	88	13.6
Rest of the World	188	134	40.3
Operating Profit	2,488	2,337	6.4

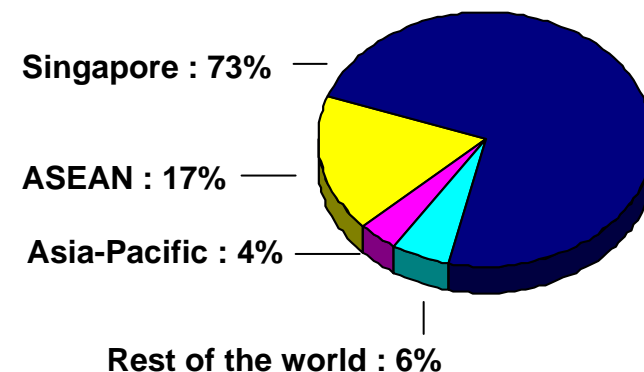
* Before amortisation and impairment charges

** Excluding the one-time income

2006

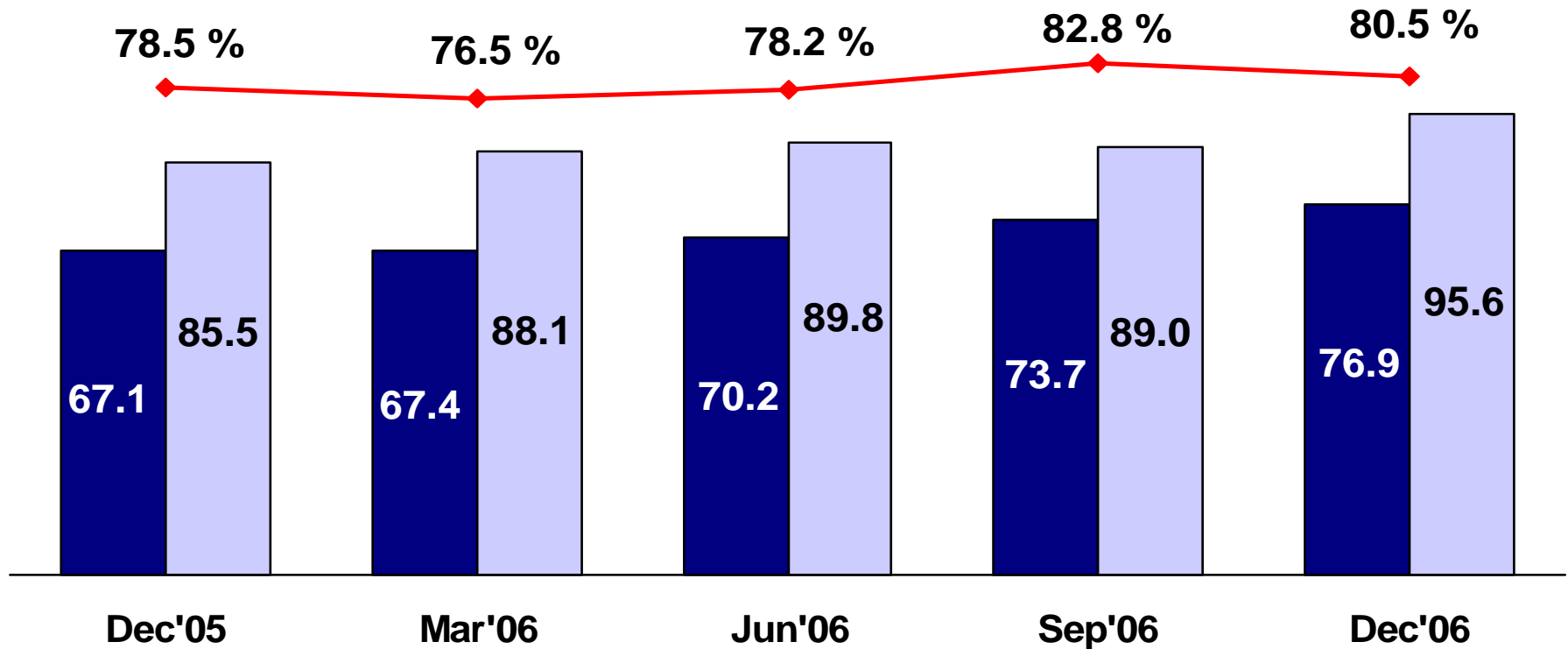


2005



Increase in Loans and Deposits

Customer Loans, Deposits and L/D Ratio



■ Net Customer Loans (\$b) ■ Customer Deposits (\$b)
—◆— Loans / Deposits (L/D) Ratio (%)

Continued Decrease in NPLs

Group:
NPLs (\$m)
NPL Ratio

3,931

3,950

3,836

3,532

3,165

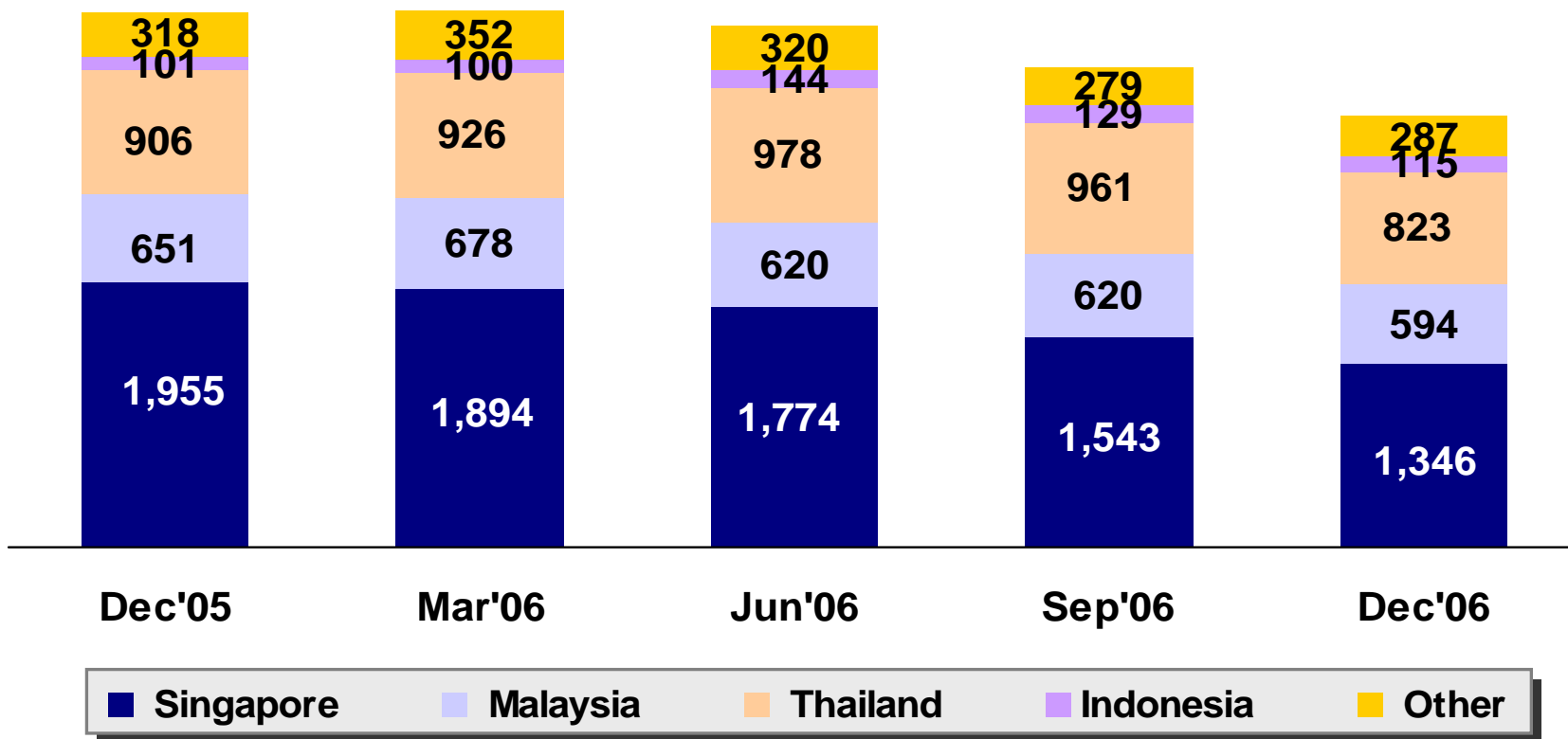
5.6%

5.6%

5.3%

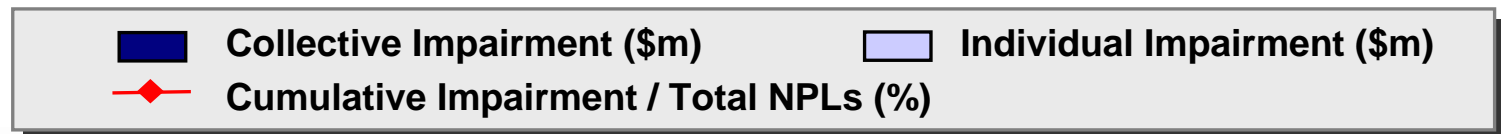
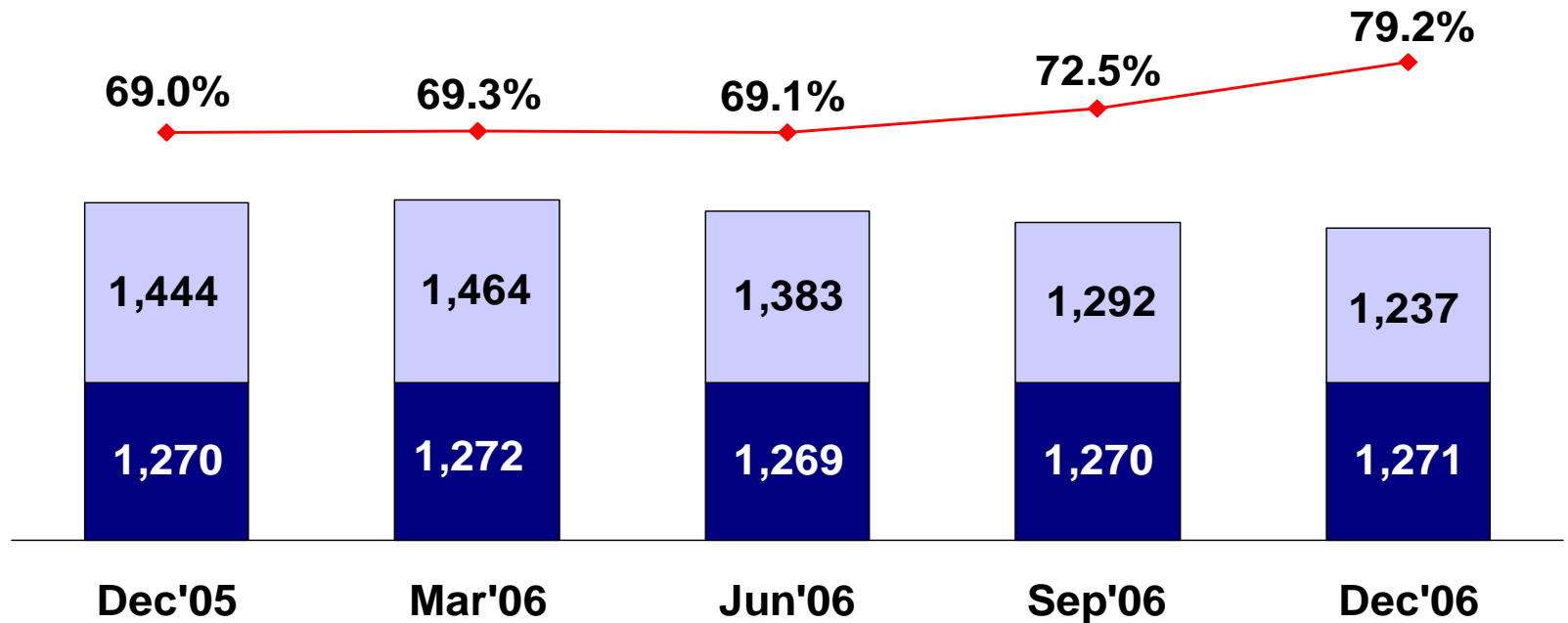
4.6%

4.0%



Impairment Coverage Remained Adequate

Total Impairment (\$m)	2,714	2,736	2,652	2,562	2,508
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Malaysia – Summarised P/L

	2006	2005	+ / (-)	4Q06	3Q06	+ / (-)
	RM'm	RM'm	%	RM'm	RM'm	%
Net interest income	708	616	15	188	188	-
Non-interest income	417	332	26	138	105	31
Total income	1,125	948	19	326	293	11
Less: Total expenses	378	298	27	116	97	20
Operating profit	747	650	15	210	196	7
Less: Total impairment charges	58	239	(76)	42	21	100
Add: Share of profit of associates	33	19	74	8	8	-
Net profit before tax	722	430	68	176	183	(4)
Net profit before tax (S\$m)	314	189	66	79	77	3

Malaysia – Key Financial Indicators

	2006	2005	+ / (-)	4Q06	3Q06	+ / (-)
	%	%	% pt	%	%	% pt
Net interest margin	3.14	2.68	0.46	3.35	3.30	0.05
Non-NII / Total income	37.1	35.0	2.1	42.3	35.8	6.5
Expense / Total income	33.6	31.4	2.2	35.6	33.1	2.5
Customer loans (net) – RM'm	20,192	17,583	14.8%	20,192	19,574	3.2%
Loans / Deposits	88.8	84.5	4.3	88.8	97.5	(8.7)
NPL ratio	6.2	7.6	(1.4)	6.2	6.7	(0.5)

Thailand – Summarised P/L

	2006	2005	+ / (-)	4Q06	3Q06	+ / (-)
	THB'm	THB'm	%	THB'm	THB'm	%
Net interest income	6,270	6,374	(2)	1,566	1,503	4
Non-interest income	2,942	2,819	4	731	824	(11)
Total income	9,212	9,193	0	2,297	2,327	(1)
Less: Total expenses	6,160	6,498	(5)	1,756	1,502	17
Operating profit	3,052	2,695	13	541	825	(34)
Less: Total impairment charges	774	1,356	(43)	(833)	354	(335)
Add: Share of profit of associates	18	(17)	NM	(3)	3	(200)
Net profit before FRS39 adjustment	2,296	1,322	74	1,371	474	189
Less: FRS39 impairment charges	1,039	-	NM	1,039	-	NM
Net profit before tax	1,257	1,322	(5)	332	474	(30)
Net profit before tax (S\$m)	55	53	4	16	20	(20)

Thailand – Key Financial Indicators

	2006	2005	+ / (-)	4Q06	3Q06	+ / (-)
	%	%	% pt	%	%	% pt
Net interest margin	3.76	3.54	0.22	3.86	3.70	0.16
Non-NII / Total income	31.9	30.7	1.2	31.8	35.4	(3.6)
Expense / Total income	66.9	70.7	(3.8)	76.4	64.5	11.9
Customer loans (net) – THB'm	146,009	149,711	(2.5%)	146,009	148,642	(1.8%)
Loans / Deposits	95.6	96.2	(0.6)	95.6	91.5	4.1
NPL ratio	11.9	13.4	(1.5)	11.9	14.1	(2.2)

Indonesia – Summarised P/L

	2006	2005*	+ / (-)	4Q06	3Q06	+ / (-)
	IDR'b	IDR'b	%	IDR'b	IDR'b	%
Net interest income	1,346	1,021	32	373	357	5
Non-interest income	333	281	19	78	88	(11)
Total income	1,679	1,302	29	451	445	1
Less: Total expenses	744	651	14	224	174	29
Operating profit	935	651	44	227	271	(16)
Less: Total impairment charges	113	57	98	48	3	NM
Net profit before tax	822	594	38	179	268	(33)
Net profit before tax (S\$m)	140	100	40	29	47	(38)

* Proforma basis, including full year results of PT Bank Buana Indonesia Tbk.

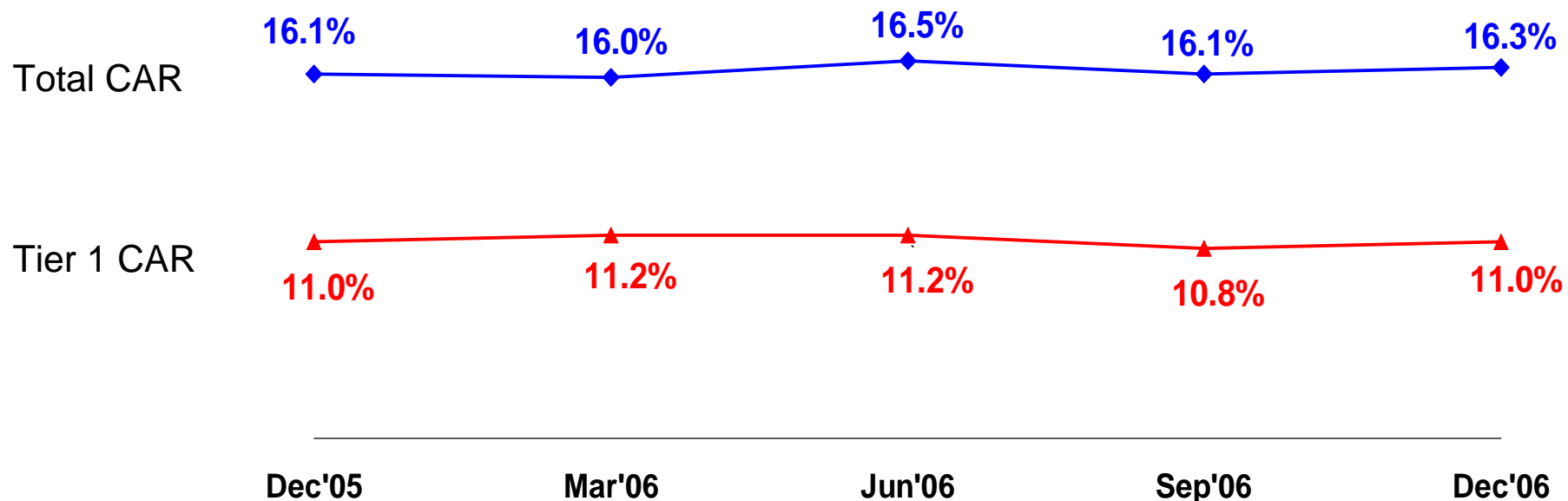
Indonesia – Key Financial Indicators

	2006	2005*	+ / (-)	4Q06	3Q06	+ / (-)
	%	%	% pt	%	%	% pt
Net interest margin	7.07	6.39	0.68	7.53	7.29	0.24
Non-NII / Total income	19.8	21.6	(1.8)	17.3	19.8	(2.5)
Expense / Total income	44.3	50.0	(5.7)	49.7	39.1	10.6
Customer loans (net) – IDR'b	14,619	11,998	21.8%	14,619	12,634	15.7%
Loans / Deposits	97.0	79.8	17.2	97.0	85.9	11.1
NPL ratio	3.5	3.1	0.4	3.5	4.3	(0.8)

* Proforma basis, including full year results of PT Bank Buana Indonesia Tbk.

Strong Capital Position

Capital Adequacy Ratios (CAR)



\$m

	Dec'05	Mar'06	Jun'06	Sep'06	Dec'06
Tier 1 Capital	10,479	10,927	11,379	11,354	11,888
Risk-Weighted Assets	95,285	97,850	101,712	105,250	108,405

In Summary ...

- Net profit surged 50.4% to \$2.57 billion
- Growth was broad-based
- Fee income reached \$1,003 million
- Loan growth of 14.5% year-on-year to \$76.9 billion
- Expense-to-income ratio was 41.1%
- NPL ratio improved to 4.0%
- Total dividend payout of \$1 per share