

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 2015**

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 2015.

***Preference share dividend***

On 17 March 2015, a semi-annual dividend at an annual rate of 5.796% totalling US\$14 million (1Q14: 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 2015, 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 2014 up to, but excluding, 23 January 2015.

**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 2015 to be false or misleading in any material aspect.

**BY ORDER OF THE BOARD**

**UNITED OVERSEAS BANK LIMITED**

Mrs Vivien Chan  
Secretary

Dated this 30<sup>th</sup> day of April 2015

The results are also available at [www.uobgroup.com](http://www.uobgroup.com)



# **Group Financial Report**

**For the First Quarter 2015**

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

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#### 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

	1Q15	1Q14	+ / (-) %	4Q14	+ / (-) %
<b>Selected income statement items (\$m)</b>					
Net interest income	1,201	1,110	8.3	1,168	2.8
Fee and commission income	453	414	9.5	450	0.8
Other non-interest income	301	228	32.0	232	29.9
Total income	1,956	1,752	11.6	1,850	5.7
Less: Total expenses	852	755	12.9	805	5.9
Operating profit	1,103	997	10.7	1,045	5.6
Less: Impairment charges	169	157	7.6	166	1.8
Add: Share of profit of associates and joint ventures	4	43	(90.8)	43	(90.9)
Net profit before tax	938	882	6.3	922	1.7
Less: Tax and non-controlling interests	137	94	45.7	136	1.0
Net profit after tax <sup>1</sup>	801	788	1.6	786	1.9

## Selected balance sheet items (\$m)

Net customer loans	199,735	185,270	7.8	195,903	2.0
Customer deposits	239,410	216,617	10.5	233,750	2.4
Total assets	313,596	295,999	5.9	306,736	2.2
Shareholders' equity <sup>1</sup>	30,830	27,253	13.1	29,569	4.3

## Key financial ratios (%)

Net interest margin <sup>2</sup>	1.76	1.73		1.69	
Non-interest income/Total income	38.6	36.7		36.8	
Expense/Income ratio	43.6	43.1		43.5	
Overseas profit before tax contribution	40.6	46.2		42.0	
Loan charge off rate (bp) <sup>2</sup>					
Exclude collective impairment	12	(0)		14	
Include collective impairment	32	32		32	
NPL ratio <sup>3</sup>	1.2	1.1		1.2	

### 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)**

	1Q15	1Q14	4Q14
<b>Key financial ratios (%) (cont'd)</b>			
Return on average total assets <sup>1</sup>	<b>1.04</b>	1.10	1.03
Return on average ordinary shareholders' equity <sup>1,2</sup>	<b>11.1</b>	12.4	11.3
Loan/Deposit ratio <sup>3</sup>	<b>83.4</b>	85.5	83.8
Capital adequacy ratios			
Common Equity Tier 1	<b>14.3</b>	14.0	13.9
Tier 1	<b>14.3</b>	14.0	13.9
Total	<b>17.1</b>	17.7	16.9
Leverage ratio <sup>4</sup>	<b>7.6</b>	NA	NA
Earnings per ordinary share (\$) <sup>1,2</sup>			
Basic	<b>1.93</b>	1.94	1.90
Diluted	<b>1.93</b>	1.93	1.89
Net asset value ("NAV") per ordinary share (\$) <sup>5</sup>	<b>17.88</b>	15.90	17.09
Revalued NAV per ordinary share (\$) <sup>5</sup>	<b>20.53</b>	18.57	19.73

## 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 Leverage ratio is calculated based on the revised MAS Notice 637 which took effect from 1 January 2015. A minimum requirement of 3% is applied during the parallel run period from 1 January 2013 to 1 January 2017.

5 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 revised FRS applicable to the Group with effect from 1 January 2015 are listed below. The adoption of these FRS has no significant impact on the financial statements of the Group.

- Amendments to FRS19 – Defined Benefit Plans: Employee Contributions

Other than the above changes, the accounting policies and computation methods adopted in the financial statements for the first quarter of 2015 are the same as those adopted in the audited financial statements for the financial year ended 31 December 2014.

## **First quarter 2015 ("1Q15") performance**

### **1Q15 versus 1Q14**

The Group's operating profit grew 10.7% from a year ago to \$1.10 billion in 1Q15, with steady contributions across core income streams. Net earnings were 1.6% higher at \$801 million.

Net interest income trended upward by 8.3% from a year ago to \$1.20 billion, mainly driven by loan growth and higher net interest margin. Net interest margin rose 3 basis points to 1.76% in 1Q15 led by improved loan pricing and higher securities yield.

Non-interest income registered a double-digit growth of 17.5% year-on-year to \$755 million in 1Q15. Fee and commission income recorded a broad-based growth of 9.5% from a year ago to \$453 million. Trading and investment income grew 50.6% year-on-year to \$225 million, led by higher gain on investment securities as well as treasury customer income.

Operating expenses increased 12.9% from a year ago to \$852 million mainly due to higher staff costs, revenue and IT-related expenses to support the Group's continued efforts in deepening customer franchise and enhancing technology capabilities. Expense-to-income ratio was stable at 43.6% in 1Q15.

Total loan charge-off rate remained at 32 basis points while total impairment charges of \$169 million was 7.6% higher than a year ago on the back of a larger loan book.

Contribution from associates' profits decreased from \$43 million in 1Q14 to \$4 million in 1Q15 due to divestment gain in the prior period.

Tax expenses were 49.7% higher than the same quarter last year at \$133 million due to higher write-back of prior years' provision in 1Q14.

### **1Q15 versus 4Q14**

Net earnings were 1.9% higher at \$801 million as compared with 4Q14, while operating profit registered an increase of 5.6% to reach \$1.10 billion.

Net interest income grew 2.8% quarter-on-quarter to \$1.20 billion in 1Q15. Net interest margin increased 7 basis points to 1.76% benefiting from improved loan pricing.

Non-interest income rose 10.7% to \$755 million over the previous quarter. Fee and commission income was reported at \$453 million with growth registering mainly in wealth management and credit card income, but partly offset by lower loan and trade related fees. Trading and investment income increased 40.2% over the previous quarter to \$225 million in 1Q15 due to higher treasury customer income, investment and trading gains.

Total expenses increased 5.9% to \$852 million mainly from higher staff costs due to salary increments in 1Q15 and a release of prior year's bonus accrual in the previous quarter.

Total impairment charges were relatively unchanged from 4Q14 at \$169 million.

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**Performance Review (cont'd)****Balance sheet and capital position**

Gross customer loans grew 7.8% year-on-year and 2.0% over the previous quarter to \$203 billion as at 31 March 2015. Loan growth was broad-based across most territories and industries.

The Group's funding position remained strong with customer deposits expanding 10.5% from a year ago to \$239 billion as at 31 March 2015. Compared with the previous quarter, customer deposits continued to grow 2.4% mainly led by US-dollar deposits. Total and SGD loan-to-deposit ratios remained healthy at 83.4% and 94.5% respectively as at 31 March 2015.

Asset quality remained healthy. Group non-performing loan ("NPL") ratio stayed stable at 1.2% with a strong NPL coverage at 147.0%.

Shareholders' equity was \$30.8 billion as at 31 March 2015, up 13.1% from a year ago largely contributed by net profit, improved valuation on the available-for-sale investments, coupled with the issuance of new ordinary shares pursuant to the scrip dividend scheme. Compared with 4Q14, shareholders' equity rose 4.3%. Return on equity was 11.1% for 1Q15.

As at 31 March 2015, the Group's strong capital position remained well above the regulatory minimum requirements with Common Equity Tier 1, Tier 1 and Total CAR at 14.3%, 14.3% and 17.1% respectively.

With effect from 1 January 2015, the Group is required under the revised Monetary Authority of Singapore Notice 637 to disclose the leverage ratio, which is a supplementary non-risk based measure of the Group's capital strength. The Group's leverage ratio stood at 7.6% as at 31 March 2015, well above the minimum requirement of 3% applied during the Basel Committee's parallel run period from 2013 to 2017.

## Net Interest Income

### Net interest margin

	1Q15			1Q14			4Q14		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate	Average balance	Interest	Average rate
	\$m	\$m	%	\$m	\$m	%	\$m	\$m	%
<b>Interest bearing assets</b>									
Customer loans	198,456	1,596	3.26	185,228	1,412	3.09	195,539	1,552	3.15
Interbank balances	53,294	164	1.25	47,597	191	1.63	53,557	177	1.31
Securities	25,759	142	2.24	27,164	141	2.11	25,985	143	2.19
<b>Total</b>	<b>277,510</b>	<b>1,903</b>	<b>2.78</b>	<b>259,989</b>	<b>1,745</b>	<b>2.72</b>	<b>275,081</b>	<b>1,873</b>	<b>2.70</b>
<b>Interest bearing liabilities</b>									
Customer deposits	235,380	618	1.07	213,325	540	1.03	228,258	615	1.07
Interbank balances/others	33,113	83	1.02	38,651	95	1.00	37,114	89	0.95
<b>Total</b>	<b>268,493</b>	<b>702</b>	<b>1.06</b>	<b>251,976</b>	<b>635</b>	<b>1.02</b>	<b>265,371</b>	<b>705</b>	<b>1.05</b>
<b>Net interest margin <sup>1</sup></b>			<b>1.76</b>			<b>1.73</b>			<b>1.69</b>

### Volume and rate analysis

	1Q15 vs 1Q14			1Q15 vs 4Q14		
	Volume change	Rate change	Net change	Volume change	Rate change	Net change
	\$m	\$m	\$m	\$m	\$m	\$m
<b>Interest income</b>						
Customer loans	101	84	184	23	56	80
Interbank balances	23	(50)	(27)	(1)	(9)	(10)
Securities	(7)	8	1	(1)	4	2
<b>Total</b>	<b>116</b>	<b>42</b>	<b>158</b>	<b>21</b>	<b>51</b>	<b>72</b>
<b>Interest expense</b>						
Customer deposits	56	23	78	19	(2)	17
Interbank balances/others	(12)	1	(12)	(10)	5	(4)
<b>Total</b>	<b>43</b>	<b>23</b>	<b>67</b>	<b>10</b>	<b>3</b>	<b>12</b>
Change in number of days	-	-	-	-	-	(26)
<b>Net interest income</b>	<b>73</b>	<b>18</b>	<b>92</b>	<b>11</b>	<b>48</b>	<b>34</b>

Net interest income continued its upward trend, rising 8.3% from a year ago and 2.8% quarter-on-quarter to \$1.20 billion in 1Q15 led by loan growth and higher net interest margin. Net interest margin increased 3 basis points from a year ago and 7 basis points over 4Q14 to 1.76%, mainly due to improved loan pricing and higher securities yield.

Note:

<sup>1</sup> Net interest margin represents annualised net interest income as a percentage of total interest bearing assets.



**Non-Interest Income**

	<b>1Q15</b>	1Q14	+ / (-)	4Q14	+ / (-)
	<b>\$m</b>	\$m	%	\$m	%
<b>Fee and commission income</b>					
Credit card	<b>81</b>	62	30.5	76	7.5
Fund management	<b>38</b>	32	19.5	40	(4.7)
Wealth management	<b>110</b>	102	7.4	88	24.0
Loan-related <sup>1</sup>	<b>116</b>	110	5.2	129	(10.0)
Service charges	<b>28</b>	27	5.0	32	(11.6)
Trade-related	<b>64</b>	66	(2.7)	69	(7.4)
Others	<b>16</b>	15	8.1	16	1.8
	<b>453</b>	414	9.5	450	0.8
<b>Other non-interest income</b>					
Net trading income	<b>153</b>	127	20.6	119	28.7
Net gain/(loss) from investment securities	<b>72</b>	22	>100.0	41	73.2
Dividend income	<b>1</b>	4	(76.9)	3	(67.2)
Rental income	<b>29</b>	29	(1.2)	28	2.2
Other income	<b>47</b>	46	2.2	40	15.4
	<b>301</b>	228	32.0	232	29.9
<b>Total</b>	<b>755</b>	642	17.5	682	10.7

Non-interest income recorded a double-digit growth of 17.5% year-on-year to \$755 million in 1Q15. Fee and commission income increased 9.5% from a year ago to \$453 million, with increases registering across major lines of businesses. Trading and investment income grew 50.6% year-on-year to \$225 million, driven by higher gain on investment securities as well as treasury customer income.

Compared with 4Q14, non-interest income was 10.7% higher as customer activities continued to grow. Fee and commission income reported at \$453 million in 1Q15 on strong growth in wealth management and credit card income, but partly offset by lower loan and trade related fees. Trading and investment income rose 40.2%, led by higher treasury customer income, investment and trading gains.

Note:

<sup>1</sup> Loan-related fees include fees earned from corporate finance activities.

## Operating Expenses

	<b>1Q15</b>	1Q14	+ / (-)	4Q14	+ / (-)
	<b>\$m</b>	\$m	%	\$m	%
<b>Staff costs</b>	<b>496</b>	454	9.2	454	9.4
<b>Other operating expenses</b>					
Revenue-related	<b>179</b>	151	18.5	175	2.3
Occupancy-related	<b>75</b>	72	4.5	65	15.1
IT-related	<b>63</b>	43	45.3	62	1.4
Others	<b>39</b>	35	12.7	49	(20.1)
	<b>356</b>	301	18.3	351	1.4
<b>Total</b>	<b>852</b>	755	12.9	805	5.9
Of which, depreciation of assets	<b>44</b>	35	25.8	55	(19.9)
Manpower (number)	<b>25,321</b>	24,775	546	25,009	312

Total expenses rose 12.9% from a year ago to \$852 million, largely due to higher staff costs, revenue and IT-related expenses to support the Group's continued efforts in deepening its customer franchise and enhancing technology capabilities.

Compared with 4Q14, total expenses increased 5.9% mainly from staff costs due to salary increments in 1Q15 and a release of prior year's bonus accrual last quarter.

Expense-to-income ratio of 43.6% in 1Q15 was stable when compared with 1Q14 and 4Q14.

## Impairment Charges

	1Q15	1Q14	+ / (-)	4Q14	+ / (-)
	\$m	\$m	%	\$m	%
<b>Individual impairment on loans</b> <sup>1</sup>					
Singapore	15	(6)	>100.0	34	(55.8)
Malaysia	13	5	>100.0	11	21.6
Thailand	19	(6)	>100.0	16	17.9
Indonesia	12	5	>100.0	(2)	>100.0
Greater China <sup>2</sup>	0	(1)	>100.0	4	(93.5)
Others	1	1	94.6	10	(88.0)
	<b>61</b>	<b>(2)</b>	<b>&gt;100.0</b>	<b>73</b>	<b>(16.1)</b>
<b>Individual impairment on securities and others</b>	<b>34</b>	<b>35</b>	<b>(2.6)</b>	<b>14</b>	<b>&gt;100.0</b>
<b>Collective impairment</b>	<b>74</b>	<b>124</b>	<b>(40.4)</b>	<b>79</b>	<b>(6.3)</b>
<b>Total</b>	<b>169</b>	<b>157</b>	<b>7.6</b>	<b>166</b>	<b>1.8</b>

Total impairment charges increased 7.6% from a year ago to \$169 million on the back of a larger loan book. Individual impairment charges increased to \$61 million from exceptionally low level due to recoveries a year ago.

Against 4Q14, total impairment charges increased marginally by 1.8%. Total loan charge-off rate was maintained at 32 basis points.

Notes:

- 1 Individual impairment charges on loans by geography is classified according to where credit risks reside, largely represented by the borrower's country of incorporation/operation (for non-individuals) and residence (for individuals).
- 2 Comprise China, Hong Kong and Taiwan.

## Customer Loans

	Mar-15	Dec-14	Mar-14
	\$m	\$m	\$m
Gross customer loans	<b>203,324</b>	199,343	188,597
Less: Individual impairment	<b>699</b>	657	779
Collective impairment	<b>2,890</b>	2,783	2,548
Net customer loans	<b>199,735</b>	195,903	185,270
<b>By industry</b>			
Transport, storage and communication	<b>10,185</b>	10,014	8,178
Building and construction	<b>26,195</b>	25,160	23,949
Manufacturing	<b>17,080</b>	17,139	16,879
Financial institutions	<b>30,363</b>	29,551	30,375
General commerce	<b>27,494</b>	27,119	23,556
Professionals and private individuals	<b>26,184</b>	26,008	24,626
Housing loans	<b>55,830</b>	54,711	51,602
Others	<b>9,992</b>	9,641	9,431
Total (gross)	<b>203,324</b>	199,343	188,597
<b>By currency</b>			
Singapore dollar	<b>108,158</b>	106,785	104,373
US dollar	<b>34,026</b>	33,471	29,018
Malaysian ringgit	<b>24,138</b>	24,364	23,634
Thai baht	<b>10,851</b>	10,155	9,369
Indonesian rupiah	<b>4,730</b>	4,777	4,742
Others	<b>21,421</b>	19,791	17,462
Total (gross)	<b>203,324</b>	199,343	188,597
<b>By maturity</b>			
Within 1 year	<b>69,463</b>	66,066	63,523
Over 1 year but within 3 years	<b>37,428</b>	39,220	38,583
Over 3 years but within 5 years	<b>24,690</b>	24,341	20,699
Over 5 years	<b>71,743</b>	69,715	65,793
Total (gross)	<b>203,324</b>	199,343	188,597
<b>By geography <sup>1</sup></b>			
Singapore	<b>114,467</b>	109,700	109,724
Malaysia	<b>25,909</b>	25,768	24,831
Thailand	<b>11,399</b>	10,836	9,988
Indonesia	<b>10,975</b>	11,100	10,337
Greater China	<b>24,263</b>	25,308	17,937
Others	<b>16,310</b>	16,631	15,780
Total (gross)	<b>203,324</b>	199,343	188,597

Gross customer loans grew 7.8% year-on-year and 2.0% over the previous quarter to \$203 billion as at 31 March 2015. Loan growth was broad-based across most industries and territories.

Loans from Singapore continued to contribute steadily and rose 4.3% over both comparative quarters to \$114 billion in 1Q15. Loans from the regional countries, which constituted more than a third of the Group loan portfolio, increased 15.0% from a year ago to \$72.5 billion as at 31 March 2015. Compared with the previous quarter, regional loans were little changed.

Note:

<sup>1</sup> Loans by geography is 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-Performing Assets

	Mar-15	Dec-14	Mar-14
	\$m	\$m	\$m
Loans ("NPL")	2,442	2,358	2,077
Debt securities and others	250	230	284
<b>Non-Performing Assets ("NPA")</b>	<b>2,692</b>	<b>2,588</b>	<b>2,361</b>

#### **By grading**

Substandard	1,900	1,855	1,289
Doubtful	187	197	474
Loss	605	536	598
<b>Total</b>	<b>2,692</b>	<b>2,588</b>	<b>2,361</b>

#### **By security coverage**

Secured	1,464	1,387	1,083
Unsecured	1,228	1,201	1,278
<b>Total</b>	<b>2,692</b>	<b>2,588</b>	<b>2,361</b>

#### **By ageing**

Current	494	536	324
Within 90 days	189	152	140
Over 90 to 180 days	270	319	245
Over 180 days	1,739	1,581	1,652
<b>Total</b>	<b>2,692</b>	<b>2,588</b>	<b>2,361</b>

#### **Cumulative impairment**

Individual	873	819	940
Collective	3,017	2,910	2,675
<b>Total</b>	<b>3,890</b>	<b>3,729</b>	<b>3,615</b>
As a % of NPA	<b>144.5%</b>	144.1%	153.1%
As a % of unsecured NPA	<b>316.8%</b>	310.5%	282.9%

	NPL	NPL	NPL	NPL	NPL
	ratio	ratio	ratio	ratio	ratio
	\$m	%	\$m	%	\$m
<b>NPL by industry</b>					
Transport, storage and communication	757	7.4	714	7.1	823
Building and construction	185	0.7	192	0.8	133
Manufacturing	301	1.8	280	1.6	227
Financial institutions	144	0.5	143	0.5	97
General commerce	273	1.0	265	1.0	259
Professionals and private individuals	229	0.9	209	0.8	170
Housing loans	501	0.9	507	0.9	333
Others	52	0.5	48	0.5	35
<b>Total</b>	<b>2,442</b>	<b>1.2</b>	<b>2,358</b>	<b>1.2</b>	<b>2,077</b>

**Non-Performing Assets (cont'd)**

	NPL \$m	NPL ratio %	Total cumulative impairment	
			as a % of NPL %	as a % of unsecured NPL %
<b>NPL by geography <sup>1</sup></b>				
Singapore				
<b>Mar-15</b>	<b>922</b>	<b>0.8</b>	<b>246.2</b>	<b>807.8</b>
Dec-14	864	0.8	249.9	817.8
Mar-14	489	0.4	419.8	1,128.0
Malaysia				
<b>Mar-15</b>	<b>388</b>	<b>1.5</b>	<b>135.1</b>	<b>467.9</b>
Dec-14	386	1.5	135.0	505.8
Mar-14	407	1.6	122.1	388.3
Thailand				
<b>Mar-15</b>	<b>292</b>	<b>2.6</b>	<b>119.2</b>	<b>236.7</b>
Dec-14	267	2.5	121.3	241.8
Mar-14	211	2.1	134.1	255.0
Indonesia				
<b>Mar-15</b>	<b>313</b>	<b>2.9</b>	<b>57.5</b>	<b>195.7</b>
Dec-14	298	2.7	55.4	150.0
Mar-14	167	1.6	39.5	122.2
Greater China				
<b>Mar-15</b>	<b>127</b>	<b>0.5</b>	<b>109.4</b>	<b>213.8</b>
Dec-14	124	0.5	109.7	191.5
Mar-14	117	0.7	96.6	194.8
Others				
<b>Mar-15</b>	<b>400</b>	<b>2.5</b>	<b>32.0</b>	<b>43.7</b>
Dec-14	419	2.5	32.2	45.0
Mar-14	686	4.3	45.9	60.7
Group NPL				
<b>Mar-15</b>	<b>2,442</b>	<b>1.2</b>	<b>147.0</b>	<b>362.5</b>
Dec-14	2,358	1.2	145.9	350.3
Mar-14	2,077	1.1	160.2	316.3

The Group's asset quality remained healthy. NPL ratio was stable at 1.2% with a strong NPL coverage of 147.0%.

Group NPL increased by 17.6% and 3.6% over 1Q14 and 4Q14 respectively to \$2.44 billion, primarily due to a few large NPL accounts in Singapore, Thailand and Indonesia.

**Note:**

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

**Customer Deposits**

	<b>Mar-15</b>	Dec-14	Mar-14
	<b>\$m</b>	\$m	\$m
<b>By product</b>			
Fixed deposits	<b>133,259</b>	129,787	115,235
Savings deposits	<b>53,362</b>	51,654	47,753
Current accounts	<b>45,253</b>	45,482	46,412
Others	<b>7,536</b>	6,827	7,218
<b>Total</b>	<b>239,410</b>	233,750	216,617
<b>By maturity</b>			
Within 1 year	<b>232,225</b>	226,593	210,581
Over 1 year but within 3 years	<b>5,625</b>	5,521	4,759
Over 3 years but within 5 years	<b>494</b>	646	431
Over 5 years	<b>1,066</b>	989	847
<b>Total</b>	<b>239,410</b>	233,750	216,617
<b>By currency</b>			
Singapore dollar	<b>112,193</b>	112,608	109,366
US dollar	<b>58,267</b>	49,068	40,987
Malaysian ringgit	<b>26,990</b>	27,199	26,683
Thai baht	<b>11,536</b>	10,970	9,153
Indonesian rupiah	<b>4,861</b>	4,822	4,634
Others	<b>25,564</b>	29,082	25,796
<b>Total</b>	<b>239,410</b>	233,750	216,617
Group Loan/Deposit ratio (%)	<b>83.4</b>	83.8	85.5
SGD Loan/Deposit ratio (%)	<b>94.5</b>	93.0	93.7
USD Loan/Deposit ratio (%)	<b>58.0</b>	67.7	70.2

Customer deposits rose 10.5% from a year ago, in line with loan growth and mainly contributed by Singapore-dollar and US-dollar deposits. Compared with the previous quarter, customer deposits continued to grow 2.4% mainly led by US-dollar deposits.

As at 31 March 2015, Group's loan-to-deposit ratio and SGD loan-to-deposit ratio remained healthy at 83.4% and 94.5% respectively, while USD loan-to-deposit ratio was lower at 58.0%.

**Debts Issued (Unsecured)**

	<b>Mar-15</b>	Dec-14	Mar-14
	<b>\$m</b>	\$m	\$m
Subordinated debts	<b>4,520</b>	4,640	6,317
Commercial papers	<b>7,686</b>	10,502	12,174
Fixed and floating rate notes	<b>4,119</b>	4,211	2,523
Others	<b>2,371</b>	1,601	1,983
<b>Total</b>	<b>18,696</b>	20,953	22,997
Due within 1 year	<b>9,832</b>	12,393	14,315
Due after 1 year	<b>8,864</b>	8,560	8,682
<b>Total</b>	<b>18,696</b>	20,953	22,997

### Shareholders' Equity

	<b>Mar-15</b>	Dec-14	Mar-14
	<b>\$m</b>	\$m	\$m
Shareholders' equity	<b>30,830</b>	29,569	27,253
Add: Revaluation surplus	<b>4,234</b>	4,224	4,196
Shareholders' equity including revaluation surplus	<b>35,064</b>	33,793	31,449

Shareholders' equity was \$30.8 billion as at 31 March 2015, up 13.1% from a year ago. The increase was largely led by higher net profits, improved valuation on the available-for-sale investments, coupled with the issuance of new ordinary shares pursuant to the scrip dividend scheme. Compared with 4Q14, shareholders' equity rose 4.3%.

As at 31 March 2015, revaluation surplus of \$4.23 billion relates to Group's properties, are not recognised in the financial statements.

### Changes in Issued Shares of the Bank

	<b>Number of shares</b>	
	<b>1Q15</b>	1Q14
	<b>'000</b>	'000
<b>Ordinary shares</b>		
Balance at beginning/end of period	<b>1,614,544</b>	1,590,494
<b>Treasury shares</b>		
Balance at beginning of period	<b>(11,857)</b>	(14,069)
Share buyback - held in treasury	<b>(596)</b>	-
Issue of shares under share-based compensation plans	<b>173</b>	191
Balance at end of period	<b>(12,280)</b>	(13,878)
Ordinary shares net of treasury shares	<b>1,602,263</b>	1,576,616



## **Performance by Operating Segment**

The Group is organised 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 9.9% to \$332 million in 1Q15, mainly driven by higher net interest income as well as higher non-interest income from treasury and credit cards products. The increase was partly negated by higher business volume-related costs.

### **Group Wholesale Banking ("GWB")**

GWB segment encompasses Commercial Banking, Corporate Banking and Financial Institutions client segments as well as Transaction Banking, Structured Trade Commodities Finance, Investment Banking and Specialised Asset Finance. Commercial Banking serves medium and large enterprises, while Corporate Banking includes large local corporations, multi-national corporations and government-linked companies and agencies. Financial Institutions include bank and non-bank financial institutions, including, insurance companies, fund managers and sovereign wealth funds. GWB provides customers with a broad range of products and services that include cash management and liquidity solutions; payments, current accounts, and deposit services; trade finance and structure finance solutions; working capital and term lending, and specialised asset finance. Investment Banking provides corporate finance services that include lead managing and underwriting equity offerings and corporate advisory M&A 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 net profit grew 4.8% to \$585 million in 1Q15, driven by net interest income and increased cross-sell income from global markets products and transaction banking. Revenue growth was partly offset by higher impairment charges and higher operating expenses. Increased operating expenses primarily resulted from the continued investment in product capabilities and hiring of new talent as the business expanded regionally.

### **Global Markets and Investment Management ("GMIM")**

GMIM segment provides a comprehensive range of global markets 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 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 global markets 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 increased 70.0% to \$119 million in 1Q15, mainly attributed to higher gain on investment securities, offset by lower income from market making activities.

### **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 \$98 million in 1Q15, as compared to a loss of \$48 million in 1Q14, mainly due to lower associates' profit.

**Performance by Operating Segment**<sup>1,2</sup> (cont'd)

	GR	GWB	GMIM	Others	Elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m
<b>1Q15</b>						
Operating income	797	796	238	167	(42)	1,956
Operating expenses	(427)	(180)	(110)	(177)	42	(852)
Impairment charges	(38)	(31)	(1)	(99)	-	(169)
Share of profit of associates and joint ventures	-	-	(8)	12	-	4
Profit before tax	332	585	119	(98)	-	938
Tax						(133)
<b>Profit for the financial period</b>						<b>805</b>
<b>Segment assets</b>	<b>90,574</b>	<b>127,431</b>	<b>92,530</b>	<b>2,738</b>	<b>(5,026)</b>	<b>308,247</b>
Intangible assets	1,319	2,090	660	82	-	4,151
Investment in associates and joint ventures	-	-	340	858	-	1,198
Total assets	91,893	129,521	93,530	3,678	(5,026)	313,596
<b>Segment liabilities</b>	<b>111,848</b>	<b>130,779</b>	<b>35,370</b>	<b>10,274</b>	<b>(5,713)</b>	<b>282,558</b>
<b>Other information</b>						
Inter-segment operating income	91	(16)	(170)	137	(42)	-
Gross customer loans	90,396	112,090	828	10	-	203,324
Non-performing assets	811	1,770	25	86	-	2,692
Capital expenditure	5	2	6	37	-	50
Depreciation of assets	3	2	1	38	-	44
<b>1Q14</b>						
Operating income	719	717	196	163	(43)	1,752
Operating expenses	(381)	(163)	(92)	(162)	43	(755)
Impairment charges	(36)	4	(34)	(91)	-	(157)
Share of profit of associates and joint ventures	-	-	1	42	-	43
Profit before tax	302	558	70	(48)	-	882
Tax						(89)
<b>Profit for the financial period</b>						<b>794</b>
<b>Segment assets</b>	<b>84,192</b>	<b>126,423</b>	<b>82,449</b>	<b>1,933</b>	<b>(4,146)</b>	<b>290,851</b>
Intangible assets	1,320	2,091	661	80	-	4,152
Investment in associates and joint ventures	-	-	9	987	-	996
Total assets	85,512	128,514	83,119	3,000	(4,146)	295,999
<b>Segment liabilities</b>	<b>103,519</b>	<b>92,935</b>	<b>67,096</b>	<b>9,773</b>	<b>(4,776)</b>	<b>268,547</b>
<b>Other information</b>						
Inter-segment operating income	78	(84)	(84)	133	(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

## Notes:

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

2 Long Term Investment has been reclassified from Others to GMIM and prior period comparatives have been restated accordingly.

**Performance by Geographical Segment**<sup>1</sup>

	1Q15	1Q14	4Q14
	\$m	\$m	\$m
<b>Total operating income</b>			
Singapore	1,120	1,004	1,022
Malaysia	261	242	276
Thailand	193	158	187
Indonesia	97	99	106
Greater China	171	160	142
Others	115	89	117
<b>Total</b>	<b>1,956</b>	<b>1,752</b>	<b>1,850</b>
<b>Profit before tax</b>			
Singapore	557	475	535
Malaysia	143	160	124
Thailand	51	57	39
Indonesia	10	24	44
Greater China	104	101	61
Others	72	66	119
<b>Total</b>	<b>938</b>	<b>882</b>	<b>922</b>

The Group's total operating income grew 11.6% over 1Q14 to \$1.96 billion, which was largely contributed by Singapore growth of 11.6% and regional growth of 9.6%. In terms of pre-tax profit, the Group reported an increase of 6.3% from a year ago with overseas contributing 40.6% to the Group's pre-tax profit. Compared with 4Q14, the Group's pre-tax profit rose 1.7% across Singapore and the region.

	Mar-15	Dec-14	Mar-14
	\$m	\$m	\$m
<b>Total assets</b>			
Singapore	188,222	187,529	182,002
Malaysia	35,322	37,269	36,969
Thailand	16,990	15,915	15,448
Indonesia	8,443	8,143	7,810
Greater China	32,351	31,977	29,189
Others	28,117	21,754	20,428
	<b>309,446</b>	<b>302,587</b>	<b>291,847</b>
Intangible assets	4,151	4,149	4,152
<b>Total</b>	<b>313,596</b>	<b>306,736</b>	<b>295,999</b>

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 and Leverage Ratios** <sup>1,2,3</sup>

	Mar-15	Dec-14	Mar-14
	\$m	\$m	\$m
Share capital	3,704	3,715	3,159
Disclosed reserves/others	24,833	23,590	21,791
Regulatory adjustments	(2,600)	(2,408)	(2,343)
<b>Common Equity Tier 1 Capital ("CET1")</b>	<b>25,937</b>	<b>24,897</b>	<b>22,607</b>
Preference shares/others	2,180	2,180	2,180
Regulatory adjustments - capped	(2,180)	(2,180)	(2,180)
<b>Additional Tier 1 Capital ("AT1")</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tier 1 Capital</b>	<b>25,937</b>	<b>24,897</b>	<b>22,607</b>
Subordinated notes	4,475	4,405	5,170
Provisions/others	937	918	834
Regulatory adjustments	(202)	(12)	(13)
<b>Tier 2 Capital</b>	<b>5,210</b>	<b>5,311</b>	<b>5,992</b>
<b>Eligible Total Capital</b>	<b>31,147</b>	<b>30,208</b>	<b>28,598</b>
<b>Risk-Weighted Assets ("RWA")</b>	<b>181,892</b>	<b>178,792</b>	<b>161,498</b>
<b>Capital Adequacy Ratios ("CAR")</b>			
CET1	14.3%	13.9%	14.0%
Tier 1	14.3%	13.9%	14.0%
Total	17.1%	16.9%	17.7%
Proforma CET1 (based on final rules effective 1 Jan 2018)	12.8%	12.6%	12.5%
<b>Leverage Exposure</b>	<b>339,409</b>	NA	NA
<b>Leverage Ratio</b>	<b>7.6%</b>	NA	NA

The Group's CET1, Tier 1 and Total CAR as at 31 March 2015 were well above the regulatory minimum requirements.

Compared to a year ago, total capital increased largely from retained earnings and issuance of Basel III-compliant instruments, partly offset by redemption of old-style Tier-2 subordinated notes during 2014. RWA was higher as a result of asset growth.

Compared with 31 December 2014, capital ratios improved due to first quarter's retained earnings. This was partially offset by higher RWA mainly from loan growth.

The Group's leverage ratio stood at 7.6%, well above the minimum 3% required by the Basel Committee.

**Notes:**

1 For year 2015, banks incorporated in Singapore are to maintain minimum CAR of CET1 at 6.5% (2014: 5.5%), Tier 1 at 8% (2014: 7%) 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 Leverage ratio is calculated based on the revised MAS Notice 637 which took effect from 1 January 2015. A minimum requirement of 3% is applied during the parallel run period from 1 January 2013 to 1 January 2017.

3 More regulatory disclosure is available in the UOB website at [www.uobgroup.com/investor/financial/overview.html](http://www.uobgroup.com/investor/financial/overview.html).

**Consolidated Income Statement (Unaudited)**

	1Q15	1Q14	+ / (-)	4Q14	+ / (-)
	\$m	\$m	%	\$m	%
Interest income	1,903	1,745	9.1	1,873	1.6
Less: Interest expense	702	635	10.5	705	(0.5)
<b>Net interest income</b>	<b>1,201</b>	<b>1,110</b>	<b>8.3</b>	<b>1,168</b>	<b>2.8</b>
Fee and commission income	453	414	9.5	450	0.8
Dividend income	1	4	(76.9)	3	(67.2)
Rental income	29	29	(1.2)	28	2.2
Net trading income	153	127	20.6	119	28.7
Net gain/(loss) from investment securities	72	22	>100.0	41	73.2
Other income	47	46	2.2	40	15.4
<b>Non-interest income</b>	<b>755</b>	<b>642</b>	<b>17.5</b>	<b>682</b>	<b>10.7</b>
<b>Total operating income</b>	<b>1,956</b>	<b>1,752</b>	<b>11.6</b>	<b>1,850</b>	<b>5.7</b>
Less: Staff costs	496	454	9.2	454	9.4
Other operating expenses	356	301	18.3	351	1.4
<b>Total operating expenses</b>	<b>852</b>	<b>755</b>	<b>12.9</b>	<b>805</b>	<b>5.9</b>
<b>Operating profit before impairment charges</b>	<b>1,103</b>	<b>997</b>	<b>10.7</b>	<b>1,045</b>	<b>5.6</b>
Less: Impairment charges	169	157	7.6	166	1.8
<b>Operating profit after impairment charges</b>	<b>934</b>	<b>840</b>	<b>11.3</b>	<b>879</b>	<b>6.3</b>
Share of profit of associates and joint ventures	4	43	(90.8)	43	(90.9)
<b>Profit before tax</b>	<b>938</b>	<b>882</b>	<b>6.3</b>	<b>922</b>	<b>1.7</b>
Less: Tax	133	89	49.7	134	(0.8)
<b>Profit for the financial period</b>	<b>805</b>	<b>794</b>	<b>1.5</b>	<b>788</b>	<b>2.2</b>
Attributable to:					
<b>Equity holders of the Bank</b>	<b>801</b>	<b>788</b>	<b>1.6</b>	<b>786</b>	<b>1.9</b>
Non-controlling interests	4	5	(20.1)	2	>100.0
	<b>805</b>	<b>794</b>	<b>1.5</b>	<b>788</b>	<b>2.2</b>

**Consolidated Statement of Comprehensive Income (Unaudited)**

	<b>1Q15</b>	1Q14	+/(-) %	4Q14	+/(-) %
	<b>\$m</b>	\$m	%	\$m	%
<b>Profit for the financial period</b>	<b>805</b>	794	1.5	788	2.2
Currency translation adjustments	<b>116</b>	58	>100.0	50	>100.0
Change in available-for-sale reserve					
Change in fair value	<b>471</b>	69	>100.0	166	>100.0
Transfer to income statement					
on disposal/impairment	<b>(60)</b>	(37)	(63.2)	(21)	(>100.0)
Tax relating to available-for-sale reserve	<b>(24)</b>	6	(>100.0)	(11)	(>100.0)
Change in share of other comprehensive income of associates and joint ventures	<b>6</b>	3	>100.0	(4)	>100.0
Remeasurement of defined benefit obligation <sup>1</sup>	<b>-</b>	-	-	(5)	NM
<b>Other comprehensive income for the financial period, net of tax</b>	<b>507</b>	99	>100.0	174	>100.0
<b>Total comprehensive income for the financial period, net of tax</b>	<b>1,313</b>	892	47.2	962	36.4
Attributable to:					
<b>Equity holders of the Bank</b>	<b>1,307</b>	884	47.8	959	36.4
Non-controlling interests	<b>6</b>	8	(28.3)	4	48.8
	<b>1,313</b>	892	47.2	962	36.4

Note:

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

**Consolidated Balance Sheet (Unaudited)**

	<b>Mar-15</b>	<b>Dec-14<sup>1</sup></b>	<b>Mar-14</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
<b>Equity</b>			
Share capital and other capital	<b>5,882</b>	5,892	5,336
Retained earnings	<b>14,826</b>	14,064	12,760
Other reserves	<b>10,122</b>	9,613	9,156
Equity attributable to equity holders of the Bank	<b>30,830</b>	29,569	27,253
Non-controlling interests	<b>208</b>	203	199
<b>Total</b>	<b>31,038</b>	29,772	27,452
<b>Liabilities</b>			
Deposits and balances of banks	<b>12,939</b>	11,226	19,900
Deposits and balances of customers	<b>239,410</b>	233,750	216,617
Bills and drafts payable	<b>696</b>	951	985
Other liabilities	<b>10,816</b>	10,084	8,048
Debts issued	<b>18,696</b>	20,953	22,997
<b>Total</b>	<b>282,558</b>	276,964	268,547
<b>Total equity and liabilities</b>	<b>313,596</b>	306,736	295,999
<b>Assets</b>			
Cash, balances and placements with central banks	<b>41,789</b>	35,083	31,338
Singapore Government treasury bills and securities	<b>6,791</b>	7,757	8,842
Other government treasury bills and securities	<b>8,509</b>	10,141	10,456
Trading securities	<b>851</b>	738	812
Placements and balances with banks	<b>26,536</b>	28,692	31,447
Loans to customers	<b>199,735</b>	195,903	185,270
Investment securities	<b>11,402</b>	11,440	12,047
Other assets	<b>10,232</b>	9,256	8,315
Investment in associates and joint ventures	<b>1,198</b>	1,189	996
Investment properties	<b>959</b>	960	988
Fixed assets	<b>1,445</b>	1,428	1,335
Intangible assets	<b>4,151</b>	4,149	4,152
<b>Total</b>	<b>313,596</b>	306,736	295,999
<b>Off-balance sheet items</b>			
Contingent liabilities	<b>18,555</b>	18,515	22,450
Financial derivatives	<b>652,125</b>	605,487	514,849
Commitments	<b>100,248</b>	99,593	75,911
<b>Net asset value per ordinary share (\$)</b>	<b>17.88</b>	17.09	15.90

Note:

1 Audited.

**Consolidated Statement of Changes in Equity (Unaudited)**

	<b>Attributable to equity holders of the Bank</b>					<b>Total equity</b>
	<b>Share capital and other capital</b>	<b>Retained earnings</b>	<b>Other reserves</b>	<b>Total</b>	<b>Non-controlling interests</b>	
	\$m	\$m	\$m	\$m	\$m	
Balance at 1 January 2015	5,892	14,064	9,613	29,569	203	29,772
Profit for the financial period	-	801	-	801	4	805
Other comprehensive income for the financial period	-	-	506	506	1	507
Total comprehensive income for the financial period	-	801	506	1,307	6	1,313
Transfers	-	1	(1)	-	-	-
Dividends	-	(40)	-	(40)	(0)	(40)
Share buyback - held in treasury	(14)	-	-	(14)	-	(14)
Share-based compensation	-	-	8	8	-	8
Issue of shares under share-based compensation plans	3	-	(3)	-	-	-
Balance at 31 March 2015	<b>5,882</b>	<b>14,826</b>	<b>10,122</b>	<b>30,830</b>	<b>208</b>	<b>31,038</b>
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	<b>5,336</b>	<b>12,760</b>	<b>9,156</b>	<b>27,253</b>	<b>199</b>	<b>27,452</b>



**Consolidated Cash Flow Statement (Unaudited)**

	1Q15	1Q14
	\$m	\$m
<b>Cash flows from operating activities</b>		
Profit for the financial period	805	794
Adjustments for:		
Impairment charges	169	157
Share of profit of associates and joint ventures	(4)	(43)
Tax	133	89
Depreciation of assets	44	35
Net (gain)/loss on disposal of assets	(91)	(28)
Share-based compensation	9	8
Operating profit before working capital changes	<u>1,065</u>	<u>1,012</u>
Increase/(decrease) in working capital		
Deposits and balances of banks	1,713	6,194
Deposits and balances of customers	5,661	2,070
Bills and drafts payable	(255)	(50)
Other liabilities	639	(1,378)
Restricted balances with central banks	(111)	(55)
Government treasury bills and securities	2,610	(1,699)
Trading securities	(109)	(178)
Placements and balances with banks	2,157	(35)
Loans to customers	(3,995)	(6,566)
Investment securities	511	139
Other assets	(953)	956
Cash generated from operations	<u>8,932</u>	<u>409</u>
Income tax paid	(85)	(43)
Net cash provided by operating activities	<u>8,847</u>	<u>366</u>
<b>Cash flows from investing activities</b>		
Net cash flow on disposal/(acquisition) of:		
Associates	(1)	-
Properties and other fixed assets	(46)	(63)
(Investment)/distribution from associates and joint ventures	(1)	60
Net cash used in investing activities	<u>(49)</u>	<u>(3)</u>
<b>Cash flows from financing activities</b>		
Net (decrease)/increase in debts issued	(2,257)	4,015
Share buyback - held in treasury	(14)	-
Change in non-controlling interests	-	4
Dividends paid on preference shares	(20)	(18)
Distribution for perpetual capital securities	(21)	(21)
Dividends paid to non-controlling interests	(0)	(0)
Net cash (used in)/provided by financing activities	<u>(2,312)</u>	<u>3,979</u>
Currency translation adjustments	<u>109</u>	<u>60</u>
<b>Net increase in cash and cash equivalents</b>	<u>6,595</u>	<u>4,403</u>
Cash and cash equivalents at beginning of the financial period	<u>29,704</u>	<u>21,244</u>
<b>Cash and cash equivalents at end of the financial period</b>	<u>36,299</u>	<u>25,647</u>

**Balance Sheet of the Bank (Unaudited)**

	<b>Mar-15</b>	<b>Dec-14 <sup>1</sup></b>	<b>Mar-14</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
<b>Equity</b>			
Share capital and other capital	<b>5,050</b>	5,061	4,505
Retained earnings	<b>11,401</b>	10,809	9,812
Other reserves	<b>10,170</b>	9,780	9,448
<b>Total</b>	<b>26,622</b>	25,650	23,764
<b>Liabilities</b>			
Deposits and balances of banks	<b>12,468</b>	10,666	18,892
Deposits and balances of customers	<b>184,327</b>	179,123	165,114
Deposits and balances of subsidiaries	<b>2,709</b>	2,767	2,812
Bills and drafts payable	<b>328</b>	191	214
Other liabilities	<b>8,459</b>	7,843	6,175
Debts issued	<b>19,085</b>	21,139	22,562
<b>Total</b>	<b>227,376</b>	221,728	215,769
<b>Total equity and liabilities</b>	<b>253,998</b>	247,378	239,533
<b>Assets</b>			
Cash, balances and placements with central banks	<b>31,341</b>	24,807	19,793
Singapore Government treasury bills and securities	<b>6,662</b>	7,628	8,713
Other government treasury bills and securities	<b>3,422</b>	3,982	4,880
Trading securities	<b>764</b>	738	611
Placements and balances with banks	<b>22,694</b>	24,333	27,363
Loans to customers	<b>152,796</b>	149,530	141,412
Placements with and advances to subsidiaries	<b>6,985</b>	7,727	8,685
Investment securities	<b>10,261</b>	10,294	10,817
Other assets	<b>7,961</b>	7,278	6,697
Investment in associates and joint ventures	<b>520</b>	523	269
Investment in subsidiaries	<b>5,031</b>	4,981	4,758
Investment properties	<b>1,228</b>	1,229	1,279
Fixed assets	<b>1,151</b>	1,146	1,075
Intangible assets	<b>3,182</b>	3,182	3,182
<b>Total</b>	<b>253,998</b>	247,378	239,533
<b>Off-balance sheet items</b>			
Contingent liabilities	<b>12,666</b>	12,695	15,640
Financial derivatives	<b>557,510</b>	520,163	421,597
Commitments	<b>80,333</b>	79,892	57,864
<b>Net asset value per ordinary share (\$)</b>	<b>15.78</b>	15.16	14.22

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 2015	5,061	10,809	9,780	25,650
Profit for the financial period	-	614	-	614
Other comprehensive income for the financial period	-	-	386	386
Total comprehensive income for the financial period	-	614	386	999
Dividends	-	(21)	-	(21)
Share buyback - held in treasury	(14)	-	-	(14)
Share-based compensation	-	-	8	8
Issue of shares under share-based compensation plans	3	-	(3)	-
Balance at 31 March 2015	<b>5,050</b>	<b>11,401</b>	<b>10,170</b>	<b>26,622</b>
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	<b>4,505</b>	<b>9,812</b>	<b>9,448</b>	<b>23,764</b>

**Capital Adequacy Ratios of Major Bank Subsidiaries**

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

	<b>Mar-15</b>			
	<b>Total Risk- Weighted Assets</b>	<b>Capital Adequacy Ratios</b>		
		<b>CET1</b>	<b>Tier 1</b>	<b>Total</b>
	<b>\$m</b>	<b>%</b>	<b>%</b>	<b>%</b>
United Overseas Bank (Malaysia) Bhd	<b>16,207</b>	<b>16.0</b>	<b>16.0</b>	<b>17.6</b>
United Overseas Bank (Thai) Public Company Limited	<b>10,160</b>	<b>15.3</b>	<b>15.3</b>	<b>18.1</b>
PT Bank UOB Indonesia	<b>7,223</b>	<b>NA</b>	<b>13.7</b>	<b>16.0</b>
United Overseas Bank (China) Limited	<b>5,981</b>	<b>14.9</b>	<b>14.9</b>	<b>15.6</b>