

## Announcement

To: All Shareholders

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

### **Unaudited Financial Results for the Nine Months/Third Quarter Ended 30 September 2019**

Details of the financial results are in the accompanying Group Financial Report.

### **Dividends and Distributions for the Third Quarter Ended 30 September 2019**

#### ***Ordinary share dividend***

No dividend on ordinary shares has been declared for the third quarter of 2019.

#### ***Distributions on perpetual capital securities***

There is no distribution on perpetual capital securities for the third quarter of 2019.

### **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 nine months/third quarter ended 30 September 2019 to be false or misleading in any material aspect.

### **Undertakings from Directors and Executive Officers**

The Bank has procured undertakings in the form set out in Appendix 7.7 of the Listing Manual from all its directors and executive officers pursuant to Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**  
**UNITED OVERSEAS BANK LIMITED**

Ms Joyce Sia  
Secretary

Dated this 1<sup>st</sup> day of November 2019

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



# Group Financial Report

For the Nine Months/Third Quarter ended 30 September 2019

United Overseas Bank Limited  
Incorporated in the Republic of Singapore



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### Notes

- 1 The financial statements are presented in Singapore Dollars.
- 2 Certain comparative figures have been restated to conform with 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".
- 5 Non-impaired assets refer to Stage 1 and Stage 2 assets under SFRS(I) 9.
- 6 Impaired assets refer to Stage 3 and purchased or originated credit-impaired assets under SFRS(I) 9.

### Abbreviation

"9M19" and "9M18" denote nine months of 2019 and 2018 respectively.

"2Q19" denotes second quarter of 2019.

"3Q19" and "3Q18" denote third quarter of 2019 and 2018 respectively.

"NM" denotes not meaningful.

"NA" denotes not applicable.

## Financial Highlights

	9M19	9M18	+ / (-)	3Q19	3Q18	+ / (-)	2Q19	+ / (-)
			%			%		%
<b>Selected income statement items (\$m)</b>								
Net interest income	4,927	4,612	7	1,687	1,599	5	1,653	2
Net fee and commission income	1,557	1,500	4	551	484	14	527	5
Other non-interest income	1,114	789	41	371	244	52	403	(8)
Total income	7,598	6,901	10	2,609	2,327	12	2,583	1
Less: Operating expenses	3,356	3,019	11	1,154	1,011	14	1,129	2
Operating profit	4,242	3,881	9	1,455	1,317	11	1,453	0
Less: Allowances for credit and other losses	289	265	9	145	95	53	51	>100
Add: Share of profit of associates and joint ventures	31	106	(70)	14	25	(42)	(0)	>100
Net profit before tax	3,984	3,722	7	1,324	1,246	6	1,403	(6)
Less: Tax and non-controlling interests	646	630	3	206	209	(1)	235	(12)
Net profit after tax <sup>1</sup>	3,338	3,092	8	1,118	1,037	8	1,168	(4)

## Selected balance sheet items (\$m)

Net customer loans	271,886	251,755	8	271,886	251,755	8	269,820	1
Customer deposits	304,423	293,634	4	304,423	293,634	4	304,792	(0)
Total assets	408,383	382,638	7	408,383	382,638	7	406,382	0
Shareholders' equity <sup>1</sup>	39,484	36,768	7	39,484	36,768	7	39,033	1

## Key financial ratios (%)

Net interest margin <sup>2</sup>	1.79	1.83		1.77	1.81		1.81	
Non-interest income/Total income	35.2	33.2		35.4	31.3		36.0	
Cost/Income ratio	44.2	43.8		44.2	43.4		43.7	
Overseas profit before tax contribution	38.5	41.4		37.4	41.1		37.5	
Credit costs on loans (bp) <sup>2</sup>								
Non-impaired	1	2		2	3		(3)	
Impaired	15	12		21	15		11	
Total	17	14		23	18		8	
NPL ratio <sup>3</sup>	1.5	1.6		1.5	1.6		1.5	

### 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)**

	9M19	9M18	3Q19	3Q18	2Q19
<b>Key financial ratios (%) (cont'd)</b>					
Return on average ordinary shareholders' equity <sup>1,2</sup>	<b>11.9</b>	11.6	<b>11.8</b>	11.7	12.5
Return on average total assets <sup>1</sup>	<b>1.11</b>	1.11	<b>1.09</b>	1.09	1.17
Return on average risk-weighted assets <sup>1</sup>	<b>1.94</b>	2.02	<b>1.92</b>	1.99	2.02
Loan/Deposit ratio <sup>3</sup>	<b>89.3</b>	85.7	<b>89.3</b>	85.7	88.5
Liquidity coverage ratios ("LCR") <sup>4</sup>					
All-currency	<b>146</b>	137	<b>144</b>	142	147
Singapore Dollar	<b>302</b>	205	<b>342</b>	235	312
Net stable funding ratio ("NSFR") <sup>5</sup>	<b>107</b>	110	<b>107</b>	110	108
Capital adequacy ratios					
Common Equity Tier 1	<b>13.7</b>	14.1	<b>13.7</b>	14.1	13.9
Tier 1	<b>15.0</b>	15.1	<b>15.0</b>	15.1	14.9
Total	<b>16.9</b>	17.4	<b>16.9</b>	17.4	17.2
Leverage ratio <sup>6</sup>	<b>7.6</b>	7.4	<b>7.6</b>	7.4	7.5
Earnings per ordinary share (\$) <sup>1,2</sup>					
Basic	<b>2.61</b>	2.41	<b>2.62</b>	2.43	2.75
Diluted	<b>2.60</b>	2.40	<b>2.61</b>	2.42	2.74
Net asset value ("NAV") per ordinary share (\$) <sup>7</sup>	<b>21.94</b>	20.78	<b>21.94</b>	20.78	22.12
Revalued NAV per ordinary share (\$) <sup>7</sup>	<b>24.83</b>	23.64	<b>24.83</b>	23.64	25.00

**Notes:**

- 1 Computed on an annualised basis.
- 2 Calculated based on profit attributable to equity holders of the Bank net of perpetual capital securities distributions.
- 3 Refer to net customer loans and customer deposits.
- 4 Figures reported are based on average LCR for the respective periods. A minimum requirement of Singapore Dollar LCR of 100% and all-currency LCR of 100% shall be maintained at all times with effect from 1 January 2019 (2018: 90%). Public disclosure required under MAS Notice 651 is available in the UOB website at [www.UOBgroup.com/investor/financial/overview.html](http://www.UOBgroup.com/investor/financial/overview.html).
- 5 NSFR is calculated based on MAS Notice 652 which requires a minimum of 100% to be maintained. Public disclosure required under MAS Notice 653 is available in the UOB website at [www.UOBgroup.com/investor/financial/overview.html](http://www.UOBgroup.com/investor/financial/overview.html).
- 6 Leverage ratio is calculated based on MAS Notice 637 which requires a minimum ratio of 3%.
- 7 Perpetual capital securities are excluded from the computation.

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## **Performance Review**

### **Changes in Accounting Policies**

The Group adopted the following changes with effect from 1 January 2019:

- SFRS(I) 16 Leases
- SFRS(I) INT 23 Uncertainty over Income Tax Treatments
- Amendments to SFRS(I) 9: Prepayment Features with Negative Compensation
- Amendments to SFRS(I) 1-28: Long-term Interests in Associates and Joint Ventures
- Amendments to SFRS(I) 1-19: Plan Amendment, Curtailment or Settlement

The adoption of the above changes did not have a significant impact on the Group's financial statements.

Other than the above changes, the accounting policies and computation methods applied in the financial statements for the third quarter ended 30 September 2019 are the same as those applied in the audited financial statements for the financial year ended 31 December 2018.

### **9M19 versus 9M18**

For the nine months, net profit rose 8% from a year ago to \$3.34 billion.

Net interest income increased 7% to \$4.93 billion, as gross loans grew 8% year on year.

Net fee and commission income increased 4% to \$1.56 billion, driven by strong wealth management flows, higher loan-related and credit cards fees, moderated by lower fund management fees. Other non-interest income grew 41% to \$1.11 billion with trading and investment income rising 52% to \$892 million from higher customer flows and gains from investment securities.

All business segments continued to deliver strong income growth. Group Retail's income rose 8% to \$3.19 billion led by higher net interest income from volume growth and improvement in deposit margin, coupled with higher income from wealth management products. Group Wholesale Banking income grew 8% to \$3.10 billion, benefitting from strong loan growth and fees from cash management and loan-related activities. Global Markets income increased 26%, largely from higher trading and investment income.

Total expenses increased 11% to \$3.36 billion as the Group continued to invest in talent and technology to serve customers better with more personalised experiences and solutions and to drive performance. Cost-to-income ratio increased marginally to 44.2%.

Total allowances increased to \$289 million from a year ago. Credit costs on impaired loans for 9M19 increased by 3 basis points to 15 basis points.

Lower contribution from associated companies was mainly due to reduced interest in associated companies.

### **3Q19 versus 3Q18**

3Q19 net earnings at \$1.12 billion was 8% higher than the same quarter last year.

Net interest income increased 5% to \$1.69 billion led by healthy loan growth of 8%.

Net fee and commission income rose 14% to \$551 million as fees from wealth management, loan-related and credit cards were higher. Trading and investment income grew 67% to \$310 million from improved customer flows and gains from investment securities.

Total expenses increased 14% to \$1.15 billion with cost-to-income ratio at 44.2%.

Total allowances increased 53% to \$145 million, due to higher allowances for impaired assets.

## **Performance Review (cont'd)**

### **3Q19 versus 2Q19**

Compared with the previous quarter, net profit was 4% lower.

Net interest income increased 2% to \$1.69 billion from additional day count and asset growth. Net interest margin was 4 basis points lower at 1.77%, with declining interest rates and a competitive pricing environment.

Net fee and commission income was 5% higher at \$551 million, lifted by strong wealth management flows. Other non-interest income decreased 8% to \$371 million, due to seasonal dividend income received in the previous quarter.

Total operating expenses increased slightly by 2%, mainly from staff costs.

Total allowances increased from \$51 million to \$145 million driven mainly by impaired loans. Total credit costs on loans increased to 23 basis points from a low of 8 basis points in 2Q19.

### **Balance sheet and capital position**

The Group's funding position remained stable in 3Q19 with the average Singapore dollar and all-currency liquidity coverage ratios at 342% and 144% respectively while the net stable funding ratio was 107% at 30 September 2019. Loan-to-deposit ratio was healthy at 89.3%.

The non-performing loan ratio stayed at 1.5% as at 30 September 2019. Total allowances for non-impaired assets stood at \$1.98 billion with a higher coverage for non-performing assets at 85%, or 210% after taking collateral into account.

As at 30 September 2019, the Group's Common Equity Tier 1 ratio of 13.7% and leverage ratio of 7.6% were well above the regulatory requirement. Strong balance sheet fundamentals were maintained to ensure that the Group is well-positioned to navigate the macro uncertainties ahead.

## Net Interest Income

### Net interest margin

	9M19			9M18		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
	\$m	\$m	%	\$m	\$m	%
<b>Interest bearing assets</b>						
Customer loans	267,150	7,637	3.82	241,231	6,436	3.57
Interbank balances	67,575	1,223	2.42	68,989	1,113	2.16
Securities	33,605	658	2.62	27,239	554	2.72
<b>Total</b>	<b>368,330</b>	<b>9,518</b>	<b>3.45</b>	<b>337,459</b>	<b>8,103</b>	<b>3.21</b>
<b>Interest bearing liabilities</b>						
Customer deposits	308,829	3,809	1.65	283,973	2,914	1.37
Interbank balances/others	42,943	782	2.43	38,649	577	1.99
<b>Total</b>	<b>351,771</b>	<b>4,591</b>	<b>1.74</b>	<b>322,622</b>	<b>3,491</b>	<b>1.45</b>
<b>Net interest margin <sup>1</sup></b>			<b>1.79</b>			<b>1.83</b>

	3Q19			3Q18			2Q19		
	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	271,256	2,587	3.78	248,590	2,303	3.68	268,507	2,581	3.86
Interbank balances	70,071	408	2.31	72,704	421	2.30	64,634	391	2.43
Securities	35,911	228	2.52	28,418	195	2.73	33,619	222	2.65
<b>Total</b>	<b>377,237</b>	<b>3,223</b>	<b>3.39</b>	<b>349,712</b>	<b>2,920</b>	<b>3.31</b>	<b>366,759</b>	<b>3,194</b>	<b>3.49</b>
<b>Interest bearing liabilities</b>									
Customer deposits	313,531	1,268	1.60	294,404	1,107	1.49	306,943	1,276	1.67
Interbank balances/others	45,963	269	2.32	39,834	214	2.13	43,045	266	2.48
<b>Total</b>	<b>359,493</b>	<b>1,537</b>	<b>1.70</b>	<b>334,238</b>	<b>1,321</b>	<b>1.57</b>	<b>349,988</b>	<b>1,541</b>	<b>1.77</b>
<b>Net interest margin <sup>1</sup></b>			<b>1.77</b>			<b>1.81</b>			<b>1.81</b>

Note:

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



## Net Interest Income (cont'd)

### Volume and rate analysis

	9M19 vs 9M18			3Q19 vs 3Q18			3Q19 vs 2Q19		
	Volume change	Rate change	Net change	Volume change	Rate change	Net change	Volume change	Rate change	Net change
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Interest income</b>									
Customer loans	692	510	1,201	210	74	284	26	(49)	(22)
Interbank balances	(23)	133	110	(15)	3	(13)	33	(20)	13
Securities	130	(26)	104	52	(19)	32	15	(12)	3
<b>Total</b>	<b>798</b>	<b>617</b>	<b>1,415</b>	<b>246</b>	<b>57</b>	<b>303</b>	<b>74</b>	<b>(81)</b>	<b>(6)</b>
<b>Interest expense</b>									
Customer deposits	255	640	895	72	89	161	27	(49)	(22)
Interbank balances/others	64	141	205	33	22	55	18	(18)	0
<b>Total</b>	<b>319</b>	<b>781</b>	<b>1,100</b>	<b>105</b>	<b>111</b>	<b>216</b>	<b>45</b>	<b>(67)</b>	<b>(21)</b>
Change in number of days	-	-	-	-	-	-	-	-	18
<b>Net interest income</b>	<b>479</b>	<b>(164)</b>	<b>315</b>	<b>142</b>	<b>(54)</b>	<b>87</b>	<b>29</b>	<b>(14)</b>	<b>33</b>

Net interest income for 9M19 increased 7% to \$4.93 billion, as gross loans grew strongly 8% year on year.

Against the same quarter last year, net interest income increased 5% to \$1.69 billion led by healthy loan growth of 8%.

Compared with last quarter, net interest income increased 2% from additional day count and asset growth. Net interest margin was 4 basis points lower at 1.77%, with declining interest rates and a competitive pricing environment.

## Non-Interest Income

	9M19	9M18	+ / (-)	3Q19	3Q18	+ / (-)	2Q19	+ / (-)
	\$m	\$m	%	\$m	\$m	%	\$m	%
<b>Net fee and commission income</b>								
Credit card <sup>1</sup>	352	317	11	126	110	14	121	4
Fund management	173	201	(14)	62	65	(4)	59	5
Wealth management	479	429	12	183	133	38	160	15
Loan-related <sup>2</sup>	468	424	10	152	135	13	162	(6)
Service charges	115	110	4	38	37	2	38	1
Trade-related <sup>3</sup>	220	220	(0)	78	74	5	72	9
Others	35	49	(29)	12	15	(15)	11	16
	<b>1,842</b>	<b>1,751</b>	<b>5</b>	<b>652</b>	<b>568</b>	<b>15</b>	<b>621</b>	<b>5</b>
Less: Fee and commission expenses	285	252	13	100	84	20	95	6
	<b>1,557</b>	<b>1,500</b>	<b>4</b>	<b>551</b>	<b>484</b>	<b>14</b>	<b>527</b>	<b>5</b>
<b>Other non-interest income</b>								
Net trading income	699	565	24	212	174	21	245	(13)
Net gain from investment securities	193	24	>100	98	11	>100	67	47
Dividend income	47	26	80	6	5	27	40	(84)
Rental income	83	90	(8)	27	30	(9)	28	(3)
Other income	93	84	10	28	23	21	24	18
	<b>1,114</b>	<b>789</b>	<b>41</b>	<b>371</b>	<b>244</b>	<b>52</b>	<b>403</b>	<b>(8)</b>
Total	<b>2,671</b>	<b>2,289</b>	<b>17</b>	<b>922</b>	<b>728</b>	<b>27</b>	<b>930</b>	<b>(1)</b>

Net fee and commission income increased 4% to \$1.56 billion, driven by strong wealth management flows, higher loan-related and credit cards fees, moderated by lower fund management fees. Other non-interest income grew 41% to \$1.11 billion with trading and investment income rising 52% to \$892 million supported by higher customer flows and gains from investment securities.

Against the same quarter last year, net fee and commission income rose 14% to \$551 million as fees from wealth management, loan-related and credit cards were higher. Trading and investment income grew 67% to \$310 million from improved customer flows and gains from investment securities.

Quarter on quarter, net fee and commission income was 5% higher, led by strong wealth management flows. Other non-interest income decreased 8% to \$371 million, due to seasonal dividend income received in the previous quarter.

### Notes:

- 1 Credit card fees are net of interchange fees paid.
- 2 Loan-related fees include fees earned from corporate finance activities.
- 3 Trade-related fees include trade, remittance and guarantees related fees.

## Operating Expenses

	9M19	9M18	+ / (-)	3Q19	3Q18	+ / (-)	2Q19	+ / (-)
	\$m	\$m	%	\$m	\$m	%	\$m	%
<b>Staff costs</b>	<b>2,042</b>	1,850	10	<b>708</b>	626	13	675	5
<b>Other operating expenses</b>								
Revenue-related	510	439	16	178	147	21	173	3
Occupancy-related	247	238	4	84	77	10	85	(1)
IT-related	377	321	17	123	106	17	134	(8)
Others	180	171	5	60	55	10	63	(4)
	<b>1,314</b>	1,169	12	<b>446</b>	384	16	455	(2)
<b>Total</b>	<b>3,356</b>	3,019	11	<b>1,154</b>	1,011	14	1,129	2
Of which, Depreciation of assets	290	200	45	102	68	49	98	4
Manpower (number)	26,941	25,826	4	26,941	25,826	4	26,867	0

Total expenses increased 11% to \$3.36 billion as the Group continued to invest in talent and technology to serve customers better with more personalised experiences and solutions and to drive performance. Cost-to-income ratio increased marginally to 44.2%.

Compared with the same quarter last year, total expenses increased 14% to \$1.15 billion attributable to higher staff costs, revenue-related and IT-related expenses.

Quarter on quarter, total expenses was slightly higher by 2%, mainly from staff costs.

### Allowances for Credit and Other Losses

	9M19	9M18	+ / (-)	3Q19	3Q18	+ / (-)	2Q19	+ / (-)
	\$m	\$m	%	\$m	\$m	%	\$m	%
<b>Allowances for non-impaired assets</b>	<b>(25)</b>	25	(>100)	<b>(10)</b>	8	(>100)	(21)	52
<b>Allowances for impaired loans <sup>1</sup></b>	<b>307</b>	230	34	<b>149</b>	94	58	75	100
Singapore	129	39	>100	65	20	>100	8	>100
Malaysia	36	15	>100	9	15	(36)	13	(29)
Thailand	94	87	8	39	32	21	34	15
Indonesia	32	77	(58)	15	19	(17)	10	49
China <sup>2</sup>	(4)	7	(>100)	1	6	(91)	8	(93)
Others	20	4	>100	20	3	>100	1	>100
<b>Allowances for impaired securities and others</b>	<b>7</b>	9	(27)	<b>7</b>	(7)	>100	(3)	>100
<b>Total</b>	<b>289</b>	265	9	<b>145</b>	95	53	51	>100

Total allowances increased to \$289 million from a year ago. Credit costs on impaired loans for 9M19 increased by 3 basis points to 15 basis points.

Against the same quarter last year, total allowances increased 53% to \$145 million, due to higher allowances for impaired assets.

Quarter on quarter, total allowances increased from \$51 million to \$145 million driven mainly by impaired loans. Total credit costs on loans increased to 23 basis points from a low of 8 basis points in 2Q19.

Notes:

- 1 Allowances for impaired 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.
- 2 Comprise Mainland China, Hong Kong SAR and Taiwan.

## Customer Loans

	Sep-19	Jun-19	Dec-18	Sep-18
	\$m	\$m	\$m	\$m
Gross customer loans	275,072	272,881	261,707	255,122
Less: Allowances for non-impaired loans	1,720	1,697	1,571	1,586
Allowances for impaired loans	1,466	1,364	1,508	1,781
Net customer loans	271,886	269,820	258,627	251,755
<b>By industry</b>				
Transport, storage and communication	11,097	10,682	10,185	9,996
Building and construction	68,143	68,087	63,139	60,174
Manufacturing	23,012	22,478	21,112	21,507
Financial institutions, investment and holding companies	25,419	26,750	23,199	22,698
General commerce	35,189	33,662	32,928	32,365
Professionals and private individuals	29,358	29,225	29,288	28,934
Housing loans	68,025	68,498	68,387	67,631
Others	14,830	13,498	13,469	11,816
Total (gross)	275,072	272,881	261,707	255,122
<b>By currency</b>				
Singapore Dollar	126,922	127,395	123,347	119,752
US Dollar	53,787	52,278	50,674	50,377
Malaysian Ringgit	25,982	25,438	25,328	24,929
Thai Baht	17,896	16,974	15,600	15,161
Indonesian Rupiah	5,778	5,414	5,288	5,014
Others	44,707	45,381	41,471	39,888
Total (gross)	275,072	272,881	261,707	255,122
<b>By maturity</b>				
Within 1 year	108,492	108,350	104,686	103,778
Over 1 year but within 3 years	52,867	52,094	48,826	45,505
Over 3 years but within 5 years	34,557	33,634	30,452	28,763
Over 5 years	79,157	78,802	77,744	77,075
Total (gross)	275,072	272,881	261,707	255,122
<b>By geography <sup>1</sup></b>				
Singapore	141,389	141,696	137,176	133,018
Malaysia	29,461	29,010	29,315	28,980
Thailand	19,051	18,084	16,813	16,363
Indonesia	11,728	11,363	11,289	11,114
China <sup>2</sup>	44,886	42,737	40,081	38,882
Others	28,557	29,991	27,033	26,765
Total (gross)	275,072	272,881	261,707	255,122

As at 30 September 2019, gross loans grew 8% from a year ago and 1% quarter on quarter to \$275 billion. The growth over last year was led by broad-based increase across all territories and industries.

Singapore loans rose 6% year on year to \$141 billion, while overseas contributed a strong growth of 9% from a year ago.

### Notes:

- 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.
- Comprise Mainland China, Hong Kong SAR and Taiwan.

## Non-Performing Assets

	Sep-19	Jun-19	Dec-18	Sep-18
	\$m	\$m	\$m	\$m
Loans ("NPL")	4,191	4,030	3,994	4,185
Debt securities and others	159	155	172	189
Non-performing assets ("NPA")	4,350	4,185	4,166	4,374

### By grading

Substandard	2,752	2,716	2,512	2,436
Doubtful	175	146	230	277
Loss	1,423	1,323	1,424	1,661
Total	4,350	4,185	4,166	4,374

### By security

Secured by collateral type:

Properties	2,082	1,896	1,897	1,877
Shares and debentures	5	6	6	6
Fixed deposits	77	16	13	15
Others <sup>1</sup>	428	418	453	397
	2,592	2,336	2,369	2,295
Unsecured	1,758	1,849	1,797	2,079
Total	4,350	4,185	4,166	4,374

### By ageing

Current	951	1,000	885	768
Within 90 days	357	419	581	475
Over 90 to 180 days	566	432	379	457
Over 180 days	2,476	2,334	2,321	2,674
Total	4,350	4,185	4,166	4,374

### Total allowances

Non-impaired	1,983	1,980	1,984	1,991
Impaired	1,599	1,494	1,651	1,944
Total	3,582	3,474	3,636	3,935

	NPL	NPL	NPL	NPL	NPL	NPL	NPL
	\$m	ratio	\$m	ratio	\$m	ratio	\$m
		%		%		%	
<b>NPL by industry</b>							
Transport, storage and communication	686	6.2	685	6.4	813	8.0	1,113
Building and construction	779	1.1	733	1.1	497	0.8	530
Manufacturing	732	3.2	697	3.1	709	3.4	617
Financial institutions, investment and holding companies	39	0.2	39	0.1	41	0.2	31
General commerce	508	1.4	487	1.4	511	1.6	583
Professionals and private individuals	314	1.1	273	0.9	320	1.1	294
Housing loans	780	1.1	766	1.1	739	1.1	683
Others	353	2.4	350	2.6	364	2.7	334
Total	4,191	1.5	4,030	1.5	3,994	1.5	4,185

Note:

1 Comprise mainly marine vessels.

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

NPL by geography <sup>1</sup>	NPL/NPA	NPL ratio	Allowances for impaired assets	Allowances for impaired assets as a % of NPL/NPA
	\$m	%	\$m	%
<b>Singapore</b>				
<b>Sep-19</b>	<b>2,065</b>	<b>1.5</b>	<b>739</b>	<b>36</b>
Jun-19	1,963	1.4	681	35
Dec-18	2,085	1.5	818	39
Sep-18	1,963	1.5	827	42
<b>Malaysia</b>				
<b>Sep-19</b>	<b>590</b>	<b>2.0</b>	<b>181</b>	<b>31</b>
Jun-19	553	1.9	167	30
Dec-18	558	1.9	161	29
Sep-18	629	2.2	208	33
<b>Thailand</b>				
<b>Sep-19</b>	<b>503</b>	<b>2.6</b>	<b>175</b>	<b>35</b>
Jun-19	495	2.7	172	35
Dec-18	456	2.7	153	34
Sep-18	416	2.5	143	34
<b>Indonesia</b>				
<b>Sep-19</b>	<b>511</b>	<b>4.4</b>	<b>212</b>	<b>42</b>
Jun-19	497	4.4	205	41
Dec-18	545	4.8	221	41
Sep-18	749	6.7	364	49
<b>China<sup>2</sup></b>				
<b>Sep-19</b>	<b>101</b>	<b>0.2</b>	<b>40</b>	<b>40</b>
Jun-19	106	0.2	41	39
Dec-18	120	0.3	53	44
Sep-18	138	0.4	83	60
<b>Others</b>				
<b>Sep-19</b>	<b>421</b>	<b>1.5</b>	<b>119</b>	<b>28</b>
Jun-19	416	1.4	98	24
Dec-18	230	0.9	102	44
Sep-18	290	1.1	155	53
<b>Group NPL</b>				
<b>Sep-19</b>	<b>4,191</b>	<b>1.5</b>	<b>1,466</b>	<b>35</b>
Jun-19	4,030	1.5	1,364	34
Dec-18	3,994	1.5	1,508	38
Sep-18	4,185	1.6	1,781	43
<b>Group NPA</b>				
<b>Sep-19</b>	<b>4,350</b>		<b>1,599</b>	<b>37</b>
Jun-19	4,185		1,494	36
Dec-18	4,166		1,651	40
Sep-18	4,374		1,944	44
	<b>Total allowances</b>			
	<b>as a % of NPA<sup>3</sup></b>		<b>as a % of unsecured NPA<sup>3</sup></b>	
<b>Group</b>	<b>%</b>		<b>%</b>	
<b>Sep-19</b>	<b>85</b>		<b>210</b>	
Jun-19	84		191	
Dec-18	87		202	
Sep-18	90		189	

The Group's overall loan portfolio remained sound. Total NPA increased 4% from last quarter to \$4.35 billion largely due to non-performing accounts in Singapore.

NPL ratio was stable at 1.5% as at 30 September 2019. The coverage for non-performing assets remained adequate at 85%, or 210% after taking collateral into account.

**Notes:**

- NPL 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.
- Comprise Mainland China, Hong Kong SAR and Taiwan.
- Includes regulatory loss allowance reserves (RLAR) as part of total allowances.

## Customer Deposits

	Sep-19	Jun-19	Dec-18	Sep-18
	\$m	\$m	\$m	\$m
<b>By product</b>				
Fixed deposits	158,685	159,707	150,071	155,775
Savings deposits	76,928	75,158	71,601	70,081
Current accounts	56,404	56,245	58,858	57,617
Others	12,407	13,682	12,656	10,161
<b>Total</b>	<b>304,423</b>	<b>304,792</b>	<b>293,186</b>	<b>293,634</b>
<b>By maturity</b>				
Within 1 year	299,730	299,678	289,448	287,601
Over 1 year but within 3 years	3,544	3,689	2,085	4,397
Over 3 years but within 5 years	747	736	833	852
Over 5 years	403	689	819	784
<b>Total</b>	<b>304,423</b>	<b>304,792</b>	<b>293,186</b>	<b>293,634</b>
<b>By currency</b>				
Singapore Dollar	134,383	136,656	130,981	129,665
US Dollar	73,446	73,506	71,704	76,299
Malaysian Ringgit	29,126	28,727	28,312	28,452
Thai Baht	21,585	19,423	17,148	17,369
Indonesian Rupiah	5,449	5,183	5,148	5,117
Others	40,434	41,297	39,894	36,732
<b>Total</b>	<b>304,423</b>	<b>304,792</b>	<b>293,186</b>	<b>293,634</b>
Group Loan/Deposit ratio (%)	89.3	88.5	88.2	85.7
Singapore Dollar Loan/Deposit ratio (%)	93.7	92.5	93.5	91.6
US Dollar Loan/Deposit ratio (%)	72.2	70.1	69.5	64.5

Customer deposits were \$304 billion as at 30 September 2019, an increase of 4% from a year ago and remained unchanged during the quarter. The year-on-year growth was led by higher fixed deposits and saving deposits.

As at 30 September 2019, the Group's loan-to-deposit ratio and Singapore Dollar loan-to-deposit ratio remained healthy at 89.3% and 93.7% respectively.

## Debts Issued

	Sep-19	Jun-19	Dec-18	Sep-18
	\$m	\$m	\$m	\$m
<b>Unsecured</b>				
Subordinated debts	4,961	5,946	5,062	5,021
Commercial papers	10,492	13,975	13,974	7,393
Fixed and floating rate notes	5,695	5,183	5,586	5,429
Others	1,427	1,830	1,583	1,617
<b>Secured</b>				
Covered bonds	5,050	4,404	4,401	4,446
<b>Total</b>	<b>27,625</b>	<b>31,338</b>	<b>30,606</b>	<b>23,906</b>
Due within 1 year	13,214	16,369	15,680	8,809
Due after 1 year	14,411	14,970	14,926	15,098
<b>Total</b>	<b>27,625</b>	<b>31,338</b>	<b>30,606</b>	<b>23,906</b>



### Shareholders' Equity

	Sep-19	Jun-19	Dec-18	Sep-18
	\$m	\$m	\$m	\$m
Shareholders' equity	<b>39,484</b>	39,033	37,623	36,768
Add: Revaluation surplus	<b>4,806</b>	4,801	4,802	4,770
Shareholders' equity including revaluation surplus	<b>44,290</b>	43,834	42,425	41,538

Shareholders' equity increased 7% year on year to \$39.5 billion mainly driven by higher retained earnings and issuance of S\$750 million perpetual capital securities.

As at 30 September 2019, the revaluation surplus of \$4.81 billion relating to the Group's properties, was not recognised in the financial statements.

### Changes in Issued Shares of the Bank

	Number of shares			
	9M19	9M18	3Q19	3Q18
	'000	'000	'000	'000
<b>Ordinary shares</b>				
Balance at beginning and at end of period	<b>1,680,541</b>	1,671,534	<b>1,680,541</b>	1,680,541
Shares issued under scrip dividend scheme	-	9,007	-	-
Balance at end of period	<b>1,680,541</b>	1,680,541	<b>1,680,541</b>	1,680,541
<b>Treasury shares</b>				
Balance at beginning of period	<b>(14,834)</b>	(8,879)	<b>(12,341)</b>	(10,777)
Shares re-purchased - held in treasury	-	(6,061)	-	(2,330)
Shares issued under share-based compensation plans	<b>2,538</b>	1,854	<b>45</b>	21
Balance at end of period	<b>(12,296)</b>	(13,086)	<b>(12,296)</b>	(13,086)
Ordinary shares net of treasury shares	<b>1,668,245</b>	1,667,455	<b>1,668,245</b>	1,667,455

### Performance by Business Segment <sup>1</sup>

Selected income statement items	GR \$m	GWB \$m	GM \$m	Others \$m	Total \$m
<b>9M19</b>					
Net interest income	2,219	2,230	53	425	4,927
Non-interest income	968	872	403	428	2,671
Operating income	3,187	3,102	456	853	7,598
Operating expenses	(1,547)	(757)	(203)	(849)	(3,356)
Allowances for credit and other losses	(136)	(142)	3	(14)	(289)
Share of profit of associates and joint ventures	-	1	-	31	31
Profit before tax	1,504	2,204	256	20	3,984
Tax					(634)
<b>Profit for the financial period</b>					<b>3,350</b>
<b>Other information:</b>					
Capital expenditure	40	39	19	310	408
Depreciation of assets	41	19	8	222	290
<b>9M18</b>					
Net interest income	2,009	2,093	95	415	4,612
Non-interest income	934	793	268	294	2,289
Operating income	2,943	2,886	363	709	6,901
Operating expenses	(1,408)	(631)	(187)	(793)	(3,019)
Allowances for credit and other losses	(162)	(74)	(12)	(17)	(265)
Share of profit of associates and joint ventures	-	23	-	83	106
Profit before tax	1,373	2,204	164	(18)	3,722
Tax					(620)
<b>Profit for the financial period</b>					<b>3,102</b>
<b>Other information:</b>					
Capital expenditure	46	24	16	272	358
Depreciation of assets	18	8	5	169	200

Note:

1 Comparative segment information for prior periods have been adjusted for changes in organisational structure and management reporting methodology.

**Performance by Business Segment**<sup>1</sup> (cont'd)

Selected income statement items	GR \$m	GWB \$m	GM \$m	Others \$m	Total \$m
<b>3Q19</b>					
Net interest income	758	751	39	139	1,687
Non-interest income	356	290	133	143	922
Operating income	1,114	1,041	172	282	2,609
Operating expenses	(536)	(266)	(80)	(272)	(1,154)
Allowances for credit and other losses	(45)	(45)	(1)	(54)	(145)
Share of profit of associates and joint ventures	-	0	-	14	14
Profit before tax	533	730	91	(30)	1,324
Tax					(202)
<b>Profit for the financial period</b>					<b>1,122</b>
<b>Other information:</b>					
Capital expenditure	13	13	8	104	138
Depreciation of assets	13	7	3	79	102
<b>2Q19</b>					
Net interest income	744	745	10	154	1,653
Non-interest income	328	296	130	176	930
Operating income	1,072	1,041	140	330	2,583
Operating expenses	(519)	(251)	(63)	(296)	(1,129)
Allowances for credit and other losses	(56)	8	8	(11)	(51)
Share of profit of associates and joint ventures	-	(5)	-	5	(0)
Profit before tax	497	793	85	28	1,403
Tax					(231)
<b>Profit for the financial period</b>					<b>1,171</b>
<b>Other information:</b>					
Capital expenditure	11	14	7	108	140
Depreciation of assets	15	7	2	74	98
<b>3Q18</b>					
Net interest income	695	741	25	138	1,599
Non-interest income	305	262	66	95	728
Operating income	1,000	1,003	91	233	2,327
Operating expenses	(485)	(225)	(61)	(240)	(1,011)
Allowances for credit and other losses	(69)	(31)	0	4	(95)
Share of profit of associates and joint ventures	-	3	-	22	25
Profit before tax	446	750	30	20	1,246
Tax					(206)
<b>Profit for the financial period</b>					<b>1,040</b>
<b>Other information:</b>					
Capital expenditure	20	11	5	88	124
Depreciation of assets	6	3	2	57	68

Note:

1 Comparative segment information for prior periods have been adjusted for changes in organisational structure and management reporting methodology.

**Performance by Business Segment**<sup>1</sup> (cont'd)

Selected balance sheet items	GR \$m	GWB \$m	GM \$m	Others \$m	Total \$m
<b>At 30 September 2019</b>					
<b>Segment assets</b>	108,258	193,907	63,697	37,190	403,052
Intangible assets	1,318	2,089	660	81	4,148
Investment in associates and joint ventures	-	182	-	1,001	1,183
<b>Total assets</b>	<b>109,576</b>	<b>196,178</b>	<b>64,357</b>	<b>38,272</b>	<b>408,383</b>
<b>Segment liabilities</b>	<b>151,497</b>	<b>161,034</b>	<b>41,872</b>	<b>14,282</b>	<b>368,685</b>
<b>Other information:</b>					
Gross customer loans	108,215	165,826	1,016	15	275,072
Non-performing assets	1,299	3,026	9	16	4,350
<b>At 30 June 2019</b>					
<b>Segment assets</b>	108,505	189,521	66,814	36,221	401,061
Intangible assets	1,316	2,086	660	81	4,143
Investment in associates and joint ventures	-	182	-	996	1,178
<b>Total assets</b>	<b>109,821</b>	<b>191,789</b>	<b>67,474</b>	<b>37,298</b>	<b>406,382</b>
<b>Segment liabilities</b>	<b>148,344</b>	<b>162,939</b>	<b>41,717</b>	<b>14,147</b>	<b>367,147</b>
<b>Other information:</b>					
Gross customer loans	108,408	163,603	851	19	272,881
Non-performing assets	1,229	2,932	8	16	4,185
<b>At 30 September 2018</b>					
<b>Segment assets</b>	106,706	175,065	63,812	31,655	377,239
Intangible assets	1,314	2,083	659	81	4,136
Investment in associates and joint ventures	-	163	-	1,100	1,264
<b>Total assets</b>	<b>108,020</b>	<b>177,311</b>	<b>64,471</b>	<b>32,836</b>	<b>382,638</b>
<b>Segment liabilities</b>	<b>140,271</b>	<b>159,551</b>	<b>32,771</b>	<b>13,087</b>	<b>345,680</b>
<b>Other information:</b>					
Gross customer loans	106,723	147,932	451	16	255,122
Non-performing assets	1,163	3,182	8	21	4,374

Note:

1 Comparative segment information for prior periods have been adjusted for changes in organisational structure and management reporting methodology.

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**Performance by Business Segment (cont'd)**

Business segment performance reporting is prepared based on the Group's internal organisation structure and the methodologies adopted in the management reporting framework. Business segments' results include all applicable revenue, expenses, internal fund transfer price and cost allocations associated with the activities of the business. Transactions between business segments are operated on an arm's length basis in a manner similar to third party transactions and they are eliminated on consolidation.

The Banking Group is organised into three major business segments - Group Retail, Group Wholesale Banking and Global Markets. Others include non-banking activities and corporate functions.

**Group Retail ("GR")**

GR segment covers personal and small enterprise customers.

Customers have access to a diverse range of products and services, including deposits, insurance, card, wealth management, investment, loan and trade financing products which are available across the Group's global branch network.

Profit before tax increased 10% to \$1.50 billion in 9M19, compared to a year ago. Total income grew 8% to \$3.19 billion driven by higher net interest income from volume growth and improvement in deposit margin, coupled with higher income from wealth management products. Expenses rose 10% from investments in people and digital capabilities. Total allowances for credit and other losses was lower at \$136 million.

Against the same quarter last year and previous quarter, profit before tax rose 20% and 7% to \$533 million, supported by higher net interest income and double-digit growth in wealth income partly offset by staff, technology and revenue-related expenses.

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

GWB encompasses corporate and institutional client segments which include medium and large enterprises, local corporations, multi-national corporations, financial institutions, government-linked entities, financial sponsors and property funds.

GWB provides customers with a broad range of products and services, including financing, trade services, cash management, capital markets solutions and advisory and treasury products.

Operating profit in 9M19 increased 4% to \$2.35 billion compared to a year ago. Net interest income grew 7% to \$2.23 billion from strong loan growth while non-interest income rose 10% to \$872 million supported by cash management, investment banking and loans related activities. Expenses were higher at \$757 million mainly from investments in headcount and technology to support strategic business initiatives. Profit before tax was relatively flat as allowances for impaired loans increased.

Compared to the same quarter last year and previous quarter, profit before tax was lower at \$730 million due to higher allowances for credit and other losses.

**Global Markets ("GM")**

GM provides a comprehensive suite of treasury products and services across multi-asset classes which includes foreign exchange, interest rate, credit, commodities, equities and structured investment products to help customers manage market risks and volatility. GM also engages in market making activities and management of funding and liquidity.

Income from products and services offered to customers of Group Retail and Group Wholesale Banking are reflected in the respective client segments.

Compared to a year ago, profit before tax grew 57% to \$256 million. Total income rose 26% to \$456 million largely from higher trading and investment income while expenses increased 8% to \$203 million.

Profit before tax tripled to \$91 million in 3Q19 as compared to the same quarter last year and 8% higher than the previous quarter on the back of higher trading income and gains from securities investment.

**Others**

Others includes corporate support functions, decisions not attributable to business segments mentioned above and other activities, which comprises property, insurance and investment management.

Others recorded a net profit of \$20 million as compared to a loss of \$18 million a year ago, due to higher income from central treasury activities, dividend income and gain on sale of bonds. This was partially offset by higher operating expenses and lower contribution from associates.

Against same quarter last year and previous quarter, 3Q19 registered a loss of \$30 million mainly from higher allowances for non-impaired asset.

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

	Singapore \$m	Malaysia \$m	Thailand \$m	Indonesia \$m	China <sup>2</sup> \$m	Others \$m	Total \$m
<b>9M19</b>							
Net interest income	2,855	543	569	242	319	399	4,927
Non-interest income	1,551	249	219	120	397	135	2,671
Operating income	4,406	792	788	362	716	534	7,598
Operating expenses	(1,887)	(313)	(492)	(256)	(296)	(112)	(3,356)
Allowances for credit and other losses	(106)	(47)	(93)	(48)	(1)	6	(289)
Share of profit of associates and joint ventures	35	0	-	-	(0)	(4)	31
Profit before tax	2,448	432	203	58	419	424	3,984
Total assets before intangible assets	236,076	41,927	26,228	9,515	58,241	32,248	404,235
Intangible assets	3,182	-	729	237	-	-	4,148
<b>Total assets</b>	<b>239,258</b>	<b>41,927</b>	<b>26,957</b>	<b>9,752</b>	<b>58,241</b>	<b>32,248</b>	<b>408,383</b>
<b>9M18</b>							
Net interest income	2,631	549	525	236	320	351	4,612
Non-interest income	1,280	240	186	92	340	151	2,289
Operating income	3,911	789	711	328	660	502	6,901
Operating expenses	(1,710)	(296)	(414)	(223)	(273)	(103)	(3,019)
Allowances for credit and other losses	(71)	(46)	(81)	(49)	(29)	11	(265)
Share of profit of associates and joint ventures	52	0	-	-	29	25	106
Profit before tax	2,182	447	216	56	387	434	3,722
Total assets before intangible assets	222,510	40,362	22,329	9,257	55,230	28,814	378,502
Intangible assets	3,182	-	726	228	-	-	4,136
<b>Total assets</b>	<b>225,692</b>	<b>40,362</b>	<b>23,055</b>	<b>9,485</b>	<b>55,230</b>	<b>28,814</b>	<b>382,638</b>

**Notes:**

1 Based on the location where the transaction and assets are booked. The information is stated after elimination of inter-segment transactions.

2 Comprise Mainland China, Hong Kong SAR and Taiwan.

**Performance by Geographical Segment <sup>1</sup> (cont'd)**

	Singapore	Malaysia	Thailand	Indonesia	China <sup>2</sup>	Others	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>3Q19</b>							
Net interest income	968	186	196	80	121	136	1,687
Non-interest income	537	93	81	47	114	50	922
Operating income	1,505	279	277	127	235	186	2,609
Operating expenses	(635)	(108)	(175)	(91)	(105)	(40)	(1,154)
Allowances for credit and other losses	(54)	(20)	(59)	(14)	(15)	17	(145)
Share of profit of associates and joint ventures	13	0	-	-	(0)	1	14
Profit before tax	829	151	43	22	115	164	1,324
Total assets before intangible assets	236,076	41,927	26,228	9,515	58,241	32,248	404,235
Intangible assets	3,182	-	729	237	-	-	4,148
<b>Total assets</b>	<b>239,258</b>	<b>41,927</b>	<b>26,957</b>	<b>9,752</b>	<b>58,241</b>	<b>32,248</b>	<b>408,383</b>
<b>2Q19</b>							
Net interest income	970	177	189	79	106	132	1,653
Non-interest income	533	80	72	38	150	57	930
Operating income	1,503	257	261	117	256	189	2,583
Operating expenses	(644)	(105)	(161)	(83)	(99)	(37)	(1,129)
Allowances for credit and other losses	9	(26)	(38)	(17)	27	(6)	(51)
Share of profit of associates and joint ventures	9	0	-	-	0	(9)	(0)
Profit before tax	877	126	62	17	184	137	1,403
Total assets before intangible assets	236,810	40,521	24,470	9,866	56,288	34,284	402,239
Intangible assets	3,182	-	728	233	-	-	4,143
<b>Total assets</b>	<b>239,992</b>	<b>40,521</b>	<b>25,198</b>	<b>10,099</b>	<b>56,288</b>	<b>34,284</b>	<b>406,382</b>
<b>3Q18</b>							
Net interest income	912	188	180	77	113	129	1,599
Non-interest income	403	73	64	35	105	48	728
Operating income	1,315	261	244	112	218	177	2,327
Operating expenses	(572)	(99)	(142)	(76)	(88)	(34)	(1,011)
Allowances for credit and other losses	(24)	(18)	(22)	(30)	8	(9)	(95)
Share of profit of associates and joint ventures	15	0	-	-	8	2	25
Profit before tax	734	144	80	6	146	136	1,246
Total assets before intangible assets	222,510	40,362	22,329	9,257	55,230	28,814	378,502
Intangible assets	3,182	-	726	228	-	-	4,136
<b>Total assets</b>	<b>225,692</b>	<b>40,362</b>	<b>23,055</b>	<b>9,485</b>	<b>55,230</b>	<b>28,814</b>	<b>382,638</b>

**Notes:**

1 Based on the location where the transaction and assets are booked. The information is stated after elimination of inter-segment transactions.

2 Comprise Mainland China, Hong Kong SAR and Taiwan.

## **Performance by Geographical Segment (cont'd)**

Geographical segment performance reporting is prepared based on the location where the transaction or assets are booked. The information is stated after elimination of inter-segment transactions.

### **Singapore**

Profit before tax for the nine months grew 12% to \$2.45 billion from a year ago, supported by double-digit growth in income. Net interest income rose 9% to \$2.86 billion from loan growth and higher net interest margin. Non-interest income increased 21% to \$1.55 billion from higher trading and investment income. Expenses were 10% higher at \$1.89 billion, primarily from investment in talent and technology to support franchise growth.

Compared to the same quarter last year, profit before tax increased 13% to \$829 million on the back of stronger income growth, partly offset by higher expenses and credit losses.

Profit before tax decreased 5% quarter on quarter to \$829 million due to higher allowances for credit and other losses.

### **Malaysia**

Profit before tax for the nine months declined 3% to \$432 million against the previous year due to unfavourable foreign exchange translation. Total income was marginally higher at \$792 million, as net interest income from loan growth was partly offset by lower net interest margin given policy rate cut and competitive pricing environment. Non-interest income improved 4% to \$249 million supported by higher gain from government securities. Expenses increased 6% to \$313 million and allowances were relatively flat from a year ago.

Against the same quarter last year, profit before tax increased by 5% to \$151 million lifted by higher loan-related and wealth management fee income coupled with higher gain from government securities. Quarter on quarter, profit before tax registered a strong growth of 19% to \$151 million, led by 9% income growth and lower credit losses.

### **Thailand**

Compared to a year ago, profit before tax for 9M19 was 6% lower at \$203 million. Strong income growth of 11% to \$788 million was registered on the back of loan growth, broad-based increase in fee income and higher gain from government securities. Expenses increased 19% to \$492 million, largely from staff expenses and investment in digital bank.

Against the same quarter last year and previous quarter, profit before tax for 3Q19 was lower by 46% and 30% respectively to \$43 million, as income growth was more than offset by investment in digital bank and higher allowances for credit losses.

### **Indonesia**

Profit before tax for the nine months increased marginally to \$58 million from a year ago. Income grew by 10% to \$362 million from higher trading income and increased fee from wealth and credit card. This was largely offset by higher staff and revenue-related expenses, while credit costs were broadly stable.

Compared to the same quarter last year and previous quarter, profit before tax increased \$16 million and \$5 million respectively to \$22 million on the back of higher trading and investment income and lower allowances for credit and other losses.

### **China**

For the nine months, profit before tax grew 8% to \$419 million driven by higher treasury income and loan-related fee as well as lower allowances for credit and other losses. This was partially offset by reduced interest in an associated company.

Against the same quarter last year, profit before tax declined by 21% to \$115 million, largely attributed to a write-back in allowances for credit and other losses in 3Q18. Income grew 8% from a year ago driven by loan growth and broad-based increase in fee income.

Profit before tax was lower by 37% quarter on quarter as 2Q19 benefitted from higher loan-related fee and treasury income as well as a write-back in allowances on non-impaired assets and recoveries from impaired loan.

### **Others**

Profit before tax for 9M19 declined by 2% to \$424 million from a year ago, as income growth was more than offset by higher expenses coupled with lower contribution from associates.

Profit before tax of \$164 million in 3Q19 represented 21% growth from a year ago and 20% against last quarter due to a write-back in allowances for credit and other losses.



## Capital Adequacy and Leverage Ratios <sup>1,2,3</sup>

	Sep-19 \$m	Jun-19 \$m	Dec-18 \$m	Sep-18 \$m
Share capital	4,947	4,946	4,888	4,931
Disclosed reserves/others	31,379	31,734	30,445	29,541
Regulatory adjustments	(4,567)	(4,613)	(4,583)	(4,570)
<b>Common Equity Tier 1 Capital ("CET1")</b>	<b>31,759</b>	<b>32,067</b>	<b>30,750</b>	<b>29,902</b>
Perpetual capital securities/others	2,878	2,129	2,129	2,129
<b>Additional Tier 1 Capital ("AT1")</b>	<b>2,878</b>	<b>2,129</b>	<b>2,129</b>	<b>2,129</b>
<b>Tier 1 Capital</b>	<b>34,637</b>	<b>34,196</b>	<b>32,879</b>	<b>32,030</b>
Subordinated notes	4,047	5,056	4,186	4,144
Provisions/others	487	378	477	721
<b>Tier 2 Capital</b>	<b>4,534</b>	<b>5,434</b>	<b>4,663</b>	<b>4,865</b>
<b>Eligible Total Capital</b>	<b>39,171</b>	<b>39,630</b>	<b>37,542</b>	<b>36,895</b>
<b>Risk-Weighted Assets ("RWA")</b>	<b>231,610</b>	<b>230,032</b>	<b>220,568</b>	<b>212,502</b>
<b>Capital Adequacy Ratios ("CAR")</b>				
CET1	13.7%	13.9%	13.9%	14.1%
Tier 1	15.0%	14.9%	14.9%	15.1%
Total	16.9%	17.2%	17.0%	17.4%
<b>Leverage Exposure</b>	<b>458,057</b>	<b>454,152</b>	<b>434,732</b>	<b>430,329</b>
<b>Leverage Ratio</b>	<b>7.6%</b>	<b>7.5%</b>	<b>7.6%</b>	<b>7.4%</b>

The Group's CET1, Tier 1 and Total CAR as at 30 September 2019 were well above the regulatory minimum requirements.

Year on year, total capital was higher mainly from retained earnings and issuance of S\$750 million perpetual capital securities, partly offset by lower eligible provisions. RWA was higher largely due to asset growth.

Total capital was lower quarter on quarter mainly from interim dividend payment and redemption of US\$800 million subordinated notes, partly offset by issuance of S\$750 million perpetual capital securities.

As at 30 September 2019, the Group's leverage ratio was 7.6%, comfortably above the regulatory minimum requirement of 3%.

### Notes:

- 1 Singapore-incorporated banks are required to maintain minimum CAR as follows: CET1 at 6.5%, Tier 1 at 8% and Total at 10%. In addition, the Group is required to maintain CET1 capital to meet the capital conservation buffer of 2.5% and the countercyclical capital buffer (CCyB) of up to 2.5% effective 1 January 2019. The Group's CCyB is computed as the weighted average of effective CCyB in jurisdictions to which the Group has private sector exposures.
- 2 Leverage ratio is calculated in accordance with MAS Notice 637. A minimum ratio of 3% is required effective 1 January 2018.
- 3 Disclosures required under MAS Notice 637 are published on our website: [www.UOBgroup.com/investor-relations/financial/index.html](http://www.UOBgroup.com/investor-relations/financial/index.html).

**Consolidated Income Statement (Unaudited)**

	9M19	9M18	+ / (-)	3Q19	3Q18	+ / (-)	2Q19	+ / (-)
	\$m	\$m	%	\$m	\$m	%	\$m	%
Interest income	9,518	8,103	17	3,223	2,920	10	3,194	1
Less: Interest expense	4,591	3,491	32	1,537	1,321	16	1,541	(0)
<b>Net interest income</b>	<b>4,927</b>	<b>4,612</b>	<b>7</b>	<b>1,687</b>	<b>1,599</b>	<b>5</b>	<b>1,653</b>	<b>2</b>
Net fee and commission income	1,557	1,500	4	551	484	14	527	5
Dividend income	47	26	80	6	5	27	40	(84)
Rental income	83	90	(8)	27	30	(9)	28	(3)
Net trading income	699	565	24	212	174	21	245	(13)
Net gain from investment securities	193	24	>100	98	11	>100	67	47
Other income	93	84	10	28	23	21	24	18
<b>Non-interest income</b>	<b>2,671</b>	<b>2,289</b>	<b>17</b>	<b>922</b>	<b>728</b>	<b>27</b>	<b>930</b>	<b>(1)</b>
<b>Total operating income</b>	<b>7,598</b>	<b>6,901</b>	<b>10</b>	<b>2,609</b>	<b>2,327</b>	<b>12</b>	<b>2,583</b>	<b>1</b>
Less: Staff costs	2,042	1,850	10	708	626	13	675	5
Other operating expenses	1,314	1,169	12	446	384	16	455	(2)
<b>Total operating expenses</b>	<b>3,356</b>	<b>3,019</b>	<b>11</b>	<b>1,154</b>	<b>1,011</b>	<b>14</b>	<b>1,129</b>	<b>2</b>
<b>Operating profit before allowance</b>	<b>4,242</b>	<b>3,881</b>	<b>9</b>	<b>1,455</b>	<b>1,317</b>	<b>11</b>	<b>1,453</b>	<b>0</b>
Less: Allowances for credit and other losses	289	265	9	145	95	53	51	>100
<b>Operating profit after allowance</b>	<b>3,953</b>	<b>3,616</b>	<b>9</b>	<b>1,310</b>	<b>1,222</b>	<b>7</b>	<b>1,403</b>	<b>(7)</b>
Share of profit of associates and joint ventures	31	106	(70)	14	25	(42)	(0)	>100
<b>Profit before tax</b>	<b>3,984</b>	<b>3,722</b>	<b>7</b>	<b>1,324</b>	<b>1,246</b>	<b>6</b>	<b>1,403</b>	<b>(6)</b>
Less: Tax	634	620	2	202	206	(2)	231	(12)
<b>Profit for the financial period</b>	<b>3,350</b>	<b>3,102</b>	<b>8</b>	<b>1,122</b>	<b>1,040</b>	<b>8</b>	<b>1,171</b>	<b>(4)</b>
Attributable to:								
<b>Equity holders of the Bank</b>	<b>3,338</b>	<b>3,092</b>	<b>8</b>	<b>1,118</b>	<b>1,037</b>	<b>8</b>	<b>1,168</b>	<b>(4)</b>
Non-controlling interests	12	10	27	3	3	19	4	(10)
	<b>3,350</b>	<b>3,102</b>	<b>8</b>	<b>1,122</b>	<b>1,040</b>	<b>8</b>	<b>1,171</b>	<b>(4)</b>

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

	<b>9M19</b>	9M18	+/-)	<b>3Q19</b>	3Q18	+/-)	2Q19	+/-)
	<b>\$m</b>	\$m	%	<b>\$m</b>	\$m	%	\$m	%
<b>Profit for the financial period</b>	<b>3,350</b>	3,102	8	<b>1,122</b>	1,040	8	1,171	(4)
<b>Other comprehensive income that will not be reclassified to income statement</b>								
Net gains/(losses) on equity instruments at fair value through other comprehensive income	<b>88</b>	(217)	>100	<b>(43)</b>	(80)	47	21	(>100)
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk	<b>(55)</b>	31	(>100)	<b>(17)</b>	(18)	5	(12)	(45)
Remeasurement of defined benefit obligation	<b>0</b>	6	(97)	<b>(0)</b>	6	(>100)	0	(>100)
Related tax on items fair value through other comprehensive income	<b>(46)</b>	(3)	(>100)	<b>5</b>	12	(54)	(67)	>100
	<b>(12)</b>	(183)	94	<b>(55)</b>	(81)	32	(57)	4
<b>Other comprehensive income that may be subsequently reclassified to income statement</b>								
Currency translation adjustments	<b>196</b>	(69)	>100	<b>107</b>	(121)	>100	(9)	>100
Debt instruments at fair value through other comprehensive income								
Change in fair value	<b>373</b>	(226)	>100	<b>73</b>	39	90	124	(41)
Transfer to income statement on disposal	<b>(93)</b>	26	(>100)	<b>(40)</b>	5	(>100)	(41)	2
Changes in allowance for expected credit losses	<b>(49)</b>	(4)	(>100)	<b>1</b>	(5)	>100	(3)	>100
Related tax	<b>44</b>	6	>100	<b>(6)</b>	(8)	32	53	(>100)
	<b>470</b>	(267)	>100	<b>135</b>	(91)	>100	124	9
Change in shares of other comprehensive income of associates and joint ventures	<b>12</b>	(10)	>100	<b>5</b>	(3)	>100	11	(50)
<b>Other comprehensive income for the financial period, net of tax</b>	<b>470</b>	(460)	>100	<b>86</b>	(174)	>100	78	11
<b>Total comprehensive income for the financial period, net of tax</b>	<b>3,820</b>	2,641	45	<b>1,208</b>	866	39	1,249	(3)
Attributable to:								
<b>Equity holders of the Bank</b>	<b>3,801</b>	2,632	44	<b>1,205</b>	863	40	1,242	(3)
Non-controlling interests	<b>19</b>	9	>100	<b>3</b>	3	0	7	(62)
	<b>3,820</b>	2,641	45	<b>1,208</b>	866	39	1,249	(3)

**Consolidated Balance Sheet (Unaudited)**

	Sep-19	Jun-19	Dec-18 <sup>1</sup>	Sep-18
	\$m	\$m	\$m	\$m
<b>Equity</b>				
Share capital and other capital	7,822	7,072	7,014	7,057
Retained earnings	22,842	22,681	21,716	20,863
Other reserves	8,820	9,280	8,893	8,848
Equity attributable to equity holders of the Bank	39,484	39,033	37,623	36,768
Non-controlling interests	214	202	190	190
<b>Total equity</b>	<b>39,697</b>	<b>39,235</b>	<b>37,813</b>	<b>36,959</b>
<b>Liabilities</b>				
Deposits and balances of banks	21,999	18,157	13,801	14,811
Deposits and balances of customers	304,423	304,792	293,186	293,634
Bills and drafts payable	841	743	638	769
Derivative financial liabilities	7,406	5,874	5,840	6,542
Other liabilities	5,617	5,431	5,417	5,331
Tax payable	466	542	514	555
Deferred tax liabilities	309	270	279	131
Debts issued	27,625	31,338	30,606	23,906
<b>Total liabilities</b>	<b>368,685</b>	<b>367,147</b>	<b>350,280</b>	<b>345,680</b>
<b>Total equity and liabilities</b>	<b>408,383</b>	<b>406,382</b>	<b>388,092</b>	<b>382,638</b>
<b>Assets</b>				
Cash, balances and placements with central banks	22,280	26,742	25,252	24,375
Singapore Government treasury bills and securities	5,869	5,542	5,615	5,761
Other government treasury bills and securities	17,526	14,733	13,201	12,393
Trading securities	2,895	2,193	1,929	2,075
Placements and balances with banks	51,833	53,103	50,800	54,954
Loans to customers	271,886	269,820	258,627	251,755
Derivative financial assets	7,288	5,832	5,730	6,696
Investment securities	15,009	14,722	13,553	12,467
Other assets	4,536	4,536	4,516	3,395
Deferred tax assets	289	260	284	167
Investment in associates and joint ventures	1,183	1,178	1,170	1,264
Investment properties	960	984	1,012	1,038
Fixed assets	2,679	2,593	2,266	2,161
Intangible assets	4,148	4,143	4,138	4,136
<b>Total assets</b>	<b>408,383</b>	<b>406,382</b>	<b>388,092</b>	<b>382,638</b>
<b>Off-balance sheet items</b>				
Contingent liabilities	33,673	32,175	31,003	31,524
Financial derivatives	984,877	939,828	922,170	987,792
Commitments	155,955	153,946	151,494	146,065
<b>Net asset value per ordinary share (\$)</b>	<b>21.94</b>	<b>22.12</b>	<b>21.31</b>	<b>20.78</b>

Note:

1 Audited.

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

	<b>Attributable to equity holders of the Bank</b>					
	<b>Share capital and other capital</b>	<b>Retained earnings</b>	<b>Other reserves</b>	<b>Total</b>	<b>Non- controlling interests</b>	<b>Total equity</b>
	\$m	\$m	\$m	\$m	\$m	\$m
Balance at 1 January 2019	7,014	21,716	8,893	37,623	190	37,813
Profit for the financial period	-	3,338	-	3,338	12	3,350
Other comprehensive income for the financial period	-	0	463	463	7	470
Total comprehensive income for the financial period	-	3,338	463	3,801	19	3,820
Transfers	-	(83)	83	-	-	-
Adjustment	-	-	(600)	(600)	-	(600)
Change in non-controlling interests	-	-	-	-	12	12
Dividends	-	(2,129)	-	(2,129)	(7)	(2,135)
Share-based compensation	-	-	40	40	-	40
Shares issued under share-based compensation plans	59	-	(59)	-	-	-
Perpetual capital securities issued	749	-	-	749	-	749
Balance at 30 September 2019	<b>7,822</b>	<b>22,842</b>	<b>8,820</b>	<b>39,484</b>	<b>214</b>	<b>39,697</b>
Balance at 1 January 2018	7,766	19,707	9,377	36,850	187	37,037
Impact of adopting SFRS(I) 9	-	62	(59)	3	(1)	2
Restated opening balance under SFRS(I) 9	7,766	19,769	9,318	36,853	185	37,039
Profit for the financial period	-	3,092	-	3,092	10	3,102
Other comprehensive income for the financial period	-	6	(466)	(460)	(1)	(460)
Total comprehensive income for the financial period	-	3,098	(466)	2,632	9	2,641
Transfers	-	(6)	6	-	-	-
Change in non-controlling interests	-	-	-	-	4	4
Dividends	-	(1,998)	-	(1,998)	(8)	(2,007)
Shares re-purchased - held in treasury	(167)	-	-	(167)	-	(167)
Shares issued under scrip dividend scheme	267	-	-	267	-	267
Share-based compensation	-	-	31	31	-	31
Shares issued under share-based compensation plans	39	-	(39)	-	-	-
Redemption of perpetual capital securities	(847)	-	(3)	(850)	-	(850)
Balance at 30 September 2018	<b>7,057</b>	<b>20,863</b>	<b>8,848</b>	<b>36,768</b>	<b>190</b>	<b>36,959</b>

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

	<u>Attributable to equity holders of the Bank</u>					Total equity \$m
	Share capital and other capital	Retained earnings	Other reserves	Total	Non- controlling interests	
	\$m	\$m	\$m	\$m	\$m	
Balance at 1 July 2019	7,072	22,681	9,280	39,033	202	39,235
Profit for the financial period	-	1,118	-	1,118	3	1,122
Other comprehensive income for the financial period	-	0	87	87	(1)	86
Total comprehensive income for the financial period	-	1,119	87	1,205	3	1,208
Transfers	-	(40)	40	-	-	-
Adjustment	-	-	(600)	(600)	-	(600)
Change in non-controlling interests	-	-	-	-	12	12
Dividends	-	(918)	-	(918)	(2)	(920)
Share-based compensation	-	-	14	14	-	14
Shares issued under share-based compensation plans	1	-	(1)	-	-	-
Perpetual capital securities issued	749	-	-	749	-	749
Balance at 30 September 2019	<b>7,822</b>	<b>22,842</b>	<b>8,820</b>	<b>39,484</b>	<b>214</b>	<b>39,697</b>
Balance at 1 July 2018	7,967	20,681	9,011	37,660	190	37,850
Profit for the financial period	-	1,037	-	1,037	3	1,040
Other comprehensive income for the financial period	-	6	(180)	(174)	(0)	(174)
Total comprehensive income for the financial period	-	1,043	(180)	863	3	866
Transfers	-	(7)	7	-	-	-
Dividends	-	(855)	-	(855)	(2)	(857)
Shares re-purchased - held in treasury	(63)	-	-	(63)	-	(63)
Share-based compensation	-	-	13	13	-	13
Shares issued under share-based compensation plans	0	-	(0)	-	-	-
Redemption of perpetual capital securities	(847)	-	(3)	(850)	-	(850)
Balance at 30 September 2018	<b>7,057</b>	<b>20,863</b>	<b>8,848</b>	<b>36,768</b>	<b>190</b>	<b>36,959</b>

**Consolidated Cash Flow Statement (Unaudited)**

	9M19	9M18	3Q19	3Q18
	\$m	\$m	\$m	\$m
<b>Cash flows from operating activities</b>				
Profit for the financial period	3,350	3,102	1,122	1,040
Adjustments for:				
Allowances for credit and other losses	289	265	145	95
Share of profit of associates and joint ventures	(31)	(106)	(14)	(25)
Tax	634	620	202	206
Depreciation of assets	290	200	102	68
Net (gain)/loss on disposal of assets	(247)	11	(95)	4
Share-based compensation	40	31	14	13
Operating profit before working capital changes	4,325	4,123	1,475	1,401
Change in working capital:				
Deposits and balances of banks	8,261	3,419	3,841	(2,286)
Deposits and balances of customers	9,579	21,004	(1,532)	6,827
Bills and drafts payable	190	61	91	(105)
Other liabilities	1,345	822	1,067	(351)
Restricted balances with central banks	(334)	151	(74)	22
Government treasury bills and securities	(4,195)	(2,212)	(2,802)	(1,281)
Trading securities	(942)	(308)	(695)	88
Placements and balances with banks	(862)	(2,751)	1,423	2,850
Loans to customers	(11,975)	(19,606)	(850)	(6,093)
Investment securities	(1,095)	(1,689)	(288)	(845)
Other assets	(2,260)	(212)	(2,052)	734
Cash generated from/(used in) operations	2,036	2,802	(395)	961
Income tax paid	(657)	(617)	(267)	(300)
Net cash provided by/(used in) operating activities	1,379	2,185	(662)	662
<b>Cash flows from investing activities</b>				
Capital injection into associates and joint ventures	(22)	(32)	(0)	(13)
Acquisition of associates and joint ventures	(7)	(0)	(7)	-
Distribution from associates and joint ventures	51	48	20	16
Acquisition of properties and other fixed assets	(408)	(358)	(138)	(124)
Proceeds from disposal of properties and other fixed assets	25	21	3	8
Change in non-controlling interests	2	4	2	-
Net cash used in investing activities	(359)	(318)	(121)	(112)
<b>Cash flows from financing activities</b>				
Perpetual capital securities issued	749	-	749	-
Redemption of perpetual capital securities	-	(850)	-	(850)
Issuance of debts issued	29,003	27,217	11,398	3,351
Redemption of debts issued	(32,368)	(28,428)	(15,249)	(7,182)
Shares re-purchased - held in treasury	-	(167)	-	(63)
Change in non-controlling interests	10	-	10	-
Dividends paid on ordinary shares	(2,085)	(1,647)	(918)	(834)
Distribution for perpetual capital securities	(44)	(85)	-	(21)
Dividends paid to non-controlling interests	(7)	(8)	(2)	(2)
Lease payments	(59)	-	(22)	-
Net cash used in financing activities	(4,802)	(3,968)	(4,034)	(5,600)
Currency translation adjustments	479	19	282	46
<b>Net decrease in cash and cash equivalents</b>	(3,303)	(2,082)	(4,535)	(5,004)
Cash and cash equivalents at beginning of the financial period	19,617	20,975	20,849	23,898
<b>Cash and cash equivalents at end of the financial period</b>	16,314	18,893	16,314	18,893

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

	Sep-19 \$m	Jun-19 \$m	Dec-18 <sup>1</sup> \$m	Sep-18 \$m
<b>Equity</b>				
Share capital and other capital	7,822	7,072	7,014	7,057
Retained earnings	16,902	16,944	16,118	15,457
Other reserves	9,231	9,822	9,598	9,631
<b>Total</b>	<b>33,954</b>	<b>33,838</b>	<b>32,729</b>	<b>32,144</b>
<b>Liabilities</b>				
Deposits and balances of banks	19,534	15,513	12,071	13,743
Deposits and balances of customers	234,662	236,998	227,259	230,858
Deposits and balances of subsidiaries	10,184	11,071	13,562	9,307
Bills and drafts payable	558	492	359	476
Derivative financial liabilities	5,999	4,759	4,487	4,685
Other liabilities	3,526	3,462	3,105	3,072
Tax payable	413	491	435	491
Deferred tax liabilities	191	191	206	98
Debts issued	26,151	29,894	28,905	22,207
<b>Total</b>	<b>301,220</b>	<b>302,871</b>	<b>290,389</b>	<b>284,937</b>
<b>Total equity and liabilities</b>	<b>335,174</b>	<b>336,709</b>	<b>323,118</b>	<b>317,082</b>
<b>Assets</b>				
Cash, balances and placements with central banks	17,770	22,229	20,783	20,088
Singapore Government treasury bills and securities	5,862	5,542	5,609	5,761
Other government treasury bills and securities	6,489	6,177	5,668	5,709
Trading securities	2,835	2,103	1,795	1,938
Placements and balances with banks	41,900	41,845	39,812	41,631
Loans to customers	211,965	211,203	201,789	196,687
Placements with and advances to subsidiaries	14,369	14,831	16,363	15,457
Derivative financial assets	5,846	4,741	4,344	4,756
Investment securities	12,695	12,491	11,668	10,969
Other assets	2,761	2,885	2,870	1,865
Deferred tax assets	76	87	87	66
Investment in associates and joint ventures	357	374	363	353
Investment in subsidiaries	6,027	6,026	6,014	5,912
Investment properties	1,027	1,050	1,079	1,098
Fixed assets	2,013	1,943	1,692	1,611
Intangible assets	3,182	3,182	3,182	3,182
<b>Total</b>	<b>335,174</b>	<b>336,709</b>	<b>323,118</b>	<b>317,082</b>
<b>Off-balance sheet items</b>				
Contingent liabilities	21,003	20,442	19,377	20,775
Financial derivatives	833,619	762,745	754,822	799,820
Commitments	126,864	125,858	123,815	120,124
<b>Net asset value per ordinary share (\$)</b>	<b>18.63</b>	<b>19.01</b>	<b>18.37</b>	<b>18.00</b>

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 2019	7,014	16,118	9,598	32,729
Profit for the financial period	-	2,998	-	2,998
Other comprehensive income for the financial period	-	(0)	167	167
Total comprehensive income for the financial period	-	2,998	167	3,165
Transfers	-	(85)	85	-
Adjustment	-	-	(600)	(600)
Dividends	-	(2,129)	-	(2,129)
Share-based compensation	-	-	40	40
Shares issued under share-based compensation plans	59	-	(59)	-
Perpetual capital securities issued	749	-	-	749
Balance at 30 September 2019	<b>7,822</b>	<b>16,902</b>	<b>9,231</b>	<b>33,954</b>
Balance at 1 January 2018	7,766	14,701	10,045	32,512
Impact of adopting SFRS(I) 9	-	93	(34)	59
Restated opening balance under SFRS(I) 9	7,766	14,794	10,011	32,571
Profit for the financial period	-	2,667	-	2,667
Other comprehensive income for the financial period	-	0	(376)	(376)
Total comprehensive income for the financial period	-	2,667	(376)	2,291
Transfers	-	(6)	6	-
Dividends	-	(1,998)	-	(1,998)
Shares re-purchased - held in treasury	(167)	-	-	(167)
Shares issued under scrip dividend scheme	267	-	-	267
Share-based compensation	-	-	31	31
Shares issued under share-based compensation plans	39	-	(39)	-
Redemption of perpetual capital securities	(847)	-	(3)	(850)
Balance at 30 September 2018	<b>7,057</b>	<b>15,457</b>	<b>9,631</b>	<b>32,144</b>

**Statement of Changes in Equity of the Bank (Unaudited)**

	Share capital and other capital \$m	Retained earnings \$m	Other reserves \$m	Total equity \$m
Balance at 1 July 2019	7,072	16,944	9,822	33,838
Profit for the financial period	-	916	-	916
Other comprehensive income for the financial period	-	(0)	(45)	(45)
Total comprehensive income for the financial period	-	916	(45)	871
Transfers	-	(40)	40	-
Adjustment	-	-	(600)	(600)
Dividends	-	(918)	-	(918)
Share-based compensation	-	-	14	14
Shares issued under share-based compensation plans	1	-	(1)	-
Perpetual capital securities issued	749	-	-	749
Balance at 30 September 2019	<b>7,822</b>	<b>16,902</b>	<b>9,231</b>	<b>33,954</b>
Balance at 1 July 2018	7,967	15,489	9,685	33,140
Profit for the financial period	-	830	-	830
Other comprehensive income for the financial period	-	(0)	(71)	(71)
Total comprehensive income for the financial period	-	830	(71)	759
Transfers	-	(7)	7	-
Dividends	-	(855)	-	(855)
Shares re-purchased - held in treasury	(63)	-	-	(63)
Share-based compensation	-	-	13	13
Shares issued under share-based compensation plans	0	-	(0)	-
Redemption of perpetual capital securities	(847)	-	(3)	(850)
Balance at 30 September 2018	<b>7,057</b>	<b>15,457</b>	<b>9,631</b>	<b>32,144</b>