

Full Year 2017 Results

Healthy Growth Momentum and Strong Balance Sheet

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Deputy Chairman and Chief Executive Officer

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Record Earnings Driven by Core Businesses' Stronger Performance

- **FY17 profit: \$3.4bn, ▲ 9% YoY**
 - Both net interest income and fee income reach new highs
- **Net interest income ▲ 11% to \$5.5bn, backed by growth in both loans and NIM**
 - Loans: ▲ 5% YoY, driven by broad-based increases across most markets and industries
 - NIM: ▲ 6bps to 1.77%, mainly due to more efficient deployment of liquid assets
- **Non-interest income lifted mainly by fee income (▲ 12% YoY)**
- **Cost-to-income ratio stable at 45.5%**
 - Ongoing investment in infrastructure and technology to enhance capabilities
- **Dividend**
 - Final dividend of 45 cents/share; special dividend of 20 cents/share
 - Full-year dividend of \$1/share, including special dividend
 - Scrip dividend applied

Disciplined Balance Sheet Management

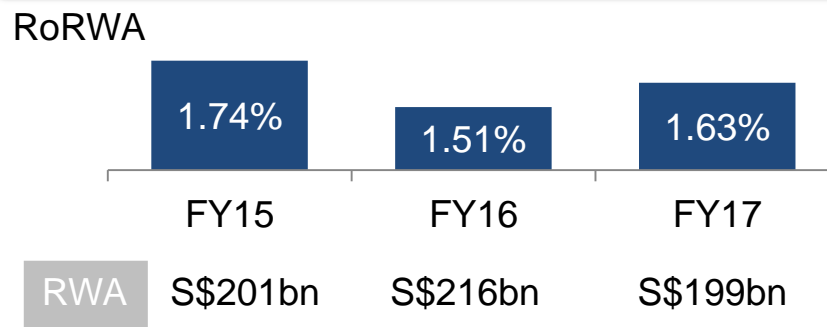
- **Portfolio quality broadly stable**
 - Uptick in NPL ratio to 1.8%; accelerated recognition of residual vulnerable exposures in oil & gas and related sectors as NPL in 4Q17
 - 28bps total credit costs lower YoY
 - Comfortable level of allowance to meet SFRS(I) 9 requirements

- **Improved balance sheet efficiency**
 - Result of ongoing efforts to optimise RWA

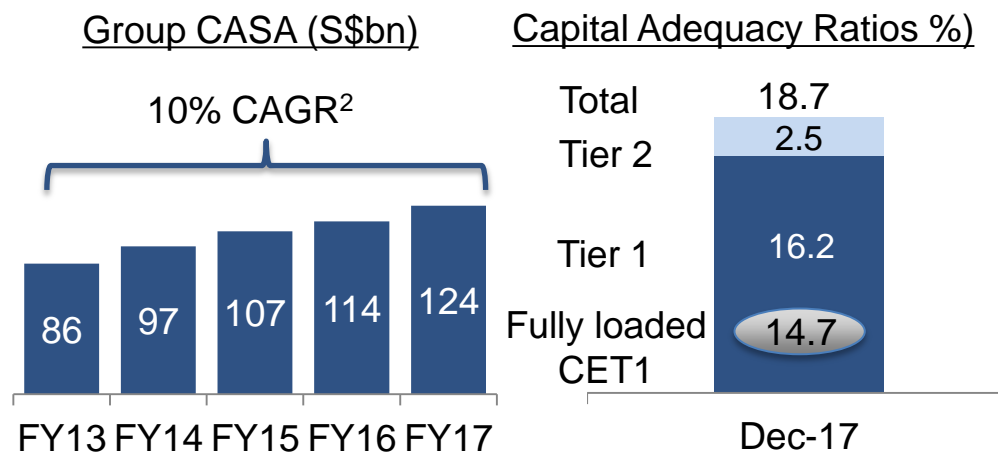
- **Proactive liability management**
 - Liquidity Coverage Ratios³: S\$ (170%) and all-currency (135%)

- **Robust capital position**
 - 14.7% fully-loaded CET1 ratio⁴

Optimising RWA to drive higher RoRWA¹



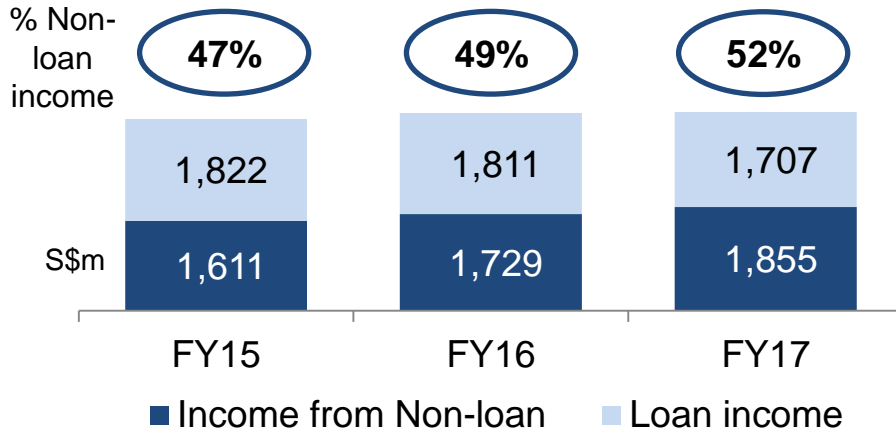
Liability Management and Capital



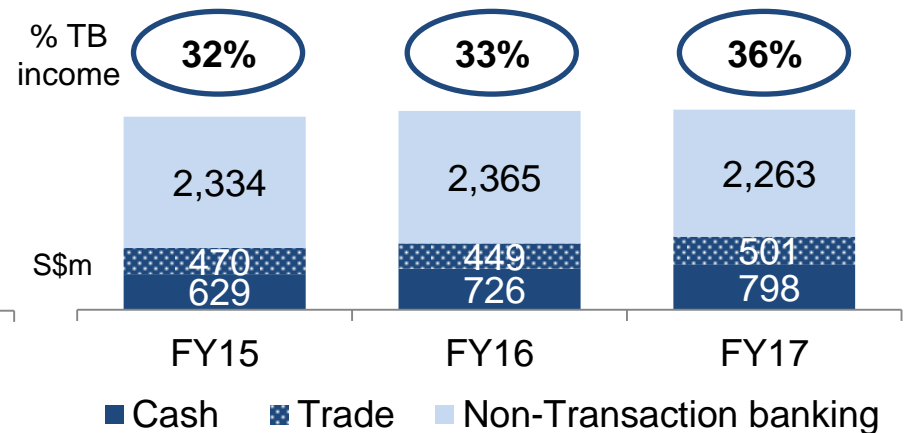
1. Return on average risk-weighted assets
2. Compound annual growth rate (CAGR) computed over 4 years (2013 to 2017)
3. Average ratios for fourth quarter of 2017
4. Fully phased in, as per Basel III rules

Wholesale Banking: Diversifying Income Mix to Grow RoRWA

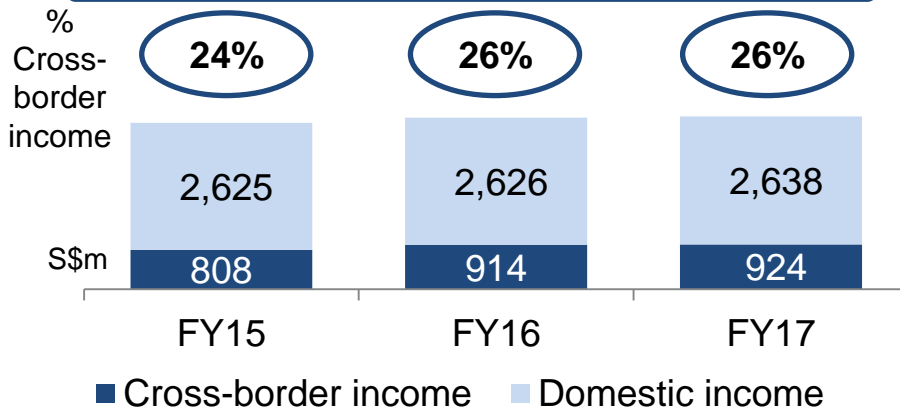
Income from Non-Loan: +7% CAGR¹



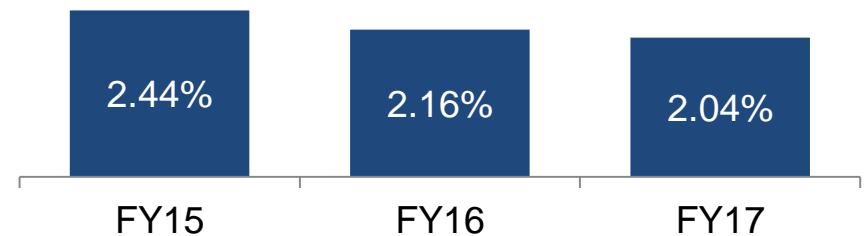
Income from Transaction Banking: +9% CAGR¹



Cross-border income: +7% CAGR¹



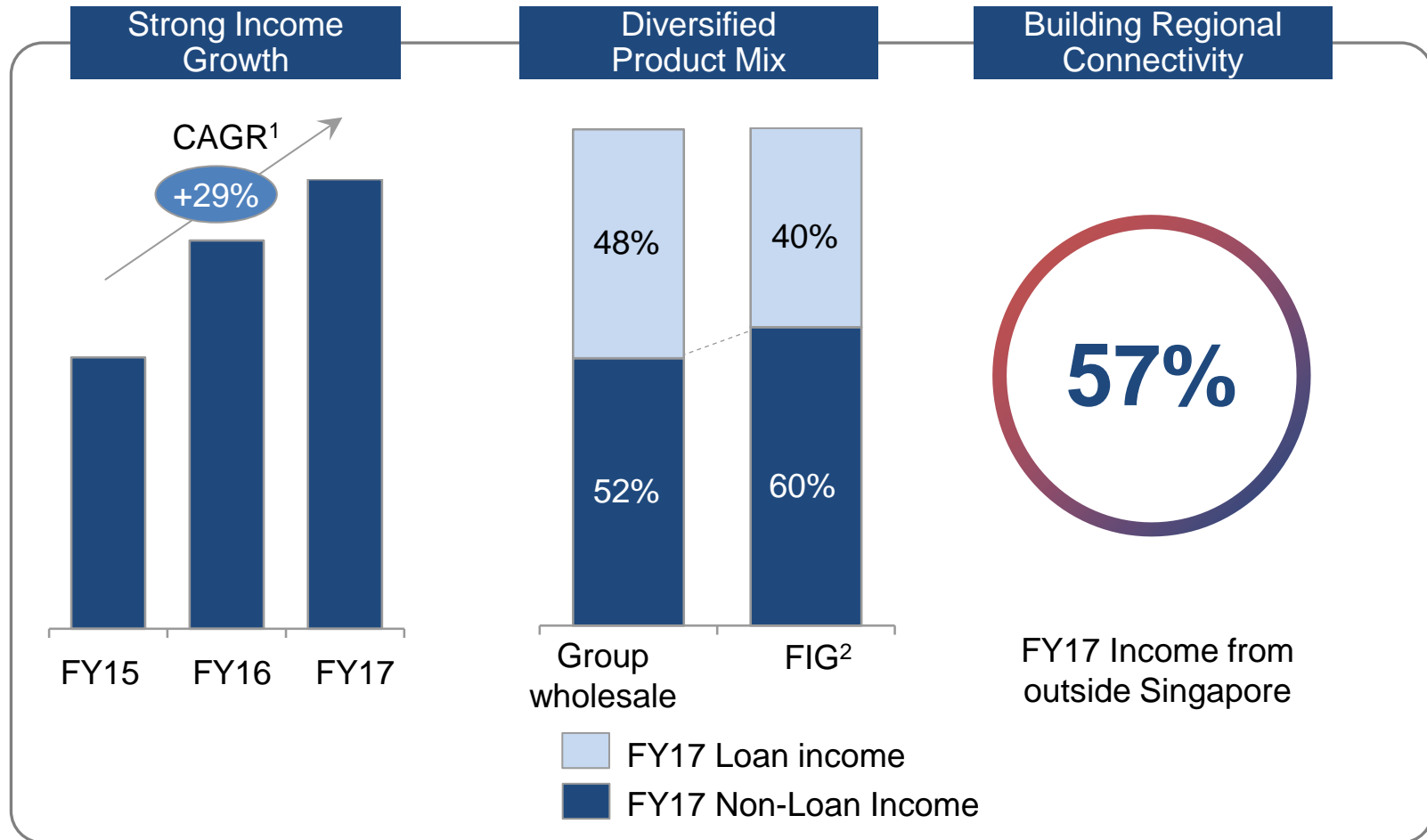
Segment RoRWA²: -0.12% pt YoY



1. Compound annual growth rate (CAGR) computed over 2 years (2015 to 2017)
 2. RoRWA: Ratio of "Operating profit" to "Average segment RWA"

Focus on Sectors with Highest Trade and Connectivity Flows

One of 1st sectors launched: Financial Institution segment showing good progress

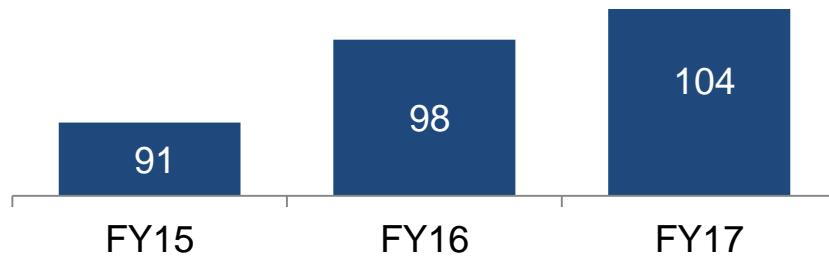


1. Compound annual growth rate (CAGR) computed over 2 years (2015 to 2017)
2. FIG: Financial Institutional Group

Retail Banking: Growth Momentum Gaining Traction

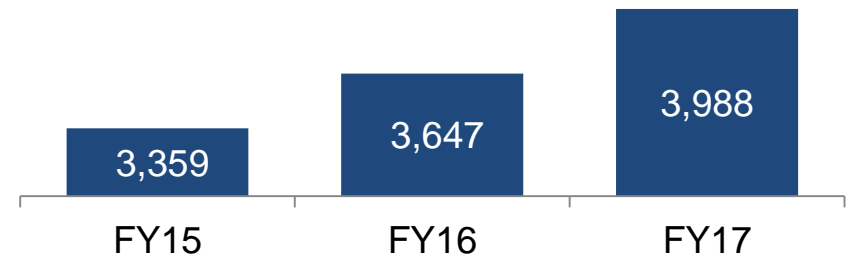
Gross Loans (Group Retail¹): +7% CAGR²

S\$bn



Income (Group Retail¹) +9% CAGR²

S\$m



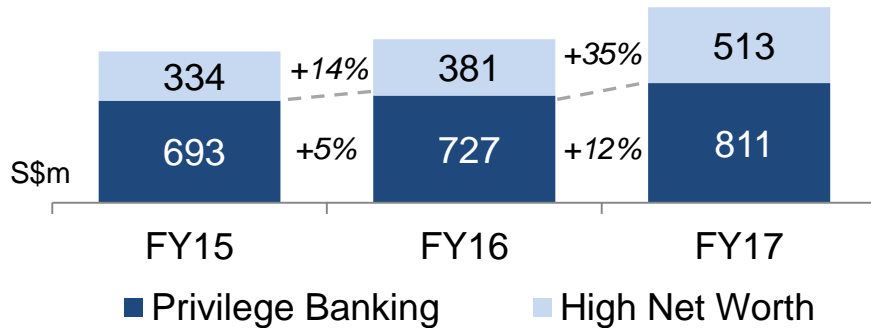
WM³ Income: +14% CAGR²

AUM

S\$85bn

S\$93bn

S\$104bn



Segment RoRWA⁴ -0.01% pt YoY

6.37%

6.47%

6.46%

FY15

FY16

FY17

1. Includes Business Banking

2. Compound annual growth rate (CAGR) computed over 2 years (2015 to 2017)

3. WM (Wealth management) comprises Privilege Banking and High Net Worth (Privilege Reserve + Private Bank) segments.

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

Harnessing Technology & Innovation to Improve Productivity & Customer Experience



UOB MIGHTY
debuts



CONTACTLESS PAYMENT
at general ticketing machines



MIGHTY SECURE
for use on mobile phone as security token
FIRST IN SINGAPORE



MIGHTY FX
Trade, Transact and Travel at your preferred FX rate.

Nov '15

'16

'17

Jan'18

4 INDUSTRY AWARDS

7 INDUSTRY AWARDS

3 INDUSTRY AWARDS



CONTACTLESS MOBILE PAYMENTS
FIRST IN SINGAPORE



INSTANT CARD ISSUANCE; CONTACTLESS ATMS
FIRST IN REGION



MYKEY
for use of PayNow in social messaging apps
FIRST IN REGION

Increased Frequency

- 1.6 million (▲ 9% YoY) digital¹ customers
- ▶ 0.8 million (▲ 34% YoY) Mighty customers, with more than 50% actively using the app each month

Improved Usage

- 40% YoY growth in financial transactions for Digital¹. YoY growth for Mighty is double at 82%

Shorter Route to Apply

- 114% YoY growth in accounts² opened online, leveraging Singapore Government MyInfo database

1. Digital: Comprises Personal Internet banking (PIB) and UOB Mighty
2. UOB Stash, UOB Krisflyer and Mighty FX account opening

Looking Ahead

- **Positive outlook for global economy for next couple of years; Asia to benefit from recovery**

- **Normalising monetary policies; gradually rising short-term interest rates will benefit commercial banks like UOB**

- **UOB is well positioned to tap on growth opportunities across franchise:**
 - Robust balance sheet, integrated network and sharpened capabilities allow us to tap on growing physical and digital connectivity opportunities
 - Continue to invest in our capabilities and core franchise

Thank You

