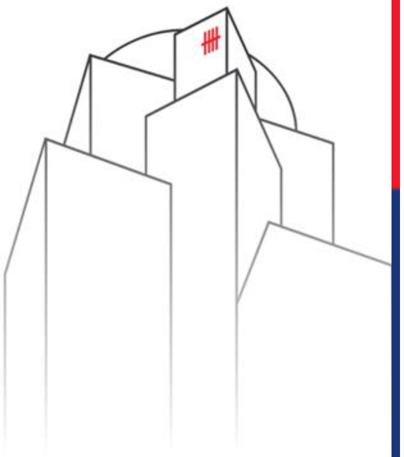


UOB Group

Healthy Earnings Supported by Strong Balance Sheet

June 2019

Agenda

Overview of UOB Group

UOB Overview

UOB

Founding

Founded in August 1935 by a group of Chinese businessmen and Datuk Wee Kheng Chiang, grandfather of the present UOB Group CEO, Mr. Wee Ee Cheong

Expansion

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

Key Statistics for 1Q19

- Total assets : SGD400b (USD296b[1])
- Shareholders' equity : SGD39b (USD29b[1])
- Gross loans : SGD270b (USD199b[1])
- Customer deposits : SGD308b (USD227b[1])
- Loan/Deposit ratio : 86.6%
- Net stable funding ratio : 109%
- Average all-currency liquidity coverage ratio : 146% [2]
- Common Equity Tier 1 CAR : 13.9%
- Leverage ratio : 7.6%
- Return on equity [3, 4] : 11.4%
- Return on assets [4] : 1.07%
- Return on risk-weighted assets [4] : 1.88%
- Net interest margin [4] : 1.79%
- Non-interest income/ Total income : 34.0%
- Cost / Income : 44.6%
- Non-performing loan ratio : 1.5%
- Credit Ratings

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

Note: Financial statistics as at 31 March 2019.
1. USD 1 = SGD 1.3547 as at 31 March 2019.
2. Average for 1Q19.
3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions.
4. Computed on an annualised basis.

A Leading Singapore Bank; Established Franchise in Core Market Segments

UOB

UOB

Group Retail

- Best Retail Bank in Singapore[1]
- Strong player in credit cards and private residential home loan business

Group Wholesale Banking

- Best SME Banking[1]
- Seamless access to regional network for our corporate clients

Global Markets

- Strong player in Singapore dollar treasury instruments

UOB Group's recognition in the industry

Bank of the Year, Singapore, 2015

Excellence in Mobile Banking – Overall, 2018

Best Retail Bank[1]

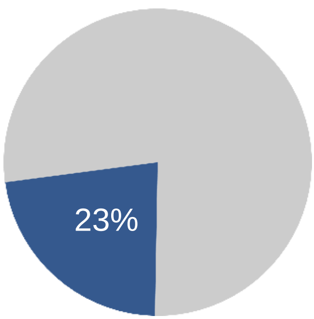
Best SME Bank[1]

Source: Company reports.

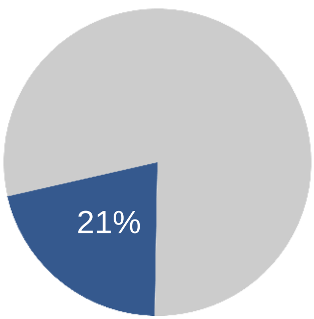
1. The Asian Banker "International Excellence in Retail Financial Service Awards": 2019 (Best SME Bank in Asia Pacific & Singapore), 2017 & 2016 (SME Bank of the Year), 2014 (Best Retail Bank in Asia Pacific & Singapore).

UOB's sizeable market share in Singapore

SGD loans



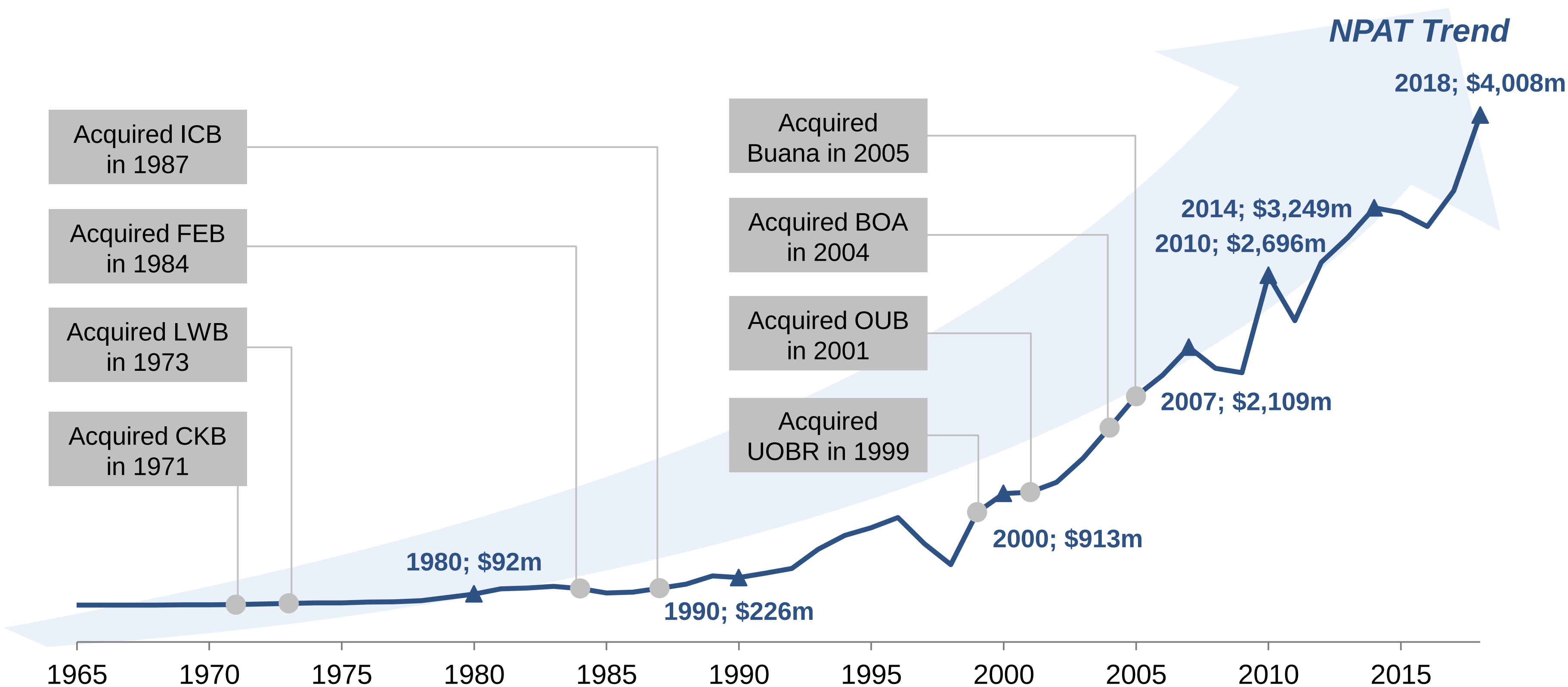
SGD deposits



Note: The resident portion of loans and advances is used as a proxy for total SGD loans in Singapore banking system.
Source: UOB, MAS

Proven Track Record of Execution

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

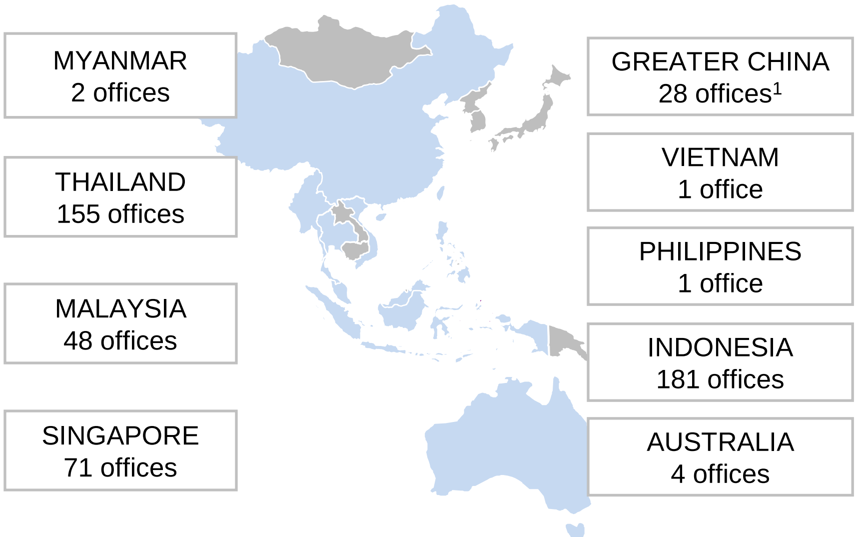


Note: Bank of Asia Public Company Limited ("BOA"), Chung Khiaw Bank Limited ("CKB"), Far Eastern Bank Limited ("FEB"), Industrial & Commercial Bank Limited ("ICB"), Lee Wah Bank Limited ("LWB"), Overseas Union Bank Limited ("OUB"), Radanasin Bank Thailand ("UOBR").

Expanding Regional Banking Franchise

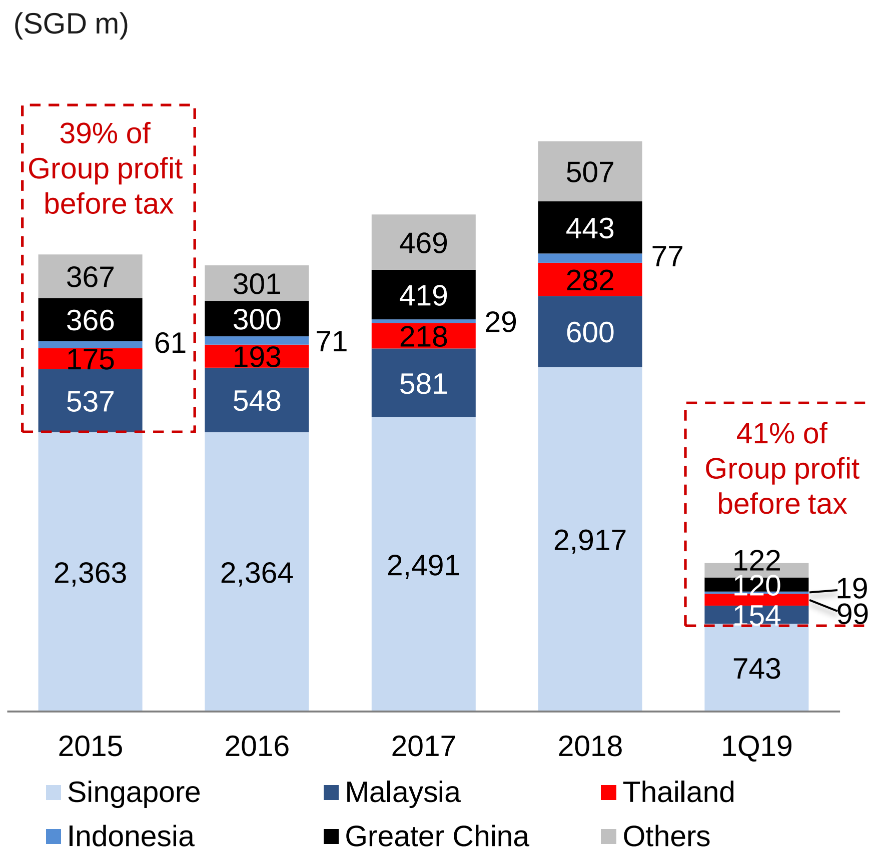
UOB

Extensive Regional Footprint with c.500 Offices



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

Profit Before Tax by Region



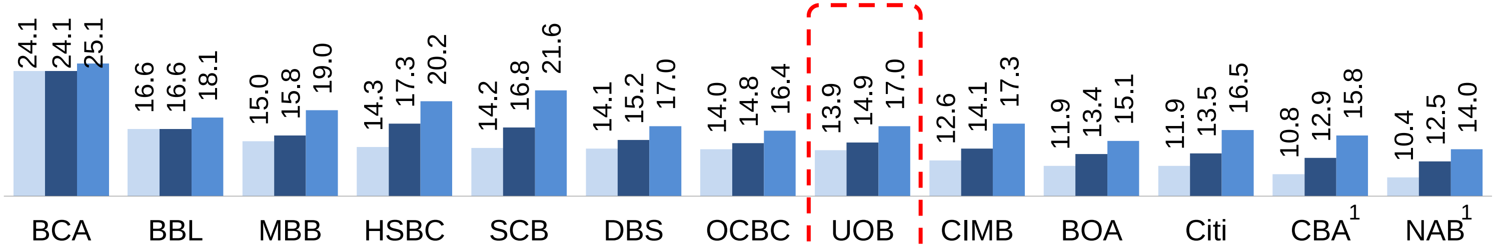
Established regional network with key Southeast Asian pillars, supporting fast-growing trade, capital and wealth flows

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

Strong Capital and Leverage Ratios

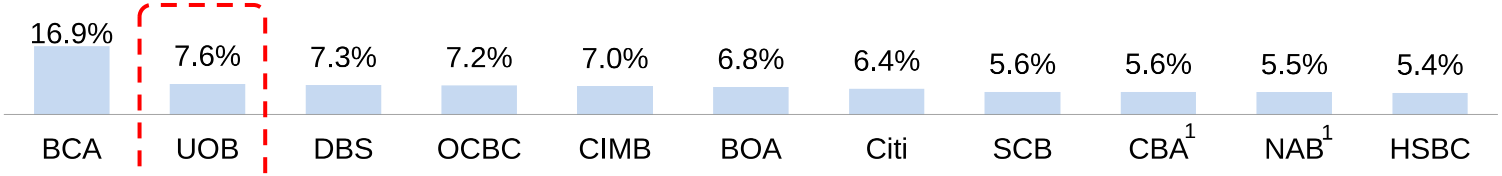
Reported Common Equity Tier 1 CAR, Tier 1 CAR and Total CAR

(Common Equity Tier 1 CAR; Tier 1 CAR; and Total CAR in %)



	BCA	BBL	MBB	HSBC	SCB	DBS	OCBC	UOB	CIMB	BOA	Citi	CBA[1]	NAB[1]
Return on Average Equity [2]	15.4%	8.7%	11.4%	10.2%	1.4%	14.0%	11.5%	11.4%	9.6%	11.4%	10.2%	13.6%	10.5%

Reported Leverage Ratio[3]



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

Source: Company reports.

Banks' financials were as of 31 Mar 19, except for those of OCBC, SCB, CIMB, Maybank and CBA (which were as of 31 Dec 18).

1. NAB's and CBA's CARs are based on APRA's standards. Their internationally comparable CET1 CAR was 14.6% (31 Mar 19) and 16.5% (31 Dec 18), respectively.
2. Computed on an annualised year-to-date basis.
3. BBL and MBB do not disclose their leverage ratio.

Competitive Against Peers

Moody's	S&P	Fitch		Standalone Strength *Moody's baseline credit assessment*	Efficient Cost Management *Costs/income ratio*	Competitive ROAA[1] *Return on average assets*	Well-Maintained Liquidity *Loan/deposit ratio*
Aa1	AA–	AA–	UOB	a1	44.6%	1.07%	86.6%
Aa1	AA–	AA–	OCBC	a1	43.4%	1.17%	86.4%
Aa1	AA–	AA–	DBS	a1	42.2%	1.21%	87.9%
A2	A	AA–	HSBC	a2	57.0%	0.74%	74.1%
A2	BBB+	A+	SCB	baa1	78.8%	0.16%	65.0%
Baa1	A–	n.r.	CIMB	baa2	52.6%	0.90%	91.2%
A3	A–	A–	MBB	a3	47.4%	1.06%	92.7%
Baa1	BBB+	BBB+	BBL	baa2	42.6%	1.17%	86.7%
Baa3	n.r.	BBB–	BCA	baa3	49.9%	3.50%	81.0%
A–	A–	A+	BOA	baa1	57.1%	1.26%	67.9%
Baa1	BBB+	A	Citi	baa2	57.0%	0.98%	65.0%
Aa3	AA–	AA–	CBA	a2	44.4%	0.94%	118.3%
Aa3	AA–	AA–	NAB	a2	47.0%	0.66%	142.6%

Source: Company reports, Credit rating agencies (updated as of 1 Mar 19).
Banks' financials were as of 31 Mar 19, except for those of OCBC, SCB, CIMB, Maybank and CBA (which were as of 31 Dec 18).
1. Computed on an annualised year-to-date basis.

Why UOB?

Stable Management	▪ Proven track record in steering the bank through various global events and crises ▪ Stability of management team ensures consistent execution of strategies
Integrated Regional Platform	▪ Entrenched local presence. Ground resources and integrated regional network allow us to better address the needs of our targeted segments ▪ Truly regional bank with full ownership and control of regional subsidiaries
Strong Fundamentals	▪ Sustainable revenue channels as a result of carefully-built core businesses ▪ Strong balance sheet, sound capital & liquidity position and resilient asset quality – testament of solid foundation built on the premise of basic banking
Balance Growth with Stability	▪ Continue to diversify portfolio, strengthen balance sheet, manage risks and build core franchise for the future ▪ Maintain long-term perspective to growth for sustainable shareholder returns

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

Strong UOB Fundamentals

Strong UOB Fundamentals

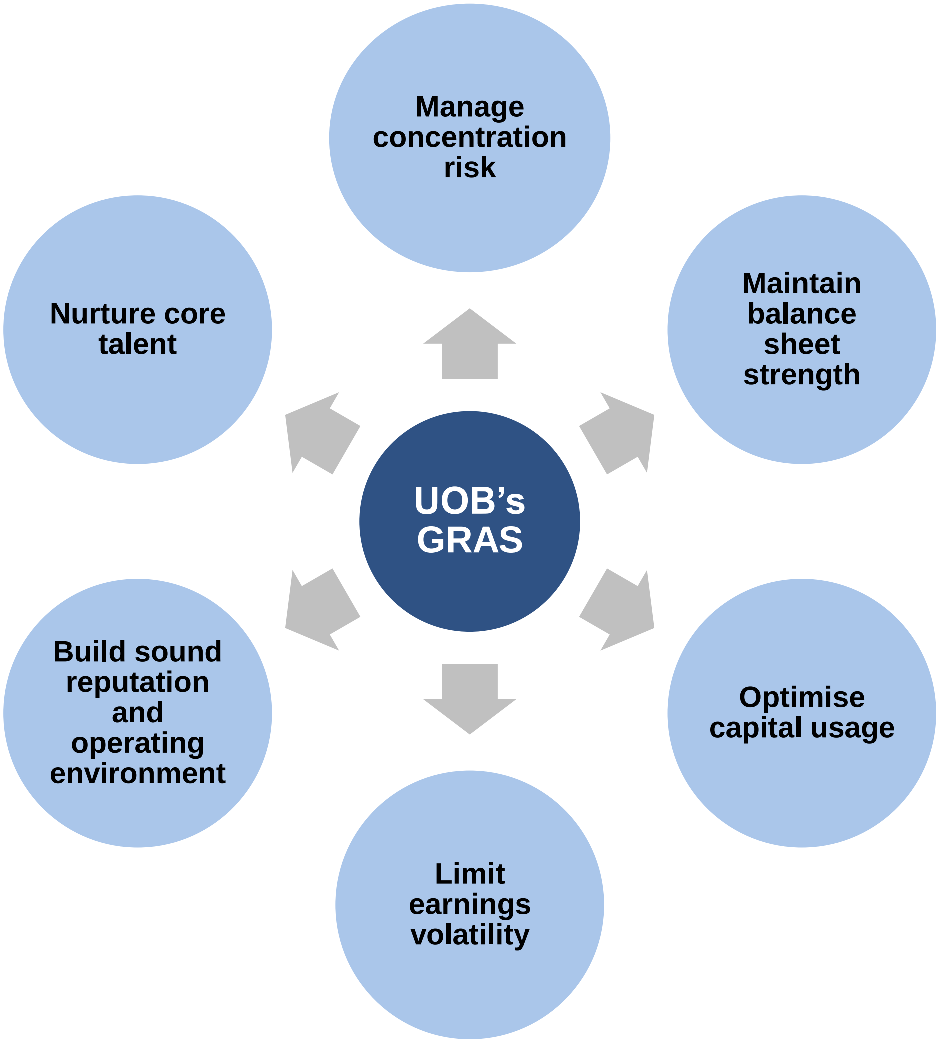
Strong Management with Proven Track Record	▪ Proven track record in steering the bank through various global events and crises ▪ Stability of management team ensures consistent execution of strategies
Consistent and Focused Financial Management	▪ Prudent income growth amid the subdued business environment ▪ Continued investment in talent and technology to build long-term capabilities in a disciplined manner ▪ Total credit costs expected to be below long-term trend of 28bp
Disciplined Management of Balance Sheet	▪ Strong capital base; Common Equity Tier 1 capital adequacy ratio of 13.9% as at 31 March 2019 ▪ Liquid and well diversified funding mix with loan/deposits ratio at 86.6% ▪ Stable asset quality, with a diversified loan portfolio
Delivering on Regional Strategy	▪ Holistic regional bank with effectively full control of subsidiaries in key markets ▪ Focus on profitable niche segments and intra-regional needs of customers ▪ Entrenched local presence: ground resources and integrated regional network to better address the needs of our targeted segments

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

Source: Company's reports.

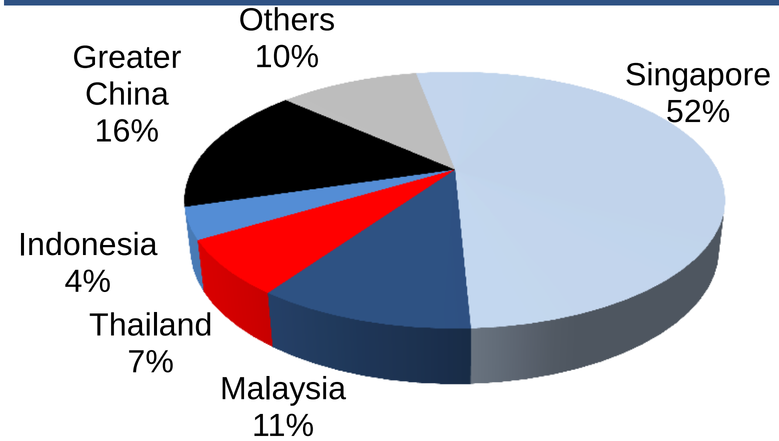
Managing Risks for Stable Growth

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

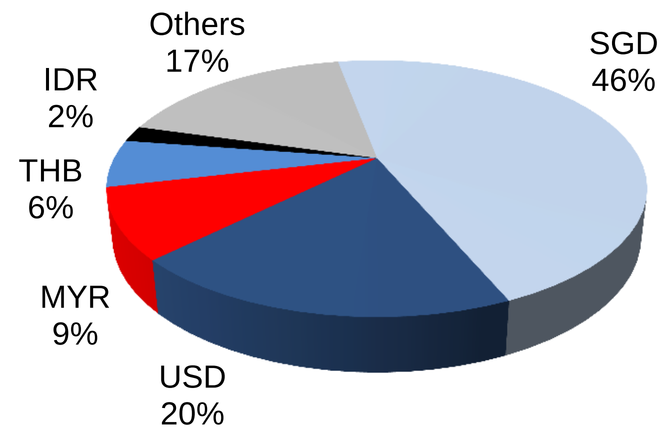


Diversified Loan Portfolio

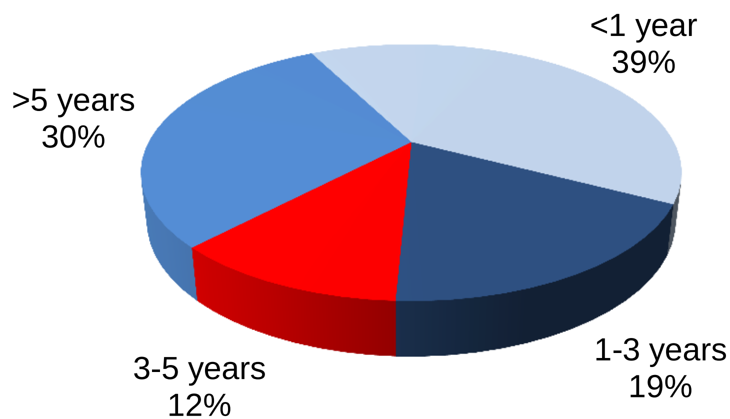
Gross Customer Loans by Geography [1]



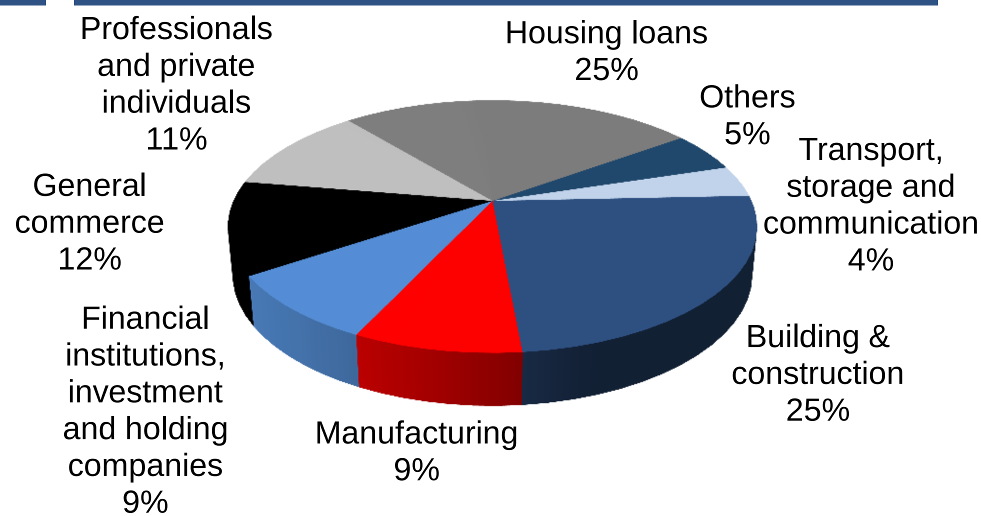
Gross Customer Loans by Currency



Gross Customer Loans by Maturity



Gross Customer Loans by Industry



Note: Financial statistics as at 31 March 2019.

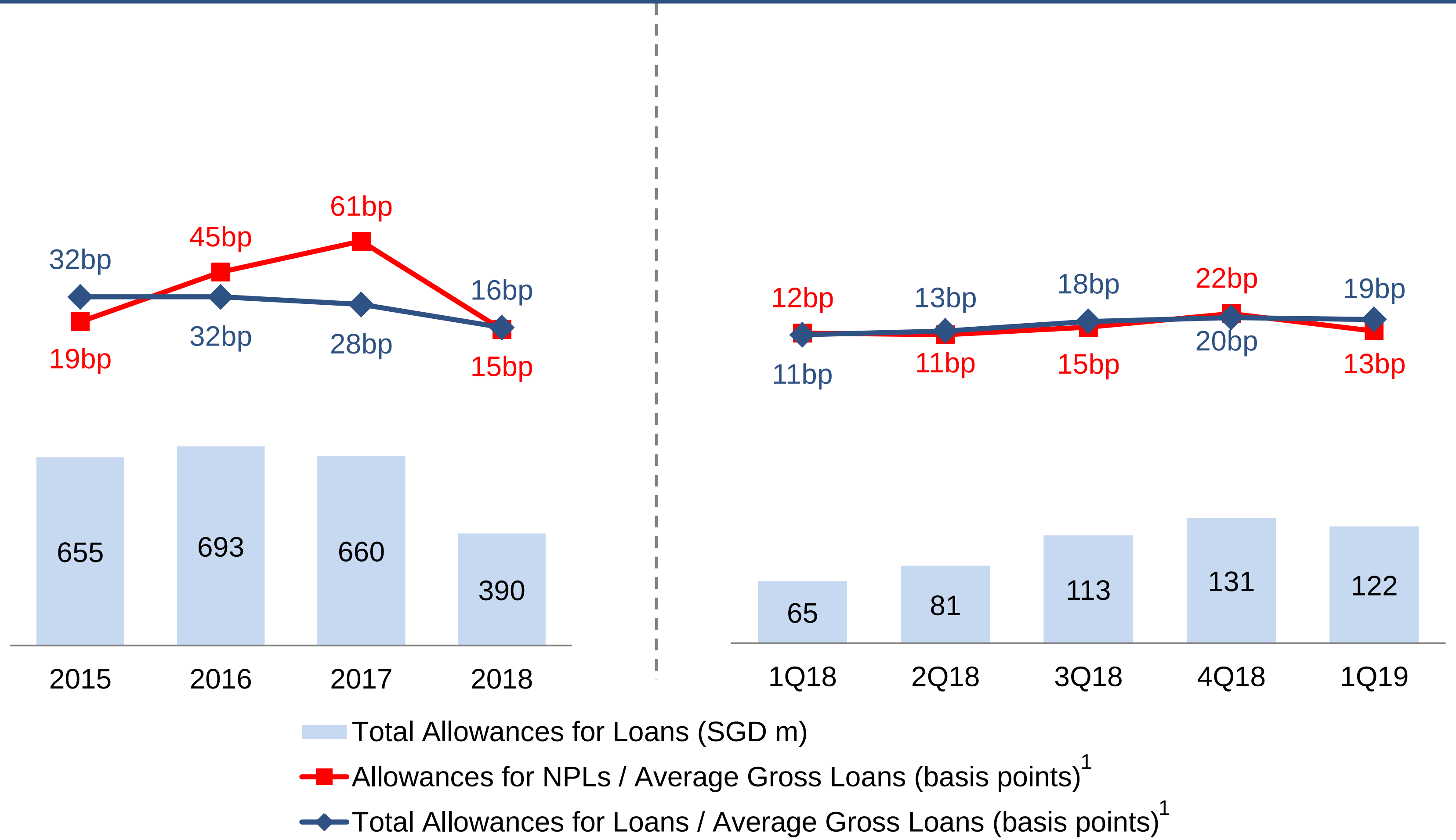
1. Loans by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals).

New NPA Formation Trending to More Normalised Level

(SGD m)	1Q18	2Q18	3Q18	4Q18	1Q19
NPA at start of period	4,389	4,323	4,404	4,374	4,166
Group wholesale and small enterprise customers:					
New NPA	235	252	275	370	230
Upgrades, recoveries and translations	(206)	(88)	(229)	(257)	(139)
Write-offs	(129)	(101)	(29)	(392)	(17)
	4,289	4,386	4,421	4,095	4,240
Group retail (personal customers only)	34	18	(47)	71	(25)
NPA at end of period	**4,323**	**4,404**	**4,374**	**4,166**	**4,215**

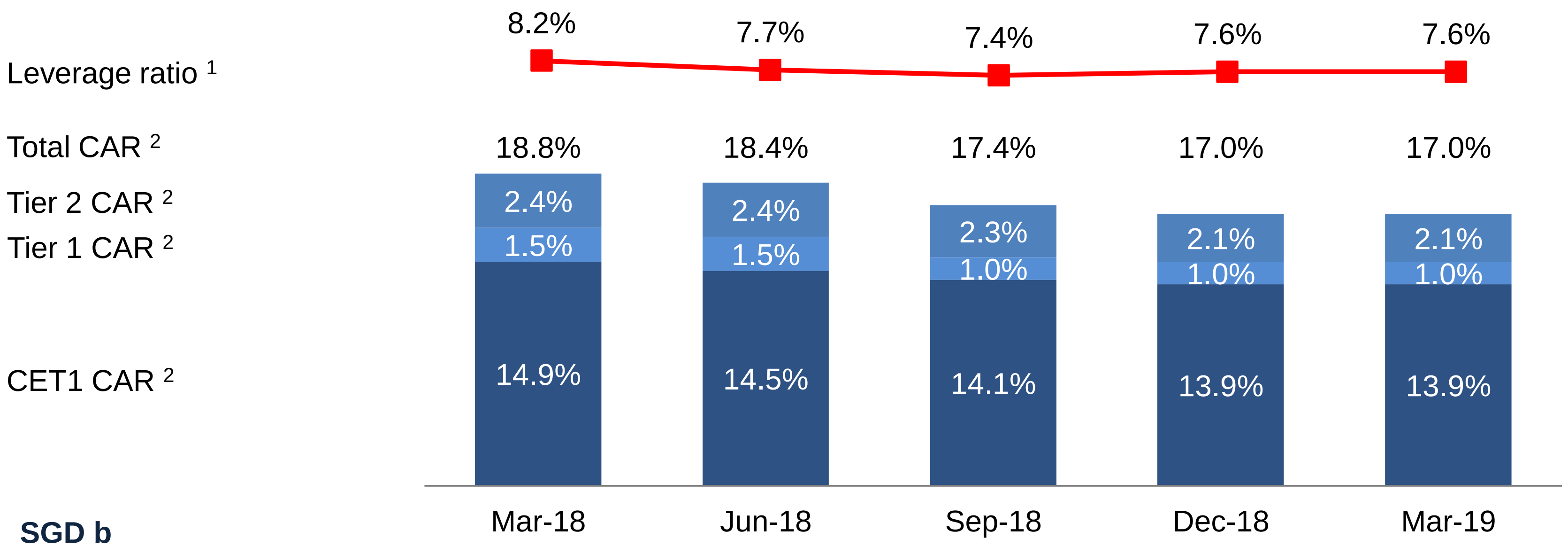
Stable Credit Costs

Allowances for Loans



1. Computed on an annualised basis, where applicable.

Strong Capital and Leverage Ratios



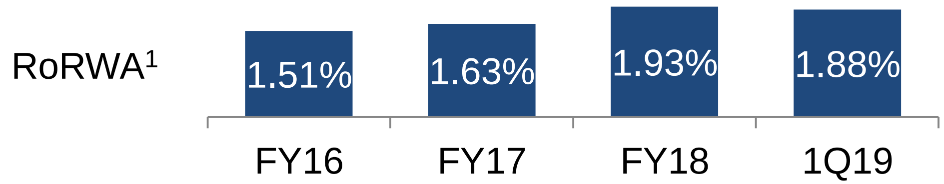
SGD b	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
Common Equity Tier 1 Capital	30	30	30	31	32
Tier 1 Capital	33	33	32	33	34
Total Capital	38	38	37	38	39
Risk-Weighted Assets	202	206	213	221	230
Credit	*179*	*182*	*188*	*195*	*204*
Market	*9*	*10*	*10*	*10*	*11*
Operational	*14*	*14*	*15*	*15*	*15*

1. Leverage ratio is calculated based on the revised MAS Notice 637.
2. CAR: Capital adequacy ratio

Disciplined Balance Sheet Management

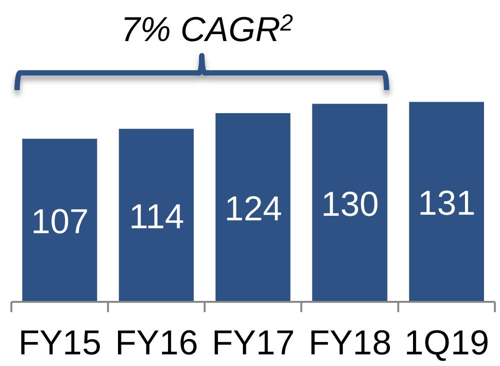
- **Improved balance sheet efficiency**
  - Strong RoRWA[1] driven mainly by healthy profit growth
- **Healthy portfolio quality**
  - NPL ratio stable at 1.5%
  - 19bp credit cost on loans
  - Adequate non-performing assets reserve cover: 89%, or 203% including collateral
- **Proactive liability management**
  - Liquidity Coverage Ratios: S$ (251%) and all-currency (146%)
  - Net stable funding ratio: 109%
- **Robust capital; 13.9% CET1 CAR[3]**
- **Total dividend / share ▲ to $1.20 in FY18,** vs $1.00 in FY17

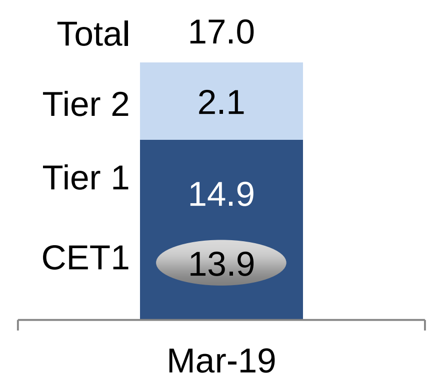
Balance Sheet Efficiency a Key Priority



RWA (S$ b)	216	199	221	230

Liability Management and Capital





Note: Financial statistics as at 31 March 2019 unless otherwise mentioned.
1. RORWA: Return on average risk-weighted assets.
2. Compound annual growth rate (CAGR) computed over 3 years (2015 to 2018).
3. CAR: Capital adequacy ratio.

Strong Investment Grade Credit Ratings

UOB

Moody's Investors Service — ***Aa1 / Stable / P-1***

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

Standard & Poor's Ratings Services (McGraw Hill Financial) — ***AA– / Stable / A-1+***

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

Fitch Ratings — ***AA– / Stable / F1+***

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

Debt Issuance History / Debt Maturity Profile

Issue Date	Structure	Call	Coupon	Amount	Ratings (M/S/F)	2019	2020	2021	2022	2023	2024	2025	2026
						SGDm	SGDm	SGDm	SGDm	SGDm	SGDm	SGDm	SGDm
Additional Tier 1													
Oct-17	Perpetual	2023	3.875%	USD650m	Baa1 / – /BBB	-	-	-	-	881	-	-	-
May-16	Perpetual	2021	4.00%	SGD750m	Baa1 / – /BBB	-	-	750	-	-	-	-	-
Nov-13	Perpetual	2019	4.75%	SGD500m	Baa1/BBB–/BBB	500	-	-	-	-	-	-	-
Tier 2													
Apr-19	10NC5	2024	3.75%	USD600m	A2 / BBB+ / A+	-	-	-	-	-	813	-	-
Feb-17	12NC7	2024	3.50%	SGD750m	A2 / – / A+	-	-	-	-	-	750	-	-
Sep-16	10½NC5½	2022	2.88%	USD600m	A2 / – / A+	-	-	-	813	-	-	-	-
Mar-16	10½NC5½	2021	3.50%	USD700m	A2 / – / A+	-	-	948	-	-	-	-	-
May-14	12NC6	2020	3.50%	SGD500m	A2 / BBB+ / A+	-	500	-	-	-	-	-	-
Mar-14	10½NC5½	2019	3.75%	USD800m	A2 / BBB+ / A+	1,084	-	-	-	-	-	-	-
Senior Unsecured													
Mar-19	3yr FRN	-	3.49%	RMB2b	Aa1 / AA– / AA–	-	-	-	403	-	-	-	-
Jul-18	3½yr FRN	-	BBSW 3m+0.81%	AUD600m	Aa1 / AA– / AA–	-	-	-	576	-	-	-	-
Apr-18	3yr FRN	-	3m LIBOR+0.48%	USD500m	Aa1 / AA– / AA–	-	-	677	-	-	-	-	-
Apr-18	3yr FXN	-	3.20%	USD700m	Aa1 / AA– / AA–	-	-	948	-	-	-	-	-
Apr-17	4yr FRN	-	BBSW 3m+0.81%	AUD300m	Aa1 / AA– / AA–	-	-	288	-	-	-	-	-
Sep-14	5½yr FXN	-	2.50%	USD500m	Aa1 / AA– / AA–	-	677	-	-	-	-	-	-
Covered													
Sep-18	5yr FXN	-	0.250%	EUR500m	Aaa / AAA / –	-	-	-	-	761	-	-	-
Feb-18	5yr FRN	-	3m LIBOR+0.24%	GBP350m	Aaa / AAA / –	-	-	-	-	618	-	-	-
Jan-18	7yr FXN	-	0.500%	EUR500m	Aaa / AAA / –	-	-	-	-	-	-	761	-
Feb-17	3yr FXN	-	2.125%	USD500m	Aaa / AAA / –	-	677	-	-	-	-	-	-
Feb-17	5yr FXN	-	0.125%	EUR500m	Aaa / AAA / –	-	-	-	761	-	-	-	-
Mar-16	5yr FXN	-	0.250%	EUR500m	Aaa / AAA / –	-	-	761	-	-	-	-	-
					Total	**1,584**	**1,855**	**4,373**	**2,552**	**2,259**	**1,563**	**761**	**-**

The table comprises UOB's public rated issues; Maturities shown at first call date for AT1 and T2 notes; FXN: Fixed Rate Notes; FRN: Floating Rate Notes; Updated as of 3 May 2019.

FX rates at 31 Mar 2019: USD 1 = SGD 1.35; AUD 1.04 = SGD 1; 1 GBP = SGD 1.76; EUR 1 = SGD 1.52

Our Sustainability Milestones

Supporting Sustainable Development

Sinar Kamiri Sdn Bhd
(A subsidiary of Mudajaya Group)

SRI Sukuk
RM245m
Joint Lead Arranger
Jan 2018

Tier-1 Environmental Benefit rating

Dodid Data Centre

Bilateral Loan
S$76m
Sole Financial Adviser
May 2018

BCA-IMDA[1] Green Mark Platinum Awards

Notable Recognitions

1. **FTSE4Good ASEAN 5 Index**
UOB was ranked second by market capitalisation at end-2018

2. **Bloomberg Gender-Equality Index**
UOB was included in 2019 based on disclosure in 2018.

3. **Sustainable Banking Assessment**
UOB was ranked second among the Southeast Asian banks in 2018.

4. **ASEAN Corporate Governance Scorecard**
UOB was ranked fifth in Singapore in 2018.

5. **Singapore Governance and Transparency Index**
UOB was ranked eighth out of 589 companies listed in Singapore in 2018.

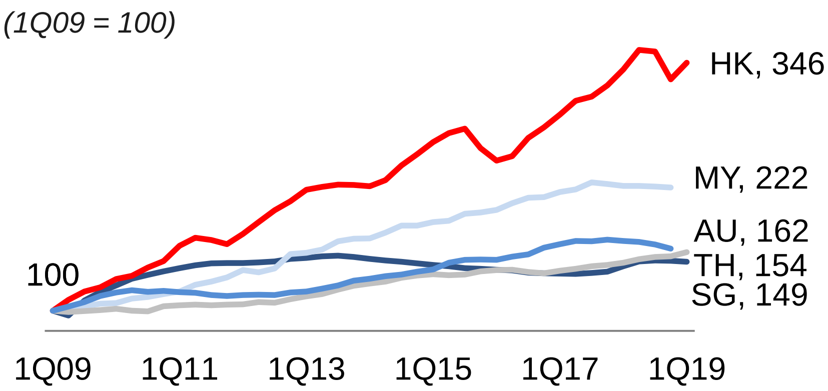
6. **Singapore Corporate Awards**
UOB won the Bronze Award for Best Managed Board for listed companies with market capitalisation of above SGD1 billion in 2018.

1. BCA-IMDA: Building and Construction Authority - Infocomm Media Development Authority.
Source: UOB, FTSE Russell, Bloomberg, World Wildlife Fund (WWF), Centre for Governance, Institutions and Organisations (CGIO) of the National University of Singapore (NUS) Business School; Singapore Corporate Awards.

Resilience of the Singapore Housing Market

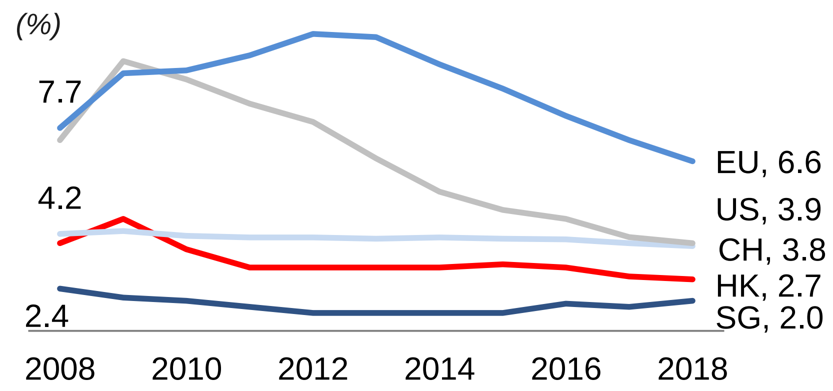
Conducive Macro Conditions Underpin Singapore Property Market

Regional House Price Indices over Last 10 Years



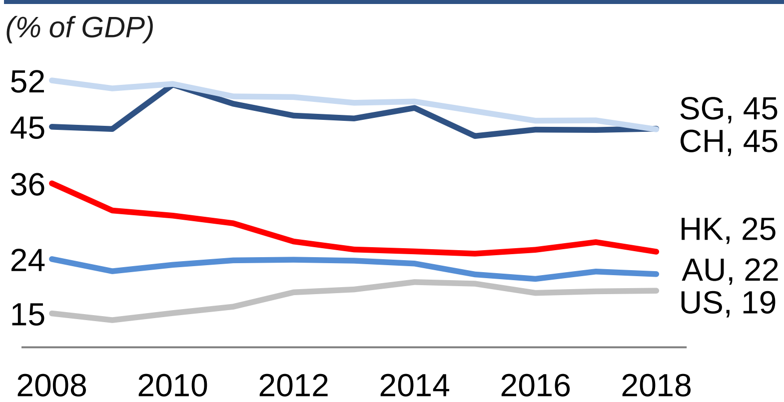
Sources: CEIC, UOB Economic-Treasury Research

Low Unemployment vs Global Peers



Sources: CEIC, UOB Economic-Treasury Research

High National Savings Rate



Sources: IMF, UOB Economic-Treasury Research

SG Household Income in Line with Property Prices

	2008	**1Q19**	**+/(–)**
Price[1] (SGD / sq ft)	895	1,120	+25%
Unit size (sq ft)	1,200	1,200	–
Unit costs (SGD m)	1.07	1.34	+25%
Interest rate (%)	2.80	2.45	
Household income[2] (SGD / mth)	12,763	17,492	+37%
Debt servicing ratio[3] (%)	49	23[4]	

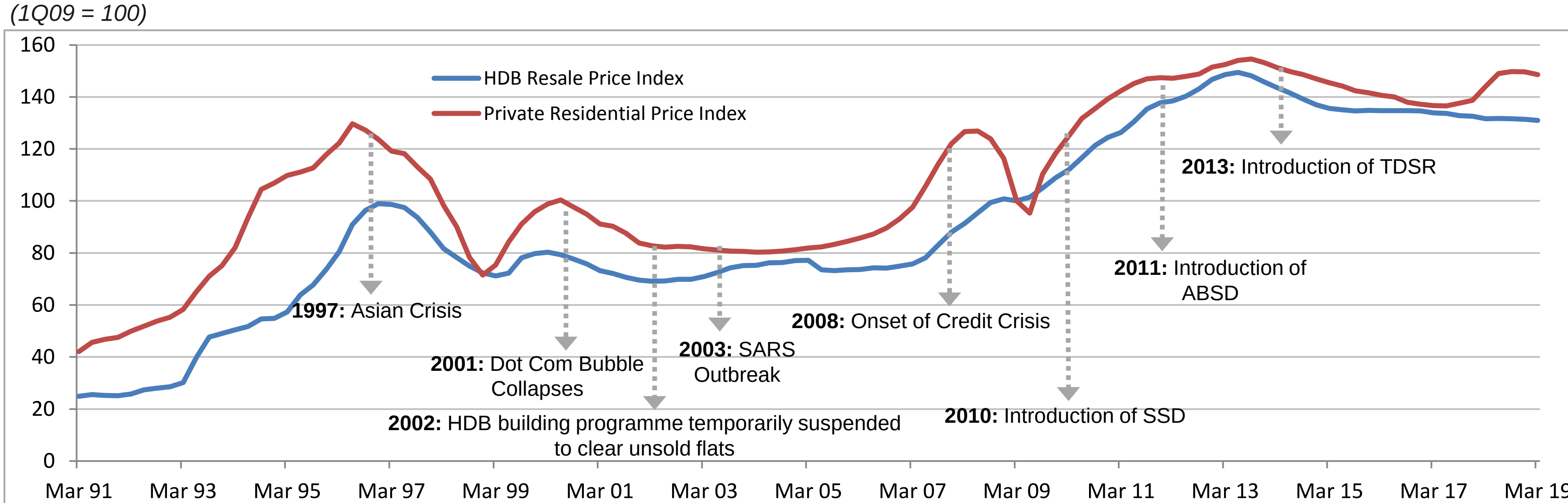
1. Reflects median price of non-landed private residential
2. Reflects median of resident households living in private properties
3. Based on a 30-year housing loan, with a loan-to-value of 75%
4. A housing loan with 5% interest rate would increase DSR to 31%

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

Note: AU: Australia; CH: China, EU: European Union, HK: Hong Kong, SG: Singapore, TH: Thailand, UK: United Kingdom, US: United States

Prudent Policies for Sustainable Prices

Residential Property Price Indices in Singapore



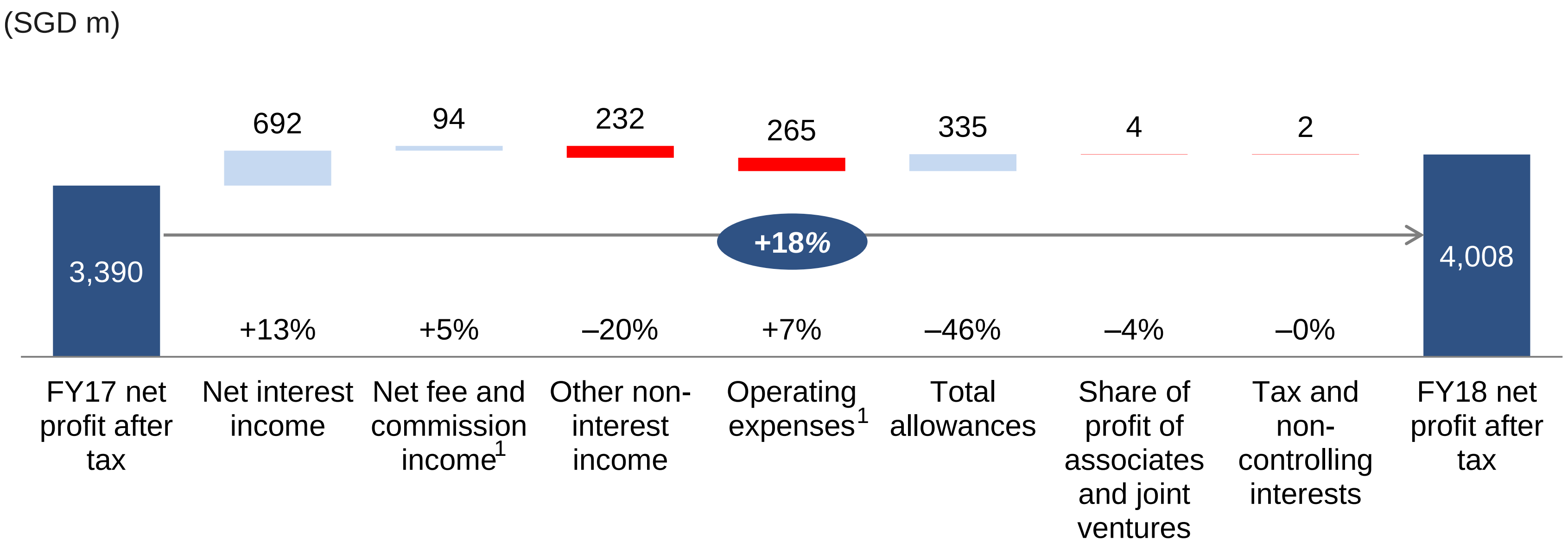
Regulatory Measures	2009	2010	2011	2012	2013	2016 / 2017	2018
LTV Limit: 1st property	90%	80%	80%	80% / 60%[1]		No change	75%/55%[1]
2nd property	90%	70%	60%	60% / 40%[1]	50% / 30%[1]		45%/25%[1]
Subsequent property	90%	70%	60%		40% / 20%[1]		35%/15%[1]
Non- individual buyers	90%	80% / 70%[2]	50%	40%	20%		15%
Maximum Mortgage Tenor	Originating banks use their own tenor and affordability guidelines			35 years	No change	No change	No change
Total Debt Servicing Ratio (TDSR) Framework					60% limit; 3.5% interest rate	No change [3]	No change
Seller Stamp Duty (SSD): Percentage / Holding Period		Applicable for properties purchased from 20 February 2010 onwards, if property is sold within the applicable holding period[4]				Reduced in Mar 17: 12% if sold within 1st year; 2nd year: 8%; 3rd year: 4%; thereafter : nil	No change
Buyer's Stamp Duty	First S$180k: 1%; Next S$180k: 2%; Remaining: 3%						New Tier of 4% for prices > S$1m
Additional Buyer's Stamp Duty			Depending on the nationality and number of properties owned by the purchaser[4]				

1. From 6 October 2012, the higher LTV limit applies if the mortgage tenor ≤30 years and sum of mortgage tenor and age of borrower is ≤65 years old, otherwise lower LTV limit will apply. 2. 80% LTV limit for 1st property and 70% LTV limit for subsequent properties. 3. Exemptions granted to certain borrowers if they meet exemption criteria. 4. Refer to IRAS website for more details. Source: Singapore Department of Statistics

Appendix A: Latest Financials

FY18 Financial Overview

Net Profit After Tax (NPAT) Movement, FY18 vs FY17

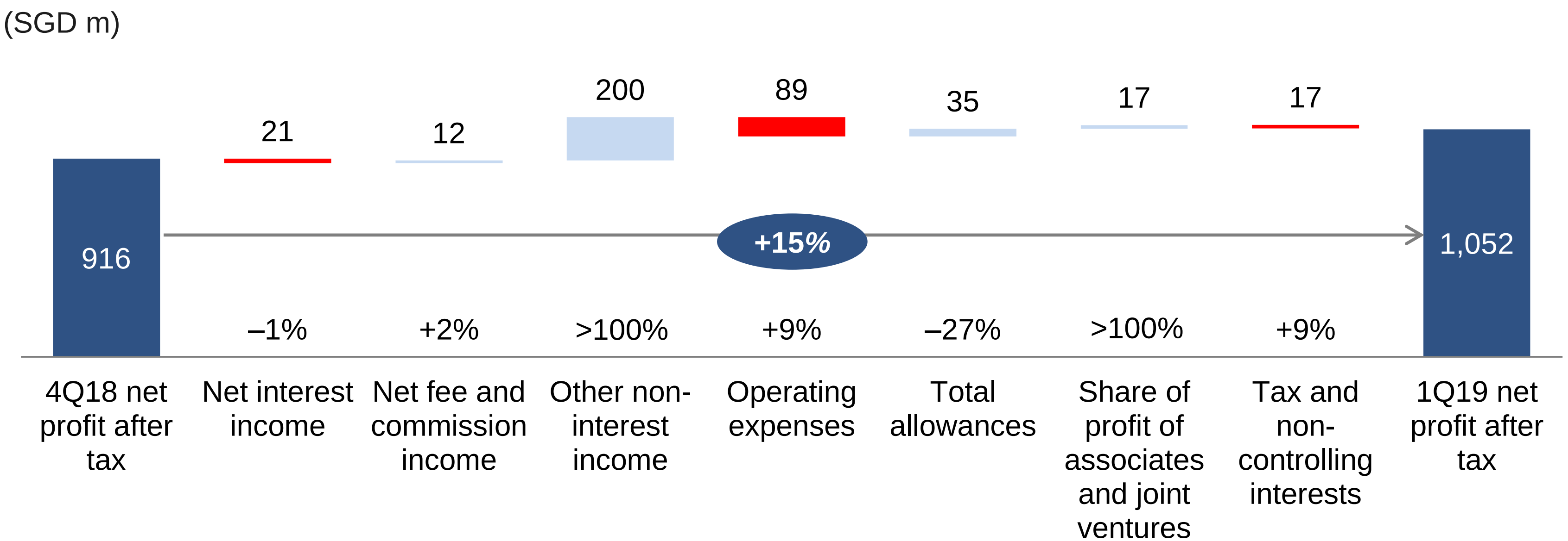


Key Indicators	FY18	FY17	YoY Change
Net interest margin (%) [2]	1.82	1.77	+0.05% pt
Non-interest income / Income (%)	31.8	35.4	(3.6) pt
Cost / Income ratio (%)	43.9	43.7	+0.2% pt
Return on equity (%) [2, 3]	11.3	10.2	+1.1% pt
Return on risk-weighted assets (%) [2]	1.93	1.63	+0.30% pt

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

1Q19 Financial Overview

Net Profit After Tax (NPAT) Movement, 1Q19 vs 4Q18

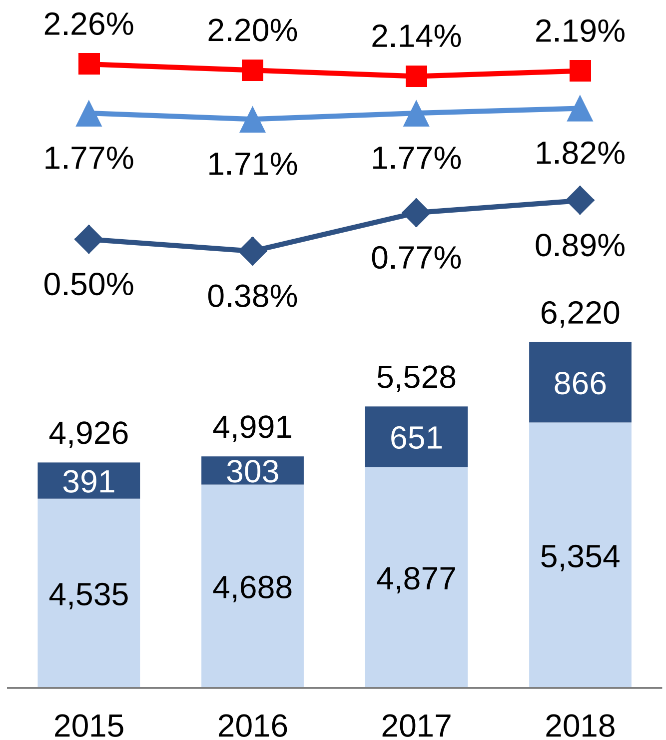


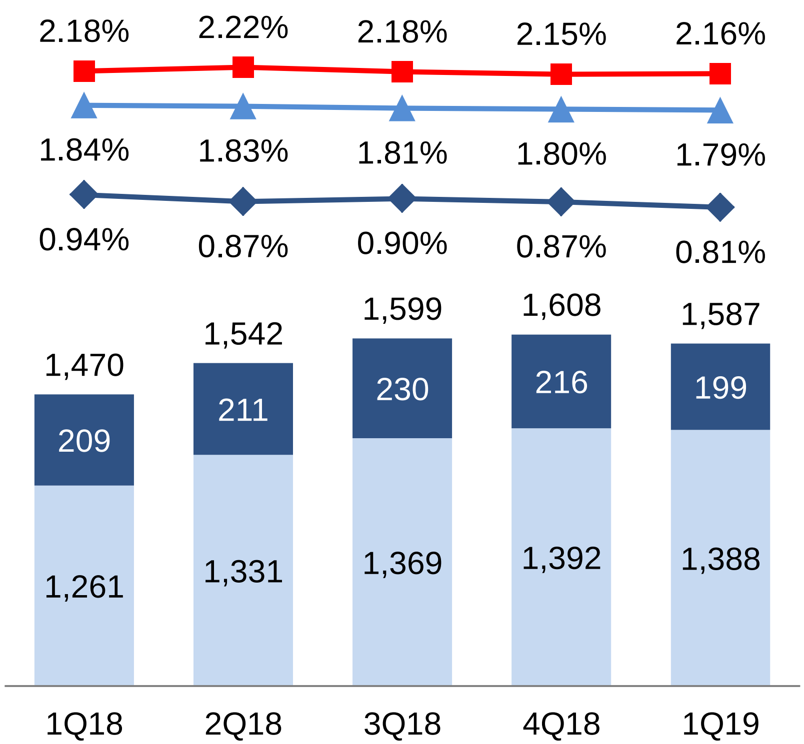
Key Indicators	1Q19	4Q18	QoQ Change	1Q18	YoY Change
Net interest margin (%) [1]	1.79	1.80	(0.01) pt	1.84	(0.05) pt
Non-interest income / Income (%)	34.0	27.4	+6.6% pt	34.1	(0.1) pt
Cost / Income ratio (%)	44.6	44.4	+0.2% pt	44.2	+0.4% pt
Return on equity (%) [1, 2]	11.4	10.2	+1.2% pt	11.0	+0.4% pt
Return on risk-weighted assets (%) [1]	1.88	1.68	+0.20% pt	1.95	(0.07) pt

1. Computed on an annualised basis.
2. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions.

Net Interest Income Supported by Loan Margin and Volume, but Offset by Excess Liquidity

Net Interest Income and Net Interest Margin





Net interest income – loans (SGD m)
Net loan margin (%) *
Overall net interest margin (%) *
Net interest income – interbank & securities (SGD m)
Net interbank & securities margin (%) *

* Computed on an annualised basis, where applicable.

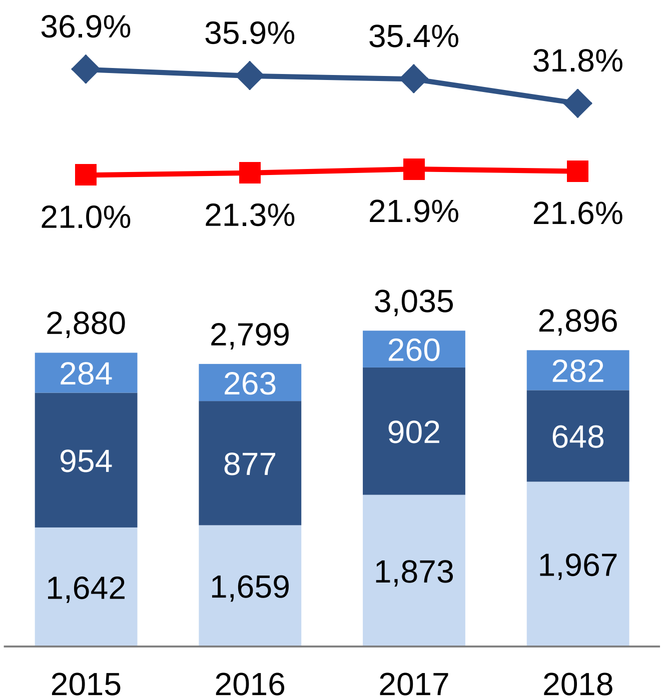
Broad-based Increase in Loan Portfolio

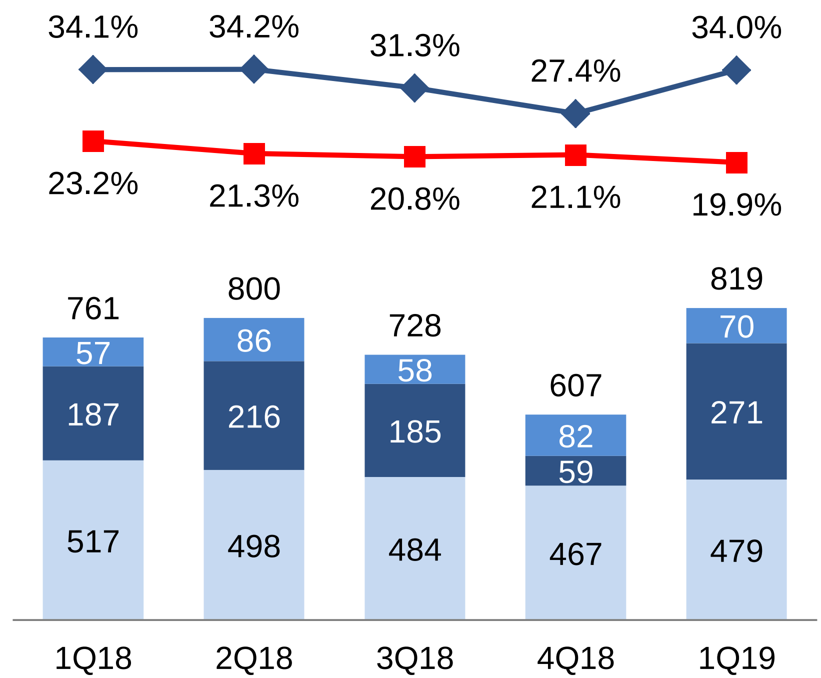
Gross Loans	Mar-19 SGD b	Dec-18 SGD b	QoQ +/(–) %	Mar-18 SGD b	YoY +/(–) %
By Geography					
Singapore	139	137	+1	129	+8
Regional:	101	97	+4	89	+13
Malaysia	*29*	*29*	-	*29*	-
Thailand	*18*	*17*	+6	*16*	+13
Indonesia	*11*	*11*	-	*10*	+10
Greater China	*43*	*40*	+8	*34*	+26
Others	29	27	+7	24	+21
Total	**270**	**262**	**+3**	**241**	**+12**
By Industry					
Transport, storage and communication	11	10	+10	9	+22
Building and construction	67	63	+6	55	+22
Manufacturing	23	21	+10	20	+15
Financial institutions, investment & holding companies	23	23	-	19	+21
General commerce	34	33	+3	31	+10
Professionals and private individuals	29	29	-	28	+4
Housing loans	69	68	+1	67	+3
Others	14	13	+8	11	+27
Total	**270**	**262**	**+3**	**241**	**+12**

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

Non-Interest Income Rebounded with Financial Market

Non-Interest Income and as a % of Total Income



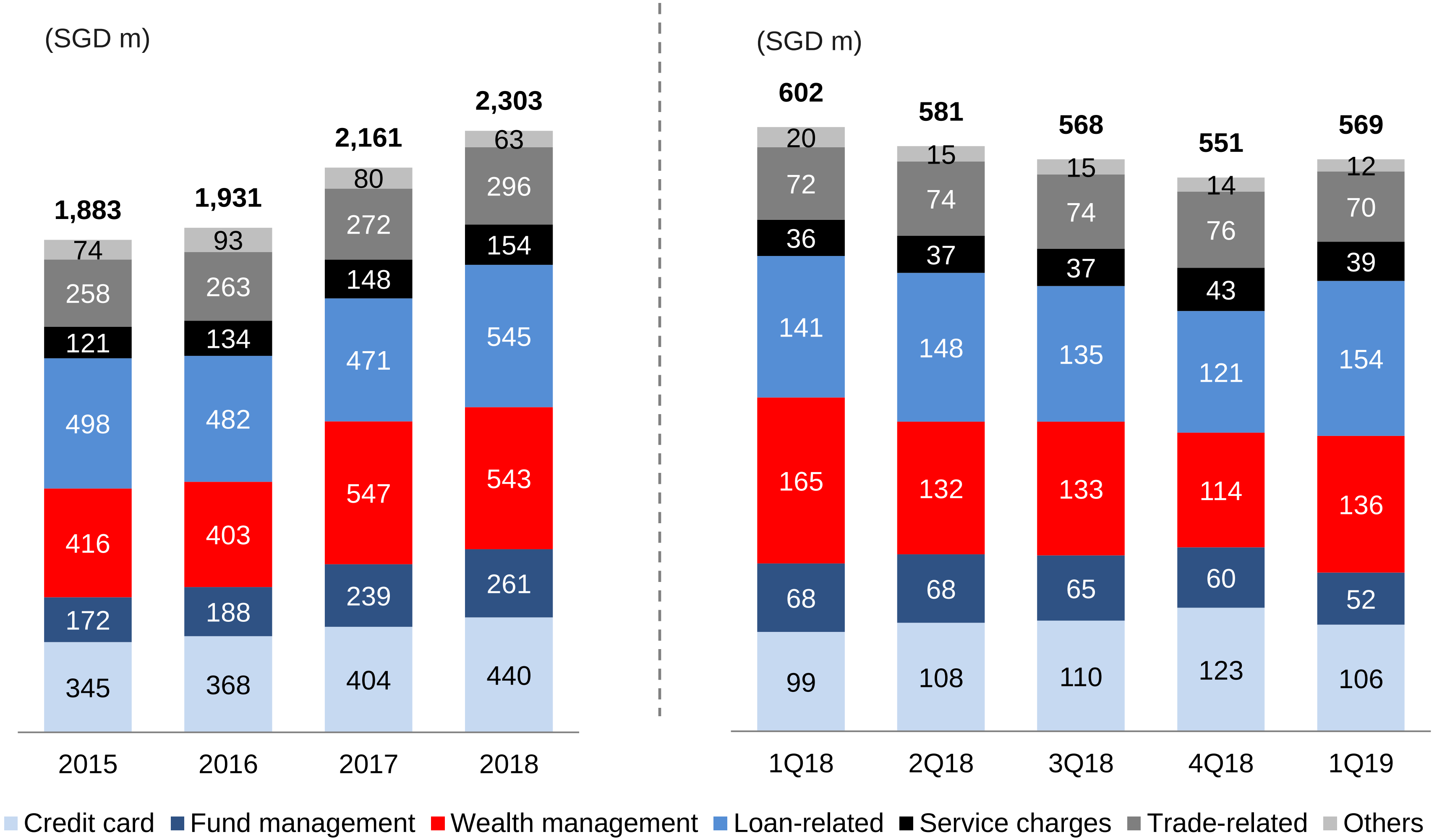


Net fee income (SGD m)
Trading and investment income (SGD m)
Other non-interest income (SGD m)
Net fee income / Total income (%)
Non-interest income / Total income (%)

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

Broad-based Focus in Fee Income

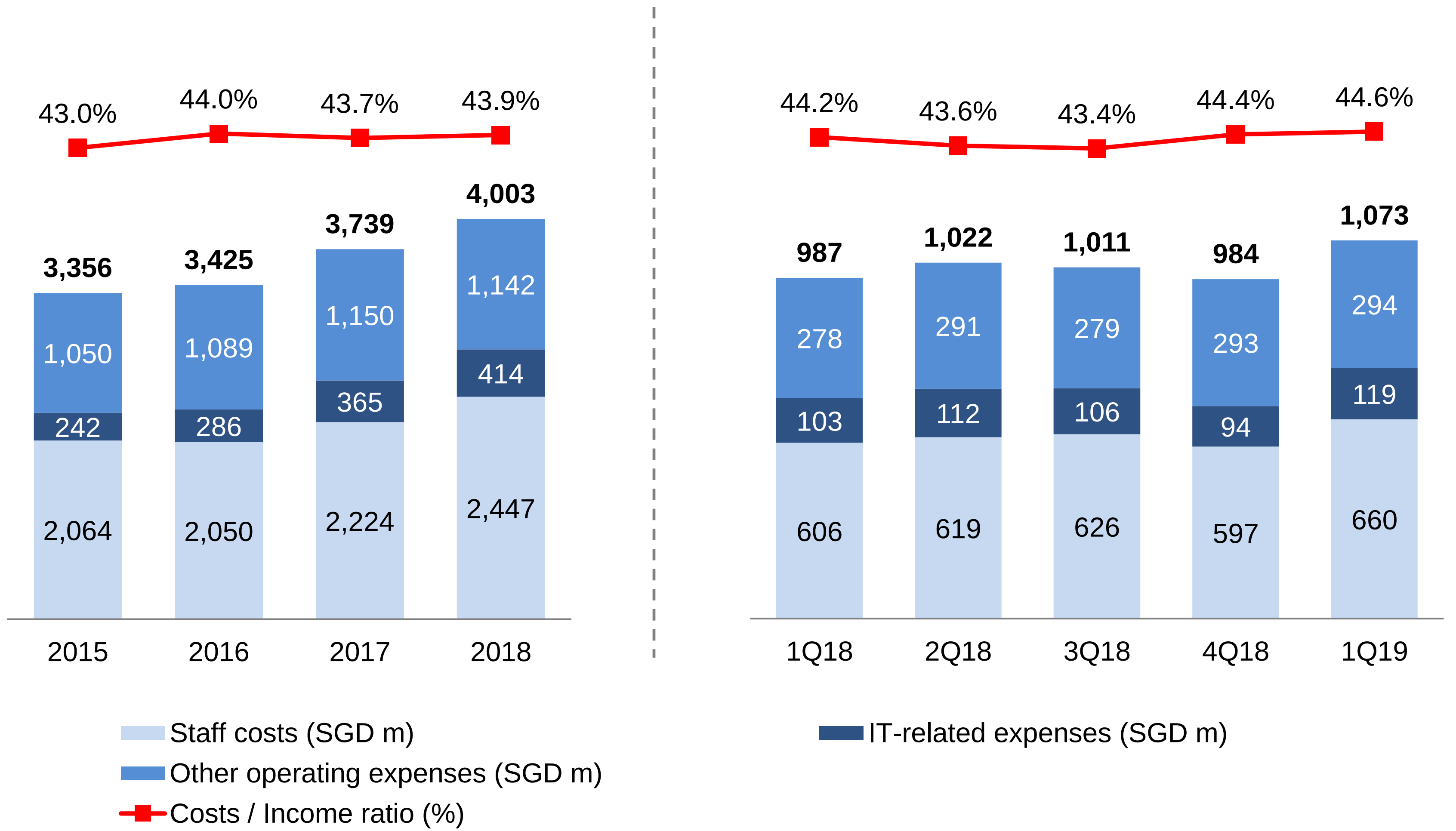
Breakdown of Fee Income



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

Pacing Growth in Operating Expenses, with Maintaining a Stable CIR

Operating Expenses and Costs / Income Ratio

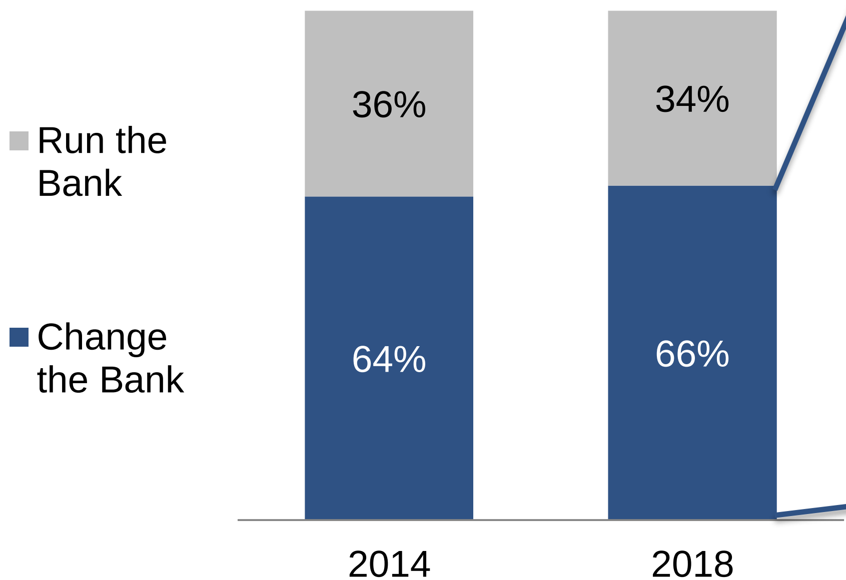


Note: Expenses have been restated where the amounts no longer include expenses directly attributable to fee income.

IT Investments Towards “Changing the Bank”

Focus	**Centralisation and Standardisation**	**Connectivity and Digital for Growth**
Cumulative IT investments	**2009 to 2013** (cSGD0.6 b)	**2014 to 2018** (cSGD1.6 b)

Total IT investments



Global Market Platform:
Customer flow income +9%[1]

Cash Management Platform:
Transaction banking income +16%[1]

Wealth Platform:
Wealth management income +14%[1]

Digital Transformation:
Online penetration rate for retail customers – Group: 59% in 2018 (2017: 54%)

1. CAGR computed over 5 years (2013 to 2018)

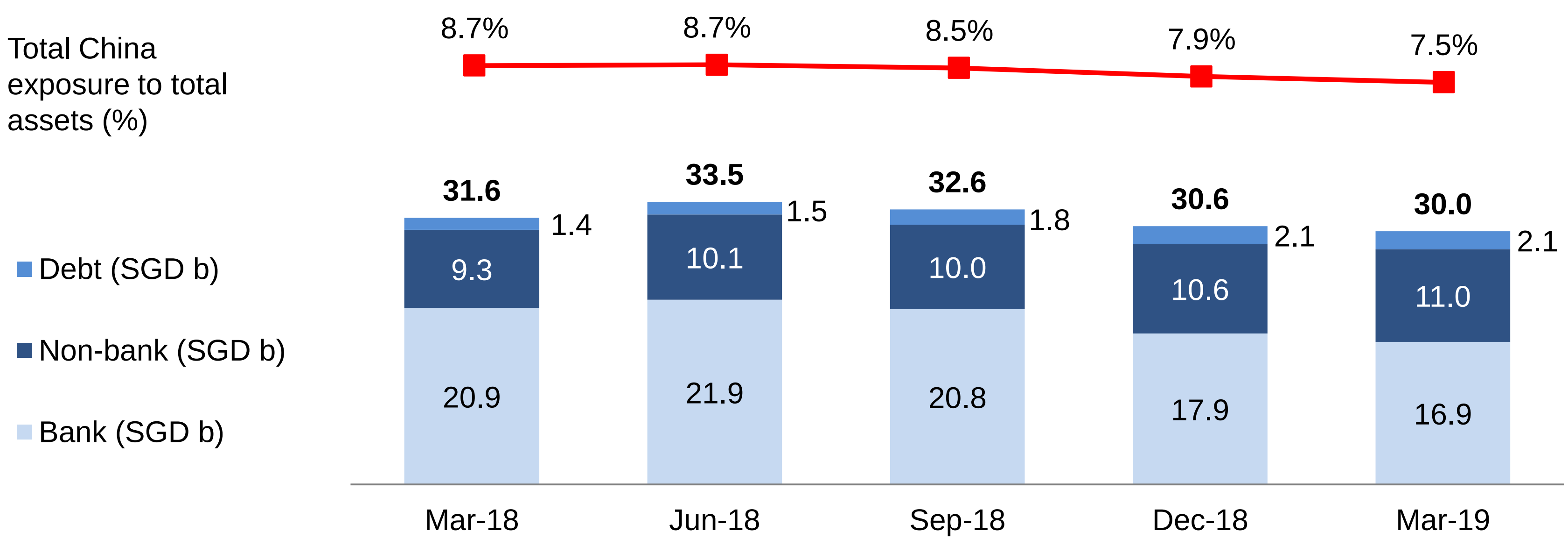
Exposure to China

Bank exposure as of 31 March 2019

- Bank exposure accounted for 56% of total exposure to China
- Top 5 domestic banks and 3 policy banks accounted for 77% of total bank exposure
- 99% with <1 year tenor
- Trade exposures mostly with bank counterparties, representing about half of bank exposure

Non-bank exposure as of 31 March 2019

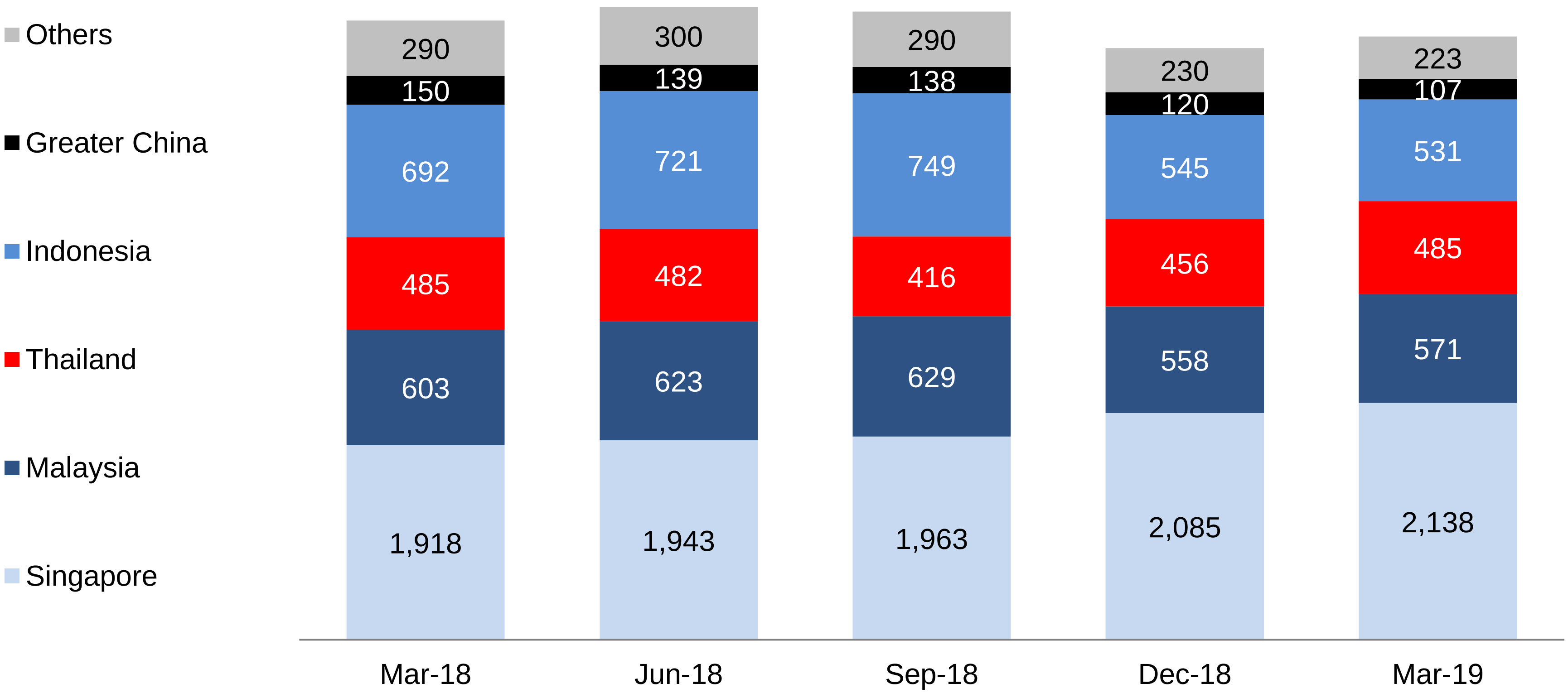
- Target customers include top-tier state-owned enterprises, large local corporates and foreign investment enterprises
- NPL ratio at 0.6%
- 50% denominated in RMB
- 50% with <1 year tenor



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

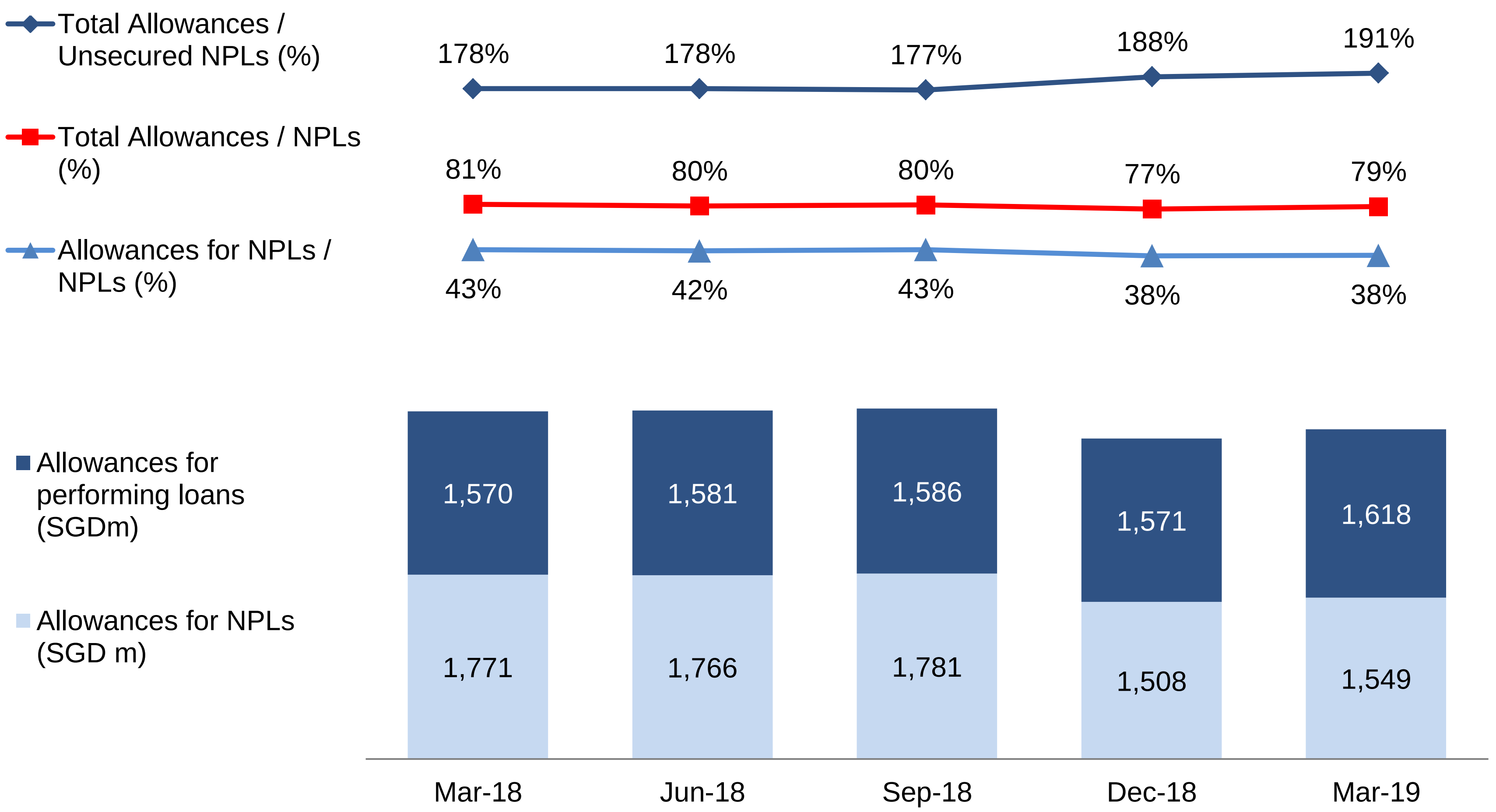
NPL Ratio at 1.5%

	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19
NPL ratio	1.7%	1.7%	1.6%	1.5%	1.5%
NPLs (SGD m)	4,138	4,208	4,185	3,994	4,055

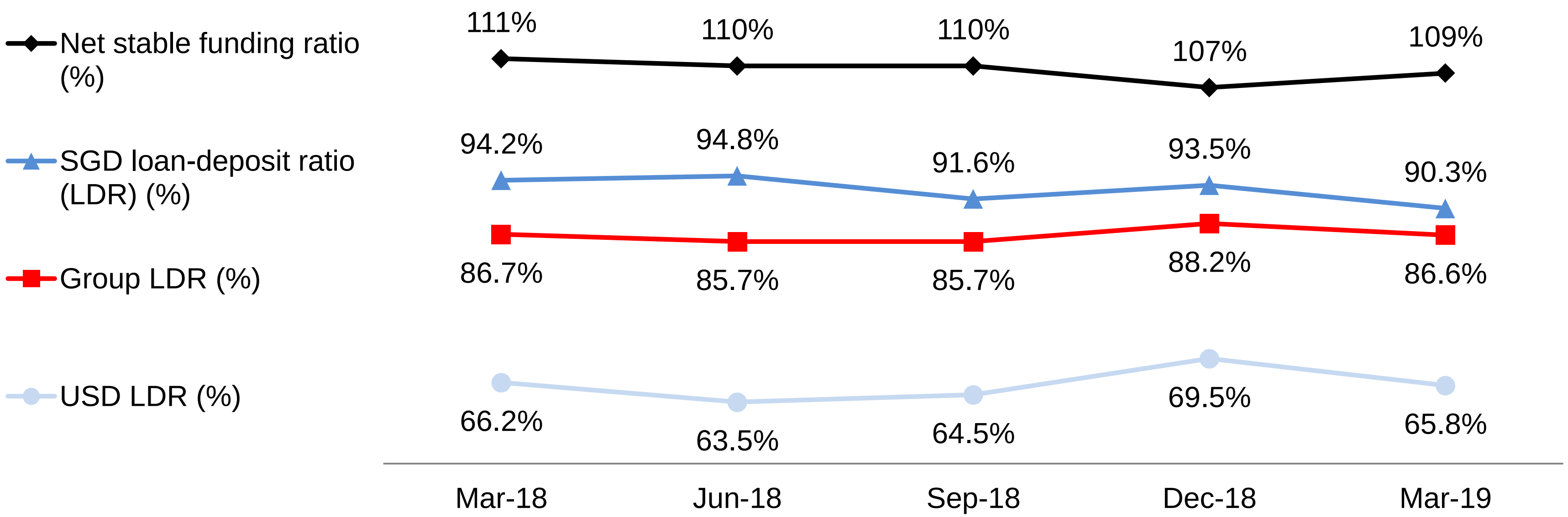


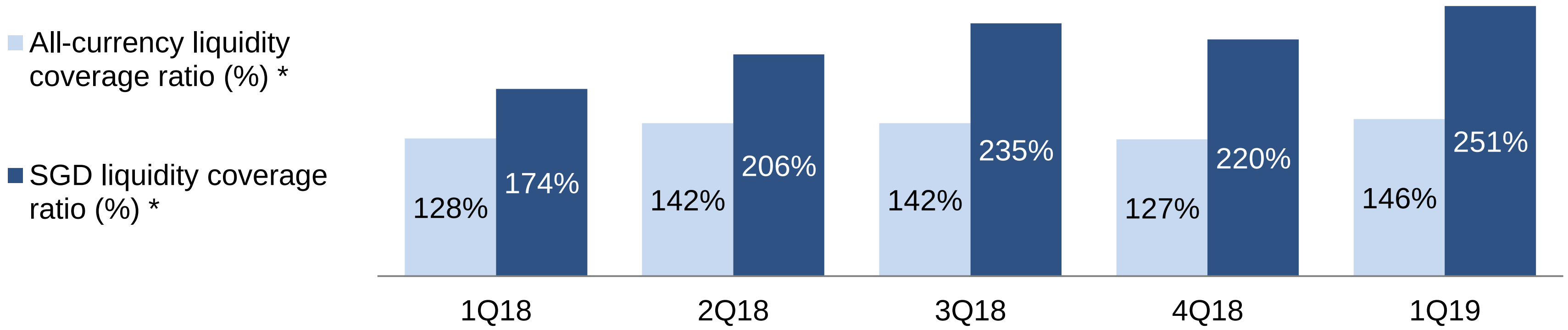
Note: NPLs by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals).

Adequate Reserve Coverage Ratios



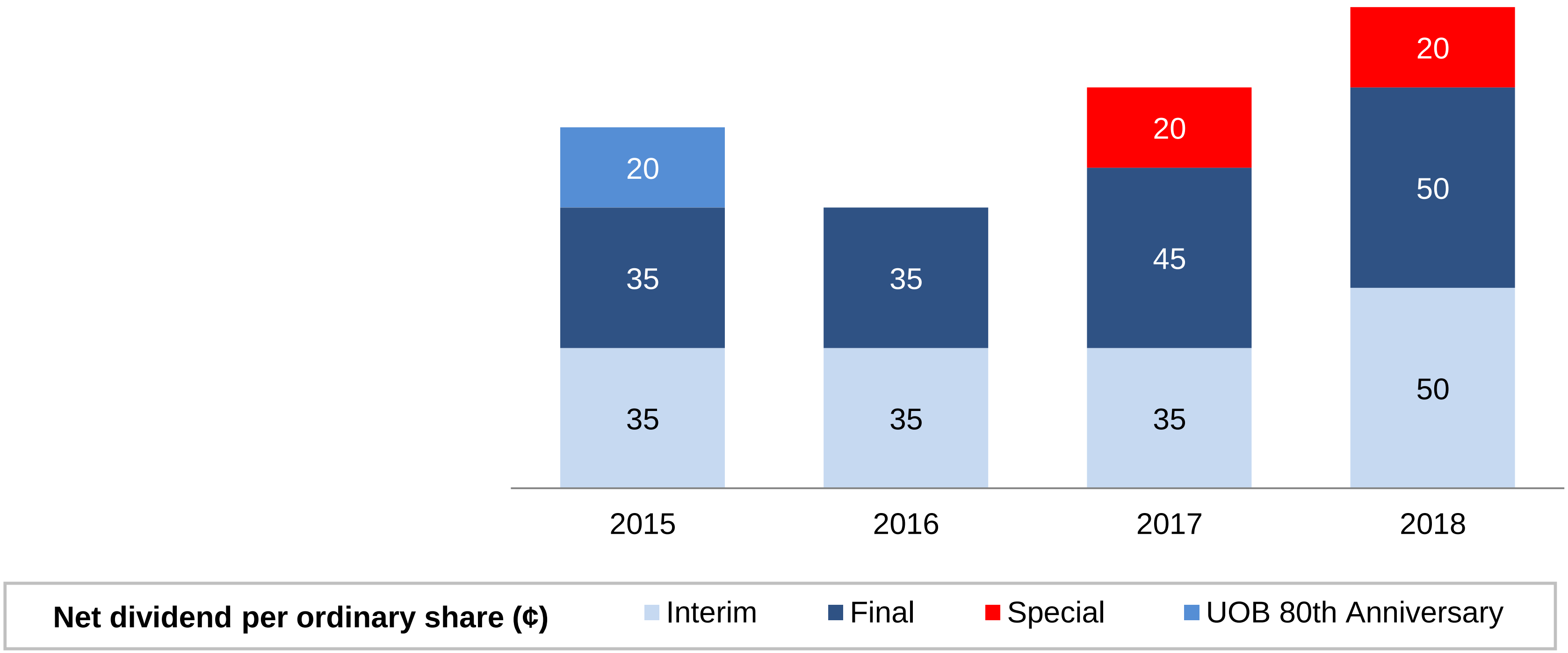
Stable Liquidity and Funding Position





* Liquidity coverage ratios are computed on a quarterly average basis

Higher Dividend for 2018



	2015	2016	2017	2018
Payout amount (SGD m)	1,444	1,135	1,661	2,000
Payout ratio (%)	45	37	49	50
Payout ratio (excluding special/one-off dividends) (%)	35	37	39	42

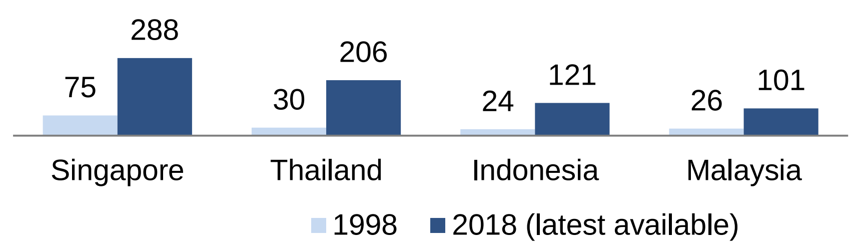
Note: The Scrip Dividend Scheme was applied to UOB 80th Anniversary dividend for the financial year 2015; interim and final dividends for the financial year 2016; as well as interim, final and special dividends for the financial year 2017.
The Scheme provides shareholders with the option to receive Shares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

Appendix B: Macroeconomic Outlook

Southeast Asia: Resilient Key Markets

Significantly Higher Foreign Reserves

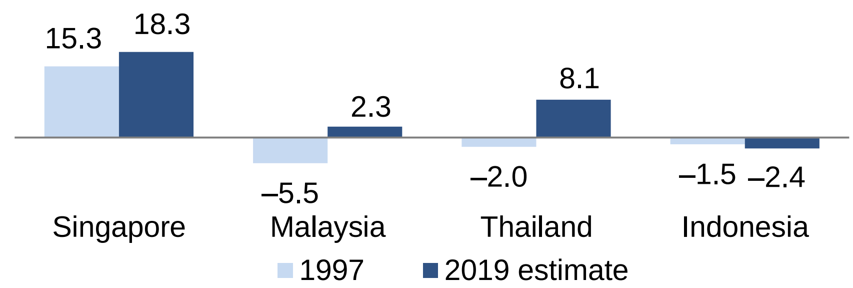
(USD billion)



Sources: World Bank, International Monetary Fund

Healthy Current Account Balances

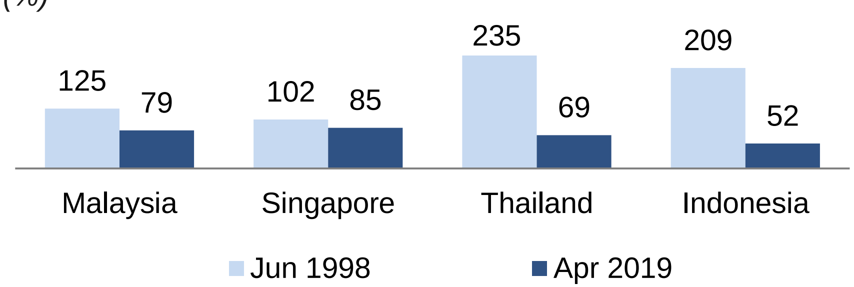
(% of GDP)



Source: International Monetary Fund

Lower Debt to Equity Ratio

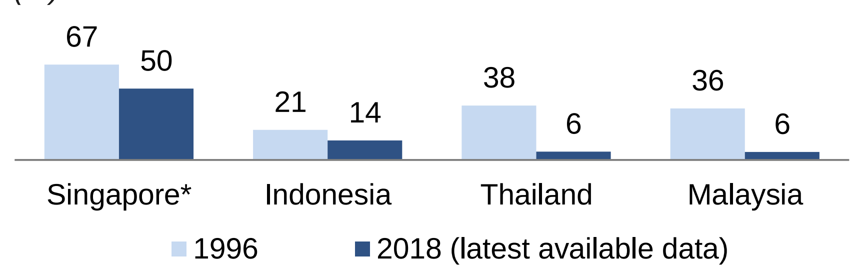
(%)



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

Lower Foreign Currency Loan Mix

(%)



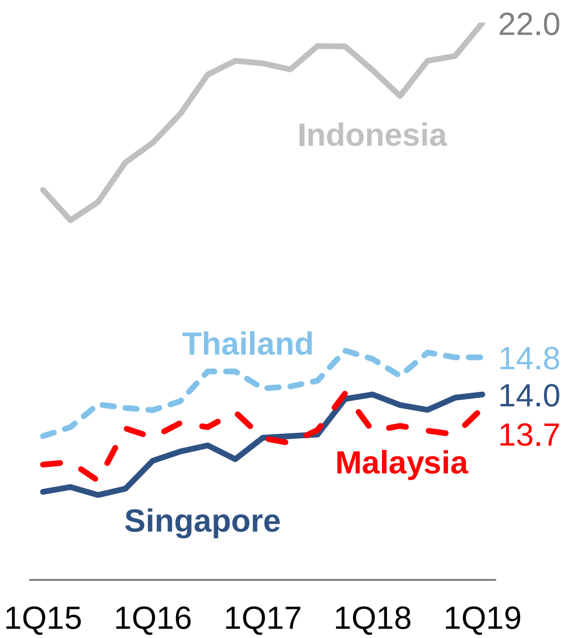
* Foreign currency loans in 1996 approximated by using total loans of Asia Currency Units; sources: Central banks

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

Southeast Asia Banking Sectors: Strong Fundamentals Remain Intact

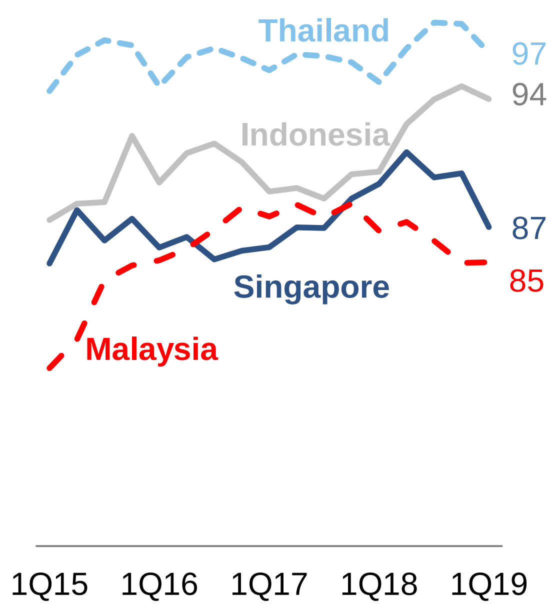
Robust Capital Positions

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



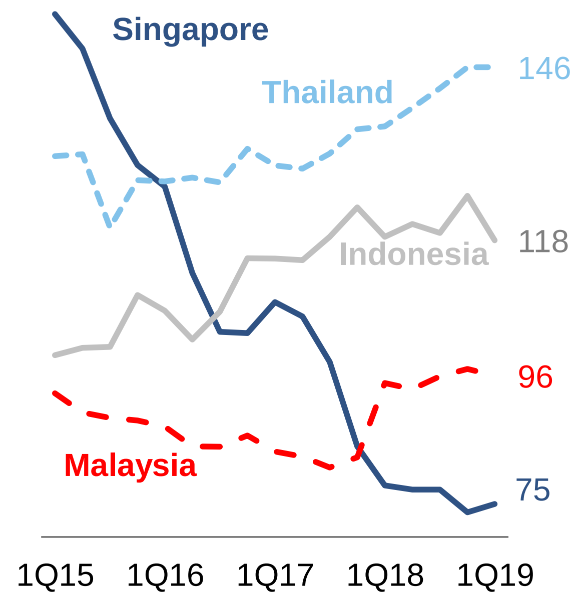
Adequate Loan/Deposit Ratio

(Loan/deposit ratio, in %)



Healthy Reserves

(NPL reserve cover, in %)



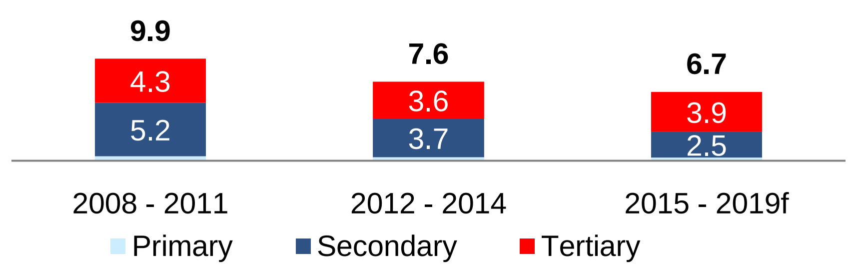
Note: For Singapore, common equity Tier 1 capital adequacy ratio and NPL reserve cover are based on the average of the three Singapore banking groups, while the loans/deposit ratio approximates that of Singapore dollar.
Source: Central banks, banks

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

- Despite ongoing structural slowdown, the Chinese economy has its underlying momentum, supported by rebalancing reforms and steady jobs market.
- Low central government debt underpins China's fiscal capacity, which could help mitigate "black swan" events.
- China's above-consensus 1Q19 GDP and March economic data are indications of green shoots. Our growth forecast for China remains at 6.3% (2018: +6.6%), considering global growth moderation. Govt to maintain counter-cyclical measures and targeted support but no large stimulus expected.

Structural Shift of China's Economy

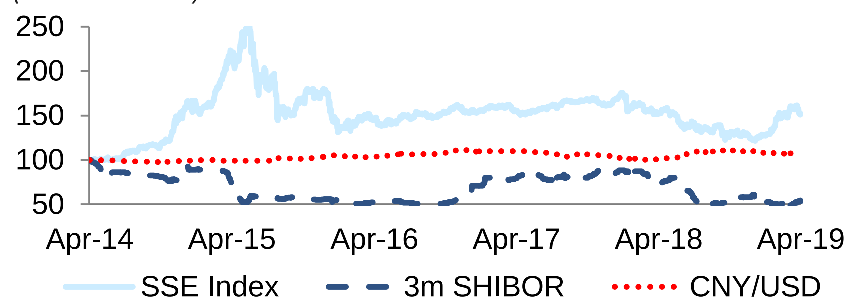
(Average Contribution to GDP growth rate, %)



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

Episodes of Market Volatility Contained

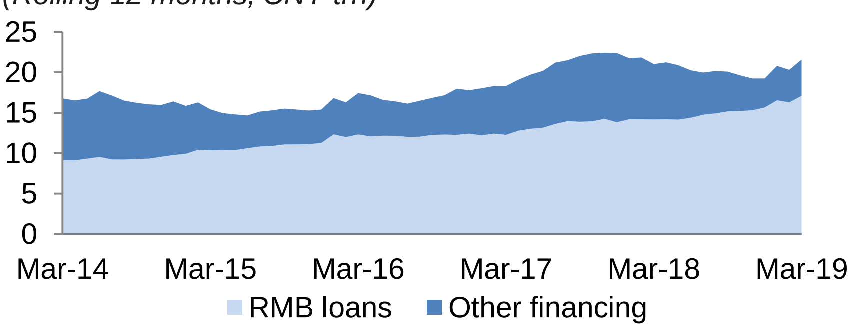
(Feb'14 = 100)



Source: Bloomberg, UOB Global Economics & Markets Research

New Financing Increasingly from Banking Sector

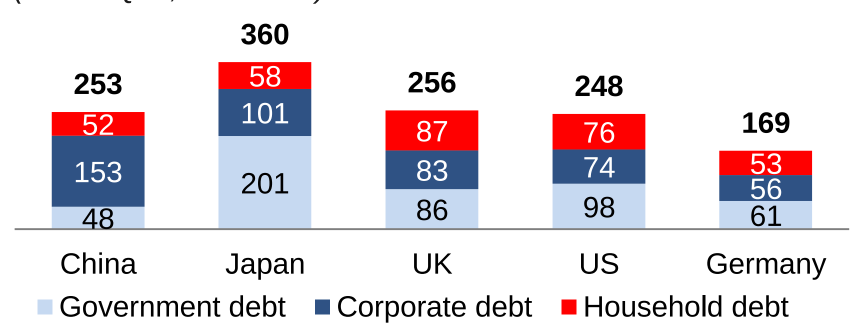
(Rolling 12 months, CNY trn)



Source: PBOC, UOB Global Economics & Markets Research

Source of China Debt Risk

(As of 3Q18, % of GDP)

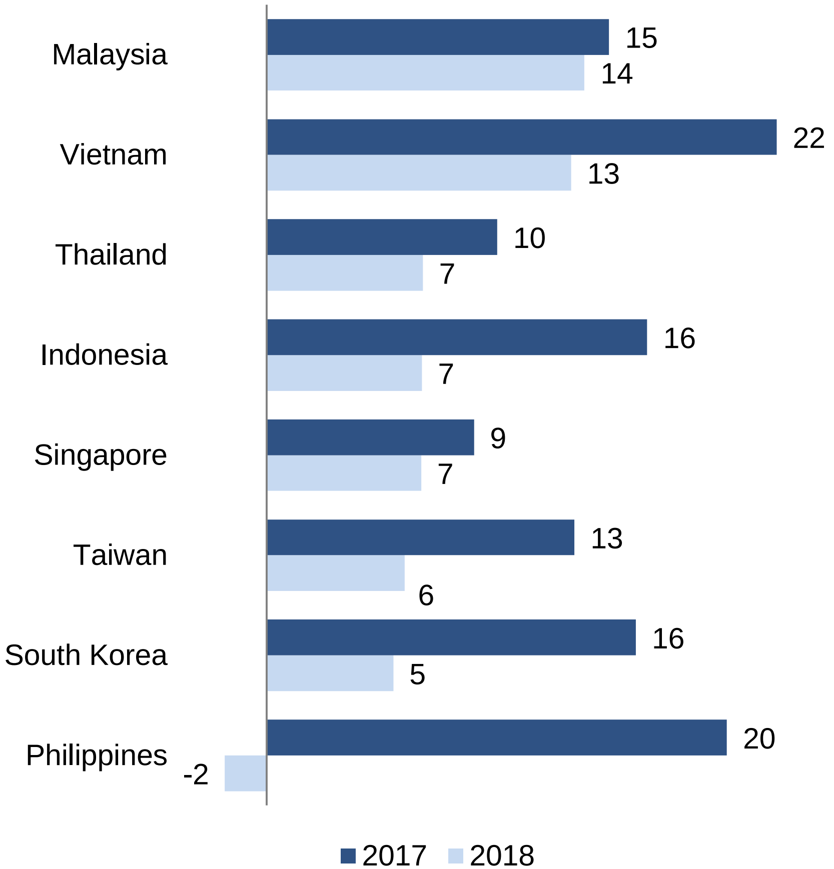


Source: BIS, Macrobond, UOB Global Economics & Markets Research

Global Trade Tension Negative for Asia but Some Silver Lining May Emerge

Exports growth slowed across Asian countries in 2018

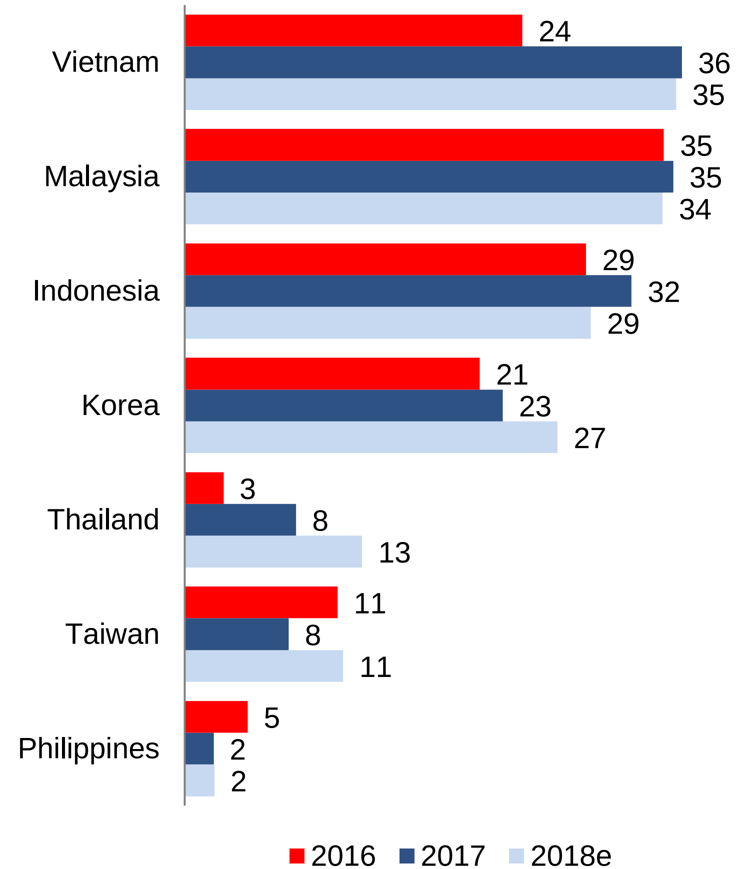
Year on year export growth in USD terms (%)



Sources: CEIC, UOB Global Economics & Markets Research

Key recipients of foreign direct investments in Asia

Foreign direct investments (USD billion)*



* Based on official releases, definitions may differ across territories.
Sources: CEIC, UOB Global Economics & Markets Research

Implication on Regional Policy Rates

	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19f	3Q19f	4Q19f
US 10-Year Treasury	2.33	2.40	2.74	2.86	3.06	2.68	2.41	2.45	2.60	2.70
US Fed Funds	1.25	1.50	1.75	2.00	2.25	2.50	2.50	2.50	2.50	2.50
SG 3M SIBOR	1.12	1.50	1.45	1.52	1.64	1.89	1.94	2.00	2.05	2.10
SG 3M SOR	1.01	1.30	1.48	1.59	1.64	1.92	1.93	2.00	2.05	2.10
MY Overnight Policy Rate	3.00	3.00	3.25	3.25	3.25	3.25	3.25	3.00	3.00	3.00
TH 1-Day Repo	1.50	1.50	1.50	1.50	1.50	1.75	1.75	1.75	2.00	2.00
ID 7-Day Reverse Repo	4.25	4.25	4.25	5.25	5.75	6.00	6.25	6.00	6.00	5.50
CH 1-Year Deposit Rate	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50

The Fed Reserve shifted to a patient approach in early 2019 and kept its policy Fed Funds Target Rate (FFTR) unchanged at the 2.25%-2.50% in the 3 meetings so far this year. And while core inflation has fallen short in early 2019, FOMC Chair Powell (1 May) attributed it to transitory factors at work, dashing hopes that the Fed will cut interest rates imminently. At the same time, the Fed as scheduled slowed its reduction in holdings of US Treasuries from the current level of US$30bn per month to US$15bn with effect from 2 May 2019. The Fed is expected to be done with the current rate hike cycle, so the peak of the FFTR range will be 2.25%-2.50% which is where we are right now (since Dec 2018). The Fed's next move is expected to be a rate cut in 2020.

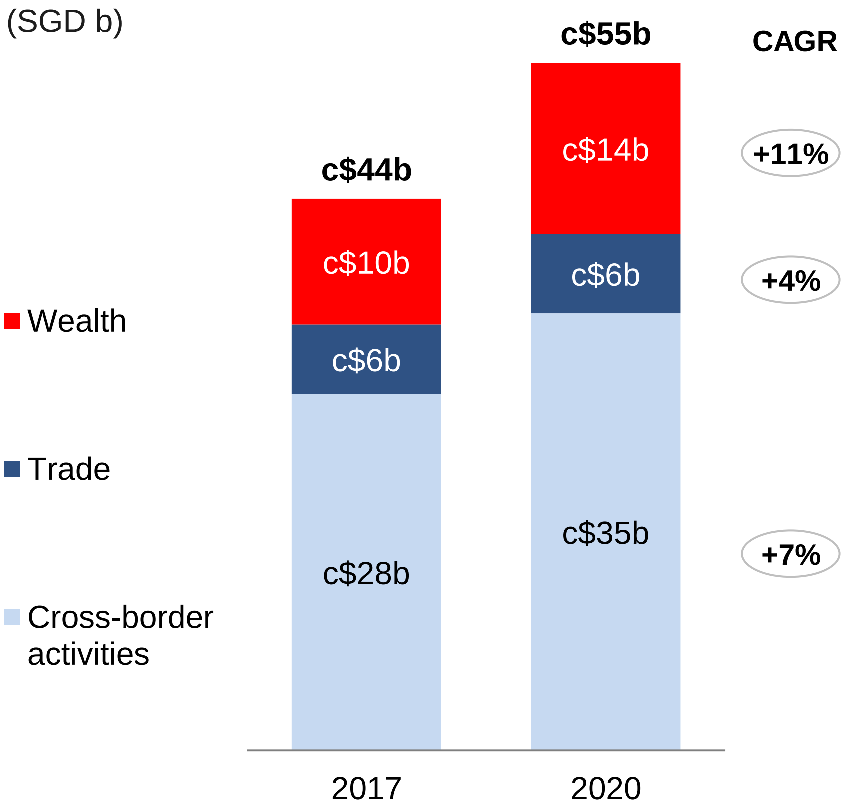
MAS is expected to keep policy unchanged in 2019 which could dampen the domestic currency's outperformance potential going forward and provide an uplift to SOR and SIBOR. But taking plateaued US rates into consideration, the upside in domestic rates will be modest. Baring any sharp and unexpected deterioration in regional economies, there is little impetus for risk premiums embedded in domestic rates to be re-priced significantly higher.

On balance, with China's economy expected to stabilise in 2019 and a more dovish Fed, capital flight risk from Asia will remain low. Asian central banks are also likely to move towards easing monetary policy to support, albeit those with current account and fiscal deficits, would likely do so in a cautious approach.

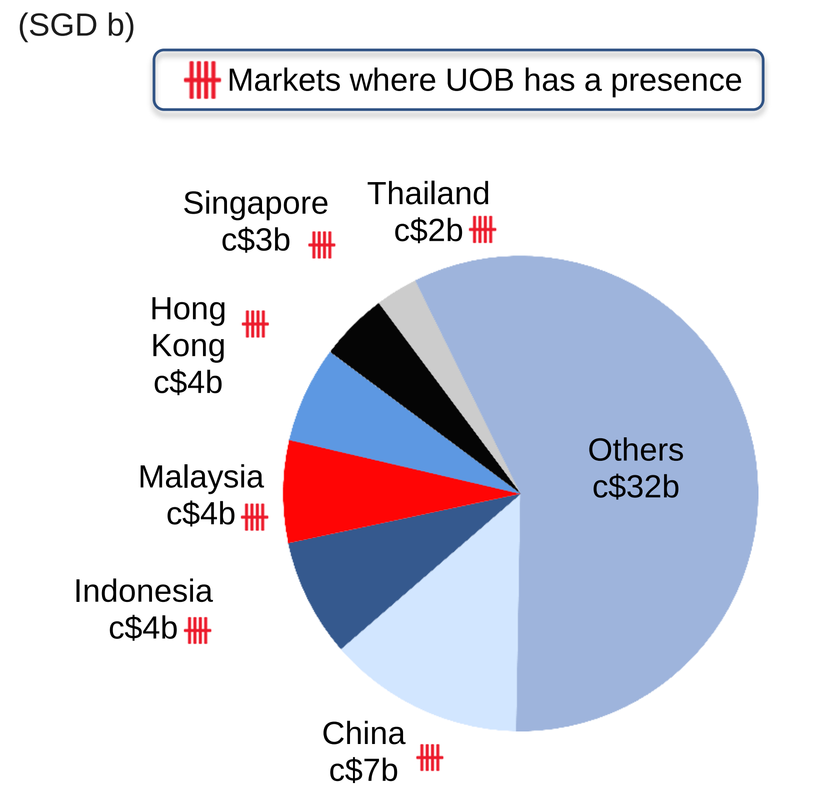
Sources: UOB Global Economics & Markets Research forecasts

Revenue Potential from ‘Connecting the Dots’ in the Region

Industry’s Potential Connectivity Revenue



Industry’s Potential Connectivity Revenue (2020)



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

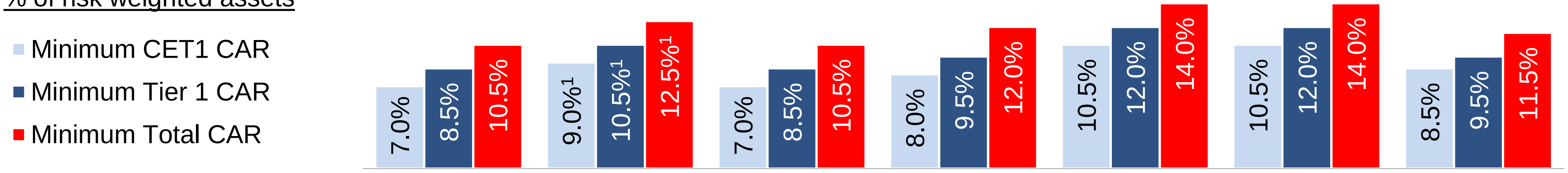
Source: Boston Consulting Group’s analysis, Boston Consulting Group Global Banking Revenue pool

Appendix C: Regulatory Developments

Basel III across the Region

	BCBS	Singapore	Malaysia	Thailand	Indonesia	Hong Kong	China
Minimum CET1 CAR	4.5%	6.5%[1]	4.5%	4.5%	4.5%	4.5%	5.0%
Minimum Tier 1 CAR	6.0%	8.0%[1]	6.0%	6.0%	6.0%	6.0%	6.0%
Minimum Total CAR	8.0%	10.0%[1]	8.0%	8.5%	8.0%	8.0%	8.0%
Full Compliance	Jan-15	Jan-15	Jan-15	Jan-13	Jan-14	Jan-15	Jan-13
Capital Conservation Buffer	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Full Compliance	Jan-19	Jan-19	Jan-19	Jan-19	Jan-19	Jan-19	Jan-19
Countercyclical Buffer[2]	Up to 2.5%	Up to 2.5%	Up to 2.5%	Up to 2.5%	Up to 2.5%	Up to 2.5%	Up to 2.5%
2019 Requirement	n/a	0%	0%	0%	0%	2.5%	0%
D-SIB Buffer	n/a	2.0%	2.0%	1.0%	1.0%–3.5%[3]	1.0%–3.5%	1.0%[4]
G-SIB Buffer	1.0%–3.5%	n/a	n/a	n/a	n/a	n/a	1.0%–1.5[4]
Minimum Leverage Ratio	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	4.0%
Full Compliance	2018	2018	2018	2022	2018	2018	2015/16
Minimum LCR	100%	100%	100%	100%	100%	100%	100%
Full Compliance	Jan-19	Jan-19	Jan-19	Jan-20	Dec-18	Jan-19	Dec-18
Minimum NSFR	100%	100%	100%	100%	100%	100%	100%
Full Compliance	Jan-18	Jan-18	Jan-20	Jul-18	Jan-18	Jan-18	Jul-18

% of risk weighted assets[5]



Source: Regulatory notifications.

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

Banking Regulations Still Evolving

Year	'13	'14	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24	'25	'26	'27
Basel III capital ratios	Phased-in						**Full**								
Leverage ratio			Disclosure phase			Start				Revised[7]					
LCR[1]			Phased-in				**Full**								
NSFR[2]						Start									
SACCR[3]						Start									
MCRMR[4]										Start					
TLAC[5]							Phased-in			**Full**					
Basel IV[6]										Phased-in					**Full**
IFRS 9						Start									

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

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

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

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

Source: BCBS

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

Impact of Basel IV[1] Likely to be Manageable

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Retail credit

Wholesale credit

Others

Lower RWA	Higher RWA
LGD[2] floor of Retail Mortgage cut to 5% from 10%	LGD[2] and PD[3] floors introduced for QRRE[4] and Other Retail
Unsecured corporate FIRB[5] LGD[2] cut to 40% from 45%	CCF[6] for unconditional cancellable commitments raised to 10% from 0%
CCF[6] for general commitments cut to 40% from 75%	PD[3] floor of bank asset class raised to 5bp from 3bp
Higher haircuts and lower FIRB[5] secured LGD	RWA[7] output floor set at 72.5% of that of standardised approach
Removal of 1.06 multiplier for IRB[8] RWA[7]	Fundamental review of the trading book

Source: BCBS

1. Basel IV: Reducing variation in risk-weighted assets
2. Loss given default
3. Probability of default
4. Qualifying revolving retail exposures
5. Foundation internal rating-based approach
6. Credit conversion factor
7. Risk weighted assets
8. Internal rating-based approach

Appendix D: Our Growth Drivers

Our Growth Drivers

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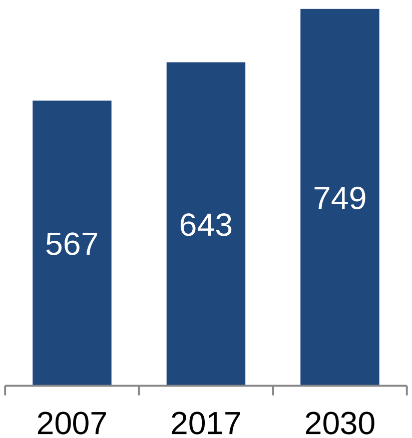
Realise Full Potential of our Integrated Platform	▪ Provides us with ability to serve expanding regional needs of our customers ▪ Improves operational efficiency, enhances risk management, seamless customer experience and faster time to market
Sharpen Regional Focus	▪ Global macro environment remains uncertain but the region's long-term fundamentals continue to remain strong ▪ Region is our growth engine in view of growing intra-regional flows and rising consumer affluence, leveraging digitalisation and partnerships
Reinforce Fee Income Growth	▪ Grow fee income to offset competitive pressures on loans and improve return on risk weighted assets ▪ Increase client wallet share size by intensifying cross-selling efforts, focusing on service quality and expanding range of products and services
Long-term Growth Perspective	▪ Disciplined approach in executing growth strategy, balancing growth with stability ▪ Focus on risk adjusted returns; ensure balance sheet strength and robust capital through economic cycles

Southeast Asia's Immense Long-term Potential

Population

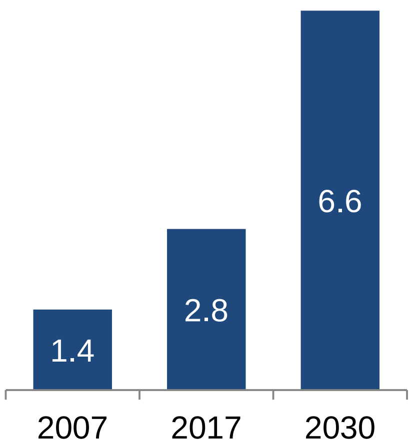
(Million persons)



- Third largest globally, after China and India
- Young demographics, with 384 million below 35 years old

GDP[1]

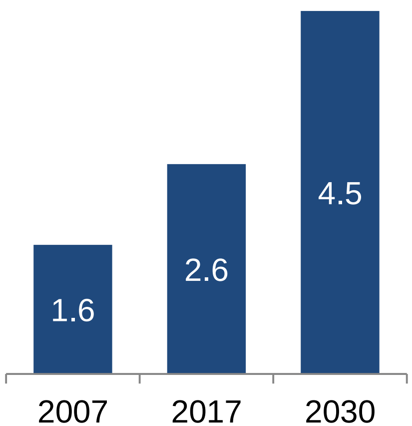
(USD trillion)



- Fifth largest economic bloc globally
- GDP doubled over the last decade

Trade[2]

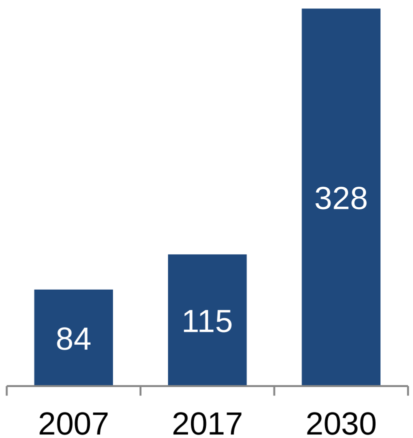
(USD trillion)



- Fourth largest trading group globally
- 23% are intra-ASEAN[4] (European Union: 63%, NAFTA[5]: 41%)

FDI[3]

(USD billion)



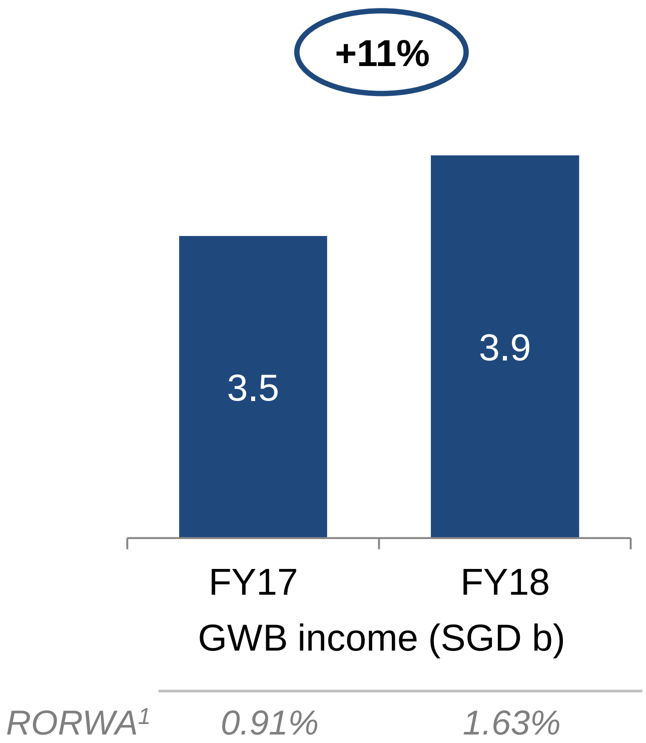
- Third largest recipient of inward FDI globally
- Grown 1.4x over the last decade

1. GDP: Gross domestic product
2. Comprises exports and imports
3. FDI: Foreign direct investments
4. ASEAN: Association of South East Asian Nations
5. NAFTA: North America Free Trade Agreement

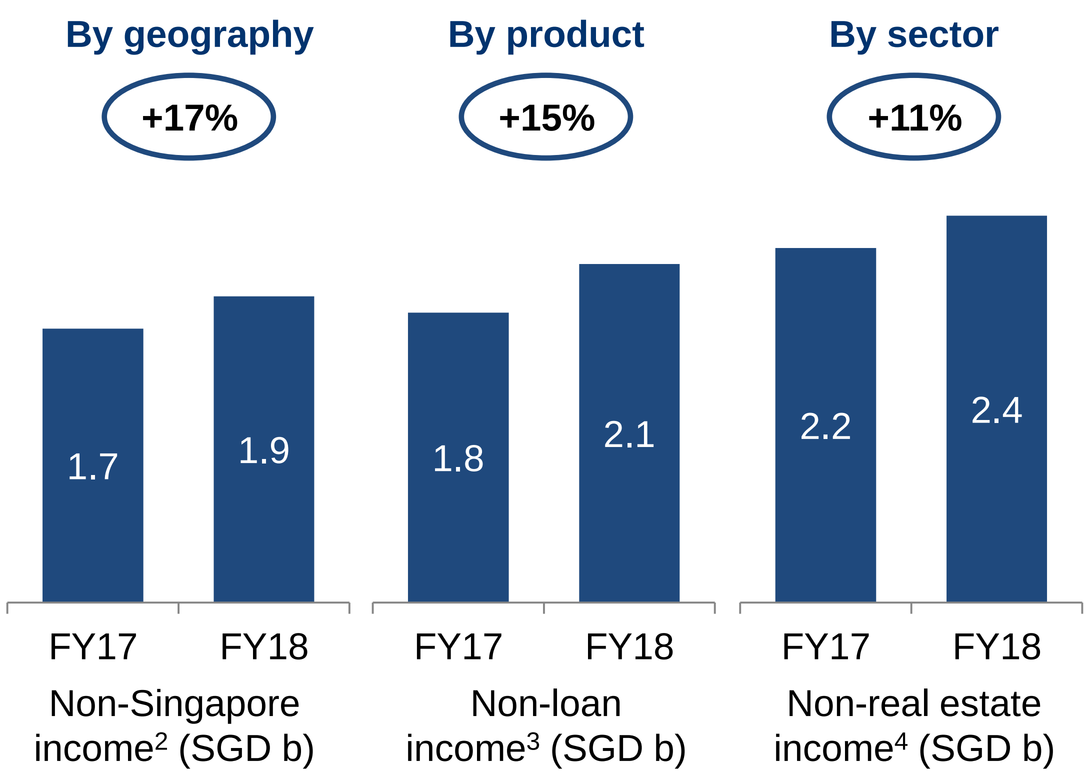
Source: Macrobond, Visual Capitalist, UOB Economic-Treasury Research

Wholesale Banking: Tapping Intra-Regional Flows through Diversification

Strong income & RoRWA[1] growth…



... supported by diverse sources



1. RoRWA: Ratio of "Profit before tax" to "Average segment RWA".
2. Income from Hong Kong, China, Malaysia, Thailand, Indonesia, others.
3. Income from Cash, Trade, Global Markets, Investment Banking, others.
4. Income from Industrial, Financial Institutions, Oil & Gas, Consumer Goods, Construction & Infrastructures, Technology, Media & Telecommunications (TMT), Healthcare, Logistics, others.

Strategic Initiatives to Tap Intra-Regional Flows

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1 Strengthen Connectivity

Support and grow with our customers in the region

- Focused on tapping Chinese / ASEAN flows
- FDI[1] advisory team, supporting companies' regional expansion

Cross-border revenue:
+15% growth[2] &
25% of GWB income

FDI[1] contributed **S$46b** of deposit flows[4]

2 Sector Specialisation

Offer customised solutions to our customers

- Focused sector teams supporting RM[3] with insights & solutions

Non-loan income:
+15%[2]

Non-real estate income:
+11%[2]

3 Products & Platforms

Building new capabilities

- New product platforms
- Re-designed customer journeys
- Rapid deployment across the Group

GWB e-Banking customers
~20% growth[2]

Targeted cost productivity improvement[5]:
~10-15%

THE ASIAN BANKER[6] STRATEGIC BUSINESS INTELLIGENCE FOR THE FINANCIAL SERVICES COMMUNITY — Best Transaction Bank | Best Cash Management Bank | Best Trade Finance Bank

1. FDI: Foreign Direct Investment.
2. 2018 year-on-year growth.
3. RM: Relationship Manager.
4. Deposit flows in 2018.
5. 2021 target.
6. The Asian Banker Transaction Awards 2018, in Singapore.

Retail Banking: Serving Rising Affluent via Our Extensive In-country Presence

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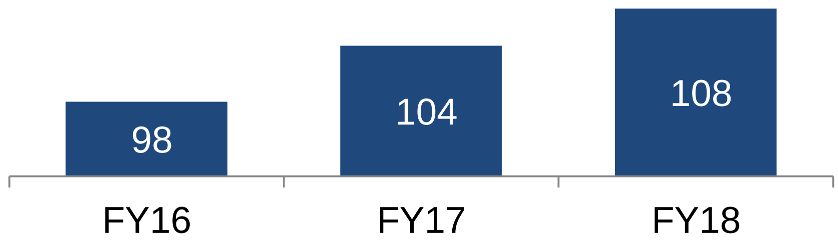
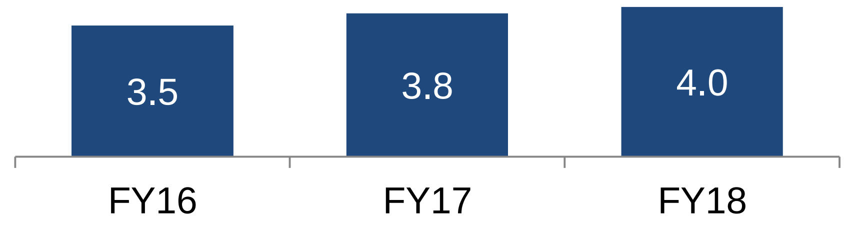
Gross Loans (Group Retail[1]): +4% YoY in FY18

SGD b



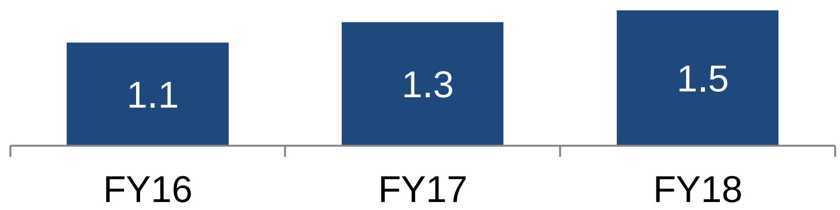
Income[3] (Group Retail[1]) +4% YoY in FY18

SGD b



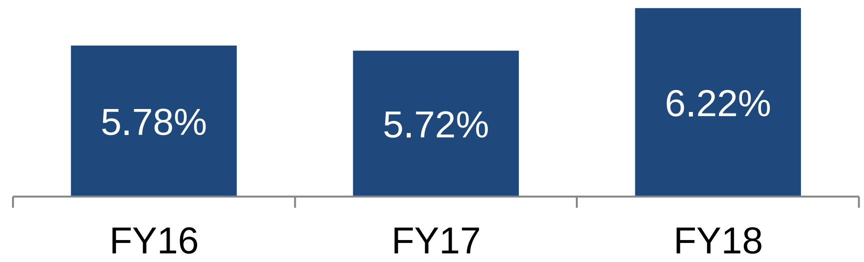
High Affluent[2] income: +10% YoY in FY18

SGD b



AUM	*SGD93 b*	*SGD104 b*	*SGD111 b*

Segment RoRWA[4] +0.50%pt YoY in FY18



1. Includes Business Banking.
2. High Affluent comprises Privilege Banking, Privilege Reserve and Private Bank segments.
3. Income includes fee and commission income that is net of directly attributable expenses.
4. RoRWA: Ratio of “Profit before tax” to “Average segment RWA”.

Leveraging Digitalisation and Partnerships to Grow and Deepen Customer Franchise

1 Digital Bank

Targeting Mobile-First and Mobile-Only Generation

- Delivered and launched TMRW in Thailand within 14 months
- Payments, deposits and unsecured

Target 5 markets

3-5m customers

Engagement Index >7

Steady-state cost-income ratio ~35%

2 Omni-Channel Experience

Traditional and affluent customers with universal banking needs

- Digitised application & approval of consumer products[1]
- Rise in Mighty app usage
- Leveraging data analytics & machine learning across customer touch points

UOB Mighty App: Transaction volume: +125%[2]

New Orchard Wealth Banking Centre with state of the art features

3 Ecosystem Partnerships

Forging collaborations to widen distribution reach

- Strengthening customer acquisition & deepen customer wallet share
- Improving banking access by plugging into consumers' lifestyles

Regional bancassurance arrangement with Prudential

Strategic alliance with Grab

Partnerships in property and car ecosystems

1. Include UOB Housing Loan, Car Loan, Credit Cards and Deposits.
2. 2018 year-on-year growth

Thank You

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