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OFFICE OF INTERNATIONAL
 CORPORATE FINANCE
www.uobgroup.com
 Company Reg. No. 193500026Z

31 October 2006



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File No. 82-2947

Securities & Exchange Commission
 Division of Corporate Finance
 Room 3094(3-6)
 450 Fifth Street, N.W.
 Washington, DC 20549
 USA

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 CORPORATE FINANCE

Dear Sir

UNAUDITED RESULTS FOR THE NINE MONTHS/THIRD QUARTER ENDED 30 SEPTEMBER 2006

We enclose a copy of our announcement dated 31 October 2006 in regard to the
 above matter for your information.

Yours faithfully
 for UNITED OVERSEAS BANK LIMITED

Leo Hee Wui
 Assistant Secretary

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UNITED OVERSEAS BANK LIMITED

Incorporated in the Republic of Singapore
Company Registration Number: 193500026Z

OFFICE OF INTERNATIONAL
CORPORATE FINANCE

To : All Shareholders

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

Financial Results

The unaudited financial results of the Group for the nine months / third quarter ended 30 September 2006 are enclosed.

Dividend

No dividend has been declared for the third quarter of 2006.

Confirmation by Directors

The Board of Directors hereby confirm 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 of 2006 to be false or misleading.

BY ORDER OF THE BOARD
UNITED OVERSEAS BANK LIMITED



Mrs Vivien Chan
Secretary

Dated this 31st day of October 2006

The results are also available at the Bank's website at www.uobgroup.com



United Overseas Bank Limited

Incorporated in the Republic of Singapore
Company Registration Number: 193500026Z

GROUP FINANCIAL PERFORMANCE FOR THE NINE MONTHS / THIRD QUARTER 2006

31 OCTOBER 2006

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Note:

- ◆ The financial statements are presented in Singapore dollars.
- ◆ Certain comparative figures have been restated to conform with the current period's presentation.
- ◆ Certain figures in this report may not add up to the respective totals due to rounding.
- ◆ Amounts less than \$500,000 are shown as "0".



I) Highlights and Performance Indicators

	9 Months 2006	9 Months 2005	9Mths 06 / 9Mths 05 %	3rd Quarter 2006	2nd Quarter 2006	3rd Quarter 2005	3Q06 / 3Q05 %
• Summarised Profit and Loss (\$'m)							
Net interest income (NII)	2,009	1,734	+ 15.8	684	671	578	+ 18.5
Non-interest income (Non NII)	997	1,000	- 0.3	337	310	350	- 3.6
Total income	3,005	2,734	+ 9.9	1,021	981	927	+ 10.1
Less: Total expenses	1,239	1,020	+ 21.5	424	419	353	+ 20.2
Operating profit before amortisation and impairment charges	1,766	1,714	+ 3.1	597	562	574	+ 4.0
Less: Intangible assets	10	58	- 83.6	3	3	-	NM
Less: Other impairment charges	116	100	+ 16.4	26	35	19	+ 33.0
Add: Share of profit of associates	102	77	+ 32.4	31	41	31	+ 0.3
Less: Tax and minority interests	397	355	+ 11.7	136	122	122	+ 10.9
Net profit after tax excluding one-time gain	1,345	1,277	+ 5.3	463	443	463	-
Add: One-time gain [®]	689	-	NM	-	689	-	-
Net profit after tax [^]	2,034	1,277	+ 59.2	463	1,132	463	-
• Key Indicators (excluding the one-time gain)							
❖ Income mix							
- NII / Total income (%)	66.8	63.4	+ 3.4 % pt	67.0	68.4	62.3	+ 4.7 % pt
- Non NII / Total income (%)	33.2	36.6	- 3.4 % pt	33.0	31.6	37.7	- 4.7 % pt
	100.0	100.0	-	100.0	100.0	100.0	-
❖ Profit contribution (before tax and intangible assets)							
- Onshore (including ACU) (%)	68.5	76.6	- 8.1 % pt	64.1	67.6	77.3	- 13.2 % pt
- Offshore (%)	31.5	23.4	+ 8.1 % pt	35.9	32.4	22.7	+ 13.2 % pt
	100.0	100.0	-	100.0	100.0	100.0	-
❖ Return on average ordinary shareholders' equity [#]							
- Including intangible assets (%)	11.9	12.5	- 0.6 % pt	12.1	11.8	13.7	- 1.6 % pt
- Excluding intangible assets (%)	12.0	13.1	- 1.1 % pt	12.2	11.8	13.7	- 1.5 % pt
❖ Basic earnings per ordinary share [#]							
- Including intangible assets (¢)	114.3	110.8	+ 3.2	118.5	112.8	120.4	- 1.6
- Excluding intangible assets (¢)	115.1	115.8	- 0.6	119.3	113.6	120.4	- 0.9
❖ Return on average total assets [*]							
- Including intangible assets (%)	1.16	1.25	- 0.09 % pt	1.18	1.14	1.35	- 0.17 % pt
- Excluding intangible assets (%)	1.17	1.31	- 0.14 % pt	1.19	1.14	1.35	- 0.16 % pt
❖ Net interest margin [*] (%)							
	2.00	1.99	+ 0.01 % pt	1.97	1.97	1.93	+ 0.04 % pt
❖ Expense / Income ratio (%)							
	41.2	37.3	+ 3.9 % pt	41.6	42.7	38.1	+ 3.5 % pt
❖ Dividend per ordinary share							
- Interim (¢)	20.0	20.0	-	-	20.0	-	-
- Special dividend ^{**} (¢)	20.0	28.5	- 29.8	-	20.0	-	-

[®] One-time gain refers to the special dividend received from Overseas Union Enterprise Limited ("OUE") and gain from divestment of OUE and Hotel Negara Limited ("HNL"), recorded by the Group and its associates in 2Q06.

[^] Net profit after tax refers to profit attributable to equity holders of the Bank.

[#] Calculated based on annualised profit attributable to equity holders of the Bank net of subsidiary preference share dividend incurred for the financial period.

^{*} Computed on an annualised basis.

^{**} Special dividend in the nine months of 2005 refers to the dividend in specie of shares in United Overseas Land Limited.

"NM" denotes not meaningful.

l) Highlights and Performance Indicators

	30-Sep-06	31-Dec-05	Sep-06 / Dec-05 (%)	30-Sep-05	Sep-06 / Sep-05 (%)
• <u>Other Indicators</u>					
❖ Customer loans (net) (\$'m)	73,673	67,142	+ 9.7	65,739	+ 12.1
❖ Customer deposits (\$'m)	88,960	85,503	+ 4.0	83,341	+ 6.7
❖ Loans / Deposits ratio [@] (%)	82.8	78.5	+ 4.3 % pt	78.9	+ 3.9 % pt
❖ Non-performing loans (NPLs) (\$'m)	3,532	3,931	- 10.2	4,290	- 17.7
❖ Cumulative impairment (\$'m)	2,562	2,714	- 5.6	2,946	- 13.0
❖ NPL ratio [^] (%)	4.6	5.6	- 1.0 % pt	6.2	- 1.6 % pt
❖ Cumulative impairment / NPLs (%)	72.5	69.0	+ 3.5 % pt	68.7	+ 3.8 % pt
❖ Total assets (\$'m)	156,904	145,073	+ 8.2	139,792	+ 12.2
❖ Shareholders' equity [*] (\$'m)	15,890	14,929	+ 6.4	13,735	+ 15.7
❖ Revaluation surplus [#] (\$'m)	1,269	1,564	- 18.8	1,436	- 11.6
❖ Net asset value (NAV) per share (\$)	10.43	9.71	+ 7.4	8.93	+ 16.8
❖ Revalued NAV per share (\$)	11.26	10.73	+ 4.9	9.86	+ 14.2
❖ Net tangible asset per share (\$)	7.63	6.92	+ 10.3	6.31	+ 20.9
❖ Capital adequacy ratios					
- Tier 1 capital (%)	10.8	11.0	- 0.2 % pt	9.9	+ 0.9 % pt
- Total capital (%)	16.1	16.1	-	15.0	+ 1.1 % pt

[@] "Loans" refers to net customer loans while "Deposits" refers to customer deposits.

[^] NPL ratio represents NPLs (excluding debt securities) as a percentage of gross customer loans.

^{*} Shareholders' equity refers to equity attributable to equity holders of the Bank.

[#] Refers to revaluation surplus on properties and securities not recognised in the financial statements.



II) Review of Financial Performance

The financial statements are presented in Singapore dollars and have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") with modification to FRS39 Financial Instruments: Recognition and Measurement in respect of loan loss provisioning, as provided in Notice to Banks No. 612 "Credit Files, Grading and Provisioning" issued by Monetary Authority of Singapore ("MAS"). The accounting policies and computation methods adopted for the first nine months of 2006 are the same as those adopted in the audited financial statements for the financial year ended 31 December 2005.

Review of Group Performance

Results

9 Months 2006 versus 9 Months 2005

The Group's net profit after tax ("NPAT") of \$2,034 million recorded for the first nine months of 2006 ("9M06") was an increase of 59.2% over that of \$1,277 million registered in the first nine months of 2005 ("9M05"). The increase was largely due to a one-time gain of \$689 million, comprising special dividend received from Overseas Union Enterprise Limited ("OUE") and gain from divestment of OUE and Hotel Negara Limited ("HNL"), recorded by the Group and its associates in the second quarter of 2006 ("2Q06"). Excluding the one-time gain, the Group's NPAT would be \$1,345 million, representing an increase of 5.3% over 9M05. The growth was mainly driven by higher net interest income, which was partially negated by higher operating expenses.

Total income increased 32.4% to \$3,618 million for 9M06, primarily due to the special dividend of \$284 million received from OUE and gain of \$329 million from divestment of OUE and HNL. Excluding this one-time income of \$613 million, total income would be \$3,005 million, representing an increase of 9.9% over 9M05. The increase was contributed mainly by higher net interest income from expanded loan volume and inter-bank money market activities, as well as higher fee and commission income.

Total operating expenses increased 21.5% to \$1,239 million in 9M06, partly due to the consolidation of PT Bank Buana Indonesia Tbk. ("Bank Buana")'s operating expenses. Staff costs rose 28.4% to \$622 million largely due to increased headcount. Other operating expenses increased 15.3% to \$618 million mainly on professional fees, commission and brokerage, IT and business promotions. Expense-to-income ratio of the Group increased to 41.2% (excluding the one-time income) in 9M06 as compared to 37.3% in 9M05.

Other impairment charges increased \$16 million or 16.4% to \$116 million in 9M06. The increase was largely attributed to write-back of collective impairment in 9M05, partially offset by lower impairment charges on loans.

Share of pre-tax profit of associates rose 188.3% to \$221 million due mainly to the Group's share of an exceptional gain of \$120 million from special dividend received from OUE and gain from divestment of OUE and HNL, as recorded by its associates. Excluding the exceptional gain, share of pre-tax profit of associates would be \$102 million, an increase of 32.4% from 9M05.

**II) Review of Financial Performance****3rd Quarter 2006 versus 2nd Quarter 2006**

NPAT of \$463 million in the third quarter of 2006 ("3Q06") was 59.1% lower than the \$1,132 million achieved in 2Q06, attributed mainly to the one-time gain of \$689 million recorded in 2Q06. Excluding the one-time gain, the growth would be 4.5% from the previous quarter. The increase was mainly driven by higher non-interest income and net interest income, as well as lower impairment charges on loans. These were partially negated by lower contributions from associates and higher operating expenses.

3rd Quarter 2006 versus 3rd Quarter 2005

NPAT of \$463 million in 3Q06 was the same as that in the third quarter of 2005 ("3Q05").

Total income rose 10.1% to \$1,021 million in 3Q06. The increase was contributed by higher net interest income on increased loan volume and spread, partly due to the consolidation of Bank Buana. This was partially offset by lower non-interest income.

Total operating expenses increased 20.2% to \$424 million in 3Q06, partly due to the consolidation of Bank Buana's operating expenses. Staff costs rose 26.1% to \$213 million largely on increased headcount. Other operating expenses increased 14.7% to \$212 million mainly on business promotions and IT. Expense-to-income ratio was 41.6% in 3Q06 compared to 38.1% in 3Q05.

Other impairment charges increased 33.0% to \$26 million in 3Q06 mainly on investment securities.



II) Review of Financial Performance

Balance Sheet

The Group's net customer loans grew 9.7% and 12.1% over 31 December 2005 and 30 September 2005 respectively to \$73,673 million as at 30 September 2006. Group non-performing loans ("NPLs") were \$3,532 million as at 30 September 2006, representing a decline of 10.2% over 31 December 2005 and 17.7% over 30 September 2005. Correspondingly, Group NPL ratio improved to 4.6% as at 30 September 2006 (31 December 2005: 5.6% and 30 September 2005: 6.2%). As at 30 September 2006, Group NPLs were 58.0% (31 December 2005: 56.7% and 30 September 2005: 56.7%) secured by collateral, and unsecured NPLs were 172.9% (31 December 2005: 159.4% and 30 September 2005: 158.6%) covered by total cumulative impairment.

Group's total assets increased 8.2% and 12.2% to \$156,904 million as at 30 September 2006 over 31 December 2005 and 30 September 2005 respectively. Shareholders' equity of the Group rose 6.4% and 15.7% to \$15,890 million as at 30 September 2006 compared to those as at 31 December 2005 and 30 September 2005 respectively. Correspondingly, the Group's net asset value per share increased to \$10.43 as at 30 September 2006 (31 December 2005: \$9.71 and 30 September 2005: \$8.93).

The Group's total capital adequacy ratio ("CAR") of 16.1% as at 30 September 2006 (31 December 2005: 16.1% and 30 September 2005: 15.0%) was 6.1% points above the minimum 10% set by MAS.

II) Review of Financial Performance

UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2006

	9 Months 2006 \$ million	9 Months 2005 \$ million	9M06 / 9M05 %
Interest income	5,110	3,494	46.2
Less: Interest expense	3,102	1,760	76.2
Net interest income	2,009	1,734	15.8
Dividend income	318	56	467.9
Fee and commission income	671	606	10.7
Rental income	49	48	0.8
Other operating income	572	290	97.7
Total non-interest income	1,610	1,000	61.0
Income before operating expenses	3,618	2,734	32.4
Less:			
Staff costs	622	484	28.4
Other operating expenses	618	536	15.3
Total operating expenses	1,239	1,020	21.5
Operating profit before amortisation and impairment charges	2,379	1,714	38.8
Less: Intangible assets amortised / impaired	10	58	(83.6)
Less: Other impairment charges	116	100	16.4
Operating profit after amortisation and impairment charges	2,253	1,556	44.8
Share of profit of associates	221	77	188.3
Profit before tax	2,474	1,633	51.5
Less: Tax	404	338	19.3
Profit for the financial period	2,071	1,295	60.0
Attributable to:			
Equity holders of the Bank	2,034	1,277	59.2
Minority interests	37	17	115.7
	2,071	1,295	60.0
Annualised earnings per ordinary share (¢)			
Basic	159.3	110.8	43.8
Diluted	159.3	110.8	43.8
Return on average ordinary shareholders' equity (%)			
Including intangible assets	16.7	12.5	4.2 % pt
Excluding intangible assets	16.7	13.1	3.6 % pt

II) Review of Financial Performance

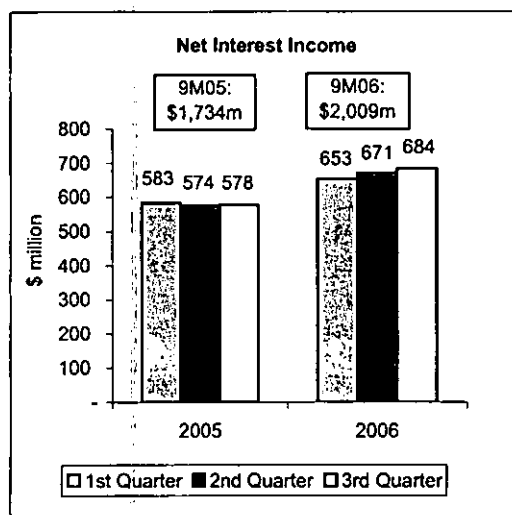
UNAUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2006

	3rd Quarter 2006 \$ million	2nd Quarter 2006 \$ million	3Q06 / 2Q06 %	3rd Quarter 2005 \$ million	3Q06 / 3Q05 %
Interest income	1,830	1,718	6.5	1,229	48.9
Less: Interest expense	1,146	1,047	9.4	651	76.0
Net interest income	684	671	1.9	578	18.5
Dividend income	7	309	(97.9)	11	(41.6)
Fee and commission income	221	228	(3.0)	234	(5.8)
Rental income	17	16	4.3	16	5.1
Other operating income	93	371	(74.9)	88	5.6
Total non-interest income	337	923	(63.5)	350	(3.6)
Income before operating expenses	1,021	1,594	(35.9)	927	10.1
Less:					
Staff costs	213	211	0.6	169	26.1
Other operating expenses	212	207	2.1	185	14.7
Total operating expenses	424	419	1.3	353	20.2
Operating profit before amortisation and impairment charges	597	1,175	(49.2)	574	4.0
Less: Intangible assets amortised / impaired	3	3	5.3	-	NM
Less: Other impairment charges	26	35	(27.5)	19	33.0
Operating profit after amortisation and impairment charges	568	1,137	(50.0)	555	2.4
Share of profit of associates	31	160	(80.9)	31	0.3
Profit before tax	598	1,297	(53.9)	585	2.3
Less: Tax	123	156	(20.9)	116	6.4
Profit for the financial period	475	1,141	(58.3)	470	1.3
Attributable to:					
Equity holders of the Bank	463	1,132	(59.1)	463	-
Minority interests	13	10	30.7	7	86.5
	475	1,141	(58.3)	470	1.3
Annualised earnings per ordinary share (\$)					
Basic	118.5	157.8	(24.9)	120.4	(1.6)
Diluted	118.5	157.8	(24.9)	120.4	(1.6)
Return on average ordinary shareholders' equity (%)					
Including intangible assets	12.1	16.5	(4.4% pt)	13.7	(1.6% pt)
Excluding intangible assets	12.2	16.5	(4.3% pt)	13.7	(1.5% pt)

NM denotes not meaningful.

II) Review of Financial Performance

Net Interest Income



Net interest income rose 15.8% over 9M05 to \$2,009 million in 9M06 and 18.5% over 3Q05 to \$684 million in 3Q06. The increase was mainly from loans on higher volume and improved margin, contributed partly by the consolidation of Bank Buana, as well as from inter-bank money market activities.

Against 2Q06, net interest income increased 1.9% mainly on increased loan volume.

Net interest margin of 2.00% for 9M06 and 1.97% for 3Q06 were 1 basis point and 4 basis points higher than those for 9M05 and 3Q05 respectively.

Average Interest Rates and Margin

	9 Months 2006			9 Months 2005		
	Average Balance	Annualised Interest	Average Rate	Average Balance	Annualised Interest	Average Rate
	\$ million	\$ million	%	\$ million	\$ million	%
Customer loans	68,498	3,962	5.78	63,799	3,023	4.74
Inter-bank balances / balances with central banks	44,386	1,934	4.36	34,736	1,050	3.02
Securities	21,700	937	4.32	18,245	598	3.28
Total interest bearing assets	134,584	6,833	5.08	116,780	4,672	4.00
Customer deposits	89,695	2,277	2.54	81,430	1,311	1.61
Inter-bank balances / other	41,030	1,870	4.56	33,387	1,043	3.12
Total interest bearing liabilities	130,725	4,147	3.17	114,817	2,354	2.05
Net interest income		2,685			2,318	
Net interest margin ^			2.00			1.99

^ Net interest margin represents annualised net interest income as a percentage of total interest bearing assets.

II) Review of Financial Performance

Net Interest Income (cont'd)

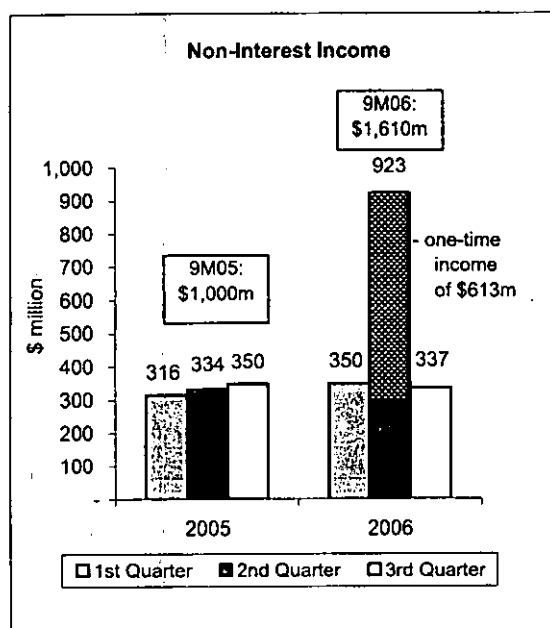
Average Interest Rates and Margin (cont'd)

	3rd Quarter 2006			2nd Quarter 2006			3rd Quarter 2005		
	Average Balance \$ million	Annualised Interest \$ million	Average Rate %	Average Balance \$ million	Annualised Interest \$ million	Average Rate %	Average Balance \$ million	Annualised Interest \$ million	Average Rate %
Customer loans	70,774	4,248	6.00	67,549	3,920	5.80	63,728	3,051	4.79
Inter-bank balances / balances with central banks	43,022	1,934	4.50	46,562	2,043	4.39	35,857	1,181	3.29
Securities	23,696	1,077	4.54	22,271	928	4.16	19,159	642	3.35
Total interest bearing assets	137,492	7,259	5.28	136,382	6,890	5.05	118,744	4,874	4.10
Customer deposits	91,027	2,493	2.74	90,213	2,265	2.51	82,435	1,407	1.71
Inter-bank balances / other	42,250	2,052	4.86	42,029	1,934	4.60	34,105	1,176	3.45
Total interest bearing liabilities	133,277	4,545	3.41	132,242	4,199	3.18	116,540	2,583	2.22
Net interest income		2,714			2,692			2,291	
Net interest margin [^]			1.97			1.97			1.93

[^] Net interest margin represents annualised net interest income as a percentage of total interest bearing assets.

II) Review of Financial Performance

Non-Interest Income



Non-interest income increased 61.0% over 9M05 to \$1,610 million in 9M06, mainly contributed by the one-time income of \$613 million (comprising special dividend received from OUE of \$284 million and gain on divestment of OUE and HNL of \$329 million). Excluding the one-time income, non-interest income registered a 0.3% decline over 9M05. The decrease was mainly due to lower net gain from securities and derivatives, as well as lower dividend and rental income. These were partly negated by higher fee and commission income and higher gain on foreign exchange.

Compared to 2Q06, non-interest income decreased 63.5% to \$337 million for 3Q06, mainly attributed to the one-time income in previous quarter. Excluding the one-time income, non-interest income recorded a growth of 8.7%, mainly attributed to higher gain on investment securities, partially offset by net loss on trading securities, government securities and derivatives and lower dividend and rental income.

Against 3Q05, non-interest income for 3Q06 declined 3.6% mainly due to lower fee and commission income.

Composition of Non-Interest Income

	9 Months 2006 \$ million	9 Months 2005 \$ million	3rd Quarter 2006 \$ million	2nd Quarter 2006 \$ million	3rd Quarter 2005 \$ million
Fee and commission income					
Credit card	98	86	35	32	30
Fund management	131	117	39	42	50
Futures broking	22	15	6	8	5
Investment-related	127	124	41	46	65
Loan-related	107	95	37	36	28
Service charges	49	43	16	16	14
Trade-related	119	105	39	41	36
Other	17	21	6	6	7
	671	606	221	228	234
Dividend and rental income	366	104	23	325	27
Other operating income					
Net gain / (loss) from:					
- Foreign exchange	113	81	33	38	32
- Trading securities, government securities and derivatives	10	39	(127)	37	27
- Investment securities	26	63	171	(67)	(4)
- Disposal of assets held for sale	332	15	-	330	0
- Disposal of fixed and other assets	24	12	10	11	6
Other income	68	81	7	22	27
	572	290	93	371	88
Total non-interest income	1,610	1,000	337	923	350
Fee and commission income / Total income (%)	22.3 *	22.2	21.6	23.2 *	25.3
Non-interest income / Total income (%)	33.2 *	36.6	33.0	31.6 *	37.7

* Excluding the one-time income

**II) Review of Financial Performance****Operating Expenses**

Total operating expenses increased 21.5% to \$1,239 million in 9M06, partly due to the consolidation of Bank Buana's operating expenses. Staff costs rose 28.4% to \$622 million largely due to increased headcount. Other operating expenses increased 15.3% to \$618 million mainly on professional fees, commission and brokerage, IT and business promotions. Expense-to-income ratio of the Group increased to 41.2% (excluding the one-time income) in 9M06 as compared to 37.3% in 9M05.

Compared to 3Q05, total operating expenses increased 20.2% to \$424 million in 3Q06, partly due to the consolidation of Bank Buana's operating expenses. Staff costs rose 26.1% to \$213 million largely on increased headcount. Other operating expenses increased 14.7% to \$212 million mainly on business promotions and IT. Expense-to-income ratio was 41.6% in 3Q06 compared to 38.1% in 3Q05.

	9 Months 2006 \$ million	9 Months 2005 \$ million	3rd Quarter 2006 \$ million	2nd Quarter 2006 \$ million	3rd Quarter 2005 \$ million
Staff costs	622	484	213	211	169
Other operating expenses					
Depreciation of fixed assets	106	105	35	34	35
Rental of premises and equipment	35	35	12	12	12
Maintenance of premises and other assets	54	46	19	19	15
Other expenses	423	350	146	142	124
	618	536	212	207	185
Total operating expenses	1,239	1,020	424	419	353
Expense / Income ratio (%)	41.2 *	37.3	41.6	42.7 *	38.1
Manpower (number)	19,693	13,583	19,693	19,150	13,583
Total operating expenses included:					
IT-related expenses	175	163	59	59	55
IT-related expenses /					
Total operating expenses (%)	14.1	15.9	14.0	14.1	15.4

* Excluding the one-time income

II) Review of Financial Performance

Other Impairment Charges

Other impairment charges increased \$16 million or 16.4% over 9M05 to \$116 million in 9M06. The increase was attributed to write-back of collective impairment a year ago, partially offset by lower impairment charges on loans.

Against 3Q05, other impairment charges increased 33.0% to \$26 million in 3Q06 mainly on investment securities.

	9 Months 2006	9 Months 2005	3rd Quarter 2006	2nd Quarter 2006	3rd Quarter 2005
	\$ million	\$ million	\$ million	\$ million	\$ million
Individual impairment on loans					
Singapore	94	51	13	33	(41)
Regional countries ^	(4)	96	5	(7)	51
Greater China ^^	7	(5)	(2)	1	4
Other	5	3	(0)	0	1
	102	145	16	27	16
Other individual impairment / provisions	15	11	10	8	4
Collective impairment	-	(56)	-	-	-
Total other impairment charges	116	100	26	35	19

^ Regional countries comprise Malaysia, Indonesia, the Philippines and Thailand.

^^ Greater China comprises China, Hong Kong S.A.R. and Taiwan.

**II) Review of Financial Performance****Customer Loans**

Net customer loans grew 9.7% over 31 December 2005 and 12.1% over 30 September 2005 to \$73,673 million as at 30 September 2006, largely contributed by higher term loans and housing loans.

The increase in loans over the comparative periods in 2005 was seen across most industries, particularly from non-bank financial institutions and housing loans.

Customer Loans Analysed by Product Group

	30-Sep-06		31-Dec-05		30-Sep-05	
	\$ million	%	\$ million	%	\$ million	%
Housing loans	18,076	23.7	16,632	23.8	16,021	23.3
Term loans	43,961	57.7	39,658	56.8	39,678	57.8
Trade financing	5,590	7.3	4,808	6.9	4,843	7.1
Overdrafts	8,605	11.3	8,747	12.5	8,122	11.8
Total gross customer loans	76,232	100.0	69,846	100.0	68,664	100.0
Individual impairment	(1,290)		(1,433)		(1,607)	
Collective impairment	(1,270)		(1,270)		(1,318)	
Total net customer loans	73,673		67,142		65,739	

Gross Customer Loans Analysed by Industry

	30-Sep-06		31-Dec-05		30-Sep-05	
	\$ million	%	\$ million	%	\$ million	%
Transport, storage and communication	3,334	4.4	2,447	3.5	2,409	3.5
Building and construction	8,199	10.7	8,010	11.5	7,914	11.5
Manufacturing	8,661	11.4	7,870	11.3	7,586	11.1
Non-bank financial institutions	12,183	16.0	10,061	14.4	10,153	14.8
General commerce	11,916	15.6	11,483	16.4	11,122	16.2
Professionals and private individuals	9,885	13.0	10,209	14.6	10,222	14.9
Housing loans	18,076	23.7	16,632	23.8	16,021	23.3
Other	3,977	5.2	3,133	4.5	3,239	4.7
Total gross customer loans	76,232	100.0	69,846	100.0	68,664	100.0

Gross Customer Loans Analysed by Remaining Maturity

	30-Sep-06		31-Dec-05		30-Sep-05	
	\$ million	%	\$ million	%	\$ million	%
Within 1 year	34,513	45.3	34,235	49.0	33,292	48.5
Over 1 year but within 3 years	10,175	13.3	8,572	12.3	8,893	12.9
Over 3 years but within 5 years	8,596	11.3	6,788	9.7	6,454	9.4
Over 5 years	22,948	30.1	20,250	29.0	20,026	29.2
Total gross customer loans	76,232	100.0	69,846	100.0	68,664	100.0

II) Review of Financial Performance

Deposits

Total deposits increased 9.6% and 13.2% over 31 December 2005 and 30 September 2005 respectively to \$125,969 million as at 30 September 2006. The increase was mainly from banker deposits and fixed deposits.

As at 30 September 2006, customer deposits accounted for 70.6% of total deposits and the loans-to-deposits ratio was 82.8%.

<u>Deposits Analysed by Product Group</u>	<u>30-Sep-06</u>		<u>31-Dec-05</u>		<u>30-Sep-05</u>	
	\$ million	%	\$ million	%	\$ million	%
Banker deposits	37,010	29.4	29,456	25.6	27,949	25.1
Customer deposits						
Fixed rate deposits	59,636	47.3	54,947	47.8	54,138	48.7
Current, savings and other deposits	29,324	23.3	30,556	26.6	29,203	26.2
	88,960	70.6	85,503	74.4	83,341	74.9
Total deposits	125,969	100.0	114,958	100.0	111,290	100.0
 Loans / Deposits ratio * (%)		82.8		78.5		78.9

<u>Deposits Analysed by Remaining Maturity</u>	<u>30-Sep-06</u>		<u>31-Dec-05</u>		<u>30-Sep-05</u>	
	\$ million	%	\$ million	%	\$ million	%
Within 1 year	122,242	97.1	111,985	97.4	108,595	97.6
Over 1 year but within 3 years	1,546	1.2	1,117	1.0	1,190	1.1
Over 3 years but within 5 years	1,257	1.0	816	0.7	840	0.7
Over 5 years	924	0.7	1,041	0.9	665	0.6
Total deposits	125,969	100.0	114,958	100.0	111,290	100.0

* "Loans" refers to net customer loans while "Deposits" refers to customer deposits.

Debts Issued

	<u>30-Sep-06</u>	<u>31-Dec-05</u>	<u>30-Sep-05</u>
	\$ million	\$ million	\$ million
Subordinated debts (unsecured)			
- Due after one year	5,347	5,617	5,726
Other debts issued			
- Due within one year (secured) ^	808	839	877
- Due within one year (unsecured)	17	177	272
- Due after one year (unsecured)	469	476	471
	1,294	1,492	1,620
Total debts issued	6,640	7,108	7,346

^ The debts were secured by a floating charge on the assets of Archer 1 Limited, a special purpose entity of the Group.

II) Review of Financial Performance

Shareholders' Equity

Shareholders' equity rose 6.4% over 31 December 2005 to \$15,890 million, mainly contributed by profit for the financial period. It was 15.7% higher than that of 30 September 2005, largely due to higher retained profit and the issuance of US\$500 million subsidiary preference shares in December 2005.

As at 30 September 2006, revaluation surplus of \$1,269 million on properties and securities of the Group was not recognised in the financial statements.

	<u>30-Sep-06</u>	<u>31-Dec-05</u>	<u>30-Sep-05</u>
	<u>\$ million</u>	<u>\$ million</u>	<u>\$ million</u>
Shareholders' equity	15,890	14,929	13,735
Add: Revaluation surplus	1,269	1,564	1,436
Shareholders' equity including revaluation surplus	<u>17,159</u>	<u>16,493</u>	<u>15,171</u>
Net asset value (NAV) per share (\$)	10.43	9.71	8.93
Revaluation surplus per share (\$)	0.83	1.02	0.93
Revalued NAV per share (\$)	<u>11.26</u>	<u>10.73</u>	<u>9.86</u>

Changes in Ordinary Shares of the Bank

	<u>No. of Shares</u>
	<u>'000</u>
Ordinary Shares	
Balance at 1 January 2006	1,537,843
Exercise of share options granted under the UOB 1999 Share Option Scheme	1,328
Shares purchased under share buy-back program	<u>(15,492)</u>
Balance at 30 June 2006	1,523,679
Exercise of share options granted under the UOB 1999 Share Option Scheme	56
Shares purchased under share buy-back program	<u>(576)</u>
Balance at 30 September 2006	<u>1,523,159</u>

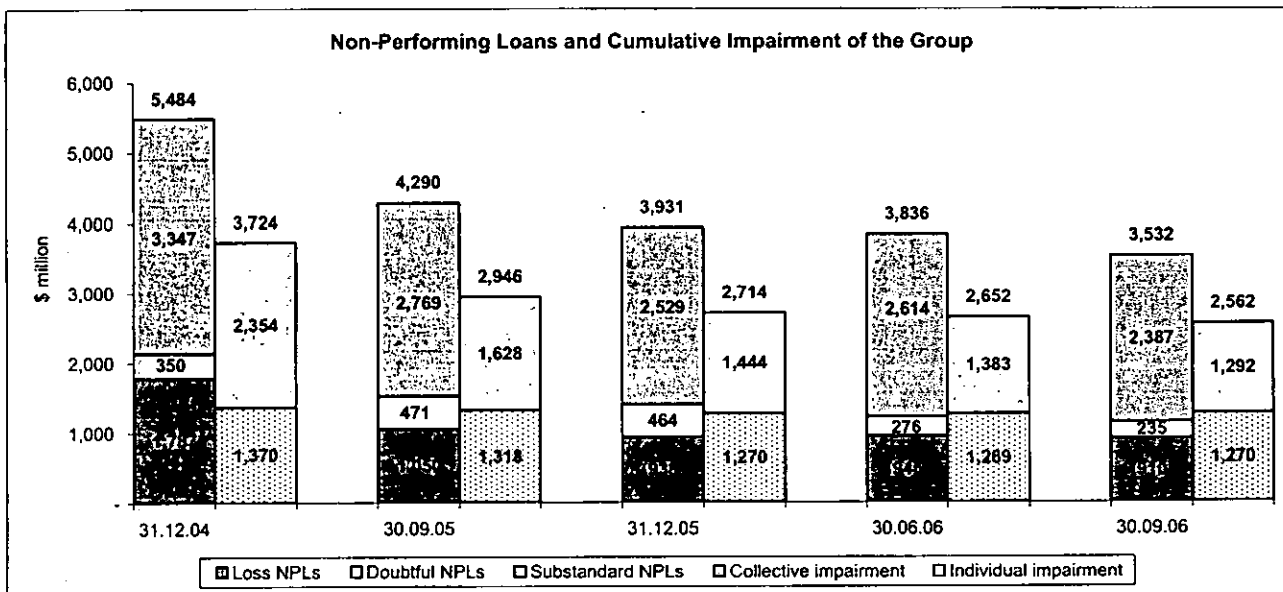
	<u>30-Sep-06</u>	<u>31-Dec-05</u>	<u>30-Sep-05</u>
	<u>'000</u>	<u>'000</u>	<u>'000</u>
Number of new shares that would have been issued upon exercise of all outstanding options	1,069	2,470	2,841

III) Non-Performing Loans (NPLs) and Cumulative Impairment

NPLs and Cumulative Impairment of the Group

The Group's NPLs reduced 10.2% and 17.7% over 31 December 2005 and 30 September 2005 respectively to \$3,532 million as at 30 September 2006. Correspondingly, NPL ratio improved to 4.6% as at 30 September 2006 from 5.6% as at 31 December 2005 and 6.2% as at 30 September 2005. Of the total NPLs as at 30 September 2006, \$2,387 million or 67.6% were in the Substandard category and \$2,050 million or 58.0% were secured by collateral.

In line with the lower NPLs, total cumulative impairment as at 30 September 2006 was lower at \$2,562 million, compared to the \$2,714 million as at 31 December 2005 and the \$2,946 million as at 30 September 2005 respectively. As at 30 September 2006, total cumulative impairment provided coverage of 72.5% against total NPLs and 172.9% against unsecured NPLs.



	30-Sep-06	30-Jun-06	31-Dec-05	30-Sep-05	31-Dec-04
NPLs					
	\$ million				
Substandard	2,387	2,614	2,529	2,769	3,347
Doubtful	235	276	464	471	350
Loss	910	946	938	1,050	1,787
Total NPLs	3,532	3,836	3,931	4,290	5,484
Cumulative Impairment					
	\$ million				
Individual impairment	1,292	1,383	1,444	1,628	2,354
Collective impairment	1,270	1,269	1,270	1,318	1,370
Total cumulative impairment	2,562	2,652	2,714	2,946	3,724
Ratios					
	%				
NPL ratio*	4.6	5.3	5.6	6.2	8.0
NPLs / Total assets	2.3	2.5	2.7	3.1	4.1
Cumulative impairment / NPLs	72.5	69.1	69.0	68.7	67.9
Cumulative impairment / Doubtful & Loss NPLs	223.8	217.0	193.6	193.7	174.3
Cumulative impairment / Unsecured NPLs	172.9	165.5	159.4	158.6	138.6
Cumulative impairment ^ / Gross customer loans	3.4	3.6	3.9	4.3	5.4
Collective impairment / Gross customer loans (net of individual impairment ^)	1.7	1.8	1.9	2.0	2.1

* NPL ratio represents NPLs (excluding debt securities) as a percentage of gross customer loans.

^ Excluding debt securities.

III) Non-Performing Loans (NPLs) and Cumulative Impairment

NPLs by Region

As at 30 September 2006, NPLs of Singapore and the Regional Countries accounted for 43.7% and 53.7% of the total NPLs respectively.

Singapore NPLs decreased 21.1% and 30.7% over 31 December 2005 and 30 September 2005 respectively to \$1,543 million as at 30 September 2006. Regional NPLs as at 30 September 2006 was \$1,897 million, representing an increase of 3.2% over 31 December 2005, but a decrease of 1.1% over 30 September 2005.

	30-Sep-06		31-Dec-05		30-Sep-05	
	\$ million	%	\$ million	%	\$ million	%
Singapore	1,543	43.7	1,955	49.7	2,228	51.9
Regional Countries						
Malaysia	620	17.6	651	16.6	717	16.7
Indonesia	129	3.6	101	2.6	64	1.5
Philippines	187	5.3	180	4.6	164	3.8
Thailand	961	27.2	906	23.0	973	22.7
	1,897	53.7	1,838	46.8	1,918	44.7
Greater China	38	1.1	64	1.6	67	1.6
Other	54	1.5	74	1.9	77	1.8
Total NPLs	3,532	100.0	3,931	100.0	4,290	100.0

NPLs by Industry

The top three NPLs were from manufacturing, general commerce and building and construction industries. NPL ratios were seen improved across all industries over the comparative periods in 2005.

	30-Sep-06		31-Dec-05		30-Sep-05	
	NPL	NPL Ratio	NPL	NPL Ratio	NPL	NPL Ratio
	\$ million	%	\$ million	%	\$ million	%
Transport, storage and communication	78	2.3	79	3.2	86	3.6
Building and construction	533	6.5	566	7.1	587	7.4
Manufacturing	854	9.9	834	10.6	889	11.7
Non-bank financial institutions	446	3.7	528	5.2	577	5.7
General commerce	726	6.1	769	6.7	789	7.1
Professionals and private individuals	466	4.7	578	5.7	681	6.7
Housing loans	320	1.8	390	2.3	446	2.8
Other	107	2.7	150	4.8	198	6.1
Sub-total	3,530	4.6	3,894	5.6	4,253	6.2
Debt securities	2		37		37	
Total NPLs	3,532		3,931		4,290	

Secured / Unsecured NPLs

As at 30 September 2006, 58.0% of the Group's total NPLs was secured by collateral, compared to the 56.7% as at 31 December 2005 and 56.7% as at 30 September 2005.

	30-Sep-06		31-Dec-05		30-Sep-05	
	\$ million	%	\$ million	%	\$ million	%
Secured	2,050	58.0	2,228	56.7	2,432	56.7
Unsecured	1,482	42.0	1,703	43.3	1,858	43.3
Total NPLs	3,532	100.0	3,931	100.0	4,290	100.0

IV) Segmental Analysis
Geographical Segments

The following geographical segment information is based on the location where the transactions and assets are booked which approximates that based on the location of the customers and assets. The information is stated after elimination of inter-segment transactions.

Income before Operating Expenses

	9 Months 2006	9 Months 2005	3rd Quarter 2006	2nd Quarter 2006	3rd Quarter 2005
	\$ million	\$ million	\$ million	\$ million	\$ million
Singapore (including Asian Currency Unit)	2,453	1,828	604	1,221	614
Other ASEAN countries	857	643	306	276	230
Other Asia-Pacific countries	136	123	54	41	35
Rest of the world	172	140	57	56	48
Total	3,618	2,734	1,021	1,594	927

Profit before Tax

	9 Months 2006	9 Months 2005	3rd Quarter 2006	2nd Quarter 2006	3rd Quarter 2005
	\$ million	\$ million	\$ million	\$ million	\$ million
Singapore (including Asian Currency Unit)	1,932	1,295	385	1,116	452
Other ASEAN countries	370	201	139	126	66
Other Asia-Pacific countries	65	87	38	21	30
Rest of the world	117	108	39	37	37
	2,484	1,691	601	1,300	585
Intangible assets amortised / impaired	(10)	(58)	(3)	(3)	-
Total	2,474	1,633	598	1,297	585

Total Assets

	30-Sep-06	31-Dec-05	30-Sep-05
	\$ million	\$ million	\$ million
Singapore (including Asian Currency Unit)	102,237	90,710	87,286
Other ASEAN countries	26,288	25,869	24,701
Other Asia-Pacific countries	14,689	16,255	17,700
Rest of the world	9,393	7,969	6,209
	152,607	140,803	135,896
Intangible assets	4,297	4,270	3,896
Total	156,904	145,073	139,792

V) Capital Adequacy Ratios

As at 30 September 2006, the Group's tier 1 CAR of 10.8% and total CAR of 16.1% were 3.8% points and 6.1% points above the minimum 7% and 10% set by MAS respectively.

Tier 1 CAR was marginally lower and total CAR remained unchanged over 31 December 2005. The increase in retained profit in 9M06 was largely offset by dividend payment, share buy-back and higher risk-weighted assets from the enlarged investment and loan portfolios.

Against 30 September 2005, tier 1 CAR and total CAR improved 0.9% point and 1.1% points respectively. The increase was attributed to higher retained profit and the issuance of US\$500 million subsidiary preference shares, partly negated by share buy-back and higher risk-weighted assets from increased investments and customer loans.

	30-Sep-06 \$ million	31-Dec-05 \$ million	30-Sep-05 \$ million
Capital			
<u>Tier 1 Capital</u>			
Share capital	2,246	2,395	2,393
Subsidiary preference shares	832	832	-
Disclosed reserves / other	12,587	11,536	11,042
Deduction of intangible assets	(4,311)	(4,284)	(4,029)
	<u>11,354</u>	<u>10,479</u>	<u>9,406</u>
<u>Upper Tier 2 Capital</u>			
Cumulative collective impairment / other	1,318	1,171	1,191
Subordinated notes	5,296	5,486	5,643
	<u>6,614</u>	<u>6,657</u>	<u>6,834</u>
Deductions from Tier 1 and Upper Tier 2 Capital	(972)	(1,816)	(2,032)
Total capital	<u>16,996</u>	<u>15,320</u>	<u>14,208</u>
Risk-weighted assets (including market risk)	<u>105,250</u>	<u>95,285</u>	<u>94,574</u>
Capital adequacy ratios			
Tier 1 capital	10.8%	11.0%	9.9%
Total capital	16.1%	16.1%	15.0%

UNAUDITED CONSOLIDATED BALANCE SHEET

	30-Sep-06	30-Jun-06	31-Dec-05	30-Sep-05
	\$ million	\$ million	\$ million	\$ million
Equity				
Share capital ^	2,246	2,254	2,395	2,393
Subsidiary preference shares	832	832	832	-
Capital reserves ^	3,553	3,630	3,503	3,543
Statutory reserves	3,020	3,020	3,020	2,922
Revenue reserves	6,023	5,771	4,963	4,667
Share of reserves of associates	217	201	217	210
Equity attributable to equity holders of the Bank	15,890	15,707	14,929	13,735
Minority interests	370	356	291	118
Total equity	16,260	16,063	15,220	13,852
Liabilities				
Deposits and balances of banks and agents	37,010	34,891	29,456	27,949
Deposits and balances of non-bank customers	88,960	89,753	85,503	83,341
Total deposits and balances	125,969	124,644	114,958	111,290
Bills and drafts payable	385	401	303	294
Other liabilities	7,650	8,310	7,483	7,011
Debts issued	6,640	6,515	7,108	7,346
Total liabilities	140,645	139,870	129,853	125,940
Total equity and liabilities	156,904	155,933	145,073	139,792
Assets				
Cash, balances and placements with central banks	14,712	14,642	11,925	11,059
Singapore Government treasury bills and securities	6,919	6,751	7,456	7,671
Other government treasury bills and securities	2,532	2,244	2,129	2,339
Trading securities	422	440	625	464
Placements and balances with banks and agents	27,317	31,922	31,346	29,281
Loans and advances including trade bills to non-bank customers	73,673	70,177	67,142	65,739
Other assets	7,560	7,999	6,579	6,269
Assets held for sale	-	11	606	817
Investment securities	16,528	14,491	10,122	9,112
Investment in associates	1,099	1,119	1,000	1,348
Fixed assets	1,845	1,853	1,872	1,797
Intangible assets	4,297	4,283	4,270	3,896
Total assets	156,904	155,933	145,073	139,792
Off-Balance Sheet Items				
Contingent liabilities	9,802	10,078	11,475	11,071
Financial derivatives	661,485	683,761	590,802	629,169
Commitments	43,892	44,213	42,545	43,811

^ Following the enactment of the Companies (Amendment) Act 2005 which took effect on 30 January 2006, the share premium reserve and capital redemption reserve have become part of the share capital. Accordingly, comparative figures have been restated to conform to the current period's presentation.



UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity Attributable to Equity Holders of the Bank

	Share Capital \$ million	Subsidiary Preference Shares \$ million	Capital Reserves \$ million	Statutory Reserves \$ million	Revenue Reserves \$ million	Share of Reserves of Associates \$ million	Total \$ million	Minority Interests \$ million	Total Equity \$ million
Balance at 1 January 2006	2,395	832	3,503	3,020	4,963	217	14,929	291	15,220
Currency translation adjustments	-	-	(11)	-	-	-	(11)	3	(8)
Available-for-sale reserves	-	-	175	-	-	-	175	2	176
Share of associates' reserves	-	-	-	-	-	0	0	-	0
Other adjustments	-	-	-	-	-	-	-	5	5
Total gains recognised directly in equity	-	-	164	-	-	0	164	10	174
Profit for the financial period	-	-	-	-	2,034	-	2,034	37	2,071
Total gains recognised for the financial period	-	-	164	-	2,034	0	2,198	48	2,245
Transfer to revenue reserves	-	-	(114)	-	114	-	-	-	-
Change in minority interests	-	-	-	-	-	-	-	48	48
Dividends	-	-	-	-	(1,015)	-	(1,015)	(17)	(1,032)
Share buy-back	(168)	-	-	-	(72)	-	(240)	-	(240)
Issue of shares under share option scheme	18	-	-	-	-	-	18	-	18
Balance at 30 September 2006	2,246	832	3,553	3,020	6,023	217	15,890	370	16,260
Balance at 1 January 2005 As restated ^a	2,376	-	3,582	2,922	4,453	123	13,456	156	13,612
Currency translation adjustments	-	-	20	-	-	-	20	(1)	19
Available-for-sale reserves	-	-	(59)	-	-	-	(59)	0	(59)
Share of associates' reserves	-	-	-	-	26	86	112	-	112
Other adjustments	-	-	(3)	-	0	-	(3)	0	(3)
Total gains / (losses) recognised directly in equity	-	-	(41)	-	26	86	71	(1)	70
Profit for the financial period	-	-	-	-	1,277	-	1,277	17	1,295
Total gains / (losses) recognised for the financial period	-	-	(41)	-	1,303	86	1,348	16	1,364
Change in minority interests	-	-	-	-	-	-	-	(50)	(50)
Dividends	-	-	-	-	(1,089)	-	(1,089)	(4)	(1,093)
Grant of share options under share option scheme	-	-	2	-	-	-	2	-	2
Issue of shares under share option scheme	17	-	-	-	-	-	17	-	17
Balance at 30 September 2005	2,393	-	3,543	2,922	4,667	210	13,735	118	13,852

^a Following the enactment of the Companies (Amendment) Act 2005 which took effect on 30 January 2006, the share premium reserve and capital redemption reserve have become part of the share capital. Accordingly, comparative figures have been restated to conform to the current period's presentation.



UNITED OVERSEAS BANK GROUP

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity Attributable to Equity Holders of the Bank								
	Share Capital	Subsidiary Preference Shares	Capital Reserves	Statutory Reserves	Revenue Reserves	Share of Reserves of Associates	Total	Minority Interests	Total Equity
	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million	\$ million
Balance at 1 July 2006	2,254	832	3,630	3,020	5,771	201	15,707	356	16,063
Currency translation adjustments	-	-	14	-	-	-	14	1	15
Available-for-sale reserves	-	-	197	-	-	-	197	0	197
Share of associates' reserves	-	-	-	-	-	16	16	-	16
Other adjustments	-	-	-	-	-	-	-	5	5
Total gains recognised directly in equity	-	-	211	-	-	16	227	7	234
Profit for the financial period	-	-	-	-	463	-	463	13	475
Total gains recognised for the financial period	-	-	211	-	463	16	690	20	709
Transfer to revenue reserves	-	-	(289)	-	289	-	-	-	-
Change in minority interests	-	-	-	-	-	-	-	(4)	(4)
Dividends	-	-	-	-	(499)	-	(499)	(2)	(501)
Share buy-back	(9)	-	-	-	-	-	(9)	-	(9)
Issue of shares under share option scheme	1	-	-	-	-	-	1	-	1
Balance at 30 September 2006	2,246	832	3,553	3,020	6,023	217	15,890	370	16,260
Balance at 1 July 2005 As restated ^a	2,392	-	3,549	2,922	4,451	202	13,517	161	13,678
Currency translation adjustments	-	-	14	-	-	-	14	0	14
Available-for-sale reserves	-	-	(16)	-	-	-	(16)	0	(16)
Share of associates' reserves	-	-	-	-	0	7	7	-	7
Other adjustments	-	-	(5)	-	(0)	-	(5)	0	(5)
Total gains / (losses) recognised directly in equity	-	-	(7)	-	(0)	7	0	0	1
Profit for the financial period	-	-	-	-	463	-	463	7	470
Total gains / (losses) recognised for the financial period	-	-	(7)	-	463	7	463	7	470
Change in minority interests	-	-	-	-	-	-	-	(50)	(50)
Dividends	-	-	-	-	(246)	-	(246)	(1)	(247)
Grant of share options under share option scheme	-	-	1	-	-	-	1	-	1
Issue of shares under share option scheme	0	-	-	-	-	-	0	-	0
Balance at 30 September 2005	2,393	-	3,543	2,922	4,667	210	13,735	118	13,852

^a Following the enactment of the Companies (Amendment) Act 2005 which took effect on 30 January 2006, the share premium reserve and capital redemption reserve have become part of the share capital. Accordingly, comparative figures have been restated to conform to the current period's presentation.



UNITED OVERSEAS BANK GROUP

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

	9 months 2006 \$ million	9 months 2005 \$ million	3rd Quarter 2006 \$ million	3rd Quarter 2005 \$ million
Cash flows from operating activities				
Operating profit before amortisation and impairment charges	2,379	1,714	597	574
Adjustments for				
Depreciation of fixed assets	106	105	35	35
Net gain on disposal of assets	(392)	(112)	(18)	(47)
Operating profit before working capital changes	2,093	1,707	614	562
Changes in working capital				
Increase in deposits	11,011	4,145	1,325	2,400
Increase / (decrease) in bills and drafts payable	82	38	(15)	(192)
Increase / (decrease) in other liabilities	86	384	(672)	641
Decrease / (increase) in trading securities	203	(34)	18	(56)
Decrease / (increase) in placements and balances with banks and agents	4,028	(2,556)	4,605	(2,316)
Increase in trade bills and advances to non-bank customers	(6,632)	(1,640)	(3,511)	(1,131)
(Increase) / decrease in other assets	(999)	(1,523)	431	(789)
Cash generated from / (used in) operations	9,873	522	2,795	(881)
Income tax paid	(297)	(319)	(93)	(126)
Net cash provided by / (used in) operating activities	9,575	203	2,703	(1,007)
Cash flows from investing activities				
Net cash flow on disposal / (acquisition) of				
Assets held for sale	864	-	-	-
Investment securities and associates	(6,165)	330	(1,796)	978
Fixed assets	(63)	(29)	(26)	(10)
Change in minority interests	59	(51)	3	(49)
Dividends received from associates	55	33	23	2
Net cash (used in) / provided by investing activities	(5,250)	282	(1,795)	922
Cash flows from financing activities				
Proceeds from issue of shares	18	17	1	0
Net (decrease) / increase in debts issued	(409)	210	125	(72)
Share buy-back	(240)	-	(9)	-
Dividends paid on ordinary shares	(978)	(1,089)	(487)	(246)
Dividends paid on subsidiary preference shares	(35)	-	(23)	-
Dividends paid to minority equity holders	(17)	(4)	(2)	(1)
Net cash used in financing activities	(1,661)	(866)	(395)	(318)
Currency translation adjustments	(11)	20	14	14
Net increase / (decrease) in cash and cash equivalents for the financial period	2,653	(361)	526	(390)
Cash and cash equivalents at beginning of the financial period	21,510	21,430	23,636	21,459
Cash and cash equivalents at end of the financial period	24,163	21,069	24,163	21,069
Represented by:				
Cash, balances and placements with central banks	14,712	11,059	14,712	11,059
Singapore Government treasury bills and securities [^]	6,919	7,671	6,919	7,671
Other government treasury bills and securities [^]	2,532	2,339	2,532	2,339
Cash and cash equivalents at end of the financial period	24,163	21,069	24,163	21,069

[^] Including assets pledged

UNAUDITED BALANCE SHEET OF THE BANK

	30-Sep-06	30-Jun-06	31-Dec-05	30-Sep-05
	\$ million	\$ million	\$ million	\$ million
Equity				
Share capital ^A	2,246	2,254	2,395	2,393
Capital reserves ^A	3,552	3,503	3,533	3,491
Statutory reserves	2,646	2,646	2,646	2,553
Revenue reserves	4,788	4,607	3,907	3,373
Total equity	13,231	13,009	12,482	11,810
Liabilities				
Deposits and balances of banks and agents	34,207	32,027	27,960	25,827
Deposits and balances of non-bank customers	69,731	70,855	66,481	65,834
Deposits with subsidiaries	3,240	2,984	2,448	2,533
Total deposits and balances	107,178	105,865	96,890	94,194
Bills and drafts payable	145	156	93	112
Other liabilities	5,211	5,952	5,149	4,785
Debts issued	6,514	6,344	6,834	6,382
Total liabilities	119,048	118,318	108,966	105,473
Total equity and liabilities	132,279	131,327	121,448	117,282
Assets				
Cash, balances and placements with central banks	11,167	10,855	8,641	7,957
Singapore Government treasury bills and securities	6,813	6,639	7,372	7,597
Other government treasury bills and securities	1,908	1,807	1,473	1,982
Trading securities	114	130	228	198
Placements and balances with banks and agents	24,876	28,994	28,054	25,177
Loans and advances including trade bills to non-bank customers	56,663	53,636	51,275	51,492
Placements with and advances to subsidiaries	1,400	1,617	2,056	2,505
Other assets	5,786	6,178	4,967	4,633
Assets held for sale	-	8	424	585
Investment securities	15,138	13,154	8,665	7,480
Investment in associates	357	346	346	481
Investment in subsidiaries	3,734	3,716	3,665	2,934
Fixed assets	1,140	1,066	1,100	1,080
Intangible assets	3,182	3,182	3,182	3,182
Total assets	132,279	131,327	121,448	117,282
Off-Balance Sheet Items				
Contingent liabilities	7,753	8,135	9,537	9,586
Financial derivatives	653,434	674,480	590,824	626,020
Commitments	36,277	34,071	33,049	34,334
Net asset value per ordinary share (\$)	8.69	8.54	8.12	7.68

^A Following the enactment of the Companies (Amendment) Act 2005 which took effect on 30 January 2006, the share premium reserve and capital redemption reserve have become part of the share capital. Accordingly, comparative figures have been restated to conform to the current period's presentation.

**UNAUDITED STATEMENT OF CHANGES IN EQUITY OF THE BANK**

	Share Capital \$ million	Capital Reserves \$ million	Statutory Reserves \$ million	Revenue Reserves \$ million	Total Equity \$ million
Balance at 1 January 2006	2,395	3,533	2,646	3,907	12,482
Currency translation adjustments	-	(2)	-	-	(2)
Available-for-sale reserves	-	163	-	-	163
Total gains recognised directly in equity	-	161	-	-	161
Profit for the financial period	-	-	-	1,787	1,787
Total gains recognised for the financial period	-	161	-	1,787	1,949
Transfer to revenue reserves	-	(143)	-	143	-
Dividends	-	-	-	(978)	(978)
Share buy-back	(168)	-	-	(72)	(240)
Issue of shares under share option scheme	18	-	-	-	18
Balance at 30 September 2006	2,246	3,552	2,646	4,788	13,231
Balance at 1 January 2005 As restated [^]	2,376	3,512	2,553	3,248	11,690
Currency translation adjustments	-	2	-	-	2
Available-for-sale reserves	-	(25)	-	-	(25)
Total losses recognised directly in equity	-	(23)	-	-	(23)
Profit for the financial period	-	-	-	1,213	1,213
Total gains / (losses) recognised for the financial period	-	(23)	-	1,213	1,189
Dividends	-	-	-	(1,089)	(1,089)
Grant of share options under share option scheme	-	2	-	-	2
Issue of shares under share option scheme	17	-	-	-	17
Balance at 30 September 2005	2,393	3,491	2,553	3,373	11,810

[^] Following the enactment of the Companies (Amendment) Act 2005 which took effect on 30 January 2006, the share premium reserve and capital redemption reserve have become part of the share capital. Accordingly, comparative figures have been restated to conform to the current period's presentation.



UNAUDITED STATEMENT OF CHANGES IN EQUITY OF THE BANK

	Share Capital \$ million	Capital Reserves \$ million	Statutory Reserves \$ million	Revenue Reserves \$ million	Total Equity \$ million
Balance at 1 July 2006	2,254	3,503	2,646	4,607	13,009
Currency translation adjustments	-	1	-	-	1
Available-for-sale reserves	-	191	-	-	191
Total gains recognised directly in equity	-	192	-	-	192
Profit for the financial period	-	-	-	525	525
Total gains recognised for the financial period	-	192	-	525	717
Transfer to revenue reserves	-	(143)	-	143	-
Dividends	-	-	-	(487)	(487)
Share buy-back	(9)	-	-	-	(9)
Issue of shares under share option scheme	1	-	-	-	1
Balance at 30 September 2006	2,246	3,552	2,646	4,788	13,231
Balance at 1 July 2005					
As restated [^]	2,392	3,485	2,553	3,284	11,714
Currency translation adjustments	-	(1)	-	-	(1)
Available-for-sale reserves	-	7	-	-	7
Total gains recognised directly in equity	-	5	-	-	5
Profit for the financial period	-	-	-	335	335
Total gains recognised for the financial period	-	5	-	335	341
Dividends	-	-	-	(246)	(246)
Grant of share options under share option scheme	-	1	-	-	1
Issue of shares under share option scheme	0	-	-	-	0
Balance at 30 September 2005	2,393	3,491	2,553	3,373	11,810

[^] Following the enactment of the Companies (Amendment) Act 2005 which took effect on 30 January 2006, the share premium reserve and capital redemption reserve have become part of the share capital. Accordingly, comparative figures have been restated to conform to the current period's presentation.