



大華銀行
UNITED OVERSEAS BANK



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Our ref: ANN2009/UOB2009/UOB-A10/sc/csm
www.uobgroup.com
Co. Reg. No. 193500026Z

5 August 2009

File No. 82-2947

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

SUPPL

Dear Sir

UOB ANNOUNCEMENTS

We enclose the following announcements by the Bank dated 5 August 2009 for your information:-

1. Unaudited Results for the First Half/Second Quarter ended 30 June 2009; and
2. Semi-Annual Dividend Payment on UOB Class E Non-Cumulative, Non-Convertible Preference Shares

Yours faithfully
for UNITED OVERSEAS BANK LIMITED

Leo Hee Wui
Assistant Secretary

Encs



UNITED OVERSEAS BANK LIMITED

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

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 first half / second quarter of 2009 are enclosed.

Dividends

Ordinary share dividend

The Directors are pleased to declare an interim one-tier tax-exempt dividend of 20 cents (2Q08: 20 cents) per ordinary share in respect of the financial year ending 31 December 2009. The dividend will be paid in cash on 2 September 2009.

All existing holders of options under the UOB 1999 Share Option Scheme who exercise their options for shares by the books closure date will be entitled to the dividend, in accordance with the terms of the scheme.

Notice is hereby given that the Share Transfer Books and Register of Members of the Bank will be closed from 24 August 2009 to 25 August 2009, both dates inclusive, for the preparation of dividend warrants. Registrable transfers received by the Bank's Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 3 Church Street #08-01 Samsung Hub, Singapore 049483 up to 5.00 pm on 21 August 2009 will be registered for the interim dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Ltd ("CDP"), the interim dividend will be paid by the Bank to CDP which will, in turn, distribute the dividend to holders of the securities accounts.

Preference share dividends

The Directors are also pleased to declare a dividend of 5.05% per annum on the Bank's S\$1.32 billion Class E non-cumulative non-convertible preference shares for the period from 15 March 2009 up to, but excluding, 15 September 2009. The dividend will be paid on 15 September 2009. The record date for the dividend is 3 September 2009 at 5.00 pm.

No dividend (2Q08: Nil) was paid on the 5,000 non-cumulative non-convertible guaranteed SPV-A preference shares issued by the Bank's wholly-owned subsidiary, UOB Cayman I Limited, during the second quarter of 2009.

Confirmation by Directors

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results of the Group for the first half / second quarter of 2009 to be false or misleading.

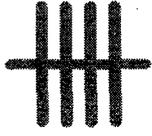
BY ORDER OF THE BOARD

UNITED OVERSEAS BANK LIMITED

Mrs Vivien Chan
Secretary

Dated this 5th day of August 2009

The results are also available at uobgroup.com



United Overseas Bank Limited

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

Group Financial Report for the First Half / Second Quarter 2009

Contents

Page

| | |
|----|--------------------------------------|
| 2 | Financial Highlights |
| 4 | Performance Review |
| 6 | Net Interest Income |
| 8 | Non-Interest Income |
| 9 | Operating Expenses |
| 10 | Impairment Charges |
| 11 | Customer Loans |
| 12 | Customer Deposits |
| 12 | Debts Issued |
| 13 | Shareholders' Equity |
| 13 | Changes in Issued Shares of the Bank |
| 14 | Non-Performing Assets |
| 16 | Performance by Operating Segment |
| 18 | Performance by Geographical Segment |
| 19 | Capital Adequacy Ratios |

Appendix

| | |
|---|--|
| 1 | Consolidated Profit and Loss Account |
| 2 | Consolidated Statement of Total Comprehensive Income |
| 3 | Consolidated Balance Sheet |
| 4 | Consolidated Statement of Changes in Equity |
| 5 | Consolidated Cash Flow Statement |
| 6 | Balance Sheet of the Bank |
| 7 | Statement of Changes in Equity of the Bank |
| 8 | Investment Securities |

Notes:

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



Financial Highlights

| | 1H09 | 1H08 | + / (-) % | 2Q09 | 1Q09 | + / (-) % | 2Q08 | + / (-) % |
|---------------------------------------|-------|-------|--------------|-------|-------|--------------|-------|--------------|
| Profit and loss summary (\$m) | | | | | | | | |
| Net interest income | 1,857 | 1,725 | 7.6 | 908 | 949 | (4.4) | 873 | 3.9 |
| Non-interest income | 985 | 964 | 2.1 | 551 | 434 | 26.8 | 550 | 0.1 |
| Total income | 2,842 | 2,690 | 5.7 | 1,458 | 1,384 | 5.4 | 1,424 | 2.4 |
| Less: Total expenses | 1,011 | 1,015 | (0.4) | 520 | 491 | 6.1 | 518 | 0.4 |
| Operating profit | 1,831 | 1,675 | 9.3 | 938 | 893 | 5.0 | 905 | 3.6 |
| Less: Amortisation/impairment charges | 847 | 275 | 208.6 | 467 | 380 | 23.0 | 183 | 155.7 |
| Add: Share of profit of associates | 42 | 56 | (26.1) | 32 | 10 | 214.4 | 34 | (7.6) |
| Less: Tax and minority interests | 146 | 327 | (55.4) | 32 | 114 | (72.2) | 156 | (79.7) |
| Net profit after tax ¹ | 880 | 1,130 | (22.1) | 470 | 409 | 15.0 | 601 | (21.7) |

Financial indicators

| | | | | | | | | |
|--|------|------|------------|------|------|------------|------|------------|
| Non-interest income/Total income (%) | 34.7 | 35.9 | (1.2)% pt | 37.8 | 31.4 | 6.4% pt | 38.7 | (0.9)% pt |
| Overseas profit contribution (%) | 38.3 | 25.6 | 12.7% pt | 44.0 | 32.8 | 11.2% pt | 20.7 | 23.3% pt |
| Earnings per ordinary share (\$) ^{2,3} | | | | | | | | |
| Basic | 1.10 | 1.47 | (25.2) | 1.18 | 1.01 | 16.8 | 1.57 | (24.8) |
| Diluted | 1.09 | 1.47 | (25.9) | 1.18 | 1.01 | 16.8 | 1.57 | (24.8) |
| Return on average ordinary shareholders' equity (%) ^{2,3} | 11.7 | 13.8 | (2.1)% pt | 12.1 | 11.2 | 0.9% pt | 14.8 | (2.7)% pt |
| Return on average total assets (%) ³ | 0.98 | 1.25 | (0.27)% pt | 1.06 | 0.90 | 0.16% pt | 1.32 | (0.26)% pt |
| Net interest margin (%) ³ | 2.38 | 2.22 | 0.16% pt | 2.35 | 2.41 | (0.06)% pt | 2.23 | 0.12% pt |
| Expense/Income ratio (%) | 35.6 | 37.7 | (2.1)% pt | 35.7 | 35.5 | 0.2% pt | 36.4 | (0.7)% pt |
| Loan charge off rate (bp) | | | | | | | | |
| Exclude collective impairment | 63 | 15 | 48bp | 60 | 66 | (6)bp | 27 | 33bp |
| Include collective impairment | 87 | 35 | 52bp | 90 | 84 | 6bp | 57 | 33bp |
| Net dividend per ordinary share (¢) | | | | | | | | |
| Interim | 20.0 | 20.0 | - | 20.0 | - | NM | 20.0 | - |

Notes:

- 1 Refer to profit attributable to equity holders of the Bank.
- 2 Calculated based on profit attributable to equity holders of the Bank net of preference share dividends.
- 3 Computed on an annualised basis.

Financial Highlights (cont'd)

| | Jun-09 | Mar-09 | + / (-) | Jun-08 | + / (-) |
|--|----------------|---------------|----------------|---------------|----------------|
| | | | % | | % |
| Financial indicators | | | | | |
| Customer loans (net) (\$m) | 97,781 | 99,660 | (1.9) | 97,395 | 0.4 |
| Customer deposits (\$m) | 116,989 | 119,357 | (2.0) | 109,004 | 7.3 |
| Loans/Deposits ratio (%) ¹ | 83.6 | 83.5 | 0.1% pt | 89.3 | (5.7)% pt |
| NPL ratio (%) ² | 2.4 | 2.1 | 0.3% pt | 1.5 | 0.9% pt |
| Total assets (\$m) | 177,473 | 178,543 | (0.6) | 180,797 | (1.8) |
| Shareholders' equity (\$m) ³ | 17,431 | 16,260 | 7.2 | 16,583 | 5.1 |
| Net asset value ("NAV") per ordinary share (\$) ⁴ | 10.14 | 9.37 | 8.2 | 10.46 | (3.1) |
| Revalued NAV per ordinary share (\$) ⁴ | 11.88 | 11.30 | 5.1 | 12.63 | (5.9) |
| Capital adequacy ratios (%) | | | | | |
| Tier 1 | 12.6 | 12.3 | 0.3% pt | 10.2 | 2.4% pt |
| Total | 17.5 | 17.3 | 0.2% pt | 14.4 | 3.1% pt |

Notes:

- 1 Refer to net customer loans and customer deposits.
- 2 Refer to non-performing loans (excluding debt securities and contingent assets) as a percentage of gross customer loans.
- 3 Refer to equity attributable to equity holders of the Bank.
- 4 Preference shares are excluded from the computation.

Performance Review

The financial statements 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 the Monetary Authority of Singapore ("MAS").

The new/revised FRS applicable to the Group with effect from 1 January 2009 are listed below. The adoption of these FRS has no significant impact on the financial statements of the Group.

- FRS1 Presentation of Financial Statements (revised)
- FRS23 Borrowing Costs
- FRS27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- FRS102 Share-based Compensations: Vesting Conditions and Cancellations (amendment)
- FRS108 Operating Segments
- INT FRS113 Customer Loyalty Programmes

Other than the above changes, the accounting policies and computation methods adopted in the financial statements for the first half of 2009 are the same as those adopted in the audited financial statements for the financial year ended 31 December 2008.

First half 2009 ("1H09") versus first half 2008 ("1H08")

The Group's net profit after tax ("NPAT") of \$880 million for 1H09 was 22.1% below that of 1H08 despite the 9.3% growth in operating profit. The lower NPAT was mainly attributed to higher impairment charges, partly offset by higher operating income and lower tax.

Total operating income rose 5.7% to \$2,842 million. The increase was driven by higher net interest income on expanded loan volume and stronger trading and investment income, partly offset by lower fee and commission income.

Total operating expenses was flat at \$1,011 million. Staff costs reduced 1.8% to \$536 million mainly due to grants received under the Jobs Credit Scheme and lower bonus provision. Other operating expenses increased 1.3% to \$475 million largely on higher occupancy-related expenses. Expense-to-income ratio improved 2.1% points to 35.6% due to income growth.

Impairment charges rose 212.9% to \$842 million. Collective impairment of \$495 million was provided for loans, investments and foreclosed assets in 1H09 in view of the uncertain global economic outlook. The increase in individual impairment on loans was attributed mainly to the global economic downturn.

Lower tax for 1H09 was largely due to recognition of deferred tax assets and lower taxable income.

Net customer loans increased marginally by 0.4% over 30 June 2008 to \$97.8 billion as at 30 June 2009. Non-performing loan ("NPL") ratio increased to 2.4% from 1.5% a year ago, reflecting the difficult economic conditions worldwide.

Shareholders' equity increased 5.1% over 30 June 2008 to \$17.4 billion as at 30 June 2009. The increase was largely due to the issuance of the Class E preference shares and higher retained earnings, partly negated by higher valuation loss on the investment portfolio.

Tier 1 and total capital adequacy ratios were higher at 12.6% and 17.5% as at 30 June 2009 respectively compared to a year ago. The increase was mainly due to the issuance of the Class E preference shares, higher retained earnings and lower risk-weighted assets.

Performance Review (cont'd)

Second quarter 2009 ("2Q09") versus first quarter 2009 ("1Q09")

Group NPAT rose 15.0% to \$470 million in 2Q09, while operating profit grew 5.0% to \$938 million.

Operating income increased 5.4% to \$1,458 million, contributed mainly by higher investment income and higher dividend income. This was partly offset by lower net interest income and lower fee and commission income.

Total operating expenses increased 6.1% to \$520 million due mainly to higher bonus provision and higher revenue-related expenses. Expense-to-income ratio was marginally higher at 35.7%.

Impairment charges grew 23.1% to \$465 million. Collective impairment of \$321 million was set aside for loans, investments and foreclosed assets in the quarter on prudent stance in view of the unstable global economic conditions. This was partially offset by writeback of individual impairment on investments and lower individual impairment on loans.

Lower tax for the quarter was largely attributed to recognition of deferred tax assets.

Net customer loans declined 1.9% to \$97.8 billion as at 30 June 2009 due to prudent lending. NPL ratio was 2.4% compared to 2.1% as at 31 March 2009.

Shareholders' equity increased 7.2% over the last quarter to \$17.4 billion as at 30 June 2009. The increase was largely contributed by improved valuation of the investment portfolio.

Tier 1 and total capital adequacy ratios were higher at 12.6% and 17.5% respectively compared to the last quarter. The increase was largely attributed to lower risk-weighted assets.

Second quarter 2009 ("2Q09") versus second quarter 2008 ("2Q08")

Despite the 3.6% growth in operating profit, Group NPAT decreased 21.7% to \$470 million over 2Q08. The reduction was mainly due to higher impairment provision, partly negated by lower tax.

Total operating income grew 2.4% to \$1,458 million. The increase was largely due to improved trading income and higher net interest income, partly offset by lower fee and commission income.

Total operating expenses was maintained at \$520 million. Expense-to-income ratio improved marginally to 35.7% on income growth.

Impairment charges increased 158.0% to \$465 million. The increase was due to provision of collective impairment and higher individual impairment on loans.

Lower tax for 2Q09 was largely attributed to recognition of deferred tax assets and lower taxable income.



Net Interest Income

Net interest margin

| | 1H09 | | | 1H08 | | |
|---|-----------------|------------------|--------------|-----------------|------------------|--------------|
| | Average balance | Average Interest | Average rate | Average balance | Average Interest | Average rate |
| | \$m | \$m | % | \$m | \$m | % |
| Interest bearing assets | | | | | | |
| Customer loans | 99,829 | 2,040 | 4.12 | 94,392 | 2,313 | 4.93 |
| Interbank balances | 26,963 | 238 | 1.78 | 31,570 | 563 | 3.59 |
| Securities | 30,390 | 432 | 2.87 | 30,344 | 590 | 3.91 |
| Total | 157,182 | 2,710 | 3.48 | 156,306 | 3,466 | 4.46 |
| Interest bearing liabilities | | | | | | |
| Customer deposits | 121,163 | 640 | 1.06 | 108,711 | 990 | 1.83 |
| Interbank balances/other | 31,789 | 214 | 1.36 | 42,519 | 751 | 3.55 |
| Total | 152,952 | 853 | 1.13 | 151,230 | 1,741 | 2.32 |
| Net interest margin ¹ | | | 2.38 | | | 2.22 |

| | 2Q09 | | | 1Q09 | | | 2Q08 | | |
|---|-----------------|------------------|--------------|-----------------|------------------|--------------|-----------------|------------------|--------------|
| | Average balance | Average Interest | Average rate | Average balance | Average Interest | Average rate | Average balance | Average Interest | Average rate |
| | \$m | \$m | % | \$m | \$m | % | \$m | \$m | % |
| Interest bearing assets | | | | | | | | | |
| Customer loans | 98,885 | 984 | 3.99 | 100,784 | 1,056 | 4.25 | 95,613 | 1,128 | 4.75 |
| Interbank balances | 25,354 | 93 | 1.47 | 28,589 | 145 | 2.06 | 31,880 | 263 | 3.32 |
| Securities | 30,438 | 204 | 2.68 | 30,342 | 228 | 3.05 | 29,836 | 281 | 3.78 |
| Total | 154,677 | 1,281 | 3.32 | 159,715 | 1,429 | 3.63 | 157,328 | 1,672 | 4.27 |
| Interest bearing liabilities | | | | | | | | | |
| Customer deposits | 120,744 | 285 | 0.95 | 121,586 | 355 | 1.18 | 110,444 | 459 | 1.67 |
| Interbank balances/other | 29,399 | 88 | 1.21 | 34,206 | 125 | 1.49 | 42,091 | 339 | 3.24 |
| Total | 150,143 | 373 | 1.00 | 155,792 | 480 | 1.25 | 152,536 | 798 | 2.10 |
| Net interest margin ¹ | | | 2.35 | | | 2.41 | | | 2.23 |

Note:

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

Net Interest Income (cont'd)
Volume and rate analysis

| | 1H09 vs 1H08 | | | 2Q09 vs 1Q09 | | | 2Q09 vs 2Q08 | | |
|----------------------------|---------------|--------------|--------------|---------------|--------------|--------------|---------------|--------------|--------------|
| | Volume change | Rate change | Net change | Volume change | Rate change | Net change | Volume change | Rate change | Net change |
| | \$m | \$m | \$m | \$m | \$m | \$m | \$m | \$m | \$m |
| Interest income | | | | | | | | | |
| Customer loans | 133 | (400) | (267) | (20) | (62) | (82) | 39 | (185) | (147) |
| Interbank balances | (82) | (242) | (324) | (16) | (37) | (54) | (54) | (117) | (170) |
| Securities | 1 | (158) | (157) | 1 | (27) | (27) | 6 | (83) | (77) |
| Total | 52 | (800) | (748) | (36) | (127) | (163) | (10) | (385) | (394) |
| Interest expense | | | | | | | | | |
| Customer deposits | 113 | (461) | (348) | (2) | (70) | (73) | 43 | (218) | (175) |
| Interbank balances/other | (182) | (356) | (537) | (14) | (24) | (38) | (98) | (154) | (251) |
| Total | (68) | (817) | (885) | (16) | (95) | (111) | (55) | (371) | (426) |
| Change in number of days | - | - | (5) | - | - | 10 | - | - | 2 |
| Net interest income | 120 | 17 | 132 | (20) | (32) | (42) | 45 | (13) | 34 |

1H09 vs 1H08

Net interest income grew 7.6% to \$1,857 million, mainly driven by expanded loan volume. Net interest margin increased 16 basis points to 2.38% mainly due to improved asset mix.

2Q09 vs 1Q09

Net interest income reduced 4.4% to \$908 million, mainly due to lower contributions from interbank money market activities and decreased loan volume. Net interest margin decreased 6 basis points to 2.35% due to narrowing of interbank spreads.

2Q09 vs 2Q08

Net interest income rose 3.9% to \$908 million mainly from securities and increased loan volume. Net interest margin increased 12 basis points to 2.35% largely attributed to improved asset mix.



Non-Interest Income

| | 1H09 | 1H08 | +/(-) % | 2Q09 | 1Q09 | +/(-) % | 2Q08 | +/(-) % |
|---|------------|------------|---------------|------------|------------|--------------|------------|---------------|
| | \$m | \$m | % | \$m | \$m | % | \$m | % |
| Fee and commission income | | | | | | | | |
| Credit card | 74 | 90 | (18.2) | 39 | 35 | 13.3 | 47 | (16.1) |
| Fund management | 54 | 101 | (46.9) | 28 | 26 | 7.9 | 46 | (39.3) |
| Investment-related | 36 | 65 | (44.6) | 19 | 17 | 9.2 | 36 | (46.9) |
| Loan-related | 126 | 143 | (11.9) | 50 | 76 | (34.7) | 69 | (27.6) |
| Service charges | 42 | 40 | 6.8 | 20 | 22 | (7.4) | 19 | 7.2 |
| Trade-related | 86 | 105 | (17.5) | 43 | 43 | (1.3) | 51 | (16.4) |
| Other | 46 | 48 | (3.5) | 26 | 20 | 27.8 | 22 | 19.8 |
| | 465 | 592 | (21.5) | 225 | 240 | (6.2) | 289 | (22.1) |
| Dividend income | 27 | 43 | (38.0) | 23 | 4 | 483.3 | 41 | (43.5) |
| Rental income | 71 | 51 | 37.3 | 36 | 34 | 5.7 | 27 | 34.2 |
| Other operating income | | | | | | | | |
| Net gain/(loss) from: | | | | | | | | |
| Trading activities | 67 | (29) | NM | 34 | 33 | 2.5 | (35) | NM |
| Non-trading activities | | | | | | | | |
| Financial instruments measured at fair value to profit and loss | 170 | (41) | NM | 141 | 29 | 384.0 | 12 | NM |
| Available-for-sale assets and other | 132 | 285 | (53.6) | 63 | 69 | (9.2) | 185 | (66.0) |
| | 368 | 215 | 71.0 | 237 | 131 | 80.8 | 162 | 46.2 |
| Other income | 54 | 62 | (12.4) | 29 | 25 | 17.2 | 31 | (6.7) |
| | 422 | 277 | 52.4 | 266 | 156 | 70.6 | 194 | 37.6 |
| Total | 985 | 964 | 2.1 | 551 | 434 | 26.8 | 550 | 0.1 |

1H09 vs 1H08

Non-interest income increased 2.1% to \$985 million. The increase was mainly attributed to higher trading and investment income, partly offset by lower fee and commission income mainly from fund management and investment-related activities.

2Q09 vs 1Q09

Non-interest income rose 26.8% to \$551 million, mainly due to higher investment income and higher dividend income, partly negated by lower fee and commission income mainly from loan-related activities.

2Q09 vs 2Q08

Non-interest income grew marginally to \$551 million, largely due to improved trading income, partly offset by lower fee and commission income mainly from loan-related, fund management and investment-related activities.

Operating Expenses

| | 1H09 | 1H08 | + / (-) | 2Q09 | 1Q09 | + / (-) | 2Q08 | + / (-) |
|----------------------------------|---------------|---------------|------------------|---------------|---------------|------------------|---------------|------------------|
| | \$m | \$m | % | \$m | \$m | % | \$m | % |
| Staff costs | 536 | 545 | (1.8) | 276 | 259 | 6.7 | 279 | (0.8) |
| Other operating expenses | | | | | | | | |
| Revenue-related | 234 | 234 | (0.1) | 124 | 111 | 11.7 | 119 | 4.1 |
| Occupancy-related | 102 | 96 | 7.2 | 50 | 52 | (4.1) | 51 | (1.2) |
| IT-related | 76 | 76 | (0.6) | 36 | 40 | (8.4) | 39 | (6.7) |
| Other | 63 | 63 | 0.0 | 34 | 29 | 16.4 | 31 | 8.7 |
| | 475 | 469 | 1.3 | 244 | 232 | 5.3 | 240 | 1.8 |
| Total | 1,011 | 1,015 | (0.4) | 520 | 491 | 6.1 | 518 | 0.4 |
| | | | | | | | | |
| Of which, depreciation of assets | 67 | 67 | (0.8) | 33 | 33 | (0.7) | 34 | (1.6) |
| | | | | | | | | |
| Manpower (number) | 21,576 | 22,149 | (573) no. | 21,576 | 21,940 | (364) no. | 22,149 | (573) no. |

1H09 vs 1H08

Total operating expenses was flat at \$1,011 million. Staff costs reduced 1.8% to \$536 million mainly due to grants received under the Jobs Credit Scheme and lower bonus provision. Other operating expenses increased 1.3% to \$475 million largely on higher occupancy-related expenses.

2Q09 vs 1Q09

Total operating expenses increased 6.1% to \$520 million. The increase was due to higher bonus provision and higher revenue-related expenses.

2Q09 vs 2Q08

Total operating expenses was maintained at \$520 million. The higher revenue-related expenses was offset by the lower staff costs.

Impairment Charges

| | 1H09 | 1H08 | + / (-) | 2Q09 | 1Q09 | + / (-) | 2Q08 | + / (-) |
|--|------------|------------|--------------|------------|------------|---------------|------------|--------------|
| | \$m | \$m | % | \$m | \$m | % | \$m | % |
| Individual impairment on loans ¹ | | | | | | | | |
| Singapore | 150 | (13) | NM | 88 | 62 | 42.1 | (9) | NM |
| Malaysia | 48 | 58 | (17.7) | 26 | 22 | 16.3 | 51 | (49.1) |
| Thailand | 24 | 30 | (18.8) | 3 | 21 | (84.9) | 24 | (87.0) |
| Indonesia | 9 | (1) | NM | 4 | 6 | (31.5) | (1) | NM |
| Greater China ² | 5 | 2 | 153.4 | 3 | 2 | 23.3 | 0 | NM |
| Other | 83 | (1) | NM | 27 | 56 | (52.5) | (0) | NM |
| | 320 | 75 | 326.7 | 151 | 169 | (11.1) | 65 | 131.0 |
| Individual impairment on securities and other assets | 27 | 82 | (67.5) | (7) | 34 | (121.5) | 51 | (114.5) |
| Collective impairment | 495 | 112 | 343.3 | 321 | 174 | 84.7 | 64 | 401.1 |
| Total | 842 | 269 | 212.9 | 465 | 378 | 23.1 | 180 | 158.0 |

1H09 vs 1H08

Impairment charges rose 212.9% to \$842 million. Collective impairment of \$495 million was provided for loans, investments and foreclosed assets in 1H09 in view of the uncertain global economic outlook. The increase in individual impairment on loans was mainly attributed to the global economic downturn.

2Q09 vs 1Q09

Impairment charges grew 23.1% to \$465 million. Collective impairment of \$321 million was set aside for loans, investments and foreclosed assets in the quarter on prudent stance in view of the unstable global economic conditions. This was partially offset by writeback of individual impairment on investments and lower individual impairment on loans.

2Q09 vs 2Q08

Impairment charges increased 158.0% to \$465 million. The increase was due to higher provision of collective impairment and higher individual impairment on loans.

Notes:

1 Based on the location where the non-performing loans are booked.

2 Comprise China, Hong Kong S.A.R. and Taiwan.

Customer Loans

| | Jun-09 | Mar-09 | Dec-08 | Jun-08 |
|---------------------------------------|---------|---------|---------|--------|
| | \$m | \$m | \$m | \$m |
| Gross customer loans | 100,257 | 101,952 | 102,033 | 99,369 |
| Less: Individual impairment | 957 | 848 | 800 | 625 |
| Collective impairment | 1,519 | 1,444 | 1,393 | 1,350 |
| Net customer loans | 97,781 | 99,660 | 99,840 | 97,395 |
| By industry | | | | |
| Transport, storage and communication | 6,286 | 5,999 | 5,800 | 5,809 |
| Building and construction | 12,375 | 12,713 | 12,694 | 12,644 |
| Manufacturing | 9,101 | 9,853 | 10,573 | 10,152 |
| Financial institutions | 15,540 | 16,492 | 16,451 | 16,695 |
| General commerce | 12,508 | 13,043 | 13,005 | 13,624 |
| Professionals and private individuals | 13,045 | 12,858 | 12,754 | 11,996 |
| Housing loans | 25,290 | 24,650 | 24,114 | 22,976 |
| Other | 6,113 | 6,342 | 6,641 | 5,473 |
| Total (gross) | 100,257 | 101,952 | 102,033 | 99,369 |
| By currency | | | | |
| Singapore dollar | 57,335 | 56,461 | 56,075 | 53,427 |
| US dollar | 13,906 | 15,810 | 15,888 | 16,032 |
| Malaysian ringgit | 11,057 | 11,235 | 11,419 | 11,019 |
| Thai baht | 5,926 | 6,172 | 6,436 | 6,246 |
| Indonesian rupiah | 2,594 | 2,390 | 2,408 | 2,501 |
| Other | 9,439 | 9,884 | 9,807 | 10,144 |
| Total (gross) | 100,257 | 101,952 | 102,033 | 99,369 |
| By maturity | | | | |
| Within 1 year | 36,141 | 37,761 | 40,341 | 38,614 |
| Over 1 year but within 3 years | 21,798 | 21,059 | 19,527 | 17,589 |
| Over 3 years but within 5 years | 11,418 | 12,621 | 12,090 | 13,839 |
| Over 5 years | 30,901 | 30,511 | 30,075 | 29,326 |
| Total (gross) | 100,257 | 101,952 | 102,033 | 99,369 |
| By geography ¹ | | | | |
| Singapore | 65,239 | 65,341 | 64,765 | 63,270 |
| Malaysia | 11,636 | 11,807 | 12,092 | 11,764 |
| Thailand | 6,030 | 6,311 | 6,657 | 6,441 |
| Indonesia | 3,240 | 3,080 | 3,085 | 3,108 |
| Greater China | 4,059 | 4,622 | 4,816 | 3,918 |
| Other | 10,054 | 10,792 | 10,618 | 10,869 |
| Total (gross) | 100,257 | 101,952 | 102,033 | 99,369 |

Net customer loans of \$97.8 billion as at 30 June 2009 was 1.9% lower than last quarter but 0.4% higher than a year ago. Loan growth had been prudent and selective. The increase in housing loans was negated by decrease in loans to financial institutions, manufacturing and general commerce sectors.

Note:

¹ Based on the location where the loans are booked.



Customer Deposits

| | Jun-09 \$m | Mar-09 \$m | Dec-08 \$m | Jun-08 \$m |
|---------------------------------|----------------|----------------|----------------|----------------|
| By product group | | | | |
| Fixed deposits | 67,427 | 72,324 | 74,266 | 68,951 |
| Savings deposits | 27,415 | 26,226 | 24,365 | 22,753 |
| Current accounts | 20,910 | 19,490 | 18,312 | 15,915 |
| Other | 1,236 | 1,317 | 1,229 | 1,386 |
| Total | 116,989 | 119,357 | 118,171 | 109,004 |
| By maturity | | | | |
| Within 1 year | 112,795 | 115,396 | 114,439 | 105,350 |
| Over 1 year but within 3 years | 2,863 | 2,591 | 2,344 | 1,826 |
| Over 3 years but within 5 years | 918 | 880 | 871 | 1,298 |
| Over 5 years | 414 | 490 | 516 | 530 |
| Total | 116,989 | 119,357 | 118,171 | 109,004 |
| | | | | |
| Loans/Deposits ratio (%) | 83.6 | 83.5 | 84.5 | 89.3 |

Customer deposits decreased 2.0% from last quarter due to lower fixed deposits, partly offset by higher savings and current accounts. Compared to 30 June 2008, customer deposits increased 7.3% due largely to higher savings and current accounts.

Debts Issued

| | Jun-09 \$m | Mar-09 \$m | Dec-08 \$m | Jun-08 \$m |
|---------------------------------|---------------|---------------|---------------|---------------|
| Subordinated debts | | | | |
| Due after one year (unsecured) | 5,455 | 5,717 | 5,594 | 5,027 |
| Other debts issued | | | | |
| Due within one year (unsecured) | 485 | 575 | 359 | 852 |
| Due after one year (unsecured) | 161 | 236 | 293 | 457 |
| | 647 | 812 | 652 | 1,309 |
| Total | 6,102 | 6,529 | 6,246 | 6,337 |

Shareholders' Equity

| | Jun-09 | Mar-09 | Dec-08 | Jun-08 |
|--|---------------|--------|--------|--------|
| | \$m | \$m | \$m | \$m |
| Shareholders' equity | 17,431 | 16,260 | 15,573 | 16,583 |
| Add: Revaluation surplus | 2,627 | 2,909 | 2,989 | 3,270 |
| Shareholders' equity including revaluation surplus | 20,058 | 19,169 | 18,562 | 19,853 |

Shareholders' equity increased 7.2% over 31 March 2009 to \$17.4 billion as at 30 June 2009. The increase was largely contributed by improved valuation of the investment portfolio.

Against 30 June 2008, shareholders' equity grew 5.1%. The increase was largely due to the issuance of the Class E preference shares and higher retained earnings, partly negated by higher valuation loss on the investment portfolio.

As at 30 June 2009, revaluation surplus of \$2.6 billion on the Group's properties was not recognised in the financial statements.

Changes in Issued Shares of the Bank

| | Number of shares | | | |
|---|------------------|---------------|------------------|---------------|
| | 1H09 | 1H08 | 2Q09 | 2Q08 |
| | '000 | '000 | '000 | '000 |
| Ordinary shares | | | | |
| Balance at beginning of period | 1,523,931 | 1,523,760 | 1,523,931 | 1,523,806 |
| Exercise of share options granted under the UOB 1999 Share Option Scheme | - | 139 | - | 93 |
| Balance at end of period | 1,523,931 | 1,523,899 | 1,523,931 | 1,523,899 |
| Treasury shares | | | | |
| Balance at beginning of period | (18,320) | (11,597) | (18,320) | (18,320) |
| Share buyback - held in treasury | - | (6,723) | - | - |
| Balance at end of period | (18,320) | (18,320) | (18,320) | (18,320) |
| Ordinary shares net of treasury shares | 1,505,611 | 1,505,579 | 1,505,611 | 1,505,579 |
| Preference shares | | | | |
| Class E non-cumulative non-convertible preference shares at beginning/end of period | 13,200 | - | 13,200 | - |
| | Jun-09 | Mar-09 | Dec-08 | Jun-08 |
| | '000 | '000 | '000 | '000 |
| New shares that would have been issued upon exercise of all outstanding options under the UOB 1999 Share Option Scheme at end of period | 267 | 267 | 269 | 301 |

Non-Performing Assets

| | Jun-09 | Mar-09 | Dec-08 | Jun-08 |
|--------------------------------------|--------------|--------------|--------------|--------------|
| | \$m | \$m | \$m | \$m |
| Loans ("NPL") | 2,476 | 2,185 | 2,062 | 1,547 |
| Debt securities | 279 | 264 | 243 | 292 |
| Non-Performing Assets ("NPA") | 2,755 | 2,449 | 2,305 | 1,839 |
| As a % of total assets ¹ | 1.5% | 1.3% | 1.2% | 1.0% |
| By grading | | | | |
| Substandard | 1,675 | 1,406 | 1,397 | 957 |
| Doubtful | 435 | 338 | 268 | 234 |
| Loss | 645 | 705 | 640 | 648 |
| Total | 2,755 | 2,449 | 2,305 | 1,839 |
| By security coverage | | | | |
| Secured | 1,242 | 1,103 | 1,054 | 852 |
| Unsecured | 1,513 | 1,346 | 1,251 | 987 |
| Total | 2,755 | 2,449 | 2,305 | 1,839 |
| By ageing | | | | |
| Current | 460 | 420 | 501 | 535 |
| Within 90 days | 561 | 472 | 417 | 170 |
| Over 90 to 180 days | 450 | 338 | 344 | 187 |
| Over 180 days | 1,284 | 1,219 | 1,043 | 947 |
| Total | 2,755 | 2,449 | 2,305 | 1,839 |
| Cumulative impairment | | | | |
| Individual | 1,165 | 1,068 | 1,008 | 881 |
| Collective | 1,648 | 1,509 | 1,540 | 1,366 |
| Total | 2,813 | 2,577 | 2,548 | 2,247 |
| As a % of NPA | 102.1% | 105.2% | 110.5% | 122.2% |
| As a % of unsecured NPA | 185.9% | 191.5% | 203.7% | 227.7% |

| | NPL | NPL | NPL | NPL | NPL | NPL | NPL |
|---------------------------------------|--------------|--------------------|--------------|------------|--------------|------------|--------------|
| | \$m | ratio ² | \$m | ratio | \$m | ratio | \$m |
| | \$m | % | \$m | % | \$m | % | \$m |
| NPL by industry | | | | | | | |
| Transport, storage and communication | 44 | 0.7 | 28 | 0.5 | 18 | 0.3 | 19 |
| Building and construction | 209 | 1.5 | 179 | 1.2 | 152 | 1.0 | 129 |
| Manufacturing | 745 | 8.1 | 626 | 6.2 | 539 | 5.0 | 405 |
| Financial institutions | 349 | 2.2 | 265 | 1.6 | 290 | 1.8 | 137 |
| General commerce | 396 | 3.0 | 431 | 3.2 | 411 | 3.1 | 299 |
| Professionals and private individuals | 292 | 2.2 | 282 | 2.2 | 269 | 2.1 | 238 |
| Housing loans | 318 | 1.3 | 307 | 1.2 | 286 | 1.2 | 239 |
| Other | 123 | 1.8 | 67 | 0.9 | 97 | 1.3 | 81 |
| Total | 2,476 | 2.4 | 2,185 | 2.1 | 2,062 | 2.0 | 1,547 |

Notes:

- 1 Refer to non-performing assets (excluding contingent assets) as a percentage of total assets.
- 2 Debt securities and contingent assets are excluded from the computation.

Non-Performing Assets (cont'd)

| | NPL \$m | NPL ratio ¹ % | Total cumulative impairment | |
|--------------------------------------|--------------|--------------------------------|-----------------------------|---------------------------------|
| | | | as a % of NPL % | as a % of unsecured NPL % |
| NPL by geography ² | | | | |
| Singapore | | | | |
| Jun 09 | 931 | 1.4 | 167.7 | 321.2 |
| Mar 09 | 822 | 1.2 | 171.8 | 356.6 |
| Dec 08 | 759 | 1.2 | 173.1 | 357.1 |
| Jun 08 | 535 | 0.8 | 233.3 | 547.4 |
| Malaysia | | | | |
| Jun 09 | 495 | 4.2 | 59.0 | 151.3 |
| Mar 09 | 438 | 3.6 | 63.0 | 231.9 |
| Dec 08 | 512 | 4.2 | 69.3 | 173.2 |
| Jun 08 | 495 | 4.1 | 70.9 | 169.6 |
| Thailand | | | | |
| Jun 09 | 431 | 6.5 | 65.9 | 103.6 |
| Mar 09 | 430 | 6.2 | 69.3 | 101.4 |
| Dec 08 | 391 | 5.3 | 73.9 | 129.6 |
| Jun 08 | 367 | 5.0 | 71.1 | 119.7 |
| Indonesia | | | | |
| Jun 09 | 95 | 2.9 | 66.3 | 262.5 |
| Mar 09 | 89 | 2.9 | 68.5 | 290.5 |
| Dec 08 | 60 | 1.9 | 88.3 | 278.9 |
| Jun 08 | 63 | 2.0 | 74.6 | 276.5 |
| Greater China | | | | |
| Jun 09 | 109 | 2.7 | 77.1 | 155.6 |
| Mar 09 | 119 | 2.5 | 73.1 | 135.9 |
| Dec 08 | 101 | 2.0 | 79.2 | 160.0 |
| Jun 08 | 20 | 0.5 | 200.0 | 500.0 |
| Other | | | | |
| Jun 09 | 415 | 4.0 | 46.3 | 78.7 |
| Mar 09 | 287 | 2.6 | 55.1 | 84.0 |
| Dec 08 | 239 | 2.3 | 42.7 | 71.3 |
| Jun 08 | 67 | 0.6 | 41.8 | 164.7 |
| Group NPL | | | | |
| Jun 09 | 2,476 | 2.4 | 100.0 | 194.2 |
| Mar 09 | 2,185 | 2.1 | 104.9 | 211.8 |
| Dec 08 | 2,062 | 2.0 | 106.4 | 217.6 |
| Jun 08 | 1,547 | 1.5 | 127.7 | 284.2 |

Increase in NPL was seen over the comparative periods and across most industries and territories, reflecting the difficult economic conditions worldwide.

Notes:

- 1 Debt securities and contingent assets are excluded from the computations.
- 2 Based on the location where the non-performing loans are booked.



Performance by Operating Segment

| | PFS | IFS | GMIM | Other | Eliminations | Total |
|-----------------------------------|---------------|---------------|---------------|--------------|----------------|----------------|
| | \$m | \$m | \$m | \$m | \$m | \$m |
| 1H09 | | | | | | |
| Operating income | 928 | 1,072 | 808 | 93 | (59) | 2,842 |
| Operating expenses | (477) | (308) | (138) | (147) | 59 | (1,011) |
| Impairment charges | (65) | (293) | 1 | (485) | - | (842) |
| Amortisation of intangible assets | (2) | (3) | - | - | - | (5) |
| Share of profit of associates | - | 4 | - | 38 | - | 42 |
| Profit before tax | 384 | 472 | 671 | (501) | - | 1,025 |
| Segment assets | 38,042 | 64,023 | 68,965 | 5,460 | (4,361) | 172,129 |
| Intangible assets | 1,182 | 2,297 | 666 | 80 | - | 4,225 |
| Investment in associates | - | 33 | - | 1,086 | - | 1,119 |
| Total assets | 39,224 | 66,353 | 69,631 | 6,626 | (4,361) | 177,473 |
| Segment liabilities | 64,187 | 53,911 | 42,859 | 3,286 | (4,361) | 159,882 |
| Other information | | | | | | |
| Inter-segment operating income | 282 | (239) | 42 | (26) | (59) | - |
| Gross customer loans | 37,896 | 62,233 | 52 | 76 | - | 100,257 |
| Non-performing assets | 606 | 1,827 | 95 | 227 | - | 2,755 |
| Capital expenditure | 4 | 1 | 1 | 47 | - | 53 |
| Depreciation of assets | 4 | 1 | 1 | 61 | - | 67 |
| 1H08 | | | | | | |
| Operating income | 939 | 1,052 | 546 | 211 | (58) | 2,690 |
| Operating expenses | (443) | (336) | (191) | (103) | 58 | (1,015) |
| Impairment charges | (18) | (66) | (68) | (117) | - | (269) |
| Amortisation of intangible assets | (2) | (3) | - | - | - | (5) |
| Share of profit of associates | - | 3 | - | 53 | - | 56 |
| Profit before tax | 476 | 650 | 287 | 44 | - | 1,457 |
| Segment assets | 35,112 | 68,221 | 69,520 | 6,127 | (3,607) | 175,373 |
| Intangible assets | 1,185 | 2,309 | 667 | 80 | - | 4,241 |
| Investment in associates | - | 43 | - | 1,140 | - | 1,183 |
| Total assets | 36,297 | 70,573 | 70,187 | 7,347 | (3,607) | 180,797 |
| Segment liabilities | 58,865 | 51,825 | 52,664 | 4,103 | (3,607) | 163,850 |
| Other information | | | | | | |
| Inter-segment operating income | 350 | (265) | (15) | (12) | (58) | - |
| Gross customer loans | 35,054 | 64,129 | 81 | 105 | - | 99,369 |
| Non-performing assets | 473 | 957 | 143 | 266 | - | 1,839 |
| Capital expenditure | 3 | 1 | 2 | 64 | - | 70 |
| Depreciation of assets | 2 | 1 | 1 | 63 | - | 67 |

Performance by Operating Segment (cont'd)

The Group's businesses are organised into the following four segments based on the types of products and services that it provides:

Personal Financial Services ("PFS")

PFS segment covers Consumer, Privilege and Private Banking. Consumer Banking serves the mass individual customers with a wide range of products and services, including deposits, loans, investments, credit and debit cards and life assurance products. Privilege Banking provides an extended range of financial services, including wealth management, offshore and restricted products such as structured notes, funds of hedge funds, and high networth insurance plans to the wealthy and affluent customers. For the accredited investors and high networth individuals, Private Banking provides an elevated level of personal financial services and consultation.

Segment profit decreased 19.3% to \$384 million in 1H09. The decrease was mainly due to higher impairment charges on loans, higher operating expenses and lower fee and commission income from investment products and credit cards.

Institutional Financial Services ("IFS")

IFS segment encompasses Commercial Banking, Corporate Banking, Corporate Finance, Debt Capital Markets, Venture Management and Alternative Investments. Commercial Banking serves the small and medium-sized enterprises. Corporate Banking serves large local corporations, government-linked companies and agencies, including non-bank financial institutions. Both Commercial Banking and Corporate Banking provide customers with a broad range of products and services that include current accounts, deposits, lending, asset finance, trade finance, structured finance, cash management and cross-border payments. Corporate Finance provides services that include lead managing and underwriting equity offerings and corporate advisory services. Debt Capital Markets specialises in solution-based structures to meet clients' financing requirements in structuring, underwriting and arranging syndicated loans for general corporate needs, leveraged buy-outs, project and structured finance, and underwriting and lead managing bond issues. Venture Management manages, advises and invests in private equity funds on behalf of the Group and third-party investors while Alternative Investments invests in third-party funds on behalf of the Group.

Segment profit reduced 27.4% to \$472 million in 1H09. The decrease was mainly due to higher impairment charges on loans and investment securities, as well as lower fee and commission income from trade and loan-related activities. This was partially negated by higher net interest income from Singapore operations.

Global Markets and Investment Management ("GMIM")

GMIM segment provides a comprehensive range of treasury products and services, including foreign exchange, money market, fixed income, derivatives, margin trading, futures broking, gold products, as well as an array of structured products. It is a dominant player in Singapore dollar treasury instruments as well as a provider of banknote services in the region. It also engages in asset management, proprietary investment activities and management of excess liquidity and capital funds.

Segment profit increased 133.8% to \$671 million in 1H09. The increase was mainly attributed to higher income from money market activities and trading and investment portfolios, coupled with lower impairment charges on investment securities. This was partially negated by lower contribution from asset management activities.

Other

Other segment includes property-related activities, insurance businesses and income and expenses not attributable to other business segments.

Loss of \$501 million was recorded in 1H09 as compared to profit of \$44 million for 1H08. This was mainly due to higher provision of collective impairment, lower realised gain on investment securities and higher accrual of expenses.



Performance by Geographical Segment ¹

| | 1H09 | 1H08 | 2Q09 | 1Q09 | 2Q08 |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|
| | \$m | \$m | \$m | \$m | \$m |
| Total operating income | | | | | |
| Singapore | 1,879 | 1,739 | 979 | 900 | 948 |
| Malaysia | 296 | 281 | 142 | 154 | 137 |
| Thailand | 210 | 230 | 100 | 110 | 116 |
| Indonesia | 181 | 132 | 92 | 88 | 66 |
| Greater China ² | 107 | 77 | 62 | 45 | 48 |
| Other | 170 | 231 | 83 | 87 | 109 |
| Total | 2,842 | 2,690 | 1,458 | 1,384 | 1,424 |
| Profit before tax | | | | | |
| Singapore | 636 | 1,087 | 283 | 353 | 602 |
| Malaysia | 151 | 109 | 68 | 83 | 29 |
| Thailand | 47 | 41 | 26 | 21 | 9 |
| Indonesia | 84 | 49 | 43 | 41 | 22 |
| Greater China ² | 51 | 17 | 34 | 17 | 21 |
| Other | 61 | 159 | 51 | 11 | 76 |
| | 1,030 | 1,462 | 505 | 526 | 759 |
| Intangible assets amortised | (5) | (5) | (3) | (2) | (3) |
| Total | 1,025 | 1,457 | 502 | 523 | 757 |

Singapore and the regional countries accounted for 61.7% and 27.3% of the Group's pre-tax profit in 1H09 respectively.

| | Jun-09 | Mar-09 | Dec-08 | Jun-08 |
|---------------------|----------------|----------------|----------------|----------------|
| | \$m | \$m | \$m | \$m |
| Total assets | | | | |
| Singapore | 117,332 | 118,578 | 120,064 | 116,544 |
| Malaysia | 17,148 | 16,019 | 17,354 | 17,756 |
| Thailand | 8,564 | 9,032 | 8,902 | 8,800 |
| Indonesia | 4,590 | 4,263 | 4,082 | 4,040 |
| Greater China | 7,337 | 8,156 | 8,597 | 7,613 |
| Other | 18,278 | 18,284 | 19,731 | 21,803 |
| | 173,248 | 174,332 | 178,730 | 176,557 |
| Intangible assets | 4,225 | 4,211 | 4,211 | 4,241 |
| Total | 177,473 | 178,543 | 182,941 | 180,797 |

Note:

- 1 Based on the location where the transactions and assets are booked which approximates that based on the location of the customers and assets. Information is stated after elimination of inter-segment transactions.
- 2 Included in 1H08 and 2Q08 was revaluation loss of \$41m and \$11m respectively on the USD capital injected in United Overseas Bank (China) Limited. Such revaluation loss was offset by the corresponding revaluation gain on the USD funding in Singapore. The foreign exchange impact on the USD capital was eliminated with the adoption of the fair value hedge accounting with effect from 1 January 2009.

Capital Adequacy Ratios

| | Jun-09 | Mar-09 | Dec-08 | Jun-08 |
|--|----------------|----------------|----------------|----------------|
| | \$m | \$m | \$m | \$m |
| Tier 1 capital | | | | |
| Share capital | 1,896 | 1,896 | 1,896 | 1,895 |
| Preference shares | 2,149 | 2,149 | 2,149 | 832 |
| Disclosed reserves/other | 14,276 | 14,171 | 13,251 | 13,762 |
| Tier 1 deductions | (5,098) | (5,089) | (4,840) | (4,859) |
| | 13,223 | 13,127 | 12,456 | 11,630 |
| Upper Tier 2 capital | | | | |
| Cumulative collective impairment/other | 863 | 622 | 478 | 730 |
| Subordinated notes | 4,822 | 5,365 | 5,259 | 4,718 |
| Tier 2 deductions | (613) | (617) | (617) | (606) |
| | 5,072 | 5,370 | 5,120 | 4,842 |
| Total capital | 18,295 | 18,497 | 17,576 | 16,472 |
| Risk-weighted assets | 104,821 | 106,634 | 114,712 | 114,368 |
| Capital adequacy ratios ("CAR") | | | | |
| Tier 1 | 12.6% | 12.3% | 10.9% | 10.2% |
| Total | 17.5% | 17.3% | 15.3% | 14.4% |

As at 30 June 2009, Group Tier 1 and total CAR of 12.6% and 17.5% were well above the minimum 6% and 10% required by MAS respectively.

The increase in CAR over 31 March 2009 was largely attributed to lower risk-weighted assets.

The higher CAR over 30 June 2008 was mainly due to the issuance of the Class E preference shares, higher retained earnings and lower risk-weighted assets.



Consolidated Profit and Loss Account (Unaudited)

| | 1H09 | 1H08 | + / (-) | 2Q09 | 1Q09 | + / (-) | 2Q08 | + / (-) |
|--|--------------|--------------|---------------|--------------|--------------|--------------|--------------|---------------|
| | \$m | \$m | % | \$m | \$m | % | \$m | % |
| Interest income | 2,710 | 3,466 | (21.8) | 1,281 | 1,429 | (10.4) | 1,672 | (23.4) |
| Less: Interest expense | 853 | 1,741 | (51.0) | 373 | 480 | (22.3) | 798 | (53.2) |
| Net interest income | 1,857 | 1,725 | 7.6 | 908 | 949 | (4.4) | 873 | 3.9 |
| Dividend income | 27 | 43 | (38.0) | 23 | 4 | 483.3 | 41 | (43.5) |
| Fee and commission income | 465 | 592 | (21.5) | 225 | 240 | (6.2) | 289 | (22.1) |
| Rental income | 71 | 51 | 37.3 | 36 | 34 | 5.7 | 27 | 34.2 |
| Other operating income | 422 | 277 | 52.4 | 266 | 156 | 70.6 | 194 | 37.6 |
| Non-interest income | 985 | 964 | 2.1 | 551 | 434 | 26.8 | 550 | 0.1 |
| Total operating income | 2,842 | 2,690 | 5.7 | 1,458 | 1,384 | 5.4 | 1,424 | 2.4 |
| Less: Staff costs | 536 | 545 | (1.8) | 276 | 259 | 6.7 | 279 | (0.8) |
| Other operating expenses | 475 | 469 | 1.3 | 244 | 232 | 5.3 | 240 | 1.8 |
| Total operating expenses | 1,011 | 1,015 | (0.4) | 520 | 491 | 6.1 | 518 | 0.4 |
| Operating profit before charges | 1,831 | 1,675 | 9.3 | 938 | 893 | 5.0 | 905 | 3.6 |
| Less: Amortisation/impairment charges | | | | | | | | |
| Intangible assets | 5 | 5 | (8.2) | 3 | 2 | 7.7 | 3 | (3.4) |
| Loans and other assets | 842 | 269 | 212.9 | 465 | 378 | 23.1 | 180 | 158.0 |
| Operating profit after charges | 984 | 1,401 | (29.8) | 471 | 513 | (8.3) | 723 | (34.9) |
| Share of profit of associates | 42 | 56 | (26.1) | 32 | 10 | 214.4 | 34 | (7.6) |
| Profit before tax | 1,025 | 1,457 | (29.6) | 502 | 523 | (4.0) | 757 | (33.6) |
| Less: Tax | 135 | 315 | (57.1) | 23 | 112 | (79.0) | 152 | (84.6) |
| Profit for the financial period | 890 | 1,142 | (22.0) | 479 | 412 | 16.3 | 605 | (20.8) |
| Attributable to: | | | | | | | | |
| Equity holders of the Bank | 880 | 1,130 | (22.1) | 470 | 409 | 15.0 | 601 | (21.7) |
| Minority interests | 11 | 12 | (10.3) | 8 | 2 | 238.0 | 4 | 91.7 |
| | 890 | 1,142 | (22.0) | 479 | 412 | 16.3 | 605 | (20.8) |



Consolidated Statement of Total Comprehensive Income (Unaudited)

| | 1H09 | 1H08 | + / (-) | 2Q09 | 1Q09 | + / (-) | 2Q08 | + / (-) |
|---|--------------|---------|---------|--------------|------|---------|-------|---------|
| | \$m | \$m | % | \$m | \$m | % | \$m | % |
| Profit for the financial period | 890 | 1,142 | (22.0) | 479 | 412 | 16.3 | 605 | (20.8) |
| Currency translation adjustments | 120 | (335) | NM | (12) | 131 | (108.8) | (202) | 94.3 |
| Change in available-for-sale reserve | | | | | | | | |
| Net change in fair value | 1,177 | (601) | NM | 1,155 | 22 | NM | (58) | NM |
| Transfer to profit and loss account on disposal/impairment | 289 | (89) | NM | 93 | 196 | (52.7) | (62) | NM |
| Change in share of other comprehensive income of associates | 44 | (66) | NM | 77 | (33) | NM | (20) | NM |
| Other comprehensive income for the financial period | 1,630 | (1,091) | NM | 1,313 | 317 | 314.5 | (342) | NM |
| Total comprehensive income for the financial period | 2,521 | 51 | NM | 1,792 | 728 | 146.0 | 263 | 580.7 |
| Attributable to: | | | | | | | | |
| Equity holders of the Bank | 2,505 | 63 | NM | 1,779 | 726 | 145.1 | 274 | 549.4 |
| Minority interests | 16 | (12) | NM | 13 | 3 | 398.8 | (11) | NM |
| | 2,521 | 51 | NM | 1,792 | 728 | 146.0 | 263 | 580.7 |



Consolidated Balance Sheet (Unaudited)

| | Jun-09 \$m | Mar-09 \$m | Dec-08 ¹ \$m | Jun-08 \$m |
|--|----------------|----------------|----------------------------|----------------|
| Equity | | | | |
| Share capital | 4,045 | 4,045 | 4,045 | 2,727 |
| Retained earnings | 5,980 | 6,087 | 5,724 | 5,551 |
| Other reserves | 7,407 | 6,129 | 5,804 | 8,305 |
| Equity attributable to equity holders of the Bank | 17,431 | 16,260 | 15,573 | 16,583 |
| Minority interests | 159 | 148 | 146 | 364 |
| Total | 17,590 | 16,408 | 15,719 | 16,947 |
| Liabilities | | | | |
| Deposits and balances of banks | 25,217 | 23,620 | 28,452 | 36,455 |
| Deposits and balances of non-bank customers | 116,989 | 119,357 | 118,171 | 109,004 |
| Bills and drafts payable | 1,126 | 826 | 1,548 | 1,970 |
| Other liabilities | 10,448 | 11,804 | 12,805 | 10,084 |
| Debts issued | 6,102 | 6,529 | 6,246 | 6,337 |
| Total | 159,882 | 162,136 | 167,222 | 163,850 |
| Total equity and liabilities | 177,473 | 178,543 | 182,941 | 180,797 |
| Assets | | | | |
| Cash, balances and placements with central banks | 16,279 | 16,086 | 20,290 | 18,607 |
| Singapore Government treasury bills and securities | 13,441 | 12,782 | 8,969 | 9,173 |
| Other government treasury bills and securities | 3,341 | 2,547 | 2,341 | 3,745 |
| Trading securities | 121 | 135 | 139 | 411 |
| Placements and balances with banks | 12,823 | 12,274 | 15,196 | 15,625 |
| Loans to non-bank customers | 97,781 | 99,660 | 99,840 | 97,395 |
| Investment securities | 16,395 | 15,758 | 15,674 | 18,316 |
| Other assets | 9,757 | 11,923 | 13,091 | 10,055 |
| Investment in associates | 1,119 | 1,062 | 1,096 | 1,183 |
| Properties and other fixed assets | 2,191 | 2,104 | 2,094 | 2,047 |
| Intangible assets | 4,225 | 4,211 | 4,211 | 4,241 |
| Total | 177,473 | 178,543 | 182,941 | 180,797 |
| Off-Balance Sheet Items | | | | |
| Contingent liabilities | 12,251 | 11,578 | 12,000 | 13,819 |
| Financial derivatives | 344,186 | 365,963 | 368,299 | 447,758 |
| Commitments | 52,811 | 51,414 | 45,232 | 48,872 |
| Net asset value per ordinary share (\$) | 10.14 | 9.37 | 8.90 | 10.46 |

Note:

1 Audited.



Consolidated Statement of Changes in Equity (Unaudited)

| | Attributable to equity holders of the Bank | | | | Minority interests | Total equity |
|---|--|-------------------|----------------|---------------|--------------------|---------------|
| | Share capital | Retained earnings | Other reserves | Total | | |
| | \$m | \$m | \$m | \$m | | |
| Balance at 1 January 2009 | 4,045 | 5,724 | 5,804 | 15,573 | 146 | 15,719 |
| Total comprehensive income for the financial period | - | 880 | 1,625 | 2,505 | 16 | 2,521 |
| Transfers | - | 33 | (33) | - | - | - |
| Change in minority interests | - | - | - | - | 0 | 0 |
| Dividends | - | (657) | - | (657) | (3) | (660) |
| Share-based compensation | - | - | 11 | 11 | - | 11 |
| Balance at 30 June 2009 | 4,045 | 5,980 | 7,407 | 17,431 | 159 | 17,590 |
| Balance at 1 January 2008 | 2,845 | 5,119 | 9,364 | 17,329 | 398 | 17,726 |
| Total comprehensive income for the financial period | - | 1,130 | (1,067) | 63 | (12) | 51 |
| Transfers | - | (1) | 1 | - | - | - |
| Change in minority interests | - | - | - | - | (0) | (0) |
| Dividends | - | (697) | - | (697) | (21) | (718) |
| Share buyback - held in treasury | (120) | - | - | (120) | - | (120) |
| Share-based compensation | - | - | 7 | 7 | - | 7 |
| Issue of shares under share option scheme | 2 | - | - | 2 | - | 2 |
| Balance at 30 June 2008 | 2,727 | 5,551 | 8,305 | 16,583 | 364 | 16,947 |
| Balance at 1 April 2009 | 4,045 | 6,087 | 6,129 | 16,260 | 148 | 16,408 |
| Total comprehensive income for the financial period | - | 470 | 1,308 | 1,779 | 13 | 1,792 |
| Transfers | - | 36 | (36) | - | - | - |
| Dividends | - | (613) | - | (613) | (2) | (615) |
| Share buyback - held in treasury | - | - | - | - | - | - |
| Share-based compensation | - | - | 5 | 5 | - | 5 |
| Balance at 30 June 2009 | 4,045 | 5,980 | 7,407 | 17,431 | 159 | 17,590 |
| Balance at 1 April 2008 | 2,726 | 5,638 | 8,628 | 16,992 | 384 | 17,375 |
| Total comprehensive income for the financial period | - | 601 | (327) | 274 | (11) | 263 |
| Transfers | - | (0) | 0 | - | - | - |
| Change in minority interests | - | - | - | - | 0 | 0 |
| Dividends | - | (687) | - | (687) | (8) | (696) |
| Share-based compensation | - | - | 3 | 3 | - | 3 |
| Issue of shares under share option scheme | 1 | - | - | 1 | - | 1 |
| Balance at 30 June 2008 | 2,727 | 5,551 | 8,305 | 16,583 | 364 | 16,947 |



Consolidated Cash Flow Statement (Unaudited)

| | 1H09 | 1H08 | 2Q09 | 2Q08 |
|---|---------------|----------------|----------------|----------------|
| | \$m | \$m | \$m | \$m |
| Cash flows from operating activities | | | | |
| Operating profit before amortisation and impairment charges | 1,831 | 1,675 | 938 | 905 |
| Adjustments for: | | | | |
| Depreciation of assets | 67 | 67 | 33 | 34 |
| Net gain on disposal of assets | (44) | (157) | (21) | (154) |
| Share-based compensation | 11 | 7 | 5 | 3 |
| Operating profit before working capital changes | <u>1,864</u> | <u>1,592</u> | <u>955</u> | <u>789</u> |
| Increase/(decrease) in working capital | | | | |
| Deposits | (4,417) | 6,400 | (771) | (3,652) |
| Bills and drafts payable | (422) | 146 | 300 | (1) |
| Other liabilities | (2,336) | 473 | (1,262) | (1,008) |
| Trading securities | 19 | (1) | 14 | 114 |
| Placements and balances with banks | 2,372 | (418) | (549) | 3,316 |
| Loans to non-bank customers | 1,617 | (4,897) | 1,652 | (3,161) |
| Other assets | 3,093 | (736) | 1,980 | 1,147 |
| Cash generated from/(used in) operations | <u>1,790</u> | <u>2,559</u> | <u>2,319</u> | <u>(2,457)</u> |
| Income tax paid | (241) | (363) | (213) | (183) |
| Net cash provided by/(used in) operating activities | <u>1,549</u> | <u>2,197</u> | <u>2,106</u> | <u>(2,640)</u> |
| Cash flows from investing activities | | | | |
| Net cash flow on disposal/(acquisition) of: | | | | |
| Investment securities and associates | 701 | 496 | 648 | 316 |
| Properties and other fixed assets | (161) | (25) | (117) | (23) |
| Change in minority interests | 0 | (0) | - | 0 |
| Dividends received from associates | 49 | 55 | 45 | 54 |
| Net cash provided by investing activities | <u>589</u> | <u>525</u> | <u>576</u> | <u>347</u> |
| Cash flows from financing activities | | | | |
| Proceeds from issue of ordinary shares | - | 2 | - | 1 |
| Net (decrease)/increase in debts issued | (144) | (330) | (427) | 131 |
| Share buyback | - | (120) | - | - |
| Dividends paid on ordinary shares | (602) | (678) | (602) | (678) |
| Dividends paid on preference shares | (55) | (20) | - | - |
| Dividends paid to minority interests | (3) | (21) | (2) | (8) |
| Net cash used in financing activities | <u>(805)</u> | <u>(1,166)</u> | <u>(1,031)</u> | <u>(554)</u> |
| Currency translation adjustments | <u>127</u> | <u>(313)</u> | <u>(5)</u> | <u>(189)</u> |
| Net increase/(decrease) in cash and cash equivalents | <u>1,461</u> | <u>1,242</u> | <u>1,646</u> | <u>(3,036)</u> |
| Cash and cash equivalents at beginning of the financial period | <u>31,600</u> | <u>30,283</u> | <u>31,415</u> | <u>34,561</u> |
| Cash and cash equivalents at end of the financial period | <u>33,061</u> | <u>31,525</u> | <u>33,061</u> | <u>31,525</u> |
| Represented by: | | | | |
| Cash, balances and placements with central banks | 16,279 | 18,607 | 16,279 | 18,607 |
| Singapore Government treasury bills and securities | 13,441 | 9,173 | 13,441 | 9,173 |
| Other government treasury bills and securities | 3,341 | 3,745 | 3,341 | 3,745 |
| Cash and cash equivalents at end of the financial period | <u>33,061</u> | <u>31,525</u> | <u>33,061</u> | <u>31,525</u> |



Balance Sheet of the Bank (Unaudited)

| | Jun-09 \$m | Mar-09 \$m | Dec-08 ¹ \$m | Jun-08 \$m |
|--|----------------|----------------|----------------------------|----------------|
| Equity | | | | |
| Share capital | 3,213 | 3,213 | 3,213 | 1,895 |
| Retained earnings | 5,161 | 5,323 | 5,031 | 4,265 |
| Other reserves | 7,046 | 5,812 | 5,632 | 7,543 |
| Total | 15,421 | 14,348 | 13,876 | 13,703 |
| Liabilities | | | | |
| Deposits and balances of banks | 24,100 | 22,536 | 27,129 | 33,101 |
| Deposits and balances of non-bank customers | 93,154 | 94,482 | 93,601 | 87,687 |
| Deposits and balances of subsidiaries | 3,973 | 4,027 | 3,722 | 3,742 |
| Bills and drafts payable | 185 | 107 | 104 | 217 |
| Other liabilities | 7,638 | 8,833 | 9,822 | 7,382 |
| Debts issued | 6,430 | 6,736 | 6,658 | 6,418 |
| Total | 135,479 | 136,722 | 141,037 | 138,547 |
| Total equity and liabilities | 150,900 | 151,070 | 154,913 | 152,251 |
| Assets | | | | |
| Cash, balances and placements with central banks | 11,009 | 11,548 | 14,823 | 14,628 |
| Singapore Government treasury bills and securities | 13,391 | 12,717 | 8,899 | 9,054 |
| Other government treasury bills and securities | 1,792 | 1,287 | 1,251 | 2,266 |
| Trading securities | 118 | 125 | 124 | 314 |
| Placements and balances with banks | 10,789 | 10,508 | 13,408 | 12,314 |
| Loans to non-bank customers | 75,627 | 77,001 | 76,668 | 74,883 |
| Placements with and advances to subsidiaries | 3,394 | 2,055 | 2,866 | 3,487 |
| Investment securities | 15,438 | 14,759 | 14,729 | 17,278 |
| Other assets | 8,220 | 9,882 | 11,069 | 8,522 |
| Investment in associates | 371 | 372 | 372 | 372 |
| Investment in subsidiaries | 5,346 | 5,404 | 5,293 | 4,604 |
| Properties and other fixed assets | 2,222 | 2,229 | 2,230 | 1,345 |
| Intangible assets | 3,182 | 3,182 | 3,182 | 3,182 |
| Total | 150,900 | 151,070 | 154,913 | 152,251 |
| Off-Balance Sheet Items | | | | |
| Contingent liabilities | 10,110 | 9,548 | 9,703 | 11,345 |
| Financial derivatives | 325,351 | 346,737 | 351,103 | 428,460 |
| Commitments | 38,284 | 36,638 | 36,761 | 40,365 |
| Net asset value per ordinary share (\$) | 9.35 | 8.65 | 8.33 | 9.10 |

Note:

1 Audited.



Statement of Changes in Equity of the Bank (Unaudited)

| | Share capital \$m | Retained earnings \$m | Other reserves \$m | Total equity \$m |
|--|----------------------|--------------------------|-----------------------|---------------------|
| Balance at 1 January 2009 | 3,213 | 5,031 | 5,632 | 13,876 |
| Total comprehensive income for the financial period | - | 765 | 1,403 | 2,169 |
| Dividends | - | (602) | - | (602) |
| Dividend - Class E preference shares | - | (33) | - | (33) |
| Share-based compensation | - | - | 11 | 11 |
| Balance at 30 June 2009 | 3,213 | 5,161 | 7,046 | 15,421 |
| Balance at 1 January 2008 | 2,014 | 3,893 | 8,080 | 13,987 |
| Total comprehensive income for the financial period | - | 1,050 | (544) | 506 |
| Dividends | - | (678) | - | (678) |
| Share buyback - held in treasury | (120) | - | - | (120) |
| Share-based compensation | - | - | 7 | 7 |
| Issue of shares under share option scheme | 2 | - | - | 2 |
| Balance at 30 June 2008 | 1,895 | 4,265 | 7,543 | 13,703 |
| Balance at 1 April 2009 | 3,213 | 5,323 | 5,812 | 14,348 |
| Total comprehensive income for the financial period | - | 440 | 1,229 | 1,669 |
| Dividends | - | (602) | - | (602) |
| Share-based compensation | - | - | 5 | 5 |
| Balance at 30 June 2009 | 3,213 | 5,161 | 7,046 | 15,421 |
| Balance at 1 April 2008 | 1,894 | 4,331 | 7,544 | 13,768 |
| Total comprehensive income for the financial period | - | 612 | (4) | 608 |
| Dividends | - | (678) | - | (678) |
| Share-based compensation | - | - | 3 | 3 |
| Issue of shares under share option scheme | 1 | - | - | 1 |
| Balance at 30 June 2008 | 1,895 | 4,265 | 7,543 | 13,703 |



Investment Securities

| | Jun-09 \$m |
|-------------------|---------------|
| Debt securities | |
| Bank | |
| Tier 1 | 1,884 |
| Tier 2 | 1,192 |
| Senior/Other | 4,463 |
| | 7,539 |
| Non-bank | 6,336 |
| | 13,876 |
| Equity securities | 2,520 |
| Total | 16,395 |

| | Jun-09 | | |
|---|--------|----------|--------|
| | Bank | Non-bank | Total |
| | \$m | \$m | \$m |
| Debt securities by country of risk | | | |
| Singapore | 350 | 1,522 | 1,873 |
| Other Asia Pacific | 3,175 | 2,566 | 5,741 |
| Europe | 2,161 | 713 | 2,874 |
| United States | 1,788 | 1,230 | 3,017 |
| Other | 65 | 305 | 371 |
| Total | 7,539 | 6,336 | 13,876 |

As at 30 June 2009, the Group's investment in non-government securities was \$16.4 billion, with 85% in debt securities and 15% in equity securities.

The debt securities portfolio of \$13.9 billion was well diversified, with 70% of the portfolio comprising individual exposure of \$50 million and below. The Group had no exposure to Central and Eastern Europe.

The exposure to bank capital securities of \$3 billion was to well rated banks. Exposure to US banks constituted 1.4% of the bank capital securities.

Full provision had been made for the Group's CDO exposure.



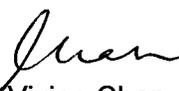
ANNOUNCEMENT

SEMI-ANNUAL DIVIDEND PAYMENT ON UOB CLASS E NON-CUMULATIVE, NON-CONVERTIBLE PREFERENCE SHARES (“PREFERENCE SHARES”)

Singapore, 5 August, 2009 - United Overseas Bank Limited wishes to announce the following in respect of the forthcoming payment of semi-annual one-tier tax exempt dividend on its Preference Shares (trading name: UOB 5.05%NCPS 100):

| | | |
|----------------------------------|---|--|
| Dividend Period | = | 15 March 2009 up to, but excluding, 15 September 2009 |
| Number of days | = | 184 |
| Dividend Rate | = | 5.05% per annum |
| Basis of Calculation of Dividend | = | Number of preference shares held x Liquidation Preference of \$100 per share x 5.05% x 184 days / 365 days |
| Dividend Payment Date | = | 15 September 2009 |
| Record Date | = | 3 September 2009 at 5.00 pm |

By Order of the Board


Mrs Vivien Chan
Company Secretary