



**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 quarter of 2009 are enclosed.

**Ordinary Share Dividend**

No dividend on ordinary shares has been declared for the first quarter of 2009.

**Preference Share Dividends**

On 16 March 2009, a semi-annual dividend at an annual rate of 5.796% totalling USD14 million (1Q08: USD14 million) 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.

On 16 March 2009, a semi-annual one-tier tax-exempt dividend of 5.05% per annum totalling S\$33 million (1Q08: nil) was paid on the Bank's S\$1.32 billion Class E non-cumulative non-convertible preference shares.

**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 quarter of 2009 to be false or misleading.

**BY ORDER OF THE BOARD**

**UNITED OVERSEAS BANK LIMITED**

Mrs Vivien Chan  
Secretary

Dated this 6<sup>th</sup> day of May 2009

The results are also available at the Bank's website at [www.uobgroup.com](http://www.uobgroup.com)



# **United Overseas Bank Limited**

Incorporated in the Republic of Singapore  
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## **Group Financial Report for the First Quarter 2009**

## **Contents**

### **Page**

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

### **Appendix**

1	Consolidated Profit and Loss Account
2	Consolidated Balance Sheet
3	Consolidated Statement of Changes in Equity
4	Consolidated Cash Flow Statement
5	Balance Sheet of the Bank
6	Statement of Changes in Equity of the Bank
7	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

	1Q09	4Q08	+ / (-) %	1Q08	+ / (-) %
<b>Profit and Loss Summary (\$m)</b>					
Net interest income	949	957	(0.8)	852	11.4
Non-interest income	434	391	11.1	414	4.9
Total income	1,384	1,348	2.6	1,266	9.3
Less: Total expenses	491	532	(7.7)	496	(1.1)
Operating profit	893	817	9.4	770	16.0
Less: Amortisation/impairment charges	380	383	(0.8)	92	313.9
Add: Share of profit of associates	10	14	(28.7)	22	(54.6)
Less: Tax and minority interests	114	116	(1.5)	171	(33.3)
Net profit after tax <sup>1</sup>	409	332	23.3	529	(22.7)

## Financial Indicators

Income mix (%)					
Net interest income	68.6	71.0	(2.4)% pt	67.3	1.3% pt
Non-interest income	31.4	29.0	2.4% pt	32.7	(1.3)% pt
Profit distribution (%)					
Singapore	62.6	88.7	(26.1)% pt	69.0	(6.4)% pt
Overseas	37.4	11.3	26.1% pt	31.0	6.4% pt
Basic earnings per ordinary share (\$) <sup>2, 3</sup>	1.01	0.81	24.7	1.38	(26.8)
Return on average ordinary shareholders' equity (%) <sup>2, 3</sup>	11.2	8.8	2.4% pt	12.7	(1.5)% pt
Return on average total assets (%) <sup>3</sup>	0.90	0.74	0.16% pt	1.17	(0.27)% pt
Net interest margin (%) <sup>3</sup>	2.41	2.45	(0.04)% pt	2.20	0.21% pt
Expense/Income ratio (%)	35.5	39.4	(3.9)% pt	39.2	(3.7)% pt

### 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)**

	<b>Mar-09</b>	Dec-08	+ / (-) %	Mar-08	+ / (-) %
<b>Financial Indicators</b>					
Customer loans (net) (\$m)	<b>99,660</b>	99,840	(0.2)	94,373	5.6
Customer deposits (\$m)	<b>119,357</b>	118,171	1.0	109,580	8.9
Loans/Deposits ratio (%) <sup>1</sup>	<b>83.5</b>	84.5	(1.0)% pt	86.1	(2.6)% pt
NPL ratio (%) <sup>2</sup>	<b>2.1</b>	2.0	0.1% pt	1.6	0.5% pt
Total assets (\$m)	<b>178,543</b>	182,941	(2.4)	185,784	(3.9)
Shareholders' equity (\$m) <sup>3</sup>	<b>16,260</b>	15,573	4.4	16,992	(4.3)
Revaluation surplus (\$m) <sup>4</sup>	<b>2,909</b>	2,989	(2.7)	3,273	(11.1)
Net asset value ("NAV") per ordinary share (\$) <sup>5</sup>	<b>9.37</b>	8.90	5.3	10.73	(12.7)
Revalued NAV per ordinary share (\$) <sup>5</sup>	<b>11.30</b>	10.89	3.8	12.91	(12.5)
Net tangible assets per ordinary share (\$) <sup>5</sup>	<b>6.57</b>	6.11	7.5	7.92	(17.0)
Capital adequacy ratios (%)					
Tier 1	<b>12.3</b>	10.9	1.4% pt	10.7	1.6% pt
Total	<b>17.3</b>	15.3	2.0% pt	15.6	1.7% 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 Refer to revaluation surplus on properties not recognised in the financial statements.
- 5 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
- 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 quarter of 2009 are the same as those adopted in the audited financial statements for the financial year ended 31 December 2008.

### **First Quarter 2009 ("1Q09") versus Fourth Quarter 2008 ("4Q08")**

Group net profit after tax ("NPAT") rose 23.3% to \$409 million in 1Q09, with operating profit grew 9.4% to \$893 million.

Operating income increased 2.6% to \$1,384 million, contributed mainly by higher investment income and fee and commission income.

Total operating expenses decreased 7.7% to \$491 million, mainly due to lower staff costs, revenue-related and IT-related expenses and professional fees. Expense-to-income ratio improved 3.9% points to 35.5%.

Higher collective impairment of \$174 million was set aside for loans and investments in view of the prolonged global economic uncertainties. Individual impairment on loans and other assets, however, reduced 26.3% to \$203 million.

Net customer loans was flat at \$99.7 billion as at 31 March 2009 due to prudent loan growth. NPL ratio increased to 2.1% from 2.0% as at 31 December 2008.

Group's tier 1 and total capital adequacy ratios ("CAR") increased 1.4% points and 2.0% points to 12.3% and 17.3% as at 31 March 2009 respectively. The increase was due mainly to lower risk-weighted assets and higher retained earnings.

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### **First Quarter 2009 ("1Q09") versus First Quarter 2008 ("1Q08")**

Despite the 16.0% growth in operating profit, Group NPAT decreased 22.7% to \$409 million over 1Q08. The decrease was mainly due to higher impairment charges, partly negated by higher operating income.

Total operating income grew 9.3% to \$1,384 million. The increase was largely contributed by net interest income growth of 11.4% and higher net trading and investment income, partly offset by lower fee and commission income.

Total operating expenses decreased 1.1% to \$491 million. The decrease was due to lower bonus provision and revenue-related expenses, partly negated by higher occupancy expenses. Expense-to-income ratio improved 3.7% points to 35.5%.

Impairment charges increased to \$378 million from \$89 million in 1Q08. The increase was largely due to higher individual impairment on loans and higher collective impairment provided for loans and investments on account of the global economic downturn.

Net customer loans rose 5.6% over 31 March 2008 to \$99.7 billion. NPL ratio increased to 2.1% from 1.6% as at 31 March 2008.

Group's tier 1 and total CAR increased 1.6% points and 1.7% points to 12.3% and 17.3% as at 31 March 2009 respectively. The increase was contributed by lower risk-weighted assets, the issuance of the Class E preference shares and higher retained earnings.

## Net Interest Income

### Net Interest Margin

	1Q09			4Q08			1Q08		
	Average Balance	Annualised Interest	Average Rate	Average Balance	Annualised Interest	Average Rate	Average Balance	Annualised Interest	Average Rate
	\$m	\$m	%	\$m	\$m	%	\$m	\$m	%
<b>Interest bearing assets</b>									
Customer loans	100,784	4,282	4.25	100,767	4,812	4.78	93,128	4,765	5.12
Interbank balances	28,589	590	2.06	28,520	839	2.94	31,834	1,209	3.80
Securities	30,342	925	3.05	26,091	961	3.68	30,766	1,244	4.04
<b>Total</b>	<b>159,715</b>	<b>5,797</b>	<b>3.63</b>	<b>155,378</b>	<b>6,612</b>	<b>4.26</b>	<b>155,728</b>	<b>7,218</b>	<b>4.63</b>
<b>Interest bearing liabilities</b>									
Customer deposits	121,586	1,439	1.18	119,890	1,903	1.59	108,417	2,134	1.97
Interbank balances/other	34,206	508	1.49	32,463	900	2.77	42,763	1,658	3.88
<b>Total</b>	<b>155,792</b>	<b>1,947</b>	<b>1.25</b>	<b>152,352</b>	<b>2,803</b>	<b>1.84</b>	<b>151,181</b>	<b>3,791</b>	<b>2.51</b>
<b>Net interest margin <sup>1</sup></b>	<b>2.41</b>			<b>2.45</b>			<b>2.20</b>		

### Volume and Rate Analysis

	1Q09 vs 4Q08			1Q09 vs 1Q08		
	Volume Change	Rate Change	Net Change	Volume Change	Rate Change	Net Change
	\$m	\$m	\$m	\$m	\$m	\$m
<b>Interest income</b>						
Customer loans	0	(133)	(133)	97	(217)	(120)
Interbank balances	1	(63)	(63)	(31)	(123)	(154)
Securities	39	(48)	(9)	(4)	(75)	(79)
<b>Total</b>	<b>40</b>	<b>(245)</b>	<b>(205)</b>	<b>62</b>	<b>(416)</b>	<b>(353)</b>
<b>Interest expense</b>						
Customer deposits	7	(124)	(117)	64	(237)	(173)
Interbank balances/other	12	(110)	(98)	(80)	(206)	(286)
<b>Total</b>	<b>18</b>	<b>(234)</b>	<b>(215)</b>	<b>(15)</b>	<b>(443)</b>	<b>(459)</b>
Change in number of days	-	-	(18)	-	-	(8)
<b>Net interest income</b>	<b>22</b>	<b>(11)</b>	<b>(8)</b>	<b>78</b>	<b>28</b>	<b>97</b>

#### 1Q09 vs 4Q08

Net interest income decreased marginally to \$949 million mainly due to a shorter quarter. Net interest margin decreased 4 basis points to 2.41% as a result of a lower average loan spread.

#### 1Q09 vs 1Q08

Net interest income increased 11.4% to \$949 million mainly contributed by loan growth and lower funding costs. Net interest margin rose 21 basis points to 2.41% largely attributed to lower funding costs.

#### Note:

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



## Non-Interest Income

	1Q09	4Q08	+ / (-)	1Q08	+ / (-)
	\$m	\$m	%	\$m	%
<b>Fee and commission income</b>					
Credit card	35	48	(27.9)	44	(20.5)
Fund management	26	26	(2.7)	55	(53.3)
Futures broking	9	9	6.8	9	0.3
Investment-related	17	21	(18.8)	30	(42.0)
Loan-related	76	45	68.4	74	2.7
Service charges	22	22	2.3	21	6.4
Trade-related	43	46	(5.4)	53	(18.5)
Other	11	11	(1.0)	17	(34.8)
	<b>240</b>	<b>229</b>	<b>5.0</b>	<b>303</b>	<b>(20.9)</b>
<b>Dividend income</b>	<b>4</b>	<b>9</b>	<b>(57.2)</b>	<b>3</b>	<b>42.2</b>
<b>Rental income</b>	<b>34</b>	<b>31</b>	<b>11.0</b>	<b>24</b>	<b>40.7</b>
<b>Other operating income</b>					
Net gain/(loss) from:					
Trading activities	33	53	(37.5)	6	447.2
Non-trading activities					
Financial instruments measured at fair value to profit and loss	29	35	(18.1)	(53)	NM
Available-for-sale assets and other	69	10	563.6	100	(31.0)
	<b>131</b>	<b>98</b>	<b>33.2</b>	<b>53</b>	<b>146.9</b>
Other income	25	24	5.6	31	(18.4)
	<b>156</b>	<b>122</b>	<b>27.8</b>	<b>84</b>	<b>86.4</b>
<b>Total</b>	<b>434</b>	<b>391</b>	<b>11.1</b>	<b>414</b>	<b>4.9</b>
Fee and commission income/Total income (%)	17.3	17.0	0.3% pt	24.0	(6.7)% pt
Non-interest income/Total income (%)	31.4	29.0	2.4% pt	32.7	(1.3)% pt

### 1Q09 vs 4Q08

Non-interest income increased 11.1% to \$434 million. The increase was mainly driven by higher investment income and fee and commission income.

### 1Q09 vs 1Q08

Non-interest income increased 4.9% to \$434 million. The increase was mainly due to higher investment income and trading profit, partly offset by lower fee and commission income.

## Operating Expenses

	1Q09	4Q08	+ / (-)	1Q08	+ / (-)
	\$m	\$m	%	\$m	%
<b>Staff costs</b>	<b>259</b>	274	(5.6)	267	(2.9)
<b>Other operating expenses</b>					
Revenue-related	111	122	(9.2)	116	(4.3)
Occupancy-related	52	51	2.5	45	16.7
IT-related	40	45	(12.2)	37	5.9
Other	29	39	(25.8)	32	(8.5)
	<b>232</b>	257	(9.9)	230	0.9
<b>Total</b>	<b>491</b>	532	(7.7)	496	(1.1)
Of which:					
Depreciation of assets	33	34	(0.4)	33	0.0
Total IT costs <sup>1</sup>	71	76	(5.6)	67	7.2
Total IT costs/Total operating expenses (%)	14.6	14.3	0.3% pt	13.4	1.2% pt
Expense/Income ratio (%)	35.5	39.4	(3.9)% pt	39.2	(3.7)% pt
Manpower (number)	21,940	22,299	(359) no.	21,818	122 no.

### 1Q09 vs 4Q08

Total operating expenses decreased 7.7% to \$491 million. Staff costs reduced 5.6% to \$259 million mainly due to lower headcount and grant received under the Jobs Credit Scheme. Other operating expenses declined 9.9% to \$232 million mainly on revenue-related and IT-related expenses and professional fees. Expense-to-income ratio improved 3.9% points to 35.5%.

### 1Q09 vs 1Q08

Total operating expenses reduced 1.1% to \$491 million. The decrease was due to lower bonus provision and revenue-related expenses, partly negated by higher occupancy expenses. Expense-to-income ratio improved 3.7% points to 35.5%.

#### Note:

<sup>1</sup> Comprise IT staff costs and other IT-related expenses.

## Impairment Charges

	<b>1Q09</b>	4Q08	+ / (-)	1Q08	+ / (-)
	<b>\$m</b>	\$m	%	\$m	%
Individual impairment on loans					
Singapore	<b>61</b>	50	22.3	(3)	NM
Malaysia	<b>20</b>	12	70.8	7	193.6
Thailand	<b>21</b>	13	60.9	6	284.2
Indonesia	<b>6</b>	3	154.3	(0)	NM
Greater China <sup>1</sup>	<b>4</b>	37	(88.1)	2	188.7
Other	<b>56</b>	68	(17.2)	(1)	NM
	<b>169</b>	182	(6.9)	10	NM
Individual impairment on securities and other assets	<b>34</b>	94	(63.9)	32	7.8
Collective impairment	<b>174</b>	104	66.7	48	265.5
<b>Total</b>	<b>378</b>	381	(0.8)	89	324.0

### *1Q09 vs 4Q08*

Higher collective impairment of \$174 million was set aside for loans and investments in view of the prolonged global economic uncertainties. Individual impairment on loans and other assets, however, reduced 26.3% to \$203 million.

### *1Q09 vs 1Q08*

Impairment charges increased to \$378 million from \$89 million in 1Q08. The increase was largely due to higher individual impairment on loans, and higher collective impairment provided for loans and investments on account of the global economic downturn.

#### **Note:**

<sup>1</sup> Comprise China, Hong Kong S.A.R. and Taiwan.

## Customer Loans

	<b>Mar-09</b>	Dec-08	Mar-08
	<b>\$m</b>	\$m	\$m
Gross customer loans	<b>101,952</b>	102,033	96,257
Less: Individual impairment	<b>848</b>	800	597
Collective impairment	<b>1,444</b>	1,393	1,286
Net customer loans	<b>99,660</b>	99,840	94,373

### **By Industry**

Transport, storage and communication	<b>5,999</b>	5,800	5,508
Building and construction	<b>12,713</b>	12,694	12,297
Manufacturing	<b>9,853</b>	10,573	10,029
Financial institutions	<b>16,492</b>	16,451	15,893
General commerce	<b>13,043</b>	13,005	12,742
Professionals and private individuals	<b>12,858</b>	12,754	11,391
Housing loans	<b>24,650</b>	24,114	22,879
Other	<b>6,342</b>	6,641	5,518
Total (gross)	<b>101,952</b>	102,033	96,257

### **By Currency**

Singapore dollar	<b>56,461</b>	56,075	52,002
US dollar	<b>15,810</b>	15,888	14,559
Malaysian ringgit	<b>11,235</b>	11,419	11,141
Thai baht	<b>6,172</b>	6,436	6,370
Indonesian rupiah	<b>2,390</b>	2,408	2,443
Other	<b>9,884</b>	9,807	9,741
Total (gross)	<b>101,952</b>	102,033	96,257

### **By Maturity**

Within 1 year	<b>37,761</b>	40,341	37,244
Over 1 year but within 3 years	<b>21,059</b>	19,527	16,414
Over 3 years but within 5 years	<b>12,621</b>	12,090	13,650
Over 5 years	<b>30,511</b>	30,075	28,949
Total (gross)	<b>101,952</b>	102,033	96,257

Net customer loans was flat at \$99.7 billion compared to last quarter due to prudent loan growth. It increased 5.6% over 31 March 2008 largely contributed by higher housing loans and loans to professionals and private individuals.

## Customer Deposits

	<b>Mar-09</b>	Dec-08	Mar-08
	<b>\$m</b>	\$m	\$m
<b>By Product Group</b>			
Fixed deposits	<b>72,324</b>	74,266	69,984
Savings deposits	<b>26,226</b>	24,365	22,523
Current accounts	<b>19,490</b>	18,312	15,261
Other	<b>1,317</b>	1,229	1,812
<b>Total</b>	<b>119,357</b>	118,171	109,580
<b>By Maturity</b>			
Within 1 year	<b>115,396</b>	114,439	106,022
Over 1 year but within 3 years	<b>2,591</b>	2,344	1,572
Over 3 years but within 5 years	<b>880</b>	871	1,539
Over 5 years	<b>490</b>	516	448
<b>Total</b>	<b>119,357</b>	118,171	109,580
 Loans/Deposits ratio (%)	 <b>83.5</b>	 84.5	 86.1

Customer deposits was \$119.4 billion as at 31 March 2009, an increase of 1.0% over 31 December 2008 and 8.9% over 31 March 2008. Loans-to-deposits ratio was managed at 83.5% as at 31 March 2009.

## Debts Issued

	<b>Mar-09</b>	Dec-08	Mar-08
	<b>\$m</b>	\$m	\$m
<b>Subordinated debts</b>			
Due after one year (unsecured)	<b>5,717</b>	5,594	5,294
<b>Other debts issued</b>			
Due within one year (unsecured)	<b>575</b>	359	469
Due after one year (unsecured)	<b>236</b>	293	443
	<b>812</b>	652	912
 Total	 <b>6,529</b>	 6,246	 6,206

### Shareholders' Equity

	<b>Mar-09</b>	Dec-08	Mar-08
	<b>\$m</b>	\$m	\$m
Shareholders' equity	<b>16,260</b>	15,573	16,992
Add: Revaluation surplus	<b>2,909</b>	2,989	3,273
Shareholders' equity including revaluation surplus	<b>19,169</b>	18,562	20,265

Shareholders' equity increased 4.4% over 31 December 2008 to \$16.3 billion as at 31 March 2009, largely due to higher retained earnings and lower revaluation loss on available-for-sale assets. Against 31 March 2008, shareholders' equity decreased 4.3% as a result of higher revaluation loss on available-for-sale assets, partly offset by the issuance of S\$1.32 billion Class E non-cumulative non-convertible preference shares.

As at 31 March 2009, revaluation surplus of \$2.9 billion on the Group's properties was not recognised in the financial statements.

### Changes in Issued Shares of the Bank

	<b>Number of shares ('000)</b>	
	<b>1Q09</b>	1Q08
<b>Ordinary shares</b>		
Balance at beginning of period	<b>1,523,931</b>	1,523,760
Exercise of share options granted under the UOB 1999 Share Option Scheme	-	46
Balance at end of period	<b>1,523,931</b>	1,523,806
<b>Treasury shares</b>		
Balance at beginning of period	<b>(18,320)</b>	(11,597)
Share buyback - held in treasury	-	(6,723)
Balance at end of period	<b>(18,320)</b>	(18,320)
Ordinary shares net of treasury shares	<b>1,505,611</b>	1,505,486
<b>Preference shares</b>		
Class E non-cumulative non-convertible preference shares at beginning/end of period	<b>13,200</b>	-

	<b>Mar-09</b>	Dec-08	Mar-08
	<b>'000</b>	'000	'000
Number of new shares that would have been issued upon exercise of all outstanding options under the UOB 1999 Share Option Scheme	<b>267</b>	269	407

**Non-Performing Assets**

	Mar-09	Dec-08	Mar-08
<b>Non-Performing Assets ("NPA") (\$m)</b>			
Loans ("NPL")	2,185	2,062	1,602
Debt securities	264	243	284
Total	<b>2,449</b>	2,305	1,886
<b>By grading</b>			
Substandard	1,406	1,397	1,040
Doubtful	338	268	326
Loss	705	640	520
Total	<b>2,449</b>	2,305	1,886
<b>By security coverage</b>			
Secured	1,103	1,054	928
Unsecured	1,346	1,251	958
Total	<b>2,449</b>	2,305	1,886
<b>By ageing <sup>1</sup></b>			
Current	420	501	529
Within 90 days	472	417	151
Over 90 to 180 days	338	344	161
Over 180 days	1,219	1,043	1,045
Total	<b>2,449</b>	2,305	1,886
<b>Cumulative Impairment (\$m)</b>			
Individual	1,068	1,008	832
Collective	1,509	1,540	1,312
Total	<b>2,577</b>	2,548	2,144
<b>Ratios (%)</b>			
NPA ratio <sup>2</sup>	1.3	1.2	1.0
Cumulative impairment as % of NPA	105.2	110.5	113.7
NPL ratio <sup>3</sup>	2.1	2.0	1.6
Cumulative impairment as % of NPL <sup>4</sup>	104.9	106.4	117.5
Cumulative impairment as % of gross customer loans <sup>4</sup>	2.2	2.1	2.0
Collective impairment as % of gross customer loans net of individual impairment <sup>4</sup>	1.4	1.4	1.3

As at 31 March 2009, Group NPA of \$2,449 million constituted 1.3% of the total assets. NPL ratio increased to 2.1% from 2.0% as at 31 December 2008 and 1.6% as at 31 March 2008.

**Notes:**

- Where payment of interest or principal of an account is overdue, all outstanding balances of that account are deemed non-current and aged accordingly.
- Refer to non-performing assets (excluding contingent assets) as a percentage of total assets.
- Refer to non-performing loans (excluding debt securities and contingent assets) as a percentage of gross customer loans.
- Debt securities and contingent assets are excluded from the computation.

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

	NPA	Cumulative Impairment	NPL Ratio	Secured NPL as % of respective NPL	Cumulative Impairment as % of respective NPL
	\$m	\$m	%	%	%
<b>NPA by Region</b>					
Singapore					
<b>Mar 09</b>	<b>852</b>	<b>1,358</b>	<b>1.1</b>	<b>49.2</b>	<b>163.1</b>
Dec 08	808	1,230	1.1	51.1	140.3
Mar 08	675	893	0.9	59.3	135.9
Malaysia					
<b>Mar 09</b>	<b>472</b>	<b>285</b>	<b>3.9</b>	<b>69.3</b>	<b>60.4</b>
Dec 08	547	374	4.5	57.4	68.4
Mar 08	504	362	4.1	61.5	71.8
Thailand					
<b>Mar 09</b>	<b>604</b>	<b>448</b>	<b>6.7</b>	<b>36.3</b>	<b>71.7</b>
Dec 08	530	433	5.4	43.0	81.8
Mar 08	557	438	5.6	45.5	80.2
Indonesia					
<b>Mar 09</b>	<b>104</b>	<b>94</b>	<b>2.9</b>	<b>78.8</b>	<b>90.4</b>
Dec 08	72	90	2.0	73.6	125.0
Mar 08	68	98	1.8	73.5	144.1
Greater China					
<b>Mar 09</b>	<b>121</b>	<b>113</b>	<b>2.7</b>	<b>48.8</b>	<b>93.4</b>
Dec 08	97	106	2.2	52.6	109.3
Mar 08	16	64	0.5	75.0	406.3
Other					
<b>Mar 09</b>	<b>296</b>	<b>279</b>	<b>2.6</b>	<b>36.5</b>	<b>94.3</b>
Dec 08	251	315	2.3	43.0	125.5
Mar 08	66	289	0.6	72.7	437.9
Group					
<b>Mar 09</b>	<b>2,449</b>	<b>2,577</b>	<b>2.1</b>	<b>50.5</b>	<b>104.9</b>
Dec 08	2,305	2,548	2.0	51.1	106.4
Mar 08	1,886	2,144	1.6	57.9	117.5

	Mar-09		Dec-08		Mar-08	
	NPA	Individual Impairment	NPA	Individual Impairment	NPA	Individual Impairment
	\$m	\$m	\$m	\$m	\$m	\$m
<b>NPA by Industry</b>						
Transport, storage and communication	28	14	18	14	18	12
Building and construction	179	64	152	52	132	44
Manufacturing	626	301	539	263	424	202
Financial institutions	529	317	533	301	448	266
General commerce	431	206	411	191	313	152
Professionals and private individuals	282	92	269	98	251	104
Housing loans	307	35	286	32	245	31
Other	67	39	97	57	55	21
	<b>2,449</b>	<b>1,068</b>	2,305	1,008	1,886	832



## Performance by Operating Segment

	PFS	IFS	GMIM	Other	Eliminations	Total
	\$m	\$m	\$m	\$m	\$m	\$m
<b>1Q09</b>						
Operating income	459	532	421	1	(29)	1,384
Operating expenses	(224)	(155)	(78)	(63)	29	(491)
Impairment charges	(24)	(160)	2	(196)	-	(378)
Amortisation of intangible assets	(1)	(1)	-	-	-	(2)
Share of profit of associates	-	2	-	8	-	10
<b>Profit before tax</b>	<b>210</b>	<b>218</b>	<b>345</b>	<b>(250)</b>	<b>-</b>	<b>523</b>
<b>Segment assets</b>	<b>37,348</b>	<b>66,748</b>	<b>66,109</b>	<b>6,068</b>	<b>(3,003)</b>	<b>173,270</b>
Intangible assets	1,181	2,285	665	80	-	4,211
Investment in associates	-	30	-	1,032	-	1,062
<b>Total assets</b>	<b>38,529</b>	<b>69,063</b>	<b>66,774</b>	<b>7,180</b>	<b>(3,003)</b>	<b>178,543</b>
<b>Segment liabilities</b>	<b>64,742</b>	<b>55,575</b>	<b>40,790</b>	<b>4,032</b>	<b>(3,003)</b>	<b>162,136</b>
<b>Other information</b>						
Inter-segment operating income	157	(140)	24	(12)	(29)	-
Gross customer loans	37,189	64,596	68	99	-	101,952
Non-performing assets	585	1,531	98	235	-	2,449
Capital expenditure	3	1	1	29	-	34
Depreciation of assets	2	1	1	29	-	33
<b>1Q08</b>						
Operating income	463	535	237	60	(29)	1,266
Operating expenses	(214)	(165)	(97)	(49)	29	(496)
Impairment charges	(5)	(12)	(44)	(28)	-	(89)
Amortisation of intangible assets	(1)	(2)	-	-	-	(3)
Share of profit of associates	-	-	-	22	-	22
<b>Profit before tax</b>	<b>243</b>	<b>356</b>	<b>96</b>	<b>5</b>	<b>-</b>	<b>700</b>
<b>Segment assets</b>	<b>34,298</b>	<b>65,538</b>	<b>76,983</b>	<b>6,026</b>	<b>(2,540)</b>	<b>180,305</b>
Intangible assets	1,188	2,314	668	80	-	4,250
Investment in associates	-	46	-	1,183	-	1,229
<b>Total assets</b>	<b>35,486</b>	<b>67,898</b>	<b>77,651</b>	<b>7,289</b>	<b>(2,540)</b>	<b>185,784</b>
<b>Segment liabilities</b>	<b>56,475</b>	<b>54,679</b>	<b>55,866</b>	<b>3,928</b>	<b>(2,540)</b>	<b>168,408</b>
<b>Other information</b>						
Inter-segment operating income	185	(141)	(13)	(2)	(29)	-
Gross customer loans	34,243	61,806	87	121	-	96,257
Non-performing assets	491	993	120	282	-	1,886
Capital expenditure	2	1	1	29	-	33
Depreciation of assets	1	1	-	31	-	33

## **Performance by Business 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 13.6% to \$210 million in 1Q09. The decrease was mainly due to higher impairment charges, and lower fee and commission income from investment and insurance products.

### **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 38.8% to \$218 million in 1Q09. The decrease was mainly due to higher impairment charges on loans and investment securities, as well as lower fee income from trade-related services. These were partly negated by higher net interest income and loan-related fee 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 259.4% to \$345 million in 1Q09. The increase was mainly attributed to higher income from trading portfolio and money market activities, and lower impairment charges. These were partially negated by lower contributions from asset management activities.

### **Other**

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

The segment recorded a loss of \$250 million in 1Q09 compared to a profit of \$5 million in 1Q08. This was mainly due to higher collective impairment set aside for loans and investment securities, lower realised gain on investment securities and foreign exchange revaluation losses.

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

	1Q09	4Q08	1Q08
	\$m	\$m	\$m
<b>Total Operating Income</b>			
Singapore	875	890	792
Malaysia	154	140	144
Thailand	110	116	114
Indonesia	88	80	65
Greater China	69	41	29
Other	87	83	122
<b>Total</b>	<b>1,384</b>	<b>1,348</b>	<b>1,266</b>
<b>Profit before Tax</b>			
Singapore	329	399	485
Malaysia	83	66	80
Thailand	21	11	31
Indonesia	41	31	27
Greater China	42 <sup>2</sup>	(26)	(4)
Other	11	(31)	83
	<b>526</b>	<b>450</b>	<b>703</b>
Intangible assets amortised	(2)	(2)	(3)
<b>Total</b>	<b>523</b>	<b>448</b>	<b>700</b>

Singapore and the regional countries accounted for 62.6% and 27.4% of the Group's pre-tax profit in 1Q09 respectively.

	Mar-09	Dec-08	Mar-08
	\$m	\$m	\$m
<b>Total Assets</b>			
Singapore	118,578	120,064	118,591
Malaysia	16,019	17,354	17,680
Thailand	9,032	8,902	9,724
Indonesia	4,263	4,082	3,960
Greater China	8,156	8,597	7,947
Other	18,284	19,731	23,632
	<b>174,332</b>	<b>178,730</b>	<b>181,534</b>
Intangible assets	4,211	4,211	4,250
<b>Total</b>	<b>178,543</b>	<b>182,941</b>	<b>185,784</b>

### Notes:

- 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.
- Of which, revaluation gain on the USD capital injected in United Overseas Bank (China) Limited amounted to \$24 million (4Q08: \$1m gain and 1Q08: \$30m loss). Such revaluation gain/loss was offset by the corresponding revaluation loss/gain on the USD funding in Singapore.

**Capital Adequacy Ratios**

	<b>Mar-09</b>	Dec-08	Mar-08
	<b>\$m</b>	\$m	\$m
<b>Tier 1 capital</b>			
Share capital	<b>1,896</b>	1,896	1,894
Preference shares	<b>2,149</b>	2,149	832
Disclosed reserves/other	<b>14,171</b>	13,251	14,134
Capital deductions	<b>(5,089)</b>	(4,840)	(4,849)
	<b>13,127</b>	12,456	12,011
<b>Upper Tier 2 capital</b>			
Cumulative collective impairment/other	<b>622</b>	478	724
Subordinated notes	<b>5,365</b>	5,259	5,249
Capital deductions	<b>(617)</b>	(617)	(585)
	<b>5,370</b>	5,120	5,388
<b>Total capital</b>	<b>18,497</b>	17,576	17,399
<b>Risk-weighted assets</b>	<b>106,634</b>	114,712	111,850
<b>Capital adequacy ratios ("CAR")</b>			
Tier 1	<b>12.3%</b>	10.9%	10.7%
Total	<b>17.3%</b>	15.3%	15.6%

Group Tier 1 and total CAR were 12.3% and 17.3% as at 31 March 2009 respectively. The higher CAR were due mainly to lower risk-weighted assets and higher retained earnings. The issuance of the S\$1.32 billion Class E preference shares in September 2008 also contributed to the improved CAR over 31 March 2008.

As at 31 March 2009, Group Tier 1 and total CAR were 6.3% points and 7.3% points above the minimum 6% and 10% required by MAS respectively.

**Consolidated Profit and Loss Account (Unaudited)**

	<b>1Q09</b>	4Q08	+ / (-)	1Q08	+ / (-)
	<b>\$m</b>	\$m	%	\$m	%
Interest income	<b>1,429</b>	1,662	(14.0)	1,795	(20.3)
Less: Interest expense	<b>480</b>	705	(31.9)	943	(49.1)
<b>Net interest income</b>	<b>949</b>	957	(0.8)	852	11.4
Dividend income	<b>4</b>	9	(57.2)	3	42.2
Fee and commission income	<b>240</b>	229	5.0	303	(20.9)
Rental income	<b>34</b>	31	11.0	24	40.7
Other operating income	<b>156</b>	122	27.8	84	86.4
<b>Non-interest income</b>	<b>434</b>	391	11.1	414	4.9
<b>Total operating income</b>	<b>1,384</b>	1,348	2.6	1,266	9.3
Less: Staff costs	<b>259</b>	274	(5.6)	267	(2.9)
Other operating expenses	<b>232</b>	257	(9.9)	230	0.9
<b>Total operating expenses</b>	<b>491</b>	532	(7.7)	496	(1.1)
<b>Operating profit before amortisation/impairment charges</b>	<b>893</b>	817	9.4	770	16.0
Less: Amortisation/impairment charges					
Intangible assets	<b>2</b>	2	1.1	3	(13.0)
Loans and other assets	<b>378</b>	381	(0.8)	89	324.0
<b>Operating profit after amortisation/impairment charges</b>	<b>513</b>	434	18.3	678	(24.3)
Share of profit of associates	<b>10</b>	14	(28.7)	22	(54.6)
<b>Profit before tax</b>	<b>523</b>	448	16.9	700	(25.3)
Less: Tax	<b>112</b>	109	2.5	163	(31.6)
<b>Profit for the financial period</b>	<b>412</b>	339	21.5	537	(23.3)
Attributable to:					
<b>Equity holders of the Bank</b>	<b>409</b>	332	23.3	529	(22.7)
Minority interests	<b>2</b>	7	(64.5)	8	(68.0)
	<b>412</b>	339	21.5	537	(23.3)
<b>Earnings per ordinary share (\$) <sup>1</sup></b>					
Basic	<b>1.01</b>	0.81	24.7	1.38	(26.8)
Diluted	<b>1.01</b>	0.81	24.7	1.38	(26.8)

**Note:**

1 Annualised.

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

	<b>1Q09</b>	4Q08	+/-)	1Q08	+/-)
	<b>\$m</b>	\$m	%	\$m	%
<b>Profit for the financial period</b>	<b>412</b>	339	21.5	537	(23.3)
Currency translation adjustments	<b>131</b>	(251)	NM	(132)	NM
Change in available-for-sale reserve					
Net change in fair value	<b>22</b>	(1,363)	NM	(543)	NM
Transfer to profit and loss account on disposal/impairment	<b>196</b>	96	104.5	(27)	NM
Change in share of other comprehensive income of associates	<b>(33)</b>	(69)	52.2	(46)	29.1
<b>Other comprehensive income for the financial period</b>	<b>317</b>	(1,587)	NM	(749)	NM
<b>Total comprehensive income for the financial period</b>	<b>728</b>	(1,248)	NM	(212)	NM
Attributable to:					
<b>Equity holders of the Bank</b>	<b>726</b>	(1,220)	NM	(211)	NM
Minority interests	<b>3</b>	(28)	NM	(1)	NM
	<b>728</b>	(1,248)	NM	(212)	NM

**Consolidated Balance Sheet (Unaudited)**

	Mar-09 \$m	Dec-08 <sup>1</sup> \$m	Mar-08 \$m
<b>Equity</b>			
Share capital	4,045	4,045	2,726
Retained earnings	6,087	5,724	5,638
Other reserves	6,129	5,804	8,628
Equity attributable to equity holders of the Bank	16,260	15,573	16,992
Minority interests	148	146	384
<b>Total</b>	<b>16,408</b>	<b>15,719</b>	<b>17,375</b>
<b>Liabilities</b>			
Deposits and balances of banks	23,620	28,452	39,531
Deposits and balances of non-bank customers	119,357	118,171	109,580
Bills and drafts payable	826	1,548	1,971
Other liabilities	11,804	12,805	11,120
Debts issued	6,529	6,246	6,206
<b>Total</b>	<b>162,136</b>	<b>167,222</b>	<b>168,408</b>
<b>Total equity and liabilities</b>	<b>178,543</b>	<b>182,941</b>	<b>185,784</b>
<b>Assets</b>			
Cash, balances and placements with central banks	16,086	20,290	21,222
Singapore Government treasury bills and securities	12,782	8,969	8,690
Other government treasury bills and securities	2,547	2,341	4,650
Trading securities	135	139	525
Placements and balances with banks	12,274	15,196	18,940
Loans to non-bank customers	99,660	99,840	94,373
Investment securities	15,758	15,674	18,625
Other assets	11,923	13,091	11,229
Investment in associates	1,062	1,096	1,229
Properties and other fixed assets	2,104	2,094	2,051
Intangible assets	4,211	4,211	4,250
<b>Total</b>	<b>178,543</b>	<b>182,941</b>	<b>185,784</b>
<b>Off-Balance Sheet Items</b>			
Contingent liabilities	11,578	12,000	12,810
Financial derivatives	365,963	368,299	399,869
Commitments	51,414	45,232	48,988
<b>Net asset value per ordinary share (\$)</b>	<b>9.37</b>	<b>8.90</b>	<b>10.73</b>

**Note:**

1 Audited.

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

	<b>Attributable to equity holders of the Bank</b>				<b>Minority interests</b>	<b>Total equity</b>
	<b>Share capital</b>	<b>Retained earnings</b>	<b>Other reserves</b>	<b>Total</b>		
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>		
Balance at 1 January 2009	<b>4,045</b>	<b>5,724</b>	<b>5,804</b>	<b>15,573</b>	<b>146</b>	<b>15,719</b>
Total comprehensive income for the financial period	-	<b>409</b>	<b>317</b>	<b>726</b>	<b>3</b>	<b>728</b>
Transfers	-	<b>(3)</b>	<b>3</b>	-	-	-
Change in minority interests	-	-	-	-	<b>0</b>	<b>0</b>
Dividends	-	<b>(44)</b>	-	<b>(44)</b>	<b>(1)</b>	<b>(45)</b>
Share-based compensation	-	-	<b>5</b>	<b>5</b>	-	<b>5</b>
Balance at 31 March 2009	<b>4,045</b>	<b>6,087</b>	<b>6,129</b>	<b>16,260</b>	<b>148</b>	<b>16,408</b>
Balance at 1 January 2008	2,845	5,119	9,364	17,329	398	17,726
Total comprehensive income for the financial period	-	529	(740)	(211)	(1)	(212)
Transfers	-	(0)	0	-	-	-
Change in minority interests	-	-	-	-	(0)	(0)
Dividends	-	(10)	-	(10)	(12)	(22)
Share buyback - held in treasury	(120)	-	-	(120)	-	(120)
Share-based compensation	-	-	3	3	-	3
Issue of shares under share option scheme	1	-	-	1	-	1
Balance at 31 March 2008	<b>2,726</b>	<b>5,638</b>	<b>8,628</b>	<b>16,992</b>	<b>384</b>	<b>17,375</b>



**Consolidated Cash Flow Statement (Unaudited)**

	1Q09	1Q08
	\$m	\$m
<b>Cash flows from operating activities</b>		
Operating profit before amortisation and impairment charges	893	770
Adjustments for:		
Depreciation of assets	33	33
Net gain on disposal of assets	(23)	(3)
Share-based compensation	5	3
Operating profit before working capital changes	<u>909</u>	<u>804</u>
Increase/(decrease) in working capital		
Deposits	(3,646)	10,052
Bills and drafts payable	(722)	148
Other liabilities	(1,073)	1,481
Trading securities	4	(115)
Placements and balances with banks	2,922	(3,733)
Loans to non-bank customers	(35)	(1,737)
Other assets	1,113	(1,883)
Cash (used in)/generated from operations	<u>(529)</u>	<u>5,016</u>
Income tax paid	(28)	(179)
Net cash (used in)/provided by operating activities	<u>(556)</u>	<u>4,837</u>
<b>Cash flows from investing activities</b>		
Net cash flow on disposal/(acquisition) of:		
Investment securities and associates	53	179
Properties and other fixed assets	(44)	(2)
Change in minority interests	0	(0)
Dividends received from associates	4	1
Net cash (used in)/provided by investing activities	<u>13</u>	<u>178</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of ordinary shares	-	1
Net increase/(decrease) in debts issued	283	(461)
Share buyback	-	(120)
Dividends paid on preference shares	(55)	(20)
Dividends paid to minority interests	(1)	(12)
Net cash provided by/(used in) financing activities	<u>227</u>	<u>(612)</u>
Currency translation adjustments	<u>132</u>	<u>(124)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(185)</b>	<b>4,278</b>
Cash and cash equivalents at beginning of the financial period	<u>31,600</u>	<u>30,283</u>
<b>Cash and cash equivalents at end of the financial period</b>	<b><u>31,415</u></b>	<b><u>34,561</u></b>
Represented by:		
Cash, balances and placements with central banks	16,086	21,222
Singapore Government treasury bills and securities	12,782	8,690
Other government treasury bills and securities	2,547	4,650
<b>Cash and cash equivalents at end of the financial period</b>	<b><u>31,415</u></b>	<b><u>34,561</u></b>

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

	<b>Mar-09</b>	Dec-08 <sup>1</sup>	Mar-08
	\$m	\$m	\$m
<b>Equity</b>			
Share capital	3,213	3,213	1,894
Retained earnings	5,323	5,031	4,331
Other reserves	5,812	5,632	7,544
<b>Total</b>	<b>14,348</b>	13,876	13,768
<b>Liabilities</b>			
Deposits and balances of banks	22,536	27,129	37,073
Deposits and balances of non-bank customers	94,482	93,601	86,498
Deposits and balances of subsidiaries	4,027	3,722	3,461
Bills and drafts payable	107	104	161
Other liabilities	8,833	9,822	8,156
Debts issued	6,736	6,658	6,688
<b>Total</b>	<b>136,722</b>	141,037	142,036
<b>Total equity and liabilities</b>	<b>151,070</b>	154,913	155,805
<b>Assets</b>			
Cash, balances and placements with central banks	11,548	14,823	16,838
Singapore Government treasury bills and securities	12,717	8,899	8,598
Other government treasury bills and securities	1,287	1,251	2,848
Trading securities	125	124	333
Placements and balances with banks	10,508	13,408	16,268
Loans to non-bank customers	77,001	76,668	71,793
Placements with and advances to subsidiaries	2,055	2,866	2,946
Investment securities	14,759	14,729	17,362
Other assets	9,882	11,069	9,320
Investment in associates	372	372	373
Investment in subsidiaries	5,404	5,293	4,602
Properties and other fixed assets	2,229	2,230	1,340
Intangible assets	3,182	3,182	3,182
<b>Total</b>	<b>151,070</b>	154,913	155,805
<b>Off-Balance Sheet Items</b>			
Contingent liabilities	9,548	9,703	10,444
Financial derivatives	346,737	351,103	381,893
Commitments	36,638	36,761	39,661
<b>Net asset value per ordinary share (\$)</b>	<b>8.65</b>	8.33	9.15

**Note:**

1 Audited.

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

	<b>Share capital</b>	<b>Retained earnings</b>	<b>Other reserves</b>	<b>Total equity</b>
	\$m	\$m	\$m	\$m
Balance at 1 January 2009	<b>3,213</b>	<b>5,031</b>	<b>5,632</b>	<b>13,876</b>
Total comprehensive income for the financial period	-	<b>325</b>	<b>174</b>	<b>499</b>
Dividend - Class E preference shares	-	<b>(33)</b>	-	<b>(33)</b>
Share-based compensation	-	-	<b>5</b>	<b>5</b>
Balance at 31 March 2009	<b>3,213</b>	<b>5,323</b>	<b>5,812</b>	<b>14,348</b>
Balance at 1 January 2008	2,014	3,893	8,080	13,987
Total comprehensive income for the financial period	-	438	(540)	(102)
Share buyback - held in treasury	(120)	-	-	(120)
Share-based compensation	-	-	3	3
Issue of shares under share option scheme	1	-	-	1
Balance at 31 March 2008	1,894	4,331	7,544	13,768

**Investment Securities**

	<b>Mar-09</b>
	<b>\$m</b>
Debt securities	
Bank	
Tier 1	1,715
Tier 2	1,242
Senior/Other	4,258
	7,216
Non-bank	6,412
	13,627
Equity securities	2,131
Total	15,758

	<b>Mar-09</b>		
	<b>Bank</b>	<b>Non-bank</b>	<b>Total</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
<b>Debt Securities by Country of Risk</b>			
Singapore	339	1,456	1,795
Other Asia Pacific	2,988	2,644	5,632
Europe	2,077	724	2,802
United States	1,751	1,300	3,051
Other	60	287	347
Total	7,216	6,412	13,627

As at 31 March 2009, the Group's investment in non-government securities was \$15.8 billion, with 86% in debt securities and 14% in equity securities.

The debt securities portfolio of \$13.6 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 1.5% of the bank capital securities.

Net exposure to CDO was \$1 million. The ABS CDO of \$19 million and Corporate CDO of \$123 million were 100% and 99% provided for respectively.