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To: All Shareholders

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

**Financial Results**

The unaudited financial results of the Group for the nine months / third quarter of 2010 are enclosed.

**Dividends*****Ordinary share dividend***

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

***Preference share dividends***

On 15 September 2010, a semi-annual dividend at an annual rate of 5.796% totalling USD14 million (3Q09: 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 15 September 2010, a semi-annual one-tier tax-exempt dividend of 5.05% per annum totalling S\$34 million (3Q09: S\$34 million) 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 nine months / third quarter of 2010 to be false or misleading.

**BY ORDER OF THE BOARD****UNITED OVERSEAS BANK LIMITED**

Mrs Vivien Chan  
Secretary

Dated this 29<sup>th</sup> day of October 2010

The results are also available at [uobgroup.com](http://uobgroup.com)



# **Group Financial Report**

**For the Nine Months / Third Quarter 2010**

**United Overseas Bank Limited**  
**Incorporated in the Republic of Singapore**  
**Company Registration Number: 193500026Z**

## **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	Non-Performing Assets
14	Customer Deposits
14	Debts Issued
15	Shareholders' Equity
15	Changes in Issued Shares of the Bank
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 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

### **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**

	9M10	9M09	+ / (-)	3Q10	2Q10	+ / (-)	3Q09	+ / (-)
			%			%		%
<b>Profit and loss summary (\$m)</b>								
Net interest income	2,667	2,782	(4.1)	883	884	(0.1)	925	(4.5)
Fee and commission income	853	729	17.0	284	285	(0.6)	264	7.4
Other non-interest income	715	652	9.7	301	96	>100.0	132	>100.0
Total income	4,236	4,163	1.7	1,468	1,266	16.0	1,322	11.1
Less: Total expenses	1,638	1,521	7.7	555	540	2.8	510	9.0
Operating profit	2,598	2,643	(1.7)	912	725	25.8	812	12.4
Less: Amortisation/impairment charges	302	1,085	(72.1)	137	54	>100.0	237	(42.4)
Add: Share of profit of associates	101	87	16.1	29	48	(40.1)	46	(37.4)
Less: Tax and minority interests	406	265	53.2	116	117	(0.7)	120	(3.0)
Net profit after tax <sup>1</sup>	1,990	1,380	44.2	688	602	14.3	500	37.5

**Financial indicators**

Non-interest income/Total income (%)	37.0	33.2	3.8% pt	39.8	30.2	9.6% pt	30.0	9.8% pt
Overseas profit contribution (%)	30.9	36.0	(5.1)% pt	30.3	31.5	(1.2)% pt	32.3	(2.0)% pt
Earnings per ordinary share (\$) <sup>2, 3</sup>								
Basic	1.65	1.15	43.5	1.66	1.52	9.2	1.26	31.7
Diluted	1.65	1.15	43.5	1.65	1.51	9.3	1.25	32.0
Return on average ordinary shareholders' equity (%) <sup>2, 3</sup>	14.1	11.8	2.3% pt	13.8	13.0	0.8% pt	12.0	1.8% pt
Return on average total assets (%) <sup>3</sup>	1.37	1.03	0.34% pt	1.35	1.26	0.09% pt	1.13	0.22% pt
Net interest margin (%) <sup>3</sup>	2.15	2.38	(0.23)% pt	2.07	2.14	(0.07)% pt	2.39	(0.32)% pt
Expense/Income ratio (%)	38.7	36.5	2.2% pt	37.8	42.7	(4.9)% pt	38.6	(0.8)% pt
Loan charge off rate (bp) <sup>3</sup>								
Exclude collective impairment	8	63	(55)bp	16	3	13bp	63	(47)bp
Include collective impairment	26	88	(62)bp	35	18	17bp	90	(55)bp
Net dividend per ordinary share (¢)								
Interim	20.0	20.0	-	-	20.0	NM	-	-

**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>Sep-10</b>	Jun-10	+ / (-) %	Sep-09	+ / (-) %
<b>Financial indicators</b>					
Customer loans (net) (\$m)	<b>107,100</b>	103,759	3.2	98,337	8.9
Customer deposits (\$m)	<b>132,483</b>	125,722	5.4	116,462	13.8
Loans/Deposits ratio (%) <sup>1</sup>	<b>81.1</b>	82.5	(1.4)% pt	84.4	(3.3)% pt
NPL ratio (%) <sup>2</sup>	<b>1.9</b>	1.9	-	2.4	(0.5)% pt
Total assets (\$m)	<b>202,445</b>	191,200	5.9	176,022	15.0
Shareholders' equity (\$m) <sup>3</sup>	<b>20,814</b>	20,296	2.6	18,215	14.3
Net asset value ("NAV") per ordinary share (\$) <sup>4</sup>	<b>12.19</b>	11.85	2.9	10.67	14.2
Revalued NAV per ordinary share (\$) <sup>4</sup>	<b>13.80</b>	13.45	2.6	12.42	11.1
Capital adequacy ratios (%)					
Tier 1	<b>15.1</b>	15.1	-	13.5	1.6% pt
Total	<b>19.9</b>	20.1	(0.2)% pt	18.5	1.4% 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 or amended FRS and Interpretations to FRS ("INT FRS") applicable to the Group with effect from 1 January 2010 are listed below. The adoption of these FRS and INT FRS has no significant impact on the financial statements of the Group.

- FRS27 Consolidated and Separate Financial Statements
- FRS103 Business Combinations
- INT FRS117 Distributions of Non-cash Assets to Owners
- Amendments to FRS32 Financial Instruments: Presentation - Classification of Rights Issues
- Amendments to FRS39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items
- Amendments to FRS102 Share-based Payment - Group Cash-settled Share-based Payment Transactions

Other than the above changes, the accounting policies and computation methods adopted in the financial statements for the nine months of 2010 are the same as those adopted in the audited financial statements for the financial year ended 31 December 2009.

### **Nine months 2010 ("9M10") versus nine months 2009 ("9M09")**

Group's net profit after tax ("NPAT") for 9M10 grew 44.2% over 9M09 to \$1,990 million. The growth was underpinned by strong contributions from non-interest income and lower total impairment charges.

Fee and commission income registered a year-on-year robust growth of 17.0%. Increases were registered in investment-related fee income, investment banking activities, as well as trade-related, loan and credit card business across Singapore and the region. Together with the gain on sale of UOB Life and higher dividend income, non-interest income rose 13.5% to \$1,568 million. Net interest income decreased 4.1% to \$2,667 million due to lower interest margin. Total income increased 1.7% to \$4,236 million.

Total operating expenses increased 7.7% to \$1,638 million in 9M10 due to continued investments in staff and technology. Expense-to-income ratio increased 2.2% points to 38.7%.

Impairment charges were lower at \$294 million. Lower individual and collective impairment charges were provided for all asset classes due to improved asset quality following the economic recovery.

Net customer loans increased 8.9% from a year ago to \$107.1 billion as at 30 September 2010 mainly from housing loans and loans to general commerce sector. NPL ratio improved to 1.9% from the 2.4% recorded a year ago.

Customer deposits increased 13.8% to \$132.5 billion as at 30 September 2010 across Singapore and the regional countries. Loans-to-deposits ratio stood at 81.1%.

Shareholders' equity grew 14.3% to \$20.8 billion, largely attributed to higher retained earnings as well as improved valuation of the investment portfolio. Group return on shareholders' equity was higher at 14.1%.

Group Tier 1 and total capital adequacy ratios ("CAR") were higher at 15.1% and 19.9% as at 30 September 2010. The higher CAR over 30 September 2009 was mainly due to higher retaining earnings, partially offset by higher risk-weighted assets.

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**Performance Review (cont'd)****Third quarter 2010 ("3Q10") versus second quarter 2010 ("2Q10")**

Group NPAT rose 14.3% to \$688 million in 3Q10. Operating profit grew 25.8% to \$912 million largely driven by higher trading and investment income.

Total income increased 16.0% to \$1,468 million underpinned by higher trading and investment income, while both fee and commission income and net interest income were stable at last quarter's level.

Total operating expenses increased 2.8% to \$555 million in 3Q10, with expense-to-income ratio improving 4.9% points from last quarter to 37.8%.

Impairment charges were higher at \$134 million in 3Q10 mainly due to higher individual impairment on loans and higher collective impairment set aside for an expanded loan base.

Net customer loans increased 3.2% from last quarter to \$107.1 billion as at 30 September 2010 contributed by Singapore, Malaysia and Thailand. The increase was broad based across industries with more significant increases in housing loans and loans to non-bank financial institutions. NPL ratio remained low at 1.9%.

Customer deposits increased 5.4% to \$132.5 billion as at 30 September 2010.

Shareholders' equity increased 2.6% over 30 June 2010 to \$20.8 billion as at 30 September 2010. The increase was mainly due to profit for the quarter and improved valuation of the investment portfolio.

Capital position remained strong with Tier 1 and total capital adequacy ratios at 15.1% and 19.9% as at 30 September 2010 respectively.

**Third quarter 2010 ("3Q10") versus third quarter 2009 ("3Q09")**

Group NPAT increased 37.5% to \$688 million in 3Q10. The increase was contributed mainly by higher non-interest income and lower impairment charges.

Total income grew 11.1% to \$1,468 million due to higher fee and commission income and improved trading and investment income. The increase was partially offset by lower net interest income due to lower interest margin which more than offset the increase from the expanded asset volume.

Total operating expenses increased 9.0% from 3Q09 mainly on higher staff costs.

Impairment charges decreased 42.9% from 3Q09 mainly due to lower individual impairment on loans.

## Net Interest Income

### Net interest margin

	9M10			9M09		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate
	\$m	\$m	%	\$m	\$m	%
<b>Interest bearing assets</b>						
Customer loans	100,438	2,839	3.78	99,333	2,996	4.03
Interbank balances	31,571	297	1.26	24,949	326	1.75
Securities	33,720	575	2.28	31,686	633	2.67
<b>Total</b>	<b>165,730</b>	<b>3,712</b>	<b>2.99</b>	<b>155,968</b>	<b>3,955</b>	<b>3.39</b>
<b>Interest bearing liabilities</b>						
Customer deposits	127,521	790	0.83	120,121	886	0.99
Interbank balances/other	33,576	255	1.02	31,476	287	1.22
<b>Total</b>	<b>161,097</b>	<b>1,045</b>	<b>0.87</b>	<b>151,597</b>	<b>1,173</b>	<b>1.03</b>
<b>Net interest margin <sup>1</sup></b>			<b>2.15</b>			<b>2.38</b>

	3Q10			2Q10			3Q09		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate	Average balance	Interest	Average rate
	\$m	\$m	%	\$m	\$m	%	\$m	\$m	%
<b>Interest bearing assets</b>									
Customer loans	103,392	965	3.70	99,706	946	3.81	98,358	956	3.86
Interbank balances	32,828	102	1.24	32,502	98	1.21	20,986	88	1.66
Securities	32,733	190	2.30	33,381	187	2.24	34,236	201	2.33
<b>Total</b>	<b>168,953</b>	<b>1,257</b>	<b>2.95</b>	<b>165,589</b>	<b>1,231</b>	<b>2.98</b>	<b>153,580</b>	<b>1,245</b>	<b>3.22</b>
<b>Interest bearing liabilities</b>									
Customer deposits	129,400	282	0.86	127,867	260	0.82	118,071	247	0.83
Interbank balances/other	34,827	92	1.05	32,809	87	1.06	30,859	73	0.94
<b>Total</b>	<b>164,227</b>	<b>374</b>	<b>0.90</b>	<b>160,676</b>	<b>347</b>	<b>0.87</b>	<b>148,930</b>	<b>320</b>	<b>0.85</b>
<b>Net interest margin <sup>1</sup></b>			<b>2.07</b>			<b>2.14</b>			<b>2.39</b>

**Note:**

<sup>1</sup> 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**

	9M10 vs 9M09			3Q10 vs 2Q10			3Q10 vs 3Q09		
	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
<b>Interest income</b>									
Customer loans	33	(190)	(156)	35	(27)	8	49	(40)	9
Interbank balances	87	(115)	(29)	1	2	3	50	(35)	14
Securities	41	(99)	(58)	(4)	5	1	(9)	(2)	(11)
<b>Total</b>	<b>161</b>	<b>(404)</b>	<b>(243)</b>	<b>32</b>	<b>(20)</b>	<b>13</b>	<b>90</b>	<b>(77)</b>	<b>12</b>
<b>Interest expense</b>									
Customer deposits	55	(151)	(96)	3	16	19	24	12	36
Interbank balances/other	11	(43)	(32)	5	(1)	4	7	12	19
<b>Total</b>	<b>65</b>	<b>(194)</b>	<b>(128)</b>	<b>8</b>	<b>15</b>	<b>23</b>	<b>31</b>	<b>24</b>	<b>54</b>
Change in number of days	-	-	-	-	-	10	-	-	-
<b>Net interest income</b>	<b>95</b>	<b>(210)</b>	<b>(115)</b>	<b>25</b>	<b>(35)</b>	<b>(1)</b>	<b>59</b>	<b>(101)</b>	<b>(42)</b>

**9M10 vs 9M09**

Net interest income decreased 4.1% to \$2,667 million as the current low interest rate environment continued to depress asset yields. The unfavourable impact was partly cushioned by increase in interest bearing asset volume. Net interest margin declined 23 basis points to 2.15%.

**3Q10 vs 2Q10**

Net interest income was resilient at \$883 million, whilst net interest margin was lower at 2.07% largely attributed to lower asset yields.

**3Q10 vs 3Q09**

Net interest income declined 4.5% to \$883 million largely due to lower interest margin which more than offset the increase from the expanded asset volume. Consequently, net interest margin was 32 basis points lower.

## Non-Interest Income

	9M10	9M09	+/( -)	3Q10	2Q10	+/( -)	3Q09	+/( -)
	\$m	\$m	%	\$m	\$m	%	\$m	%
<b>Fee and commission income</b>								
Credit card	143	113	26.5	49	49	(0.4)	39	25.3
Fund management	89	95	(6.5)	25	29	(11.4)	41	(38.2)
Investment-related	133	100	32.9	54	41	32.2	43	24.6
Loan-related	219	186	17.4	68	74	(8.4)	60	13.0
Service charges	66	63	4.9	22	22	2.1	21	6.8
Trade-related	154	133	16.1	50	53	(5.4)	46	8.9
Other	50	40	25.8	15	18	(15.4)	14	9.6
	<b>853</b>	<b>729</b>	<b>17.0</b>	<b>284</b>	<b>285</b>	<b>(0.6)</b>	<b>264</b>	<b>7.4</b>
<b>Other non-interest income</b>								
Dividend income	69	37	85.2	41	25	68.7	10	>100.0
Rental income	89	107	(16.6)	29	30	(3.2)	36	(19.2)
Trading income/(loss)	65	59	11.5	27	7	>100.0	(8)	>100.0
Non-trading income/(loss)								
Financial instruments measured at fair value to profit and loss	82	224	(63.6)	44	(18)	>100.0	55	(20.6)
Available-for-sale assets and other	225	138	62.4	103	22	>100.0	6	>100.0
	<b>372</b>	<b>421</b>	<b>(11.8)</b>	<b>173</b>	<b>12</b>	<b>&gt;100.0</b>	<b>53</b>	<b>&gt;100.0</b>
Other income	185	86	>100.0	57	30	90.3	32	76.2
Other operating income	557	508	9.6	230	42	>100.0	85	>100.0
	<b>715</b>	<b>652</b>	<b>9.7</b>	<b>301</b>	<b>96</b>	<b>&gt;100.0</b>	<b>132</b>	<b>&gt;100.0</b>
<b>Total</b>	<b>1,568</b>	<b>1,381</b>	<b>13.5</b>	<b>585</b>	<b>382</b>	<b>53.1</b>	<b>396</b>	<b>47.5</b>

### 9M10 vs 9M09

Non-interest income rose 13.5% to \$1,568 million. Fee and commission income registered a year-on-year robust growth of 17.0%. Increases were registered in investment-related fee income, investment banking activities, as well as trade-related, loan and credit card business across Singapore and the region. Other income was higher mainly due to the gain on sale of UOB Life. These were more than offset trading and investment income which was lower at \$372 million.

### 3Q10 vs 2Q10

Non-interest income grew 53.1% to \$585 million. The increase was mainly from higher trading and investment income. Fee and commission income was stable at \$284 million.

### 3Q10 vs 3Q09

Non-interest income increased 47.5% from 3Q09, largely on higher trading and investment income as well as higher fee and commission income driven by growth in investment-related activities, credit card and loan-related business.

## Operating Expenses

	<b>9M10</b>	9M09	+ / (-)	<b>3Q10</b>	2Q10	+ / (-)	3Q09	+ / (-)
	<b>\$m</b>	\$m	%	<b>\$m</b>	\$m	%	\$m	%
<b>Staff costs</b>	<b>912</b>	808	12.9	<b>308</b>	302	1.8	272	13.2
<b>Other operating expenses</b>								
Revenue-related	<b>346</b>	360	(4.0)	<b>120</b>	114	5.8	126	(4.3)
Occupancy-related	<b>162</b>	153	6.0	<b>55</b>	54	2.5	50	9.8
IT-related	<b>132</b>	116	13.8	<b>41</b>	40	3.6	40	3.2
Other	<b>86</b>	84	2.4	<b>30</b>	30	1.2	21	42.2
	<b>726</b>	713	1.8	<b>247</b>	238	4.1	238	4.1
<b>Total</b>	<b>1,638</b>	1,521	7.7	<b>555</b>	540	2.8	510	9.0
Of which, depreciation of assets	<b>103</b>	101	1.6	<b>34</b>	34	0.2	34	(0.3)
Manpower (number)	<b>21,080</b>	21,399	(319)	<b>21,080</b>	20,551	529	21,399	(319)

### 9M10 vs 9M09

Total operating expenses increased 7.7% to \$1,638 million in 9M10 due to continued investments in staff and technology. Expense-to-income ratio increased 2.2% points to 38.7%.

### 3Q10 vs 2Q10

Total operating expenses increased 2.8% to \$555 million in 3Q10, with expense-to-income ratio improving 4.9% points to 37.8%.

### 3Q10 vs 3Q09

Total operating expenses increased 9.0% from 3Q09 largely on higher staff costs.

## Impairment Charges

	<b>9M10</b>	9M09	+ / (-)	<b>3Q10</b>	2Q10	+ / (-)	3Q09	+ / (-)
	<b>\$m</b>	\$m	%	<b>\$m</b>	\$m	%	\$m	%
<b>Individual impairment on loans <sup>1</sup></b>								
Singapore	<b>(17)</b>	249	(>100.0)	<b>10</b>	(16)	>100.0	99	(89.4)
Malaysia	<b>5</b>	59	(90.9)	<b>1</b>	(10)	>100.0	11	(86.8)
Thailand	<b>24</b>	42	(42.3)	<b>7</b>	4	>100.0	17	(57.4)
Indonesia	<b>11</b>	15	(22.1)	<b>2</b>	6	(59.8)	5	(57.3)
Greater China <sup>2</sup>	<b>2</b>	8	(80.9)	<b>0</b>	2	(91.2)	3	(93.8)
Other	<b>36</b>	105	(65.5)	<b>22</b>	23	(4.3)	22	0.5
	<b>62</b>	477	(87.1)	<b>44</b>	8	>100.0	157	(72.2)
<b>Individual impairment on securities and other assets</b>	<b>18</b>	34	(47.5)	<b>10</b>	(14)	>100.0	8	30.8
<b>Collective impairment</b>	<b>214</b>	565	(62.1)	<b>80</b>	57	40.2	70	15.0
<b>Total</b>	<b>294</b>	1,077	(72.7)	<b>134</b>	52	>100.0	235	(42.9)

### 9M10 vs 9M09

Impairment charges decreased 72.7% to \$294 million in 9M10. The decrease was mainly due to lower individual and collective impairment charges for all asset classes due to improved asset quality following the economic recovery.

### 3Q10 vs 2Q10

Impairment charges were higher at \$134 million in 3Q10 mainly due to higher individual impairment on loans and higher collective impairment set aside for an expanded loan base.

### 3Q10 vs 3Q09

Impairment charges decreased 42.9% from 3Q09 mainly due to lower 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

	Sep-10	Jun-10	Dec-09	Sep-09
	\$m	\$m	\$m	\$m
Gross customer loans	<b>109,716</b>	106,339	101,744	100,923
Less: Individual impairment	<b>900</b>	909	973	1,000
Collective impairment	<b>1,716</b>	1,671	1,570	1,587
Net customer loans	<b>107,100</b>	103,759	99,201	98,337
<b>By industry</b>				
Transport, storage and communication	<b>6,072</b>	6,017	6,301	6,478
Building and construction	<b>12,208</b>	11,862	11,718	11,661
Manufacturing	<b>8,437</b>	8,425	8,794	8,968
Financial institutions	<b>15,532</b>	14,574	14,741	15,285
General commerce	<b>14,271</b>	14,096	12,770	12,163
Professionals and private individuals	<b>14,289</b>	13,922	13,346	13,098
Housing loans	<b>32,021</b>	30,488	27,444	26,500
Other	<b>6,887</b>	6,955	6,630	6,769
Total (gross)	<b>109,716</b>	106,339	101,744	100,923
<b>By currency</b>				
Singapore dollar	<b>63,715</b>	60,943	59,978	59,369
US dollar	<b>13,388</b>	13,946	12,813	12,903
Malaysian ringgit	<b>13,617</b>	12,902	11,414	11,083
Thai baht	<b>6,340</b>	6,188	5,944	5,907
Indonesian rupiah	<b>3,104</b>	3,167	2,890	2,729
Other	<b>9,551</b>	9,193	8,705	8,933
Total (gross)	<b>109,716</b>	106,339	101,744	100,923
<b>By maturity</b>				
Within 1 year	<b>40,679</b>	40,524	37,772	36,957
Over 1 year but within 3 years	<b>20,886</b>	20,019	21,087	21,655
Over 3 years but within 5 years	<b>11,993</b>	11,347	10,615	10,829
Over 5 years	<b>36,158</b>	34,449	32,270	31,482
Total (gross)	<b>109,716</b>	106,339	101,744	100,923
<b>By geography <sup>1</sup></b>				
Singapore	<b>71,938</b>	69,170	67,350	66,839
Malaysia	<b>14,425</b>	13,716	12,120	11,709
Thailand	<b>6,473</b>	6,352	6,077	6,022
Indonesia	<b>3,779</b>	3,842	3,499	3,353
Greater China	<b>4,515</b>	4,795	4,011	3,710
Other	<b>8,586</b>	8,464	8,688	9,291
Total (gross)	<b>109,716</b>	106,339	101,744	100,923

Net customer loans grew 3.2% for the quarter to \$107.1 billion as at 30 September 2010, bringing the Group's year-to-date loan growth to 8.0%. The growth in the quarter was driven by housing loans and loans to non-bank financial institutions.

### Note:

<sup>1</sup> Based on the location where the loans are booked.

## Non-Performing Assets

	Sep-10	Jun-10	Dec-09	Sep-09
	\$m	\$m	\$m	\$m
Loans ("NPL")	2,120	2,075	2,260	2,483
Debt securities	409	418	462	254
Non-Performing Assets ("NPA")	<b>2,529</b>	<b>2,493</b>	<b>2,722</b>	<b>2,737</b>

### By grading

Substandard	1,432	1,434	1,623	1,596
Doubtful	471	429	519	592
Loss	626	630	580	549
Total	<b>2,529</b>	<b>2,493</b>	<b>2,722</b>	<b>2,737</b>

### By security coverage

Secured	1,076	1,097	1,180	1,227
Unsecured	1,453	1,396	1,542	1,510
Total	<b>2,529</b>	<b>2,493</b>	<b>2,722</b>	<b>2,737</b>

### By ageing

Current	445	404	351	652
Within 90 days	214	228	489	385
Over 90 to 180 days	232	244	333	425
Over 180 days	1,638	1,617	1,549	1,275
Total	<b>2,529</b>	<b>2,493</b>	<b>2,722</b>	<b>2,737</b>

### Cumulative impairment

Individual	1,117	1,123	1,200	1,186
Collective	1,875	1,802	1,657	1,715
Total	<b>2,992</b>	<b>2,925</b>	<b>2,857</b>	<b>2,901</b>
As a % of NPA	<b>118.3%</b>	117.3%	105.0%	106.0%
As a % of unsecured NPA	<b>205.9%</b>	209.5%	185.3%	192.1%

	NPL	NPL	NPL	NPL	NPL	NPL	NPL
	ratio	ratio	ratio	ratio	ratio	ratio	ratio
	\$m	%	\$m	%	\$m	%	\$m
<b>NPL by industry</b>							
Transport, storage and communication	138	2.3	79	1.3	78	1.2	43
Building and construction	160	1.1	166	1.2	208	1.6	217
Manufacturing	590	7.0	611	7.2	678	7.6	688
Financial institutions	197	1.3	186	1.3	206	1.4	382
General commerce	384	2.6	363	2.5	385	2.9	391
Professionals and private individuals	202	1.4	207	1.5	228	1.7	239
Housing loans	275	0.9	288	0.9	310	1.1	315
Other	174	2.4	175	2.3	167	2.3	208
Total	<b>2,120</b>	<b>1.9</b>	<b>2,075</b>	<b>1.9</b>	<b>2,260</b>	<b>2.2</b>	<b>2,483</b>

### Note:

1 Debt securities and contingent assets are excluded from the computation.

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

	NPL \$m	NPL ratio <sup>1</sup> %	Total cumulative impairment	
			as a % of NPL %	as a % of unsecured NPL %
<b>NPL by geography<sup>2</sup></b>				
Singapore				
<b>Sep 10</b>	<b>816</b>	<b>1.1</b>	<b>214.8</b>	<b>370.6</b>
Jun 10	804	1.2	215.2	345.3
Dec 09	923	1.4	185.5	299.8
Sep 09	894	1.3	189.5	344.3
Malaysia				
<b>Sep 10</b>	<b>402</b>	<b>2.8</b>	<b>86.3</b>	<b>237.7</b>
Jun 10	418	3.0	78.9	237.4
Dec 09	435	3.5	68.3	225.0
Sep 09	483	4.1	60.7	162.8
Thailand				
<b>Sep 10</b>	<b>415</b>	<b>5.8</b>	<b>71.3</b>	<b>124.9</b>
Jun 10	413	5.9	70.7	123.7
Dec 09	409	6.1	69.9	120.7
Sep 09	416	6.3	67.3	107.7
Indonesia				
<b>Sep 10</b>	<b>91</b>	<b>2.4</b>	<b>64.8</b>	<b>983.3</b>
Jun 10	99	2.6	66.7	314.3
Dec 09	106	3.0	63.2	304.5
Sep 09	107	3.2	60.7	309.5
Greater China				
<b>Sep 10</b>	<b>78</b>	<b>1.7</b>	<b>84.6</b>	<b>244.4</b>
Jun 10	83	1.7	84.3	233.3
Dec 09	105	2.6	83.8	220.0
Sep 09	111	3.0	73.0	188.4
Other				
<b>Sep 10</b>	<b>318</b>	<b>3.7</b>	<b>29.9</b>	<b>42.2</b>
Jun 10	258	3.0	35.7	76.7
Dec 09	282	3.2	33.0	78.2
Sep 09	472	5.0	36.9	57.8
Group NPL				
<b>Sep 10</b>	<b>2,120</b>	<b>1.9</b>	<b>123.4</b>	<b>234.8</b>
Jun 10	2,075	1.9	124.3	246.4
Dec 09	2,260	2.2	112.5	226.9
Sep 09	2,483	2.4	104.2	199.5

Group NPL increased 2.2% from last quarter to \$2,120 million as at 30 September 2010, while NPL ratio remained low at 1.9%. Compared to a year ago, Group NPL was lower across all territories.

**Notes:**

1 Debt securities and contingent assets are excluded from the computations.

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

## Customer Deposits

	<b>Sep-10</b>	Jun-10	Dec-09	Sep-09
	<b>\$m</b>	\$m	\$m	\$m
<b>By product group</b>				
Fixed deposits	<b>69,292</b>	67,289	64,343	63,338
Savings deposits	<b>34,102</b>	31,548	30,121	29,159
Current accounts	<b>26,269</b>	24,655	25,200	22,824
Other	<b>2,819</b>	2,231	1,838	1,140
<b>Total</b>	<b>132,483</b>	125,722	121,502	116,462
<b>By maturity</b>				
Within 1 year	<b>128,979</b>	122,412	117,602	112,605
Over 1 year but within 3 years	<b>2,135</b>	2,045	2,795	2,706
Over 3 years but within 5 years	<b>1,206</b>	871	738	774
Over 5 years	<b>163</b>	393	367	376
<b>Total</b>	<b>132,483</b>	125,722	121,502	116,462
Loans/Deposits ratio (%)	<b>81.1</b>	82.5	81.6	84.4

Customer deposits increased 5.4% from last quarter and 13.8% from a year ago to \$132.5 billion as at 30 September 2010. The growth came from Singapore and the regional countries.

## Debts Issued

	<b>Sep-10</b>	Jun-10	Dec-09	Sep-09
	<b>\$m</b>	\$m	\$m	\$m
<b>Subordinated debts</b>				
Due after one year (unsecured)	<b>5,524</b>	5,660	5,354	5,405
<b>Other debts issued</b>				
Due within one year (unsecured)	<b>545</b>	423	576	595
Due after one year (unsecured)	<b>226</b>	218	114	120
	<b>771</b>	641	690	716
<b>Total</b>	<b>6,296</b>	6,301	6,044	6,121



### Shareholders' Equity

	<b>Sep-10</b>	Jun-10	Dec-09	Sep-09
	<b>\$m</b>	\$m	\$m	\$m
Shareholders' equity	<b>20,814</b>	20,296	18,986	18,215
Add: Revaluation surplus	<b>2,458</b>	2,457	2,394	2,640
Shareholders' equity including revaluation surplus	<b>23,273</b>	22,753	21,380	20,855

Shareholders' equity increased 2.6% over 30 June 2010 to \$20.8 billion as at 30 September 2010. The increase was mainly due to profit for the quarter and improved valuation of the investment portfolio.

Compared to a year ago, shareholders' equity grew 14.3% largely attributed to higher retained earnings as well as improved valuation of the investment portfolio.

As at 30 September 2010, revaluation surplus of \$2.5 billion on the Group's properties was not recognised in the financial statements.

### Changes in Issued Shares of the Bank

	<b>Number of shares</b>			
	<b>9M10</b>	9M09	<b>3Q10</b>	3Q09
	<b>'000</b>	'000	<b>'000</b>	'000
<b>Ordinary shares</b>				
Balance at beginning of period	<b>1,524,194</b>	1,523,931	<b>1,548,546</b>	1,523,931
Shares issued under scrip dividend scheme	<b>24,352</b>	-	-	-
Exercise of share options granted under the UOB 1999 Share Option Scheme	-	153	-	153
Balance at end of period	<b>1,548,546</b>	1,524,084	<b>1,548,546</b>	1,524,084
<b>Treasury shares</b>				
Balance at beginning/end of period	<b>(18,175)</b>	(18,320)	<b>(18,175)</b>	(18,320)
Ordinary shares net of treasury shares	<b>1,530,371</b>	1,505,764	<b>1,530,371</b>	1,505,764
<b>Preference shares</b>				
Class E non-cumulative non-convertible preference shares at beginning/end of period	<b>13,200</b>	13,200	<b>13,200</b>	13,200

As at 30 September 2010, there were no outstanding and exercisable options (30 September 2009: 114,000) that would render new shares to be issued.

## **Performance by Operating Segment**

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

### **Group Retail ("GR")**

GR segment covers Consumer, Privilege and Business Banking. Consumer Banking serves the individual customers, while Business Banking serves small enterprises with a wide range of products and services, including deposits, loans, investments, credit and debit cards and insurance 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.

Segment profit increased 10.1% to \$752 million in 9M10. The increase was mainly due to higher fee and commission income from investment products, credit cards and loan-related fees, coupled with lower impairment charges. These were partly negated by higher operating expenses.

### **Group Institutional Financial Services ("GIFS")**

GIFS segment encompasses Commercial Banking, Corporate Banking, Corporate Finance, Debt Capital Markets and Private Banking. Commercial Banking serves the medium and large enterprises, while Corporate Banking serves large local corporations, government-linked companies and agencies. Both Commercial Banking and Corporate Banking provide customers with a broad range of products and services that include current accounts, deposits, lending, asset finance, ship 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. Private Banking caters to the high net worth individuals and accredited investors, offering financial and portfolio planning, including investment management, asset management and estate planning.

Segment profit increased 51.7% to \$995 million in 9M10. The increase was largely due to lower impairment charges.

### **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 decreased 45.9% to \$518 million in 9M10. The decline was mainly attributed to lower income from trading and investment activities, partially offset by higher income from treasury sales.

### **Other**

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

The segment recorded a profit of \$131 million in 9M10 compared to a loss of \$651 million in 9M09. This was mainly contributed by the gain on sale of UOB Life, higher realised gain on investment securities and lower collective impairment.

**Performance by Operating Segment**<sup>1</sup> (cont'd)

	GR	GIFS	GMIM	Other	Elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m
<b>9M10</b>						
Operating income	1,627	1,403	745	544	(83)	4,236
Operating expenses	(832)	(347)	(267)	(275)	83	(1,638)
Impairment charges	(41)	(55)	38	(236)	-	(294)
Amortisation of intangible assets	(2)	(6)	-	-	-	(8)
Share of profit of associates	-	-	2	99	-	101
<b>Profit before tax</b>	<b>752</b>	<b>995</b>	<b>518</b>	<b>131</b>	<b>-</b>	<b>2,396</b>
<b>Segment assets</b>	<b>49,454</b>	<b>61,262</b>	<b>82,885</b>	<b>4,622</b>	<b>(1,198)</b>	<b>197,025</b>
Intangible assets	1,179	2,293	667	80	-	4,219
Investment in associates	-	-	22	1,179	-	1,201
<b>Total assets</b>	<b>50,633</b>	<b>63,555</b>	<b>83,574</b>	<b>5,881</b>	<b>(1,198)</b>	<b>202,445</b>
<b>Segment liabilities</b>	<b>67,014</b>	<b>60,635</b>	<b>46,119</b>	<b>8,886</b>	<b>(1,198)</b>	<b>181,456</b>
<b>Other information</b>						
Inter-segment operating income	112	(74)	(171)	216	(83)	-
Gross customer loans	49,190	60,030	421	75	-	109,716
Non-performing assets	595	1,618	191	125	-	2,529
Capital expenditure	10	1	1	47	-	59
Depreciation of assets	13	4	2	84	-	103
<b>9M09</b>						
Operating income	1,502	1,344	1,193	216	(92)	4,163
Operating expenses	(718)	(292)	(230)	(373)	92	(1,521)
Impairment charges	(99)	(390)	(13)	(575)	-	(1,077)
Amortisation of intangible assets	(2)	(6)	-	-	-	(8)
Share of profit of associates	-	-	7	80	-	87
<b>Profit before tax</b>	<b>683</b>	<b>656</b>	<b>957</b>	<b>(651)</b>	<b>-</b>	<b>1,645</b>
<b>Segment assets</b>	<b>41,450</b>	<b>59,844</b>	<b>67,017</b>	<b>5,176</b>	<b>(2,871)</b>	<b>170,616</b>
Intangible assets	1,182	2,299	667	80	-	4,228
Investment in associates	-	-	23	1,155	-	1,178
<b>Total assets</b>	<b>42,632</b>	<b>62,143</b>	<b>67,707</b>	<b>6,411</b>	<b>(2,871)</b>	<b>176,022</b>
<b>Segment liabilities</b>	<b>60,319</b>	<b>55,226</b>	<b>36,068</b>	<b>8,901</b>	<b>(2,871)</b>	<b>157,643</b>
<b>Other information</b>						
Inter-segment operating income	214	(278)	(10)	166	(92)	-
Gross customer loans	41,141	59,437	266	79	-	100,923
Non-performing assets	626	1,857	86	168	-	2,737
Capital expenditure	11	2	1	97	-	111
Depreciation of assets	13	5	2	81	-	101

**Notes:**

- 1 Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.
- 2 Certain prior period comparatives have been restated to reflect the re-alignment of the organisation to be more segment focused.

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

	<b>9M10</b>	9M09	<b>3Q10</b>	2Q10	3Q09
	<b>\$m</b>	\$m	<b>\$m</b>	\$m	\$m
<b>Total operating income</b>					
Singapore	<b>2,695</b>	2,728	<b>942</b>	774	849
Malaysia	<b>528</b>	430	<b>180</b>	172	134
Thailand	<b>306</b>	315	<b>102</b>	96	105
Indonesia	<b>290</b>	272	<b>98</b>	95	91
Greater China	<b>159</b>	161	<b>63</b>	49	54
Other	<b>257</b>	257	<b>83</b>	80	88
<b>Total</b>	<b>4,236</b>	4,163	<b>1,468</b>	1,266	1,322
<b>Profit before tax</b>					
Singapore	<b>1,662</b>	1,057	<b>562</b>	494	421
Malaysia	<b>318</b>	227	<b>104</b>	116	76
Thailand	<b>68</b>	64	<b>20</b>	22	17
Indonesia	<b>126</b>	118	<b>46</b>	34	34
Greater China	<b>80</b>	80	<b>36</b>	20	29
Other	<b>152</b>	106	<b>38</b>	35	45
	<b>2,405</b>	1,653	<b>807</b>	721	622
Intangible assets amortised	<b>(8)</b>	(8)	<b>(3)</b>	(3)	(3)
<b>Total</b>	<b>2,396</b>	1,645	<b>804</b>	719	620

Group's pre-tax profit grew 45.7% to \$2,396 million in 9M10. The increase was broad based across territories. Singapore's higher pre-tax profit was mainly due to lower impairment charges whilst overseas contribution came largely from Malaysia's better operating performance, coupled with lower impairment charges.

	<b>Sep-10</b>	Jun-10	Dec-09	Sep-09
	<b>\$m</b>	\$m	\$m	\$m
<b>Total assets</b>				
Singapore	<b>137,389</b>	129,582	121,190	117,948
Malaysia	<b>20,614</b>	18,383	17,776	16,501
Thailand	<b>10,211</b>	9,429	9,509	8,621
Indonesia	<b>5,050</b>	5,068	4,920	4,675
Greater China	<b>9,701</b>	8,720	7,132	6,376
Other	<b>15,262</b>	15,787	20,822	17,674
	<b>198,226</b>	186,970	181,349	171,795
Intangible assets	<b>4,219</b>	4,230	4,229	4,228
<b>Total</b>	<b>202,445</b>	191,200	185,578	176,022

**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.

**Capital Adequacy Ratios**

	<b>Sep-10</b>	Jun-10	Dec-09	Sep-09
	\$m	\$m	\$m	\$m
<b>Tier 1 capital</b>				
Share capital	2,319	2,319	1,902	1,898
Preference shares	2,149	2,149	2,149	2,149
Disclosed reserves/other	15,878	15,656	15,189	14,672
Deductions from Tier 1 capital	<b>(4,786)</b>	(4,800)	(5,113)	(5,108)
<b>Eligible Tier 1 capital</b>	<b>15,560</b>	15,324	14,127	13,611
<b>Tier 2 capital</b>				
Cumulative collective impairment/other	964	873	912	881
Subordinated notes	4,461	4,549	4,767	4,811
Deductions from Tier 2 capital	<b>(448)</b>	(451)	(623)	(620)
<b>Eligible total capital</b>	<b>20,537</b>	20,295	19,183	18,683
<b>Risk-weighted assets</b>	<b>103,269</b>	101,174	100,908	101,130
<b>Capital adequacy ratios ("CAR")</b>				
Tier 1	<b>15.1%</b>	15.1%	14.0%	13.5%
Total	<b>19.9%</b>	20.1%	19.0%	18.5%

As at 30 September 2010, Group Tier 1 and total CAR of 15.1% and 19.9% were well above the minimum 6% and 10% required by MAS respectively.

The higher CAR over 30 September 2009 was mainly due to higher retained earnings, partially offset by higher risk-weighted assets.

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

	<b>9M10</b>	9M09	+ / (-)	<b>3Q10</b>	2Q10	+ / (-)	3Q09	+ / (-)
	<b>\$m</b>	\$m	%	<b>\$m</b>	\$m	%	\$m	%
Interest income	<b>3,712</b>	3,955	(6.1)	<b>1,257</b>	1,231	2.1	1,245	1.0
Less: Interest expense	<b>1,045</b>	1,173	(10.9)	<b>374</b>	347	7.8	320	17.0
<b>Net interest income</b>	<b>2,667</b>	2,782	(4.1)	<b>883</b>	884	(0.1)	925	(4.5)
Fee and commission income	<b>853</b>	729	17.0	<b>284</b>	285	(0.6)	264	7.4
Dividend income	<b>69</b>	37	85.2	<b>41</b>	25	68.7	10	>100.0
Rental income	<b>89</b>	107	(16.6)	<b>29</b>	30	(3.2)	36	(19.2)
Other operating income	<b>557</b>	508	9.6	<b>230</b>	42	>100.0	85	>100.0
<b>Non-interest income</b>	<b>1,568</b>	1,381	13.5	<b>585</b>	382	53.1	396	47.5
<b>Total operating income</b>	<b>4,236</b>	4,163	1.7	<b>1,468</b>	1,266	16.0	1,322	11.1
Less: Staff costs	<b>912</b>	808	12.9	<b>308</b>	302	1.8	272	13.2
Other operating expenses	<b>726</b>	713	1.8	<b>247</b>	238	4.1	238	4.1
<b>Total operating expenses</b>	<b>1,638</b>	1,521	7.7	<b>555</b>	540	2.8	510	9.0
<b>Operating profit before charges</b>	<b>2,598</b>	2,643	(1.7)	<b>912</b>	725	25.8	812	12.4
Less: Amortisation/impairment charges								
Intangible assets	<b>8</b>	8	9.3	<b>3</b>	3	(1.8)	3	3.6
Loans and other assets	<b>294</b>	1,077	(72.7)	<b>134</b>	52	>100.0	235	(42.9)
<b>Operating profit after charges</b>	<b>2,295</b>	1,558	47.3	<b>776</b>	671	15.6	574	35.0
Share of profit of associates	<b>101</b>	87	16.1	<b>29</b>	48	(40.1)	46	(37.4)
<b>Profit before tax</b>	<b>2,396</b>	1,645	45.7	<b>804</b>	719	11.9	620	29.7
Less: Tax	<b>391</b>	251	55.8	<b>111</b>	113	(1.4)	116	(3.9)
<b>Profit for the financial period</b>	<b>2,006</b>	1,394	43.8	<b>693</b>	606	14.4	504	37.5
Attributable to:								
<b>Equity holders of the Bank</b>	<b>1,990</b>	1,380	44.2	<b>688</b>	602	14.3	500	37.5
Minority interests	<b>15</b>	14	7.0	<b>5</b>	4	20.6	4	26.4
	<b>2,006</b>	1,394	43.8	<b>693</b>	606	14.4	504	37.5

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

	<b>9M10</b>	9M09	+ / (-)	<b>3Q10</b>	2Q10	+ / (-)	3Q09	+ / (-)
	<b>\$m</b>	\$m	%	<b>\$m</b>	\$m	%	\$m	%
<b>Profit for the financial period</b>	<b>2,006</b>	1,394	43.8	<b>693</b>	606	14.4	504	37.5
Currency translation adjustments	<b>6</b>	98	(94.1)	<b>(145)</b>	(1)	(>100.0)	(22)	(>100.0)
Change in available-for-sale reserve								
Change in fair value	<b>456</b>	1,982	(77.0)	<b>391</b>	(74)	>100.0	664	(41.0)
Transfer to profit and loss account on disposal/impairment	<b>1</b>	356	(99.7)	<b>(38)</b>	28	(>100.0)	23	(>100.0)
Tax on net movement	<b>(43)</b>	(254)	83.2	<b>(26)</b>	8	(>100.0)	(68)	61.3
Change in share of other comprehensive income of associates	<b>(10)</b>	78	(>100.0)	<b>(1)</b>	(6)	83.9	34	(>100.0)
<b>Other comprehensive income for the financial period</b>	<b>410</b>	2,261	(81.9)	<b>181</b>	(45)	>100.0	630	(71.3)
<b>Total comprehensive income for the financial period</b>	<b>2,416</b>	3,655	(33.9)	<b>874</b>	560	56.0	1,134	(23.0)
Attributable to:								
<b>Equity holders of the Bank</b>	<b>2,400</b>	3,631	(33.9)	<b>868</b>	558	55.4	1,126	(23.0)
Minority interests	<b>16</b>	24	(34.1)	<b>6</b>	2	>100.0	8	(23.4)
	<b>2,416</b>	3,655	(33.9)	<b>874</b>	560	56.0	1,134	(23.0)

**Consolidated Balance Sheet (Unaudited)**

	Sep-10	Jun-10	Dec-09 <sup>1</sup>	Sep-09
	\$m	\$m	\$m	\$m
<b>Equity</b>				
Share capital	4,468	4,468	4,051	4,047
Retained earnings	7,311	6,971	6,324	6,144
Other reserves	9,036	8,857	8,611	8,025
Equity attributable to equity holders of the Bank	<b>20,814</b>	20,296	18,986	18,215
Minority interests	175	171	169	164
Total	<b>20,990</b>	20,467	19,155	18,380
<b>Liabilities</b>				
Deposits and balances of banks	29,860	27,483	27,751	23,928
Deposits and balances of non-bank customers	132,483	125,722	121,502	116,462
Bills and drafts payable	1,561	1,226	1,438	1,340
Other liabilities	11,255	10,002	9,688	9,792
Debts issued	6,296	6,301	6,044	6,121
Total	<b>181,456</b>	170,733	166,423	157,643
<b>Total equity and liabilities</b>	<b>202,445</b>	191,200	185,578	176,022
<b>Assets</b>				
Cash, balances and placements with central banks	25,721	21,222	18,865	11,636
Singapore Government treasury bills and securities	10,719	11,603	12,787	13,685
Other government treasury bills and securities	6,060	6,899	7,704	5,078
Trading securities	118	90	118	131
Placements and balances with banks	19,229	15,948	14,116	13,577
Loans to non-bank customers	107,100	103,759	99,201	98,337
Investment securities	16,040	15,342	16,177	16,569
Other assets	9,898	8,755	8,994	9,428
Investment in associates	1,201	1,188	1,212	1,178
Investment properties	1,121	1,130	1,134	1,074
Fixed assets	1,020	1,035	1,040	1,103
Intangible assets	4,219	4,230	4,229	4,228
Total	<b>202,445</b>	191,200	185,578	176,022
<b>Off-balance sheet items</b>				
Contingent liabilities	13,826	13,581	12,388	12,026
Financial derivatives	295,176	284,864	269,080	309,328
Commitments	47,299	53,952	47,278	53,937
<b>Net asset value per ordinary share (\$)</b>	<b>12.19</b>	11.85	11.17	10.67

**Note:**

1 Audited.



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

	Attributable to equity holders of the Bank			Total	Minority interests	Total equity
	Share capital	Retained earnings	Other reserves			
	\$m	\$m	\$m			
Balance at 1 January 2010	4,051	6,324	8,611	18,986	169	19,155
Profit for the financial period	-	1,990	-	1,990	15	2,006
Other comprehensive income for the financial period	-	-	410	410	0	410
Total comprehensive income for the financial period	-	1,990	410	2,400	16	2,416
Transfers	-	2	(2)	-	-	-
Change in minority interests	-	-	0	0	(2)	(2)
Dividends	-	(1,005)	-	(1,005)	(7)	(1,012)
Issue of shares under scrip dividend scheme	417	-	-	417	-	417
Share-based compensation	-	-	16	16	-	16
Balance at 30 September 2010	4,468	7,311	9,036	20,814	175	20,990
Balance at 1 January 2009	4,045	5,724	5,804	15,573	146	15,719
Profit for the financial period	-	1,380	-	1,380	14	1,394
Other comprehensive income for the financial period	-	-	2,251	2,251	9	2,261
Total comprehensive income for the financial period	-	1,380	2,251	3,631	24	3,655
Transfers	-	41	(41)	-	-	-
Change in minority interests	-	-	0	0	(0)	(0)
Dividends	-	(1,002)	-	(1,002)	(5)	(1,007)
Share-based compensation	-	-	11	11	-	11
Issue of shares under share option scheme	2	-	-	2	-	2
Balance at 30 September 2009	4,047	6,144	8,025	18,215	164	18,380

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

	Attributable to equity holders of the Bank			Total	Minority interests	Total equity
	Share capital	Retained earnings	Other reserves			
	\$m	\$m	\$m			
Balance at 1 July 2010	4,468	6,971	8,857	20,296	171	20,467
Profit for the financial period	-	688	-	688	5	693
Other comprehensive income for the financial period	-	-	180	180	1	181
Total comprehensive income for the financial period	-	688	180	868	6	874
Transfers	-	1	(1)	-	-	-
Change in minority interests	-	-	-	-	(0)	(0)
Dividends	-	(349)	-	(349)	(2)	(351)
Share-based compensation	-	-	(0)	(0)	-	(0)
Balance at 30 September 2010	4,468	7,311	9,036	20,814	175	20,990
Balance at 1 July 2009	4,045	5,980	7,407	17,431	159	17,590
Profit for the financial period	-	500	-	500	4	504
Other comprehensive income for the financial period	-	-	626	626	4	630
Total comprehensive income for the financial period	-	500	626	1,126	8	1,134
Transfers	-	9	(9)	-	-	-
Change in minority interests	-	-	0	0	(0)	(0)
Dividends	-	(345)	-	(345)	(2)	(347)
Share-based compensation	-	-	0	0	-	0
Issue of shares under share option scheme	2	-	-	2	-	2
Balance at 30 September 2009	4,047	6,144	8,025	18,215	164	18,380

**Consolidated Cash Flow Statement (Unaudited)**

	<b>9M10</b>	<b>9M09</b>	<b>3Q10</b>	<b>3Q09</b>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
<b>Cash flows from operating activities</b>				
Operating profit before amortisation and impairment charges	<b>2,598</b>	2,643	<b>912</b>	812
Adjustments for:				
Depreciation of assets	<b>103</b>	101	<b>34</b>	34
Net (gain)/loss on disposal of assets	<b>(171)</b>	(36)	<b>(50)</b>	8
Share-based compensation	<b>16</b>	11	<b>(0)</b>	0
Operating profit before working capital changes	<b>2,546</b>	2,718	<b>896</b>	855
Increase/(decrease) in working capital				
Deposits	<b>13,090</b>	(6,233)	<b>9,139</b>	(1,816)
Bills and drafts payable	<b>124</b>	(209)	<b>336</b>	213
Other liabilities	<b>1,263</b>	(2,995)	<b>968</b>	(660)
Trading securities	<b>0</b>	8	<b>(28)</b>	(10)
Placements and balances with banks	<b>(5,115)</b>	1,619	<b>(3,281)</b>	(753)
Loans to non-bank customers	<b>(8,100)</b>	834	<b>(3,435)</b>	(782)
Other assets	<b>(1,219)</b>	3,363	<b>(1,156)</b>	270
Cash generated from/(used in) operations	<b>2,588</b>	(893)	<b>3,439</b>	(2,684)
Income tax paid	<b>(412)</b>	(363)	<b>(130)</b>	(122)
Net cash provided by/(used in) operating activities	<b>2,177</b>	(1,256)	<b>3,309</b>	(2,805)
<b>Cash flows from investing activities</b>				
Net cash flow on disposal/(acquisition) of:				
Investment securities and associates	<b>525</b>	1,211	<b>(364)</b>	510
Properties and other fixed assets	<b>(66)</b>	(175)	<b>(11)</b>	(15)
Proceeds from disposal of subsidiaries	<b>462</b>	-	<b>36</b>	-
Change in minority interests	<b>(2)</b>	(0)	<b>(0)</b>	(0)
Dividends received from associates	<b>92</b>	54	<b>9</b>	5
Net cash provided by/(used in) investing activities	<b>1,011</b>	1,090	<b>(331)</b>	501
<b>Cash flows from financing activities</b>				
Proceeds from issue of ordinary shares	<b>-</b>	2	<b>-</b>	2
Net increase/(decrease) in debts issued	<b>252</b>	(125)	<b>(5)</b>	19
Dividends paid on ordinary shares	<b>(185)</b>	(903)	<b>-</b>	(301)
Dividends paid on preference shares	<b>(106)</b>	(109)	<b>(53)</b>	(54)
Dividends paid to minority interests	<b>(7)</b>	(5)	<b>(2)</b>	(2)
Net cash used in financing activities	<b>(47)</b>	(1,141)	<b>(60)</b>	(336)
Currency translation adjustments	<b>3</b>	106	<b>(143)</b>	(21)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,144</b>	(1,201)	<b>2,776</b>	(2,662)
Cash and cash equivalents at beginning of the financial period	<b>39,356</b>	31,600	<b>39,724</b>	33,061
<b>Cash and cash equivalents at end of the financial period</b>	<b>42,500</b>	30,398	<b>42,500</b>	30,398
Represented by:				
Cash, balances and placements with central banks	<b>25,721</b>	11,636	<b>25,721</b>	11,636
Singapore Government treasury bills and securities	<b>10,719</b>	13,685	<b>10,719</b>	13,685
Other government treasury bills and securities	<b>6,060</b>	5,078	<b>6,060</b>	5,078
<b>Cash and cash equivalents at end of the financial period</b>	<b>42,500</b>	30,398	<b>42,500</b>	30,398

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

	Sep-10	Jun-10	Dec-09 <sup>1</sup>	Sep-09
	\$m	\$m	\$m	\$m
<b>Equity</b>				
Share capital	3,636	3,636	3,220	3,215
Retained earnings	6,099	5,909	5,337	5,234
Other reserves	8,567	8,268	8,136	7,634
<b>Total</b>	<b>18,303</b>	<b>17,813</b>	<b>16,693</b>	<b>16,083</b>
<b>Liabilities</b>				
Deposits and balances of banks	28,016	26,265	26,482	22,920
Deposits and balances of non-bank customers	104,852	99,867	95,930	92,731
Deposits and balances of subsidiaries	2,439	2,233	2,513	2,916
Bills and drafts payable	378	380	166	292
Other liabilities	9,165	7,985	7,937	8,039
Debts issued	6,311	6,476	6,324	6,396
<b>Total</b>	<b>151,161</b>	<b>143,206</b>	<b>139,352</b>	<b>133,295</b>
<b>Total equity and liabilities</b>	<b>169,464</b>	<b>161,020</b>	<b>156,046</b>	<b>149,378</b>
<b>Assets</b>				
Cash, balances and placements with central banks	19,941	17,898	12,935	7,560
Singapore Government treasury bills and securities	10,599	11,477	12,724	13,637
Other government treasury bills and securities	2,904	3,809	4,694	2,459
Trading securities	114	90	114	130
Placements and balances with banks	16,542	13,466	12,821	12,314
Loans to non-bank customers	81,744	79,049	76,600	76,262
Placements with and advances to subsidiaries	4,060	3,186	2,578	2,387
Investment securities	14,569	14,055	15,169	15,578
Other assets	8,516	7,499	7,384	7,949
Investment in associates	371	371	371	371
Investment in subsidiaries	4,759	4,764	5,278	5,346
Investment properties	1,414	1,400	1,424	1,271
Fixed assets	749	773	771	934
Intangible assets	3,182	3,182	3,182	3,182
<b>Total</b>	<b>169,464</b>	<b>161,020</b>	<b>156,046</b>	<b>149,378</b>
<b>Off-balance sheet items</b>				
Contingent liabilities	11,582	11,142	9,936	9,965
Financial derivatives	262,714	256,401	246,936	289,063
Commitments	35,800	40,690	35,897	38,868
<b>Net asset value per ordinary share (\$)</b>	<b>11.10</b>	<b>10.77</b>	<b>10.20</b>	<b>9.80</b>

**Note:**

1 Audited.

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

	Share capital	Retained earnings	Other reserves	Total equity
	\$m	\$m	\$m	\$m
Balance at 1 January 2010	3,220	5,337	8,136	16,693
Profit for the financial period	-	1,737	-	1,737
Other comprehensive income for the financial period	-	-	415	415
Total comprehensive income for the financial period	-	1,737	415	2,152
Dividends	-	(975)	-	(975)
Issue of shares under scrip dividend scheme	417	-	-	417
Share-based compensation	-	-	16	16
Balance at 30 September 2010	<b>3,636</b>	<b>6,099</b>	<b>8,567</b>	<b>18,303</b>
Balance at 1 January 2009	3,213	5,031	5,632	13,876
Profit for the financial period	-	1,174	-	1,174
Other comprehensive income for the financial period	-	-	1,990	1,990
Total comprehensive income for the financial period	-	1,174	1,990	3,164
Dividends	-	(970)	-	(970)
Share-based compensation	-	-	11	11
Issue of shares under share option scheme	2	-	-	2
Balance at 30 September 2009	<b>3,215</b>	<b>5,234</b>	<b>7,634</b>	<b>16,083</b>

**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>
	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>	<b>\$m</b>
Balance at 1 July 2010	<b>3,636</b>	<b>5,909</b>	<b>8,268</b>	<b>17,813</b>
Profit for the financial period	-	<b>530</b>	-	<b>530</b>
Other comprehensive income for the financial period	-	-	<b>300</b>	<b>300</b>
Total comprehensive income for the financial period	-	<b>530</b>	<b>300</b>	<b>829</b>
Dividends	-	<b>(340)</b>	-	<b>(340)</b>
Share-based compensation	-	-	<b>(0)</b>	<b>(0)</b>
Balance at 30 September 2010	<b>3,636</b>	<b>6,099</b>	<b>8,567</b>	<b>18,303</b>
Balance at 1 July 2009	3,213	5,161	7,046	15,421
Profit for the financial period	-	408	-	408
Other comprehensive income for the financial period	-	-	587	587
Total comprehensive income for the financial period	-	408	587	995
Dividends	-	(335)	-	(335)
Share-based compensation	-	-	0	0
Issue of shares under share option scheme	2	-	-	2
Balance at 30 September 2009	3,215	5,234	7,634	16,083