

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 2013 are enclosed.

Dividends

Ordinary share dividend

No dividend on ordinary shares has been declared for the first quarter of 2013.

Preference share dividends

On 15 March 2013, a semi-annual dividend at an annual rate of 5.796% totalling USD14 million (1Q12: 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 March 2013, a semi-annual one-tier tax-exempt dividend of 5.05% per annum totalling S\$33 million (1Q12: S\$33 million) was paid on the Bank's S\$1.32 billion Class E non-cumulative non-convertible preference shares.

Interested Person Transactions

The Bank has not obtained a general mandate from shareholders for Interested Person Transactions.

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 2013 to be false or misleading.

BY ORDER OF THE BOARD
UNITED OVERSEAS BANK LIMITED

Mrs Vivien Chan
Secretary

Dated this 2nd day of May 2013

The results are also available at uobgroup.com



Group Financial Report

For the First Quarter 2013

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

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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

	1Q13	4Q12	+ / (-) %	1Q12	+ / (-) %
Summarised income statement (\$m)					
Net interest income	964	967	(0.3)	998	(3.5)
Fee and commission income	453	388	16.9	362	25.2
Other non-interest income	255	238	7.1	268	(4.8)
Total income	1,672	1,592	5.0	1,629	2.7
Less: Total expenses	696	719	(3.2)	676	2.9
Operating profit	976	874	11.7	953	2.5
Less: Amortisation/impairment charges	130	150	(12.8)	106	22.8
Add: Share of profit of associates and joint ventures	24	17	42.9	18	31.1
Less: Tax and non-controlling interests	148	45	>100.0	177	(16.5)
Net profit after tax ¹	722	696	3.8	688	4.9
Financial indicators					
Non-interest income/Total income (%)	42.4	39.3	3.1% pt	38.7	3.7% pt
Overseas profit before tax contribution (%)	38.1	19.2	18.9% pt	34.6	3.5% pt
Earnings per ordinary share (\$) ^{2,3}					
Basic	1.73	1.75	(1.1)	1.64	5.5
Diluted	1.72	1.74	(1.1)	1.64	4.9
Return on average ordinary shareholders' equity (%) ^{2,3}	11.6	12.2	(0.6)% pt	12.1	(0.5)% pt
Return on average total assets (%) ³	1.12	1.13	(0.01)% pt	1.18	(0.06)% pt
Net interest margin (%) ³	1.70	1.76	(0.06)% pt	1.98	(0.28)% pt
Expense/Income ratio (%)	41.6	45.1	(3.5)% pt	41.5	0.1% pt
Loan charge off rate (bp) ³					
Exclude collective impairment	8	51	(43)bp	26	(18)bp
Include collective impairment	30	30	-	30	-

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)

	Mar-13	Dec-12	+ / (-)	Mar-12	+ / (-)
			%		%
Financial indicators					
Customer loans (net) (\$m)	164,347	152,930	7.5	144,878	13.4
Customer deposits (\$m)	188,276	182,029	3.4	168,495	11.7
Loans/Deposits ratio (%) ¹	87.3	84.0	3.3% pt	86.0	1.3% pt
NPL ratio (%) ²	1.3	1.5	(0.2)% pt	1.4	(0.1)% pt
Total assets (\$m)	266,741	252,900	5.5	234,837	13.6
Shareholders' equity (\$m) ³	26,062	25,080	3.9	23,773	9.6
Net asset value ("NAV") per ordinary share (\$) ⁴	15.18	14.56	4.3	13.74	10.5
Revalued NAV per ordinary share (\$) ⁴	17.52	16.89	3.7	15.81	10.8
Capital adequacy ratios (%)					
Common Equity Tier 1	14.3	13.1	1.2% pt	12.3	2.0% pt
Tier 1	14.3	14.7	(0.4)% pt	13.9	0.4% pt
Total	18.0	19.1	(1.1)% pt	17.1	0.9% pt

Notes:

- 1 Refer to net customer loans and customer deposits.
- 2 Refer to non-performing loans 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") as required by the Singapore Companies Act, with modification to FRS39 Financial Instruments: Recognition and Measurement in respect of loan loss provisioning, as provided in the Monetary Authority of Singapore ("MAS") Notice 612 Credit Files, Grading and Provisioning.

The new/revised FRS applicable to the Group with effect from 1 January 2013 are listed below. The adoption of these FRS has no significant impact on the financial statements of the Group.

- FRS19 Employee Benefits
- FRS113 Fair Value Measurements
- Amendments to FRS1 – Presentation of Items of Other Comprehensive Income
- Amendments to FRS107 Disclosures – Offsetting of Financial Assets and Financial Liabilities

Other than the above changes, the accounting policies and computation methods adopted in the financial statements for the first quarter 2013 are the same as those adopted in the audited financial statements for the financial year ended 31 December 2012.

First quarter 2013 ("1Q13") versus fourth quarter 2012 ("4Q12")

The Group's net profit after tax rose 3.8% from 4Q12 to a new high of \$722 million in 1Q13, contributed by strong non-interest income, lower operating expenses as well as lower impairment charges.

Net interest income for 1Q13 was \$964 million, 0.3% lower due to a shorter quarter. Net interest margin decreased 6 basis points to 1.70% as loans yield declined faster than cost of funds in a prolonged low interest rate environment.

Fee income continued its strong growth momentum, increasing 16.9% to a new record quarter of \$453 million. The increase was mainly contributed by robust activities in lending, fund management, capital market and wealth management businesses. Trading and investment income improved to \$158 million on favourable market sentiments. Consequently, total non-interest income elevated to \$708 million with non-interest income ratio at 42.4% in 1Q13.

Total operating expenses decreased 3.2% to \$696 million. Staff costs and other operating expenses were lower due to seasonal expense accruals in 4Q12. Expense-to-income ratio improved 3.5% points to 41.6%.

Total impairment charges for 1Q13 were \$130 million, 12.8% lower than 4Q12. The decrease was attributed to lower individual impairment on loans as there was additional impairment on a specific account in 4Q12. Total loans charge off rate stood constant at 30 basis points. Asset quality continue to stay healthy as non-performing loans ("NPL") ratio improved to 1.3%. NPL coverage was strong at 134.0%.

Gross customer loans rose 7.4% for the quarter to reach \$167 billion as at 31 March 2013. The strong growth came primarily from Singapore which grew 8.8%, while the regional countries grew a modest 2.2% in 1Q13. US dollar loans increased to \$20.2 billion with US dollar loans-to-deposits ratio at 85.7% as at 31 March 2013.

Customer deposits grew 3.4% for the quarter to \$188 billion as at 31 March 2013. The increase came mainly from higher savings and current accounts balances. Loans-to-deposits ratio stood at 87.3% in 1Q13, with robust loans growth outpacing deposits growth.

Shareholders' equity increased 3.9% to \$26.1 billion in 1Q13, contributed by earnings for the period as well as higher valuation gain on the available-for-sale investment portfolio.

The Group adopted Basel III for its computation of capital adequacy ratios ("CAR") in accordance with the revised MAS Notice 637 with effect from January 2013. The Common Equity Tier 1 ("CET1"), Tier 1 and Total CAR of 14.3%, 14.3% and 18.0% as at 31 March 2013 respectively were well above the minimum requirements of MAS.

Performance Review (cont'd)**First quarter 2013 ("1Q13") versus first quarter 2012 ("1Q12")**

Compared with 1Q12, Group net profit increased 4.9% to \$722 million. Total income was 2.7% higher at \$1.67 billion. Operating expenses increased 2.9% from 1Q12 to \$696 million. Consequently, operating profit increased 2.5% to \$976 million. This was partly offset by higher collective impairment set aside on increased loans volume when compared to a year ago.

Net interest income of \$964 million was 3.5% lower from 1Q12 due to decrease in assets yields. Net interest margin was lower at 1.70%. Continued efforts to boost fee income to mitigate effects of margin pressure paid off, with fees registering a robust 25.2% growth year-on-year. The sterling performance in fee income was underpinned by strong growth in lending, fund management, capital market and wealth management businesses. Trading and investment income was lower at \$158 million due to lower gain on sale of securities.

Total operating expenses increased 2.9% to \$696 million mainly on higher staff costs. Expense-to-income ratio was 0.1% point higher at 41.6%.

Total impairment charges were higher at \$130 million in 1Q13 as collective impairment was set aside on higher loans growth. Total loans charge off rate was maintained at 30 basis points.

Gross customer loans of \$167 billion as at 31 March 2013 were 13.3% higher than 1Q12. Singapore increased 15.5% to reach \$110 billion while the regional countries' loan base grew 9.7% to \$47.8 billion.

Customer deposits were 11.7% higher at \$188 billion as at 31 March 2013 when compared to a year ago.

Shareholders' equity was 9.6% higher at \$26.1 billion in 1Q13, mainly due to higher retained earnings and higher valuation on the available-for-sale investment portfolio.

The Group's higher capital adequacy ratios when compared to a year ago were largely due to higher retained earnings and issuance of subordinated debts, partly offset by higher risk-weighted assets.

Net Interest Income

Net interest margin

	1Q13			4Q12			1Q12		
	Average balance	Interest	Average rate	Average balance	Interest	Average rate	Average balance	Interest	Average rate
	\$m	\$m	%	\$m	\$m	%	\$m	\$m	%
Interest bearing assets									
Customer loans	158,288	1,253	3.21	150,902	1,261	3.32	141,364	1,233	3.51
Interbank balances	40,279	153	1.54	38,007	142	1.48	30,896	155	2.02
Securities	31,617	145	1.87	29,255	148	2.02	30,626	168	2.20
Total	230,184	1,552	2.73	218,164	1,551	2.83	202,887	1,557	3.09
Interest bearing liabilities									
Customer deposits	184,801	492	1.08	178,315	491	1.10	165,332	458	1.11
Interbank balances/others	38,433	96	1.01	33,077	94	1.13	32,143	100	1.25
Total	223,234	588	1.07	211,391	585	1.10	197,475	558	1.14
Net interest margin ¹			1.70			1.76			1.98

Volume and rate analysis

	1Q13 vs 4Q12			1Q13 vs 1Q12		
	Volume change	Rate change	Net change	Volume change	Rate change	Net change
	\$m	\$m	\$m	\$m	\$m	\$m
Interest income						
Customer loans	62	(45)	16	148	(117)	30
Interbank balances	8	6	15	47	(48)	(1)
Securities	12	(12)	(0)	5	(27)	(21)
Total	82	(51)	31	200	(192)	8
Interest expense						
Customer deposits	18	(7)	11	54	(16)	38
Interbank balances/others	12	(8)	4	19	(23)	(3)
Total	30	(15)	15	73	(38)	35
Change in number of days	-	-	(19)	-	-	(8)
Net interest income	52	(36)	(3)	127	(154)	(35)

Net interest income for 1Q13 was \$964 million, marginally lower due to a shorter quarter. Average assets volume had grown 5.5% to \$230 billion over the quarter, which helped mitigate the decline in interest margin. Net interest margin decreased 6 basis points to 1.70% as loans yield declined faster than the cost of funds in a prolonged low interest rate environment.

Compared with 1Q12, net interest income was 3.5% lower on declined assets yields that more than offset the increased assets volumes.

Note:

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

Non-Interest Income

	1Q13	4Q12	+ / (-)	1Q12	+ / (-)
	\$m	\$m	%	\$m	%
Fee and commission income					
Credit card	58	66	(12.6)	55	5.1
Fund management	53	44	18.9	30	75.0
Investment-related	106	90	17.7	67	58.3
Loan-related	133	82	62.8	104	27.7
Service charges	28	28	(0.7)	25	13.2
Trade-related	58	62	(7.0)	64	(8.7)
Others	18	15	20.3	18	0.8
	453	388	16.9	362	25.2
Other non-interest income					
Dividend income	9	3	>100.0	9	1.6
Rental income	28	28	(0.3)	27	2.7
Trading income/(loss)	34	22	60.1	49	(28.9)
Non-trading income/(loss)					
Financial instruments at fair value through profit or loss	66	64	3.5	(2)	>100.0
Available-for-sale assets and others	57	61	(7.0)	157	(63.5)
	158	147	7.4	203	(22.2)
Other income	60	60	0.8	29	>100.0
Other operating income	218	207	5.5	232	(6.0)
	255	238	7.1	268	(4.8)
Total	708	626	13.2	630	12.4

Non-interest income rose 13.2% from 4Q12 to \$708 million in 1Q13. Fee and commission income grew 16.9% to a new record quarter of \$453 million. The increase in fee income was boosted by higher income from loan-related, fund management, capital market and wealth management businesses. Both loan-related income and investment-related income reached new highs of \$133 million and \$106 million in 1Q13 respectively. Trading and investment income improved 7.4% to \$158 million on favourable market sentiments.

Compared to 1Q12, fee and commission income rose 25.2% to \$453 million. The sterling performance was underpinned by robust growth in loan-related, fund management, capital market and wealth management businesses. Trading and investment income declined to \$158 million on lower gain from sale of securities.

Operating Expenses

	1Q13	4Q12	+/-)	1Q12	+/-)
	\$m	\$m	%	\$m	%
Staff costs	415	428	(3.1)	382	8.6
Other operating expenses					
Revenue-related	134	128	4.0	158	(15.6)
Occupancy-related	77	70	9.3	65	18.1
IT-related	40	46	(12.9)	43	(6.6)
Others	30	46	(33.8)	28	9.8
	280	290	(3.4)	293	(4.4)
Total	696	719	(3.2)	676	2.9
Of which, depreciation of assets	31	30	4.4	30	4.6
Manpower (number)	23,994	23,471	523	23,312	682

Total operating expenses decreased 3.2% over 4Q12 to \$696 million in 1Q13 due to seasonal expense accruals in the previous quarter. Expense-to-income ratio improved 3.5% points to 41.6% on higher revenue growth.

Compared with 1Q12, total operating expenses increased 2.9% to \$696 million mainly on higher staff costs. Expense-to-income ratio was 0.1% point higher at 41.6%.

Impairment Charges

	1Q13	4Q12	+ / (-)	1Q12	+ / (-)
	\$m	\$m	%	\$m	%
Individual impairment on loans ¹					
Singapore	(21)	3	(>100.0)	35	(>100.0)
Malaysia	(2)	20	(>100.0)	16	(>100.0)
Thailand	5	14	(62.0)	10	(43.1)
Indonesia	2	6	(70.3)	(0)	>100.0
Greater China ²	1	0	>100.0	1	14.3
Others	47	154	(69.6)	33	41.6
	32	198	(83.6)	95	(66.0)
Individual impairment on securities and others	7	31	(78.0)	(7)	>100.0
Collective impairment	91	(79)	>100.0	16	>100.0
Total	130	150	(12.8)	104	25.7

Total impairment charges for 1Q13 declined 12.8% quarter-on-quarter to \$130 million. Individual impairment on loans was lower at \$32 million as there was additional impairment on a specific account in 4Q12. Total loans charge off rate remained constant at 30 basis points. Credit quality on the loan portfolio continued to stay healthy. Non-performing loans ("NPL") ratio improved 20 basis points to 1.3% and NPL coverage stood strong at 134.0%.

Compared to 1Q12, total impairment charges increased \$27 million to \$130 million as higher collective impairment was set aside on higher loans growth.

Notes:

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

2 Comprise China, Hong Kong and Taiwan.

Customer Loans

	Mar-13	Dec-12	Mar-12
	\$m	\$m	\$m
Gross customer loans	167,347	155,855	147,707
Less: Individual impairment	936	960	835
Collective impairment	2,064	1,964	1,993
Net customer loans	164,347	152,930	144,878
By industry			
Transport, storage and communication	7,047	6,906	7,617
Building and construction	20,946	19,438	18,339
Manufacturing	16,064	11,834	11,575
Financial institutions	24,219	23,718	23,337
General commerce	20,164	18,627	17,316
Professionals and private individuals	23,236	22,366	19,443
Housing loans	48,023	46,131	41,962
Others	7,648	6,833	8,116
Total (gross)	167,347	155,855	147,707
By currency			
Singapore dollar	96,141	87,733	81,636
US dollar	20,189	18,135	19,374
Malaysian ringgit	22,358	21,842	19,937
Thai baht	8,697	8,103	7,394
Indonesian rupiah	4,670	4,573	4,370
Others	15,291	15,469	14,995
Total (gross)	167,347	155,855	147,707
By maturity			
Within 1 year	54,336	48,230	50,332
Over 1 year but within 3 years	31,340	29,264	24,526
Over 3 years but within 5 years	20,937	19,898	20,828
Over 5 years	60,734	58,463	52,021
Total (gross)	167,347	155,855	147,707
By geography ¹			
Singapore	110,024	101,095	95,230
Malaysia	23,909	23,471	21,762
Thailand	9,212	8,516	7,653
Indonesia	5,699	5,600	5,538
Greater China	8,961	9,176	8,598
Others	9,542	7,997	8,926
Total (gross)	167,347	155,855	147,707

Gross customer loans grew 7.4% for the quarter to reach \$167 billion as at 31 March 2013. The increase in 1Q13 was across all industries. Singapore continued to grow its loan base strongly at 8.8% while the regional countries grew modestly at 2.2% in the quarter. US dollar loans increased \$2.1 billion to \$20.2 billion with US dollar loans-to-deposits ratio at 85.7% as at 31 March 2013.

Compared to a year ago, gross customer loans were 13.3% higher with increases registered across territories and most industries. Loans from Singapore increased 15.5% while the growth in regional countries was 9.7%.

Note:

¹ Based on the location where the loans are booked.

Non-Performing Assets

	Mar-13	Dec-12	Mar-12
	\$m	\$m	\$m
Loans ("NPL")	2,239	2,362	2,071
Debt securities and others	359	378	423
Non-Performing Assets ("NPA")	2,598	2,740	2,494

By grading

Substandard	1,280	1,731	1,467
Doubtful	687	369	393
Loss	631	640	634
Total	2,598	2,740	2,494

By security coverage

Secured	973	1,003	954
Unsecured	1,625	1,737	1,540
Total	2,598	2,740	2,494

By ageing

Current	359	309	377
Within 90 days	142	135	138
Over 90 to 180 days	214	748	225
Over 180 days	1,883	1,548	1,754
Total	2,598	2,740	2,494

Cumulative impairment

Individual	1,174	1,209	1,086
Collective	2,240	2,140	2,170
Total	3,414	3,349	3,256
As a % of NPA	131.4%	122.2%	130.6%
As a % of unsecured NPA	210.1%	192.8%	211.4%

	NPL	NPL	NPL	NPL	NPL
	ratio	ratio	ratio	ratio	ratio
	\$m	%	\$m	%	\$m
NPL by industry					
Transport, storage and communication	968	13.7	985	14.3	553
Building and construction	109	0.5	116	0.6	118
Manufacturing	308	1.9	361	3.1	454
Financial institutions	127	0.5	144	0.6	159
General commerce	238	1.2	240	1.3	259
Professionals and private individuals	149	0.6	130	0.6	141
Housing loans	287	0.6	268	0.6	241
Others	53	0.7	118	1.7	146
Total	2,239	1.3	2,362	1.5	2,071

Non-Performing Assets (cont'd)

	NPL \$m	NPL ratio %	Total cumulative impairment	
			as a % of NPL %	as a % of unsecured NPL %
NPL by geography ¹				
Singapore				
Mar 13	737	0.7	244.6	536.6
Dec 12	774	0.8	228.4	470.2
Mar 12	721	0.8	248.3	494.5
Malaysia				
Mar 13	398	1.7	113.3	344.3
Dec 12	401	1.7	109.2	312.9
Mar 12	370	1.7	115.7	339.7
Thailand				
Mar 13	237	2.6	105.9	188.7
Dec 12	223	2.6	100.0	179.8
Mar 12	315	4.1	85.1	144.1
Indonesia				
Mar 13	98	1.7	63.3	1,240.0
Dec 12	100	1.8	61.0	1,220.0
Mar 12	83	1.5	84.3	1,400.0
Greater China				
Mar 13	43	0.5	176.7	217.1
Dec 12	42	0.5	171.4	200.0
Mar 12	32	0.4	209.4	209.4
Others				
Mar 13	726	7.6	49.2	51.7
Dec 12	822	10.3	44.0	48.1
Mar 12	550	6.2	37.3	41.0
Group NPL				
Mar 13	2,239	1.3	134.0	225.6
Dec 12	2,362	1.5	123.8	203.9
Mar 12	2,071	1.4	136.6	233.5

Asset quality stayed healthy. Group NPL improved from the previous quarter to \$2.24 billion as at 31 March 2013, with NPL ratio lower at 1.3% over the comparative periods. NPL coverage was strong at 134.0%.

Note:

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

Customer Deposits

	Mar-13	Dec-12	Mar-12
	\$m	\$m	\$m
By product			
Fixed deposits	102,303	101,286	89,408
Savings deposits	45,024	41,637	40,840
Current accounts	34,449	32,343	28,951
Others	6,500	6,763	9,296
Total	188,276	182,029	168,495
By maturity			
Within 1 year	183,032	178,478	162,881
Over 1 year but within 3 years	4,656	2,886	4,387
Over 3 years but within 5 years	535	501	960
Over 5 years	53	164	267
Total	188,276	182,029	168,495
By currency			
Singapore dollar	105,737	101,924	94,522
US dollar	23,277	21,918	21,656
Malaysian ringgit	25,700	25,382	22,214
Thai baht	8,477	8,096	6,205
Indonesian rupiah	4,763	4,403	4,191
Others	20,321	20,305	19,707
Total	188,276	182,029	168,495
Loans/Deposits ratio (%)	87.3	84.0	86.0

Customer deposits grew 3.4% during the quarter to reach \$188 billion as at 31 March 2013. The growth was mostly in Singapore, and in savings deposits and current accounts which grew 8.1% and 6.5% respectively over last quarter. Loans-to-deposits ratio stood at 87.3% in 1Q13, with robust loans growth outpacing deposits growth.

Compared to 31 March 2012, customer deposits rose 11.7% with contributions flowing from Singapore and the regional countries on higher fixed deposits, savings and current accounts.

Debts Issued

	Mar-13	Dec-12	Mar-12
	\$m	\$m	\$m
Subordinated debts			
Due within one year (unsecured)	1,251	1,240	-
Due after one year (unsecured)	5,423	5,413	4,980
	6,674	6,652	4,980
Other debts issued			
Due within one year (unsecured)	5,228	3,498	4,222
Due after one year (unsecured)	2,898	2,650	2,661
	8,127	6,148	6,884
Total	14,801	12,800	11,864

During the quarter, the Group issued USD commercial papers to further entrench its funding position.

Shareholders' Equity

	Mar-13	Dec-12	Mar-12
	\$m	\$m	\$m
Shareholders' equity	26,062	25,080	23,773
Add: Revaluation surplus	3,680	3,674	3,254
Shareholders' equity including revaluation surplus	29,742	28,754	27,027

Shareholders' equity increased 3.9% quarter-on-quarter to \$26.1 billion as at 31 March 2013, mainly due to net profit for the period and higher valuation gain on the investment portfolio.

Compared to 31 March 2012, shareholders' equity rose 9.6%, largely contributed by higher retained earnings as well as improved valuation on the investment portfolio.

As at 31 March 2013, revaluation surplus of \$3.68 billion on the Group's properties was not recognised in the financial statements.

Changes in Issued Shares of the Bank

	Number of shares	
	1Q13	1Q12
	'000	'000
Ordinary shares		
Balance at beginning/end of period	1,590,494	1,590,494
Treasury shares		
Balance at beginning of period	(15,733)	(16,570)
Share buyback - held in treasury	-	(684)
Issue of shares under share-based compensation plans	120	88
Balance at end of period	(15,613)	(17,167)
Ordinary shares net of treasury shares	1,574,881	1,573,327
Preference shares		
Class E non-cumulative non-convertible preference shares at beginning/end of period	13,200	13,200

Performance by Operating Segment

The Group is organised to be segment-led across key markets. Global segment heads are responsible for driving business, with decision-making balanced with a geographical perspective. For internal management purposes, the following segments represent the key customer segments and business activities:

Group Retail ("GR")

GR segment covers Consumer, Privilege, Business and Private 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, and restricted products such as structured notes, funds of hedge funds, and insurance plans to the wealthy and affluent customers. 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 4.9% to \$277 million in 1Q13, mainly driven by higher fee and commission income from investment-related activities. The increase was partly negated by higher business volume-related costs.

Group Wholesale ("GW")

GW segment encompasses Commercial Banking, Corporate Banking, Financial Institutions Group ("FIG"), Corporate Finance and Debt Capital Markets. Commercial Banking serves the medium and large enterprises, while Corporate Banking serves large local corporations, government-linked companies and agencies, and FIG serves financial institutions. Commercial Banking, Corporate Banking and FIG 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.

Segment profit grew 19.0% to \$520 million in 1Q13, supported by higher fee income from loan-related, treasury and investment activities, as well as lower impairment charges. The growth was partly negated by higher operating expenses.

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. Income from treasury products and services offered to customers of other customer segments, such as Group Retail and Group Wholesale, is reflected in the respective customer segments.

Segment profit decreased 17.1% to \$121 million in 1Q13, mainly attributed to lower income from trading and interest rate management activities, higher operating expenses and impairment charges. This was partly offset by higher fee income from fund management activities.

Others

Others include property-related activities, insurance businesses and income and expenses not attributable to other operating segments mentioned above.

Segment recorded a loss of \$48 million in 1Q13 as compared to a profit of \$18 million in 1Q12. This was mainly due to higher collective impairment and lower net interest income, partly offset by lower operating expenses and higher share of profit of associates.

Performance by Operating Segment¹ (cont'd)

	GR	GW	GMIM	Others	Elimination	Total
	\$m	\$m	\$m	\$m	\$m	\$m
1Q13						
Operating income	662	678	240	152	(60)	1,672
Operating expenses	(364)	(146)	(110)	(136)	60	(696)
Impairment charges	(21)	(12)	(10)	(87)	-	(130)
Share of profit of associates and joint ventures	-	-	1	23	-	24
Profit before tax	277	520	121	(48)	-	870
Segment assets	78,248	98,216	85,308	4,101	(4,435)	261,438
Intangible assets	1,336	2,114	666	59	-	4,175
Investment in associates and joint ventures	-	-	18	1,110	-	1,128
Total assets	79,584	100,330	85,992	5,270	(4,435)	266,741
Segment liabilities	98,668	82,017	54,577	10,303	(5,084)	240,481
Other information						
Inter-segment operating income	106	(64)	(63)	81	(60)	-
Gross customer loans	77,655	89,365	298	29	-	167,347
Non-performing assets	540	1,872	97	89	-	2,598
Capital expenditure	2	2	1	41	-	46
Depreciation of assets	2	1	1	27	-	31
1Q12						
Operating income	621	638	233	175	(38)	1,629
Operating expenses	(330)	(131)	(87)	(166)	38	(676)
Impairment charges	(26)	(68)	(1)	(9)	-	(104)
Amortisation of intangible assets	(1)	(2)	-	-	-	(3)
Share of profit of associates and joint ventures	-	-	-	18	-	18
Profit before tax	264	437	146	18	-	865
Segment assets	67,548	86,523	77,245	3,881	(5,678)	229,519
Intangible assets	1,333	2,109	665	81	-	4,188
Investment in associates and joint ventures	-	-	19	1,111	-	1,130
Total assets	68,881	88,632	77,929	5,073	(5,678)	234,837
Segment liabilities	85,926	74,690	47,936	8,649	(6,323)	210,878
Other information						
Inter-segment operating income	82	(61)	(73)	90	(38)	-
Gross customer loans	67,166	80,177	301	63	-	147,707
Non-performing assets	485	1,799	108	102	-	2,494
Capital expenditure	6	1	1	48	-	56
Depreciation of assets	2	1	1	26	-	30

Note:

1 Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Performance by Geographical Segment¹

	1Q13	4Q12	1Q12
	\$m	\$m	\$m
Total operating income			
Singapore	937	910	948
Malaysia	224	244	217
Thailand	156	138	129
Indonesia	112	96	118
Greater China	151	110	111
Others	91	94	105
Total	1,672	1,592	1,629
Profit before tax			
Singapore	539	598	567
Malaysia	128	134	116
Thailand	42	25	27
Indonesia	44	34	47
Greater China	99	57	67
Others	18	(108)	44
	870	741	867
Intangible assets amortised	-	-	(3)
Total	870	741	865

The Group recorded a 5.0% increase in total operating income over 4Q12 to \$1.67 billion in 1Q13. The income growth from the regional countries was 9.5% which outpaced that of Singapore's 3.0%. At the pre-tax profit level, the Group rose 17.4% over last quarter to \$870 million in 1Q13.

	Mar-13	Dec-12	Mar-12
	\$m	\$m	\$m
Total assets			
Singapore	167,073	157,593	145,048
Malaysia	34,307	33,091	30,706
Thailand	15,433	14,135	11,100
Indonesia	7,582	7,156	7,008
Greater China	19,106	19,569	18,656
Others	19,065	17,188	18,131
	262,567	248,732	230,649
Intangible assets	4,175	4,168	4,188
Total	266,741	252,900	234,837

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 Ratios¹

	Basel III	Basel II	
	Mar-13	Dec-12	Mar-12
	\$m	\$m	\$m
Common Equity Tier 1 Capital ("CET1")			
Share capital	3,125	3,123	3,095
Disclosed reserves	20,711	18,964	18,062
Non-controlling interests	54	82	81
Regulatory adjustments ²	(2,761)	(4,738)	(4,763)
	21,129	17,431	16,475
Additional Tier 1 Capital ("AT1")			
Preference shares	1,934	2,149	2,149
Non-controlling interests	2	-	-
Regulatory adjustments - capped ²	(1,936)	-	-
	-	2,149	2,149
Tier 1 Capital	21,129	19,580	18,624
Tier 2 Capital			
Subordinated notes	4,692	5,213	3,747
Non-controlling interests	3	-	-
Provisions/Others	793	1,022	1,026
Regulatory adjustments	(39)	(369)	(410)
	5,449	5,866	4,363
Eligible Total Capital	26,578	25,446	22,987
Risk-Weighted Assets ("RWA")	147,559	133,103	134,063
Capital Adequacy Ratios ("CAR")			
CET1	14.3%	13.1%	12.3%
Tier 1	14.3%	14.7%	13.9%
Total	18.0%	19.1%	17.1%

The Group adopted Basel III framework for its CAR computation in accordance with the revised Monetary Authority of Singapore ("MAS") Notice 637 with effect from January 2013. The Group's CET1, Tier 1 and Total CAR as at 31 March 2013 were well above the regulatory minimum requirements.

The improvement in CET1 CAR against 31 December 2012 was contributed by net profit for the quarter and full recognition of available-for-sale valuation reserve under the Basel III framework. Tier 1 and Total CAR were lower due to the increase in risk-weighted assets.

Compared to 31 March 2012, the higher CAR were largely due to higher retained earnings and issuance of subordinated debts, partly offset by higher risk-weighted assets.

The increase in risk-weighted assets over the comparative periods was partly from new requirements under the Basel III framework, which included higher capital requirement on exposures to financial institutions and new capital charge on over-the-counter derivatives.

Notes:

1 According to MAS' Basel III implementation timeline, banks incorporated in Singapore are to maintain minimum CAR of CET1 at 4.5%, Tier 1 at 6% and Total at 10% for year 2013. When fully implemented by year 2019, including the capital conservation buffer of 2.5%, the minimum CAR will be CET1 at 9%, Tier 1 at 10.5% and Total at 12.5%.

2 This includes goodwill, other intangible assets and deferred tax assets for which MAS has allowed a progressive phase-in deduction against CET1 capital at 0% in 2013 and reaching 100% in 2018, with the remaining against AT1 and capped at available AT1.

Consolidated Income Statement (Unaudited)

	1Q13	4Q12	+ / (-)	1Q12	+ / (-)
	\$m	\$m	%	\$m	%
Interest income	1,552	1,551	-	1,557	(0.3)
Less: Interest expense	588	585	0.6	558	5.4
Net interest income	964	967	(0.3)	998	(3.5)
Fee and commission income	453	388	16.9	362	25.2
Dividend income	9	3	>100.0	9	1.6
Rental income	28	28	(0.3)	27	2.7
Other operating income	218	207	5.5	232	(6.0)
Non-interest income	708	626	13.2	630	12.4
Total operating income	1,672	1,592	5.0	1,629	2.7
Less: Staff costs	415	428	(3.1)	382	8.6
Other operating expenses	280	290	(3.4)	293	(4.4)
Total operating expenses	696	719	(3.2)	676	2.9
Operating profit before charges	976	874	11.7	953	2.5
Less: Amortisation/impairment charges					
Intangible assets	-	-	-	3	NM
Loans and other assets	130	150	(12.8)	104	25.7
Operating profit after charges	846	724	16.8	847	(0.1)
Share of profit of associates and joint ventures	24	17	42.9	18	31.1
Profit before tax	870	741	17.4	865	0.6
Less: Tax	143	41	>100.0	172	(17.2)
Profit for the financial period	727	700	3.9	693	5.0
Attributable to:					
Equity holders of the Bank	722	696	3.8	688	4.9
Non-controlling interests	5	4	29.5	4	9.1
	727	700	3.9	693	5.0

Consolidated Statement of Comprehensive Income (Unaudited)

	1Q13	4Q12	+ / (-)	1Q12	+ / (-)
	\$m	\$m	%	\$m	%
Profit for the financial period	727	700	3.9	693	5.0
Other comprehensive income that may be reclassified subsequently to Income Statement					
Currency translation adjustments	158	(22)	>100.0	(103)	>100.0
Change in available-for-sale reserve					
Change in fair value	179	207	(13.5)	397	(55.0)
Transfer to income statement on disposal/impairment	(24)	(19)	(25.3)	(114)	79.3
Tax relating to available-for-sale reserve	(22)	(17)	(31.8)	(37)	40.1
Change in share of other comprehensive income of associates and joint ventures	6	(1)	>100.0	24	(75.6)
Other comprehensive income for the financial period, net of tax	297	148	>100.0	168	77.5
Total comprehensive income for the financial period, net of tax	1,024	848	20.8	860	19.1
Attributable to:					
Equity holders of the Bank	1,017	843	20.6	851	19.4
Non-controlling interests	7	5	50.4	9	(15.0)
	1,024	848	20.8	860	19.1

Consolidated Balance Sheet (Unaudited)

	Mar-13	Dec-12¹	Mar-12
	\$m	\$m	\$m
Equity			
Share capital	5,274	5,272	5,244
Retained earnings	10,902	10,222	9,145
Other reserves	9,886	9,586	9,384
Equity attributable to equity holders of the Bank	26,062	25,080	23,773
Non-controlling interests	199	192	185
Total	26,261	25,272	23,958
Liabilities			
Deposits and balances of banks	26,301	21,538	19,243
Deposits and balances of non-bank customers	188,276	182,029	168,495
Bills and drafts payable	1,931	1,572	1,546
Other liabilities	9,172	9,689	9,730
Debts issued	14,801	12,800	11,864
Total	240,481	227,628	210,878
Total equity and liabilities	266,741	252,900	234,837
Assets			
Cash, balances and placements with central banks	30,783	33,056	25,848
Singapore Government treasury bills and securities	13,684	11,999	8,021
Other government treasury bills and securities	8,691	10,681	9,940
Trading securities	381	260	230
Placements and balances with banks	19,385	15,991	15,594
Loans to non-bank customers	164,347	152,930	144,878
Investment securities	12,830	11,129	13,223
Other assets	9,066	9,334	9,595
Investment in associates and joint ventures	1,128	1,102	1,130
Investment properties	1,007	1,016	1,116
Fixed assets	1,265	1,234	1,074
Intangible assets	4,175	4,168	4,188
Total	266,741	252,900	234,837
Off-balance sheet items			
Contingent liabilities	18,416	18,437	17,154
Financial derivatives	390,820	349,452	358,979
Commitments	66,150	60,911	53,198
Net asset value per ordinary share (\$)	15.18	14.56	13.74

Note:

1 Audited.

Consolidated Statement of Changes in Equity (Unaudited)

	<u>Attributable to equity holders of the Bank</u>				Non- controlling interests	Total equity
	Share capital	Retained earnings	Other reserves	Total		
	\$m	\$m	\$m	\$m		
Balance at 1 January 2013	5,272	10,222	9,586	25,080	192	25,272
Profit for the financial period	-	722	-	722	5	727
Other comprehensive income for the financial period	-	-	295	295	3	297
Total comprehensive income for the financial period	-	722	295	1,017	7	1,024
Dividends	-	(42)	-	(42)	(1)	(43)
Share-based compensation	-	-	7	7	-	7
Increase in statutory reserves	-	-	1	1	-	1
Issue of treasury shares under share-based compensation plans	2	-	(2)	-	-	-
Balance at 31 March 2013	5,274	10,902	9,886	26,062	199	26,261
Balance at 1 January 2012	5,253	8,499	9,215	22,967	177	23,144
Profit for the financial period	-	688	-	688	4	693
Other comprehensive income for the financial period	-	-	163	163	4	168
Total comprehensive income for the financial period	-	688	163	851	9	860
Transfers	-	1	(1)	-	-	-
Dividends	-	(42)	-	(42)	(1)	(43)
Share buyback - held in treasury	(11)	-	-	(11)	-	(11)
Share-based compensation	-	-	8	8	-	8
Issue of treasury shares under share-based compensation plans	2	-	(2)	-	-	-
Balance at 31 March 2012	5,244	9,145	9,384	23,773	185	23,958

Consolidated Cash Flow Statement (Unaudited)

	1Q13	1Q12
	\$m	\$m
Cash flows from operating activities		
Operating profit before amortisation and impairment charges	976	953
Adjustments for:		
Depreciation of assets	31	30
Net gain on disposal of assets	(92)	(171)
Share-based compensation	7	8
Operating profit before working capital changes	922	820
Increase/(decrease) in working capital		
Deposits and balances of banks	4,763	(507)
Deposits and balances of non-bank customers	6,247	(965)
Bills and drafts payable	359	(184)
Other liabilities	(600)	(1,416)
Restricted balances with central banks	(142)	(37)
Government treasury bills and securities	332	(5,062)
Trading securities	(115)	52
Investment securities	(1,527)	1,516
Placements and balances with banks	(3,394)	3,176
Loans to non-bank customers	(11,540)	(3,796)
Other assets	255	516
Cash used in operations	(4,442)	(5,889)
Income tax paid	(60)	(77)
Net cash used in operating activities	(4,502)	(5,966)
Cash flows from investing activities		
Net cash flow on disposal/(acquisition) of:		
Properties and other fixed assets	(17)	(44)
Dividends received from associates and joint ventures	-	1
Net cash used in investing activities	(17)	(43)
Cash flows from financing activities		
Net increase in debts issued	2,000	78
Share buyback	-	(11)
Dividends paid on preference shares	(51)	(51)
Dividends paid to non-controlling interests	(1)	(1)
Net cash provided by financing activities	1,948	15
Currency translation adjustments	155	(102)
Net decrease in cash and cash equivalents	(2,416)	(6,096)
Cash and cash equivalents at beginning of the financial period	28,293	22,396
Cash and cash equivalents at end of the financial period	25,877	16,299

Balance Sheet of the Bank (Unaudited)

	Mar-13	Dec-12 ¹	Mar-12
	\$m	\$m	\$m
Equity			
Share capital	4,443	4,440	4,413
Retained earnings	8,607	8,120	7,363
Other reserves	9,715	9,572	9,201
Total	22,765	22,133	20,977
Liabilities			
Deposits and balances of banks	24,438	20,314	17,519
Deposits and balances of non-bank customers	140,870	135,420	127,925
Deposits and balances of subsidiaries	6,500	5,760	6,134
Bills and drafts payable	434	348	238
Other liabilities	7,168	7,129	7,329
Debts issued	9,779	9,240	7,534
Total	189,190	178,211	166,679
Total equity and liabilities	211,955	200,344	187,656
Assets			
Cash, balances and placements with central banks	17,272	21,033	14,972
Singapore Government treasury bills and securities	13,557	11,858	7,958
Other government treasury bills and securities	4,410	6,329	7,537
Trading securities	238	151	134
Placements and balances with banks	16,729	13,447	12,530
Loans to non-bank customers	124,167	114,013	108,909
Placements with and advances to subsidiaries	5,958	5,263	5,165
Investment securities	11,566	9,798	11,735
Other assets	7,486	7,892	8,163
Investment in associates and joint ventures	329	329	369
Investment in subsidiaries	4,760	4,759	4,762
Investment properties	1,305	1,290	1,448
Fixed assets	995	1,001	791
Intangible assets	3,182	3,182	3,182
Total	211,955	200,344	187,656
Off-balance sheet items			
Contingent liabilities	13,246	13,436	13,097
Financial derivatives	335,006	297,789	308,003
Commitments	51,781	47,464	40,226
Net asset value per ordinary share (\$)	13.62	13.22	12.49

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 2013	4,440	8,120	9,572	22,133
Profit for the financial period	-	520	-	520
Other comprehensive income for the financial period	-	-	139	139
Total comprehensive income for the financial period	-	520	139	658
Dividends	-	(33)	-	(33)
Share-based compensation	-	-	7	7
Issue of treasury shares under share-based compensation plans	2	-	(2)	-
Balance at 31 March 2013	4,443	8,607	9,715	22,765
Balance at 1 January 2012	4,422	6,895	8,965	20,282
Profit for the financial period	-	501	-	501
Other comprehensive income for the financial period	-	-	230	230
Total comprehensive income for the financial period	-	501	230	731
Dividends	-	(33)	-	(33)
Share buyback - held in treasury	(11)	-	-	(11)
Share-based compensation	-	-	8	8
Issue of treasury shares under share-based compensation plans	2	-	(2)	-
Balance at 31 March 2012	4,413	7,363	9,201	20,977

Capital Adequacy Ratios of Major Bank Subsidiaries

The information below is prepared on solo basis under the capital adequacy framework of the respective countries.

	Mar-13			
	Total Risk- Weighted Assets	Capital Adequacy Ratios		
		CET1	Tier 1	Total
	\$m	%	%	%
United Overseas Bank (Malaysia) Bhd	14,952	13.8	13.8	15.2
United Overseas Bank (Thai) Public Company Limited	8,550	14.9	14.9	15.7
PT Bank UOB Indonesia	6,406	NA	16.4	17.4
United Overseas Bank (China) Limited	3,789	19.6	19.6	20.6

Note:

"NA" denotes not applicable.