

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Company No. 271809K)
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

PILLAR 3 DISCLOSURE
30 JUNE 2015

Domiciled in Malaysia
Registered Office:
Level 11, Menara UOB
Jalan Raja Laut,
50350 Kuala Lumpur

**Attestation by Chief Executive Officer pursuant to BASEL II – Pillar 3 Disclosures
as at 30 June 2015**

To the best of my knowledge, I hereby attest that United Overseas Bank (Malaysia) Bhd's Pillar 3 Disclosures prepared for submission to Bank Negara Malaysia is in accordance with Bank Negara Malaysia's Risk Weighted Capital Adequacy Framework (Basel II) – Disclosure Requirements (Pillar 3) for the financial period ended 30 June 2015.



Wong Kim Choong
Chief Executive Officer

 Date: 29 July 2015

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2015

1. CAPITAL MANAGEMENT AND CAPITAL ADEQUACY

The capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia ("BNM")'s Capital Adequacy Framework (Capital Components) issued on 28 November 2012, which is effective from 1 January 2013 and Basel II - Risk-weighted Assets framework.

(a) Capital Structure

The following tables present the Capital Structure of the Group and the Bank:-

	Group		Bank	
	30-Jun-15 RM'000	31-Dec-14 RM'000	30-Jun-15 RM'000	31-Dec-14 RM'000
<u>Common Equity Tier 1 ("CET1") Capital</u>				
Paid-up share capital	470,000	470,000	470,000	470,000
Share premium	322,555	322,555	322,555	322,555
Retained profits	5,238,869	5,691,949	5,300,892	5,753,972
Statutory reserve	470,000	470,000	470,000	470,000
Other reserves	193,744	184,481	74,395	58,230
Regulatory adjustments applied in the calculation of CET1 Capital	(182,794)	(201,767)	(64,551)	(76,539)
Total CET1	<u>6,512,374</u>	<u>6,937,218</u>	<u>6,573,291</u>	<u>6,998,218</u>
<u>Tier 2 capital</u>				
Tier II capital instruments	1,500,000	900,000	1,500,000	900,000
Loan / financing loss provision				
- Surplus eligible provisions over expected losses	224,846	222,867	224,846	222,867
- Collective impairment provisions	19,049	58,999	16,024	53,678
Regulatory adjustments applied in the calculation of Tier 2 Capital	46,913	(24,091)	(8,143)	(80,019)
Total Tier II capital	<u>1,790,808</u>	<u>1,157,775</u>	<u>1,732,727</u>	<u>1,096,526</u>
Total capital	<u>8,303,182</u>	<u>8,094,993</u>	<u>8,306,018</u>	<u>8,094,744</u>

(b) Capital Adequacy Ratios of the Group and the Bank

	Group		Bank	
	30-Jun-15	31-Dec-14	30-Jun-15	31-Dec-14
CET1 / Tier 1 ratio	14.671%	15.461%	14.890%	15.684%
Total Capital	<u>18.706%</u>	<u>18.042%</u>	<u>18.814%</u>	<u>18.141%</u>

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2015

2. CAPITAL ADEQUACY

The aggregate breakdown of Risk-Weighted Assets ("RWA") by exposures in each category of the Bank for the current period ended 30 June 2015 are as follows:-

Item	Exposure Class	Exposures Pre Credit Risk Mitigation	Exposures Post Credit Risk Mitigation	Risk-Weighted Assets	Minimum Capital Requirement at 8%
		RM'000	RM'000	RM'000	RM'000
1.0	<u>Credit Risk</u>				
1.1	<u>Exempted Exposures under the Standardised Approach</u>				
	<u>On-Balance Sheet Exposures</u>				
	Sovereigns / Central Bank	19,665,291	19,665,291	-	-
	Corporates	538,146	520,973	520,973	41,678
	Other Assets	707,137	707,137	425,130	34,010
	Defaulted Exposures	7,655	7,655	11,483	918
	Total On-Balance Sheet Exposures	20,918,229	20,901,057	957,587	76,606
	<u>Off-Balance Sheet Exposures</u>				
	OTC Derivatives	360,059	360,059	227,681	18,215
	Off-Balance Sheet Exposures other than OTC Derivatives or Credit Derivatives	103,659	101,675	96,675	7,734
	Total Off-Balance Sheet Exposures	463,718	461,734	324,356	25,949
	Total On and Off-Balance Sheet Exposures (STD)	21,381,947	21,362,791	1,281,943	102,555
1.2	<u>Exposures under the IRB Approach</u>				
	<u>On-Balance Sheet Exposures</u>				
	Banks, Development Financial Institutions ("DFIs") and Multilateral Development Banks ("MDBs")	3,296,352	3,296,352	753,597	60,288
	Corporates	23,796,196	21,063,189	22,866,404	1,829,312
	Residential Mortgage	27,468,670	27,468,670	2,789,513	223,161
	Qualifying Revolving Retail Exposures	2,096,192	2,096,192	948,228	75,858
	Other Retail	14,609,263	14,609,263	2,563,832	205,107
	Equity (Simple Risk Weight)	113,361	113,361	449,238	35,939
	Defaulted Exposures	1,272,778	1,255,262	673,264	53,861
	Total On-Balance Sheet Exposures	72,652,812	69,902,289	31,044,076	2,483,526
	<u>Off-Balance Sheet Exposures</u>				
	OTC Derivatives	1,560,938	1,550,224	568,536	45,483
	Off-Balance Sheet Exposures other than OTC Derivatives or Credit Derivatives	7,851,058	7,039,906	3,740,450	299,236
	Defaulted Exposures	19,762	19,317	115	9
	Total Off-Balance Sheet Exposures	9,431,758	8,609,446	4,309,101	344,728
	Total On and Off-Balance Sheet Exposures (IRB)	82,084,570	78,511,735	35,353,177	2,828,254
	Total (Exempted Exposures and Exposures under the IRB Approach) after scaling factor	-	-	38,756,310	3,100,505
2.0	<u>Large Exposures Risk Requirement</u>	-	-	-	-
3.0	<u>Market Risk</u>				
		Long Position	Short Position		
	Interest Rate Risk	41,011,280	32,302,398	717,019	57,362
	Foreign Currency Risk	408,042	409,479	25,665	2,053
	Commodity Risk	368,132	366,003	141,627	11,330
	Options Risk	-	-	9,201	736
4.0	<u>Operational Risk (Basic Indicator Approach)</u>			4,497,189	359,775
5.0	<u>Total RWA and Capital Requirements</u>			44,147,011	3,531,761

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

PILLAR 3 DISCLOSURE
AS AT 30 JUNE 2015

2. CAPITAL ADEQUACY (Cont'd.)

The aggregate breakdown of Risk-Weighted Assets ("RWA") by exposures in each category of the Bank for the financial year ended 31 December 2014 are as follows:-

Item	Exposure Class	Exposures Pre	Exposures Post	Risk-Weighted	Minimum Capital
		Credit Risk Mitigation	Credit Risk Mitigation	Assets	Requirement at 8%
		RM'000	RM'000	RM'000	RM'000
1.0	<u>Credit Risk</u>				
1.1	<u>Exempted Exposures under the Standardised Approach</u>				
	<u>On-Balance Sheet Exposures</u>				
	Corporates	1,618,098	1,616,068	1,616,068	129,285
	Other Assets	450,287	450,287	358,703	28,696
	Defaulted Exposures	7,565	7,565	11,347	908
	Total On-Balance Sheet Exposures	2,075,950	2,073,920	1,986,118	158,889
	<u>Off-Balance Sheet Exposures</u>				
	OTC Derivatives	378,998	378,998	216,459	17,317
	Off-Balance Sheet Exposures other than OTC Derivatives or Credit Derivatives	128,417	126,554	126,554	10,124
	Total Off-Balance Sheet Exposures	507,415	505,552	343,013	27,441
	Total On and Off-Balance Sheet Exposures (STD)	2,583,365	2,579,472	2,329,132	186,331
1.2	<u>Exposures under the IRB Approach</u>				
	<u>On-Balance Sheet Exposures</u>				
	Sovereigns / Central Bank	18,833,792	18,833,792	-	-
	Banks, Development Financial Institutions ("DFIs") and Multilateral Development Banks ("MDBs")	3,007,600	3,007,600	666,568	53,325
	Corporates	24,022,107	21,513,970	22,872,579	1,829,806
	Residential Mortgage	26,790,525	26,790,525	2,799,488	223,959
	Qualifying Revolving Retail Exposures	2,147,490	2,147,490	988,983	79,119
	Other Retail	14,212,469	14,212,469	2,600,406	208,032
	Equity (Simple Risk Weight)	113,329	113,329	447,181	35,774
	Defaulted Exposures	1,103,746	1,091,822	551,702	44,136
	Total On-Balance Sheet Exposures	90,231,059	87,710,999	30,926,906	2,474,152
	<u>Off-Balance Sheet Exposures</u>				
	OTC Derivatives	1,099,950	1,084,356	503,273	40,262
	Off-Balance Sheet Exposures other than OTC Derivatives or Credit Derivatives	7,602,267	6,788,254	3,611,720	288,938
	Defaulted Exposures	9,129	7,552	100	8
	Total Off-Balance Sheet Exposures	8,711,346	7,880,162	4,115,093	329,208
	Total On and Off-Balance Sheet Exposures (IRB)	98,942,405	95,591,161	35,041,999	2,803,360
	Total (Exempted Exposures and Exposures under the IRB Approach) after scaling factor	-	-	39,473,651	3,157,892
2.0	<u>Large Exposures Risk Requirement</u>	-	-	-	-
3.0	<u>Market Risk</u>				
		Long Position	Short Position		
	Interest Rate Risk	34,776,665	26,371,966	542,441	43,395
	Foreign Currency Risk	487,906	533,407	101,595	8,128
	Commodity Risk	388,406	386,783	148,527	11,882
	Options Risk	-	-	10,800	864
4.0	<u>Operational Risk (Basic Indicator Approach)</u>			4,344,262	347,541
5.0	<u>Total RWA and Capital Requirements</u>			44,621,275	3,569,702

Company No. 271809K

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

CREDIT RISK

(i) Credit Exposures by Sector

Bank	Sovereigns /	Public	Insurance	Corporates						
30 June 2015	Central	Sector	Cos,	Securities	Specialised	Retail	Residential	Equity	Other Assets	Grand Total
	Banks	Entities	Firms and	(including	lending and		Mortgages	Exposures		
	RM'000	("PSEs")	Fund	SMEs)	SMEs)	RM'000	RM'000	RM'000	RM'000	RM'000
			Managers							
			and MDBs							
			RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Agriculture, Hunting, Forestry and Fishing	-	-	2,904	-	947,391	-	-	-	-	950,296
Mining and Quarrying	-	-	862,685	-	54,908	-	-	-	-	917,593
Manufacturing	-	-	33,519	-	5,172,553	-	-	-	-	5,206,073
Electricity, Gas and Water	-	-	-	-	47,315	-	-	-	-	47,315
Construction	-	-	-	-	9,383,680	-	-	-	-	9,383,680
Wholesale, Retail Trade, Restaurant and Hotels	-	-	35,676	-	6,695,353	-	-	-	-	6,731,029
Transport, Storage and Communication	-	-	-	-	977,986	-	-	-	-	977,986
Finance, Insurance and Business Services	-	-	2,835,060	214,728	2,056,070	-	-	-	-	5,105,857
Real Estate	-	-	-	-	2,972,818	-	-	-	-	2,972,818
Community, Social and Personal Services	-	-	-	-	28,559	-	-	-	-	28,559
Households	-	-	-	-	251	19,065,959	28,723,679	-	-	47,789,890
Others	19,665,291	119,371	1,485,234	-	1,241,024	-	-	113,361	-	22,624,281
Other Assets not subject to Credit Risk	-	-	-	-	-	-	-	-	731,140	731,140
Grand Total	19,665,291	119,371	5,255,078	214,728	29,577,909	19,065,959	28,723,679	113,361	731,140	103,466,517

Company No. 271809K

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

CREDIT RISK (CONT'D.)

(i) Credit Exposures by Sector (cont'd.)

Bank	Sovereigns /	Public	Insurance	Corporates						
31 December 2014	Central	Sector	Cos,	Securities	Specialised	Retail	Residential	Equity	Other Assets	Grand Total
	Banks	Entities	Firms and	Fund	lending and		Mortgages	Exposures		
	RM'000	("PSEs")	Banks, DFIs	Managers	SMEs)	RM'000	RM'000	RM'000	RM'000	RM'000
			and MDBs							RM'000
			RM'000	RM'000	RM'000					
Agriculture, Hunting, Forestry and Fishing	-	-	-	-	960,109	-	-	-	-	960,109
Mining and Quarrying	-	-	-	-	1,201,338	-	-	-	-	1,201,338
Manufacturing	-	-	-	-	5,356,715	-	-	-	-	5,356,715
Electricity, Gas and Water	-	-	-	-	42,560	-	-	-	-	42,560
Construction	-	-	-	-	8,298,546	-	-	-	-	8,298,546
Wholesale, Retail Trade, Restaurant and Hotels	-	-	-	-	6,133,435	-	-	-	-	6,133,435
Transport, Storage and Communication	-	-	-	-	923,464	-	-	-	-	923,464
Finance, Insurance and Business Services	52,698	-	2,531,107	206,408	2,121,038	-	-	-	-	4,911,252
Real Estate	-	-	-	-	3,819,680	-	-	-	-	3,819,680
Community, Social and Personal Services	-	-	-	-	93,955	-	-	-	-	93,955
Households	-	-	-	-	2,492	18,697,634	27,974,725	-	-	46,674,851
Others	18,881,093	88,620	1,783,813	-	1,747,585	-	-	113,329	-	22,614,441
Other Assets not subject to Credit Risk	-	-	-	-	-	-	-	-	495,424	495,424
Grand Total	18,933,791	88,620	4,314,920	206,408	30,700,918	18,697,634	27,974,725	113,329	495,424	101,525,769

UNITED OVERSEAS BANK (MALAYSIA) BHD

(Incorporated in Malaysia)

CREDIT RISK (Cont'd.)**(ii) Credit Exposures by Remaining Contractual Maturities**

Bank 30 June 2015	Sovereigns /		Banks, DFIs and MDBs	Insurance	Corporates	Retail	Residential Mortgages	Equity Exposures	Other Assets	Grand Total
	Central Banks	PSEs		Fund Managers	(including Specialised lending and SMEs)					
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
< 3 Months	194,292	14,846	1,304,635	25,229	2,140,304	160,239	-	-	939	3,840,483
3 - 6 Months	-	-	171,902	1,991	33,245	3,206	-	-	-	210,346
6 - 12 Months	-	-	35,771	319	8,570	208	-	-	-	44,868
1 - 3 Years	19,220,079	104,525	3,307,342	175,024	16,008,563	6,050,015	1,573,228	-	730,202	47,168,977
3 - 5 Years	250,920	-	402,518	11,488	5,085,931	270,228	245,750	-	-	6,266,834
> 5 Years	-	-	32,910	677	6,301,296	12,582,064	26,904,702	113,361	-	45,935,009
Grand Total	19,665,291	119,371	5,255,078	214,728	29,577,909	19,065,959	28,723,679	113,361	731,140	103,466,517

Bank 31 December 2014	Sovereigns /		Banks, DFIs and MDBs	Insurance	Corporates	Retail	Residential Mortgages	Equity Exposures	Other Assets	Grand Total
	Central Banks	PSEs		Fund Managers	(including Specialised lending and SMEs)					
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
< 3 Months	502,709	5,651	183,669	19,123	3,061,188	166,364	-	-	437	3,939,142
3 - 6 Months	-	5,800	84,242	34,763	32,603	3,012	-	-	-	160,420
6 - 12 Months	-	9,629	140,545	8,868	12,947	129	-	-	-	172,117
1 - 3 Years	18,212,380	67,541	3,499,782	129,585	15,769,812	6,099,552	1,485,357	-	494,987	45,758,996
3 - 5 Years	218,702	-	394,096	13,371	5,354,998	326,567	267,153	-	-	6,574,887
> 5 Years	-	-	12,585	697	6,469,371	12,102,010	26,222,214	113,329	-	44,920,207
Grand Total	18,933,791	88,620	4,314,920	206,408	30,700,918	18,697,634	27,974,725	113,329	495,424	101,525,769

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

CREDIT RISK (Cont'd.)

For exposures subject to the Standardised Approach, approved External Credit Assessment Institutions ("ECAI") ratings and prescribed risk weights based on asset class are used in the computation of regulatory capital.

The ECAI used by the Bank are Rating Agency Malaysia, Fitch Ratings, Moody's Investors Service, Malaysian Rating Corporation Berhad and Standard & Poor's. ECAI ratings are mapped to a common credit quality grade prescribed by BNM.

(iii) The aggregate breakdown of Credit Risk Exposures by Risk Weights of the Bank are as follows:-

Bank Risk Weights	30 June 2015							
	Sovereigns / Central Banks	PSEs	Banks, DFIs and MDBs	Insurance Cos, Securities Firms and Fund Managers	Corporates	Other Assets	Total Exposures after Netting and Credit Risk Mitigation	Total RWA
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	19,665,291	-	-	-	-	282,006	19,947,298	-
10%	-	-	-	-	-	-	-	-
20%	-	119,371	14	-	-	-	119,385	23,877
35%	-	-	-	-	-	-	-	-
50%	-	-	83,739	-	-	-	83,739	41,870
75%	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-
100%	-	-	-	209,727	545,852	449,134	1,204,714	1,204,714
110%	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-
150%	-	-	-	-	7,655	-	7,655	11,482
270%	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-
Total	19,665,291	119,371	83,754	209,727	553,507	731,140	21,362,791	1,281,943

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

CREDIT RISK (Cont'd.)

(iii) The aggregate breakdown of Credit Risk Exposures by Risk Weights of the Bank are as follows (cont'd.):-

Bank Risk Weights	31 December 2014							
	Sovereigns / Central Banks	PSEs	Banks, DFIs and MDBs	Insurance Cos, Securities Firms and Fund Managers	Corporates	Other Assets	Total Exposures after Netting and Credit Risk Mitigation	Total RWA
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	-	-	-	-	-	91,583	91,583	-
10%	-	-	-	-	-	-	-	-
20%	-	88,620	80,943	-	-	-	169,563	33,913
35%	-	-	-	-	-	-	-	-
50%	-	-	53,777	-	-	-	53,777	26,888
75%	-	-	-	-	-	-	-	-
90%	-	-	-	-	-	-	-	-
100%	-	-	-	206,323	1,646,821	403,841	2,256,985	2,256,985
110%	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-
150%	-	-	-	-	7,564	-	7,564	11,347
270%	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-
1250.0%	-	-	-	-	-	-	-	-
Total	-	88,620	134,720	206,323	1,654,385	495,424	2,579,472	2,329,132

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

CREDIT RISK (Cont'd)

(iv) Rated Exposures according to ratings by ECAI's for the current period ended 30 June 2015:-

Exposure Class	Ratings of Corporates by Approved ECAIs (RM'000)					
	Moodys	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
On and Off-Balance Sheet Exposures						
Credit Exposures (using Corporate Risk Weights)						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)		-	-	-	-	119,371
Insurance Cos, Securities Firms and Fund Managers		-	-	-	-	209,727
Corporates		-	-	-	-	553,507
Total		-	-	-	-	882,605

Exposure Class	Ratings of Banking Institutions by Approved ECAIs (RM'000)						
	Moodys	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
On and Off-Balance Sheet Exposures							
Banks, DFIs and MDBs		14,350	40,540	450	-	-	28,414
Total		14,350	40,540	450	-	-	28,414

Exposure Class	Ratings of Sovereigns and Central Banks by Approved ECAIs (RM'000)						
	Moodys	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
On and Off-Balance Sheet Exposures							
Sovereigns and Central Banks		-	19,665,291	-	-	-	-
Total		-	19,665,291	-	-	-	-

UNITED OVERSEAS BANK (MALAYSIA) BHD

(Incorporated in Malaysia)

CREDIT RISK (Cont'd)(iv) **Rated Exposures according to ratings by ECAI's for the financial year ended 31 December 2014:-**

Exposure Class	Ratings of Corporates by Approved ECAIs (RM'000)					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
<u>On and Off-Balance Sheet Exposures</u>						
<u>Credit Exposures (using Corporate Risk Weights)</u>						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)		-	-	-	-	88,620
Insurance Cos, Securities Firms and Fund Managers		-	-	-	-	206,323
Corporates		-	-	-	-	1,654,385
Total		-	-	-	-	1,949,328

Exposure Class	Ratings of Banking Institutions by Approved ECAIs (RM'000)						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
<u>On and Off-Balance Sheet Exposures</u>							
Banks, DFIs and MDBs		26,676	90,824	4,644	1,078	-	11,498
Total		26,676	90,824	4,644	1,078	-	11,498

UNITED OVERSEAS BANK (MALAYSIA) BHD

(Incorporated in Malaysia)

CREDIT RISK (Cont'd)Credit risk profile

The following tables show the breakdown of exposures by RWA and EAD for the Bank using the respective internal rating scale for the model applicable to the asset classes for the current period ended 30 June 2015:-

Exposures under the IRB Approach by Risk Grade

CRR Band	1-9	10-16	17-20 (Default)
	RM'000	RM'000	RM'000
Non Retail Exposures (EAD)			
Large Corporate, SMEs and Specialised Lending (IPRE)	18,431,334	9,844,009	735,897
Specialised Lending (CF and PF)	-	-	-
Bank	5,099,246	71,825	-
Total Non Retail Exposures	23,530,580	9,915,834	735,897
Undrawn Commitments			
Large Corporate, SMEs and Specialised Lending (IPRE)	153,342	11,476	-
Specialised Lending (CF and PF)	-	-	-
Bank	-	-	-
Total Undrawn Commitments	153,342	11,476	-
Exposure Weighted Average LGD (%)			
Large Corporate, SMEs and Specialised Lending (IPRE)	41%	41%	44%
Specialised Lending (CF and PF)	0%	0%	0%
Bank	45%	45%	0%
Exposure Weighted Average Risk Weight (%)			
Large Corporate, SMEs and Specialised Lending (IPRE)	74%	127%	0%
Specialised Lending (CF and PF)	0%	0%	0%
Bank	25%	71%	0%

PD Range of Retail Exposures	0.00% to 1.00%	1.01% to 2.00%	2.01% to 99.99%	SD to default
	RM'000	RM'000	RM'000	RM'000
Retail Exposures (EAD)				
Residential Mortgages	24,840,974	716,855	2,764,894	400,956
Qualifying Revolving Retail	1,029,298	425,953	1,142,262	44,549
Other Retail	12,293,196	2,055,608	1,900,446	174,646
Total Retail Exposures	38,163,469	3,198,417	5,807,603	620,151
Undrawn Commitments				
Residential Mortgages	759,143	41,366	53,196	-
Qualifying Revolving Retail	316,046	95,234	90,042	-
Other Retail	1,313,844	154,676	145,406	80
Total Undrawn Commitments	2,389,032	291,276	288,644	80
Exposure Weighted Average LGD (%)				
Residential Mortgages	11.31%	11.36%	11.57%	12.32%
Qualifying Revolving Retail	30.93%	47.16%	51.18%	63.66%
Other Retail	16.35%	24.64%	25.83%	24.56%
Exposure Weighted Average Risk Weight (%)				
Residential Mortgages	6.57%	18.37%	38.85%	64.57%
Qualifying Revolving Retail	6.04%	21.43%	76.36%	368.83%
Other Retail	12.35%	28.07%	40.44%	143.18%

UNITED OVERSEAS BANK (MALAYSIA) BHD

(Incorporated in Malaysia)

CREDIT RISK (Cont'd)Credit risk profile (cont'd.)

The following tables show the breakdown of exposures by RWA and EAD for the Bank using the respective internal rating scale for the model applicable to the asset classes for the financial year ended 31 December 2014:-

Exposures under the IRB Approach by Risk Grade (cont'd.)

CRR Band	1-9	10-16	17-20 (Default)
	RM'000	RM'000	RM'000
Non Retail Exposures (EAD)			
Large Corporate, SMEs and Specialised Lending (IPRE)	19,496,449	8,932,455	560,588
Specialised Lending (CF and PF)	-	-	-
Sovereign	18,933,791	-	-
Bank	4,157,906	22,155	-
Total Non Retail Exposures	42,588,146	8,954,610	560,588
Undrawn Commitments			
Large Corporate, SMEs and Specialised Lending (IPRE)	137,054	29,610	-
Specialised Lending (CF and PF)	-	-	-
Sovereign	-	-	-
Bank	-	-	-
Total Undrawn Commitments	137,054	29,610	-
Exposure Weighted Average LGD (%)			
Large Corporate, SMEs and Specialised Lending (IPRE)	41%	42%	44%
Specialised Lending (CF and PF)	0%	0%	0%
Sovereign	45%	0%	0%
Bank	45%	45%	0%
Exposure Weighted Average Risk Weight (%)			
Large Corporate, SMEs and Specialised Lending (IPRE)	74%	130%	0%
Specialised Lending (CF and PF)	0%	0%	0%
Sovereign	0%	0%	0%
Bank	25%	183%	0%

PD Range of Retail Exposures	0.00% to 1.00%	1.01% to 2.00%	2.01% to 99.99%	SD to default
	RM'000	RM'000	RM'000	RM'000
Retail Exposures (EAD)				
Residential Mortgages	24,205,099	646,440	2,750,027	373,159
Qualifying Revolving Retail	1,001,187	425,981	1,166,091	30,570
Other Retail	11,711,389	2,120,031	2,074,585	167,800
Total Retail Exposures	36,917,674	3,192,451	5,990,703	571,530
Undrawn Commitments				
Residential Mortgages	752,928	3,054	55,058	-
Qualifying Revolving Retail	274,904	89,313	81,552	-
Other Retail	1,351,593	154,677	178,755	-
Total Undrawn Commitments	2,379,425	247,044	315,365	-
Exposure Weighted Average LGD (%)				
Residential Mortgages	11.54%	11.30%	11.79%	12.38%
Qualifying Revolving Retail	31.68%	47.28%	52.00%	65.10%
Other Retail	16.52%	25.09%	26.31%	24.05%
Exposure Weighted Average Risk Weight (%)				
Residential Mortgages	6.76%	17.72%	39.63%	63.79%
Qualifying Revolving Retail	6.19%	21.35%	77.99%	340.00%
Other Retail	12.50%	28.42%	40.93%	125.03%

UNITED OVERSEAS BANK (MALAYSIA) BHD
(Incorporated in Malaysia)

CREDIT RISK (Cont'd)

Retail Exposures under the IRB Approach by Expected Loss ("EL") Range for the current period ended 30 June 2015 are as follows:-

EL% Range of Retail Exposures	0 to 1.0%	1.0 to 5.0%	5.0 to 10.0%	10.0 to 30.0%	30.0% to 100%
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Retail Exposures (EAD)</u>					
Residential Mortgages	27,771,598	721,399	86,898	143,785	-
Qualifying Revolving Retail	1,455,905	759,144	157,931	175,877	93,205
Other Retail	15,365,361	770,584	220,783	41,924	25,244
Total Retail Exposures	44,592,864	2,251,127	465,612	361,587	118,449
<u>Undrawn Commitments</u>					
Residential Mortgages	852,006	1,698	-	-	-
Qualifying Revolving Retail	387,970	100,359	7,505	5,079	409
Other Retail	1,567,106	41,246	3,700	1,953	-
Total Undrawn Commitments	2,807,082	143,303	11,205	7,032	409
<u>Exposure Weighted Average Risk Weight (%)</u>					
Residential Mortgages	9.41%	59.11%	66.43%	0.08%	0.00%
Qualifying Revolving Retail	9.11%	50.35%	115.11%	162.06%	223.47%
Other Retail	15.64%	56.56%	92.59%	153.77%	20.18%

Retail Exposures under the IRB Approach by Expected Loss ("EL") Range for the financial year ended 31 December 2014 are as follows:-

EL% Range of Retail Exposures	0 to 1.0%	1.0 to 5.0%	5.0 to 10.0%	10.0 to 30.0%	30.0% to 100%
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Retail Exposures (EAD)</u>					
Residential Mortgages	27,038,487	737,450	61,240	137,547	-
Qualifying Revolving Retail	1,426,602	779,282	160,655	176,839	80,451
Other Retail	14,978,821	800,730	222,740	39,457	32,057
Total Retail Exposures	43,443,910	2,317,462	444,636	353,843	112,507
<u>Undrawn Commitments</u>					
Residential Mortgages	809,124	1,917	-	-	-
Qualifying Revolving Retail	341,633	89,281	10,048	4,421	386
Other Retail	1,628,621	44,556	7,313	4,614	-
Total Undrawn Commitments	2,779,378	135,754	17,361	9,035	386
<u>Exposure Weighted Average Risk Weight (%)</u>					
Residential Mortgages	9.58%	61.46%	56.53%	0.09%	0.00%
Qualifying Revolving Retail	9.31%	50.71%	116.65%	168.12%	191.00%
Other Retail	15.95%	55.20%	98.51%	167.73%	26.47%

UNITED OVERSEAS BANK (MALAYSIA) BHD

(Incorporated in Malaysia)

CREDIT RISK MITIGATION

The Credit Risk Mitigation ("CRM") of the Bank for the current period ended 30 June 2015 are as follows:-

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees / Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
	RM'000	RM'000	RM'000	RM'000
<u>Credit Risk</u>				
<u>On-Balance Sheet Exposures</u>				
Sovereign / Central Banks	19,665,291	-	-	-
Public Sector Entities	-	-	-	-
Banks, DFIs and MDBs	3,296,352	-	-	-
Insurances Cos, Securities Firms and Fund Managers	214,728	-	-	-
Corporates	24,119,614	1,107,160	1,535,395	1,214,785
Regulatory Retail	16,726,318	20	-	-
Residential Mortgages	27,469,019	-	-	-
Higher Risk Assets	-	-	-	-
Other Assets	707,137	-	-	-
Specialised Financing / Investment	-	-	-	-
Equity Exposures	113,361	-	-	-
Securitisation Exposures	-	-	-	-
Defaulted Exposures	1,052,626	-	3,706	6,036
Total for On-Balance Sheet Exposures	93,364,446	1,107,180	1,539,101	1,220,821
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	1,920,997	3,169	10,550	163
Credit Derivatives	-	-	-	-
Off-Balance Sheet Exposures other than OTC Derivatives or Credit Derivatives	7,933,504	113,466	735,825	77,312
Defaulted Exposures	6,726	-	286	70
Total for Off-Balance Sheet Exposures	9,861,227	116,635	746,661	77,545
Total On and Off-Balance Sheet Exposures	103,225,673	1,223,815	2,285,762	1,298,367

UNITED OVERSEAS BANK (MALAYSIA) BHD

(Incorporated in Malaysia)

CREDIT RISK MITIGATION (Cont'd.)

The Credit Risk Mitigation ("CRM") of the Bank for the financial year ended 31 December 2014 are as follows:-

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees / Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
	RM'000	RM'000	RM'000	RM'000
<u>Credit Risk</u>				
<u>On-Balance Sheet Exposures</u>				
Sovereign / Central Banks	18,833,792	-	-	-
Public Sector Entities	-	-	-	-
Banks, DFIs and MDBs	3,007,600	-	-	-
Insurances Cos, Securities Firms and Fund Managers	206,408	-	-	-
Corporates	25,433,796	1,326,543	1,415,952	1,094,213
Regulatory Retail	16,362,214	-	-	-
Residential Mortgages	26,790,525	-	-	-
Higher Risk Assets	-	-	-	-
Other Assets	450,287	-	-	-
Specialised Financing / Investment	-	-	-	-
Equity Exposures	113,329	-	-	-
Securitisation Exposures	-	-	-	-
Defaulted Exposures	917,688	19,000	2,109	6,048
Total for On-Balance Sheet Exposures	92,115,639	1,345,543	1,418,061	1,100,261
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	1,478,949	5,648	14,249	1,345
Credit Derivatives	-	-	-	-
Off-Balance Sheet Exposures other than OTC Derivatives or Credit Derivatives	7,728,429	156,293	741,743	74,132
Defaulted Exposures	8,107	-	1,462	70
Total for Off-Balance Sheet Exposures	9,215,485	161,941	757,454	75,547
Total On and Off-Balance Sheet Exposures	101,331,124	1,507,484	2,175,515	1,175,808

UNITED OVERSEAS BANK (MALAYSIA) BHD

(Incorporated in Malaysia)

OFF-BALANCE SHEET EXPOSURES AND COUNTERPARTY CREDIT RISK**Credit Exposures from Foreign Exchange and Derivatives**

Pre-settlement limits for FX and derivative transactions are established using the potential future exposures ("PFE") approach. This approach takes into consideration the transaction currency and tenor to address the credit risk exposures arising from adverse market movements.

The Off-Balance Sheet Exposures and their related counterparty credit risk of the Bank for the current period ended 30 June 2015 are as follows:-

Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	RWA
	RM'000	RM'000	RM'000	RM'000
Direct credit substitutes	2,544,060		2,544,060	1,730,409
Transaction related contingent items	4,419,865		2,188,049	1,441,031
Short Term Self Liquidating trade related contingencies	450,668		101,513	59,236
Foreign Exchange related contracts	35,887,334	866,650	1,288,225	473,291
One year or less	35,370,476	838,056	1,229,881	421,330
Over one year to five years	516,858	28,594	58,344	51,961
Over five years	-	-	-	-
Interest / Profit rate related contracts	19,951,251	96,212	541,589	299,116
One year or less	4,699,323	6,863	26,378	14,096
Over one year to five years	14,461,194	85,597	464,465	251,365
Over five years	790,734	3,752	50,746	33,655
Equity related contracts	1,053,798	23,938	98,102	44,448
One year or less	588,988	17,727	50,691	19,494
Over one year to five years	464,810	6,211	47,411	24,954
Over five years	-	-	-	-
Other Commodity contracts	723,144	43,119	115,434	51,083
One year or less	723,144	43,119	115,434	51,083
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,965,746		152,879	127,869
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	10,220,146		643,374	152,452
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	7,831,338		2,128,187	235,710
Unutilised credit card lines	94,064		94,064	18,813
Off-balance sheet for securitisation exposures	-		-	-
Total	85,141,414	1,029,919	9,895,476	4,633,458

UNITED OVERSEAS BANK (MALAYSIA) BHD

(Incorporated in Malaysia)

OFF-BALANCE SHEET EXPOSURES AND COUNTERPARTY CREDIT RISK (Cont'd.)**Credit Exposures from Foreign Exchange and Derivatives (cont'd.)**

The Off-Balance Sheet Exposures and their related counterparty credit risk of the Bank for the financial year ended 31 December 2014 are as follows:-

Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	RWA
	RM'000	RM'000	RM'000	RM'000
Direct credit substitutes	2,284,617		2,284,617	1,596,309
Transaction related contingent items	4,308,410		2,131,960	1,432,231
Short Term Self Liquidating trade related contingencies	303,122		72,428	35,560
Foreign Exchange related contracts	28,225,912	658,539	848,292	343,074
One year or less	27,635,265	607,710	765,392	262,353
Over one year to five years	590,647	50,829	82,900	80,721
Over five years	-	-	-	-
Interest / Profit rate related contracts	20,007,324	96,737	497,294	277,962
One year or less	5,264,883	8,552	17,116	9,336
Over one year to five years	14,578,461	84,741	466,895	258,472
Over five years	163,980	3,444	13,283	10,154
Equity related contracts	1,097,907	20,700	73,947	34,445
One year or less	657,720	14,625	47,313	19,670
Over one year to five years	440,187	6,075	26,634	14,775
Over five years	-	-	-	-
Other Commodity contracts	665,815	96,893	163,475	127,569
One year or less	665,815	96,893	163,475	127,569
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,792,002		209,253	170,685
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	10,082,012		753,635	160,193
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	7,456,903		2,113,519	239,000
Unutilised credit card lines	70,343		70,343	14,069
Off-balance sheet for securitisation exposures	-		-	-
Total	76,294,367	872,869	9,218,763	4,431,097

UNITED OVERSEAS BANK (MALAYSIA) BHD

(Incorporated in Malaysia)

EQUITIES (Disclosures for Banking Book position)

The following table present the equity exposures in the banking book.

These exposures are classified under available-for-sale ("AFS") which are being measured at fair value.

Type of Equities	Bank			
	30 June 2015		31 December 2014	
	Exposures	RWA	Exposures	RWA
	RM'000	RM'000	RM'000	RM'000
Publicly Traded Equity Exposures * mainly acquired via loan restructuring activities	4,207	12,622	6,136	18,409
All Other Equity Exposures	109,154	436,616	107,193	428,772
	113,361	449,238	113,329	447,181

	Bank	
	30.06.2015	31.12.2014
	RM'000	RM'000
Realised gains/(losses) arising from sales and liquidation	2,346	1,435
Unrealised gains/(losses) included in fair value reserve	3,941	5,870

UNITED OVERSEAS BANK (MALAYSIA) BHD

(Incorporated in Malaysia)

DISCLOSURE FOR INTEREST RATE RISK / RATE OF RETURN RISK IN THE BANKING BOOK ("IRR / RORBB")**Interest Rate Risk In Banking Book**

The table below shows the results at 100 and 200 basis points parallel interest rate shocks to Economic Value of Equity ("EVE") and Net Interest Income ("NII"). The reported figures are based on the upward and downward parallel movement of the yield curve. The repricing profile of loans and deposits that do not have maturity dates are generally based on the earliest possible repricing dates taking into account the notice period to be served to customers.

Economic Value of Equity ("EVE")

Currency	Increase/(Decrease) in basis points 30 June 2015	Sensitivity of EVE 30 June 2015	Increase/(Decrease) in basis points 30 June 2015	Sensitivity of EVE 30 June 2015
		RM'million		RM'million
Total	+ 200/(200)	238.0 / (233.2)	+ 100/(100)	119.0 / (117.4)
MYR	+ 200/(200)	234.0 / (232.4)	+ 100/(100)	117.0 / (116.6)
USD	+ 200/(200)	4.0 / (0.8)	+ 100/(100)	2.0 / (0.8)

Currency	Increase/(Decrease) in basis points 31 December 2014	Sensitivity of EVE 31 December 2014	Increase/(Decrease) in basis points 31 December 2014	Sensitivity of EVE 31 December 2014
		RM'million		RM'million
Total	+ 200/(200)	188.2 / (157.6)	+ 100/(100)	93.6 / (81.9)
MYR	+ 200/(200)	160.3 / (153.7)	+ 100/(100)	79.6 / (78.0)
USD	+ 200/(200)	27.9 / (3.9)	+ 100/(100)	14.0 / (3.9)

The EVE sensitivity at 100 and 200 basis points parallel interest rate shocks were negative RM117 million and RM233 million (2014: negative RM82 million and RM158 million) respectively.

Net Interest Income ("NII")

Currency	Increase/(Decrease) in basis points 30 June 2015	Sensitivity of NII 30 June 2015	Increase/(Decrease) in basis points 30 June 2015	Sensitivity of NII 30 June 2015
		RM'million		RM'million
Total	+ 200/(200)	438.2 / (434.2)	+ 100/(100)	181.4 / (179.7)
MYR	+ 200/(200)	433.4 / (433.2)	+ 100/(100)	178.9 / (178.8)
USD	+ 200/(200)	4.8 / (1.0)	+ 100/(100)	2.4 / (1.0)

Currency	Increase/(Decrease) in basis points 31 December 2014	Sensitivity of NII 31 December 2014	Increase/(Decrease) in basis points 31 December 2014	Sensitivity of NII 31 December 2014
		RM'million		RM'million
Total	+ 200/(200)	398.9 / (373.2)	+ 100/(100)	160.1 / (152.4)
MYR	+ 200/(200)	379.4 / (371.2)	+ 100/(100)	150.3 / (150.3)
USD	+ 200/(200)	19.5 / (2.1)	+ 100/(100)	9.8 / (2.1)

The NII sensitivity at 100 and 200 basis points parallel interest rate shocks were RM181 million and RM438 million (2014: RM160 million and RM399 million) respectively.