



DBS Wealth Management: Racing Ahead

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Group Head of Wealth Management

June 2012

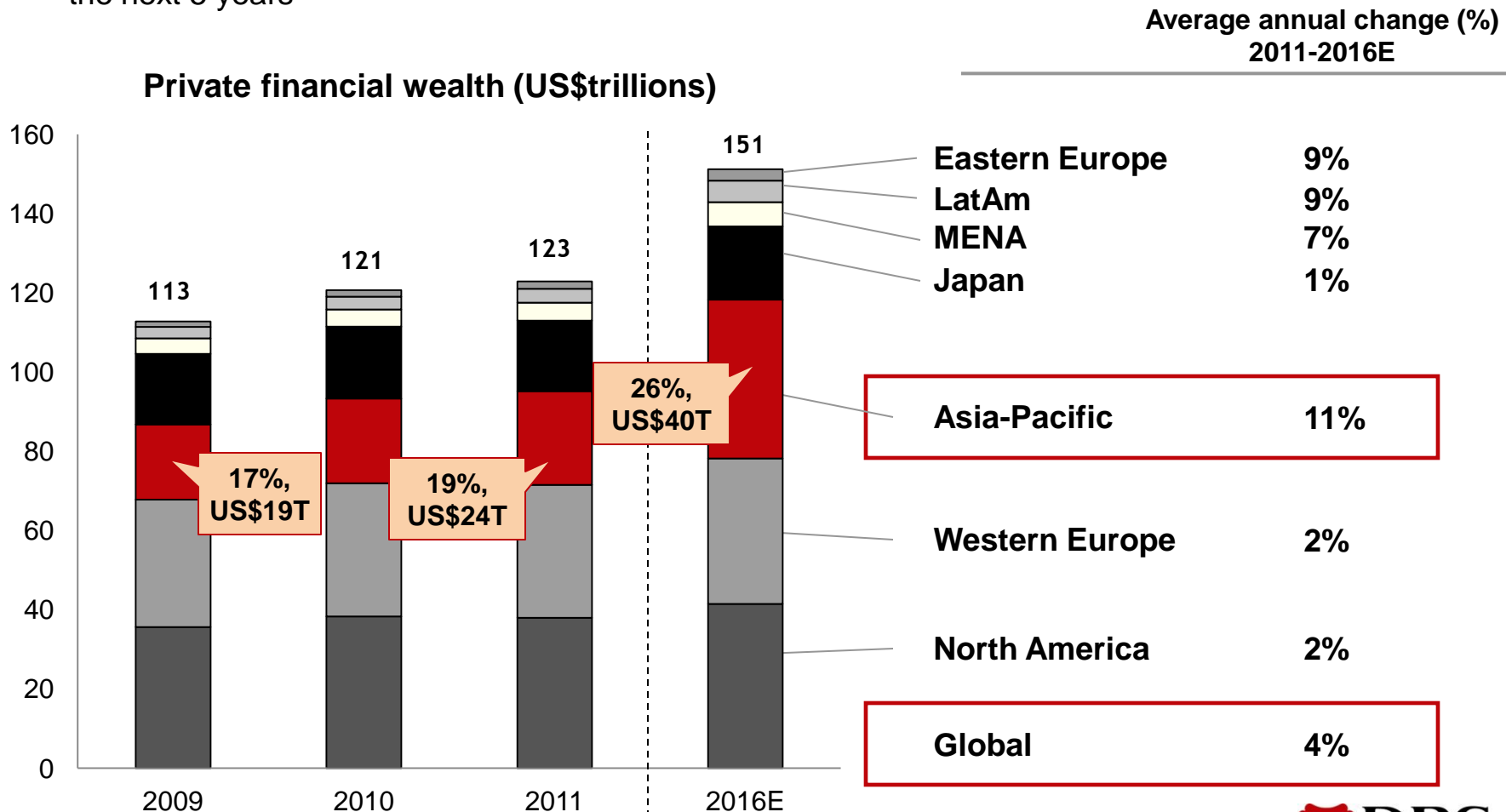
Agenda

- **Market Opportunity: Rapidly growing wealth in Asia**
- **The DBS Wealth Continuum:**
 - Banking Our Clients from Cradle to Next Generation
 - Creating Value in Each Customer Segment
- **The DBS Wealth Value Proposition:**
 - Bank Safe, Bank Smart
 - Entrenching DBS' Competitive Advantage
 - People, Product, Platform, Privileges
 - DBS Private Bank: Your Private Business Bank
 - DBS Treasures Private Client: Capturing the white space
 - DBS Treasures: Wealth-led strategy beyond Singapore
- **Financial performance of the new operating model**
- **Challenges: Managing for sustainability and profitability**
- **Our Awards and Accolades**

Market Opportunity:

Rapidly growing wealth in Asia

- Asia-Pacific (ex Japan) made up 19% of total wealth globally at US\$24 trillion in 2011, and is expected to increase to US\$40 trillion or up to 26% in 2016
- Asia-Pacific (ex Japan) expected to have highest CAGR growth of **11%** (vs. global average of 4%) in the next 5 years



Source: BCG Global Wealth Report 2012.

Private financial wealth for all years were converted to US dollars at year-end 2011 exchange rates to exclude the effect of currency fluctuations. Percentage changes and global totals of private financial wealth are based on complete (not rounded) numbers. Calculations for 2009 and 2010 are based on the same methodology used for the 2011 calculations. Global wealth is measured by financial wealth across all private households. Countries included in each region can be found in the report.

Private financial wealth includes cash deposits, money market funds, listed securities held directly or indirectly through managed investments, and other onshore and offshore assets. It excludes investors' own businesses, residences or luxury goods.



The DBS Wealth Continuum: Banking our clients from cradle to next generation

High Net Worth
Individuals

Affluent

Emerging
Affluent

Mass Market

DBS PRIVATE  BANK

> S\$5M

DBS TREASURES  PRIVATE
CLIENT

> S\$1.5M

 DBS *Treasures*

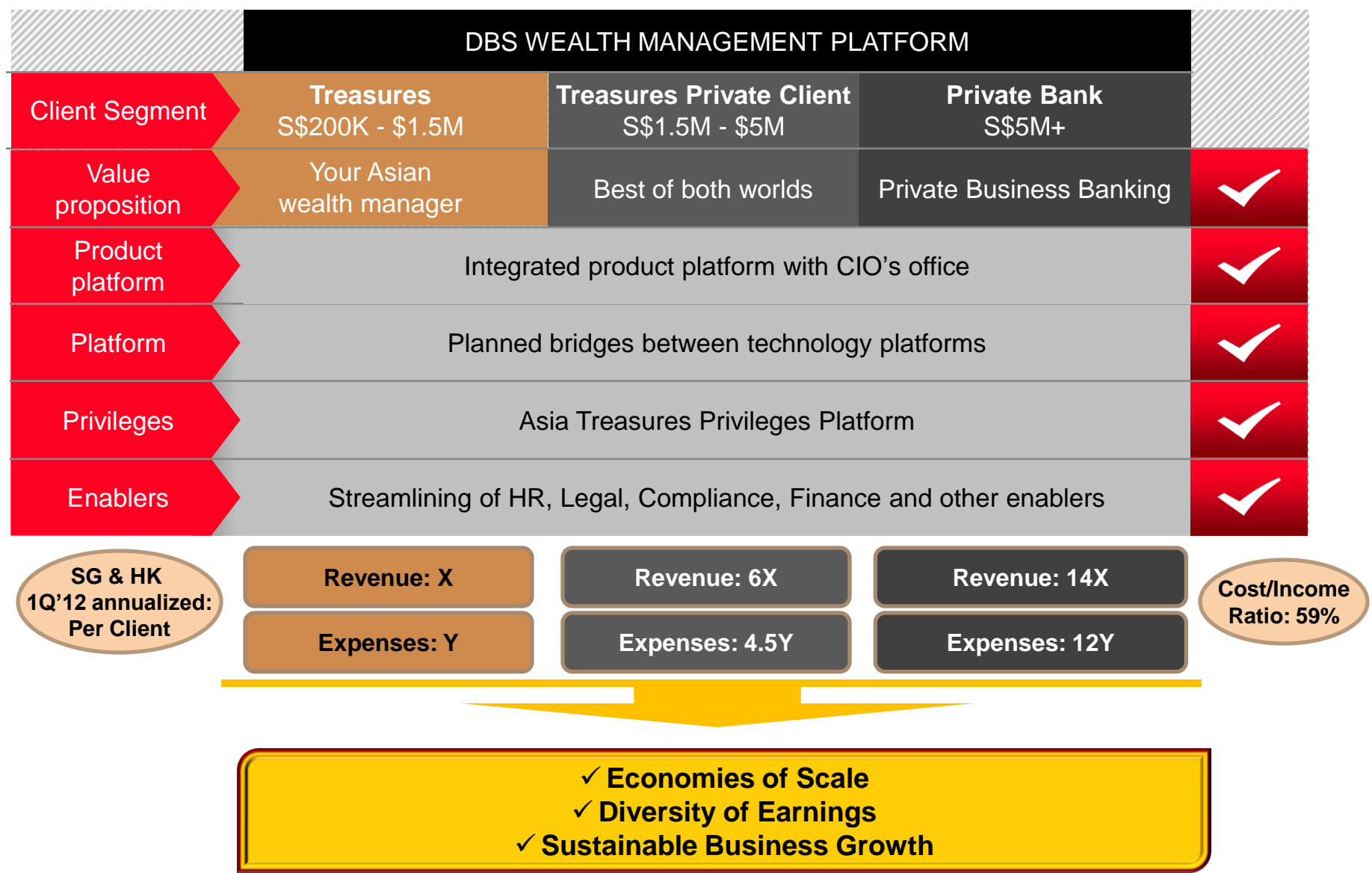
> S\$200k

 DBS 

Minimum AUM

DBS Wealth

The DBS Wealth Continuum: Creating Value in Each Customer Segment



The DBS Wealth Proposition: **Bank Safe, Bank Smart**

BANK SAFE

- **Ranked Safest Bank in Asia for four consecutive years by Global Finance**
- **Strong Credit Ratings**
 - Aa1 (Moody's) and AA- (S&P) are among the highest in the industry
- **Born and bred in Singapore**
 - Established in 1968 as the Development Bank of Singapore, and played a key role in the industrialisation and development of Singapore
 - Origins dating back to 1877 as the Post Office Savings Bank
 - 29.5%* owned by Temasek Holdings



* As at 3 June 2012

The DBS Wealth Proposition: Bank Safe, Bank Smart

BANK SMART

- **Asian Insights:** Economic, Equities & Investment Research
- **CIO Office:** Investment strategy and advice customised and delivered to clients regularly via regular publications, online channels, investment seminars, telephone conference calls
- **Nearly 5,000 man-hours** of training conducted for RMs serving HNWI's



The DBS Wealth Proposition: Entrenching DBS' competitive advantage

People

- Senior leadership team in place
- Relationship managers as the single touch point bringing clients the best of DBS
- Combining wealth creation with solutions-based wealth management
- Attracting the best talent globally
- Focus on training

Product

- Full suite of investment services
- Discretionary portfolio management
- Commodities (Physical gold)
- Hedge funds and private equity funds
- Credit (including overseas property financing)
- Fiduciary and Trust services
- Family Office Advisory

Platform

- Sophisticated client reporting tools
- First private bank to provide consolidated view of banking and investments, both online and offline
- Risk monitoring and sales suitability checks

Privileges

- Asia Treasures Privileges Platform
- By-invitation only Insignia credit card

The DBS Wealth Proposition: People

Key Management Team onboard in 2011

- Head of South and Southeast Asia
- Head of North Asia
- Head of International Team and Wealth Structuring
- Head of Head of Private Bank (China)
- Head of Treasures Private Client (Singapore)
- Head of Treasures Private Client (Hong Kong)

A Wealth of Expertise

- Head of Alternative Investments
- Head of Family Office Advisory
- Head of Discretionary Portfolio Management
- Head of International Team and Wealth Structuring

Focus on Training

- More than 5,000 man-hours of training since 2010
- All front office staff from Treasures Private Client and Private Bank will undergo industry competency assessments
- Setting up DBS Wealth Academy to ensure a more holistic learning pathway for RMs and other sales staff

Client-centric model

- Relationship manager serves as the main touchpoint for clients to access the best of DBS
- Focus on client satisfaction and feedback

The DBS Wealth Proposition: Product

Asia Focus

Asian Products & Deal Flow

- First to market for offshore renminbi (CNH) products
- Access to unique thematic/ specialty funds to capture growth of the region
- Access to strong Asia partners

Asian Research Expertise

- Asia-centric Chief Investment Officer
- Regular daily, weekly, monthly research publications
- Award winning equity research from DBS Vickers, covering more than 500 stocks in Asia ex-Japan

Asian Capital Markets Capability

- #1 underwriter for SGX equity listings*
- #1 bookrunner for SGD denominated bonds*
- Unique access to cornerstone opportunities
- Wealth creation through unlocking your corporate value

Asia-centric Asset Allocation

- Strategic and tactical asset allocation models with an Asian bias
- Unique access to assets from the fastest growing region in the world

Global Reach

- | | |
|-------------------------------|---|
| • Open architecture platform | • Alternatives (hedge funds, private equity funds) |
| • Overseas property financing | • Discretionary Portfolio Management |
| • Commodities (physical gold) | • Wealth Structuring, Family Office and Philanthropy Advisory |

* Source: Bloomberg, 2010 and 2011

- **Consolidated Banking and Investments View - 1st in Asia**
Launched consolidated online portfolio view, statements and eStatements



The DBS Wealth Proposition: Privileges

The DBS Asia Treasures Privileges Programme



At the Airport: Exclusive lounges



While away



Coming Home



Complimentary
Limousine Service

- Banking Services at local branches
- Emergency cash services
- Concierge service
- Merchant discounts and offers

Banking Services
(FX, travel insurance, etc)
Luxurious Services (F&B,
spa services)
Business Centre

Before Departure



Online reservation

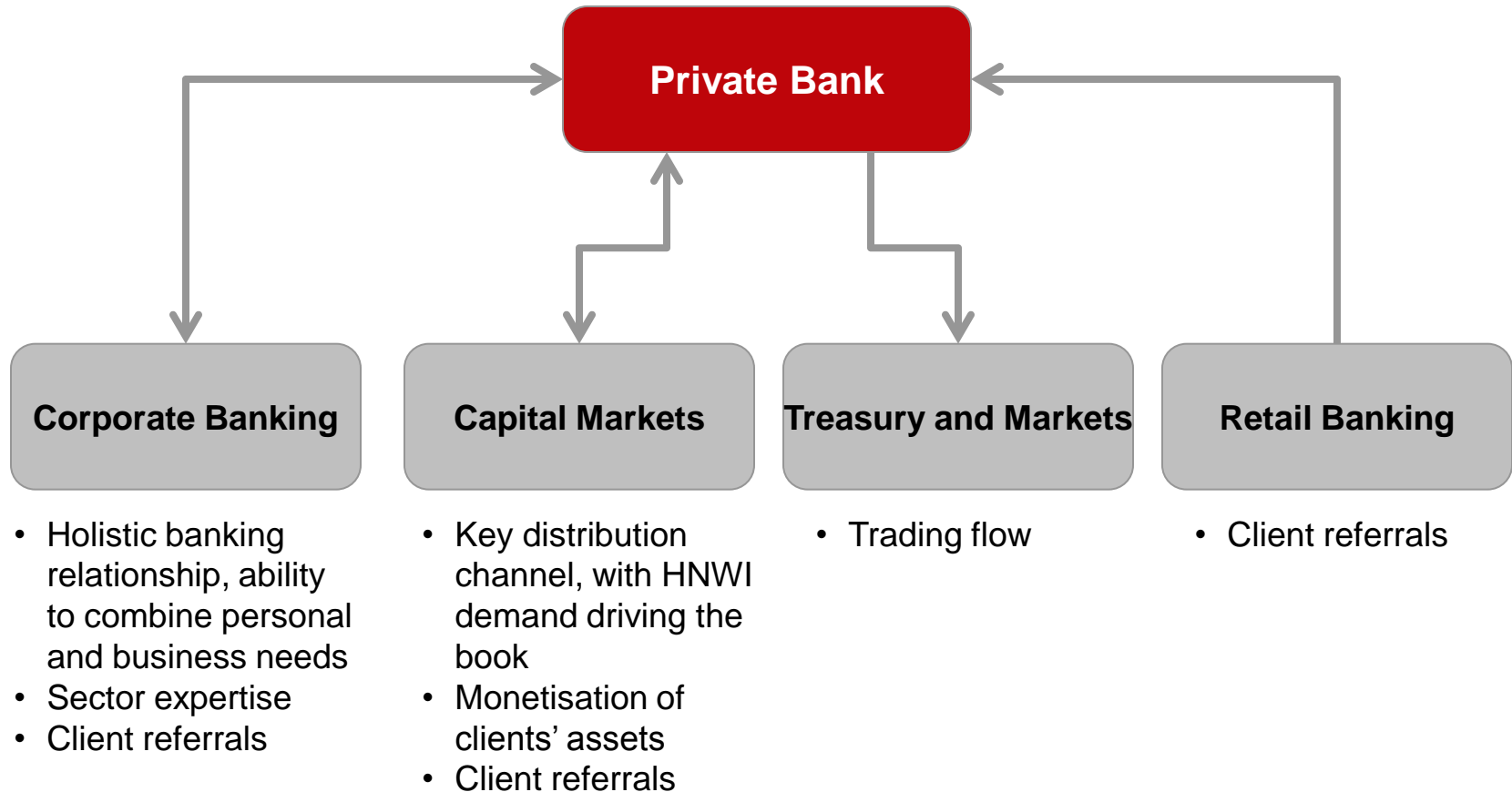
DBS PRIVATE  BANK

DBS Private Bank

Your Private Business Bank

DBS Private Bank

Your Private Business Bank





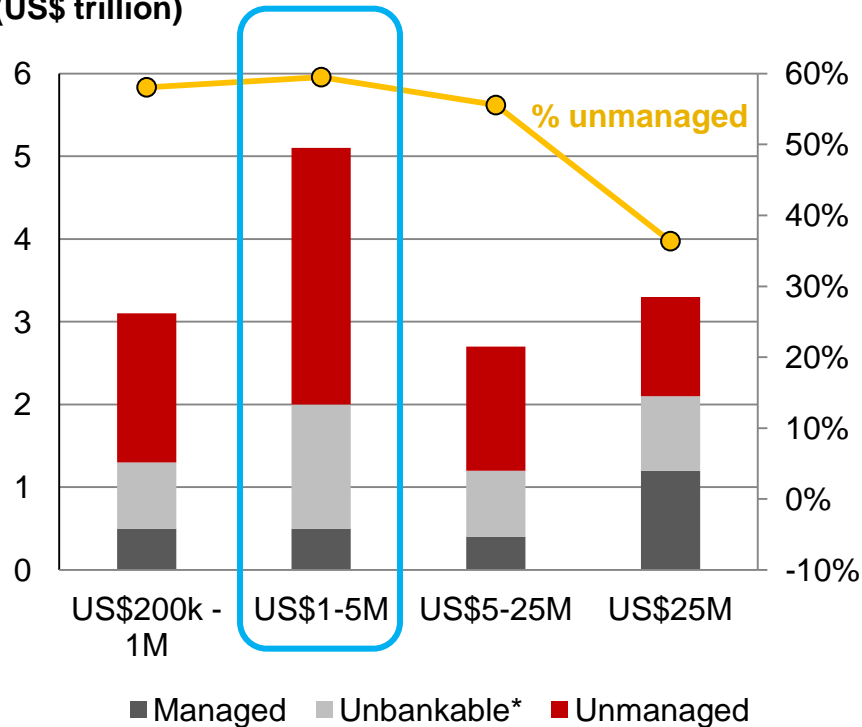
DBS Treasures Private Client Capturing the White Space

DBS Treasures Private Client

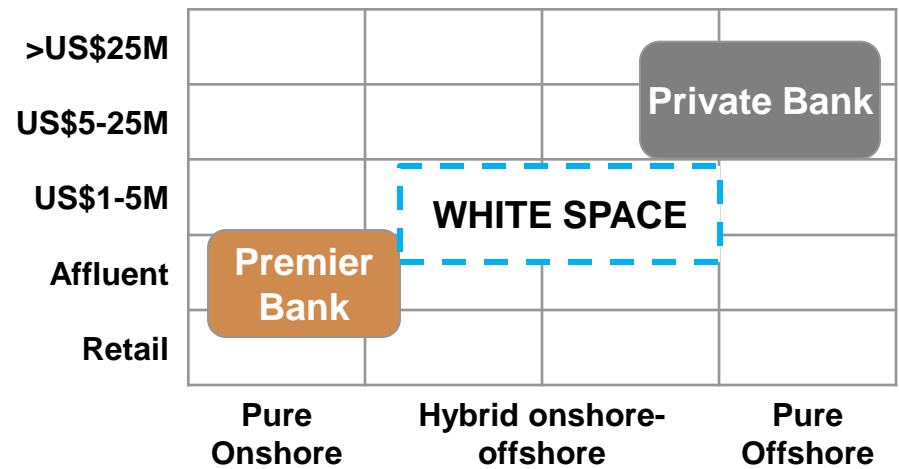
WHY- Capturing the 'white space'

- High percentage of unmanaged wealth in Asia-Pacific (ex-Japan)
- US\$1M – 5M wealth segment currently under-served

Asia-Pac Wealth#
(US\$ trillion)



Current Focus Areas of Wealth Organisations in Asia



Asia-Pacific is defined as Asia-Pacific excluding Japan, Australia and New Zealand.

* Unbankable wealth is assets held outside banking, for example in art, collectables or private investments and not directly marketable to Real estate is excluded from this analysis

Source: Olivier Wyman analysis, 2012

DBS Treasures Private Client

DBS is uniquely positioned to capture the 'white space'

- First-mover Advantage:
 - 'White space' opportunity was first identified end 2010
 - Launch of DBS Treasures Private Client in April (soft launch) and September 2011, with a differentiated offering for individuals with AUM of at least S\$1.5M

Combining the best of both worlds

- Convenient everyday banking (ATM network, credit card, auto loans, etc), with relationship manager as single touchpoint
- Sophisticated investment platform and services
- Lifestyle privileges designed for the 'Affluent Traveller'

Client sub-segmentation

- Profession/ sector based segmentation (Executives, doctors, lawyers, etc)
- Community-centric marketing







Development of a best-in-class online offering

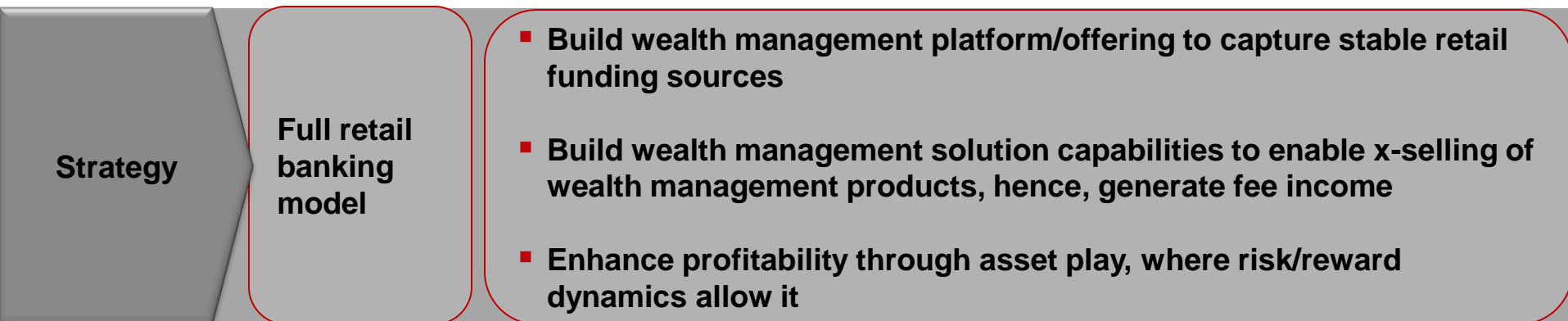
- Consolidated view of banking and investment holdings on internet and mobile banking
- Portfolio and performance monitoring tools online



DBS Treasures
Wealth-led Strategy Beyond Singapore

DBS Treasures: Wealth-led strategy beyond Singapore

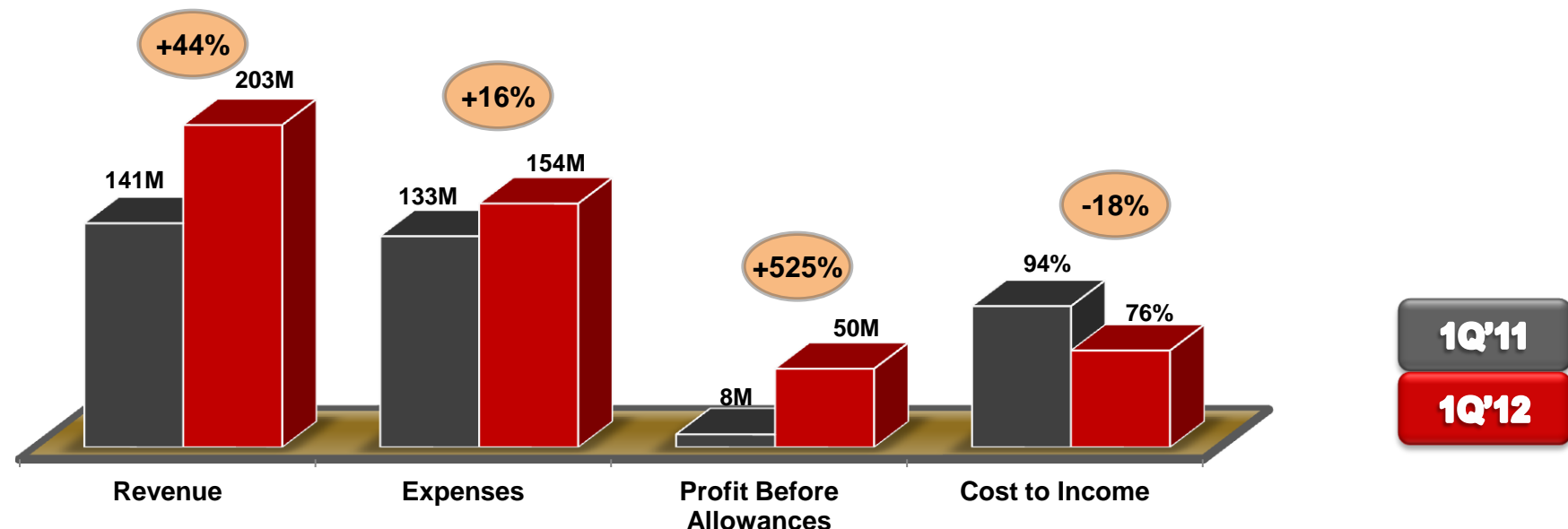
	SG	HK	TW	ID*	CN	IN
						
% of Affluent deposits of total Consumer Deposits	~40-45% of S\$440B	~50-60% of S\$580B	~40-50% of S\$780B	~45-50% of S\$350B	~45-50% of S\$4,200B	~45-60% of S\$820B



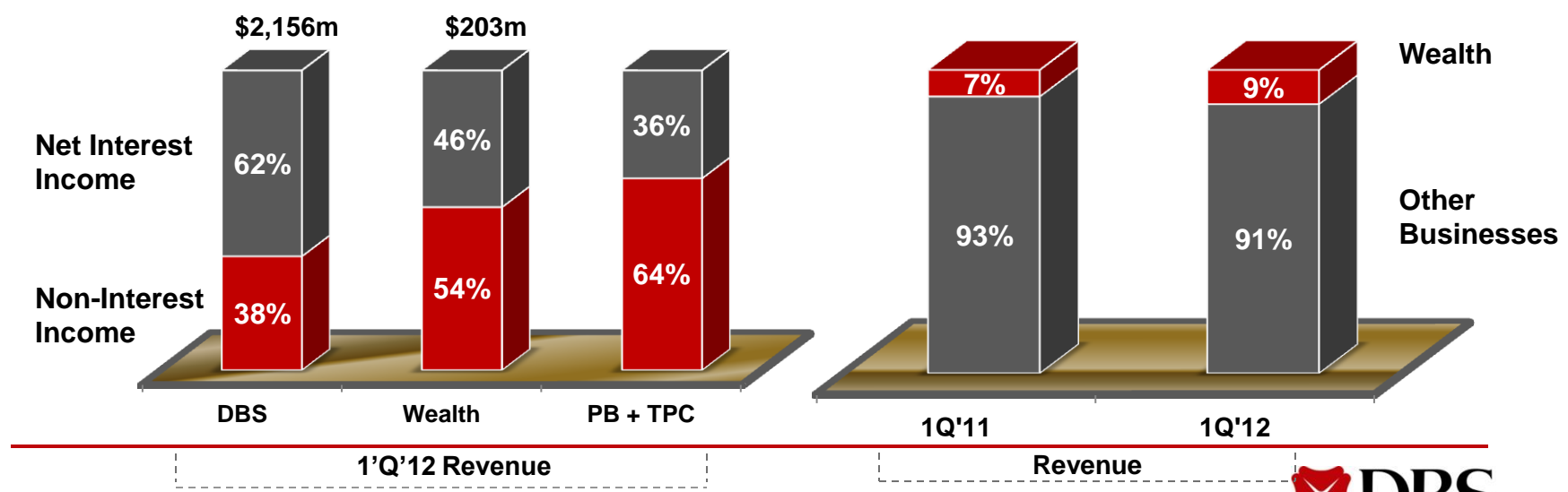
Source: McKinsey DBS Study 2010 (HK/CN); SCB Market Study (SG/TW/ID/IN), Lit Searches; DBS Analysis. Estimates as at December 2010
 Segment Definition: Affluent > S\$125K in liquid investable assets

*Pre-Danamon

DBS Wealth: Earnings Growth & Operating Leverage of New Business Model

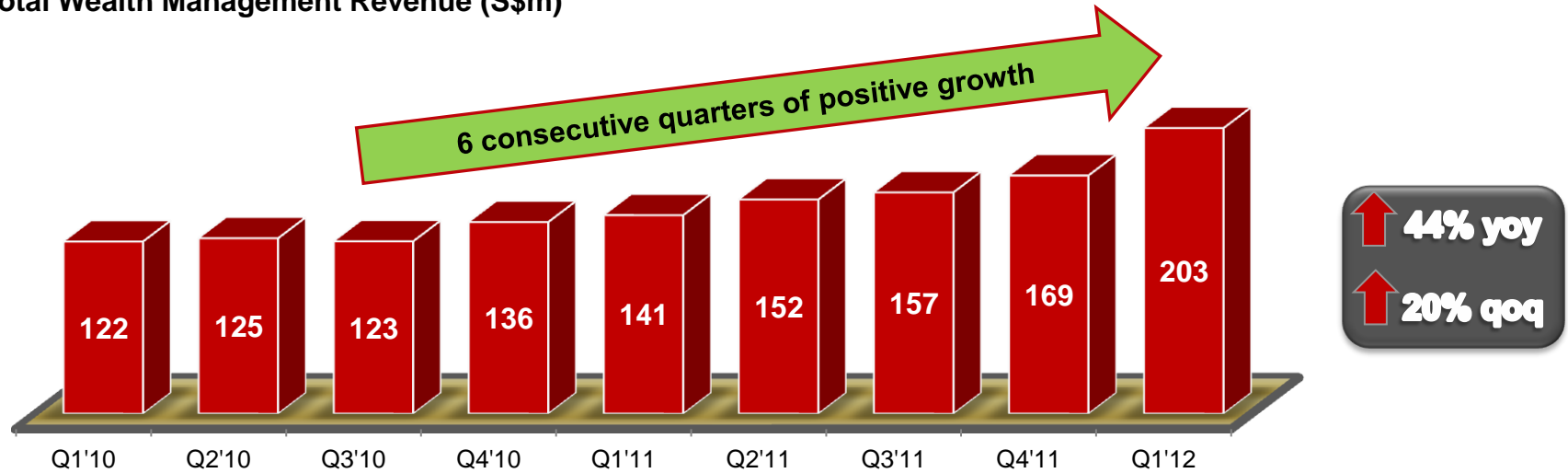


Substantial portion of Revenue from fee based activities; increasing share of overall Group Revenue

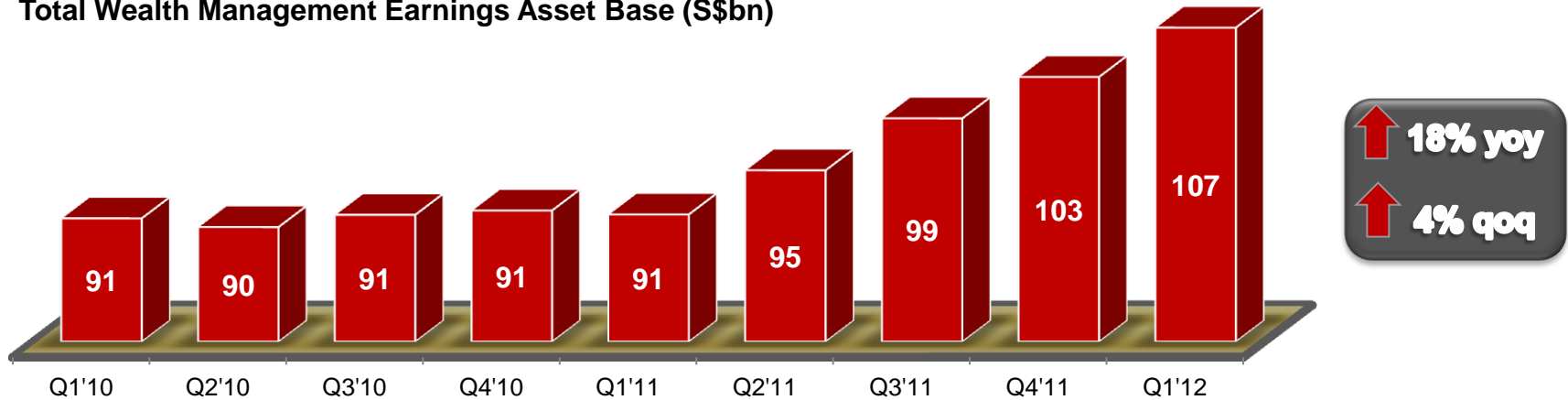


DBS Wealth: Strong Growth in Revenue and Earning Assets Base

Total Wealth Management Revenue (S\$m)



Total Wealth Management Earnings Asset Base (S\$bn)



Challenges: Managing For Sustainability & Profitability

People and Talent

Retain & recruit the right people in a competitive market place

Customer Acquisition

Maintain momentum in acquisition of **new customers** with the **right profile** to achieve sustainable revenue level

Regulations

Navigate through **regulatory changes**, stay ahead of the curve

Market Volatility

Economic growth in Asia could be susceptible to events in Europe and/or USA – financial markets turmoil / growth slowdown

Asia's Wealth is on a long-term growth trajectory. Navigate through short-term slowdown to capture the long-term growth.

Our Awards and Accolades

Wealth Management



Best Local Private Bank in
Singapore 2007-2012



Best Private Bank in
Singapore 2010-2011



Wealth Manager of the Year,
Singapore 2011



Best Domestic Private Bank (Singapore) 2010
Best Global Private Bank in Asia, 2010: Ranked 10th in
Asia, as voted by HNWI with US\$1-5m under
management with private banks

Bank Awards



Safest Bank in Asia 2009-
2012



8th Strongest Bank in the
World 2012



Best Domestic Providers of
FX Services (as voted by
financial institutions),
Singapore 2011



Ranked #1 overall top stock
picker in Singapore, 2011
Ranked #1 in Retail &
Consumer Products, 2011



Best Analyst in Singapore, 2011
- Ranked # 1 & #2



2011, Singapore
Best Domestic Bank
Best Investment Bank
Best Domestic Bond House



2011
Best Broker, Southeast Asia
Best Bond House, Singapore
Best Equity House, Singapore
Best Investment Bank, Singapore
Best FX Bank for Corporates and FIs



2011, Singapore
Best Bank
Best Investment Bank
Best Equity House
Best Bond House
Best FX Bank
Best Broker

DBS takes wealth management in Asia to a whole new level. Introducing DBS Treasures Private Client and DBS Private Bank.



Two wealth management platforms from the bank
that's been helping to grow Singapore's wealth from Day 1

DBS is proud to have played a leading role in shaping and financing Singapore's growth. As Southeast Asia's largest bank, we sense, assess and respond to developments in the region, sometimes even before they arise. In these uncertain times, experience the assurance, expertise and peace of mind that comes from banking with DBS - Asia's safest, Singapore's best.

DBS Treasures Private Client:
A unique pairing of expert wealth management
with personal banking convenience

When you choose DBS to manage your wealth, you can experience the best of both worlds.

At DBS Treasures Private Client, we provide clients with investible assets of S\$1.5 million and above with a comprehensive range of investment products and services, coupled with ease of banking and priority access at our network of over 200 branches in Asia.

www.dbs.com/treasuresprivateclient

Driven by insights, innovation and a deep understanding
of Asia's rapidly changing financial landscape

Born and bred in Asia, DBS is attuned to the ins and outs of the region. With our deep insights, connections and a strong presence in Singapore, Hong Kong, China, Taiwan, India and Indonesia, we can help you build and protect your wealth in a growing Asia.

DBS Private Bank:
A partner that can help you manage your personal wealth
and grow your business seamlessly

At DBS, you get more than just a traditional private bank. Clients with investible assets of S\$5 million and above have full access to bespoke investment products and services, plus the advantage of tapping into a wide pool of global financial markets, business, institutional and investment banking expertise. In short, to help you manage your wealth, DBS Private Bank doesn't just give you a banker, we bring the whole bank to you.

www.dbs.com/privatebank

To find out how we can help manage your wealth, please call +65 6227 7188.

We want you to get
a slice of the action
in Asia. Not a slice
of the reaction.



We are DBS Treasures Private Client.

Opportunities abound across the region and to gain the advantage in such a dynamic environment, you require the speed and resources of a bank born and bred in Asia.

DBS Treasures Private Client is a comprehensive wealth management platform that offers customers with investible assets of S\$1.5 million and above a unique pairing of expert wealth management with personal banking convenience.

- Asia-centric solutions across a comprehensive range of investment products and services
- Priority access at our extensive banking network across Asia and a first-of-its-kind online banking platform that makes all retail and private banking services easily available via a single touch point

It all adds up to benefitting from the expertise, and experiencing the convenience and peace of mind offered by DBS – Asia's safest, Singapore's best.

To find out more, please call +65 6227 7188.

Awarded 'Safest Bank in Asia' by Global Finance in 2009, 2010 and 2011.
Awarded 'Best Bank in Singapore' by Euromoney, Financial Asia and Global Finance in 2010.

www.dbs.com/treasuresprivateclient

DBS. Living, Breathing Asia

Proud to be the
Development Bank
of Singapore



One Private Bank believes
that to help manage
your wealth in Asia,
you don't just need a banker.



You need the whole bank.

We are DBS Private Bank.
Asia's safest, Singapore's best.

When you choose DBS Private Bank to manage your wealth, you will have all of DBS working for you.

Because unlike traditional private banks, DBS brings the entire bank to bear, giving clients with investible assets of S\$5 million and above the advantage of a deeper, wider pool of expertise.

Beyond bespoke investment products and services, you can tap into our in-depth knowledge and expertise in global financial markets, business, institutional and investment banking.

Experience a whole new level of wealth management from DBS – Asia's safest, Singapore's best.

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Development Bank
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Q & A
