

Building an Asian Transaction Banking Franchise

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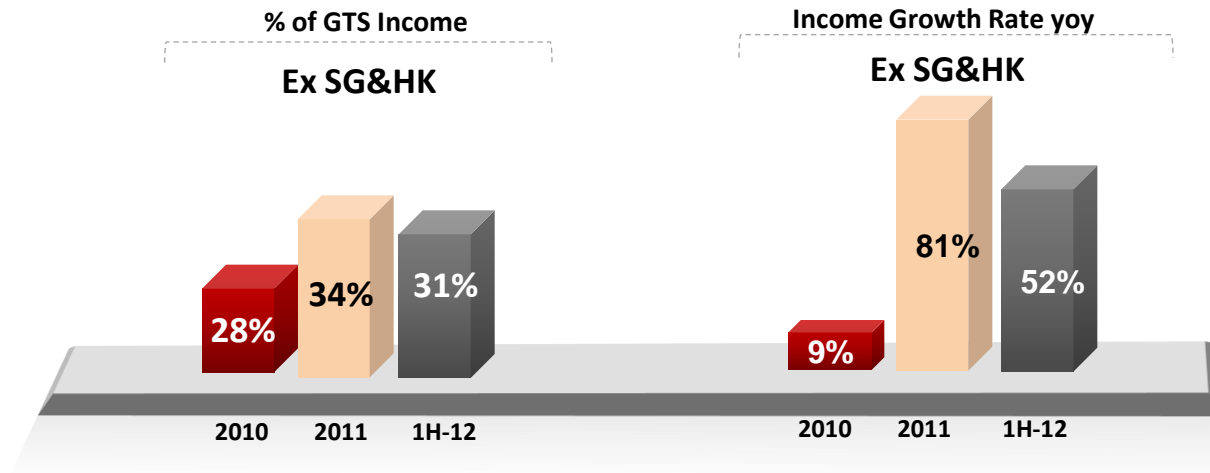
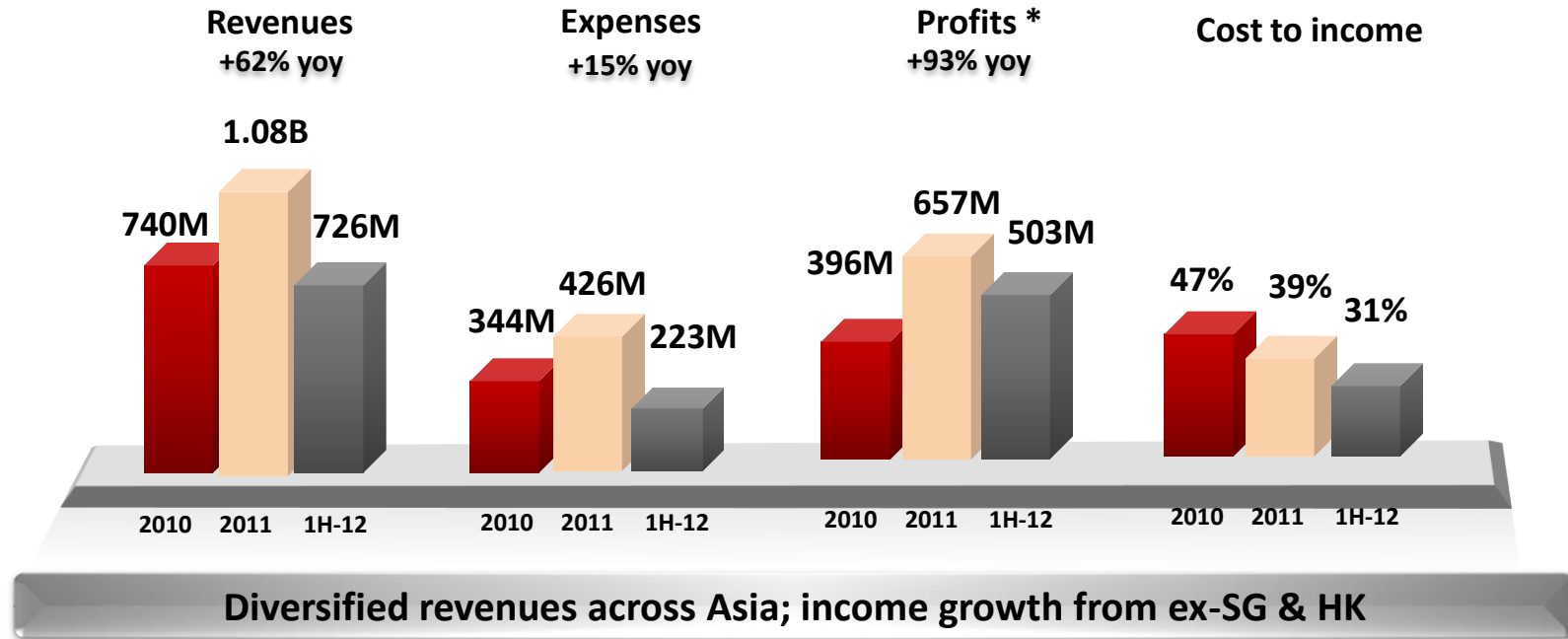
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Executive Summary

- **Strong growth across all markets, products and customer segments.**
- **Transaction Services deliver 21.6% of DBS Group profit before allowances in 1H12, up from 9.6% in 2010.**
- **New products are capturing large, high ROE revenue streams with strong element of annuity earnings.**
- **Low credit losses reflect strong risk management and attributes of trade business, supporting sustainability of future earnings.**
- **New sales and distribution model captures more multi product/multi geography mandates and deeper wallet penetration.**

GTS: Strong Revenue Growth & Operating Leverage



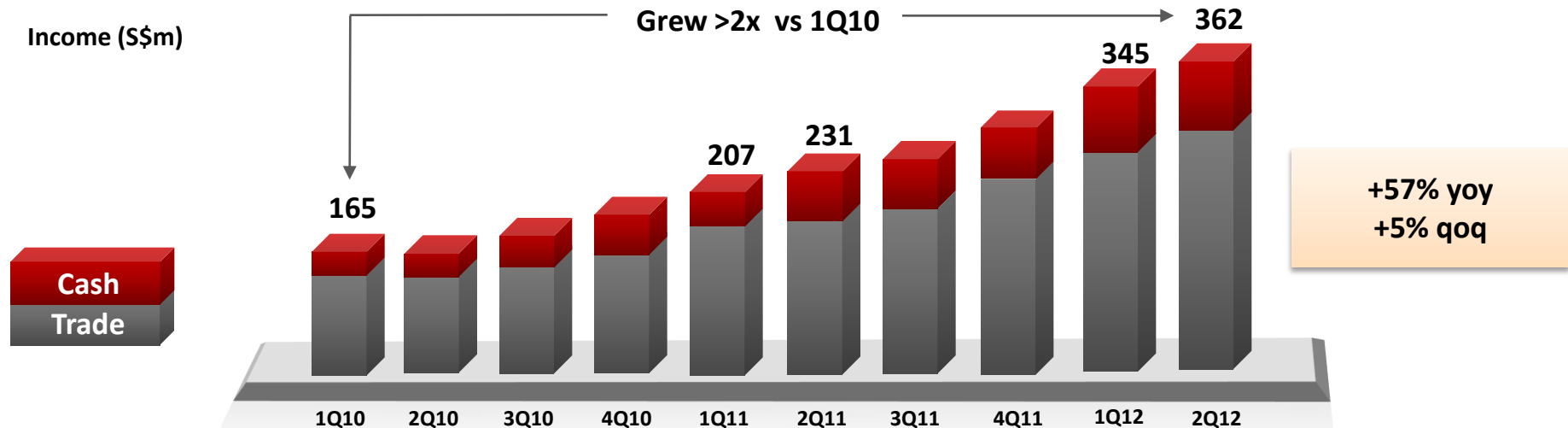
GTS revenues, expenses and profits comprise contributions from Cash, Trade and Securities Fiduciary Services

yoy: compared to same period of the prior year

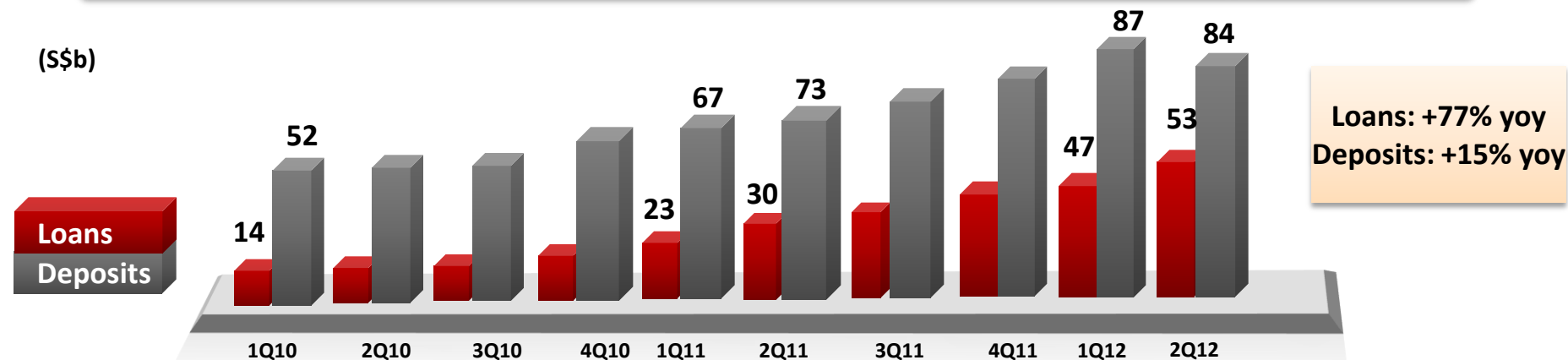
* Profits before allowances

GTS: 9 Consecutive Quarters of Growth in Cash and Trade

Earnings Momentum Across All Markets and Products



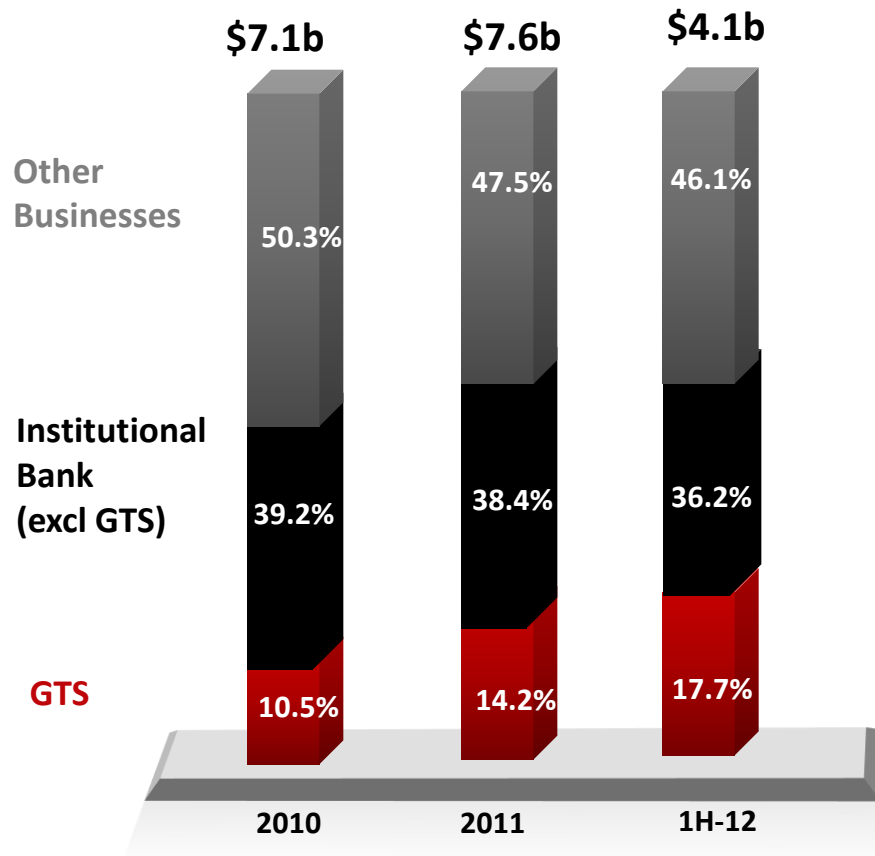
Strong customer deposit and loan growth



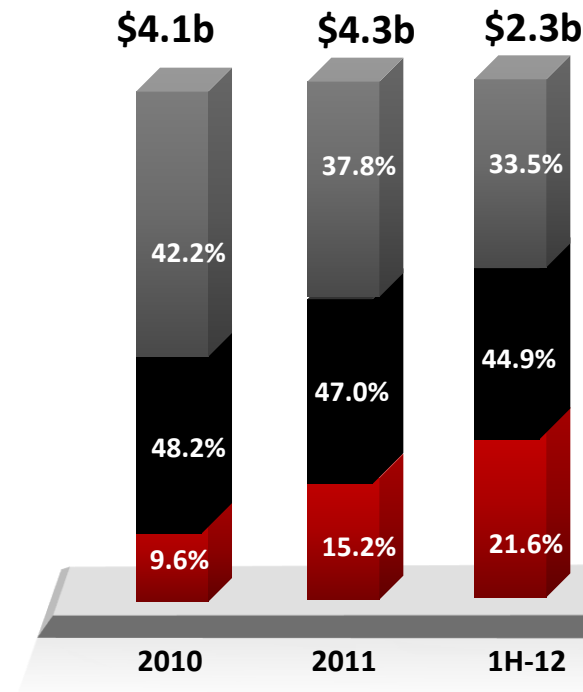
yoy: compared to same period of the prior year

GTS growing contribution to institutional banking and Bank results

Revenues

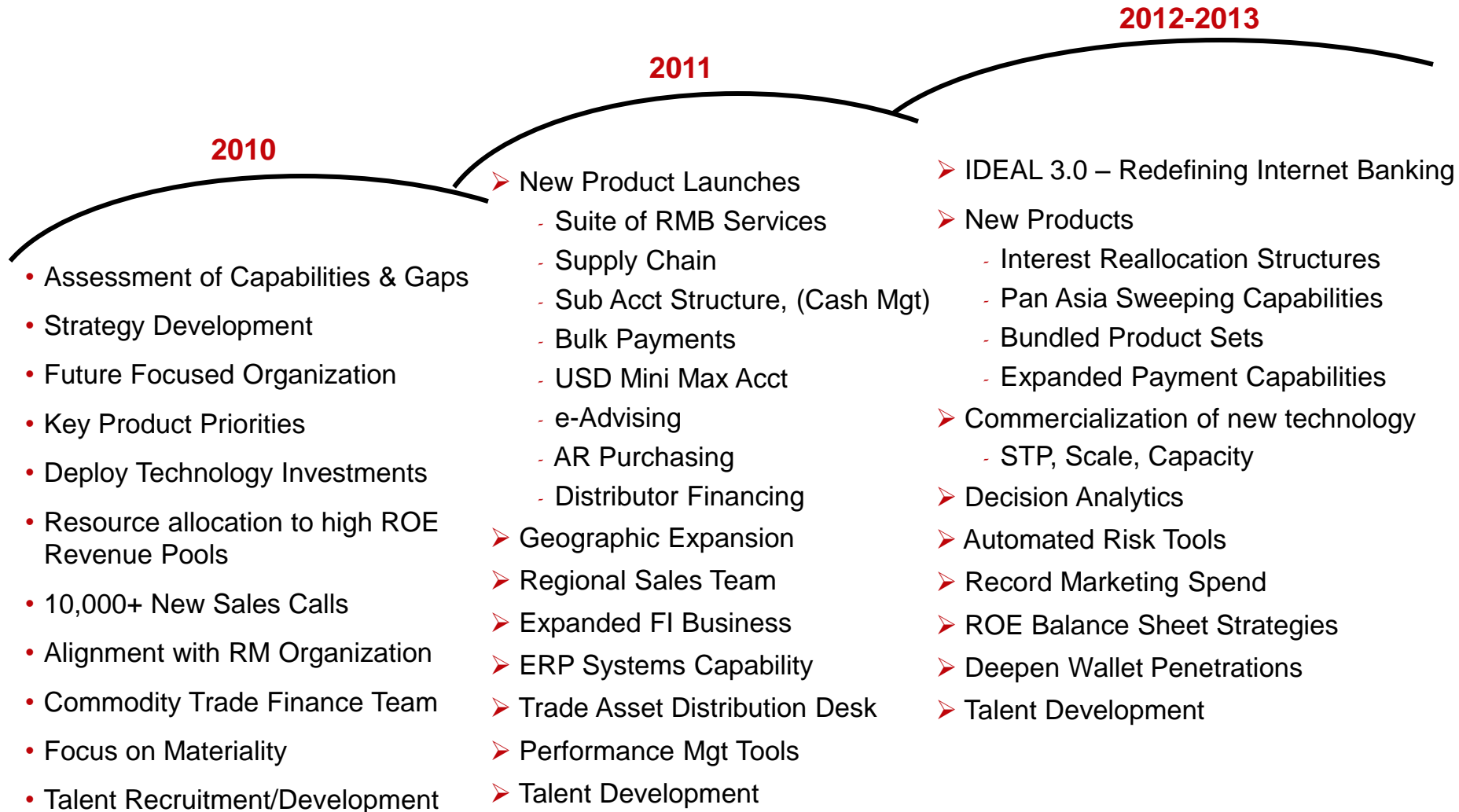


Profit before allowances

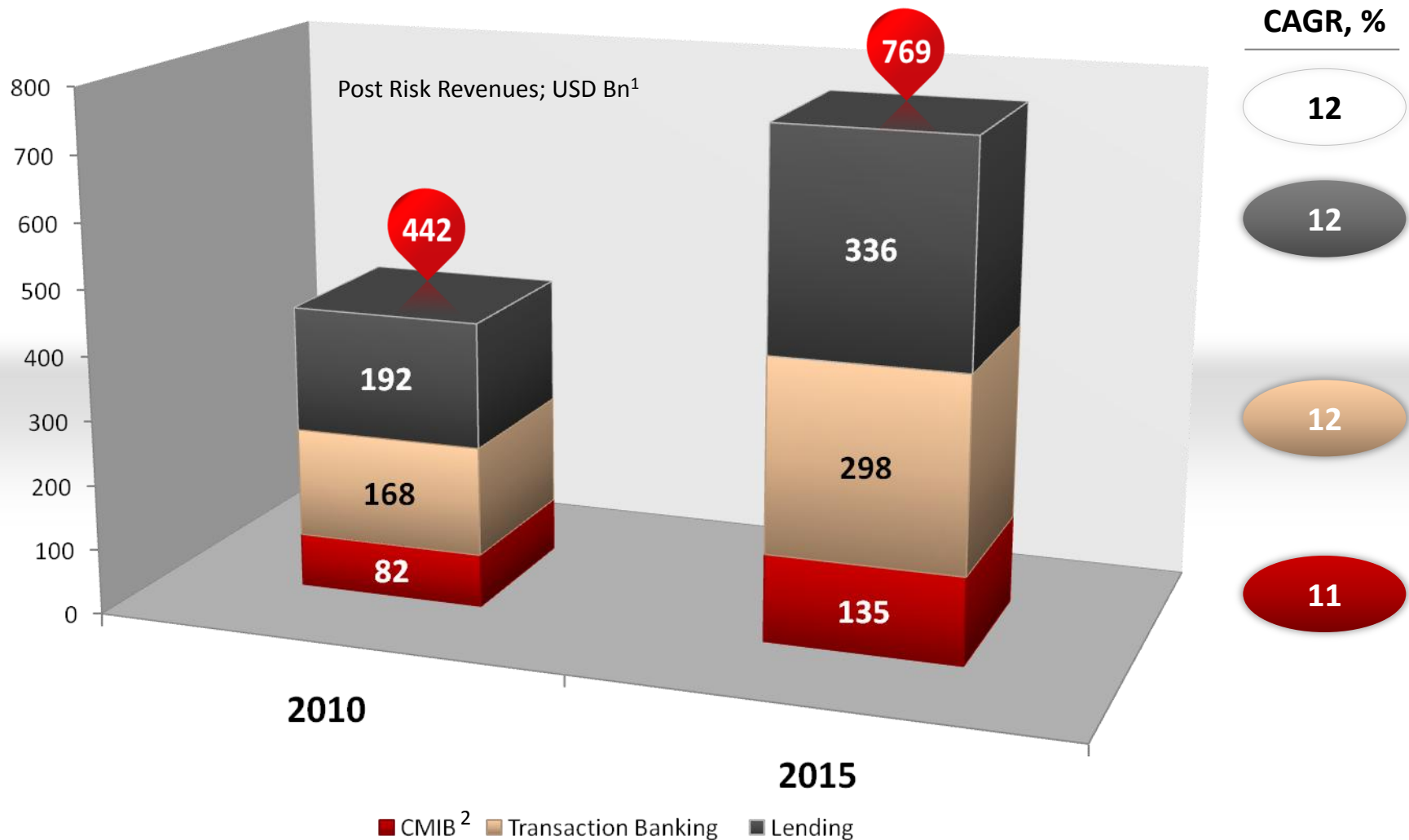


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Our Journey towards becoming a leading Regional GTS Bank



Asia Wholesale Banking Revenue Pools by Product



Source: McKinsey Global Banking Pools

1 At constant 2010 exchange rates

2 Capital Markets and Investment Banking



Macro Environment - Customer Behaviour - DBS Response

US corporate cash pile of \$1.24 Trillion, Asia companies expanding globally

Limited alternatives for income in all markets

Increased geographic reach raises the instance of “trapped cash”, fraud, operational risk and tax inefficiencies

Fewer AA Rated banks available as counterparty and “safe haven”

**“Return of Money”
vs
“Return on Money”**

In July, Unilever raised \$1B in bonds, 0.45% for 3-year money and 0.85% over five years, a record low for corporate debt. A week earlier IBM raised 10-year money at 1.875%

Counterparty risk, sovereign risk and compliance/ governance are top priorities

Safety and liquidity taking priority over yield

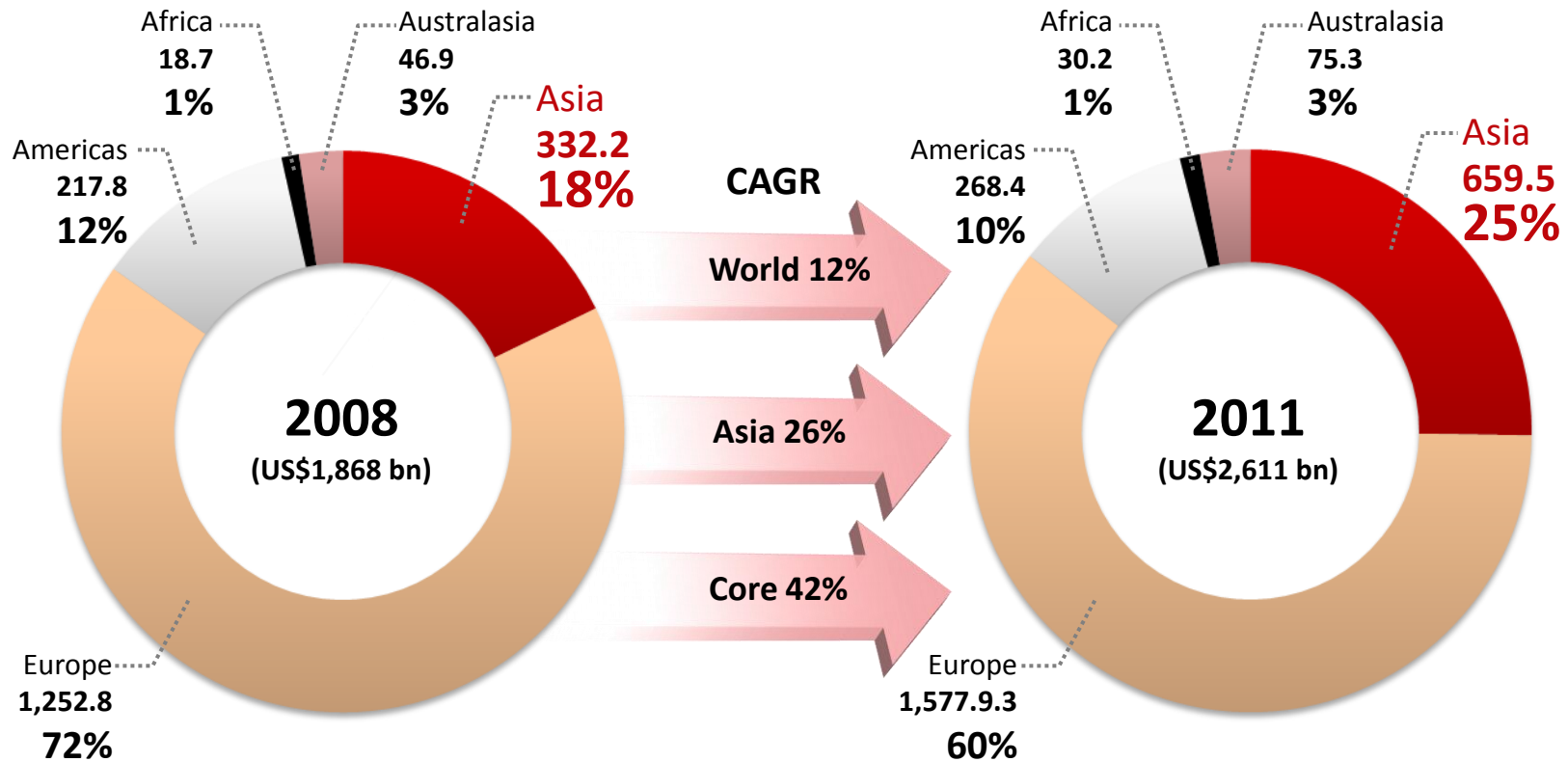
The new DBS delivers a more sophisticated suite of products

Innovative pricing structures for deposits, liquidity management strategies including sweeping & pooling

New internet banking platform, host-to-host capabilities, automated file uploads, etc

DBS’s AA- rating, high capital adequacy ratio and “safest bank” recognition by Bloomberg & Finance Asia

DBS well positioned to tap into Open Acct Trade Opportunity



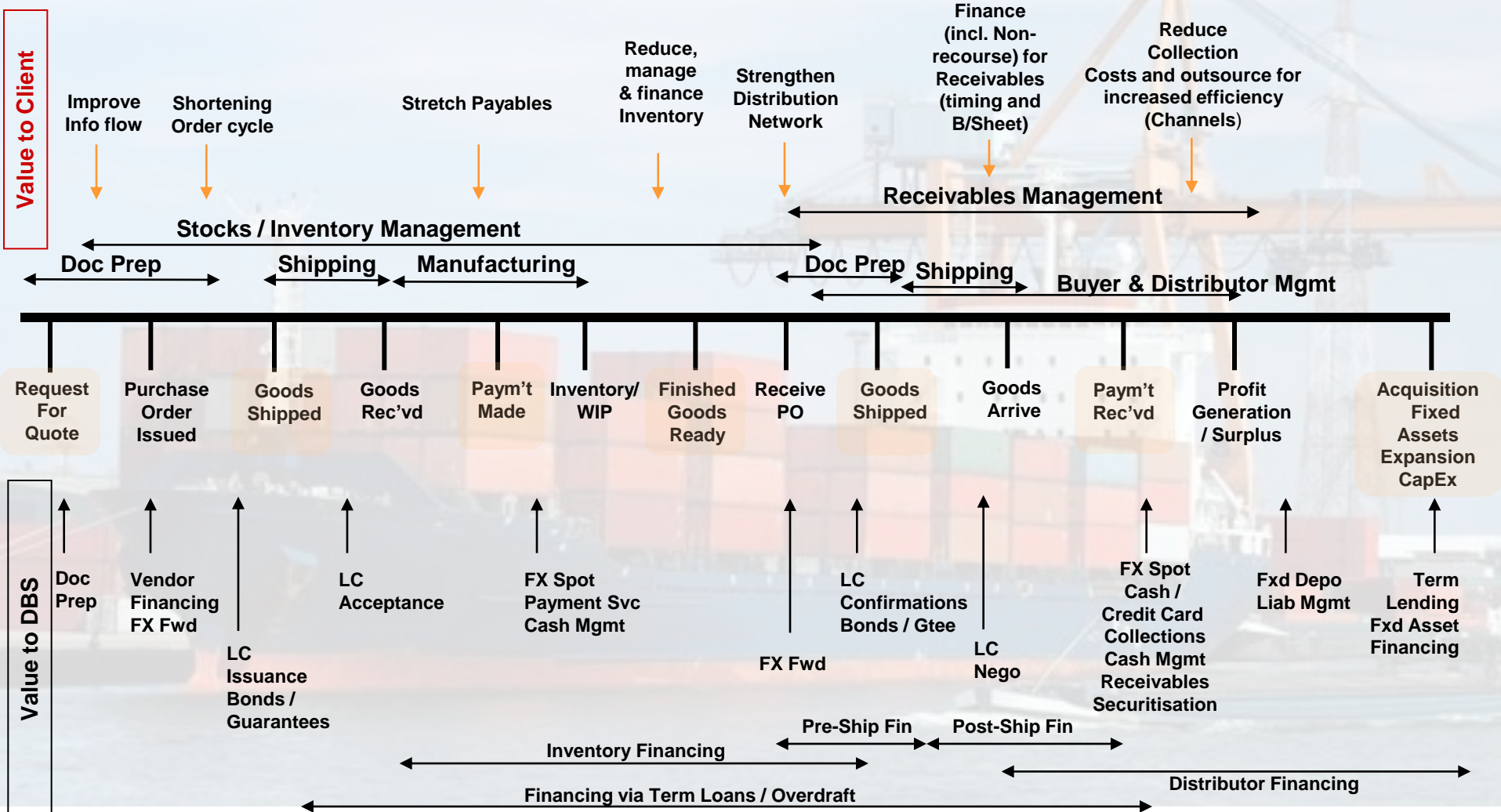
Estimated revenue pool of US\$1.7bn in DBS' core markets

Source : 2008 & 2011 FCI Annual Statistics

Selling into the Working Capital Cycle

Company as Buyer - Payables + Inventory

Company as Seller - Distribution - Receivables



Managing risk for profitability & sustainability – Trade Finance Products

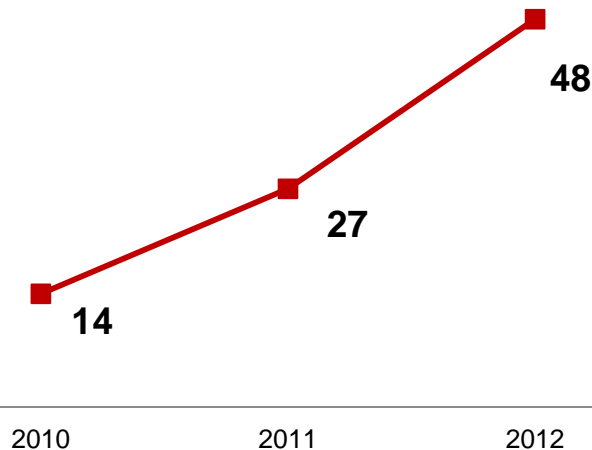
Trade loans carry less risk relative to other bank products

- Self-liquidating and short tenors.
- Working Capital Loans are the life blood of organization.
- Provide more secure sources of repayment & quicker insight to potential risks.
- Ownership of underlying goods.
- Network of Trade Eco System: Surveyors, International Maritime Bureau, Bonded Warehouses, Insurers, Shippers/Logistic Companies, etc.
- DBS's Governance, Compliance Procedures, Risk Policies, KYC.
- Expertise to structure solutions mitigates risk for DBS.
- DBS's depth of staff with trade "DNA" across sales, risk, & operations.

Increasing DBS' profile across Asia

Significant Increase in Industry Awards Wins

—■ Awards won



- **78% increase in awards won vs 2011**
- **71% of awards won outside of Singapore in 2012**

Key awards



- Top 5 Global Cash Management Bank in APAC
- Ranked 1st in Singapore, Hong Kong & Indonesia
- Ranked 3rd in China, India and Taiwan



- Best Cash Management Bank in Singapore



- Best Trade Finance Bank in Singapore



- Best Bank for Emerging Corporates in Asia
- Best Transaction Bank in Singapore
- Best MNC/Large Corporate Bank in Singapore, Indonesia and China



- Best Trade Finance Bank Bank in Singapore
- Best Sub-Custodian Bank in Singapore



- Best Trade Finance Bank in Singapore

Future Focus - The Foundation for Sustained Growth

Acquiring new customers

- Flight to quality – new US & European clients
- Increased need for Pan Asia services
- Materiality of mid market names
- DBS's strong balance sheet
- Willingness to lend

Delivering high ROE revenues

- Multi geographic deals
- Higher credit quality names
- Larger deals.....less operating costs
- Multi product deals: Trade, Cash, & FX
- Positive operating leverage

Creating new product revenues

- Broad range of RMB trade & cash products
- Supply chain & open acct programs
- Innovative USD deposit account
- Liquidity mgt structures
- Ideal 3.0: Redefining internet banking

Expanded Sales Capacity Across Asia

- Over 30,000 sales calls per annum
- Working capital approach to building solutions
- RM team over 1,400 strong
- Increased spend on marketing and brand

Q & A

