

Building an Asian Transaction Banking Franchise

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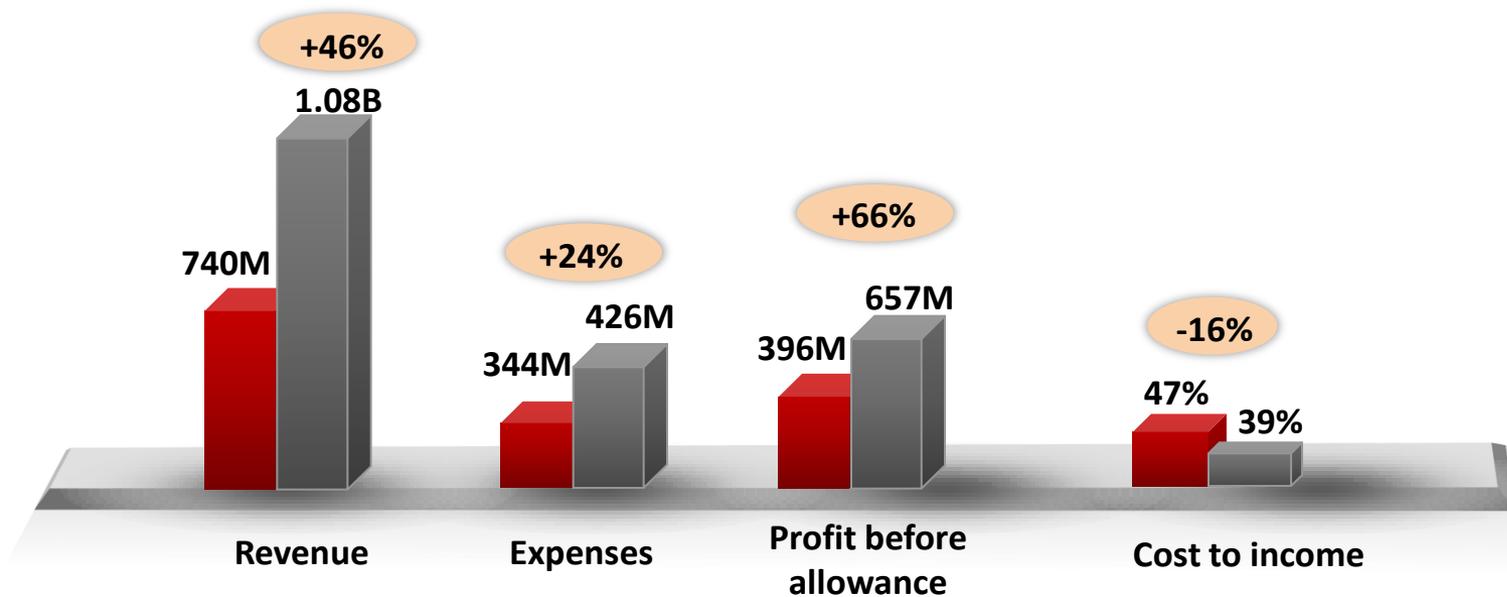
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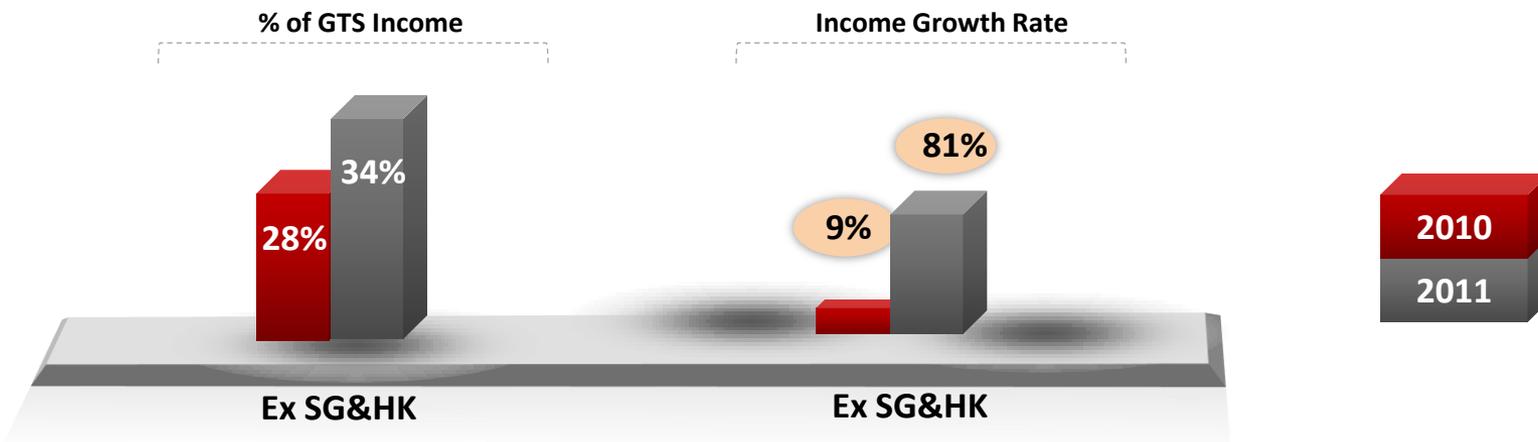
Executive Summary

- **Financial Performance: Broad based revenue growth & increased profitability.**
- **Market opportunity: Participating in large & rapidly growing profit pools.**
- **New Products capturing large, high value, revenues streams with a strong element of annuity earnings.**
- **Sustainability: Reducing risks through product structuring, customer due diligence & portfolio management.**
- **Investment in new capabilities is creating revenue opportunities across Asia.**

GTS: Strong Revenue Growth & Operating Leverage



Diversified revenues across Asia; higher income growth from ex-SG & HK

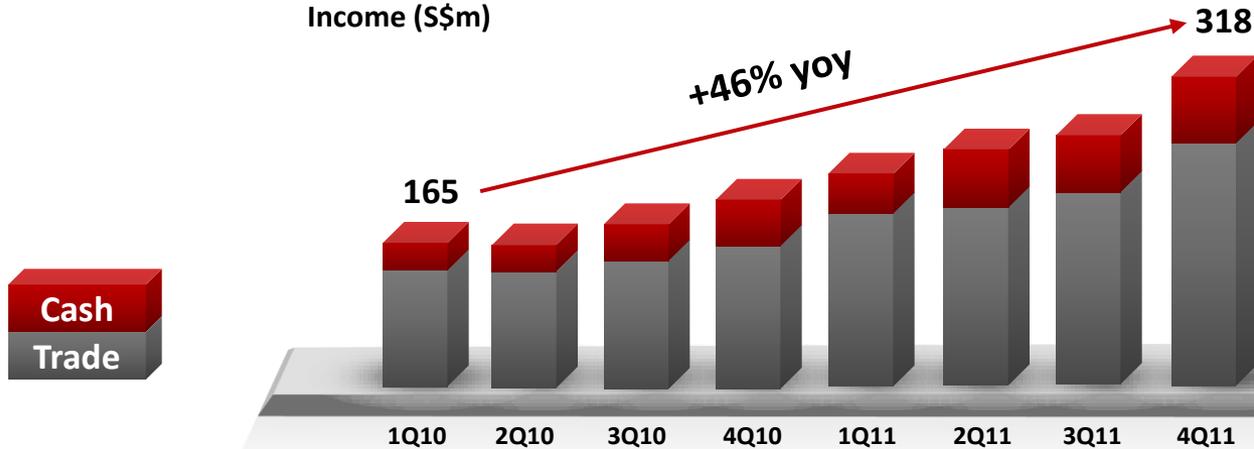


Source: 2011 Financials

GTS: 7 Consecutive Quarters of Growth

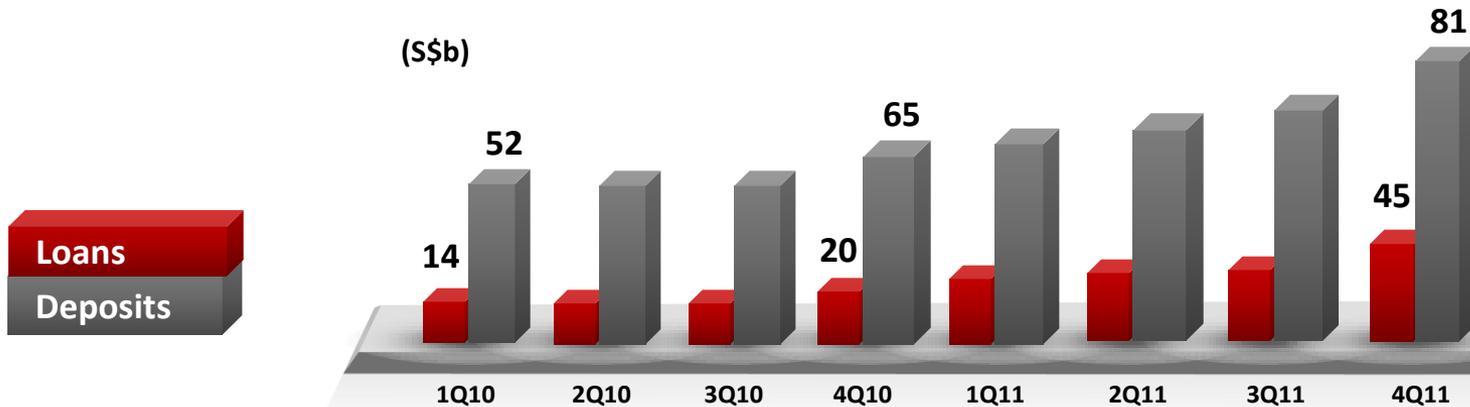
Earnings Momentum Across All Markets and Products

Income (\$m)



Strong customer deposit and loan growth

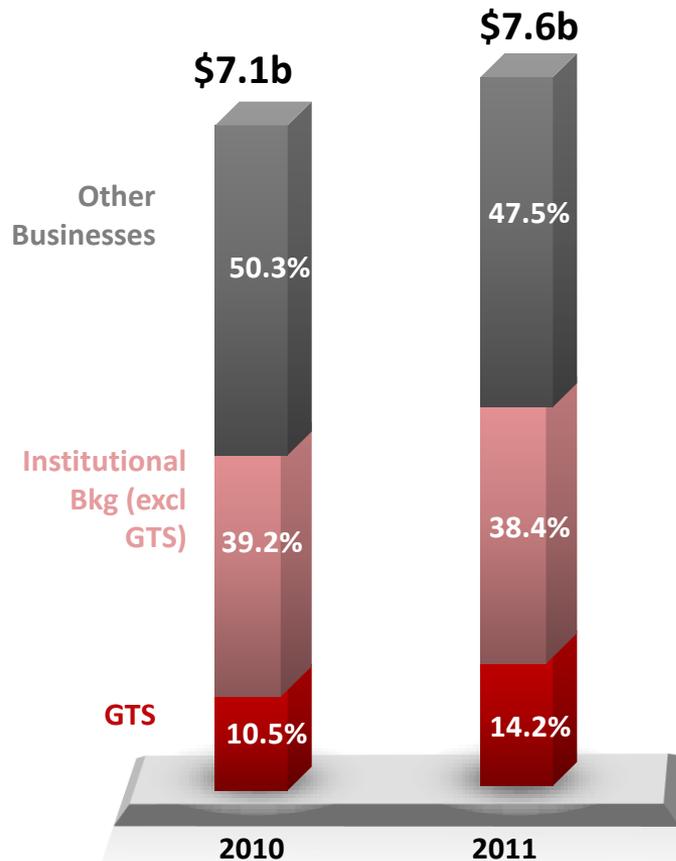
(\$b)



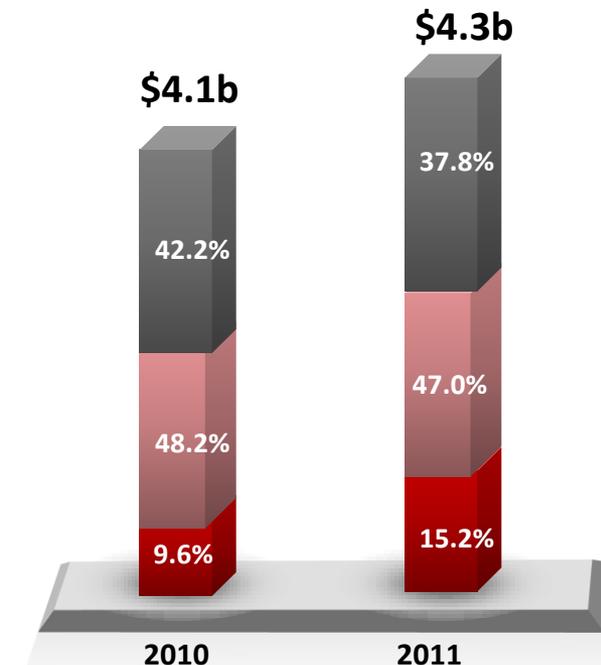
Source: 2011 Financials

GTS growing contribution to institutional banking and Bank results

Revenues



Profit before allowance



Source : 2011 Financials

Our Journey towards becoming a leading Regional GTS Bank

2010

- Assessment of Capabilities & Gaps
- Strategy Development
- Future Focused Organization
- Key Product Priorities
- Deploy Technology Investments
- Resource allocation to high ROE Revenue Pools
- 10,000+ New Sales Calls
- Alignment with RM Organization
- Commodity Trade Finance Team
- Focus on Materiality
- Talent Recruitment/Development

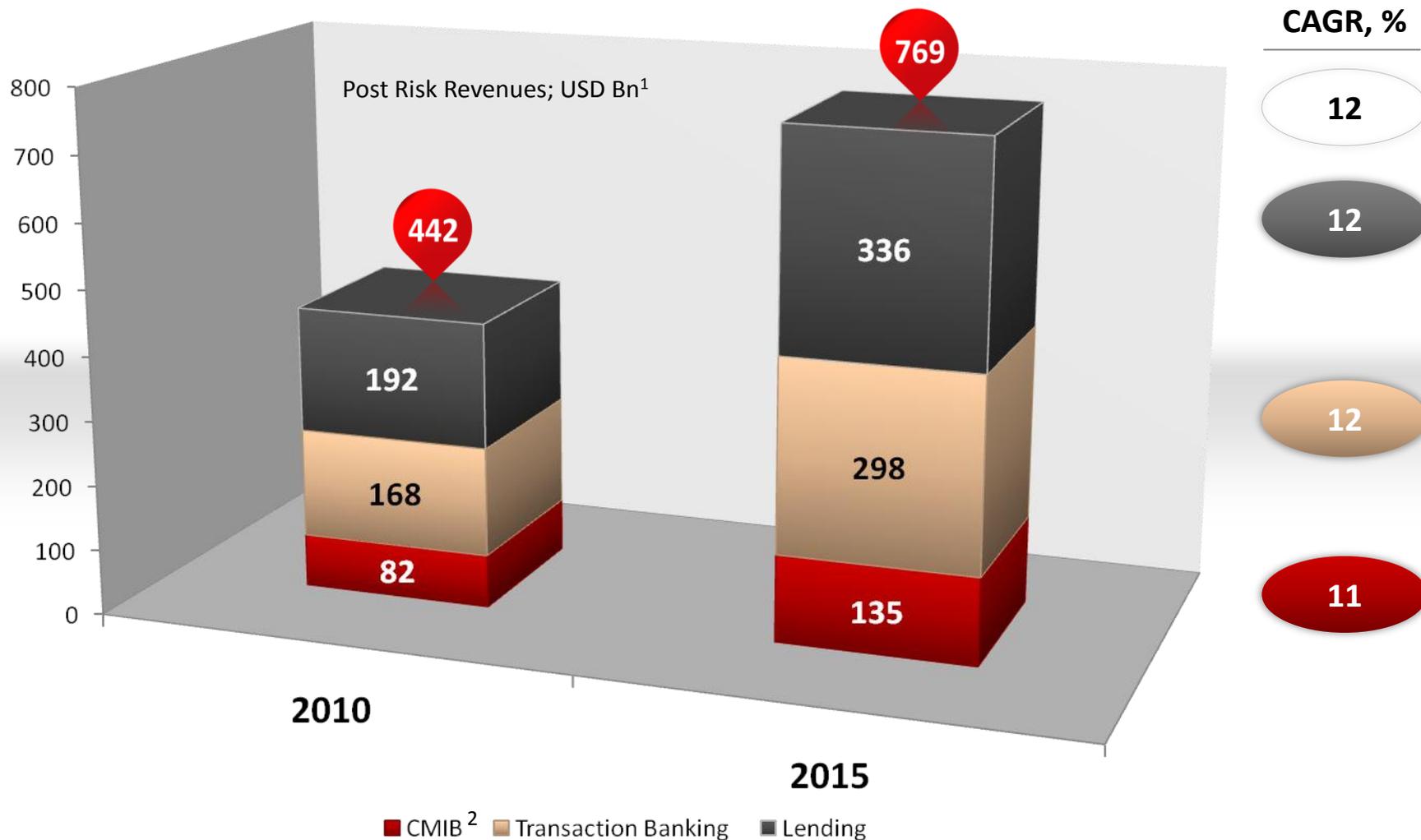
2011

- New Product Launches
 - Suite of RMB Services
 - Supply Chain
 - Sub Acct Structure, (Cash Mgt)
 - Bulk Payments
 - USD Mini Max Acct
 - e-Advising
 - AR Purchasing
 - Distributor Financing
- Geographic Expansion
- Regional Sales Team
- Expanded FI Business
- ERP Systems Capability
- Trade Asset Distribution Desk
- Performance Mgt Tools
- Talent Development

2012-2013

- IDEAL 3.0 – Redefining Internet Banking
- New Products
 - Interest Reallocation Structures
 - Pan Asia Sweeping Capabilities
 - Bundled Product Sets
 - Expanded Payment Capabilities
- Commercialization of new technology
 - STP, Scale, Capacity
- Decision Analytics
- Automated Risk Tools
- Record Marketing Spend
- ROE Balance Sheet Strategies
- Deepen Wallet Penetrations
- Talent Development

Asia Wholesale Banking Revenue Pools by Product



Source: McKinsey Global Banking Pools

1 At constant 2010 exchange rates

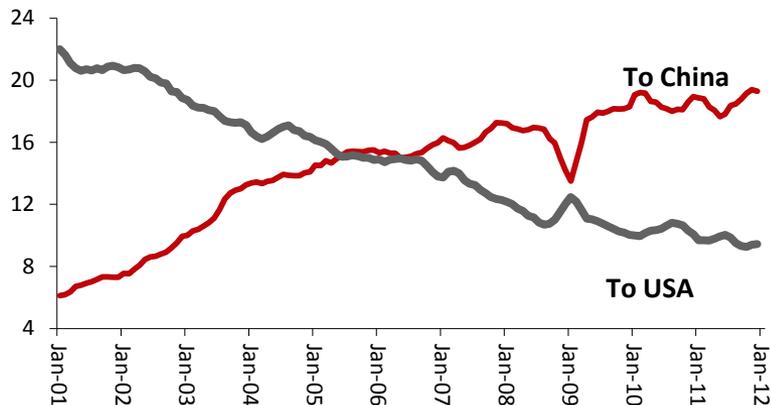
2 Capital Markets and Investment Banking



Fundamentals driving Asia's Trade Growth

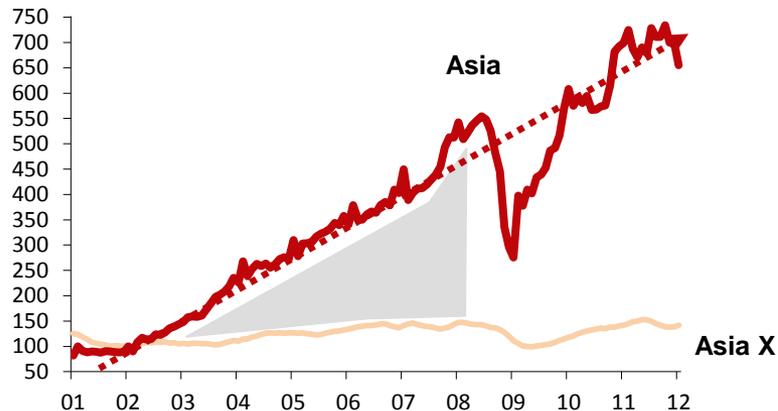
Asia 8 – Domestic Exports to China and US

% share of total exports, 3mma



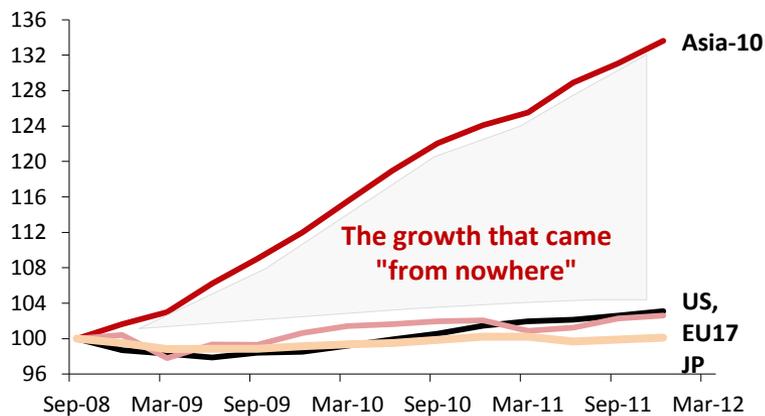
Asia - Exports to China & USA

US\$ terms, Jan02=100, seas adj, DX for HK, SG



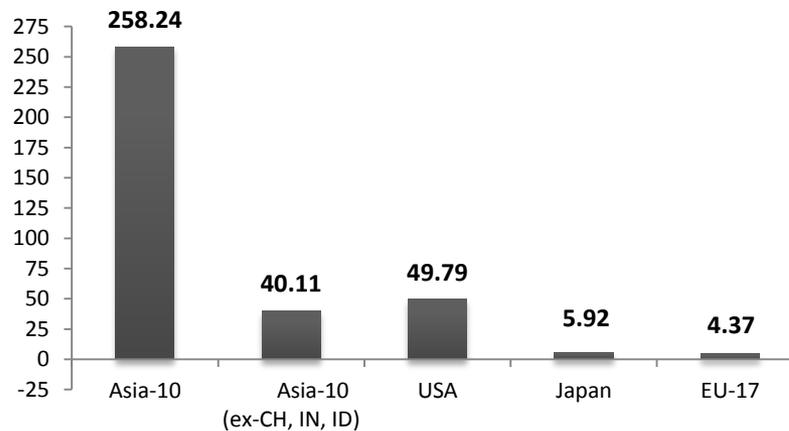
Real Global Consumption

3Q08=100, seas adj



Consumption Growth Since 3Q08

USD bn, 3Q08 - 3Q10, seas adj



Large & Growing Open Account Trade Opportunity

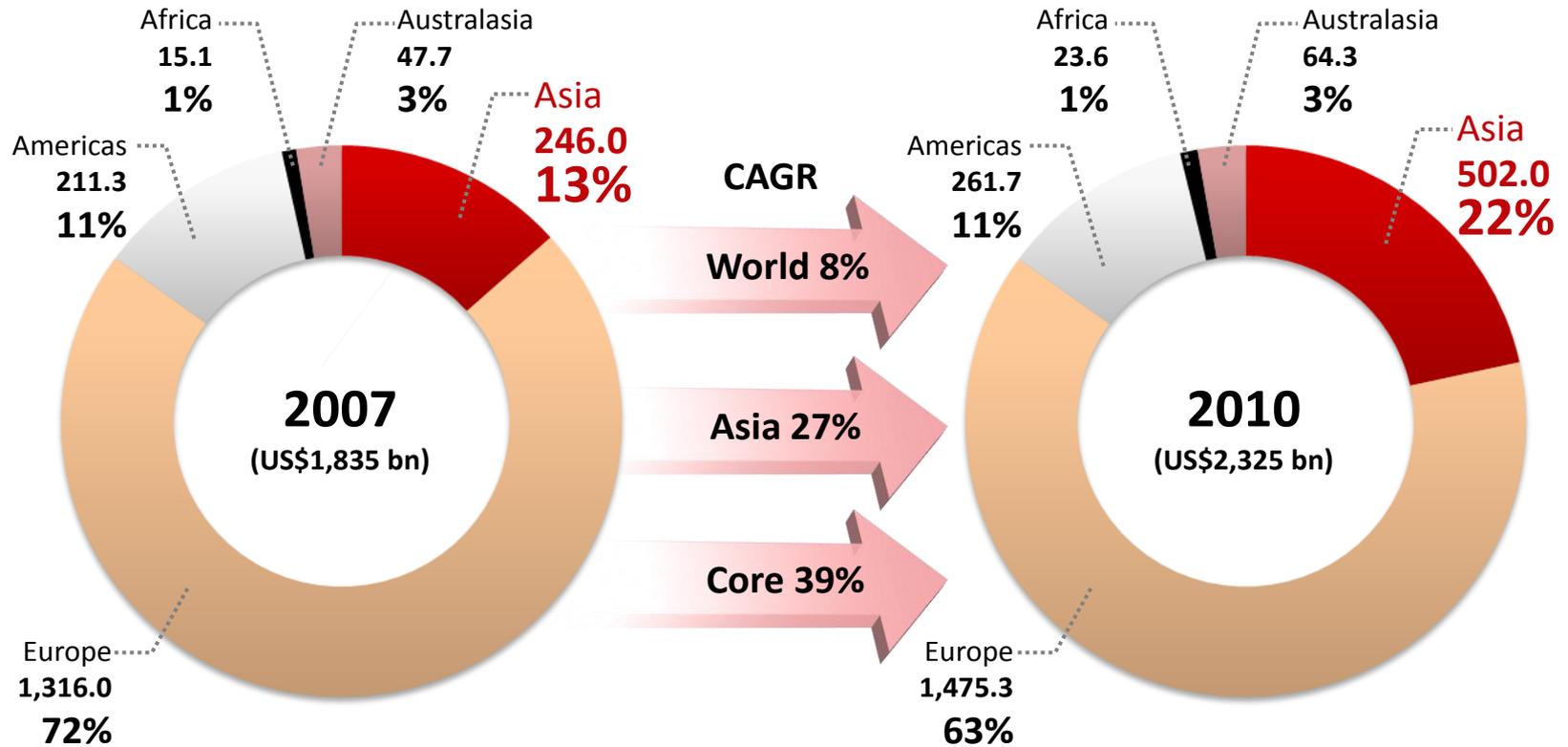
| Country | 2010 GDP (USD Bn) | 2010 ARP Turnover (USD Bn) | 2010 ARP Turnover as a % of GDP (%) |
|--------------------------|----------------------|-------------------------------|---|
| Hong Kong | 225 | 19.1 | 8.5 |
| China | 5,878 | 205.4 | 3.5 |
| Taiwan | 431 | 89.0 | 20.7 |
| South Korea | 1,007 | 6.7 | 0.7 |
| Japan | 5,459 | 130.8 | 2.4 |
| Singapore | 222 | 7.7 | 3.5 |
| Indonesia ⁽¹⁾ | 707 | - | - |
| Thailand | 319 | 2.8 | 0.9 |
| Malaysia | 238 | 1.4 | 0.6 |
| India | 1,538 | 3.7 | 0.3 |

**Opportunity for growth in both mature
and emerging markets.**

Source: CIA World Factbook and FCI

(1) Indonesia not included in FCI Research

DBS well positioned to tap into Open Acct Trade Opportunity



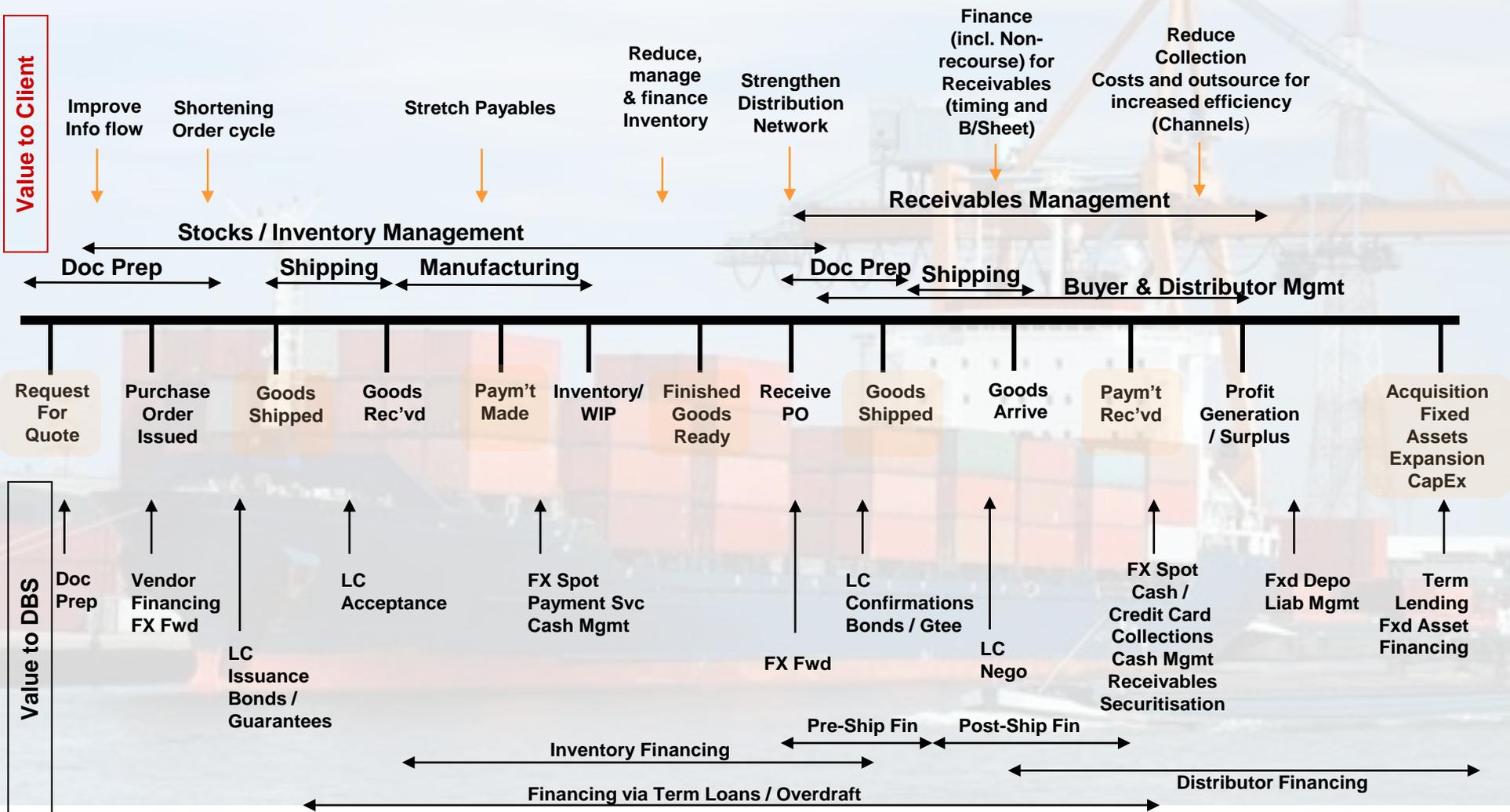
Source : 2007 & 2010 FCI Annual Statistics



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.

IDEAL 3.0 – Redefining internet banking...



General Availability

Official Launch

May '12

NORTH ASIA
China, Hong Kong,
Taiwan

Jun/ Jul '12

SOUTH ASIA
Singapore, India,
Indonesia

Jul '12 onwards

REGIONAL
Full scale launch
events and marketing
activities

A Leadership Position in Global Transaction Services

Marquee Awards



**Top 5
Cash Management
Bank in Asia**



**Best MNC/Large Corps
Bank in Treasury &
Working Capital
Singapore, China
and Indonesia**



**Best Cash
Management Bank
in Singapore**



**Best Sub-Custodian
Bank in Singapore**



**Best Trade Finance
Provider - Singapore**



**Best Cash
Management Bank -
Singapore**



**Best Trade Finance
Bank - Singapore**



**Best Treasury & Cash
Management Bank,
Foreign in China**

Leadership across Asia, MNC's, Large Asia Corporates, SME's

The Asset Triple A Transaction Banking Awards 2012



**Best Trade Finance
Solution - Indonesia**
US\$100 million
financing facility



**Best Bank for
Emerging
Corporates in Asia**



**Best Cash
Management Solution
- China**
Host to host and
entrustment loan
solution



**Best Cash
Management Solution
- Singapore**
Bill collections, lockbox
and migration of direct
debit authorizations



**Best
Cash Management
Solution – Indonesia**
Payments integration
and workflow
management



**Best Trade Finance
Solution - Singapore**
Supplier financing
programme



**Best Trade Finance
Solution in India -**
US\$60 million pre-
export structured trade
advance facility



**Best Structured
Trade Deal - Hong
Kong**
US\$100 million back
to-back and front-to-
back trade credit
issuance structure

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
