

Building an Asian Transaction Banking Franchise

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Global Transaction Services

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DBS, the Asian Bank of Choice for the New Asia

1 *Geographies*

1. Entrench leadership in Singapore
2. Reposition Hong Kong
3. Rebalance geographic mix of our business

2 *Regional Businesses*

4. Build a leading SME business
5. Strengthen wealth proposition
6. Build-out GTS and T&M cross-sell business

3 *Enablers*

7. Place customers at the heart of the banking experience
8. Focus on management processes, people and culture
9. Strengthen technology and infrastructure platform

GTS: Strong Revenue Growth & Operating Leverage

Revenues

+31% yoy
+38% CAGR

Expenses

+15% yoy
+20% CAGR

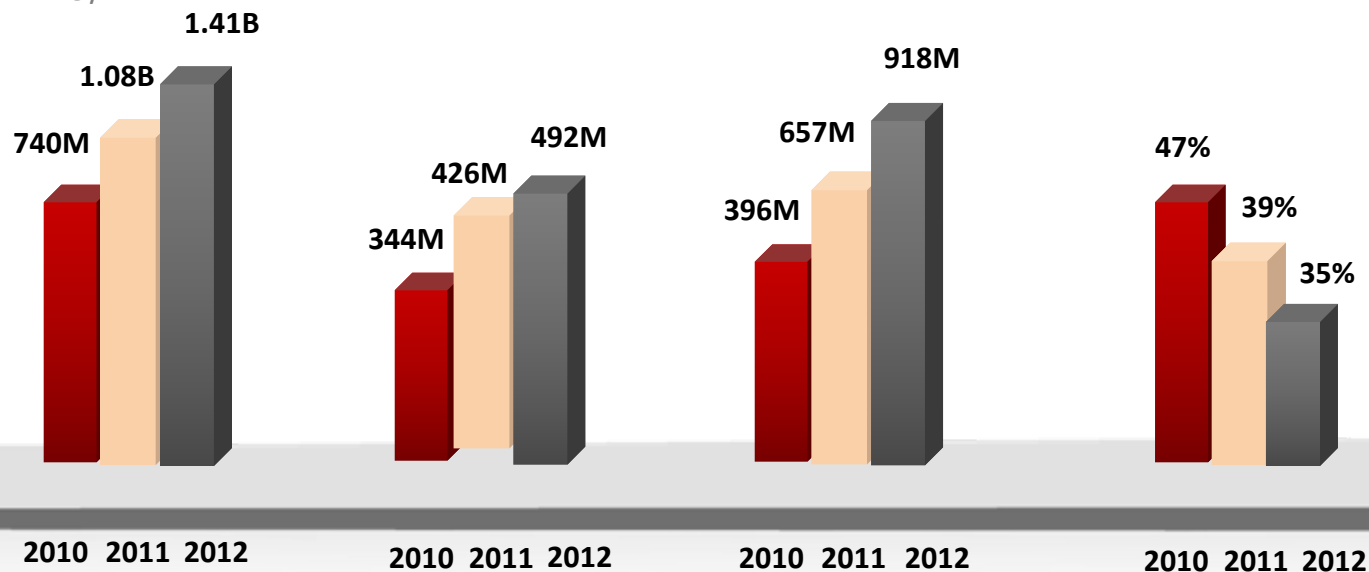
Profits ⁽¹⁾

+40% yoy
+52% CAGR

Cost to Income

Competitive Advantage

In S\$



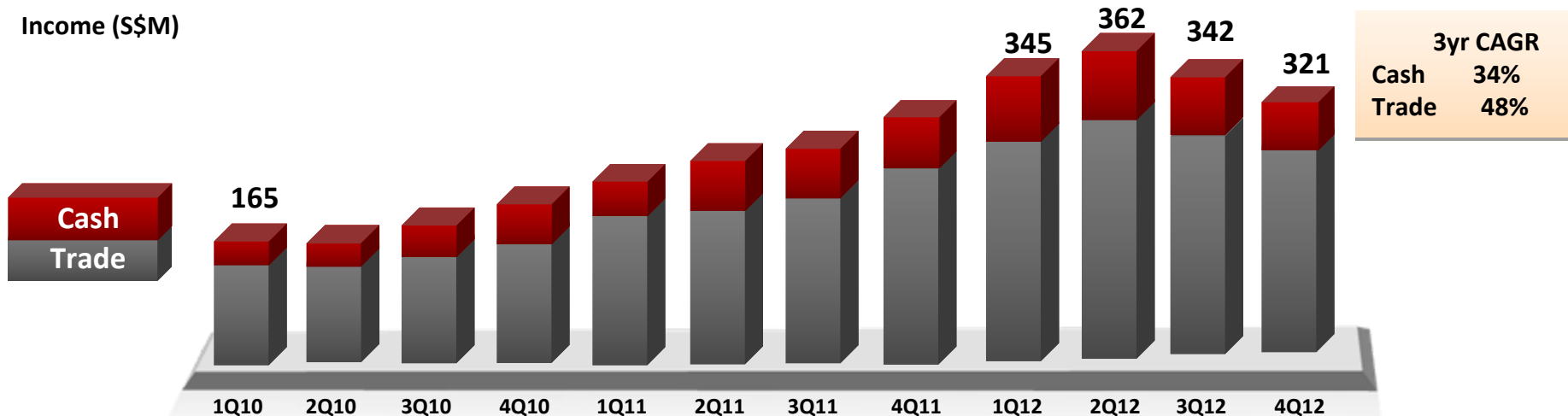
Broad based growth across all markets, products and customer segments

(1) Profit before allowances

GTS: Year-on-Year Growth in Cash and Trade

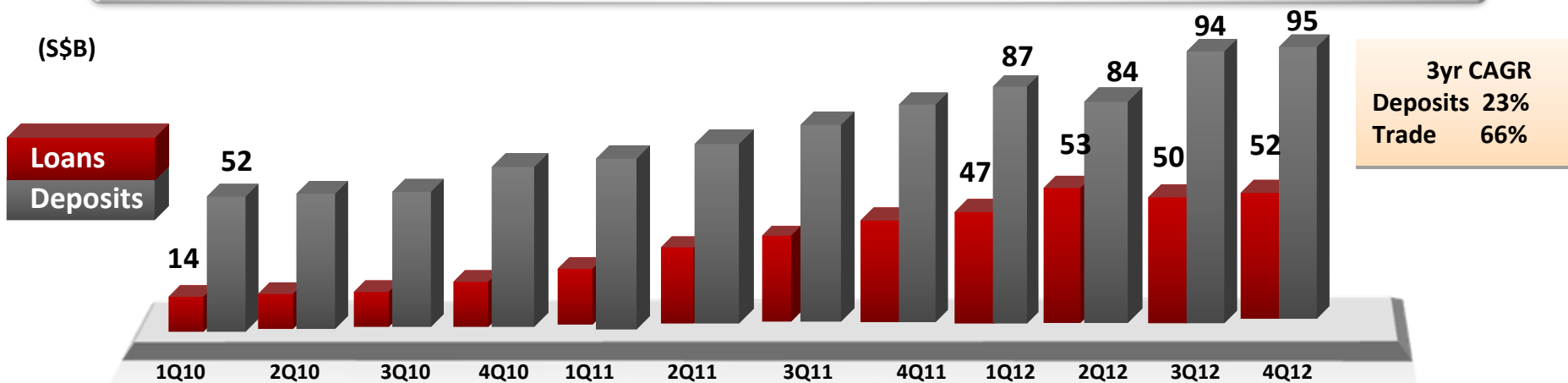
Earnings Momentum Across All Markets and Products

Income (S\$M)



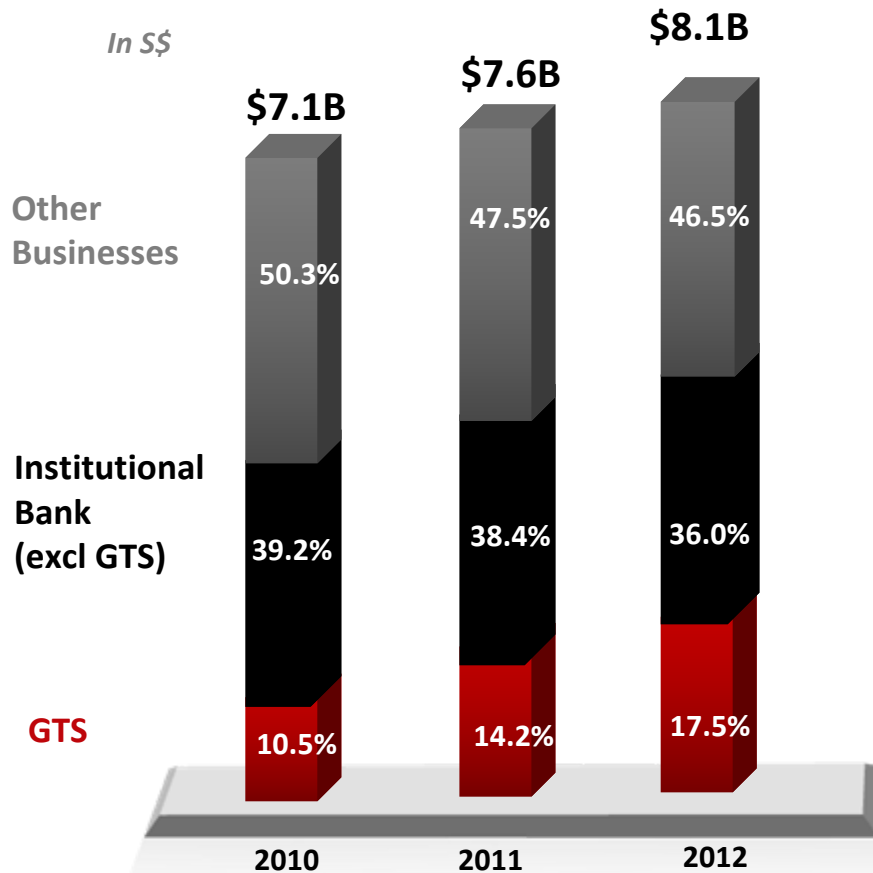
Strong Customer Deposit and Loan Growth

(S\$B)

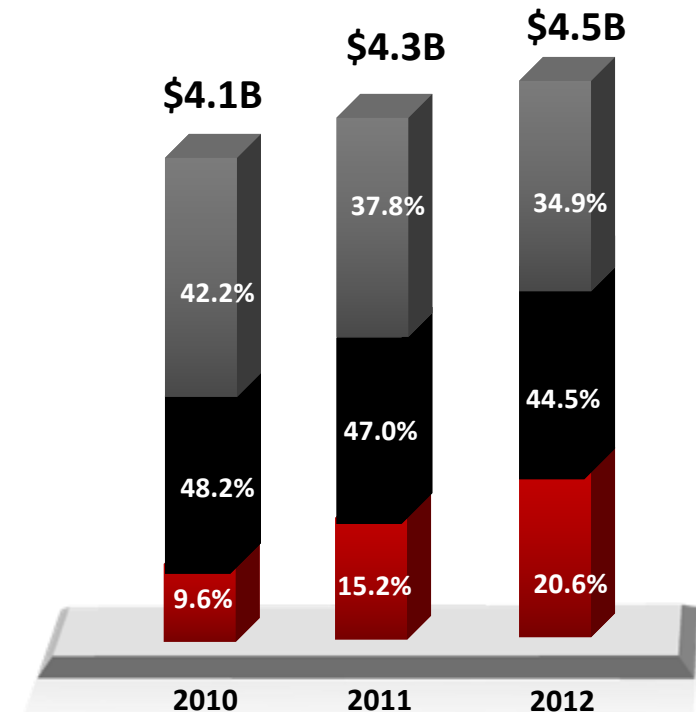


GTS's Growing Contribution to Group Results

Group Revenues



Group Profit Before Allowances



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
- Working Capital Mgt

Expanded Opportunities Targeting High ROE Revenue Streams

2009 : 51 Revenue Streams

Ctry Product	Country				
	SG	HK	CN	IN	ID
Trade Product Suite	1				
	2				
	3				
	4				
	5				
	6				
	7				
	8				
	9				
	10				
	11				
	12				
Cash Product Suite	13				
	14				
	15				
	16				
	17				
	18				
	19				

➤ Major revenue streams from products which did not exist in 2009

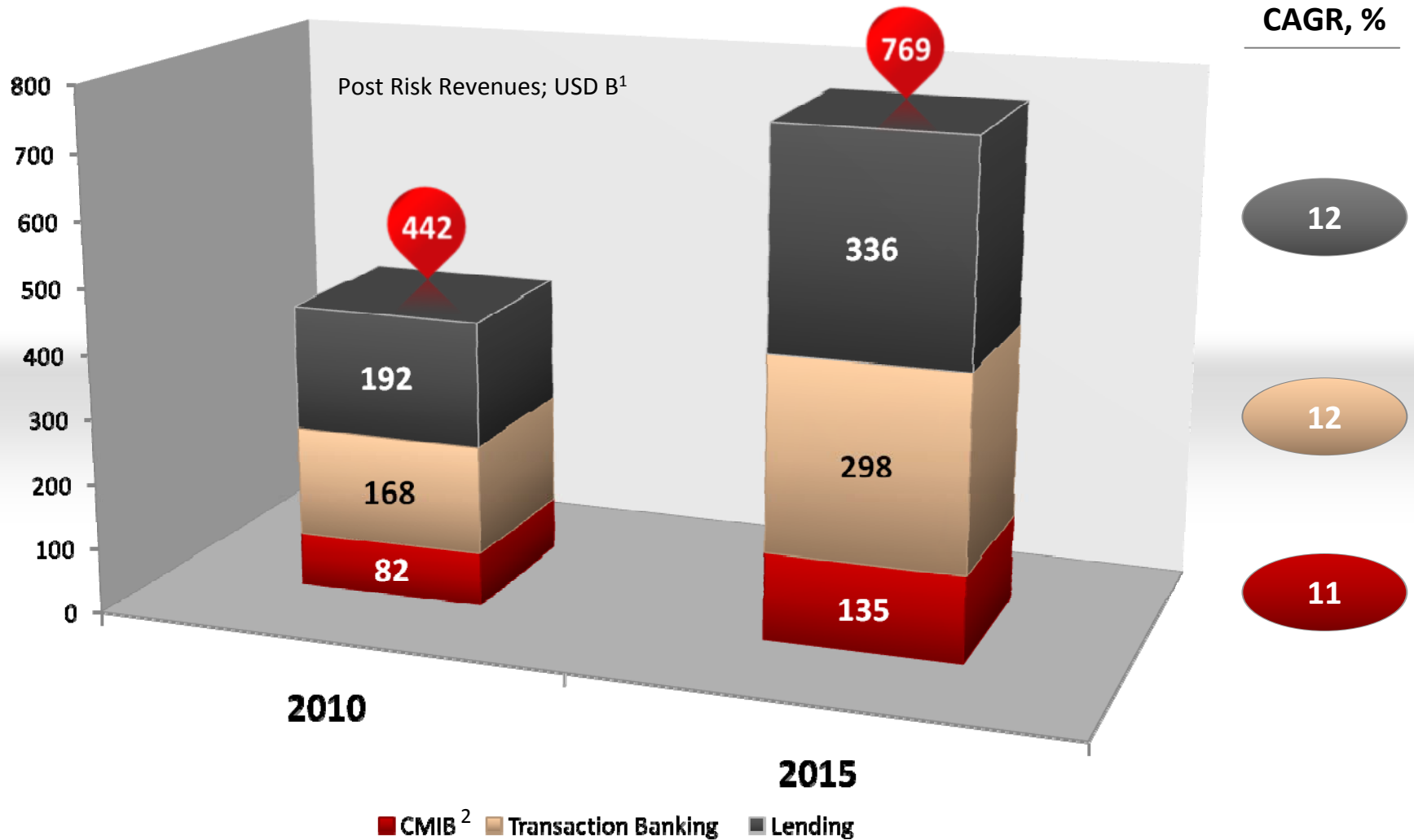
2013 : 123 Revenue Streams

Ctry Product	Country						
	SG	HK	CN	IN	ID	TW	ROW
Trade Product Suite	1						
	2						
	3						
	4						
	5						
	6						
	7						
	8						
	9						
	10						
	11						
	12						
	13						
	14						
	15						
	16						
	17						
Cash Product Suite	18						
	19						
	20						
	21						
	22						
	23						
	24						
	25						
	26						
	27						

- 72 new revenue streams across DBS franchise
- 4 countries delivering >\$100M revenues (1)
- 250+ new RMs and Product Sales
- 65% of revenue generates from markets outside Singapore (1)

(1) MIS basis

Asia Wholesale Banking Revenue Pools by Product



Source: McKinsey Global Banking Pools

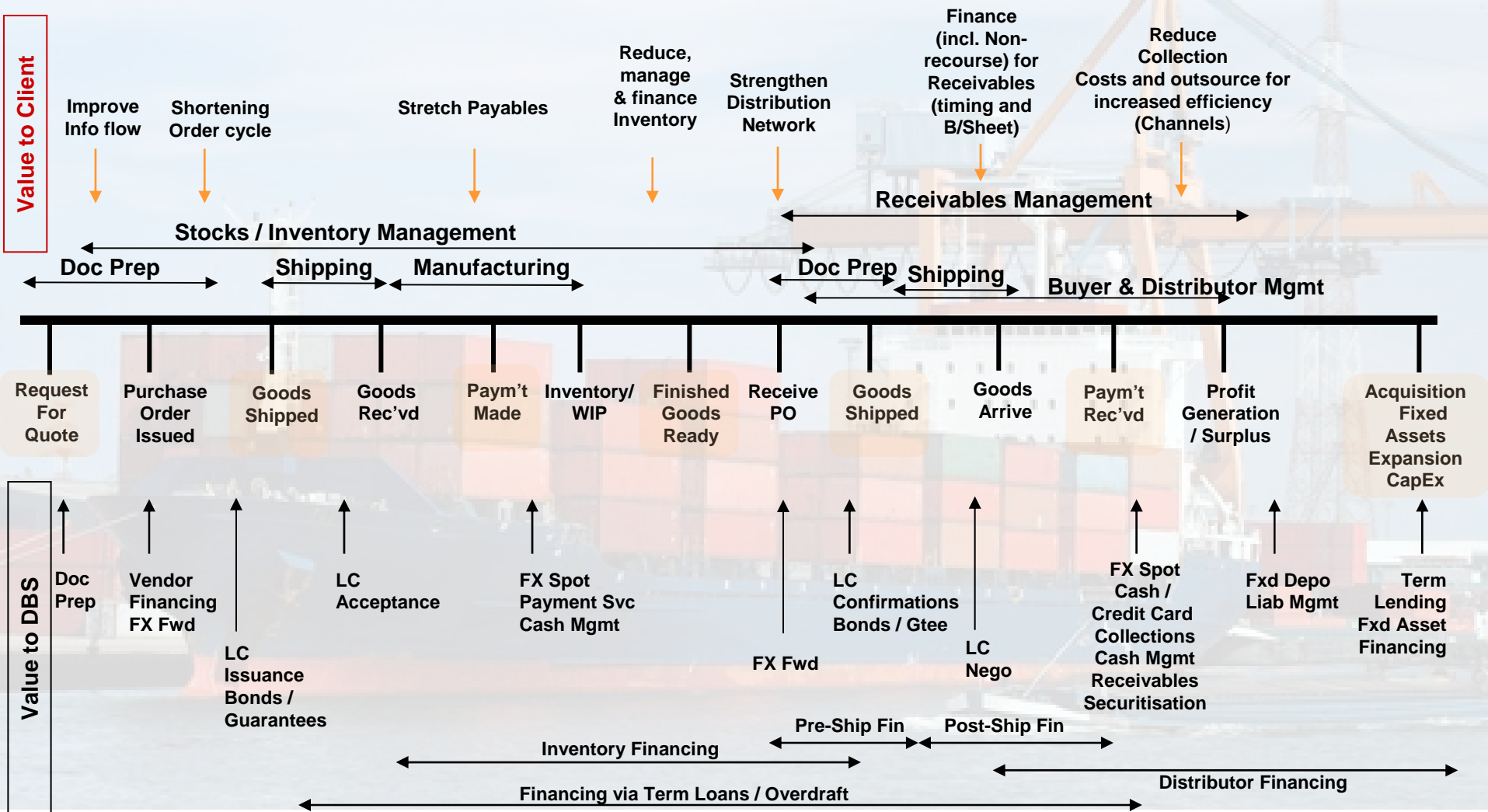
1 At constant 2010 exchange rates

2 Capital Markets and Investment Banking

Building Unique Value Propositions for our Clients

Company as Buyer - Payables + Inventory

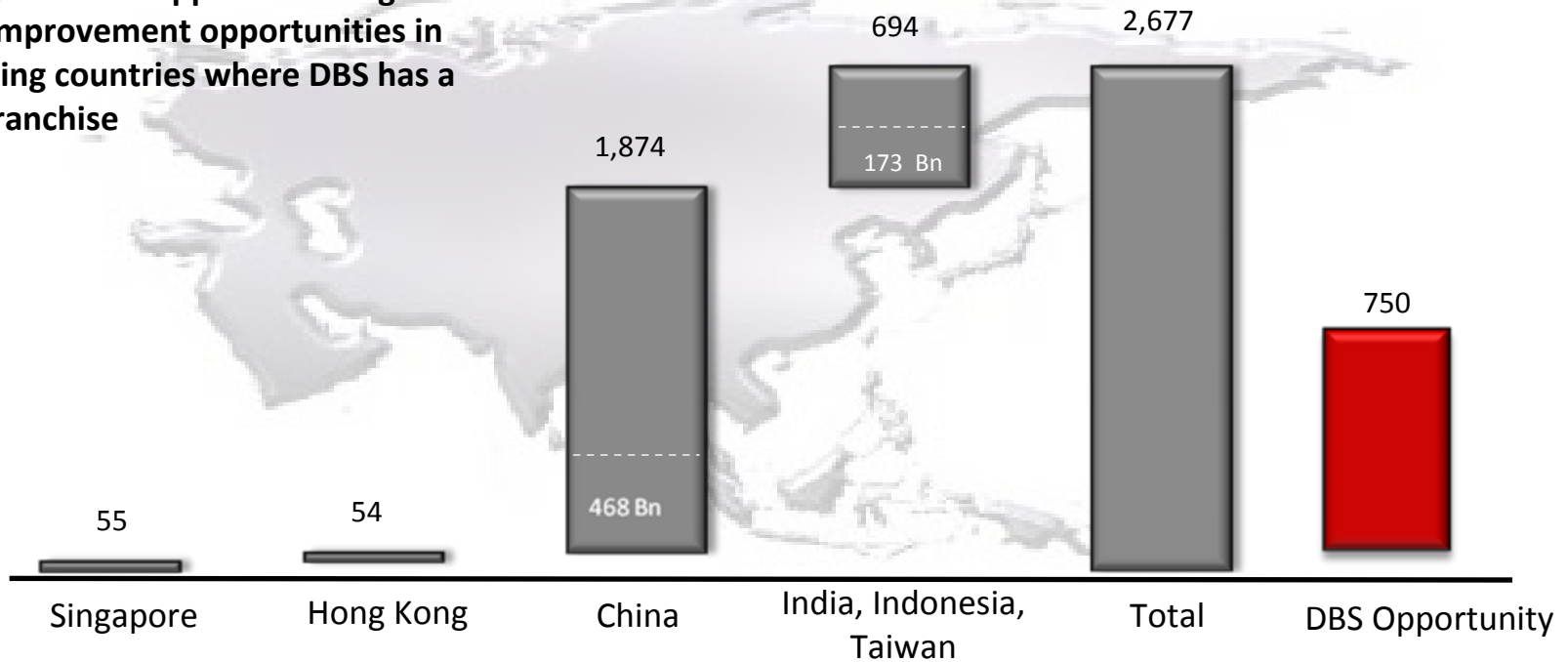
Company as Seller - Distribution - Receivables



USD 2.6 Trillion of “Trapped” Working Capital in DBS’s Key Markets

In billions USD

Majority of the “trapped” working capital improvement opportunities in Developing countries where DBS has a strong franchise



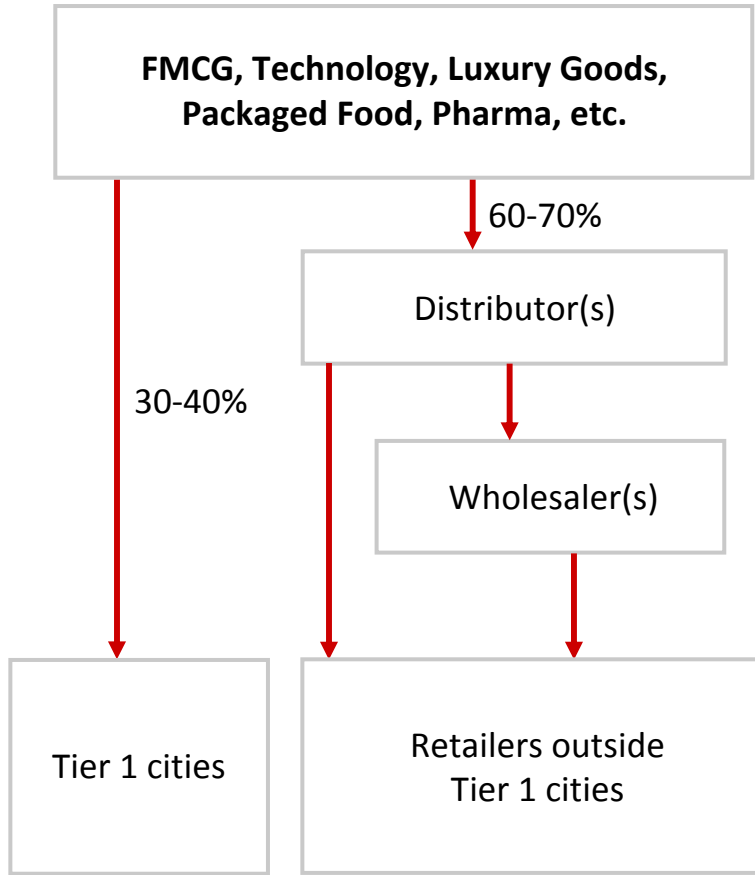
	Singapore	Hong Kong	China	India, Indonesia, Taiwan	Total
Listed Firms (USD,B)	21	18	333	247	619
Non Listed Firms (USD,B)	34	36	1,541	447	2,058

Source: DBS Research, IHS, Mckinsey



Distribution Capability in Asia Still in Development Stage

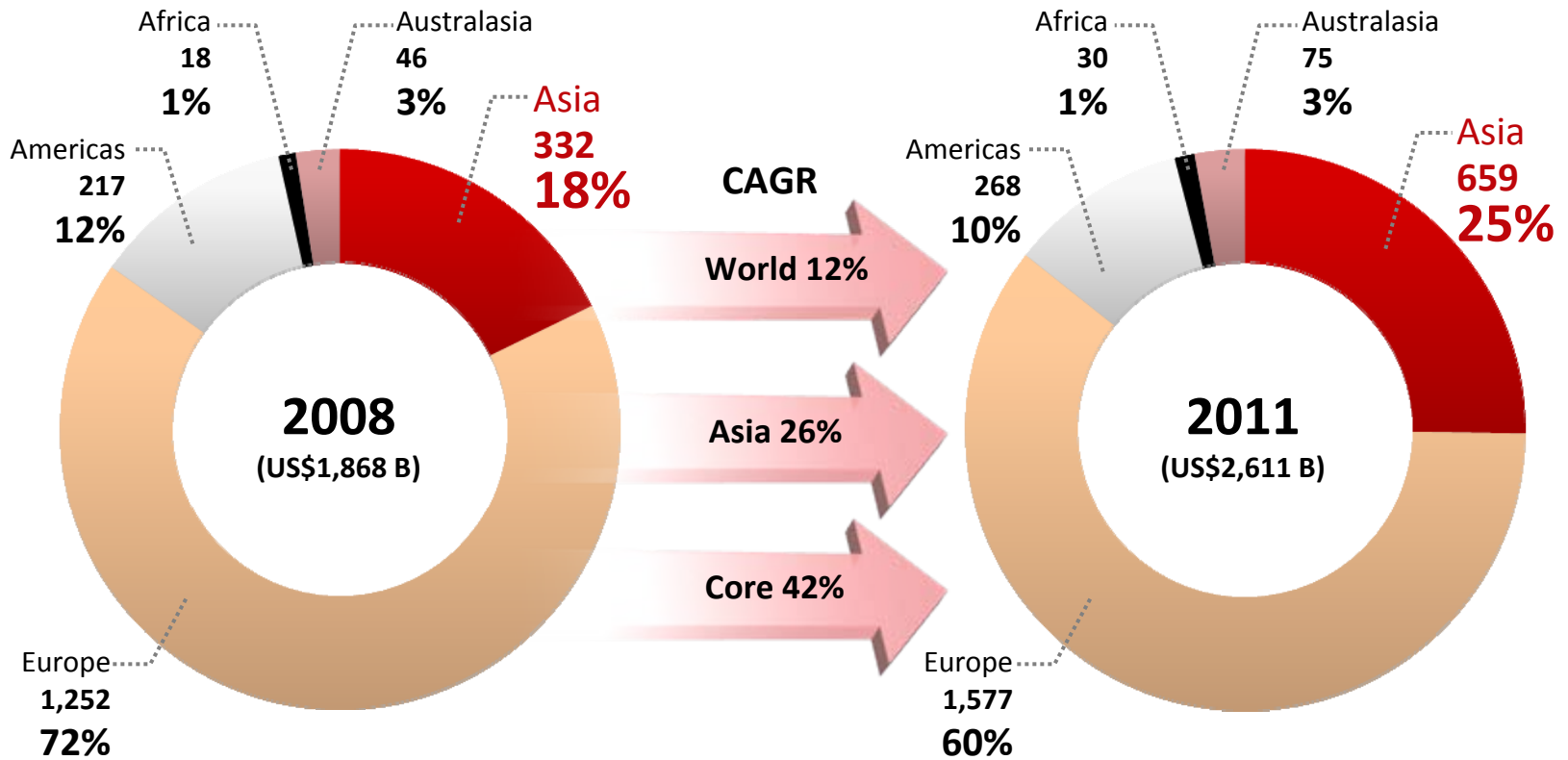
Complex multi layered distribution networks require new solutions



Financial risks are directly correlated to infrastructure risks



DBS Well Positioned to Tap Into Open Acct Trade Opportunity



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

Building Scale Through Innovation & Productivity

IDEAL 3.0

DBS IDEAL™ 3.0
Faster, Simpler, Smarter



- Award winning iBanking platform
 - Used by 60,000 clients
 - Supporting clients in 104 countries
 - Reducing 180,000 hours of operations time annually

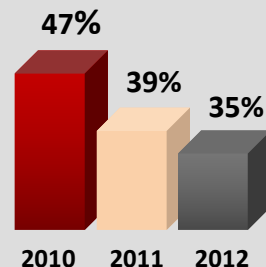
Distinctive Customer Solutions & Services

Asian Service
REDefining IBG Customer Service

- Client Centric Servicing
 - “e-Advice”
 - “Crystal Mark” account growing process
 - Paperless Activation

Increased Focus on Productivity

Cost to Income



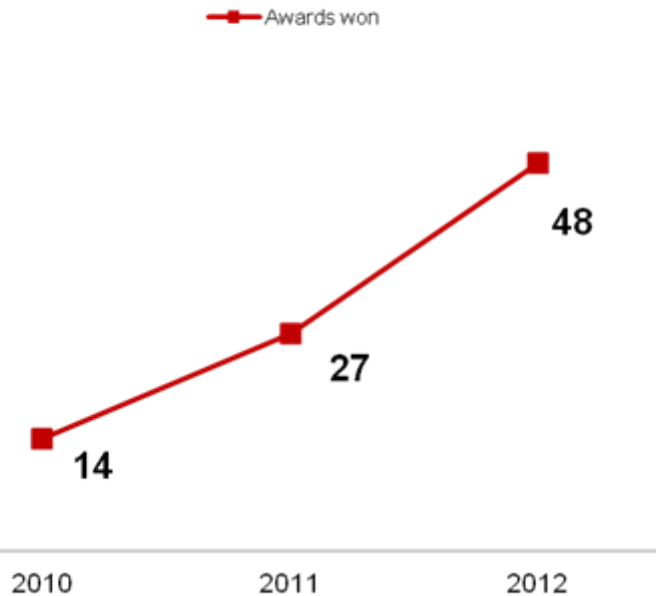
- “Step Up” expense reductions :
 - Renegotiated key vendor contracts
 - Long term contract for Swift payment networks
 - Significantly reduced global clearing costs

The Largest Companies in the World Trust DBS



Increasing DBS's Profile Across Asia

Significant Increase in Industry Awards Wins



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
