Acquisition of ANZ wealth and retail business in five markets 31 October 2016

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Summary of business acquired

Revenue: \$825m Loans: \$11bn Deposits: \$17bn Purchase consideration of \$110m



Revenue: \$19m Loans: \$0.5bn Deposits: \$0.5bn



Presentation uses AUD 1= SGD 1 to align press communications by both parties. Based on latest exchange rate of 1.06, revenue, loans, deposits, AUMs and purchase consideration would be 6% higher in SGD terms.



Adds value to our franchise

Cements position as a leading wealth manager in Asia

- \$23bn of AUM
- >100k customers
- Primarily in Singapore and Hong Kong

Enables rapid scale-up of digital strategy in Indonesia and Taiwan

- ~1.2m retail customers scale up base, especially in Indonesia and Taiwan
- Payment products enhance digibank
- Improves operating leverage

Creates financial value

- Minimal impact on capital ratios
- Self-funded book as deposits exceed loans

- Significant cost synergies leveraging on our existing scale
- ROE and earnings accretive one year after completion



Cements position as a leading wealth manager in Asia



- Our wealth business has achieved strong growth over the past five years
- Income has grown at 23% CAGR since 2011



- AUM increases by \$23bn (+14%) to \$182bn across the region
- >100,000 wealth customers added
- Most significant increases in Singapore and Hong Kong
- High net worth individuals account for \$6bn in AUM and 3,500 customers

*Comprising Treasures, Treasures Private Client and Private Bank



Enables rapid scale-up of digital strategy in Indonesia and Taiwan





Creates financial value – ROE and earnings accretive one year after completion

Good value

- Purchase consideration represents 0.5% of AUM
- Minimal impact on capital ratios with high-quality mortgage loans
- \$17bn deposit base provides additional liquidity

Significant cost synergies

- Bolt-on in Singapore and Hong Kong low marginal cost required to integrate business into existing customer base
- Significant cost-income ratio improvement in Indonesia and Taiwan through rapid scale
- Cost savings from marketing, infrastructure and IT

ROE and earnings accretion

- Transaction to be completed progressively over 15 months, beginning with Singapore
- Expected to add \$200m to Group income in 2017 and \$600m in 2018
- Projected earnings of \$200m within three years with ROE >15%



Proven ability to successfully integrate wealth and retail acquisitions and partnerships across region





In summary

Acquisition makes good strategic sense

- Cements position as a leading wealth manager in Asia
- Enables rapid scale-up of digital strategy in Indonesia and Taiwan

Financially attractive

- Good value with earnings and ROE accretion one year after completion
- Significant cost synergies

Proven ability to integrate and create value

- A successful history of acquisitions, partnerships and integration



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