

Acquisition of Barclays Wealth and Investment Management business in Singapore and Hong Kong

Strengthening Bank of Singapore's position as Asia's Global Private Bank

7 April 2016



Agenda

Transaction Overview and Timeline

Acquisition Rationale

Integration Strategy

Conclusion / Summary



Transaction Overview and Timeline

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Acquisition	<ul style="list-style-type: none">• Barclays Bank PLC's Wealth and Investment Management business in Singapore and Hong Kong ("Barclays WIM Singapore and Hong Kong")
Consideration	<ul style="list-style-type: none">• US\$ 320 mn (approximately S\$ 434 mn)• Funded by internal cash from Bank of Singapore
Transaction Multiple	<ul style="list-style-type: none">• P/AUM: 1.75%• Barclays WIM Singapore and Hong Kong will be transferred to Bank of Singapore at zero NAV
Financial Impact	<ul style="list-style-type: none">• OCBC Group's capital position will remain robust post-completion of the transaction⁽¹⁾• Expected EPS and ROE accretion after the first year
Acquisition Rationale	<ul style="list-style-type: none">• Broadening OCBC Bank's wealth management franchise• Strengthening Bank of Singapore's position as Asia's Global Private Bank• Enhancing value for Barclays WIM Singapore and Hong Kong clients
Closing	<ul style="list-style-type: none">• Expected completion towards the end of 2016



Acquisition Rationale

Barclays WIM Singapore and Hong Kong is a compelling acquisition for Bank of Singapore

- #1** **Broadening OCBC Bank's wealth management franchise**, and advancing OCBC Bank's strategic goal of deepening its presence in its four core markets – Singapore, Malaysia, Indonesia and Greater China
- #2** **Strengthening Bank of Singapore's position as Asia's Global Private Bank**, as Barclays WIM Singapore and Hong Kong's client base, geographical coverage and talent pool provide an excellent and complementary fit for Bank of Singapore
- #3** **Enhancing value for Barclays WIM Singapore and Hong Kong clients** through Bank of Singapore's comprehensive product and service offerings, and access to OCBC Bank's commercial banking capabilities including consumer and corporate banking, corporate finance, and treasury services

#1

Broadening OCBC Bank's wealth management franchise

OCBC corporate strategy

Deepen Presence in Core Markets

A leading, well-diversified Asian financial services group with a broad geographical footprint in North & Southeast Asia

SINGAPORE

Dominant

market position at home

MALAYSIA

Top Foreign Bank

with combined strengths of conventional and Islamic banking franchise

INDONESIA

One of Top 10

national banks

GREATER CHINA

Strong Presence

with dominance in cross-border trade, wealth and capital flows

Core Businesses

Retail & Commercial Banking

Service Distinction and Regional Platform, with Cash Management, Trade, Treasury & Investment Banking capabilities across Network & Key Geographies for consumers, businesses and FIs / NBFIs

Wealth Management

"Asia's Global Private Bank". Regional Premier Platform. Integrated model across private banking, premier banking, bancassurance, securities and asset management

Insurance

Deepen insurance penetration in Singapore and Malaysia, build presence in Indonesia, revamp model in Greater China

Core Competencies

Disciplined Risk Management

Diversified Funding Base

Investment in Technology & People

Well-positioned to ride on KEY ASIAN MEGATRENDS shaping the region's growth

Rising Asian Wealth

Increasing Intra-Asia Trade & Cross-Border Capital Flows

Dominance of China – Capital Account, RMB Internationalisation, One Belt One Road

Urbanisation and Continued Rise of SMEs in Asia

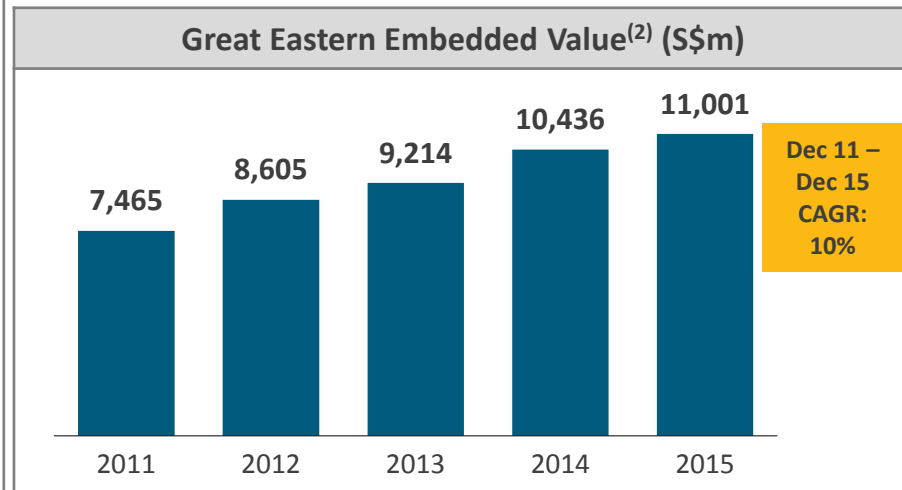
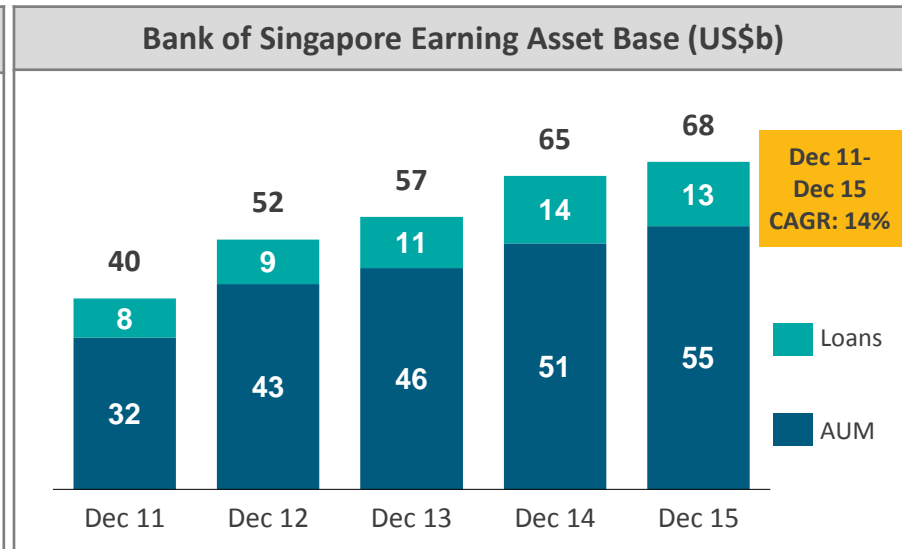
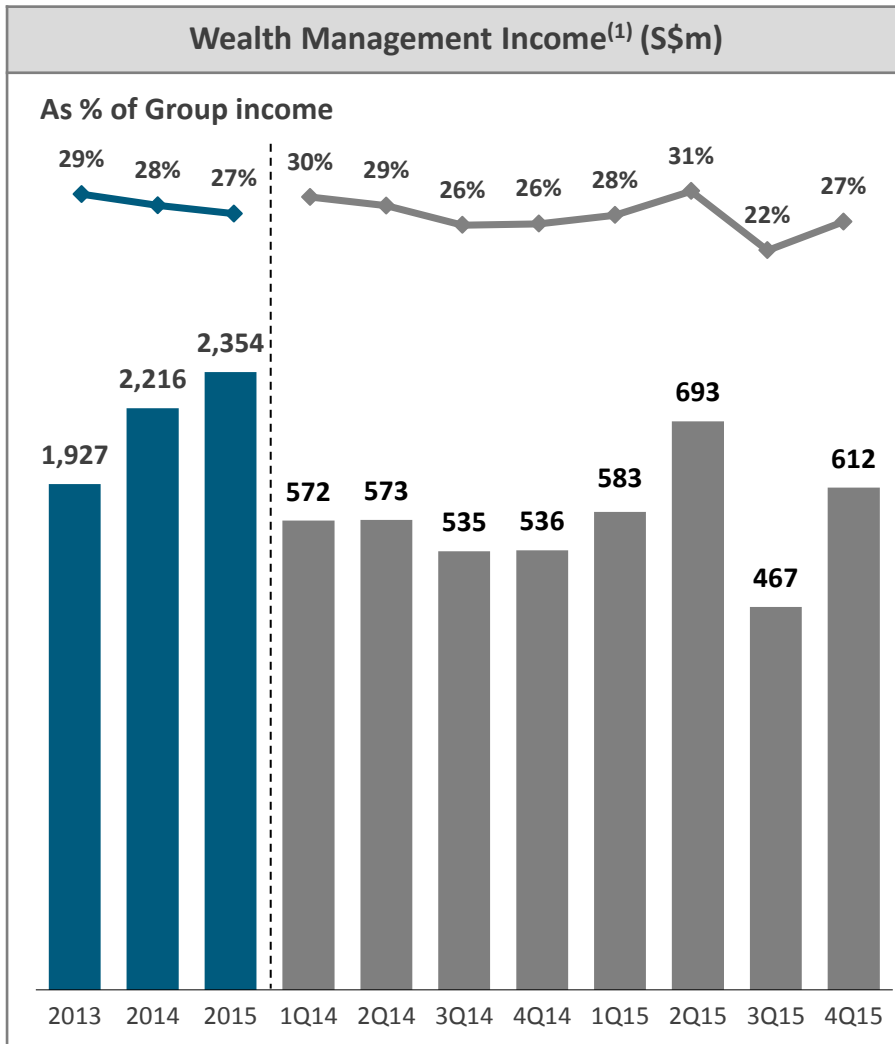
Formation of Economic Blocs and New Policy Banks

Digital Disruption, Cyber Threats and New Technologies

#1

Broadening OCBC Bank's wealth management franchise

Steady growth in OCBC Group's consolidated wealth management income



Note:

(1) Wealth management income comprises the consolidated income from insurance, asset management, stockbroking and private banking subsidiaries, plus the Group's income from the sales of unit trusts, bancassurance products, structured deposits and other treasury products to consumer customers.

(2) An actuarial embedded value is a commonly used technique to estimate the economic value of the existing business of a life insurance company.



#1

Broadening OCBC Bank's wealth management franchise

Acquisition furthers OCBC Bank's strategic goal of deepening its presence in its four core markets – Singapore, Malaysia, Indonesia and Greater China – and particularly in its wealth management business

OCBC Bank has built a unique and comprehensive wealth management platform

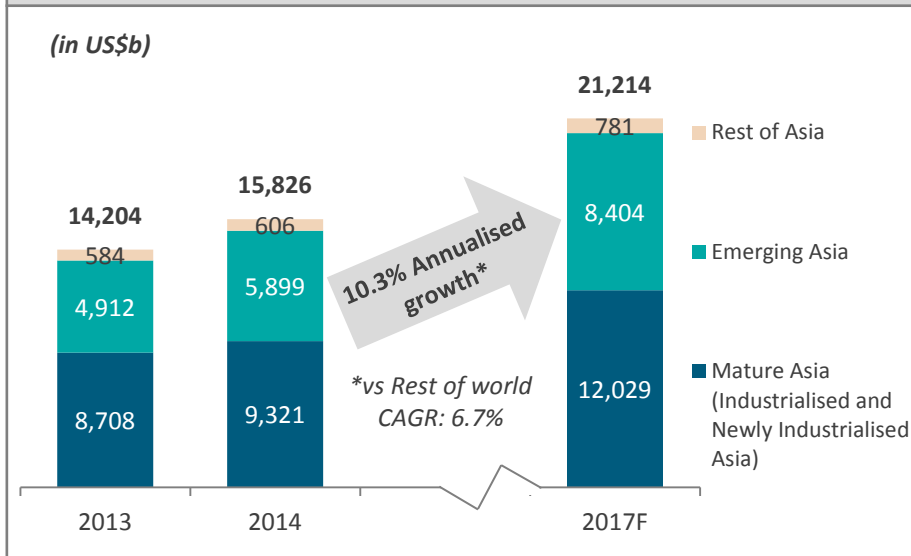
- Private banking services offered by Bank of Singapore
- Insurance products by Great Eastern Holdings
- Asset management products and services by Lion Global Investors
- Brokerage services by OCBC Securities
- Wealth management products and services offered by OCBC Bank

Barclays WIM Singapore and Hong Kong brings with it a base of over 1,800 clients, with total AUM of US\$18.3 billion (as at 31 Dec 2015)

- Acquisition boosts Bank of Singapore's rankings to be among the ten largest private banks in Asia by AUM⁽¹⁾

Within the Asia Pacific region, HNWI wealth is expected to expand rapidly

Asia Pacific HNWI Wealth Forecast (2013 – 2017F)



#2

Strengthening Bank of Singapore's position as Asia's Global Private Bank

Bank of Singapore: Rooted in Asia, Global in Perspective

- Largest pure-play private bank headquartered in Singapore⁽¹⁾ with a branch in Hong Kong as well as representative offices in Manila and Dubai to service clients across Southeast Asia, Greater China, India sub-continent, and other international markets
- With US\$55 billion⁽²⁾ of AUM, Bank of Singapore is the private banking arm of OCBC Bank, the second largest banking group in Singapore and Southeast Asia by total assets
- Named Best Private Wealth Management Bank in Southeast Asia and Singapore for six consecutive years by Alpha South East Asia
- Rated Aa1 by Moody's
- Access to OCBC's consumer and commercial banking solutions and its network of subsidiary companies, including Great Eastern Holdings and Lion Global Investors

Note:

(1) By earning asset base.

(2) As at 31 December 2015.

#2

Strengthening Bank of Singapore's position as Asia's Global Private Bank

Barclays WIM Singapore and Hong Kong's client base, geographical coverage and talent pool provide an excellent and complementary fit for Bank of Singapore

- Barclays WIM Singapore and Hong Kong has strong coverage of UHNW (ultra high net worth) clients and entrepreneurs
 - Barclays WIM Singapore and Hong Kong has successfully penetrated the Forbes Rich List of India, Indonesia, and China
- Barclays WIM Singapore and Hong Kong has an attractive talent pool including 88 highly-trained and experienced relationship managers (RMs), supported by a team of product specialists
 - Minimal overlap in client relationships
 - RMs have average tenure of more than 5 years with Barclays WIM business
 - Post-acquisition, Bank of Singapore will have about 400 RMs to serve its enlarged client base

Barclays WIM Singapore and Hong Kong: strong presence in North Asia, South and Southeast Asia



Banks over 50% of the top 50 names on Forbes China Billionaires List



Penetrates c. 25% of the top 100 names on Forbes India Billionaire List



Already serves more than 50% of the top 40 names on Forbes Indonesia's 50 Richest List

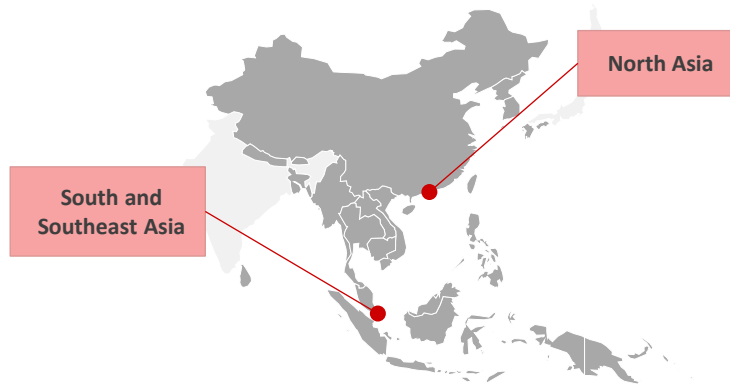
The acquisition will expand Bank of Singapore's client coverage across the wealth spectrum and increase its ability to attract new clients throughout the region

#2

Strengthening Bank of Singapore's position as Asia's Global Private Bank

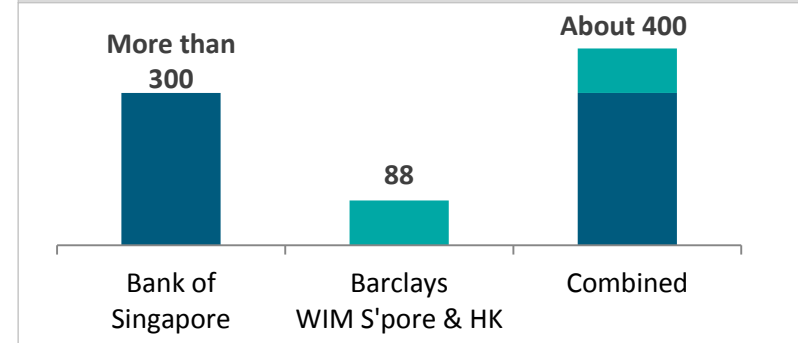
Acquisition further positions Bank of Singapore to capture opportunities in the two strategic private banking hubs in Asia - Singapore and Hong Kong

Geographical Focus

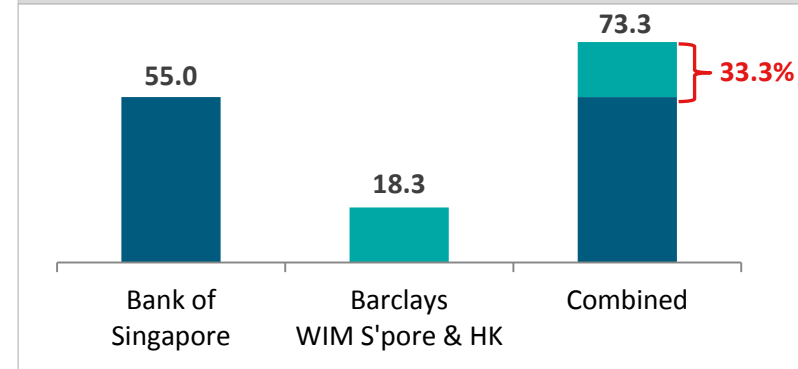


Combined Scale: Bank of Singapore & Barclays WIM Singapore and Hong Kong

RMs



AUM⁽¹⁾ (US\$b)



- Singapore and Hong Kong are strong global private banking centers with attractive strategic benefits backed by a strong regulatory environment
 - From 2010 to 2014, total AUM has grown by 19.9% in Singapore to US\$543 billion, and by 38.7% in Hong Kong to US\$709 billion
- The acquisition will increase Bank of Singapore's total AUM⁽¹⁾ by 33.3%

#3

Enhancing value for Barclays WIM Singapore and Hong Kong clients

Barclays WIM Singapore and Hong Kong clients benefit through Bank of Singapore's comprehensive product and service offerings, and access to OCBC Bank's commercial banking capabilities including consumer and corporate banking, corporate finance and treasury services

Bank of Singapore's comprehensive product offerings

- Strong Managed Investments capabilities - cash, securities, funds and bonds
- Advisory Portfolio Management service for UHNW
- Quality foreign exchange trading and equity services for more sophisticated investors
- Broad array of wealth planning services (trusts, estate planning, financial planning, among others)
- Operates on an open-architecture product platform, working with strategic partners to provide a range of product and investment solutions

Bank of Singapore's independent research & strong advisory capabilities

- Bank of Singapore advice is firmly grounded in independent research with a solid track record
- Independence and alignment with the client's interest is rooted in the fact that Bank of Singapore does not have sell-side capital market activities and does not take proprietary positions
- Bank of Singapore leverages a team of more than 50 in-house research analysts and product specialists covering over 1,000 securities and 30 currencies

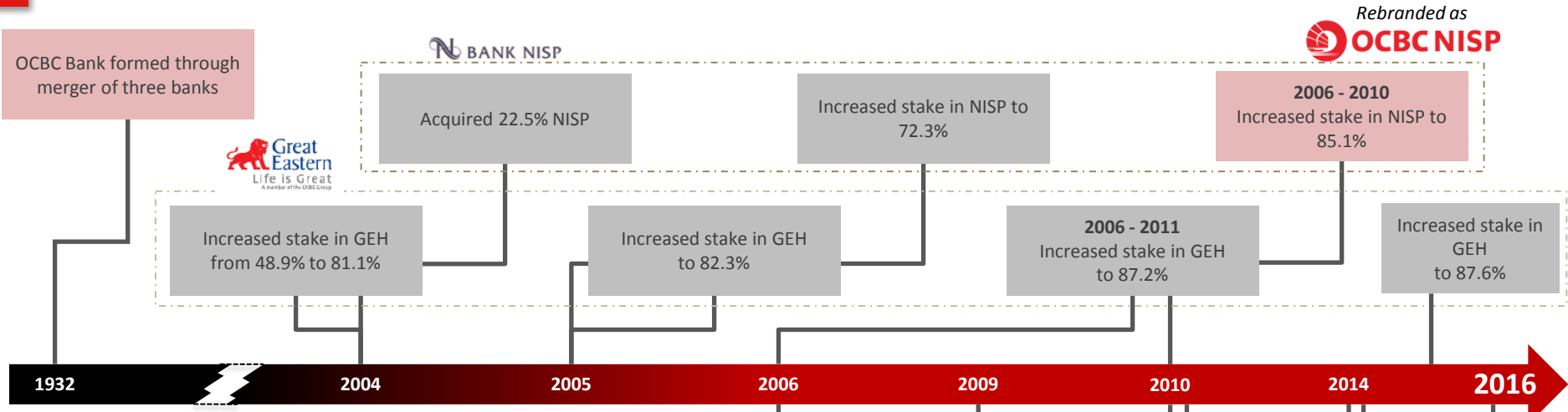
Ability to leverage OCBC Bank's wide range of services

- Offers Consumer Banking, Business Banking, Investment Banking, Transaction Banking, and Global Treasury among its banking services
- Among the top players in Singapore in bancassurance sales, home loans, unit trust distribution, personal credit, small and medium-sized enterprises market and the Singapore dollar capital market
- Offers financing services such as portfolio leveraging, residential real estate financing, insurance premium financing, and structured transactions

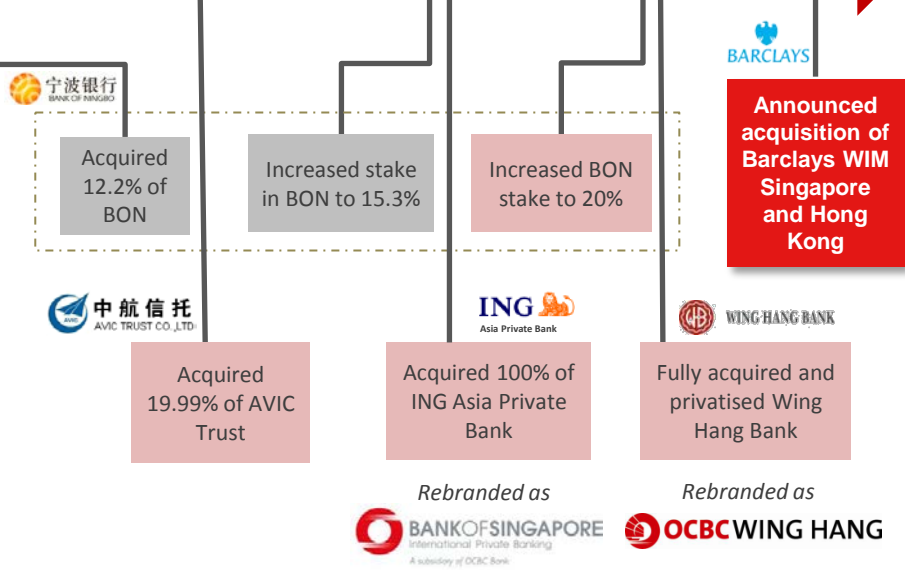


Integration Strategy

Our successful history of acquisitions and integrations



Entity	Acquisition Rationale
Great Eastern Life is Great A member of the OCBC Group	The acquisition of Great Eastern Holdings (GEH) brought about greater synergies in product development, marketing and distribution and customer services to offer customers additional choices through a more comprehensive range of financial products and services
BANK NISP	The acquisition enabled OCBC to establish a respectable franchise in Indonesia, an attractive market with high margins and growth potential
ING Asia Private Bank	The acquisition of ING Private Bank placed OCBC in the position to participate in the growth opportunities arising from the rapid wealth creation in Asia
宁波银行 BANK OF NINGBO	With its strengths in the SME market and growing consumer segment, Bank of Ningbo (BON) complements OCBC's organic growth in China by offering an additional wing to participate in the economic growth of China
中航信托 AVIC TRUST CO., LTD	The investment enables OCBC to participate in sectors within China where 100% foreign presence is not permitted
WING HANG BANK	The acquisition furthers OCBC's strategic goal of deepening its presence in its four core markets, providing OCBC with greater scope in product capabilities, network size, customer base and market coverage with minimal duplication
BARCLAYS Wealth and Investment Management business in Singapore and Hong Kong	The acquisition of Barclays WIM Singapore and Hong Kong strengthens Bank of Singapore's position as Asia's Global Private Bank. Bank of Singapore's franchise value will be enhanced, enabling it to accelerate growth in its key markets



Integration strategy

We will manage integration in a balanced and seamless manner, adopting our best practices from past acquisitions

Clients

- Pro-active client communication and engagement approach together with Barclays WIM Singapore and Hong Kong
- Preserving and managing a seamless client experience is at the forefront of our integration strategy

Employees

- Employee retention is critical to us and we value the contribution of the Barclays WIM Singapore and Hong Kong's staff to a successful integration and future business growth
- We will actively engage Barclays WIM Singapore and Hong Kong's employees throughout the transition period and integrate them into Bank of Singapore through tailored onboarding and training programmes

Systems

- We have conducted thorough reviews to identify key gaps in functionality
- We will work with the best partner in the development of automated migration tools to efficiently complete the migration

Supported by a joint integration committee to facilitate the timely and successful completion of integration



Conclusion / Summary

Conclusion / Summary

1 Broadening OCBC Bank's wealth management franchise and advancing OCBC Bank's strategic goal of deepening its presence in its four core markets



2 Strengthening Bank of Singapore's position as Asia's Global Private Bank



3 Enhancing value for Barclays WIM Singapore and Hong Kong clients through Bank of Singapore's comprehensive product and service offerings, and access to OCBC Bank's commercial banking capabilities including consumer and corporate banking, corporate finance and treasury services



4 We have a **successful history of acquisitions and integrations** and are confident of adding Barclays WIM Singapore and Hong Kong into our success story

