

Group Transaction Banking

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**UOB Greater China
Corporate Day**
31 August – 1 September 2015

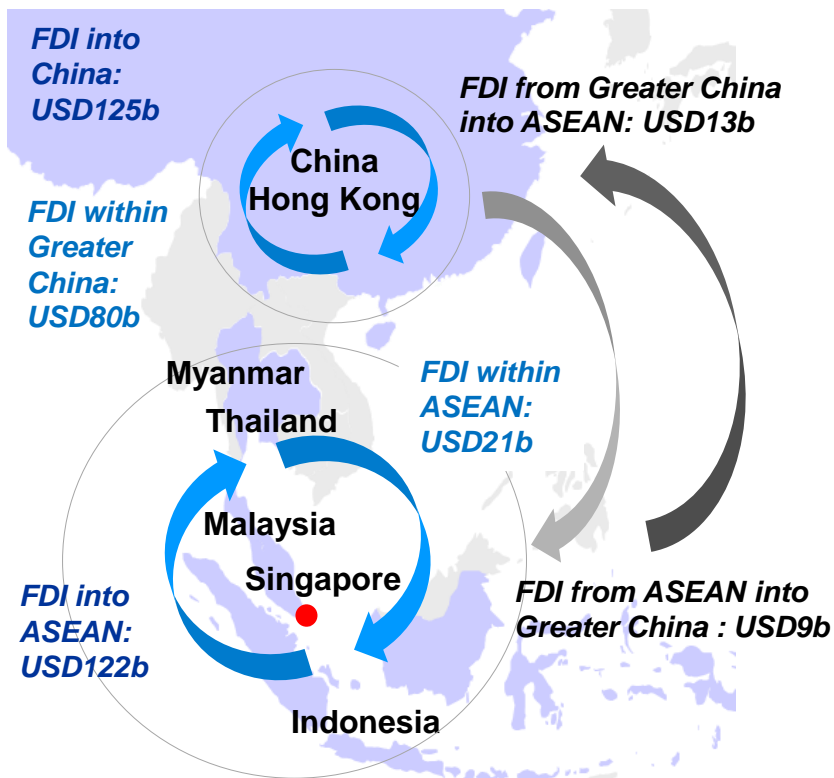
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Agenda

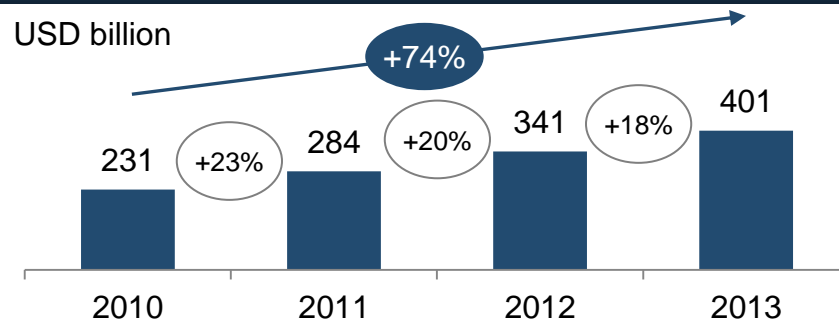
- 1** **TRENDS AND OPPORTUNITIES**
- 2** **EXPANDING WITH OUR CLIENTS**
- 3** **GROUP TRANSACTION BANKING STRATEGY IN GREATER CHINA**
- 4** **STRONG RESULTS**
- 5** **CASE STUDIES**
- 6** **STRONG INDUSTRY RECOGNITION**

Trends and Opportunities: Tapping on Strong Regional Flows

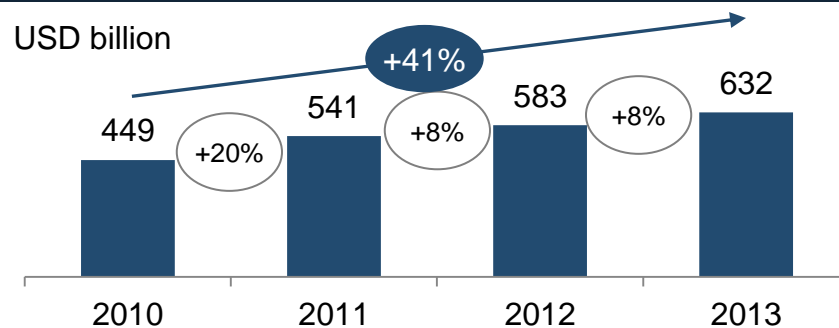
Strong FDI flows¹ into Greater China and ASEAN, and within the regions



Strong growth in Intra-Greater China trade flows²



Strong growth in ASEAN-Greater China trade flows²

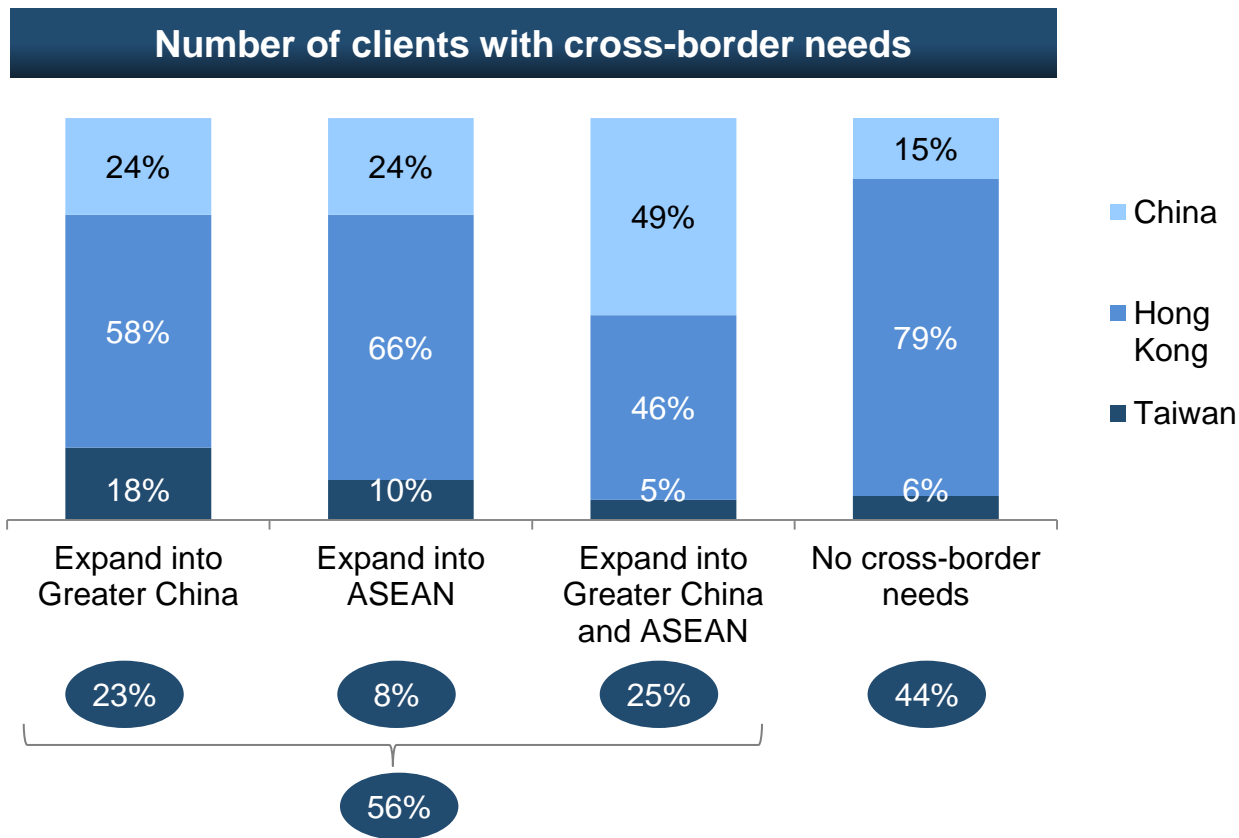


- New growth catalysts such as ASEAN Economic Community and 'One Belt, One Road'
- Connectivity is key to seizing growth opportunities

Sources:

1. UOB Global Economics & Markets Research
2. PRC Ministry of Commerce, Hong Kong Economics, Trade and Culture Office

Trends and Opportunities: Expanding with Our Clients



- **56% of our customers have cross-border needs and are looking to expand into Greater China and ASEAN**
- **Tapping increasing regional connectivity to capture growth opportunities**

Source: UOB's internal survey, 2014

Group Transaction Banking Strategy in Greater China

CUSTOMERS <i>Supporting clients' regional business needs</i>	GEOGRAPHY <i>Uniquely positioned to capture growth</i>	PRODUCT & PEOPLE <i>Offering advice and solutions</i>
<ul style="list-style-type: none"> ▪ Focus on target segments (MNCs, SOEs, LLCs¹, SMEs) and their regional business needs ▪ Our strong foothold in ASEAN allows us to link our Greater China corporates to their counterparts in Asia ▪ Leverage Group's integrated capabilities to originate opportunities into Greater China by capturing various cross-border flows from targeted large corporates into and within Greater China 	<ul style="list-style-type: none"> ▪ Focus on driving cross-border business within the Greater China region ▪ Conduit for ASEAN clients' expansion into Greater China; large ASEAN footprint to help clients capture various flows ▪ Leverage UOB's 500-office network to capture end-to-end transaction flows (cash, trade and FSCM²) within Greater China and across the rest of UOB franchise ▪ Ride on AEC³ and OBOR⁴ initiatives, where UOB is present in 11 of the OBOR countries 	<ul style="list-style-type: none"> ▪ Build in-country solutions with regional overlay to service domestic and regional clients, for eg. our Global e-banking and Global Liquidity Management Solutions ▪ Transaction Banking teams in China (set up in 2011) and Hong Kong (set up in 2012), have since expanded by around 4 times ▪ Global FSCM² team in place to meet the growing financial supply chain management needs of our customers globally

1. LLC: Limited liability companies

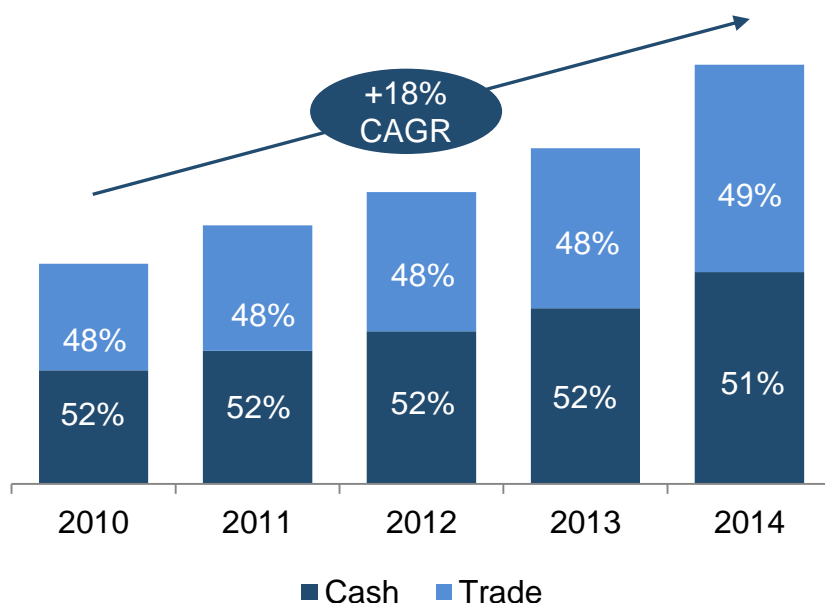
2. FSCM: Financial supply chain management

3. AEC: ASEAN Economic Community

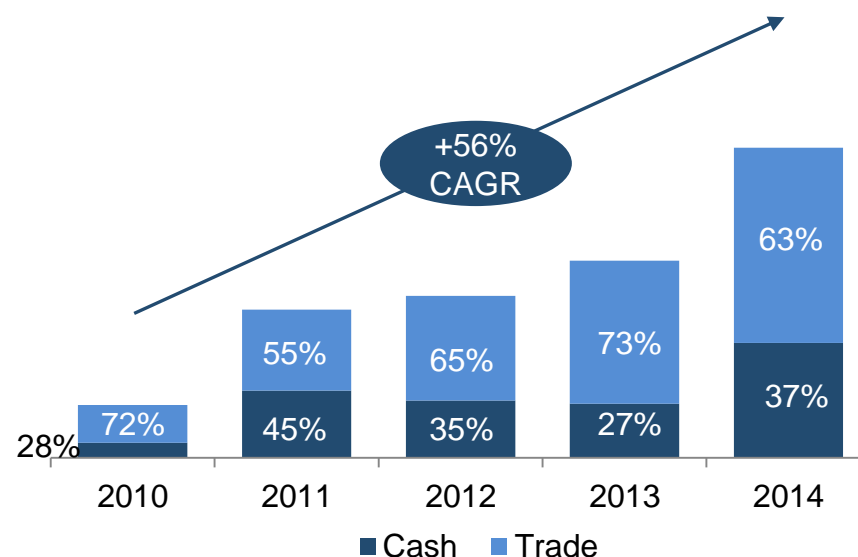
4. OBOR: One Belt, One Road

Strong Results over Past 5 Years

UOB Group's Transaction Banking Revenue¹



UOB Greater China's Transaction Banking Revenue¹

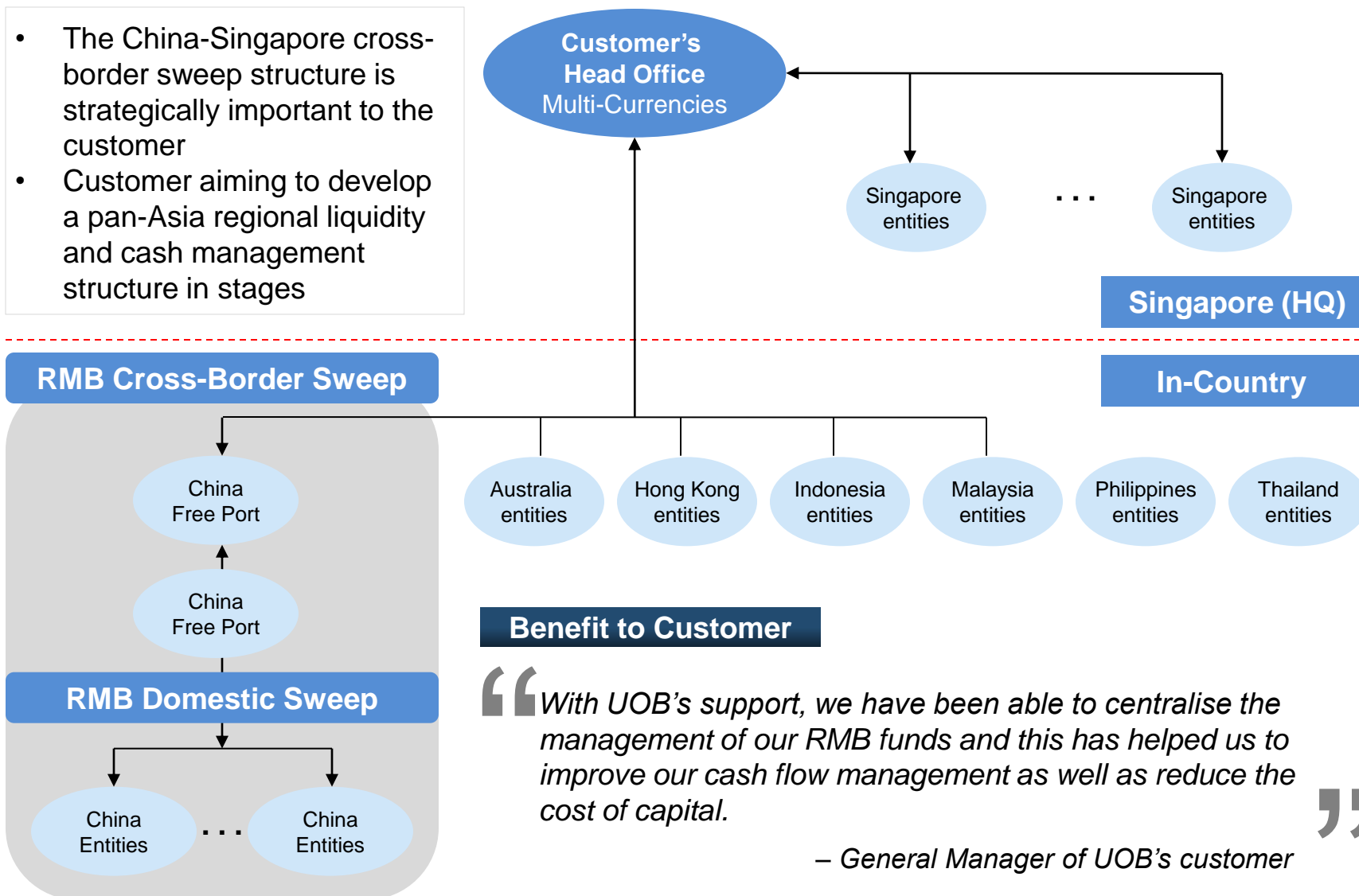


- Group Transaction Banking's revenue recorded good growth momentum over the past 5 years, with Greater China business' growing significantly alongside Group Transaction Banking
- Strategic focus remains on delivering solutions that meet clients' evolving regional business needs

1. The axis of both charts are not on the same scale.

Leveraging UOB's Greater China Franchise and ASEAN Footprint

- The China-Singapore cross-border sweep structure is strategically important to the customer
- Customer aiming to develop a pan-Asia regional liquidity and cash management structure in stages



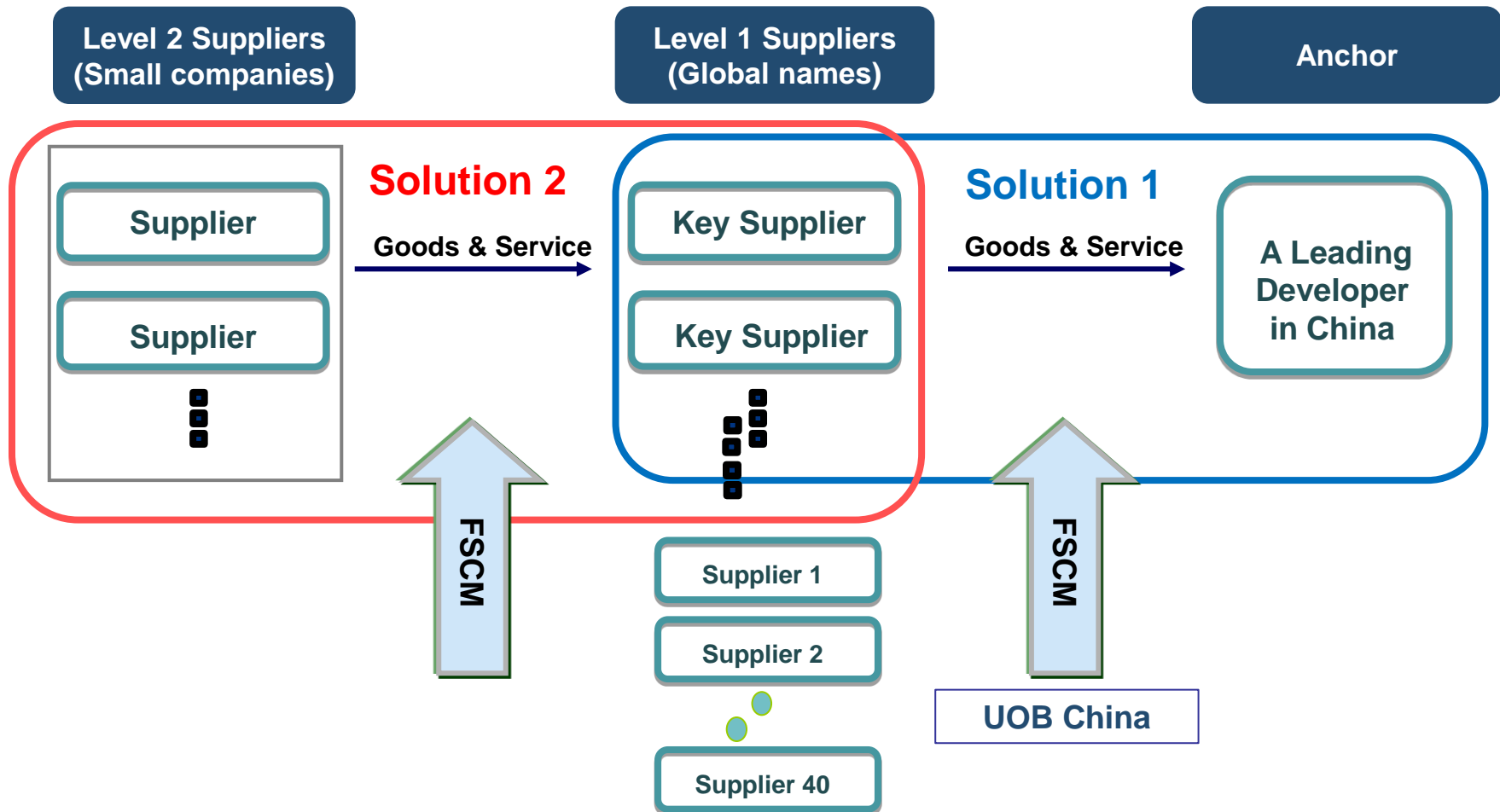
Benefit to Customer

“With UOB's support, we have been able to centralise the management of our RMB funds and this has helped us to improve our cash flow management as well as reduce the cost of capital.”

– General Manager of UOB's customer

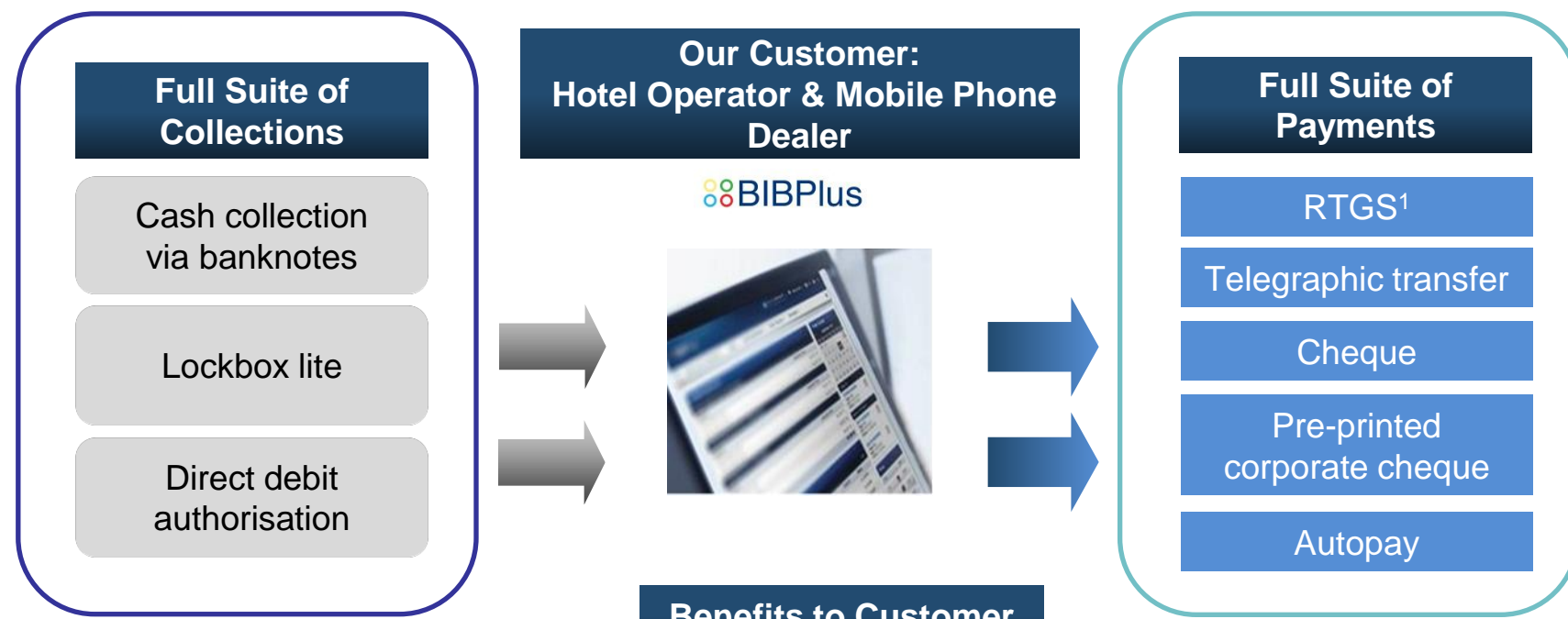
Building Comprehensive FSCM¹ Solutions in Greater China

Our FSCM¹ solution helped to cement our relationship with a leading residential developer, who served as the first anchor for our relationships with its Suppliers (Level 1), and in turn was able to extend the supply chain financing upstream to include their Suppliers (Level 2).



1. FSCM: Financial supply chain management

Innovative Bundling of Strategic Collaboration



Benefits to Customer

Streamline the Process

- Faster turnaround time i.e. same day credit
- One-stop shop service i.e. FX and fixed deposit
- Easy account reconciliation with reference input per cheque
- Faster turnaround time for fee collection

Process & Control (Internet Banking)

- Real-time account information
- Improve cash flow
- Easy reconciliation and reporting
- Outsource labour intensive tasks to bank

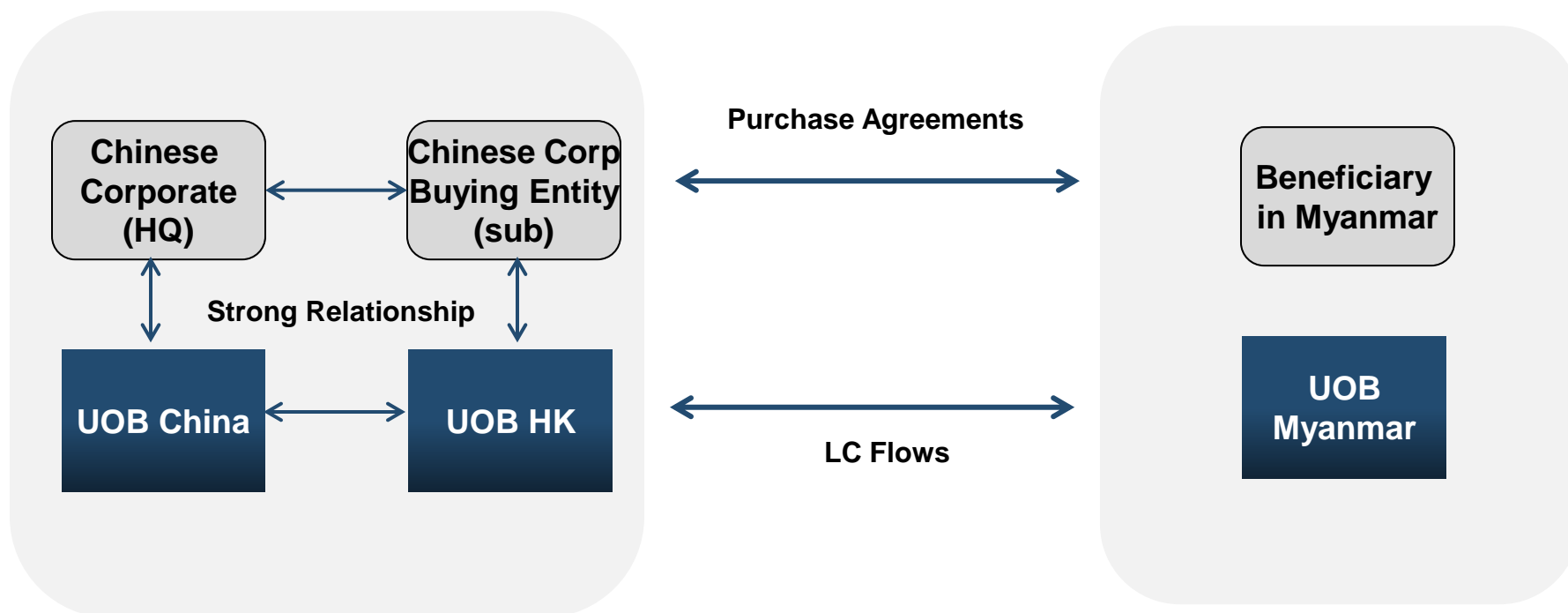
Cost Savings

- Straight-through processing of payables, instead of manual issuance by paper instructions
- Enjoy preferential pricing for online payments
- Convert from expensive RTGS¹ to low-cost electronic payments, ACH²

1. RTGS: Real-time gross settlement
2. ACH: Automated clearing house

Leveraging Our Strong Network & Relationships

- Strong position to connect Chinese corporates with Myanmar corporates
- Able to support the trade corridor between Greater China and Myanmar



Benefits to Customer

- Help to enhance and facilitate our customers' cross-border trade between China and Myanmar
- Provide Chinese corporates an end-to-end trade solution for their trade with Myanmar
- Provide faster turnaround time to collaborate with Myanmar suppliers and end-buyer in China
- Leveraging UOB's network to link up Chinese corporates

Strong Industry Recognition

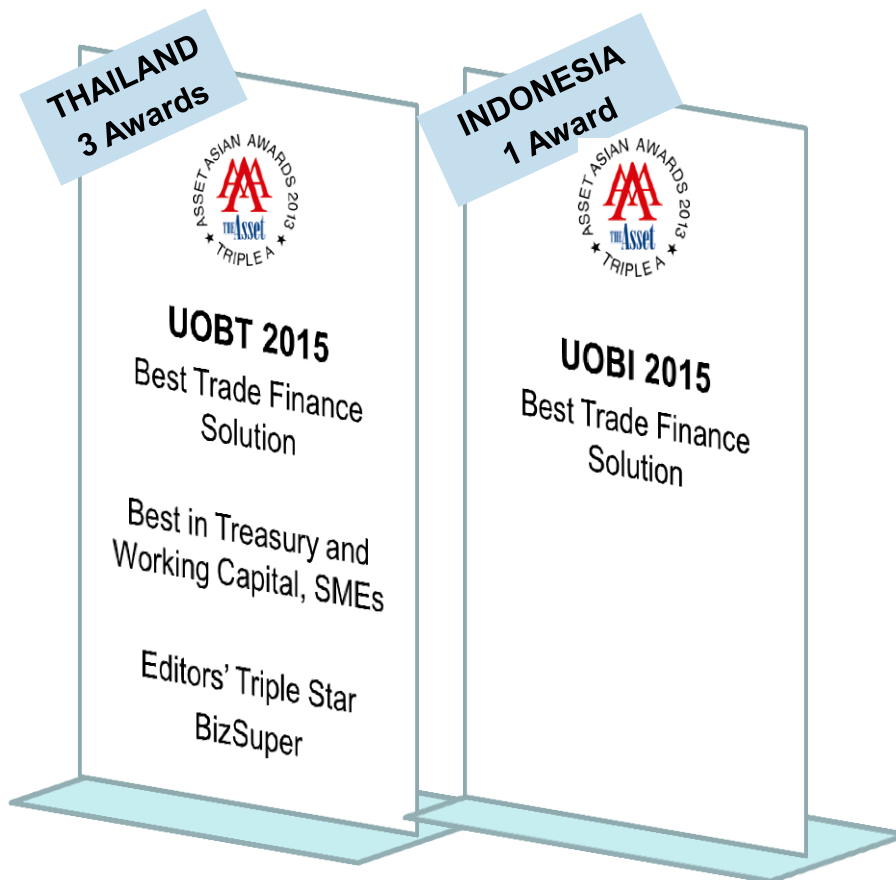
Won 28 AsiaMoney Awards in 2015 – Seeing 6 times Growth over Last 5 years



Strong Industry Recognition

Delivering Excellent Solutions;
Won 4 Awards in 2015 from The Asset

The Corporate Treasurer Names
Asia's 25 Most Influential Women
in Treasury & Finance



- Ms. So Lay Hua, Head of Group Transaction Banking
 - Named Asia's 25 most influential female treasurers and bankers throughout Asia-Pacific by The Corporate Treasurer in March 2015

Questions & Answers

THANK YOU