

Presentation to Media  
and Analysts

# New Horizons II Report Card

21 February 2008



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# Agenda

- **Recap - New Horizons II**

- **Highlights of Our Achievements in 2007**

- Customers
- Products
- Risk Management
- Productivity
- People
- Shareholder Value
- Overseas Expansion

- **Appendix: Detailed Report Card**



# New Horizons II: Recap

## 1. Focused Overseas Expansion

- **Shift emphasis from adding more country flags to deepening market penetration in Malaysia, Indonesia, China**
- **Selectively explore opportunities to establish strategic partnerships in Indochina**
- **Grow market share in the consumer and SME segments in Indonesia and China by transferring successful business models and product solutions to existing branches and alliances in the two countries**



# New Horizons II: Recap

## 2. Improving our performance through a Balanced Business Scorecard

- Customers
- Products
- Risk Management
- Productivity
- People
- Shareholder Value



# Agenda

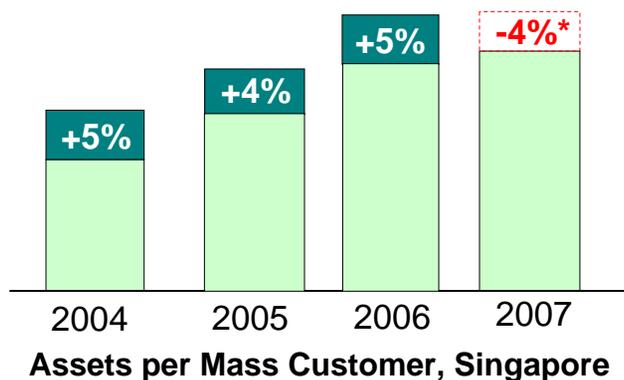
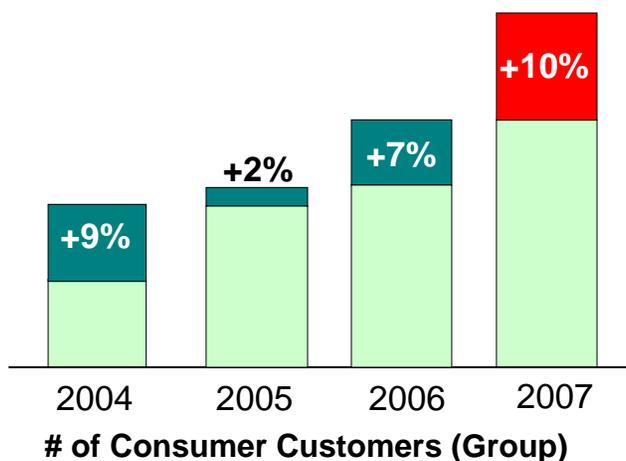
- **Recap - New Horizons II**

- **Highlights of Our Achievements in 2007**

- **Customers**
- **Products**
- **Risk Management**
- **Productivity**
- **People**
- **Shareholder Value**
- **Overseas Expansion**

- **Appendix: Detailed Report Card**

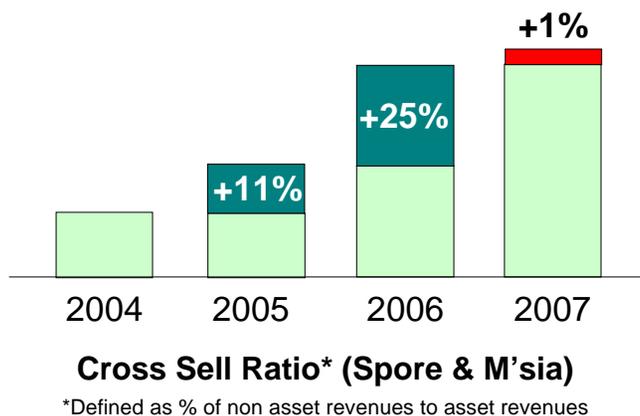
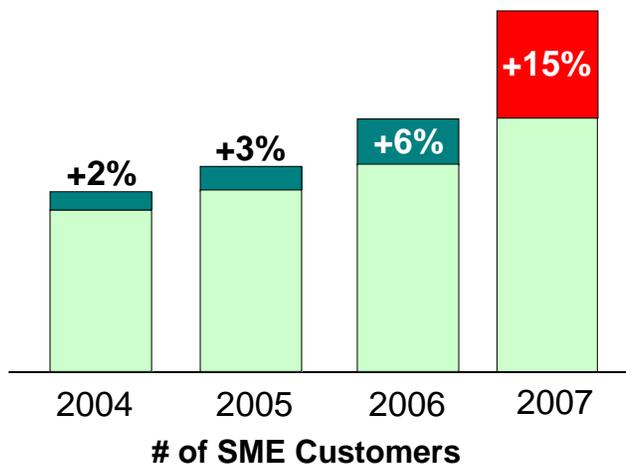
# Customers – Consumers



\* Excluding new customers acquired in 2007, assets per Mass Customer grew 7%

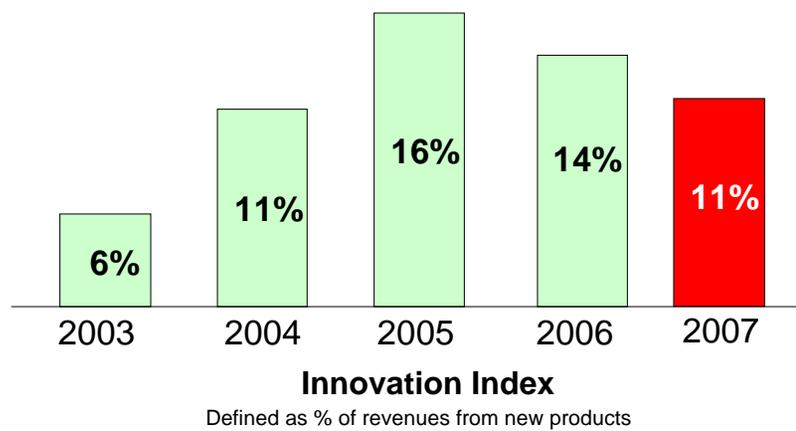
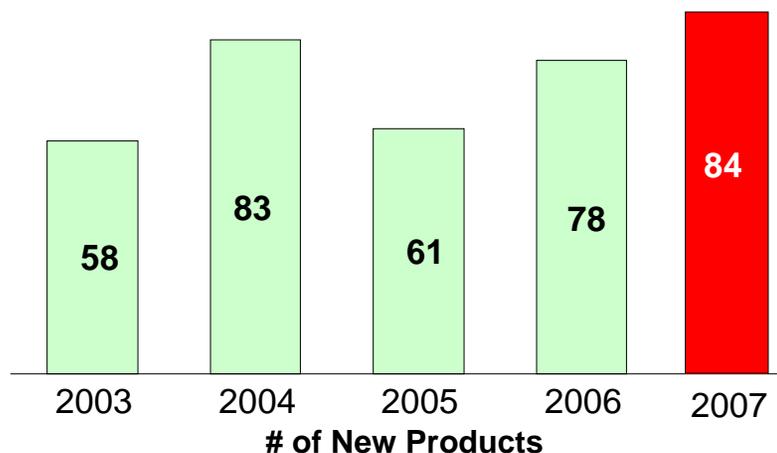
- Healthy growth in number of consumer customers and 20% increase in revenues
- Deployed customer insights to successfully strengthen differentiation and service innovation via “Service & Convenience”
  - Enhanced service training
  - Radical branch transformation
  - Sunday Banking
  - “ATM Plus” Kiosk Banking and a wider ATM network
  - FairPrice Plus Supermarket Banking
- Raised the profile of OCBC’s offerings with the “Stay Curious” marketing campaign in 4Q07

# Customers – Businesses



- **Healthy growth in number of SME customers and 16% increase in revenues**
- **Maintained robust cross-sell ratio**
- **Focused on building differentiation around convenience and service**
  - Simplified account opening process and provided instant cheque book issuance for SMEs – 'Entrepreneur Account' and 'Business Smart' Account
  - 'Easi-BizCard' & 'Easi-Alerts' in Malaysia
  - Added 'Quick Cheque Deposit' boxes at petrol stations and industrial buildings; five locations at Petronas stations in Malaysia

# Product Innovation

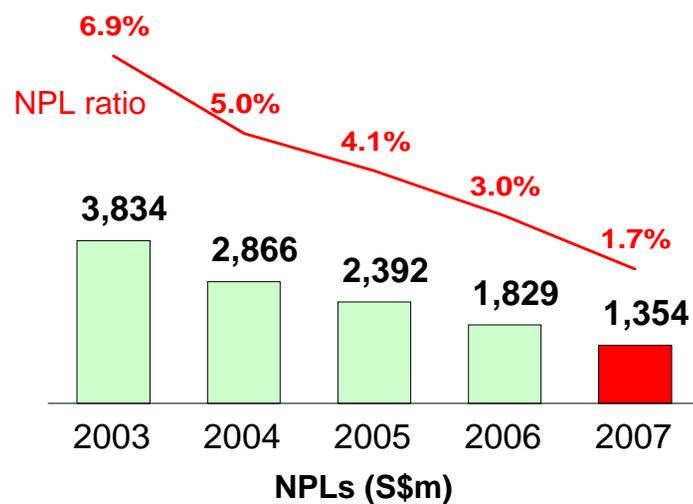


- Innovation index lower at 11%, but absolute revenues from new products are up 20%
- Increased recognition for our product capabilities
  - Best Cash Management Bank in Singapore (Finance Asia and Asiamoney Customer Poll)
  - Best Trade Finance Bank in Singapore (Alpha South East Asia) and Malaysia (The Asset)
  - Singapore Loan House of the Year (IFR Asia)
  - Best Domestic Provider of Forex Services, Best for Innovative Forex Products and Structured Ideas and Best Forex Prime Broking Services (Asiamoney Polls)
  - Best Fund Group over 3 years (Mixed Asset Group) (Edge-Lipper)

# Risk Management

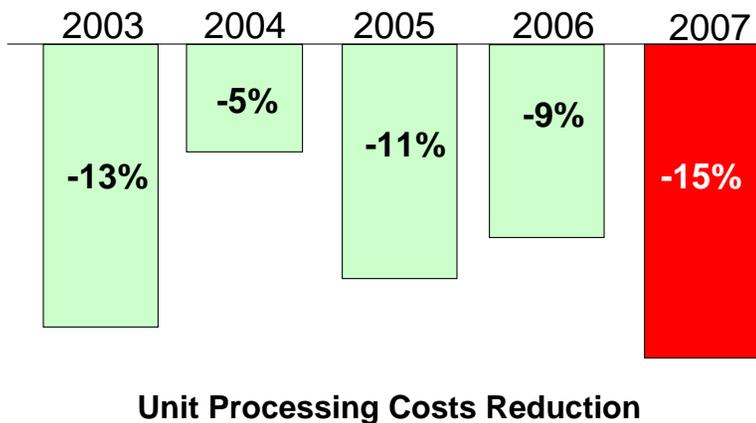
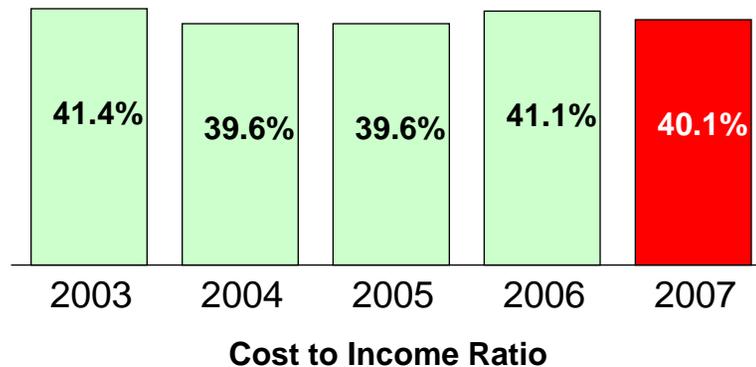
	S&P	Moody's	Fitch
2007	A+	Aa1	AA-
2006	A+	Aa3	AA-
2005	A+	Aa3	AA-
2004	A+	Aa3	A+
2003	A	Aa3	A+

Credit Ratings



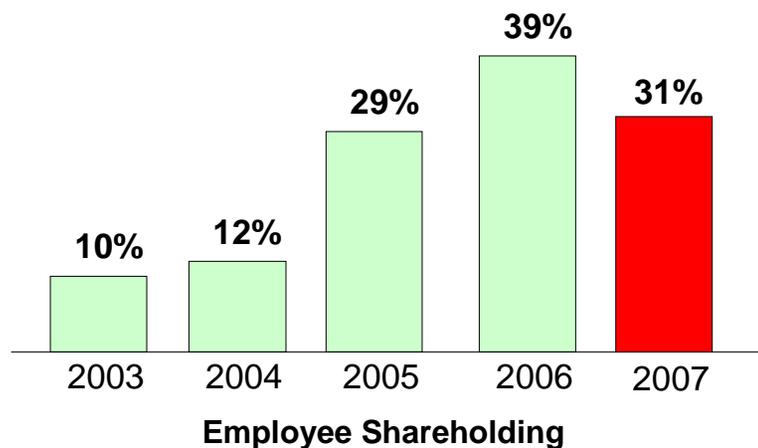
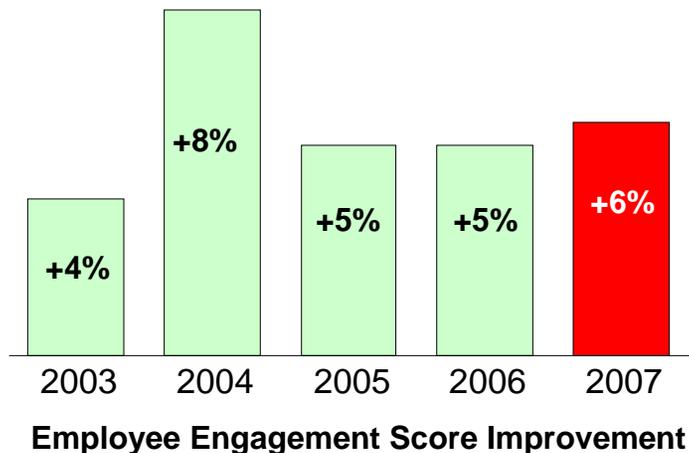
- **Adoption of Basel II from 1 January 2008**
  - Advanced IRB Approach for major retail portfolios
  - Foundation IRB Approach for major corporate portfolios
  - Standardized Approach for operational risk
- **Enhanced market and credit risk capabilities in support of expanded trading activities and new market entry**
- **Improved credit ratings with Moody's upgrading us to Aa1 in May 2007**

# Productivity



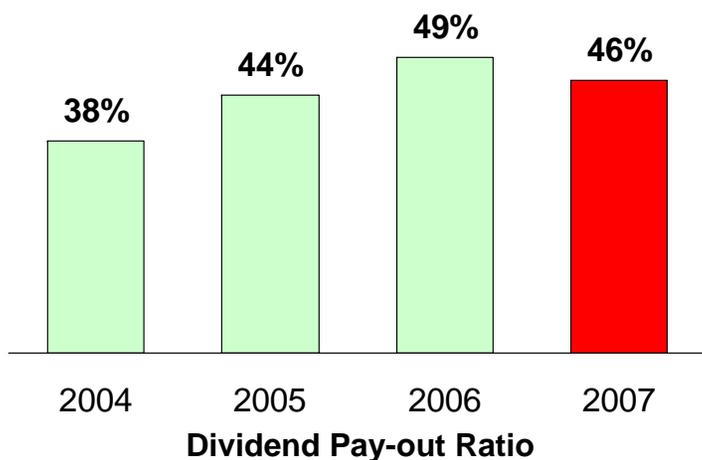
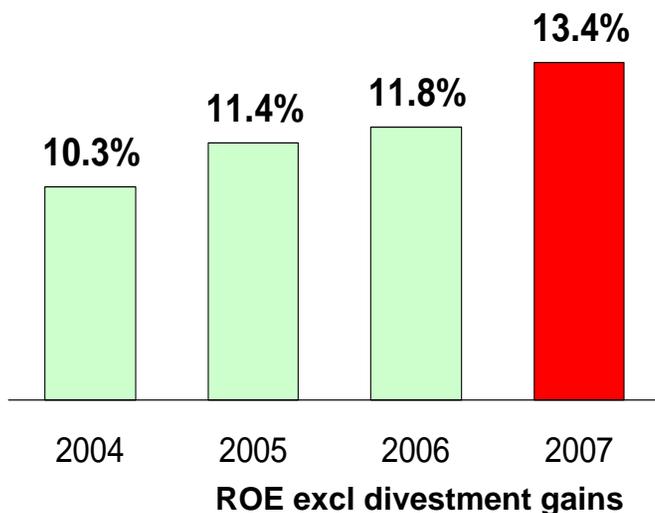
- Productivity gains of 26% and unit cost reductions of 15% across 7 operations factories
- Two additional work streams commenced hubbing into Malaysia; cumulative hubbing of 6 streams to-date with up to 70% of Singapore transactions now being processed in Malaysia. 10-year savings estimated at more than S\$100 million
- Executed another 10 cross-functional process improvement projects with S\$11.4 margin improvement; cumulative margin improvements of S\$124 million to-date

# People



- Employee engagement score up by another 6%
- Employee shareholding remains above 30%
- Average training days per staff maintained at a high level (increased by >50% since 2002)
  - Launched leadership training programme for senior executives
  - Opened new and expanded training facilities, 'Learning Space @ OCBC'
- Opened Little Skool-House (a child care center) and new Recreation Club for staff

# Shareholder Value



- Core ROE improved from 11.8% to 13.4% (13.8% if Bank of Ningbo impact is excluded)
- Core EPS growth of 32% vs 10% target
- Dividend per share increased by 22%, dividend payout at 46% of core earnings
- \$90m divestment gains
- Invested S\$88m in Bank NISP's rights issue

# Overseas Expansion

## Malaysia

- Obtained approval from Bank Negara to establish Islamic subsidiary
- Opened another new branch in Damansara

## Indonesia

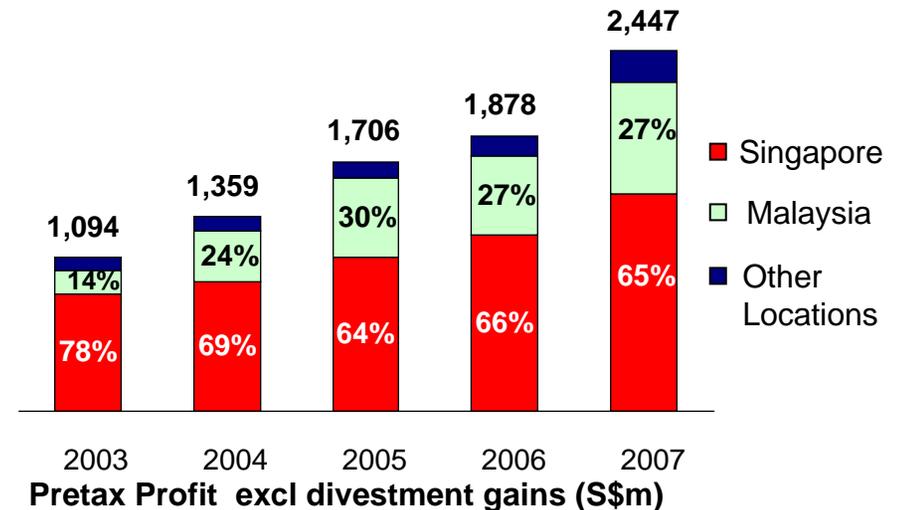
- Continued network expansion at Bank NISP (added 93 branches and 148 ATMs)
- Launched wealth management platform
- Established exclusive partnership with Great Eastern Indonesia

## China

- Launched locally incorporated subsidiary in Aug 2007; opened 2 new sub-branches in Shanghai & Chengdu

## Vietnam

- Seeking regulatory approval to increase our stake in VP Bank from 10% to 15%





## In a Nutshell

- **Good progress on our scorecard objectives**
  - **Continued to build differentiation in home markets**
  - **Penetration of overseas markets picking up**
- **New Horizons II plan on target to achieve 2010 goals**



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# Our Achievements – Consumers *(continued)*

## OUR ACTION PLANS

1. Focus on acquiring and doing more with Customers



• 10% overall growth in Consumer customers



• 18% growth in Premier Banking customers



• 4% drop in assets per mass customer in Singapore\*



• 7% growth in assets per mass customer in Malaysia

2. Deepen and deploy customer insights into new and enhanced Value Propositions



• Established Regional Analytics Competency Centre in Chengdu; rolling out customer analytics regional platform to Malaysia



• Pioneered supermarket banking with FairPrice Plus around value proposition of “Simplicity and Good Value Financial Products”



• Implemented new Premier Banking branch designs along with new service standards



• Engaged SMU & NTU students to co-develop and manage OCBC’s value proposition as their de facto bank (over 50% penetration)

\* Excluding new customers acquired in 2007, assets per Mass Customer grew 7%



# Our Achievements – Consumers *(continued)*

## OUR ACTION PLANS

3. Refresh OCBC's Branding through Service Excellence and Convenience

## PROGRESS

- Re-modeled 6 branches in Singapore and Malaysia with new format, including enhanced service excellence training, integrated merchandizing designs, digital marketing stations and new uniforms
- Extended Sunday Banking to 10 branches with unique family-based themes and events
- Launched the “Stay Curious” television commercials
- Expanded ATM network (2<sup>nd</sup> largest in Singapore) and introduced New “ATM Plus” Kiosk Banking with new Cash-In & Out functionalities
- Value of transactions conducted via the mobile and internet channels increased by over 500% and 70% respectively



# Our Achievements – Consumers *(continued)*

## OUR ACTION PLANS

3. Refresh OCBC's Branding through Service Excellence and Convenience *(cont'd)*

## PROGRESS

- ☑ • Gallup Customer Engagement score increased by 7%
- ☑ • Rolled out more Building Emotional Engagement (BEE) programmes to drive service excellence bank wide. Trained another 2,240 employees across Singapore and Malaysia; total of 4,700 employees trained to-date
- ☑ • Rolled out another 18 new customer experience initiatives to further enhance standards and improve service
- ☑ • Awards won for Channels and Service Excellence
  - ⇒ Exceptional customer support (Contact Center Association of Singapore)
  - ⇒ Excellence in multi-channel implementation and distribution (The Asian Banker)
  - ⇒ Internet Banking Security (Asian Banking & Finance)



# Our Achievements – Consumers *(continued)*

## OUR ACTION PLANS

4. Leverage our Great Eastern / Lion Capital partnership to cross-sell more products



## PROGRESS

- Maintained No. 1 position in Bancassurance
- Converted >15,000 Malaysian policy holders into OCBC GE co-brand cardholders
- Agency force contributed 8% of mortgage sales in Malaysia
- Launched 2 new products, Lion Capital Multi-Income Fund and Lion Capital Vietnam Fund, garnering more than S\$200 million in fresh inflows

***Sustain our Top 3 Consumer Bank Position in the Combined Singapore and Malaysia market***



***Including the insurance business, OCBC remains one of the Top 3 consumer financial services provider in Singapore***

# Our Achievements – Businesses

## OUR ACTION PLANS

## PROGRESS

1. Grow our current strong large corporate position



• 24% growth in total revenues of large corporate business (Singapore & Malaysia)



• 15% growth in number of SME customers, including China and International branches

2. Expand our customer base and grow market share in the SME Segment



• No.1 LEFS (Local Enterprise Finance Scheme) distributor for the third consecutive year

3. Survey customers and work towards an overall improvement in customer satisfaction



• Customer surveys completed with following initiatives implemented:

⇒ Launched 'Celebrate with OCBC' where we bring lunches to customers' offices



⇒ Provided recognition to SME customers by sponsoring both the Enterprise 50 (2<sup>nd</sup> year running) and EYA (6<sup>th</sup> year running)



⇒ Organised a big scale seminar on SME related topics with the Straits Times, attracting more than 1,000 business owners



⇒ Won the 2007 Top SMI Supporter and Sahabat SME Awards in Malaysia

# Our Achievements – Businesses *(continued)*

## OUR ACTION PLANS

4. Increase cross sell and wallet share penetration of SME customers through innovative delivery methods and differentiated package offerings



## PROGRESS

- Cross sell ratio\* for SMEs increased by 13%
- Launched innovative products and services for SMEs in Singapore and Malaysia:
  - ⇒ Launched instant account opening service in Singapore with on-the-spot issuance of cheque book ('Business Entrepreneur Account' and 'Business Smart Account'); >10,000 accounts to-date
  - ⇒ Launched Easi-BizCard and eAlerts@ocbc in Malaysia
  - ⇒ Expanded 'Quick Cheque Deposit' service to 12 selected Caltex and Shell petrol stations and industrial buildings in Singapore; 5 Petronas stations in Malaysia



***Become one of the top 3 corporate banks in the combined Singapore and Malaysia market***

***Group Business Banking revenue grew 22% in 2007, loans grew 26%.***



\*Defined as % of non asset revenues to asset revenues



# Our Achievements – Product Innovation

## OUR ACTION PLANS

1. Strive to build “best in class” products
2. Add to our SME Cash management capabilities and enhance our trade finance services / solutions with increasing focus on supporting our customers expanding regionally

## PROGRESS

- ☑ • 2007 Best Cash Management Bank in Singapore in Asiamoney Customer Poll
  - ☑ • 2007 Best Cash Management Bank in Singapore by Finance Asia
  - ☑ • 2007 Best Trade Finance Bank in Singapore by Alpha South East Asia
  - ☑ • 2007 Best Trade Finance Bank in Malaysia by The Asset
  - ☑ • Singapore Loan House of the Year Award by IFR Asia
- 
- Launched various new products / services to better meet SME customers’ needs
  - ☑ ⇒ ‘Business Entrepreneur Account’ in Singapore, a SGD current account for start-up companies
  - ☑ ⇒ Instant account opening service Singapore with on-the-spot issuance of cheque book



# Our Achievements – Product Innovation (*continued*)

## OUR ACTION PLANS

2. Add to our SME Cash management capabilities and enhance our trade finance services / solutions with increasing focus on supporting our customers expanding regionally (*cont'd*)

## PROGRESS

- ✓ • Launched various new products / services to better meet SME customers' needs
  - ⇒ Auto-fax Export LC Advising service in Singapore
  - ⇒ eAlerts@ocbc in Malaysia on up-to-date notifications on current account activities
  - ⇒ 'Easi-CheckDrop' in Malaysia at 5 Pertronas Service stations
- ✓ • Enriched eAlerts@ocbc (Singapore) service with messages in Chinese and Time Deposit withdrawal alerts
- ✓ • Continued growth in *velocity@ocbc* usage
  - ⇒ Singapore: No. of corporate customers increased 44%, transaction volume up 18%
  - ⇒ Malaysia: No. of corporate customers doubled, with transaction volume up 3.8 times



# Our Achievements – Product Innovation *(continued)*

## OUR ACTION PLANS

3. Strengthen our position in Singapore, Malaysia and Indonesia for investment banking products and expand our Mezzanine Capital portfolio



- 1<sup>st</sup> position in Singapore syndicated loans and 5<sup>th</sup> position in Malaysia syndicated loans league tables



- Sponsored first Indonesian retail REIT with a S\$1 billion portfolio



- Arranged bonds with detachable provisional rights to warrants (first equity-linked transaction) in Malaysia

4. Expand Lion Capital to become globally recognised top tier Asia-based fund manager



- Won Edge-Lipper Singapore awards for 8 funds; named the Best Fund Group over 3 years (Mixed Asset Group)



- Won S&P's Singapore awards for 4 funds and Taiwan awards for 2 funds; named Best Fund Group over 5 years



- Won Asian mandates from institutional clients from Malaysia, Brunei, Taiwan and Korea



- Lion Capital as an Asian fund specialist with its large fund size has gained traction attracting many requests for proposals from European, Australian and Asian funds



# Our Achievements – Product Innovation *(continued)*

## OUR ACTION PLANS

5. Be the bank of choice for treasury instruments in selected currencies

## PROGRESS



- Ranked 1<sup>st</sup> in all Singapore Dollar denominated categories by Asia Risk End User Survey 2007
  - ⇒ No. 1 in SGD Interest Rate Swaps
  - ⇒ No. 1 in SGD Interest Rate Options
  - ⇒ No. 1 in SGD Currency Forwards
  - ⇒ No. 1 in SGD Currency Options
  - ⇒ Joint No. 1 in SGD Cross Currency Swaps



- Ranked Top 3 in 3 (out of 5) Ringgit-denominated categories by Asia Risk End User Survey 2007
  - ⇒ No. 2 in MYR Currency Forwards
  - ⇒ No. 2 in MYR Non-Deliverable Forwards
  - ⇒ No. 3 in MYR Currency Options



- Asiamoney 2007 Polls
  - ⇒ Ranked 'Best Domestic Provider of Forex Services' by Financial Institutions
  - ⇒ Ranked 'Best for Innovative Forex Products and Structured Ideas' by Corporates
  - ⇒ Ranked 'Best Forex Prime Broking Services' by Corporates



# Our Achievements – Product Innovation *(continued)*

## OUR ACTION PLANS

6. Be one of the top 3 banks in the Combined Singapore/ Malaysia market for Wealth Management, Credit Cards and Unsecured Lending

## PROGRESS

- ☑ • Maintained No. 1 position in Bancassurance
- ☑ • >16% growth in deposit and >28% growth in wealth management income across Singapore & Malaysia
- ☑ • Total cards in circulation grew 17% in Singapore & Malaysia
- ☑ • Product innovations launched in 2007:
  - ⇒ 'Mighty Savers', a distinctive savings experience for young families with children
  - ⇒ 1<sup>st</sup> in market self-directed life insurance and investments (mail & internet banking Channels)
  - ⇒ EasiCredit Express Cash in 1 hour, the fastest approval turnaround in Singapore
  - ⇒ PowerCredit, new unsecured credit in Malaysia garnering over 40K new customer sign-ups



# Our Achievements – Product Innovation *(continued)*

## OUR ACTION PLANS

6. Be one of the top 3 banks in the Combined Singapore/ Malaysia market for Wealth Management, Credit Cards and Unsecured Lending *(cont'd)*



***Become known for product innovation by sustaining new product revenues above 15%***



## PROGRESS

- Product innovations launched in 2007:
  - ⇒ 'SmartChange' debit cards to help customers save as they spend
  - ⇒ NTUC Plus 'All-In-One Card' integrating Union membership with everyday lifestyle purchases and transport benefits
  - ⇒ Cross-border shopping privileges through Robinsons platinum card programme in Singapore and Malaysia

***Launched 84 new products***

***New product revenues maintained at 11.2% of revenues in 2007***



# Our Achievements – Risk Management

## OUR ACTION PLANS

## PROGRESS

- |   |                                     |   |
|---|-------------------------------------|---|
| 1. Execute our Basel II implementation plan in line with regulatory guidelines  | <input checked="" type="checkbox"/> | • Received approval from MAS to adopt the Internal Ratings Based Approach for Credit Risk in 2008; Operational Risk on Standardized Approach              |
| 2. Strengthen risk management capabilities to support Group's expansion into new markets & products                               | <input checked="" type="checkbox"/> | • On track to develop Pillar 2 internal capital adequacy assessment process and Pillar 3 disclosure requirements  |
| 3. Build a robust management attestation process to provide 'positive assurance' of the effectiveness of internal control systems | <input checked="" type="checkbox"/> | • New teams set up to strengthen portfolio analytics for better credit risk management and market risk management to support expanded treasury activities |
| 4. Maintain our strong credit ratings   | <input checked="" type="checkbox"/> | • A robust Internal Control Attestation process is in place, providing 'positive assurance' on the effectiveness of internal control systems.             |
| 4. Maintain our strong credit ratings   | <input checked="" type="checkbox"/> | • Continue to be one of the highest rated banks in Asia: Aa1 by Moody's, A+ by S&P and AA- by Fitch   |



# Our Achievements – Productivity

## OUR ACTION PLANS

1. Continue to drive for productivity gains and unit cost reduction while enhancing service quality

2. Leverage our cross-border processing hubs in Singapore and Malaysia to deliver further efficiency gains

3. Continue to re-engineer cross functional processes in pursuit of Six Sigma Quality Excellence

## PROGRESS

• Productivity gains of 26% and unit cost reductions of 15% across 7 product processing factories for 2007  
⇒ Account Services, Cards and Treasury processing factories in Singapore achieved productivity gains of more than 30% and unit cost reductions in excess of 15% for 2007

• Two additional work streams commenced hubbing into Malaysia; cumulative hubbing of 6 streams to-date with up to 70% of Singapore transactions now being processed in Malaysia. 10-year savings estimated at more than S\$100 million

• Enhanced and localised process improvements from Singapore to Malaysia and Indonesia

• Executed another 10 cross-functional process improvement projects with S\$11.4 margin improvement; cumulative margin improvements of S\$124 million to-date



# Our Achievements – People

## OUR ACTION PLANS

1. Build people resources with a focus on diversity, cross border management skills and competencies to support our overseas expansion efforts



2. Continue to develop talent within OCBC through evolving training and career development programmes



3. Sustain minimum of 5 man days of training on average for all employees



## PROGRESS

• Moved another 70 employees overseas for cross-border assignments to / from Singapore, Malaysia, Indonesia and China

• Launched leadership training programme for senior executives

• Average training days per staff maintained at a high level (increased by >50% since 2002)

• Opened bigger and expanded training premises, 'The Learning Space @ OCBC'



# Our Achievements – People *(continued)*

## OUR ACTION PLANS

## PROGRESS

4. Continue to improve employee satisfaction so as to be increasingly recognised as a regional employer of choice



- New OCBC Recreation Club @ OCBC for staff
- Opened the childcare centre, The Little Skool-House at OCBC Centre

5. Maintain share-ownership schemes to enable all our employees to easily own OCBC Shares



- Deferred Share Plan for senior managers entering into 5<sup>th</sup> year
- Employee shareholding remains above 30%

***Continue to improve employee satisfaction so as to be increasingly recognised as a regional employer of choice***



***Engagement Score for Overall OCBC Employee Survey improved by 6% from 2006***



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# Our Achievements – Shareholder Value

## OUR ACTION PLANS

## PROGRESS

- |   |                                     |  |
|---|-------------------------------------|--|
| 1. Grow revenues faster than expenses   | <input checked="" type="checkbox"/> | • Core revenue grew 29%, versus 26% increase for expenses                                    |
| 2. Deliver 10% EPS growth per annum   | <input checked="" type="checkbox"/> | • Core EPS growth of 32%   |
| 3. Achieve and sustain ROE of above 12%   | <input checked="" type="checkbox"/> | • Core ROE improved from 11.8% to 13.4% (13.8% if Bank of Ningbo impact is excluded)         |
|   | <input checked="" type="checkbox"/> | • Cash ROE (excluding divestment gains) improved from 12.2% to 13.7%                         |
| 4. Periodically review our target minimum dividend payout of 35% of core earnings for possible increase | <input checked="" type="checkbox"/> | • Minimum dividend payout raised to 45% of core earnings in 2006                             |
|   | <input checked="" type="checkbox"/> | • Net dividend per share increased 22% to 28 cents; dividend payout was 46% of core earnings |



# Our Achievements – Shareholder Value *(continued)*

## OUR ACTION PLANS

## PROGRESS

- 
- |  |                                     |   |
|--|-------------------------------------|---|
| 5. Continue to divest non-core assets at the right time and invest the gains in core financial services growth opportunities | <input checked="" type="checkbox"/> | • Realised S\$90m gain from sale of office property Samsung Hub |
|  | <input checked="" type="checkbox"/> | • Announced cash offer for Malaysia's PacMas in Jan 08          |
|  | <input checked="" type="checkbox"/> | • Invested S\$88m in Bank NISP's rights issue                   |
- 
- |  |                                     |  |
|--|-------------------------------------|--|
| 6. Continue policy of returning any excess capital to shareholders via share buy back programmes | <input checked="" type="checkbox"/> | • Spent S\$43m on share buybacks in 2007 |
|--|-------------------------------------|--|
- 
- |   |                                     |  |
|---|-------------------------------------|--|
| 7. Maintain Tier 1 capital (and total capital) at a comfortable cushion above regulatory minimums | <input checked="" type="checkbox"/> | • Tier 1 and total CAR of 11.5% and 12.4%, comfortably above regulatory minimums |
|---|-------------------------------------|--|



# Our Achievements – Shareholder Value *(continued)*

## OUR ACTION PLANS

## PROGRESS

8. Raise alternative Tier 1 / Tier 2 capital as necessary to meet additional capital needs



- Raised S\$225m of Lower Tier 2 subordinated notes, as part of plan to replenish Tier 2 capital over time

***Build the basis for our share price to outperform the STI***



***OCBC's share price rose 8% in 2007, underperforming STI'S 15% increase but outperforming peer banks***



# Our Achievements – Overseas Expansion (Indonesia) *(continued)*

## OUR ACTION PLANS

## PROGRESS

1. Work with Bank NISP to become a Top Tier Nationwide bank focused on SMEs and Consumers



- 2X increase in wealth management fee income
- Completed BEE customer engagement training for > 3,500 Bank NISP staff to build a Service Excellence Culture
- Transferred know-how in the areas of product management, marketing, branding & channel delivery

2. Broaden Bank NISP's Consumer and SME product suite, including Wealth Management, Credit Cards, Cash Management and Trade Services, to drive customer acquisition



- Launched wealth management platform with financial planning tools and suite of wealth products
- Trained 50 staff in Indonesia on Quality tools and helped to set-up Quality function
- Completed VISA membership registration in preparation for card launches in 2008

3. Expand our geographical branch coverage



- Bank NISP established 93 new branches / offices and 148 ATMs (total of 352 and 494 respectively across Indonesia)



# Our Achievements – Overseas Expansion (Indonesia) *(continued)*

## OUR ACTION PLANS

4. Work closely with GE Indonesia to build their life business through bancassurance and agency models



- Established exclusive partnership between GE and Bank NISP for customised bancassurance solutions

## PROGRESS

***Build Indonesia as a major growth engine after Singapore and Malaysia***



***Branch network expansion and core capability building in progress***



# Our Achievements – Overseas Expansion (China)

## OUR ACTION PLANS

1. Leverage on strategic partnership in China as part of strategy to grow our retail and SME customer franchise
2. Experiment with customer and product solutions through our partners
3. Build capabilities to take on larger opportunities should they become available with regulatory changes

## PROGRESS

- ✓ Joint workshops conducted with Bank of Ningbo (BoN) to define business models for OCBC China
- ✓ 11 mid-level executives from BoN seconded to OCBC for 2 years across various customer, product and support areas
- ✓ Increased momentum for joint deals particularly in cross-border financing, investment banking, treasury and trade
- ✓ Co-development of new RMB products and collaboration for Consumer Banking and Treasury in progress
- ✓ Commenced business as OCBC Bank (China) Limited on 1 Aug 2007
- ✓ Opened 2 new sub-branches in Shanghai and Chengdu in 4Q07
- ✓ Strengthened management team & completing the final stages of operational infrastructure set-up



# Our Achievements – Overseas Expansion (Vietnam)

## OUR ACTION PLANS

1. Work with VP Bank to build Capabilities in Customer and Product solutions

## PROGRESS

- Launched the 1<sup>st</sup> MasterCard Platinum EMV card in Vietnam targeting affluent customers
- Rolled out MasterCard merchant & ATM acquiring businesses & systems
- Establishing business models & support systems for VISA EMV card issuing, merchant & ATM acquiring
- Seeking regulatory approval to increase our stake in VP Bank from 10% to 15%

Thank You