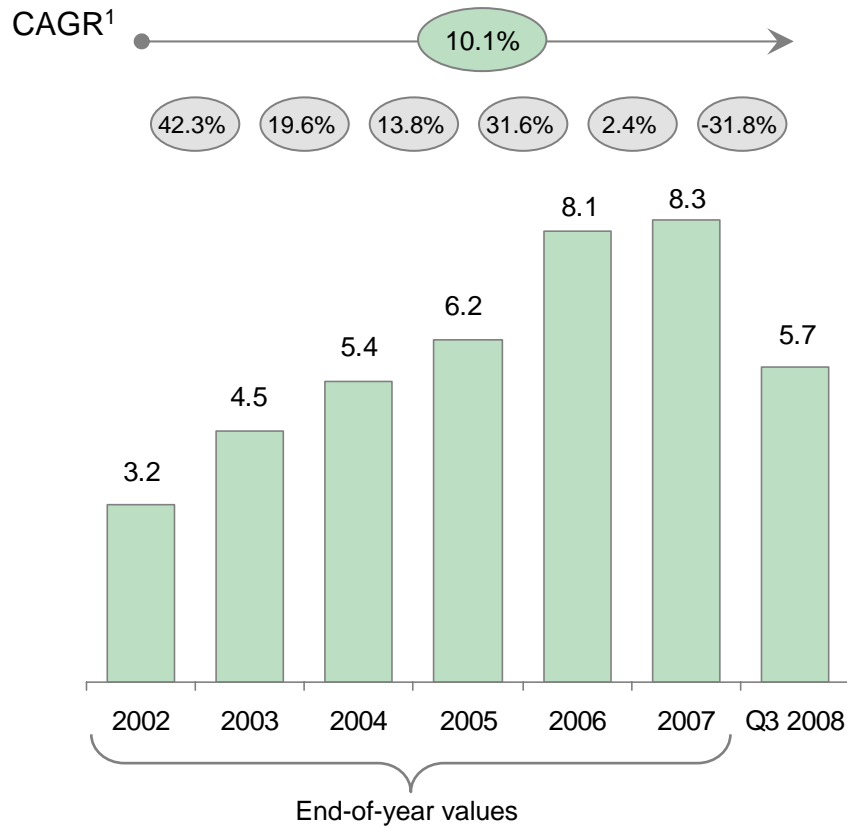


The New Banker Generation
Challenges and Opportunities for Asian Bankers

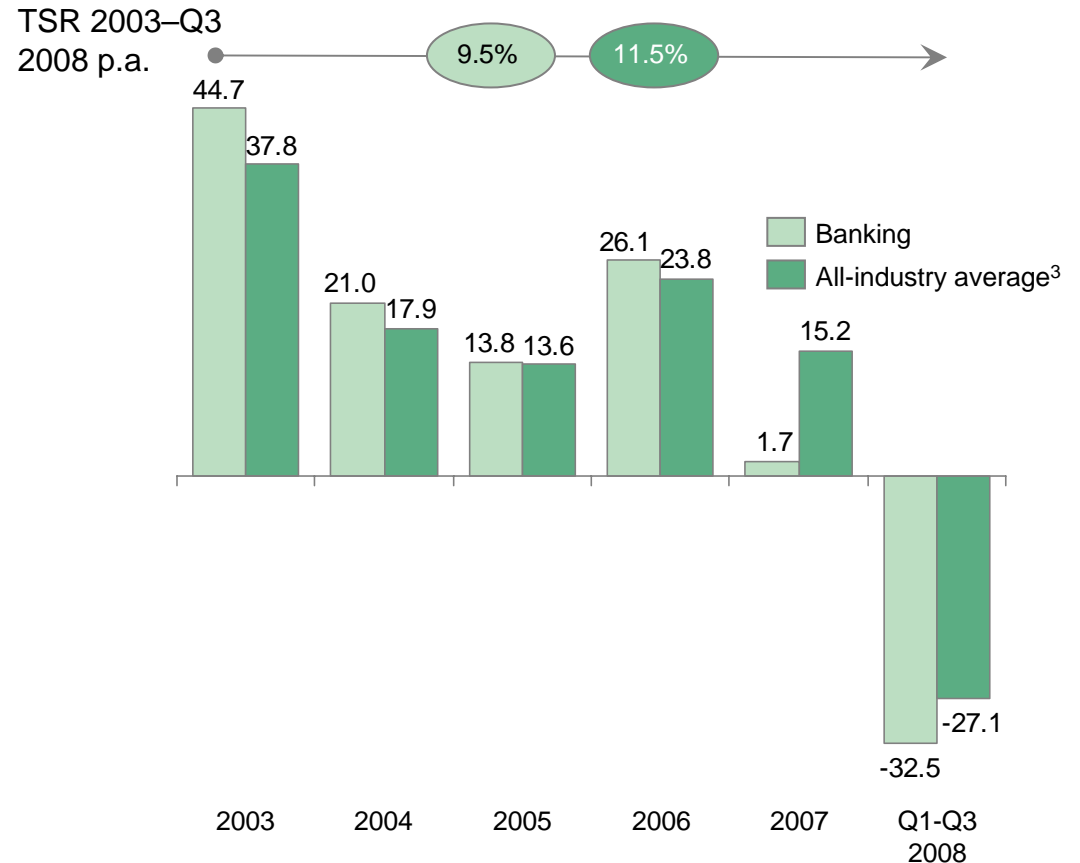
Mr. Chris Suradejvibul
Partner & Managing Director
The Boston Consulting Group Bangkok

Global banking lost ~1/3 market value during Q1-Q3 2008

Total banking market cap (\$trillions)



Total banking shareholder return² (%)

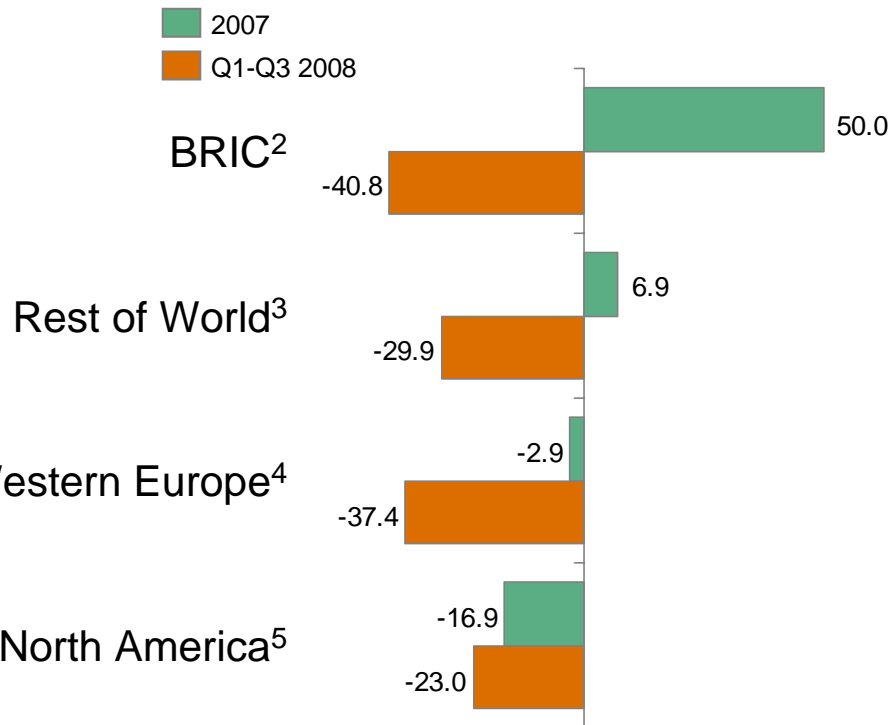


1. Compound annual growth rate 2. TSR comprises capital gains and free-cash-flow yields 3. Weighted by market capitalization

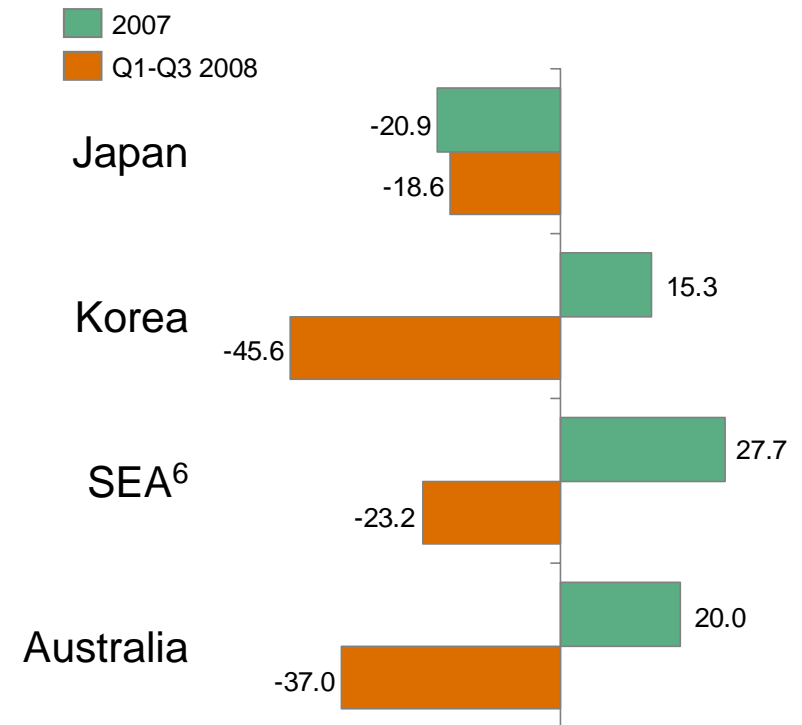
Sources: T.F. Datastream; BCG analysis

Attention is focused on West ... but financial crisis is global

**Total banking shareholder return,¹
2007 and Q1-Q3 2008 (%)**



**Total banking shareholder return,
2007 and Q1-Q3 2008 (%)**



1. TSR comprises capital gains and free-cash-flow yields 2. Brazil, Russia, India, and China 3. Comprises 32 countries 4. Benelux countries, Denmark, Finland, France, Germany, Italy, Norway, Spain, Sweden, Switzerland, and United Kingdom 5. United States and Canada 6. Thailand, Philippines, Malaysia, Indonesia, and Singapore

Note: All TSRs were calculated after conversion to U.S. dollars

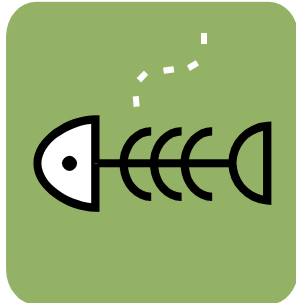
Sources: T.F. Datastream; BCG analysis

Different faces of the global financial crisis

Defunct business models

Arbitrage, sales & trading

Credit monolines



Picked over, seeking new homes

Exposed

Investors looking for "risk-less" yield



Wounded and weakened

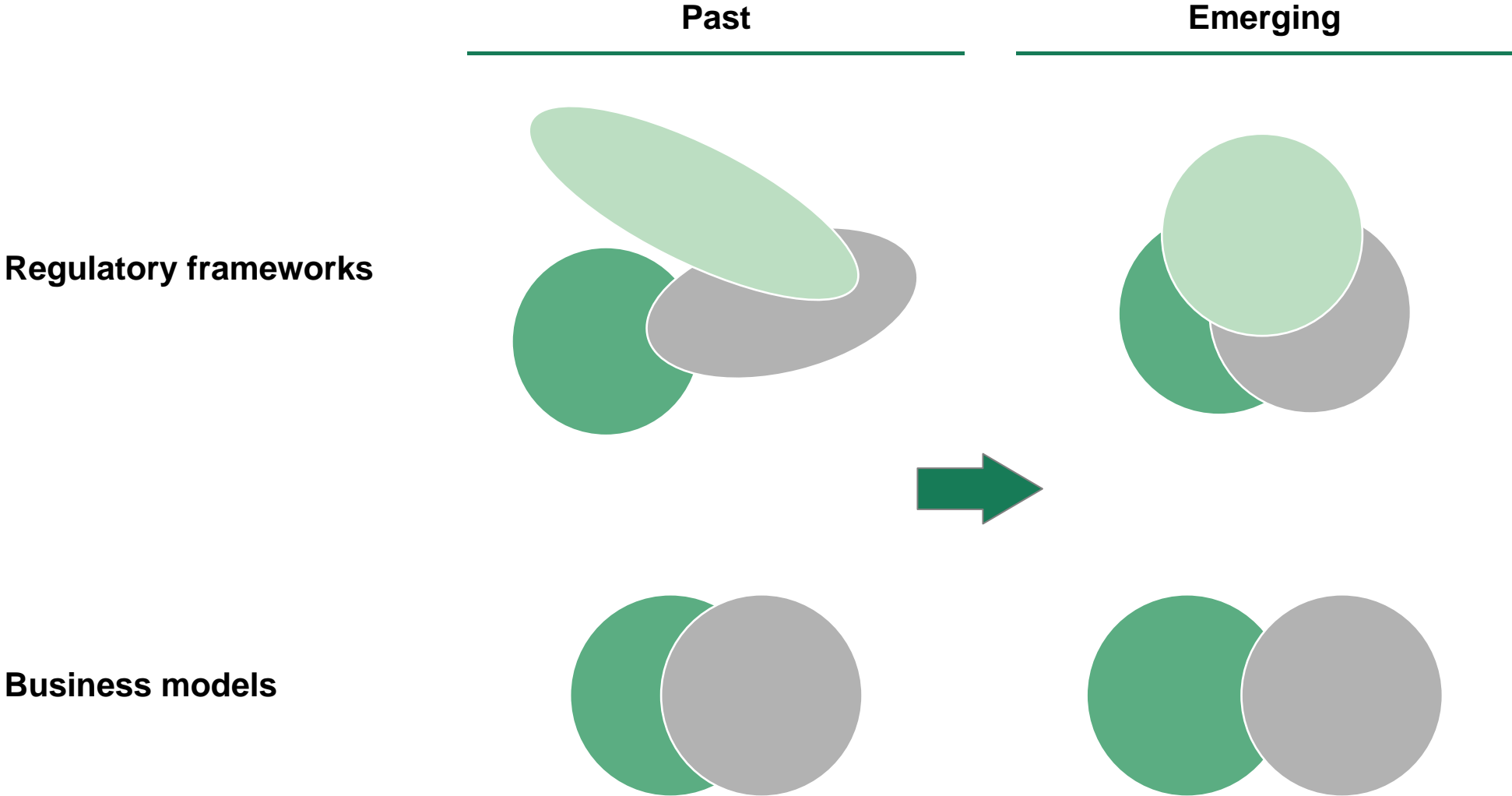
Caught in the storm

Fundamentally sound commercial banks



Marked down along with broader market

Survival with new structures

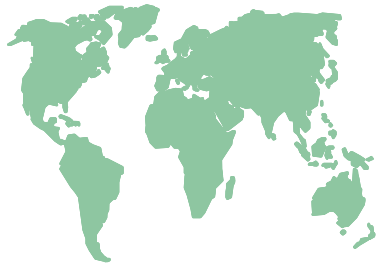


Some key trends

Retail / Commercial

Absolute and relative growth

"Next billion" un-banked



Health meets Wealth

More longevity

More wealth

More opportunities



Fight for deposits

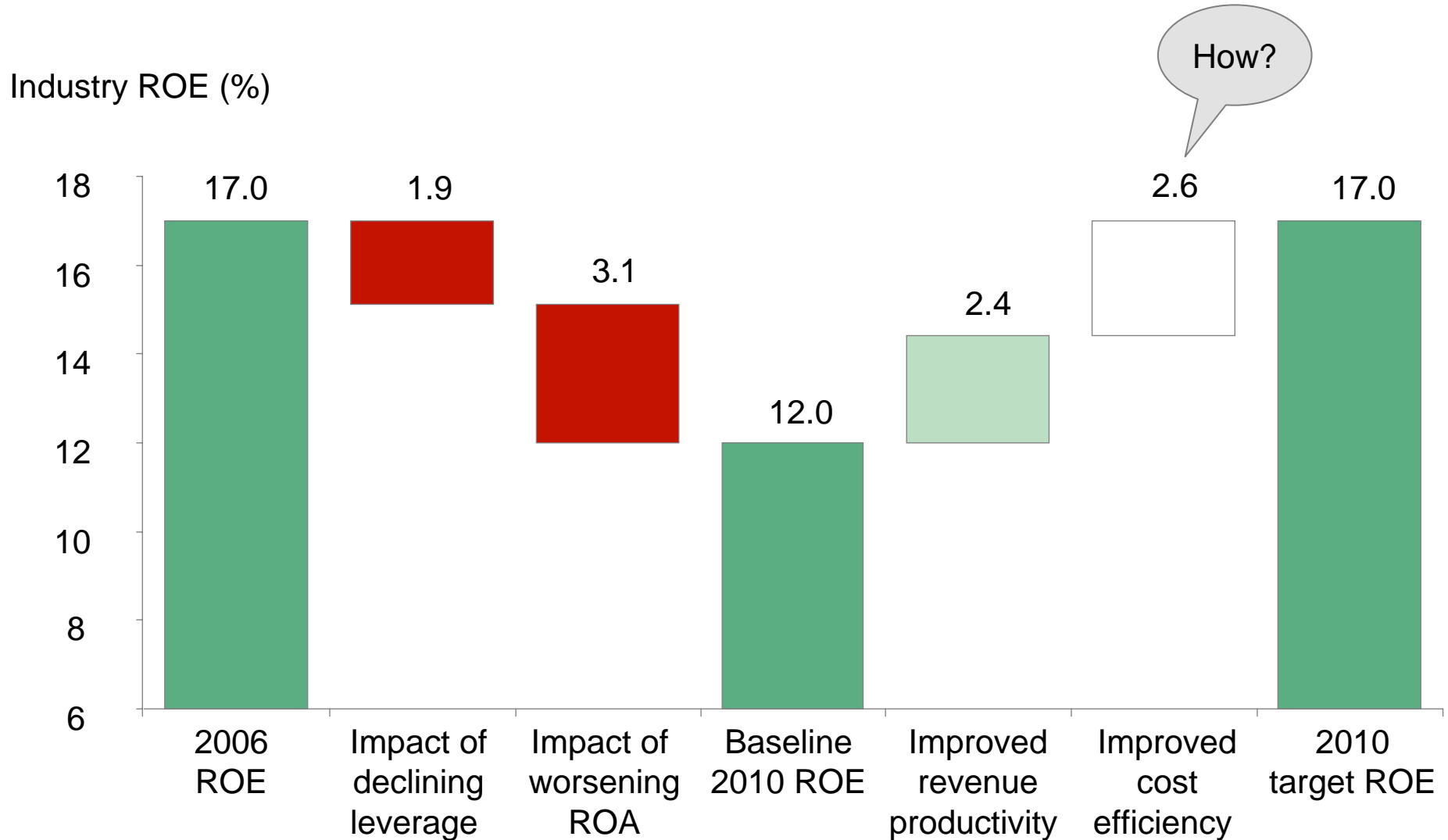
Funding

Competition

Margins



Restoring profitability demands cost transformation



Will banks manage risks, rather than ...

Some risk staff spend 80% time producing risk info, 20% on analysis and insight

Very few feel responsible for the risks that the bank undertakes

Very few really understand the true risk profile of their positions

Some top management cannot explain how P&L is being generated

Allow new products and increasing volumes they're not prepared to handle

Strategies for recovery - in many ways, "back to basics"?

Business model

Scarce resources

Risk culture

Human resource implications

**Difference in emphasis and execution will
determine tomorrow's winners**