



Singapore's Changing Financial Landscape and Financing Gaps in SMEs

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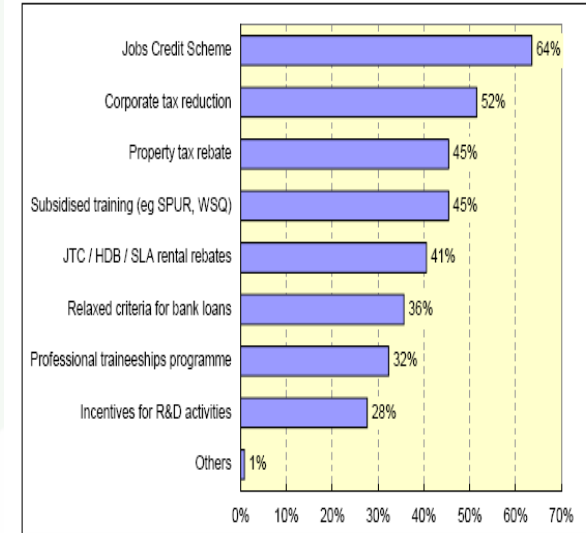


A Difficult 2009

2009 financial crisis created challenges

- Worst recession since the Great Depression
- Contraction in exports
- Property prices declined since the peak
- Volatility in major currencies
- Low interest rates
- Decline in sales activity with intensified competition
- High fixed cost

- Quick introduction of various initiatives through the Resilience Package
- Jobs Credit Scheme, and reduction / rebates in corporate and property taxes were ranked as highly useful
- Risk-sharing arrangements that made bank loan applications easier and at lower interest rates
- Subsidised training through the SPUR and WSQ training programs were also well received

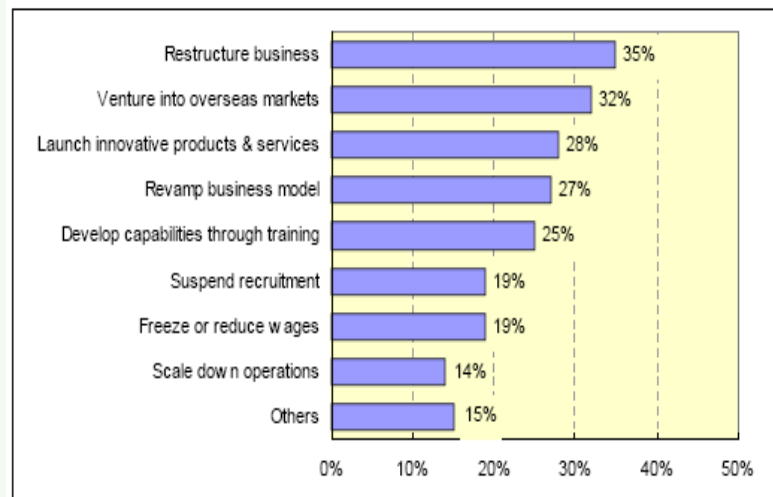


	Less Beneficial (1)	Beneficial (2)	Very Beneficial (3)	Level of Acceptance (2) + (3)
Jobs Credit Scheme	11%	39%	25%	64%
Corporate tax reduction	10%	31%	20%	52%
Property tax rebate	10%	30%	16%	45%
Subsidised training	10%	33%	13%	45%
JTC/HDB/SLA rental rebate	12%	26%	15%	41%
Relaxed criteria for bank loans	12%	26%	10%	36%
Professional traineeships programme	12%	26%	7%	32%
Incentives for R&D activities	13%	21%	7%	28%
Others	1%	0%	1%	1%

- Rising costs prompted many businesses to venture or to expand their overseas presence / out-source parts of their business

- While China ranked top, Malaysia remained an attractive venue for overseas venture

- Other strategies listed point to efforts to better manage cash-flow, and/or keep costs manageable



Strategies adopted to tide over the downturn

Rank	Overall Ranking
1	China 53%
2	Malaysia 41%
3	Indonesia 29%
4	Vietnam 22%
5	Thailand 18%
6	Middle East 16%
7	India 15%
8	Hong Kong 13%
9	Australia 12%
10	Taiwan 11%

Top destinations for overseas ventures



2010 and Beyond

How are you managing your financial performance ?

- Inventory management
- Receivables matching
- Right size cost base
- Collections control
- Risk Management

What are you doing to find new customers and staying close to existing ones?

- Adding value
- Local vs overseas
- Innovation
- Service Levels

How are you building your franchise ?

- Strategic positioning
- Building Culture & values
- Developing capabilities
- Training & development
- Retention of talent

How to get financing

Key Considerations

- Business Growth Trends
- Management Experience
- State of Cash flow
- Profit & Loss position
- Health of Balance Sheet
- Buyers & Suppliers Relationship
- Current financial commitments
- Company / Personal Director Net-worth



The Banker's 7 Cs in assessing credit

- **C**haracter
- **C**ollateral
- **C**onditions
- **C**ontrol
- **C**apacity
- **C**ommon Sense
- **C**ommitment



A Strong Partnership with Standard Chartered Bank

The Right Partner (Globally)

- Leading Bank in Asia, Africa and Middle East
- International branch network in 77 countries to facilitate business banking needs
- Over 3000 dedicated professionals serving more than 500,000 SME customers in these countries
- Transnational Financing to meet business expansion ambitions



| SME Banking |
International Trade Account

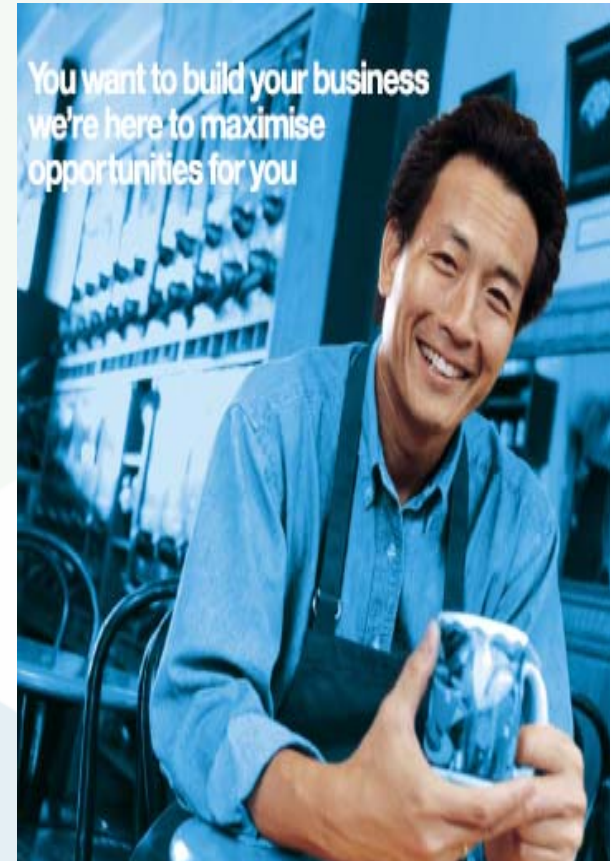
LEE & SONS
DISCOUNT

You'd like to
trade more
we'll help lighten
the load

Standard
Chartered 

The Right Partner (S'pore & M'sia)

- More than 600 Experienced Relationship Managers in serving over 50,000 customers for:
 - Loans
 - Trade
 - Investment and Cash Management
- Strong partnership with Spring, International Enterprise (IE) in Singapore and Credit Guarantee Company (CGC) in Malaysia
 - Top 3 partner with Spring and IE Singapore in facilitating various Government loan schemes
 - No. 1 facilitator of Loan Insurance Scheme
- Unique Small Business proposition offering fast turnaround and easy application for packaged trade / term loan / overdrafts





Customized Products & Services

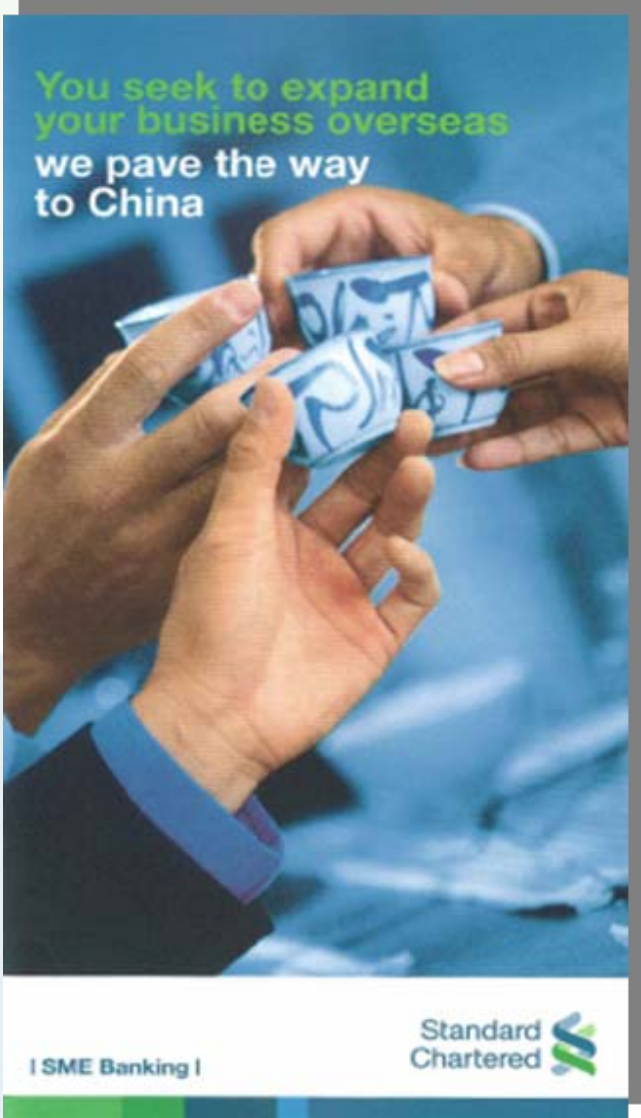
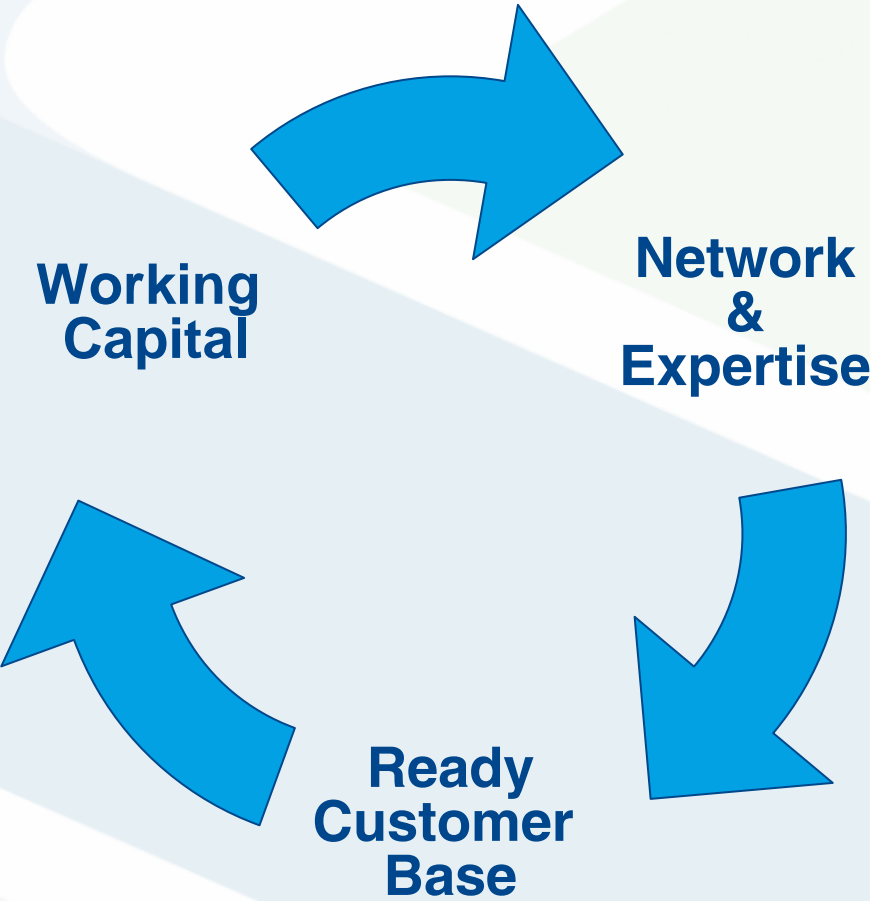
Complete Range of Product & Services

- Import and export trade facilities
- Working Capital
- Factoring/Receivables Services
- Hire Purchase (Equipment and Vehicles)
- Property Financing
- Cash Management Solutions
- Treasury and Investments
- Internet Banking
- Transnational Financing
- 24/7 Straight2Bank (internet banking)
- Door-step Banking Courier pick-up service
- Super Salary
 - Employer's benefits to employees



! SME Banking!
Make your business succeed with the right partner

Overseas Expansion



*Terms and conditions apply. Talk to us to find out more.


Conclusion

Question

Is your banker:

- a) Less important than your business partner**
- b) Equal to your business partner**
- c) More important than your business partner**

Thank You



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