



Live more,
Bank less

Record first-half income and earnings

DBS Group Holdings
2Q 2024 financial results
August 7, 2024

Highlights

Second-quarter net profit up 4% YoY to \$2.80 billion with ROE at 18.2%

- Commercial book total income up 9% to \$5.30 billion from broad-based growth
 - NII rises from balance sheet growth and NIM increase of 2bp to 2.83%
 - Net fee income reaches new high, treasury customer sales remain strong
- Markets trading income 6% higher
- Expenses increase 12%, with Citi Taiwan accounting for 5%pt. Cost-income ratio at 40%

First-half net profit up 9% to record \$5.76bn

- Commercial book total income rises 11% as fee income and treasury customer sales reach new highs
- Commercial book net interest margin rises 5bp
- Expenses up 11%, with Citi Taiwan accounting for 5%pt, and little changed from 2H23. Cost-income ratio at 39%

Balance sheet remains strong

- NPL ratio unchanged at 1.1%, SP remains low at 8bp for 2Q and 9bp for 1H
- Allowance coverage at 129% and at 227% after considering collateral
- CET-1 ratio at 14.8%, LCR at 148%, NSFR at 116%

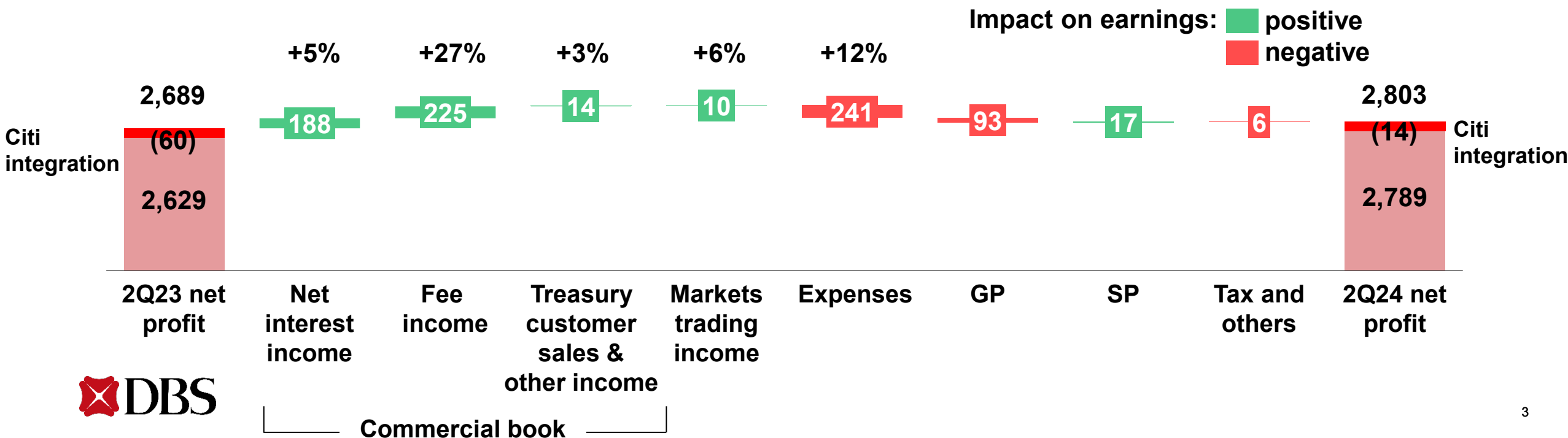
Second-quarter dividend at 54 cents per share



2Q net profit up 4% YoY as total income rises 9%

(S\$m)	2Q24	YoY %
Total income	5,482	9
Commercial book	5,295	9
Markets trading	187	6
Expenses	2,172	12
Profit before allowances	3,310	6
Allowances	148	>100
Net profit	2,803	4
Reported net profit	2,789	6

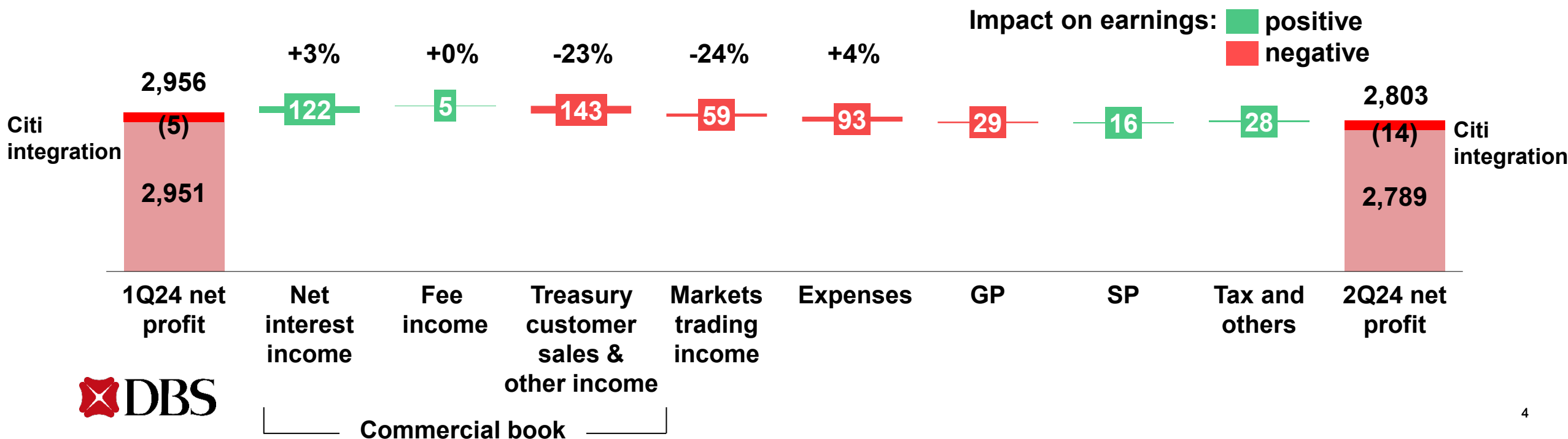
- Commercial book total income up 9% from higher net interest income, record fees, and increase in treasury customer sales
- Markets trading income rises 6%
- Expenses up 12%, with Citi Taiwan accounting for 5%pt
- SP at 8bp of loans, GP of \$51m taken compared to write-back a year ago



2Q net profit down 5% QoQ

(S\$m)	2Q24	QoQ %
Total income	5,482	(1)
Commercial book	5,295	(0)
Markets trading	187	(24)
Expenses	2,172	4
Profit before allowances	3,310	(5)
Allowances	148	10
Net profit	2,803	(5)
Reported net profit	2,789	(5)

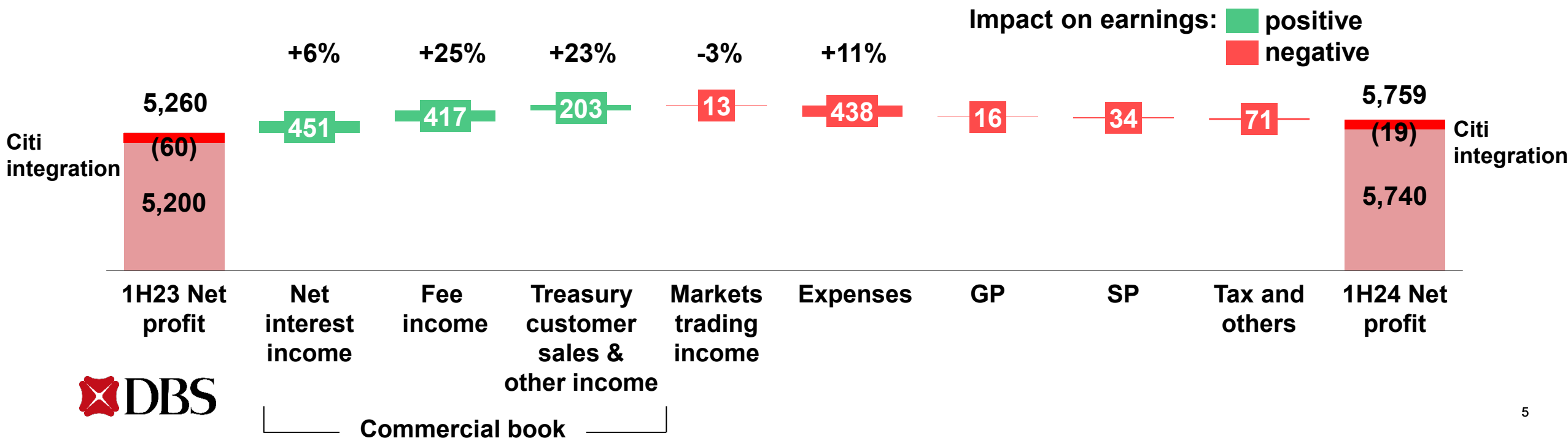
- Commercial book net interest income rises 3% from 6bp NIM expansion
- Fee income at new high
- Excluding non-recurring gains, Commercial book other non-interest income declines 15%
- Markets trading income declines 24%
- Expenses up 4% led by higher staff costs



1H net profit up 9% to new high as total income rises 11%

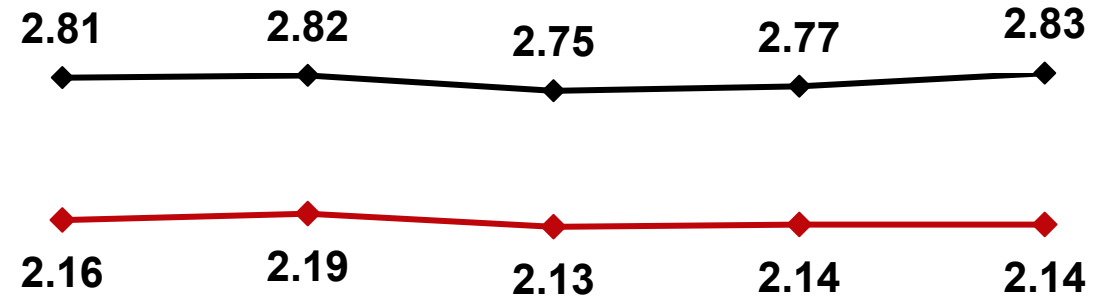
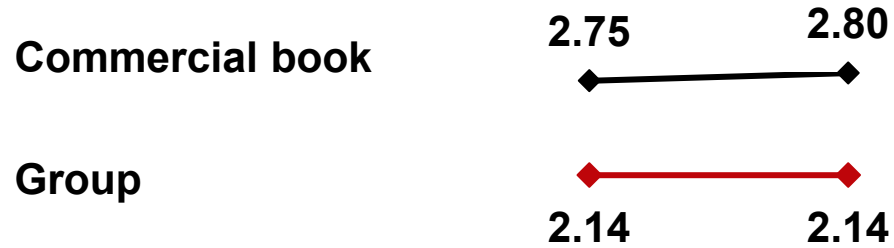
(S\$m)		1H24	YoY %
Total income	record	11,039	11
Commercial book		10,606	11
Markets trading		433	(3)
Expenses		4,251	11
Profit before allowances	record	6,788	10
Allowances		283	21
Net profit	record	5,759	9
Reported net profit	record	5,740	10

- Commercial book total income up 11% from 5bp NIM expansion, record fees and treasury customer sales
- Markets trading income little changed
- Expenses up 11%, with Citi Taiwan accounting for 5%pt
- SP at 9bp of loans, GP of \$73m taken

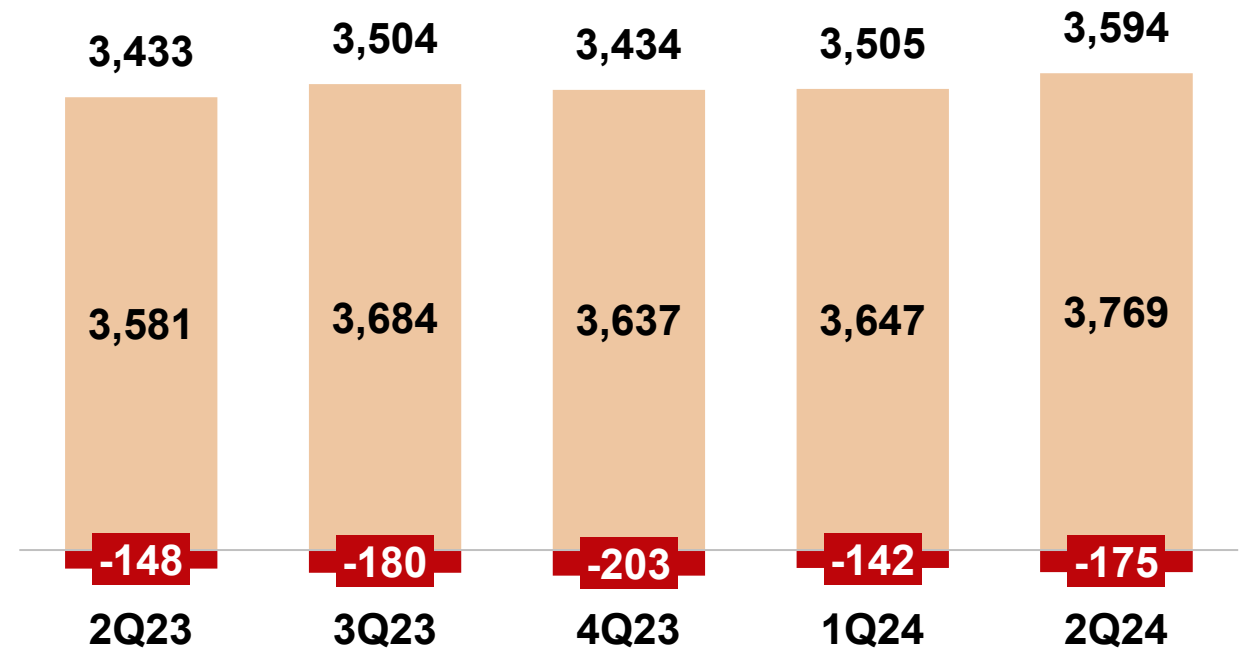
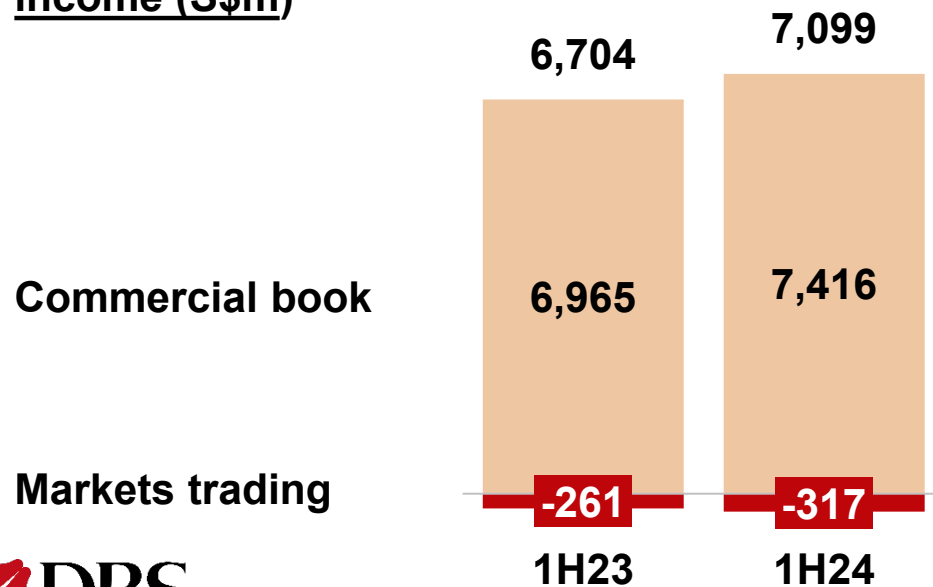


2Q commercial book net interest income up 3% QoQ as NIM rises 6bp to 2.83%

Net interest margin (%)

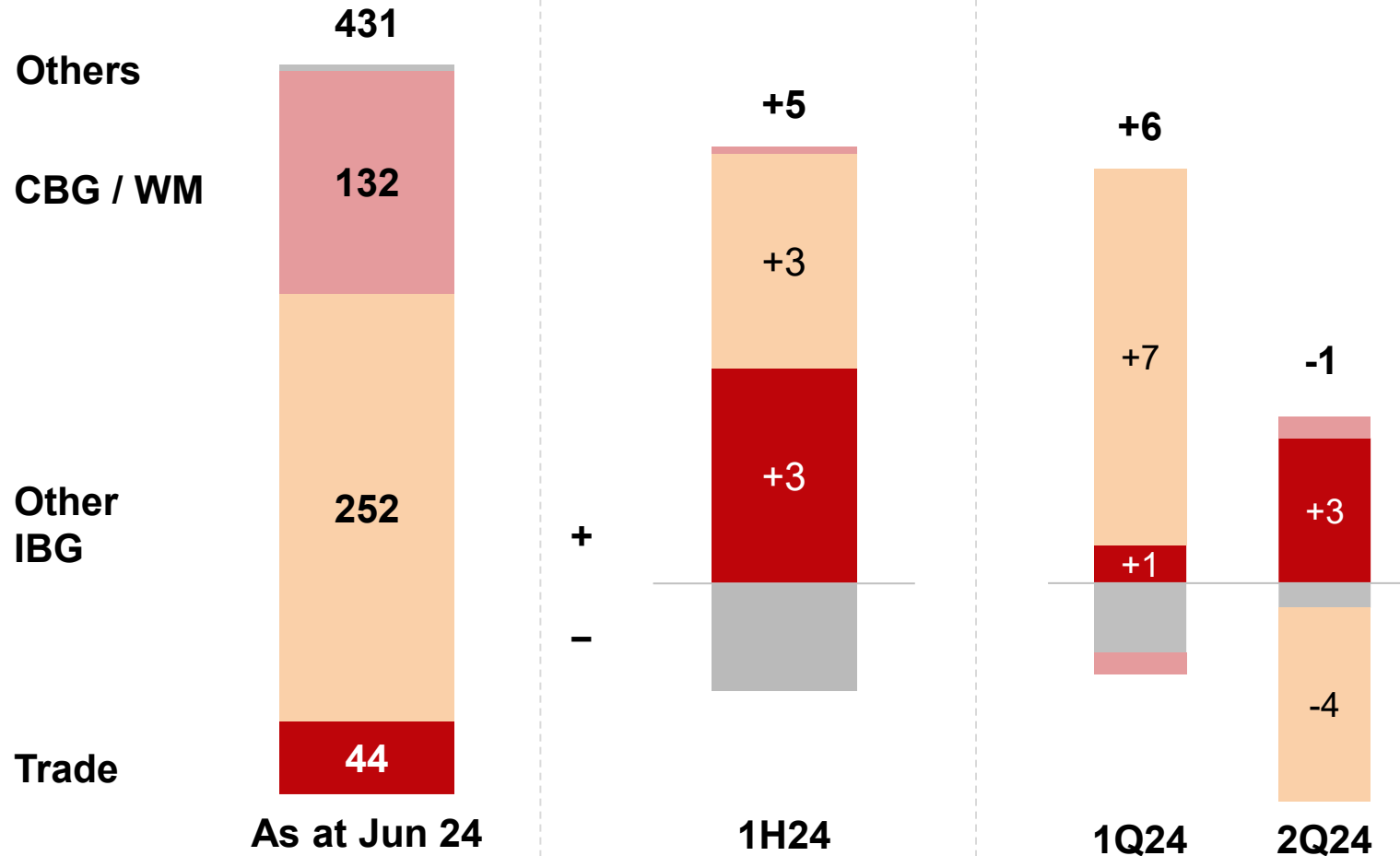


Net interest income (S\$m)



Loans stable QoQ, up 1% over first half in constant-currency terms

(S\$bn)



In constant-currency terms

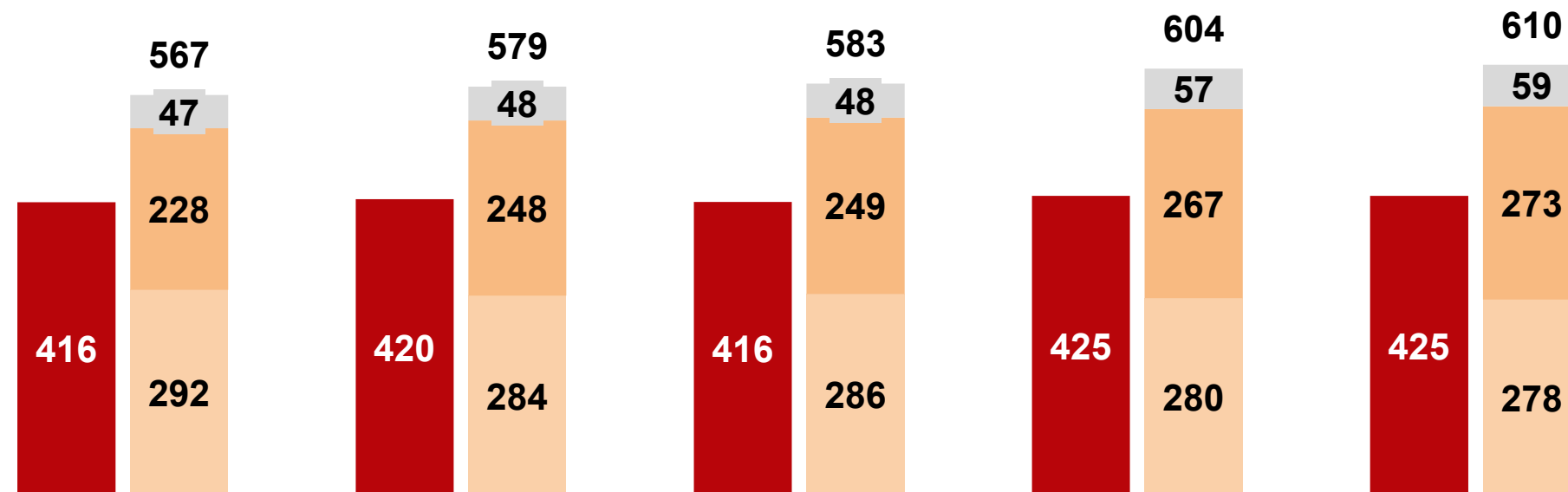
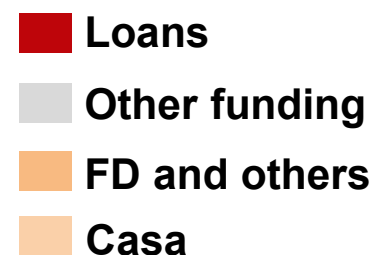
- 2Q loans stable QoQ as growth in trade loans and wealth management loans offset decline in non-trade corporate loans
- 1H loans up 1% YTD led by trade loans and non-trade corporate loans



Gross loans

Deposits stable QoQ; surplus deposits profitably deployed to HQLA, boosting liquidity ratios

(S\$bn)

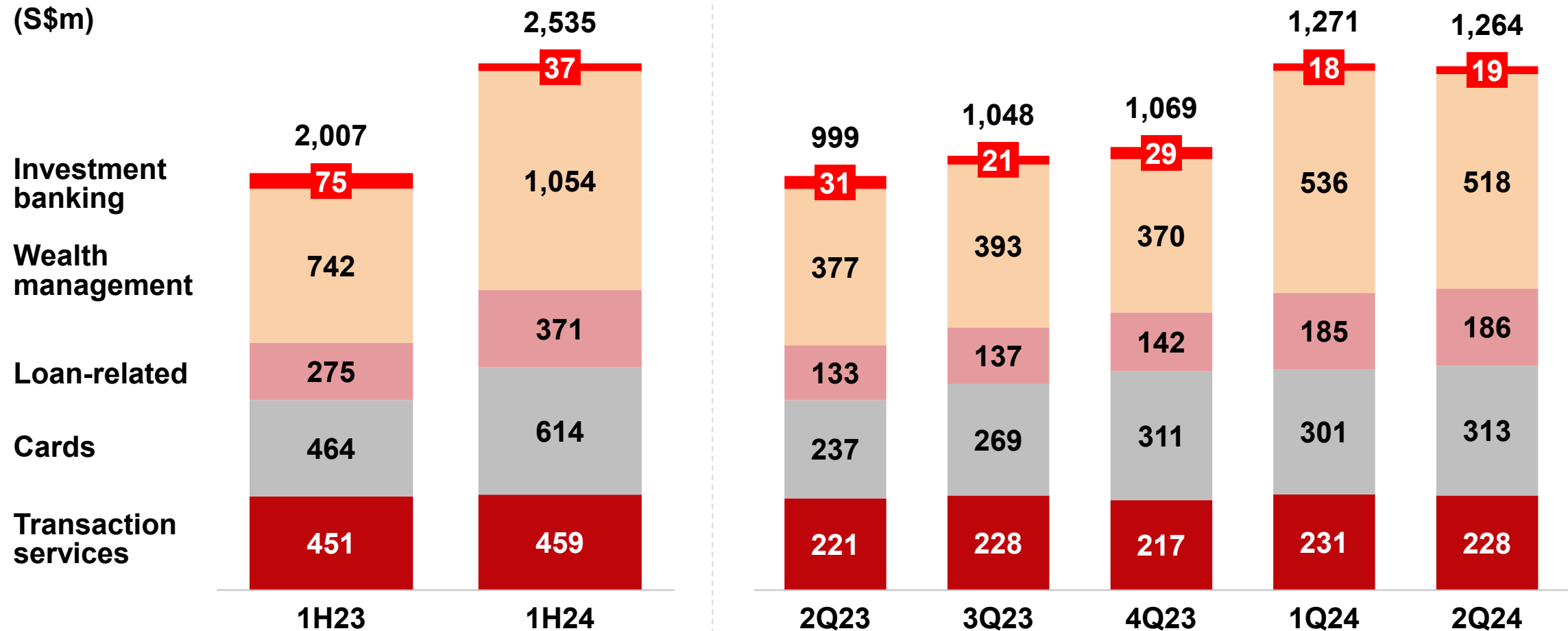


	Jun 23	Sep 23	Dec 23	Mar 24	Jun 24
HQLA (S\$bn)	149	146	148	151	161
<u>Ratios (%)</u>					
LDR	80	79	78	78	77
LCR	146	138	144	144	148
NSFR	116	117	118	116	116



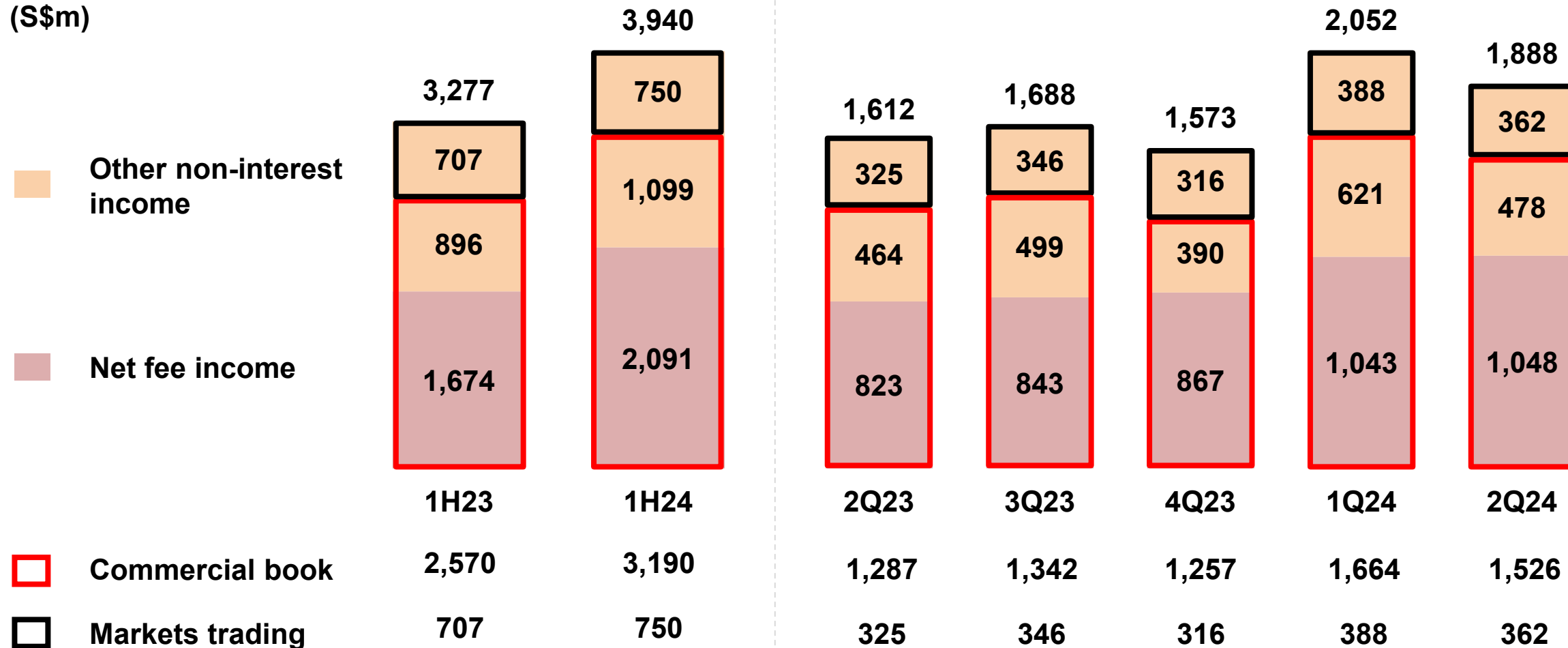
HQLA is high quality liquid assets; Other funding comprises senior medium-term notes, commercial papers, negotiable certificates of deposit, other debt securities and covered bonds

2Q fee income rises YoY due to wealth management, cards and loan-related fees, 1H at record



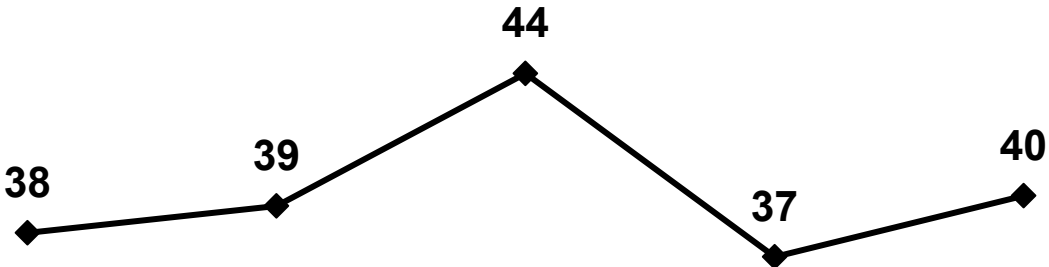
1H commercial book non-interest income up 24% YoY from record fee income and treasury customer sales

(S\$m)



1H cost-income ratio at 39%

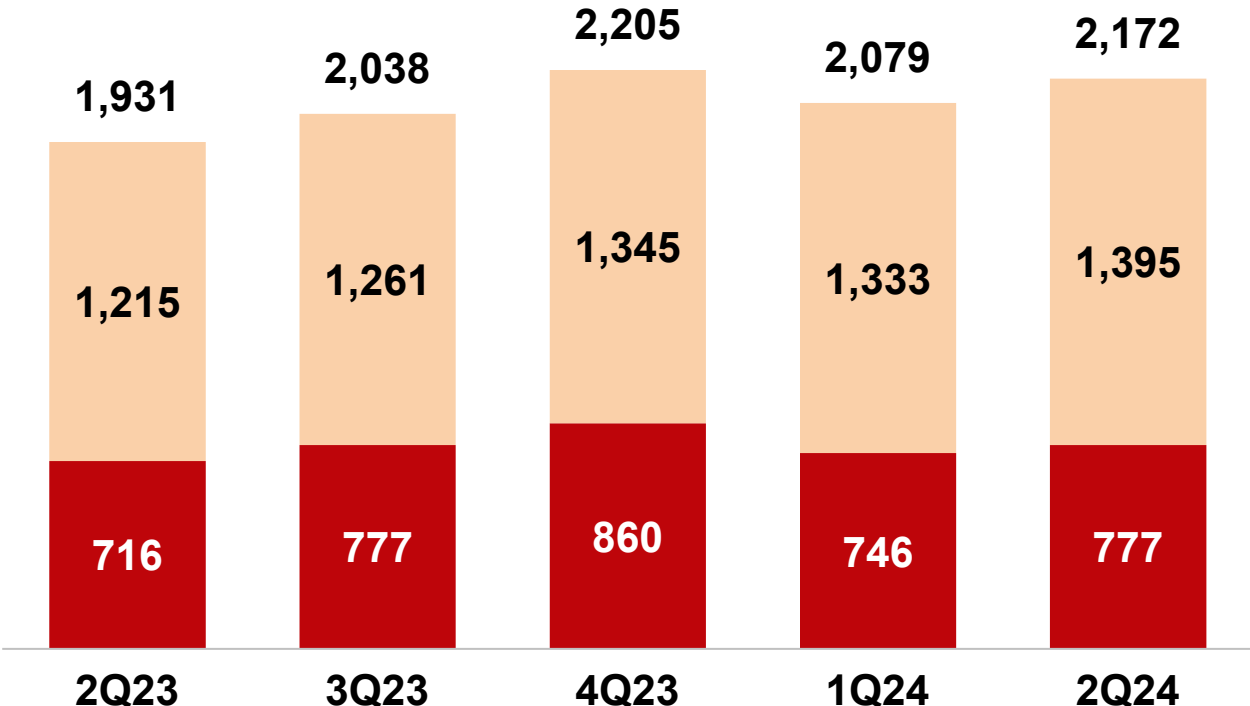
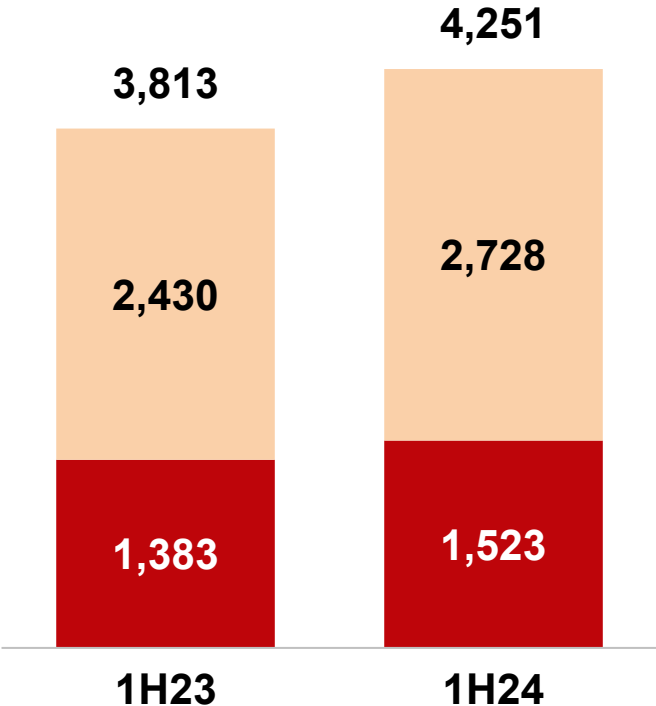
Cost / income (%)



(S\$m)

Staff expenses

Other expenses



1H CBG / WM income up 18%

(S\$m)	1H24	1H23	YoY %
Total income	5,059	4,272	18
Loans and deposits	3,124	2,864	9
Investment products	1,492	1,051	42
Cards	420	313	34
Others	23	44	(48)
Expenses	2,491	2,050	22
Profit before allowances	2,568	2,222	16
AUM (S\$bn)	396	320	24
SGD savings deposits (S\$bn)	128	132	(4)
Total CBG deposits (S\$bn)	303	278	9

- **Total income up 18% to \$5.06bn from higher net interest income and record cards and wealth management fees, partly driven by Citi Taiwan**
- **Wealth management AUM increases 24% to record \$396bn**

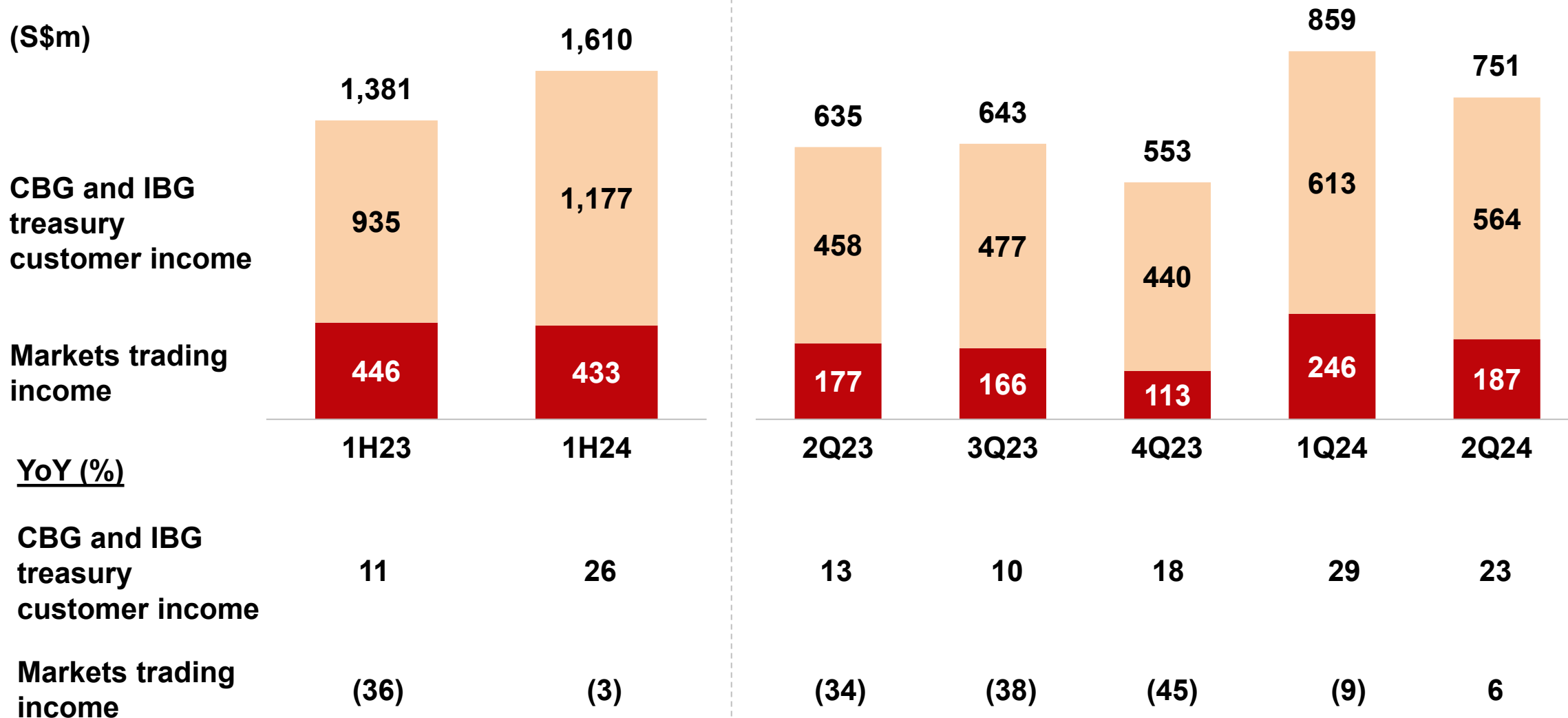
1H IBG income stable

(S\$m)	1H24	1H23	YoY %
Total income	4,687	4,693	(0)
Loans	1,741	1,702	2
Trade	320	345	(7)
Cash / SFS	2,082	2,131	(2)
Treasury	498	459	8
Investment banking	46	56	(18)
Expenses	1,343	1,202	12
Profit before allowances	3,344	3,491	(4)
Assets (S\$bn)	331	326	2
GTS deposits (S\$bn)	192	187	3

- Total income stable at \$4.69bn
- Higher loan-related fees, cash management fees and treasury customer income offset by lower net interest income
- GTS deposits up 3%

1H treasury customer income up 26% to record, Markets trading income little changed

(S\$m)



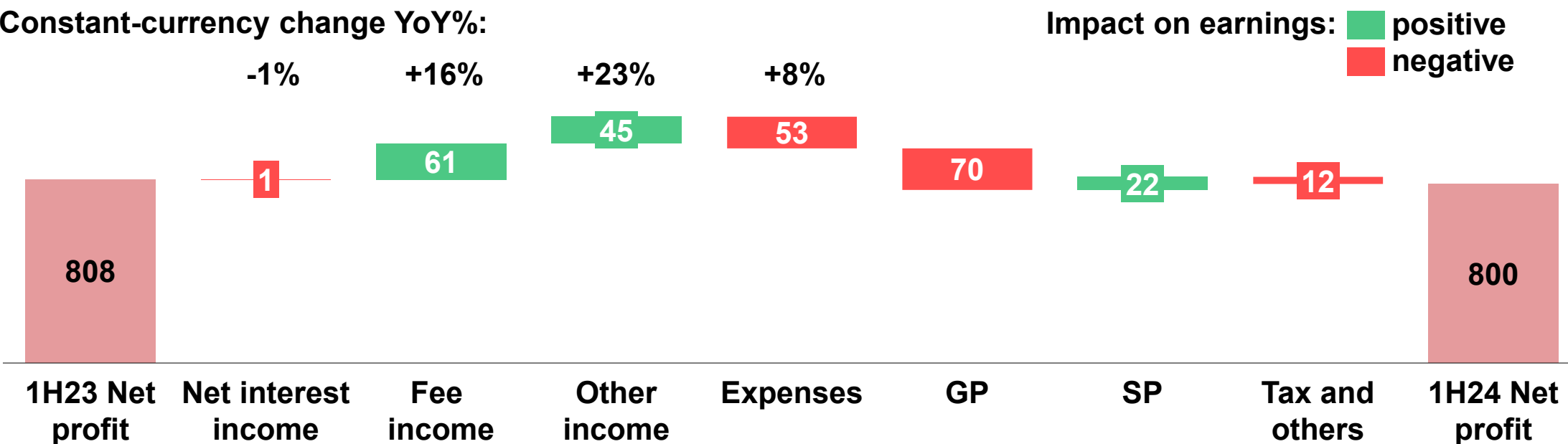
IBG and CBG treasury customer income comprises of net interest income, fee income and other non-interest income

1H Hong Kong net profit down 2% YoY, up 3% HoH; ROE at 19%

(S\$m)	1H24	YoY %	Constant-currency YoY%
Total income	1,679	7	6
Expenses	626	9	8
Profit before allowances	1,053	5	4
Allowances	93	>100	>100
Net profit	800	(1)	(2)

- Total income up 6% to record, driven by wealth management and trading income
- Net interest income stable despite sluggish loan demand
- SP declines to 11bp of loans, GP of \$58m taken

Constant-currency change YoY%:



NPL ratio unchanged at 1.1%

(S\$m)	1H23	1H24	2Q23	3Q23	4Q23	1Q24	2Q24
NPAs at start of period	5,125	5,056	4,951	4,990	5,303	5,056	5,221
IBG and others	(138)	(77)	(5)	(41)	(139)	75	(152)
New NPAs	379	417	166	224	127	317	191
Upgrades, settlements and recoveries	(385)	(413)	(139)	(221)	(139)	(196)	(308)
Write-offs	(132)	(81)	(32)	(44)	(127)	(46)	(35)
CBG / WM	(16)	48	(7)	45	(23)	43	5
Translation	19	50	51	(17)	(85)	47	3
NPAs at end of period	4,990	5,077	4,990	4,977	5,056	5,221	5,077
Citi Taiwan	-	-	-	326	-	-	-
NPAs at end of period incl Citi Taiwan	4,990	5,077	4,990	5,303	5,056	5,221	5,077
NPL ratio (%)	1.1	1.1	1.1	1.2	1.1	1.1	1.1



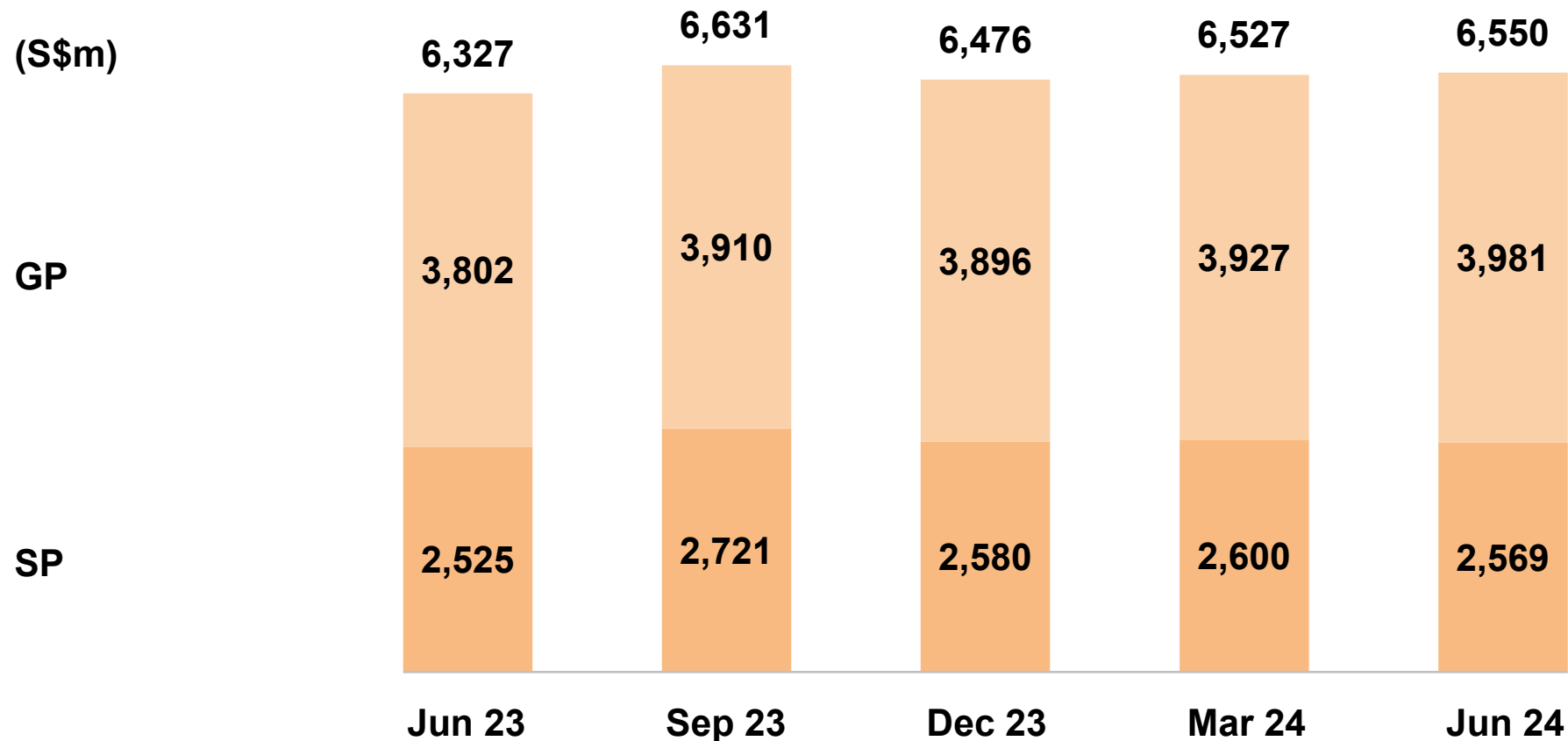
Quarterly movements may not sum up to the half year as the presentation is based on the classification in the respective period
A few new NPAs in 1Q24 were settled in 2Q24

2Q SP at 8bp, 1H at 9bp

(S\$m)	1H23	1H24	2Q23	3Q23	4Q23	1Q24	2Q24
IBG and others	81	(6)	57	114	25	5	(11)
Add charges for	185	93	110	160	76	54	50
New NPLs	104	68	87	97	15	45	29
Existing NPLs	81	25	23	63	61	9	21
Subtract charges for	104	99	53	46	51	49	61
Upgrades	1	15	0	4	2	0	15
Settlements	80	67	39	34	40	40	38
Recoveries	23	17	14	8	9	9	8
CBG / WM	83	196	49	73	90	96	100
SP charges for loans	164	190	106	187	115	101	89
Other credit exposures	14	22	10	9	24	14	8
Total SP charges	178	212	116	196	139	115	97
SP / loans (bp)	8	9	10	18	11	10	8



Allowance coverage rises to 129%

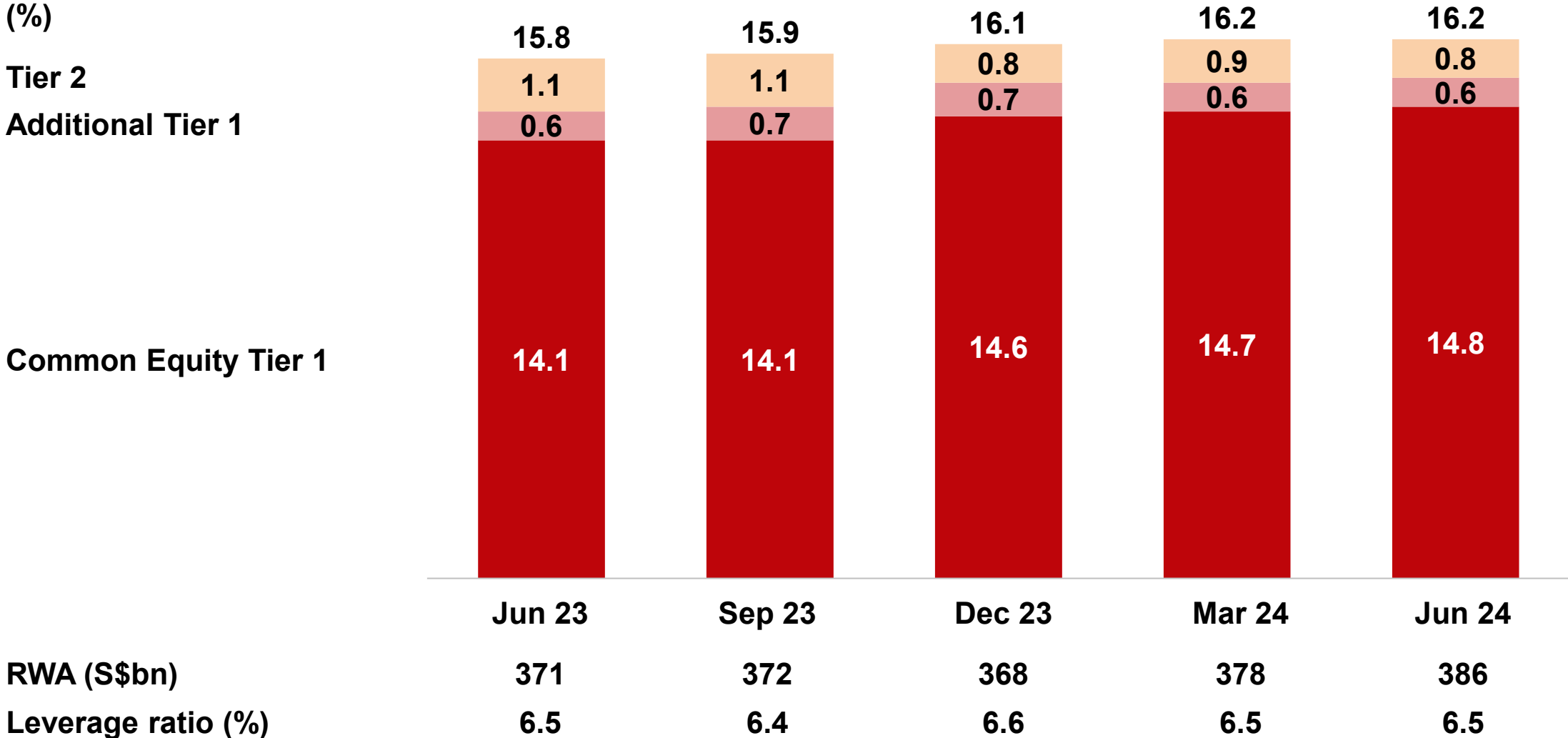


▪ Allowance coverage comfortably above 100% and exceeds 200% after considering collateral

Total allowance reserves as % of:

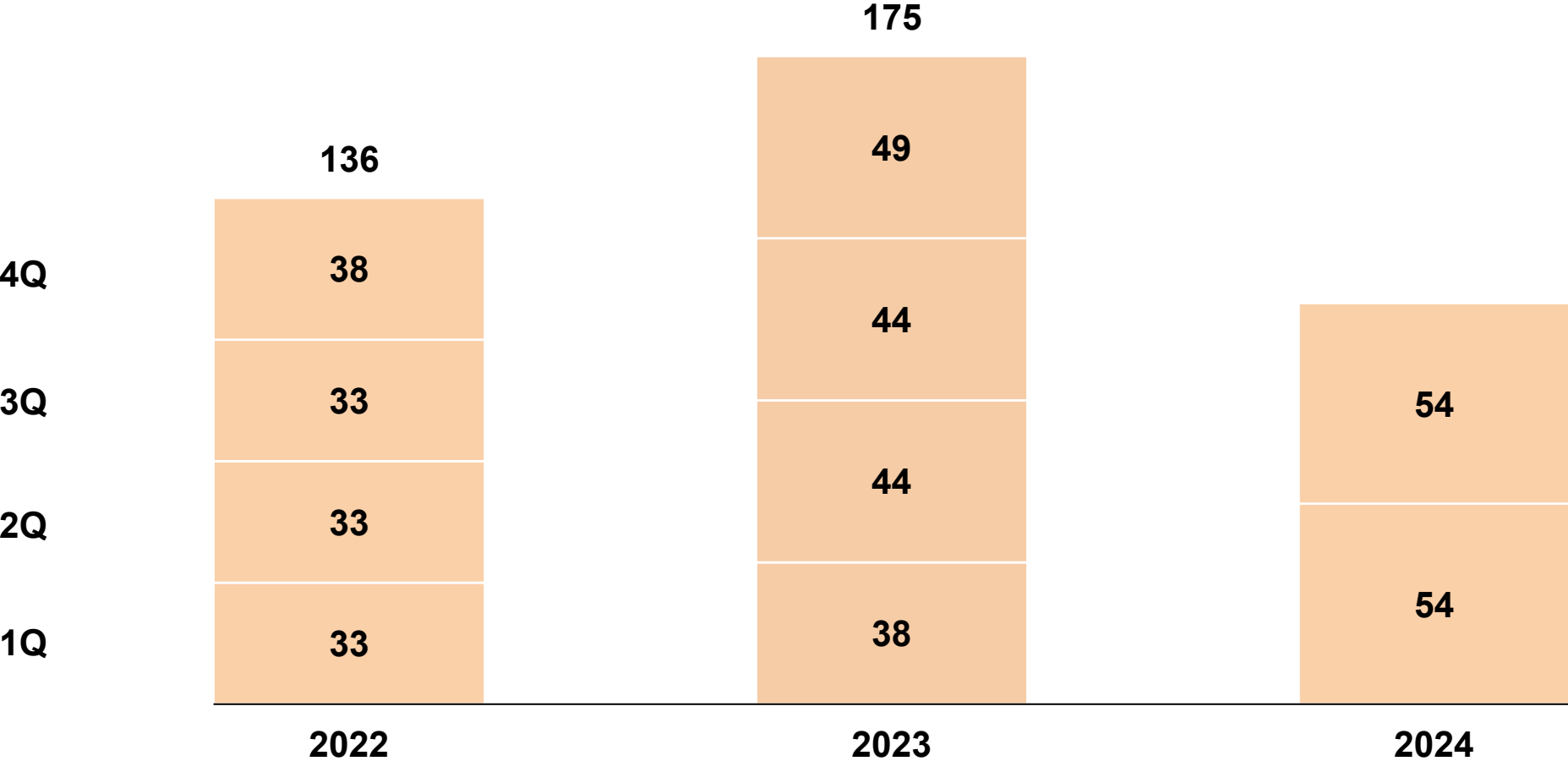
NPA	127	125	128	125	129
Unsecured NPA	224	216	226	223	227

Strong CET-1 and leverage ratios



2Q dividend at 54 cents per share

(S¢ per share)



Excludes special dividend in 2022
Dividends prior to 1Q24 adjusted for one-for-10 bonus issue announced on 7 Feb 2024

In summary

Delivered another strong quarter, bringing first half earnings to new high with ROE at 18.8%

Heightened uncertainty from recent market volatility and ongoing geopolitical tensions

Resilience built against economic slowdown and lower interest rates

High general allowance reserves, reduced interest rate sensitivity, strong capital position and ample liquidity position us to support customers and deliver shareholder returns



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Supplementary slides

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1H net profit up 9% to record \$5.76bn

(S\$m)

	1H24	1H23	YoY %
Commercial book total income	10,606	9,535	11
Net interest income	7,416	6,965	6
Net fee and commission income	2,091	1,674	25
Treasury customer sales and other income	1,099	896	23
Markets trading income	433	446	(3)
Net interest income	(317)	(261)	(21)
Non-interest income	750	707	6
Total income	11,039	9,981	11
Expenses	4,251	3,813	11
Profit before allowances and amortisation	6,788	6,168	10
Amortisation of intangible assets	12	-	NM
Allowances for credit and other losses	283	233	21
SP	210	176	19
GP	73	57	28
Share of profits/losses of associates and JVs	114	105	9
Profit before tax	6,607	6,040	9
Net profit	5,759	5,260	9
Reported net profit	5,740	5,200	10

1H Hong Kong net profit down 2%

Constant-currency terms

(S\$m)	1H24	1H23	YoY %	YoY %
Net interest income	1,034	1,035	(0)	(1)
Net fee and commission income	411	350	17	16
Other non-interest income	234	189	24	23
Total income	1,679	1,574	7	6
Expenses	626	573	9	8
Profit before allowances	1,053	1,001	5	4
GP	58	(12)	NM	NM
SP	35	57	(39)	(38)
Allowances	93	45	>100	>100
Net profit	800	808	(1)	(2)
Net interest margin (%)	1.80	1.79		
Loan growth (%)				(6)
Non-trade growth (%)				(6)
Trade growth (%)				(8)
Deposit growth (%)				8

NPL ratio at 1.1%, allowance coverage above 100%

NPL ratio (%)



NPA (S\$m)

4,990 5,303 5,056 5,221 5,077

Not overdue

33% 34% 36% 35% 35%

Within 90 days overdue

6% 8% 7% 6% 8%

More than 90 days overdue

61% 58% 57% 59% 57%

Jun 23 Sep 23 Dec 23 Mar 24 Jun 24

SP / loans (bp)

10 18 11 10 8

Total allowances as % of:

NPA

127 125 128 125 129

Unsecured NPA

224 216 226 223 227



Fixed income duration remains short

(\$m)	Jun 24	
	FVOCI	HTC
Government securities	33,526	24,415
Less than 3 years	25,504	8,014
3 to 5 years	3,400	3,921
5 to 10 years	3,767	11,979
More than 10 years	855	501
Supranational, bank and corporate bonds	20,529	41,448
Total	54,055	65,863

Deposits up 2% HoH and 6% YoY in constant-currency terms

	(S\$bn)	HoH (%)		YoY (%)	
	Jun 24	Reported	Underlying	Reported	Underlying
Deposits	551	3	2	6	6
By product					
Casa	278	(3)	(4)	(5)	(5)
Fixed deposits and others	273	10	8	20	20
By currency					
Singapore dollar	196	2	2	(5)	(5)
US dollar	220	5	2	10	10
HK dollar	34	3	(1)	1	1
Chinese yuan	21	(15)	(16)	6	6
Others	80	6	6	31	34
LDR (%)	Jun 24	Dec 23		Jun 23	
Overall	77	78		80	
Singapore dollar	83	85		80	
US dollar	49	48		55	

1H Wealth Management segment income up 21%

Total income
(S\$m)

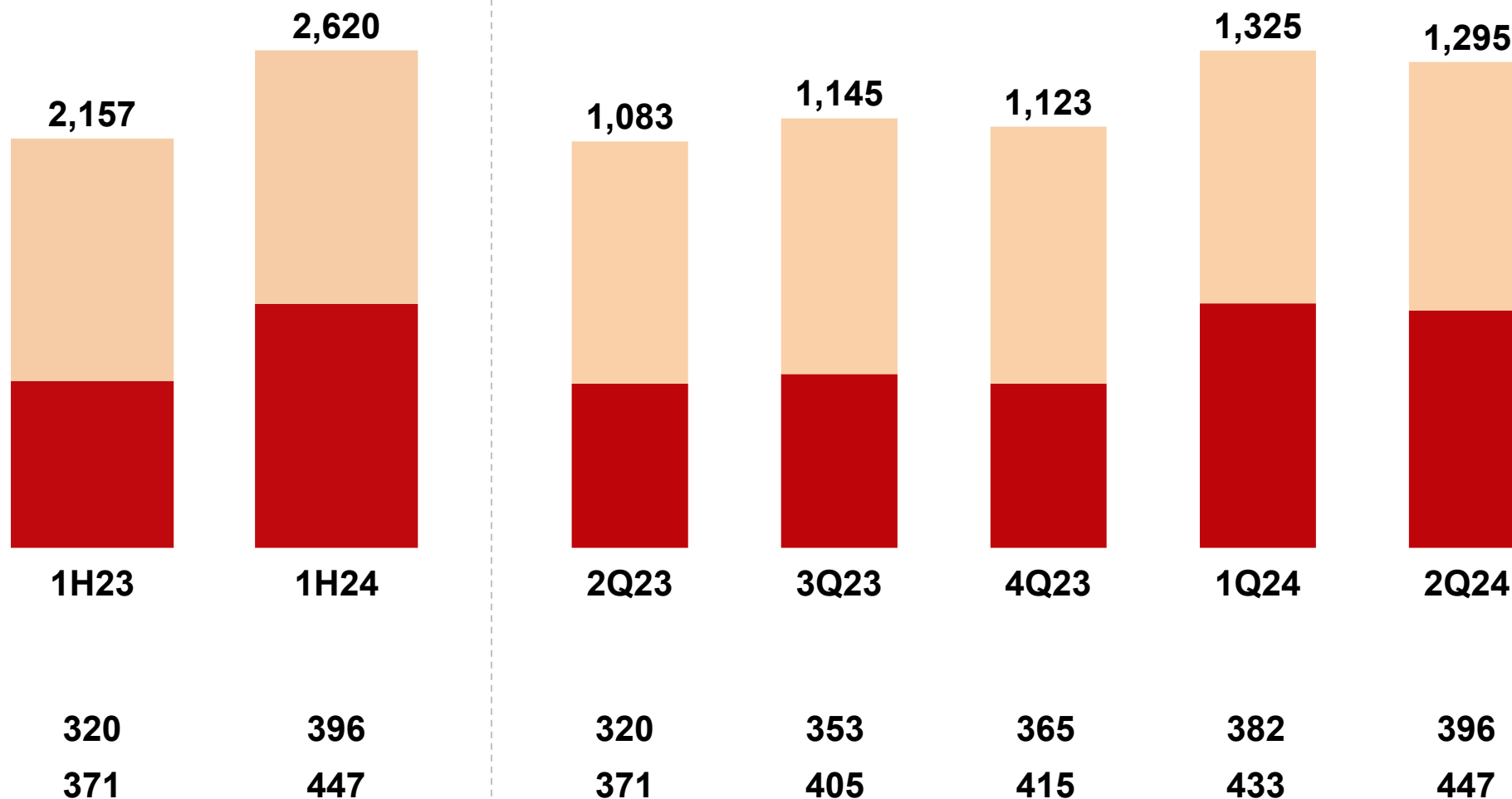
Net interest
income

Non-interest
income

(S\$bn)

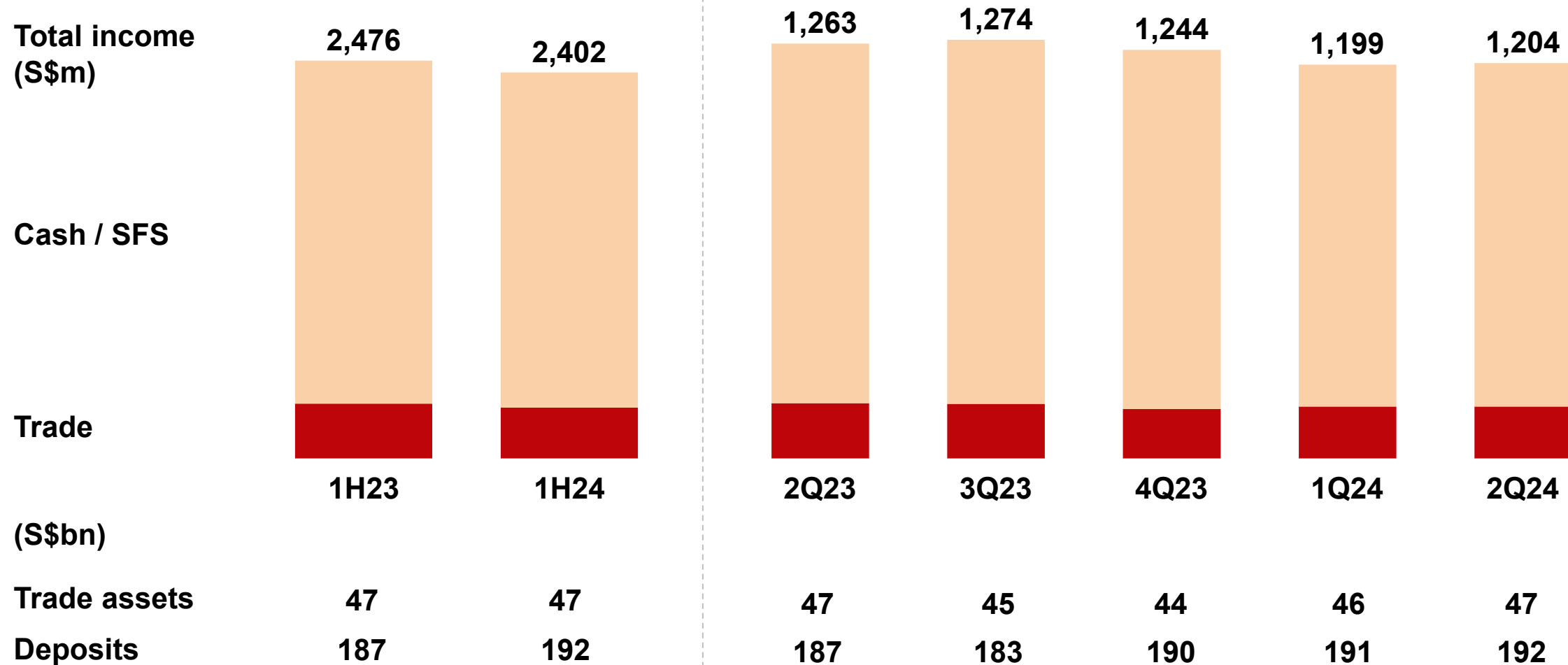
AUM

Earning assets



Comprising Treasures, Treasures Private Client and Private Bank
AUM excluding transitory flows

1H GTS income down 3%





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