

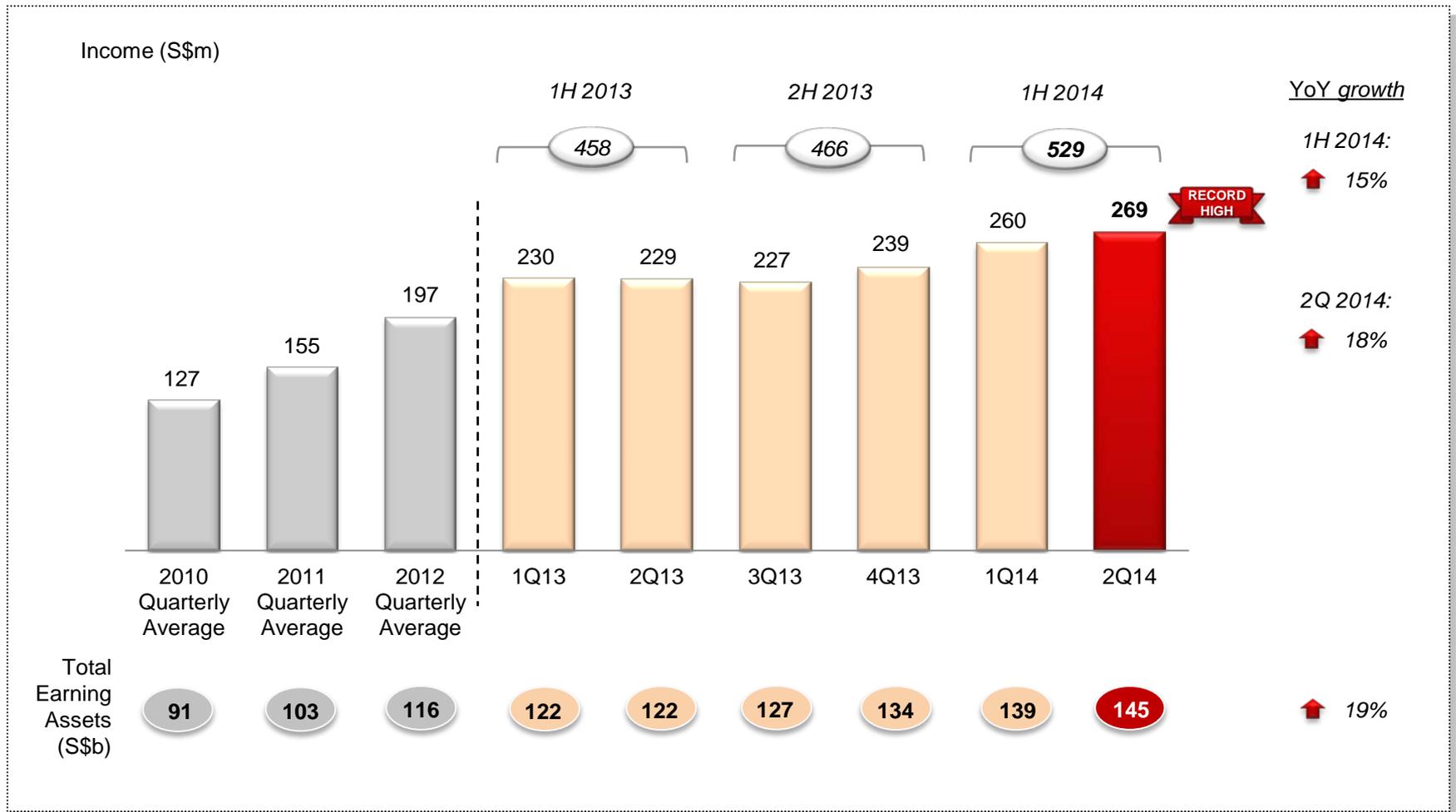
# Record first-half earnings

DBS Group Holdings  
2Q 2014 financial results  
August 1, 2014

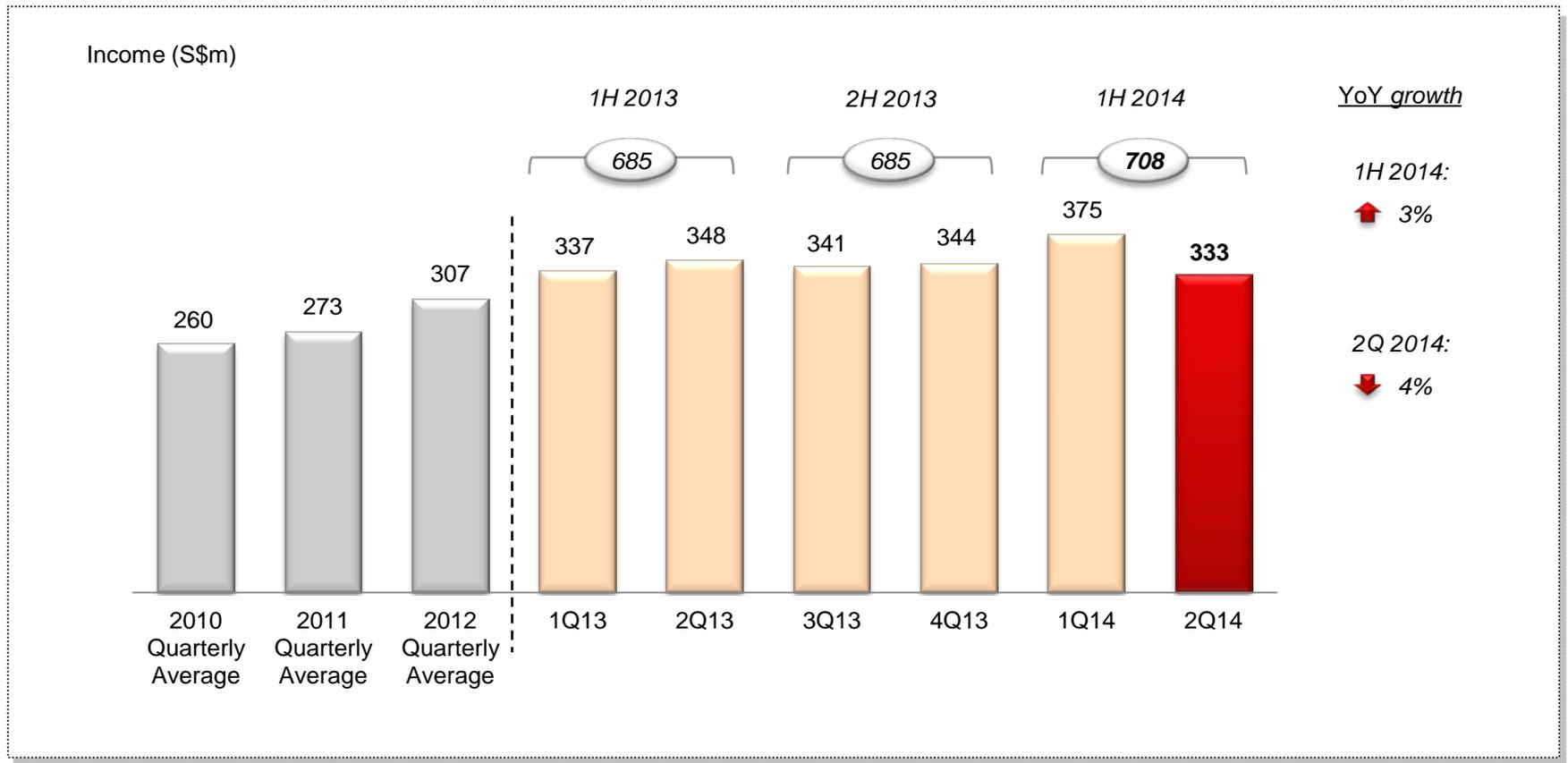
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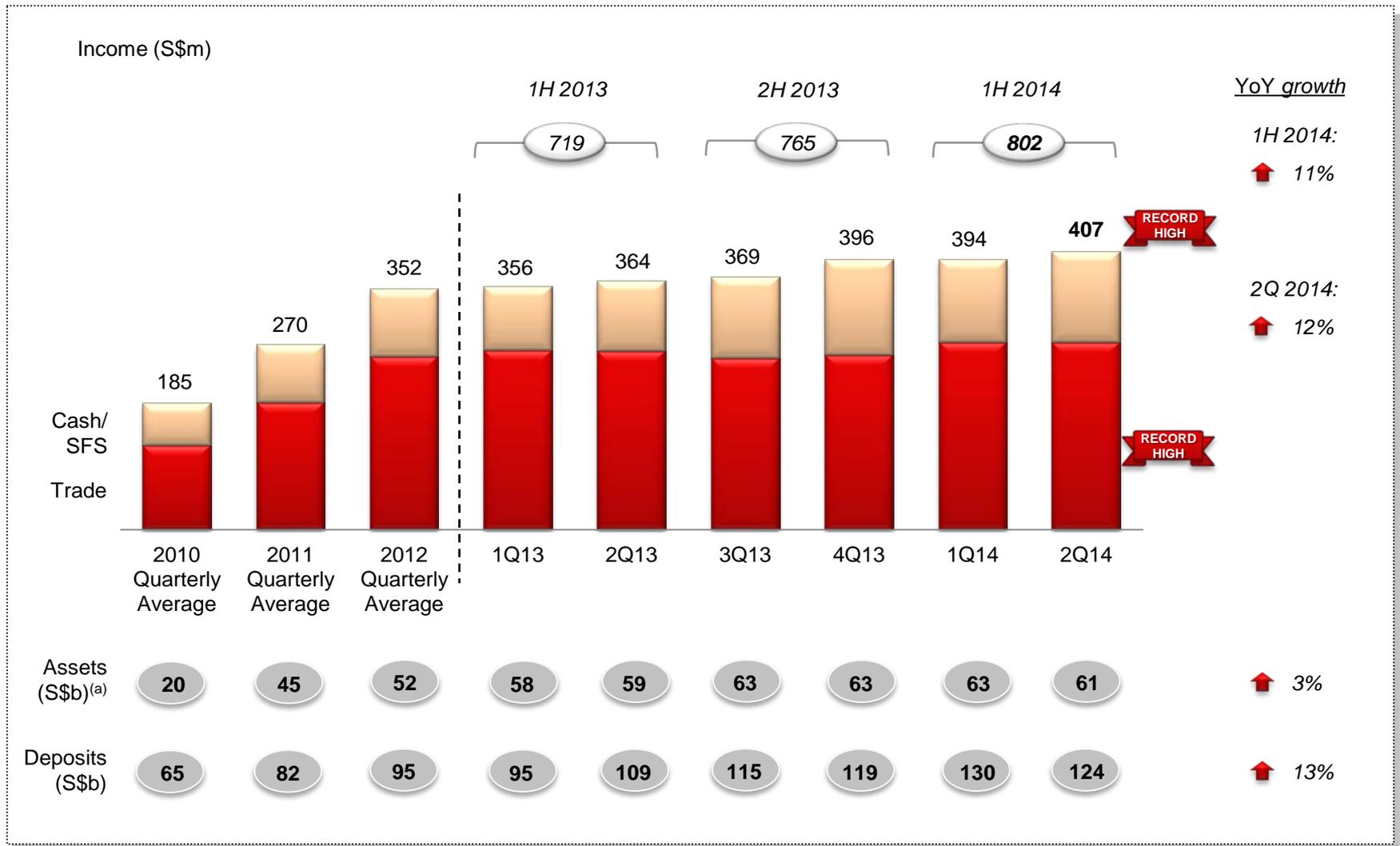
- 1 Strong business franchise performance**
- 2 Asset quality sound; not seeing signs of stress in China book
- 3 Net interest margins holding up
- 4 Seeing good traction in digital



Comprising Treasures, Treasures Private Client and Private Bank  
 Total earning assets at end of period



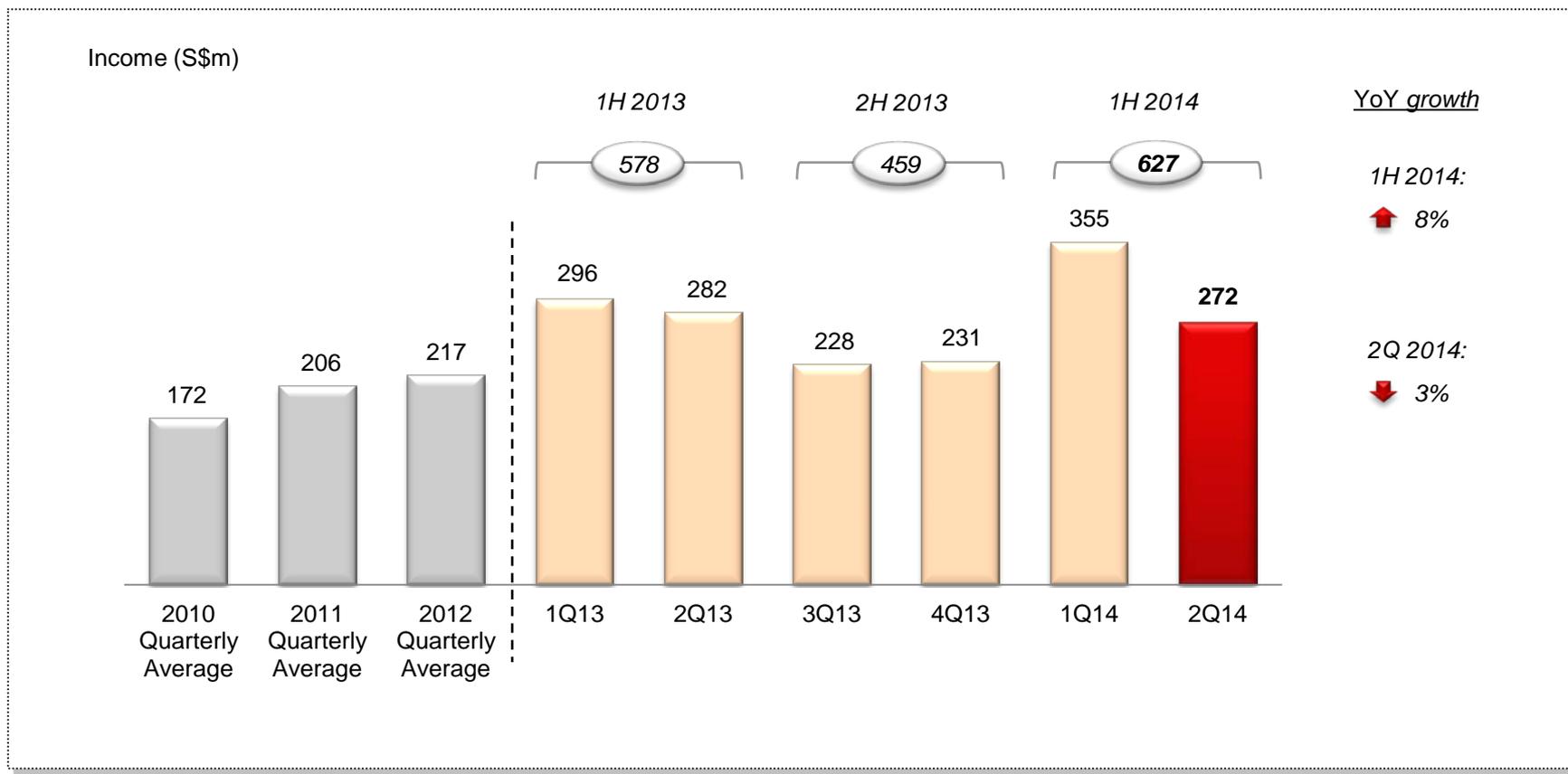
# Global transaction services



Assets and deposits at end of period

(a) Trade assets; includes bank exposures and loans of financial institutions

# Treasury customer income



**2Q14 customer income as % of total Treasury income at 53%**

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# Total Trade Exposure

Product	Our Client	Risk	Risk mitigants	Amount (\$bn)	
				China	Others
Export bills under LC (EBLC)	Exporting Corporate	Importer's Bank	Systemically-important banks	33	2
Other export financing	Exporting Corporate	Exporting Corporate	Established customer relationships, cash deposits	1	10
Import financing	Importing Bank or Corporate	Importing Bank or Corporate	Major banks, established customer relationships	2	13
Collateral management agreement		Pledged collateral	Controls over goods	0	0
<b>Total</b>				<b>36</b>	<b>25</b>

China trade loans comprise \$25bn classified as customer loans and \$11bn as interbank assets

# Due diligence process on EBLCs

- **Only top tier banks' LCs accepted**

- All financing done only after documents 'accepted' by issuing bank

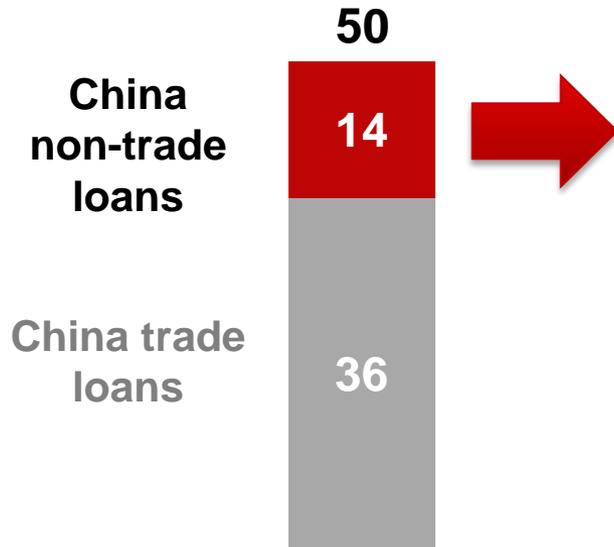
- **Underlying trade adequately validated**

- Trade facilities determined by our assessment of customer's working capital requirements
- Goods and financing tenor consistent with customer's business model
- Third party verification to confirm genuineness of trade, loading/unloading at designated ports

- **Tight controls and monitoring process in place e.g., red flags like high frequency, round amounts etc**

# Total China book

(S\$bn)



<b>Corporate</b>	<b>11</b>
Domestic state-owned companies	5
Domestic private companies	2
Foreign companies	4
<b>SME</b>	<b>1</b>
<b>Consumer</b>	<b>1</b>
<b>Total *</b>	<b>14</b>

- No specific allowances incurred on large corporate loan portfolio since 2012
- No industry concentration
- Building and construction loans amount to \$2 billion and are largely to state-owned companies and foreign companies. Majority is secured, with average LTV of 35%

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\* Figures may not total up due to rounding

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# Net interest margin and rate outlook

- **NIM holding up at 1.66%**
- **Ample funding and liquidity**
- **Outlook for the year**

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# 4 ★★★★★

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- **Healthy business momentum and pipeline**
- **Strong liquidity and funding, sound asset quality**
- **Remain positive about our prospects for rest of the year**