



Live more,
Bank less

Record first-quarter performance

DBS Group Holdings
1Q 2021 financial results
April 30, 2021

Highlights

Quarterly net profit crosses \$2bn for the first time in DBS' history

- Strong business momentum with faster loan growth, record fee income
- NPA formation and SP at pre-pandemic levels despite tapering of loan moratoriums

Broad-based business momentum mitigates impact of lower interest rates

- Net interest income up 2% qoq on day-adjusted basis from stable NIM and loan growth of 3%
- Fee income up 15% yoy to record from broad-based growth; wealth management and transaction service fees at new highs, card fees recovering towards pre-pandemic levels
- Treasury Markets income and treasury customer income also at new highs
- Expenses rise 2% yoy due to LVB, cost-income ratio at 41%

Healthy asset quality results in \$190m general allowance write-back

- NPA falls 2% qoq, NPL rate declines to 1.5%, SP at 21bp
- GP reserves at \$4.13bn, exceeding MAS minimum requirement by 31% and Tier 2 eligibility by \$1.3bn
- Allowance coverage at 109% and at 203% after taking collateral into account
- Ample liquidity as deposits rise 2% qoq from continued Casa inflows; LCR at 136%, NSFR at 127%
- CET-1 at 14.3%, leverage ratio at 6.7%

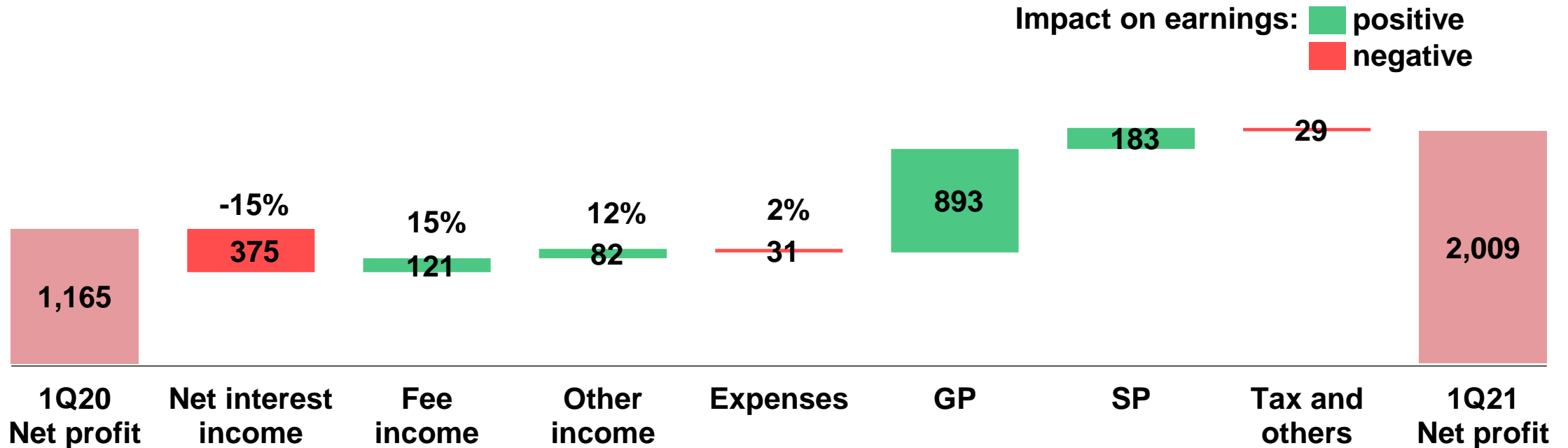
1Q dividend at 18 cents per share, in line with MAS guidance



Quarterly net profit crosses \$2bn for first time

(S\$m)	1Q21	YoY %
Total income	3,854	(4)
Expenses	1,587	2
Profit before allowances	2,267	(8)
Allowances	10	(99)
Net profit	record 2,009	72

- Total income would have increased 9% if NIM had been stable
- Net interest income down 15% from lower interest rates, mitigated by higher loan volumes
- Fee income and other income at record
- Stabilising portfolio quality results in GP write-back of \$190m, SP of \$200m at pre-pandemic levels

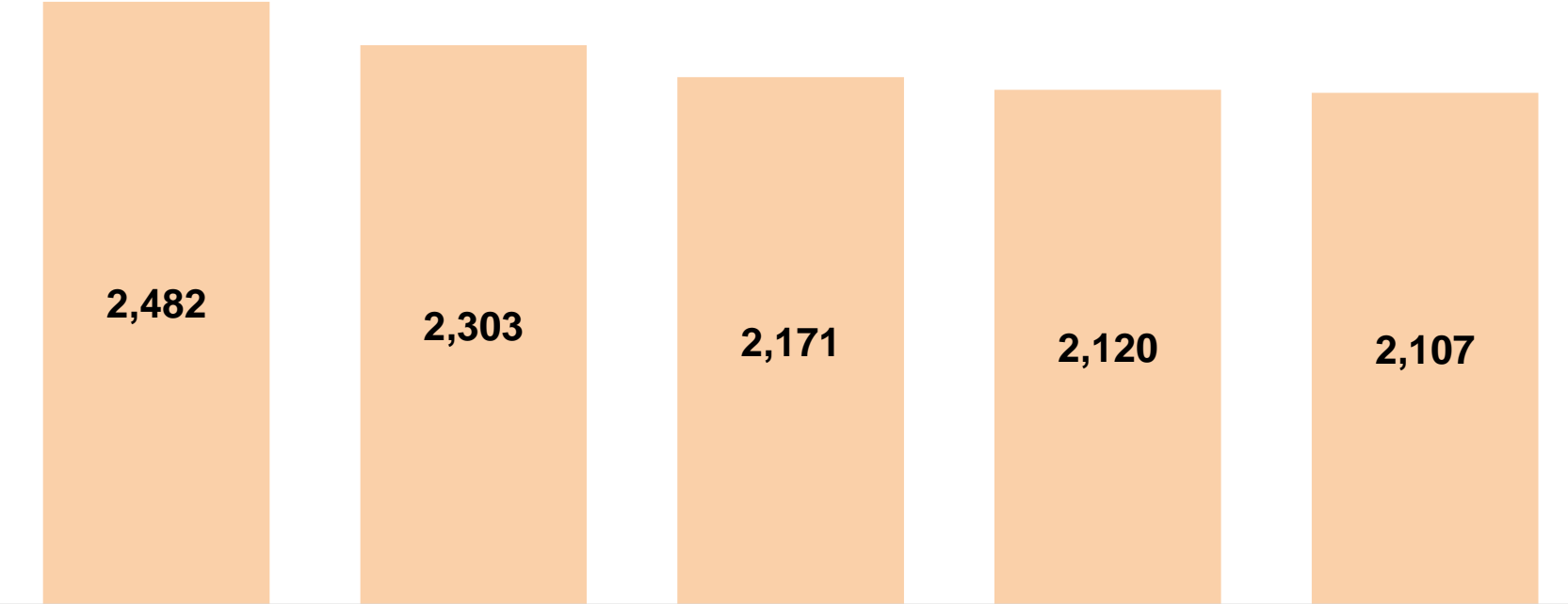


Net interest income up 2% on quarter on day-adjusted basis

Net interest margin (%)

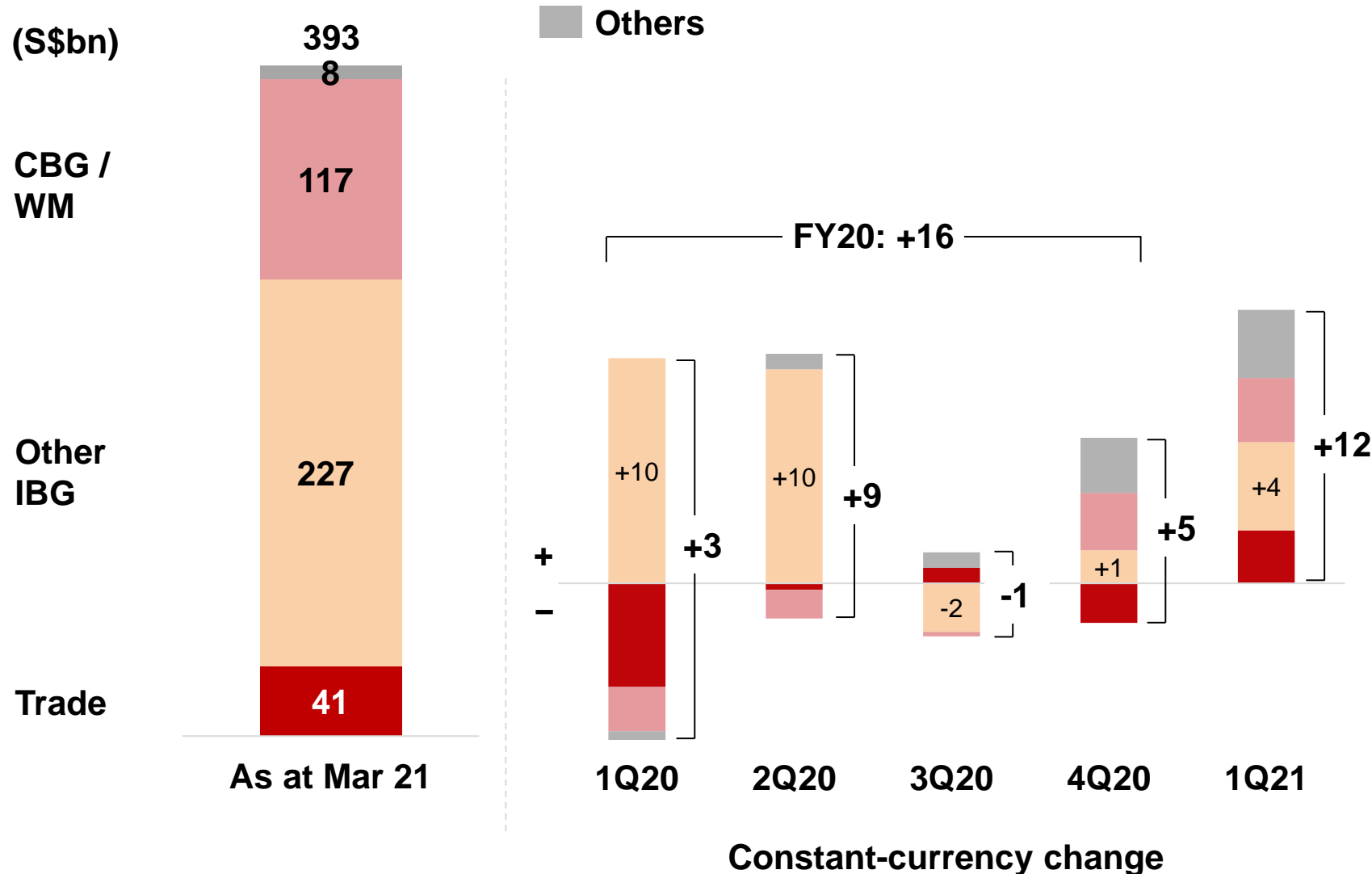


Net interest income (S\$m)



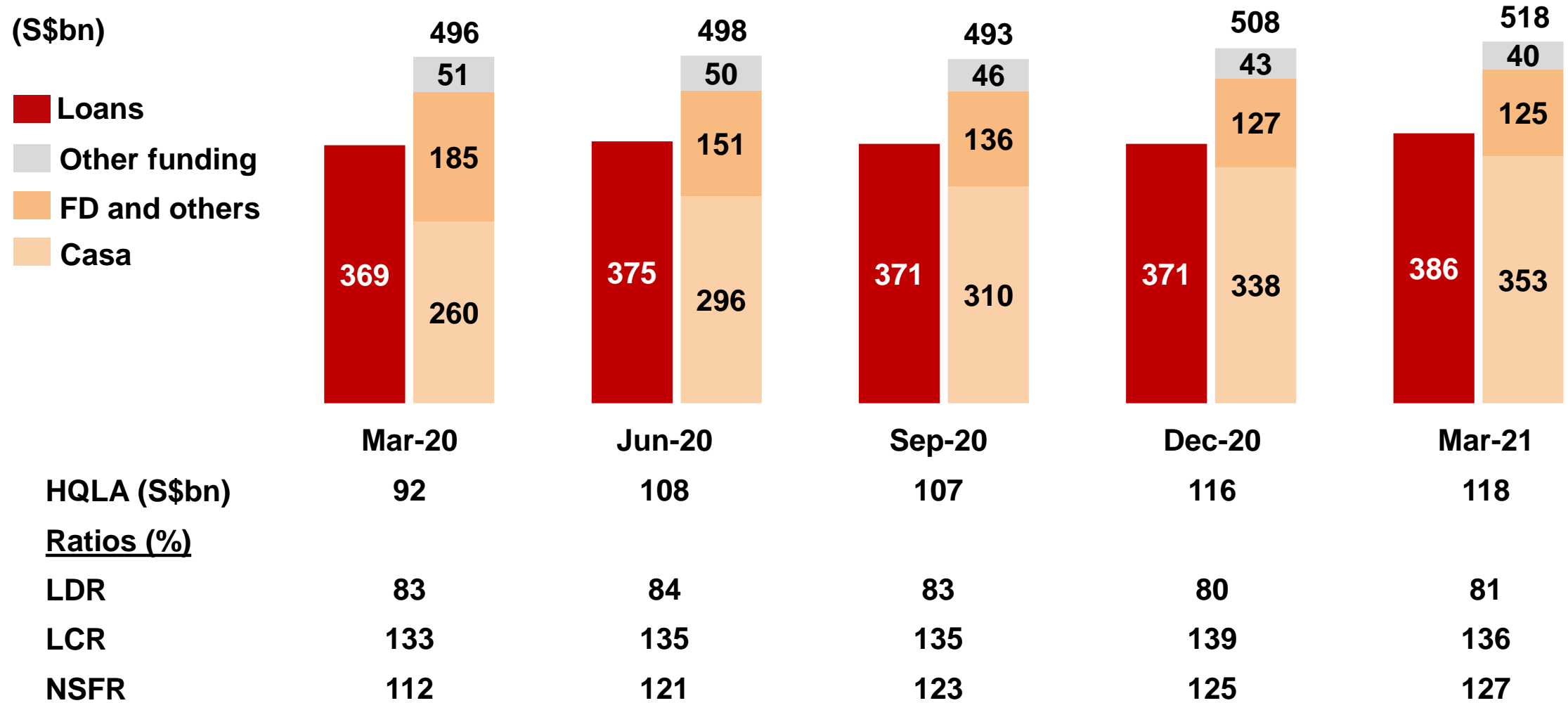
1Q20 2Q20 3Q20 4Q20 1Q21

Loans up 3% on quarter from broad-based growth



- Singapore housing loans rise 1% following strong bookings in current and recent quarters
- Non-trade corporate loans up 2% from broad-based growth across the region and a range of industries
- Trade loans grow 6% from stronger market demand and higher commodity prices

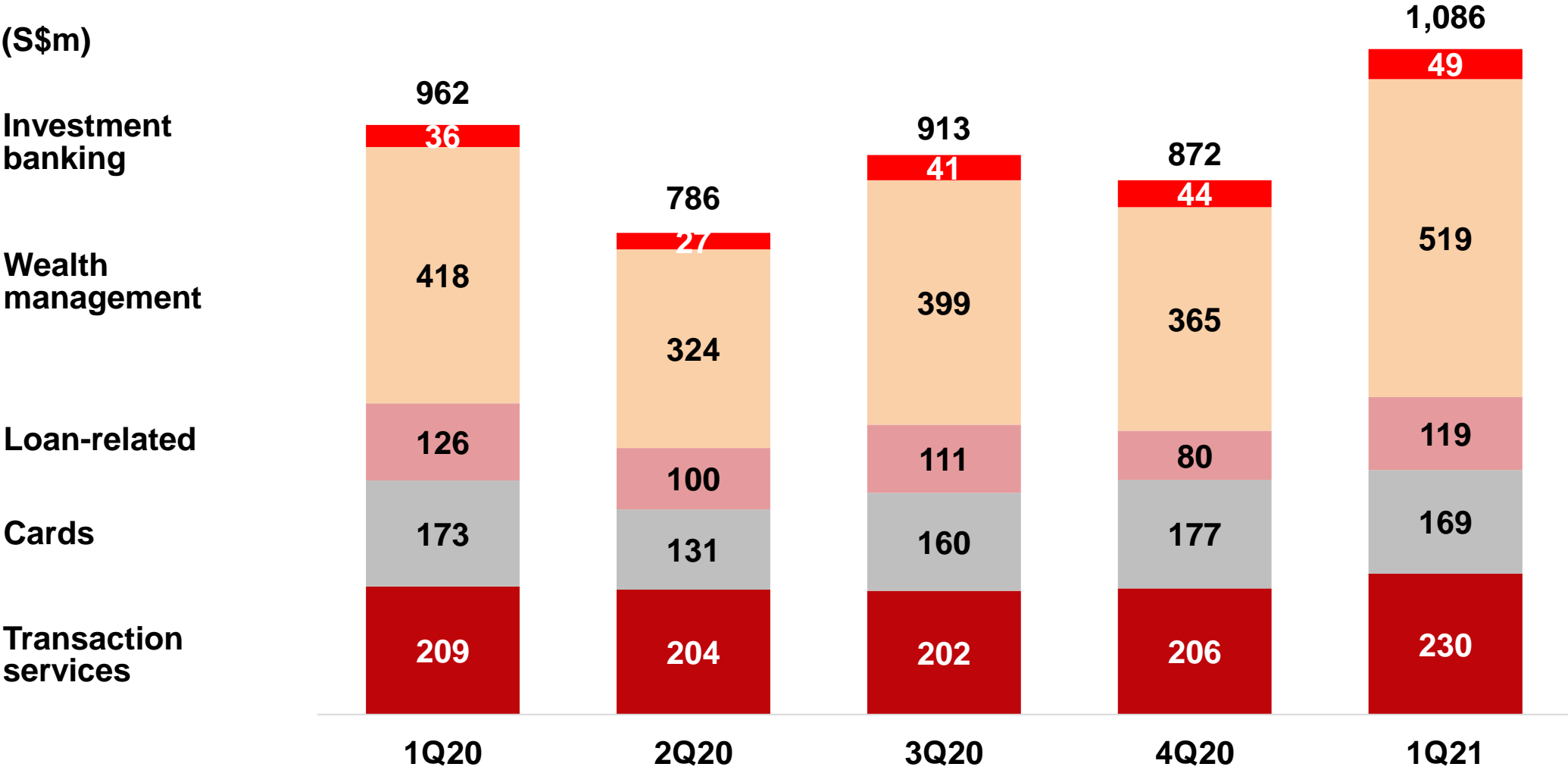
Deposits up 2% on quarter from Casa inflows



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

Fee income at record, wealth management and transaction services at new high

(S\$m)

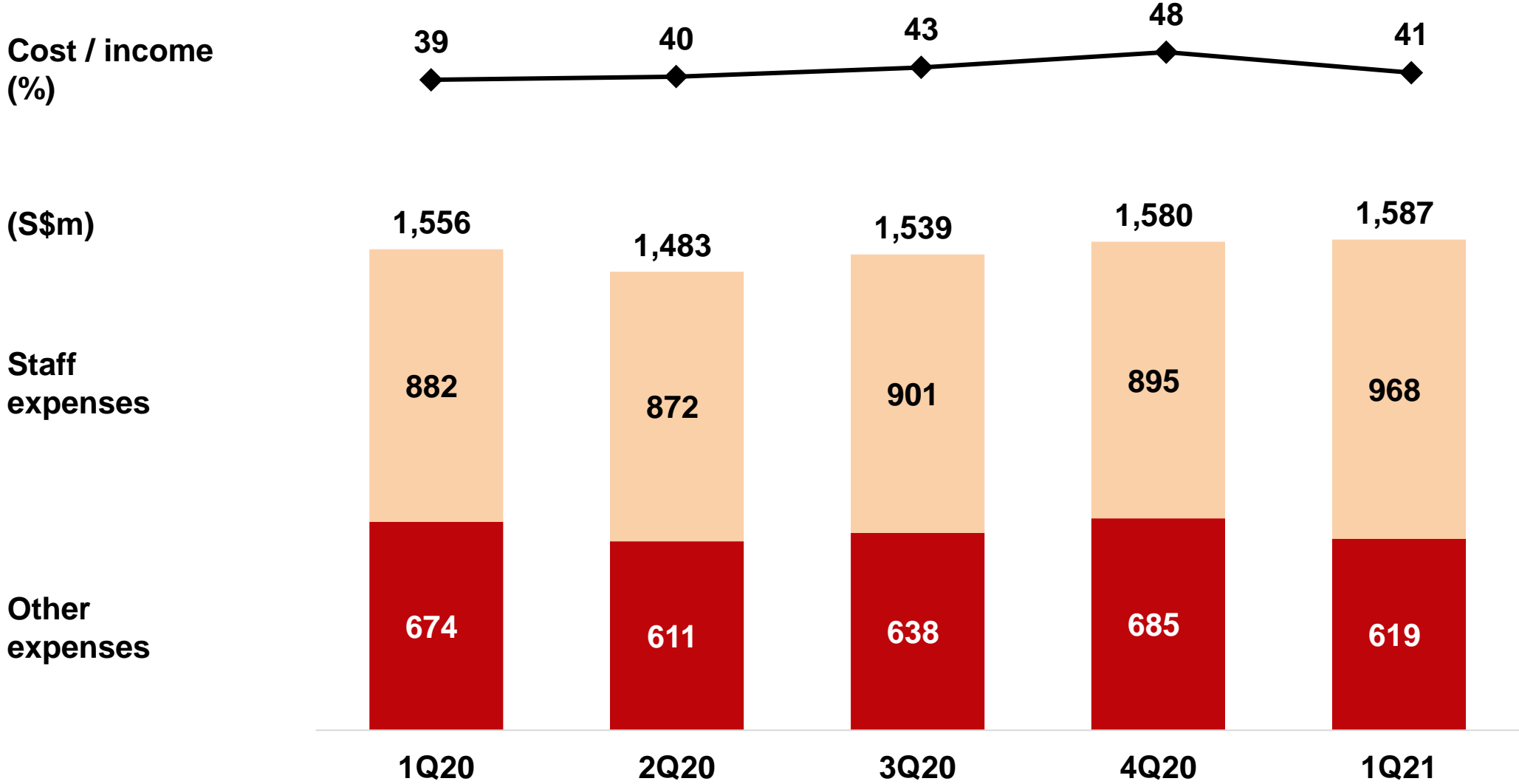


Gross fee income



The institutional and retail brokerage fees previously presented under brokerage have been reclassified to transaction services and wealth management respectively

Expenses up 2% on year due to LVB, cost-income ratio at 41%



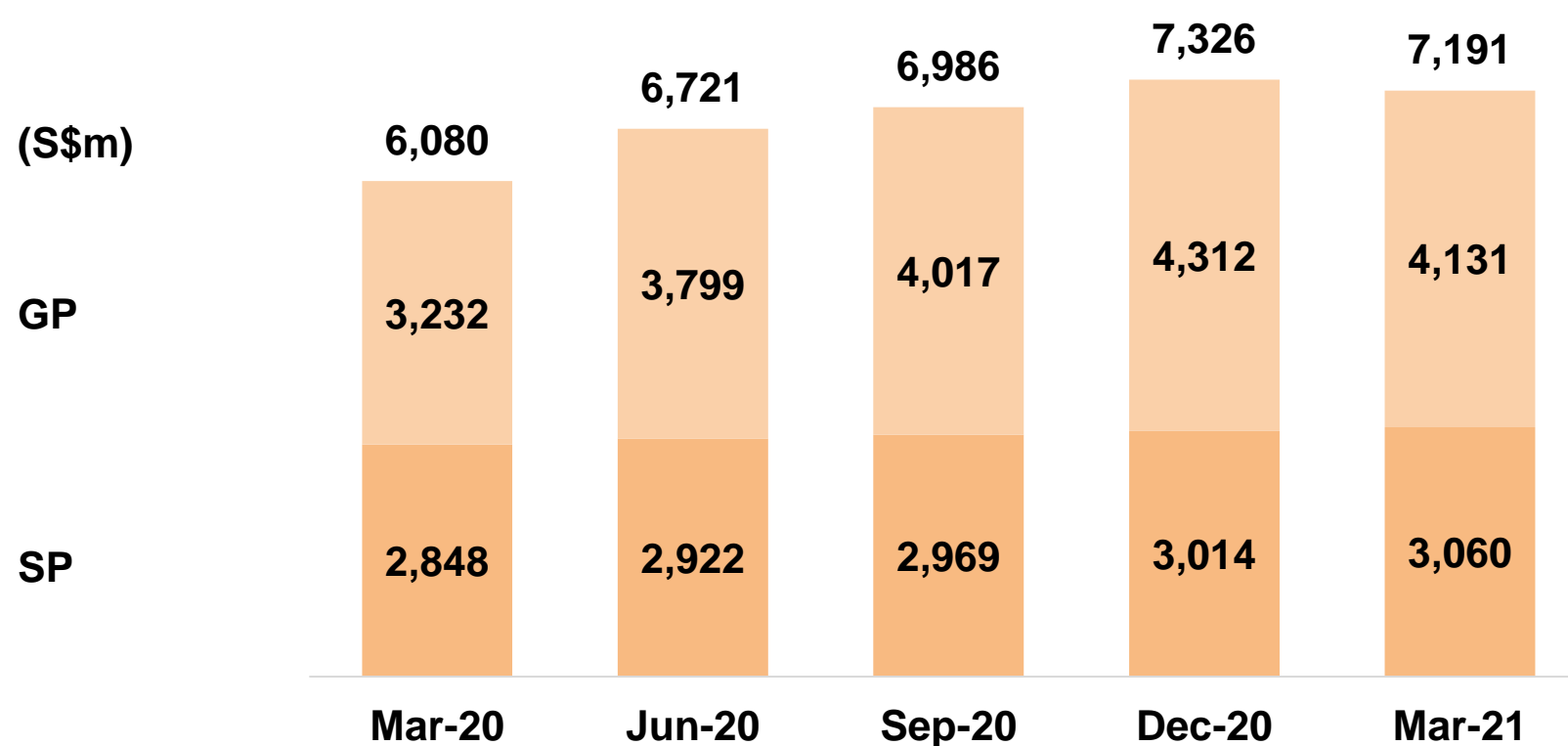
Asset quality healthy, NPA formation half 2020 quarterly average

(S\$m)	1Q20	2Q20	3Q20	4Q20	1Q21
NPAs at start of period	5,773	6,592	6,354	6,517	6,686
IBG and others	620	(201)	236	135	(153)
New NPAs	1,023	115	543	541	271
Upgrades, settlements and recoveries	(340)	(201)	(78)	(240)	(272)
Write-offs	(63)	(115)	(229)	(166)	(152)
CBG / WM	(0)	27	5	(55)	(7)
Translation	199	(64)	(78)	(123)	59
NPAs at end of period	6,592	6,354	6,517	6,474	6,585
Amalgamation of LVB	-	-	-	212	-
Total NPAs	6,592	6,354	6,517	6,686	6,585
NPL ratio (%)	1.6	1.5	1.6	1.6	1.5

SP of 21bp at pre-pandemic levels

(S\$m)	1Q20	2Q20	3Q20	4Q20	1Q21
IBG and others	257	146	189	282	164
Add charges for	359	165	212	293	181
New NPLs	315	16	161	153	103
Existing NPLs	44	149	51	140	78
Subtract charges for	102	19	23	11	17
Upgrades	0	0	0	0	0
Settlements	100	15	14	8	12
Recoveries	2	4	9	3	5
CBG / WM	57	96	107	40	37
Other credit exposures	69	47	20	40	(2)
Total SP charges	383	289	316	362	199
SP / loans (bp)	35	26	31	34	21

GP reserves of \$4.13bn remain prudent



Prudent GP reserves

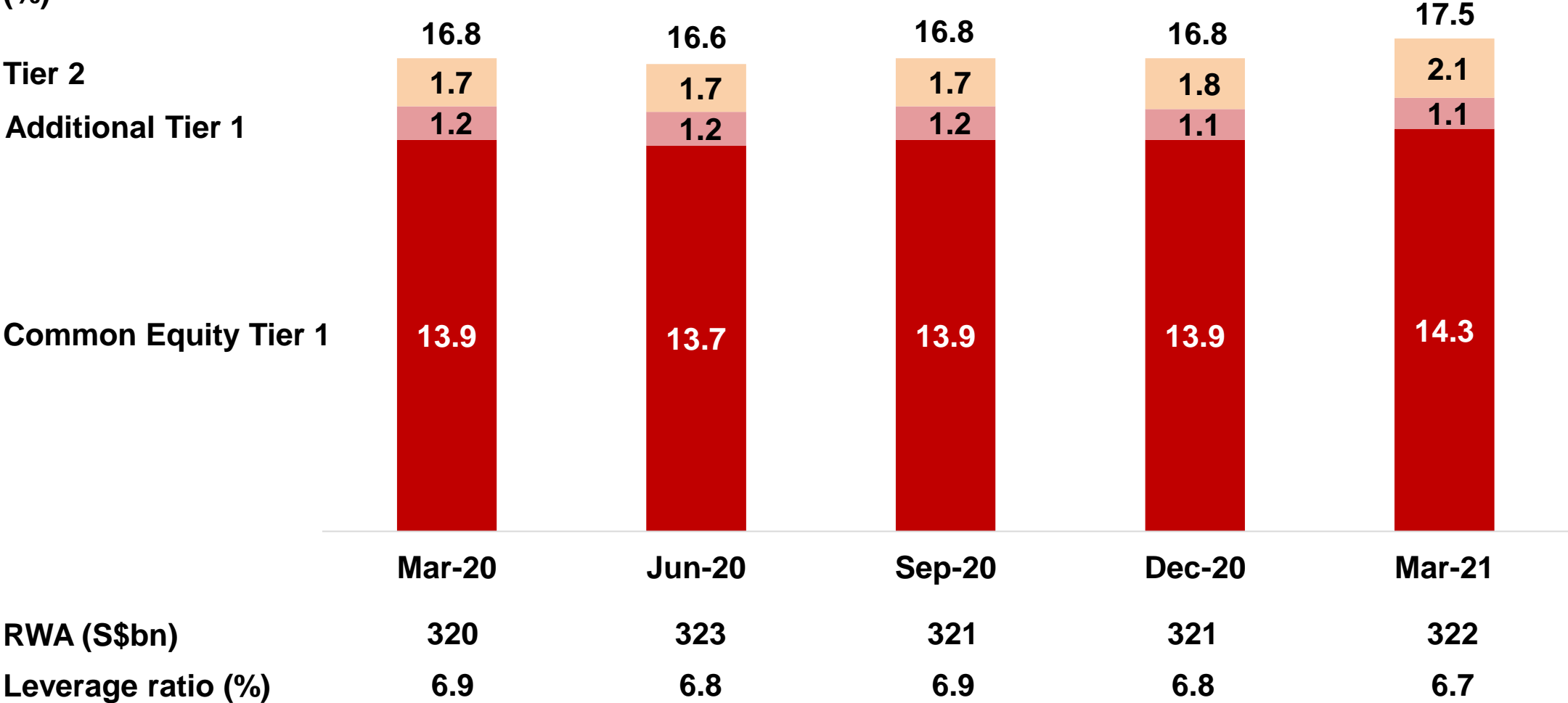
- Balance sheet remains well-fortified
- GP reserves raised beyond Tier-2 eligibility by \$1.3bn, forming a buffer for the total capital adequacy ratio
- GP reserves exceed MAS requirement by \$1.0bn or 31%

Total allowance reserves as % of:

NPA	92	106	107	110	109
Unsecured NPA	173	199	200	206	203

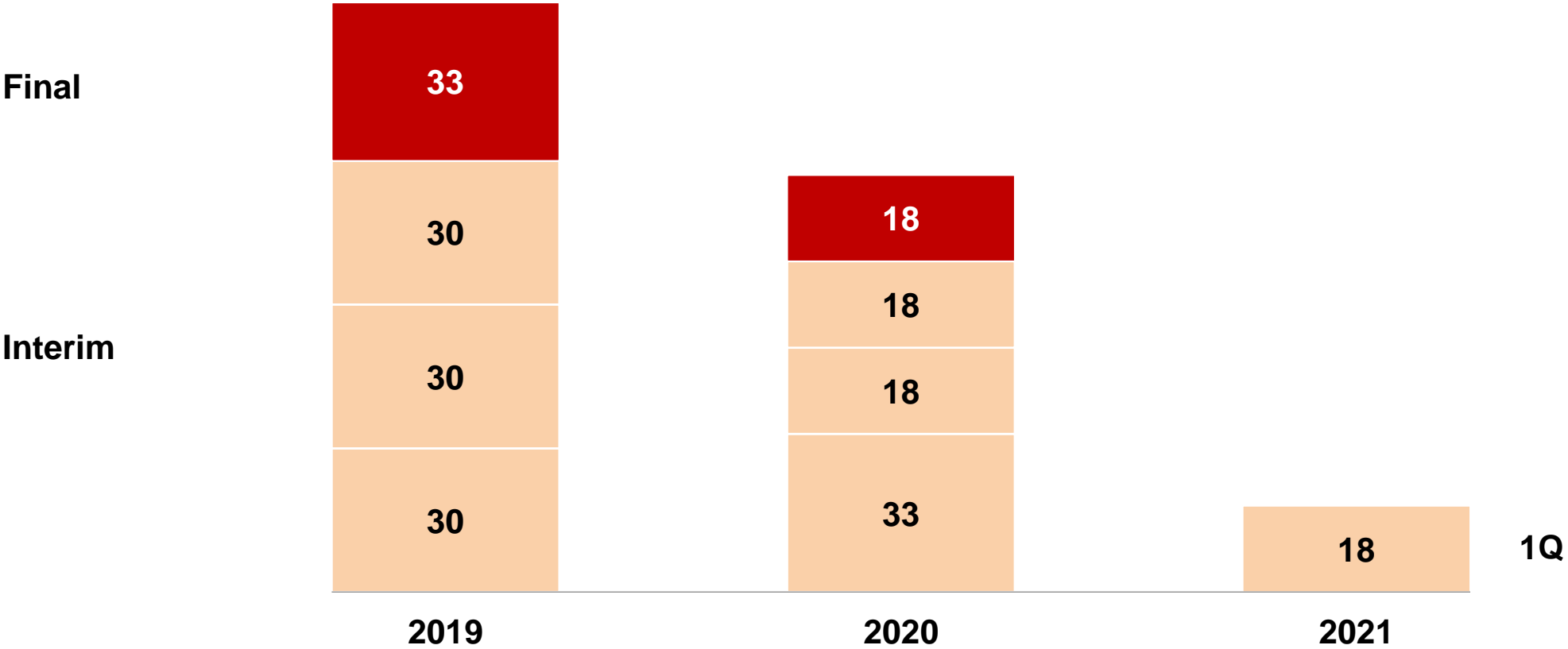
CET-1 up 0.4%pt on quarter to 14.3%

(%)



Dividend at 18 cents per share

(S¢ per share)



In summary – Record first-quarter performance

Extraordinary quarter with all cylinders firing

Disciplined on costs, asset quality resilient

Strengthening economic rebound provides favourable environment

Prospects enhanced with new growth platforms, including stakes in Shenzhen Rural Commercial Bank and in Partior for blockchain-based cross-border clearing and settlement

Well-placed to support customers and deliver shareholder returns as the economic recovery takes hold



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