



Live more,
Bank less

Record third-quarter and nine-month performance

**DBS Group Holdings
3Q 2022 financial results
November 3, 2022**

Highlights

Third-quarter net profit up 23% QoQ to \$2.24 billion, ROE at 16.3%, both at new highs

- Total income up 20% to record \$4.54 billion from higher NIM and sustained business momentum
- NIM up 32bp to 1.90%, accelerating from first two quarters
- Loan momentum healthy as non-trade corporate and housing loans grow faster than first two quarters
- Fee income stable as higher credit card and loan-related fees offset lower wealth management
- Cost-income ratio improves to 40%

Nine-month net profit up 8% to record \$5.85 billion

- Total income up 10% to \$12.1 billion as higher NIM and loan growth moderated by lower fee income
- Expenses up 7%, resulting in profit below allowance increase of 12% to record \$6.96 billion

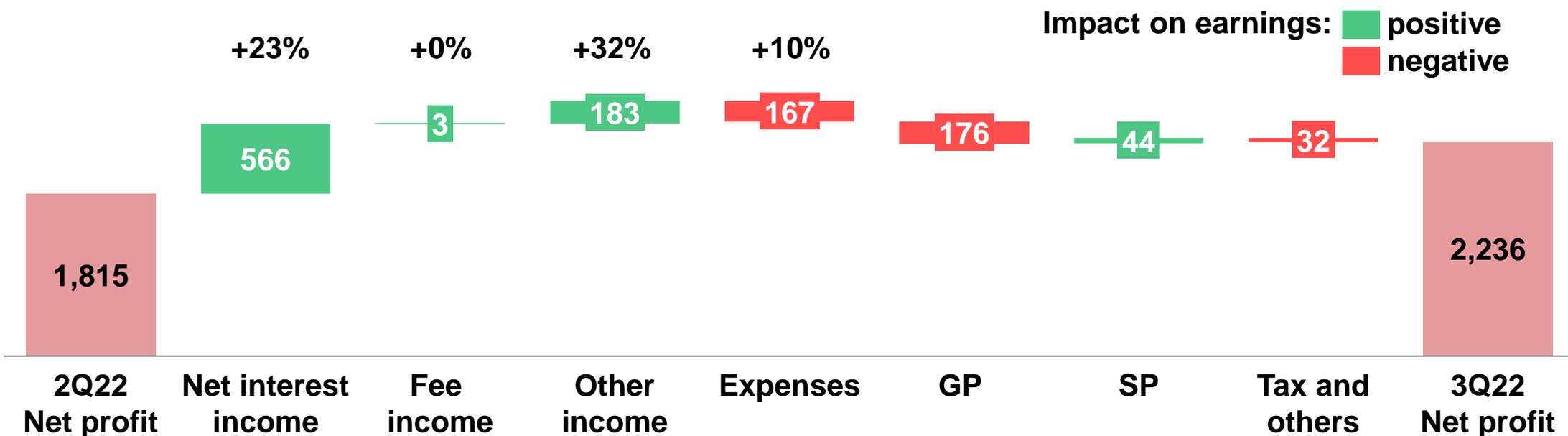
Asset quality resilient, balance sheet healthy

- NPAs fall 5% QoQ and NPL ratio declines to 1.2% as new NPA formation remains low and more than offset by higher upgrades and repayments
- SP of 2bp for 3Q and 8bp for 9M, GP of \$153 million taken in 3Q
- CET-1 at 13.8%, LCR at 133%, NSFR at 114%

3Q dividend at 36 cents per share

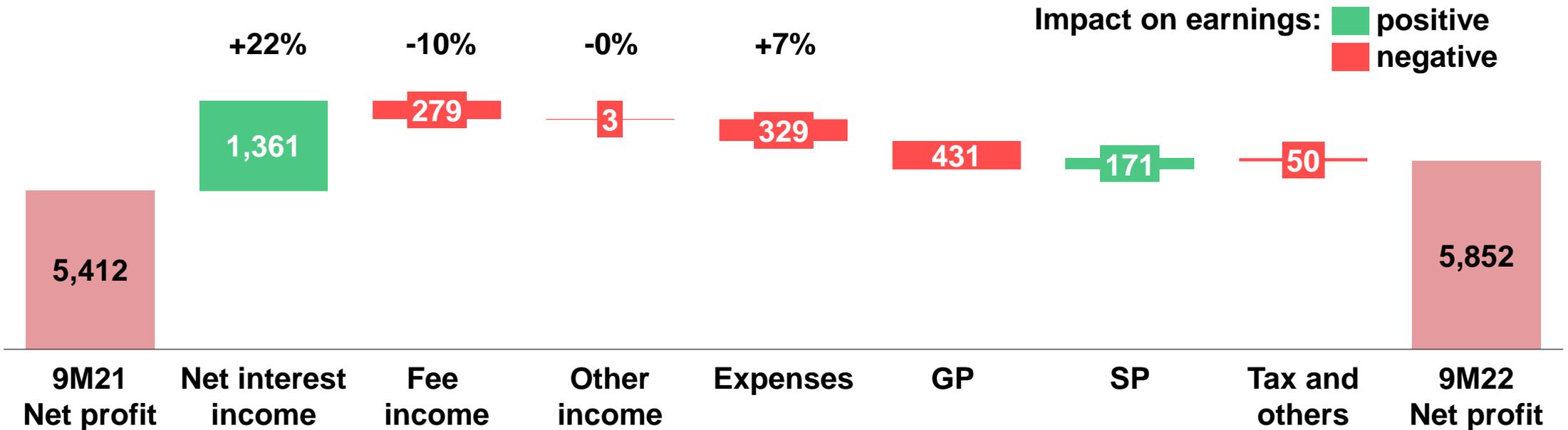
3Q net profit up 23% QoQ to record as total income rises 20%

(S\$m)		3Q22	QoQ %	
Total income	record	4,544	20	<ul style="list-style-type: none"> Net interest income up 23% from NIM increase of 32bp and healthy loan momentum Fee income stable Other non-interest income up 32% Cost-income ratio at 40% SP at 2bp of loans, GP of \$153m taken
Expenses		1,825	10	
Profit before allowances	record	2,719	27	
Allowances		178	>100	
Net profit	record	2,236	23	



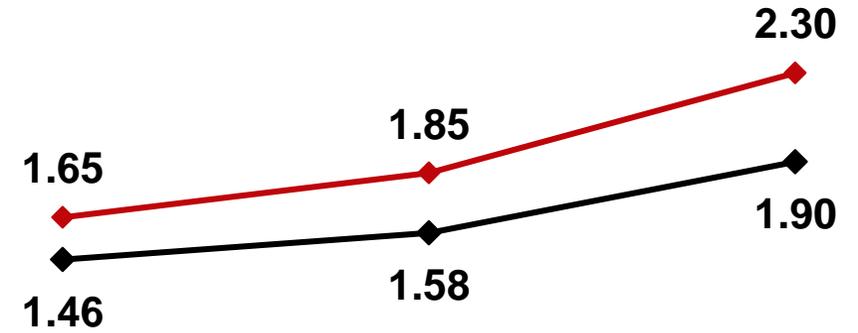
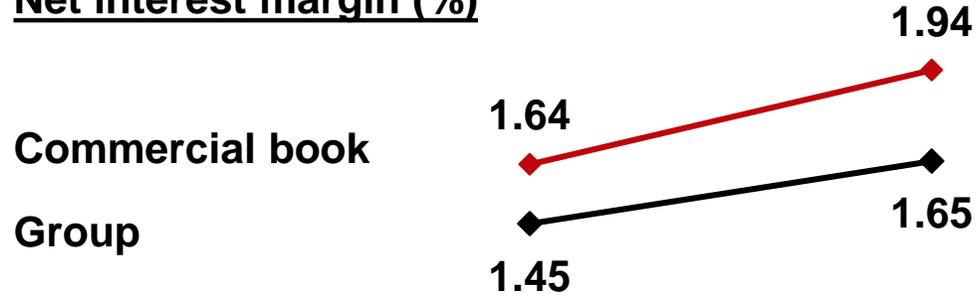
9M net profit up 8% to new high

(S\$m)		<u>9M22</u>	<u>YoY %</u>	
Total income	record	12,083	10	▪ Net interest income up 22% from NIM increase of 20bp and loan growth of 6%
Expenses		5,127	7	▪ Fee income falls 10% as lower wealth management and investment banking more than offset growth in other activities
Profit before allowances	record	6,956	12	▪ SP halves to 8bp, GP set aside compared to \$413 million write-back year ago
Allowances		279	>100	
Net profit	record	5,852	8	

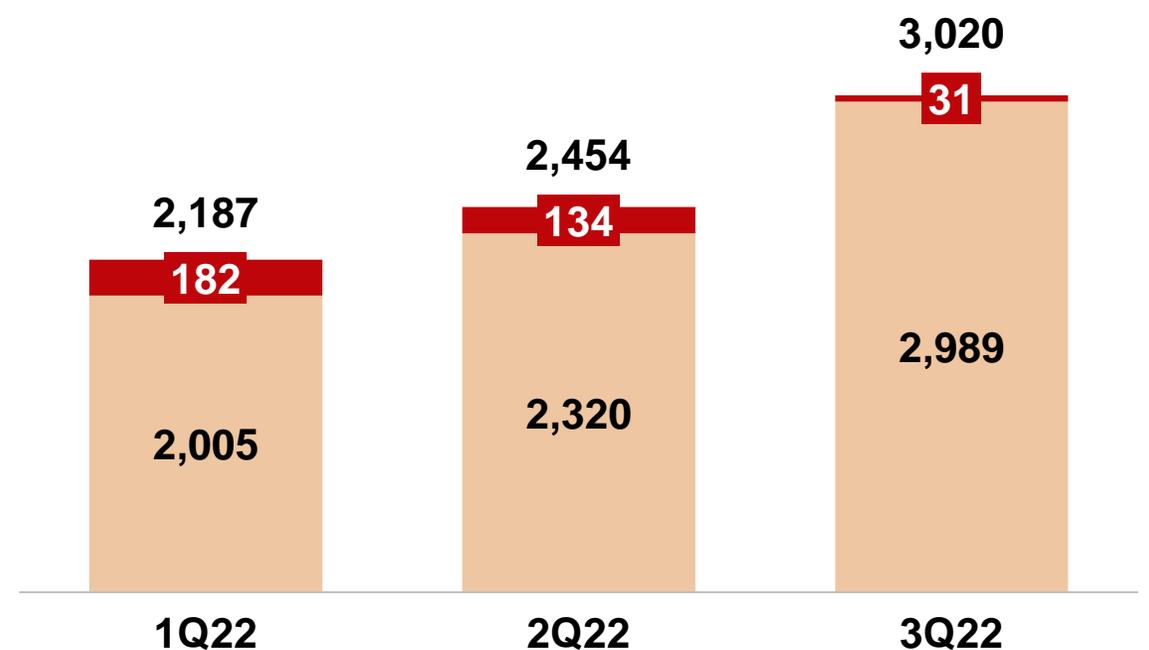
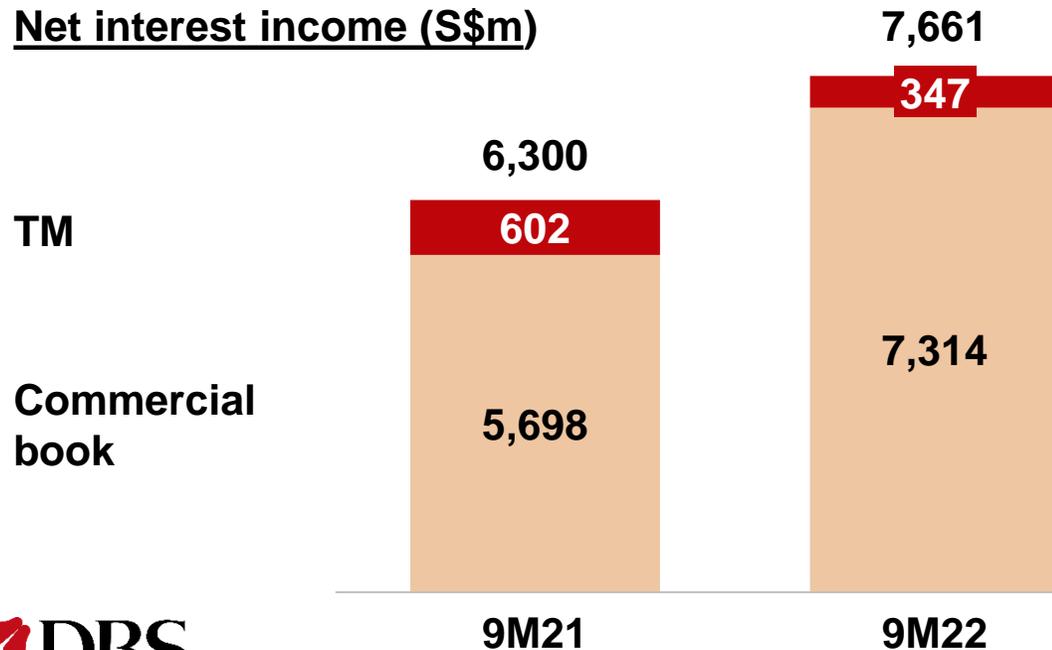


3Q net interest income up 23% QoQ as NIM surges 32bp to 1.90%

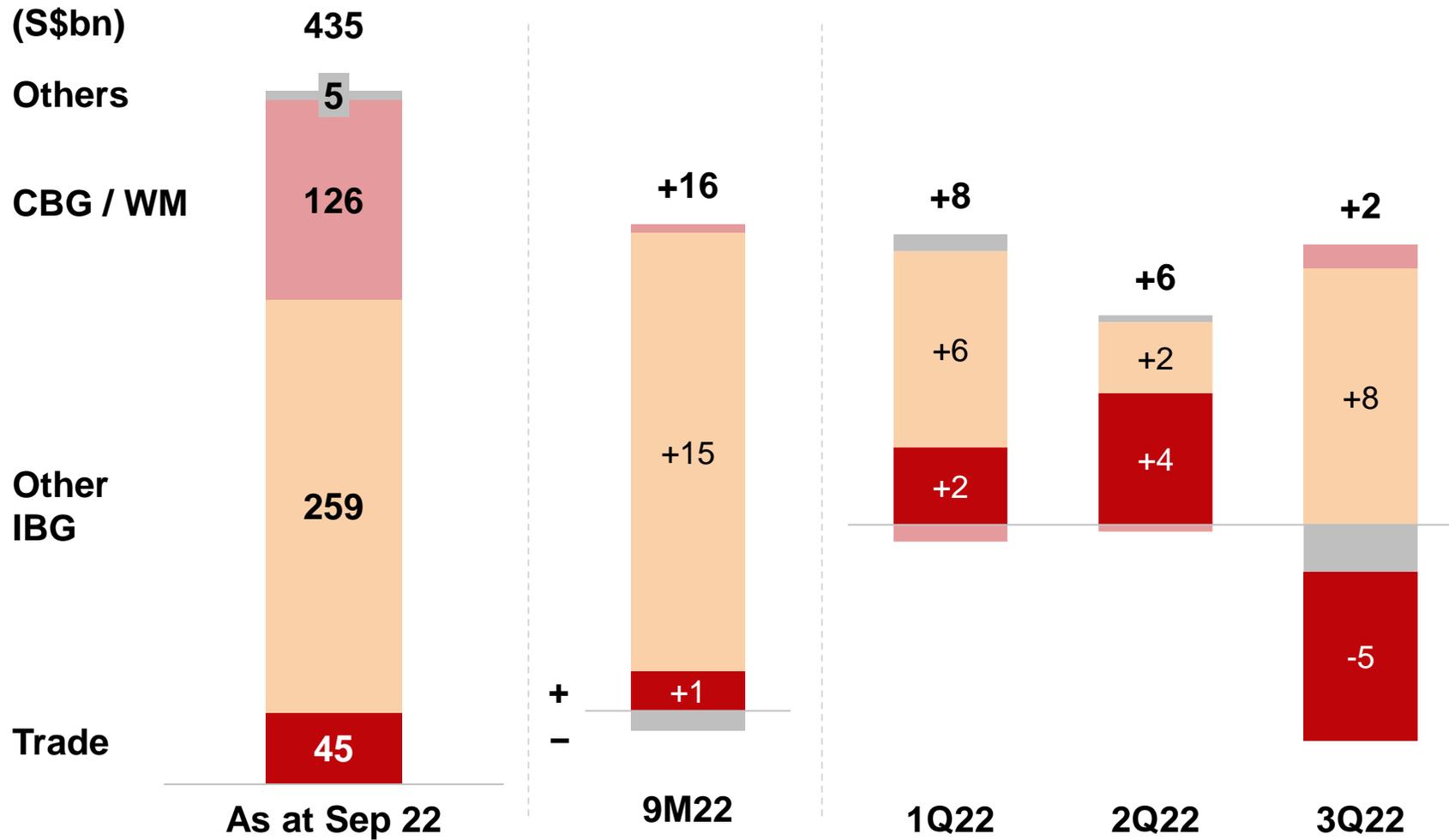
Net interest margin (%)



Net interest income (S\$m)



3Q loan momentum healthy from faster non-trade corporate and housing loan growth



In constant-currency terms

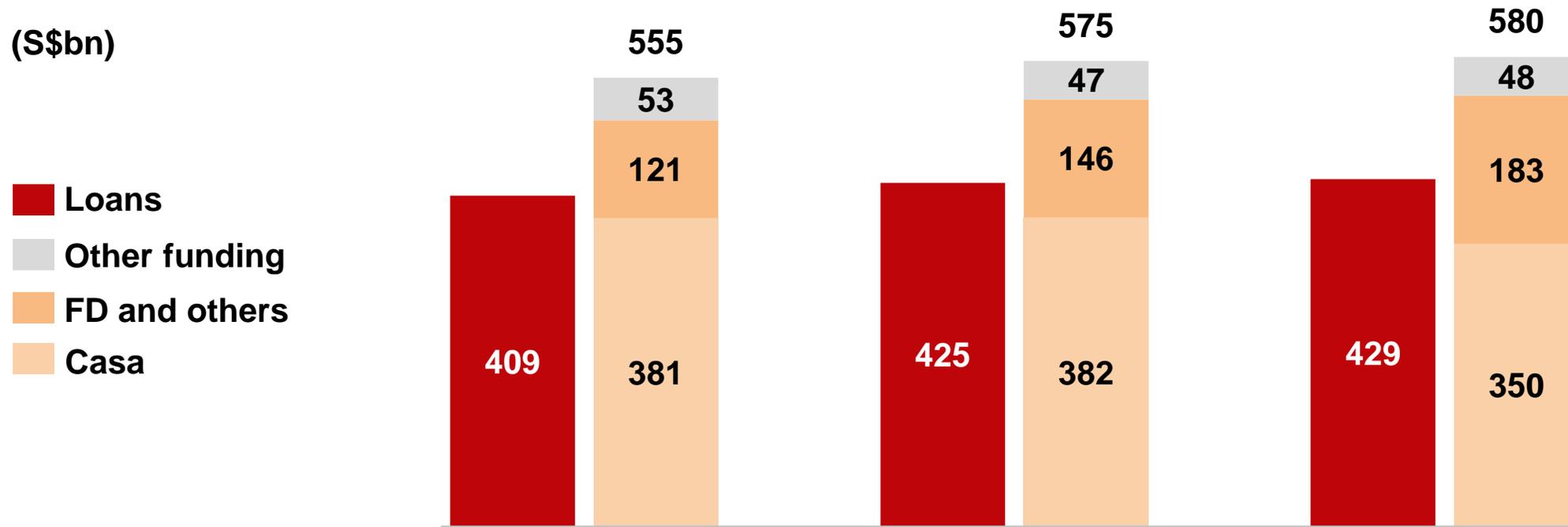
- 3Q non-trade corporate loan growth of S\$8bn higher than first and second quarters
- 3Q consumer loans up S\$1bn from higher housing loan growth
- 9M overall loan growth at S\$16bn or 4%

Constant-currency change



Gross loans

Deposits stable QoQ, up 5% over 9M



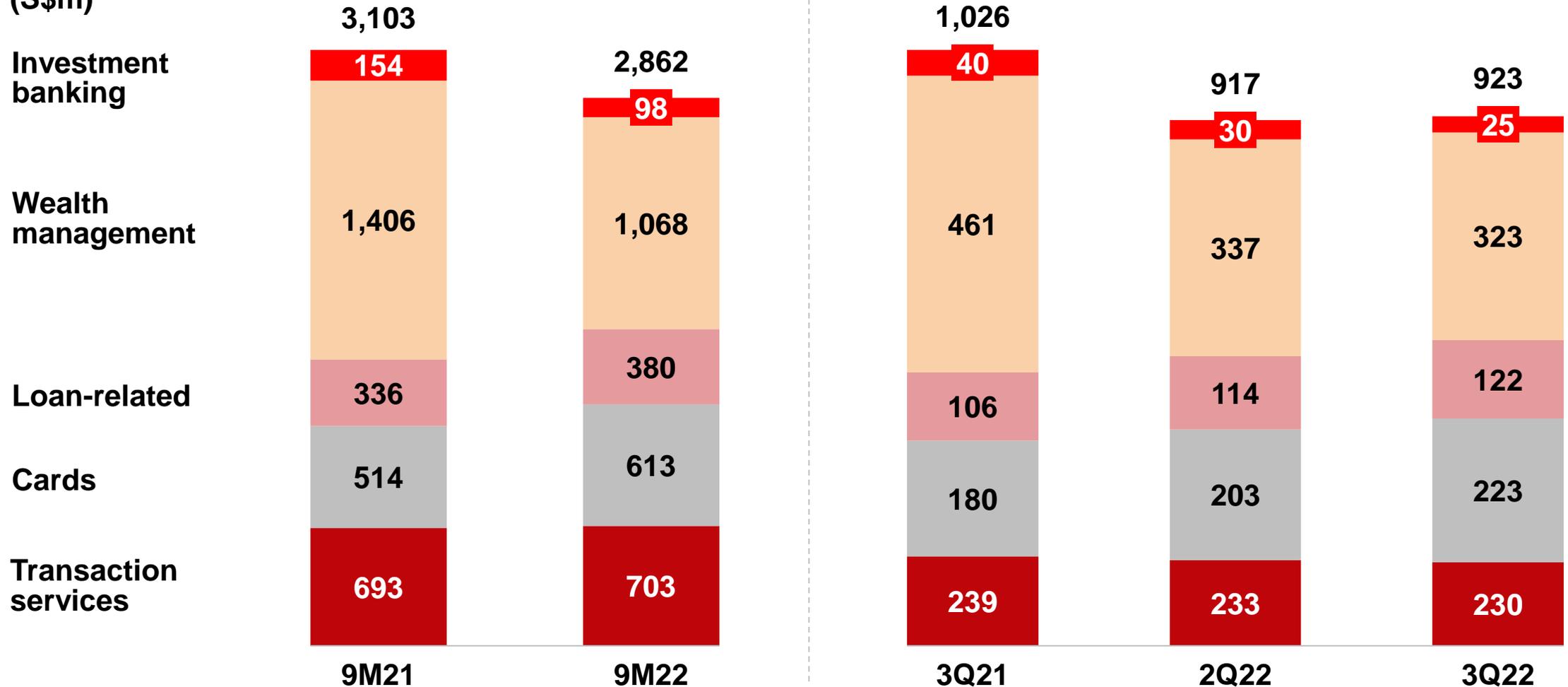
	Dec-21	Jun-22	Sep-22
HQLA (S\$bn)	126	140	138
<u>Ratios (%)</u>			
LDR	81	80	81
LCR	135	142	133
NSFR	123	118	114



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

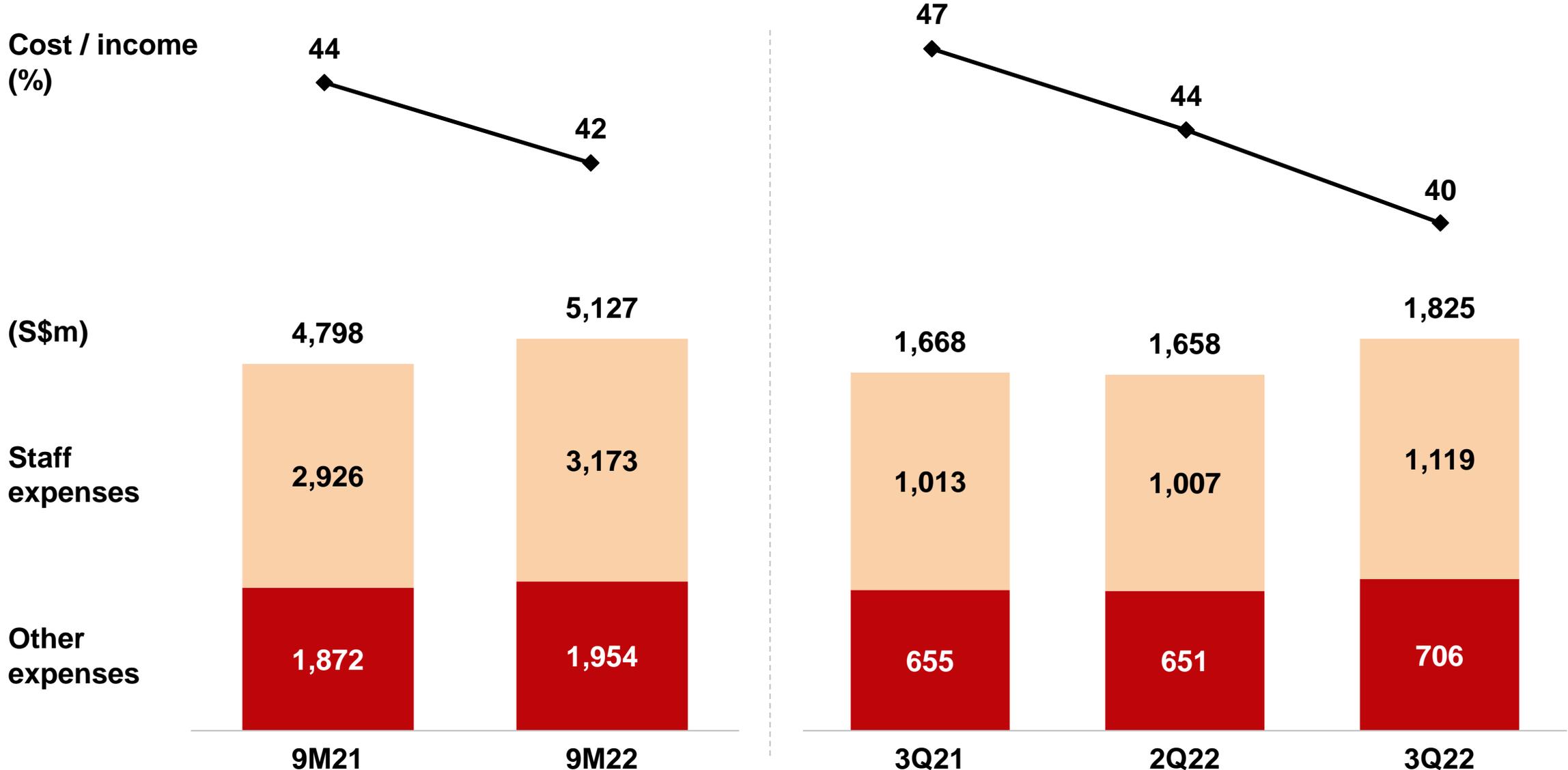
3Q fee income stable QoQ as continued recovery in cards and higher loan-related fees offset wealth management

(S\$m)



Gross fee income

3Q cost-income ratio improves 4%pt QoQ to 40%



NPL ratio improves QoQ to 1.2% as higher upgrades and repayments more than offset new NPA formation

(S\$m)	9M21	9M22	1Q22	2Q22	3Q22
NPAs at start of period	6,686	5,849	5,849	5,981	5,908
IBG and others	(207)	(257)	187	(98)	(346)
New NPAs	851	948	465	271	278
Upgrades, settlements and recoveries	(780)	(786)	(269)	(173)	(411)
Write-offs	(278)	(419)	(9)	(196)	(213)
CBG / WM	(25)	(81)	(41)	(14)	(26)
Translation	116	89	(14)	39	64
NPAs at end of period	6,570	5,600	5,981	5,908	5,600
NPL ratio (%)	1.5	1.2	1.3	1.3	1.2



Quarterly movements may not sum up to nine months as the presentation is based on the classification of the borrower in the respective period

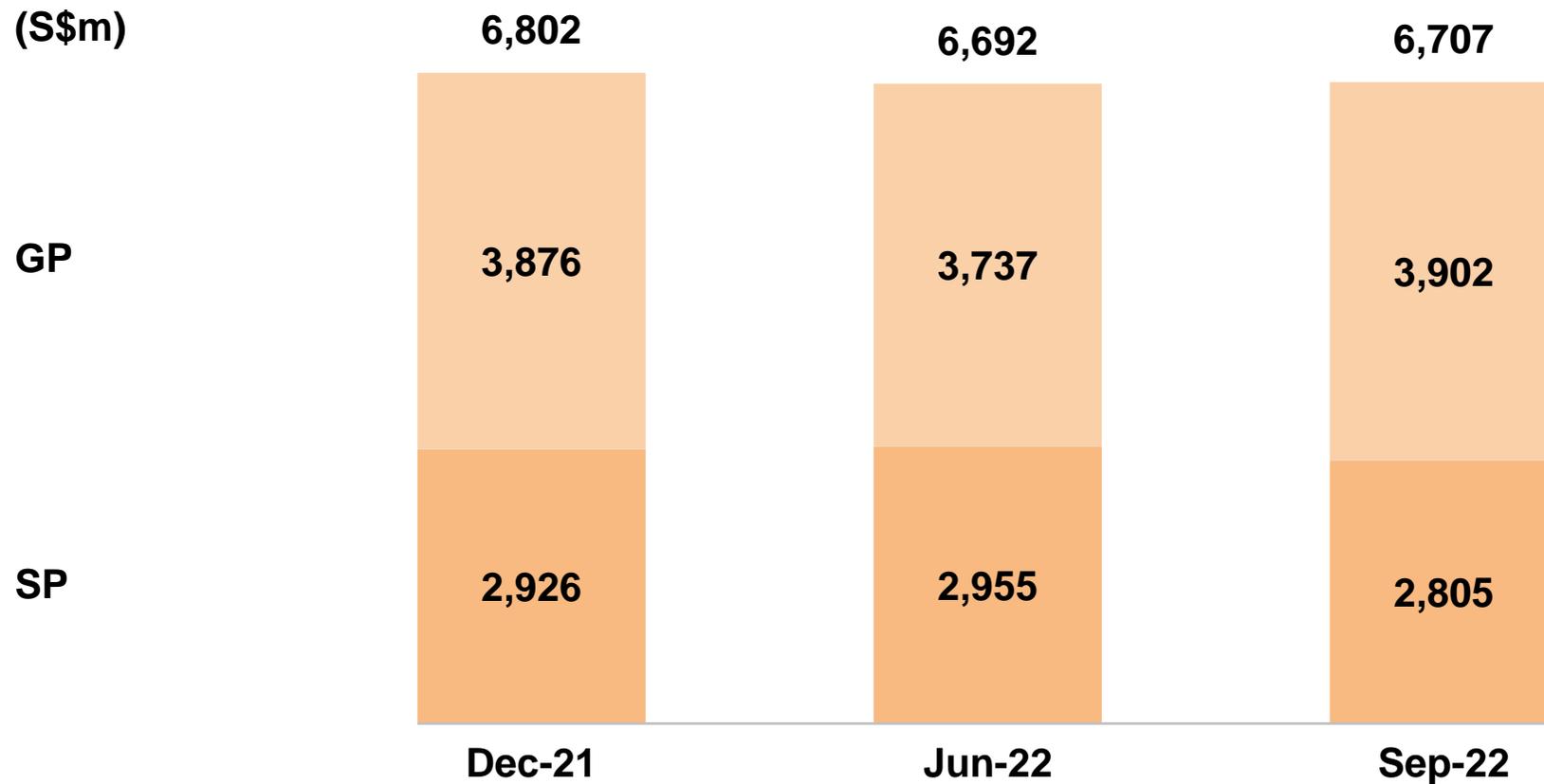
9M specific allowances halve to 8bp

(S\$m)	9M21	9M22	1Q22	2Q22	3Q22
IBG and others	298	167	122	52	(7)
Add charges for	483	341	189	91	74
New NPLs	255	240	157	58	7
Existing NPLs	228	101	32	33	67
Subtract charges for	185	174	67	39	81
Upgrades	1	45	0	0	45
Settlements	147	103	62	28	26
Recoveries	37	26	5	11	10
CBG / WM	107	92	32	32	28
SP charges for loans	405	259	154	84	21
Other credit exposures	26	1	13	(16)	4
Total SP charges	431	260	167	68	25
SP / loans (bp)	14	8	15	8	2



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GP reserves rise to S\$3.9bn

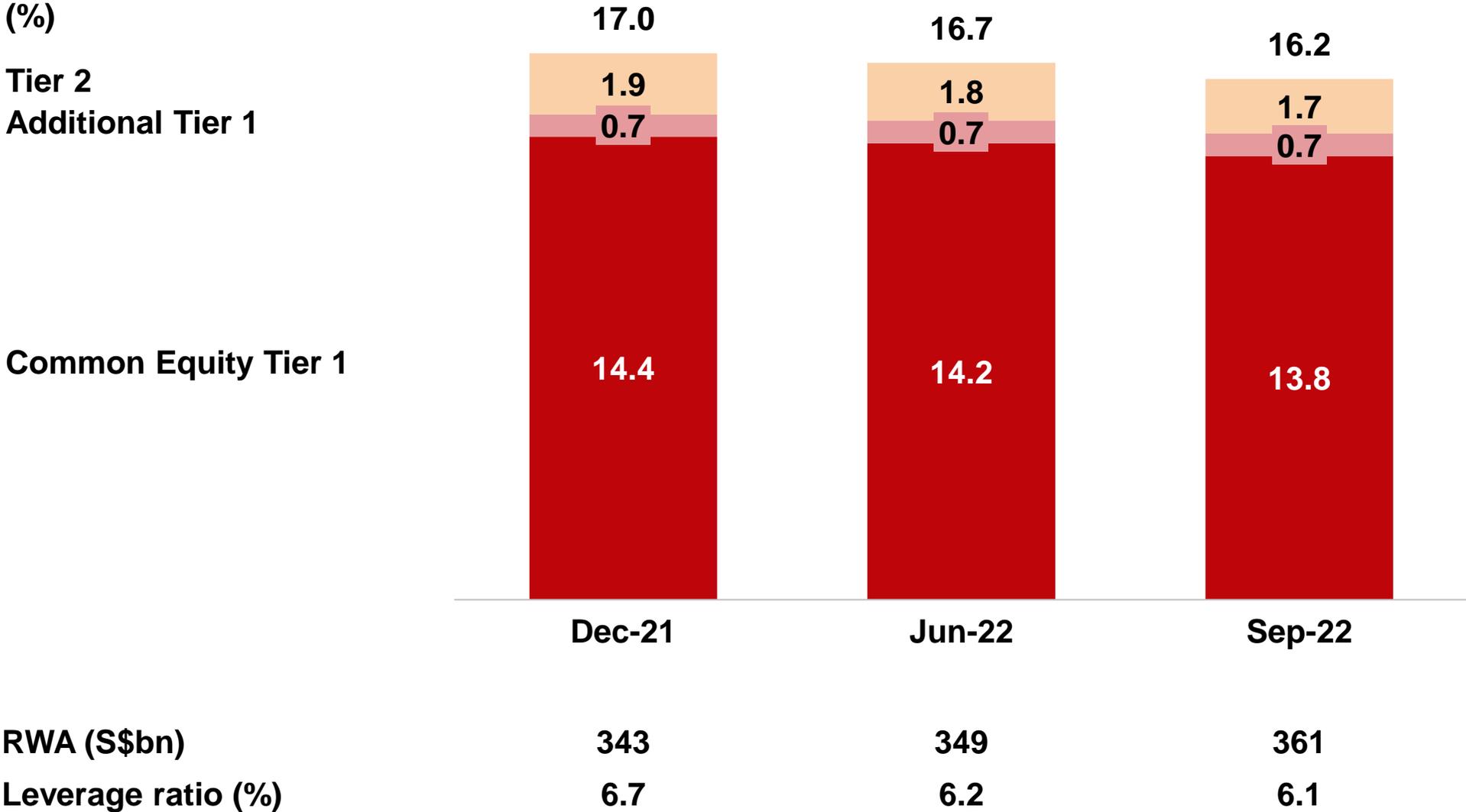


Allowance coverage comfortably exceeds 100%, and 200% after considering collateral

Total allowance reserves as % of:

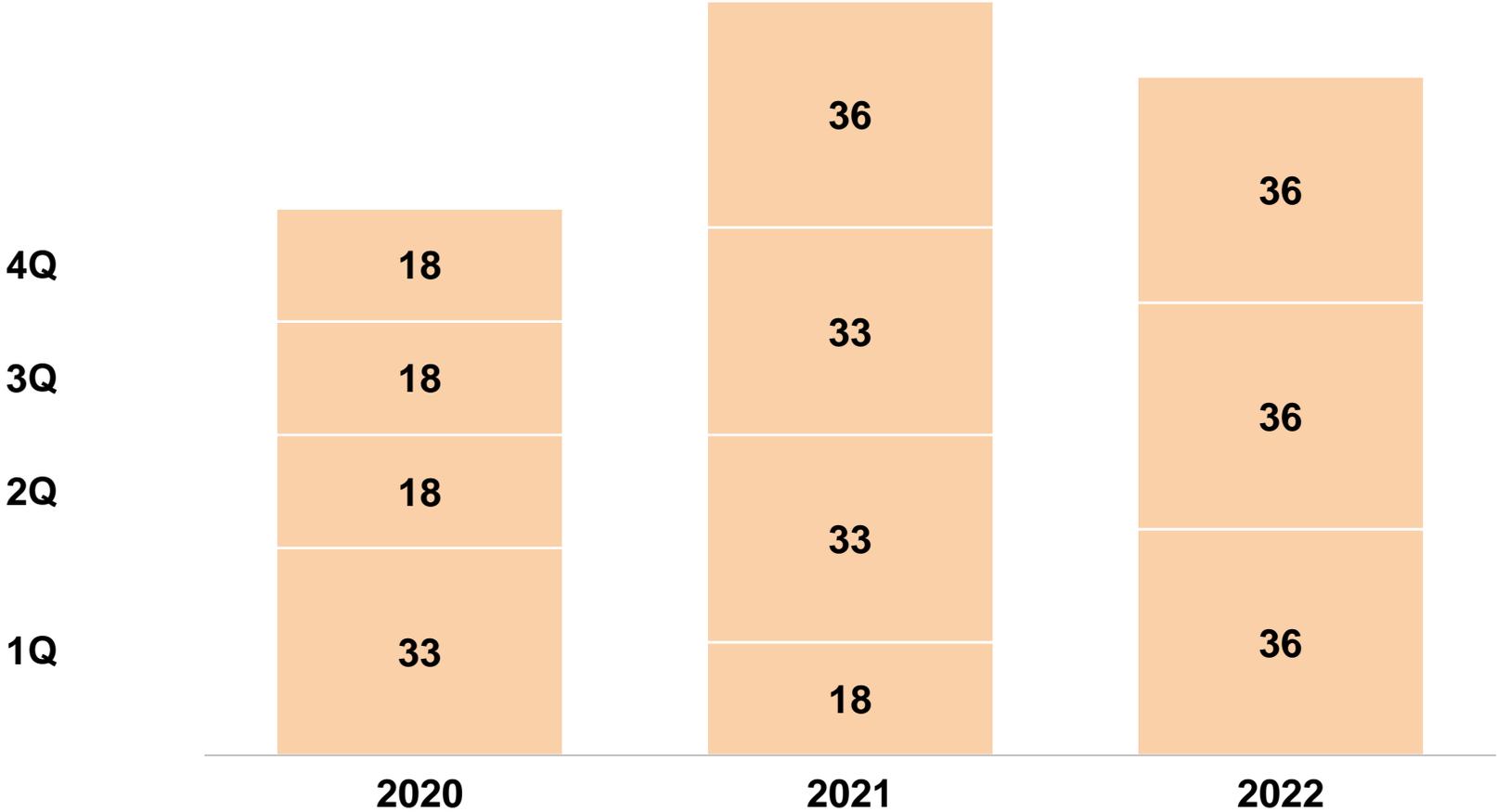
NPA	116	113	120
Unsecured NPA	214	199	216

Strong CET-1 and leverage ratios



3Q dividend at 36 cents per share

(S¢ per share)



In summary – record 3Q and 9M performance

Record 3Q and 9M results amidst challenging conditions demonstrate a high-returns and resilient franchise

Business momentum sustained, inherent value of deposit franchise more fully realised, asset quality healthy

Record 3Q ROE of 16.3% underscores significant structural improvements made, including from digital transformation

Entering coming year with leverage to rising interest rates, strong balance sheet and proven nimbleness in capturing growth opportunities



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