

Investor Presentation

DBS Group Holdings Ltd
November 2017

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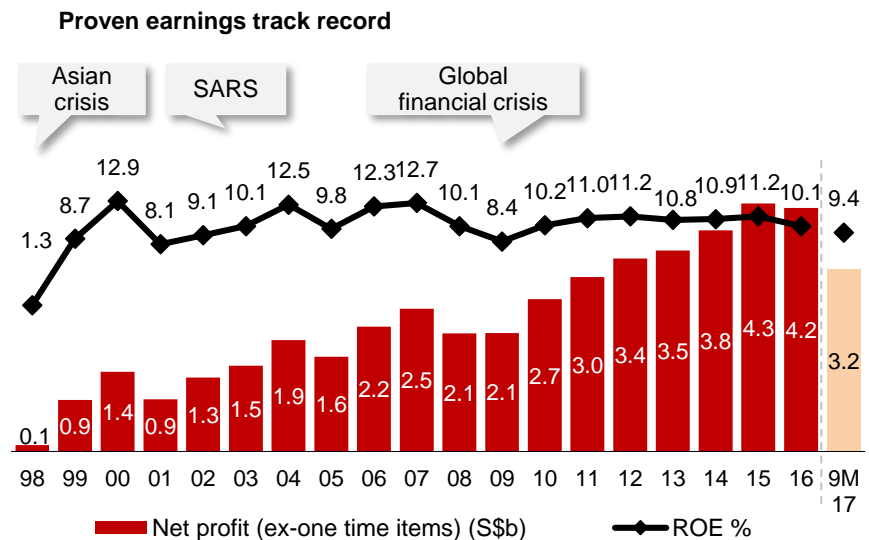
Agenda

- Franchise highlights**
- Balance sheet and capital**
- Wholesale funding**

DBS – leading Asian banking group

Franchise

- ▶ **AA- / Aa1 / AA- ^{1/}**, largest banking group in Southeast Asia by assets S\$508b / US\$373b as at 30 Sep 17
- ▶ **Listed & headquartered in Singapore**, only AAA/Aaa-rated sovereign in region
- ▶ **Temasek the largest shareholder**, 29.4% stake as at 30 Sep 17
- ▶ **Proven earnings track record, focused on sustainable growth in Asia**
9M17 net profit ^{2/} of S\$3.2b / US\$2.3b, ROE ^{2/} of 9.4%



Balance sheet strengths

Among the strongest banks regionally in terms of funding, liquidity & capital:

- ▶ **Leading market share of low cost & stable SGD retail deposits**
- ▶ **LCR of 143% ^{3/}**, NSFR above 100%
- ▶ **CET1 of 13.6% on a fully-loaded B3 basis** vs. MAS's 2019 fully-implemented requirement of 9%
- ▶ **Leverage ratio at 7.5%** vs. Basel Committee's proposed minimum of 3%

^{1/} Ratings for DBS Bank Ltd.

^{2/} Excludes one-time items comprising a gain of S\$350m from the divestment of PWC building in Singapore, an equivalent amount set aside as general allowances, ANZ integration cost of S\$45m, and associated tax impact of S\$50m

^{3/} Average all-currency liquidity coverage ratio for 9M17

Committed to building an Asia-centric commercial bank

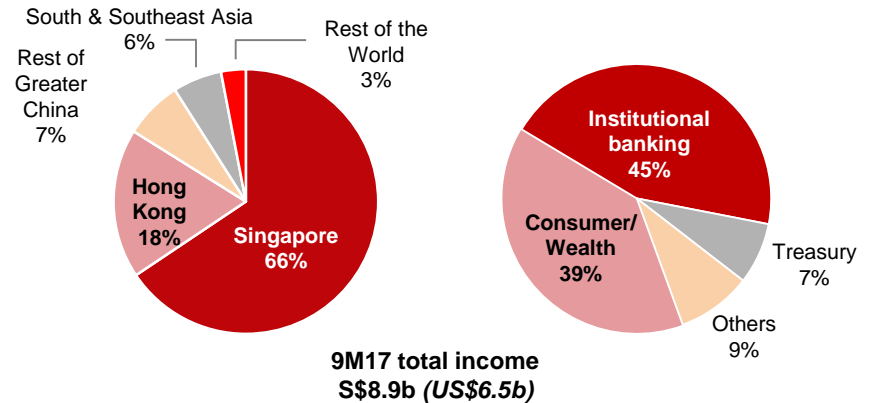
Unique pan-Asia footprint

- ▶ 84% of total income from Singapore & Hong Kong, the two highest-rated sovereigns in Asia
- ▶ Growing presence in China, Taiwan, India & Indonesia. Focused on intermediating trade & investment flows between Asia's key axes of growth – Greater China, South Asia & SEA

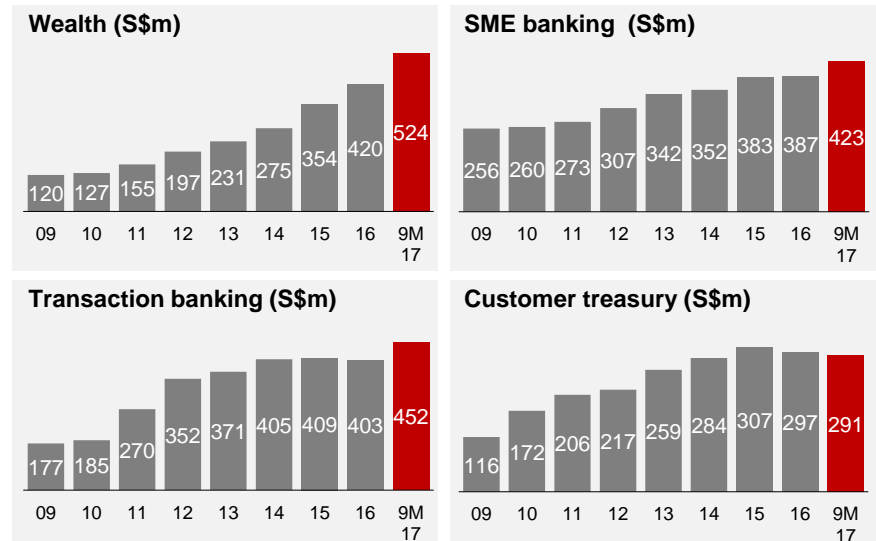
Strategy delivering growth in targeted segments

- ▶ Consumer/Wealth & Institutional Banking contribute over 80% of total income
- ▶ In Singapore, DBS is a universal bank serving all customer segments
- ▶ In other markets, DBS seeks to build regional franchises in Wealth, SME Banking, Transaction Banking & Customer Treasury business

Total income mix

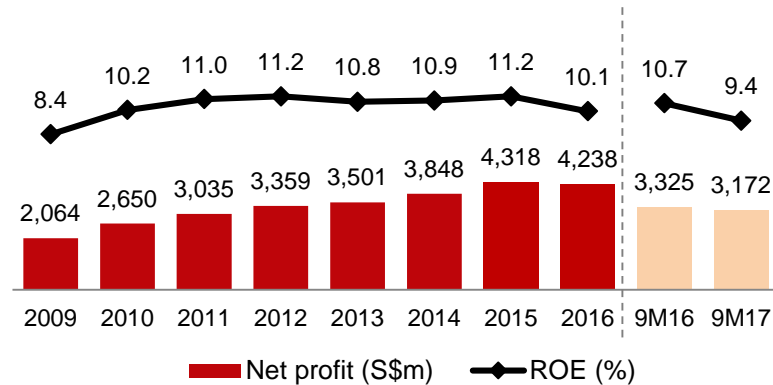


Quarterly average total income of selected segments

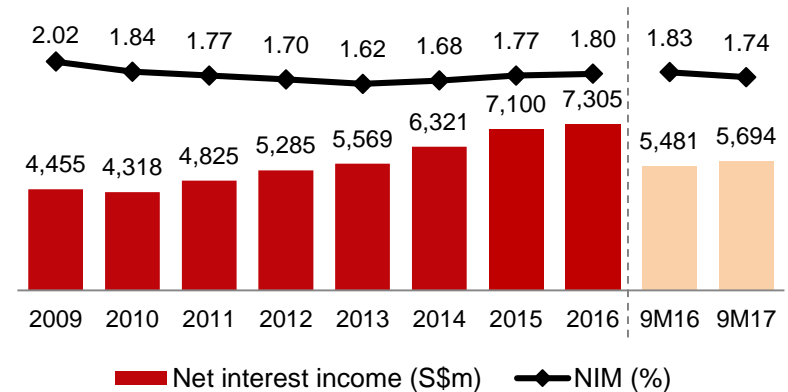


Consistent financial performance reflecting successful execution of strategic priorities & strength of franchise

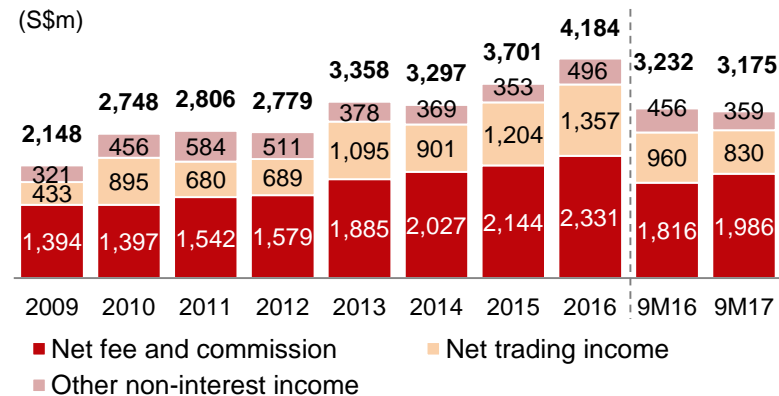
Net profit ^{1/} has more than doubled since 2009



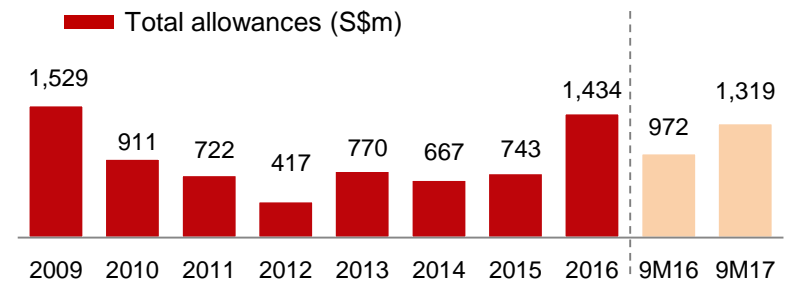
Net interest income increasing



Non-interest income ^{2/} : broad-based growth since 2009



Asset quality sound with prudent provisioning



Uncertainty over oil & gas support services asset quality removed with accelerated NPL recognition and specific allowances

1/ Excluding one-time items

2/ Excluding one-time items. "Other non-interest income" includes "share of profit of associates" with effect from 2016 and 2015 comparatives have been aligned to the current presentation

Agenda

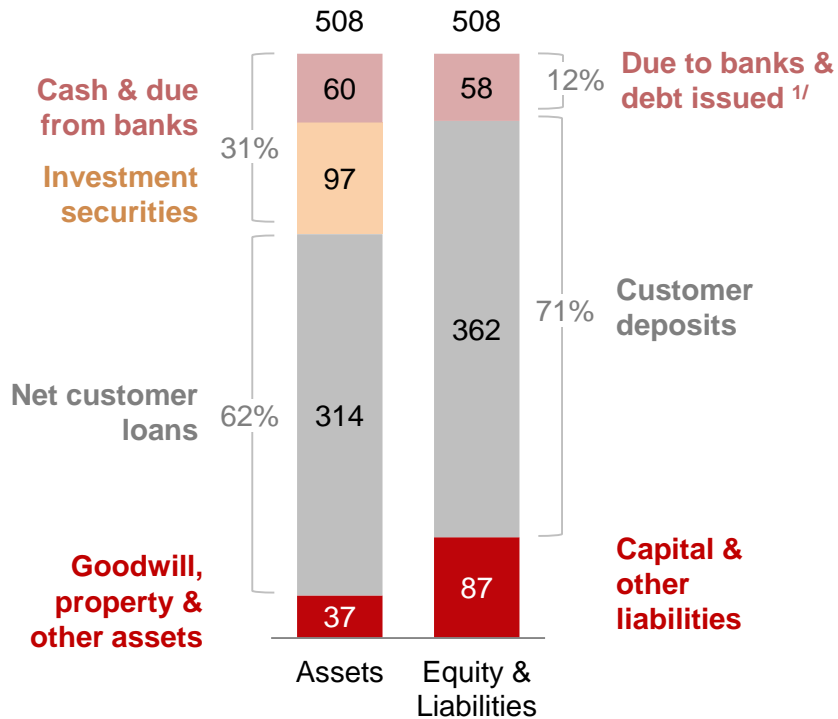
Franchise highlights

Balance sheet and capital

Wholesale funding

Strong liquidity position supported by leading market share in stable low cost SGD retail deposits

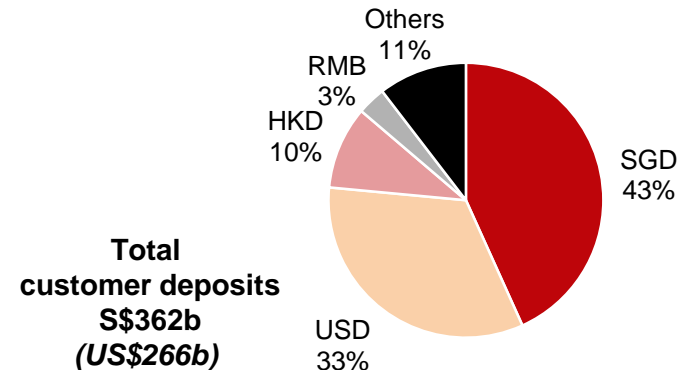
Group balance sheet – 30 Sep 17 (S\$b)



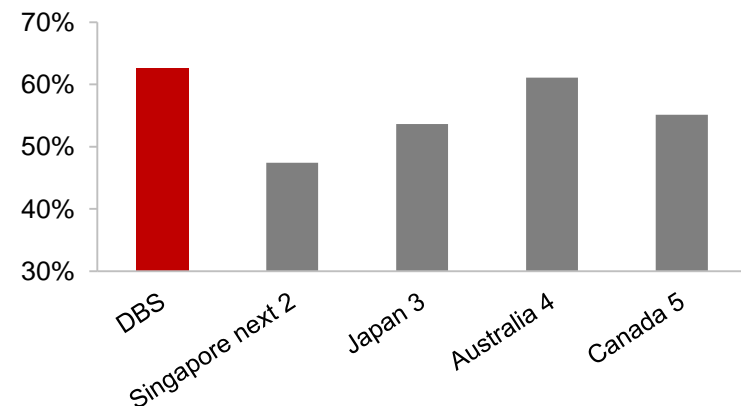
Ratios (%)

LDR	87
LCR	143 ^{2/}

Customer deposits by currency – 30 Sep 17



CASA deposits (% of total deposits) ^{3/}



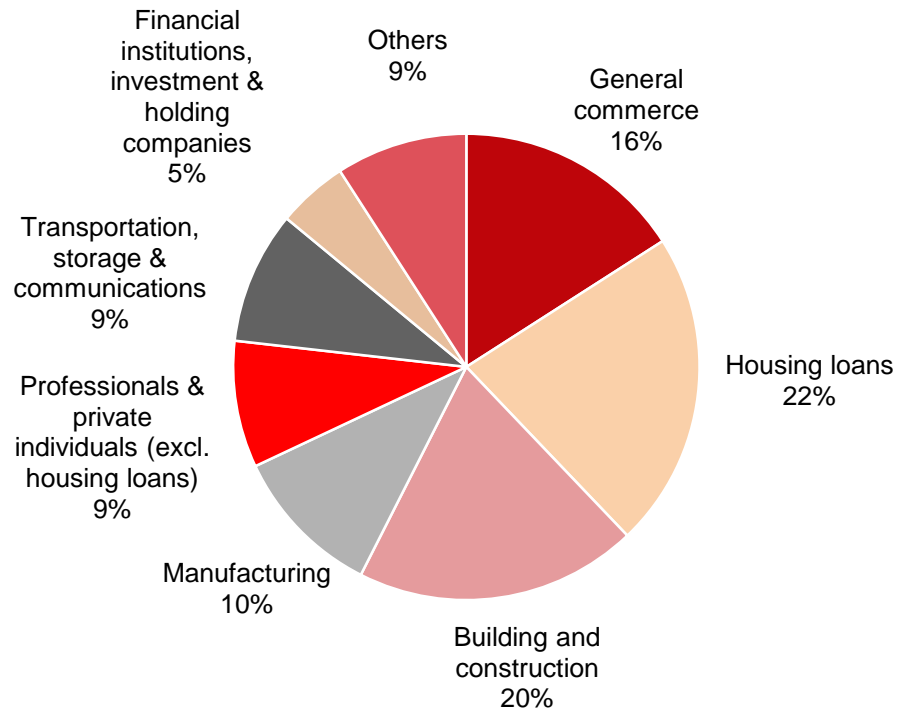
^{1/} Debt issued includes medium term notes, commercial papers, certificates of deposit & other debt securities, and excludes subordinated debt

^{2/} Average all-currency liquidity coverage ratio for 9M17

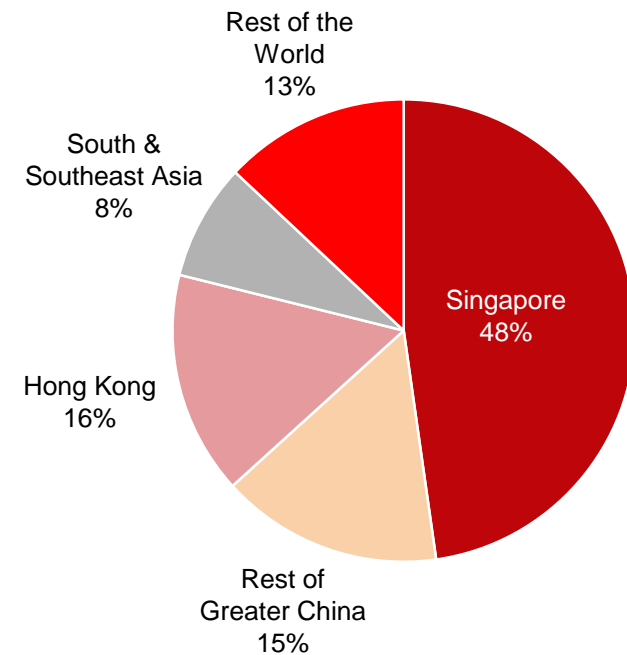
^{3/} Based on latest available company filings

Well-diversified loan portfolio

Loan mix by industry



Loan mix by geography

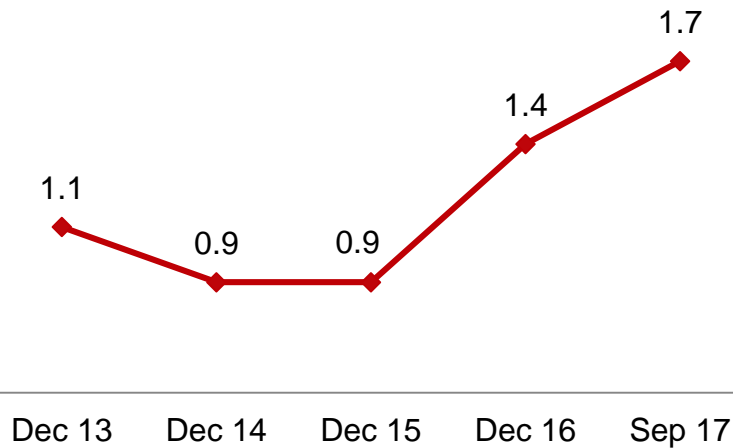


30 Sep 2017 gross customer loans
S\$319b
(US\$234b)

Loans by geography are classified according to the country of incorporation of the borrower, or the issuing bank in the case of bank backed export financing

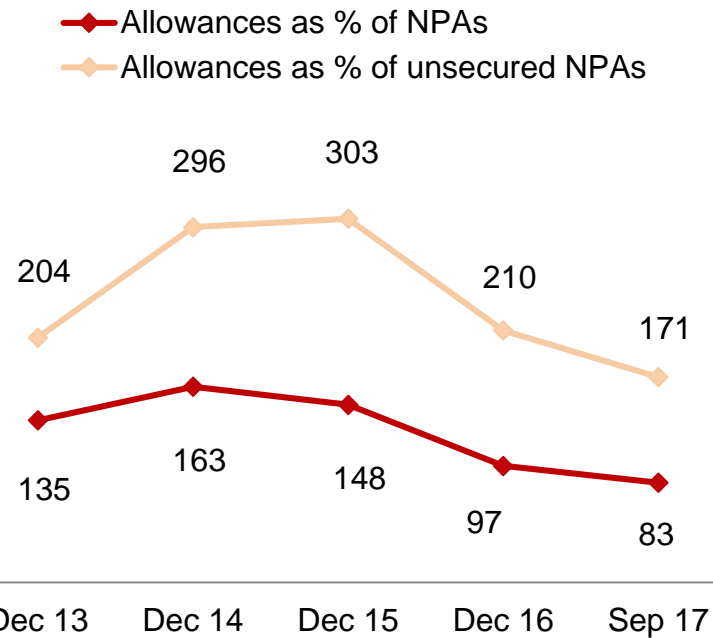
Asset quality remains sound overall, allowance coverage prudent

NPL ratio (%)



- ▶ Excluding the oil & gas support services portfolio, the NPL rate of 0.9% has been stable over several quarters

NPA coverage (%)

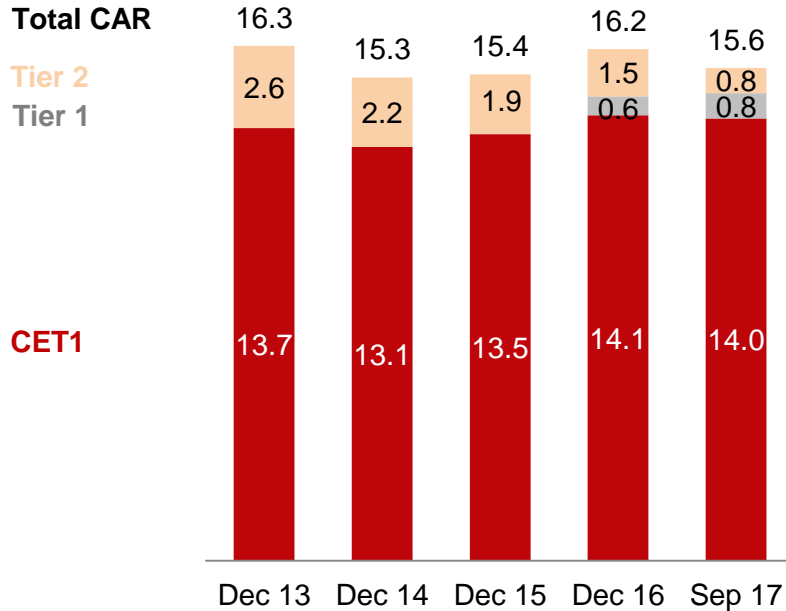


- ▶ General allowances reserves of \$2.6 billion exceed MAS 1% GP and FRS 109 requirements

Strong CET1 & leverage ratios

CET1 & leverage ratios well above regulatory minimums

(%)



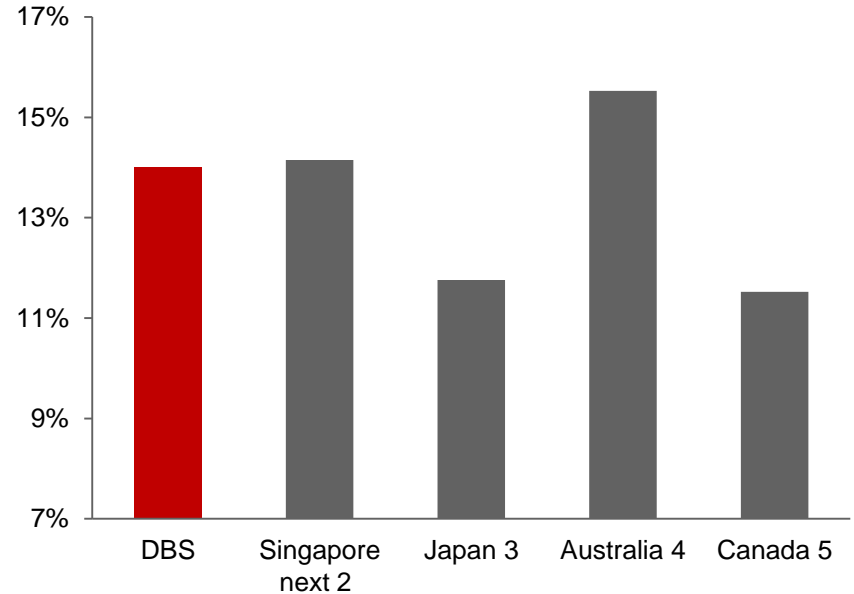
Fully-loaded B3 CET1 CAR 11.9% 11.9% 12.4% 13.3% **13.6%**

vs. MAS 9% eventual minimum
(including Capital Conservation Buffer)

Leverage ratio 7.7% **7.5%**

vs. Basel Committee's 3% minimum

CET1 CAR (%) relative to major banks ^{1/}



Transitional CET1 ratios shown. On a fully-loaded B3 basis, DBS's CET1 ratio is highest among domestic banks

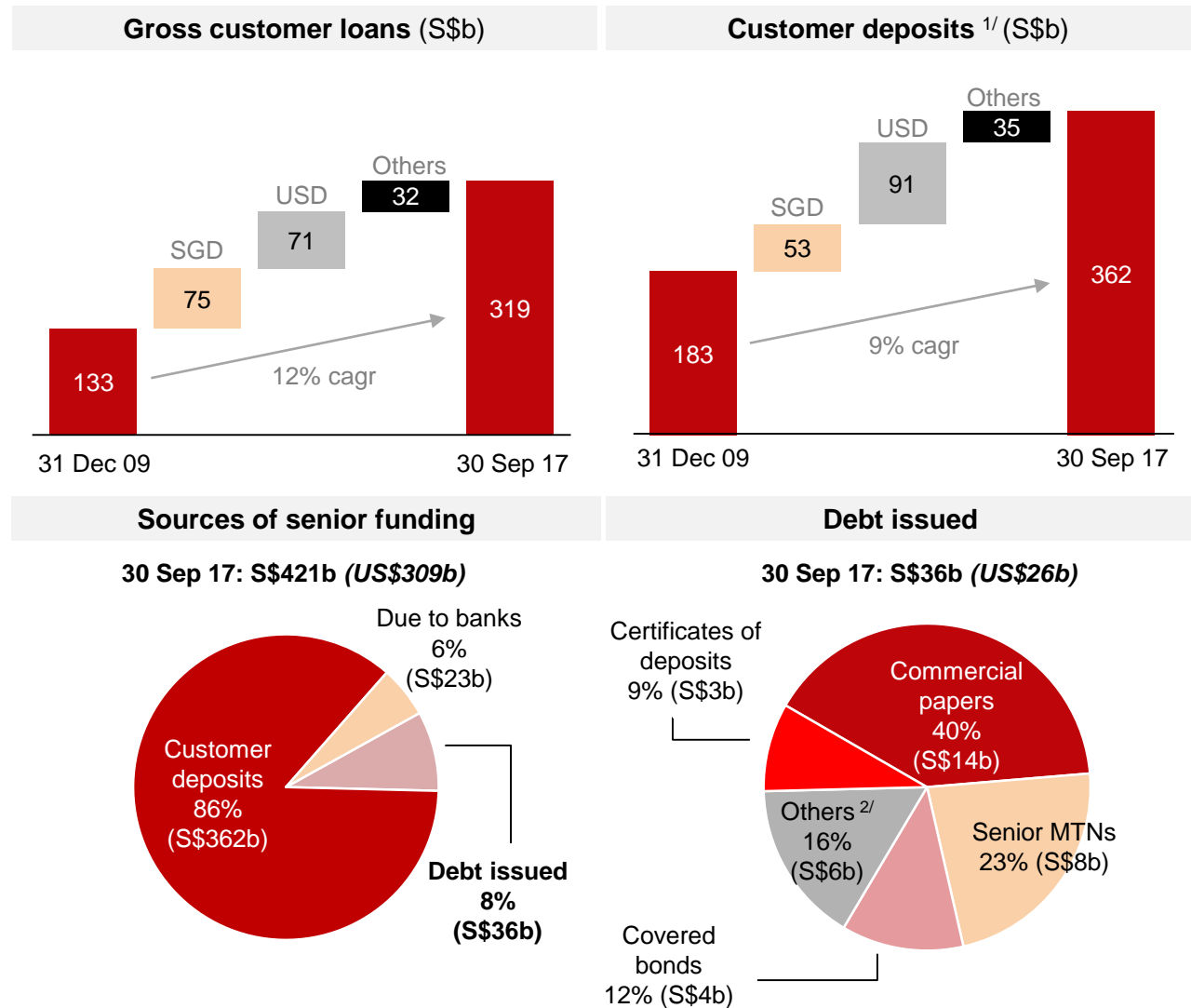
^{1/} Based on latest available company filings

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- Wholesale funding

Wholesale funding: diversifying for business stability

- ▶ Well-funded in SGD due to SGD deposit franchise
- ▶ Improved SGD balance sheet efficiency since 2009
- ▶ Captured post-GFC opportunities in regional USD lending
- ▶ At the same time strengthened USD deposit base
- ▶ Foreign currency funding sources diversified in 2015 with establishment of a US\$10b Global Covered Bond Programme & four issues to date



1/ Including deposits related to fund management activities from 2012 onwards. Prior to 2012, these deposits were classified as "Due to banks"

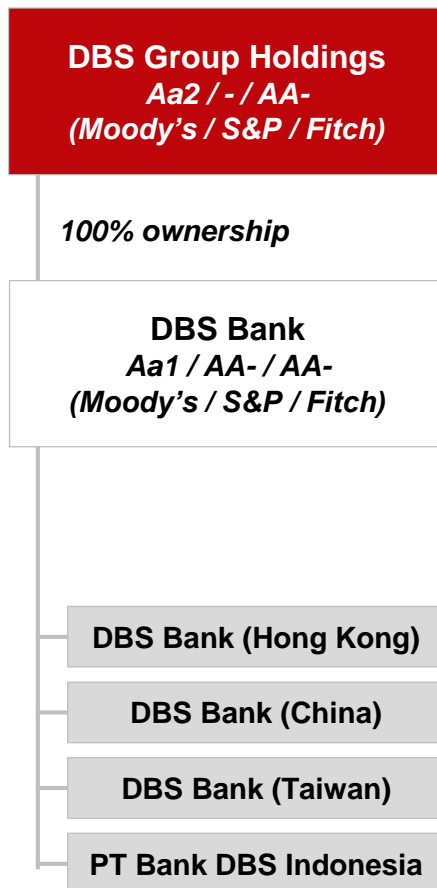
2/ Including equity-linked notes, credit linked notes, interest linked notes, FX linked notes & fixed rate bonds

Issuance structure & preferences

Straightforward balance sheet with DBS Bank as the sole direct operating subsidiary

DBS Bank is the holding company of other subsidiaries of the group

Main banking subsidiaries



DBS Group Holdings

Additional Tier 1, Tier 2 & senior MTNs ^{1/}

- ▶ 144a / Reg S GMTN programme
- ▶ Public benchmarks & private placements

DBS Bank

Senior MTNs & covered bonds

- ▶ 144a / Reg S GMTN & Global Covered Bond programmes
- ▶ Public benchmarks (cov) & private placements (senior)

Commercial paper

- ▶ USD: USCP programme
- ▶ Multi-currency: ECP programme

DBS Bank subsidiaries

Certificates of deposit

- ▶ Hong Kong: Multi-currency programme
- ▶ Taiwan: Local currency programme
- ▶ Indonesia: Stand-alone issuances

Additional Tier 1, Tier 2 & senior MTNs

- ▶ Stand-alone documentation
- ▶ Local currency public benchmarks & private placements

Senior unsecured ratings shown

^{1/} Senior liabilities are not subject to bail-in in Singapore; the scope of bail-in is limited to unsecured subordinated debt and loans, contingent convertible instruments and other contractual bail-in instruments (cf. MAS monograph titled "MAS' Approach to Resolution of Financial Institutions in Singapore" issued in Aug 2017)