

First Quarter 2004 Results

Presentation

30 April 2004



- **Results at a Glance**
- **Income Statement Trends**
- **Loans and Deposits**
- **Asset Quality and Provisions**
- **Conclusion**

Results at a Glance

	1Q04	1Q03	YoY	4Q03	QoQ
	S\$m	S\$m	+/(-)%	S\$m	+/(-)%
Net Interest Income	365	352	4	369	(1)
Non-interest income	161	148	9	206	(22)
- <i>Fee Income</i>	115	82	40	103	12
Total Income	526	499	5	575	(9)
Operating Expenses	206	201	2	216	(5)
Operating Profit	320	298	7	358	(11)
Goodwill	32	32	0	32	(0)
Provisions	20	64	(68)	54	(62)
Associates	62	11	449	94	(34)
Net Profit	256	159	61	279	(8)

Results Adjusted for Non-Core Asset Divestment

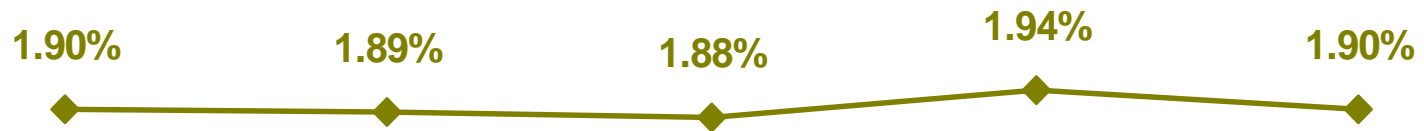
	1Q04	1Q03	YoY	4Q03	QoQ
	S\$m	S\$m	+/(-)%	S\$m	+/(-)%
Adjusted Operating Profit	320	298	7	308	4
Adjusted Net Profit	256	159	61	224	14

Note: Adjusted to exclude the following net gains from divestment of non-core assets:
4Q03 - Mount Emily property (S\$36m), WBL Corp (S\$4m), Raffles Hotel (S\$14m under associates)

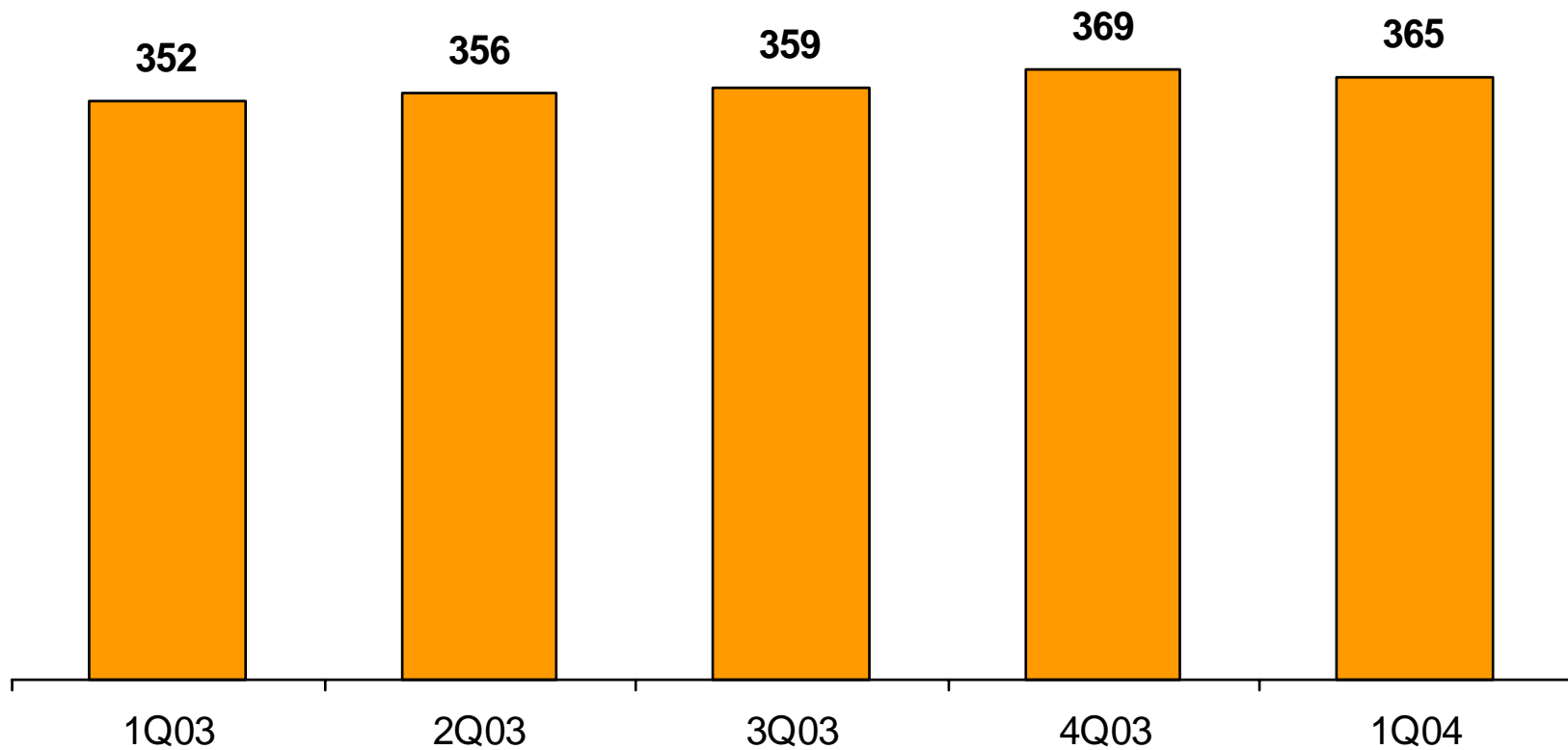
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Net Interest Income and Margin Stable

Net interest margin

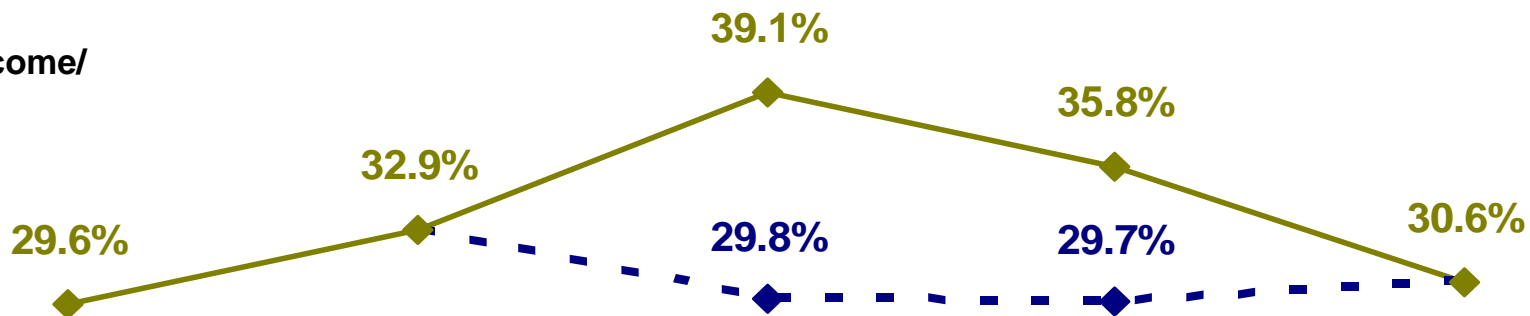


Net interest income (\$m)

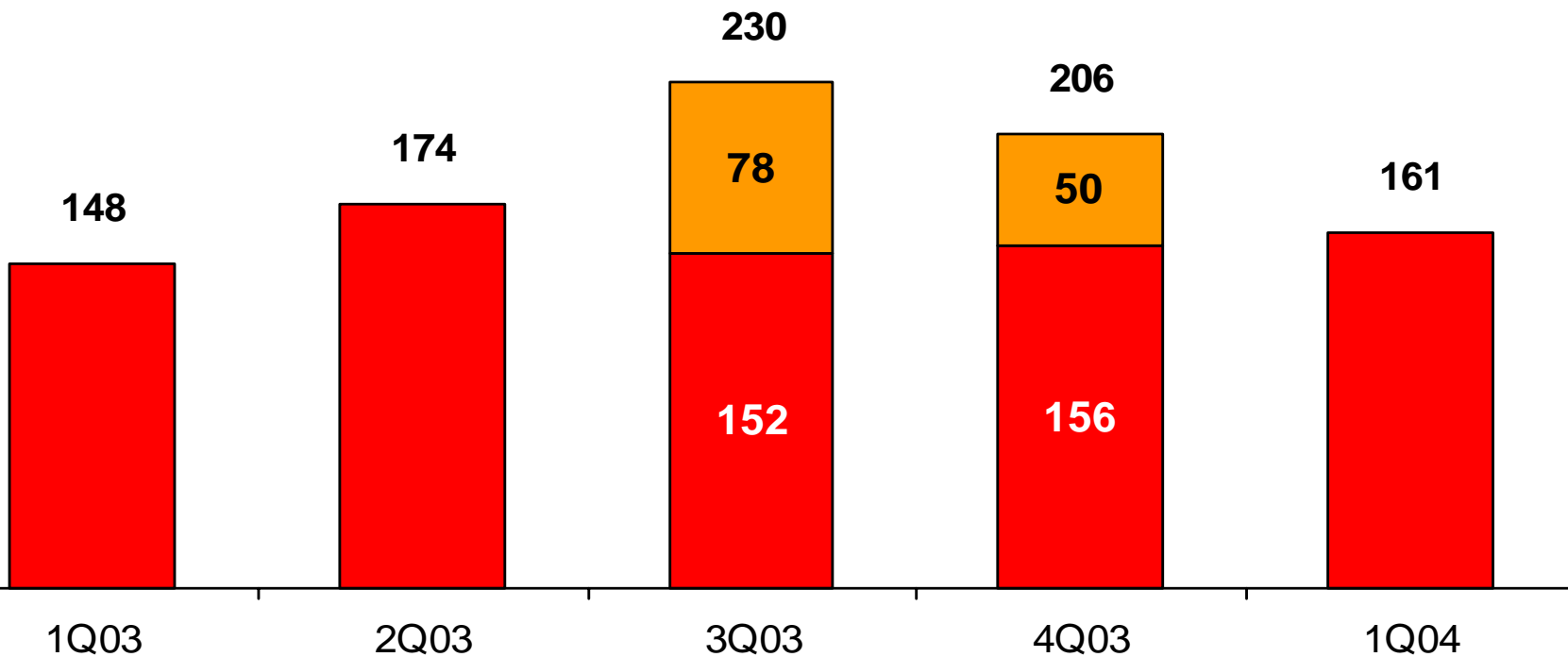


Non-Interest Income

Non-interest income/
Total income



Non-interest
income
(S\$m)



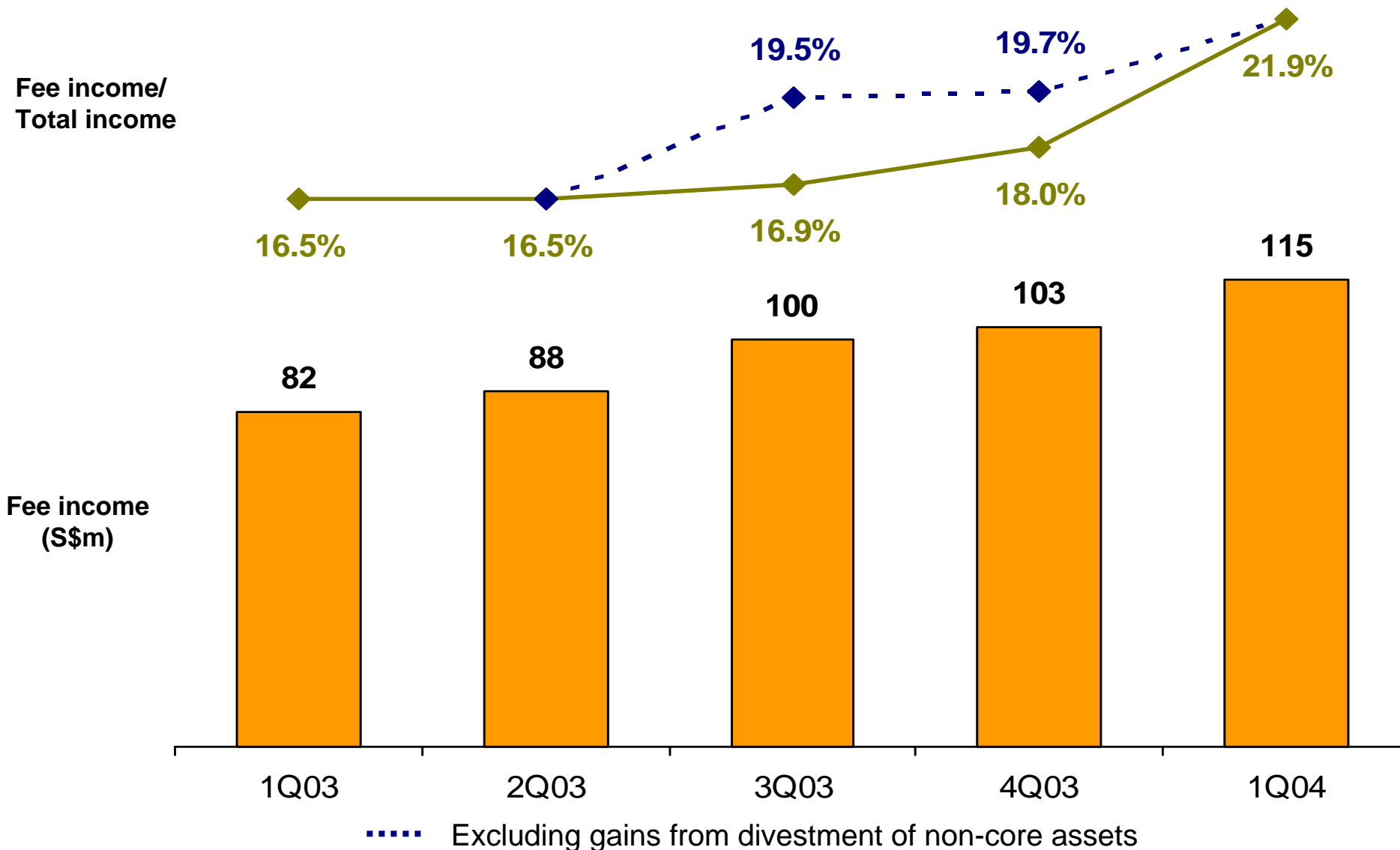
Gains from divestment of non-core assets



Excluding gains from divestment of non-core assets

Fee Income Boosted by Strong Wealth

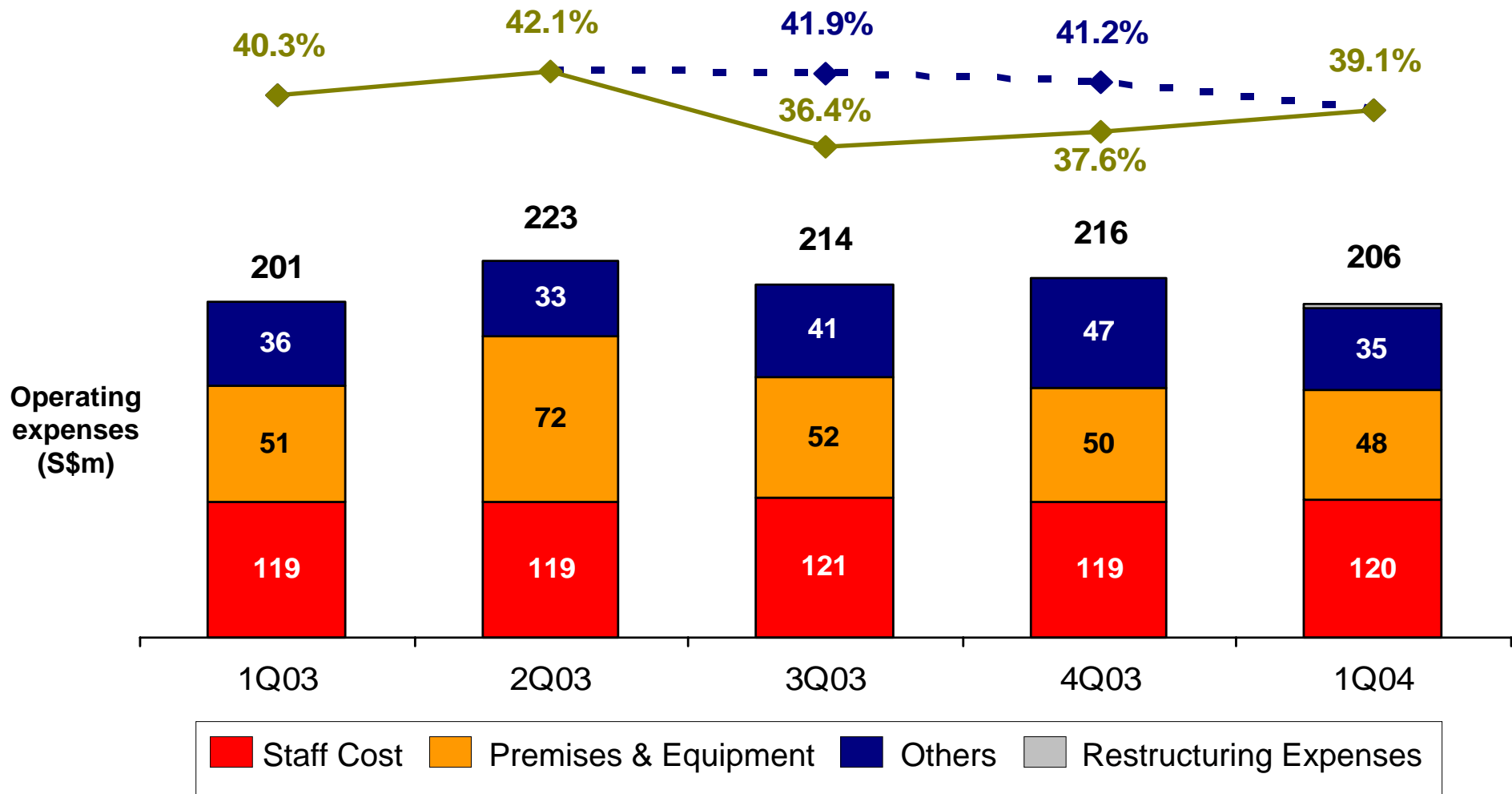
Management Sales and Increased Cross-Selling



..... Excluding gains from divestment of non-core assets

Operating Expenses Remain Stable

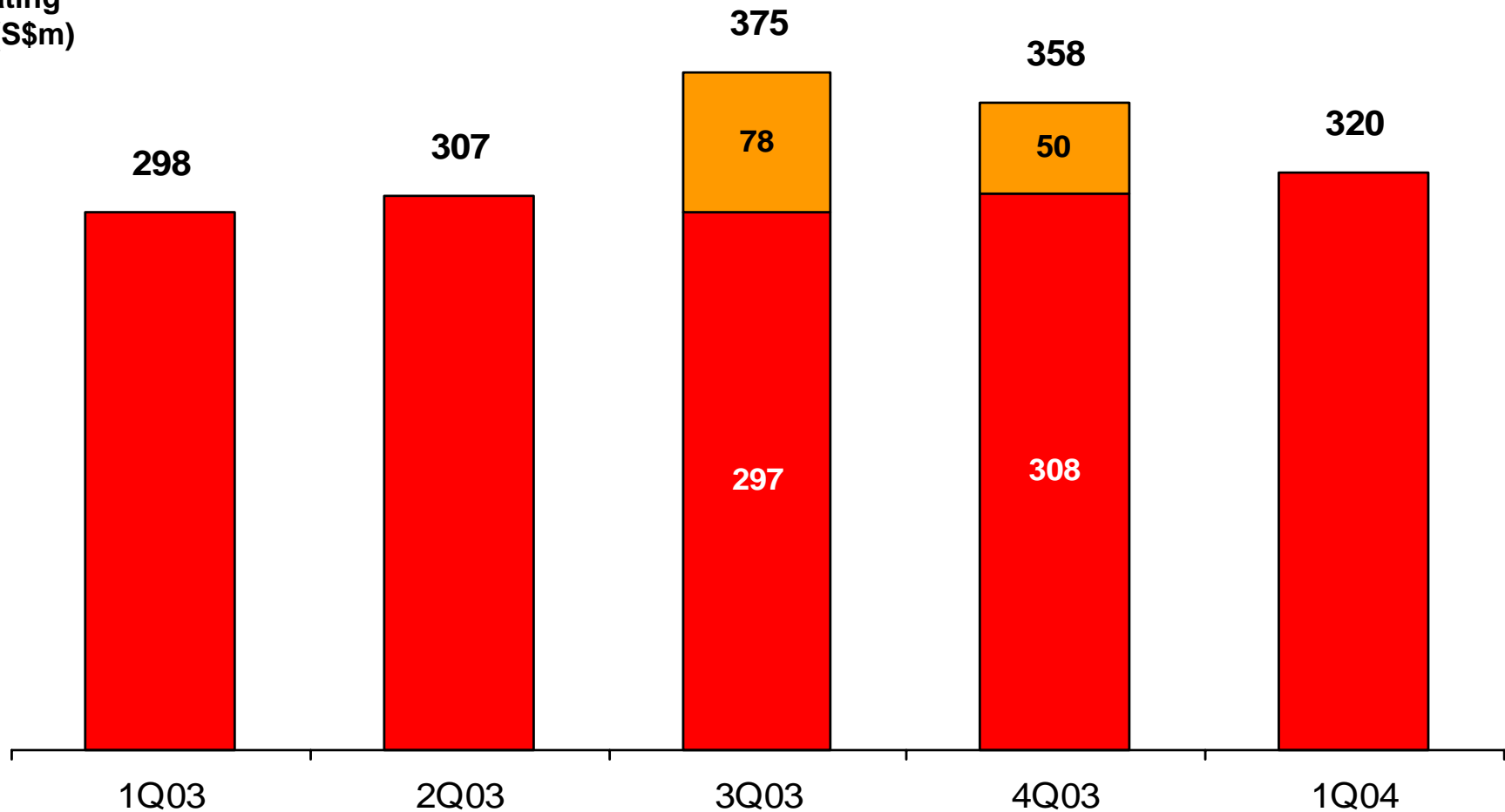
Cost-to-Income Ratio



..... Excluding gains from divestment of non-core assets

Growth in Core Operating Profit before Provisions and Goodwill

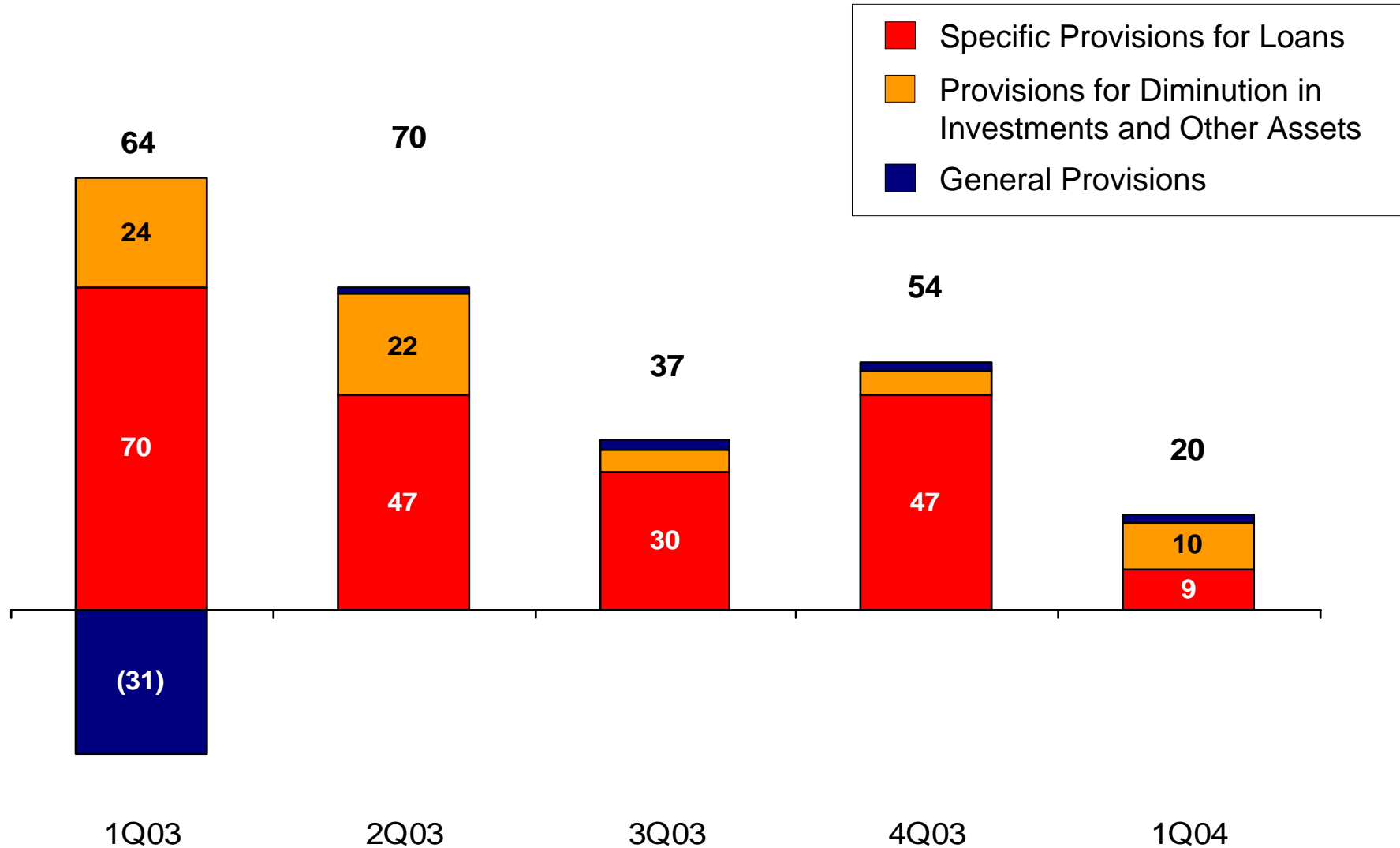
Operating Profit (S\$m)



 Gains from divestment of non-core assets

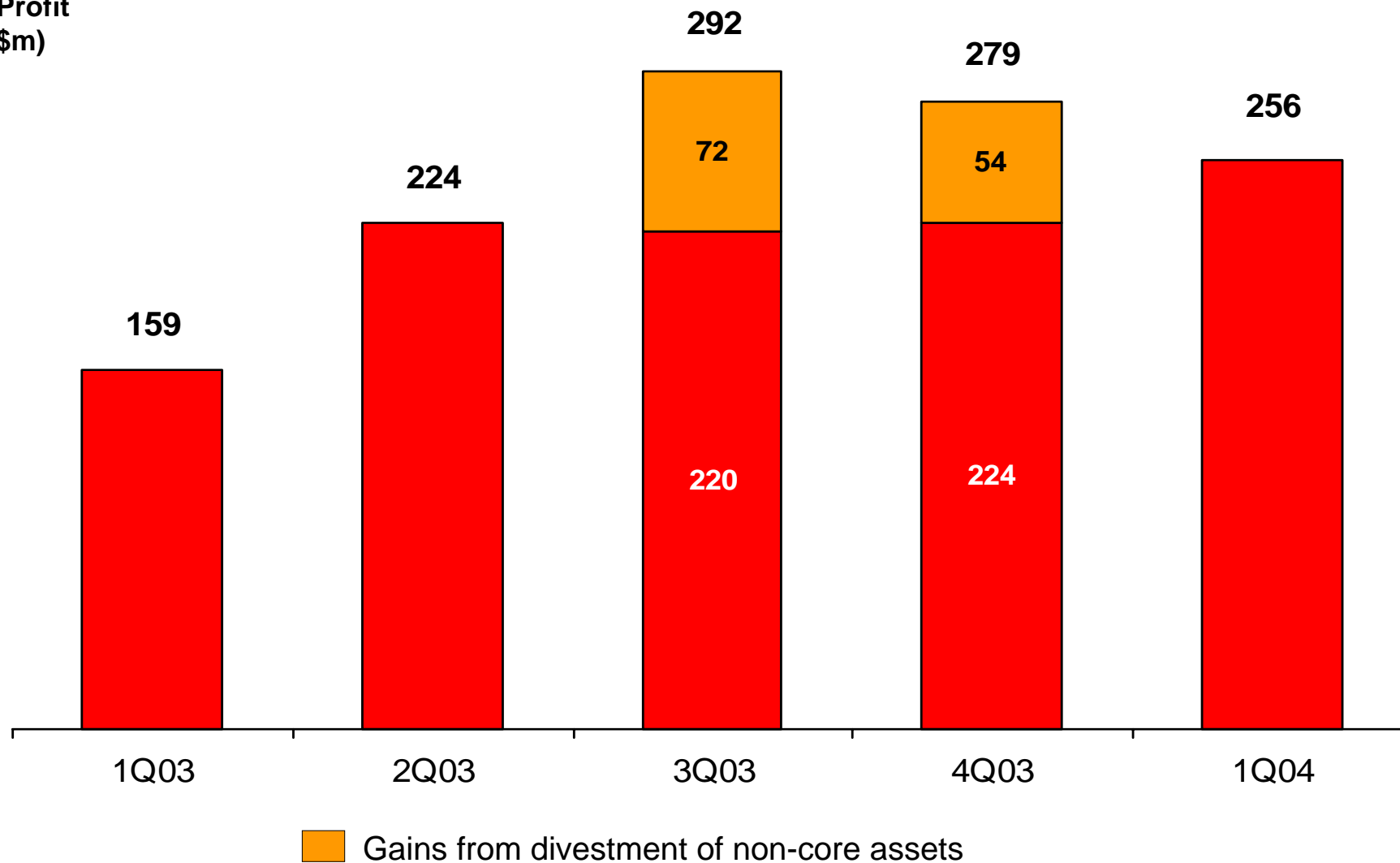
Provision Charges Remain Stable

(S\$m)

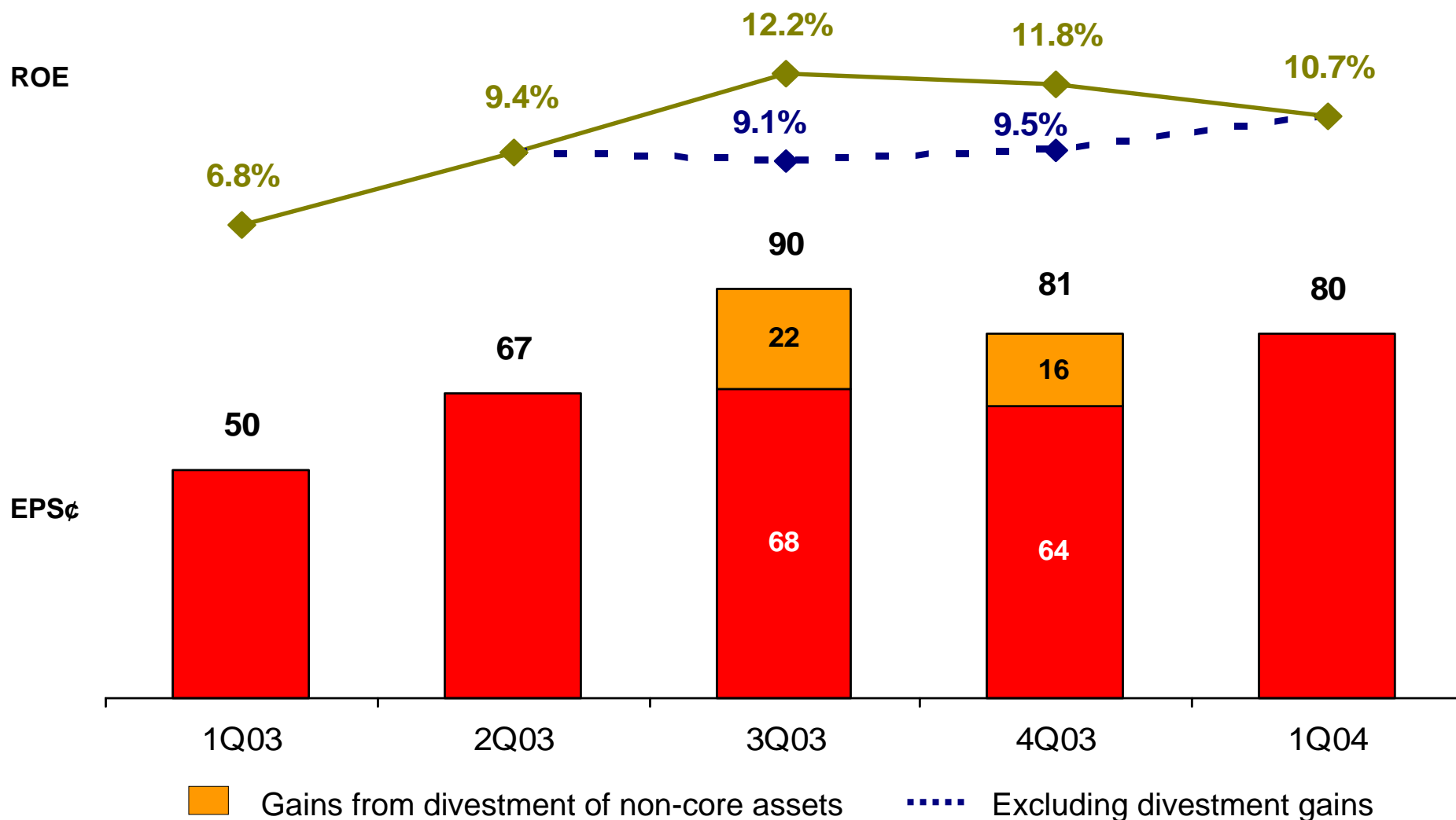


Steady Growth in Net Profit Excluding Non-Core Asset Divestment Gains

Net Profit
(S\$m)



EPS and ROE

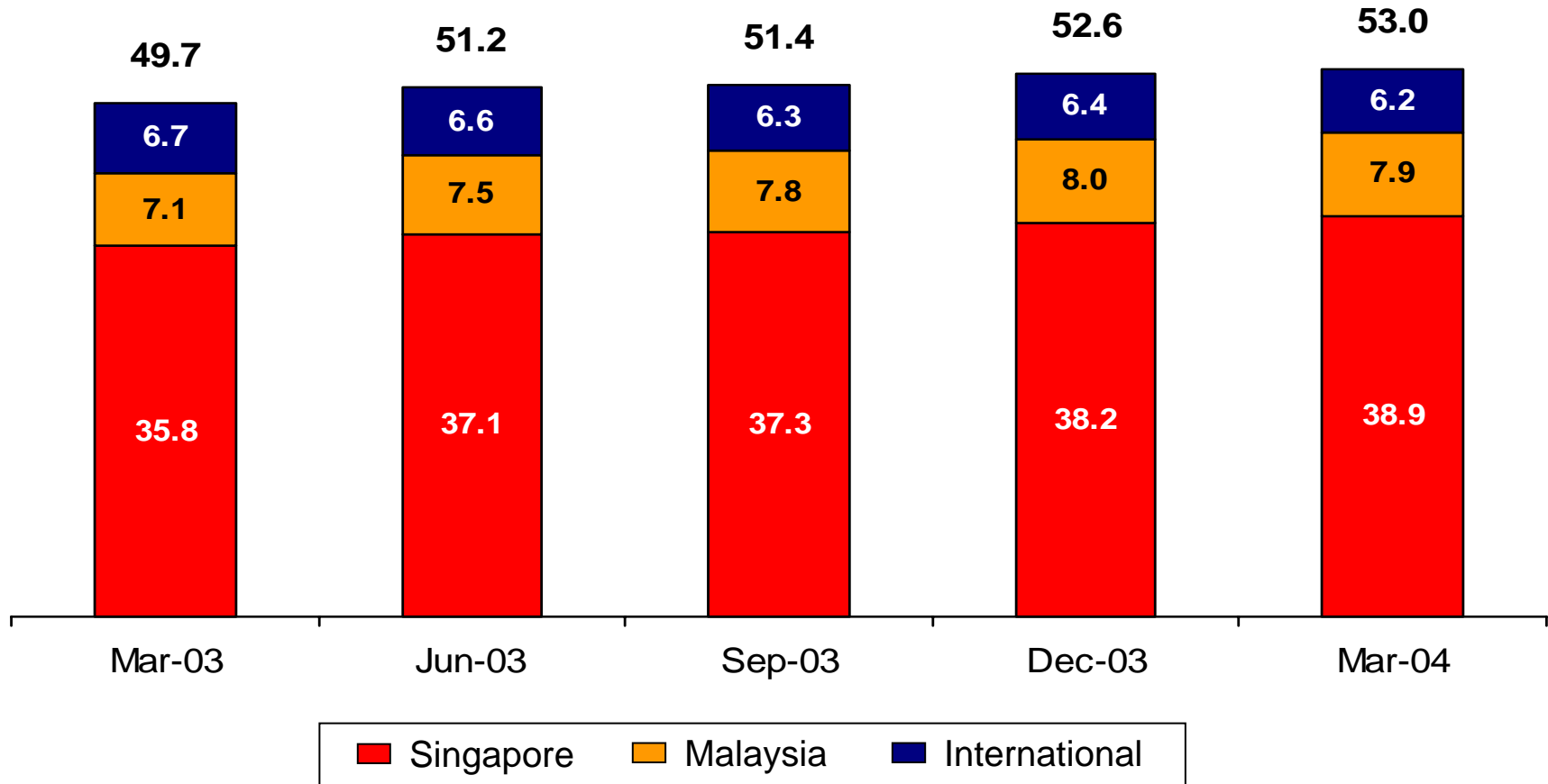


Note: Quarterly ROE and EPS are annualised; ROE refers to return on ordinary shareholders' funds

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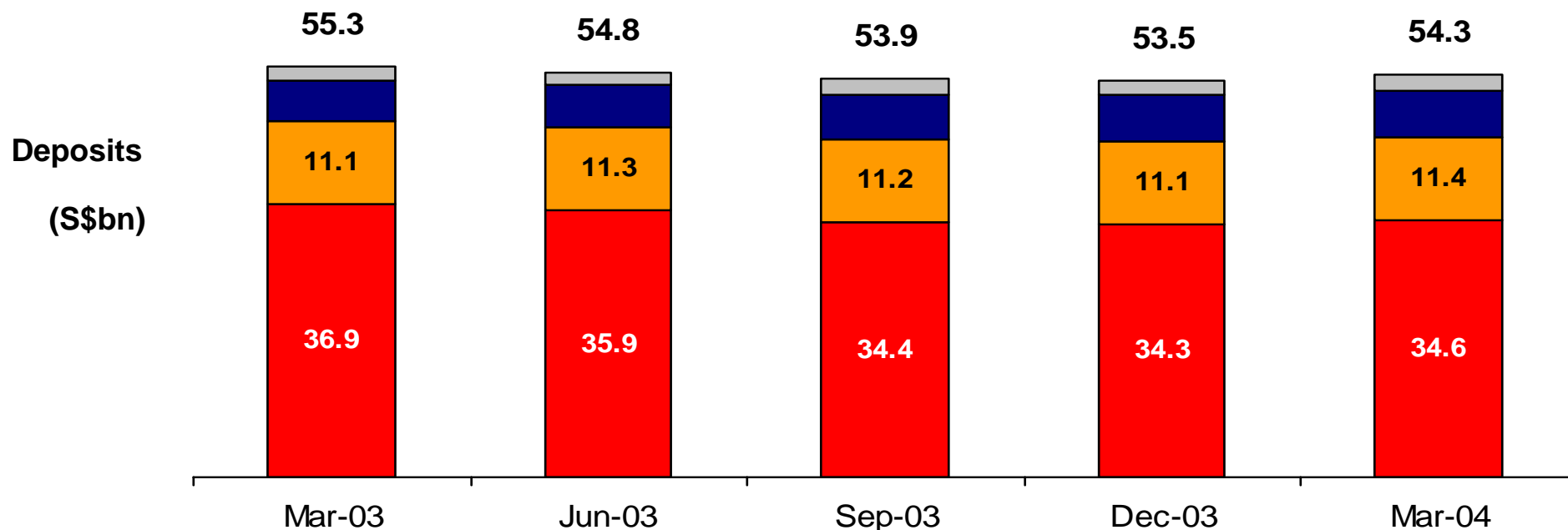
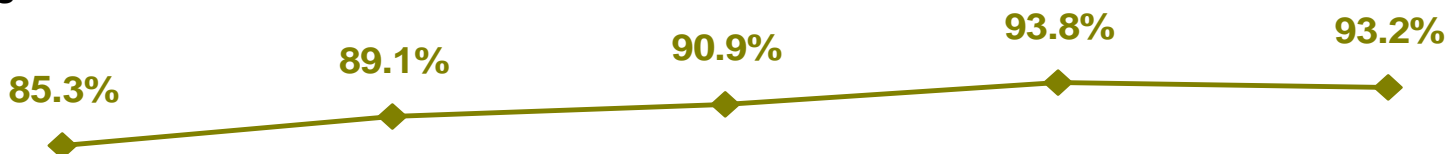
Loan Growth Driven by Consumer Loans

Loans
(S\$bn)



Deposits and Loans-Deposits Ratio

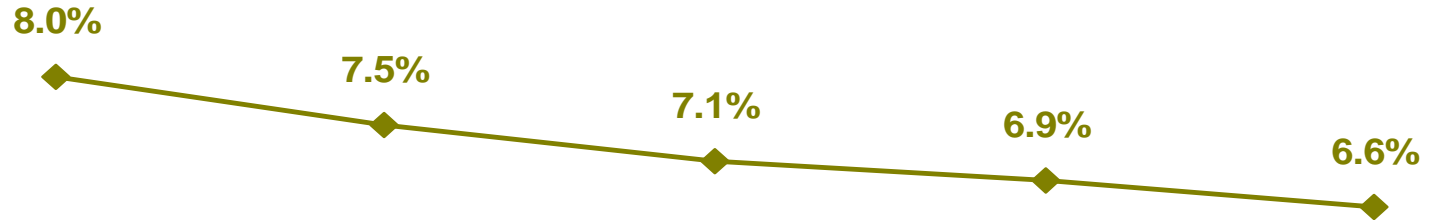
Loans-to-deposits



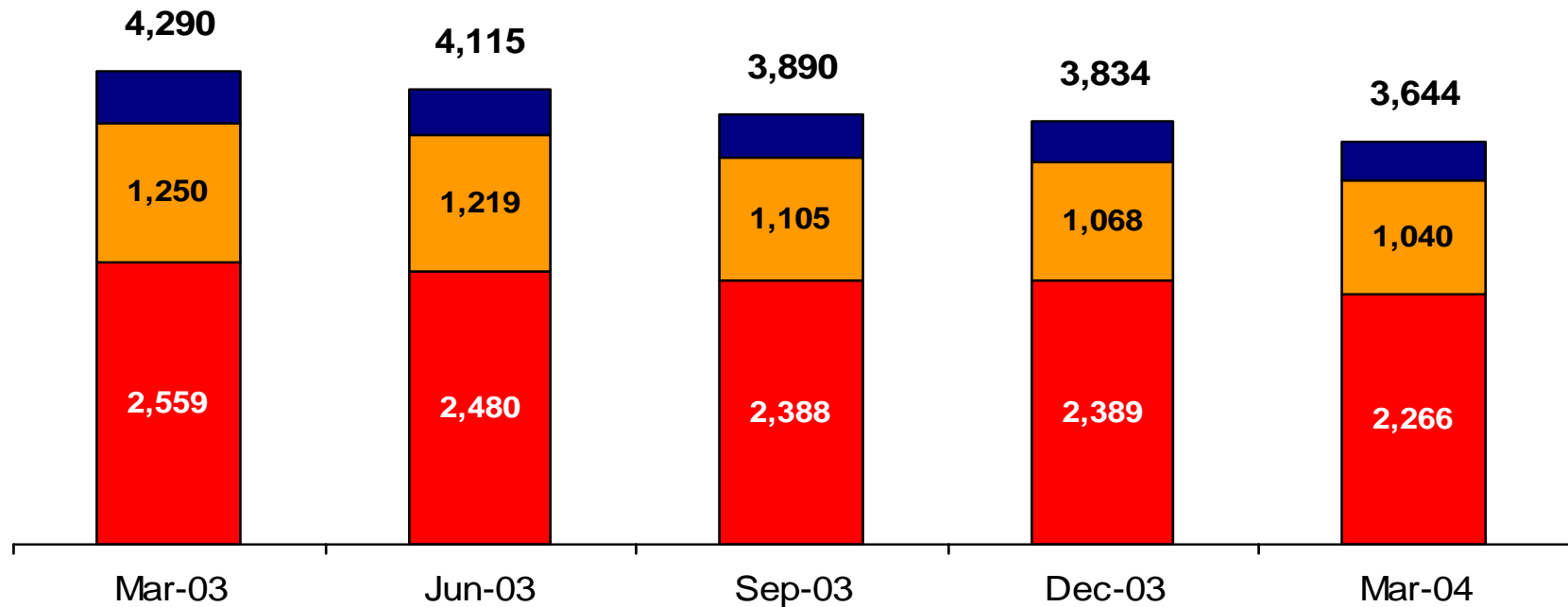
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Sustained Improvement in Asset Quality

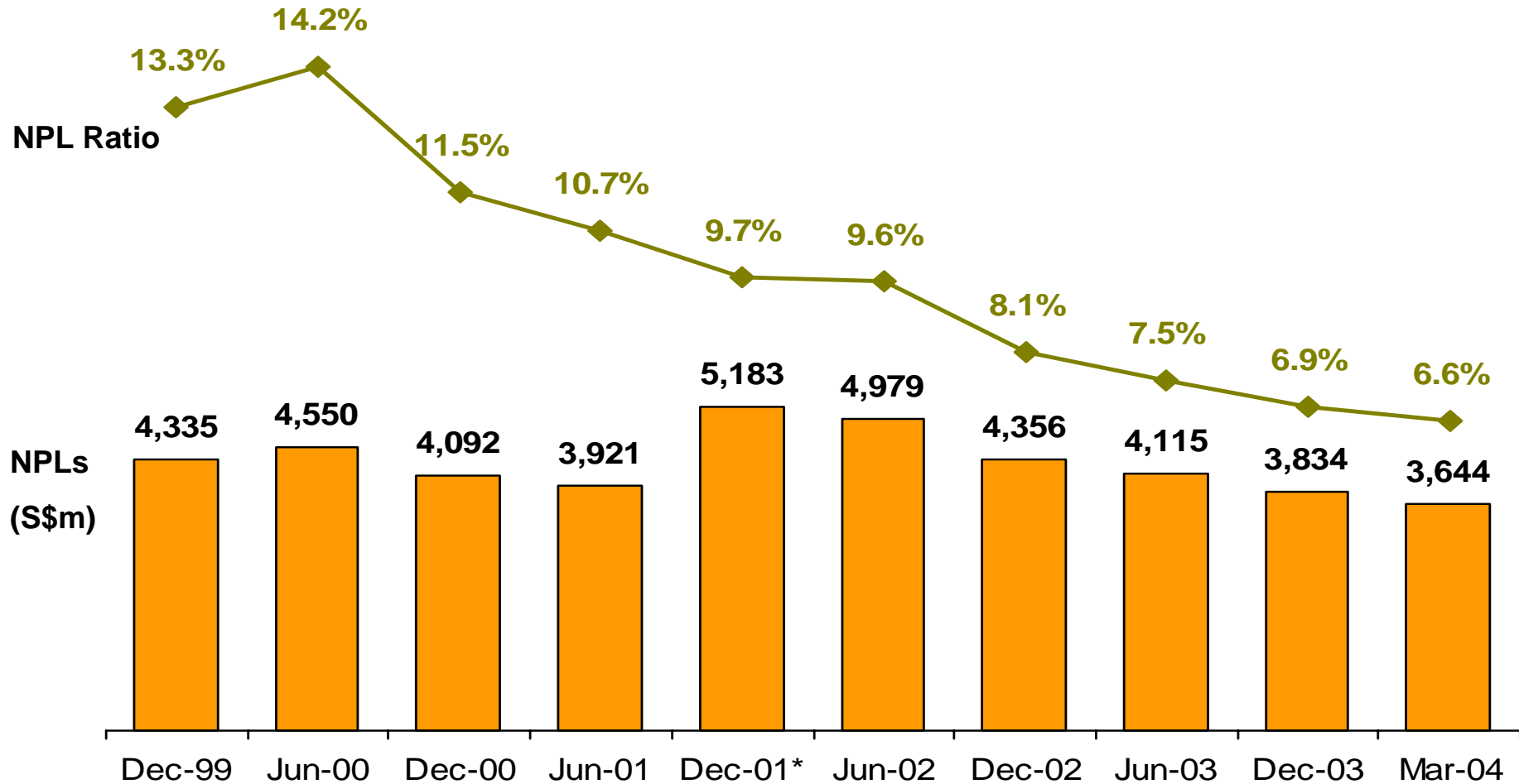
NPL Ratio



NPLs (S\$m)



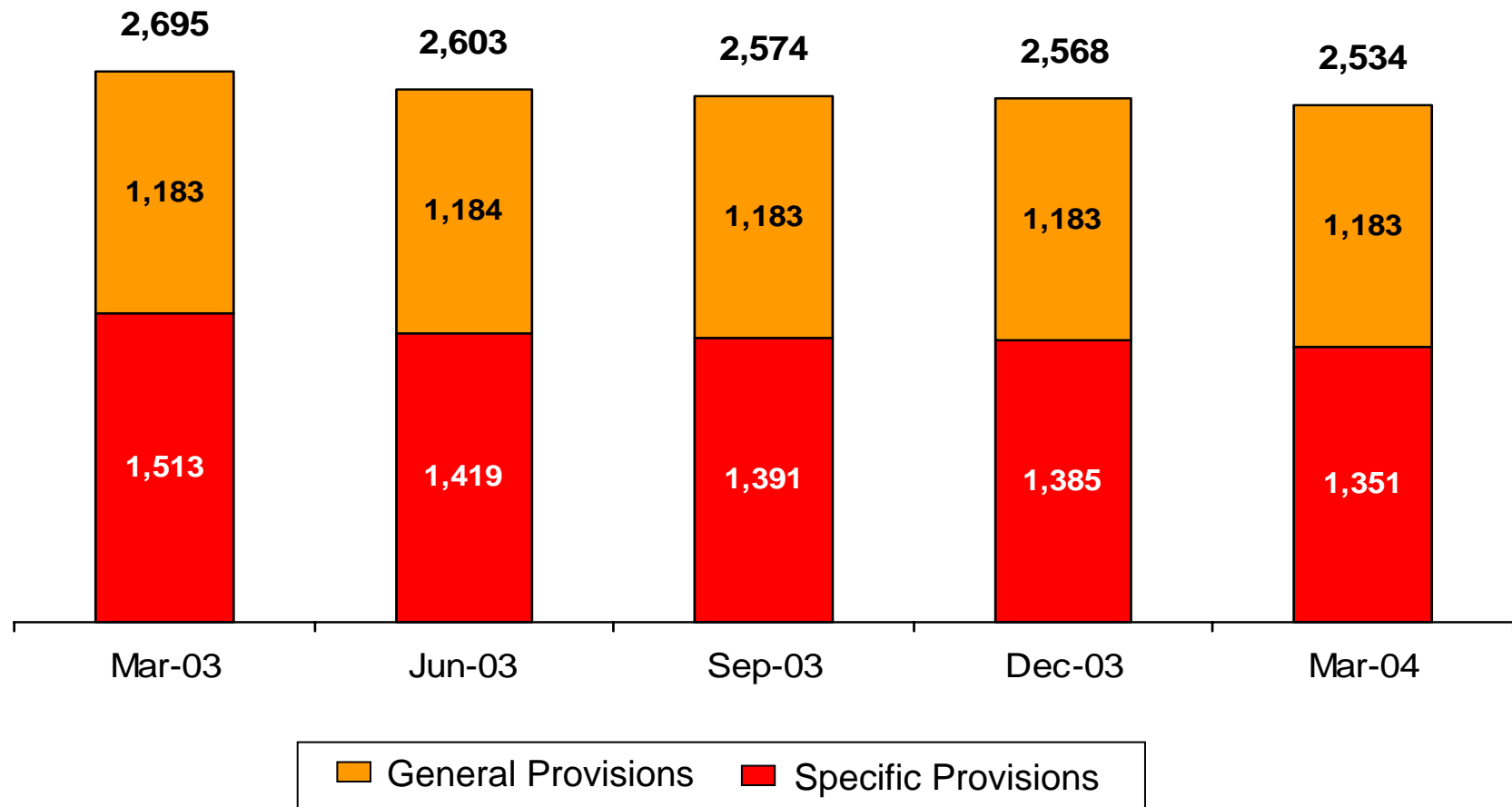
NPL Ratio Down Sharply from the Peak



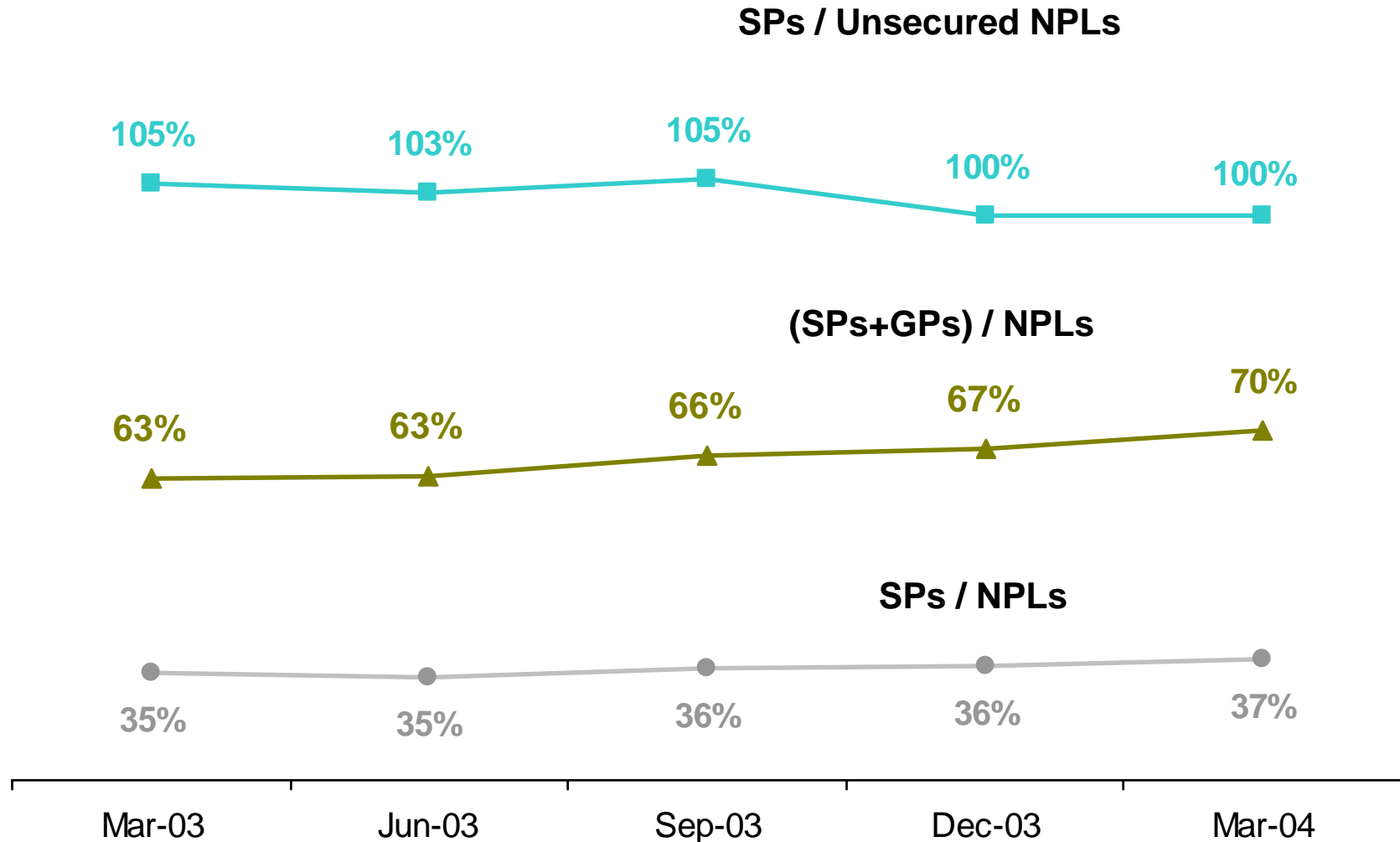
* Increase in absolute NPLs was due to acquisition of of Keppel Capital Holdings

Cumulative Provisions

(S\$m)



Provision Coverage Remains Prudent



- **Healthy set of results, underpinned by growth in both net interest income and fee income, and reflecting results of credit process improvement**
- **Fee income growth driven by wealth management distribution capability and increased cross-selling**
- **New Horizons initiatives and targets remain on track**
- **Malaysia business continues to grow**
- **Great Eastern offer in progress and second quarter results will consolidate GEH**