



DBS Group Holdings Ltd
Incorporated in the Republic of Singapore
Company Registration Number: 199901152M

To: Shareholders

The DBS Group Holdings Ltd ("DBSH" or "the Company") Board of Directors report unaudited financial results for the second quarter ended 30 June 2011.

For the first half of 2011, the Directors have declared an interim one-tier tax-exempt dividend of 28 cents (first half 2010: 28 cents) for each DBSH non-voting convertible preference share ("CPS") and each DBSH non-voting redeemable CPS, and an interim one-tier tax-exempt dividend of 28 cents (first half 2010: 28 cents) for each DBSH ordinary share. The DBSH Scrip Dividend Scheme will be applied to these dividends.

The first half 2011 one-tier tax exempt dividend is currently scheduled to be paid on or about 30 September 2011. The DBSH shares will be quoted ex-dividend on 8 August 2011. Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 12 August 2011. Duly completed transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services of 8 Cross Street #11-00 PWC Building, Singapore 048424 up to 5.00 p.m. on 11 August 2011 will be registered to determine shareholders' entitlement to the first half 2011 one-tier tax exempt dividend. In respect of ordinary shares in the securities accounts with The Central Depository (Pte) Limited ("CDP"), the 2011 one-tier tax exempt dividend will be paid by DBSH to CDP, which will in turn distribute the dividend entitlements to shareholders.

A separate announcement which will outline further administrative details on the application of the DBSH Scrip Dividend Scheme to the first half 2011 dividend will be made in due course.

By order of the Board

Linda Hoon
Group Secretary

27 July 2011
Singapore

More information on the above announcement is available at www.dbs.com/investor



Performance Summary

Unaudited Financial Results
For the First Half / Second Quarter ended
30 June 2011

DBS Group Holdings Ltd
Incorporated in the Republic of Singapore
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DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

OVERVIEW

DBS Group Holdings Ltd (“DBSH”) prepares its condensed consolidated DBSH Group (“Group”) interim financial statements in accordance with Singapore Financial Reporting Standard (“FRS”) No. 34 Interim Financial Reporting, as modified by the requirements of Notice to Banks No. 612 “Credit Files, Grading and Provisioning” issued by the Monetary Authority of Singapore. The accounting policies and methods of computation applied for the current financial periods are consistent with those applied for the financial year ended 31 December 2010, with the exception of the adoption of new or revised FRS and Interpretations to FRS (“INT FRS”).

On 1 January 2011, the Group adopted the following new or revised FRS and INT FRS that are issued by the Accounting Standard Council (ASC), and are relevant for the Group:

- FRS 24 Related Party Disclosures (2009)
- Improvements to FRSs (2010)

Refer to page 27 for more information.

	2nd Qtr 2011	2nd Qtr 2010	% chg	1st Qtr 2011	% chg	1st Half 2011	1st Half 2010	% chg
Selected income statement items (\$m)								
Net interest income	1,199	1,067	12	1,122	7	2,321	2,133	9
Net fee and commission income	387	358	8	416	(7)	803	699	15
Other non-interest income	252	390	(35)	371	(32)	623	696	(10)
Total income	1,838	1,815	1	1,909	(4)	3,747	3,528	6
Expenses	798	717	11	773	3	1,571	1,419	11
Profit before allowances	1,040	1,098	(5)	1,136	(8)	2,176	2,109	3
Allowances for credit and other losses	137	204	(33)	125	10	262	559	(53)
Profit before tax	934	919	2	1,035	(10)	1,969	1,597	23
Net profit	735	718	2	807	(9)	1,542	1,250	23
Goodwill charges	-	(1,018)	NM	-	-	-	(1,018)	NM
Net profit/(loss) including goodwill charges	735	(300)	NM	807	(9)	1,542	232	>100
Selected balance sheet items (\$m)								
Customer loans ^{1/}	168,706	146,070	15	157,455	7	168,706	146,070	15
Interbank assets ^{2/}	24,577	21,846	13	26,097	(6)	24,577	21,846	13
Total assets	309,492	276,250	12	292,937	6	309,492	276,250	12
Customer deposits ^{3/}	210,536	183,929	14	199,536	6	210,536	183,929	14
Total liabilities	277,208	246,522	12	259,986	7	277,208	246,522	12
Shareholders' funds	28,014	25,616	9	27,430	2	28,014	25,616	9
Key financial ratios (%) (excluding goodwill charges ^{4/})								
Net interest margin	1.80	1.84		1.80		1.80	1.88	
Non-interest/total income	34.8	41.2		41.2		38.1	39.5	
Cost/income ratio	43.4	39.5		40.5		41.9	40.2	
Return on assets	0.98	1.07		1.14		1.05	0.93	
Return on equity ^{5/}	10.62	11.08		12.12		11.38	9.80	
Loan/deposit ratio	80.1	79.4		78.9		80.1	79.4	
NPL ratio	1.5	2.3		1.8		1.5	2.3	
Specific allowances (loans)/average loans (bp)	7	19		9		8	56	
Core Tier 1 capital adequacy ratio	11.5	11.1		11.5		11.5	11.1	
Tier 1 capital adequacy ratio	13.5	13.1		14.2		13.5	13.1	
Total capital adequacy ratio	16.5	16.5		17.2		16.5	16.5	

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

	2nd Qtr 2011	2nd Qtr 2010	1st Qtr 2011	1st Half 2011	1st Half 2010
Per share data (\$)					
Per basic share					
– earnings excluding one-time items and goodwill charges	1.26	1.25	1.41	1.33	1.09
– earnings	1.26	0.80	1.41	1.33	0.64
– net book value ^{5/ 6/}	11.69	10.88	11.61	11.69	10.88
Per diluted share					
– earnings excluding one-time items and goodwill charges	1.21	1.20	1.36	1.27	1.04
– earnings	1.21	0.78	1.36	1.27	0.62
– net book value ^{5/ 6/}	11.47	10.68	11.39	11.47	10.68

Notes:

- 1/ Includes customer loans classified as financial assets at fair value through profit or loss on the balance sheet
 - 2/ Includes interbank assets classified as financial assets at fair value through profit or loss on the balance sheet
 - 3/ Includes customer deposits classified as financial liabilities at fair value through profit or loss on the balance sheet
 - 4/ Return on assets, return on equity, specific allowances (loan)/average loan and per share data for the quarters are computed on an annualised basis
 - 5/ Non-controlling interests are not included as equity in the computation of net book value and return on equity
 - 6/ Takes into account 33.6 million shares to be issued on 5 July 2011 pursuant to the Scrip Dividend Scheme
- NM Not Meaningful

Second-quarter net profit fell 9% from the previous quarter as market-related income declined. Underlying operating trends were positive as customer-related income continued to grow.

Net interest income rose 7% from the previous quarter to a record \$1.20 billion. Loans rose 7% from regional corporate borrowing. Net interest margin was stable at 1.80%.

Fee income fell 7% from the previous quarter to \$387 million. Lower contributions from investment banking and stockbroking more than offset improvements in customer fees from wealth management, trade and remittances and credit cards. Other non-interest income fell 32% to \$252 million as trading gains declined. Income from customer flows for treasury products was comparable to the previous quarter.

Expenses rose 3% from the previous quarter to \$798 million, and the cost-income ratio rose to 43%.

The non-performing loan rate improved from 1.8% in the previous quarter to 1.5% due to customer repayments and loan upgrading. Specific allowances remained low at seven basis points of loans compared to nine basis points in the previous quarter. General allowances were higher in line with loan growth. Allowance coverage rose to 113% of non-performing assets and to 148% if collateral was considered.

Compared to a year ago, net profit was 2% higher than second quarter 2010. Net interest income and customer-driven non-interest income were higher, and allowances were lower. These were offset by lower trading gains and higher expenses.

Return on assets was 0.98% while return on equity was 10.6%. The total capital adequacy ratio stood at 16.5% with Tier 1 at 13.5% and core Tier 1 at 11.5%.

For the first half, net profit rose 23% to a record \$1.54 billion as higher business volumes drove net interest income and non-interest income to a new high.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NET INTEREST INCOME

Average balance sheet	2nd Qtr 2011			2nd Qtr 2010			1st Qtr 2011		
	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)
Interest-bearing assets									
Customer loans	161,278	1,080	2.68	138,617	984	2.85	154,232	1,018	2.68
Interbank assets	53,737	127	0.95	43,195	82	0.76	49,926	123	1.00
Securities	51,333	373	2.92	51,138	343	2.69	48,564	344	2.87
Total	266,348	1,580	2.38	232,950	1,409	2.43	252,722	1,485	2.38
Interest-bearing liabilities									
Customer deposits	205,628	281	0.55	182,951	241	0.53	195,404	263	0.55
Other borrowings	39,618	100	1.02	31,270	101	1.30	36,307	100	1.12
Total	245,246	381	0.62	214,221	342	0.64	231,711	363	0.64
Net interest income/margin ^{1/}		1,199	1.80		1,067	1.84		1,122	1.80

Average balance sheet	1st Half 2011			1st Half 2010		
	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)
Interest-bearing assets						
Customer loans	157,857	2,098	2.68	135,532	1,918	2.85
Interbank assets	51,978	250	0.97	42,275	156	0.74
Securities	50,011	717	2.89	51,004	707	2.80
Total	259,846	3,065	2.38	228,811	2,781	2.45
Interest-bearing liabilities						
Customer deposits	200,656	544	0.55	182,002	456	0.51
Other borrowings	38,132	200	1.06	28,648	192	1.35
Total	238,788	744	0.63	210,650	648	0.62
Net interest income/margin ^{1/}		2,321	1.80		2,133	1.88

Note:

^{1/} Net interest margin is net interest income expressed as a percentage of average interest-earning assets

Net interest income rose 7% from the previous quarter to \$1.20 billion as interest asset volumes, led by customer loans, increased. Net interest margins were stable at 1.80%. Customer loan yields and deposit costs were unchanged from the previous quarter, while other asset yields and liability costs were little changed.

Compared to a year ago, net interest income was 12% higher as an increase in interest asset volumes was partially offset by a four basis point reduction in net interest margins.

For the first half, net interest income rose 9% to a record \$2.32 billion as higher customer loan volumes were partially offset by lower net interest margins.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Volume and rate analysis (\$m) Increase/(decrease) due to change in	2nd Qtr 2011 versus 2nd Qtr 2010			2nd Qtr 2011 versus 1st Qtr 2011		
	Volume	Rate	Net change	Volume	Rate	Net change
Interest income						
Customer loans	161	(65)	96	47	3	50
Interbank assets	20	25	45	9	(7)	2
Securities	1	29	30	20	6	26
Total	182	(11)	171	76	2	78
Interest expense						
Customer deposits	30	10	40	14	-	14
Other borrowings	16	(17)	(1)	5	(5)	-
Total	46	(7)	39	19	(5)	14
Net impact on interest income	136	(4)	132	57	7	64
Due to change in number of days			-			13
Net Interest Income			132			77

Volume and rate analysis (\$m) Increase/(decrease) due to change in	1st Half 2011 versus 1st Half 2010		
	Volume	Rate	Net change
Interest income			
Customer loans	316	(136)	180
Interbank assets	36	58	94
Securities	(14)	24	10
Total	338	(54)	284
Interest expense			
Customer deposits	47	41	88
Other borrowings	37	(29)	8
Total	84	12	96
Net impact on interest income	254	(66)	188
Due to change in number of days			-
Net Interest Income			188

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NET FEE AND COMMISSION INCOME

(\$m)	2nd Qtr 2011	2nd Qtr 2010	% chg	1st Qtr 2011	% chg	1st Half 2011	1st Half 2010	% chg
Stockbroking	34	42	(19)	43	(21)	77	84	(8)
Investment banking	44	29	52	73	(40)	117	56	>100
Trade and remittances	66	57	16	63	5	129	116	11
Loan related	95	101	(6)	93	2	188	201	(6)
Guarantees	16	16	-	20	(20)	36	29	24
Deposit related	22	22	-	20	10	42	42	-
Credit card	37	37	-	34	9	71	72	(1)
Fund management	6	6	-	5	20	11	11	-
Wealth management	52	34	53	51	2	103	61	69
Others	15	14	7	14	7	29	27	7
Total	387	358	8	416	(7)	803	699	15

Net fee and commission income decreased 7% from the previous quarter to \$387 million. Stockbroking commissions declined due to lower market volumes. Investment banking fees, which had benefited from strong IPO activity in the previous quarter, also fell. These declines more than offset gains in trade and remittances, wealth management and credit cards.

Compared to a year ago, net fee and commission income was 8% higher as improved contributions from investment banking, trade and remittances and wealth management were partially offset by a decline in stockbroking commissions.

Net fee and commission income for the first half rose 15% to \$803 million as contributions increased in a broad range of activities.

OTHER NON-INTEREST INCOME

(\$m)	2nd Qtr 2011	2nd Qtr 2010	% chg	1st Qtr 2011	% chg	1st Half 2011	1st Half 2010	% chg
Net trading income	146	266	(45)	269	(46)	415	526	(21)
Net income/(loss) from financial instruments designated at fair value	-	12	NM	(11)	NM	(11)	(18)	39
Net income on financial investments	82	98	(16)	84	(2)	166	148	12
Net gain on fixed assets	9	3	>100	6	50	15	17	(12)
Others (include rental income)	15	11	36	23	(35)	38	23	65
Total	252	390	(35)	371	(32)	623	696	(10)

Note:
NM Not Meaningful

Net trading income (including net income from financial instruments designated at fair value) fell to \$146 million from \$258 million in the previous quarter and \$278 million a year ago. The decline was due to the marked-to-market impact of hedges taken for fixed income investments. Income from customer flows was comparable to the previous quarter and higher than a year ago.

For the first half, net trading income fell 20% from a year ago to \$404 million. Higher income from customer flows was more than offset by a decline in trading gains. Total other non-interest income fell 10% to \$623 million as the decline in net trading income was partially offset by higher net income from financial investments.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

EXPENSES

(\$m)	2nd Qtr 2011	2nd Qtr 2010	% chg	1st Qtr 2011	% chg	1st Half 2011	1st Half 2010	% chg
Staff	423	362	17	405	4	828	700	18
Occupancy	72	65	11	70	3	142	135	5
Computerisation	147	131	12	152	(3)	299	260	15
Revenue-related	39	35	11	38	3	77	66	17
Others	117	124	(6)	108	8	225	258	(13)
Total	798	717	11	773	3	1,571	1,419	11
Staff headcount at period-end	17,274	14,615	18	16,617	4	17,274	14,615	18

Included in the above table were:

Depreciation of properties and other fixed assets	44	46	(4)	46	(4)	90	94	(4)
Directors' fees	1	1	-	1	-	2	2	-
Audit fees payable	2	2	-	1	100	3	4	(25)

Expenses of \$798 million were 3% above the previous quarter. Staff costs rose with a higher headcount, while non-staff costs also rose. Compared to a year ago, costs were 11% higher.

For the first half, costs rose 11% to \$1.57 billion as headcount was increased and investments were made to support higher business volumes and build capacity for future growth.

ALLOWANCES FOR CREDIT AND OTHER LOSSES

(\$m)	2nd Qtr 2011	2nd Qtr 2010	% chg	1st Qtr 2011	% chg	1st Half 2011	1st Half 2010	% chg
General allowances (GP)	99	124	(20)	61	62	160	149	7
Specific allowances (SP) for loans ^{1/}	27	68	(60)	34	(21)	61	392	(84)
Singapore	(10)	1	NM	2	NM	(8)	11	(NM)
Hong Kong	8	(4)	NM	3	>100	11	3	>100
Rest of Greater China	(6)	13	NM	(8)	25	(14)	10	NM
South and South-east Asia	4	6	(33)	2	100	6	12	(50)
Rest of the world	31	52	(40)	35	(11)	66	356	(81)
Specific allowances (SP) for securities, properties and other assets	11	12	(8)	30	(63)	41	18	>100
Total	137	204	(33)	125	10	262	559	(53)

Note:

^{1/} Specific allowances for loans are classified according to where the borrower is incorporated.

Specific allowances for loans fell to \$27 million from \$34 million in the previous quarter and \$68 million a year ago as customer repayments increased. General allowances rose 62% from the previous quarter to \$99 million in line with loan growth.

For the first half, total allowances fell 53% to \$262 million, with an 84% decline in specific allowances for loans partially offset by higher specific allowances for non-loan assets and general allowances.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

PERFORMANCE BY BUSINESS SEGMENTS

(\$m)	Consumer/ Private Banking	Institutional Banking	Treasury	Others	Total
Selected income items					
2nd Qtr 2011					
Net interest income	375	552	247	25	1,199
Non-interest income	187	435	(14)	31	639
Total income	562	987	233	56	1,838
Expenses	377	318	103	-	798
Allowances for credit and other losses	26	72	(4)	43	137
Share of profits of associates	-	7	-	24	31
Profit before tax	159	604	134	37	934
1st Qtr 2011					
Net interest income	342	519	224	37	1,122
Non-interest income	171	468	80	68	787
Total income	513	987	304	105	1,909
Expenses	364	294	94	21	773
Allowances for credit and other losses	16	56	7	46	125
Share of profits of associates	-	7	-	17	24
Profit before tax	133	644	203	55	1,035
2nd Qtr 2010 ^{1/}					
Net interest income	353	503	183	28	1,067
Non-interest income	168	417	173	(10)	748
Total income	521	920	356	18	1,815
Expenses	363	259	90	5	717
Allowances for credit and other losses	23	175	-	6	204
Share of profits of associates	-	8	-	17	25
Profit before tax	135	494	266	24	919
1st Half 2011					
Net interest income	717	1,071	471	62	2,321
Non-interest income	358	903	66	99	1,426
Total income	1,075	1,974	537	161	3,747
Expenses	741	612	197	21	1,571
Allowances for credit and other losses	42	128	3	89	262
Share of profits of associates	-	14	-	41	55
Profit before tax	292	1,248	337	92	1,969

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	Consumer/ Private Banking	Institutional Banking	Treasury	Others	Total
1st Half 2010 ^{1/}					
Net interest income	712	977	397	47	2,133
Non-interest income	325	747	334	(11)	1,395
Total income	1,037	1,724	731	36	3,528
Expenses	713	506	171	29	1,419
Allowances for credit and other losses	35	503	5	16	559
Share of profits of associates	-	14	-	33	47
Profit before tax	289	729	555	24	1,597
Selected balance sheet and other items ^{2/}					
30 Jun 2011					
Total assets before goodwill	52,591	135,095	102,305	14,699	304,690
Goodwill on consolidation					4,802
Total assets					309,492
Total liabilities	122,424	88,004	59,869	6,911	277,208
Capital expenditure for 2nd Qtr 2011	6	12	7	11	36
Depreciation for 2nd Qtr 2011	10	5	2	27	44
Goodwill charge for 2nd Qtr 2011					-
31 Mar 2011					
Total assets before goodwill	52,031	125,510	96,656	13,938	288,135
Goodwill on consolidation					4,802
Total assets					292,937
Total liabilities	112,885	85,494	51,746	9,861	259,986
Capital expenditure for 1st Qtr 2011	9	4	1	20	34
Depreciation for 1st Qtr 2011	12	6	2	26	46
Goodwill charge for 1st Qtr 2011					-
30 Jun 2010					
Total assets before goodwill	49,247	113,994	100,057	8,150	271,448
Goodwill on consolidation					4,802
Total assets					276,250
Total liabilities	115,824	68,520	49,489	12,689	246,522
Capital expenditure for 2nd Qtr 2010	11	3	-	19	33
Depreciation for 2nd Qtr 2010	13	5	2	26	46
Goodwill charge for 2nd Qtr 2010				1,018	1,018

Notes:

1 Allowances for credit and other losses and profits exclude goodwill charges

2/ Refer to sections on Customer Loans and Non-Performing Assets and Loss Allowance Coverage for more information on business segments

The business segment results are prepared based on the Group's internal management reporting which reflects the organisation management structure. As the activities of the Group are highly integrated, internal allocation has been made in preparing the segment information. Amounts for each business segment are shown after the allocation of certain centralised costs, funding income and the application of transfer pricing, where appropriate. Transactions between segments are recorded within the segment as if they are third party

transactions and are eliminated on consolidation. During the quarter, no one group of related customers generated more than 10% of the Group's revenues.

The various business segments are described below:

Consumer/ Private Banking

Consumer/ Private Banking provides individual customers with a diverse range of banking and related financial services. The products and services available to customers include current and savings accounts, fixed deposits, loans and home finance, cards, payments, investment and insurance products.

Compared to the previous quarter, total income rose 10% to \$562 million. Net interest income rose on loan and deposit volume growth. Expenses rose 4% to \$377 million due mainly to higher staff costs. Higher specific allowances accounted for most of the increase in allowance charges.

Compared to a year ago, total income increased 8%. The increase in net interest income was due to higher loan and deposit volumes partially offset by lower interest margins. Non-interest income benefited from higher wealth management contributions. Staff and non-staff costs were higher. Allowances were little changed.

Institutional Banking

Institutional Banking provides financial services and products to institutional clients including non bank financial institutions, government linked companies, large corporates and small and medium-sized businesses. The business focus is to broaden and deepen the financial relationship with clients. The products and services available to customers include long and short term credit facilities ranging from specialised lending such as asset financing, project financing and real estate financing to overdraft, trade, receivables financing and structured trade; cash management and deposit; treasury and markets; corporate finance and advisory banking services for mergers and acquisitions, capital raising through debt and equity markets, capital restructuring, syndicated finance, securities and fiduciary services and private equity. Institutional Banking also provides equity services through DBS Vickers Securities (DBSV). DBSV offers a wide range of services to retail and corporate customers including research, sales and trading, share placement, nominees and securities

custodian services and distribution of primary and secondary issues.

Compared to the previous quarter, total income was unchanged at \$987 million. An increase in net interest income due to higher loan and deposit volumes was offset by a decline in non-interest income. Expenses increased 8% to \$318 million on higher staff and non-staff costs. General allowances were higher.

Compared to a year ago, total income grew 7% on higher loan and deposit volumes as well as better treasury product cross-selling. Expenses were 23% higher due to increased headcount and investment costs to support higher business volumes. Allowances declined 59% as specific allowances fell.

Treasury

Treasury provides treasury services to corporations, institutional and private investors, financial institutions and other market participants. It is primarily involved in sales, structuring, market making and trading across a broad range of financial products including foreign exchange, interest rate, debt, credit, equity and other structured derivatives. Income from these financial products and services offered to the customer of other business segments, such as Consumer/Private Banking and Institutional Banking, is reflected in the respective segments. Treasury is also responsible for facilitating the execution of Group's asset and liability interest rate positions and management of the investment of the Group's excess liquidity and shareholders' funds.

Treasury income fell 23% from the previous quarter and 35% from a year ago to \$233 million as an increase in net interest income was more than offset by a decline in non-interest income.

Others

Others encompasses a range of activities from corporate decisions and income and expenses not attributed to other business segments.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

PERFORMANCE BY GEOGRAPHY ^{1/}

(\$m)	S'pore	Hong Kong	Rest of Greater China	South and South-east Asia	Rest of world	Total
Selected income items						
2nd Qtr 2011						
Net interest income	728	199	124	91	57	1,199
Non-interest income	394	177	25	33	10	639
Total income	1,122	376	149	124	67	1,838
Expenses	476	154	94	58	16	798
Allowances for credit and other losses	61	54	4	10	8	137
Share of profits of associates	5	-	5	21	-	31
Profit before tax	590	168	56	77	43	934
Income tax expense	68	25	13	15	15	136
Net profit	459	143	43	62	28	735
1st Qtr 2011						
Net interest income	700	190	104	74	54	1,122
Non-interest income	466	200	37	57	27	787
Total income	1,166	390	141	131	81	1,909
Expenses	465	155	84	54	15	773
Allowances for credit and other losses	113	9	(2)	2	3	125
Share of profits of associates	3	-	5	16	-	24
Profit before tax	591	226	64	91	63	1,035
Income tax expense	61	36	11	16	16	140
Net profit	442	190	53	75	47	807
2nd Qtr 2010 ^{2/}						
Net interest income	643	198	79	70	77	1,067
Non-interest income	513	165	25	52	(7)	748
Total income	1,156	363	104	122	70	1,815
Expenses	323	249	78	52	15	717
Allowances for credit and other losses	148	32	18	14	(8)	204
Share of profits of associates	2	-	7	16	-	25
Profit before tax	687	82	15	72	63	919
Income tax expense	96	17	3	17	15	148
Net profit	538	65	12	55	48	718
1st Half 2011						
Net interest income	1,428	389	228	165	111	2,321
Non-interest income	860	377	62	90	37	1,426
Total income	2,288	766	290	255	148	3,747
Expenses	941	309	178	112	31	1,571
Allowances for credit and other losses	174	63	2	12	11	262
Share of profits of associates	8	-	10	37	-	55
Profit before tax	1,181	394	120	168	106	1,969
Income tax expense	129	61	24	31	31	276
Net profit	901	333	96	137	75	1,542

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	S'pore	Hong Kong	Rest of Greater China	South and South-east Asia	Rest of world	Total
1st Half 2010 ^{2/}						
Net interest income	1,300	400	155	147	131	2,133
Non-interest income	882	330	56	106	21	1,395
Total income	2,182	730	211	253	152	3,528
Expenses	742	396	147	105	29	1,419
Allowances for credit and other losses	426	39	24	25	45	559
Share of profits of associates	5	-	11	31	-	47
Profit before tax	1,019	295	51	154	78	1,597
Income tax expense	122	50	9	37	19	237
Net profit	787	245	42	117	59	1,250
Selected balance sheet items						
30 Jun 2011						
Total assets before goodwill	191,570	59,749	25,727	15,152	12,492	304,690
Goodwill on consolidation	4,802	-	-	-	-	4,802
Total assets	196,372	59,749	25,727	15,152	12,492	309,492
Non-current assets ^{3/}	1,639	364	138	34	2	2,177
Gross customer loans	101,450	40,095	14,379	9,586	5,947	171,457
31 Mar 2011						
Total assets before goodwill	179,393	58,571	23,097	14,344	12,730	288,135
Goodwill on consolidation	4,802	-	-	-	-	4,802
Total assets	184,195	58,571	23,097	14,344	12,730	292,937
Non-current assets ^{3/}	1,622	386	127	36	1	2,172
Gross customer loans	95,294	36,177	13,028	9,116	6,486	160,101
30 Jun 2010						
Total assets before goodwill	172,591	54,420	16,974	14,344	13,119	271,448
Goodwill on consolidation	4,802	-	-	-	-	4,802
Total assets	177,393	54,420	16,974	14,344	13,119	276,250
Non-current assets ^{3/}	1,486	508	131	40	2	2,167
Gross customer loans	84,467	38,052	11,524	8,664	6,441	149,148

Notes:

1/ The geographical segment analysis is based on the location where transactions and assets are booked

2/ Allowances for credit and other losses and profits exclude goodwill charges

3/ Includes investment in associates, properties and other fixed assets, and investment properties

The performance by geography is classified based on the location in which income and assets are recorded.

Singapore

Compared to the previous quarter, net profit rose 4% to \$459 million.

Net interest income grew 4% to \$728 million as corporate and consumer loans increased. Non-interest income fell 15% to \$394 million due to lower trading gains.

Expenses rose 2% to \$476 million from higher staff costs. Allowances halved to \$61 million, helped by write-backs of specific allowances as a result of customer repayments. General allowances were higher in line with stronger loan growth.

Compared to a year ago, net profit was 15% lower. The increase in net interest income was more than offset by non-interest income decline and higher expenses. In 2010, there was a reversal of compensation to Constellation note holders from Singapore to Hong Kong.

Hong Kong

The second quarter's results incorporate an appreciation of the Singapore dollar against the Hong Kong dollar of 3% from the previous quarter and 11% from a year ago.

Net profit fell 25% from the previous quarter to \$143 million. Net interest income rose 5% to \$199m as loans increased 14% in local currency terms. Net interest margins were stable. Non-interest income fell 12% to \$177 million. Higher fee income from loans, wealth management and trade were offset by lower Treasury income.

Expenses were comparable to the previous quarter at \$154 million. Total allowances increased five-fold to \$54 million, with most of the increase due to general allowances in line with loan growth. Specific allowances were also higher.

Compared to a year ago, net profit more than doubled, mainly due to higher total income and lower expenses due to compensation to Constellation note holders in the previous year, partly offset by higher allowances.

Other countries

Net profit for Rest of Greater China declined 19% from the previous quarter to \$43 million. The increase in net interest income from higher loan and deposit volumes was partly offset by a decline in non-interest income. Expenses increased 12% mainly from higher staff and marketing costs. Total allowances increased due to higher recoveries in the previous quarter.

Compared to a year ago, net profit grew 258%. Higher net interest income and lower specific allowances were partially offset by an increase in expenses.

Net profit for South and South-east Asia declined 17% from the previous quarter to \$62 million. The increase in net interest income from higher securities and loan volumes was offset by lower non-interest income. Expenses increased 7% mainly from higher staff costs. Specific allowances were unchanged while general allowances rose driven by increase in loan volumes.

Compared to a year ago, net profit rose 13%. Increase in net interest income and lower specific allowances were partially offset by a fall in non interest income and higher expenses.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CUSTOMER LOANS ^{1/}

(\$m)	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Gross	171,457	160,101	154,722	149,148
Less:				
Specific allowances	1,123	1,107	1,152	1,645
General allowances	1,628	1,539	1,476	1,433
Net total	168,706	157,455	152,094	146,070
By business unit				
Consumer/ Private Banking	52,982	51,083	50,256	48,386
Institutional Banking	116,714	107,637	103,219	100,427
Others	1,761	1,381	1,247	335
Total (Gross)	171,457	160,101	154,722	149,148
By geography ^{2/}				
Singapore	83,466	77,824	74,595	70,698
Hong Kong	36,933	36,556	36,688	36,982
Rest of Greater China	19,121	14,262	13,495	11,455
South and South-east Asia	15,918	15,430	13,976	13,653
Rest of the world	16,019	16,029	15,968	16,360
Total (Gross)	171,457	160,101	154,722	149,148
By industry				
Manufacturing	22,508	19,820	19,217	18,404
Building and construction	24,555	23,537	21,385	20,282
Housing loans	39,368	38,929	38,676	37,082
General commerce	23,545	17,554	16,732	14,798
Transportation, storage & communications	15,938	14,872	14,378	13,294
Financial institutions, investment & holding companies	16,104	17,698	18,517	20,202
Professionals & private individuals (except housing loans)	12,526	11,447	11,142	10,480
Others	16,913	16,244	14,675	14,606
Total (Gross)	171,457	160,101	154,722	149,148
By currency				
Singapore dollar	72,334	69,075	67,439	60,852
Hong Kong dollar	29,376	30,242	30,478	33,073
US dollar	49,309	41,493	38,094	36,355
Others	20,438	19,291	18,711	18,868
Total (Gross)	171,457	160,101	154,722	149,148

Notes:

1/ Includes customer loans classified as financial assets at fair value through profit or loss on the balance sheet

2/ Loans by geography are classified according to where the borrower is incorporated

Gross customer loans rose 7% from the previous quarter to \$171.5 billion. The growth was led by corporate borrowing in Singapore and rest of Greater China. Part of the increase was due to short-term trade financing for China-incorporated corporates.

Gross loans were 15% higher than a year ago, with the expansion spread across regions and across corporate and consumer borrowers.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NON-PERFORMING ASSETS AND LOSS ALLOWANCE COVERAGE ^{1/}

By business unit	NPA (\$m)	SP (\$m)	GP (\$m)	NPL (% of loans)	(GP+SP)/NPA (%)	(GP+SP)/ unsecured NPA (%)
30 Jun 2011						
Consumer/ Private Banking	302	94	529	0.6	206	356
Institutional Banking	2,295	1,069	1,099	2.0	94	120
Total non-performing loans (NPL)	2,597	1,163	1,628	1.5	107	141
Debt securities	10	3	103	-	1,060	2,120
Contingent liabilities & others	276	109	260	-	134	167
Total non-performing assets (NPA)	2,883	1,275	1,991	-	113	148
31 Mar 2011						
Consumer/ Private Banking	312	104	510	0.6	197	332
Institutional Banking	2,494	1,058	1,029	2.3	84	107
Total non-performing loans (NPL)	2,806	1,162	1,539	1.8	96	127
Debt securities	25	6	105	-	444	1,586
Contingent liabilities & others	267	105	259	-	136	153
Total non-performing assets (NPA)	3,098	1,273	1,903	-	103	134
31 Dec 2010						
Consumer/ Private Banking	317	107	502	0.6	192	323
Institutional Banking	2,561	1,105	974	2.5	81	102
Total non-performing loans (NPL)	2,878	1,212	1,476	1.9	93	121
Debt securities	28	6	124	-	464	1,300
Contingent liabilities & others	307	127	252	-	123	134
Total non-performing assets (NPA)	3,213	1,345	1,852	-	100	127
30 Jun 2010						
Consumer/ Private Banking	396	168	482	0.8	164	263
Institutional Banking	3,035	1,570	951	3.0	83	102
Total non-performing loans (NPL)	3,431	1,738	1,433	2.3	92	117
Debt securities	101	80	116	-	194	239
Contingent liabilities & others	192	120	260	-	198	216
Total non-performing assets (NPA)	3,724	1,938	1,809	-	101	126

Notes:

1/ Allowances for credit and other losses exclude one-time items

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

By geography	NPA (\$m)	SP (\$m)	GP (\$m)	NPL (% of loans)	(GP+SP)/NPA (%)	(GP+SP)/ unsecured NPA (%)
30 Jun 2011						
Singapore	512	189	683	0.6	170	339
Hong Kong	300	169	372	0.8	180	259
Rest of Greater China	233	151	201	1.2	151	219
South and South-east Asia	174	98	212	1.1	178	235
Rest of the World	1,378	556	160	8.6	52	58
Total non-performing loans	2,597	1,163	1,628	1.5	107	141
Debt securities	10	3	103	-	1,060	2,120
Contingent liabilities & others	276	109	260	-	134	167
Total non-performing assets	2,883	1,275	1,991	-	113	148
31 Mar 2011						
Singapore	571	193	648	0.7	147	321
Hong Kong	328	186	368	0.9	169	244
Rest of Greater China	240	155	151	1.7	128	184
South and South-east Asia	175	99	212	1.1	178	211
Rest of the World	1,492	529	160	9.3	46	52
Total non-performing loans	2,806	1,162	1,539	1.8	96	127
Debt securities	25	6	105	-	444	1,586
Contingent liabilities & others	267	105	259	-	136	153
Total non-performing assets	3,098	1,273	1,903	-	103	134
31 Dec 2010						
Singapore	594	196	613	0.8	136	300
Hong Kong	359	212	369	1.0	162	230
Rest of Greater China	250	166	145	1.9	124	176
South and South-east Asia	164	107	189	1.2	180	185
Rest of the World	1,511	531	160	9.5	46	50
Total non-performing loans	2,878	1,212	1,476	1.9	93	121
Debt securities	28	6	124	-	464	1,300
Contingent liabilities & others	307	127	252	-	123	134
Total non-performing assets	3,213	1,345	1,852	-	100	127
30 Jun 2010						
Singapore	648	203	588	0.9	122	258
Hong Kong	442	253	371	1.2	141	210
Rest of Greater China	316	190	125	2.8	100	140
South and South-east Asia	138	80	191	1.0	197	203
Rest of the World	1,887	1,012	158	11.5	62	67
Total non-performing loans	3,431	1,738	1,433	2.3	92	117
Debt securities	101	80	116	-	194	239
Contingent liabilities & others	192	120	260	-	198	216
Total non-performing assets	3,724	1,938	1,809	-	101	126

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

By industry (\$m)	30 Jun 2011		31 Mar 2011		31 Dec 2010		30 Jun 2010	
	NPA	SP	NPA	SP	NPA	SP	NPA	SP
	Manufacturing	415	280	462	284	502	325	612
Building and construction	84	32	98	32	90	25	47	13
Housing loans	107	14	115	16	118	17	140	21
General commerce	252	105	274	120	248	107	411	197
Transportation, storage & communications	575	229	630	212	646	183	284	115
Financial institutions, investment & holding companies	867	366	948	374	960	399	1,622	882
Professionals & private individuals (except housing loans)	180	69	179	76	173	74	176	75
Others	117	68	100	48	141	82	139	84
Total non-performing loans	2,597	1,163	2,806	1,162	2,878	1,212	3,431	1,738
Debt securities	10	3	25	6	28	6	101	80
Contingent liabilities & others	276	109	267	105	307	127	192	120
Total non-performing assets	2,883	1,275	3,098	1,273	3,213	1,345	3,724	1,938

By loan classification (\$m)	30 Jun 2011		31 Mar 2011		31 Dec 2010		30 Jun 2010	
	NPA	SP	NPA	SP	NPA	SP	NPA	SP
Non-performing assets								
Substandard	1,907	431	2,091	409	2,086	374	1,798	249
Doubtful	596	464	622	479	737	580	1,390	1,153
Loss	380	380	385	385	390	391	536	536
Total	2,883	1,275	3,098	1,273	3,213	1,345	3,724	1,938
Restructured assets								
Substandard	951	209	443	48	443	47	385	40
Doubtful	122	105	109	97	145	128	116	94
Loss	28	28	30	31	28	28	35	36
Total	1,101	342	582	176	616	203	536	170

By collateral type (\$m)	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
	NPA	NPA	NPA	NPA
Unsecured non-performing assets	2,210	2,375	2,523	2,972
Secured non-performing assets by collateral type				
Properties	269	274	250	349
Shares and debentures	106	99	85	116
Fixed deposits	40	40	38	45
Others	258	310	317	242
Total	2,883	3,098	3,213	3,724

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

By period overdue

(\$m)	30 Jun 2011 NPA	31 Mar 2011 NPA	31 Dec 2010 NPA	30 Jun 2010 NPA
Not overdue	1,592	1,178	1,294	969
<90 days overdue	221	328	225	771
91-180 days overdue	134	93	124	141
>180 days overdue	936	1,499	1,570	1,843
Total	2,883	3,098	3,213	3,724

Non-performing loans fell 7% from the previous quarter to \$2.60 billion or 1.5% of the loan portfolio from customer loan repayments. The improvement was across regions and led by corporate loans. More than half of assets classified as non-performing were still current in principal and interest.

Allowance coverage rose to 113% of non-performing assets and to 148% if collateral was considered, compared to 103% and 134% respectively in the previous quarter.

FUNDING SOURCES

(\$m)	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Customer deposits ^{1/}	210,536	199,536	193,692	183,929
Interbank liabilities ^{2/}	26,799	21,185	18,854	21,152
Other borrowings and liabilities ^{2/}	44,143	44,786	44,565	45,553
Shareholders' funds	28,014	27,430	26,599	25,616
Total	309,492	292,937	283,710	276,250

Notes:

1/ Includes customer deposits classified as financial liabilities at fair value through profit or loss on the balance sheet

2/ Includes liabilities classified as financial liabilities at fair value through profit or loss on the balance sheet

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CUSTOMER DEPOSITS ^{1/}

(\$m)	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
By currency and product				
Singapore dollar	119,723	115,409	112,228	105,209
Fixed deposits	20,787	20,078	20,081	17,921
Savings accounts	81,169	78,983	76,417	72,073
Current accounts	17,143	15,619	14,916	14,392
Others	624	729	814	823
Hong Kong dollar	20,217	21,188	23,220	23,555
Fixed deposits	10,694	10,801	12,946	13,281
Savings accounts	6,263	6,622	7,082	6,942
Current accounts	2,929	3,261	3,081	3,252
Others	331	504	111	80
US dollar	33,868	29,111	30,022	26,104
Fixed deposits	16,134	15,187	16,064	13,185
Savings accounts	2,925	3,218	3,255	3,193
Current accounts	12,767	8,965	9,777	7,053
Others	2,042	1,741	926	2,673
Others	36,728	33,828	28,222	29,061
Fixed deposits	29,801	27,755	22,289	22,636
Savings accounts	2,041	1,861	2,035	1,981
Current accounts	2,917	2,586	2,341	2,499
Others	1,969	1,626	1,557	1,945
Total	210,536	199,536	193,692	183,929
Fixed deposits	77,416	73,821	71,380	67,023
Savings accounts	92,398	90,684	88,789	84,189
Current accounts	35,756	30,431	30,115	27,196
Others	4,966	4,600	3,408	5,521

Note:

^{1/} Includes customer deposits classified as financial liabilities at fair value through profit or loss on the balance sheet

Customer deposits rose 6% from the previous quarter to \$210.5 billion, led by Singapore dollar current and savings accounts and US dollar current accounts. Chinese yuan fixed deposits also grew.

Compared to a year ago, customer deposits were 14% higher, with the growth led by Singapore dollar, Chinese yuan and US dollar deposits.

OTHER BORROWINGS & LIABILITIES

(\$m)	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Subordinated term debts ^{1/}	5,058	6,252	6,398	6,956
Other debt securities in issue ^{1/}				
Due within 1 year	957	585	505	601
Due after 1 year	1,835	1,683	1,655	312
Others	36,293	36,266	36,007	37,684
Total	44,143	44,786	44,565	45,553

Notes:

^{1/} Unsecured

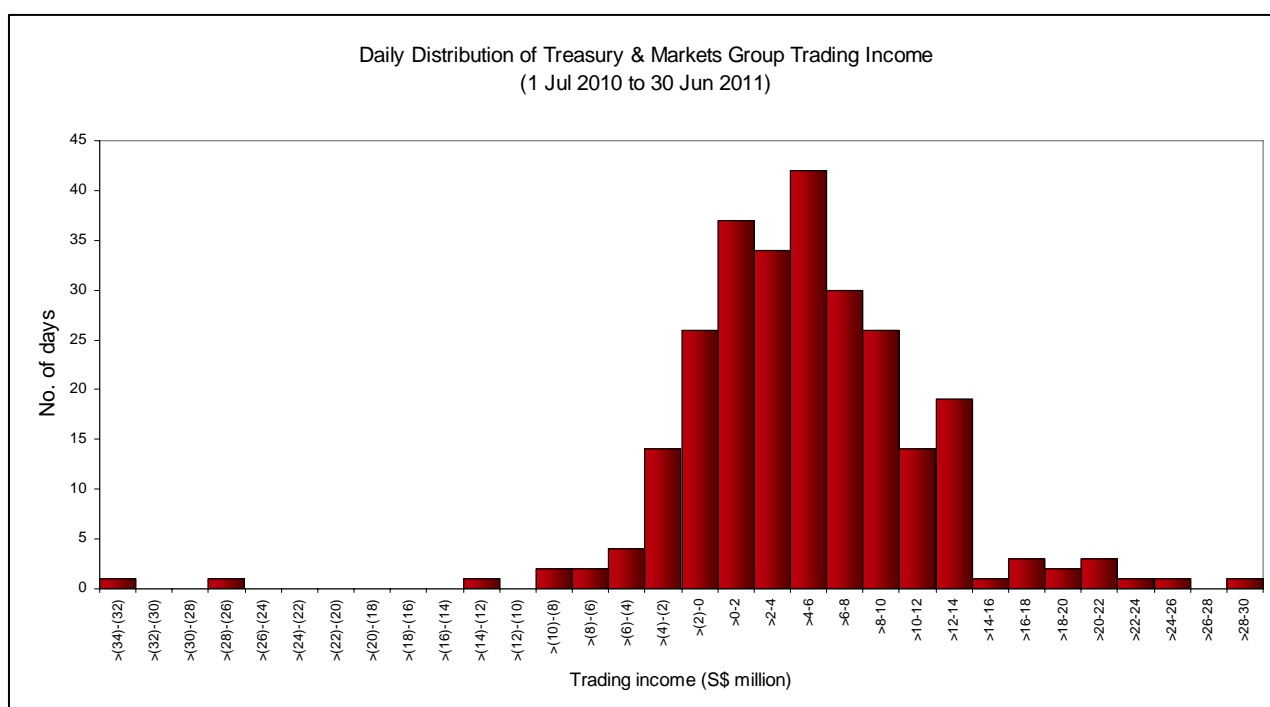
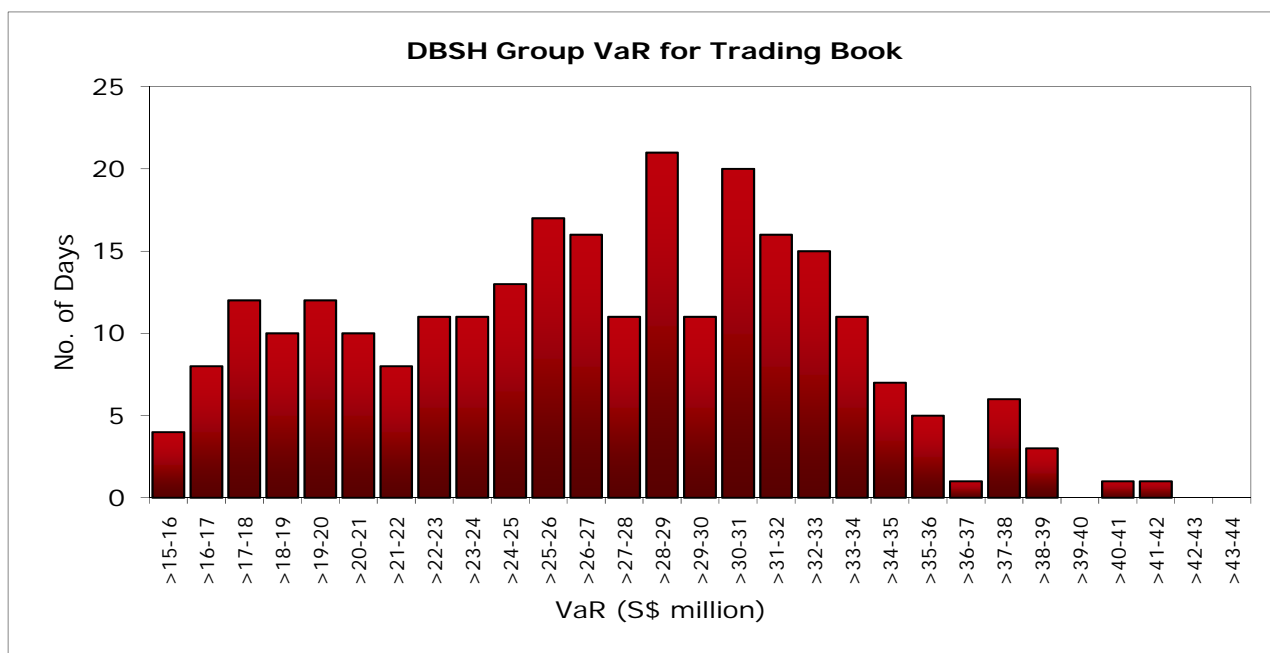
DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

VALUE AT RISK AND TRADING INCOME

The Group uses a Value at Risk (VaR) measure as one mechanism for monitoring and controlling trading risk. The VaR is calculated using a one-day time horizon and a 99% confidence interval. The following table shows the period-end, average, high and low VaR for the trading risk exposure of the Group for the period from 1 July 2010 to 30 June 2011. The Group's trading book VaR methodology is based on Historical Simulation VaR.

(\$m)	As at 30 Jun 2011	1 Jul 2010 to 30 Jun 2011		
		Average	High	Low
Total	17	27	42	15

The charts below provide the range of VaR and the daily distribution of trading income in the trading portfolio for the period from 1 July 2010 to 30 June 2011.



DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CAPITAL ADEQUACY

(\$m)	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Tier 1				
Share capital	9,256	8,784	8,780	8,650
Disclosed reserves and others	22,596	23,103	23,927	20,547
Less: Tier 1 Deductions	(5,025)	(5,051)	(5,064)	(5,044)
Eligible Tier 1	26,827	26,836	27,643	24,153
Tier 2				
Loan allowances admitted as Tier 2	820	667	696	757
Subordinated debts	5,058	5,174	5,281	5,714
Revaluation surplus from equity securities	79	112	149	94
Less: Tier 2 Deductions	(101)	(134)	(142)	(139)
Total eligible capital	32,683	32,655	33,627	30,579
Risk-weighted assets	198,445	189,644	182,694	184,824
Capital adequacy ratio (%)				
Core Tier 1 ratio	11.5	11.5	11.8	11.1
Tier 1 ratio	13.5	14.2	15.1	13.1
Tier 2 ratio	3.0	3.0	3.3	3.4
Total (Tier 1 & 2) ratio	16.5	17.2	18.4	16.5

The Group's capital adequacy ratio declined from 17.2% to 16.5% due primarily to an increase in risk-weighted assets. The impact of the redemption of the DBS Bank S\$1.1 billion 6% preference shares in May 2011 was offset by dividends retained through the DBSH Scrip Dividend Scheme and profits for the quarter.

UNREALISED VALUATION SURPLUS/(LOSSES)^{1/}

(\$m)	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Properties	513	527	507	507
Financial investments	119	72	26	94
Total	632	599	533	601

Note:

^{1/} Valuation surplus/(loss) was not recognised in the total comprehensive income

The amount of unrealised valuation surplus increased from \$599 million in the previous quarter to \$632 million mainly due to improved valuations of financial investments.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Consolidated Income Statement

In \$ millions	2nd Qtr 2011	2nd Qtr 2010	+/(-) %	1st Qtr 2011	+/(-) %	1st Half 2011	1st Half 2010	+/(-) %
Income								
Interest income	1,580	1,409	12	1,485	6	3,065	2,781	10
Interest expense	381	342	11	363	5	744	648	15
Net interest income	1,199	1,067	12	1,122	7	2,321	2,133	9
Net fee and commission income	387	358	8	416	(7)	803	699	15
Net trading income	146	266	(45)	269	(46)	415	526	(21)
Net income/(loss) from financial instruments designated at fair value	-	12	NM	(11)	NM	(11)	(18)	39
Net income from financial investments	82	98	(16)	84	(2)	166	148	12
Other income	24	14	71	29	(17)	53	40	33
Total income	1,838	1,815	1	1,909	(4)	3,747	3,528	6
Expenses								
Employee benefits	423	362	17	405	4	828	700	18
Depreciation of properties and other fixed assets	44	46	(4)	46	(4)	90	94	(4)
Other expenses	331	309	7	322	3	653	625	4
Goodwill charges	-	1,018	NM	-	-	-	1,018	NM
Allowances for credit and other losses	137	204	(33)	125	10	262	559	(53)
Total expenses	935	1,939	(52)	898	4	1,833	2,996	(39)
Profit/(Loss)	903	(124)	NM	1,011	(11)	1,914	532	>100
Share of profits of associates	31	25	24	24	29	55	47	17
Profit/(Loss) before tax	934	(99)	NM	1,035	(10)	1,969	579	>100
Income tax expense	136	148	(8)	140	(3)	276	237	16
Net profit/(loss)	798	(247)	NM	895	(11)	1,693	342	>100
Attributable to:								
Shareholders	735	(300)	NM	807	(9)	1,542	232	>100
Non-controlling interests	63	53	19	88	(28)	151	110	37
	798	(247)	NM	895	(11)	1,693	342	>100

Unaudited Consolidated Statement of Comprehensive Income

In \$ millions	2nd Qtr 2011	2nd Qtr 2010	+/(-) %	1st Qtr 2011	+/(-) %	1st Half 2011	1st Half 2010	+/(-) %
Net profit/(loss)	798	(247)	NM	895	(11)	1,693	342	>100
Other comprehensive income:								
Foreign currency translation differences for foreign operations	(20)	(12)	(67)	(19)	(5)	(39)	19	NM
Share of other comprehensive income of associates	7	7	-	(18)	NM	(11)	4	NM
Available-for-sale financial assets								
<i>Net valuation taken to equity</i>	98	227	(57)	92	7	190	457	(58)
<i>Transferred to income statement on sale</i>	(78)	(59)	(32)	(66)	(18)	(144)	(36)	(>100)
<i>Tax on items taken directly to or transferred from equity</i>	2	(1)	NM	3	(33)	5	(23)	NM
Other comprehensive income, net of tax	9	162	(94)	(8)	NM	1	421	(100)
Total comprehensive income	807	(85)	NM	887	(9)	1,694	763	>100
Attributable to:								
Shareholders	748	(135)	NM	818	(9)	1,566	660	>100
Non-controlling interests	59	50	18	69	(14)	128	103	24
	807	(85)	NM	887	(9)	1,694	763	>100

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Balance Sheets

In \$ millions	GROUP				COMPANY			
	30 Jun 2011	31 Mar 2011	31 Dec 2010 ^{1/}	30 Jun 2010	30 Jun 2011	31 Mar 2011	31 Dec 2010 ^{1/}	30 Jun 2010
ASSETS								
Cash and balances with central banks	31,235	29,344	31,203	22,571				
Singapore Government securities and treasury bills	12,894	11,697	11,546	15,364				
Due from banks	23,579	23,916	20,306	19,237				
Financial assets at fair value through profit or loss ^{2/}	11,551	11,452	10,179	11,660				
Positive fair values for financial derivatives	16,839	16,241	16,767	17,558				
Loans and advances to customers	168,272	157,060	151,698	145,403				
Financial investments	26,980	26,670	26,550	27,420				
Securities pledged	2,159	1,972	1,982	2,076				
Subsidiaries					10,464	10,451	10,438	9,726
Investments in associates	839	811	813	694				
Goodwill on consolidation	4,802	4,802	4,802	4,802				
Properties and other fixed assets	981	1,006	1,025	1,066				
Investment properties	357	355	358	407				
Deferred tax assets	100	98	102	105				
Other assets	8,904	7,513	6,379	7,887	21	22	63	65
TOTAL ASSETS	309,492	292,937	283,710	276,250	10,485	10,473	10,501	9,791
LIABILITIES								
Due to banks	26,629	21,084	18,811	21,066				
Due to non-bank customers	203,466	193,030	187,695	178,540				
Financial liabilities at fair value through profit or loss ^{3/}	12,047	11,571	10,228	10,919				
Negative fair values for financial derivatives	17,352	16,913	17,222	17,443				
Bills payable	399	675	601	744				
Current tax liabilities	948	914	879	873				
Deferred tax liabilities	36	37	40	53				
Other liabilities	8,481	7,242	6,574	9,015	185	6	5	451
Other debt securities in issue	2,792	2,268	2,160	913				
Subordinated term debts	5,058	6,252	6,398	6,956				
TOTAL LIABILITIES	277,208	259,986	250,608	246,522	185	6	5	451
NET ASSETS	32,284	32,951	33,102	29,728	10,300	10,467	10,496	9,340
EQUITY								
Share capital	9,256	8,784	8,780	8,650	9,256	8,784	8,780	8,650
Treasury shares	(42)	(43)	(84)	(86)				
Other reserves	7,086	7,063	7,084	7,300	57	47	79	64
Revenue reserves	11,714	11,626	10,819	9,752	987	1,636	1,637	626
SHAREHOLDERS' FUNDS	28,014	27,430	26,599	25,616	10,300	10,467	10,496	9,340
Non-controlling interests	4,270	5,521	6,503	4,112				
TOTAL EQUITY	32,284	32,951	33,102	29,728	10,300	10,467	10,496	9,340
OFF BALANCE SHEET ITEMS								
Contingent liabilities	18,571	16,877	16,031	16,389				
Commitments	100,130	92,832	95,918	89,993				
Financial derivatives	1,488,892	1,457,841	1,347,522	1,541,424				
OTHER INFORMATION								
Net asset value per ordinary share (\$)								
(i) Based on existing ordinary share capital	11.69	11.61	11.25	10.88	4.29	4.43	4.44	3.98
(ii) Assuming conversion of outstanding preference shares to ordinary shares	11.47	11.39	11.04	10.68	4.24	4.37	4.38	3.92

Notes:

1/ Audited

2/ Includes customer loans, interbank assets, other government securities and treasury bills, corporate debt securities and equity securities

3/ Includes customer deposits, interbank liabilities, other debt securities in issue and other financial liabilities

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Consolidated Statement of Changes in Equity

GROUP								
In \$ millions	Ordinary shares	Convertible preference shares	Treasury shares	Other reserves	Revenue reserves	Total	Non- controlling interests	Total equity
Balance at 1 January 2011	8,533	247	(84)	7,084	10,819	26,599	6,503	33,102
Issue of shares upon exercise of share options	9					9		9
Reclassification of reserves upon exercise of share options	1			(1)		-		-
Shares distributable pursuant to Scrip Dividend Scheme	466					466		466
Cost of share-based payments				21		21		21
Draw-down of reserves upon vesting of performance shares			42	(42)		-		-
Final dividends payable for previous year					(647)	(647)		(647)
Dividends paid to non-controlling interests						-	(172)	(172)
Redemption of preference shares issued by a subsidiary						-	(2,112)	(2,112)
Change in non-controlling interests						-	(77)	(77)
Total comprehensive income				24	1,542	1,566	128	1,694
Balance at 30 June 2011	9,009	247	(42)	7,086	11,714	28,014	4,270	32,284
Balance at 1 January 2010	8,188	247	(114)	6,879	10,173	25,373	4,126	29,499
Issue of shares upon exercise of share options	8					8		8
Reclassification of reserves upon exercise of share options	1			(1)		-		-
Shares distributable pursuant to Scrip Dividend Scheme	206					206		206
Cost of share-based payments				22		22		22
Draw-down of reserves upon vesting of performance shares			28	(28)		-		-
Final dividends payable for previous year					(320)	(320)		(320)
Interim dividends payable for current year					(333)	(333)		(333)
Dividends paid to non-controlling interests						-	(117)	(117)
Total comprehensive income				428	232	660	103	763
Balance at 30 June 2010	8,403	247	(86)	7,300	9,752	25,616	4,112	29,728

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Statement of Changes in Equity

COMPANY					
In \$ millions	Ordinary shares	Convertible preference shares	Other reserves	Revenue reserves	Total equity
Balance at 1 January 2011	8,533	247	79	1,637	10,496
Issue of shares upon exercise of share options	9				9
Reclassification of reserves upon exercise of share options	1		(1)		-
Shares distributable pursuant to Scrip Dividend Scheme	466				466
Cost of share-based payments			21		21
Draw-down of reserves upon vesting of performance shares			(42)		(42)
Final dividends payable for previous year				(647)	(647)
Total comprehensive income				(3)	(3)
Balance at 30 June 2011	9,009	247	57	987	10,300
Balance at 1 January 2010	8,188	247	71	1,280	9,786
Issue of shares upon exercise of share options	8				8
Reclassification of reserves upon exercise of share options	1		(1)		-
Shares distributable pursuant to Scrip Dividend Scheme	206				206
Cost of share-based payments			22		22
Draw-down of reserves upon vesting of performance shares			(28)		(28)
Final dividends payable for previous year				(320)	(320)
Interim dividends payable for current year				(333)	(333)
Total comprehensive income				(1)	(1)
Balance at 30 June 2010	8,403	247	64	626	9,340

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Consolidated Cash Flow Statement

In \$ millions	1st Half 2011	1st Half 2010
Cash flows from operating activities		
Net profit for the year	1,693	342
<i>Adjustments for non-cash items:</i>		
Allowances for credit and other losses	262	559
Depreciation of properties and other fixed assets	90	94
Goodwill charges	-	1,018
Share of profits of associates	(55)	(47)
Net gain on disposal of properties and other fixed assets	(15)	(17)
Net gain on disposal of financial investments	(166)	(148)
Income tax expense	276	237
Profit before changes in operating assets & liabilities	2,085	2,038
<i>Increase/(Decrease) in:</i>		
Due to banks	7,818	11,958
Due to non-bank customers	15,771	92
Financial liabilities at fair value through profit or loss	1,819	1,702
Other liabilities including bills payable	1,457	3,548
Debt securities and borrowings	523	242
<i>(Increase)/Decrease in:</i>		
Change in restricted balances with central banks	1	(354)
Singapore Government securities and treasury bills	(1,348)	596
Due from banks	(3,288)	2,959
Financial assets at fair value through profit or loss	(1,372)	(403)
Loans and advances to customers	(16,808)	(15,937)
Financial investments	(266)	(1,542)
Other assets	(2,759)	(4,254)
Tax paid	(204)	(156)
Net cash generated from operating activities (1)	3,429	489
Cash flows from investing activities		
Proceeds from disposal of associates	-	16
Acquisition of interest in associates	(35)	(22)
Dividends from associates	24	21
Purchase of properties and other fixed assets	(70)	(51)
Proceeds from disposal of properties and other fixed assets	21	35
Net cash used in investing activities (2)	(60)	(1)
Cash flows from financing activities		
Increase in share capital and share premium	10	9
Payment upon maturity of subordinated term debts	(1,046)	(705)
Dividends paid to non-controlling interests	(172)	(117)
Payment upon redemption of preference shares	(2,112)	-
Net cash used in financing activities (3)	(3,320)	(813)
Exchange translation adjustments (4)	(16)	27
Net change in cash and cash equivalents (1)+(2)+(3)+(4)	33	(298)
Cash and cash equivalents at 1 January	25,112	19,281
Cash and cash equivalents at 30 June	25,145	18,983

Additional Information

ISSUANCE OF ORDINARY SHARES

(a) The movement in the number of issued and fully paid-up ordinary shares for the first half ended 30 June 2011 is as follows:

At 1 January 2011	2,308,790,261
Exercise of share options pursuant to the DBSH Share Option Plan	<u>757,065</u>
At 30 June 2011	<u>2,309,547,326</u>

Weighted average number of shares for first half 2011	
- ordinary shares	2,309,148,268
- fully diluted	2,444,212,573

The fully diluted shares took into account the effect of a full conversion of non-voting convertible preference shares (CPS) and non-voting redeemable CPS, the exercise of all outstanding share options granted to employees when such shares would be issued to a price lower than the average share price during the period and shares distributable pursuant to Scrip Dividend Scheme.

(b) New ordinary shares that would have been issued on conversion of preference shares and exercise of share option are as follows:

(Number)	<u>30 Jun 2011</u>	<u>31 Mar 2011</u>	<u>31 Dec 2010</u>	<u>30 Jun 2010</u>
Conversion of non-voting CPS	180,654	180,654	180,654	180,654
Conversion of non-voting redeemable CPS	99,713,061	99,713,061	99,713,061	99,713,061
Exercise of share options	7,389,504	7,852,538	11,417,819	13,168,764

(c) The movement in the number of treasury shares for the first half ended 30 June 2011 is as follows:

At 1 January 2011	5,762,894
Vesting of performance shares	<u>(2,904,188)</u>
At 30 June 2011	<u>2,858,706</u>

ADOPTION OF NEW OR REVISED FRS AND INT FRS

FRS 24 Related Party Disclosures (2009)

The revised standard clarifies the definition of a related party to simplify the identification of such relationships, and eliminates inconsistencies in its application.

Amongst other changes, the revised standard expands the definition of a related party, and would treat two entities under the same parent as related to each other if the parent has control/joint control over one entity and control/joint control/significant influence over the other entity.

Improvements to FRSs (2010)

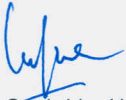
As part of IASB's annual improvements project, there are amendments made to 7 standards this year. These revisions are of a technical or clarifying nature, and the main revision this year pertains to FRS 107 Financial Instruments: Disclosures, where the financial effects of collateral and other credit enhancements are required to be disclosed.

There is no material impact expected on the Group's financial statements from the adoption of the above revisions.

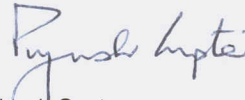
CONFIRMATION BY THE BOARD

We, Peter Seah Lim Huat and Piyush Gupta, being two directors of DBS Group Holdings Ltd (the Company), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the First Half ended 30 June 2011 Unaudited Financial Results of the Company to be false or misleading in any material aspect.

On behalf of the board of directors



Peter Seah Lim Huat
Chairman



Piyush Gupta
Chief Executive Officer

27 July 2011
Singapore