



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

To: Shareholders

The Board of Directors of DBS Group Holdings Ltd ("DBSH") reports the following:

Unaudited Financial Results for the Third Quarter Ended 30 September 2015

Details of the unaudited financial results are in the accompanying Performance Summary.

Dividends

For the third quarter of 2015, no dividend has been declared for DBSH ordinary shares.

By order of the Board

Goh Peng Fong
Group Secretary

30 October 2015
Singapore

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



Performance Summary

Unaudited Financial Results
For the Third Quarter ended
30 September 2015

DBS Group Holdings Ltd
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DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

OVERVIEW

DBS Group Holdings Ltd (“DBSH”) prepares its consolidated DBSH Group (“Group”) financial statements in accordance with Singapore Financial Reporting Standard (“FRS”), 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 2014, with the exception of the adoption of new or revised FRS.

On 1 January 2015, the Group adopted the following revised FRS that are issued by the Accounting Standards Council and relevant for the Group:

- Improvements to FRSs (issued in January 2014)
- Improvements to FRSs (issued in February 2014)

There is no significant impact on the Group’s financial statements from the adoption of the above revised FRS.

	3rd Qtr 2015	3rd Qtr 2014	% chg	2nd Qtr 2015	% chg	9 Mths 2015	9 Mths 2014	% chg
Selected income statement items (\$m)								
Net interest income	1,813	1,602	13	1,743	4	5,246	4,647	13
Net fee and commission income	517	555	(7)	582	(11)	1,659	1,568	6
Other non-interest income	382	357	7	365	5	1,233	1,063	16
Total income	2,712	2,514	8	2,690	1	8,138	7,278	12
Expenses	1,259	1,109	14	1,218	3	3,658	3,204	14
Profit before allowances	1,453	1,405	3	1,472	(1)	4,480	4,074	10
Allowances for credit and other losses	178	177	1	137	30	496	456	9
Profit before tax	1,272	1,234	3	1,345	(5)	3,995	3,688	8
Net profit	1,066	1,008	6	1,117	(5)	3,316	3,010	10
One-time items ^{1/}	-	-	-	-	-	136	198	(31)
Net profit including one-time items	1,066	1,008	6	1,117	(5)	3,452	3,208	8
Selected balance sheet items (\$m)								
Customer loans	285,156	261,681	9	280,071	2	285,156	261,681	9
Total assets	456,361	424,383	8	440,257	4	456,361	424,383	8
Customer deposits	318,005	304,982	4	305,913	4	318,005	304,982	4
Total liabilities	414,500	385,110	8	398,664	4	414,500	385,110	8
Shareholders’ funds	39,404	36,750	7	39,168	1	39,404	36,750	7
Key financial ratios (%) (excluding one-time items) ^{2/}								
Net interest margin	1.78	1.68		1.75		1.74	1.67	
Non-interest/total income	33.1	36.3		35.2		35.5	36.2	
Cost/income ratio	46.4	44.1		45.3		45.0	44.0	
Return on assets	0.94	0.95		1.00		0.99	0.97	
Return on equity ^{3/}	10.9	11.2		11.6		11.6	11.5	
Loan/deposit ratio	89.7	85.8		91.6		89.7	85.8	
NPL ratio	0.9	0.9		0.9		0.9	0.9	
Specific allowances (loans)/average loans (bp)	20	22		19		20	17	
Common Equity Tier 1 capital adequacy ratio	12.9	13.4		13.4		12.9	13.4	
Tier 1 capital adequacy ratio	12.9	13.4		13.4		12.9	13.4	
Total capital adequacy ratio	14.8	15.6		15.3		14.8	15.6	
Leverage ratio ^{4/}	7.1	NA		7.3		7.1	NA	

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

	3rd Qtr 2015	3rd Qtr 2014	2nd Qtr 2015	9 Mths 2015	9 Mths 2014
Per share data (\$)					
Per basic share					
– earnings excluding one-time items	1.67	1.61	1.78	1.76	1.62
– earnings	1.67	1.61	1.78	1.82	1.70
– net book value ^{5/}	15.42	14.46	15.29	15.42	14.46
Per diluted share					
– earnings excluding one-time items	1.67	1.59	1.78	1.76	1.61
– earnings	1.67	1.59	1.78	1.82	1.69
– net book value ^{5/}	15.42	14.36	15.29	15.42	14.36

Notes:

1/ 9 Mths 2015: relates to gain from disposal of a property investment. 9 Mths 2014: relates to net gain on divestment of remaining stake in the Bank of the Philippine Islands of \$223 million less a sum of \$25 million donated to National Gallery Singapore.

2/ Return on assets, return on equity, specific allowances (loan)/average loans and per share data for the quarters are computed on an annualised basis.

3/ Calculated based on net profit attributable to the shareholders net of dividends on preference shares and other equity instruments. Non-controlling interests, preference shares and other equity instruments are not included as equity in the computation of return on equity.

4/ The leverage ratio, which is computed based on the revised MAS Notice 637, took effect on 1 January 2015.

5/ Non-controlling interests are not included as equity in the computation of net book value per share.

NA Not applicable

Net profit rose 6% from a year ago to \$1.07 billion. Total income increased 8% to \$2.71 billion as net interest income reached a record with net interest margin at a four-year high. Compared to the previous quarter, net profit was 5% lower from an increase in general allowances. Total income and profit before allowances were both little changed.

A charge of \$50 million was taken for the first-time adoption of funding valuation adjustment to the fair value of derivatives. Adjusting for the charge, net profit would have risen 10% from a year ago and been stable from the previous quarter.

Net interest income increased 13% from a year ago to \$1.81 billion. Loans grew 9%, largely due to currency effects, with increases in non-trade corporate and housing loans partially offset by a decline in trade loans. Net interest margin rose ten basis points to 1.78%. Compared to the previous quarter, net interest income was 4% higher as loans grew 2% on a reported basis and net interest margin was three basis points higher. Singapore-dollar loans were repriced in line with higher interbank and swap offer rates, and steps were taken to further reduce higher-cost deposits in Singapore and Hong Kong.

Net fee income fell 7% to \$517 million as investment banking fees fell from a high base a year ago. Other non-interest income rose 7% to \$382 million from higher trading income and from the disposal of properties. Compared to the previous quarter, net fee income fell 11% as market volatility during the quarter affected investment

banking, wealth management and brokerage fees. Trading income was 5% higher.

Expenses rose 14% from a year ago and 3% from the previous quarter to \$1.26 billion. Profit before allowances grew 3% from a year ago to \$1.45 billion.

Asset quality remained healthy with the non-performing loan rate unchanged from recent quarters at 0.9%. Specific allowances for loans were also little changed at 20 basis points. Allowance coverage was at 161% and 324% if collateral was considered.

Liquidity was strong. The average liquidity coverage ratio during the quarter of 121% was comfortably above regulatory requirements. The loan-deposit ratio was 90%.

The Group also continued to be well-capitalised. The Common Equity Tier 1 ratio was at 12.9% while the leverage ratio was at 7.1%.

For the first nine months, net profit rose to a record \$3.45 billion, underpinned by a 12% increase in total income to \$8.14 billion. There was a one-time gain of \$136 million from the disposal of a property investment. Excluding the gain, net profit rose 10% to \$3.32 billion. Return on equity was 11.6%.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NET INTEREST INCOME

Average balance sheet	3rd Qtr 2015			3rd Qtr 2014			2nd Qtr 2015		
	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 non-trade loans	236,700	1,551	2.60	211,101	1,329	2.50	231,436	1,498	2.60
Trade assets	57,294	329	2.28	59,992	394	2.61	53,093	325	2.46
Interbank assets ^{1/}	33,680	99	1.17	37,632	143	1.51	38,348	125	1.31
Securities	76,205	444	2.31	68,638	400	2.31	76,694	448	2.34
Total	403,879	2,423	2.38	377,363	2,266	2.38	399,571	2,396	2.41
Interest-bearing liabilities									
Customer deposits	314,784	454	0.57	298,940	523	0.69	313,899	508	0.65
Other borrowings	61,688	156	1.00	52,063	141	1.07	57,234	145	1.02
Total	376,472	610	0.64	351,003	664	0.75	371,133	653	0.71
Net interest income/margin ^{2/}		1,813	1.78		1,602	1.68		1,743	1.75

Average balance sheet	9 Mths 2015			9 Mths 2014		
	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)
Interest-bearing assets						
Customer non-trade loans	232,359	4,488	2.58	206,000	3,864	2.51
Trade assets	56,454	1,024	2.43	62,053	1,204	2.59
Interbank assets ^{1/}	39,227	370	1.26	38,101	432	1.52
Securities	74,891	1,317	2.35	65,919	1,113	2.26
Total	402,931	7,199	2.39	372,073	6,613	2.38
Interest-bearing liabilities						
Customer deposits	316,300	1,505	0.64	295,688	1,565	0.71
Other borrowings	58,838	448	1.02	51,123	401	1.05
Total	375,138	1,953	0.70	346,811	1,966	0.76
Net interest income/margin ^{2/}		5,246	1.74		4,647	1.67

Notes:

^{1/} Includes non-restricted balances with central banks.

^{2/} Net interest margin is net interest income expressed as a percentage of average interest-bearing assets.

Net interest income rose 13% from a year ago and 4% from the previous quarter to \$1.81 billion. Compared to the previous quarter, net interest margin was three basis points higher at 1.78% as Singapore-dollar loans were re-priced in line with higher interbank and swap offer rates. In addition, deposit costs in Singapore and Hong Kong fell as steps were taken to further reduce higher-cost deposits.

For the nine months, net interest income rose 13% to \$5.25 billion from higher loan volumes and net interest margin increased seven basis points to 1.74%.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Volume and rate analysis (\$m) Increase/(decrease) due to change in	3rd Qtr 2015 versus 3rd Qtr 2014			3rd Qtr 2015 versus 2nd Qtr 2015		
	Volume	Rate	Net change	Volume	Rate	Net change
Interest income						
Customer non-trade loans	162	60	222	35	1	36
Trade assets	(18)	(47)	(65)	25	(25)	-
Interbank assets	(15)	(29)	(44)	(15)	(12)	(27)
Securities	44	-	44	(4)	(5)	(9)
Total	173	(16)	157	41	(41)	-
Interest expense						
Customer deposits	28	(97)	(69)	1	(61)	(60)
Other borrowings	26	(11)	15	11	(2)	9
Total	54	(108)	(54)	12	(63)	(51)
Net impact on net interest income	119	92	211	29	22	51
Due to change in number of days			-			19
Net Interest Income			211			70

Volume and rate analysis (\$m) Increase/(decrease) due to change in	9 Mths 2015 versus 9 Mths 2014		
	Volume	Rate	Net change
Interest income			
Customer non-trade loans	495	129	624
Trade assets	(109)	(71)	(180)
Interbank assets	13	(75)	(62)
Securities	151	53	204
Total	550	36	586
Interest expense			
Customer deposits	109	(169)	(60)
Other borrowings	61	(14)	47
Total	170	(183)	(13)
Net impact on net interest income	380	219	599
Due to change in number of days			-
Net Interest Income			599

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NET FEE AND COMMISSION INCOME

(\$m)	3rd Qtr 2015	3rd Qtr 2014	% chg	2nd Qtr 2015	% chg	9 Mths 2015	9 Mths 2014	% chg
Brokerage	45	43	5	56	(20)	146	128	14
Investment banking ^{2/}	31	88	(65)	52	(40)	109	171	(36)
Trade and transaction services ^{1/ 2/}	133	135	(1)	139	(4)	417	418	-
Loan-related	120	94	28	111	8	354	305	16
Cards ^{3/}	107	96	11	105	2	314	267	18
Wealth management	137	142	(4)	175	(22)	479	397	21
Others	16	22	(27)	19	(16)	53	62	(15)
Fee and commission income	589	620	(5)	657	(10)	1,872	1,748	7
Less: Fee and commission expense	72	65	11	75	(4)	213	180	18
Total	517	555	(7)	582	(11)	1,659	1,568	6

Notes:

1/ Includes trade & remittances, guarantees and deposit-related fees.

2/ Fees from fiduciary services are reclassified from investment banking to trade and transaction services.

3/ Net of interchange fees paid.

Compared to a year ago, net fee income fell 7% to \$517 million. The decrease was due to a high base in investment banking activities a year ago. Compared to the previous quarter, net fee income was 11% lower as market volatility during the quarter reduced wealth management, investment banking and brokerage fees.

For the nine months, net fee income rose 6% to \$1.66 billion as double-digit percentage increases in wealth management, cards, brokerage and loan-related fees were partially offset by a decline in investment banking fees.

OTHER NON-INTEREST INCOME

(\$m)	3rd Qtr 2015	3rd Qtr 2014	% chg	2nd Qtr 2015	% chg	9 Mths 2015	9 Mths 2014	% chg
Net trading income ^{2/}	286	271	6	273	5	915	809	13
Net income from investment securities ^{1/}	39	74	(47)	43	(9)	185	174	6
Net gain on fixed assets	43	-	NM	31	39	89	43	>100
Others (includes rental income) ^{1/}	14	12	17	18	(22)	44	37	19
Total	382	357	7	365	5	1,233	1,063	16

Notes:

1/ Excludes one-time items.

2/ Net trading income includes valuation adjustments such as bid-offer valuation adjustment, credit valuation adjustment and from 3rd Qtr 2015, funding valuation adjustment.

NM Not Meaningful

Other non-interest income rose 7% from a year ago to \$382 million from an increase in trading income and gains from the property disposals in Hong Kong. Trading income included a charge of \$50 million from first-time adoption of funding valuation adjustment (FVA) to the fair value of derivatives, in line with industry developments for over-the-counter derivatives. FVA represents an estimate of the adjustment to fair value that a market participant would make in incorporating funding costs and benefits that arise in relation to uncollateralised derivatives positions.

Other non-interest income was 5% above the previous quarter.

For the nine months, other non-interest income rose 16% to \$1.23 billion. Trading income rose 13% to \$915 million from favourable positions in foreign exchange as well as higher customer activities. Gains from property disposals were also higher.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

EXPENSES

(\$m)	3rd Qtr 2015	3rd Qtr 2014	% chg	2nd Qtr 2015	% chg	9 Mths 2015	9 Mths 2014	% chg
Staff	667	573	16	669	-	2,008	1,684	19
Occupancy	105	93	13	97	8	294	281	5
Computerisation	227	216	5	212	7	646	603	7
Revenue-related	83	65	28	78	6	223	186	20
Others	177	162	9	162	9	487	450	8
Total	1,259	1,109	14	1,218	3	3,658	3,204	14
Staff headcount at period-end	21,898	20,678	6	21,489	2	21,898	20,678	6

Included in the above table were:

Depreciation of properties and other fixed assets	62	55	13	63	(2)	185	162	14
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Expenses rose 14% from a year ago to \$1.26 billion. The increase was led by higher staff costs, revenue-related expenses and investments. Compared to the previous quarter, expenses were 3% higher. For the first nine months, expenses rose 14% to \$3.66 billion.

Excluding exchange translation effects and the one-time effect of consolidating new business portfolios, expenses were 9% and 10% higher for the third quarter and the nine months compared to a year ago. The third quarter's underlying cost-income ratio was 45%.

ALLOWANCES FOR CREDIT AND OTHER LOSSES

(\$m)	3rd Qtr 2015	3rd Qtr 2014	% chg	2nd Qtr 2015	% chg	9 Mths 2015	9 Mths 2014	% chg
General allowances (GP)	35	22	59	(2)	NM	54	106	(49)
Specific allowances (SP) for loans ^{1/}	142	148	(4)	132	8	425	329	29
Singapore	21	13	62	26	(19)	65	51	27
Hong Kong	17	19	(11)	7	>100	54	41	32
Rest of Greater China	23	20	15	26	(12)	88	30	>100
South and Southeast Asia	57	107	(47)	60	(5)	191	278	(31)
Rest of the World	24	(11)	NM	13	85	27	(71)	NM
Specific allowances (SP) for securities, properties and other assets	1	7	(86)	7	(86)	17	21	(19)
Total	178	177	1	137	30	496	456	9

Notes:

1/ Specific allowances for loans are classified according to where the borrower is incorporated.
 NM Not Meaningful

Total allowances of \$178 million were little changed from a year ago as an increase in general allowances was offset by a decline in specific allowances. Compared to the previous quarter, total allowances were 30% higher as general allowances increased in line with higher reported loan growth.

For the nine months, total allowances were 9% higher as a decline in general allowances in line with slower loan growth in the nine months was offset by an increase in specific allowances.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

PERFORMANCE BY BUSINESS SEGMENTS

(\$m)	Consumer Banking/ Wealth Management	Institutional Banking	Treasury	Others	Total
Selected income items					
3rd Qtr 2015					
Net interest income	560	889	155	209	1,813
Non-interest income	320	454	71	54	899
Total income	880	1,343	226	263	2,712
Expenses	574	444	146	95	1,259
Allowances for credit and other losses	31	142	(2)	7	178
Share of profits of associates and joint venture	-	-	-	(3)	(3)
Profit before tax	275	757	82	158	1,272
2nd Qtr 2015					
Net interest income	510	867	194	172	1,743
Non-interest income	393	455	83	16	947
Total income	903	1,322	277	188	2,690
Expenses	549	421	146	102	1,218
Allowances for credit and other losses	18	104	(16)	31	137
Share of profits of associates and joint venture	-	-	-	10	10
Profit before tax	336	797	147	65	1,345
3rd Qtr 2014					
Net interest income	440	820	258	84	1,602
Non-interest income	323	439	84	66	912
Total income	763	1,259	342	150	2,514
Expenses	490	389	128	102	1,109
Allowances for credit and other losses	21	165	(2)	(7)	177
Share of profits of associates and joint venture	-	-	-	6	6
Profit before tax	252	705	216	61	1,234
9 Mths 2015 ^{1/}					
Net interest income	1,555	2,629	567	495	5,246
Non-interest income	1,089	1,386	322	95	2,892
Total income	2,644	4,015	889	590	8,138
Expenses	1,641	1,262	422	333	3,658
Allowances for credit and other losses	78	400	(40)	58	496
Share of profits of associates and joint venture	-	-	-	11	11
Profit before tax	925	2,353	507	210	3,995

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	Consumer Banking/ Wealth Management	Institutional Banking	Treasury	Others	Total
9 Mths 2014 ^{1/}					
Net interest income	1,225	2,400	726	296	4,647
Non-interest income	913	1,351	132	235	2,631
Total income	2,138	3,751	858	531	7,278
Expenses	1,399	1,119	365	321	3,204
Allowances for credit and other losses	72	361	-	23	456
Share of profits of associates and joint venture	3	-	-	67	70
Profit before tax	670	2,271	493	254	3,688
Selected balance sheet and other items ^{2/}					
30 Sept 2015					
Total assets before goodwill and intangibles	89,604	228,365	96,219	37,055	451,243
Goodwill and intangibles					5,118
Total assets					456,361
Total liabilities	172,347	150,648	50,029	41,476	414,500
Capital expenditure for 3rd Qtr 2015	17	6	3	61	87
Depreciation for 3rd Qtr 2015	9	3	1	49	62
30 Jun 2015					
Total assets before goodwill and intangibles	86,674	222,314	87,151	39,001	435,140
Goodwill and intangibles					5,117
Total assets					440,257
Total liabilities	170,699	143,852	37,878	46,235	398,664
Capital expenditure for 2nd Qtr 2015	18	8	4	51	81
Depreciation for 2nd Qtr 2015	9	3	1	50	63
30 Sept 2014					
Total assets before goodwill and intangibles	79,409	215,490	90,683	33,966	419,548
Goodwill and intangibles					4,835
Total assets					424,383
Total liabilities	154,674	161,829	32,487	36,120	385,110
Capital expenditure for 3rd Qtr 2014	17	8	5	33	63
Depreciation for 3rd Qtr 2014	8	4	2	41	55

Notes:

1/ Non-interest income and profit before tax exclude one-time items.

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.

The various business segments are described below:

Consumer Banking/ Wealth Management

Consumer Banking/ Wealth Management 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 decreased 3% to \$880 million, as financial market volatility during the quarter affected investment and insurance product sales. The decline in net fee income was partially offset by higher net interest income as deposit margin improved and loan volumes grew. Expenses rose 5% to \$574 million in line with increased investments to enhance customer experience and higher marketing and franchise building costs. Allowances were \$13 million higher at \$31 million as general provisions rose. Profit before tax was 18% lower at \$275 million.

Compared to a year ago, profit before tax increased 9%. Total income rose 15% as net interest income increased 27%, while non-interest income declined slightly. Expenses rose 17% from increased investments and seasonal marketing campaigns. Total allowances were \$10 million higher as both specific and general allowances rose.

For the nine months, profit before tax was \$925 million, 38% higher than a year ago. Total income grew 24% to \$2.64 billion. Net interest income increased 27% to \$1.56 billion driven by higher loan and deposit volumes and better net interest margin. Non-interest income rose 19% to \$1.09 billion from higher investment and insurance product sales and cards fees. Expenses rose 17% to \$1.64 billion as investments, marketing and advertising activities grew. Total allowances increased \$6 million to \$78 million.

Institutional Banking

Institutional Banking provides financial services and products to institutional clients including bank and non-bank financial institutions, government-linked companies, large corporates and small and medium-sized businesses. The business focuses on broadening and deepening customer relationships. Products and services comprise the full range of credit facilities from short-term working capital financing to specialised lending. It also provides global transactional services such as cash management, trade finance and securities and fiduciary services; treasury and markets products; corporate finance and advisory banking as well as capital markets solutions.

Compared to the previous quarter, profit before tax declined 5% to \$757 million. Net interest income rose 3% to \$889 million from improved net interest margin and higher loan volumes. Non-interest income was little changed. Lower contributions from trade-related activities due to a slowing Chinese economy were offset by higher contributions from loan-related activities. Total income increased 2% to \$1.34 billion. Expenses rose 5% from headcount increases and higher computerisation expenses to support business growth. Allowances increased \$38 million to \$142 million as both specific and general allowances were higher.

Compared to a year ago, profit before tax rose 7% as total income increased 7% largely due to higher net interest income from higher loan volumes. Non-interest income also rose as loan-related activities, corporate remittance fees and treasury customer activities were

higher. These were partially offset by lower trade income and investment banking fees. Total expenses increased 14% from higher staff expenses. Total allowances declined \$23 million to \$142 million as both specific and general allowances were lower.

For the nine months, profit before tax increased 4% to \$2.35 billion as income growth was partially offset by higher expenses and allowances. Total income grew 7% to \$4.02 billion as net interest income increased 10%. Expenses were 13% higher at \$1.26 billion as headcount increased. Allowances were \$39 million higher at \$400 million from higher specific allowances partially offset by lower general allowances.

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 marking 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 Banking/Wealth Management (CBG) and Institutional Banking (IBG), is reflected in the respective segments. Treasury is also responsible for managing surplus funds.

Compared to the previous quarter, profit before tax was 44% lower at \$82 million. Total income declined 18% to \$226 million as trading income was lower due to unfavourable marked-to-market credit positions from wider spreads. This was offset by favourable positions in equity and foreign exchange positions. Expenses remained flat at \$146 million.

Compared to a year ago, profit before tax declined 62%. Total income decreased 34% as trading gains were lower from interest rate and credit positions, while expenses grew 14%.

For the nine months, profit before tax rose 3% to \$507 million. Total income increased 4% to \$889 million mainly from higher gains on investment securities and expenses grew 16% to \$422 million as staff expenses rose.

Income from treasury customer activities, which is reflected in CBG and IBG, declined 8% from the previous quarter to \$308 million. Lower income from equity and fixed-income products was partially offset by higher income from foreign exchange products. Compared to a year ago, income from customer activities rose 10% as contributions from foreign exchange products were higher. For the nine months, income from customer activities rose 8% to \$978 million due to higher income from foreign exchange and equity products.

Others

Others encompasses a range of activities from corporate decisions and includes income and expenses not attributed to other business segments, including capital and balance sheet management, funding and liquidity. DBS Vickers Securities and Islamic Bank of Asia are also included in this segment.

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 the World	Total
Selected income items						
3rd Qtr 2015						
Net interest income	1,175	356	139	99	44	1,813
Non-interest income	470	248	127	31	23	899
Total income	1,645	604	266	130	67	2,712
Expenses	726	240	182	88	23	1,259
Allowances for credit and other losses	76	(13)	53	45	17	178
Share of profits of associates and joint venture	(6)	-	3	-	-	(3)
Profit before tax	837	377	34	(3)	27	1,272
Income tax expense	113	48	11	(4)	11	179
Net profit	697	329	23	1	16	1,066
2nd Qtr 2015						
Net interest income	1,149	321	138	90	45	1,743
Non-interest income	475	301	128	37	6	947
Total income	1,624	622	266	127	51	2,690
Expenses	711	231	173	83	20	1,218
Allowances for credit and other losses	56	15	4	51	11	137
Share of profits of associates and joint venture	3	-	6	1	-	10
Profit before tax	860	376	95	(6)	20	1,345
Income tax expense	125	56	16	(6)	6	197
Net profit	704	320	79	-	14	1,117
3rd Qtr 2014						
Net interest income	1,025	277	149	102	49	1,602
Non-interest income	574	209	83	29	17	912
Total income	1,599	486	232	131	66	2,514
Expenses	655	195	163	76	20	1,109
Allowances for credit and other losses	104	16	26	41	(10)	177
Share of profits of associates and joint venture	1	-	3	2	-	6
Profit before tax	841	275	46	16	56	1,234
Income tax expense	122	49	8	-	14	193
Net profit	686	226	38	16	42	1,008

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	S'pore	Hong Kong	Rest of Greater China	South And South-east Asia	Rest of the World	Total
9 Mths 2015 ^{2/}						
Net interest income	3,420	986	422	284	134	5,246
Non-interest income	1,552	779	392	129	40	2,892
Total income	4,972	1,765	814	413	174	8,138
Expenses	2,111	700	526	254	67	3,658
Allowances for credit and other losses	172	30	96	164	34	496
Share of profits of associates and joint venture	(5)	-	13	3	-	11
Profit before tax	2,684	1,035	205	(2)	73	3,995
Income tax expense	393	146	33	(10)	29	591
Net profit	2,203	889	172	8	44	3,316
9 Mths 2014 ^{2/}						
Net interest income	2,959	790	449	298	151	4,647
Non-interest income	1,572	628	286	105	40	2,631
Total income	4,531	1,418	735	403	191	7,278
Expenses	1,908	559	454	222	61	3,204
Allowances for credit and other losses	235	21	45	151	4	456
Share of profits of associates and joint venture	12	3	6	49	-	70
Profit before tax	2,400	841	242	79	126	3,688
Income tax expense	356	143	44	6	23	572
Net profit	1,938	698	198	73	103	3,010
Selected balance sheet items						
30 Sept 2015						
Total assets before goodwill and intangibles	299,298	73,486	44,205	17,141	17,113	451,243
Goodwill and intangibles	5,083	35	-	-	-	5,118
Total assets	304,381	73,521	44,205	17,141	17,113	456,361
Non-current assets ^{3/}	1,965	382	81	44	5	2,477
Gross customer loans	189,560	55,868	23,067	10,702	9,552	288,749
30 Jun 2015						
Total assets before goodwill and intangibles	286,166	73,451	42,886	17,401	15,236	435,140
Goodwill and intangibles	5,083	34	-	-	-	5,117
Total assets	291,249	73,485	42,886	17,401	15,236	440,257
Non-current assets ^{3/}	1,959	376	82	43	2	2,462
Gross customer loans	186,391	56,072	21,828	11,009	8,423	283,723
30 Sept 2014						
Total assets before goodwill and intangibles	277,284	67,234	43,096	17,898	14,036	419,548
Goodwill and intangibles	4,802	33	-	-	-	4,835
Total assets	282,086	67,267	43,096	17,898	14,036	424,383
Non-current assets ^{3/}	1,944	360	96	35	2	2,437
Gross customer loans	174,626	50,799	21,103	10,812	7,864	265,204

Notes:

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

2/ Non-interest income and net profit exclude one-time items.

3/ Includes interests in associates and joint venture, properties and other fixed assets.

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

Singapore

Net profit was little changed from the previous quarter at \$697 million. Total income was 1% higher at \$1.65 billion, while expenses were 2% higher at \$726 million. Net interest income rose 2% to \$1.18 billion from higher net interest margin and loan volumes, while non-interest income was little changed at \$470 million as a decline in wealth management and investment banking fees was partially offset by higher trading income. Profit before allowances rose 1% to \$919 million.

Total allowances rose from \$56 million to \$76 million as an increase in general allowances was partially offset by lower specific allowances.

Compared to a year ago, net profit rose 2%. A 3% increase in total income was partially offset by an 11% rise in expenses. Allowances declined from \$104 million to \$76 million as specific allowances were lower.

For the nine months, net profit rose 14% to \$2.20 billion. Total income increased 10% to \$4.97 billion from higher loan volumes, improved net interest margin, higher wealth management and card fees as well as stronger trading gains and treasury customer activities. Expenses were 11% higher at \$2.11 billion. Allowances fell to \$172 million from \$235 million as general and specific allowances were lower.

Hong Kong

The third quarter's results incorporated a 5% appreciation of the Hong Kong dollar against the Singapore dollar compared to the previous quarter and an 12% appreciation when compared to a year ago.

Net profit rose 3% from the previous quarter to a record \$329 million. Net interest income increased 11% to \$356 million as net interest margin rose six basis points to 1.73% from an improved deposit mix. Non-interest income fell 18% to \$248 million as wealth management, stockbroking and debt origination activities were affected by financial market volatility, and trading income declined.

Expenses rose 4% to \$240 million. Allowances fell from \$15 million to a net write-back of \$13 million. This was partially offset by higher specific allowances.

Compared to a year ago, net profit was 46% higher. Net interest income increased 29% from higher net interest margin as deposit mix improved. Non-interest income rose 19%, mainly due to property disposal gains, which was partially offset by lower trading income.

Expenses rose 23% due to higher headcount and from the impact of the acquisition of Societe Generale's private banking business and higher computerisation costs due to increasing business volume. Allowances fell from \$16 million a year ago to a net write-back of \$13 million.

For the nine months, net profit rose 27% to \$889 million. Total income increased 24% to \$1.77 billion. Net interest income was 25% higher at \$986 million as net interest margin was higher. Non-interest income rose 24% to \$779 million due to property disposal gains, higher wealth management, cards, loan-related fees and trading income. Expenses were 25% higher at \$700 million. Allowances rose to \$30 million from \$21 million as higher specific allowances were partially offset by lower general allowances.

Rest of Greater China

Net profit fell 71% from the previous quarter to \$23 million. Total income was unchanged at \$266 million. Net interest income was little changed at \$139 million as the impact of lower net interest margin was offset by higher loan volumes, while non-interest income was stable at \$127 million as lower net fee income was offset by higher other income. Expenses rose 5% to \$182 million. Total allowances rose from \$4 million to \$53 million as both specific and general allowances were higher.

Compared to a year ago, net profit fell 39%. Net interest income fell 7% from lower net interest margin partially offset by higher loan volumes, while non-interest income rose 53% mainly from higher income from treasury customer activities and trading income. Total income growth of 15% outpaced expense growth of 12%. Allowances rose to \$53 million from \$26 million a year ago as specific allowances were higher.

For the nine months, net profit fell 13% from a year ago to \$172 million. Total income was 11% higher at \$814 million as higher non-interest income was partially offset by lower net interest income. Expenses were 16% higher at \$526 million. Allowances rose to \$96 million from \$45 million due to higher specific allowances partially offset by lower general allowances.

South and Southeast Asia

Net profit was flat from the previous quarter. Total income was stable at \$130 million as higher net interest income offsets lower non-interest income. Expenses were 6% higher at \$88 million, while allowances fell \$6 million to \$45 million from lower general allowances.

Compared to a year ago, total income was little changed, while expenses were 16% higher. Net profit declined to \$1 million from \$16 million.

For the nine months, net profit fell to \$8 million from \$73 million a year ago as expenses were higher and there had been a non-recurring gain of \$39 million from the divestment of the operating entities of Hwang Capital (Malaysia) a year ago.

Rest of the World

Net profit was little changed from the previous quarter at \$16 million. Total income was 31% higher at \$67 million as trading income rose. Offsetting the higher income were higher expenses and general allowances.

Compared to a year ago, total income rose marginally to \$67 million. Expenses rose \$3 million to \$23 million. Allowances were higher at \$17 million compared to a net write-back of \$10 million a year ago as specific and general allowances rose. Net profit declined to \$16 million from \$42 million.

For the nine months, net profit fell 57% from a year ago to \$44 million. Total income was 9% lower at \$174 million while expenses rose 10% to \$67 million. Allowances rose from \$4 million to \$34 million from higher general and specific allowances. The decline in performance was partly due to the conversion of the Los Angeles agency to a representative office with the consequent transfer of its business to Singapore in the first quarter of 2015.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CUSTOMER LOANS

(\$m)	30 Sept 2015	30 Jun 2015	31 Dec 2014	30 Sept 2014
Gross	288,749	283,723	279,154	265,204
Less:				
Specific allowances	898	983	983	1,008
General allowances	2,695	2,669	2,583	2,515
Net total	285,156	280,071	275,588	261,681
By business unit				
Consumer Banking/ Wealth Management	87,279	84,605	82,312	77,146
Institutional Banking	200,058	196,438	195,043	186,117
Others	1,412	2,680	1,799	1,941
Total (Gross)	288,749	283,723	279,154	265,204
By geography ^{1/}				
Singapore	133,154	129,819	129,167	125,148
Hong Kong	52,575	53,301	49,881	46,848
Rest of Greater China	49,187	48,357	50,865	49,097
South and Southeast Asia	27,381	27,345	25,446	23,573
Rest of the World	26,452	24,901	23,795	20,538
Total (Gross)	288,749	283,723	279,154	265,204
By industry				
Manufacturing	32,253	33,269	33,024	32,907
Building and construction	54,913	51,602	48,712	45,450
Housing loans	56,873	54,604	52,866	51,752
General commerce	52,914	54,192	56,658	55,368
Transportation, storage & communications	24,723	24,125	23,650	22,204
Financial institutions, investment & holding companies	14,562	15,951	16,168	14,203
Professionals & private individuals (excluding housing loans)	24,630	24,267	23,849	21,374
Others	27,881	25,713	24,227	21,946
Total (Gross)	288,749	283,723	279,154	265,204
By currency				
Singapore dollar	114,122	112,903	109,493	106,466
US dollar	91,913	90,023	96,552	91,184
Hong Kong dollar	34,760	34,632	32,476	30,654
Chinese yuan	22,949	22,655	20,399	17,672
Others	25,005	23,510	20,234	19,228
Total (Gross)	288,749	283,723	279,154	265,204

Note:

1/ 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.

Gross customer loans rose 9% from a year ago to \$289 billion mainly due to currency effects. In constant-currency terms, they grew 3% as growth in non-trade corporate and housing loans was offset by a decline in trade loans.

Compared to the previous quarter, loans rose 2% but fell 1% in constant-currency terms as a decline in trade loans was partially offset by non-trade corporate and housing loan growth.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NON-PERFORMING ASSETS AND LOSS ALLOWANCE COVERAGE

	30 Sept 2015			30 Jun 2015			31 Dec 2014			30 Sept 2014		
	NPA (\$m)	NPL (% of loans)	SP (\$m)	NPA (\$m)	NPL (% of loans)	SP (\$m)	NPA (\$m)	NPL (% of loans)	SP (\$m)	NPA (\$m)	NPL (% of loans)	SP (\$m)
By business unit												
Consumer Banking/ Wealth Management	310	0.4	63	289	0.3	60	276	0.3	60	266	0.3	57
Institutional Banking and Others	2,161	1.1	835	2,196	1.1	923	2,143	1.1	923	2,159	1.1	951
Total non-performing loans (NPL)	2,471	0.9	898	2,485	0.9	983	2,419	0.9	983	2,425	0.9	1,008
Debt securities	5	-	3	5	-	3	7	-	3	8	-	3
Contingent liabilities & others	73	-	31	81	-	48	87	-	44	92	-	53
Total non-performing assets (NPA)	2,549	-	932	2,571	-	1,034	2,513	-	1,030	2,525	-	1,064
By geography												
Singapore	510	0.4	133	512	0.4	161	428	0.3	143	414	0.3	125
Hong Kong	366	0.7	123	340	0.6	113	265	0.5	107	251	0.5	106
Rest of Greater China	320	0.7	100	356	0.7	134	342	0.7	132	318	0.6	133
South and Southeast Asia	867	3.2	401	777	2.8	368	906	3.6	411	944	4.0	431
Rest of the World	408	1.5	141	500	2.0	207	478	2.0	190	498	2.4	213
Total non-performing loans	2,471	0.9	898	2,485	0.9	983	2,419	0.9	983	2,425	0.9	1,008
Debt securities	5	-	3	5	-	3	7	-	3	8	-	3
Contingent liabilities & others	73	-	31	81	-	48	87	-	44	92	-	53
Total non-performing assets	2,549	-	932	2,571	-	1,034	2,513	-	1,030	2,525	-	1,064
Loss Allowance Coverage												
Specific allowances			932			1,034			1,030			1,064
General allowances			3,163			3,089			3,054			2,974
Total allowances			4,095			4,123			4,084			4,038
Total allowances/ NPA			161%			160%			163%			160%
Total allowances/ unsecured NPA			324%			304%			296%			324%

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

By industry (\$m)	30 Sept 2015		30 Jun 2015		31 Dec 2014		30 Sept 2014	
	NPA	SP	NPA	SP	NPA	SP	NPA	SP
Manufacturing	647	270	620	289	660	331	622	304
Building and construction	313	107	341	94	357	115	440	171
Housing loans	122	8	114	7	113	8	110	8
General commerce	495	178	473	161	434	140	408	132
Transportation, storage & communications	319	121	363	168	338	153	336	147
Financial institutions, investment & holding companies	105	64	111	96	106	90	139	122
Professionals & private individuals (excluding housing loans)	196	56	183	54	166	53	161	52
Others	274	94	280	114	245	93	209	72
Total non-performing loans	2,471	898	2,485	983	2,419	983	2,425	1,008
Debt securities	5	3	5	3	7	3	8	3
Contingent liabilities & others	73	31	81	48	87	44	92	53
Total non-performing assets	2,549	932	2,571	1,034	2,513	1,030	2,525	1,064

By loan classification (\$m)	30 Sept 2015		30 Jun 2015		31 Dec 2014		30 Sept 2014	
	NPA	SP	NPA	SP	NPA	SP	NPA	SP
Non-performing assets								
Substandard	1,772	243	1,635	192	1,592	212	1,599	243
Doubtful	477	389	576	482	652	549	701	596
Loss	300	300	360	360	269	269	225	225
Total	2,549	932	2,571	1,034	2,513	1,030	2,525	1,064
Restructured assets								
Substandard	419	93	365	53	317	32	299	38
Doubtful	69	58	67	58	120	111	126	116
Loss	20	20	21	21	25	25	43	43
Total	508	171	453	132	462	168	468	197

By collateral type (\$m)	30 Sept 2015	30 Jun 2015	31 Dec 2014	30 Sept 2014
	NPA	NPA	NPA	NPA
Unsecured non-performing assets	1,266	1,356	1,378	1,247
Secured non-performing assets by collateral type				
Properties	568	524	441	434
Shares and debentures	276	309	316	415
Fixed deposits	13	11	11	16
Others	426	371	367	413
Total	2,549	2,571	2,513	2,525

By period overdue

(\$m)	30 Sept 2015	30 Jun 2015	31 Dec 2014	30 Sept 2014
	NPA	NPA	NPA	NPA
Not overdue	531	576	597	405
<90 days overdue	312	258	273	368
91-180 days overdue	308	353	162	325
>180 days overdue	1,398	1,384	1,481	1,427
Total	2,549	2,571	2,513	2,525

Non-performing assets of \$2.55 billion and the non-performing loan rate of 0.9% were stable from the

previous quarter and a year ago. Allowance coverage was at 161% and at 324% if collateral was considered.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CUSTOMER DEPOSITS

(\$m)	30 Sept 2015	30 Jun 2015	31 Dec 2014	30 Sept 2014
By currency and product				
Singapore dollar	140,396	139,544	138,332	137,256
Fixed deposits	13,259	12,363	15,084	17,880
Savings accounts	103,679	104,745	100,693	99,262
Current accounts	23,365	22,341	22,463	20,027
Others	93	95	92	87
US dollar	92,103	85,095	93,445	88,016
Fixed deposits	51,368	49,667	54,311	53,462
Savings accounts	10,390	7,226	8,777	7,873
Current accounts	28,290	26,455	26,244	21,910
Others	2,055	1,747	4,113	4,771
Hong Kong dollar	36,220	33,928	31,450	29,499
Fixed deposits	20,687	19,102	19,437	17,925
Savings accounts	8,697	8,419	6,507	6,544
Current accounts	6,697	5,946	4,908	4,541
Others	139	461	598	489
Chinese yuan	16,045	17,372	20,463	18,952
Fixed deposits	13,091	14,825	17,413	16,527
Savings accounts	1,250	1,003	1,180	1,013
Current accounts	1,613	1,498	1,811	1,358
Others	91	46	59	54
Others	33,241	29,974	33,483	31,259
Fixed deposits	24,671	21,550	24,659	23,827
Savings accounts	3,007	2,938	2,596	2,432
Current accounts	4,320	3,931	5,450	4,043
Others	1,243	1,555	778	957
Total	318,005	305,913	317,173	304,982
Fixed deposits	123,076	117,507	130,904	129,621
Savings accounts	127,023	124,331	119,753	117,124
Current accounts	64,285	60,171	60,876	51,879
Others	3,621	3,904	5,640	6,358

Customer deposits rose by a reported 4% from the previous quarter to \$318 billion largely due to currency effects. In constant-currency terms they rose 1%. The

overall loan-deposit ratio fell from 92% to 90% as US-dollar deposits grew faster than loans. Singapore-dollar deposits rose at the same pace as loans.

DEBTS ISSUED

(\$m)	30 Sept 2015	30 Jun 2015	31 Dec 2014	30 Sept 2014
Subordinated term debts	4,045	3,966	4,665	5,545
Senior medium term notes	11,229	12,697	10,857	10,666
Commercial papers	14,554	15,481	14,561	13,899
Negotiable certificates of deposit	1,074	984	1,072	1,119
Other debt securities	6,500	6,568	5,473	5,253
Covered bonds	1,435	-	-	-
Total	38,837	39,696	36,628	36,482
Due within 1 year	24,571	26,653	23,919	23,892
Due after 1 year	14,266	13,043	12,709	12,590
Total	38,837	39,696	36,628	36,482

TRADING INCOME AND RISK

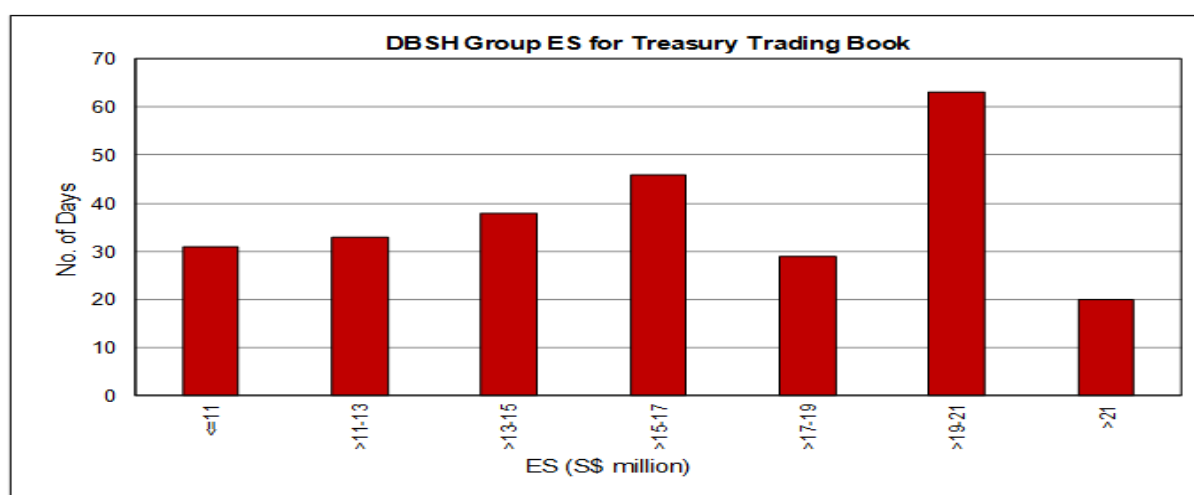
The Group's market risk appetite framework leverages on the Expected Shortfall (ES)^{1/} metric to monitor and limit market risk exposures. Expected Shortfall is calculated using the historical simulation value-at-risk (VaR) approach and averaging the losses beyond the 95% confidence interval over a one-day holding period.

The ES for Treasury's trading portfolios is shown in the following table.

(\$m)	As at 30 Sept 2015	Average	1 Oct 2014 to 30 Sept 2015 High	Low
Total	17	16	22	9

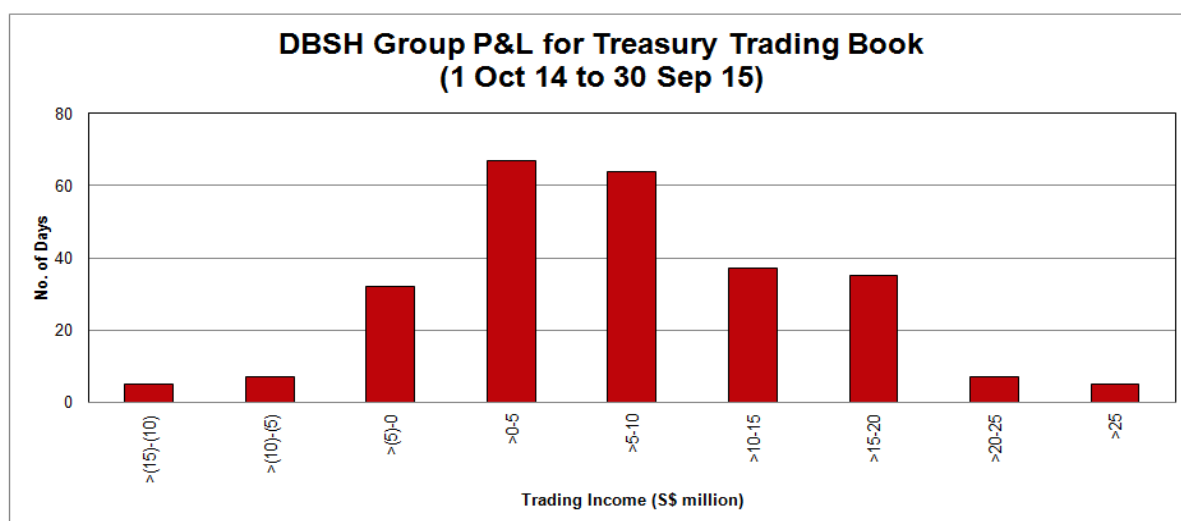
Treasury's trading portfolio experienced three back-testing exceptions from 1 October 2014 to 30 September 2015 compared with two in the corresponding prior period. The exceptions occurred in September, December and January.

The chart below provides the histogram of Expected Shortfall (ES) for the Group's trading book for the period from 1 October 2014 and 30 September 2015.



1/ Previously called TVaR and renamed to align to BCBS and industry usage.

The chart below shows the frequency distribution of daily trading income of Treasury & Markets Group for the period from 1 October 2014 to 30 September 2015.



CAPITAL ADEQUACY

(\$m)	30 Sept 2015	30 Jun 2015	31 Dec 2014	30 Sept 2014
Share capital	10,392	10,361	10,113	10,112
Disclosed reserves and others	28,303	28,097	26,814	25,876
Total regulatory adjustments to Common Equity Tier 1 capital	(2,220)	(2,172)	(1,080)	(1,013)
Regulatory adjustments due to insufficient Additional Tier 1 capital	(315)	(287)	(1,144)	(883)
Common Equity Tier 1 capital	36,160	35,999	34,703	34,092
Additional Tier 1 capital instruments ^{1/}	2,990	2,972	3,179	3,169
Total regulatory adjustments to Additional Tier 1 capital	(2,990)	(2,972)	(3,179)	(3,169)
Tier 1 capital	36,160	35,999	34,703	34,092
Provisions eligible as Tier 2 capital	1,416	1,364	1,354	1,280
Tier 2 capital instruments ^{1/}	3,713	3,679	4,304	4,282
Total regulatory adjustments to Tier 2 capital	(1)	(1)	(1)	(1)
Total capital	41,288	41,041	40,360	39,653
Risk-Weighted Assets ("RWA")				
Credit RWA	217,762	208,094	206,423	195,457
Market RWA	44,575	43,224	41,813	43,254
Operational RWA	16,991	16,612	15,950	15,730
Total RWA	279,328	267,930	264,186	254,441
Capital Adequacy Ratio ("CAR") (%)				
Common Equity Tier 1	12.9	13.4	13.1	13.4
Tier 1	12.9	13.4	13.1	13.4
Total	14.8	15.3	15.3	15.6
Pro forma Common Equity Tier 1 under final rules effective 1 Jan 2018	11.9	12.3	11.9	12.1
Minimum CAR (%)				
Common Equity Tier 1	6.5	6.5	5.5	5.5
Tier 1	8.0	8.0	7.0	7.0
Total	10.0	10.0	10.0	10.0

Note:

^{1/} As part of the Basel III transition arrangements, regulatory capital recognition of outstanding Tier 1 and Tier 2 capital instruments that no longer meet the minimum criteria is gradually being phased out. Fixing the base at the nominal amount of such instruments outstanding on 1 Jan 2013, their recognition was capped at 90% in 2013, with this cap decreasing by 10 percentage points in each subsequent year. To the extent a capital instrument is redeemed or amortised after 1 Jan 2013, the nominal amount serving as the base will not be reduced.

Capital adequacy ratios were lower as at 30 September 2015 as compared to 30 June 2015. Reserves increased modestly as the increase in retained earnings was partly offset by interim ordinary dividends. Risk-weighted assets increased mainly due to the impact of changes in exchange rates and increase in exposures. The Group's leverage ratio stood at 7.1%, well above the minimum 3% being envisaged by the Basel Committee.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

ADDITIONAL PILLAR 3 DISCLOSURES

The Composition of Capital, Main Features of Capital Instruments and Leverage Ratio disclosures required pursuant to the Monetary Authority of Singapore's Notice to Banks No. 637 "Notice on Risk Based Capital Adequacy Requirements for Banks incorporated in Singapore" ("Notice 637") are published in the Investor Relations section of the Group website: (<http://www.dbs.com/investor/index.html>).

Capital Adequacy of Significant Banking Subsidiaries

The capital adequacy ratios of each banking subsidiary are calculated in accordance with the regulatory requirements applicable in the country of incorporation, using the approaches available under those requirements. DBS Bank (Hong Kong) Limited and DBS Bank (China) Limited are deemed to be significant banking subsidiaries for the purposes of Pillar 3 disclosures under Notice 637 paragraph 11.3.7.

(\$m)	30 Sept 2015			
	Total risk-weighted assets	Common Equity Tier 1	CAR (%)	
			Tier 1	Total
DBS Bank (Hong Kong) Limited	38,860	15.2	15.2	17.2
DBS Bank (China) Limited	17,337	11.4	11.4	11.8

PROPERTY VALUATION SURPLUS

(\$m)	30 Sept 2015	30 Jun 2015	31 Dec 2014	30 Sept 2014
Properties ^{1/}	839	857	885	798

Note:

^{1/} Stated at cost less accumulated depreciation and impairment losses in the balance sheet.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Consolidated Income Statement

In \$ millions	3rd Qtr 2015	3rd Qtr 2014	+/(-) %	2nd Qtr 2015	+/(-) %	9 Mths 2015	9 Mths 2014	+/(-) %
Income								
Interest income	2,423	2,266	7	2,396	1	7,199	6,613	9
Interest expense	610	664	(8)	653	(7)	1,953	1,966	(1)
Net interest income	1,813	1,602	13	1,743	4	5,246	4,647	13
Net fee and commission income	517	555	(7)	582	(11)	1,659	1,568	6
Net trading income	286	271	6	273	5	915	809	13
Net income from investment securities	39	74	(47)	43	(9)	321	174	84
Other income	57	12	>100	49	16	133	278	(52)
Total income	2,712	2,514	8	2,690	1	8,274	7,476	11
Expenses								
Employee benefits	667	573	16	669	-	2,008	1,684	19
Other expenses	592	536	10	549	8	1,650	1,520	9
Allowances for credit and other losses	178	177	1	137	30	496	456	9
Total expenses	1,437	1,286	12	1,355	6	4,154	3,660	13
Operating profit after allowances	1,275	1,228	4	1,335	(4)	4,120	3,816	8
Share of profits of associates and joint venture	(3)	6	NM	10	NM	11	70	(84)
Profit before tax	1,272	1,234	3	1,345	(5)	4,131	3,886	6
Income tax expense	179	193	(7)	197	(9)	591	572	3
Net profit	1,093	1,041	5	1,148	(5)	3,540	3,314	7
Attributable to:								
Shareholders	1,066	1,008	6	1,117	(5)	3,452	3,208	8
Non-controlling interests	27	33	(18)	31	(13)	88	106	(17)
	1,093	1,041	5	1,148	(5)	3,540	3,314	7

Unaudited Consolidated Statement of Comprehensive Income

In \$ millions	3rd Qtr 2015	3rd Qtr 2014	+/(-) %	2nd Qtr 2015	+/(-) %	9 Mths 2015	9 Mths 2014	+/(-) %
Net profit	1,093	1,041	5	1,148	(5)	3,540	3,314	7
Other comprehensive income ^{1/}:								
Foreign currency translation differences for foreign operations	56	33	70	(130)	NM	53	30	77
Share of other comprehensive income of associates and joint venture	(1)	3	NM	(1)	-	(1)	8	NM
Available-for-sale financial assets and others								
<i>Net valuation taken to equity</i>	(74)	5	NM	(249)	70	(179)	364	NM
<i>Transferred to income statement</i>	42	(61)	NM	37	14	17	(118)	NM
<i>Tax on items taken directly to or transferred from equity</i>	11	2	>100	5	>100	9	(11)	NM
Other comprehensive income, net of tax	34	(18)	NM	(338)	NM	(101)	273	NM
Total comprehensive income	1,127	1,023	10	810	39	3,439	3,587	(4)
Attributable to:								
Shareholders	1,095	986	11	783	40	3,346	3,479	(4)
Non-controlling interests	32	37	(14)	27	19	93	108	(14)
	1,127	1,023	10	810	39	3,439	3,587	(4)

Notes:

1/ Items recorded in "Other Comprehensive Income" above will be reclassified subsequently to the income statement when specific conditions are met e.g. when foreign operations or available-for-sale financial assets are disposed.

NM Not Meaningful

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Balance Sheets

In \$ millions	GROUP				COMPANY			
	30 Sept 2015	30 Jun 2015	31 Dec 2014 ^{1/}	30 Sept 2014	30 Sept 2015	30 Jun 2015	31 Dec 2014 ^{1/}	30 Sept 2014
ASSETS								
Cash and balances with central banks	15,718	17,015	19,517	19,656				
Government securities and treasury bills	35,136	39,723	29,694	32,948				
Due from banks	36,383	28,882	42,263	38,686	10	9	13	
Derivatives	25,173	16,694	16,995	14,114	55	23	14	
Bank and corporate securities	39,155	39,246	37,763	37,667				
Loans and advances to customers	285,156	280,071	275,588	261,681				
Other assets	12,045	11,047	11,249	12,359				
Associates and joint venture	983	986	995	998				
Subsidiaries	-	-	-	-	18,994	19,246	19,416	13,884
Properties and other fixed assets	1,494	1,476	1,485	1,439				
Goodwill and intangibles	5,118	5,117	5,117	4,835				
TOTAL ASSETS	456,361	440,257	440,666	424,383	19,059	19,278	19,443	13,884
LIABILITIES								
Due to banks	16,061	18,509	16,176	12,518				
Deposits and balances from customers	318,005	305,913	317,173	304,982				
Derivatives	24,420	16,504	18,755	15,669		8		
Other liabilities	17,177	18,042	11,728	15,459	46	23	17	11
Other debt securities	34,792	35,730	31,963	30,937	1,808	1,695	1,661	1,592
Subordinated term debts	4,045	3,966	4,665	5,545				
TOTAL LIABILITIES	414,500	398,664	400,460	385,110	1,854	1,726	1,678	1,603
NET ASSETS	41,861	41,593	40,206	39,273	17,205	17,552	17,765	12,281
EQUITY								
Share capital	10,132	10,263	10,171	10,170	10,162	10,283	10,194	10,193
Other equity instruments	803	803	803	803	803	803	803	803
Other reserves	6,701	6,647	6,894	6,756	143	118	152	129
Revenue reserves	21,768	21,455	19,840	19,021	6,097	6,348	6,616	1,156
SHAREHOLDERS' FUNDS	39,404	39,168	37,708	36,750	17,205	17,552	17,765	12,281
Non-controlling interests	2,457	2,425	2,498	2,523				
TOTAL EQUITY	41,861	41,593	40,206	39,273	17,205	17,552	17,765	12,281
OTHER INFORMATION								
Net book value per share (\$)								
(i) Basic	15.42	15.29	14.85	14.46	6.55	6.67	6.79	4.57
(ii) Diluted	15.42	15.29	14.74	14.36	6.55	6.67	6.77	4.59

Note:
1/ Audited

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Consolidated Statement of Changes in Equity For the nine months ended 30 September 2015

GROUP							
In \$ millions	Share Capital	Other equity instruments	Other reserves	Revenue reserves	Total	Non-controlling interests	Total equity
Balance at 1 January 2015	10,171	803	6,894	19,840	37,708	2,498	40,206
Purchase of treasury shares	(240)				(240)		(240)
Draw-down of reserves upon vesting of performance shares	86		(86)		-		-
Issue of shares upon exercise of share options	4				4		4
Reclassification of reserves upon exercise of share options	1		(1)		-		-
Issue of shares pursuant to Scrip Dividend Scheme	110				110		110
Cost of share-based payments			78		78		78
Acquisition of non-controlling interests			(78)		(78)	(72)	(150)
Dividends paid to shareholders ^{1/}				(1,524)	(1,524)		(1,524)
Dividends paid to non-controlling interests					-	(62)	(62)
Total comprehensive income			(106)	3,452	3,346	93	3,439
Balance at 30 Sept 2015	10,132	803	6,701	21,768	39,404	2,457	41,861
Balance at 1 January 2014	9,676	803	6,492	17,262	34,233	3,453	37,686
Purchase of treasury shares	(79)				(79)		(79)
Draw-down of reserves upon vesting of performance shares	68		(68)		-		-
Issue of shares upon exercise of share options	13				13		13
Reclassification of reserves upon exercise of share options	3		(3)		-		-
Issue of shares pursuant to Scrip Dividend Scheme	489				489		489
Cost of share-based payments			64		64		64
Redemption of preference shares of a subsidiary					-	(895)	(895)
Dividends paid to shareholders ^{1/}				(1,449)	(1,449)		(1,449)
Dividends paid to non-controlling interests					-	(79)	(79)
Change in non-controlling interests					-	(64)	(64)
Total comprehensive income			271	3,208	3,479	108	3,587
Balance at 30 Sept 2014	10,170	803	6,756	19,021	36,750	2,523	39,273

Note:

1/ Includes distributions paid on preference shares and capital securities classified as equity

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Consolidated Statement of Changes in Equity For the three months ended 30 September 2015

GROUP

In \$ millions	Share Capital	Other equity instruments	Other reserves	Revenue reserves	Total	Non- controlling interests	Total equity
Balance at 1 July 2015	10,263	803	6,647	21,455	39,168	2,425	41,593
Purchase of treasury shares	(163)				(163)		(163)
Draw-down of reserves upon vesting of performance shares	2		(2)		-		-
Issue of shares pursuant to Scrip Dividend Scheme	30				30		30
Cost of share-based payments			27		27		27
Dividends paid to shareholders ^{1/}				(753)	(753)		(753)
Total comprehensive income			29	1,066	1,095	32	1,127
Balance at 30 Sept 2015	10,132	803	6,701	21,768	39,404	2,457	41,861
Balance at 1 July 2014	9,922	803	6,755	18,708	36,188	2,550	38,738
Draw-down of reserves upon vesting of performance shares	1		(1)		-		-
Issue of shares pursuant to Scrip Dividend Scheme	247				247		247
Cost of share-based payments			24		24		24
Change in non-controlling interest					-	(64)	(64)
Dividends paid to shareholders ^{1/}				(695)	(695)		(695)
Total comprehensive income			(22)	1,008	986	37	1,023
Balance at 30 Sept 2014	10,170	803	6,756	19,021	36,750	2,523	39,273

Note:

1/ Includes distributions paid on preference shares and capital securities classified as equity

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Statement of Changes in Equity For the nine months ended 30 September 2015

COMPANY

In \$ millions	Share capital	Other equity instruments	Other reserves	Revenue reserves	Total equity
Balance at 1 January 2015	10,194	803	152	6,616	17,765
Purchase of treasury shares	(228)				(228)
Transfer of treasury shares	81				81
Draw-down of reserves upon vesting of performance shares			(86)		(86)
Issue of shares upon exercise of share options	4				4
Reclassification of reserves upon exercise of share options	1		(1)		-
Cost of share-based payments			78		78
Issue of shares pursuant to Scrip Dividend Scheme	110				110
Dividends paid to shareholders ^{1/}				(1,524)	(1,524)
Total comprehensive income				1,005	1,005
Balance at 30 Sept 2015	10,162	803	143	6,097	17,205
Balance at 1 January 2014	9,704	803	136	1,893	12,536
Purchase of treasury shares	(79)				(79)
Transfer of treasury shares	63				63
Draw-down of reserves upon vesting of performance shares			(68)		(68)
Issue of shares upon exercise of share options	13				13
Reclassification of reserves upon exercise of share options	3		(3)		-
Cost of share-based payments			64		64
Issue of shares pursuant to Scrip Dividend Scheme	489				489
Dividends paid to shareholders ^{1/}				(1,450)	(1,450)
Total comprehensive income				713	713
Balance at 30 Sept 2014	10,193	803	129	1,156	12,281

Note:

1/ Includes distributions paid on preference shares and capital securities classified as equity

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Statement of Changes in Equity For the three months ended 30 September 2015

COMPANY

In \$ millions	Share capital	Other equity instruments	Other reserves	Revenue reserves	Total equity
Balance at 1 July 2015	10,283	803	118	6,348	17,552
Purchase of treasury shares	(151)				(151)
Draw-down of reserves upon vesting of performance shares			(2)		(2)
Cost of share-based payments			27		27
Issue of shares pursuant to Scrip Dividend Scheme	30				30
Dividends paid to shareholders ^{1/}				(753)	(753)
Total comprehensive income				502	502
Balance at 30 Sept 2015	10,162	803	143	6,097	17,205
Balance at 1 July 2014	9,946	803	106	1,628	12,483
Draw-down of reserves upon vesting of performance shares			(1)		(1)
Cost of share-based payments			24		24
Issue of shares pursuant to Scrip Dividend Scheme	247				247
Dividends paid to shareholders ^{1/}				(696)	(696)
Total comprehensive income				224	224
Balance at 30 Sept 2014	10,193	803	129	1,156	12,281

Note:

^{1/} Includes distributions paid on preference shares and capital securities classified as equity

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Consolidated Cash Flow Statement

In \$ millions	9 Mths 2015	9 Mths 2014
Cash flows from operating activities		
Net profit	3,540	3,314
<i>Adjustments for non-cash items:</i>		
Allowances for credit and other losses	496	456
Depreciation of properties and other fixed assets	185	162
Share of profits of associates and joint venture	(11)	(70)
Net gain on disposal (net of write-off) of properties and other fixed assets	(88)	(43)
Net income from investment securities	(321)	(174)
Net gain on disposal of associate	-	(223)
Cost of share-based payments	78	64
Income tax expense	591	572
Fair value gain on acquisition of interest in joint venture	-	(3)
Profit before changes in operating assets & liabilities	4,470	4,055
<i>Increase/(Decrease) in:</i>		
Due to banks	(115)	(1,054)
Deposits and balances from customers	832	12,617
Other liabilities	11,066	1,735
Other debt securities and borrowings	2,833	7,656
<i>(Increase)/Decrease in:</i>		
Restricted balances with central banks	426	264
Government securities and treasury bills	(5,436)	(5,349)
Due from banks	5,880	1,131
Loans and advances to customers	(10,041)	(13,464)
Bank and corporate securities	(1,282)	(3,828)
Other assets	(8,932)	(449)
Tax paid	(446)	(404)
Net cash (used in)/generated from operating activities (1)	(745)	2,910
Cash flows from investing activities		
Dividends from associates	19	83
Purchase of properties and other fixed assets	(225)	(171)
Proceeds from disposal of properties and other fixed assets	135	61
Proceeds from disposal of interest in associate	-	435
Acquisition of interest in associate and joint venture	-	(88)
Acquisition of non-controlling interests	(150)	-
Net cash (used in)/generated from investing activities (2)	(221)	320
Cash flows from financing activities		
Increase in share capital	114	502
Purchase of treasury shares	(240)	(79)
Dividends paid to non-controlling interests	(62)	(79)
Dividends paid to shareholders of the Company	(1,524)	(1,449)
Redemption of preference shares of a subsidiary	-	(895)
Change in non-controlling interests	-	(64)
Purchase of subordinated term debts	(743)	-
Net cash used in financing activities (3)	(2,455)	(2,064)
Exchange translation adjustments (4)	48	28
Net change in cash and cash equivalents (1)+(2)+(3)+(4)	(3,373)	1,194
Cash and cash equivalents at 1 January	11,851	10,949
Cash and cash equivalents at 30 September	8,478	12,143

Additional Information

ISSUANCE OF ORDINARY SHARES

(a) The movement in the number of issued and fully paid-up ordinary shares is as follows:

	Number of shares	
	2015	2014
Ordinary shares		
Balance at 1 January	2,479,126,459	2,449,724,042
Shares issued pursuant to Scrip Dividend Scheme	3,828,994	14,429,211
Shares issued on exercise of share options pursuant to the DBSH Share Option Plan	350,623	990,201
Conversion of non-voting redeemable CPS	30,011,421	-
Balance at 30 June	2,513,317,497	2,465,143,454
Shares issued pursuant to Scrip Dividend Scheme	1,463,252	13,921,750
Shares issued on exercise of share options pursuant to the DBSH Share Option Plan	-	20,030
Balance at 30 September [a]	2,514,780,749	2,479,085,234
Treasury shares held by DBSH		
Balance at 1 January	5,109,000	4,644,000
Shares transferred to trust holding shares pursuant to DBSH Share Plan / DBSH Employee Share Plan	(5,109,000)	(4,462,000)
Purchase of treasury shares	3,850,200	4,927,000
Balance at 30 June	3,850,200	5,109,000
Purchase of treasury shares	8,049,800	-
Balance at 30 September [b]	11,900,000	5,109,000
Ordinary shares net of treasury shares [a] – [b]	2,502,880,749	2,473,976,234

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

(Number)	30 Sept 2015	30 Sept 2014
Conversion of non-voting redeemable CPS	-	30,011,421
Exercise of share options	-	397,631
Weighted average number of shares for the period ^{1/}		
- ordinary shares	2,494,333,014	2,450,820,133
- fully diluted	2,494,333,014	2,480,931,429

^{1/} Net of treasury shares held by DBSH.

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

INTERESTED PERSON TRANSACTIONS

Pursuant to Rule 920(1) of the SGX Listing Manual, DBSH has not obtained a general mandate from shareholders for Interested Person Transactions.

SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENTS

The interim financial information should be read in conjunction with the audited financial statements included in the Group's Annual Report 2014.

1. Fair Value of Financial Instruments

The valuation process and fair value hierarchy policies applied for the current financial period are consistent with those for the financial year ended 31 December 2014.

Portfolio Measurement

Portfolios of financial assets and liabilities are revalued on the basis of market mid prices, with adjustment to reflect the cost of closing out the net positions, per location, by accounting classification.

Fair Value Hierarchy

Our principles remain unchanged from 2014. Please refer to our 2014 Annual Report for further guidance.

The following table presents assets and liabilities measured at fair value according to the fair value hierarchy:

30 Sept 2015 In \$ millions	Level 1	The Group		Total
		Level 2	Level 3	
Assets				
Financial assets at fair value through profit or loss				
- Singapore Government securities and treasury bills	2,553	-	-	2,553
- Other government securities and treasury bills	4,979	2,672	-	7,651
- Bank and corporate debt securities	3,547	3,839	841	8,227
- Equity securities	1,133	7	24	1,164
- Other financial assets	-	6,413	-	6,413
Available-for-sale financial assets				
- Singapore Government securities and treasury bills	8,138	-	-	8,138
- Other government securities and treasury bills	14,071	1,057	-	15,128
- Bank and corporate debt securities	9,942	1,989	29	11,960
- Equity securities ^(a)	999	3	129	1,131
- Other financial assets	-	5,189	-	5,189
Derivatives	137	25,026	10	25,173
Liabilities				
Financial liabilities at fair value through profit or loss				
- Other debt securities	-	6,003	-	6,003
- Other financial liabilities	3,788	1,950	24	5,762
Derivatives	253	24,051	116	24,420

Note:

(a) Excludes unquoted equities stated at cost of \$230 million.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

31 Dec 2014 In \$ millions	Level 1	The Group		Level 3	Total
		Level 2			
Assets					
Financial assets at fair value through profit or loss					
- Singapore Government securities and treasury bills	1,963	-	-	-	1,963
- Other government securities and treasury bills	3,056	1,924	-	-	4,980
- Bank and corporate debt securities	5,675	3,554	692	-	9,921
- Equity securities	769	11	-	-	780
- Other financial assets	-	8,196	-	-	8,196
Available-for-sale financial assets					
- Singapore Government securities and treasury bills	6,357	-	-	-	6,357
- Other government securities and treasury bills	14,522	672	-	-	15,194
- Bank and corporate debt securities	10,257	1,973	27	-	12,257
- Equity securities ^(a)	1,081	2	117	-	1,200
- Other financial assets	-	5,424	-	-	5,424
Derivatives	82	16,902	11	-	16,995
Liabilities					
Financial liabilities at fair value through profit or loss					
- Other debt securities	-	4,963	8	-	4,971
- Other financial liabilities	1,189	1,678	-	-	2,867
Derivatives	110	18,510	135	-	18,755

Note:

(a) Excludes unquoted equities stated at cost of \$259 million.

The following table presents the changes in Level 3 instruments for the financial period ended:

In \$ millions	Balance at 1 January	Fair value gains or losses		Pur- chases	Issues	Settle- ments	Transfers in	Transfers out	Balance at 30 September
		Income statem- ent	Other compre- hensive income						
2015									
Assets									
Financial assets at fair value through profit or loss									
- Bank and corporate debt securities	692	18	-	139	-	(9)	1	-	841
- Equity securities	-	-	-	-	-	-	24	-	24
Available-for-sale financial assets									
- Bank and corporate debt securities	27	-	2	-	-	-	-	-	29
- Equity securities	117	3	18	-	-	(9)	-	-	129
Derivatives	11	9	-	-	-	(2)	1	(9)	10
Total	847	30	20	139	-	(20)	26	(9)	1,033
Liabilities									
Financial liabilities at fair value through profit or loss									
- Other debt securities	8	1	-	-	4	(9)	-	(4)	-
- Other financial liabilities	-	-	-	-	-	-	24	-	24
Derivatives	135	(5)	-	-	-	(1)	1	(14)	116
Total	143	(4)	-	-	4	(10)	25	(18)	140

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Economic hedges entered into for Level 2 exposures may be classified within a different category (i.e. Level 1) and similarly, hedges entered for Level 3 exposures may be classified within a different category (i.e. Level 1 and/or Level 2). The effects are presented gross in the table.

During the quarter, the Group transferred financial assets and liabilities from Level 1 to Level 2 due to reduced market activity and from Level 2 to Level 1 arising from increased market activity.

Gains and losses on Level 3 financial assets and liabilities measured at fair value

In \$ millions 9 Mths 2015	Net trading Income	Net income from investment securities	Total
Total gain/(loss) for the period included in income statement	31	3	34
<i>Of Which:</i>			
<i>Change in unrealised gain/(loss) for assets and liabilities held at the end of the reporting period</i>	31	-	31

Fair value gains or losses taken to Other Comprehensive Income are reported in the Statement of Comprehensive Income as "Net valuation taken to equity".

Effect of changes in significant unobservable assumptions to reflect reasonably possible alternatives

The principles for estimating the significance of unobservable parameters remain unchanged from 2014. Please refer to our 2014 Annual Report for further guidance.

In \$ millions	Fair Value	Classification	Valuation technique	Unobservable Input
30 Sept 2015				
Assets				
Bank and corporate debt securities	841	FVPL ^(a)	Discounted cashflows	Credit spreads
Bank and corporate debt securities	29	AFS ^(b)	Discounted cashflows	Credit spreads
Equity securities	24	FVPL ^(a)	Direct pricing	Prices
Equity securities (Unquoted)	129	AFS ^(b)	Net asset value	Net asset value of securities
Derivatives	10	FVPL ^(a)	CDS models / Option & interest rate pricing model	Credit spreads / Correlations
Total	1,033			
Liabilities				
Other financial liabilities	24	FVPL ^(a)	CDS models / Option & interest rate pricing model	Credit spreads / Correlations
Derivatives	116	FVPL ^(a)	CDS models / Option & interest rate pricing model	Credit spreads / Correlations
Total	140			

Notes:

(a) FVPL denotes financial instruments classified as fair value through profit or loss.

(b) AFS denotes financial instruments classified as available-for-sale.

Financial assets and liabilities not carried at fair value

For financial assets and liabilities not carried at fair value on the financial statements, the Group has ascertained that their fair values were not materially different from their carrying amounts at 30 September 2015. Unquoted equities of \$230 million as at 30 September 2015 were stated at cost less accumulated impairment losses because the fair value cannot be reliably estimated using valuation techniques supported by observable market data.

Our principles for arriving at fair value remain unchanged from 2014. Please refer to our 2014 Annual Report for further guidance.

2. Off-balance Sheet Items

In \$ millions	30 Sept 2015	30 Jun 2015	31 Dec 2014	30 Sept 2014
Contingent liabilities	20,447	20,017	22,231	21,579
Commitments ^(a)	217,805	202,661	188,227	175,925
Financial Derivatives	2,197,114	2,029,297	1,877,157	1,880,236

Note:

(a) Includes commitments that are unconditionally cancellable at any time of \$177,989 million (Jun'15:\$163,885 million, Dec'14:\$151,854 million, Sep'14:\$140,076 million).

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

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 Third Quarter ended 30 September 2015 Unaudited Financial Results of the Company and of the Group 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

30 October 2015
Singapore