



Live more, Bank less

To: Shareholders

The Board of Directors of DBS Group Holdings Ltd (“DBSH” or “the Company”) reports the following:

Unaudited Financial Results for the First Half/ Second Quarter Ended 30 June 2019

Details of the financial results are in the accompanying performance summary.

Dividends

For the second quarter of 2019, the Board has declared an interim one-tier tax-exempt dividend of 30 cents for each DBSH ordinary share (the “2Q19 Interim Dividend”). The estimated dividend payable is \$767 million.

Ex-dividend Date

The DBSH ordinary shares will be quoted ex-dividend on 5 August 2019.

Closure of Books

The Transfer Books and Register of Members of DBSH will be closed from 5.00 p.m. on 6 August 2019 for the purpose of determining shareholders' entitlement to the 2Q19 Interim Dividend.

Scrip Dividend Scheme

The DBSH Scrip Dividend Scheme will not be applied to the 2Q19 Interim Dividend.

Payment Date

The payment date for cash dividends will be on 20 August 2019.

By order of the Board

Teoh Chia-Yin
Group Secretary

29 July 2019
Singapore

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

...DBS/

DBS Group Holdings Ltd
12 Marina Boulevard
DBS Asia Central @
Marina Bay Financial
Centre Tower 3
Singapore 018982

Tel: 65.6878 8888

www.dbs.com



Performance Summary

Financial Results
For the First Half/ Second Quarter ended
30 June 2019
(Unaudited)

Contents	Page
Overview	2
Financial Review	
Net Interest Income	5
Net Fee and Commission Income	7
Other Non-Interest Income	7
Expenses	8
Allowances for Credit and Other Losses	8
Performance by Business Segment	9
Performance by Geography	12
Customer Loans	16
Non-Performing Assets and Loss Allowance Coverage	17
Customer Deposits	20
Debts Issued	20
Capital Adequacy	21
Unrealised Property Valuation Surplus	22
Financial Statements	
Unaudited Consolidated Income Statement	23
Unaudited Consolidated Statement of Comprehensive Income	24
Unaudited Balance Sheets	25
Unaudited Consolidated Statement of Changes in Equity	26
Unaudited Statement of Changes in Equity	28
Unaudited Consolidated Cash Flow Statement	30
Other Financial Information	31
Additional Information	
Share Capital	32
Interested Party Transactions Pursuant to Listing Rule 920(1)	32
Confirmation of Directors and Executive Officers' undertakings pursuant to Listing Rule 720(1)	32
Confirmation by the Board	33

OVERVIEW

DBS Group Holdings Ltd (“DBSH”) prepares its consolidated DBSH Group (“Group”) financial statements in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)). 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 2018, with the exception of changes, including those arising from the adoption of SFRS(I) 16 Leases, which took effect from 1 January 2019. More information can be found in the **Performance Summary for First Quarter 2019**.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

	2nd Qtr 2019	2nd Qtr 2018	% chg	1st Qtr 2019	% chg	1st Half 2019	1st Half 2018	% chg
Selected income statement items (\$m)								
Net interest income	2,429	2,224	9	2,310	5	4,739	4,352	9
Net fee and commission income	767	706	9	730	5	1,497	1,450	3
Other non-interest income	513	273	88	511	-	1,024	761	35
Total income	3,709	3,203	16	3,551	4	7,260	6,563	11
Expenses	1,546	1,418	9	1,498	3	3,044	2,816	8
Profit before allowances	2,163	1,785	21	2,053	5	4,216	3,747	13
Allowances for credit and other losses	251	105	>100	76	>100	327	269	22
Profit before tax	1,912	1,680	14	1,977	(3)	3,889	3,478	12
Net profit	1,603	1,372	17	1,651	(3)	3,254	2,893	12
One-time items	-	(38)	NM	-	-	-	(48)	NM
- ANZ integration costs	-	(4)	NM	-	-	-	(16)	NM
- Others ¹	-	(34)	NM	-	-	-	(32)	NM
Net profit including one-time items	1,603	1,334	20	1,651	(3)	3,254	2,845	14
Selected balance sheet items (\$m)								
Customer loans	350,474	338,071	4	347,061	1	350,474	338,071	4
<i>Constant-currency change</i>			5		1			5
Total assets	566,651	540,004	5	558,525	1	566,651	540,004	5
Customer deposits	391,301	387,560	1	394,995	(1)	391,301	387,560	1
<i>Constant-currency change</i>			2		(1)			2
Total liabilities	516,483	491,960	5	506,914	2	516,483	491,960	5
Shareholders' funds	49,350	47,214	5	50,771	(3)	49,350	47,214	5
Key financial ratios (%) (excluding one-time items)²								
Net interest margin	1.91	1.85		1.88		1.90	1.84	
Non-interest/total income	34.5	30.6		34.9		34.7	33.7	
Cost/income ratio	41.7	44.3		42.2		41.9	42.9	
Return on assets	1.13	1.03		1.21		1.17	1.11	
Return on equity ³	13.4	11.8		14.0		13.7	12.5	
Loan/deposit ratio	89.6	87.2		87.9		89.6	87.2	
NPL ratio	1.5	1.6		1.5		1.5	1.6	
ECL ⁴ Stage 3 (SP) for loans/average loans (bp)	22	12		15		18	16	
Common Equity Tier 1 capital adequacy ratio	13.6	13.6		14.1		13.6	13.6	
Tier 1 capital adequacy ratio	14.5	14.4		15.2		14.5	14.4	
Total capital adequacy ratio	16.2	16.2		17.0		16.2	16.2	
Leverage ratio ⁵	6.9	7.0		7.3		6.9	7.0	
Average all-currency liquidity coverage ratio ⁶	137	135		137		137	130	
Net stable funding ratio ⁷	109	110		111		109	110	
Per share data (\$)								
Per basic and diluted share								
- earnings excluding one-time items	2.47	2.12		2.58		2.52	2.25	
- earnings	2.47	2.10		2.58		2.52	2.23	
- net book value ⁸	18.53	17.71		18.75		18.53	17.71	

Notes:

1 One-time items for second quarter 2018 and first half 2018 include a remeasurement of deferred taxes due to a change in the applicable tax rate arising from the conversion of India Branch to a wholly-owned subsidiary.

2 Return on assets, return on equity, ECL Stage 3 (SP) for loans/average loans and per share data are computed on an annualised basis

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

4 Refers to expected credit loss

5 Leverage Ratio is computed based on MAS Notice 637

6 Liquidity Coverage Ratio (LCR) is computed based on MAS Notice 649. For average SGD LCR and other disclosures required under MAS Notice 651, refer to <https://www.dbs.com/investor/index.html>.

7 Net stable funding ratio (NSFR) is computed based on MAS Notice 652

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

NM Not meaningful

Net profit for the second quarter rose 17% from a year ago to \$1.60 billion as total income grew 16% to a record \$3.71 billion. Compared to the previous quarter, total income increased 4% from loan growth, net interest margin progression and higher fee income as business momentum was sustained.

Net interest income increased 9% from a year ago and 5% from the previous quarter to \$2.43 billion. Loans increased 5% from a year ago, led by a 10% increase in non-trade corporate loans from broad-based activities across the region, and 1% from the previous quarter in constant-currency terms. Consumer loans were little changed as a continued decline in housing loans was offset by growth in other consumer loans. Net interest margin rose six basis points from a year ago and three basis points from the previous quarter to 1.91% as loans were repriced with higher interest rates in Singapore and Hong Kong.

Net fee income increased 9% from a year ago, and 5% from the previous quarter, to a new high of \$767 million, led by investment banking, wealth management and cards.

Other non-interest income rose 88% from a weak year-ago performance to \$513 million, driven by higher trading income and gains on investment securities. Compared to the previous quarter's record, other non-interest income was little changed as a decline in trading income was offset by higher gains on investment securities.

With total income growth outpacing the 9% increase in expenses from a year ago to \$1.55 billion, there was a two-percentage-point improvement in the cost-income ratio to 42%. Profit before allowances of \$2.16 billion grew 21% from a year ago and 5% from the previous quarter.

Asset quality was healthy. Non-performing assets rose 3% from the previous quarter to \$5.82 billion as new non-performing asset formation remained low and was moderated by recoveries and write-offs. Allowance coverage was at 100% and at 181% if collateral was considered.

The liquidity coverage ratio was at 137% and the net stable funding ratio was at 109%. The Common Equity Tier 1 ratio was at 13.6% while the leverage ratio was at 6.9%. All of these ratios were comfortably above regulatory requirements.

Net profit for the first half rose 12% to a record \$3.25 billion. The performance was underpinned by a 11% increase in total income to \$7.26 billion. Return on equity was 13.7% compared to 12.5% a year ago.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NET INTEREST INCOME

Average balance sheet	2nd Qtr 2019			2nd Qtr 2018			1st Qtr 2019		
	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	305,045	2,605	3.43	286,477	2,154	3.01	300,688	2,522	3.40
Trade assets	45,871	412	3.60	50,107	392	3.14	44,255	403	3.69
Interbank assets ¹	50,822	240	1.89	45,573	207	1.82	48,310	221	1.85
Securities and others	108,012	741	2.75	100,051	611	2.45	104,045	685	2.67
Total	509,750	3,998	3.14	482,208	3,364	2.80	497,298	3,831	3.12
Interest-bearing liabilities									
Customer deposits	398,180	1,086	1.09	382,875	829	0.87	393,901	1,078	1.11
Other borrowings	84,037	483	2.30	68,201	311	1.83	76,693	443	2.34
Total	482,217	1,569	1.30	451,076	1,140	1.01	470,594	1,521	1.31
Net interest income/margin²		2,429	1.91		2,224	1.85		2,310	1.88

Average balance sheet	1st Half 2019			1st Half 2018		
	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)
Interest-bearing assets						
Customer non-trade loans	302,878	5,127	3.41	282,379	4,132	2.95
Trade assets	45,068	815	3.65	49,678	734	2.98
Interbank assets ¹	49,573	461	1.87	47,406	423	1.80
Securities and others	106,039	1,426	2.71	97,711	1,145	2.36
Total	503,558	7,829	3.14	477,174	6,434	2.72
Interest-bearing liabilities						
Customer deposits	396,053	2,164	1.10	378,041	1,509	0.80
Other borrowings	80,385	926	2.32	67,736	573	1.71
Total	476,438	3,090	1.31	445,777	2,082	0.94
Net interest income/margin²		4,739	1.90		4,352	1.84

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 increased 9% from a year ago to \$2.43 billion. Net interest margin rose six basis points to 1.91% as loans were repriced with higher interest rates in Singapore and Hong Kong. Asset volumes were also higher, led by customer non-trade loan growth.

Compared to the previous quarter, net interest income rose 5% from higher asset volumes and a three-basis-point increase in net interest margin.

For the first half, net interest income rose 9% to \$4.74 billion from a combination of asset growth and higher net interest margin.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Volume and rate analysis (\$m) Increase/(decrease) due to change in	2nd Qtr 2019 vs 2nd Qtr 2018			2nd Qtr 2019 vs 1st Qtr 2019		
	Volume	Rate	Net change	Volume	Rate	Net change
Interest income						
Customer non-trade loans	139	312	451	37	17	54
Trade assets	(33)	53	20	15	(10)	5
Interbank assets	24	9	33	11	5	16
Securities and others	49	81	130	26	22	48
Total	179	455	634	89	34	123
Interest expense						
Customer deposits	33	224	257	12	(16)	(4)
Other borrowings	72	100	172	42	(7)	35
Total	105	324	429	54	(23)	31
Net impact on net interest income	74	131	205	35	57	92
Due to change in number of days			-			27
Net Interest Income			205			119

Volume and rate analysis (\$m) Increase/(decrease) due to change in	1st Half 2019 vs 1st Half 2018		
	Volume	Rate	Net change
Interest income			
Customer non-trade loans	300	695	995
Trade assets	(68)	149	81
Interbank assets	19	19	38
Securities and others	97	184	281
Total	348	1,047	1,395
Interest expense			
Customer deposits	71	584	655
Other borrowings	107	246	353
Total	178	830	1,008
Net impact on net interest income	170	217	387
Due to change in number of days			-
Net Interest Income			387

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NET FEE AND COMMISSION INCOME

(\$m)	2nd Qtr 2019	2nd Qtr 2018	% chg	1st Qtr 2019	% chg	1st Half 2019	1st Half 2018	% chg
Brokerage	30	38	(21)	29	3	59	87	(32)
Investment banking	56	39	44	22	>100	78	77	1
Transaction services ¹	182	178	2	188	(3)	370	356	4
Loan-related	98	91	8	108	(9)	206	190	8
Cards ²	198	171	16	189	5	387	327	18
Wealth management	332	300	11	315	5	647	631	3
Fee and commission income	896	817	10	851	5	1,747	1,668	5
Less: Fee and commission expense	129	111	16	121	7	250	218	15
Total	767	706	9	730	5	1,497	1,450	3

Notes:

1 Includes trade & remittances, guarantees and deposit-related fees. The 'Others' category has been subsumed under 'Transaction services' from 1st Quarter 2019. The change has been applied retrospectively to prior periods

2 Net of interchange fees paid.

Net fee income grew 9% from a year ago to \$767 million. Wealth management fees increased 11% to \$332 million from higher investment product sales. Card fees grew 16% to \$198 million from higher activities across the region. Investment banking fees rose 44% to \$56 million from higher debt and equity capital market income.

Net fee income rose 5% from the previous quarter as fees from investment banking, wealth management and cards were higher.

For the first half, net fee income rose 3% to \$1.50 billion from higher card, wealth management, loan-related and transaction service fees.

OTHER NON-INTEREST INCOME

(\$m)	2nd Qtr 2019	2nd Qtr 2018	% chg	1st Qtr 2019	% chg	1st Half 2019	1st Half 2018	% chg
Net trading income	357	227	57	443	(19)	800	595	34
Net income from investment securities	131	30	>100	53	>100	184	52	>100
Net gain on fixed assets	-	-	-	-	-	-	86	(100)
Others (include rental income and share of profits of associates)	25	16	56	15	67	40	28	43
Total	513	273	88	511	-	1,024	761	35

Other non-interest income rose 88% from a weak year-ago performance to \$513 million. Trading income increased 57% to \$357 million while gains on investment securities quadrupled to \$131 million. Compared to the previous quarter, non-interest income was little changed as a decline in trading income was offset by higher gains on investment securities.

For the first half, other non-interest income rose 35% to \$1.02 billion. Trading income was 34% higher at \$800 million from higher gains in interest rate and foreign exchange activities. Net gain on investment securities more than tripled to \$184 million from a low base.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

EXPENSES¹

(\$m)	2nd Qtr 2019	2nd Qtr 2018	% chg	1st Qtr 2019	% chg	1st Half 2019	1st Half 2018	% chg
Staff	874	783	12	852	3	1,726	1,568	10
Occupancy	110	110	-	111	(1)	221	210	5
Computerisation	265	220	20	271	(2)	536	458	17
Revenue-related	88	99	(11)	78	13	166	179	(7)
Others	209	206	1	186	12	395	401	(1)
Total	1,546	1,418	9	1,498	3	3,044	2,816	8
Staff headcount at period-end	27,060	25,697	5	26,964	-	27,060	25,697	5
<i>Staff headcount at period-end excluding insourcing staff</i>	24,546	23,758	3	24,670	(1)	24,546	23,758	3
Included in the above table were:								
Depreciation of properties and other fixed assets ²	152	83	83	145	5	297	160	86

Notes:

1 Excludes one-time item.

2 Includes depreciation for right-of-use assets of \$59 million for 2nd Quarter 2019 (1st Quarter 2019: \$58 million)

Expenses rose 9% from a year ago to \$1.55 billion. Compared to the previous quarter, expenses were 3% higher.

For the half year, expenses rose 8% to \$3.04 billion. The increase was less than the total income growth of 11% and the cost-income ratio improved one percentage point to 42%.

ALLOWANCES FOR CREDIT AND OTHER LOSSES

(\$m)	2nd Qtr 2019	2nd Qtr 2018	% chg	1st Qtr 2019	% chg	1st Half 2019	1st Half 2018	% chg
ECL¹ Stage 1 and 2 (GP)	58	7	>100	(100)	NM	(42)	14	NM
ECL ¹ Stage 3 (SP) for loans ²	190	98	94	130	46	320	260	23
Singapore	77	29	>100	85	(9)	162	98	65
Hong Kong	13	15	(13)	13	-	26	14	86
Rest of Greater China	11	3	>100	(1)	NM	10	1	>100
South and Southeast Asia	86	55	56	34	>100	120	134	(10)
Rest of the World	3	(4)	NM	(1)	NM	2	13	(85)
ECL ¹ Stage 3 (SP) for other credit exposures	3	-	NM	43	(93)	46	(5)	NM
Total ECL¹ Stage 3 (SP)	193	98	97	173	12	366	255	44
Allowances for other assets	-	-	-	3	(100)	3	-	NM
Total	251	105	>100	76	>100	327	269	22

Notes:

1 Refers to expected credit loss.

2 SP for loans by geography are determined according to the location where the borrower is incorporated.

NM Not Meaningful

Specific allowances for the second quarter amounted to \$193 million, bringing the amount for the first half to \$369 million. The amount was 45% higher than a year ago, when there had been a write-back of \$65 million from the sale of an oil and gas support service vessel.

Total allowances for the first half rose 22% to \$327 million as the increase in specific allowances was partially offset by a general allowance write-back.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

PERFORMANCE BY BUSINESS SEGMENTS

(\$m)	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others	Total
Selected income statement items					
2nd Qtr 2019					
Net interest income	1,033	1,088	16	292	2,429
Net fee and commission income	454	305	-	8	767
Other non-interest income	122	145	186	60	513
Total income	1,609	1,538	202	360	3,709
Expenses	815	489	155	87	1,546
Allowances for credit and other losses	46	78	(1)	128	251
Profit before tax	748	971	48	145	1,912
1st Qtr 2019					
Net interest income	996	1,079	12	223	2,310
Net fee and commission income	439	284	-	7	730
Other non-interest income	122	136	281	(28)	511
Total income	1,557	1,499	293	202	3,551
Expenses	792	472	143	91	1,498
Allowances for credit and other losses	43	15	(2)	20	76
Profit before tax	722	1,012	152	91	1,977
2nd Qtr 2018¹					
Net interest income	872	1,008	91	253	2,224
Net fee and commission income	419	278	-	9	706
Other non-interest income	108	135	16	14	273
Total income	1,399	1,421	107	276	3,203
Expenses	748	456	156	58	1,418
Allowances for credit and other losses	58	74	1	(28)	105
Profit before tax	593	891	(50)	246	1,680
1st Half 2019					
Net interest income	2,029	2,167	28	515	4,739
Net fee and commission income	893	589	-	15	1,497
Other non-interest income	244	281	467	32	1,024
Total income	3,166	3,037	495	562	7,260
Expenses	1,607	961	298	178	3,044
Allowances for credit and other losses	89	93	(3)	148	327
Profit before tax	1,470	1,983	200	236	3,889
1st Half 2018¹					
Net interest income	1,665	1,948	216	523	4,352
Net fee and commission income	868	559	-	23	1,450
Other non-interest income	225	272	140	124	761
Total income	2,758	2,779	356	670	6,563
Expenses	1,433	897	299	187	2,816
Allowances for credit and other losses	105	159	(5)	10	269
Profit before tax	1,220	1,723	62	473	3,478

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others	Total
Selected balance sheet and other items²					
30 Jun 2019					
Total assets before goodwill and intangibles	115,848	270,048	113,753	61,832	561,481
Goodwill and intangibles					5,170
Total assets					566,651
Total liabilities	217,952	185,595	54,470	58,466	516,483
Capital expenditure for 2nd Qtr 2019	25	2	3	86	116
Depreciation for 2nd Qtr 2019	12	2	1	137	152
31 Mar 2019					
Total assets before goodwill and intangibles	115,417	266,172	110,779	60,987	553,355
Goodwill and intangibles					5,170
Total assets					558,525
Total liabilities	216,224	189,741	51,635	49,314	506,914
Capital expenditure for 1st Qtr 2019	20	4	2	85	111
Depreciation for 1st Qtr 2019	12	3	1	129	145
30 Jun 2018					
Total assets before goodwill and intangibles	114,454	258,424	107,503	54,448	534,829
Goodwill and intangibles					5,175
Total assets					540,004
Total liabilities	213,520	187,926	46,505	44,009	491,960
Capital expenditure for 2nd Qtr 2018	19	2	3	94	118
Depreciation for 2nd Qtr 2018	10	2	1	70	83

Notes:

1 Expenses 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 its management structure. As the activities of the Group are highly integrated, internal allocations have 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 a year ago, profit before tax increased 26% to \$748 million. Total income rose 15% to a record of \$1.61 billion. Net interest income grew 18% to \$1.03 billion from higher loan and deposit volumes as well as an improved net interest margin. Non-interest income increased 9% to \$576 million due to higher fees from investment products and cards. Expenses were 9% higher at \$815 million while allowances were \$12 million lower at \$46 million.

Compared to the previous quarter, profit before tax rose 4% as total income grew 3%. Net interest income increased 4% led by an improved net interest margin. Non-interest income increased 3% from higher investment products sales and card fees. Expenses rose 3% and allowances were \$3 million higher.

For the first half, profit before tax was \$1.47 billion, 20% higher than a year ago. Total income was 15% higher at \$3.17 billion. Net interest income rose 22% to \$2.03 billion

due to higher volumes and net interest margin. Non-interest income was 4% higher at \$1.14 billion from higher fees from cards, investment products and bancassurance sales. Expenses increased 12% to \$1.61 billion driven by staff-related costs and investment in business capabilities. Allowances were \$16 million lower at \$89 million.

Institutional Banking

Institutional Banking provides financial services and products to institutional clients, including bank and nonbank financial institutions, government-linked companies, large corporates and small and medium sized businesses. 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 a year ago, profit before tax increased 9% to \$971 million. Total income rose 8% to \$1.54 billion from higher income from cash management, loan-related activities, treasury customer flows and investment banking, partially offset by lower income from trade finance. Expenses increased 7% to \$489 million while total allowances were \$4 million higher at \$78 million.

Compared to previous quarter, profit before tax declined 4%. Total income increased 3% from higher income from treasury customer flows, investment banking and cash management, partially offset by lower loan-related income. Expenses rose 4% and total allowances increased \$63 million to \$78 million.

For the first half, profit before tax grew 15% to \$1.98 billion. Total income rose 9% to \$3.04 billion from cash management and loan-related income, partially offset by lower trade finance income. Expenses were 7% higher at \$961 million. Total allowances were 42% lower at \$93 million.

Treasury Markets

Treasury Markets' activities primarily include structuring, market-making and trading across a broad range of treasury products.

Profit before tax rose from a loss of \$50 million a year ago to a profit of \$48 million. Total income increased 89% to \$202 million due to higher contributions from interest rate and credit activities. Expenses were little changed at \$155 million.

Compared to the previous quarter, total income fell 31% largely due to lower contributions across all products. Expenses rose 8% from higher business-related costs.

For the first half, profit before tax more than tripled to \$200 million from a low base. Total income increased 39% to \$495 million due to higher contributions from interest rate, credit and foreign exchange activities, partially offset by lower contributions from equity activities. Expenses were stable at \$298 million.

Income from sale of treasury products offered to customers of Consumer Banking/Wealth Management and Institutional Banking is not reflected in the Treasury Markets segment, but in the respective customer segments.

Income from treasury customer activities rose 7% from a year ago to \$332 million due to higher income from sales of credit, foreign exchange-related and fixed income products, which were partially offset by lower income from equity products. Compared to the previous quarter, income from customer activities rose 7% due to higher sales of fixed income, foreign exchange-related and credit products, partially offset by lower income from equity sales. For the first half, income increased 1% to \$644 million mainly due to higher income from foreign exchange-related and credit products, partially offset by lower income from equity sales.

Others

The Others segment encompasses the results of corporate decisions that are not attributed to business segments. It includes earnings on capital deployed into high quality assets, earnings from non-core asset sales and certain other head office items such as centrally raised allowances. DBS Vickers and The Islamic Bank of Asia are also included in this segment.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

PERFORMANCE BY GEOGRAPHY

(\$m)	S'pore	Hong Kong	Rest of Greater China	South and South-east Asia	Rest of the World	Total
Selected income statement items						
2nd Qtr 2019						
Net interest income	1,555	518	144	146	66	2,429
Net fee and commission income	482	166	48	58	13	767
Other non-interest income	327	68	62	37	19	513
Total income	2,364	752	254	241	98	3,709
Expenses	902	276	185	157	26	1,546
Allowances for credit and other losses	146	17	3	69	16	251
Profit before tax	1,316	459	66	15	56	1,912
Income tax expense	188	74	15	6	17	300
Net profit	1,119	385	51	9	39	1,603
1st Qtr 2019						
Net interest income	1,484	476	145	138	67	2,310
Net fee and commission income	449	157	48	61	15	730
Other non-interest income	303	74	90	33	11	511
Total income	2,236	707	283	232	93	3,551
Expenses	882	252	177	163	24	1,498
Allowances for credit and other losses	43	6	(18)	42	3	76
Profit before tax	1,311	449	124	27	66	1,977
Income tax expense	184	79	30	5	18	316
Net profit	1,117	370	94	22	48	1,651
2nd Qtr 2018¹						
Net interest income	1,418	440	167	137	62	2,224
Net fee and commission income	443	155	42	51	15	706
Other non-interest income	116	55	91	9	2	273
Total income	1,977	650	300	197	79	3,203
Expenses	816	255	177	144	26	1,418
Allowances for credit and other losses	37	31	(4)	43	(2)	105
Profit before tax	1,124	364	127	10	55	1,680
Income tax expense	172	60	31	1	16	280
Net profit	924	304	96	9	39	1,372

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
1st Half 2019						
Net interest income	3,039	994	289	284	133	4,739
Net fee and commission income	931	323	96	119	28	1,497
Other non-interest income	630	142	152	70	30	1,024
Total income	4,600	1,459	537	473	191	7,260
Expenses	1,784	528	362	320	50	3,044
Allowances for credit and other losses	189	23	(15)	111	19	327
Profit before tax	2,627	908	190	42	122	3,889
Income tax expense	372	153	45	11	35	616
Net profit	2,236	755	145	31	87	3,254
1st Half 2018¹						
Net interest income	2,778	842	343	263	126	4,352
Net fee and commission income	910	321	88	101	30	1,450
Other non-interest income	373	208	147	24	9	761
Total income	4,061	1,371	578	388	165	6,563
Expenses	1,665	487	349	263	52	2,816
Allowances for credit and other losses	162	13	7	94	(7)	269
Profit before tax	2,234	871	222	31	120	3,478
Income tax expense	314	131	52	-	30	527
Net profit	1,862	740	170	31	90	2,893
Selected balance sheet items						
30 Jun 2019						
Total assets before goodwill and intangibles	361,387	96,022	48,160	23,162	32,750	561,481
Goodwill and intangibles	5,133	29	-	8	-	5,170
Total assets	366,520	96,051	48,160	23,170	32,750	566,651
Non-current assets ²	2,601	761	335	316	12	4,025
Gross customer loans	223,858	67,098	29,400	12,300	22,709	355,365
31 Mar 2019						
Total assets before goodwill and intangibles	357,144	90,286	49,795	24,921	31,209	553,355
Goodwill and intangibles	5,133	29	-	8	-	5,170
Total assets	362,277	90,315	49,795	24,929	31,209	558,525
Non-current assets ²	2,589	847	358	295	13	4,102
Gross customer loans	221,157	65,233	30,415	13,464	21,504	351,773
30 Jun 2018						
Total assets before goodwill and intangibles	345,176	88,009	51,423	23,075	27,146	534,829
Goodwill and intangibles	5,136	29	-	10	-	5,175
Total assets	350,312	88,038	51,423	23,085	27,146	540,004
Non-current assets ²	1,547	294	166	132	4	2,143
Gross customer loans	218,088	63,028	30,066	12,988	18,501	342,671

Notes:

- 1 Expenses, profit before tax and tax expense exclude one-time items.
- 2 Includes investments in associates, properties and other fixed assets.

The performance by geography is classified based on the location in which income and assets are recorded. Hong Kong comprises mainly DBS Bank (HK) Limited and DBS HK branch. Rest of Greater China comprises mainly DBS Bank (China) Ltd, DBS Bank (Taiwan) Ltd and DBS Taipei branch. South and Southeast Asia comprises mainly PT Bank DBS Indonesia, DBS India Ltd (DBS India branches previously) and DBS Labuan branch. All results are prepared in accordance with Singapore Financial Reporting Standards (International).

Singapore

Net profit increased 21% from a year ago to \$1.12 billion. Total income rose 20% to \$2.36 billion from broad-based growth. Net interest income grew 10% to \$1.56 billion from higher net interest margin and loan volumes. Fee income increased 9% to \$482 million, led by higher wealth management and investment banking fees. Other non-interest income tripled to \$327 million from higher gains on investment securities and a low year-ago base for trading income. Expenses rose 11% to \$902 million, resulting in a 26% increase in profit before allowances to \$1.46 billion. Total allowances rose to \$146 million from \$37 million a year ago, when there had been a specific allowance write-back for an oil and gas support service exposure as well as a general allowance write-back.

Compared to the previous quarter, net profit was marginally higher. Total income rose 6% from higher net interest income, fee income and gains on investment securities. With expenses rising 2%, profit before allowances grew 8%. The increase was offset by a general allowance charge of \$60 million compared to a \$67 million write-back in the previous quarter.

For the first half, net profit rose 20% to \$2.24 billion. Total income increased 13% to \$4.60 billion from higher net interest income, fee income and gains on investment securities, as well as from a weak year-ago base for trading income. Expenses rose less quickly by 7% to \$1.78 billion, resulting in an 18% growth in profit before allowances to \$2.82 billion. Total allowances were 17% higher at \$189 million.

Hong Kong

The second quarter results incorporated a 2% appreciation of the Hong Kong dollar against the Singapore dollar compared to a year ago, and 1% from the previous quarter.

Net profit rose 27% to \$385 million from a year ago. Net interest income grew 18% to \$518 million from constant-currency loan growth of 6% and a 16 basis-point increase in net interest margin to 2.14%. Fee income rose 7% to \$166 million from higher wealth management, card and cash management fees. Other non-interest income increased 24% to \$68 million from higher treasury customer sales. Total income rose 16% to \$752 million, faster than the 8% increase in expenses to \$276 million. Profit before allowances increased 21%

to \$476 million. Total allowances halved to \$17 million as general allowances fell.

Compared to the previous quarter, net profit was 4% higher. Net interest income increased 9% from constant-currency loan growth of 2% and a nine-basis-point increase in net interest margin. Fee income rose 6% from higher wealth management and investment banking fees. Other non-interest income fell 8% as trading income fell from a high base. Expenses were 10% higher, resulting in a 5% increase in profit before allowances. Total allowances were \$17 million compared to a charge of \$6 million in the previous quarter, which had included a \$24 million general allowance write-back.

For the first half, net profit rose 2% to \$755 million. Excluding a property disposal gain of \$86 million a year ago, net profit grew 15%, with total income rising 14% to \$1.46 billion. Expenses rose 8% to \$528 million. Total allowances rose from \$13 million to \$23 million as an increase in specific allowances was partially offset by a general allowance write-back.

Rest of Greater China

Net profit halved from a year ago to \$51 million as total income fell 15% to \$254 million. Net interest income declined 14% to \$144 million as loan volumes and net interest margin were lower. Fee income rose 14% to \$48 million from higher loan-related fees. Other non-interest income fell 32% to \$62 million due to lower treasury income. Expenses rose 5% to \$185 million and profit before allowances fell 44% to \$69 million. Total allowances amounted to \$3 million compared to a write-back of \$4 million a year ago.

Net profit also halved from the previous quarter. Total income fell 10% from a decline in trading income. Net interest income and fee income were little changed. Expenses rose 5%. Total allowances were \$3 million compared with a net write-back of \$18 million in the previous quarter.

For the first half, net profit fell 15% to \$145 million. Total income fell 7% to \$537 million as a decline in loan volumes and net interest margin was moderated by higher fee income and trading income. Expenses increased 4% to \$362 million, resulting in a 24% decline in profit before allowances to \$175 million. There was a net total allowance write-back of \$15 million compared with a net charge of \$7 million a year ago.

South and Southeast Asia

Net profit was unchanged at \$9 million from a year ago. Total income rose 22% to \$241 million from a higher net interest margin, an increase in trading income from a low base as well as higher treasury customer sales. Expenses rose 9% to \$157 million, resulting in a 58% increase in profit before allowances to \$84 million. Specific allowances doubled to \$82 million, which was moderated by a \$13 million general allowance write-back.

Compared to the previous quarter, net profit was 59% lower. Total income rose 4% as a higher net interest margin was moderated by lower fee income. A 4% decline in expenses contributed to a 22% increase in profit before allowances. A doubling of specific allowances was partially offset by a general allowance write-back.

For the first half, net profit was stable at \$31 million as a 22% increase in total income to \$473 million was offset by higher expenses and allowances. The increase in total income was broad-based. With expenses rising 22% to \$320 million, profit before allowances was 22% higher at \$153 million. Specific allowances rose 48% to \$118 million, which was moderated by a \$7 million general allowance write-back.

Rest of the World

Net profit was unchanged from a year ago at \$39 million as growth in total income was offset by higher allowances. Total income rose 24% to \$98 million from higher loan volumes and a recovery in trading income from a low base. Expenses were stable at \$26 million, resulting in a 36% increase in profit before allowances to \$72 million. General allowances of \$16 million were taken, compared to a net total allowance write-back of \$2 million a year ago. There were no specific allowance charges in the current quarter.

Compared to the previous quarter, net profit was 19% lower. Total income rose 5% and profit before allowances was 4% higher. The general allowance charge was five times the amount in the previous quarter, which resulted in the net profit decline.

For the first half, net profit declined 3% to \$87 million. Total income rose 16% to \$191 million from loan growth and a recovery in trading income. Expenses were 4% lower at \$50 million, which resulted in a 25% increase in profit before allowances to \$141 million. There was a total allowance charge of \$19 million, all of which was for general allowances, compared to a specific allowance write-back of \$7 million a year ago.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CUSTOMER LOANS

(\$m)	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Jun 2018
Gross	355,365	351,773	349,645	342,671
Less:				
ECL ¹ Stage 3 (SP)	2,623	2,497	2,440	2,376
ECL ¹ Stage 1 & 2 (GP)	2,268	2,215	2,202	2,224
Net total	350,474	347,061	345,003	338,071
By business unit				
Consumer Banking/Wealth Management	113,282	113,046	112,672	112,015
Institutional Banking	239,959	236,656	234,467	227,818
Others	2,124	2,071	2,506	2,838
Total (Gross)	355,365	351,773	349,645	342,671
By geography²				
Singapore	169,002	165,285	163,449	159,655
Hong Kong	54,527	54,591	54,333	54,149
Rest of Greater China	51,873	51,553	50,925	55,642
South and Southeast Asia	28,694	28,826	28,377	27,832
Rest of the World	51,269	51,518	52,561	45,393
Total (Gross)	355,365	351,773	349,645	342,671
By industry				
Manufacturing	40,530	40,740	36,868	35,178
Building and construction	77,596	76,444	76,532	70,421
Housing loans	73,850	74,441	75,011	73,968
General commerce	47,400	46,656	47,470	53,153
Transportation, storage & communications	30,697	30,835	30,549	30,729
Financial institutions, investment & holding companies	22,934	22,416	25,022	20,445
Professionals & private individuals (excluding housing loans)	32,695	31,652	30,590	31,309
Others	29,663	28,589	27,603	27,468
Total (Gross)	355,365	351,773	349,645	342,671
By currency				
Singapore dollar	143,815	142,310	141,838	137,588
US dollar	107,793	110,109	110,086	107,873
Hong Kong dollar	42,672	41,568	40,898	41,648
Chinese yuan	13,017	12,870	12,481	12,926
Others	48,068	44,916	44,342	42,636
Total (Gross)	355,365	351,773	349,645	342,671

Notes:

- 1 Refers to expected credit loss.
- 2 Loans by geography are determined according to the location where the borrower, or the issuing bank in the case of bank backed export financing, is incorporated.

Gross customer loans rose 1% from the previous quarter and 5% from a year ago in constant-currency terms to \$355 billion. The growth over the 12 months was driven by corporate non-trade loans from broad-based activities across the region.

During the quarter, the growth was due to both trade and non-trade corporate loans. Consumer loans were little changed as a continued decline in housing loans was offset by growth in other consumer loans.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NON-PERFORMING ASSETS AND LOSS ALLOWANCE COVERAGE

	30 Jun 2019			31 Mar 2019			31 Dec 2018			30 Jun 2018		
	NPA (\$m)	NPL (% of loans)	SP ⁴ (\$m)	NPA (\$m)	NPL (% of loans)	SP ⁴ (\$m)	NPA (\$m)	NPL (% of loans)	SP ⁴ (\$m)	NPA (\$m)	NPL (% of loans)	SP ⁴ (\$m)
By business unit												
Consumer Banking/ Wealth Management	728	0.6	138	719	0.6	135	678	0.6	140	703	0.6	150
Institutional Banking and Others	4,687	1.9	2,485	4,522	1.9	2,362	4,573	1.9	2,300	4,626	2.0	2,226
Total non-performing loans (NPL)	5,415	1.5	2,623	5,241	1.5	2,497	5,251	1.5	2,440	5,329	1.6	2,376
Debt securities, contingent liabilities & others	406	-	210	407	-	215	433	-	172	541	-	140
Total non-performing assets (NPA)	5,821	-	2,833	5,648	-	2,712	5,684	-	2,612	5,870	-	2,516
By geography¹												
Singapore	3,437	2.0	1,591	3,378	2.0	1,535	3,335	2.0	1,488	3,369	2.1	1,446
Hong Kong	485	0.9	266	484	0.9	263	511	0.9	258	555	1.0	269
Rest of Greater China	430	0.8	124	390	0.8	119	411	0.8	130	435	0.8	121
South and Southeast Asia	958	3.3	597	886	3.1	536	908	3.2	521	878	3.2	499
Rest of the World	105	0.2	45	103	0.2	44	86	0.2	43	92	0.2	41
Total non-performing loans (NPL)	5,415	1.5	2,623	5,241	1.5	2,497	5,251	1.5	2,440	5,329	1.6	2,376
Debt securities, contingent liabilities & others	406	-	210	407	-	215	433	-	172	541	-	140
Total non-performing assets (NPA)	5,821	-	2,833	5,648	-	2,712	5,684	-	2,612	5,870	-	2,516
Loss Allowance Coverage												
ECL ² Stage 3 (SP)			2,833			2,712			2,612			2,516
ECL ² Stage 1 and 2 (GP)			2,525			2,468			2,569			2,590
Total allowances			5,358			5,180			5,181			5,106
(Total allowances+RLAR) / NPA ³			100%			100%			98%			92%
(Total allowances+RLAR) / unsecured NPA ³			181%			181%			178%			173%

Notes:

- 1 NPLs by geography are determined according to the location where the borrower is incorporated.
- 2 Refers to expected credit loss.
- 3 Computation includes regulatory loss allowance reserves (RLAR) of \$461 million for 30 Jun 2019 (31 Mar 2019: \$479 million; 31 Dec 2018: \$376 million; 30 Jun 2018: \$286 million) as part of total allowances.
- 4 Refers to Expected Credit Loss Stage 3.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	30 Jun 2019		31 Mar 2019		31 Dec 2018		30 Jun 2018	
	NPA	SP ¹	NPA	SP ¹	NPA	SP ¹	NPA	SP ¹
By industry								
Manufacturing	578	318	523	293	572	302	710	352
Building and construction	274	142	250	129	248	127	236	132
Housing loans	204	11	190	10	182	10	181	8
General commerce	683	319	619	287	645	268	562	225
Transportation, storage & communications	2,934	1,603	2,899	1,561	2,869	1,506	2,874	1,431
Financial institutions, investment & holding companies	91	17	87	17	48	18	50	17
Professionals & private individuals (excluding housing loans)	481	122	496	124	504	129	521	139
Others	170	91	177	76	183	80	195	72
Total non-performing loans	5,415	2,623	5,241	2,497	5,251	2,440	5,329	2,376
Debt securities, contingent liabilities & others	406	210	407	215	433	172	541	140
Total non-performing assets	5,821	2,833	5,648	2,712	5,684	2,612	5,870	2,516

(\$m)	30 Jun 2019		31 Mar 2019		31 Dec 2018		30 Jun 2018	
	NPA	SP ¹	NPA	SP ¹	NPA	SP ¹	NPA	SP ¹
By loan grading								
Non-performing assets								
Substandard	3,022	448	2,976	385	3,010	400	3,205	360
Doubtful	1,139	725	1,054	709	1,166	704	1,267	758
Loss	1,660	1,660	1,618	1,618	1,508	1,508	1,398	1,398
Total	5,821	2,833	5,648	2,712	5,684	2,612	5,870	2,516
Of which: restructured assets								
Substandard	709	101	731	102	744	105	573	84
Doubtful	369	165	299	126	302	126	333	203
Loss	595	595	609	609	510	510	47	47
Total	1,673	861	1,639	837	1,556	741	953	334

(\$m)	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Jun 2018
	NPA	NPA	NPA	NPA
By collateral type				
Unsecured non-performing assets	3,215	3,126	3,127	3,117
Secured non-performing assets by collateral type				
Properties	797	801	799	819
Shares and debentures	184	184	185	208
Cash deposits	24	23	22	174
Others	1,601	1,514	1,551	1,552
Total	5,821	5,648	5,684	5,870

Note:

1 Refers to Expected Credit Loss Stage 3.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Jun 2018
	NPA	NPA	NPA	NPA
By period overdue				
Not overdue	973	1,171	1,271	1,414
Within 90 days	630	403	432	436
Over 90 to 180 days	346	346	436	343
Over 180 days	3,872	3,728	3,545	3,677
Total	5,821	5,648	5,684	5,870

Non-performing assets rose 3% from the previous quarter to \$5.82 billion as non-performing asset formation remained low and was moderated by recoveries and write-offs.

Allowance coverage was at 100% and at 181% if collateral was considered.

CUSTOMER DEPOSITS

(\$m)	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Jun 2018
By currency and product				
Singapore dollar	159,522	158,807	158,778	155,266
Fixed deposits	17,631	15,093	17,031	12,223
Savings accounts	114,928	116,400	114,952	116,901
Current accounts	26,846	27,195	26,686	26,042
Others	117	119	109	100
US dollar	135,993	139,696	138,153	135,077
Fixed deposits	84,988	88,847	84,915	83,747
Savings accounts	19,616	19,116	21,280	19,643
Current accounts	29,992	29,955	30,006	29,946
Others	1,397	1,778	1,952	1,741
Hong Kong dollar	35,118	37,073	37,054	38,705
Fixed deposits	16,920	17,864	18,163	16,888
Savings accounts	8,016	8,019	8,368	9,363
Current accounts	9,961	10,985	10,345	12,398
Others	221	205	178	56
Chinese yuan	11,769	11,572	13,073	12,107
Fixed deposits	6,847	6,999	7,539	7,287
Savings accounts	1,068	1,040	1,134	910
Current accounts	2,990	2,467	3,458	2,925
Others	864	1,066	942	985
Others	48,899	47,847	46,727	46,405
Fixed deposits	31,812	32,179	31,401	32,503
Savings accounts	8,308	7,881	7,709	7,275
Current accounts	7,851	6,693	6,645	6,306
Others	928	1,094	972	321
Total	391,301	394,995	393,785	387,560
Fixed deposits	158,198	160,982	159,049	152,648
Savings accounts	151,936	152,456	153,443	154,092
Current accounts	77,640	77,295	77,140	77,617
Others	3,527	4,262	4,153	3,203

Customer deposits declined 1% from the previous quarter to \$391 billion as higher-cost deposits were replaced by

less expensive commercial paper. Fixed deposits led the decrease.

DEBTS ISSUED

(\$m)	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Jun 2018
Subordinated term debts ¹	3,572	3,566	3,599	3,641
Senior medium term notes ¹	12,029	9,746	11,577	11,017
Commercial papers ¹	23,092	16,871	16,986	12,422
Negotiable certificates of deposit ¹	3,817	4,475	4,147	3,914
Other debt securities ¹	10,406	9,698	7,734	7,357
Covered bonds ²	4,568	5,234	5,268	4,990
Total	57,484	49,590	49,311	43,341
Due within 1 year	38,503	31,176	31,870	26,218
Due after 1 year	18,981	18,414	17,441	17,123
Total	57,484	49,590	49,311	43,341

Notes:

1 Unsecured

2 Secured

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CAPITAL ADEQUACY

(\$m)	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Jun 2018
Share capital	11,205	11,205	11,205	11,205
Disclosed reserves and others	35,681	36,281	34,658	33,918
Total regulatory adjustments to Common Equity Tier 1 capital	(5,714)	(5,621)	(5,622)	(5,508)
Common Equity Tier 1 capital	41,172	41,865	40,241	39,615
Additional Tier 1 capital instruments	2,601	3,387	3,394	2,420
Tier 1 capital	43,773	45,252	43,635	42,035
Total allowances eligible as Tier 2 capital	1,661	1,633	1,605	1,558
Tier 2 capital instruments	3,603	3,597	3,628	3,669
Total capital	49,037	50,482	48,868	47,262
Risk-Weighted Assets ("RWA")				
Credit RWA	249,693	246,950	242,526	238,403
Market RWA	30,895	28,610	26,170	33,122
Operational RWA	21,857	21,401	20,940	20,294
Total RWA	302,445	296,961	289,636	291,819
Capital Adequacy Ratio ("CAR") (%)				
Common Equity Tier 1	13.6	14.1	13.9	13.6
Tier 1	14.5	15.2	15.1	14.4
Total	16.2	17.0	16.9	16.2
Minimum CAR including Buffer Requirements (%)¹				
Common Equity Tier 1	9.4	9.4	8.7	8.7
Effective Tier 1	10.9	10.9	10.2	10.2
Effective Total	12.9	12.9	12.2	12.2
Of which: Buffer Requirements (%)				
Capital Conservation Buffer	2.5	2.5	1.875	1.875
Countercyclical Capital Buffer	0.4	0.4	0.3	0.3

Note:

¹ Includes minimum Common Equity Tier 1, Tier 1 and Total CAR of 6.5%, 8.0% and 10.0% respectively.

The Group Common Equity Tier 1 ratio as at 30 June 2019 remain robust at 13.6% after the payment of the final 2018 and first-quarter 2019 dividends totalling \$2.3 billion. Risk-weighted assets increased by \$5.5 billion due to higher credit and market risk-weighted assets. During the quarter, \$805 million 4.70% Non-Cumulative Non-Convertible Perpetual Capital Securities (an Additional Tier 1 instrument) was redeemed. The Group's leverage ratio stood at 6.9%, well above the 3% minimum requirement.

PILLAR 3, LIQUIDITY COVERAGE RATIO AND NET STABLE FUNDING RATIO DISCLOSURES

The Group's combined Pillar 3, Liquidity Coverage Ratio and Net Stable Funding Ratio disclosures document and Main Features of Capital Instruments document are published in the Investor Relations section of the Group's website (<http://www.dbs.com/investor/index.html>) and (<https://www.dbs.com/investor/capital-disclosures.html>) respectively. These disclosures are pursuant to MAS's Notices to Banks No. 637 "Notice on Risk Based Capital Adequacy Requirements for Banks incorporated in Singapore", No. 651 "Liquidity Coverage Ratio ("LCR") Disclosure" and No. 653 "Net Stable Funding Ratio ("NSFR") Disclosure".

UNREALISED PROPERTY VALUATION SURPLUS

The unrealised property valuation surplus as at 30 June 2019 was approximately \$1,668 million.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED INCOME STATEMENT

In \$ millions	2nd Qtr 2019	2nd Qtr 2018	+/(-) %	1st Qtr 2019	+/(-) %	1st Half 2019	1st Half 2018	+/(-) %
Income								
Interest income	3,998	3,364	19	3,831	4	7,829	6,434	22
Interest expense	1,569	1,140	38	1,521	3	3,090	2,082	48
Net interest income	2,429	2,224	9	2,310	5	4,739	4,352	9
Net fee and commission income	767	706	9	730	5	1,497	1,450	3
Net trading income	357	227	57	443	(19)	800	595	34
Net income from investment securities	131	30	>100	53	>100	184	52	>100
Other income	25	16	56	15	67	40	114	(65)
Non-interest income	1,280	979	31	1,241	3	2,521	2,211	14
Total income	3,709	3,203	16	3,551	4	7,260	6,563	11
Employee benefits	874	785	11	852	3	1,726	1,571	10
Other expenses	672	637	5	646	4	1,318	1,261	5
Total expenses	1,546	1,422	9	1,498	3	3,044	2,832	7
Profit before allowances	2,163	1,781	21	2,053	5	4,216	3,731	13
Allowances for credit and other losses	251	105	>100	76	>100	327	269	22
Profit before tax	1,912	1,676	14	1,977	(3)	3,889	3,462	12
Income tax expense	300	314	(4)	316	(5)	616	559	10
Net profit	1,612	1,362	18	1,661	(3)	3,273	2,903	13
Attributable to:								
Shareholders	1,603	1,334	20	1,651	(3)	3,254	2,845	14
Non-controlling interests	9	28	(68)	10	(10)	19	58	(67)
	1,612	1,362	18	1,661	(3)	3,273	2,903	13

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In \$ millions	2nd Qtr 2019	2nd Qtr 2018	+ /(-) %	1st Qtr 2019	+ /(-) %	1st Half 2019	1st Half 2018	+ /(-) %
Net profit	1,612	1,362	18	1,661	(3)	3,273	2,903	13
Other comprehensive income								
Items that may be reclassified subsequently to income statement:								
Translation differences for foreign operations	(51)	175	NM	(93)	45	(144)	56	NM
Other comprehensive income of associates	2	1	100	-	NM	2	2	-
Gains (losses) on debt instruments classified at fair value through other comprehensive income and others								
Net valuation taken to equity	254	(149)	NM	345	(26)	599	(343)	NM
Transferred to income statement	(101)	(23)	(>100)	(88)	(15)	(189)	(40)	(>100)
Taxation relating to components of other comprehensive income	(20)	20	NM	(29)	31	(49)	35	NM
Items that will not be reclassified to income statement:								
Gains (losses) on equity instruments classified at fair value through other comprehensive income (net of tax)	30	(53)	NM	101	(70)	131	(40)	NM
Fair value change from own credit risk on financial liabilities designated at fair value (net of tax)	39	15	>100	(68)	NM	(29)	35	NM
Other comprehensive income, net of tax	153	(14)	NM	168	(9)	321	(295)	NM
Total comprehensive income	1,765	1,348	31	1,829	(3)	3,594	2,608	38
Attributable to:								
Shareholders	1,755	1,319	33	1,819	(4)	3,574	2,549	40
Non-controlling interests	10	29	(66)	10	-	20	59	(66)
	1,765	1,348	31	1,829	(3)	3,594	2,608	38

Note:

NM Not Meaningful

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

UNAUDITED BALANCE SHEETS

In \$ millions	The Group				The Company			
	30 Jun 2019	31 Mar 2019	31 Dec 2018 ¹	30 Jun 2018	30 Jun 2019	31 Mar 2019	31 Dec 2018 ¹	30 Jun 2018
Assets								
Cash and balances with central banks	18,921	19,896	22,185	20,959				
Government securities and treasury bills	51,815	52,673	47,278	48,011				
Due from banks	43,679	43,312	40,178	35,692	27	25	24	24
Derivatives	16,887	14,985	17,029	18,360	130	93	54	29
Bank and corporate securities	61,497	57,171	58,197	55,946				
Loans and advances to customers	350,474	347,061	345,003	338,071				
Other assets	14,183	14,155	13,418	15,647	-	-	5	3
Associates	845	837	838	849				
Subsidiaries	-	-	-	-	28,606	28,480	28,153	27,445
Properties and other fixed assets	3,180	3,265	1,450	1,294				
Goodwill and intangibles	5,170	5,170	5,175	5,175				
Total assets	566,651	558,525	550,751	540,004	28,763	28,598	28,236	27,501
Liabilities								
Due to banks	26,999	26,113	22,648	21,462				
Deposits and balances from customers	391,301	394,995	393,785	387,560				
Derivatives	16,957	15,089	16,692	18,893	11	18	18	26
Other liabilities	23,742	21,127	18,440	20,704	93	99	100	86
Other debt securities	53,912	46,024	45,712	39,700	5,524	4,493	4,141	4,130
Subordinated term debts	3,572	3,566	3,599	3,641	3,572	3,566	3,599	3,641
Total liabilities	516,483	506,914	500,876	491,960	9,200	8,176	7,858	7,883
Net assets	50,168	51,611	49,875	48,044	19,563	20,422	20,378	19,618
Equity								
Share capital	10,978	11,059	10,898	11,200	10,987	11,065	10,900	11,203
Other equity instruments	2,009	2,812	2,812	1,812	2,009	2,812	2,812	1,812
Other reserves	3,942	3,805	3,701	3,758	123	69	180	108
Revenue reserves	32,421	33,095	31,634	30,444	6,444	6,476	6,486	6,495
Shareholders' funds	49,350	50,771	49,045	47,214	19,563	20,422	20,378	19,618
Non-controlling interests	818	840	830	830				
Total equity	50,168	51,611	49,875	48,044	19,563	20,422	20,378	19,618
Other Information								
Net book value per share (\$)								
(i) Basic and diluted	18.53	18.75	18.12	17.71	6.87	6.88	6.88	6.94

Note:
1 Audited

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2019

The Group	Attributable to shareholders of the Company						
In \$ millions	Share Capital	Other equity instruments	Other reserves	Revenue reserves	Total Shareholders' funds	Non- controlling interests	Total equity
Balance at 1 January 2019	10,898	2,812	3,701	31,634	49,045	830	49,875
Impact of adopting SFRS(I) 16 on 1 January 2019				(84)	(84)		(84)
Balance at 1 January 2019 after adoption of SFRS(I) 9	10,898	2,812	3,701	31,550	48,961	830	49,791
Purchase of treasury shares	(82)				(82)		(82)
Draw-down of reserves upon vesting of performance shares	162		(162)		-		-
Cost of share-based payments			61		61		61
Dividends paid to shareholders ¹				(2,359)	(2,359)		(2,359)
Dividends paid to non-controlling interests					-	(19)	(19)
Acquisition of non-controlling interests					-	(13)	(13)
Redemption of perpetual capital securities issued by the Company		(803)		(2)	(805)		(805)
Total comprehensive income			342	3,232	3,574	20	3,594
Balance at 30 June 2019	10,978	2,009	3,942	32,421	49,350	818	50,168
Balance at 1 January 2018	11,082	1,812	4,256	30,308	47,458	2,344	49,802
Impact of adopting SFRS(I) 9 on 1 January 2018			(86)	95	9		9
Balance at 1 January 2018 after adoption of SFRS(I) 9	11,082	1,812	4,170	30,403	47,467	2,344	49,811
Draw-down of reserves upon vesting of performance shares	118		(118)		-		-
Cost of share-based payments			55		55		55
Dividends paid to shareholders ¹				(2,857)	(2,857)		(2,857)
Dividends paid to non-controlling interests					-	(66)	(66)
Change in non-controlling interests					-	(7)	(7)
Redemption of preference shares issued by a subsidiary					-	(1,500)	(1,500)
Total comprehensive income			(349)	2,898	2,549	59	2,608
Balance at 30 June 2018	11,200	1,812	3,758	30,444	47,214	830	48,044

Note:

¹ Includes distributions of \$57 million paid on capital securities classified as equity for 1st Half 2019 (1st Half 2018: \$37 million)

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 30 JUNE 2019

The Group	Attributable to shareholders of the Company						
In \$ millions	Share Capital	Other equity instruments	Other reserves	Revenue reserves	Total Shareholders' funds	Non- controlling interests	Total equity
Balance at 1 April 2019	11,059	2,812	3,805	33,095	50,771	840	51,611
Purchase of treasury shares	(82)				(82)		(82)
Draw-down of reserves upon vesting of performance shares	1		(1)		-		-
Cost of share-based payments			32		32		32
Dividends paid to shareholders ¹				(2,321)	(2,321)		(2,321)
Dividends paid to non-controlling interests					-	(19)	(19)
Acquisition of non-controlling interests					-	(13)	(13)
Redemption of perpetual capital securities issued by the Company		(803)		(2)	(805)		(805)
Total comprehensive income			106	1,649	1,755	10	1,765
Balance at 30 June 2019	10,978	2,009	3,942	32,421	49,350	818	50,168
Balance at 1 April 2018	11,200	1,812	3,752	31,943	48,707	2,374	51,081
Cost of share-based payments			27		27		27
Dividends paid to shareholders ¹				(2,839)	(2,839)		(2,839)
Dividends paid to non-controlling interests					-	(66)	(66)
Change in non-controlling interests					-	(7)	(7)
Redemption of preference shares issued by a subsidiary					-	(1,500)	(1,500)
Total comprehensive income			(21)	1,340	1,319	29	1,348
Balance at 30 June 2018	11,200	1,812	3,758	30,444	47,214	830	48,044

Note:

1 Includes distributions of \$19 million paid on capital securities classified as equity for 2nd Quarter 2019 (2nd Quarter 2018: \$19 million)

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2019**
The Company

In \$ millions	Share capital	Other equity instruments	Other reserves	Revenue reserves	Total equity
Balance at 1 January 2019	10,900	2,812	180	6,486	20,378
Purchase of treasury shares	(78)				(78)
Transfer of treasury shares	165				165
Draw-down of reserves upon vesting of performance shares			(162)		(162)
Cost of share-based payments			61		61
Dividends paid to shareholders ¹				(2,359)	(2,359)
Redemption of perpetual capital securities issued by the Company		(803)		(2)	(805)
Total comprehensive income			44	2,319	2,363
Balance at 30 June 2019	10,987	2,009	123	6,444	19,563
Balance at 1 January 2018	11,092	1,812	170	6,532	19,606
Transfer of treasury shares	111				111
Draw-down of reserves upon vesting of performance shares			(118)		(118)
Cost of share-based payments			55		55
Dividends paid to shareholders ¹				(2,857)	(2,857)
Total comprehensive income			1	2,820	2,821
Balance at 30 June 2018	11,203	1,812	108	6,495	19,618

Note:

¹ Includes distributions of \$57 million paid on capital securities classified as equity for 1st Half 2019 (1st Half 2018: \$37 million)

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 30 JUNE 2019

The Company

In \$ millions	Share capital	Other equity instruments	Other reserves	Revenue reserves	Total equity
Balance at 1 April 2019	11,065	2,812	69	6,476	20,422
Purchase of treasury shares	(78)				(78)
Draw-down of reserves upon vesting of performance shares			(1)		(1)
Cost of share-based payments			32		32
Dividends paid to shareholders ¹				(2,321)	(2,321)
Redemption of perpetual capital securities issued by the Company		(803)		(2)	(805)
Total comprehensive income			23	2,291	2,314
Balance at 30 June 2019	10,987	2,009	123	6,444	19,563
Balance at 1 April 2018	11,203	1,812	81	6,528	19,624
Cost of share-based payments			27		27
Dividends paid to shareholders ¹				(2,839)	(2,839)
Total comprehensive income				2,806	2,806
Balance at 30 June 2018	11,203	1,812	108	6,495	19,618

Note:

1 Includes distributions of \$19 million paid on capital securities classified as equity for 2nd Quarter 2019 (2nd Quarter 2018: \$19 million)

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

In \$ millions	1st Half 2019	1st Half 2018	2nd Qtr 2019	2nd Qtr 2018
Cash flows from operating activities				
Profit before tax	3,889	3,462	1,912	1,676
Adjustments for non-cash and other items:				
Allowances for credit and other losses	327	269	251	105
Depreciation of properties and other fixed assets	297	160	152	83
Share of profits or losses of associates	(26)	(15)	(16)	(10)
Net loss/ (gain) on disposal, net of write-off of properties and other fixed assets	2	(85)	1	-
Net income from investment securities	(184)	(52)	(131)	(30)
Cost of share-based payments	61	55	32	27
Interest expense on subordinated term debts	45	22	22	15
Interest expense on lease liabilities	14	-	7	-
Profit before changes in operating assets & liabilities	4,425	3,816	2,230	1,866
Increase/(Decrease) in:				
Due to banks	4,405	3,737	956	1,967
Deposits and balances from customers	(1,481)	12,344	(3,052)	10,102
Other liabilities	3,581	4,939	4,560	(61)
Other debt securities and borrowings	8,278	(826)	8,027	(3,473)
(Increase)/Decrease in:				
Restricted balances with central banks	2,357	535	3,182	809
Government securities and treasury bills	(4,535)	(8,575)	897	(1,968)
Due from banks	(3,575)	262	(462)	1,876
Bank and corporate securities	(2,990)	(393)	(4,226)	(1,010)
Loans and advances to customers	(6,759)	(14,064)	(4,129)	(8,243)
Other assets	(593)	(4,486)	(1,954)	(610)
Tax paid	(405)	(378)	(331)	(232)
Net cash generated from/ (used in) operating activities (1)	2,708	(3,089)	5,698	1,023
Cash flows from investing activities				
Dividends from associates	16	16	5	6
Proceeds from disposal of interest in associate	4	-	2	-
Increase in investment in associate	-	(69)	-	-
Proceeds from disposal of properties and other fixed assets	-	99	-	-
Purchase of properties and other fixed assets	(227)	(198)	(116)	(118)
Proceeds from acquisition of business	-	262	-	-
Acquisition of non-controlling interests / Change in non-controlling interests	(13)	(7)	(13)	(7)
Net cash (used in)/ generated from investing activities (2)	(220)	103	(122)	(119)
Cash flows from financing activities				
Issue of subordinated term debts	-	3,013	-	2,256
Interest paid on subordinated term debts	(50)	(23)	(44)	(9)
Redemption/purchase of subordinated term debts	-	(508)	-	-
Redemption of preference shares issued by a subsidiary	-	(1,500)	-	(1,500)
Redemption of perpetual capital securities issued by the Company	(805)	-	(805)	-
Purchase of treasury shares	(82)	-	(82)	-
Dividends paid to non-controlling interests	(19)	(66)	(19)	(66)
Dividends paid to shareholders of the Company ¹	(2,359)	(2,857)	(2,321)	(2,839)
Net cash used in financing activities (3)	(3,315)	(1,941)	(3,271)	(2,158)
Exchange translation adjustments (4)	(66)	(18)	(68)	(18)
Net change in cash and cash equivalents² (1)+(2)+(3)+(4)	(893)	(4,945)	2,237	(1,272)
Cash and cash equivalents at beginning of period	14,221	18,693	11,091	15,017
Impact of adopting SFRS(I) 9 on 1 January 2018	-	(3)	-	-
Cash and cash equivalents at end of period	13,328	13,745	13,328	13,745

Notes:

1 Includes distributions paid on capital securities classified as equity

2 Cash and cash equivalents refer to cash and non-restricted balances with central banks

OTHER FINANCIAL INFORMATION

1. Off-balance Sheet Items

In \$ millions	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Jun 2018
Contingent liabilities	24,799	24,040	24,603	25,161
Commitments ¹	288,302	277,296	273,246	256,733
Financial Derivatives	2,201,503	2,076,306	2,063,378	2,118,343

Note:

¹ Includes commitments that are unconditionally cancellable at any time of \$238,617 million for 30 Jun 2019 (31 Mar 2019: \$232,073 million; 31 Dec 2018: \$230,291 million; 30 Jun 2018: \$213,528 million).

ADDITIONAL INFORMATION
SHARE CAPITAL

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

Number of shares	1st Half 2019	1st Half 2018	2nd Qtr 2019	2nd Qtr 2018
Issued Ordinary shares				
Balance at beginning of period and end of period	2,563,936,434	2,563,936,434	2,563,936,434	2,563,936,434
Treasury shares				
Balance at beginning of period	(12,320,500)	(6,303,700)	(5,664,500)	(65,700)
Purchase of treasury shares	(3,100,000)	-	(3,100,000)	-
Shares transferred to trust holding shares pursuant to DBSH Share Plan/ DBSH Employee Share Plan	6,656,000	6,238,000	-	-
Balance at end of period	(8,764,500)	(65,700)	(8,764,500)	(65,700)
Issued Ordinary shares net of Treasury shares	2,555,171,934	2,563,870,734	2,555,171,934	2,563,870,734

- (b) The weighted average number of Issued Ordinary shares net of Treasury shares (both basic and fully diluted) for the first half of 2019 is 2,556,536,133.

INTERESTED PARTY TRANSACTIONS PURSUANT TO LISTING RULE 920(1)

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.


CONFIRMATION OF DIRECTORS AND EXECUTIVE OFFICERS' UNDERTAKINGS PURSUANT TO LISTING RULE 720(1)

The Company has procured undertakings from all its directors and executive officers in compliance with Listing Rule 720(1).

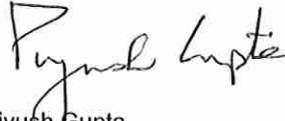
CONFIRMATION BY THE BOARD

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 2019 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

26 July 2019
Singapore