



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

To: Shareholders

The DBS Group Holdings Ltd ("DBSH" or "the Company") Board of Directors report unaudited financial results for the second quarter ended 30 June 2008.

For the second quarter of 2008, the Directors have declared an interim one-tier tax-exempt dividend of 10 cents (second quarter 2007: 10 cents less 18% tax) for each DBSH non-voting convertible preference share ("CPS") and each DBSH non-voting redeemable CPS, and an interim one-tier tax-exempt dividend of 20 cents (second quarter 2007: 20 cents less 18% tax) for each DBSH ordinary share.

The second quarter 2008 dividend will be payable on 3 September 2008. The DBSH shares will be quoted ex-dividend on 19 August 2008. Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 22 August 2008. Duly completed transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services of 8 Cross Street #11-00 PWC Building, Singapore 048424 up to 5.00 p.m. on 21 August 2008 will be registered to determine shareholders' entitlement to the second quarter 2008 dividend. In respect of ordinary shares in the securities accounts with The Central Depository (Pte) Limited ("CDP"), the second quarter 2008 dividend will be paid by DBSH to CDP, which will in turn distribute the dividend entitlements to shareholders.

By order of the Board

Heng Lee Cheng (Ms)
Group Secretary

7 August 2008
Singapore

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



Performance Summary

Unaudited Financial Results
For the Second Quarter ended
30 June 2008

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

Contents	Page
Overview.....	2
Net Interest Income.....	4
Net Fee and Commission Income.....	6
Other Non-Interest Income.....	6
Expenses.....	7
Allowances for Credit and Other Losses.....	7
Performance by Business Unit.....	8
Performance by Geography.....	10
Customer Loans.....	12
Non-Performing Assets and Loss Allowance Coverage.....	13
Funding Sources.....	17
Customer Deposits.....	18
Other Borrowings & Liabilities.....	18
Value at Risk and Trading Income.....	19
Capital Adequacy.....	20
Unrealised Valuation Surplus/(Losses).....	20
Unaudited Consolidated Income Statement.....	21
Unaudited Balance Sheets.....	22
Unaudited Consolidated Statement of Changes in Equity.....	23
Unaudited Statement of Changes in Equity.....	24
Unaudited Consolidated Cash Flow Statement.....	25
Additional Information	
Issuance of Ordinary Shares.....	26
Adoption of New or Revised FRS and INT FRS.....	26
Disclosure on Certain Financial Instruments.....	27
Confirmation by the Board.....	29

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

OVERVIEW

DBS Group Holdings Ltd (“DBSH”) prepares its condensed consolidated DBSH Group (“Group”) interim financial statements in accordance with Singapore Financial Reporting Standard (“FRS”) No. 34 Interim Financial Reporting, as modified by the requirements of Notice to Banks No. 612 “Credit Files, Grading and Provisioning” issued by the Monetary Authority of Singapore. The accounting policies and methods of computation applied for the current financial periods are consistent with those applied for the financial year ended 31 December 2007, with the exception of the adoption of new or revised FRS and Interpretations to FRS (“INT FRS”).

On 1 January 2008, the Group adopted the new or revised INT FRS, which are issued by the Accounting Standard Council (“ASC”), that are relevant for the Group.

- INT FRS 111: FRS 102 – Group and Treasury Share Transactions
- INT FRS 114: FRS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

	2nd Qtr 2008	2nd Qtr 2007 ^{1/}	% chg	1st Qtr 2008	1st Half 2008	1st Half 2007 ^{1/}	% chg
Selected income statement items (\$m)							
Net interest income	1,058	1,027	3	1,057	2,115	2,001	6
Net fee and commission income	342	371	(8)	353	695	680	2
Net trading income/(loss)	111	97	14	(161)	(50)	268	NM
Net income/(loss) from financial instruments designated at fair value	26	(49)	NM	85	111	(95)	NM
Net income from financial investments	49	94	(48)	211	260	218	19
Other income	13	11	18	18	31	21	48
Total income	1,599	1,551	3	1,563	3,162	3,093	2
Less: Expenses	687	660	4	656	1,343	1,318	2
Profit before allowances	912	891	2	907	1,819	1,775	2
Less: Allowances for credit and other losses	56	64	(13)	140	196	169	16
Share of profits of associates	21	25	(16)	23	44	51	(14)
Profit before tax	877	852	3	790	1,667	1,657	1
Net profit attributable to shareholders (Net profit)	668	664	1	603	1,271	1,281	(1)
Add: One-time items ^{2/}	(16)	(104)	85	-	(16)	(104)	85
Net profit including one-time items	652	560	16	603	1,255	1,177	7
Selected balance sheet items (\$m)							
Customer loans ^{3/}	118,615	98,957	20	114,227	118,615	98,957	20
Interbank assets ^{4/}	30,535	30,858	(1)	28,606	30,535	30,858	(1)
Total assets	248,688	222,891	12	251,453	248,688	222,891	12
Customer deposits ^{5/}	158,726	141,272	12	157,379	158,726	141,272	12
Total liabilities	224,300	200,602	12	227,996	224,300	200,602	12
Shareholders' funds	20,284	19,641	3	20,850	20,284	19,641	3
Key financial ratios (%) (excluding one-time items) ^{6/}							
Net interest margin	2.04	2.21		2.09	2.07	2.21	
Non-interest/total income	33.8	33.8		32.4	33.1	35.3	
Cost/income ratio	43.0	42.6		42.0	42.5	42.6	
Return on assets	1.07	1.23		0.99	1.05	1.22	
Return on equity ^{7/}	13.00	13.60		11.61	12.41	13.41	
Loan/deposit ratio	74.7	70.1		72.6	74.7	70.1	
NPL ratio	1.4	1.4		1.0	1.4	1.4	
Specific allowances (loans)/average loans (bp)	18	19		13	16	10	
Tier 1 capital adequacy ratio	10.0	9.4		9.2	10.0	9.4	
Total capital adequacy ratio	13.8	14.7		13.4	13.8	14.7	

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

	2nd Qtr 2008	2nd Qtr 2007	% chg	1st Qtr 2008	1st Half 2008	1st Half 2007	% chg
Per share data (\$)							
Per basic share							
– earnings excluding one-time items and goodwill charges	1.76	1.76		1.58	1.67	1.69	
– earnings	1.74	1.69		1.58	1.66	1.63	
– net book value ^{7/}	13.05	12.66		13.43	13.05	12.66	
Per diluted share							
– earnings excluding one-time items and goodwill charges	1.69	1.69		1.52	1.61	1.63	
– earnings	1.68	1.63		1.52	1.60	1.56	
– net book value ^{7/}	12.78	12.45		13.15	12.78	12.45	

Notes:

- 1/ Figures have been reclassified to make them consistent with the current period's presentation
 - 2/ One-time items include gains on sale of office buildings in Hong Kong, impairment charges for Thai investment and allowance write-back for a Singapore property
 - 3/ Includes customer loans classified as financial assets at fair value through profit or loss on the balance sheet
 - 4/ Includes interbank assets classified as financial assets at fair value through profit or loss on the balance sheet
 - 5/ Includes customer deposits classified as financial liabilities at fair value through profit or loss on the balance sheet
 - 6/ Return on assets, return on equity, specific allowances (loan)/average loan and per share data for the quarters are computed on an annualised basis
 - 7/ Minority interests are not included as equity in the computation of net book value and return on equity
- NM Not Meaningful

Second-quarter net profit of \$668 million was 1% above a year ago. Revenues were sustained and cost pressures managed amid a lower interest rate environment and subdued capital markets. Compared to the previous quarter, net profit was 11% higher as trading income recovered and total allowances declined.

Bowa Commercial Bank (Bowa) was consolidated from 24 May 2008. The consolidation had little impact on the Group's second quarter results except for certain balance sheet items.

Interest income rose 3% from a year ago to \$1.06 billion, unchanged from the previous quarter. Although loans continued to grow during the quarter, the impact was offset by a decline in interest margins. Lower stockbroking and investment banking activities contributed to a fall in net fee income of 8% from a year ago and 3% from the previous quarter to \$342 million.

Trading performance improved during the quarter, rising to \$111 million from \$97 million a year ago and compared to a loss of \$161 million in the previous quarter. The improvement in trading income was offset by lower net income from the sale of financial investments.

The cost-income ratio of 43% was similar to a year ago and slightly higher than the 42% in the previous quarter. Compared to the previous quarter, expenses grew 5% to \$687 million.

Excluding Bowa, the non-performing loan (NPL) rate rose slightly from 1.0% in the previous quarter to 1.1%, but remained below the 1.4% a year ago. Specific loan allowances rose to 18 basis points of loans compared with 13 basis points in the previous quarter, but was little changed from the 19 basis points a year ago. Total allowances were lower than both comparative periods. Allowances for loans continued to provide adequate coverage for total loan exposures net of collateral.

Including Bowa, the NPL rate increased to 1.4%. There was no allowance charge in the second quarter for Bowa as allowances amounting to 67% of its NPLs had already been set aside prior to its consolidation. With the consolidation of Bowa, total cumulative allowances amounted to 116% of non-performing assets and 195% of unsecured non-performing assets.

Return on assets was 1.07% compared to 1.23% a year ago and 0.99% in the previous quarter. Return on equity of 13.0% was below the 13.6% a year ago but improved from 11.6% in the previous quarter.

There was a separate one-time charge of \$16 million comprising a \$34 million impairment charge for the group's investment in TMB Bank in Thailand and a gain of \$18 million from the sale of office buildings in Hong Kong. Including these non-operating items, net profit for the second quarter was \$652 million.

For the first half, net profit excluding one-time items fell 1% from a year ago to \$1.27 billion, with return on equity declining from 13.4% to 12.4%.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NET INTEREST INCOME

Average balance sheet	2nd Qtr 2008			2nd Qtr 2007			1st Qtr 2008		
	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)
Interest-bearing assets									
Customer loans	113,462	1,154	4.09	94,742	1,322	5.60	111,027	1,308	4.74
Interbank assets	41,293	262	2.54	36,341	303	3.35	38,219	258	2.72
Securities	53,628	519	3.89	55,368	627	4.54	54,256	581	4.31
Total	208,383	1,935	3.73	186,451	2,252	4.85	203,502	2,147	4.24
Interest-bearing liabilities									
Customer deposits	157,807	487	1.24	139,705	754	2.17	154,445	673	1.75
Other borrowings	40,799	390	3.84	36,900	471	5.12	39,979	417	4.19
Total	198,606	877	1.77	176,605	1,225	2.78	194,424	1,090	2.26
Net interest income/margin ^{1/}		1,058	2.04		1,027	2.21		1,057	2.09

Average balance sheet	1st Half 2008			1st Half 2007		
	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)
Interest-bearing assets						
Customer loans	112,002	2,462	4.42	92,108	2,570	5.63
Interbank assets	39,955	520	2.61	35,880	604	3.40
Securities	53,689	1,100	4.12	54,005	1,202	4.49
Total	205,646	4,082	3.99	181,993	4,376	4.85
Interest-bearing liabilities						
Customer deposits	155,947	1,160	1.50	137,089	1,500	2.21
Other borrowings	40,364	807	4.02	35,447	875	4.98
Total	196,311	1,967	2.01	172,536	2,375	2.78
Net interest income/margin ^{1/}		2,115	2.07		2,001	2.21

Note:

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

The 3% increase in net interest income from a year ago to \$1.06 billion was due to an increase in asset volumes, particularly customer loans. The benefit was partially offset by a 17 basis point decline in net interest margins to 2.04% as interest spreads in both Singapore and Hong Kong were lower.

Compared to the previous quarter, net interest income was little changed as a rise in asset volumes was offset by a five basis point decline in interest margins. Interest margins in Hong Kong increased slightly but fell in Singapore as asset yields for corporate loans declined. Funding costs also fell, but at a slower pace than asset yields.

For the first half, net interest income rose 6% to \$2.12 billion as the benefit of higher asset volumes was partially offset by lower interest margins.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Volume and rate analysis (\$m) Increase/(decrease) due to change in	2nd Qtr 2008 versus 2nd Qtr 2007			2nd Qtr 2008 versus 1st Qtr 2008		
	Volume	Rate	Net change	Volume	Rate	Net change
Interest income						
Customer loans	261	(429)	(168)	28	(182)	(154)
Interbank assets	41	(82)	(41)	21	(17)	4
Securities	(20)	(88)	(108)	(7)	(55)	(62)
Total	282	(599)	(317)	42	(254)	(212)
Interest expense						
Customer deposits	98	(365)	(267)	15	(201)	(186)
Other borrowings	66	(147)	(81)	9	(36)	(27)
Total	164	(512)	(348)	24	(237)	(213)
Net impact on interest income	118	(87)	31	18	(17)	1
Due to change in number of days			-			-
Net Interest Income			31			1

Volume and rate analysis (\$m) Increase/(decrease) due to change in	1st Half 2008 versus 1st Half 2007		
	Volume	Rate	Net change
Interest income			
Customer loans	555	(678)	(123)
Interbank assets	69	(157)	(88)
Securities	(7)	(100)	(107)
Total	617	(935)	(318)
Interest expense			
Customer deposits	206	(553)	(347)
Other borrowings	146	(219)	(73)
Total	352	(772)	(420)
Net impact on interest income	265	(163)	102
Due to change in number of days			12
Net Interest Income			114

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

NET FEE AND COMMISSION INCOME

(\$m)	2nd Qtr 2008	2nd Qtr 2007	% chg	1st Qtr 2008	1st Half 2008	1st Half 2007	% chg
Stockbroking	39	58	(33)	50	89	111	(20)
Investment banking	25	48	(48)	29	54	77	(30)
Trade and remittances	56	50	12	52	108	98	10
Loan related	82	55	49	90	172	113	52
Guarantees	14	9	56	11	25	17	47
Deposit related	22	22	-	19	41	41	-
Credit card	38	35	9	31	69	62	11
Fund management	9	13	(31)	14	23	22	5
Wealth management	45	68	(34)	40	85	115	(26)
Others	12	13	(8)	17	29	24	21
Total	342	371	(8)	353	695	680	2

Net fee and commission income fell 8% from a year ago to \$342 million as subdued capital markets saw lower contributions from stockbroking, investment banking and wealth management. These declines were partially offset by higher contributions from trade and remittances and loan related activities.

Compared to the previous quarter, net fee and commission income declined 3% as stockbroking and

investment banking fees were lower. Contributions from loan related activities declined from a strong previous quarter.

For the first half, net fee income rose 2% to \$695 million with higher contributions from corporate and consumer activities such as loan syndication, trade, remittances and credit cards, partially offset by a fall in capital market activities.

OTHER NON-INTEREST INCOME

(\$m)	2nd Qtr 2008	2nd Qtr 2007 ^{1/}	% chg	1st Qtr 2008	1st Half 2008	1st Half 2007 ^{1/}	% chg
Net trading income/(loss)	111	97	14	(161)	(50)	268	NM
From trading businesses	88	100	(12)	(152)	(64)	269	NM
From other businesses	23	(3)	NM	(9)	14	(1)	NM
Net income/(loss) from financial instruments designated at fair value	26	(49)	NM	85	111	(95)	NM
Net income on financial investments	49	94	(48)	211	260	218	19
Net gain on fixed assets ^{2/}	-	2	NM	3	3	4	(25)
Others (include rental income)	13	9	44	15	28	17	65
Total	199	153	30	153	352	412	(15)

Notes:

1/ Figures have been reclassified to make them consistent with the current period's presentation

2/ Exclude one-time items

NM Not Meaningful

Net trading income from the trading businesses recorded a gain of \$88 million from trading activity in foreign exchange and interest rates, recovering from a loss of \$152 million in the previous quarter due to difficult credit markets.

Net income from the sale of financial investments fell to \$49 million. The previous quarter's \$211 million had included gains from the initial public offering of Visa Inc.

For the first half, net trading income from the trading businesses recorded a loss of \$64 million compared to a gain of \$269 million a year ago. This was partially offset by a 19% increase in net income from the sale of financial investments which amounted to \$260 million.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

EXPENSES

(\$m)	2nd Qtr 2008	2nd Qtr 2007	% chg	1st Qtr 2008	1st Half 2008	1st Half 2007	% chg
Staff	370	354	5	352	722	714	1
Occupancy	61	51	20	58	119	104	14
Computerisation	109	111	(2)	102	211	223	(5)
Revenue-related	40	35	14	34	74	60	23
Others	107	109	(2)	110	217	217	-
Total	687	660	4	656	1,343	1,318	2
Staff headcount at period-end	15,219	13,364	14	14,551	15,219	13,364	14

Included in the above table were:

Depreciation of properties and other fixed assets	37	30	23	34	71	62	15
Director's fees	1	#	NM	1	2	1	100
Audit fees payable	2	2	-	2	4	3	33

Amount under \$500,000
NM Not Meaningful

Expenses of \$687 million were 4% higher than a year ago and 5% above the previous quarter, with both wage and non-wage costs contributing to the rise. Headcount increased 8% from a year ago but fell 1% from the previous quarter to 14,376. Including the consolidation from Bowa, headcount was 15,219.

For the first half, expenses rose 2% to \$1.34 billion as increases in occupancy and revenue-related costs were partially offset by lower computerisation charges. The increase was in line with revenues, leaving the cost-income ratio at 43%.

ALLOWANCES FOR CREDIT AND OTHER LOSSES

(\$m)	2nd Qtr 2008	2nd Qtr 2007	% chg	1st Qtr 2008	1st Half 2008	1st Half 2007	% chg
General allowances (GP)	(31)	24	NM	90	59	126	(53)
Specific allowances (SP) for loans	52	47	11	37	89	48	85
Singapore	9	9	-	23	32	(9)	NM
Hong Kong	37	18	>100	15	52	37	41
Other countries	6	20	(70)	(1)	5	20	(75)
Specific allowances (SP) for securities, properties and other assets ^{1/}	35	(7)	NM	13	48	(5)	NM
Total	56	64	(13)	140	196	169	16

Note:

1/ Excludes one-time items
NM Not Meaningful

Specific allowances for loans rose from \$37 million in the previous quarter to \$52 million. The increase was led by Hong Kong, where specific allowances were made for some equity related lending to individuals. No additional general allowances for loans were made in the second quarter given the adequacy of total allowances (net of collaterals) against loans.

General allowances of \$31 million that were previously taken for sub-prime ABS CDOs were reclassified as a specific allowance given a specific deterioration in the credit quality of a CDO. This resulted in a general allowance write-back of \$31 million which was offset by increases in specific allowance for securities.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

PERFORMANCE BY BUSINESS UNIT

(\$m)	CBG	EB	CIB	GFM	CTU	Central Ops	Total
Selected income items							
2nd Qtr 2008 ^{1/}							
Net interest income	292	189	219	294	164	(100)	1,058
Non-interest income	174	102	162	60	(54)	97	541
Expenses	276	96	103	154	8	50	687
Allowances for credit and other losses	11	31	(6)	1	5	14	56
Profit before tax	179	164	284	197	97	(44)	877
1st Qtr 2008							
Net interest income	326	190	206	325	130	(120)	1,057
Non-interest income	160	120	158	(20)	40	48	506
Expenses	255	94	98	132	13	64	656
Allowances for credit and other losses	5	15	76	23	13	8	140
Profit before tax	226	201	190	152	144	(123)	790
2nd Qtr 2007 ^{1/}							
Net interest income	423	201	172	236	94	(99)	1,027
Non-interest income	175	91	188	51	(8)	27	524
Expenses	258	87	102	125	9	79	660
Allowances for credit and other losses	5	45	36	3	-	(25)	64
Profit before tax	335	160	222	163	77	(105)	852
1st Half 2008 ^{1/}							
Net interest income	618	379	425	619	294	(220)	2,115
Non-interest income	334	222	320	40	(14)	145	1,047
Expenses	531	190	201	286	21	114	1,343
Allowances for credit and other losses	16	46	70	24	18	22	196
Profit before tax	405	365	474	349	241	(167)	1,667
1st Half 2007 ^{1/}							
Net interest income	873	395	330	416	156	(169)	2,001
Non-interest income	319	209	380	119	10	55	1,092
Expenses	524	178	190	253	20	153	1,318
Allowances for credit and other losses	14	63	79	4	-	9	169
Profit before tax	654	363	441	287	146	(234)	1,657
Selected balance sheet and other items							
30 Jun 2008							
Total assets before goodwill	34,214	26,424	64,263	85,560	27,980	4,409	242,850
Total liabilities	88,978	22,842	31,795	52,895	1,582	26,208	224,300
Capital expenditure for 2nd Qtr 2008	21	-	1	3	-	139	164
Depreciation for 2nd Qtr 2008	8	1	1	3	-	24	37
31 Mar 2008							
Total assets before goodwill	32,874	23,876	64,119	91,445	28,734	4,564	245,612
Total liabilities	85,003	21,383	35,181	58,315	1,837	26,277	227,996
Capital expenditure for 1st Qtr 2008	5	2	1	1	-	5	14
Depreciation for 1st Qtr 2008	7	1	1	3	-	22	34

Note:

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

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	CBG	EB	CIB	GFM	CTU	Central Ops	Total
31 Dec 2007							
Total assets before goodwill	32,148	22,738	56,569	84,444	27,930	3,920	227,749
Total liabilities	83,171	21,311	30,733	47,667	1,458	26,093	210,433
Capital expenditure for 4th Qtr 2007	27	1	3	4	-	42	77
Depreciation for 4th Qtr 2007	6	1	2	3	-	20	32
30 June 2007							
Total assets before goodwill	31,871	22,028	47,354	85,218	27,228	3,349	217,048
Total liabilities	81,168	19,898	22,305	49,193	1,404	26,634	200,602
Capital expenditure for 2nd Qtr 2007	11	1	4	2	-	18	36
Depreciation for 2nd Qtr 2007	7	-	1	2	-	20	30

Consumer Banking's (CBG) net interest income fell from both the previous quarter and a year ago with lower deposit margins in Singapore despite higher loan and deposit volumes. Non-interest income improved from the previous quarter due to wealth management sales. Expenses were higher than both comparative periods as operating costs increased while wage costs were stable. Allowances rose from the previous quarter due to higher general allowances.

Enterprise Banking's (EB) net interest income fell from both comparative periods as higher loan volumes and margins were more than offset by lower deposit margins. Non-interest income was lower than the previous quarter due to a decline in treasury product sales. Expenses rose from a year ago due to higher staff and non-staff costs. Allowances were higher than the previous quarter due to lower recoveries in specific allowances. Compared to a year ago, a decline in specific allowances was partially offset by higher general allowances.

Corporate and Investment Banking's (CIB) net interest income rose from the previous quarter and a year ago due to higher loan margins. Compared to a year ago,

higher loan and deposit volumes also contributed to the increase in net interest income. Non-interest income was lower than a year ago as higher loan syndication fees were more than offset by lower sales of treasury products. There was a general allowance write-back in the current quarter compared to a charge in both comparative periods. Specific allowances were higher than the previous quarter but little changed from a year ago.

Global Financial Markets' (GFM) non-interest income recorded a gain from interest rate and foreign exchange activities, recovering from a loss in credit trading in the previous quarter. Expenses were higher than both comparative periods due to higher staff costs.

Central Treasury Unit (CTU) manages the Group's asset and liability interest rate positions as well as its investments. Central Operations encompasses a range of activities from corporate decisions and income and expenses not attributed to other business segments. Asset management and private banking activities are 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 world	Total
Selected income items						
2nd Qtr 2008 ^{1/}						
Net interest income	709	214	66	38	31	1,058
Non-interest income	275	138	17	75	36	541
Expenses	412	175	39	44	17	687
Allowances for credit and other losses	11	40	2	(2)	5	56
Profit before tax	563	137	51	81	45	877
1st Qtr 2008						
Net interest income	721	225	41	41	29	1,057
Non-interest income	247	177	36	40	6	506
Expenses	401	173	34	34	14	656
Allowances for credit and other losses	97	19	12	7	5	140
Profit before tax	473	210	33	58	16	790
2nd Qtr 2007 ^{1/}						
Net interest income	672	277	25	35	18	1,027
Non-interest income	317	127	28	34	18	524
Expenses	414	163	29	38	16	660
Allowances for credit and other losses	(8)	21	21	21	9	64
Profit before tax	591	220	3	27	11	852
1st Half 2008						
Net interest income	1,430	439	107	79	60	2,115
Non-interest income	522	315	53	115	42	1,047
Expenses	813	348	73	78	31	1,343
Allowances for credit and other losses	108	59	14	5	10	196
Profit before tax	1,036	347	84	139	61	1,667
1st Half 2007 ^{1/}						
Net interest income	1,320	548	42	57	34	2,001
Non-interest income	660	262	56	86	28	1,092
Expenses	842	333	50	65	28	1,318
Allowances for credit and other losses	51	43	21	27	27	169
Profit before tax	1,102	434	27	87	7	1,657
Total assets before goodwill						
30 Jun 2008	159,295	45,284	16,115	10,059	12,097	242,850
31 Mar 2008	165,837	47,670	11,667	8,817	11,621	245,612
31 Dec 2007	149,462	47,664	10,905	8,199	11,519	227,749
30 Jun 2007	143,238	46,819	9,137	7,265	10,589	217,048

Note:

^{1/} Allowances for credit and other losses and profits exclude one-time items

Singapore

Net interest income was higher than a year ago as loans and deposits expanded. Compared to the previous quarter, higher asset volumes were more than offset by lower margins. Non-interest income improved from the previous quarter due to a recovery in trading income.

Expenses were higher than the previous quarter due to higher wage costs.

Allowances were higher in the previous quarter due to general allowances set aside for the strong loan growth.

Hong Kong

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

Net interest income was below a year ago as higher loan and deposit volumes were more than offset by lower margins. Net interest income declined from the previous quarter as interbank assets fell.

Non-interest income fell from the previous quarter due to lower stockbroking commissions and treasury product sales.

Expenses rose from a year ago as staff and non-staff costs rose. The increase in allowances from the previous quarter was led by specific allowances for margin lending to individuals.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CUSTOMER LOANS ^{1/}

(\$m)	30 Jun 2008	31 Mar 2008	31 Dec 2007	30 Jun 2007
Gross	120,314	115,660	109,774	100,475
Less:				
Specific allowances	702	437	436	544
General allowances	997	996	905	974
Net total	118,615	114,227	108,433	98,957
By business unit				
Consumer Banking	33,166	31,116	31,213	31,082
Enterprise Banking	25,167	22,343	22,334	21,984
Corporate and Investment Banking	54,986	55,572	48,940	40,374
Others	6,995	6,629	7,287	7,035
Total (Gross)	120,314	115,660	109,774	100,475
By geography				
Singapore	68,056	67,294	62,019	54,954
Hong Kong	30,679	29,423	29,141	29,729
Rest of Greater China	9,542	6,916	6,371	4,884
South and South-east Asia	5,062	5,198	4,737	3,784
Rest of the world	6,975	6,829	7,506	7,124
Total (Gross)	120,314	115,660	109,774	100,475
By industry				
Manufacturing	15,417	15,457	14,469	13,321
Building and construction	15,906	14,403	13,004	12,179
Housing loans	28,039	26,581	26,306	26,124
General commerce	12,303	11,057	10,042	9,677
Transportation, storage & communications	11,854	11,511	11,169	9,984
Financial institutions, investment & holding companies	12,499	14,236	13,919	11,979
Professionals & private individuals (except housing loans)	10,697	10,022	9,758	9,269
Others	13,599	12,393	11,107	7,942
Total (Gross)	120,314	115,660	109,774	100,475
By currency and fixed/variable pricing				
Singapore dollar	46,778	45,902	42,675	39,328
Fixed rates	13,802	11,769	10,597	6,866
Floating or adjustable rates	32,976	34,133	32,078	32,462
Hong Kong dollar	27,340	26,344	26,012	27,536
Fixed rates	644	608	614	730
Floating or adjustable rates	26,696	25,736	25,398	26,806
US dollar	27,871	27,406	25,595	19,763
Fixed rates	1,475	1,992	1,595	277
Floating or adjustable rates	26,396	25,414	24,000	19,486
Others	18,325	16,008	15,492	13,848
Fixed rates	3,109	2,711	2,858	1,294
Floating or adjustable rates	15,216	13,297	12,634	12,554
Total (Gross)	120,314	115,660	109,774	100,475

Note:

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

Gross customer loans rose 4% from the previous quarter, including \$2.3 billion of loans from Bowa. Underlying loan growth was led by SME loans in Hong Kong and consumer loans in Singapore. The increase was partially offset by repayments of short-term corporate loans.

Three-fifths of Bowa's loans were consumer (mainly housing) loans and the remainder SME loans.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

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

By business unit	NPA (\$m)	SP (\$m)	GP (\$m)	NPL (% of loans)	(GP+SP)/NPA (%)	(GP+SP)/ unsecured NPA (%)
30 Jun 2008						
Consumer Banking	327	129	331	1.0	141	253
Enterprise Banking	972	482	247	3.9	75	130
Corporate and Investment Banking	215	71	542	0.4	285	413
Others	168	71	(64)	2.2	4	10
Total non-performing loans (NPL)	1,682	753	1,056	1.4	108	189
Debt securities	198	191	158	-	176	181
Contingent liabilities	98	7	134	-	144	463
Total non-performing assets (NPA)	1,978	951	1,348	-	116	195
31 Mar 2008						
Consumer Banking	229	62	311	0.7	163	379
Enterprise Banking	671	324	220	3.0	81	159
Corporate and Investment Banking	226	54	555	0.4	269	409
Others	62	53	(32)	0.9	34	41
Total non-performing loans (NPL)	1,188	493	1,054	1.0	130	242
Debt securities	167	160	182	-	205	212
Contingent liabilities	109	7	130	-	125	344
Total non-performing assets (NPA)	1,464	660	1,366	-	138	241
31 Dec 2007						
Consumer Banking	238	65	312	0.8	158	368
Enterprise Banking	690	342	220	3.1	82	154
Corporate and Investment Banking	178	50	489	0.4	302	641
Others	62	34	(41)	0.9	(10)	(13)
Total non-performing loans (NPL)	1,168	491	980	1.1	126	246
Debt securities	160	152	192	-	215	224
Contingent liabilities	114	9	120	-	113	304
Total non-performing assets (NPA)	1,442	652	1,292	-	135	245

Note:

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

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

By business unit

	NPA (\$m)	SP (\$m)	GP (\$m)	NPL (% of loans)	(GP+SP)/NPA (%)	(GP+SP)/ unsecured NPA (%)
30 Jun 2007						
Consumer Banking	282	76	310	0.9	137	330
Enterprise Banking	729	349	217	3.3	78	150
Corporate and Investment Banking	324	149	413	0.8	173	295
Others	37	28	83	0.6	297	460
Total non-performing loans ("NPL")	1,372	602	1,023	1.4	118	229
Debt securities	37	17	80	-	260	587
Contingent liabilities	85	5	129	-	158	2,137
Total non-performing assets ("NPA")	1,494	624	1,232	-	124	254

Note:

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

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

By geography	NPA (\$m)	SP (\$m)	GP (\$m)	NPL (% of loans)	(GP+SP)/NPA (%)	(GP+SP)/ unsecured NPA (%)
30 Jun 2008						
Singapore	558	219	398	0.9	110	221
Hong Kong	437	200	301	1.5	115	217
Rest of Greater China	483	273	119	4.4	81	124
South and South-east Asia	90	42	131	1.0	193	221
Rest of the World	114	19	107	1.1	111	229
Total non-performing loans	1,682	753	1,056	1.4	108	189
Debt securities	198	191	158	-	176	181
Contingent liabilities	98	7	134	-	144	463
Total non-performing assets	1,978	951	1,348	-	116	195
31 Mar 2008						
Singapore	494	227	425	0.8	132	255
Hong Kong	419	186	284	1.5	112	202
Rest of Greater China	76	28	94	0.9	159	438
South and South-east Asia	65	42	137	0.8	275	339
Rest of the World	134	10	114	1.2	93	173
Total non-performing loans	1,188	493	1,054	1.0	130	242
Debt securities	167	160	182	-	205	212
Contingent liabilities	109	7	130	-	125	344
Total non-performing assets	1,464	660	1,366	-	138	241
31 Dec 2007						
Singapore	533	237	414	1.0	122	244
Hong Kong	418	174	284	1.5	109	190
Rest of Greater China	80	28	87	1.0	144	463
South and South-east Asia	71	41	116	0.9	221	281
Rest of the World	66	11	79	0.5	137	849
Total non-performing loans	1,168	491	980	1.1	126	246
Debt securities	160	152	192	-	215	224
Contingent liabilities	114	9	120	-	113	304
Total non-performing assets	1,442	652	1,292	-	135	245
30 Jun 2007						
Singapore	707	321	487	1.4	114	239
Hong Kong	356	159	299	1.2	129	246
Rest of Greater China	72	24	70	1.1	131	395
South and South-east Asia	147	74	88	2.5	111	127
Rest of the World	90	24	79	0.9	114	325
Total non-performing loans	1,372	602	1,023	1.4	118	229
Debt securities	37	17	80	-	260	587
Contingent liabilities	85	5	129	-	158	2,137
Total non-performing assets	1,494	624	1,232	-	124	254

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

By industry	30 Jun 2008		31 Mar 2008		31 Dec 2007		30 Jun 2007	
(\$m)	NPA	SP	NPA	SP	NPA	SP	NPA	SP
Manufacturing	453	216	328	156	336	160	338	197
Building and construction	105	41	73	18	69	19	91	39
Housing loans	202	61	145	32	152	35	184	43
General commerce	369	187	273	138	286	143	339	150
Transportation, storage & communications	23	8	8	4	21	5	34	11
Financial institutions, investment & holding companies	160	25	114	9	54	8	101	19
Professionals & private individuals (except housing loans)	192	102	127	56	126	55	142	61
Others	178	113	120	80	124	66	143	82
Total non-performing loans	1,682	753	1,188	493	1,168	491	1,372	602
Debt securities	198	191	167	160	160	152	37	17
Contingent liabilities	98	7	109	7	114	9	85	5
Total non-performing assets	1,978	951	1,464	660	1,442	652	1,494	624

By loan classification	30 Jun 2008		31 Mar 2008		31 Dec 2007		30 Jun 2007	
(\$m)	NPA	SP	NPA	SP	NPA	SP	NPA	SP
Non-performing assets								
Substandard	1,159	171	846	63	845	73	904	73
Doubtful	491	451	373	351	338	319	273	232
Loss	328	329	245	246	259	260	317	319
Total	1,978	951	1,464	660	1,442	652	1,494	624
Restructured assets								
Substandard	231	67	171	22	168	27	200	28
Doubtful	31	28	30	27	25	23	47	45
Loss	128	128	37	37	38	38	55	55
Total	390	223	238	86	231	88	302	128

By collateral type	30 Jun 2008	31 Mar 2008	31 Dec 2007	30 Jun 2007
(\$m)	NPA	NPA	NPA	NPA
Unsecured non-performing assets	1,182	842	794	731
Secured non-performing assets by collateral type				
Properties	472	385	376	454
Shares and debentures	93	19	24	47
Fixed deposits	22	9	13	41
Others	209	209	235	221
Total	1,978	1,464	1,442	1,494

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

By period overdue

(\$m)	30 Jun 2008	31 Mar 2008	31 Dec 2007	30 Jun 2007
	NPA	NPA	NPA	NPA
Not overdue	826	559	542	333
<90 days overdue	309	284	255	388
91-180 days overdue	191	108	94	144
>180 days overdue	652	513	551	629
Total	1,978	1,464	1,442	1,494

Compared to the previous quarter, the amount of non-performing loans (NPLs) rose from \$1.19 billion to \$1.68 billion, including \$385 million from Bowa. Of Bowa's NPLs, \$276 million were for SME loans and the remainder for consumer loans.

By business segment and excluding Bowa, most of the increase in NPLs from the previous quarter was due to margin lending to individuals (in Others). NPLs for CBG and CIB declined 5% from the previous quarter while those for EB loans rose 4%. The NPL rate for CBG and

CIB loans was unchanged from the previous quarter. For EB loans, the rate declined from 3.0% in the previous quarter to 2.9%.

By region and excluding Bowa, the NPL rate was unchanged in Hong Kong, and rose slightly for other regions.

With the consolidation of Bowa, 42% of non-performing assets were still current in their payment compared with 38% in the previous quarter.

FUNDING SOURCES

(\$m)	30 Jun 2008	31 Mar 2008	31 Dec 2007	30 Jun 2007
Customer deposits ^{1/}	158,726	157,379	153,572	141,272
Interbank liabilities ^{2/}	19,921	21,376	16,481	11,898
Other borrowings and liabilities ^{2/}	49,757	51,848	43,057	50,080
Shareholders' funds	20,284	20,850	20,481	19,641
Total	248,688	251,453	233,591	222,891

Notes:

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

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

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CUSTOMER DEPOSITS ^{1/}

(\$m)	30 Jun 2008	31 Mar 2008	31 Dec 2007	30 Jun 2007
By currency and product				
Singapore dollar	88,973	88,440	84,099	79,798
Fixed deposits	24,149	27,523	27,708	24,247
Savings accounts	53,496	49,772	46,622	45,739
Current accounts	10,712	10,512	9,258	9,124
Others	616	633	511	688
Hong Kong dollar	21,032	22,706	24,775	23,583
Fixed deposits	14,137	15,402	17,302	16,507
Savings accounts	4,410	4,618	4,556	4,364
Current accounts	1,831	1,904	1,935	1,818
Others	654	782	982	894
US dollar	26,717	27,489	28,507	25,556
Fixed deposits	17,891	18,688	20,375	18,418
Savings accounts	1,657	1,791	1,849	1,992
Current accounts	4,248	4,772	3,976	2,981
Others	2,921	2,238	2,307	2,165
Others	22,004	18,744	16,191	12,335
Fixed deposits	17,708	13,653	13,152	9,899
Savings accounts	1,294	683	778	512
Current accounts	1,858	2,164	1,477	1,617
Others	1,144	2,244	784	307
Total	158,726	157,379	153,572	141,272
Fixed deposits	73,885	75,266	78,537	69,071
Savings accounts	60,857	56,864	53,805	52,607
Current accounts	18,649	19,352	16,646	15,540
Others	5,335	5,897	4,584	4,054

Note:

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

Customer deposits rose 1% from the previous quarter to \$158.7 billion, including \$3.2 billion from Bowa. The overall deposit mix improved as savings deposits rose and fixed

deposits declined, with Singapore-dollar deposits accounting for most of the change in mix.

OTHER BORROWINGS & LIABILITIES

(\$m)	30 Jun 2008	31 Mar 2008	31 Dec 2007	30 Jun 2007
Subordinated term debts ^{1/}	8,470	8,704	8,954	9,324
Other debt securities in issue				
Due within 1 year	1,458	974	960	5,755
Due after 1 year	831	366	239	178
Comprising:				
Secured ^{2/}	473	425	369	2,367
Unsecured	1,816	915	830	3,566
Others	38,998	41,804	32,904	34,823
Total	49,757	51,848	43,057	50,080

Notes:

^{1/} All subordinated term debts issued are unsecured and due after 1 year

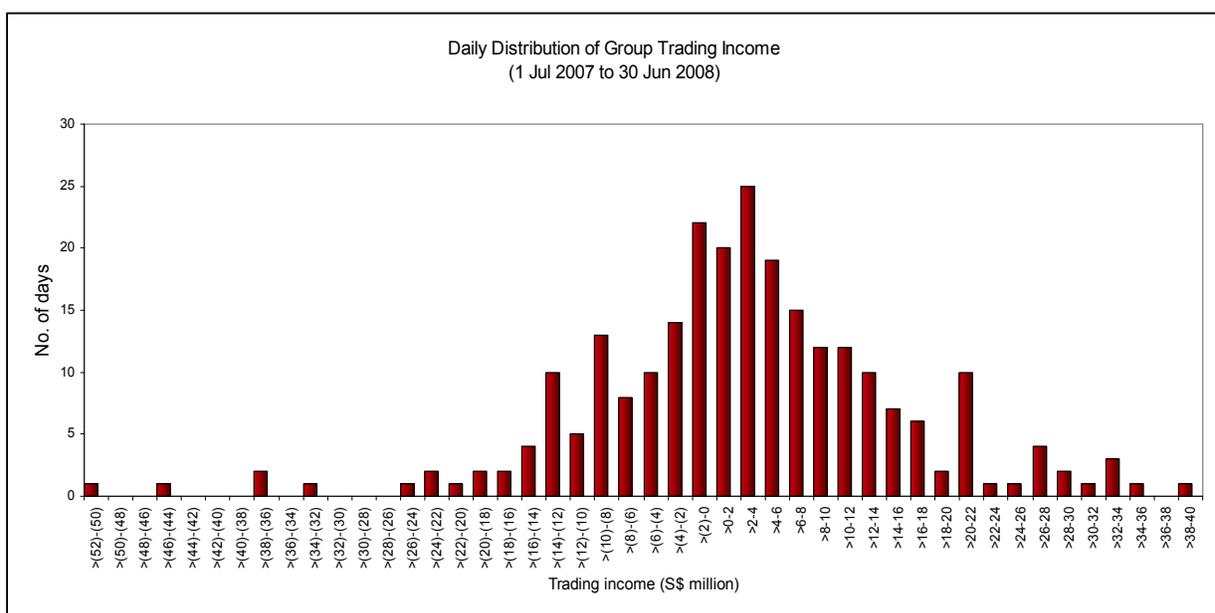
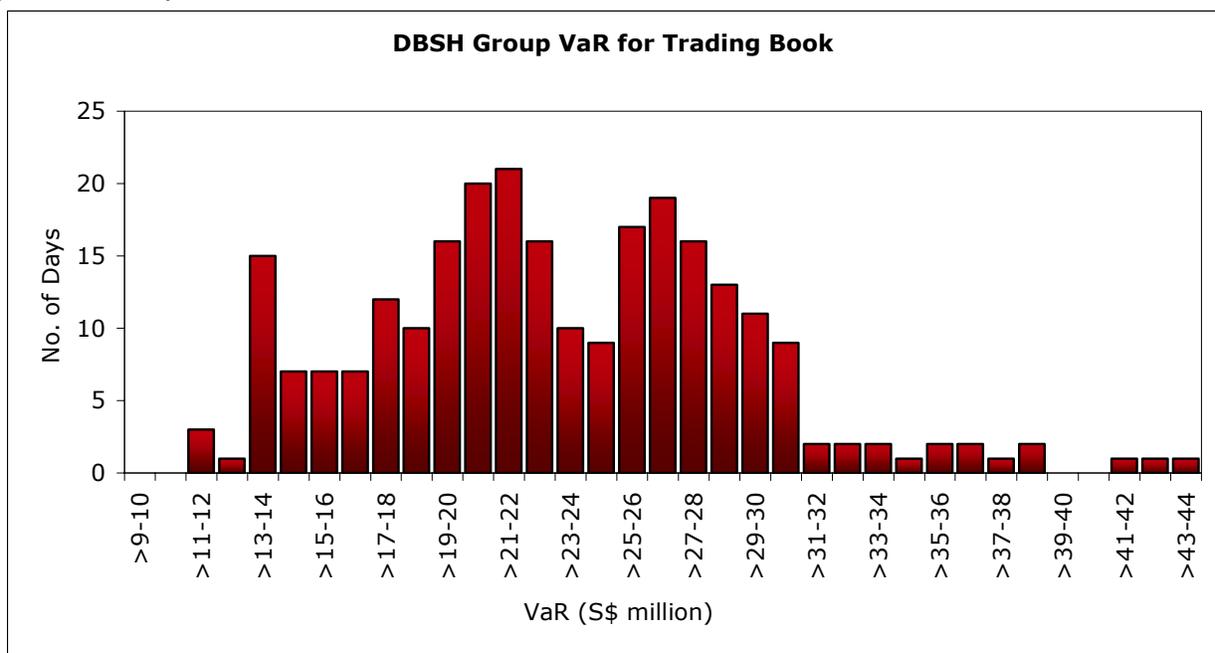
^{2/} These are mainly secured by properties and securities

VALUE AT RISK AND TRADING INCOME

The Group uses a Value at Risk (VaR) measure as one mechanism for monitoring and controlling trading risk. The VaR is calculated using a one-day time horizon and a 99% confidence interval. The following table shows the period-end, average, high and low VaR for the trading risk exposure of the Group for the period from 1 July 2007 to 30 June 2008. The Group's trading book VaR methodology is based on Historical Simulation VaR.

(\$m)	As at 30 June 2008	1 July 2007 to 30 June 2008		
		Average	High	Low
Total	36	23	43	12

The charts below provide the range of VaR and the daily distribution of trading income in the trading portfolio for the period from 1 July 2007 to 30 June 2008.



DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

CAPITAL ADEQUACY

(\$m)	30 Jun 2008	31 Mar 2008	31 Dec 2007 ^{1/}	30 Jun 2007 ^{1/}
Tier 1				
Share capital	4,206	4,178	4,164	4,127
Disclosed reserves and others	20,080	18,289	18,092	17,522
Less: Tier 1 Deductions	(5,987)	(5,999)	(5,897)	(5,886)
Eligible Tier 1	18,299	16,468	16,359	15,763
Tier 2				
Loan allowances admitted as Tier 2	564	583	1,210	1,157
Subordinated debts	6,323	6,890	7,087	7,612
Revaluation surplus from equity securities	84	100	177	213
Less: Tier 2 Deductions	(102)	(114)	(102)	(94)
Total eligible capital	25,168	23,927	24,731	24,651
Risk-weighted assets	182,254	178,678	184,601	167,830
Capital adequacy ratio (%)				
Tier 1 ratio	10.0	9.2	8.9	9.4
Tier 2 ratio	3.8	4.2	4.5	5.3
Total (Tier 1 & 2) ratio	13.8	13.4	13.4	14.7

Note:

1/ Figures have been reclassified to make them consistent with the current period's presentation

The Group's total capital adequacy ratio increased from 13.4% in March 2008 to 13.8% in June 2008, due to the \$1.5 billion Hybrid Tier 1 issue in May 2008, offset in part by growth in credit risk weighted assets, which included assets acquired from Bowa.

UNREALISED VALUATION SURPLUS/(LOSSES)

(\$m)	30 Jun 2008	31 Mar 2008	31 Dec 2007	30 Jun 2007
Properties	704	677	650	406
Financial investments	(11)	(29)	43	17
Total	693	648	693	423

The amount of unrealised valuation surplus increased from \$648 million in the previous quarter to \$693 million. The valuation surplus for properties rose as market valuations improved.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Consolidated Income Statement

In \$ millions	2nd Qtr 2008	2nd Qtr 2007 ^{1/}	+/(%)	1st Qtr 2008	1st Half 2008	1st Half 2007 ^{1/}	+/(%)
Income							
Interest income	1,935	2,252	(14)	2,147	4,082	4,376	(7)
Interest expense	877	1,225	(28)	1,090	1,967	2,375	(17)
Net interest income	1,058	1,027	3	1,057	2,115	2,001	6
Net fee and commission income	342	371	(8)	353	695	680	2
Net trading income	111	97	14	(161)	(50)	268	NM
Net income from financial instruments designated at fair value	26	(49)	NM	85	111	(95)	NM
Net income from financial investments	49	94	(48)	211	260	218	19
Other income	31	11	>100	18	49	21	>100
Total income	1,617	1,551	4	1,563	3,180	3,093	3
Expenses							
Employee benefits	370	354	5	352	722	714	1
Depreciation of properties and other fixed assets	37	30	23	34	71	62	15
Other expenses	280	276	1	270	550	542	1
Allowances for credit and other losses	90	145	(38)	140	230	250	(8)
Total expenses	777	805	(3)	796	1,573	1,568	-
Profit	840	746	13	767	1,607	1,525	5
Share of profits of associates	21	25	(16)	23	44	51	(14)
Profit before tax	861	771	12	790	1,651	1,576	5
Income tax expense	159	151	5	151	310	303	2
Net profit	702	620	13	639	1,341	1,273	5
Attributable to:							
Shareholders	652	560	16	603	1,255	1,177	7
Minority interests	50	60	(17)	36	86	96	(10)
	702	620	13	639	1,341	1,273	5

Note:

^{1/} Figures have been reclassified to make them consistent with the current period's presentation

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Balance Sheets

In \$ millions	GROUP				COMPANY			
	30 Jun 2008	31 Mar 2008	31 Dec 2007 ^{1/}	30 Jun 2007	30 Jun 2008	31 Mar 2008	31 Dec 2007 ^{1/}	30 Jun 2007
ASSETS								
Cash and balances with central banks	13,593	13,274	18,564	11,848				
Singapore Government securities and treasury bills	16,001	17,604	15,433	14,909				
Due from banks	28,164	26,874	23,304	28,161				
Financial assets at fair value through profit or loss ^{2/}	17,278	17,675	19,543	21,103				
Positive replacement values	19,313	23,053	13,119	9,627				
Loans and advances to customers	117,844	113,624	106,344	96,909	-	-	-	-
Financial investments	20,779	21,264	19,182	23,026				
Securities pledged	2,129	2,345	4,115	2,517				
Subsidiaries	-	-	-	-	6,779	6,758	6,748	6,744
Investments in associates	608	656	715	643				
Goodwill on consolidation	5,838	5,841	5,842	5,843				
Properties and other fixed assets	1,585	1,490	1,534	1,524				
Deferred tax assets	26	21	25	20				
Other assets	5,530	7,732	5,871	6,761				
TOTAL ASSETS	248,688	251,453	233,591	222,891	6,779	6,758	6,748	6,744
LIABILITIES								
Due to banks	19,331	20,590	15,464	9,956				
Due to non-bank customers	150,390	150,558	145,368	132,294				
Financial liabilities at fair value through profit or loss ^{3/}	15,967	15,062	18,242	22,903				
Negative replacement values	18,354	22,534	12,554	9,766				
Bills payable	1,262	499	380	539				
Current tax liabilities	938	925	882	874				
Deferred tax liabilities	41	97	172	140	-	-	-	-
Other liabilities	7,258	7,687	7,218	8,873	4	4	7	6
Other debt securities in issue	2,289	1,340	1,199	5,933				
Subordinated term debts	8,470	8,704	8,954	9,324				
TOTAL LIABILITIES	224,300	227,996	210,433	200,602	4	4	7	6
NET ASSETS	24,388	23,457	23,158	22,289	6,775	6,754	6,741	6,738
EQUITY								
Share capital	4,206	4,178	4,164	4,127	4,206	4,178	4,164	4,127
Treasury shares	(106)	(105)	(102)	(74)	(31)	(30)	(27)	-
Other reserves	6,798	7,435	7,680	7,449	32	37	37	53
Revenue reserves	9,386	9,342	8,739	8,139	2,568	2,569	2,567	2,558
SHAREHOLDERS' FUNDS	20,284	20,850	20,481	19,641	6,775	6,754	6,741	6,738
Minority interests	4,104	2,607	2,677	2,648	-	-	-	-
TOTAL EQUITY	24,388	23,457	23,158	22,289	6,775	6,754	6,741	6,738
OFF BALANCE SHEET ITEMS								
Contingent liabilities	16,799	15,284	14,656	13,790				
Commitments	89,095	86,509	92,305	93,567				
Financial derivatives	1,918,487	1,937,019	1,816,007	1,818,734				
OTHER INFORMATION								
Net asset value per ordinary share (\$)								
(i) Based on existing ordinary share capital					4.40	4.39	4.39	4.49
(ii) Assuming conversion of outstanding preference shares to ordinary shares					4.27	4.26	4.25	4.34

Notes:

- 1/ Audited
- 2/ Includes customer loans, interbank assets, other government securities and treasury bills, corporate debt securities and equity securities
- 3/ Includes customer deposits, interbank liabilities, other debt securities in issue and other financial liabilities

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Consolidated Statement of Changes in Equity

GROUP							
In \$ millions	Ordinary shares	Convertible preference shares	Treasury shares	Other reserves	Revenue reserve	Minority interests	Total equity
Balance at 1 January 2008	4,098	66	(102)	7,680	8,739	2,677	23,158
Exercise of share options	37						37
Net exchange translation adjustments				(33)		(86)	(119)
Share of associates' reserves				(47)			(47)
Cost of share-based payments				14			14
Share buyback during the period			(4)				(4)
Reclassification of reserves upon exercise of share options	5			(5)			-
Available-for-sale investments/Cash flow hedge:							
- Net valuation taken to equity				(701)			(701)
- Transferred to income statement on sale				(227)			(227)
- Tax on items taken directly to or transferred from equity				128			128
Transfer from / (to) revenue reserve				(11)	11		-
Net profit for the period					1,255	86	1,341
Final dividends paid for previous year					(302)		(302)
Interim dividends paid for current year					(317)		(317)
Dividends paid to minority interests						(74)	(74)
Change in minority interests						1,501	1,501
Balance at 30 June 2008	4,140	66	(106)	6,798	9,386	4,104	24,388
Balance at 1 January 2007	3,976	66	(111)	7,182	7,562	2,371	21,046
Exercise of share options	85						85
Net exchange translation adjustments				18		(1)	17
Share of associates' reserves				18			18
Cost of share-based payments				18			18
Draw-down of reserves upon vesting of performance shares			37	(37)			-
Available-for-sale investments/Cash flow hedge:							
- Net valuation taken to equity				334			334
- Transferred to income statement on sale				(105)			(105)
- Tax on items taken directly to or transferred from equity				(9)			(9)
Net profit for the period					1,177	96	1,273
Appropriation from income statement ^{1/}				30	(30)		-
Final dividends paid for previous year					(310)		(310)
Interim dividends paid for current year					(260)		(260)
Dividends paid to minority interests						(72)	(72)
Change in minority interests						254	254
Balance at 30 June 2007	4,061	66	(74)	7,449	8,139	2,648	22,289

Note:

1/ Includes appropriation from prior year's net profit

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Statement of Changes in Equity

COMPANY

In \$ millions	Ordinary shares	Convertible preference shares	Treasury shares	Other reserves	Revenue reserve	Total equity
Balance at 1 January 2008	4,098	66	(27)	37	2,567	6,741
Exercise of share options	37					37
Reclassification of reserves upon exercise of share options	5			(5)		-
Net profit for the period					620	620
Share buyback during the period			(4)			(4)
Final dividends paid for previous year					(302)	(302)
Interim dividends paid for current year					(317)	(317)
Balance at 30 June 2008	4,140	66	(31)	32	2,568	6,775
Balance at 1 January 2007	3,976	66	-	53	2,824	6,919
Exercise of share options	85					85
Net profit for the period					304	304
Final dividends paid for previous year					(310)	(310)
Interim dividends paid for current year					(260)	(260)
Balance at 30 June 2007	4,061	66	-	53	2,558	6,738

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Unaudited Consolidated Cash Flow Statement

In \$ millions	1st Half 2008	1st Half 2007
Cash flows from operating activities		
Profit before tax	1,651	1,576
<i>Adjustments for non-cash items:</i>		
Allowances for credit and other losses	230	250
Depreciation of properties and other fixed assets	71	62
Share of profits of associates	(44)	(51)
Net gain on disposal of properties and other fixed assets	(21)	(4)
Net gain on disposal of financial investments	(260)	(218)
Profit before changes in operating assets & liabilities	1,627	1,615
<i>Increase/(Decrease) in:</i>		
Due to banks	3,867	2,093
Due to non-bank customers	5,022	10,202
Financial liabilities at fair value through profit or loss	(2,275)	3,195
Other liabilities including bills payable	4,590	3,074
Debt securities and borrowings	1,252	2,580
<i>(Increase)/Decrease in:</i>		
Change in restricted balances with central banks	(442)	614
Singapore Government securities and treasury bills	(1,225)	(1,556)
Due from banks	(4,862)	(2,891)
Financial assets at fair value through profit or loss	2,616	(5,803)
Loans and advances to customers	(11,683)	(11,894)
Financial investments	(2,302)	(493)
Other assets	(2,363)	(3,143)
Tax paid	(258)	(177)
Net cash (used in) operating activities (1)	(6,436)	(2,584)
Cash flows from investing activities		
Dividends from associates	32	35
Purchase of properties and other fixed assets	(178)	(66)
Proceeds from disposal of properties and other fixed assets	47	45
Acquisition of interest in associates	-	(4)
Net cash (used in)/generated from investing activities (2)	(99)	10
Cash flows from financing activities		
Increase in share capital and share premium	42	85
Proceeds from issuance of subordinated term debts	1,500	3,044
Dividends paid to shareholders of the Company	(619)	(570)
Dividends paid to minority interests	(74)	(72)
Net cash generated from financing activities (3)	849	2,487
Exchange translation adjustments (4)	(33)	17
Net change in cash and cash equivalents (1)+(2)+(3)+(4)	(5,719)	(70)
Cash and cash equivalents at 1 January	22,273	15,118
Cash and cash equivalents at 30 June	16,554	15,048

Additional Information

ISSUANCE OF ORDINARY SHARES

- (a) The movement in the number of issued and fully paid-up ordinary shares for the first half ended 30 June 2008 is as follows:

At 1 January 2008	1,517,786,862
Exercise of share options pursuant to the DBSH Share Option Plan	2,568,346
At 30 June 2008	1,520,355,208
Weighted average number of shares for first half 2008	
- ordinary shares	1,518,969,431
- fully diluted	1,588,526,065

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

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

(Number)	<u>30 Jun 2008</u>	<u>31 Mar 2008</u>	<u>31 Dec 2007</u>	<u>30 Jun 2007</u>
Conversion of non-voting CPS	120,436	120,436	120,436	120,436
Conversion of non-voting redeemable CPS	66,475,374	66,475,374	66,475,374	66,475,374
Exercise of share options	15,054,702	16,674,753	17,776,673	19,264,587

- (c) The movement in the number of treasury shares for the first half ended 30 June 2008 is as follows:

At 1 January 2008	4,933,401
Share buyback	229,000
At 30 June 2008	5,162,401

ADOPTION OF NEW OR REVISED FRS AND INT FRS

INT FRS 111: FRS 102 – Group and Treasury Share Transactions

INT FRS 111 provides clarification on circumstances when a share-based arrangement should be accounted for as an equity-settled or a cash-settled transaction. It also addresses the accounting for share-based payment transactions involving two or more entities within the Group. There is no material impact on the Group's financial statements arising from this new INT FRS.

INT FRS 114: FRS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

INT FRS 114 provides guidance on when refunds or reductions in future economic contributions for employee defined benefits should be regarded as available and how a minimum funding requirement might affect the availability of reductions in future contributions. It also explains how a minimum funding requirement may give rise to a liability. There is no material impact on the Group's financial statements arising from this new INT FRS.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

DISCLOSURE ON CERTAIN FINANCIAL INSTRUMENTS

At the request of the G7 Finance Ministers and Central Bank Governors, the Financial Stability Forum issued a report in April 2008 on enhancing market and institutional resilience. Among its recommendations, it

encouraged enhanced disclosure of certain financial instruments. The following disclosures are made in keeping with these developments.

COLLATERALISED DEBT/LOAN OBLIGATIONS (CDO)

Type of CDO (\$m)	30 Jun 2008		31 Mar 2008		31 Dec 2007		30 Jun 2007	
	Exposure	Allowance	Exposure	Allowance	Exposure	Allowance	Exposure	Allowance
Investment Portfolio	1,114	282	1,134	282	1,211	270	1,361	-
ABS CDO	255	232	259	232	267	240	287	-
Non-ABS CDO	859	50	875	50	944	30	1,074	-
CLO	696	30	709	30	771	30	813	-
Other CDOs	163	20	166	20	173	-	261	-
Trading Book	341	-	303	-	975	-	1,053	-
Total	1,455	282	1,437	282	2,186	270	2,414	-

Moody's Ratings

Type of CDO	Aaa	Aa	A	Baa to B	Caa – Ca	Not Rated by Moody's (rated by the other)	Total
Investment Portfolio							
ABS CDO	-	2%	7%	6%	3%	5%	23%
Non-ABS CDO	8%	22%	45%	-	1%	1%	77%
CLO	8%	22%	31%	-	-	1%	62%
Other CDOs	-	-	14%	-	1%	-	15%
Total	8%	24%	52%	6%	4%	6%	100%

Standard & Poor's Ratings

Type of CDO	AAA	AA	A	BBB to B	CC	Not Rated by S&P (rated by the other)	Total
Investment Portfolio							
ABS CDO	3%	7%	4%	6%	1%	2%	23%
Non-ABS CDO	10%	15%	28%	-	-	24%	77%
CLO	10%	15%	28%	-	-	9%	62%
Other CDOs	-	-	-	-	-	15%	15%
Total	13%	22%	32%	6%	1%	26%	100%

The CDO portfolio comprised \$255 million ABS CDOs and \$859 million non-ABS CDOs in the investment portfolio, and \$341 million of CDOs in the trading portfolio.

The ABS CDOs have mortgage-backed securities (such as US sub-prime mortgages, Alt-A mortgages and ABS CDO tranches) as one of their asset classes, the percentage of which differs among the CDOs. By vintage, 37% of these CDOs were issued in 2004 or earlier, 58% in 2005 and 5% in 2006 or later. These ABS CDOs are 90% covered by allowances since fourth quarter 2007.

Of the non-ABS CDOs in the investment portfolio, a portion was in collateralised loan obligations (CLOs),

which have corporate loans as their dominant underlying collateral. The other CDOs have either credit default swaps or trust preferred securities as their dominant underlying collateral.

Allowances totalling \$50 million or 6% of the portfolio have been made for the non-ABS investment CDOs, of which 98% are rated A or above by Moody's or Standard & Poor's or both.

The CDOs in the trading portfolio, which are designated at fair value, were valued at \$341 million compared to \$303 million in the previous quarter with improvements in some of their component values. As they are designated at fair value, no allowances have been taken for them.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

OTHER US SUB-PRIME AND ALT-A EXPOSURE

The Group does not have direct exposure to US sub-prime mortgages and Alt-A mortgages other than through its ABS CDOs as disclosed above.

COMMERCIAL MORTGAGE-BACKED SECURITIES

The Group had \$133 million of investments in commercial mortgage-backed securities, representing less than 0.1% of the Group's total assets. By geography, 87% were in Singapore and 13% were in Hong Kong. By industry, commercial properties accounted for 41% of the portfolio, retail 15%, commercial-cum-retail 35% and industrial 9%.

LEVERAGED FINANCE

Leveraged finance is defined in this disclosure as acquisition financing sponsored by funds (private equity or investment) and supported by leverage. The Group's exposure to such loans, amounting to \$351 million, represented less than 0.2% of its total assets. Of the exposure, 5% was in Singapore, 57% in Rest of Greater China, 16% in South and South-East Asia, and the remaining 22% in other parts of Asia. By industry, they were primarily in finance, media and information technology services.

SPECIAL PURPOSE ENTITIES (SPE)

The list of material operating SPEs is summarised in the following table, all of which are involved in the issuance or distribution of structured investment products. None of the SPEs has any liquidity facility with the Group.

SPE Description	Collateral	Risk Factors
Constellation Investment Ltd (incorporated in Cayman Islands) <ul style="list-style-type: none"> • 100% consolidated under INT FRS12 Consolidation-SPE • SPE activity: Issuance of structured equity/credit-linked notes to clients • SPE size: \$1.6 billion • Group's role: Arranger, Market Agent, Calculation Agent, Custodian for assets held as collateral, Swap Counterparty 	Cash deposits, Hong Kong government securities, Hong Kong corporate bonds, structured notes from Zenesis SPC (collateral rated AAA to BB- by Fitch or S&P, with maturity of up to 6 years)	Investment product risk is borne by clients. Should the structured notes be redeemed early and the unwind cost of the structure be larger than the early redemption value of the collateral, the Group may have to bear the difference
Zenesis SPC (incorporated in Cayman Islands) <ul style="list-style-type: none"> • 100% consolidated under INT FRS12 Consolidation-SPE • SPE activity: Issuance of rated credit-linked notes to Constellation Investment Ltd and rated/unrated notes to other clients • SPE size: \$1.0 billion • Group's role: Calculation Agent, Substitution Agent, Swap Counterparty 	Cash deposits, 5-year notes from a Hong Kong bank (bond rating of Aa2 by Moody's and AA- by S&P), FSA-guaranteed bonds	Investment product risk is borne by clients. Should the structured notes be redeemed early and the unwind cost of the structure be larger than the early redemption value of the collateral, the Group may have to bear the difference

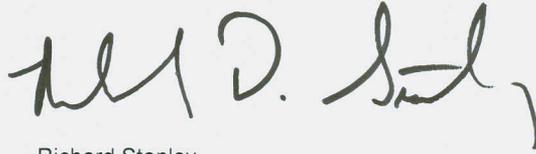
CONFIRMATION BY THE BOARD

We, Koh Boon Hwee and Richard Stanley, 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 2008 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



Koh Boon Hwee
Chairman



Richard Stanley
Chief Executive Officer

7 August 2008
Singapore