



**Pillar 3 Disclosures - Quantitative Disclosures
As at 30 June 2013**

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

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Content	Page
Introduction.....	2
Capital adequacy.....	2
Exposures and risk-weighted assets.....	3
Credit risk.....	4
Credit risk assessed using Internal Ratings-Based Approach.....	4
Credit risk assessed using Standardised Approach.....	6
Credit risk mitigation.....	7
Counterparty credit risk-related exposures.....	8
Equity exposures under IRBA.....	9
Securitisation exposures.....	10
Other financial data.....	11
Credit exposures.....	11
Major credit exposures by geography and industry.....	12
Loans and advances to customers (by performing/non-performing).....	13
Movement in specific and general allowances.....	14
Total assets by residual contractual maturity.....	15
Interest rate risk in the banking book.....	15
Equity exposures in the banking book.....	16

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

1 INTRODUCTION

These Pillar 3 quantitative disclosures are made pursuant to the Monetary Authority of Singapore (MAS)'s Notice to Banks No. 637 "Notice on Risk Based Capital Adequacy Requirements for Banks incorporated in Singapore" (Notice 637).

For qualitative disclosures of the Group's capital and risk management objectives and policies, and disclosures of remuneration, please refer to the Risk Management, Capital Management and Planning, and Corporate Governance reports of the 2012 Annual Report (AR).

The Group applies the Foundation Internal Ratings-Based Approach (IRBA) to certain wholesale credit exposures and the Advanced IRBA to certain retail credit portfolios. Remaining credit exposures are on Standardised Approach (SA). The Group also adopts the SA for operational and market risks.

The Group's regulatory scope of consolidation is identical to its accounting scope of consolidation. The principles of consolidation adopted in the preparation of its financial statements can be found in Notes 2.4 to the Financial Statements of the AR.

2 CAPITAL ADEQUACY

Please refer to Financial Results, Supplements & Regulatory Disclosures section of the Group's website (<http://www.dbs.com/investor/quarterlyresults/default.aspx>) for disclosures of the following items:

Item of disclosure	Location of disclosure
Capital Adequacy Ratios of the Group and significant banking subsidiary	Second Quarter 2013 Financial Performance Summary
Composition of the Group's capital, including reconciliation of regulatory capital to the balance sheet and main features of the Group's capital instruments	Pillar 3 Disclosures - Composition of Capital

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

3 EXPOSURES AND RISK-WEIGHTED ASSETS (RWA)

In \$ millions	Exposures ^(a)	RWA ^(b)
Credit risk:		
Advanced IRBA		
Retail exposures		
Residential mortgage exposures	53,823	3,072
Qualifying revolving retail exposures	10,630	3,330
Other retail exposures	3,490	1,000
Foundation IRBA		
Wholesale exposures		
Sovereign exposures	46,210	4,457
Bank exposures	78,787	27,010
Corporate exposures	142,764	73,342
Corporate small business exposures (SME)	9,794	8,360
Specialised lending exposures (SL)	24,954	23,319
IRBA for equity exposures	1,939	6,779
IRBA for securitisation exposures	224	619
Total IRBA	372,615	151,288
SA		
Securitisation	416	185
Residential mortgage exposures	4,933	1,888
Regulatory retail exposures	1,648	1,242
Corporate exposures	13,583	13,441
Commercial real estate exposures	2,875	2,878
Other exposures		
Real estate, premises, equipment and other fixed assets	1,417	1,417
Exposures to individuals	9,330	9,335
Others	9,151	4,015
Total SA	43,353	34,401
Credit Valuation Adjustment		6,570
RWA arising from Regulatory Adjustment ^(c)		2,515
Total credit risk	415,968	194,774
Market risk:		
SA		
Interest rate risk		23,344
Equity position risk		181
Foreign exchange risk		8,757
Commodity risk		1,198
Total market risk		33,480
Operational risk:		
Operational risk (SA)		14,503
Total RWA		242,757

^(a) Exposures comprise on-balance sheet amounts and off-balance sheet amounts. Off-balance sheet amounts are converted into exposures using applicable conversion factors under MAS Notice 637. Exposures incorporate the effects of credit mitigation as permitted under MAS Notice 637

^(b) RWA under IRBA are stated inclusive of the IRBA scaling factor of 1.06 where applicable

^(c) This relates to investments in unconsolidated major stake companies which are below the threshold amount for deduction and are risk-weighted pursuant to paragraph 6.1.3(p)(iii) of MAS Notice 637

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

4 CREDIT RISK

4.1 Credit risk assessed using Internal Ratings-Based Approach

4.1.1 Retail exposures

Residential mortgage exposures

Expected Loss (EL) % range	Exposures ^(a) (In \$ millions)	Effective risk weight ^(b) (%)
Up to 0.10%	52,546	5
> 0.10% to 0.50%	921	29
> 0.50%	356	64
Total	53,823	6

Qualifying revolving retail exposures

EL % range	Exposures ^(a) (In \$ millions)	Effective risk weight ^(b) (%)
Up to 5%	10,045	22
> 5%	585	197
Total	10,630	31

Other retail exposures

EL % range	Exposures (In \$ millions)	Effective risk weight ^(b) (%)
Up to 0.30%	2,347	18
> 0.30%	1,143	51
Total	3,490	29

Undrawn commitments for retail exposures

In \$ millions	Notional amount	Credit equivalent amount ^(c)
Residential mortgage exposures	11,077	11,077
Qualifying revolving retail exposures	12,131	8,764
Total	23,208	19,841

^(a) Includes undrawn commitments

^(b) Effective risk weight means exposure-weighted average risk weight computed inclusive of IRBA scaling factor and excluding default exposures

^(c) Credit equivalent amounts represent internal estimates of exposure-at-default

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

4.1.2 Wholesale exposures

Sovereign exposures

Probability of Default (PD) grade	PD range (%)	Exposures (In \$ millions)	Effective risk weight ^(a) (%)
1-3	0.01 - 0.10	42,982	7
4	0.10 - 0.33	-	-
5	0.33 - 0.47	3,010	45
6	0.47 - 1.11	-	-
7-9	1.11 - 99.99	218	105
Total		46,210	10

Bank exposures

PD grade	PD range (%)	Exposures (In \$ millions)	Effective risk weight ^(a) (%)
1-3	0.03 ^(b) - 0.10	32,979	14
4	0.10 - 0.33	30,872	41
5	0.33 - 0.47	9,729	54
6	0.47 - 1.11	3,042	73
7-9	1.11 - 99.99	2,165	94
Total		78,787	34

Corporate exposures

PD grade	PD range (%)	Exposures (In \$ millions)	Effective risk weight ^(a) (%)
1-3	0.03 ^(b) - 0.10	43,847	17
4	0.10 - 0.33	27,183	48
5	0.33 - 0.47	16,338	51
6	0.47 - 1.11	22,045	72
7-9	1.11 - 99.99	31,350	91
10	Default	2,001	-
Total		142,764	52

Corporate small business exposures

PD grade	PD range (%)	Exposures (In \$ millions)	Effective risk weight ^(a) (%)
1-3	0.03 ^(b) - 0.10	110	29
4	0.10 - 0.33	734	46
5	0.33 - 0.47	1,697	45
6	0.47 - 1.11	2,871	76
7-9	1.11 - 99.99	4,279	118
10	Default	103	-
Total		9,794	86

^(a) Effective risk weight means exposure-weighted average risk weight computed inclusive of IRBA scaling factor and excluding default exposures

^(b) For bank, corporate and SME exposures, as specified in MAS Notice 637, the PD is the greater of the one-year PD associated with the internal borrower grade to which that exposure is assigned or 0.03%

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

Specialised lending exposures

Category	Exposures (In \$ millions)	Effective risk weight ^(a) (%)
Strong	11,671	63
Good	8,114	89
Satisfactory	3,445	122
Weak	1,724	265
Total	24,954	93

^(a) Effective risk weight means exposure-weighted average risk weight computed inclusive of IRBA scaling factor and excluding default exposures

4.2 Credit risk assessed using Standardised Approach

Risk weights	Exposures ^(b) (In \$ millions)
0%	4,306
20%	746
35%	4,640
50%	815
75%	1,753
100%	30,603
>100%	74
Total	42,937

^(b) Excludes securitisation exposures. Refer to page 10 for securitisation exposures under SA.

RWA based on assessments by recognised external credit assessment institutions (ECAI)

ECAI	RWA ^(c) (In \$ millions)
Moody's Investors Service	3
Standard & Poor's	239
Total	242

^(c) An exposure may be rated by more than one ECAI. In such cases, only one of the ratings is used to compute RWA.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

4.3 Credit risk mitigation

The following table summarises the extent to which credit exposures are covered by eligible financial collateral, other eligible collateral and eligible credit protection after the application of haircuts:

In \$ millions	Eligible financial collateral	Other eligible collateral	Eligible credit protection
Foundation IRBA			
Wholesale exposures			
Sovereign exposures	2,450	-	8
Bank exposures	2,363	-	733
Corporate exposures	11,219	6,222	10,996
Corporate SME	926	3,667	1,410
Specialised lending exposures	70	-	-
Sub-total	17,028	9,889	13,147
SA			
Residential mortgage exposures	160	NA	-
Regulatory retail exposures	96	NA	8
Commercial real estate exposures	59	NA	93
Corporate/ other exposures	6,453	NA	1,114
Sub-total	6,768	NA	1,215
Total	23,796	9,889	14,362

NA: Not applicable

The above table excludes exposures where collateral has been taken into account directly in the risk weights, such as the specialised lending and residential mortgage exposures. It also excludes exposures where the collateral, while generally considered as eligible under Basel III, does not meet the required legal/operational standards, e.g., legal certainty of enforcement in specific jurisdictions.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

4.4 Counterparty credit risk-related exposures

Notional principal amounts of credit derivatives

In \$ millions	Notional of Credit Derivatives	
	Protection Bought	Protection Sold
Own credit portfolio	22,944	21,137
Client intermediation activities	6,702	7,428
Total	29,646	28,565
Credit default swaps	29,524	28,565
Total return swaps	122	-
Total	29,646	28,565

Credit equivalent amounts for counterparty exposures

	In \$ millions
Replacement cost	15,394
Potential future exposure	19,718
Gross credit equivalent amount	35,112
Comprising:	
Interest rate contracts	8,610
Credit derivative contracts	3,660
Equity contracts	419
Foreign exchange and gold contracts	22,207
Commodities and precious metals contracts	216
Gross credit equivalent amount	35,112
Less: Effect of netting arrangements	16,068
Credit equivalent amount after netting	19,044
Less: Collateral amount	
Eligible financial collateral	677
Other eligible collateral	7
Net credit equivalent amount	18,360

Counterparty credit exposure is mitigated by close-out netting agreements and collateral, the effects of which have been included in regulatory capital calculations where permitted.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

5 EQUITY EXPOSURES UNDER IRBA

The Group has adopted the IRBA Simple Risk Weight Method to calculate regulatory capital for equity exposures in its banking book. The following table summarises the Group's equity exposures in the banking book:

	Exposures^(a) (In \$ millions)	Effective Risk Weight^(b) (%)
Listed Securities	1,461	318
Other Equity Holdings	478	447
Total	1,939	350

^(a) Includes commitments (e.g. underwriting commitments) and exposures to capital instruments of financial institutions that are deemed as equity exposures under MAS Notice 637. Excludes major stake investments approved under Section 32 of the Banking Act that are not consolidated; these are not risk-weighted under the IRBA Simple Risk Weight Method but instead reported under RWA arising from Regulatory Adjustment in section 3 above.

^(b) Effective risk weight means exposure-weighted average risk weight computed inclusive of IRBA scaling factor

Refer to section 7.7 for details of Group's investments in available-for-sale equity securities and associates.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

6 SECURITISATION EXPOSURES

The table below sets out the banking book securitisation exposures (net of specific allowances) held by the Group, analysed by regulatory capital approach, risk weights and exposure type:

Banking Book Securitisation Exposures

In \$ millions		Total Exposures	RWA
IRBA			
On-balance sheet ^(a)			
0% - 29%	Residential Mortgage-Backed Securities	3	#
30% - 100%	Commercial Mortgage-Backed Securities (CMBS)	164	122
1250%	Asset-backed collateralised debt/loan obligations	39	484
Off-balance sheet ^(b)			
30% - 100%	Commercial Mortgage-Backed Securities	18	13
Total IRBA		224	619
SA			
On-balance sheet ^(a)			
0% - 29%	Asset-Backed Securities	258	51
30% - 100%	Asset-Backed Securities	156	114
1250%	Asset-Backed Securities	2	20
Total SA		416	185
Total		640^(c)	804

^(a) Includes undrawn commitments

^(b) Comprises interest rate and cross currency swaps with a CMBS-issuing vehicle

^(c) Includes resecuritisation exposures amounting to \$39m

Amount below \$0.5m

The table below sets out the trading book securitisation exposures held by the Group, analysed by risk weights^(d) and exposure type:

Trading Book Securitisation Exposures

In \$ millions		Total Exposures	RWA
On-balance sheet			
0% - 29%	Residential Mortgage-Backed Securities	11	2
30% - 650%	Residential Mortgage-Backed Securities, Asset-Backed Securities	23	121
1250%	Residential Mortgage-Backed Securities	20	249
Off-balance sheet			
1250%	Tranche Credit Index CDS	21	256
Total		75	628

^(d) Risk weights refer to market risk capital requirements multiplied by 12.5

The Group did not enter into any sale of securitisation exposures during the first half of the year. The Group did not obtain credit risk mitigants and guarantees for its resecuritisation exposures.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

7 OTHER FINANCIAL DATA

The following disclosures are prepared in accordance with Financial Reporting Standards, as modified by the requirements of Notice to Banks No. 612 "Credit Files, Grading and Provisioning" issued by MAS.

7.1 Credit exposures

The following table shows the exposure to credit risk of on-balance sheet and off-balance sheet financial instruments, before taking into account any collateral held, other credit enhancements and netting arrangements. For on-balance sheet financial assets, the maximum credit exposure is the carrying amount. For contingent liabilities, the maximum exposure to credit risk is the amount the Group would have to pay if the instrument is called upon. For undrawn facilities, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers.

In \$ millions	Average 1H2013 ^(a)	As at 30 June 2013
Cash & balances with central banks (excluding cash on hand)	16,089	16,348
Singapore Government securities and treasury bills	11,694	10,940
Due from banks	31,206	33,079
Financial assets at fair value through profit or loss (excluding equity securities)	11,866	11,934
Positive fair values for financial derivatives	16,062	15,962
Loans and advances to customers	221,721	233,420
Financial investments (excluding equity securities)	35,439	37,052
Securities pledged and transferred	5,475	4,620
Other assets	10,385	11,812
Credit exposure	359,937	375,167
Contingent liabilities and commitments ^(b) (excluding operating lease and capital commitments)	163,190	167,389
Total credit exposure	523,127	542,556

Note:

^(a) Average 1H2013 balances are computed based on quarter-end balances

^(b) Includes commitments that are unconditionally cancellable at any time of \$112,897 million

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

7.2 Major credit exposures by geography and industry

The following table shows the breakdown of financial investments, positive fair values for financial derivatives, contingent liabilities and commitments by geography and industry:

Financial investments, positive fair value for financial derivatives, contingent liabilities and commitments

In \$ millions	Singapore Government securities and treasury bills	Financial investments at fair value through profit or loss ^(b)	Financial investments ^(b)	Positive fair values for financial derivatives	Contingent liabilities	Commitments ^(c)
Analysed by geography^(a)						
Singapore	11,487	1,515	10,751	2,088	8,776	66,743
Hong Kong	-	2,456	2,799	1,495	2,514	30,743
Rest of Greater China	-	726	1,760	1,018	1,544	8,442
South and Southeast Asia	-	4,705	4,528	1,069	1,073	15,926
Rest of the World	-	2,928	18,944	10,292	6,951	24,677
Total	11,487	12,330	38,782	15,962	20,858	146,531
Analysed by industry						
Manufacturing	-	498	708	518	4,805	21,594
Building and construction	-	240	1,958	131	2,557	9,313
Housing loans	-	-	-	-	-	11,077
General commerce	-	111	960	471	6,487	25,346
Transportation, storage and communications	-	361	2,198	437	2,005	8,401
Financial institutions, investment and holding companies	-	3,035	9,930	13,058	383	14,156
Government	11,487	6,944	14,778	2	-	-
Professionals and private individuals (excluding housing loans)	-	-	-	296	232	42,906
Others	-	1,141	8,250	1,049	4,389	13,738
Total	11,487	12,330	38,782	15,962	20,858	146,531
<i>Of which:</i>						
Securities pledged and transferred	547	2,343	1,730	-	-	-
	10,940	9,987	37,052	15,962	20,858	146,531

^(a) Based on country of incorporation of issuer (for financial investments), counterparty (for positive fair values and contingent liabilities) or borrower (for commitments)

^(b) Financial investments comprise corporate debt and government securities (exclude equity securities)

^(c) Excludes operating lease and capital commitments

Refer to Second Quarter 2013 Financial Performance Summary for breakdown of loans and advances by geography and industry.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

7.3 Loans and advances to customers (by performing/non-performing)

	In \$ millions
Performing loans	
Neither past due nor impaired	233,738
Past due but not impaired	1,871
Non-performing loans	2,784
Gross total	238,393

7.3.1 Past due but not impaired loans

In \$ millions

	Less than 30 days past due	30 - 59 days past due	60 - 90 days past due	Total
Analysed by past due period and geography				
Singapore	919	109	26	1,054
Hong Kong	244	15	5	264
Rest of Greater China	135	14	7	156
South and Southeast Asia	101	43	68	212
Rest of the World	184	1	-	185
Total	1,583	182	106	1,871

	Less than 30 days past due	30 - 59 days past due	60 - 90 days past due	Total
Analysed by past due period and industry				
Manufacturing	110	15	3	128
Building and construction	118	21	52	191
Housing loans	284	46	18	348
General commerce	127	15	4	146
Transportation, storage and communications	89	3	19	111
Financial institutions, investment and holding companies	22	-	-	22
Professionals and private individuals (excluding housing loans)	710	71	9	790
Others	123	11	1	135
Total	1,583	182	106	1,871

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

7.3.2 Past due non-performing assets

In \$ millions

	Less than 90 days past due	91 - 180 days past due	More than 180 days past due	Total
Analysed by past due period and geography				
Singapore	157	70	154	381
Hong Kong	17	29	169	215
Rest of Greater China	47	75	128	250
South and Southeast Asia	28	121	212	361
Rest of the World	-	20	426	446
Non-performing loan	249	315	1,089	1,653
Debt securities, contingent items and others	-	4	65	69
Total	249	319	1,154	1,722

	Less than 90 days past due	91 - 180 days past due	More than 180 days past due	Total
Analysed by past due period and industry				
Manufacturing	96	97	280	473
Building and construction	9	24	69	102
Housing loans	34	29	30	93
General commerce	20	53	325	398
Transportation, storage and communications	10	49	135	194
Financial institutions, investment and holding companies	-	1	215	216
Professionals and private individuals (excluding housing loans)	76	25	11	112
Others	4	37	24	65
Non-performing loan	249	315	1,089	1,653
Debt securities, contingent items and others	-	4	65	69
Total	249	319	1,154	1,722

Refer to Second Quarter 2013 Financial Performance Summary for breakdown of non-performing assets by industry and geography.

7.4 Movement in specific and general allowances

The table below shows the movements in specific and general allowances during the period for the Group:

	Balance at 1 January 2013	Charge/ (Write-back) to income statement	Net write-off during the period	Exchange and other movements	Balance at 30 June 2013
In \$ millions					
Specific allowances					
Loans and advances to customers	1,217	242	(215)	42	1,286
Financial Investments	71	5	(3)	2	75
Properties and other fixed assets	50	(1)	-	-	49
Off-balance sheet credit exposures	2	-	-	(2)	-
Others (bank loans and sundry debtors)	39	(1)	(1)	1	38
Total specific allowances	1,379	245	(219)	43	1,448
Total general allowances for credit exposures	2,511	223	-	16	2,750
Total allowances	3,890	468	(219)	59	4,198

Refer to Second Quarter 2013 Financial Performance Summary for breakdown of specific allowances by industry as well as specific and general allowances by geography.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

7.5 Total assets by residual contractual maturity

The table below analyses assets of the Group as at 30 June based on the remaining period as at balance sheet date to the contractual maturity date:

In \$ millions	Up to 1 year	More than 1 year	Total
Cash & balances with central banks	18,235	-	18,235
Singapore Government securities and treasury bills	4,132	6,808	10,940
Due from banks	31,336	1,743	33,079
Financial assets at fair value through profit or loss	5,919	6,543	12,462
Positive fair values for financial derivatives	15,962	-	15,962
Loans and advances to customers	110,217	123,203	233,420
Financial investments	13,906	24,472	38,378
Securities pledged and transferred	3,502	1,118	4,620
Investments in associates	-	1,284	1,284
Goodwill on consolidation	-	4,802	4,802
Properties and other fixed assets	-	913	913
Investment properties	-	504	504
Deferred tax assets	-	189	189
Other assets	9,466	2,346	11,812
Total assets	212,675	173,925	386,600
Contingent liabilities and commitments ^(a) (excluding operating lease and capital commitments)	157,027	10,362	167,389
Total	369,702	184,287	553,989

^(a) Includes commitments that are unconditionally cancellable at any time of \$112,897 million

7.6 Interest rate risk in the banking book

The simulated economic value changes are negative \$428 million and \$814 million based on parallel shocks to all yield curves of 100 basis points and 200 basis points respectively. The reported figures are based on the worst case of an upward and downward parallel shift in the yield curves.

DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

7.7 Equity exposures in the banking book

Carrying value	In \$ millions
Available-for-sale equity securities	
Quoted	941
Unquoted	385
Total	1,326
Investments in associates	
Quoted	423
Unquoted	861
Total	1,284

The market value of quoted associates amounted to \$1,098 million.

Realised and Unrealised Gains and Losses	In \$ millions
Gains from disposal of available-for-sale equities for 1H2013	53
Available-for-sale equity revaluation reserves as at 30 June 2013	205