



To: Shareholders

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

**Unaudited Financial Results for the First Quarter Ended 31 March 2017**

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

**Dividends**

For the first quarter of 2017, no dividend has been declared on DBSH ordinary shares.

By order of the Board

Goh Peng Fong  
Group Secretary

28 April 2017  
Singapore

*More information on the above announcement is available at [www.dbs.com/investor](http://www.dbs.com/investor)*

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## **Performance Summary**

Financial Results  
For the First Quarter ended  
31 March 2017  
(Unaudited)

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

<b>Contents</b>	<b>Page</b>
<b>Overview</b>	2
<b>Financial Review</b>	
Net Interest Income	5
Net Fee and Commission Income	6
Other Non-Interest Income	6
Expenses	7
Allowances for Credit and Other Losses	7
Performance by Business Segments	8
Performance by Geography	11
Customer Loans	14
Non-Performing Assets and Loss Allowance Coverage	15
Customer Deposits	18
Debts Issued	18
Trading Income and Risk	19
Capital Adequacy	20
Unrealised Property Valuation Surplus	21
<b>Financial Statements</b>	
Consolidated Income Statement (Unaudited)	22
Consolidated Statement of Comprehensive Income (Unaudited)	23
Balance Sheets (Unaudited)	24
Consolidated Statement of Changes in Equity (Unaudited)	25
Statement of Changes in Equity (Unaudited)	26
Consolidated Cash Flow Statement (Unaudited)	27
Selected Notes to the Interim Financial Statements (Unaudited)	28
<b>Additional Information</b>	
Share Capital	29
Interested Party Transactions Pursuant to Listing Rule 920(1)	29
Confirmation of Directors and Executive Officers' undertakings pursuant to Listing Rule 720(1)	29
<b>Confirmation by the Board</b>	30

## OVERVIEW

DBS Group Holdings Ltd (“DBSH”) prepares its consolidated DBSH Group (“Group”) financial statements in accordance with Singapore Financial Reporting Standard (“FRS”), as modified by the requirements of Notice to Banks No. 612 “Credit Files, Grading and Provisioning” issued by the Monetary Authority of Singapore. The accounting policies and methods of computation applied for the current financial periods are consistent with those applied for the financial year ended 31 December 2016, with the exception of the following changes adopted with effect from 1 January 2017:

### **Adoption of the following amendments to accounting standards that are issued by the Accounting Standards Council and relevant for the Group:**

- Amendments to FRS 7: Disclosure Initiative
- Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses
- Amendments to FRS 112: Clarification of the scope of the Standard (that was issued as part of Improvements to FRSs (issued in December 2016))

There is no significant impact on the Group’s financial statements from the adoption of the above amendments to FRSs.

### **Early adoption of FRS 109 Own Credit Risk and reclassification of Structured Notes and Structured Deposits**

FRS 109 Financial Instruments (FRS 109), which has a mandatory adoption date of 1 January 2018, allows for the early adoption of the requirements for the presentation of gains and losses on financial liabilities designated at fair value through profit or loss. Under FRS 109, changes to the fair value of such financial liabilities that is attributable to DBSH’ own credit risk are taken to revenue reserves through other comprehensive income. The amounts are not transferred to the income statement even when realised. The Group has decided to early adopt this new presentation from 1 January 2017.

Consequent to the new presentation, the Group has classified all un-bifurcated structured notes and deposits as “designated at fair value through profit or loss”. There is no impact to the amounts and line items reflected in the consolidated balance sheet or income statement for prior periods.

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

	1st Qtr 2017	1st Qtr 2016	% chg	4th Qtr 2016	% chg
<b>Selected income statement items (\$m)</b>					
Net interest income	1,831	1,833	-	1,824	-
Net fee and commission income	665	574	16	515	29
Other non-interest income	390	458	(15)	437	(11)
<b>Total income</b>	<b>2,886</b>	<b>2,865</b>	<b>1</b>	<b>2,776</b>	<b>4</b>
Expenses	1,248	1,265	(1)	1,223	2
Profit before allowances	1,638	1,600	2	1,553	5
Allowances for credit and other losses	200	170	18	462	(57)
<b>Profit before tax</b>	<b>1,438</b>	<b>1,430</b>	<b>1</b>	<b>1,091</b>	<b>32</b>
<b>Net profit</b>	<b>1,210</b>	<b>1,203</b>	<b>1</b>	<b>913</b>	<b>33</b>
One-time items	35	-	NM	-	NM
- Divestment of subsidiary	350	-	NM	-	NM
- General allowances	(350)	-	NM	-	NM
- ANZ integration costs	(10)	-	NM	-	NM
- Tax on one-time items	45	-	NM	-	NM
<b>Net profit including one-time items</b>	<b>1,245</b>	<b>1,203</b>	<b>3</b>	<b>913</b>	<b>36</b>
<b>Selected balance sheet items (\$m)</b>					
Customer loans	298,440	274,129	9	301,516	(1)
<i>Constant-currency change</i>			7		1
Total assets	480,356	439,221	9	481,570	-
Customer deposits	342,452	313,804	9	347,446	(1)
<i>Constant-currency change</i>			7		-
Total liabilities	431,984	394,954	9	434,600	(1)
Shareholders' funds	45,979	41,873	10	44,609	3
<b>Key financial ratios (%) (excluding one-time items)<sup>1</sup></b>					
Net interest margin	1.74	1.85		1.71	
Non-interest/total income	36.6	36.0		34.3	
Cost/income ratio	43.2	44.2		44.1	
Return on assets	1.03	1.08		0.77	
Return on equity <sup>2</sup>	11.1	11.9		8.4	
Loan/deposit ratio	87.1	87.4		86.8	
NPL ratio	1.4	1.0		1.4	
Specific allowances (loans)/average loans (bp)	26	18		57	
Common Equity Tier 1 capital adequacy ratio	14.6	14.0		14.1	
Tier 1 capital adequacy ratio	15.4	14.3		14.7	
Total capital adequacy ratio	16.6	16.0		16.2	
Leverage ratio <sup>3</sup>	7.9	7.8		7.7	
Average all-currency liquidity coverage ratio <sup>4</sup>	138	119		133	
<b>Per share data (\$)</b>					
Per basic and diluted share					
- earnings excluding one-time items	1.90	1.92		1.40	
- earnings	1.92	1.92		1.40	
- net book value <sup>5</sup>	17.37	16.39		16.87	

**Notes:**

- 1 Return on assets, return on equity, specific allowances (loan)/average loans and per share data are computed on an annualised basis.
  - 2 Calculated based on net profit attributable to the shareholders net of dividends on preference shares and other equity instruments. Non-controlling interests, preference shares and other equity instruments are not included as equity in the computation of return on equity.
  - 3 Leverage Ratio is computed based on MAS Notice 637.
  - 4 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>.
  - 5 Non-controlling interests are not included as equity in the computation of net book value per share.
- NM Not meaningful.

Net profit rose to a record \$1.21 billion, up 1% from a year ago. Total income increased 1% to \$2.89 billion. Business momentum was healthy with fee income rising to a record. Productivity gains resulted in 1% reduction in expenses and a one percentage point improvement in the cost-income ratio. Compared to the previous quarter, net profit rose 33% from higher fee income and lower allowances.

Net interest income of \$1.83 billion was stable compared to a year ago. The impact of softer Singapore-dollar interest rates was offset by a 7% constant-currency growth in loans. Compared to the previous quarter, net interest income was 3% higher on a day-adjusted basis as net interest margin rose three basis points and loans grew 1% in constant-currency terms.

Net fee income rose 16% from a year ago to a new high of \$665 million, led by growth in wealth management, investment banking and transaction services. Other non-interest income fell 15% to \$390 million from lower trading income and a non-recurring gain a year ago. Compared to the previous quarter, net fee income was 29% higher while other non-interest income declined 11%.

Expenses declined 1% from a year ago to \$1.25 billion as concerted digitalisation and cost management efforts yielded productivity gains. Profit before allowances grew 2% from a year ago and 5% from the previous quarter to \$1.64 billion.

Non-performing assets fell slightly from the previous quarter to \$4.83 billion and the non-performing loan rate was unchanged at 1.4%. Specific allowances amounted to \$200 million or 26 basis points of loans, compared to 38 basis points for full-year 2016. Allowance coverage was at 103% and at 217% if collateral was considered.

Liquidity and capital were healthy. The average liquidity coverage ratio during the quarter was 138% and the loan-deposit ratio was 87%. The Common Equity Tier 1 ratio was at 14.6% while the leverage ratio was at 7.9%.

Including one-time items, net profit was \$1.25 billion. They comprised a gain of \$350 million from the divestment of PWC Building in Singapore, an equivalent amount set aside as general allowances, ANZ integration costs of \$10 million and a tax impact of \$45 million.

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## NET INTEREST INCOME

Average balance sheet	1st Qtr 2017			1st Qtr 2016			4th Qtr 2016		
	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)	Average balance (\$m)	Interest (\$m)	Average rate (%)
<b>Interest-bearing assets</b>									
Customer non-trade loans	257,816	1,679	2.64	242,011	1,673	2.78	259,449	1,681	2.58
Trade assets	41,971	257	2.48	42,788	243	2.28	41,833	248	2.36
Interbank assets <sup>1</sup>	44,860	127	1.15	35,657	94	1.06	44,280	105	0.94
Securities and others	80,822	446	2.24	78,016	444	2.29	78,932	443	2.23
<b>Total</b>	<b>425,469</b>	<b>2,509</b>	<b>2.39</b>	<b>398,472</b>	<b>2,454</b>	<b>2.48</b>	<b>424,494</b>	<b>2,477</b>	<b>2.32</b>
<b>Interest-bearing liabilities</b>									
Customer deposits	341,095	493	0.59	313,147	439	0.56	335,352	470	0.56
Other borrowings	53,898	185	1.39	58,448	182	1.25	57,118	183	1.27
<b>Total</b>	<b>394,993</b>	<b>678</b>	<b>0.70</b>	<b>371,595</b>	<b>621</b>	<b>0.67</b>	<b>392,470</b>	<b>653</b>	<b>0.66</b>
<b>Net interest income/margin<sup>2</sup></b>		<b>1,831</b>	<b>1.74</b>		<b>1,833</b>	<b>1.85</b>		<b>1,824</b>	<b>1.71</b>

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 was unchanged from a year ago at \$1.83 billion. The impact of an 11 basis points decline in net interest margin due to softer Singapore-dollar interest rates was offset by higher interest-bearing asset volumes as corporate, Singapore housing loans and interbank assets grew.

Compared to the previous quarter, net interest income rose 3% on a day-adjusted basis as net interest margin increased three basis points from higher interest rates in Hong Kong and Singapore. Interest-bearing asset volumes were stable.

Volume and rate analysis (\$m)	1st Qtr 2017 vs 1st Qtr 2016			1st Qtr 2017 vs 4th Qtr 2016		
	Volume	Rate	Net change	Volume	Rate	Net change
<b>Interest income</b>						
Customer non-trade loans	110	(85)	25	(11)	46	35
Trade assets	(5)	21	16	1	14	15
Interbank assets	24	10	34	1	23	24
Securities and others	16	(9)	7	11	2	13
<b>Total</b>	<b>145</b>	<b>(63)</b>	<b>82</b>	<b>2</b>	<b>85</b>	<b>87</b>
<b>Interest expense</b>						
Customer deposits	39	20	59	8	26	34
Other borrowings	(14)	19	5	(10)	16	6
<b>Total</b>	<b>25</b>	<b>39</b>	<b>64</b>	<b>(2)</b>	<b>42</b>	<b>40</b>
<b>Net impact on net interest income</b>	<b>120</b>	<b>(102)</b>	<b>18</b>	<b>4</b>	<b>43</b>	<b>47</b>
Due to change in number of days			(20)			(40)
<b>Net Interest Income</b>			<b>(2)</b>			<b>7</b>

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## NET FEE AND COMMISSION INCOME

(\$m)	1st Qtr 2017	1st Qtr 2016	% chg	4th Qtr 2016	% chg
Brokerage	38	41	(7)	37	3
Investment banking	45	22	>100	30	50
Transaction services <sup>1</sup>	157	142	11	148	6
Loan-related	128	124	3	80	60
Cards <sup>2</sup>	123	114	8	138	(11)
Wealth management	222	176	26	158	41
Others	28	23	22	11	>100
<b>Fee and commission income</b>	<b>741</b>	<b>642</b>	<b>15</b>	<b>602</b>	<b>23</b>
Less: Fee and commission expense	76	68	12	87	(13)
<b>Total</b>	<b>665</b>	<b>574</b>	<b>16</b>	<b>515</b>	<b>29</b>

Notes:

- 1 Includes trade & remittances, guarantees and deposit-related fees.  
 2 Net of interchange fees paid.

Compared to a year ago, net fee income rose 16% to \$665 million. The growth was led by a 26% increase in wealth management fees to a quarterly high of \$222 million from stronger sales of unit trusts and other investment products. Transaction service fees increased 11% to \$157 million due to higher trade finance and cash management income. Investment banking fees doubled to \$45 million from higher equity and fixed income fees. Cards and loan-related fees were also higher.

Compared to the previous quarter, net fee income was 29% higher, led by a 41% increase in wealth management and 60% increase in loan-related fees.

## OTHER NON-INTEREST INCOME

(\$m)	1st Qtr 2017	1st Qtr 2016	% chg	4th Qtr 2016	% chg
Net trading income <sup>1</sup>	270	315	(14)	397	(32)
Net income from investment securities	102	86	19	25	>100
Net gain on fixed assets	1	-	NM	-	NM
Others <sup>2</sup> (include rental income and share of profits of associates)	17	57	(70)	15	13
<b>Total</b>	<b>390</b>	<b>458</b>	<b>(15)</b>	<b>437</b>	<b>(11)</b>

Notes:

- 1 Net trading income includes valuation adjustments such as bid-offer valuation adjustment, credit valuation adjustment and funding valuation adjustment.  
 2 Excludes one-time item.  
 NM Not meaningful

Compared to a year ago, other non-interest income fell 15% or \$68 million from a year ago to \$390 million as trading income fell and a non-recurring gain of \$38 million had been recorded a year ago. Partially offsetting these declines was higher net income from investment securities, which rose 19%. Income from treasury customer sales was little changed as an increase in wealth management treasury sales was offset by a decline in corporate treasury sales.

Compared to the previous quarter, other non-interest income fell 11% as lower trading income was partially offset by an increase in treasury customer income and gains from investment securities.

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## EXPENSES<sup>1</sup>

(\$m)	1st Qtr 2017	1st Qtr 2016	% chg	4th Qtr 2016	% chg
Staff	711	706	1	664	7
Occupancy	100	97	3	107	(7)
Computerisation	221	237	(7)	183	21
Revenue-related	66	67	(1)	82	(20)
Others	150	158	(5)	187	(20)
<b>Total</b>	<b>1,248</b>	<b>1,265</b>	<b>(1)</b>	<b>1,223</b>	<b>2</b>
Staff headcount at period-end	22,331	22,082	1	22,194	1
<i>Staff headcount at period-end excluding insourcing staff</i>	<b>21,673</b>	22,037	(2)	21,689	-
Included in the above table were:					
Depreciation of properties and other fixed assets	71	67	6	74	(4)

Note:

1 Excludes one-time item.

Expenses declined 1% from a year ago to \$1.25 billion as concerted digitalisation and cost management efforts enabled the Group to support higher business volumes with fewer resources. Excluding staff that was insured, headcount declined 2% from a year ago.

Compared to the previous quarter, expenses rose 2% due to higher bonus accruals in line with better financial performance, partially offset by a decline in other expense categories due to seasonal factors.

## ALLOWANCES FOR CREDIT AND OTHER LOSSES

(\$m)	1st Qtr 2017	1st Qtr 2016	% chg	4th Qtr 2016	% chg
General allowances (GP) <sup>1</sup>	-	-	-	-	-
<b>Specific allowances for loans &amp; other credit exposures</b>					
Specific allowances (SP) for loans <sup>2</sup>	193	123	57	432	(55)
Singapore	123	23	>100	184	(33)
Hong Kong	10	23	(57)	53	(81)
Rest of Greater China	11	16	(31)	23	(52)
South and Southeast Asia	38	52	(27)	83	(54)
Rest of the World	11	9	22	89	(88)
Specific allowances for other credit exposures	5	47	(89)	15	(67)
	<b>198</b>	170	16	447	(56)
Specific allowances (SP) for securities, properties and other assets	2	-	NM	15	(87)
<b>Total</b>	<b>200</b>	170	18	462	(57)

Notes:

1 Excludes one-time item.

2 Specific allowances for loans are classified according to where the borrower is incorporated.

NM Not Meaningful

Specific allowances amounted to \$200 million or 26 basis points of loans. While higher than a year ago, they were less than half the amount of the previous

quarter as charges fell across all geographical regions. As with the previous quarter, a significant portion of the charges was for exposures in the oil and gas support services sector.

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## PERFORMANCE BY BUSINESS SEGMENTS

(\$m)	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others	Total
<b>Selected income statement items</b>					
<b>1st Qtr 2017<sup>1</sup></b>					
Net interest income	693	871	128	139	1,831
Non-interest income	466	448	59	82	1,055
<b>Total income</b>	<b>1,159</b>	<b>1,319</b>	<b>187</b>	<b>221</b>	<b>2,886</b>
Expenses	597	423	133	95	1,248
Allowances for credit and other losses	28	140	-	32	200
<b>Profit before tax</b>	<b>534</b>	<b>756</b>	<b>54</b>	<b>94</b>	<b>1,438</b>
<b>4th Qtr 2016</b>					
Net interest income	703	896	157	68	1,824
Non-interest income	378	359	107	108	952
<b>Total income</b>	<b>1,081</b>	<b>1,255</b>	<b>264</b>	<b>176</b>	<b>2,776</b>
Expenses	656	460	145	(38)	1,223
Allowances for credit and other losses	35	504	-	(77)	462
<b>Profit before tax</b>	<b>390</b>	<b>291</b>	<b>119</b>	<b>291</b>	<b>1,091</b>
<b>1st Qtr 2016</b>					
Net interest income	645	868	119	201	1,833
Non-interest income	377	443	188	24	1,032
<b>Total income</b>	<b>1,022</b>	<b>1,311</b>	<b>307</b>	<b>225</b>	<b>2,865</b>
Expenses	558	420	137	150	1,265
Allowances for credit and other losses	27	134	-	9	170
<b>Profit before tax</b>	<b>437</b>	<b>757</b>	<b>170</b>	<b>66</b>	<b>1,430</b>

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others	Total
<b>Selected balance sheet and other items<sup>2</sup></b>					
<b>31 Mar 2017</b>					
Total assets before goodwill and intangibles	97,533	228,497	104,530	44,681	475,241
Goodwill and intangibles					5,115
Total assets					480,356
Total liabilities	191,842	159,008	45,074	36,060	431,984
Capital expenditure for 1st Qtr 2017	19	4	2	49	74
Depreciation for 1st Qtr 2017	11	3	1	56	71
<b>31 Dec 2016</b>					
Total assets before goodwill and intangibles	96,405	231,929	102,701	45,418	476,453
Goodwill and intangibles					5,117
Total assets					481,570
Total liabilities	187,387	167,598	47,836	31,779	434,600
Capital expenditure for 4th Qtr 2016	32	7	5	83	127
Depreciation for 4th Qtr 2016	10	10	1	53	74
<b>31 Mar 2016</b>					
Total assets before goodwill and intangibles	90,252	213,646	89,524	40,683	434,105
Goodwill and intangibles					5,116
Total assets					439,221
Total liabilities	172,808	148,440	46,323	27,383	394,954
Capital expenditure for 1st Qtr 2016	12	4	3	58	77
Depreciation for 1st Qtr 2016	10	3	1	53	67

**Notes:**

- 1 Non-interest income, expenses, allowances for credit and other losses and profit before tax exclude one-time items.
- 2 Refer to sections on Customer Loans and Non-Performing Assets and Loss Allowance Coverage for more information on business segments.

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

The various business segments are described below:

### **Consumer Banking/ Wealth Management**

Consumer Banking/ Wealth Management provides individual customers with a diverse range of banking and related financial services. The products and services available to customers include current and savings accounts, fixed deposits, loans and home

finance, cards, payments, investment and insurance products.

Compared to a year ago, profit before tax rose 22% to a new high of \$534 million. Total income grew 13% to a record \$1.16 billion as net interest income rose 7%, while non-interest income rose 24% from continued customer acquisition and stronger cross-selling of products. Expenses were 7% higher at \$597 million while allowances were little changed at \$28 million.

Compared to the previous quarter, total income grew 7% as non-interest income increased 23% from higher investment and insurance products sales. Net interest income was stable on a day-adjusted basis. As expenses and allowances were both lower, profit before tax rose 37%.

### **Institutional Banking**

Institutional Banking provides financial services and products to institutional clients including bank and non-bank financial institutions, government-linked companies, large

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

Compared to a year ago, profit before tax was little changed at \$756 million. Total income increased 1% to \$1.32 billion from higher cash management and investment banking income. These increases were partially offset by lower treasury customer activities. Expenses increased 1% to \$423 million, while allowances rose marginally by \$6 million to \$140 million.

Compared to the previous quarter, profit before tax more than doubled to \$756 million as allowances fell 72% due to lower charges for exposures to the oil and gas support services sector. Income increased 5% as contributions were higher across all products, driven by treasury customer activities, cash management contribution and lending activities. Expenses were 8% lower.

### **Treasury Markets**

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

Compared to a year ago, profit before tax declined 68% to \$54 million from lower income. Total income declined 39% to \$187 million as lower income from interest rate products was partially offset by higher credit product contributions. Expenses were 3% lower at \$133 million due to lower staff and business-related expenses.

Compared to the previous quarter, profit before tax was 55% lower. Total income declined 29% due to lower contributions from interest rate products, partially offset by higher equity product contributions. Expenses were 8% lower as business-related expenses fell.

Income from sale of treasury products offered to customers of Consumer Banking/Wealth Management (CBG) and Institutional Banking (IBG) is not reflected in the Treasury Markets segment, but in the respective customer segments. Income from treasury customer activities rose 1% from a year ago to \$304 million as increases in sales of equity products were offset by lower contributions from interest rate and foreign exchange products. By segment, treasury customer income from CBG rose, while income from IBG declined. Compared to the previous quarter, income from customer activities rose 19% due to higher contributions from equity, interest rate and fixed income products.

### **Others**

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

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## PERFORMANCE BY GEOGRAPHY

(\$m)	S'pore	Hong Kong	Rest of Greater China	South and South-east Asia	Rest of the World	Total
<b>Selected income statement items</b>						
<b>1st Qtr 2017<sup>1</sup></b>						
Net interest income	1,184	351	119	118	59	1,831
Non-interest income	686	173	89	77	30	1,055
<b>Total income</b>	<b>1,870</b>	<b>524</b>	<b>208</b>	<b>195</b>	<b>89</b>	<b>2,886</b>
Expenses	734	230	146	112	26	1,248
Allowances for credit and other losses	140	20	17	25	(2)	200
<b>Profit before tax</b>	<b>996</b>	<b>274</b>	<b>45</b>	<b>58</b>	<b>65</b>	<b>1,438</b>
Income tax expense	113	46	7	14	15	195
<b>Net profit</b>	<b>850</b>	<b>228</b>	<b>38</b>	<b>44</b>	<b>50</b>	<b>1,210</b>
<b>4th Qtr 2016</b>						
Net interest income	1,189	342	118	117	58	1,824
Non-interest income	595	170	103	61	23	952
<b>Total income</b>	<b>1,784</b>	<b>512</b>	<b>221</b>	<b>178</b>	<b>81</b>	<b>2,776</b>
Expenses	640	273	173	112	25	1,223
Allowances for credit and other losses	197	107	83	68	7	462
<b>Profit before tax</b>	<b>947</b>	<b>132</b>	<b>(35)</b>	<b>(2)</b>	<b>49</b>	<b>1,091</b>
Income tax expense	93	21	10	(6)	28	146
<b>Net profit</b>	<b>822</b>	<b>111</b>	<b>(45)</b>	<b>4</b>	<b>21</b>	<b>913</b>
<b>1st Qtr 2016</b>						
Net interest income	1,243	330	115	99	46	1,833
Non-interest income	668	174	102	71	17	1,032
<b>Total income</b>	<b>1,911</b>	<b>504</b>	<b>217</b>	<b>170</b>	<b>63</b>	<b>2,865</b>
Expenses	767	228	162	86	22	1,265
Allowances for credit and other losses	53	29	28	43	17	170
<b>Profit before tax</b>	<b>1,091</b>	<b>247</b>	<b>27</b>	<b>41</b>	<b>24</b>	<b>1,430</b>
Income tax expense	124	38	4	22	8	196
<b>Net profit</b>	<b>936</b>	<b>209</b>	<b>23</b>	<b>19</b>	<b>16</b>	<b>1,203</b>

## 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
<b>Selected balance sheet items</b>						
<b>31 Mar 2017</b>						
Total assets before goodwill and intangibles	317,918	71,165	40,325	20,904	24,929	475,241
Goodwill and intangibles	5,083	32	-	-	-	5,115
Total assets	323,001	71,197	40,325	20,904	24,929	480,356
Non-current assets <sup>2</sup>	1,553	368	79	53	6	2,059
Gross customer loans	197,055	52,544	23,229	13,283	16,831	302,942
<b>31 Dec 2016</b>						
Total assets before goodwill and Intangibles	316,908	73,338	40,436	21,613	24,158	476,453
Goodwill and intangibles	5,083	34	-	-	-	5,117
Total assets	321,991	73,372	40,436	21,613	24,158	481,570
Non-current assets <sup>2</sup>	1,941	382	80	53	6	2,462
Gross customer loans	198,037	54,222	22,852	13,976	16,328	305,415
<b>31 Mar 2016</b>						
Total assets before goodwill and intangibles	292,719	65,642	37,801	19,000	18,943	434,105
Goodwill and intangibles	5,083	33	-	-	-	5,116
Total assets	297,802	65,675	37,801	19,000	18,943	439,221
Non-current assets <sup>2</sup>	1,958	364	80	46	7	2,455
Gross customer loans	185,066	49,398	20,169	11,403	11,629	277,665

**Notes:**

- 1 Non-interest income, expenses, allowances for credit and other losses and profit before tax 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 branches and DBS Labuan branch. All results are prepared in accordance with Singapore Financial Reporting Standard ("FRS"), as modified by the requirements of MAS Notice to Banks No. 612.

### Singapore

Net profit declined 9% to \$850 million from a year ago. Total income was 2% lower at \$1.87 billion. Net interest income declined 5% to \$1.18 billion from lower net interest margin, partially offset by higher loan volumes. Non-interest income rose 3%, led by higher contributions from wealth management, investment banking and treasury customer activities, and partially offset by lower trading income. Expenses declined 4% to \$734 million largely from digitisation and cost management efforts. Profit before allowances was little changed at \$1.14 billion. Total allowances rose \$87 million to \$140 million from higher specific allowances.

Compared to the previous quarter, net profit was 3% higher. Total income rose 5%. Net interest income was stable as the impact of a higher net interest margin was partially offset by lower loan volumes. Non-interest income increased 15% as wealth management, loan-related and investment banking fees rose, while trading income fell. Expenses were 15% higher largely from higher bonus accruals in line with better financial performance. Profit before allowances was little changed. Total allowances declined \$57 million from lower specific allowances as non-performing loan formation moderated.

### Hong Kong

Currency effects were minimal compared to a year ago and the previous quarter.

Net profit rose 9% to \$228 million from a year ago. Net interest income rose 6% to \$351 million from higher asset volumes while net interest margin was stable. Non-interest income was little changed at \$173 million as higher fee income from capital markets, cards, cash management and wealth management was offset by lower trading income and treasury customer activities. Expenses were flat. Allowances declined \$9 million to \$20 million as lower specific allowances were partially offset by higher general allowances.

Compared to the previous quarter, net profit doubled from lower specific allowances. Total income rose 2%. Net interest income grew 3% from higher net interest margin. Non-interest income was 2% higher as higher fee income led by contributions from wealth management activities and cards was partially offset by lower trading income. Expenses declined 16% from non-recurring items booked in the previous quarter. Total allowances fell \$87 million to \$20 million from lower specific allowances.

### Rest of Greater China

Net profit rose 65% from a year ago to \$38 million as expenses and specific allowances were lower. Net interest income grew 3% to \$119 million from higher loan volumes. Non-interest income declined 13% to \$89 million as trading income fell, partially offset by higher fee income. Total income declined 4% to \$208 million while expenses fell at a faster pace of 10% to \$146 million, resulting in profit before allowances rising 13% to \$62 million. Total allowances fell from \$28 million to \$17 million as specific allowances declined, partially offset by higher general allowances.

Compared to the previous quarter, net profit rose to \$38 million from a net loss of \$45 million. Total income was 6% lower. Net interest income was little changed while non-interest income fell 14% from lower trading income, partially offset by higher fee income. Expenses declined 16% from lower staff and non-staff costs. Total allowances declined \$66 million to \$17 million from lower specific allowances.

### South and Southeast Asia

Net profit doubled to \$44 million from \$19 million a year ago. Total income was 15% higher at \$195 million as net interest income grew 19% to \$118 million from higher loan volumes, while non-interest income rose 8% to \$77 million from higher trading income. Expenses increased 30% to \$112 million from higher general expenses. Total allowances fell \$18 million to \$25 million from lower specific and general allowances.

Compared to the previous quarter, net profit rose to \$44 million from \$4 million. Total income was 10% higher from trading and fee income. Net interest income was little changed. Expenses were stable, while total allowances fell \$43 million to \$25 million from lower specific allowances.

### Rest of the World

Net profit rose to \$50 million from \$16 million a year ago. Total income was 41% higher at \$89 million as both net interest and non-interest income increased. Expenses were \$4 million higher at \$26 million. Total allowances fell from \$17 million to a net write-back of \$2 million as specific allowances declined and general allowances were written back.

Compared to the previous quarter, total income rose 10% from higher treasury customer activities. Expenses were stable, while total allowances fell from \$7 million to a net write-back of \$2 million. Net profit more than doubled to \$50 million from the previous quarter.

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## CUSTOMER LOANS

(\$m)	31 Mar 2017	31 Dec 2016	31 Mar 2016
Gross	302,942	305,415	277,665
Less:			
Specific allowances	1,272	1,270	792
General allowances <sup>1</sup>	3,230	2,629	2,744
Net total	298,440	301,516	274,129
<b>By business unit</b>			
Consumer Banking/ Wealth Management	94,810	95,085	88,637
Institutional Banking	204,773	207,282	187,581
Others	3,359	3,048	1,447
Total (Gross)	302,942	305,415	277,665
<b>By geography<sup>2</sup></b>			
Singapore	145,816	145,025	136,221
Hong Kong	49,087	50,223	46,250
Rest of Greater China	42,650	43,060	39,531
South and Southeast Asia	25,732	27,389	26,397
Rest of the World	39,657	39,718	29,266
Total (Gross)	302,942	305,415	277,665
<b>By industry</b>			
Manufacturing	30,690	31,235	30,808
Building and construction	57,565	58,358	54,403
Housing loans	64,629	64,465	59,391
General commerce	46,796	46,881	42,135
Transportation, storage & communications	31,218	31,964	24,961
Financial institutions, investment & holding companies	16,594	16,742	13,243
Professionals & private individuals (excluding housing loans)	24,692	25,091	23,441
Others	30,758	30,679	29,283
Total (Gross)	302,942	305,415	277,665
<b>By currency</b>			
Singapore dollar	124,096	123,733	118,144
US dollar	100,487	102,120	83,860
Hong Kong dollar	33,502	35,588	32,691
Chinese yuan	10,912	11,577	16,180
Others	33,945	32,397	26,790
Total (Gross)	302,942	305,415	277,665

Notes:

- 1 The methodology for allocating general allowances was modified in First Quarter 2017 to harmonise the treatment between loans and non-loan assets.
- 2 Loans by geography are classified according to the country of incorporation of the borrower, or the issuing bank in the case of bank backed export financing.

Gross customer loans fell 1% from the previous quarter to \$303 billion. In constant-currency terms, loans rose 1% from growth in trade loans.

Compared to a year ago, loans were 7% higher in constant-currency terms as corporate, trade and Singapore housing loans grew.

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## NON-PERFORMING ASSETS AND LOSS ALLOWANCE COVERAGE

	31 Mar 2017			31 Dec 2016			31 Mar 2016		
	NPA (\$m)	NPL (% of loans)	SP (\$m)	NPA (\$m)	NPL (% of loans)	SP (\$m)	NPA (\$m)	NPL (% of loans)	SP (\$m)
<b>By business unit</b>									
Consumer Banking/ Wealth Management	444	0.5	78	430	0.5	76	336	0.4	67
Institutional Banking and Others	3,920	1.9	1,194	3,986	1.9	1,194	2,357	1.2	725
Total non-performing loans (NPL)	4,364	1.4	1,272	4,416	1.4	1,270	2,693	1.0	792
Debt securities, contingent liabilities & others	469	-	220	440	-	271	355	-	116
Total non-performing assets (NPA)	4,833	-	1,492	4,856	-	1,541	3,048	-	908
<b>By geography</b>									
Singapore	2,015	1.4	513	1,725	1.2	383	492	0.4	116
Hong Kong	619	1.3	175	687	1.4	187	541	1.2	107
Rest of Greater China	422	1.0	131	432	1.0	136	414	1.0	99
South and Southeast Asia	937	3.6	311	1,188	4.3	425	888	3.4	418
Rest of the World	371	0.9	142	384	1.0	139	358	1.2	52
Total non-performing loans (NPL)	4,364	1.4	1,272	4,416	1.4	1,270	2,693	1.0	792
Debt securities, contingent liabilities & others	469	-	220	440	-	271	355	-	116
Total non-performing Assets (NPA)	4,833	-	1,492	4,856	-	1,541	3,048	-	908
<b>Loss Allowance Coverage</b>									
Specific allowances			1,492			1,541			908
General allowances			3,494			3,166			3,182
Total allowances			4,986			4,707			4,090
Total allowances/ NPA			103%			97%			134%
Total allowances/ unsecured NPA			217%			210%			286%

## DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	31 Mar 2017		31 Dec 2016		31 Mar 2016	
	NPA	SP	NPA	SP	NPA	SP
<b>By industry</b>						
Manufacturing	788	257	904	298	680	248
Building and construction	283	94	381	136	339	104
Housing loans	145	7	134	8	119	6
General commerce	831	257	880	271	773	174
Transportation, storage & communications	1,702	450	1,427	316	286	95
Financial institutions, investment & holding companies	71	11	83	15	52	2
Professionals & private individuals (excluding housing loans)	279	72	280	71	210	61
Others	265	124	327	155	234	102
<b>Total non-performing loans</b>	<b>4,364</b>	<b>1,272</b>	<b>4,416</b>	<b>1,270</b>	<b>2,693</b>	<b>792</b>
Debt securities, contingent liabilities & others	469	220	440	271	355	116
<b>Total non-performing assets</b>	<b>4,833</b>	<b>1,492</b>	<b>4,856</b>	<b>1,541</b>	<b>3,048</b>	<b>908</b>

(\$m)	31 Mar 2017		31 Dec 2016		31 Mar 2016	
	NPA	SP	NPA	SP	NPA	SP
<b>By loan grading</b>						
<b>Non-performing assets</b>						
Substandard	3,412	287	3,439	338	2,213	221
Doubtful	675	459	792	578	592	444
Loss	746	746	625	625	243	243
<b>Total</b>	<b>4,833</b>	<b>1,492</b>	<b>4,856</b>	<b>1,541</b>	<b>3,048</b>	<b>908</b>
<b>Of which: restructured assets</b>						
Substandard	495	86	467	91	473	58
Doubtful	141	91	139	93	181	130
Loss	3	3	7	7	9	9
<b>Total</b>	<b>639</b>	<b>180</b>	<b>613</b>	<b>191</b>	<b>663</b>	<b>197</b>

(\$m)	31 Mar 2017		31 Dec 2016		31 Mar 2016	
	NPA		NPA		NPA	
<b>By collateral type</b>						
Unsecured non-performing assets	2,296		2,242		1,429	
Secured non-performing assets by collateral type						
Properties	916		973		723	
Shares and debentures	242		312		271	
Fixed deposits	5		11		20	
Others	1,374		1,318		605	
<b>Total</b>	<b>4,833</b>		<b>4,856</b>		<b>3,048</b>	

## DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

(\$m)	31 Mar 2017 NPA	31 Dec 2016 NPA	31 Mar 2016 NPA
<b>By period overdue</b>			
Not overdue	591	705	624
<90 days overdue	970	698	519
91-180 days overdue	301	1,215	463
>180 days overdue	2,971	2,238	1,442
<b>Total</b>	<b>4,833</b>	<b>4,856</b>	<b>3,048</b>

Non-performing assets declined slightly from the previous quarter to \$4.83 billion. An increase in non-performing loans due to exposures in the oil and gas

support services sector in Singapore was offset by a net reduction of \$170 million of non-performing assets in India that were disposed of in a sale.

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## CUSTOMER DEPOSITS

(\$m)	31 Mar 2017	31 Dec 2016	31 Mar 2016
<b>By currency and product</b>			
Singapore dollar	153,844	152,115	141,905
Fixed deposits	14,680	15,814	12,933
Savings accounts	111,882	108,761	104,037
Current accounts	27,194	27,455	24,871
Others	88	85	64
US dollar	109,125	112,107	95,268
Fixed deposits	62,584	63,855	54,345
Savings accounts	16,996	16,793	12,949
Current accounts	27,575	29,731	26,785
Others	1,970	1,728	1,189
Hong Kong dollar	33,134	36,234	32,619
Fixed deposits	15,200	17,933	18,245
Savings accounts	8,844	9,155	7,323
Current accounts	8,466	8,630	6,561
Others	624	516	490
Chinese yuan	9,852	9,822	11,536
Fixed deposits	6,851	7,096	8,787
Savings accounts	925	753	1,389
Current accounts	1,716	1,818	1,305
Others	360	155	55
Others	36,497	37,168	32,476
Fixed deposits	25,962	25,480	22,892
Savings accounts	4,688	5,155	3,742
Current accounts	5,744	6,350	4,988
Others	103	183	854
<b>Total</b>	<b>342,452</b>	<b>347,446</b>	<b>313,804</b>
Fixed deposits	125,277	130,178	117,202
Savings accounts	143,335	140,617	129,440
Current accounts	70,695	73,984	64,510
Others	3,145	2,667	2,652

Customer deposits were little changed in constant-currency terms at \$342 billion compared to the previous quarter.

Compared to a year ago, overall deposits rose 7% in constant-currency terms from higher Singapore dollar and US dollar deposits.

## DEBTS ISSUED

(\$m)	31 Mar 2017	31 Dec 2016	31 Mar 2016
Subordinated term debts <sup>1</sup>	2,201	3,102	3,736
Senior medium term notes <sup>1</sup>	4,924	6,410	8,797
Commercial papers <sup>1</sup>	15,225	11,586	7,381
Negotiable certificates of deposit <sup>1</sup>	2,362	2,137	993
Other debt securities <sup>1</sup>	5,854	5,385	6,318
Covered bonds <sup>2</sup>	3,303	2,227	1,360
<b>Total</b>	<b>33,869</b>	<b>30,847</b>	<b>28,585</b>
Due within 1 year	19,969	18,405	15,228
Due after 1 year	13,900	12,442	13,357
<b>Total</b>	<b>33,869</b>	<b>30,847</b>	<b>28,585</b>

Notes:

1 Unsecured

2 Secured

**TRADING INCOME AND RISK**

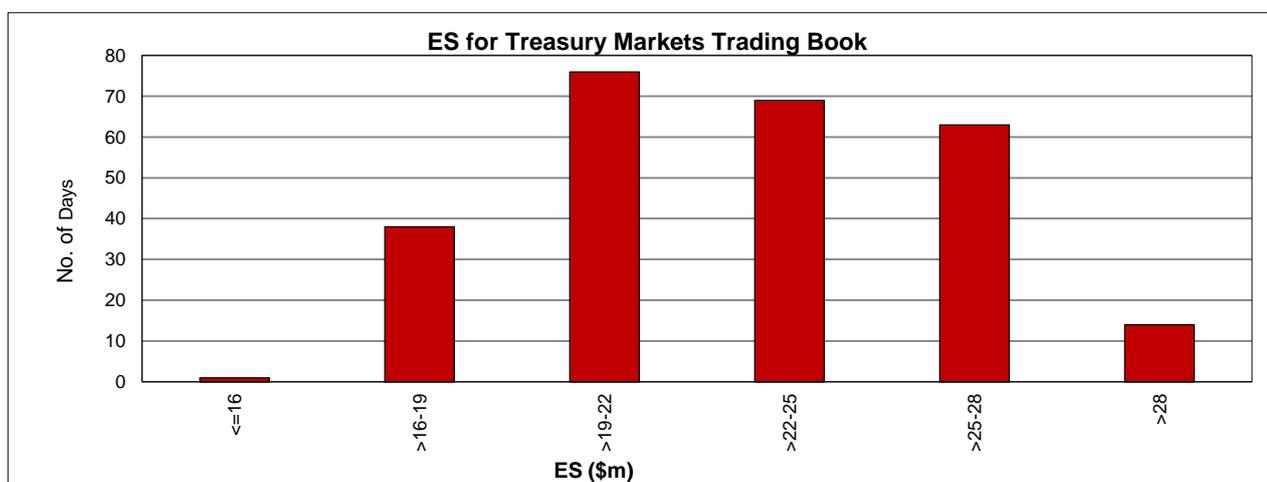
The Group’s market risk appetite framework leverages on the Expected Shortfall (ES) metric to monitor and limit market risk exposures. ES is calculated using the historical simulation value-at-risk (VaR) approach and averaging the losses beyond the 97.5% confidence interval over a one-day holding period.

The ES for Treasury Markets’ trading portfolios is shown in the following table.

(\$m)	As at 31 Mar 2017	Average	1 Apr 2016 to 31 Mar 2017 High	Low
Total	22	23	31	15

Treasury Markets’ trading portfolio experienced two back-testing exceptions from 1 April 2016 to 31 March 2017. The exceptions occurred in September and December.

The chart below provides the histogram of ES for the Group’s trading book for the period from 1 April 2016 to 31 March 2017.



The chart below shows the frequency distribution of daily trading income of Treasury Markets’ trading portfolio for the period from 1 April 2016 to 31 March 2017.



# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## CAPITAL ADEQUACY

(\$m)	31 Mar 2017	31 Dec 2016	31 Mar 2016
Share capital	10,898	10,899	10,391
Disclosed reserves and others	33,289	31,930	30,713
Total regulatory adjustments to Common Equity Tier 1 capital	(4,488)	(3,413)	(3,360)
Regulatory adjustments due to insufficient Additional Tier 1 capital	-	-	-
Common Equity Tier 1 capital	39,699	39,416	37,744
Additional Tier 1 capital instruments <sup>1</sup>	3,356	3,761	2,803
Total regulatory adjustments to Additional Tier 1 capital	(1,121)	(2,268)	(2,233)
Tier 1 capital	41,934	40,909	38,314
Provisions eligible as Tier 2 capital	1,390	1,263	1,358
Tier 2 capital instruments <sup>1</sup>	2,012	2,857	3,372
Total regulatory adjustments to Tier 2 capital	-	(2)	(1)
Total capital	45,336	45,027	43,043
<b>Risk-Weighted Assets ("RWA")</b>			
Credit RWA	218,378	226,014	209,685
Market RWA	35,302	34,037	41,448
Operational RWA	18,755	18,567	17,545
Total RWA	272,435	278,618	268,678
<b>Capital Adequacy Ratio ("CAR") (%)</b>			
Basel III fully phased-in Common Equity Tier 1 <sup>2</sup>	14.2	13.3	13.2
Common Equity Tier 1	14.6	14.1	14.0
Tier 1	15.4	14.7	14.3
Total	16.6	16.2	16.0
<b>Minimum CAR including Buffer Requirements (%)<sup>3</sup></b>			
Common Equity Tier 1	8.0	7.2	7.2
Effective Tier 1	9.5	8.7	8.7
Effective Total	11.5	10.7	10.7
<b>Of which: Buffer Requirements (%)</b>			
Capital Conservation Buffer	1.25	0.625	0.625
Countercyclical Buffer	0.2	0.1	0.1

### Notes:

- As part of the Basel III transition arrangements, regulatory capital recognition of outstanding Additional Tier 1 and Tier 2 capital instruments that no longer meet the minimum criteria is gradually being phased out. Fixing the base at the nominal amount of such instruments outstanding on 1 January 2013, their recognition was capped at 90% in 2013, with this cap decreasing by 10 percentage points in each subsequent year. To the extent a capital instrument is redeemed or amortised after 1 January 2013, the nominal amount serving as the base is not reduced.
- Calculated by dividing Common Equity Tier 1 capital after all regulatory adjustments (e.g., for goodwill and capital investments exceeding certain thresholds) applicable from 1 January 2018 by RWA as at each reporting date.
- Includes minimum Common Equity Tier 1, Tier 1 and Total CAR of 6.5%, 8.0% and 10.0% respectively.

Capital adequacy ratios as at 31 March 2017 were higher as compared to 31 December 2016. Common Equity Tier 1 capital was higher as reserves increased due to higher retained earnings which was partially offset by an increase in regulatory adjustments (pursuant to the Basel III transition arrangements under MAS Notice 637). Tier 2 capital instruments were lower mainly due to the redemption of subordinated notes. Total risk-weighted assets decreased mainly due to changes in exchange rates as well as a decline in derivative exposures and collaterals posted in relation to derivative netting agreements. The Group's leverage ratio stood at 7.9%, well above the minimum 3% envisaged by the Basel Committee.

## DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

### Geographical Distribution of RWA relating to Credit Exposures used in the Countercyclical Capital Buffer

The table below sets out the geographical breakdown of the RWA of private sector credit exposures relevant for the computation of the countercyclical capital buffer.

Country	31 Mar 2017		
	Country-specific requirement (%) (A)	Proportion of relevant Group RWA (%) (B)	Applicable countercyclical buffer requirement (%) (A) x (B)
Hong Kong	1.25	15.9	0.2
Sweden	1.25	0.1	#

# Less than 0.1%

### PILLAR 3 DISCLOSURES

Pursuant to the Monetary Authority of Singapore's Notice to Banks No. 637 "Notice on Risk Based Capital Adequacy Requirements for Banks incorporated in Singapore", the Pillar 3 document is published in the Investor Relations section of the Group website: (<http://www.dbs.com/investor/index.html>).

### UNREALISED PROPERTY VALUATION SURPLUS<sup>1</sup>

(\$m)	31 Mar 2017	31 Dec 2016	31 Mar 2016
Properties	535	909	872

Note:

1 Unrealised valuation surplus represents the excess of market value over the carrying value of the properties. The market values of the properties were based on valuation at year-end.

## DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

### Consolidated Income Statement (Unaudited)

In \$ millions	1st Qtr 2017	1st Qtr 2016	+/(-) %	4th Qtr 2016	+/(-) %
<b>Income</b>					
Interest income	2,509	2,454	2	2,477	1
Interest expense	678	621	9	653	4
<b>Net interest income</b>	<b>1,831</b>	<b>1,833</b>	<b>-</b>	<b>1,824</b>	<b>-</b>
Net fee and commission income	665	574	16	515	29
Net trading income	270	315	(14)	397	(32)
Net income from investment securities	102	86	19	25	>100
Other income	368	57	>100	15	>100
<b>Non-interest income</b>	<b>1,405</b>	<b>1,032</b>	<b>36</b>	<b>952</b>	<b>48</b>
<b>Total income</b>	<b>3,236</b>	<b>2,865</b>	<b>13</b>	<b>2,776</b>	<b>17</b>
Employee benefits	718	706	2	664	8
Other expenses	540	559	(3)	559	(3)
<b>Total expenses</b>	<b>1,258</b>	<b>1,265</b>	<b>(1)</b>	<b>1,223</b>	<b>3</b>
<b>Profit before allowances</b>	<b>1,978</b>	<b>1,600</b>	<b>24</b>	<b>1,553</b>	<b>27</b>
Allowances for credit and other losses	550	170	>100	462	19
<b>Profit before tax</b>	<b>1,428</b>	<b>1,430</b>	<b>-</b>	<b>1,091</b>	<b>31</b>
Income tax expense	150	196	(23)	146	3
<b>Net profit</b>	<b>1,278</b>	<b>1,234</b>	<b>4</b>	<b>945</b>	<b>35</b>
Attributable to:					
<b>Shareholders</b>	<b>1,245</b>	<b>1,203</b>	<b>3</b>	<b>913</b>	<b>36</b>
Non-controlling interests	33	31	6	32	3
	<b>1,278</b>	<b>1,234</b>	<b>4</b>	<b>945</b>	<b>35</b>

## DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

### Consolidated Statement of Comprehensive Income (Unaudited)

In \$ millions	1st Qtr 2017	1st Qtr 2016	+/(-) %	4th Qtr 2016	+/(-) %
<b>Net profit</b>	<b>1,278</b>	1,234	4	945	35
<b>Other comprehensive income</b>					
<b>Items that may be reclassified subsequently to income statement:</b>					
Foreign currency translation differences for foreign operations	<b>(62)</b>	(142)	56	112	NM
Share of other comprehensive income of associates	<b>(6)</b>	(5)	(20)	2	NM
Available-for-sale financial assets and others					
Net valuation taken to equity	<b>314</b>	485	(35)	(549)	NM
Transferred to income statement	<b>(86)</b>	(33)	(>100)	(19)	(>100)
Taxation relating to components of other comprehensive income	<b>(13)</b>	(12)	(8)	6	NM
<b>Item that will not be reclassified to income statement:</b>					
Fair value change from own credit risk on financial liabilities designated at fair value (net of tax)	<b>(30)</b>	-	NM	-	NM
<b>Other comprehensive income, net of tax</b>	<b>117</b>	293	(60)	(448)	NM
<b>Total comprehensive income</b>	<b>1,395</b>	1,527	(9)	497	>100
Attributable to:					
<b>Shareholders</b>	<b>1,363</b>	1,501	(9)	463	>100
Non-controlling interests	<b>32</b>	26	23	34	(6)
	<b>1,395</b>	1,527	(9)	497	>100

Note:  
NM Not Meaningful

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## Balance Sheets (Unaudited)

In \$ millions	The Group			The Company		
	31 Mar 2017	31 Dec 2016 <sup>1</sup>	31 Mar 2016	31 Mar 2017	31 Dec 2016 <sup>1</sup>	31 Mar 2016
<b>Assets</b>						
Cash and balances with central banks	30,943	26,840	15,850			
Government securities and treasury bills	39,583	33,401	37,145			
Due from banks	27,378	30,018	28,595	17	18	17
Derivatives	19,037	25,757	21,902	28	29	58
Bank and corporate securities	47,052	45,417	42,437			
Loans and advances to customers	298,440	301,516	274,129			
Other assets	10,749	11,042	11,592			1
Associates	878	890	944			
Subsidiaries	-	-	-	22,409	22,285	20,437
Properties and other fixed assets	1,181	1,572	1,511			
Goodwill and intangibles	5,115	5,117	5,116			
<b>Total assets</b>	<b>480,356</b>	<b>481,570</b>	<b>439,221</b>	<b>22,454</b>	<b>22,332</b>	<b>20,513</b>
<b>Liabilities</b>						
Due to banks	19,028	15,915	15,439			
Deposits and balances from customers	342,452	347,446	313,804			
Derivatives	18,101	24,497	21,251	28	22	22
Other liabilities	18,534	15,895	15,875	46	50	33
Other debt securities	31,668	27,745	24,849	2,502	2,400	2,406
Subordinated term debts	2,201	3,102	3,736	646	645	379
<b>Total liabilities</b>	<b>431,984</b>	<b>434,600</b>	<b>394,954</b>	<b>3,222</b>	<b>3,117</b>	<b>2,840</b>
<b>Net assets</b>	<b>48,372</b>	<b>46,970</b>	<b>44,267</b>	<b>19,232</b>	<b>19,215</b>	<b>17,673</b>
<b>Equity</b>						
Share capital	10,775	10,670	10,192	10,786	10,690	10,214
Other equity instruments	1,812	1,812	803	1,812	1,812	803
Other reserves	4,469	4,322	6,923	88	168	83
Revenue reserves	28,923	27,805	23,955	6,546	6,545	6,573
<b>Shareholders' funds</b>	<b>45,979</b>	<b>44,609</b>	<b>41,873</b>	<b>19,232</b>	<b>19,215</b>	<b>17,673</b>
Non-controlling interests	2,393	2,361	2,394			
<b>Total equity</b>	<b>48,372</b>	<b>46,970</b>	<b>44,267</b>	<b>19,232</b>	<b>19,215</b>	<b>17,673</b>
<b>Other Information</b>						
Net book value per share (\$)						
(i) Basic and diluted	17.37	16.87	16.39	6.85	6.86	6.73

Note:

1 Audited

## DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

### Consolidated Statement of Changes in Equity (Unaudited)

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
<b>Balance at 1 January 2017</b>	<b>10,670</b>	<b>1,812</b>	<b>4,322</b>	<b>27,805</b>	<b>44,609</b>	<b>2,361</b>	<b>46,970</b>
Draw-down of reserves upon vesting of performance shares	105		(105)		-		-
Cost of share-based payments			26		26		26
Transfers			78	(78)	-		-
Dividends paid to shareholders <sup>1</sup>				(19)	(19)		(19)
Total comprehensive income			148	1,215	1,363	32	1,395
<b>Balance at 31 March 2017</b>	<b>10,775</b>	<b>1,812</b>	<b>4,469</b>	<b>28,923</b>	<b>45,979</b>	<b>2,393</b>	<b>48,372</b>
<b>Balance at 1 January 2016</b>	<b>10,114</b>	<b>803</b>	<b>6,705</b>	<b>22,752</b>	<b>40,374</b>	<b>2,422</b>	<b>42,796</b>
Purchase of treasury shares	(28)				(28)		(28)
Draw-down of reserves upon vesting of performance shares	106		(106)		-		-
Cost of share-based payments			26		26		26
Change in non-controlling interests					-	(54)	(54)
Total comprehensive income			298	1,203	1,501	26	1,527
<b>Balance at 31 March 2016</b>	<b>10,192</b>	<b>803</b>	<b>6,923</b>	<b>23,955</b>	<b>41,873</b>	<b>2,394</b>	<b>44,267</b>

Note:

1 Distributions paid on capital securities classified as equity

## DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

### Statement of Changes in Equity (Unaudited)

<b>The Company</b>					
<b>In \$ millions</b>	<b>Share capital</b>	<b>Other equity instruments</b>	<b>Other reserves</b>	<b>Revenue reserves</b>	<b>Total equity</b>
<b>Balance at 1 January 2017</b>	<b>10,690</b>	<b>1,812</b>	<b>168</b>	<b>6,545</b>	<b>19,215</b>
Transfer of treasury shares	96				96
Draw-down of reserves upon vesting of performance shares			(105)		(105)
Cost of share-based payments			26		26
Dividends paid to shareholders <sup>1</sup>				(19)	(19)
Total comprehensive income			(1)	20	19
<b>Balance at 31 March 2017</b>	<b>10,786</b>	<b>1,812</b>	<b>88</b>	<b>6,546</b>	<b>19,232</b>
<b>Balance at 1 January 2016</b>	<b>10,144</b>	<b>803</b>	<b>168</b>	<b>6,580</b>	<b>17,695</b>
Purchase of treasury shares	(28)				(28)
Transfer of treasury shares	98				98
Draw-down of reserves upon vesting of performance shares			(106)		(106)
Cost of share-based payments			26		26
Total comprehensive income			(5)	(7)	(12)
<b>Balance at 31 March 2016</b>	<b>10,214</b>	<b>803</b>	<b>83</b>	<b>6,573</b>	<b>17,673</b>

Note:

1 Distributions paid on capital securities classified as equity

# DBS GROUP HOLDINGS LTD AND ITS SUBSIDIARIES

## Consolidated Cash Flow Statement (Unaudited)

In \$ millions	1st Qtr 2017	1st Qtr 2016
<b>Cash flows from operating activities</b>		
Profit before tax	1,428	1,430
<b>Adjustments for non-cash and other items:</b>		
Allowances for credit and other losses	550	170
Depreciation of properties and other fixed assets	71	67
Share of profits or losses of associates	(7)	32
Net gain on disposal (net of write-off) of properties and other fixed assets	(1)	-
Net gain on divestment of subsidiary	(350)	-
Net income from investment securities	(102)	(86)
Cost of share-based payments	26	26
Interest expense on subordinated term debts	21	29
Profit before changes in operating assets & liabilities	1,636	1,668
<b>Increase/(Decrease) in:</b>		
Due to banks	3,108	(2,611)
Deposits and balances from customers	(2,928)	(2,819)
Other liabilities	(2,895)	4,995
Other debt securities and borrowings	3,969	(13,113)
<b>(Increase)/Decrease in:</b>		
Restricted balances with central banks	(356)	(205)
Government securities and treasury bills	(6,102)	(2,688)
Due from banks	2,578	9,443
Bank and corporate securities	(1,661)	(2,519)
Loans and advances to customers	658	5,592
Other assets	5,595	(30)
Tax paid	(152)	(119)
<b>Net cash generated from/ (used in) operating activities (1)</b>	<b>3,450</b>	<b>(2,406)</b>
<b>Cash flows from investing activities</b>		
Dividends from associates	11	10
Proceeds from disposal of interest in associate	1	-
Proceeds from disposal of properties and other fixed assets	1	-
Purchase of properties and other fixed assets	(74)	(77)
Proceeds from divestment of subsidiary	735	-
Change in non-controlling interests	-	(54)
<b>Net cash generated from/ (used in) investing activities (2)</b>	<b>674</b>	<b>(121)</b>
<b>Cash flows from financing activities</b>		
Issue of subordinated term debts	-	370
Interest paid on subordinated term debts	(38)	(52)
Redemption/ purchase of subordinated term debts	(866)	(613)
Purchase of treasury shares	-	(28)
Dividends paid to shareholders of the Company <sup>1</sup>	(19)	-
<b>Net cash used in financing activities (3)</b>	<b>(923)</b>	<b>(323)</b>
Exchange translation adjustments (4)	9	(263)
<b>Net change in cash and cash equivalents<sup>2</sup> (1)+(2)+(3)+(4)</b>	<b>3,210</b>	<b>(3,113)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>20,132</b>	<b>12,078</b>
<b>Cash and cash equivalents at 31 March</b>	<b>23,342</b>	<b>8,965</b>

Notes:

1 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. Fair Value of Financial Instruments**

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

In \$ millions	The Group							
	31 Mar 2017				31 Dec 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets</b>								
Financial assets at fair value through profit or loss								
- Government securities and treasury bills	11,428	1,301	-	12,729	7,713	1,285	-	8,998
- Bank and corporate securities	5,402	2,951	43	8,396	5,022	2,743	42	7,807
- Other financial assets	-	7,770	-	7,770	-	9,133	-	9,133
Available-for-sale financial assets								
- Government securities and treasury bills	23,703	1,190	-	24,893	21,352	1,089	-	22,441
- Bank and corporate securities <sup>1</sup>	14,940	1,142	89	16,171	14,510	1,598	115	16,223
- Other financial assets	-	5,020	-	5,020	-	4,417	-	4,417
Derivatives	13	19,024	-	19,037	57	25,699	1	25,757
<b>Liabilities</b>								
Financial liabilities at fair value through profit or loss								
- Other debt securities	-	5,424	1	5,425	-	5,045	4	5,049
- Other financial liabilities	4,594	1,542	-	6,136	2,290	1,881	-	4,171
Derivatives	30	18,057	14	18,101	66	24,415	16	24,497

Note:

1 Excludes unquoted equities stated at cost of \$238 million (Dec'16: \$242 million).

There were no material movements in Level 3 financial instruments during the quarter.

**2. Off-balance Sheet Items**

In \$ millions	31 Mar 2017	31 Dec 2016	31 Mar 2016
Contingent liabilities	20,944	22,714	18,454
Commitments <sup>1</sup>	230,245	235,951	219,751
Financial Derivatives	2,049,940	2,070,543	2,037,636

Note:

1 Includes commitments that are unconditionally cancellable at any time of \$189,061 million (Dec'16:\$193,016 million, Mar'16:\$181,815 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	
	2017	2016
<b>Ordinary shares</b>		
Balance at 1 January	2,548,962,085	2,514,780,749
<b>Balance at 31 March [a]</b>	<b>2,548,962,085</b>	2,514,780,749
<b>Treasury shares held by DBSH</b>		
Balance at 1 January	11,727,700	13,000,000
Shares transferred to trust holding shares pursuant to DBSH Share Plan / DBSH Employee Share Plan	(5,424,000)	(5,282,000)
Purchase of treasury shares	-	1,900,000
<b>Balance at 31 March [b]</b>	<b>6,303,700</b>	9,618,000
<b>Ordinary shares net of treasury shares [a] – [b]</b>	<b>2,542,658,385</b>	2,505,162,749

(b) The weighted average number of ordinary shares (both basic and fully diluted) for the first quarter of 2017 is 2,540,428,518.

**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 Quarter ended 31 March 2017 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

28 April 2017  
Singapore