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 2018

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

Dividends

For the first quarter of 2018, no dividend has been declared on DBSH ordinary shares.

By order of the Board

Goh Peng Fong
Group Secretary

27 April 2018
Singapore

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

…DBS/

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Co. Reg. No. 199901152M

Performance Summary

Financial Results
For the First Quarter ended
31 March 2018
(Unaudited)

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

Contents

OVERVIEW

Singapore-incorporated companies listed on the Singapore Exchange reporting under Singapore Financial Reporting Standards (FRS) are required to apply Singapore Financial Reporting Standards (International) (SFRS(I)) from 1 January 2018. The convergance had no material impact on the financial statements and on the Group's accounting policies, except for those relating to SFRS(I) 9 Financial Instruments. The aggregate impact from the transition to SFRS(I) 9 was a net increase of $9 million in the Group shareholders' funds.

More information about the transition to SFRS(I) and transition disclosures for SFRS(I) 9 are provided in the ***Appendix to Performance Summary.***

	1st Qtr 2018	1st Qtr 2017	% chg	4th Qtr 2017	% chg
Selected income statement items ($m)					
Net interest income	**2,128**	1,831	16	2,097	1
Net fee and commission income	**744**	665	12	636	17
Other non-interest income	**488**	390	25	322	52
Total income	**3,360**	2,886	16	3,055	10
Expenses	**1,398**	1,248	12	1,357	3
Profit before allowances	**1,962**	1,638	20	1,698	16
Allowances for credit and other losses	**164**	200	(18)	225	(27)
Profit before tax	**1,798**	1,438	25	1,473	22
Net profit	**1,521**	1,210	26	1,218	25
One-time items	**(10)**	35	NM	(24)	58
- ANZ integration costs	**(12)**	(10)	(20)	(30)	60
- Others	**2**	45	(96)	6	(67)
Net profit including one-time items	**1,511**	1,245	21	1,194	27
Selected balance sheet items ($m)					
Customer loans	**328,218**	298,440	10	323,099	2
Constant-currency change			*13*		*2*
Total assets	**529,909**	480,356	10	517,711	2
Customer deposits	**375,826**	342,452	10	373,634	1
Constant-currency change			*13*		*2*
Total liabilities	**478,828**	431,984	11	467,909	2
Shareholders' funds	**48,707**	45,979	6	47,458	3
Key financial ratios (%) (excluding one-time items)[1]					
Net interest margin	**1.83**	1.74		1.78	
Non-interest/total income	**36.7**	36.6		31.4	
Cost/income ratio	**41.6**	43.2		44.4	
Return on assets	**1.18**	1.03		0.94	
Return on equity[2]	**13.1**	11.1		10.5	
Loan/deposit ratio	**87.3**	87.1		86.5	
NPL ratio	**1.6**	1.4		1.7	
Allowances for impaired exposures (loans)/average loans (bp)	**20**	26		25	
Common Equity Tier 1 capital adequacy ratio	**14.0**	14.6		14.3	
Tier 1 capital adequacy ratio	**15.0**	15.4		15.1	
Total capital adequacy ratio	**15.8**	16.6		15.9	
Leverage ratio[3]	**7.6**	7.9		7.6	
Average all-currency liquidity coverage ratio[4]	**125**	138		131	
Net stable funding ratio[5]	**110**	NA		NA	
Per share data ($)					
Per basic and diluted share					
– earnings excluding one-time items	**2.38**	1.90		1.86	
– earnings	**2.38**	1.92		1.85	
– net book value[6]	**18.29**	17.37		17.85	

Notes:
1 Return on assets, return on equity, allowances for impaired exposures (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 Net stable funding ratio (NSFR) is computed based on MAS Notice 652.
6 Non-controlling interests are not included as equity in the computation of net book value per share.
NM Not meaningful.
NA Not applicable

Net profit rose 26% from a year ago to a record $1.52 billion. Total income increased 16% to $3.36 billion from broad-based loan and non-interest income growth as well as a higher net interest margin. A positive jaw resulted in a one percentage point improvement in the cost-income ratio to 42%. Total allowances fell 18% as new non-performing asset formation declined to a four-year low.

Compared to the previous quarter, net profit rose 25%. Sustained business momentum drove a 10% increase in total income.

Net interest income rose 16% from a year ago and 4% on a day-adjusted basis from the previous quarter to $2.13 billion. Loans grew 13% over the past year and 2% during the quarter in constant-currency terms as corporate, trade and consumer loans increased. Net interest margin rose nine basis points from a year ago and five basis points from the previous quarter to 1.83% from higher Singapore dollar as well as US and Hong Kong dollar interest rates.

Net fee income rose 12% from a year ago and 17% from the previous quarter to a record $744 million, led by growth in wealth management. Other non-interest income rose 25% from a year ago and 52% from the previous quarter to $488 million from an increase in trading income and a property disposal gain in Hong Kong.

Expenses increased 12% from a year ago to $1.40 billion. Excluding the consolidation of ANZ and a non-recurring item, underlying expenses were 6% higher. Profit before allowances grew 20% from a year ago and 16% from the previous quarter to $1.96 billion.

Non-performing assets fell 4% from the previous quarter to $5.82 billion while the non-performing loan rate declined from 1.7% to 1.6%. Allowances for impaired exposures fell to 20 basis points of loans. Allowance coverage improved from the previous quarter to 90% and to 177% when collateral was considered.

Liquidity and capital were healthy. The average liquidity coverage ratio was 125%, the net stable funding ratio was 110% and the loan-deposit ratio was 87%. The Common Equity Tier 1 (CET-1) ratio was at 14.0% while the leverage ratio was at 7.6%. Taking into account the payment in May 2018 of the final and special dividend of 2017, the CET-1 was 13.0%, in line with the target range of 12.5 to 13.5%.

The return on equity was 13.1%, the highest in a decade.

NET INTEREST INCOME

Average balance sheet	1st Qtr 2018 Average balance ($m)	1st Qtr 2018 Interest ($m)	1st Qtr 2018 Average rate (%)	1st Qtr 2017 Average balance ($m)	1st Qtr 2017 Interest ($m)	1st Qtr 2017 Average rate (%)	4th Qtr 2017 Average balance ($m)	4th Qtr 2017 Interest ($m)	4th Qtr 2017 Average rate (%)
Interest-bearing assets									
Customer non-trade loans	**278,235**	**1,978**	**2.88**	257,816	1,679	2.64	273,787	1,885	2.73
Trade assets	**49,245**	**342**	**2.81**	41,971	257	2.48	48,990	323	2.62
Interbank assets[1]	**49,259**	**216**	**1.78**	44,860	127	1.15	48,072	192	1.58
Securities and others	**95,346**	**534**	**2.27**	80,822	446	2.24	95,452	542	2.25
Total	**472,085**	**3,070**	**2.64**	425,469	2,509	2.39	466,301	2,942	2.50
Interest-bearing liabilities									
Customer deposits	**373,154**	**680**	**0.74**	341,095	493	0.59	366,065	595	0.64
Other borrowings	**67,265**	**262**	**1.58**	53,898	185	1.39	65,449	250	1.52
Total	**440,419**	**942**	**0.87**	394,993	678	0.70	431,514	845	0.78
Net interest income/margin[2]		**2,128**	**1.83**		1,831	1.74		2,097	1.78

Notes:
1 Includes non-restricted balances with central banks.
2 Net interest margin is net interest income expressed as a percentage of average interest-bearing assets.

Net interest income rose 16% from a year ago to $2.13 billion. Net interest margin increased nine basis points to 1.83%. Higher interest rates resulted in a repricing of loan and interbank asset yields, which was partially offset by higher fixed deposit costs. Asset volumes were also higher from growth in corporate, trade and consumer loans as well as securities.

Compared to the previous quarter, net interest income rose 4% on a day-adjusted basis as net interest margin increased five basis points from higher interest rates. Interest-bearing asset volumes were also higher.

Volume and rate analysis ($m) Increase/(decrease) due to change in	1st Qtr 2018 vs 1st Qtr 2017 Volume	1st Qtr 2018 vs 1st Qtr 2017 Rate	1st Qtr 2018 vs 1st Qtr 2017 Net change	1st Qtr 2018 vs 4th Qtr 2017 Volume	1st Qtr 2018 vs 4th Qtr 2017 Rate	1st Qtr 2018 vs 4th Qtr 2017 Net change
Interest income						
Customer non-trade loans	133	166	299	31	107	138
Trade assets	45	40	85	2	25	27
Interbank assets	12	77	89	5	24	29
Securities and others	80	8	88	(1)	4	3
Total	270	291	561	37	160	197
Interest expense						
Customer deposits	46	141	187	12	89	101
Other borrowings	46	31	77	7	11	18
Total	92	172	264	19	100	119
Net impact on net interest income	178	119	297	18	60	78
Due to change in number of days			-			(47)
Net Interest Income			297			31

NET FEE AND COMMISSION INCOME

($m)	1st Qtr 2018	1st Qtr 2017	% chg	4th Qtr 2017	% chg
Brokerage	**49**	38	29	39	26
Investment banking	**38**	45	(16)	66	(42)
Transaction services[1]	**156**	157	(1)	153	2
Loan-related	**99**	128	(23)	77	29
Cards[2]	**156**	123	27	151	3
Wealth management[3]	**331**	222	49	227	46
Others	**22**	28	(21)	21	5
Fee and commission income	**851**	741	15	734	16
Less: Fee and commission expense	**107**	76	41	98	9
Total	**744**	665	12	636	17

Notes:
1 Includes trade and remittances, guarantees and deposit-related fees.
2 Net of interchange fees paid.
3 Includes fees of $40 million in first quarter 2018 and $21 million in fourth quarter 2017 from sales of treasury products that would have been previously classified as other non-interest income. The change was applied prospectively from 1 April 2017.

Net fee income rose 12% from a year ago to $744 million. The growth was led by an increase in wealth management fees to a quarterly high of $331 million from higher bancassurance and investment product sales. Card fees rose from higher credit and debit card transactions as well as the consolidation of the retail and wealth management business acquired from ANZ.

Brokerage commissions were higher due to buoyant equity market activities. Transaction banking fees were stable as an increase in cash management fees was offset by lower trade fees.

Compared to the previous quarter, net fee income was 17% higher. The increase was broad-based and led by wealth management, loan-related activities and brokerage.

OTHER NON-INTEREST INCOME

($m)	1st Qtr 2018	1st Qtr 2017	% chg	4th Qtr 2017	% chg
Net trading income	**368**	270	36	228	61
Net income from investment securities[1]	**22**	102	(78)	107	(79)
Net gain on fixed assets	**86**	1	>100	-	NM
Others[2] (include rental income and share of profits of associates)	**12**	17	(29)	(13)	NM
Total	**488**	390	25	322	52

Notes:
1 Net income from investment securities includes gains from disposal of debt and equity securities in 2017. With effect from 2018, only the gains from disposal of debt securities is included.
2 Excludes one-time item.
NM Not meaningful

Compared to a year ago, other non-interest income rose 25% to $488 million. There was a gain of $86 million from the divestment of a Hong Kong property. Net trading income was also higher. Partially offsetting these increases was a decline in net income from investment securities.

Compared to the previous quarter, other non-interest income was 52% higher due to the property divestment gain and a 61% increase in trading income, which resulted from higher trading gains as well as higher treasury customer income from corporate and wealth management customers.

EXPENSES[1]

($m)	1st Qtr 2018	1st Qtr 2017	% chg	4th Qtr 2017	% chg
Staff	**785**	711	10	691	14
Occupancy	**100**	100	-	109	(8)
Computerisation	**238**	221	8	241	(1)
Revenue-related	**80**	66	21	84	(5)
Others	**195**	150	30	232	(16)
Total	**1,398**	1,248	12	1,357	3
Staff headcount at period-end	**25,731**	22,331	15	24,174	6
Staff headcount at period-end excluding insourcing staff and staff from ANZ integration	***22,053***	*21,673*	*2*	*21,832*	*1*
Included in the above table were:					
Depreciation of properties and other fixed assets	**77**	71	8	78	(1)

Note:
1 Excludes one-time item.

Expenses rose 12% from a year ago and 3% from the previous quarter to $1.40 billion, resulting in a positive jaw for both comparative periods. Underlying expenses excluding ANZ and a non recurring item were 6% higher than a year ago.

The consolidation of ANZ contributed to the increase in staff costs for both periods. Other expenses were higher than a year ago in line with business volume growth, but they were lower than the previous quarter due to seasonal factors.

ALLOWANCES FOR CREDIT AND OTHER LOSSES

($m)	1st Qtr 2018	1st Qtr 2017	% chg	4th Qtr 2017	% chg
Allowances for non-impaired exposures[1]	**7**	-	NM	(5)	NM
Allowances for impaired loans & other credit exposures					
Allowances for impaired loans[2]	**162**	193	(16)	206	(21)
Singapore	**69**	123	(44)	55	25
Hong Kong	**(1)**	10	NM	45	NM
Rest of Greater China	**(2)**	11	NM	26	NM
South and Southeast Asia	**79**	38	>100	70	13
Rest of the World	**17**	11	55	10	70
Allowances for impaired other credit exposures	**(5)**	5	NM	22	NM
	157	198	(21)	228	(31)
Allowances for impaired securities, properties and other assets	**-**	2	(100)	2	(100)
Total	**164**	200	(18)	225	(27)

Notes:
1 Excludes one-time item.
2 Allowances for impaired loans by geography are determined according to the location where the borrower is incorporated.
NM Not Meaningful

Allowances for impaired credit exposures fell 21% from a year ago and 31% from the previous quarter to $157 million. The majority of the charges were for existing non-performing loans.

Allowances of $7 million were taken for non-impaired credit exposures due to loan growth.

PERFORMANCE BY BUSINESS SEGMENTS

($m)	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others	Total
Selected income statement items					
1st Qtr 2018[1]					
Net interest income	**793**	**940**	**125**	**270**	**2,128**
Net fee and commission income	**449**	**281**	**-**	**14**	**744**
Other non-interest income	**117**	**137**	**124**	**110**	**488**
Total income	**1,359**	**1,358**	**249**	**394**	**3,360**
Expenses	**685**	**441**	**143**	**129**	**1,398**
Allowances for credit and other losses	**47**	**85**	**(6)**	**38**	**164**
Profit before tax	**627**	**832**	**112**	**227**	**1,798**
4th Qtr 2017[1]					
Net interest income	751	935	160	251	2,097
Net fee and commission income	346	274	-	16	636
Other non-interest income	101	122	40	59	322
Total income	1,198	1,331	200	326	3,055
Expenses	703	459	156	39	1,357
Allowances for credit and other losses	40	224	1	(40)	225
Profit before tax	455	648	43	327	1,473
1st Qtr 2017[1]					
Net interest income	693	871	128	139	1,831
Net fee and commission income	339	316	-	10	665
Other non-interest income	127	132	59	72	390
Total income	1,159	1,319	187	221	2,886
Expenses	597	423	133	95	1,248
Allowances for credit and other losses	28	140	-	32	200
Profit before tax	534	756	54	94	1,438

($m)	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others	Total
Selected balance sheet and other items[2]					
31 Mar 2018					
Total assets before goodwill and intangibles	**112,709**	**249,535**	**107,081**	**55,410**	**524,735**
Goodwill and intangibles					**5,174**
Total assets					**529,909**
Total liabilities	**210,042**	**176,463**	**46,349**	**45,974**	**478,828**
Capital expenditure for 1st Qtr 2018	**23**	**4**	**1**	**52**	**80**
Depreciation for 1st Qtr 2018	**13**	**3**	**1**	**60**	**77**
31 Dec 2017					
Total assets before goodwill and intangibles	110,718	246,863	103,158	51,807	512,546
Goodwill and intangibles					5,165
Total assets					517,711
Total liabilities	207,485	177,418	40,209	42,797	467,909
Capital expenditure for 4th Qtr 2017	27	4	2	89	122
Depreciation for 4th Qtr 2017	14	3	1	60	78
31 Mar 2017					
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

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 its management structure. As the activities of the Group are highly integrated, internal allocations have been made in preparing the segment information. Amounts for each business segment are shown after the allocation of certain centralised costs, funding income and the application of transfer pricing, where appropriate. Transactions between segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation.

The various business segments are described below:

Consumer Banking/ Wealth Management

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

Compared to a year ago, profit before tax was 17% higher at $627 million. Total income rose 17% to $1.36 billion. Net interest income increased 14% due to higher loan and deposit volumes and improved net interest margin. Non-interest income rose 21% to $566 million, from higher investment products and bancassurance sales as well as card transactions. Expenses were 15% higher at $685 million. Total allowances rose 68% to $47 million partly due to the consolidation of ANZ.

Compared to the previous quarter, profit before tax rose 38%. Total income grew 13%. Net interest income increased 6% from higher loan and deposit balances and improved net interest margin. Non-interest income increased 27% from higher investment products, bancassurance and card fees. Expenses declined 3%. Total allowances increased 18% partly due to ANZ.

Institutional Banking

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

Compared to a year ago, profit before tax increased 10% to $832 million. Total income rose 3% to $1.36 billion from higher cash management income. These increases were partially offset by lower income from trade finance and treasury customer activities. Expenses increased 4% to $441 million, while allowances were $55 million lower at $85 million.

Compared to previous quarter, profit before tax rose 28% to $832 million as allowances fell 62% from an improvement in the credit portfolio. Income increased 2% as contributions were higher across all products, driven by higher cash management, treasury customer and lending activities. Expenses declined 4% and allowances were $139 million lower.

Treasury Markets

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

Profit before tax doubled to $112 milion from $54 million a year ago. Total income rose 33% to $249 million as higher contributions from interest rate activities more than offset lower income from credit activities. Expenses were 8% higher at $143 million as staff and business-related expenses increased.

Compared to the previous quarter, profit before tax more than doubled to $112 million. Total income increased 25% largely due to higher contributions from interest rate activities, partially offset by lower income from equity activities. Expenses declined by 8% from lower business-related expenses.

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

Income from treasury customer activities rose 6% from a year ago to $323 million due to higher sales income from equity and foreign exchange products, which were partially offset by lower income from interest rate and fixed income products. Compared to the previous quarter, income from customer activities increased 16% from higher foreign exchange, interest rate and equity-related products sales, partially offset by lower credit-related and fixed income product sales.

Others

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

PERFORMANCE BY GEOGRAPHY

($m)	S'pore	Hong Kong	Rest of Greater China	South and South-east Asia	Rest of the World	Total
Selected income statement items						
1st Qtr 2018[1]						
Net interest income	**1,360**	**402**	**176**	**126**	**64**	**2,128**
Net fee and commission income	**467**	**166**	**46**	**50**	**15**	**744**
Other non-interest income	**257**	**153**	**56**	**15**	**7**	**488**
Total income	**2,084**	**721**	**278**	**191**	**86**	**3,360**
Expenses	**849**	**232**	**172**	**119**	**26**	**1,398**
Allowances for credit and other losses	**125**	**(18)**	**11**	**51**	**(5)**	**164**
Profit before tax	**1,110**	**507**	**95**	**21**	**65**	**1,798**
Income tax expense	**142**	**71**	**21**	**(1)**	**14**	**247**
Net profit	**938**	**436**	**74**	**22**	**51**	**1,521**
4th Qtr 2017[1]						
Net interest income	1,369	391	158	114	65	2,097
Net fee and commission income	414	147	28	32	15	636
Other non-interest income	197	62	40	19	4	322
Total income	1,980	600	226	165	84	3,055
Expenses	800	256	162	116	23	1,357
Allowances for credit and other losses	39	44	65	66	11	225
Profit before tax	1,141	300	(1)	(17)	50	1,473
Income tax expense	161	53	5	(13)	18	224
Net profit	949	247	(6)	(4)	32	1,218
1st Qtr 2017[1]						
Net interest income	1,184	351	119	118	59	1,831
Net fee and commission income	427	145	43	35	15	665
Other non-interest income	259	28	46	42	15	390
Total income	1,870	524	208	195	89	2,886
Expenses	734	230	146	112	26	1,248
Allowances for credit and other losses	140	20	17	25	(2)	200
Profit before tax	996	274	45	58	65	1,438
Income tax expense	113	46	7	14	15	195
Net profit	850	228	38	44	50	1,210

($m)	S'pore	Hong Kong	Rest of Greater China	South and South-east Asia	Rest of the World	Total
Selected balance sheet items						
31 Mar 2018						
Total assets before goodwill and intangibles	**340,394**	**83,718**	**51,842**	**21,211**	**27,570**	**524,735**
Goodwill and intangibles	**5,136**	**28**	**-**	**10**	**-**	**5,174**
Total assets	**345,530**	**83,746**	**51,842**	**21,221**	**27,570**	**529,909**
Non-current assets[2]	**1,543**	**311**	**123**	**110**	**4**	**2,091**
Gross customer loans	**214,013**	**58,505**	**29,188**	**12,617**	**18,545**	**332,868**
31 Dec 2017						
Total assets before goodwill and Intangibles	335,902	79,361	49,966	19,731	27,586	512,546
Goodwill and intangibles	5,136	29	-	-	-	5,165
Total assets	341,038	79,390	49,966	19,731	27,586	517,711
Non-current assets[2]	1,487	338	118	69	4	2,016
Gross customer loans	211,463	57,987	28,484	11,498	18,337	327,769
31 Mar 2017						
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[2]	1,553	368	79	53	6	2,059
Gross customer loans	197,055	52,544	23,229	13,283	16,831	302,942

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 Standards (International).

Singapore

Compared to a year ago, net profit increased 10% to $938 million. Total income was 11% higher at $2.08 billion. Net interest income rose 15% from higher net interest margin and loan volumes. Non-interest income rose 6%, led by growth in wealth management, card and cash management fees. Expenses increased 16% to $849 million partly due to the consolidation of ANZ. Total allowances were 11% lower as allowances for impaired assets declined.

Compared to the previous quarter, net profit was little changed. Total income increased 5%. Net interest income was stable at $1.36 billion. Non-interest income rose 18% led by a broad-based increase in fees and stronger trading income. Expenses rose 6%. Total allowances of $125 million were higher than the previous quarter due to an increase in allowances for impaired assets.

Hong Kong

The first-quarter results incorporated a 3% depreciation of the Hong Kong dollar against the Singapore dollar compared to the previous quarter, and a 7% depreciation compared to a year ago.

Compared to a year ago, net profit rose 91% to $436 million. Total income was 38% higher at $721 million. Net interest income grew 15% to $402 million from higher loan volumes and net interest margin. Non-interest income rose 84% to $319 million from growth in wealth management and cash management fees, higher treasury sales and trading income, as well as a property disposal gain. Expenses were stable at $232 million. There was a net allowance write-back of $18 million for the quarter compared to a $20 million charge a year ago.

Compared to the previous quarter, net profit rose 77%. Total income was 20% higher. Net interest income increased 3% as loan volumes and net interest margin were higher. Non-interest income rose 53% due to higher fee income and the property disposal gain. Expenses were 9% lower.

Rest of Greater China

Net profit doubled to $74 million from a year ago. Total income grew 34% to $278 million. Net interest income increased 48% to $176 million from higher loan volumes and an improved net interest margin. Non-interest income increased 15% to $102 million from higher fee income and trading income. Expenses rose 18% to $172 million due partly to the consolidation of ANZ. Total allowances were $6 million lower at $11 million from lower allowances for impaired exposures.

Compared to the previous quarter, net profit rose to $74 million from a net loss of $6 million. Total income was 23% higher. Net interest income rose 11% from higher loan volumes and net interest margin. Non-interest income were 50% higher from an increase in wealth management fees, treasury customer sales and trading income. Expenses increased 6%, while total allowances declined $54 million as allowances for impaired exposures fell.

South and Southeast Asia

Net profit of $22 million was 50% lower than a year ago. Total income declined marginally to $191 million. Net interest income increased 7% to $126 million due to the consolidation of ANZ. Non-interest income was 16% lower at $65 million from lower loan fees. Expenses rose 6% to $119 million. Total allowances increased $26 million to $51 million from higher allowances for impaired exposures.

Compared to the previous quarter, net profit rose from a net loss of $4 million to a profit of $22 million. Total income was 16% higher. Net interest income increased 11% from higher loan volumes. Non-interest income rose 27% from higher fee income. Expenses were 3% higher. Total allowances fell $15 million to $51 million from lower allowances for impaired exposures.

Rest of the World

Net profit was stable at $51 million compared to a year ago. Total income fell 3% to $86 million. Net interest income increased 8% to $64 million from higher loan volumes. This was more than offset by a 27% decline in non-interest income to $22 million from lower trading income. Expenses were unchanged at $26 million. There was higher allowance write-back compared to a year ago.

Compared to the previous quarter, net profit was $19 million higher. Total income were little changed at $86 million as a decline in net interest income was more than offset by higher non-interest income. Expenses rose 13% from higher headcount. Total allowances were $16 million lower from decline in non-impaired allowances.

CUSTOMER LOANS

($m)	31 Mar 2018	31 Dec 2017	31 Mar 2017
Gross	**332,868**	327,769	302,942
Less:			
Allowances for impaired exposures[1]	**2,370**	2,276	1,272
Allowances for non-impaired exposures[1]	**2,280**	2,394	3,230
Net total	**328,218**	323,099	298,440
By business unit			
Consumer Banking/ Wealth Management	**109,890**	108,847	94,810
Institutional Banking	**220,308**	216,317	204,773
Others	**2,670**	2,605	3,359
Total (Gross)	**332,868**	327,769	302,942
By geography[2]			
Singapore	**156,627**	155,299	145,816
Hong Kong	**51,586**	51,017	49,087
Rest of Greater China	**54,508**	53,020	42,650
South and Southeast Asia	**26,061**	24,474	25,732
Rest of the World	**44,086**	43,959	39,657
Total (Gross)	**332,868**	327,769	302,942
By industry			
Manufacturing	**33,449**	32,636	30,690
Building and construction	**66,447**	64,520	57,565
Housing loans	**73,500**	73,293	64,629
General commerce	**51,947**	51,119	46,796
Transportation, storage & communications	**29,374**	30,480	31,218
Financial institutions, investment & holding companies	**19,937**	17,221	16,594
Professionals & private individuals (excluding housing loans)	**30,180**	29,393	24,692
Others	**28,034**	29,107	30,758
Total (Gross)	**332,868**	327,769	302,942
By currency			
Singapore dollar	**137,370**	134,558	124,096
US dollar	**104,038**	103,943	100,487
Hong Kong dollar	**38,541**	38,891	33,502
Chinese yuan	**11,865**	11,055	10,912
Others	**41,054**	39,322	33,945
Total (Gross)	**332,868**	327,769	302,942

Notes:
1 2017 balances refer to allowances for impaired and non-impaired exposures as prescribed by MAS Notice 612, which has modified the requirements of FRS 39. 2018 balances refer to expected credit losses following the transition to SFRS(I) 9.
2 Loans by geography are classified according to the location where the borrower, or the issuing bank in the case of bank backed export financing is incorporated.

Gross customer loans rose 2% in constant-currency terms from the previous quarter to $333 billion. The growth was led by corporate loans. Consumer and trade loans were also higher.

Compared to a year ago, loans were 13% higher in constant-currency terms from broad-based growth. ANZ accounted for $9 billion or three percentage points of the growth.

NON-PERFORMING ASSETS AND LOSS ALLOWANCE COVERAGE

	31 Mar 2018			31 Dec 2017			31 Mar 2017		
	NPA ($m)	NPL (% of loans)	SP[3] ($m)	NPA ($m)	NPL (% of loans)	SP[3] ($m)	NPA ($m)	NPL (% of loans)	SP[3] ($m)
By business unit									
Consumer Banking/ Wealth Management	**709**	**0.6**	**146**	676	0.6	130	444	0.5	78
Institutional Banking and Others	**4,682**	**2.1**	**2,224**	4,841	2.2	2,146	3,920	1.9	1,194
Total non-performing loans (NPL)	**5,391**	**1.6**	**2,370**	5,517	1.7	2,276	4,364	1.4	1,272
Debt securities, contingent liabilities & others	**426**	**-**	**146**	553	-	243	469	-	220
Total non-performing assets (NPA)	**5,817**	**-**	**2,516**	6,070	-	2,519	4,833	-	1,492
By geography[1]									
Singapore	**3,273**	**2.1**	**1,429**	3,191	2.1	1,322	2,015	1.4	513
Hong Kong	**557**	**1.1**	**258**	625	1.2	279	619	1.3	175
Rest of Greater China	**452**	**0.8**	**127**	436	0.8	131	422	1.0	131
South and Southeast Asia	**993**	**3.8**	**517**	1,078	4.4	489	937	3.6	311
Rest of the World	**116**	**0.3**	**39**	187	0.4	55	371	0.9	142
Total non-performing loans (NPL)	**5,391**	**1.6**	**2,370**	5,517	1.7	2,276	4,364	1.4	1,272
Debt securities, contingent liabilities & others	**426**	**-**	**146**	553	-	243	469	-	220
Total non-performing Assets (NPA)	**5,817**	**-**	**2,516**	6,070	-	2,519	4,833	-	1,492
Loss Allowance Coverage									
Allowances for impaired exposures			**2,516**			2,519			1,492
Allowances for non-impaired exposures			**2,572**			2,620			3,494
Total allowances			**5,088**			5,139			4,986
Total allowances/ NPA[2]			**90%**			85%			103%
Total allowances/ unsecured NPA[2]			**177%**			173%			217%

Notes:
1 NPLs by geography are determined according to the location where the borrower is incorporated.
2 Computation for 31 March 18 includes regulatory loss allowance reserves of $150 million as part of total allowances.
3 SP refers to allowances for impaired exposures.

($m)	31 Mar 2018		31 Dec 2017		31 Mar 2017	
	NPA	SP[1]	NPA	SP[1]	NPA	SP[1]
By industry						
Manufacturing	**780**	**353**	817	358	788	257
Building and construction	**210**	**97**	229	96	283	94
Housing loans	**183**	**7**	167	7	145	7
General commerce	**576**	**226**	623	231	831	257
Transportation, storage & communications	**2,803**	**1,438**	2,824	1,350	1,702	450
Financial institutions, investment & holding companies	**51**	**17**	66	22	71	11
Professionals & private individuals (excluding housing loans)	**523**	**136**	491	121	279	72
Others	**265**	**96**	300	91	265	124
Total non-performing loans	**5,391**	**2,370**	5,517	2,276	4,364	1,272
Debt securities, contingent liabilities & others	**426**	**146**	553	243	469	220
Total non-performing assets	**5,817**	**2,516**	6,070	2,519	4,833	1,492

($m)	31 Mar 2018		31 Dec 2017		31 Mar 2017	
	NPA	SP[1]	NPA	SP[1]	NPA	SP[1]
By loan grading						
Non-performing assets						
Substandard	**3,351**	**415**	3,561	397	3,412	287
Doubtful	**1,139**	**774**	1,216	829	675	459
Loss	**1,327**	**1,327**	1,293	1,293	746	746
Total	**5,817**	**2,516**	6,070	2,519	4,833	1,492
Of which: restructured assets						
Substandard	**578**	**78**	545	76	495	86
Doubtful	**377**	**255**	256	182	141	91
Loss	**49**	**49**	47	47	3	3
Total	**1,004**	**382**	848	305	639	180

($m)	31 Mar 2018	31 Dec 2017	31 Mar 2017
	NPA	NPA	NPA
By collateral type			
Unsecured non-performing assets	**2,953**	2,978	2,296
Secured non-performing assets by collateral type			
Properties	**891**	959	916
Shares and debentures	**233**	224	242
Fixed deposits	**32**	33	5
Others	**1,708**	1,876	1,374
Total	**5,817**	6,070	4,833

Note:
1 SP refers to allowances for impaired exposures.

($m)	31 Mar 2018 NPA	31 Dec 2017 NPA	31 Mar 2017 NPA
By period overdue			
Not overdue	**1,368**	1,448	591
Within 90 days	**260**	865	970
Over 90 to 180 days	**821**	1,097	301
Over 180 days	**3,368**	2,660	2,971
Total	**5,817**	6,070	4,833

Non-performing assets declined 4% from the previous quarter to $5.82 billion. New NPA formation fell to the lowest in four years and was more than offset by recoveries and write-offs. Allowance coverage rose from 85% in the previous quarter to 90%, and from 173% to 177% when collateral was considered.

CUSTOMER DEPOSITS

($m)	31 Mar 2018	31 Dec 2017	31 Mar 2017
By currency and product			
Singapore dollar	**160,140**	156,893	153,844
Fixed deposits	**13,368**	15,153	14,680
Savings accounts	**117,922**	114,865	111,882
Current accounts	**28,720**	26,710	27,194
Others	**130**	165	88
US dollar	**126,360**	128,586	109,125
Fixed deposits	**73,065**	72,327	62,584
Savings accounts	**21,176**	20,671	16,996
Current accounts	**30,634**	34,072	27,575
Others	**1,485**	1,516	1,970
Hong Kong dollar	**33,689**	35,208	33,134
Fixed deposits	**13,757**	14,870	15,200
Savings accounts	**9,041**	9,505	8,844
Current accounts	**10,646**	10,272	8,466
Others	**245**	561	624
Chinese yuan	**11,637**	11,402	9,852
Fixed deposits	**7,717**	7,029	6,851
Savings accounts	**1,006**	1,056	925
Current accounts	**2,087**	2,699	1,716
Others	**827**	618	360
Others	**44,000**	41,545	36,497
Fixed deposits	**30,013**	28,317	25,962
Savings accounts	**7,066**	6,640	4,688
Current accounts	**6,701**	6,390	5,744
Others	**220**	198	103
Total	**375,826**	373,634	342,452
Fixed deposits	**137,920**	137,696	125,277
Savings accounts	**156,211**	152,737	143,335
Current accounts	**78,788**	80,143	70,695
Others	**2,907**	3,058	3,145

Customer deposits rose 2% from the previous quarter and 13% from a year ago in constant-currency terms to $376 billion. The increase, which was in line with loan growth, was led by savings and current deposits. ANZ accounted for $12 billion or three percentage points of the growth from a year ago.

DEBTS ISSUED

($m)	31 Mar 2018	31 Dec 2017	31 Mar 2017
Subordinated term debts[1]	**1,379**	1,138	2,201
Senior medium term notes[1]	**10,555**	8,197	4,924
Commercial papers[1]	**17,523**	17,696	15,225
Negotiable certificates of deposit[1]	**3,645**	3,793	2,362
Other debt securities[1]	**6,487**	6,002	5,854
Covered bonds[2]	**4,959**	5,028	3,303
Total	**44,548**	41,854	33,869
Due within 1 year	**29,718**	27,851	19,969
Due after 1 year	**14,830**	14,003	13,900
Total	**44,548**	41,854	33,869

Notes:
1 Unsecured
2 Secured

TRADING INCOME AND RISK

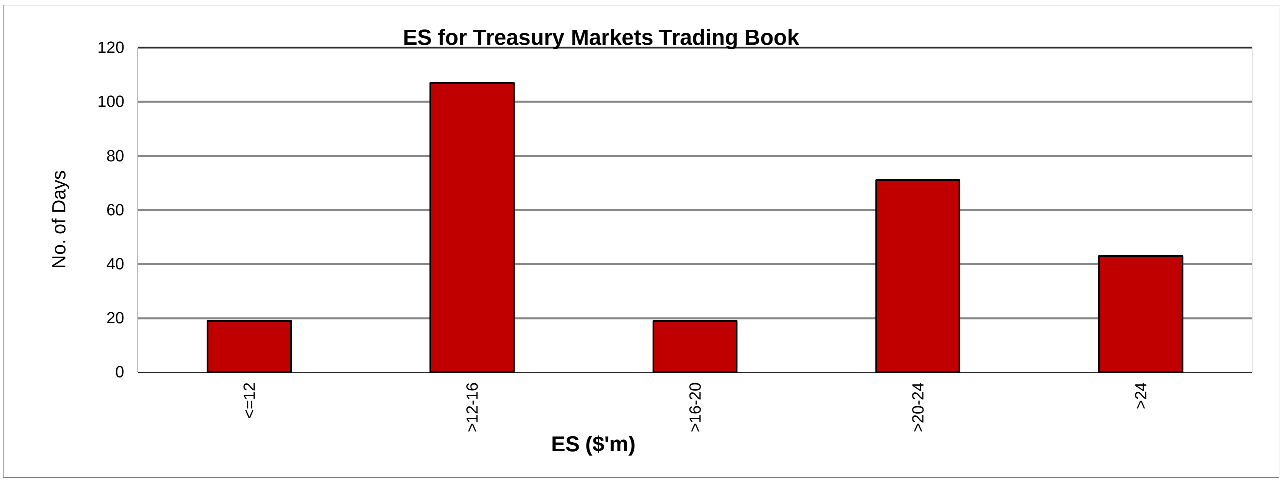
The Group's market risk appetite framework leverages on the Expected Shortfall (ES) metric to monitor and limit market risk exposures. ES is calculated using the historical simulation value-at-risk (VaR) approach and averaging the losses beyond the 97.5% confidence interval over a one-day holding period.

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

		1 Apr 2017 to 31 Mar 2018		
($m)	**As at 31 Mar 2018**	**Average**	**High**	**Low**
Total	12	18	26	10

Treasury Markets' trading portfolio experienced five back-testing exceptions from 1 April 2017 to 31 March 2018. The exceptions occurred in April, August, February and March.

The chart below provides the histogram of ES for the Group's trading book for the period from 1 April 2017 to 31 March 2018.



The chart below shows the frequency distribution of daily trading income of Treasury Markets' trading portfolio for the period from 1 April 2017 to 31 March 2018.

CAPITAL ADEQUACY

($m)	31 Mar 2018	31 Dec 2017	31 Mar 2017
Share capital	**11,205**	11,205	10,898
Disclosed reserves and others	**35,545**	34,455	33,289
Total regulatory adjustments to Common Equity Tier 1 capital	**(5,596)**	(4,490)	(4,488)
Common Equity Tier 1 capital	**41,154**	41,170	39,699
Additional Tier 1 capital instruments[1]	**2,981**	3,375	3,356
Total regulatory adjustments to Additional Tier 1 capital	**-**	(1,120)	(1,121)
Tier 1 capital	**44,135**	43,425	41,934
Allowances eligible as Tier 2 capital	**1,060**	961	1,390
Tier 2 capital instruments[1]	**1,505**	1,212	2,012
Total capital	**46,700**	45,598	45,336
Risk-Weighted Assets ("RWA")			
Credit RWA	**237,175**	229,238	218,378
Market RWA	**37,486**	38,670	35,302
Operational RWA	**20,011**	19,681	18,755
Total RWA	**294,672**	287,589	272,435
Capital Adequacy Ratio ("CAR") (%)			
Basel III fully phased-in Common Equity Tier 1[2]	**14.0**	13.9	14.2
Common Equity Tier 1	**14.0**	14.3	14.6
Tier 1	**15.0**	15.1	15.4
Total	**15.8**	15.9	16.6
Minimum CAR including Buffer Requirements (%)[3]			
Common Equity Tier 1	**8.7**	8.0	8.0
Effective Tier 1	**10.2**	9.5	9.5
Effective Total	**12.2**	11.5	11.5
Of which: Buffer Requirements (%)			
Capital Conservation Buffer	**1.875**	1.25	1.25
Countercyclical Buffer	**0.3**	0.2	0.2

Notes:
1 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.
2 Calculated by dividing Common Equity Tier 1 capital after all regulatory adjustments (e.g., for goodwill) applicable from 1 January 2018 by RWA as at each reporting date.The transition period for regulatory adjustments ended on 1 January 2018, which means the disclosed CET1 ratio will henceforth be the same as the fully phased-in ratios.
3 Includes minimum Common Equity Tier 1, Tier 1 and Total CAR of 6.5%, 8.0% and 10.0% respectively.

As of 1 January 2018, all Basel III deductions from Common Equity Tier 1 have been fully phased in. The Group's fully phased-in Common Equity Tier 1 ratio was stable from the previous quarter as profit accretion was offset by lower other reserves and higher risk-weighted assets arising from asset growth. Tier 1 and Total capital adequacy ratios were also stable. The Group's leverage ratio stood at 7.6%, well above the 3% minimum ratio set by the Monetary Authority of Singapore, effective 1 January 2018.

PILLAR 3 AND LIQUIDITY COVERAGE RATIO DISCLOSURES

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

UNREALISED PROPERTY VALUATION SURPLUS

The unrealised property valuation surplus as at 31 March 2018 was approximately $1,456 million.

UNAUDITED CONSOLIDATED INCOME STATEMENT

In $ millions	1st Qtr 2018	1st Qtr 2017	+/(-) %	4th Qtr 2017	+/(-) %
Income					
Interest income	**3,070**	2,509	22	2,942	4
Interest expense	**942**	678	39	845	11
Net interest income	**2,128**	1,831	16	2,097	1
Net fee and commission income	**744**	665	12	636	17
Net trading income	**368**	270	36	228	61
Net income from investment securities	**22**	102	(78)	107	(79)
Other income	**98**	368	(73)	(13)	NM
Non-interest income	**1,232**	1,405	(12)	958	29
Total income	**3,360**	3,236	4	3,055	10
Employee benefits	**786**	718	9	694	13
Other expenses	**624**	540	16	693	(10)
Total expenses	**1,410**	1,258	12	1,387	2
Profit before allowances	**1,950**	1,978	(1)	1,668	17
Allowances for credit and other losses	**164**	550	(70)	225	(27)
Profit before tax	**1,786**	1,428	25	1,443	24
Income tax expense	**245**	150	63	218	12
Net profit	**1,541**	1,278	21	1,225	26
Attributable to:					
Shareholders	**1,511**	1,245	21	1,194	27
Non-controlling interests	**30**	33	(9)	31	(3)
	1,541	1,278	21	1,225	26

Note:
NM Not Meaningful

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In $ millions	1st Qtr 2018	1st Qtr 2017	+/(-) %	4th Qtr 2017	+/(-) %
Net profit	**1,541**	1,278	21	1,225	26
Other comprehensive income					
Items that may be reclassified subsequently to income statement:					
Translation differences for foreign operations	**(119)**	(62)	(92)	19	NM
Other comprehensive income of associates	**1**	(6)	NM	1	-
Available-for-sale financial assets and others/ Gains (losses) on debt instruments classified at fair value through other comprehensive income[1] and others					
Net valuation taken to equity	**(194)**	314	NM	(48)	(>100)
Transferred to income statement	**(17)**	(86)	80	(109)	84
Taxation relating to components of other comprehensive income	**15**	(13)	NM	13	15
Item that will not be reclassified to income statement:					
Gains (losses) on equity instruments classified at fair value through other comprehensive income (net of tax)[1]	**13**	-	NM	-	NM
Fair value change from own credit risk on financial liabilities designated at fair value (net of tax)	**20**	(30)	NM	(7)	NM
Other comprehensive income, net of tax	**(281)**	117	NM	(131)	(>100)
Total comprehensive income	**1,260**	1,395	(10)	1,094	15
Attributable to:					
Shareholders	**1,230**	1,363	(10)	1,065	15
Non-controlling interests	**30**	32	(6)	29	3
	1,260	1,395	(10)	1,094	15

Notes:
1 Arising from the adoption of SFRS(I) 9 on 1 Jan 2018, realised gains or losses on equity instruments classified as "Fair Value through Other Comprehensive Income" is not reclassified to the income statement. Previously, FRS 39 required realised gains or losses on available-for-sale equity instruments to be reclassified to the income statement.
NM Not Meaningful

UNAUDITED BALANCE SHEETS[1]

In $ millions	The Group 31 Mar 2018	The Group 31 Dec 2017[2]	The Group 31 Mar 2017	The Company 31 Mar 2018	The Company 31 Dec 2017[2]	The Company 31 Mar 2017
Assets						
Cash and balances with central banks	**23,064**	26,463	30,943			
Government securities and treasury bills	**45,870**	39,753	39,583			
Due from banks	**37,525**	35,975	27,378	**20**	13	17
Derivatives	**18,252**	17,585	19,037	**16**	36	28
Bank and corporate securities	**54,738**	55,589	47,052			
Loans and advances to customers	**328,218**	323,099	298,440			
Other assets	**14,977**	12,066	10,749	**2**	2	
Associates	**842**	783	878			
Subsidiaries	**-**	-	-	**25,045**	24,357	22,409
Properties and other fixed assets	**1,249**	1,233	1,181			
Goodwill and intangibles	**5,174**	5,165	5,115			
Total assets	**529,909**	517,711	480,356	**25,083**	24,408	22,454
Liabilities						
Due to banks	**19,518**	17,803	19,028			
Deposits and balances from customers	**375,826**	373,634	342,452			
Derivatives	**19,185**	18,003	18,101	**27**	28	28
Other liabilities	**19,751**	16,615	18,534	**61**	66	46
Other debt securities	**43,169**	40,716	31,668	**3,992**	4,078	2,502
Subordinated term debts	**1,379**	1,138	2,201	**1,379**	630	646
Total liabilities	**478,828**	467,909	431,984	**5,459**	4,802	3,222
Net assets	**51,081**	49,802	48,372	**19,624**	19,606	19,232
Equity						
Share capital	**11,200**	11,082	10,775	**11,203**	11,092	10,786
Other equity instruments	**1,812**	1,812	1,812	**1,812**	1,812	1,812
Other reserves	**3,752**	4,256	4,469	**81**	170	88
Revenue reserves	**31,943**	30,308	28,923	**6,528**	6,532	6,546
Shareholders' funds	**48,707**	47,458	45,979	**19,624**	19,606	19,232
Non-controlling interests	**2,374**	2,344	2,393			
Total equity	**51,081**	49,802	48,372	**19,624**	19,606	19,232
Other Information						
Net book value per share ($)						
(i) Basic and diluted	**18.29**	17.85	17.37	**6.95**	6.96	6.85

Note:
1 The Group's and the Company's SFRS(I) opening balance sheets on 1 January 2018 are not presented above as there were no material changes from the transition of FRS to SFRS(I).
2 Audited

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2018

The Group	Attributable to shareholders of the Company						
In $ millions	Share Capital	Other equity instruments	Other reserves	Revenue reserves	Total Shareholders' funds	Non-controlling interests	Total equity
Balance at 1 January 2018	**11,082**	**1,812**	**4,256**	**30,308**	**47,458**	**2,344**	**49,802**
Impact of adopting SFRS(I) 9 on 1 January 2018			**(86)**	**95**	**9**		**9**
Balance at 1 January 2018 after adoption of SFRS(I) 9	**11,082**	**1,812**	**4,170**	**30,403**	**47,467**	**2,344**	**49,811**
Draw-down of reserves upon vesting of performance shares	**118**		**(118)**		**-**		**-**
Cost of share-based payments			**28**		**28**		**28**
Dividends paid to shareholders[1]				**(18)**	**(18)**		**(18)**
Total comprehensive income			**(328)**	**1,558**	**1,230**	**30**	**1,260**
Balance at 31 March 2018	**11,200**	**1,812**	**3,752**	**31,943**	**48,707**	**2,374**	**51,081**
Balance at 1 January 2017	10,670	1,812	4,322	27,805	44,609	2,361	46,970
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[1]				(19)	(19)		(19)
Total comprehensive income			148	1,215	1,363	32	1,395
Balance at 31 March 2017	10,775	1,812	4,469	28,923	45,979	2,393	48,372

Note:
1 Distributions paid on capital securities classified as equity

UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2018

The Company

In $ millions	Share capital	Other equity instruments	Other reserves	Revenue reserves	Total equity
Balance at 1 January 2018	**11,092**	**1,812**	**170**	**6,532**	**19,606**
Transfer of treasury shares	**111**				**111**
Draw-down of reserves upon vesting of performance shares			**(118)**		**(118)**
Cost of share-based payments			**28**		**28**
Dividends paid to shareholders[1]				**(18)**	**(18)**
Total comprehensive income			**1**	**14**	**15**
Balance at 31 March 2018	**11,203**	**1,812**	**81**	**6,528**	**19,624**
Balance at 1 January 2017	10,690	1,812	168	6,545	19,215
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[1]				(19)	(19)
Total comprehensive income			(1)	20	19
Balance at 31 March 2017	10,786	1,812	88	6,546	19,232

Note:
1 Distributions paid on capital securities classified as equity

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

In $ millions	1st Qtr 2018	1st Qtr 2017
Cash flows from operating activities		
Profit before tax	**1,786**	1,428
Adjustments for non-cash and other items:		
Allowances for credit and other losses	**164**	550
Depreciation of properties and other fixed assets	**77**	71
Share of profits or losses of associates	**(5)**	(7)
Net gain on disposal (net of write-off) of properties and other fixed assets	**(85)**	(1)
Net gain on divestment of subsidiary	**-**	(350)
Net income from investment securities	**(22)**	(102)
Cost of share-based payments	**28**	26
Interest expense on subordinated term debts	**7**	21
Profit before changes in operating assets & liabilities	**1,950**	1,636
Increase/(Decrease) in:		
Due to banks	**1,742**	3,108
Deposits and balances from customers	**2,387**	(2,928)
Other liabilities	**4,786**	(2,895)
Other debt securities and borrowings	**2,631**	3,969
(Increase)/Decrease in:		
Restricted balances with central banks	**(272)**	(356)
Government securities and treasury bills	**(6,517)**	(6,102)
Due from banks	**(1,593)**	2,578
Bank and corporate securities	**576**	(1,661)
Loans and advances to customers	**(5,825)**	658
Other assets	**(3,875)**	5,595
Tax paid	**(146)**	(152)
Net cash (used in)/ generated from operating activities (1)	**(4,156)**	3,450
Cash flows from investing activities		
Dividends from associates	**10**	11
Proceeds from disposal of interest in associate	**-**	1
Increase in investment in associate	**(69)**	-
Proceeds from disposal of properties and other fixed assets	**99**	1
Purchase of properties and other fixed assets	**(80)**	(74)
Proceeds from divestment of subsidiary	**-**	735
Proceeds from acquisition of business	**262**	-
Net cash generated from investing activities (2)	**222**	674
Cash flows from financing activities		
Issue of subordinated term debts	**757**	-
Interest paid on subordinated term debts	**(14)**	(38)
Redemption/ purchase of subordinated term debts	**(508)**	(866)
Dividends paid to shareholders of the Company[1]	**(18)**	(19)
Net cash generated from/ (used in) financing activities (3)	**217**	(923)
Exchange translation adjustments (4)	**44**	9
Net change in cash and cash equivalents[2] (1)+(2)+(3)+(4)	**(3,673)**	3,210
Cash and cash equivalents at beginning of period	**18,693**	20,132
Impact of adopting SFRS(I) 9 at beginning of period	**(3)**	-
Cash and cash equivalents at end of period	**15,017**	23,342

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. Off-balance Sheet Items

In $ millions	31 Mar 2018	31 Dec 2017	31 Mar 2017
Contingent liabilities	**22,650**	20,819	20,944
Commitments[1]	**246,826**	245,264	230,245
Financial Derivatives	**2,042,115**	1,975,967	2,049,940

Note:
1 Includes commitments that are unconditionally cancellable at any time of $204,893 million (Dec'17:$204,338 million, Mar'17:$189,061 million).

ADDITIONAL INFORMATION

SHARE CAPITAL

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

Number of Shares	1st Qtr 2018	1st Qtr 2017
Issued Ordinary shares		
Balance at beginning and end of period	**2,563,936,434**	2,548,962,085
Treasury shares		
Balance at beginning of period	**(6,303,700)**	(11,727,700)
Shares transferred to trust holding shares pursuant to DBSH Share Plan / DBSH Employee Share Plan	**6,238,000**	5,424,000
Balance at end of period	**(65,700)**	(6,303,700)
Issued Ordinary shares net of Treasury shares	**2,563,870,734**	2,542,658,385

(b) The weighted average number of Issued Ordinary shares net of Treasury shares (both basic and fully diluted) for the first quarter of 2018 is 2,561,652,778.

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 Heat 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 2018 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 Heat Chairman	Piyush Gupta Chief Executive Officer

27 April 2018
Singapore

Appendix to Performance Summary

Report on Transition to SFRS(I)
1 January 2018

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

Contents **Page**

This Appendix describes the transitional impact of adopting SFRS(I), SFRS(I) 9 and SFRS(I) 15 on 1 January 2018 and the associated changes from the accounting policies in the Group's 2017 Annual Report.

1. Transition to SFRS(I)

Other than SFRS(I) 9, the transition to SFRS(I) had no impact to the Group's opening balance sheet on 1 January 2018. Refer to Section 2 for information on impact from SFRS(I) 9.

The Group has elected the exemption that allows companies not to retrospectively apply SFRS(I) 1 for business combinations. Consequently, the Group's accounting treatment for business combinations remains unchanged from the Group's 2017 Annual Report.

2. Transition Disclosures for SFRS(I) 9

2.1 Introduction

This section supplements information provided in the Group's 2017 Annual Report and provides initial disclosures to assist the reader in understanding the changes and impact arising from the implementation of SFRS(I) 9 Financial Instruments.

SFRS(I) 9, which replaces the existing guidance in FRS 39, includes revised guidance on the classification and measurement of financial instruments; more timely recognition of expected credit losses (ECL) of financial assets; and introduces revised requirements for general hedge accounting. Except for the provisions relating to the presentation of gains and losses on financial liabilities designated at fair value, which were earlier adopted by the Group from 1 January 2017, the requirements of SFRS(I) 9 were adopted from 1 January 2018.

Singapore banks are required to maintain the Minimum Regulatory Loss Allowances (MRLA) of at least 1% of the gross carrying amount of selected credit exposures net of collaterals per MAS Notice 612. For periods when Stage 1 and 2 ECL fall below 1%, the shortfall is appropriated from retained earnings in the shareholders' funds into a non-distributable Regulatory Loss Allowance Reserves (RLAR) account.

The Group is continuously calibrating the new accounting processes, internal controls and governance framework necessitated by the adoption of SFRS(I) 9. Before the finalisation of the financial statements for the year ended 31 December 2018, the new accounting policies, assumptions, judgements and estimation techniques employed, as well as the estimation of ECL and related impacts, remain subject to change.

2.2 Changes in accounting policy

The full description of accounting policies is set out in the Group's 2017 Annual Report. The material changes to the accounting policies from the implementation of SFRS(I) 9 are:

2.2.1 Financial assets

Classification and subsequent measurement of financial assets
SFRS(I) 9 replaces the classification and measurement model in FRS 39 with a model that categorises debt-like financial assets based on the business model within which the assets are managed, and whether the assets constitute a "basic lending arrangement" where their contractual cash flows represent solely payments of principal and interest (SPPI).

- *Debt instruments* are measured at **amortised cost** when they are in a "hold to collect" (HTC) business model and have contractual cash flows that are SPPI in nature. The objective of a HTC business model is to collect contractual principal and interest cash flows. Sales are incidental to the objective and expected to be either insignificant or infrequent. These assets consist primarily of loans in the "Consumer Banking/Wealth Management" and "Institutional Banking" segments as well as debt securities from the "Others" segment.

- *Debt instruments* are measured at **fair value through other comprehensive income** (FVOCI) when they are in a "hold to collect & sell" (HTC & S) business model and have cash flows that are SPPI in nature. Both the collection of contractual cash flows and sales are integral to achieving the objective of the HTC & S business model. Assets measured at FVOCI comprise mainly of debt securities from “Treasury Markets” and the “Others” segment.

Unrealised gains or losses on FVOCI debt instruments are recorded in other comprehensive income and accumulated in FVOCI reserves. When they are sold, the accumulated fair value adjustments in FVOCI are reclassified to the income statement as “Net income from investment securities”.

- *Debt instruments* are measured at **fair value through profit or loss** (FVPL) when:

  i) the assets are not SPPI in nature;
  ii) the assets are not part of a “HTC” or “HTC & S” business model; or
  iii) the assets are designated at FVPL so as to eliminate or significantly reduce the measurement or recognition inconsistencies that would otherwise arise from measuring assets or liabilities on different bases.

  Assets measured at FVPL are mainly recorded in the “Treasury Markets” segment. Realised and unrealised gains or losses on FVPL financial assets, except interest income, are taken to “Net trading income” in the income statement in the period they arise.

- Subsequent changes in fair value of *non-trading equity instruments* can be taken through profit or loss or other comprehensive income, as elected. The Group generally elects its non-trading equity instruments to be classified as FVOCI. Other than dividend income, gains and losses on FVOCI equity instruments are recorded in other comprehensive income and accumulated in FVOCI reserves, and are not reclassified to profit or loss upon derecognition.

- *Derivatives* (including derivatives embedded in financial liabilities but separated for accounting purposes) are also classified as held for trading unless they are designated as hedging instruments. Derivatives are classified as assets when the fair value is positive and as liabilities when the fair value is negative. Changes in the fair value of derivatives other than those designated as hedging instruments in cash flow or net investment hedges are included in “Net trading income”.

- Reclassification of financial assets are prohibited unless the Group changes its business model for managing financial assets. In practice, this is expected to be infrequent.

2.2.2 Expected Credit Loss (ECL)

SFRS(I) 9 introduces a new impairment model that requires the recognition of ECL for all financial assets, except for financial assets classified or designated as FVPL and equity securities, which are not subject to impairment assessment. Off-balance sheet items that are subject to ECL include financial guarantees and undrawn loan commitments.

Under SFRS(I) 9, ECL will be assessed using an approach which classifies financial assets into three stages, each of which is associated with an ECL requirement that is reflective of the assessed credit risk profile. A financial asset is classified under:

- Stage 1, if it was not credit-impaired upon origination, and there has not been a significant increase in its credit risk. The ECL of a Stage 1 financial asset will be the credit loss that is expected to result from a default occurring over the next 12 months;

- Stage 2, if it was not credit-impaired upon origination but has since experienced a significant increase in credit risk. The ECL of a Stage 2 financial asset will be the credit loss that is expected over the expected remaining life of the financial asset;

- Stage 3, if it has been credit-impaired with objective evidence of default. The assessed ECL for a Stage 3 financial asset is also the credit loss that is expected over the expected remaining life of the financial asset.

The impairment requirements of SFRS(I) 9 require management judgements, estimates and assumptions, particularly in the areas discussed below.

Measurement of ECLs
ECLs are unbiased probability-weighted estimates of credit losses determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessments of future economic conditions. The measurement of ECL is based primarily on the product of the instrument’s probability of default (PD), loss given default (LGD) and exposure at default (EAD) discounted using the Effective Interest Rate to the reporting date. The main difference between Stage 1 and Stage 2 ECL is the respective calculation horizon. Stage 1 estimates project PD, LGD and EAD over a maximum period of 12 months while Stage 2 estimates these parameters over the expected remaining life of the financial asset.

The Group leverages the models / parameters implemented under the Basel II Internal Ratings-Based (IRB) framework where feasible and available, with calibration to meet the SFRS(I) 9 requirements. For portfolio without Basel model / parameter, other relevant historical information, loss experience or proxies will be utilised if deemed feasible, with a view to maximise the use of available information that is reliable and supportable.

Expected Life
When measuring the ECL for Stage 2 assets, cashflows over the expected remaining life of the financial asset are considered. For most financial instruments, this is the same as the remaining contractual life which represents the maximum contractual period over which the Group is exposed to the credit risk of the customers.

However, for certain retail revolving products like credit cards, the expected remaining life may exceed the contractual remaining maturity. For such products, a behavioural expected remaining life is estimated using the Group's internal historical data based on the period over which the Group is exposed to the credit risk of such customers.

Assessment of significant increase in credit risk
The analysis underpinning the assessment of whether a financial asset has experienced a significant increase in credit risk since origination is multi-factor in nature, with a range of qualitative and quantitative parameters taken into consideration.

For wholesale exposures, financial assets are deemed to have experienced a significant increase in credit risk when: (1) observed changes in the probability of default, as measured in the downgrade in internal credit risk rating for each obligor between initial recognition and reporting date, are more than pre-specified thresholds; and (2) exposures are placed on certain categories of internal credit "watchlists" for closer scrutiny of developing credit issues. For retail exposures, days past due is the main driver, supplemented with a probability of default-based criterion.

In any event, all retail and wholesale exposures that are more than 30 days past due are considered to have demonstrated a significant increase in credit risk and are classified as Stage 2.

A Stage 2 exposure can migrate back to Stage 1 if it is assessed that there is assurance of a sustainable improvement in its credit profile.

Definition of default for credit-impaired financial assets
Exposures are classified as Stage 3 if deemed to be credit-impaired or have suffered objective evidence of default as at the reporting date. The definition of default that will be applied upon adoption of SFRS(I) 9 is consistent with that specified in the Basel regulatory capital rules.

The Group assesses whether there is evidence that a financial asset or a group of financial assets is impaired at each balance sheet date. The Group carries out regular and systematic reviews of all credit facilities extended to customers. The criteria that the Group uses to determine whether there is evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor, including breach of covenants and/ or financial conditions;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- Granting of a concession to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, that the Group would not otherwise consider;
- High probability of bankruptcy or other financial reorganisation of the borrower.

In any event, all retail and wholsesale exposures that are 90 days past due or more are classified under Stage 3.

A Stage 3 exposure can be upgraded to Stage 2 if there are reasonable grounds to conclude that the obligor is able to service future principal and interest payments on the credit facility in accordance with the restructured terms.

ECL Modelling – Point-in-Time and Forward-Looking Adjustments
Portfolio-specific adjustments are made to the Group's existing credit rating systems, models and processes to meet the requirements of SFRS(I) 9.

For the wholesale portfolios, credit risk cycle indices have been developed for significant industries and geographies. These are used as inputs to convert the through-the-cycle loss estimates from Basel models / parameters into the point-in-time equivalents and determine the forward-looking estimates. For retail portfolios, adjustments are made to Basel models / parameters to reflect the latest loss experience, as well as outputs from macroeconomic forecast models.

Management overlay and judgements
In determining the final ECL, management will evaluate a range of possible outcomes, taking into account past events, current conditions and the economic outlook. Additional considerations that are assessed to have been inadequately addressed in the ECL model estimates will be addressed through the application of a structured management overlay framework. This incorporates considerations such as: (1) potential loss assessments on watchlist cases, based on expert credit judgement; (2) observed model limitations; and (3) thematic events.

ECL adjustments arising from the exercise of the management overlay are subject to a robust review and governance process.

Experienced credit judgment is an integral part of ECL quantification in view of the close integration with the credit risk management process of the Group. This includes, for example, risk rating assignment, watchlist process, as well as input into the assessment of significant increase in credit risk, expected remaining life and macroeconomic forecast.

2.2.3 Hedge accounting

SFRS(I) 9 introduces a more principles-based approach to assess hedge effectiveness. The Group's existing hedges that are designated in effective hedging relationships as at 31 December 2017 continue to qualify for hedge accounting under SFRS(I) 9. The Group's policies for accounting for fair value, cash flow and net investment hedges are consistent with those applied for the financial year ended 31 December 2017.

The impact from hedge accounting is not material.

2.2.4 Transition

Comparative information in the prior financial periods is not restated as the Group adopted the optional exemption in SFRS(I) 1. Similarly, the Group's policies and disclosures for financial instruments up to 31 December 2017 remain unchanged from the Group's 2017 Annual Report.

Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised in retained earnings and reserves as at 1 January 2018.

2.3 Transition impact of adopting SFRS(I) 9 on 1 Jan 2018

The table below reflects the impact of adopting SFRS(I) 9 on the Group's opening balance sheet as at 1 January 2018.

In $ millions	31 Dec 2017 FRS 39	Transitional impact of classification and measurement	Transitional impact of ECL	1 Jan 2018 SFRS(I) 9
Assets				
Cash and balances with central banks	26,463	-	(3)	26,460
Government securities and treasury bills	39,753	(43)	(#)	39,710
Due from banks	35,975	-	(20)	35,955
Derivatives	17,585	-	-	17,585
Bank and corporate securities	55,589	(6)	31	55,614
Loans and advances to customers	323,099	-	163	323,262
Other assets	12,066	-	(113)[1]	11,953
Associates	783	-	(5)[2]	778
Properties and other fixed assets	1,233	-	-	1,233
Goodwill and intangibles	5,165	-	-	5,165
Total assets	517,711	(49)	53	517,715
Liabilities				
Due to banks	17,803	-	-	17,803
Deposits and balances from customers	373,634	-	-	373,634
Derivatives	18,003	-	-	18,003
Other liabilities	16,615	-	(5)[1]	16,610
Other debt securities	40,716	-	-	40,716
Subordinated term debts	1,138	-	-	1,138
Total liabilities	467,909	-	(5)	467,904
Total equity	49,802	(49)	58	49,811

Notes:
Amount under $500,000
1 Include current and deferred tax impact
2 Impact of adoption of SFRS(I) 9 by the Group's associates

2.4 Additional information on impact from classification and measurement

The table below does not reflect reclassifications when the measurement basis between FRS 39 and SFRS(I) 9 remains similar. This will include reclassifications from Available for Sale (AFS) to FVOCI as they are measured at fair value with changes in fair value being generally recorded in other comprehensive income.

In $ millions	Reclassification From FRS 39	Reclassification To SFRS(I) 9	31 Dec 2017	Remeasurement	1 Jan 2018
Government securities and treasury bills					
Debt instruments that are part of a hold to collect business model	AFS	Amortised Cost	**9,175**	**(43)**	**9,132**
Bank and corporate securities			**7,761**	**(6)**	**7,755**
Debt instruments that are part of a hold to collect business model	AFS	Amortised Cost	**7,333**	**(36)**	**7,297**
Unquoted equities previously measured at cost remeasured to fair value	AFS (Cost)	FVOCI	**178**	**30**	**208**
Debt instruments that are not SPPI in nature	AFS	FVPL	**163**	**-**	**163**
Non-trading equities which the Group has elected to adopt FVOCI measurement	FVPL	FVOCI	**87**	**-**	**87**

2.5 Additional information on impact of ECL

Prior to 2018, the Group complies with the provisions of MAS Notice 612 where banks maintain, in addition to specific allowances, a prudent level of general allowances of at least 1% of uncollateralised exposures. Under SFRS(I) 9, the MAS requires the Group to maintain a Minimum Regulatory Loss Allowance (MRLA) of 1% of the gross carrying amount of selected credit exposures net of collaterals. Where ECL falls below MRLA, additional loss allowance shall be maintained in a non-distributable Regulatory Loss Allowance Reserve (RLAR) through an appropriation of the Group's retained earnings.

The opening general allowance balance as at 1 January 2018 was $2,620 million, which is also the amount required under MAS' MRLA as defined in the previous paragraph. This exceeds the Group's estimated stage 1 and 2 ECL of approximately $2,525 million. Consequently, approximately $95 million will be transferred from the general allowance balance to RLAR as required by MAS Notice 612, thus increasing shareholders' funds. Taking into account the deferred tax impact and the share of impact for associates, the net increase in shareholders' funds was $58 million.

The following table is a comparison of impairment allowances determined in accordance with FRS 39, modified by requirements under MAS Notice 612, to the corresponding ECL allowances determined in accordance with SFRS(I) 9 as at 1 January 2018.

In $ millions	31 Dec 2017 FRS 39		1 Jan 2018 SFRS(I) 9			Impact of ECL
	GP	SP	Stage 1	Stage 2	Stage 3	
Assets						
Cash and balances with central banks	**-**	**-**	**3**	**-**	**-**	**(3)**
Government securities and treasury bills	**-**	**-**	**#**	**-**	**-**	**(#)**
Due from banks	**-**	**-**	**20**	**-**	**-**	**(20)**
Bank and corporate securities	**83**	**14**	**12**	**40**	**14**	**31**
Loans and advances to customers	**2,394**	**2,276**	**783**	**1,448**	**2,276**	**163**
Other assets	**1**	**90**	**14**	**-**	**90**	**(13)**
Liabilities						
Other liabilities [1]	**142**	**139**	**55**	**119**	**139**	**(32)**
Total [2]	**2,620**	**2,519**	**887**	**1,607**	**2,519**	**126**
Share of impact from associates						**(5)**
Tax impact						**(63)**
						58

Notes:
\# Amount under $500,000
1 The ECL on guarantees and other off balance sheet exposures are recorded in "Other liabilities"
2 ECL amounts for Stage 1 and 2 excludes ECL relating to debt securities at FVOCI, which are reflected under FVOCI reserves ($31 million)

3. Adoption of SFRS(I) 15 Revenue from Contracts with Customers

From 1 January 2018, SFRS(I) 15 replaced the existing revenue recognition guidance and established a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue is recognised when a performance obligation is satisfied, which could either be at a point in time or when the obligation is satisfied over time. SFRS(I) 15 applies mainly to “fee and commission income”.

The adoption of SFRS(I) 15 does not have a material impact on the Group’s consolidated financial statements.