IMPORTANT NOTICE

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NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF BONDS FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE BONDS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE BONDS MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT TO PERSONS IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.

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FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE BONDS DESCRIBED IN THE OFFERING CIRCULAR.

Confirmation of your Representation: In order to be eligible to view this Offering Circular or make an investment decision with respect to the Bonds, investors must not be U.S. persons (within the meaning of Regulation S under the Securities Act). This Offering Circular is being sent at your request and by accepting the e-mail and accessing this Offering Circular, you shall be deemed to have represented to us that (1) you are not a U.S. person nor are you acting on behalf of a U.S. person, the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States and, to the extent you purchase the Bonds described in the Offering Circular, you will be doing so pursuant to Regulation S under the Securities Act and (2) you consent to delivery of such Offering Circular and any amendments and supplements thereto by electronic transmission.

You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this Offering Circular to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Managers (as defined herein) or any affiliate of the Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Manager or such affiliate on behalf of DBS Bank Ltd. in such jurisdiction.

This Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of DBS Bank Ltd., in its capacity as Sole Lead Manager and Bookrunner, Agricultural Bank of China Limited Hong Kong Branch and Industrial and Commercial Bank of China Limited, Singapore Branch (together, the "**Managers**"), or any person who controls any of them or any director, officer, employee or agent of any of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Managers.

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Offering Circular dated 5 June 2013

DBS Bank Ltd.

(incorporated with limited liability under the laws of the Republic of Singapore)
(registered in Singapore under registration number 196800306E)

RMB500,000,000 2.50 PER CENT. BONDS DUE 2016

ISSUE PRICE 99.712 PER CENT.

The RMB500,000,000 2.50 per cent. Bonds due 2016 (the "**Bonds**") will be issued by DBS Bank Ltd. (the "**Issuer**" or "**DBS Bank**"). Interest on the Bonds is payable semi-annually in arrear on June 7 and December 7 in each year at a fixed rate of 2.50 per cent. per annum. Payments on the Bonds will be made without withholding or deduction for any taxes of Singapore to the extent described under "*Terms and Conditions of the Bonds – Taxation*".

The Bonds mature on June 7, 2016 (the "**Maturity Date**"). The Bonds are subject to redemption in whole, at their principal amount, together with accrued interest, at the option of the Issuer at any time in the event of certain changes affecting taxes of Singapore. See "*Terms and Conditions of the Bonds – Redemption and Purchase*").

The Bonds constitute unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this offering circular (the "**Offering Circular**"). Admission to the Official List of the SGX-ST and quotation of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Bonds, the Issuer, its subsidiaries and/or associated companies.

The Bonds are rated Aa1 by Moody's Investors Service, Inc ("**Moody's**"), AA- by Standard & Poor's Rating Services, a division of McGraw - Hill Companies ("**Standard & Poor's**") and AA- by Fitch Ratings Ltd ("**Fitch**"). A credit rating is not a recommendation to buy, sell or hold the Bonds and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

For a discussion of certain investment considerations relating to the Bonds, see "*Risk Factors*".

The Bonds will be issued in registered form in the denomination of RMB1,000,000 and integral multiples of RMB10,000 in excess thereof. The Bonds will be represented by a global certificate (the "**Global Certificate**") which will be registered in the name of The Central Depository (Pte) Limited ("**CDP**" or the "**Depository**") on or about the Issue Date (as defined herein). Individual certificates evidencing holdings of Bonds will be available only in certain limited circumstances described under "*Summary of Provisions Relating to the Bonds while in Global Form*".

All payments of principal and interest to holders of Bonds ("**Bondholders**") shall be made in Renminbi by transfer to a valid Renminbi account maintained by or on behalf of the Bondholder with a bank in Singapore. In the event that a Bondholder fails to maintain a valid Renminbi account with a bank in Singapore, and, accordingly, payments made in accordance with the Terms and Conditions are unsuccessful, (i) for so long as the Bonds are cleared through CDP and CDP so requires, the Issuer shall settle any such payment in Singapore dollars at the Singapore Dollar Equivalent of any such Renminbi denominated amount in accordance with the requirements of CDP; or (ii) otherwise, the Issuer may, at its sole discretion and at such time as it may determine, settle any such payment in Singapore dollars at the Singapore Dollar Equivalent of any such Renminbi denominated amount in accordance with the Terms and Conditions. The Bondholder shall not be entitled to any interest or other sum in respect of any such postponed payment. The Issuer cannot otherwise be required to make payment by any other means (including in any other currency or in bank notes, by check or draft or by transfer to a bank account in the PRC). See "*Terms and Conditions of the Bonds – Payments*".

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**"). The Bonds are being offered in offshore transactions outside the United States in reliance on Regulation S under the Securities Act ("**Regulation S**") and subject to certain exceptions, may not be offered or sold within the United States.

For a description of certain restrictions on offers and sales of the Bonds and on distribution of this Offering Circular, see "*Subscription and Sale*". This Offering Circular is an advertisement and is not a prospectus for the purposes of EU Directive 2003/71/EC.

Sole Lead Manager and Bookrunner

DBS Bank Ltd.

Co-Managers

Agricultural Bank of China Limited Hong Kong Branch

Industrial and Commercial Bank of China Limited, Singapore Branch

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IMPORTANT

If you are in any doubt about this Offering Circular, you should consult your broker, dealer, bank manager, solicitor, certified public accountant or other professional advisor.

This document is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference" below).

The Issuer accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of the Issuer, which has taken all reasonable care to ensure that such is the case, the information contained in this Offering Circular is in accordance with the facts as at the date of this Offering Circular and does not omit any material information likely to affect the import of such information.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Bonds outside the United States. DBS Bank Ltd. as Sole Lead Manager and Bookrunner, Agricultural Bank of China Limited Hong Kong Branch and Industrial and Commercial Bank of China Limited, Singapore Branch (together, the "**Managers**") and the Issuer reserve the right to reject any offer to purchase the Bonds, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United States. Distribution of this Offering Circular by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorized and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

No person has been authorized to give any information or to make any representation other than as contained in this Offering Circular in connection with the issue or sale of the Bonds and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer, the Managers, the Fiscal Agent, Principal Paying Agent, the Registrar, the Calculation Agent and the Transfer Agent (the "**Agents**"). Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, its subsidiaries and/or associated companies since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer, its subsidiaries and/or associated companies since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the offering of the Bonds is correct as of any time after the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offering or sale of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. The Bonds have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Subject to certain exceptions, the Bonds may not be offered or sold within the United States or to U.S. persons (as defined in Regulation S). For a description of certain restrictions on offers and sales of the Bonds and on distribution of this Offering Circular, see "*Subscription and Sale*".

Neither this Offering Circular nor any information supplied in connection with the Bonds constitutes an offer of, or an invitation by or on behalf of the Issuer or the Managers to subscribe for or purchase any Bonds.

To the fullest extent permitted by law, none of the Managers or any Agent accepts any responsibility for the contents of this Offering Circular or for any other statement, made or purported to be made by the Managers or any Agent or on its behalf in connection with the Issuer or the issue and offering of the Bonds. Each Manager and Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement. Neither this Offering Circular nor any other financial statements is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer or the Managers that any recipient of this Offering Circular or any other financial statements should purchase the Bonds. Each potential purchaser of the Bonds should determine for itself the relevance of the information contained in this Offering Circular and its purchase of the Bonds should be based upon such investigation as it deems necessary. None of the Managers or any Agent undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Bonds of any information coming to their attention.

By receiving this Offering Circular, investors acknowledge that (i) they have been afforded an opportunity to request and to review, and have received, all information that investors consider necessary to verify the accuracy of, or to supplement, the information contained in this Offering Circular, (ii) they have not relied on any Manager or Agent nor any person affiliated with any Manager or Agent in connection with their investigation of the accuracy of any information in this Offering Circular or their investment decision and (iii) no person has been authorized to give any information or to make any representation concerning the issue or sale of the Bonds or the Issuer other than as contained in this Offering Circular and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Issuer, the Managers or the Agents.

CERTAIN DEFINED TERMS AND CONDITIONS

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to "Singapore dollars" and "S$" are to the lawful currency of Singapore, all references to "U.S. dollars" and "U.S.$" are to the lawful currency of the United States, all references to "Hong Kong dollars" and "HK$" are to the lawful currency of Hong Kong and all references to "RMB" and "Renminbi" are to the lawful currency of China. References to "Greater China" are to the People's Republic of China, Taiwan and Hong Kong. References to "Rest of Greater China" are to the People's Republic of China, Macau and Taiwan. References to "China" are to the People's Republic of China. References to "Hong Kong" are to the Hong Kong Special Administrative Region. References to "Macau" are to the Macau Special Administrative Region. References to "Taiwan" are to Taiwan, Republic of China.

As used in this Offering Circular, "DBSHK" refers to DBS Bank (Hong Kong) Limited, "DBS Indonesia" refers to PT Bank DBS Indonesia, "DBSH" refers to DBS Group Holdings Ltd., "DBS Group" refers to DBSH and its consolidated subsidiaries, "DBS Bank" refers to DBS Bank Ltd., which is a wholly-owned subsidiary of DBSH and "DBS Bank Group" refers to DBS Bank and its consolidated subsidiaries. References in this Offering Circular to "2012", "2011" and "2010" refer to the DBS Bank Group's fiscal years ended December 31, 2012, 2011 and 2010, respectively. Unless specified otherwise or the context otherwise requires, all references to "loans" refer to loans net of cumulative allowances.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with (i) the audited consolidated financial statements of the DBS Bank Group as at and for the years ended December 31, 2012, 2011 and 2010, which have been previously published and filed with the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**"), and (ii) the DBS Group Performance Summary (Financial Results for the First Quarter ended March 31, 2013 (Unaudited) announced by DBS Group on May 2, 2013.

Copies of documents deemed to be incorporated by reference in this Offering Circular may be obtained without charge from the registered office or the website (www.dbs.com) of the Issuer. Save as stated above, the information on the Issuer's website or any website directly or indirectly linked to such websites is not incorporated by reference in this Offering Circular and should not be relied on in connection with an investment in the Bonds.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements. When used in this Offering Circular, the words "estimate", "project", "intend", "anticipate", "believe", "expect", "should" and similar expressions, as they relate to the Issuer, its subsidiaries and management, are intended to identify such forward-looking statements. These statements concern, or may affect, future matters. These may include the Issuer's and its subsidiaries' future strategies, business plans and results and are based on the current expectations of the directors of the Issuer. They are subject to a number of risks and uncertainties that might cause actual results and outcomes to differ materially from expectations outlined in these forward-looking statements. These risks and uncertainties include, but are not limited to:

- the actual growth in demand for banking and other financial products and services in the countries that the Issuer operates in or where a material number of its customers reside;
- the Issuer's ability to successfully implement its strategy;
- future levels of impaired assets;
- the Issuer's growth and expansion in domestic and overseas markets;
- the adequacy of the Issuer's allowance for credit and investment losses;
- technological changes;
- trading, investment and other non-interest income;
- the future impact of new accounting standards;
- the impact of changes in banking regulations and other regulatory changes in Singapore and other jurisdictions on the Issuer;
- the bond and loan market conditions and availability of liquidity amongst the investor community in these markets;
- the nature of credit spreads and interest spreads from time to time, including the possibility of increasing credit spreads or interest rates;
- the Issuer's ability to roll over its short-term funding sources and its exposure to credit; and
- market and liquidity risks.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Issuer does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

SUMMARY OF THE OFFERING

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Circular. Words and expressions defined in "Terms and Conditions of the Bonds" shall have the same meanings in this summary.

Issuer: DBS Bank Ltd.

Description: RMB500,000,000 2.50 per cent. Bonds due 2016

Issue Date: June 7, 2013

Status of the Bonds: The Bonds constitute unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Issue Price: 99.712 per cent. of the principal amount of the Bonds.

Form and Denomination: The Bonds will be issued in registered form in the denomination of RMB1,000,000 and integral multiples of RMB10,000 in excess thereof.

Interest: Interest on the Bonds is payable semi-annually in arrear on June 7 and December 7 in each year at a fixed rate of 2.50 per cent. per annum. Payments on the Bonds will be made without withholding or deduction for any taxes of Singapore to the extent described under "*Terms and Conditions of the Bonds – Taxation*".

Maturity Date: June 7, 2016

Redemption for Taxation Reasons: The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable), at their principal amount, (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in the terms and conditions of the Bonds (the "**Terms and Conditions**") as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after May 29, 2013 and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to the Terms and Conditions, the Issuer shall deliver to the Fiscal Agent a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisors of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Non-maintenance of valid Renminbi account in Singapore:	If the Bondholder fails to maintain a valid Renminbi account with a bank in Singapore and, accordingly, payments made in accordance with the Conditions are unsuccessful: (i) for so long as the Bonds are cleared through CDP and CDP so requires, the Issuer shall settle any such payment in Singapore dollars at the Singapore Dollar Equivalent of any such Renminbi denominated amount in accordance with the requirements of CDP; or (ii) otherwise, the Issuer may, at its sole discretion and at such time as it may determine, settle any such payment in Singapore dollars at the Singapore Dollar Equivalent of any such Renminbi denominated amount in accordance with the Terms and Conditions. The Bondholder shall not be entitled to any interest or other sum in respect of any such postponed payment.
Inconvertibility, Non-transferability or Illiquidity:	If by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of the Bonds when due in Renminbi in Singapore, the Issuer shall, on giving not less than five nor more than 30 days irrevocable notice to the Bondholders prior to the due date for payment, settle any such payment in Singapore dollars on the due date at the Singapore Dollar Equivalent of any such Renminbi denominated amount in accordance with the Conditions. The due date for payment under the Terms and Conditions shall be the originally scheduled due date or such postponed due date as shall be specified in the notice referred to above, which postponed due date may not fall more than 20 days after the originally scheduled due date. Interest on the Bonds will continue to accrue up to but excluding any such date for payment of principal.
Payment of Singapore Dollar Equivalent:	If payments are to be made under either "Non-maintenance of valid Renminbi account in Singapore" or "Inconvertibility, Non-transferability or Illiquidity", payments of the Singapore Dollar Equivalent of the relevant principal or interest in respect of the Bonds shall be made by transfer to a Singapore dollar denominated account maintained by the payee with, or by a Singapore dollar denominated cheque drawn on, a bank in Singapore. "**Singapore Dollar Equivalent**" means the Renminbi amount converted into Singapore dollars using the Exchange Rate for the relevant Determination Date. "**Exchange Rate**" means the Renminbi/Singapore dollar exchange rate as determined by the Issuer at its sole discretion; "**Determination Date**" means the day which is four Determination Business Days before the due date for payment of the relevant amount under these Conditions; "**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Singapore;
Clearing System:	The Central Depository (Pte) Limited

Taxation:	All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except in the circumstances specified in "*Terms and Conditions of the Bonds – Taxation*".
Selling Restrictions:	There are restrictions on the offer, sale and transfer of the Bonds in, among others, the United States, the European Union, the United Kingdom, Singapore and Hong Kong. For a description of the selling restrictions on offer, sale and delivery of the Bonds, see "*Subscription and Sale*".
Listing and Trading of the Bonds:	Approval in-principle has been received from the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. The Bonds will be traded on the SGX-ST in a minimum board lot size of RMB100,000 with a minimum of 12 lots for so long as the Bonds are listed on the SGX-ST and the rules of the SGX-ST so require.
Rating:	The Bonds are rated Aa1 by Moody's, AA- by Standard & Poor's and AA- by Fitch. A credit rating is not a recommendation to buy, sell or hold notes and may be suspended, reduced or withdrawn by the rating organisation at any time.
Fiscal Agent and Principal Paying Agent:	DBS Bank Ltd.
Registrar and Transfer Agent:	DBS Bank Ltd.
Governing Law:	The Bonds will be governed by, and construed in accordance with, the laws of Singapore.
Use of Proceeds:	The net proceeds from the issue of the Bonds will be used for the general business purposes of the DBS Bank Group. See "*Use of Proceeds*".
ISIN Code:	SG56H6993490

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The following table presents selected consolidated financial information for the DBS Bank Group which has been extracted or derived from the audited consolidated financial statements of the DBS Bank Group for the years ended December 31, 2012, 2011 and 2010. The following information should be read in conjunction with the DBS Bank Group's audited consolidated financial statements and the related notes thereto which are incorporated by reference in this Offering Circular and "*Description of the Assets and Liabilities of the DBS Bank Group*" included herein. The audited consolidated financial statements of the DBS Bank Group are prepared in accordance with Singapore Financial Reporting Standards ("**FRS**"), including the modifications of the requirements of Singapore Financial Reporting Standard 39 ("**FRS 39**") Financial Instruments: Recognition and Measurement in respect of loan loss provisioning by Notice to Banks No. 612 "Credit Files, Grading and Provisioning" issued by the Monetary Authority of Singapore (the "**MAS**").

	For the years ended December 31,		
	2010	**2011**	**2012**
	(S$ in millions)		
Selected income statement items			
Net interest income	4,318	4,825	5,285
Net fee and commission income	1,397	1,542	1,579
Other non-interest income	1,351	1,264	1,200
Total income	7,066	7,631	8,064
Expenses	2,922	3, 297	3,608
Profit before allowances	4,144	4,334	4,456
Allowances for credit and other losses	911	722	417
Profit before tax	3,335	3,739	4,163
Net profit	2,738	3,184	3,482
One-time item and goodwill charges	(1,018)	—	450
Net profit including one-time item and goodwill charges	1,720	3,184	3,932

	As at December 31,		
	2010	**2011**	**2012**
	(S$ in millions, except percentages)		
Selected balance sheet items			
Customer loans(1)	152,094	194,720	210,519
Interbank assets(2)	23,298	27,183	29,407
Total assets	283,728	340,864	353,090
Customer deposits(3)	193,692	225,346	242,907
Interbank liabilities(4)	18,854	28,087	25,908
Total liabilities	252,966	309,305	317,891
Shareholders' funds	27,883	29,802	33,456
Key financial ratios (excluding goodwill charges and one-time item)(5)			
Return on assets(6)	1.01%	1.02%	1.00%
Cost-to-income ratio(7)	41.4%	43.2%	44.7%
Net interest margin(8)	1.84%	1.77%	1.70%
As % of total income:			
Net interest income	61.1%	63.2%	65.5%
Non-interest income	38.9%	36.8%	34.5%
Customer NPL(9) as % of gross customer loans and advances	1.9%	1.3%	1.2%
Total NPAs(10) as % of total assets	1.1%	0.9%	0.8%

Total cumulative loss allowances as % of:

	As at December 31,		
	2010	2011	2012
Total assets	1.1%	1.1%	1.1%
Total NPAs	99.5%	126.0%	141.8%
Capital adequacy ratios			
Core Tier I ratio	10.5%	10.3%	11.8%
Tier I ratio	13.9%	12.2%	13.6%
Total capital ratio	17.1%	15.1%	16.7%

Notes:

(1) Includes customer loans classified as financial assets at fair value through profit or loss on the balance sheet.

(2) Includes interbank assets classified as financial assets at fair value through profit or loss on the balance sheet.

(3) Includes customer deposits classified as financial liabilities at fair value through profit or loss on the balance sheet.

(4) Includes interbank liabilities classified as financial liabilities at fair value through profit or loss on the balance sheet.

(5) These key financial ratios are not standard measures under Singapore FRS or U.S. GAAP.

(6) Net profit attributable to shareholders (excluding goodwill charges and one-time item) divided by average total assets. Average assets are computed based on the average of opening and closing balances for the relevant year.

(7) Expenses, before goodwill charges and allowances for credit and other losses, expressed as a percentage of total income.

(8) Net interest income expressed as a percentage of average interest bearing assets. Average interest bearing assets are computed based on monthly closing balances for the relevant year.

(9) Customer loans and advances that have been classified in accordance with the MAS Guidelines.

(10) Customer loans and advances, loans to banks, debt securities and contingent liabilities that have been classified in accordance with the MAS Guidelines.

RISK FACTORS

The Issuer believes that the following factors may affect its business and/or its ability to fulfill its obligations under the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Prospective investors should carefully consider, among other things, the risks described below, as well as the other information contained in this Offering Circular and reach their own views prior to making an investment decision. Any of the following risks could materially adversely affect the DBS Bank Group's business, financial condition or results of operations and, as a result, investors could lose all or part of their investment. The risks below are not the only risks the DBS Bank Group faces. Additional risks and uncertainties not currently known to the DBS Bank Group, or that it currently deems to be immaterial, may also materially and adversely affect the DBS Bank Group's business, financial condition or results of operations.

Risks Relating to the DBS Bank Group

A global or regional financial crisis or financial instability in the countries where the DBS Bank Group does business could adversely affect its operations, asset quality and growth

The DBS Bank Group has been, and in the future will continue to be, materially affected by economic and market conditions, including factors such as the liquidity of the global financial markets, the level and volatility of debt and equity prices, interest rates, currency and commodities prices, investor sentiment, inflation, and the availability and cost of capital and credit. Beginning in August 2007, the global financial system experienced difficult credit and liquidity conditions and disruptions leading to less liquidity, greater volatility, general widening of spreads and, in some cases, lack of price transparency on interbank lending rates. These adverse trends accelerated sharply following the bankruptcy filing by Lehman Brothers in September 2008, leading to a global financial and economic crisis. Although the proximate cause of this particular financial crisis was the U.S. residential mortgage market, investors should be aware that there is a recent history of financial crises and boom-bust cycles in multiple markets in both emerging and developed economies which leads to risks for all financial institutions, including the DBS Bank Group. The recent global financial crisis affected the DBS Bank Group through an increase in non-performing loans ("**NPLs**") and mark-downs in other assets. While the DBS Bank Group did not experience the same degree of write-downs as banks that were exposed to, or invested in, the U.S. residential mortgage market, the widening of credit spreads resulted in mark-to-market and realized losses on its investment and derivative portfolios and adversely affected its profitability. In addition, the DBS Bank Group remains subject to the risks posed by the indirect economic effect of the global credit crisis, some of which cannot be anticipated and the vast majority of which are not under its control. The DBS Bank Group also remains subject to counterparty risk to financial institutions that fail or are otherwise unable to meet their obligations under their contractual commitment to the DBS Bank Group.

With 84% and 81% of its total assets (excluding goodwill) in Singapore and Hong Kong as at March 31, 2013 and December 31, 2012, respectively and 83% and 81% of its total income in Singapore and Hong Kong for the three months ended March 31, 2013 and the year ended December 31, 2012, respectively, on a geographical basis, the DBS Bank Group's performance and the quality and growth of its assets are substantially dependent on the health of the Singapore and Hong Kong economies. The economic environment in Singapore and Hong Kong, economies which are dependent on trade and investment, may be significantly affected by a variety of external factors including economic developments throughout Asia and in the United States, Europe and other markets.

If there is another global or regional financial crisis or a downturn in the economic condition of the DBS Bank Group's primary markets, this would likely have a material adverse effect on the DBS Bank Group's business, financial condition or results of operations. Further, in light of the interconnectivity between Singapore's economy and other economies, Singapore's economy is increasingly exposed to economic and market conditions in other countries. As a result, an economic downturn or recession in the United States, Europe and other countries in the developed world or a slowdown in economic growth in major emerging markets like China or India could have an adverse effect on economic growth in Singapore. A slowdown in the rate of growth in Singapore's economy could result in lower demand for credit and other financial products and services and higher defaults among corporate and retail customers, which could adversely affect the DBS Bank Group's business, financial performance, shareholders' equity, ability to implement its strategy and the price of the Bonds.

Furthermore, in response to the above developments, legislators and financial regulators in the United States and other jurisdictions, including Singapore, have implemented a number of policy measures designed to add stability to the financial markets and act as liquidity risk management initiatives. However, the overall impact of these and other legislative and regulatory efforts on the global and Singapore financial markets remains uncertain, and in effect these initiatives may not be successful in stabilizing the economy. In the event that the current conditions in the global credit markets persist or there are changes in statutory limitations on the amount of liquidity that the DBS Bank Group must maintain or if there is any significant financial disruption, this may materially and adversely affect our cost of funding, loan portfolios, liquidity, business, prospects, financial condition and results of operations

A further downgrade in the U.S. government's sovereign credit rating could result in a deterioration of general economic conditions, which may adversely impact the DBS Bank Group. In addition, uncertainty about the financial stability of several countries in the European Union ("**EU**") could have a significant adverse effect on the DBS Bank Group's business, financial condition and results of operations.

On August 5, 2011, Standard & Poor's downgraded its sovereign credit rating of the U.S. government from AAA to AA+, and on June 8, 2012, Standard & Poor's affirmed the U.S. government's existing sovereign rating, but stated that the rating outlook is negative. On August 2, 2011, Moody's confirmed the U.S. government's existing sovereign rating of Aaa, but with a negative outlook, and on November 7, 2012, stated it would reserve judgment on whether it would cut its sovereign rating of the U.S. government until after the 2013 budget process is completed. On July 10, 2012, Fitch affirmed its existing sovereign rating of AAA of the U.S. government, but maintained a negative outlook. Should a further downgrade of the sovereign credit ratings of the U.S. government occur, it is foreseeable that the ratings and perceived creditworthiness of instruments issued, insured or guaranteed by institutions, agencies or instrumentalities directly linked to the U.S. government could also be correspondingly affected by any such downgrade. Instruments of this nature are widely used as collateral by financial institutions to meet their day-to-day cash flows in the short-term debt market. A downgrade of the sovereign credit ratings of the U.S. government and perceived creditworthiness of U.S. government-related obligations could impact the DBS Bank Group's ability to obtain funding that is collateralized by affected instruments, as well as affecting the pricing of that funding when it is available. Such changes to the credit ratings or perceived creditworthiness of these organizations may also affect economic conditions. Such ratings actions could result in a significant adverse impact to the DBS Bank Group.

Since 2010, a financial crisis emerged in Europe, triggered by high budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal, Spain and Cyprus, which created concerns about the ability of these EU nations to continue to service their sovereign debt obligations. These conditions impacted financial markets and resulted in high and volatile bond yields on the sovereign debt of many EU nations. Certain European nations continue to experience varying degrees of financial stress and uncertainty over the outcome of the EU governments' financial support programs and worries about sovereign finances persist. Market and economic disruptions have affected, and may continue to affect, consumer confidence levels and spending, personal bankruptcy rates, levels of incurrence and default on consumer debt and home prices, among other factors. There can be no assurance that the market disruptions in Europe, including the increased cost of funding for certain governments and financial institutions, will not spread, nor can there be any assurance that future assistance packages will be available or, even if provided, will be sufficient to stabilize the affected countries and markets in Europe or elsewhere. To the extent uncertainty regarding the economic recovery continues to negatively impact consumer confidence and consumer credit factors globally, the DBS Bank Group's business and results of operations could be significantly and adversely affected.

Any substantial increase in non-performing assets ("NPAs") may impair the DBS Bank Group's business, financial condition and results of operations

The NPAs of the DBS Bank Group were S$2.8 billion, S$2.7 billion, S$2.9 billion and S$3.2 billion as at March 31, 2013 and December 31, 2012, 2011 and 2010, respectively. As a percentage of gross customer loans, the DBS Bank Group's NPLs were 1.2% as at March 31, 2013 and December 31, 2012, and 1.3% and 1.9% as at 31 December 2011 and 2010, respectively. Various factors such as a rise in unemployment, a sustained rise in interest rates, developments in the economies in which the DBS Bank Group lends money, movements in global commodities markets and exchange rates and global competition could have a material adverse effect on the quality of the DBS Bank Group's loan portfolio. Following the recent financial crisis, the DBS Bank Group saw an increase in the volume of restructured corporate loans. Economic developments in Europe and the United States could present further economic challenges globally which could result in some borrowers not being able to meet their restructured debt obligations, resulting in loans to such borrowers being classified as non-performing.

Adverse changes in the credit quality of the DBS Bank Group's borrowers and counterparties or adverse changes arising from a deterioration in global and regional economic conditions or asset values may lead to an increase in NPAs in the future and require an increase in the DBS Bank Group's level of allowances for credit and other losses or increase the level of asset write-downs or write-offs experienced by the DBS Bank Group. Although the DBS Bank Group devotes considerable resources to managing these risks, many of the factors affecting borrower and counterparty credit risks are exogenous to the DBS Bank Group. A substantial increase in NPAs may have a material adverse effect on the DBS Bank Group's business, financial condition and results of operations.

A decline in collateral values or inability to realize collateral value may increase the DBS Bank Group's allowances for credit and other losses

Adverse changes in the credit quality of the DBS Bank Group's borrowers and counterparties or adverse changes arising from a deterioration in global and regional economic conditions or asset values could reduce the recoverability and/or the value of the DBS Bank Group's assets. In particular, a significant portion of the DBS Bank Group's loan portfolio is secured by real estate. In the event of a decline in the real estate markets, a portion of the DBS Bank Group's loans may exceed the value of the underlying collateral. Any decline in the value of the collateral securing the DBS Bank Group's loans, inability to obtain additional collateral or inability to realize the value of collateral may require the DBS Bank Group to increase its allowances for credit and other losses, which may adversely affect the DBS Bank Group's business, financial condition and results of operations.

Liquidity shortfalls and credit rating downgrades may increase the DBS Bank Group's cost of funds

Most of the DBS Bank Group's funding requirements are met through a combination of funding sources, primarily in the form of deposit-taking activities. As a portion of the DBS Bank Group's assets have long-term maturities, funding mismatches may occur. As at March 31, 2013, a significant portion of the DBS Bank Group's non-bank customer deposits had current maturities of one year or less or were payable on demand. Such deposits are mainly from savings, fixed and current accounts and demand deposits. The DBS Bank Group's deposits base is diversified and does not rely on any significant depositor funding. However, no assurance can be given that large-scale deposit withdrawals will not occur. In circumstances where a substantial number of depositors, within or outside Singapore and Hong Kong, withdraw such funds from the DBS Bank Group, the DBS Bank Group's liquidity position could be materially and adversely affected. In such a situation, the DBS Bank Group could be required to seek short-term and long-term funds to finance its operations. Any such funding may be only obtainable on terms that are more expensive than the DBS Bank Group's current funding sources which may adversely affect the DBS Bank Group's business, financial condition and results of operations.

The DBS Bank Group's credit ratings also play an important role in determining the extent of its access to the capital and funding markets. DBS Bank has received long-term ratings of "AA-" from Standard & Poor's, "Aa1" from Moody's and "AA-" from Fitch. There can be no assurance that the ratings will remain in effect for any given period or that the ratings will not be revised by the rating agencies in the future, if, in their judgment, circumstances so warrant. While the credit ratings by Standard & Poor's and Fitch have a stable outlook, Moody's has placed a negative outlook on DBS Bank. A credit ratings downgrade could adversely affect the volume and pricing of the DBS Bank Group's funding.

The value of certain financial instruments recorded at fair value may change over time

The fair values of financial instruments traded in active markets are based on quoted market prices at the balance sheet date. If the market for a financial asset is not active, the DBS Bank Group establishes fair value by using valuation techniques or third party valuations. These include the use of recent arm's length transactions, reference to other instruments that are substantially similar, discounted cash flow analysis and option pricing models. Valuation reserves may be applied to the valuation of the financial instruments, where appropriate.

The valuation of the majority of the DBS Bank Group's financial instruments reported at fair value is based on quoted and observable market prices or on internally developed models that are based on independently sourced market parameters, including interest rates, option volatilities and currency rates. Other factors such as model assumptions, market dislocations and unexpected correlation shifts can materially affect these estimates and the resulting fair value estimates.

The DBS Bank Group's operations in, and further expansion into, diverse Asian markets present different risks and challenges which may adversely affect the DBS Bank Group's results of operations

Outside of Singapore and Hong Kong, the DBS Bank Group has banking subsidiaries, branches and associated companies in various countries in Asia, including China, Taiwan, India, Indonesia, Malaysia, the Philippines and South Korea. The DBS Bank Group's operations in these jurisdictions could be adversely affected by changes in their respective legal, political, regulatory or economic environments.

Providing banking products and services in multiple jurisdictions exposes the DBS Bank Group to a variety of regulatory and business challenges and risks and has increased the complexity of its risks in a number of areas, including price risks, currency risks, interest rate risks, compliance risk, regulatory and reputational risk and operational risk. In the aftermath of the financial crisis and in light of enhanced regulations in many countries, the DBS Bank Group expects to face additional pressure and scrutiny in all of these areas and in the management of its international operations. The DBS Bank Group also faces risks arising from its ability to manage inconsistent legal and regulatory requirements in the multiple jurisdictions in which it operates and its ability to successfully establish and maintain an integrated system of internal controls for all of its international operations and businesses. There can be no assurance that the DBS Bank Group will be able to execute its strategy and deliver returns on capital invested in its international subsidiaries or that its operations internationally will continue to be profitable.

In addition, over time, the DBS Bank Group expects to expand into other countries in Asia. While this may be positive for the DBS Bank Group's long-term position and may enhance revenue diversification, it also increases operational and asset quality risks. There can be no assurance that further regional expansion will not have a material adverse effect on the DBS Bank Group's business, financial condition and results of operations.

Significant fraud, systems failure or calamities could adversely affect the DBS Bank Group's business, financial condition and results of operations

The DBS Bank Group's business is based on a high volume of transactions and the functioning and security of its systems and network are of vital importance to its operations. The DBS Bank Group seeks to protect its computer systems and network infrastructure from physical break-ins as well as fraud and systems failures. The DBS Bank Group employs round-the-clock external surveillance security systems, including firewalls, tokens and password encryption technologies, designed to minimize the risk of security breaches. Although the DBS Bank Group intends to continue to implement security technologies, conduct regular vulnerability assessments and network penetration tests and establish operational procedures to prevent break-ins, damages and failures, there can be no assurance that these security measures will be successful. In January 2012, unauthorized withdrawals were made from customers' bank accounts from Automated Teller Machines ("**ATMs**") machines using ATM skimming equipment, resulting in DBS Bank Group compensating up to 700 customers for up to S$1.0 million. Law enforcement officers have arrested and charged two men for the activities and DBS Bank Group has implemented a series of measures to enhance security efforts, including sending SMS alerts to customers who have made local and overseas withdrawals in excess of a specified threshold and deactivating overseas access for customers who have not performed overseas withdrawals recently. The reputation of the DBS Bank Group could be adversely affected by fraud committed by employees, customers or outsiders, or by its perceived inability to properly manage fraud-related risks. As the DBS Bank Group outsources some of its systems management functions to external vendors, it is further exposed to the risk that such external vendors could be unable to fulfill their contractual obligations, or could be subject to fraud or operational errors by their employees.

In addition, although the DBS Bank Group's data center and back-up systems are separately located, there can be no assurance that both systems will not be simultaneously damaged or destroyed in the event of a major disruption or disaster. Such disruptions or disasters could arise from events that are wholly or partially beyond the control of the DBS Bank Group. The DBS Bank Group seeks to maintain internal controls in line with international best practices. However, a significant breakdown in internal controls, fraudulent activities by employees or failure of security measures or back-up systems may have a material adverse effect on the DBS Bank Group's business, financial condition and results of operations.

The DBS Bank Group is subject to the risk of increased liquidity and capital requirements to meet the minimum required by regulators

In Singapore, the MAS determines the level of liquidity and capital that the DBS Bank Group is required to hold in relation to its balance sheet, off-balance sheet, counterparty and risk exposures. The DBS Bank Group currently meets the MAS' requirements in these aspects. As at March 31, 2013, the DBS Bank Group was capitalized above the MAS' stated targets of 6% and 10% for Tier I and total capital adequacy ratios, both on a standalone and consolidated basis. The DBS Bank Group's ability to maintain its target regulatory capital ratios could be affected by a number of factors, including its earnings, fair value adjustments, the calculation of risk-weighted assets, and changes to the minimum regulatory requirements imposed by the MAS.

In particular, the Basel Committee on Banking Supervision (the "**Basel Committee**") has established new rules for liquidity and capital requirements intended to reinforce existing standards ("**Basel III**"), including new definitions for qualifying capital instruments, more onerous deductions from capital, additional capital buffers, increased minimum capital adequacy ratios, the introduction of common equity Tier I capital and leverage ratios, and liquidity ratios.

As of January 1, 2013, the MAS has incorporated Basel III provisions into Singapore prudential regulation. Singapore-incorporated banks ("**SIBs**") are required to comply with a minimum common equity Tier I ("**CETI**") capital adequacy ratio ("**CAR**") of 4.5%, Tier I CAR of 6% and total CAR of 10% from January 1, 2013, rising to 6.5%, 8% and 10% respectively from January 1, 2015. These minimum ratios are two percentage points higher than those established by the Basel Committee. As part of the Basel III transition arrangements, regulatory capital recognition of outstanding non-common equity Tier I and Tier II capital instruments that no longer meet the minimum criteria will be gradually phased out. Fixing the base at the nominal amount of such instruments outstanding on January 1, 2013, their recognition is capped at 90% in 2013, with this cap decreasing by 10% in each subsequent year. To the extent a capital instrument is redeemed or amortized after January 1, 2013, the nominal amount serving as the base would not be reduced.

In line with Basel III requirements, Singapore prudential regulation will require a capital conservation buffer of 2.5% and countercyclical buffer of 2.5% that are to be met fully with CETI capital. These buffers will be phased in on January 1 each year from 2016 to 2019. In the case of the countercyclical buffer, the applicable magnitude will be a weighted average of the countercyclical buffer requirements that are required in jurisdictions to which Singapore-incorporated banks have exposures. The Basel Committee expects jurisdictions to require the countercyclical buffer during periods of excessive aggregate credit growth.

While the MAS has implemented Basel III capital adequacy standards in Singapore, it has not yet published its draft rules for Basel III liquidity standards. Therefore, there is still uncertainty as to the specific implementation of Basel III in Singapore in this regard.

As at March 31, 2013, the DBS Bank Group had a CETI CAR of 12.8%, a Tier I CAR of 12.8% and a total CAR of 15.4% calculated according to Basel III standards, which will be fully implemented by 2019. However if the regulatory capital requirements, liquidity requirements or ratios applied to the DBS Bank Group continue to increase in the future, the DBS Bank Group's return on capital and profitability could be materially and adversely affected. In addition, any failure by the DBS Bank Group to satisfy such increased regulatory capital ratios or liquidity requirements within the applicable timeline could result in administrative actions or sanctions or significant reputational harm, which in turn may have a material adverse effect on the DBS Bank Group's business, financial condition and results of operations. As at March 31, 2013, the DBS Bank Group was in compliance with the regulatory capital requirements of each of the jurisdictions in which it operates subsidiaries.

The DBS Bank Group's business is subject to reputational risk

Reputational risk is the potential for damage to the DBS Bank Group's franchise as a result of stakeholders taking a negative view of the DBS Bank Group or its actions. Reputational risk could arise from the failure by the DBS Bank Group to effectively mitigate the risks in its businesses including one or more of country, credit, liquidity, market, regulatory, operational, environmental, litigation and social risk. Damage to the DBS Bank Group's reputation could cause existing clients to reduce or cease to do business with the DBS Bank Group and prospective clients to be reluctant to do business with the DBS Bank Group. Any such event could result in a loss of earnings and have a material adverse effect on the business of the DBS Bank Group. A failure to manage reputational risk effectively could also materially affect the DBS Bank Group's business, financial condition and results of operations.

The DBS Bank Group is subject to legal, regulatory and compliance risks

The DBS Bank Group is exposed to the risks of litigation, compliance and regulatory proceedings in the jurisdictions in which it operates. Management of these risks requires, among other things, policies and procedures to properly record and verify large numbers of transactions and events. Failure to address these risks appropriately may result in administrative sanctions in one or more jurisdictions in which the DBS Bank Group conducts its business. Furthermore, investigations, administrative actions or litigation could commence in relation to violations, which may involve costs, including possible deterioration of the reputation of the DBS Bank Group. Any future adverse judgments or rulings that are delivered against the DBS Bank Group could have a material adverse effect on the DBS Bank Group's business, operating results and financial condition.

Material changes in financial market conditions could adversely affect the DBS Bank Group's business, financial condition and results of operations

The DBS Bank Group is exposed to market risk arising from market-making, structuring and packaging of investment products for clients, trading and fund deployment. Trading market risk arises from the impact on interest rate margins and trading profits as a result of changes in foreign exchange rates, commodity prices, equity prices, interest rates and credit spreads. Changes in interest levels, yield curves and spreads may affect, among other things, interest rate margins. In particular, if the yield on interest-earning assets does not increase at the same time or to the same extent as the DBS Bank Group's cost of funds, or if the cost of funds does not decline at the same time or to the same extent as a decrease in yield on interest-earning assets, the DBS Bank Group's net interest income and net interest margin may be adversely affected.

The DBS Bank Group's overseas operations are subject to fluctuations in foreign currency exchange rates against the Singapore dollar. In addition, a portion of the DBS Bank Group's income, expenses, assets and liabilities in Singapore are denominated in foreign currencies. To the extent that the DBS Bank Group's foreign currency denominated income, expenses, assets and liabilities are not matched in the same currency or appropriately hedged, fluctuations in foreign currency exchange rates against the Singapore dollar may adversely affect the DBS Bank Group's business, financial condition and results of operations.

In addition, fluctuations in foreign exchange rates will create foreign currency translation gains or losses. The DBS Bank Group's largest presence outside of Singapore is in Hong Kong. Fluctuations in the exchange rate of the Hong Kong dollar may ultimately affect the Singapore dollar value of revenues from Hong Kong operations as such revenues may be denominated in Hong Kong dollars. While the Hong Kong Government has continued to pursue currency board exchange rate policy, with the Hong Kong dollar exchange rate to the U.S.$ limited to a narrow band between HK$7.75 to HK$7.85, the DBS Bank Group cannot assure investors that such policy will be maintained. Exchange rate fluctuations will also affect the amount of Singapore dollars received upon the payment of any cash dividends or other distributions paid in Singapore dollars. Therefore, such fluctuations could also adversely affect the DBS Bank Group's business operating results.

The DBS Bank Group may face significant challenges in achieving the goals of its business strategy

In February 2010, the DBS Bank Group launched a new strategic plan with nine separate strategic priorities focusing on expanding its regional presence and developing various key business units. Although the DBS Bank Group believes it has targeted the appropriate geographical and business segments in developing its strategy, its initiatives to offer new products and services and to increase sales of its existing products and services may not succeed if current market conditions do not stabilize, market opportunities develop more slowly than expected, the identified strategic initiatives have less potential than were envisioned originally or the profitability of the DBS Bank Group's products and services is undermined by competitive pressures. Consequently, the DBS Bank Group may be unable to achieve or maintain profitability in its targeted business areas. Any failure to execute its strategy in the manner envisioned could have a material and adverse impact on the DBS Bank Group's business, financial condition and results of operations.

Systemic risk resulting from failures in the banking industry could adversely affect the DBS Bank Group

Within the banking industry, the default of any institution could lead to defaults by other institutions. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom the DBS Bank Group interacts on a daily basis, which could have an adverse effect on the DBS Bank Group's ability to raise new funding and on the DBS Bank Group's business, financial condition and results of operations.

In particular, the DBS Bank Group is exposed to the risks of Singapore and Hong Kong's financial systems and the other financial systems in which it operates. Any difficulties or instability of the Singaporean or Hong Kong financial system or the other financial systems in which the DBS Bank Group operates could create an adverse market perception about financial institutions and banks in the affected region and could adversely affect its business. The DBS Bank Group's transactions with these financial institutions expose it to credit risk in the event of default by the counterparty, which can be exacerbated during periods of market illiquidity.

Country risk could adversely affect the DBS Bank Group's business, financial condition and results of operations

Country risk is the risk that a counterparty is unable to meet its contractual obligations as a result of adverse economic conditions or actions taken by governments in the relevant countries. This includes the risk that a sovereign borrower may be unable or unwilling to fulfill its foreign currency or cross-border contractual obligations; and the risk that a non-sovereign counterparty may be unable to fulfill its contractual obligations as a result of currency shortage due to adverse economic conditions or actions taken by the government of the country. These risks could adversely affect the DBS Bank Group's business, financial condition and results of operations.

Terrorist activities, natural calamities and outbreak of communicable diseases around the world could lead to higher volatility in international capital markets, which may materially and adversely affect the DBS Bank Group's business, financial condition and results of operations and the market price of the Bonds

Terrorist attacks, natural calamities and outbreak of communicable diseases could result in sporadic volatilities in international capital markets or adversely affect Singapore and other economies. Any material change in the financial markets or the Singapore economy or regional economies as a result of these events or developments may materially and adversely affect the DBS Bank Group's business, financial condition and results of operations.

Increased competition could result in decreased loan margins and reduced market share

The DBS Bank Group's primary competitors consist of other Singapore banks and major international banks licensed in Singapore, other Hong Kong banks and major international banks licensed in Hong Kong, major international banks licensed elsewhere and other financial institutions in other markets in which the DBS Bank Group operates. See "*Description of the Business of the DBS Bank Group — Additional Information about the DBS Bank Group — Competition*".

The Singapore Government has taken steps to liberalize the Singapore banking industry, which has resulted in increased competition among domestic and international banks operating in Singapore, which reduced margins for certain banking products. In particular, the MAS, which regulates banks in Singapore, has been granting Qualifying Full Bank ("**QFB**") licenses to international financial institutions since 1999. QFBs are currently permitted to establish operations in up to 25 locations. These 25 locations can be used for branches or off-site ATMs. QFBs are permitted to share ATMs among themselves. International banks granted such licenses will face fewer restrictions on their Singapore dollar deposit-taking and lending activities. In June 2012, the MAS indicated that it will continue to allow greater foreign bank participation in the Singapore banking industry and refine the QFB system. Certain QFBs that meet the MAS' qualifications for being "significantly rooted" may be allowed to have an additional 25 places of business in Singapore, of which 10 may be branches. In addition, in recent years the Singapore Government has allowed more international banks to obtain "wholesale banking" licenses to enable them to expand their Singapore dollar wholesale banking business in Singapore and to broaden the scope of Singapore dollar banking activities in which international banks may participate. Further, since the implementation of the United States Singapore Free Trade Agreement ("**USSFTA**"), which was signed in May 2003, Singapore banks, including the DBS Bank Group, are subject to additional competition in areas that were traditionally the stronghold of local banks. The USSFTA has eliminated QFB and wholesale bank license quotas for U.S. banks and significantly relaxed certain other restrictions on international banking activities. There can be no assurance that the DBS Bank Group will be able to compete successfully with other domestic and foreign financial institutions or that such increased competition will not have a material adverse effect on the DBS Bank Group's business, financial condition and results of operations.

Similarly, in Hong Kong and the DBS Bank Group's other overseas markets, many of the international and local banks operate in the same segments as the DBS Bank Group and compete for the same customers. Competition may increase in some or all of the DBS Bank Group's principal markets. Such increased competition, individually or in combination, could have a material adverse effect on the DBS Bank Group's business, financial condition and results of operations.

Risks Relating to the Bonds

Payments in respect of the Bonds will only be made to investors in the manner specified in the Bonds

All payments of principal and interest to Bondholders shall be made in Renminbi by transfer to a Renminbi account maintained by or on behalf of the Bondholder with a bank in Singapore. In the event that a Bondholder fails to maintain a Renminbi account with a bank in Singapore, the Issuer may at its sole discretion (but shall not be obliged) to settlement payments in Singapore dollars. The Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by check or draft or by transfer to a bank account in the PRC). See "*Terms and Conditions of the Bonds – Payments*".

Bonds may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Offering Circular or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;

(iv) understand thoroughly the terms of the Bonds and be familiar with the behavior of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Bonds are complex financial instruments. Sophisticated investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Bonds, which are complex financial instruments, unless it has the expertise (either alone or with the help of a financial advisor) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of the Bonds and the impact this investment will have on the potential investor's overall investment portfolio. A potential investor should ensure that he has sufficient knowledge and experience (either alone or with the help of a financial advisor) to make his own legal, tax, accounting and financial evaluation of the merits and risks of investing in the Bonds and that he considers the suitability of the Bonds as an investment in light of his own circumstances and financial condition.

An active trading market for the Bonds may not develop

Although approval in-principle has been received from the SGX-ST for the listing and quotation of the Bonds on the SGX-ST, no assurance can be given that an active trading market for the Bonds will develop or as to the liquidity or sustainability of any such market, the ability of Bondholders to sell their Bonds or the price at which Bondholders will be able to sell their Bonds. The Managers are not obliged to make a market in the Bonds and any such market making, if commenced, may be discontinued at any time at the sole discretion of the Managers. Accordingly, no assurance can be given as to the liquidity of, or trading market for, the Bonds. Even if an active trading market were to develop, the Bonds could trade at prices that may be lower than the initial offering price. Future trading prices of the Bonds will depend on many factors, including, but not limited to:

- prevailing interest rates and interest rate volatility;
- the market for similar securities;
- the Issuer's operating and financial results;
- the publication of other research reports and speculation in the press or the investment community;
- changes in the Issuer's industry and competition; and
- general market, financial and economic conditions.

There are risks associated with modifying or amending the Terms and Conditions by way of a meeting of Bondholders

The Terms and Conditions contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

Singapore accounting and corporate disclosure standards may result in more limited disclosure than in other jurisdictions

The DBS Bank Group is subject to Singapore's accounting standards and requirements that differ in certain material respects from those applicable to banks in certain other countries. Also, there may be less publicly available information about Singapore listed companies, such as DBSH, than is regularly made available by or about listed companies in certain other countries. This Offering Circular does not include a reconciliation of the financial statements of DBSH, DBS Bank or the DBS Bank Group to U.S. GAAP and there can be no assurance that such reconciliation would not identify material quantitative differences.

Change of law

The Terms and Conditions are based on Singapore law in effect as at the Issue Date. No assurance can be given as to the impact of any possible judicial decision or change to Singapore law or administrative practice after the date of issue of the Bonds.

The Bonds to be issued are intended to be "qualifying debt securities" for the purposes of the Income Tax Act, Chapter 134 of Singapore (the "**ITA**"), subject to the fulfilment of certain conditions more particularly described in "*Singapore Taxation*". However, there is no assurance that the Bonds will continue to be "qualifying debt securities" or that the tax concessions in connection therewith will apply throughout the tenure of the Bonds should the relevant tax laws be amended or revoked at any time.

Securities law restrictions on the resale may impact Bondholders' ability to sell the Bonds

The Bonds have not been registered under the Securities Act, any state securities laws or the securities laws of any other jurisdiction. Unless and until they are registered, the Bonds may not be offered, sold or resold except pursuant to an exemption from registration under the Securities Act and applicable state laws or in a transaction not subject to such laws. The Bonds are being offered and sold only outside the U.S. in reliance on Regulation S. Hence, future resales of the Bonds may only be made pursuant to an exemption from registration under the Securities Act and applicable state laws or in a transaction not subject to such laws.

As the Global Certificate is held by or on behalf of the Depository, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

The Bonds will be represented by the Global Certificate except in certain limited circumstances described under "*Summary of Provisions Relating to the Bonds while in Global Form*". The Global Certificate will be deposited with, and registered in the name of, the Depository. Except in certain limited circumstances described under "*Summary of Provisions Relating to the Bonds while in Global Form*", investors will not be entitled to receive Certificates. The Depository will maintain records of the beneficial interests in the Global Certificate. While the Bonds are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the Depository. The Issuer will discharge its payment obligations under the Bonds by making payments to or to the order of the Depository for distribution to its accountholders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of the Depository to receive payments under the Bonds.

DBS Bank and other non-U.S. financial institutions through which payments on the Bonds are made may be required to make withholdings pursuant to U.S. foreign account tax compliance provisions

Pursuant to the foreign account tax compliance provisions of the Hiring Incentives to Restore Employment Act of 2010 ("**FATCA**"), the Issuer and other non-U.S. financial institutions through which payments on the Bonds are made may be required to withhold U.S. tax at a rate of 30 per cent. on all, or a portion of, payments made after December 31, 2016 in respect of (i) any Bonds materially modified on or after the later of (a) January 1, 2014, and (b) the date that is six months after the date on which the final regulations applicable to "foreign pass thru payments" are filed in the Federal Register and (ii) any Bonds which are treated as equity for U.S. federal tax purposes. Under existing guidance, this withholding tax may be triggered on payments on the Bonds if (i) the Issuer is a foreign financial institution ("**FFI**") (as defined in FATCA) which enters into and complies with an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide certain information on its account holders (making the Issuer a "**Participating FFI**"), (ii) the Issuer is required to withhold on "foreign pass thru payments", and (iii)(a) an investor does not provide information sufficient for the relevant Participating FFI to determine whether the investor is subject to withholding under FATCA, or (b) any FFI to or through which payment on such Bonds is made is not a Participating FFI or otherwise exempt from FATCA withholding.

The application of FATCA to interest, principal or other amounts paid with respect to the Bonds is not clear. In particular, Singapore has announced that it intends to enter an intergovernmental agreement with the United States to help implement FATCA for certain Singaporean entities. The full impact of such an agreement on the Issuer and the Issuer's reporting and withholding responsibilities under FATCA is unclear. The Issuer may be required to report certain information on its U.S. account holders to the government of Singapore in order (i) to obtain an exemption from FATCA withholding on payments it receives and/or (ii) to comply with any applicable Singaporean law. It is not yet certain how the United States and Singapore will address withholding on "foreign pass thru payments" (which may include payments on the Bonds) or if such withholding will be required at all.

If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Bonds as a result of FATCA, none of the Issuer, any paying agent or any other person would, pursuant to the Terms and Conditions be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

The application of FATCA to Bonds materially modified on or after the later of (a) the date that is six months after the date on which the final regulations applicable to "foreign pass thru payments" are filed in the Federal Register and (b) January 1, 2014, (or in the case of Bonds treated as equity for U.S. federal tax purposes) may be addressed in a supplement to this Offering Circular, as applicable.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER, THE BONDS AND THE HOLDERS IS UNCERTAIN AT THIS TIME. EACH HOLDER OF BONDS SHOULD CONSULT ITS OWN TAX ADVISOR TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW FATCA MIGHT AFFECT EACH HOLDER IN ITS PARTICULAR CIRCUMSTANCE.

Any credit ratings on DBS Bank or the Bonds may not reflect all risks associated with investing in DBS Bank or the Bonds, and a downgrade in the ratings of DBS Bank or the Bonds may affect the market price of the Bonds

DBS Bank has received long-term ratings of "AA-" from Standard & Poor's, "Aa1" from Moody's and "AA-" from Fitch. The ratings reflect the ability of DBS Bank to make timely payment of principal and interest on senior unsecured debts. There can be no assurance that the ratings will remain in effect for any given period or that the ratings will not be revised by the rating agencies in the future if, in their judgment, circumstances so warrant. While the credit ratings by Standard & Poor's and Fitch have a stable outlook, Moody's has placed a negative outlook on DBS Bank.

The Bonds are rated AA- by Standard & Poor's, Aa1 by Moody's and AA- by Fitch. Downgrades or potential downgrades in these ratings, the assignment of new ratings that are lower than existing ratings, or downgrades or potential downgrades in the ratings assigned to DBS Bank could reduce the scope of potential investors in the Bonds and adversely affect prices for and the liquidity of the Bonds. There can be no assurance that the ratings assigned to DBS Bank or the Bonds will remain in effect for any given period or that the ratings will not be revised by the rating organisation in the future if, in its judgment, circumstances so warrant. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold notes and may be suspended, reduced or withdrawn by the rating organisation at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (i) the Bonds are legal investments for it, (ii) the Bonds can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules.

The Issuer may face certain risks associated with exchange rate fluctuations and any modifications to exchange controls

The Issuer will pay principal and interest on the Bonds in Renminbi, save as provided for in the Terms and Conditions. (See "*Terms and Conditions of the Bonds – Payments*" and "*Risk Factors – Payments in respect of the Bonds will only be made to investors in the manner specified in the Bonds*") This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than Renminbi. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Renminbi or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to Renminbi would decrease (i) the Investor's Currency-equivalent yield on the Bonds, (ii) the Investor's Currency equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency equivalent market value of the Bonds. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

In addition, the value of Renminbi against the Singapore dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and other factors. All payments of interest and principal will be made with respect to the Bonds in Renminbi. As a result, the value of these Renminbi payments in Singapore dollar terms may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the Singapore dollar or other foreign currencies, the value of investment in Singapore dollar or other applicable foreign currency terms will decline.

Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the PRC

The PRC Government continues to regulate conversion between Renminbi and foreign currencies. In 2011, the PRC Government issued certain new rules imposing significant restrictions to the remittance of Renminbi into and out of the PRC, including, among other things, restrictions on the remittance of Renminbi into the PRC by way of direct investments or loans. On February 25, 2011, the Ministry of Commerce (Foreign Investment Department) ("**MOC**") promulgated the Circular on Issues Concerning Foreign Investment Management under which prior written consent from the MOC is required for certain circumstances relating to foreign investors making investments with Renminbi funds. On June 3, 2011, the People's Bank of China (the "**PBOC**") issued the Circular on Clarifications of Relevant Issues Concerning Cross-Border Renminbi Affairs under which approval from the PBOC is required in addition to approval from the MOC for certain circumstances relating to foreign investors making investments with Renminbi funds.

As these regulations and rules are relatively new, there is some uncertainty regarding their interpretation and enforcement. Moreover, there is no assurance that the PRC Government will continue to gradually liberalize the control over cross-border remittances of Renminbi funds in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi funds into or out of the PRC. Each investor should consult its own advisors to obtain a more detailed explanation of how the PRC regulations and rules may affect their investment decisions.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Bonds and our ability to source Renminbi outside the PRC to service the Bonds

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC rules and regulations will not be promulgated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the Bonds. To the extent the Issuer is required to source Renminbi in the offshore market to service the Bonds, there is no assurance that the Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Payments in respect of the Bonds will only be made to investors in the manner specified in the Bonds

All payments in Renminbi to investors in respect of the Bonds will be made solely (i) when the Bonds are represented by a global certificate deposited with CDP, by transfer to a Renminbi bank account maintained in Singapore in accordance with prevailing CDP rules and procedures or (ii) when the Bonds are in definitive form, by transfer to a Renminbi bank account maintained in Singapore in accordance with prevailing rules and regulations. In the event that a Bondholder fails to maintain a valid Renminbi account with a bank in Singapore and, accordingly, payments are unsuccessful, it is possible that such amounts may be settled in Singapore dollars. The Issuer cannot be required to make payment by any other means (including in any other currency or in bank notes, by check or draft or by transfer to a bank account in the PRC).

TERMS AND CONDITIONS OF THE BONDS

The issue of the RMB500,000,000 2.50 per cent. Bonds due 2016 (the "**Bonds**") was authorised pursuant to the Group Approving Authority approved by a resolution of the Board of Directors of DBS Bank Ltd. (the "**Issuer**") passed on August 12, 2012. A fiscal agency agreement dated June 7, 2013 (the "**Fiscal Agency Agreement**") has been entered into in relation to the Bonds between the Issuer, DBS Bank Ltd. as fiscal agent and the agents named in it. The Bonds have the benefit of a Deed of Covenant (the "**Deed of Covenant**") dated June 7, 2013 executed by the Issuer relating to the Bonds. The fiscal agent, the registrar and any transfer agent for the time being are referred to below respectively as the "**Fiscal Agent**", the "**Registrar**" and the "**Transfer Agents**". "**Agents**" means the Fiscal Agent, the Registrar, the Transfer Agents and any other agent or agents appointed from time to time with respect to the Bonds. The Fiscal Agency Agreement includes the form of the Bonds. Copies of the Fiscal Agency Agreement and the Deed of Covenant are available for inspection during normal business hours at the specified offices of the Fiscal Agent, the Registrar and any Transfer Agents. The holders of the Bonds (the "**Bondholders**") are deemed to have notice of all the provisions of the Fiscal Agency Agreement applicable to them.

All capitalised terms that are not defined in these terms and conditions (the "**Conditions**") will have the meanings given to them in the Fiscal Agency Agreement.

1 Form, Specified Denomination and Title

The Bonds are issued in the specified denomination of RMB1,000,000 and integral multiples of RMB10,000 in excess thereof.

The Bonds are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(a), each Certificate shall represent the entire holding of Bonds by the same holder.

Title to the Bonds shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Fiscal Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Bond shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on the Certificate representing it or the theft or loss of such Certificate and no person shall be liable for so treating the holder.

In these Conditions, "**Bondholder**" and "**holder**" means the person in whose name a Bond is registered.

2 Transfers of Bonds

(a) **Transfer:** A holding of Bonds may, subject to Condition 2(d), be transferred in whole or in part upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate(s) representing such Bonds to be transferred, together with the form of transfer endorsed on such Certificate(s) (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Bonds represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Bonds to a person who is already a holder of Bonds, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. All transfers of Bonds and entries on the Register will be made in accordance with the detailed regulations concerning transfers of Bonds scheduled to the Fiscal Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Fiscal Agent. A copy of the current regulations will be made available by the Registrar to any Bondholder upon request.

(b) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Condition 2(a) shall be available for delivery within five business days of receipt of a duly completed form of transfer and surrender of the existing Certificate(s). Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/ or such insurance as it may specify. In this Condition 2(b), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(c) **Transfer or Exercise Free of Charge:** Certificates, on transfer, exercise of an option or partial redemption, shall be issued and registered without charge by or on behalf of the Issuer, the Registrar or any Transfer Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(d) **Closed Periods:** No Bondholder may require the transfer of a Bond to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Bond or (ii) during the period of 15 days ending on (and including) any Record Date.

3 Status

The Bonds constitute unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

4 Interest

The Bonds bear interest on their outstanding principal amount from and including June 7, 2013 at the rate of 2.50 per cent. per annum, payable semi-annually in arrear on June 7 and December 7 in each year (each an "**Interest Payment Date**"). Each Bond will cease to bear interest from the due date for redemption unless, upon surrender of the Certificate representing such Bond, payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder, and (b) the day seven days after the Fiscal Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

If interest is required to be calculated for a period of less than one year, the relevant day–count fraction used will be the number of days in the relevant period, from (and including) the date on which interest began to accrue to (but excluding) the date on which it falls due, divided by 365.

5 Redemption and Purchase

(a) **Final Redemption:**

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on June 7, 2016. The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition.

(b) **Redemption for Taxation and other Reasons:**

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable), at their principal amount, (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after May 29, 2013, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this Condition 5(b), the Issuer shall deliver to the Fiscal Agent a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisors of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

(c) **Purchase:** the Issuer and its Subsidiaries (as defined in the Fiscal Agency Agreement) may at any time purchase Bonds in the open market or otherwise at any price. The Bonds so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Bondholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Bondholders or for the purposes of Condition 11(a).

(d) **Cancellation:** All Certificates representing Bonds purchased by or on behalf of the Issuer shall be surrendered for cancellation to the Registrar and, upon surrender thereof, all such Bonds shall be cancelled forthwith. Any Certificates so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Bonds shall be discharged.

6 Payments

(a) **Method of Payment:**

(i) Payments of principal shall be made (subject to surrender of the relevant Certificates at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Bonds represented by such Certificates) in the manner provided in paragraph (ii) below.

(ii) Interest on each Bond shall be paid to the person shown on the Register at the close of business on the fifth business day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Bond shall be made in Renminbi by transfer to a Renminbi account maintained by or on behalf of the Bondholder with a bank in Singapore, details of which appear on the Register on the Record Date.

(iii) If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested by the Issuer or a Bondholder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of interest so paid.

(b) **Payments subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment. No commission or expenses shall be charged to the Bondholders in respect of such payments.

(c) **Payment Initiation:** Where payment is to be made by transfer to an account in the relevant currency, payment instructions (for value the due date, or if that is not a Business Day, for value the first following day which is a Business Day) will be initiated, and, where payment is to be made by cheque, the cheque will be mailed on the last day on which the Fiscal Agent is open for business preceding the due date for payment or, in the case of payments of principal where the relevant Certificate has not been surrendered at the specified office of any Transfer Agent or of the Registrar, on a day on which the Fiscal Agent is open for business and on which the relevant Certificate is surrendered.

(d) **Appointment of Agents:** The Fiscal Agent, the Registrar and the Transfer Agents initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Registrar and the Transfer Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Bondholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, the Registrar or any Transfer Agent and to appoint additional or other Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar, (iii) a Transfer Agent, and (iv) such other agents as may be required by any other stock exchange on which the Bonds may be listed.

Notice of any such change or any change of any specified office shall promptly be given to the Bondholders.

(e) **Delay in Payment:** Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Bond if the due date is not a Business Day, if the Bondholder is late in surrendering or cannot surrender its Certificate (if required to do so), if the Bondholder fails to maintain a Renminbi account with a bank in Singapore or if a cheque mailed in accordance with Condition 6(i) arrives after the due date for payment.

(f) **Non-Business Days:** If any date for payment in respect of any Bond is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7, "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the place in which the specified office of the Registrar is located and:

(i) (in the case of a payment in a currency other than Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and in Beijing.

(g) **Non-maintenance of valid Renminbi account in Singapore:** Notwithstanding the foregoing, if the Bondholder fails to maintain a valid Renminbi account with a bank in Singapore and, accordingly, transfers made in accordance with Condition 6(a)(ii) are unsuccessful:

(i) for so long as the Bonds are cleared through CDP and CDP so requires, the Issuer shall settle any such payment in Singapore dollars at the Singapore Dollar Equivalent of any such Renminbi denominated amount in accordance with the requirements of CDP; or

(ii) otherwise, the Issuer may, at its sole discretion and at such time as it may determine, on giving not less than five nor more than 30 days irrevocable notice to the Bondholders, settle any such payment in Singapore dollars at the Singapore Dollar Equivalent of any such Renminbi denominated amount in accordance with the provisions of Condition 6(i).

The Bondholder shall not be entitled to any interest or other sum in respect of any such postponed payment. For the avoidance of doubt, the due date for payment under this Condition shall be the date specified in the notice.

(h) **Inconvertibility, Non-transferability or Illiquidity:** Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of the Bonds when due in Renminbi in Singapore, the Issuer shall, on giving not less than five nor more than 30 days irrevocable notice to the Bondholders prior to the due date for payment, settle any such payment in Singapore dollars on the due date at the Singapore Dollar Equivalent of any such Renminbi denominated amount in accordance with the provisions of Condition 6(i). The due date for payment under this Condition 6(h) shall be the originally scheduled due date or such postponed due date as shall be specified in the notice referred to above, which postponed due date may not fall more than 20 days after the originally scheduled due date. Interest on the Bonds will continue to accrue up to but excluding any such date for payment of principal.

(i) **Payment of Singapore Dollar Equivalent:** If payments are to be made under either Condition 6(g) or 6(h), payments of the Singapore Dollar Equivalent of the relevant principal or interest in respect of the Bonds shall be made by transfer to a Singapore dollar denominated account maintained by the payee with, or by a Singapore dollar denominated cheque drawn on, a bank in Singapore; and the definition of "**business day**" for the purpose of this Condition 6(i) shall mean any day on which banks and foreign exchange markets are open for general business in the relevant place of presentation, and Singapore.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(i) will (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Bondholders.

In these Conditions:

"**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Singapore;

"**Determination Date**" means the day which is four Determination Business Days before the due date for payment of the relevant amount under these Conditions;

"**Exchange Rate**" means the Renminbi/Singapore dollar exchange rate as determined by the Issuer at its sole discretion;

"**Governmental Authority**" means any *de facto* or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the Monetary Authority of Singapore) of Singapore;

"**Illiquidity**" means the general Renminbi exchange market in Singapore becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Bonds as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers;

"**Inconvertibility**" means the occurrence of any event that makes it impossible (where it had been previously possible) for the Issuer to convert any amount due in respect of the Bonds in the general Renminbi exchange market in Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after June 7, 2013 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts inside Singapore or from an account inside Singapore to an account outside Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after June 7, 2013 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation);

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in Singapore;

"**Singapore Dollar Equivalent**" means the Renminbi amount converted into Singapore dollars using the Exchange Rate for the relevant Determination Date;

7 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Bond:

(a) **Other connection:** held by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with Singapore other than the mere holding of the Bond; or

(b) **Lawful avoidance of withholding**: to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements concerning the nationality, residence, identity or other attributes of the holder or beneficial owner or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Certificate representing such Bond is presented for payment; or

(c) **Surrender more than 30 days after the Relevant Date:** in respect of which the certificate representing it is presented for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on surrendering the Certificate representing such Bond for payment on the last day of such period of 30 days; or

(d) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive.

"**Relevant Date**" in respect of any Bond means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Bondholders that, upon further surrender of the Certificate representing such Bond being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such surrender.

8 Events of Default

If any of the following events ("**Events of Default**") occurs and is continuing:

(a) **Non-Payment:** default is made for more than 30 days in the payment on the due date of interest or principal in respect of any of the Bonds; or

(b) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations under the Bonds, which default has not been remedied within 30 days after notice of such default shall have been given to the Issuer by the Fiscal Agent at its specified office by any Bondholder; or

(c) **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against the whole or a material part of the property, assets or revenues of the Issuer and is not discharged or stayed within 90 days; or

(d) **Insolvency:** the Issuer is (or is deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts or makes a general assignment or an arrangement or composition with or for the benefit of all its creditors or a moratorium is agreed or declared in respect of all or a material part of the debts of the Issuer; or

(e) **Winding-up:** an administrator is appointed in relation to the Issuer, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, or the Issuer shall apply or petition for a winding-up or administration order in respect of itself or ceases or threatens, through an official action of its board of directors, to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganization, merger or consolidation on terms previously approved by an Extraordinary Resolution of the Bondholders.

then any Bond may, by notice in writing given to the Fiscal Agent at its specified office by the holder, be declared immediately due and payable whereupon it shall become immediately due and payable at its principal amount together with accrued interest without further formality unless such event of default shall have been remedied prior to the receipt of such notice by the Fiscal Agent.

9 Prescription

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Replacement of Certificates

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations or other relevant regulatory authority regulations, at the specified office of the Registrar or such other Transfer Agent as may from time to time be designated by the Issuer for that purpose and notice of whose designation is given to Bondholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in light of prevailing market practice). Mutilated or defaced Certificates must be surrendered before replacements will be issued.

11 Meetings of Bondholders and Modification

(a) **Meetings of Bondholders:** The Fiscal Agency Agreement contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions. Such a meeting may be convened by Bondholders holding not less than 10 per cent in principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing a clear majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the maturity of the Bonds or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, or interest on, the Bonds, (iii) to change the currency of payment of the Bonds, or (iv) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, in which case such business may only be sanctioned by an Extraordinary Resolution passed at a meeting of Bondholders at which the necessary quorum will be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed).

The Fiscal Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in principal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

(b) **Modification of the Fiscal Agency Agreement:** The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Fiscal Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Bondholders.

12 Further Issues

The Issuer may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds.

13 Notices

Notices to the holders of Bonds shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once on the first date on which publication is made.

For so long as the Bonds are represented by a Global Certificate and such Global Certificate is held by CDP, notices to the holders of the Bonds may be given by delivery of the relevant notice to CDP to entitled Accountholders or in such other manner as CDP may direct in substitution for publication as required by the Conditions.

14 Currency Indemnity

Save for any payments made or to be made under Conditions 6(g), 6(h) and/or 6(i), Renminbi is the sole currency of account and payment for all sums payable by the Issuer under or in connection with the Bonds, including damages. Any amount received or recovered in a currency other than Renminbi (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Bondholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the Renminbi amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that Renminbi amount is less than the Renminbi amount expressed to be due to the recipient under any Bond, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it will be sufficient for the Bondholder to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Bondholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Bond or any other judgment or order.

15 Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

16 Governing Law and Jurisdiction

(a) **Governing Law:** The Fiscal Agency Agreement, and the Bonds are governed by, and shall be construed in accordance with, Singapore law.

(b) **Jurisdiction:** The courts of Singapore are to have jurisdiction to settle any disputes that may arise out of or in connection with the Bonds and accordingly any legal action or proceedings arising out of or in connection with any Bonds ("**Proceedings**") may be brought in such courts.

SUMMARY OF PROVISIONS RELATING TO THE BONDS WHILE IN GLOBAL FORM

The Global Certificate contains provisions which apply to the Bonds while they are in global form, some of which modify the effect of the Terms and Conditions set out in this Offering Circular. The following is a summary of certain provisions:

Exchange

Subject to the provisions of the Global Certificate, owners of interests in the Bonds in respect of which the Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual Certificates if: (i) an Event of Default (as defined in the Terms and Conditions) has occurred and is continuing, (ii) the Depository has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention to permanently cease business and no alternative clearing system is available, or (iii) the Depository has notified the Issuer that it is unable or unwilling to act as depository for the Bonds and to continue performing its duties set out in its terms and conditions for the provision of depository services and no alternative clearing system is available.

In such circumstances, the Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Bondholders. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar with a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual Certificates.

Meetings

The holder of the Global Certificate will be treated as being two persons for the purposes of any quorum requirements of a meeting of Bondholders and, at any such meeting, as having one vote in respect of each integral currency unit of the currency of the Bonds.

Purchase and Cancellation

Cancellation of any Bond represented by the Global Certificate that is required by the Terms and Conditions to be cancelled shall be effected by reduction in the principal amount of the Bonds in the register of Bondholders and on the Global Certificate.

Payment

Payments of principal and interest in respect of Bonds represented by the Global Certificate will be made to the registered holder of the Global Certificate without presentation for endorsement or, if no further payment falls to be made in respect of the Bonds, against surrender of the Global Certificate to or to the order of the Registrar.

All payments made in respect of Bonds represented by the Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the fifth business day before the due date for payment.

Notices

So long as the Bonds are represented by the Global Certificate and the Global Certificate is registered in the name of the Depository, notices to Bondholders may be given by delivery of the relevant notice to the Depository to entitled Bondholders or in such other manner as the Depository may direct in substitution for publication as required by the Terms and Conditions.

Transfers

So long as the Global Certificate is registered in the name of the Depository, transfers of beneficial interests in the Global Certificate will be effected only through records maintained by the Depository in accordance with the rules and procedures of the Depository.

Direct Rights

If there shall occur an Event of Default, the Bondholder represented by the Global Certificate may (subject as provided in the Global Certificate) elect that direct rights ("**Direct Rights**") under the provisions of the Deed of Covenant shall come into effect in respect of a principal amount of Bonds up to the aggregate principal amount represented by the Global Certificate. Such election shall be made by notice to the Fiscal Agent and the Registrar and presentation of the Global Certificate to or to the order of the Registrar for reduction of the principal amount of Bonds represented by the Global Certificate by such amount as may be stated in such notice by (i) endorsement of the Principal Schedule of the Global Certificate and (ii) notation in the Register of the principal amount of Bonds in respect of which Direct Rights have arisen under the Deed of Covenant. Upon each such notice being given, the Global Certificate shall become void to the extent of the principal amount stated in such notice, save to the extent that the appropriate Direct Rights shall fail to take effect. No such election may however be made on or before the Exchange Date unless the Bondholder elects in such notice that the transfer of such Bonds shall no longer take place.

USE OF PROCEEDS

The net proceeds from the issue of the Bonds will be used for the general business purposes of the DBS Bank Group.

CAPITALIZATION AND INDEBTEDNESS OF THE DBS BANK GROUP

The following table sets forth the capitalization and indebtedness of the DBS Bank Group as at December 31, 2012, based on or derived from the audited consolidated financial statements of the DBS Bank Group unless otherwise indicated.

	As at December 31, 2012
	(S$ in millions)
Short-term liabilities	
Customer deposits[(1)]	242,907
Interbank liabilities[(2)]	25,908
Bills payable	316
Other debt securities in issue[(3)]	8,498
Other liabilities	29,501
Total short-term liabilities	**307,130**
Long-term liabilities	
Other debt securities in issue[(3)]	5,256
Total long-term liabilities	**5,256**
Non-controlling interests, including Preference shares[(4)]	1,743
Loan capital	
Subordinated term debts[(5)]	5,505
Total loan capital	**5,505**
Shareholders' funds	
Share capital	17,096
Other reserves	2,857
Revenue reserves	13,503
Total shareholders' funds	**33,456**
Total capitalization[(6)]	**353,090**
Contingent liabilities	21,059

Notes:

(1) Includes customer deposits classified as financial liabilities at fair value through profit or loss.

(2) Includes interbank liabilities classified as financial liabilities at fair value through profit or loss.

(3) Includes other debt securities in issue classified as financial liabilities at fair value through profit or loss.

(4) Includes S$1,500 million non-cumulative guaranteed preference shares callable with step-up in 2018. These qualify for Tier I capital treatment.

(5) Includes U.S.$750 million 5.00% subordinated notes callable with step-up in 2014, U.S.$900 million floating rate subordinated notes callable with step-up in 2016, S$500 million 4.47% subordinated notes callable with step-up in 2016, S$1,000 million 3.30% subordinated notes callable in 2017, U.S.$750 million 3.625% subordinated notes callable in 2017 and S$1,000 million 3.10% subordinated notes callable in 2018. These qualify for Tier II capital treatment.

(6) Includes short-term liabilities, long-term liabilities, non-controlling interests, total loan capital, and shareholders' funds.

DESCRIPTION OF THE BUSINESS OF THE DBS BANK GROUP

The DBS Bank Group is the largest banking group incorporated in Southeast Asia by total assets and is engaged in a range of commercial banking and financial services principally in Asia. As at March 31, 2013, the DBS Bank Group had S$373 billion in total assets, S$224 billion in customer loans and advances, S$251 billion in customer deposits and S$34 billion in total shareholders' funds. As at December 31, 2012, the DBS Bank Group had S$353 billion in total assets, S$211 billion in customer loans and advances, S$243 billion in customer deposits and S$33 billion in total shareholders' funds.

The DBS Bank Group's primary operations are in Singapore and Hong Kong. In Singapore, the DBS Bank Group has leading positions in consumer banking, corporate banking, small and medium enterprises ("**SME**") banking, investment banking, treasury and securities brokerage. In Hong Kong, it has an established corporate banking, SME banking and affluent banking businesses. As at, and for the three months ended, March 31, 2013, Singapore accounted for 65% and 62% of the DBS Bank Group's assets and total income, respectively, while Hong Kong accounted for 16% and 21% of the DBS Bank Group's assets and total income, respectively. As at, and for the year ended, December 31, 2012, Singapore accounted for 65% and 62% of the DBS Bank Group's assets and total income, respectively, while Hong Kong accounted for 16% and 19% of the DBS Bank Group's assets and total income, respectively.

The DBS Bank Group's operations in China, Taiwan, India and Indonesia also provide services to corporates, SMEs and affluent individuals. The DBS Bank Group's diversification in the Asia Pacific region has resulted in a more balanced geographical distribution of its assets and total operating income.

The DBS Bank Group constitutes a significant portion of the DBS Group's assets and operations. As at March 31, 2013 and December 31, 2012, DBS Bank accounted for approximately 81% and 82%, respectively, of the DBS Bank Group's consolidated total assets. DBS Bank is one of the highest rated commercial banks in Asia with a long-term issuer rating of "AA-" from Fitch, a long-term issuer rating of "Aa1" from Moody's and a long-term counterparty credit rating of "AA-" from Standard & Poor's. While the credit ratings by Standard & Poor's and Fitch have a stable outlook, Moody's has placed a negative outlook on DBS Bank.

DBS Bank was incorporated in July 1968 by the Singapore Government as a financing institution to support Singapore's economic development and industrialization. In June 1969, DBS Bank began commercial banking operations. In September 1999, DBS Bank was restructured to become a wholly-owned subsidiary of DBSH, which is listed on the SGX-ST. DBS Bank's parent company, DBSH, is one of the largest listed companies in Singapore, with a market capitalization of approximately S$40.9 billion based on the closing price per ordinary share on the Main Board of the SGX-ST, as at April 30, 2013. On July 21, 2003, DBS Bank changed its legal name from The Development Bank of Singapore Limited to DBS Bank Ltd.

Strengths

Strong credit profile and resilient capital base

The DBS Bank Group has consistently maintained robust capital ratios and as at March 31, 2013, had a CETI CAR of 12.8%, a Tier I CAR of 12.8% and a total CAR of 15.4%. Recent capital management activities include preference share issues amounting to S$2.5 billion in 2010 and subordinated debt issues amounting to S$2.9 billion in 2012, the proceeds of which were used to redeem S$1.1 billion and U.S.$725 million of preference shares in 2011 and U.S.$2.0 billion of subordinated debt in 2012, and augment eligible regulatory capital. The DBS Bank Group's capital position is above the new MAS Basel III capital requirements that have been effective from January 1, 2013. The DBS Bank Group has adopted a prudent dividend policy to ensure that strong capital ratios are maintained while it executes its growth strategy.

The DBS Bank Group was awarded "Safest Bank in Asia" in 2009, 2010, 2011 and 2012 by Global Finance. Singapore, the DBS Bank Group's core market, is the only sovereign in Asia with a "Aaa" credit rating from Moody's, and a "AAA" credit rating from Standard & Poor's and Fitch.

Diversified loan and earnings mix supported by stable deposits and diversified funding sources

The DBS Bank Group has a diversified loan portfolio and earnings mix that is not overly concentrated in any particular industry, country or business segment. As at March 31, 2013, no single industry contributed more than 25% of the DBS Bank Group's gross loans and, outside of Singapore, no single country contributed more than 25% of the DBS Bank Group's gross loans. The DBS Bank Group also has a balanced mix between fee and interest income, with fee income derived from diversified sources such as loan related activities, trade services and wealth management.

In terms of funding, the DBS Bank Group's strong domestic deposit base and leading market position in low cost Singapore dollar deposits have enabled it to maintain a favorable loan-to-deposit ratio of 89% as of March 31, 2013. The DBS Bank Group is actively seeking to diversify its funding sources through its wholesale funding business and through the capital markets.

Strong core banking business with proven earnings generation capability and exposure to key growth geographies in Asia

The DBS Bank Group is the largest banking group incorporated in Southeast Asia by total assets and is engaged in a range of commercial banking and financial services principally in Asia. The DBS Bank Group has cultivated banking relationships with both retail and institutional customers, which have enabled it to deliver consistent profitability throughout economic cycles. Over the past three years, DBS Bank Group has delivered consistent financial performance underpinned by increased strategic clarity and disciplined execution of its strategy. Revenues grew at a compound annual growth rate ("**CAGR**") of 7% between 2010 and 2012 while net profit (excluding goodwill charges and one-time item) recorded CAGR of 13%. In addition to growing its core business, the DBS Bank Group also remained alert to new market opportunities, such as the offshore RMB market in Hong Kong. It also strengthened its fixed income, real estate investment trusts ("**REITs**") and business trust ("**BT**") product capabilities in light of market opportunities.

Prudent and comprehensive risk management framework focused on asset quality

The DBS Bank Group has a robust risk management framework in place to address key risk areas and its risk management approach is based on (i) strong risk governance, (ii) robust and comprehensive processes to identify, measure, monitor, control and report risks, (iii) sound assessments of capital adequacy relative to risks, and (iv) a rigorous system of internal control reviews involving internal and external auditors. The DBS Bank Group's prudent approach to risk management has enabled it to maintain low non-performing loan ("**NPL**") ratios and high coverage ratios, even during economic downturns. The DBS Bank Group's NPL ratio was 1.2% as of March 31, 2013 and December 31, 2012, and 1.3% and 1.9% as of December 31, 2011 and 2010, respectively, and the DBS Bank Group's coverage ratio (defined as total allowances as a percentage of non-performing assets) was 142% as of March 31, 2013 and December 31, 2012, 126% as of December 31, 2011 and 100% as of December 31, 2010.

Strategy

The DBS Bank Group's strategic intent is to be "The Asian Bank of Choice for the New Asia". It is focused on building an Asia-centric commercial bank to capture intermediate trade and investment flows between Asia's three key axes of growth – Greater China, South Asia and Southeast Asia, by focusing on key markets, namely Singapore, Hong Kong, China, Taiwan, India and Indonesia. The DBS Bank Group seeks to build a regional banking business for large corporates as well as SMEs. It also seeks to attract affluent individuals across the region by building a regional wealth business. In Singapore, its home market, it is a universal bank that serves all customer segments. Outside of Singapore, it focuses on affluent individuals, SMEs and corporate customers.

To this end, the DBS Bank Group developed a roadmap comprised of nine strategic priorities in 2010. It aims to build on its strong position in Singapore, reposition the Hong Kong franchise, and achieve greater geographical balance by building out its presence in Greater China and South and Southeast Asia. It also aims to develop regional business lines: transaction banking to capitalize on increasing regional trade flows and the rise of Asian MNCs and SMEs, as well as wealth management to better serve the rising number of affluent individuals. It is steering its treasury capabilities towards structuring and marketing products for corporate and retail customers to hedge risks and take advantage of market trends. The DBS Bank Group is also working to improve its processes to achieve greater customer satisfaction and higher employee engagement as well as building more resilient technology infrastructure.

The DBS Bank Group's nine strategic priorities include the following:

Geographies	1.	Entrench leadership in Singapore
	2.	Reposition Hong Kong
	3.	Rebalance geographic mix of business
Regional Businesses	4.	Build a leading SME business
	5.	Strengthen Wealth proposition
	6.	Build-out GTS, T&M cross-sell business
Enablers	7.	Place customers at the heart of the banking experience
	8.	Focus on management process, people and culture
	9.	Strengthen technology and infrastructure platform

Key Businesses

The DBS Bank Group's main businesses include consumer banking, corporate banking, SME banking, investment banking, treasury and securities brokerage. The DBS Bank Group operates its main businesses through its Consumer Banking/Wealth Management, Institutional Banking and T&M business units.

Consumer Banking/ Wealth Management ("CBG")

The DBS Bank Group serves approximately 5.3 million retail customers in Singapore, Hong Kong, China, Taiwan, Indonesia and India. It offers a comprehensive range of financial products and services, including savings and current accounts, fixed deposits, payment services, credit and debit cards, home loans and auto finance, wealth management, investment and insurance products. In the three months ended March 31, 2013 and the years ended December 31, 2012, 2011 and 2010, CBG contributed 17%, 15%, 15% and 16%, respectively, of the DBS Bank Group's profit before tax.

CBG is focused on building a differentiated wealth proposition across its six key markets (Singapore, Hong Kong, China, Taiwan, Indonesia and India), led by Treasures, which is a wealth banking platform where dedicated relationship managers and specialists deliver personalized products and services to affluent customers. In Singapore and Hong Kong, the wealth offering reflects greater segmentation of affluent customers with specific offerings such as Treasures, Treasures Private Clients and Private Bank. In Treasures Private Client and Private Bank, more personalized services and bespoke solutions are tailored to specific client needs.

In Singapore, the DBS Bank Group holds leading positions in savings and deposits, investments and insurance distribution. As at March 31, 2013, it had over 4.5 million retail customers in the country and more than 50% share of the market in Singapore-dollar denominated savings accounts. It also had the country's largest retail distribution network with 88 branches and more than 1,400 self-service banking facilities such as ATMs, cash and check deposit machines as at March 31, 2013. In 2012, DBS Bank entered into an agreement with Singapore Post Limited ("**SingPost**") to enable basic banking services including cash withdrawals and deposits at all SingPost outlets and offer greater convenience to its customers. The DBS Bank Group is one of the largest mortgage lenders for public and private housing in Singapore.

In Hong Kong, the DBS Bank Group provides wealth management services to the affluent segments and is also a key player in retail deposits and unsecured loans. As at March 31, 2013, it had 54 branches (including dedicated Treasures Centers, retail and consumer finance branches) and 62 ATMs in Hong Kong and served almost one million retail customers.

In China, Taiwan, India and Indonesia, the DBS Bank Group's consumer banking operations are also focused on serving the affluent segments. In China, its consumer banking operations were strengthened by the acquisition of the Royal Bank of Scotland's retail and commercial banking customer base, business portfolios and related employees in Shanghai, Beijing and Shenzhen.

eBusiness

The DBS Bank Group's internet platform, DBS iBanking, offers a wide range of online services and, as at March 31, 2013, was used by approximately 1.9 million retail customers in Singapore. The DBS Bank Group also launched a mobile banking platform, in April 2010, for customers in Singapore, Hong Kong and Taiwan.

Credit Cards

As at March 31, 2013, the DBS Bank Group had more than 2.8 million credit cards in circulation in Singapore and Hong Kong. The DBS Bank Group charges fees for the use of its credit cards, earns interest from customers and earns commissions from merchants for transactions processed. The DBS Bank Group believes it is one of the market leaders in the credit card business for Singapore and Hong Kong.

Consumer Lending

The DBS Bank Group offers housing loans, automobile loans and other consumer lending services. Other consumer lending products offered by the DBS Bank Group include standby credit lines, personal loans, education loans and renovation loans. In Singapore, the DBS Bank Group is one of the largest mortgage lenders for public and private housing.

Investments, Insurance and Treasury Products

The DBS Bank Group offers a wide range of investment, insurance and treasury products, including structured deposits, unit trusts, insurance products, structured notes, treasury products such as bonds, currency linked investments, and equity linked notes. As of March 31, 2013, the DBS Bank Group is a distributor of life insurance and general insurance products through its preferred partners Aviva and MSIG in Singapore and Hong Kong, respectively.

Wealth Management

The DBS Bank Group believes that wealth is being created at a rapid pace in Asia and has made becoming a leading wealth manager in Asia a key strategic priority. Rated the "Safest Bank in Asia" by Global Finance in 2012, 2011, 2010 and 2009, the DBS Bank Group is recognized for its financial strength and stability. The DBS Bank Group offers various wealth management platforms (i.e., Treasures, Treasures Private Clients and Private Bank) to cater to a full range of affluent clients with various wealth management needs. The segmentation of clients helps the DBS Bank Group to target and manage customer relationships effectively.

Institutional Banking ("IBG")

The DBS Bank Group serves more than 180,000 SME, corporate and institutional clients across Asia and provides a comprehensive range of products and services including syndicated finance, global transaction services, capital raising through debt and equity markets, REITs, BTs and real estate advisory, strategic advisory and treasury and markets products. IBG also provides equity services through DBS Vickers Securities Holdings Pte Ltd[1] ("**DBS Vickers**"). In the three months ended March 31, 2013 and the years ended December 31, 2012, 2011 and 2010, IBG contributed 61%, 65%, 60% and 48%, respectively, of the DBS Bank Group's profit before tax.

[1] From January 1, 2013, DBS Vickers has been classified under Others for segmental reporting

Syndicated Finance

Through its Syndicated Finance team, the DBS Bank Group originates, arranges, underwrites and distributes loan and loan-related products for corporate and institutional clients across the region to support a diverse range of needs including leveraged finance, acquisition finance and project finance. The Syndicated Finance team has been ranked consistently by Thomson Reuters LPC among the top five arrangers in Asia (excluding Japan and Australia).

Global Transaction Services

The DBS Bank Group provides cash management, trade finance services, securities services and fiduciary services, enabling its clients to create cash flow for their operations, reduce balance sheet and counter party risk, and realize operational efficiencies. These activities carry high returns on equity and provide a high degree of recurring income.

In 2012, the DBS Bank Group acquired over 11,000 new GTS corporate client accounts, which included more than 500 multinational and large companies. This brought the total number of customers of DBS Bank Group to more than 150,000.

Capital Markets

Through its Capital Markets unit, the DBS Bank Group advises and enables local and regional corporate clients (including SMEs) to raise equity funds through initial public offerings ("**IPOs**"), rights issues and share placements, principally in Singapore and Hong Kong, and increasingly in other regional capital markets such as in Indonesia. It also originates and advises on REIT and BT equity offerings across the region.

The DBS Bank Group has been a leading player in the REIT and BT markets in Singapore since 2002, when it was the sole lead manager, underwriter and bookrunner for the S$235 million IPO of CapitaMall Trust, the first REIT to be listed in Singapore. Between 2002 and March 2013, the DBS Bank Group has lead-managed a total of 18 property trust IPOs in Singapore, raising approximately S$10.4 billion, as well as several property trust transactions in the region. It was also the sole financial advisor, underwriter and bookrunner for the first BT IPO in Singapore, Pacific Shipping Trust, in 2006.

In Singapore, the DBS Bank Group has consistently ranked as a leader in equity issuances over the past five years. For 2012, it lead-managed or joint-lead-managed equity offerings amounting to S$3.5 billion, representing over 45% of the total equity funds raised in public offerings in Singapore during the year.

Strategic Advisory

The DBS Bank Group's Strategic Advisory unit supports key corporate clients by rendering advice on corporate strategy, restructuring, capital structure design and shareholder value creation. In addition, the Strategic Advisory unit also originates, advises, structures, and executes public and private transactions, including leveraged buy-outs, competitive bid processes, privatizations, mergers, acquisitions and divestitures. The unit advises clients across Southeast Asia, North Asia, India and the Middle East.

DBS Vickers Securities[2]

The DBS Bank Group provides brokerage services for individual, corporate and institutional clients through DBS Vickers, which has stockbroking licenses in Singapore, Hong Kong, Thailand and Indonesia, as well as sales offices in London and New York, and a research representative office in Shanghai. DBS Vickers also has a 23.5% interest in Hwang-DBS (Malaysia) Berhad, an investment holding company in Malaysia. Its research analysts based in Singapore, Hong Kong, China, Thailand, Indonesia and Malaysia cover approximately 500 listed companies in Asia. From January 1, 2013, DBS Vickers Securities has been classified under the Others segment.

Treasury and Markets ("T&M")

The DBS Bank Group offers foreign exchange, money market and fixed income products, including derivative and structured products in foreign exchange, interest rates, equity, credit and commodities, as well as structured financing solutions. The DBS Bank Group has a leading market share in Singapore dollar treasury products by volumes and is an active market marker in regional currencies. As a primary

2 From January 1, 2013, DBS Vickers has been classified under Others for segmental reporting

dealer of Singapore Government Securities, the DBS Bank Group is one of the largest participants in the Singapore Government Securities market and an active market maker in Singapore dollar swaps. The DBS Bank Group is a specialist and a leading provider of Asian currency treasury products. In Hong Kong, it is an active market maker in Hong Kong dollar and offshore RMB derivatives. T&M works closely with CBG and IBG to structure and cross sell treasury products to corporate and individual customers.

Fixed Income Group

The DBS Bank Group is a key player in the Asian debt capital markets. Its Fixed Income Group provides corporates, financial institutions, supranationals and sovereigns with customized solutions involving debt products, including straight and equity-linked debt capital, structured debt products, hybrid capital, ratings advisory services and liability management and debt advisory services.

The DBS Bank Group is a market leader in the Singapore dollar-denominated bond market, and has consistently led the league tables in this market. In 2012, the DBS Bank Group acted as bookrunner for over S$19.4 billion in bond issuances out of total market issuances of over S$31.1 billion. The DBS Bank Group is also active in the G3 straight investment grade and high yield bond market and convertible bond market. In the most recent Asia Pacific Awards 2012 presented by Euroweek Asia, DBS Bank was awarded the best bank for convertible bonds in Asia.

Regional Presence

As at March 31, 2013, the DBS Bank Group had more than 250 branches, sub-branches, loan centers and representative offices across Asia, including key markets in Singapore, Hong Kong, China, Taiwan, India and Indonesia. In addition, it has operations in other locations such as the Middle East, the UK and the US. The DBS Bank Group has fully-owned subsidiaries in Hong Kong, China and Taiwan and a 99%-owned subsidiary in Indonesia. It also has a 50% stake in the Islamic Bank of Asia. In addition, it has affiliates in the Philippines, Malaysia and China through its 9.9%-owned Bank of the Philippine Islands, 27.7%-owned Hwang-DBS (Malaysia) Bhd and 33%-owned Changsheng Fund Management Company.

The number of branches, sub-branches, loan centers and representative offices operated by the DBS Bank Group as at March 31, 2013 are set forth below.

Bahrain	1
China	30
Hong Kong	54
India	12
Indonesia	43
Japan	1
Korea	1
Macau	1
Malaysia	2
Singapore	88
The Philippines	1
Taiwan	41
Thailand	1
United Arab Emirates	1
United Kingdom	1
United States	1
Vietnam	2

As at March 31, 2013, loans booked in overseas branches and subsidiaries accounted for approximately 36% of the DBS Bank Group's total customer loans and advances. The DBS Bank Group's main overseas operations are in Hong Kong, China, Taiwan, India and Indonesia.

Hong Kong

Hong Kong is the largest of the DBS Bank Group's operations outside Singapore, accounting for approximately one-fifth of the DBS Bank Group's earnings. A large part of the DBS Bank Group's Hong Kong operations is conducted through DBSHK, a wholly-owned subsidiary of DBS Bank. DBSHK had 53 branches and loan centers and 62 ATMs as at March 31, 2013. DBSHK provides a wide range of banking services to corporate, SME and affluent individuals, including wealth management, investment banking, foreign exchange and treasury services, as well as internet banking and online services. DBS Bank also operates a branch in Hong Kong.

As at March 31, 2013, DBSHK had total assets of S$53.2 billion on a consolidated basis, gross customer loans and advances of S$30.7 billion and total customer deposits of S$37.1 billion. The DBS Bank Group seeks to leverage its regional experience, marketing and product expertise to continue to introduce new products and expand DBSHK's operation and reach.

China

The DBS Bank Group was the first Singapore bank to incorporate a wholly-owned subsidiary in China, DBS Bank (China) Limited ("**DBS China**"). DBS China was incorporated in May 2007 and is headquartered in Shanghai.

DBS China had 10 branches and 19 sub-branches in Beijing, Chongqing, Dongguan, Guangzhou, Hangzhou, Nanning, Shanghai, Shenzhen, Suzhou and Tianjin as at March 31, 2013. In addition, DBS China had a representative office. DBS China offers RMB and foreign currency banking products and services to large corporates, SMEs and affluent individuals.

As at March 31, 2013, DBS China had total assets of S$23.6 billion, gross customer loans and advances of S$10.6 billion and total customer deposits of S$14.9 billion. The DBS Bank Group also holds a 33% interest in Changsheng Fund Management Company, a leading fund management company in China, through DBS Bank Ltd.

Taiwan

As at March 31, 2013, the DBS Bank Group had 41 branches across Taiwan (collectively "**DBS Taiwan**") following its acquisition of the businesses of the former Bowa Bank in May 2008. DBS Taiwan offers a wide range of banking products and services to large corporates, SMEs and affluent individuals. As at March 31, 2013, DBS Taiwan had total assets of S$15.0 billion, gross customer loans and advances of S$8.0 billion and total customer deposits of S$7.7 billion. DBS Taiwan began operating as a locally-incorporated subsidiary on January 1, 2012.

India

As at March 31, 2013, the DBS Bank Group had 12 branches across India in Bengaluru, Chennai, Cuddalore, Kolhapur, Kolkata, Moradabad, Mumbai, Nashik, New Delhi, Pune, Salem and Surat (collectively "**DBS India**").

DBS India offers a comprehensive suite of banking products and services to corporate, SMEs and affluent individuals. As at March 31, 2013, DBS India had total assets of S$10.1 billion, gross customer loans and advances of S$3.7 billion and total customer deposits of S$3.8 billion.

Indonesia

As at March 31, 2013, DBS Bank owns 99% of PT DBS Bank Indonesia ("**DBS Indonesia**"). DBS Indonesia offers a wide range of banking products and services to large corporates, SMEs and affluent individuals. As at March 31, 2013, DBS Indonesia was a leading foreign bank in trade finance and wealth management, with 43 branches, sub-branches and loan centers in 11 major cities in Indonesia.

As at March 31, 2013, DBS Indonesia had total assets of S$5.6 billion, gross customer loans and advances of S$3.8 billion and total customer deposits of S$4.0 billion.

PT Bank Danamon Indonesia Tbk

In April 2012, DBS Bank's parent company, DBSH, announced that it entered into a conditional share purchase agreement with Fullerton Financial Holdings Pte. Ltd. to acquire 100% of its wholly-owned subsidiary Asia Financial (Indonesia) Pte. Ltd. ("**AFI**"), which holds a 67.37% stake in PT Bank Danamon Indonesia Tbk ("**Danamon**") for total consideration of Indonesian Rupiah ("**IDR**") 45.2 trillion (approximately S$6.2 billion) based on an agreed price of IDR7,000 per Danamon share held by AFI. The total consideration would be paid in the form of 439 million new DBSH shares at an issue price of S$14.072 per new DBSH share. Upon completion of the proposed acquisition, DBSH has agreed to launch a tender offer to acquire the remaining listed shares from the other shareholders of Danamon for a cash offer price of IDR7,000 per Danamon share. Currently, DBSH does not own any shares in Danamon. The proposed transaction is currently being reviewed by the relevant regulatory agencies in Indonesia.

Technology and Operations Unit ("T&O") and Information Technology

T&O

T&O's key areas of responsibility include technology strategy, architecture and engineering, technology delivery services, business process reengineering, strategic sourcing, call center and processing operations for loans, custodial services, payments, cards, treasury and trade. T&O is organized to provide in-depth support to the DBS Bank Group's key businesses, as well as to ensure group-wide consistency, best practice and efficiency.

The DBS Bank Group has significantly increased its investment in T&O in recent years to enhance stability and resiliency of its systems and processes as it expands in the region. T&O has played a major role in the DBS Bank Group's strategic cost management initiatives to achieve optimization of processes and resources.

Information Technology

The DBS Bank Group's information technology ("**IT**") systems are critical to its business operations and are essential to effectively supporting the expansion of its business operations, increasing efficiencies, coordinating and enhancing risk management and control systems, and meeting the needs of its customers. With the DBS Bank Group's growing business across Asia, it recognizes the need for a strong technology and infrastructure platform. To increase consistency and efficiency in its IT systems, the DBS Bank Group is building a business-driven technology roadmap and rolling out standardized software applications across the DBS Bank Group. The DBS Bank Group is also putting in place back-up systems and a resiliency improvement plan to enhance the availability of services to its customers.

All of the DBS Bank Group's IT systems comply with stringent business and continuity planning standards and undergo periodic testing.

Additional Information about the DBS Bank Group

Competition

In Singapore, the DBS Bank Group believes it has captured leading market shares in loans, mortgages and customer deposits. It competes with other Singapore banks across the full range of banking activities and customer segments. Foreign banks have been able to operate in corporate banking, investment banking and capital market activities over the years. Selected foreign banks, in particular those with QFB licenses, are able to compete in the consumer banking segment. In Hong Kong, DBS competes with local and foreign banks in the corporate, SME and affluent retail banking segments.

In other markets, where the DBS Bank Group is building up its presence, it competes with local and foreign banks in the full range of corporate banking and treasury market activities. In the retail banking segment, the DBS Bank Group is focused on the affluent segment and competes with other banks operating in this space.

Properties

The DBS Bank Group owns some of the properties used for carrying out its banking business. These properties are located mainly in Singapore, Hong Kong and Taiwan and include office and retail branch premises. For some of these properties, surplus space is leased to third-party tenants for additional income.

Employees

The DBS Bank Group had 18,523, 18,433, 17,652 and 15,847 employees, as at March 31, 2013 and as at December 31, 2012, 2011 and 2010, respectively.

Employees' remuneration is based on total compensation. An employee's total compensation is benchmarked to the market and consists of three components: fixed pay, cash bonuses and long-term incentives such as share grants.

Insurance

The DBS Bank Group has taken out a group insurance policy that is customary for financial institutions of a comparable size and scope. Management is of the opinion that this insurance, including banker's blanket and professional indemnity, is of an adequate level.

Legal Proceedings

The DBS Bank Group is involved in litigation and arbitration proceedings in Singapore and in foreign jurisdictions involving claims by and against the DBS Bank Group which arise in the ordinary course of its business. While it is not feasible to predict or determine the ultimate outcome of all pending or threatened litigation and arbitration proceedings, the DBS Bank Group believes that the ultimate outcome of the various litigation and arbitration proceedings already commenced will not have a material adverse effect on the DBS Bank Group's financial condition, liquidity or profitability.

Customer Loan Portfolio

As at December 31, 2012, 2011 and 2010, the DBS Bank Group's loans and advances to customers net of cumulative allowances were S$211 billion, S$195 billion and S$152 billion, respectively, which accounted for approximately 60%, 57% and 54% of total assets for December 31, 2012, 2011 and 2010, respectively. The DBS Bank Group's gross loans and advances to customers were S$214 billion, S$198 billion and S$155 billion as at December 31, 2012, 2011 and 2010, respectively. As at December 31, 2012, 2011 and 2010, approximately 42%, 40%, and 44%, respectively, of customer loans and advances were denominated in Singapore dollars.

From 2010 to 2012, the DBS Bank Group's gross loans and advances to customers portfolio grew at a CAGR of 17% from S$155 billion as at December 31, 2010 to S$214 billion as at December 31, 2012.

As at December 31, 2012, loans booked in Singapore accounted for approximately 64% of the DBS Bank Group's gross customer loans and advances, while loans booked in Hong Kong accounted for 19% and 17% were from other overseas locations.

Customer Loan Concentrations

The DBS Bank Group's top five customer loans and advances (based on outstanding amounts) accounted for 4% of its total customer loans and advances portfolio as at December 31, 2012, while the top 20 customer loans and advances accounted for 12% of the total customer loans and advances portfolio at that date. Of the top 20 customer loans and advances as at December 31, 2012, none was classified as non-performing.

The DBS Bank Group's policy is to maintain a diversified loan portfolio without significant concentrations of exposure to any single customer or group of customers. Gross loans to manufacturing, building and construction, and general commerce companies accounted for 12%, 15% and 18% respectively of the DBS Bank Group's gross total customer loans and advances portfolio as at December 31, 2012. Total gross consumer loans, which consist of housing loans and loans to professionals and private individuals, accounted for 28% of the gross total loans and advances portfolio as at December 31, 2012.

The following table sets forth the DBS Bank Group's total gross loans and advances to customers portfolio by industrial classification as at December 31, 2012, 2011 and 2010:

Customer Loan(1) Concentrations as at December 31,

	2010		2011		2012	
	S$	*%*	*S$*	*%*	*S$*	*%*
	(S$ in millions, except percentages)					
Manufacturing	19,217	12.4	24,872	12.6	26,625	12.5
Building and construction	21,385	13.8	28,527	14.4	32,073	15.0
Housing loans	38,676	25.0	41,322	20.9	45,570	21.3
General commerce	16,732	10.8	34,159	17.3	38,077	17.8
Transportation, storage and communications	14,378	9.3	16,929	8.5	17,177	8.0
Financial institutions, investment and holding companies	18,517	12.0	19,743	10.0	16,914	7.9
Professionals and private individuals (excluding housing loans)	11,142	7.2	12,800	6.5	14,969	7.0
Others	14,675	9.5	19,475	9.8	22,423	10.5
Total	154,722	100.0	197,827	100.0	213,828	100.0

Note:

(1) Includes customer loans classified as financial assets at fair value through profit or loss on the balance sheet. The industry classifications have been prepared at the level of the borrowing entity. A loan to an entity is classified by the industry in which it operates, even though its parent or group's main business may be in a different industry.

Housing Loans

As at December 31, 2012, the DBS Bank Group's gross housing loans accounted for 21% of its total gross customer loans and advances portfolio as compared to 21% and 25% as at December 31, 2011 and 2010, respectively. Housing loans are the DBS Bank Group's main consumer lending products. In Singapore, housing loans are granted to purchasers of both public and private residential properties. Housing loans are typically amortizing loans and priced at a mix of fixed and floating rates. These loans are typically secured by a mortgage on the underlying property, with an average term of between 15 and 35 years. The housing loan is subject to a first charge in favor of the CPF Board if a borrower had used his CPF savings to partially finance the property before September 2002. The first charge for housing loans made after 2002 resides with the lending bank. The MAS last revised the MAS Notice 632 on Residential Property Loans on January 11, 2013. Under the latest measures, the loan-to-value limit of housing loans is reduced to 50% (for individual borrowers with one outstanding housing loan) and 40% (for individual borrowers with two or more outstanding housing loans), together with an increase of the minimum cash payment from 10% to 25%. The aforesaid loan-to-value limits are further lowered to 30% and 20% respectively, where the loan tenure exceeds 30 years or extends beyond the borrower's age of 65 years. Individuals with no outstanding housing loan are subject to a loan-to-value limit of 80% or (where the loan tenure exceeds 30 years or extends beyond the borrower's age of 65 years) 60% with minimum cash payments of 5% and 10% respectively.

Further, the Inland Revenue Authority of Singapore introduced higher additional buyer stamp duties for certain groups of property buyers.

Building and Construction

As at December 31, 2012, gross loans to the building and construction sector accounted for 15% of the DBS Bank Group's total gross loans and advances portfolio as compared to 14% as at December 31, 2011 and 2010. The DBS Bank Group provides funding, mainly on a secured basis, for a variety of projects, such as office buildings and complexes, residential developments, industrial developments and retail developments. The DBS Bank Group sets a limit on total commitments to the building and construction sector against the total customer loan portfolio. Within the building and construction sector, the DBS Bank Group sets and monitors limits on the overall mix of projects in order to avoid excess concentrations in any one sub-sector.

The DBS Bank Group follows a set of internal guidelines for determining the suitability of any particular building and construction project. For example, it will typically analyze, among other things, information such as the projected cash flows, the developer's track record, financial condition and reputation, the quality of the proposed construction and the location of the project; and will require the borrower to submit business plans and feasibility studies. The DBS Bank Group tends to enter into repeat transactions with those developers with which it has had previous experience.

Financial Institutions, Investment and Holding Companies

As at December 31, 2012, gross loans to the financial institution, investments and holding company sectors accounted for 8% of the DBS Bank Group's total gross loans and advances portfolio, compared with 10% as at December 31, 2011 and 12% as at December 31, 2010. Major customers include a variety of financial institutions, such as insurance companies, securities companies and unit trusts, leasing and credit companies and investment companies. Certain holding companies are engaged in property-related activities. The DBS Bank Group's current lending policy in this sector is to focus on lending to top tier companies and government agencies.

Manufacturing

As at December 31, 2012, gross loans to the manufacturing sectors accounted for 12% of the DBS Bank Group's total gross loans and advances portfolio, as compared to 13% in December 31, 2011 and 12% in December 31, 2010. The DBS Bank Group's manufacturing customers represent a broad range of businesses. Key industries in the manufacturing sector include electronics, transport equipment, downstream petrochemical and engineering industries. The DBS Bank Group's manufacturing customers range from small to large corporations and include many of the major manufacturing companies and groups in Singapore, several large multi-national groups and smaller companies which are suppliers for large global organizations.

General Commerce

As at December 31, 2012, gross loans to the general commerce sector accounted for 18% of total gross loans and advances portfolio, compared with 17% as at December 31, 2011 and 11% as at December 31, 2010. The DBS Bank Group's general commerce customers include wholesalers and retailers.

Others

Loans to professionals and private individuals (excluding housing loans), accounted for 7% of total gross loans and advances portfolio as at December 31, 2012, December 31, 2011 and December 31, 2010. Loans to the transportation, storage and communications sector were 8% of total gross loans and advances portfolio as at December 31, 2012, as compared to 9% as at December 31, 2011 and December 31, 2010. Loans classified as "others" accounted for 10% of total gross loans and advances portfolio as at December 31, 2012 and as at December 31, 2011, compared to 9% in December 31, 2010. Loans classified as "others" comprise mainly lending to government-linked corporations, statutory boards, hotels and other SMEs.

Limits on Exposures to Specified Groups of Persons

Section 29 of the Banking Act, Chapter 19 of Singapore (the "**Banking Act**"), provides that a bank in Singapore shall limit its exposure to certain groups of persons, including a substantial shareholder group, a director group of the bank and the financial group of the bank.

See "*Regulation and Supervision — Regulation and Supervision in Singapore — The Regulatory Environment — Other Key Prudential Provisions*".

Credit Exposures outside Singapore- by Country of Incorporation

The top 10 exposures of the DBS Bank Group (outside Singapore) as at December 31, 2012, 2011 and 2010 are set out below. The exposures are determined based on the country of incorporation of borrower or issuer.

	Loans and debt securities				Total exposure	
Assets	**Banks**	**Central banks and Government securities**	**Non-banks[1]**	**Investments**	**Total Amount**	**As a % of Total Assets**
	(S$ in millions, except percentages)					
2012						
Top 10 countries						
Hong Kong	1,135	3,712	39,127	85	44,059	12.5
China	16.705	1,297	23,718	159	41,879	11.9
India	3,716	2,583	14,407	36	20,742	5.9
United States	1,710	9,641	2,454	125	13,930	3.9
Taiwan	92	4,808	7,163	2	12,065	3.4
South Korea	1,561	2,731	5,216	-	9,508	2.7
Indonesia	145	936	6,960	3	8,044	2.3
United Kingdom	1,270	874	3,481	1	5,626	1.6
Japan	1,757	1	1,424	124	3,306	0.9
Malaysia	469	219	2,460	103	3,251	0.9
Total	28,560	26,802	106,410	638	162,410	46.0

Assets	Loans and debt securities				Total exposure	
	Banks	Central banks and Government securities	Non-banks[(1)]	Investments	Total Amount	As a % of Total Assets
	(S$ in millions, except percentages)					
2011						
Top 10 countries						
Hong Kong	1,955	3,584	41,689	75	47,303	13.9
China	6,067	2,157	23,226	192	31,642	9.3
India	3,130	2,222	11,197	39	16,588	4.9
South Korea	3,597	2,680	5,377	—	11,654	3.4
Taiwan	114	3,954	6,616	3	10,687	3.1
United Kingdom	3,715	321	3,692	6	7,734	2.3
Indonesia	70	1,433	5,820	9	7,332	2.1
United States	1,042	3,893	2,230	119	7,284	2.1
Australia	2,582	319	1,800	97	4,798	1.4
Malaysia	240	157	2,731	101	3,229	1.0
Total	**22,512**	**20,720**	**104,378**	**641**	**148,251**	**43.5**
2010						
Top 10 countries						
Hong Kong	3,554	2,288	37,631	79	43,552	15.4
China	3,947	1,346	8,023	291	13,607	4.8
India	3,944	1,047	6,911	46	11,948	4.2
South Korea	2,133	1,965	4,491	—	8,589	3.0
Taiwan	217	1,982	5,108	20	7,327	2.6
Indonesia	191	1,700	4,394	15	6,300	2.2
United States	995	2,862	1,727	106	5,690	2.0
United Kingdom	1,479	375	2,612	9	4,475	1.6
Malaysia	1,148	143	2,837	101	4,229	1.5
Japan	1,156	1	2,375	1	3,533	1.2
Total	**18,764**	**13,709**	**76,109**	**668**	**109,250**	**38.5**

Note:

(1) Non-bank loans include loans to government and quasi-government entities.

Customer Loans and Advances Maturity Profile

As at December 31, 2012, customer loans and advances (net of allowances) repayable on demand and loans and advances maturing in less than seven days constituted 7%, loans and advances maturing in between one week and a month constituted 11%, loans and advances maturing between one month and three months constituted 10% and between three months and one year constituted 16%, while customer loans and advances maturing in one year or more accounted for the remainder of total customer loans and advances. Loans and advances with maturities of less than one year include revolving credit and overdraft facilities, which are typically renewed upon rollover and actual repayment patterns are of a longer-term nature.

The following table sets forth an analysis of the DBS Bank Group's customer loans and advances (net of loss allowances) by maturity:

	Less than 7 days	1 Week to 1 Month	1 to 3 Months	3 to 12 Months	Over 1 Year	Total
			(S$ in millions)			
2012	14,566	23,445	21,014	34,295	117,199	210,519
2011	11,100	24,618	18,124	32,357	108,521	194,720
2010	10,797	11,923	13,374	20,223	95,777	152,094

Credit Quality Information

Classification of Loans

The DBS Bank Group classifies its loans in accordance with guidelines adopted by the MAS (the "**MAS Guidelines**") and seeks to use international best practices in its approach where possible and applicable. The MAS Guidelines require banks to classify their loan portfolios to take into account the risks inherent in a portfolio. These classifications, and underlying collateral valuations, are used to determine minimum levels of loan loss reserves which banks are required to maintain.

The MAS Guidelines require banks to categorize their loan portfolios into five categories — two for performing loans (Pass and Special Mention) and three for classified, or NPAs (Substandard, Doubtful and Loss). Banks are required to set minimum reserves based on these categories.

Loans categorized as Pass indicate that timely repayment of an outstanding credit facility is not in doubt, repayment is expected to be prompt and no potential weaknesses have been identified. The Special Mention category is appropriate when there is potential weakness in the borrower's creditworthiness, but such weakness does not warrant a Substandard or other inferior classification. Special Mention loans generally have adequate debt service capacity but require close and active supervision because the potential weaknesses, if not corrected, may adversely affect repayment prospects.

The DBS Bank Group's Special Mention loans amounted to S$3.2 billion as at December 31, 2012, compared with S$3.9 billion as at December 31, 2011 and S$5.5 billion as at December 31, 2010.

Substandard, Doubtful or Loss classifications are appropriate when there are well-defined weakness(es) in a borrower's position that may jeopardize repayment of principal or interest from normal sources.

The following table sets forth the various categories of classified loans:

Classification Assigned to Loans	Criteria
Substandard	Substandard grade indicates that the credit facilities exhibit definable weaknesses either in respect of business, cash flow or financial position of the borrower that may jeopardize repayment on existing terms.
Doubtful	Doubtful grade indicates that the credit facilities exhibit severe weaknesses such that the prospect of full recovery of the outstanding credit facilities is questionable and the prospect of a loss is high, but the exact amount remains undeterminable.
Loss	Loss grade indicates the amount of recovery is assessed to be insignificant.

The DBS Bank Group may also apply a split classification in appropriate cases. Where an NPA is partially secured, the portion covered by collateral may be classified as Substandard while the unsecured portion of the loan may be classified as Doubtful or Loss, as appropriate.

The DBS Bank Group conducts regular reviews, in the form of supervision reports, on a yearly basis for loans classified as Pass. For loans classified as Special Mention or lower, more frequent reviews are done.

The DBS Bank Group uses an internal rating system for its bank counterparties based on the capital, assets, management, earnings, liquidity and sensitivity framework. The DBS Bank Group's overseas branches and subsidiaries generally follow classification guidelines required by the respective local banking regulations but utilize DBS Bank's classification guidelines for the purposes of consolidation at the bank and/or holding company level.

DBS Bank submits regular reports on its classified loans to the MAS. As part of its review, the MAS determines compliance with applicable regulations and may require banks to classify a particular loan or to change an existing classification.

When concessions are granted to the original terms of a loan for reasons relating to the financial difficulties of the borrower, the loan is considered a Restructured Loan. A Restructured Loan is generally graded as Substandard/Doubtful or Loss. Restructured Loans are not returned to performing status until specific conditions have been met, including that there is no longer any reasonable doubt regarding the timely collection of principal and interest and that there has been a reasonable period of sustained performance under the restructured terms. The DBS Bank Group currently has a number of NPAs which it has restructured or is in the process of restructuring. As part of the restructuring process, the particular business unit will work with the borrower to implement the most appropriate restructuring plan.

The DBS Bank Group's total NPAs were S$2.7 billion as at December 31, 2012, compared with S$2.9 billion as at December 31, 2011. Of the total NPAs as at December 31, 2012, 52% were classified as Substandard, 28% were classified as Doubtful and 21% were classified as Loss. Of the total NPAs as at December 31, 2012, S$411 million (or 15%) originated in Singapore. Of these, 71% were classified as Substandard. NPAs with respect to Hong Kong, Rest of Greater China, South and Southeast Asia and the Rest of the World totaled S$245 million, S$237 million, S$257 million and S$1,576 million, respectively. As at December 31, 2012, approximately 51% of the DBS Bank Group's total NPAs had been restructured and continued to be included in the total volume of NPAs. The DBS Bank Group's top 20 NPAs amounted to S$1.8 billion, or 65% of its total NPAs, while 51% of the top 20 NPAs were in the substandard category.

The NPL ratio fell to 1.2% as at December 31, 2012 as economic conditions in the region strengthened. NPL ratio was 1.3% as at December 31, 2011 and 1.9% as at December 31, 2010. The NPL ratios for Singapore and Hong Kong were 0.4% and 0.6%, respectively, as at December 31, 2012, compared with NPL ratios of 0.6% and 0.8%, respectively, as at December 31, 2011, and NPL ratios of 0.8% and 1.0%, respectively, as at December 31, 2010. The write-offs for NPLs amounted to S$149 million in 2012, S$177 million in 2011 and to S$899 million in 2010, which were 0.1%, 0.1% and 0.6% of total non-bank loans as at December 31, 2012, 2011 and 2010, respectively.

Loan Loss Provisioning and Reserve, Interest Accrual and Write-Off Policies

DBS Bank Group has adopted provisioning policies in accordance with the Singapore FRS as modified by the requirements of the Notice to Banks No. 612 “Credit Files, Grading and Provisioning” issued by the MAS.

Specific allowance for an individual credit exposure is made when existing facts, conditions or valuations indicate that the DBS Bank Group is not likely to collect the principal and interest due contractually on the claim. An allowance is reversed only when there has been an identifiable event that led to an improvement in the collectability of the claim. The amount of specific allowance also takes into account the collateral value, which may be discounted to reflect the impact of a forced sale or untimely liquidation. Over-due unsecured consumer loans which are homogenous in nature such as credit card receivables are pooled according to their delinquency behavior and evaluated for impairment collectively as a group, taking into account the historical loss experience of such loans.

The DBS Bank Group maintains a level of general allowances that is deemed sufficient to absorb the estimated credit losses inherent in its loan portfolio (including off-balance sheet credit exposures). In determining the level of general allowances, the DBS Bank Group considers country and portfolio risks, as well as industry practices. The DBS Bank Group maintains general allowances of at least 1% of credit exposures on and off the balance sheet net of certain collateral and after deducting specific allowances that have been made.

Under applicable tax regulations in Singapore issued by the IRAS on December 30, 2005, banks are allowed to claim deductions on individual and collective impairment loss allowances for assets in revenue accounts (such as loans). In circumstances where banks are unable to provide for collective impairment in the initial years of FRS 39 implementation but continue to maintain general allowances in accordance with the MAS requirements, tax deductions calculated based on current tax rules for general allowances will apply until December 31, 2012 or until the collective impairment allowance according to FRS 39 can be provided. Under the current tax rules for general allowances, the maximum tax-deductible general allowances that could be claimed each year are restricted to the lower of 25% of qualifying profits and 0.5% of the prescribed value of qualifying loans and investments in securities and subject to a cumulative limit of 3% of the prescribed value of qualifying loans and investments in securities for the aggregate capping. Where a tax deduction on general allowances was claimed under current tax rules, the corresponding write-back is taxable.

Non-Performing Assets and Provisioning Data

The following tables set forth various statistics with respect to the DBS Bank Group's NPAs and loss allowances:

	Non-Performing Assets and Provisioning Data as at December 31, 2012					
	Singapore	**Hong Kong**	**Rest of Greater China**	**South and Southeast Asia**	**Rest of the World**	**Total**
	(S$ in millions, except percentages)					
Non-performing assets						
(NPAs)	411	245	237	257	1,576	2,726
Substandard	290	124	105	125	761	1,405
Doubtful	41	62	84	58	507	752
Loss	80	59	48	74	308	569
Customer NPLs as a % of gross customer loans in the respective countries[(1)]	0.4%	0.6%	0.8%	0.9%	7.5%	1.2%
Total cumulative loss allowances	1,189	558	486	489	1,144	3,866
Specific allowances	133	127	132	159	804	1,355
General allowances	1,056	431	354	330	340	2,511
Total cumulative loss allowances as a % of:						
Total assets	0.3%	0.2%	0.1%	0.1%	0.3%	1.1%
NPAs in the respective countries	289%	228%	205%	190%	73%	142%
Unsecured NPAs in the respective countries	619%	336%	355%	230%	81%	183%

Note:

(1) Computed based on total customer NPLs (excluding non-performing debt securities and contingent items) divided by total gross customer loans.

	Non-Performing Assets and Provisioning Data as at December 31, 2011					
	Singapore	**Hong Kong**	**Rest of Greater China**	**South and Southeast Asia**	**Rest of the World**	**Total**
	(S$ in millions, except percentages)					
Non-performing assets						
(NPAs)	602	337	239	301	1,425	2,904
Substandard	356	166	111	159	734	1,526
Doubtful	107	105	70	70	633	985
Loss	139	66	58	72	58	393
Customer NPLs as a % of gross customer loans in the respective countries[(1)]	0.6%	0.8%	0.8%	0.9%	7.3%	1.3%
Total cumulative loss allowances	1,150	647	484	415	964	3,660

	Non-Performing Assets and Provisioning Data as at December 31, 2011					
	Singapore	Hong Kong	Rest of Greater China	South and Southeast Asia	Rest of the World	Total
	(S$ in millions, except percentages)					
Specific allowances	227	178	134	140	642	1,321
General allowances	923	469	350	275	322	2,339
Total cumulative loss allowances as a % of:						
Total assets	0.3%	0.2%	0.1%	0.1%	0.3%	1.1%
NPAs in the respective countries	191%	192%	203%	138%	68%	126%
Unsecured NPAs in the respective countries	335%	296%	315%	245%	72%	165%

Note:

(1) Computed based on total customer NPLs (excluding non-performing debt securities and contingent items) divided by total gross customer loans.

	Non-Performing Assets and Provisioning Data as at December 31, 2010					
	Singapore	Hong Kong	Rest of Greater China	South and Southeast Asia	Rest of the World	Total
	(S$ in millions, except percentages)					
Non-performing assets (NPAs)	675	362	252	336	1,588	3,213
Substandard	491	164	93	164	1,174	2,086
Doubtful	49	100	96	104	388	737
Loss	135	98	63	68	26	390
Customer NPLs as a % of gross customer loans in the respective countries(1)	0.8%	1.0%	1.9%	1.2%	9.5%	1.9%
Total cumulative loss allowances	997	612	327	384	877	3,197
Specific allowances	223	214	166	164	578	1,345
General allowances	774	398	161	220	299	1,852
Total cumulative loss allowances as a % of:						
Total assets	0.4%	0.2%	0.1%	0.1%	0.3%	1.1%
NPAs in the respective countries	148%	169%	130%	114%	55%	100%
Unsecured NPAs in the respective countries	286%	239%	185%	130%	61%	127%

Note:

(1) Computed based on total customer NPLs (excluding non-performing debt securities and contingent items) divided by total gross customer loans.

Industry Classification of Non-Performing Assets

The DBS Bank Group's NPAs are spread across various industrial sectors, such as manufacturing, building and construction, commerce and housing loans.

The following tables show the breakdown by industry classification of NPAs and specific allowances for the DBS Bank Group as at the dates indicated:

	As at December 31,					
	2010		2011		2012	
	NPA	Specific allowances	NPA	Specific allowances	NPA	Specific allowances
	(S$ in millions)					
Manufacturing	502	325	383	241	352	240
Building and construction	90	25	92	38	83	38
Housing loans	118	17	108	13	106	12
General commerce	248	107	269	131	277	155
Transportation, storage and communications	646	183	563	285	692	378
Professionals and private individuals (excluding housing loans)	173	74	175	63	162	46
Financial institutions, investment and holding companies	960	399	930	400	913	407
Others	141	82	119	56	42	26
Total NPLs	2,878	1,212	2,639	1,227	2,627	1,302
Debt securities	28	6	10	3	13	4
Contingent items and Others	307	127	255	91	86	49
Total	3,213	1,345	2,904	1,321	2,726	1,355

Aging of Non-Performing Assets

The following table sets forth information with respect to the aging of the DBS Bank Group's NPAs as of the periods indicated:

	Non-Performing Assets				
		Past due			
	Not overdue	<3 Months	3-6 Months	>6 Months	Total
	(S$ in millions)				
2012	1,245	297	193	991	2,726
2011	1,161	169	607	967	2,904
2010	1,294	225	124	1,570	3,213

Movements in Impairment Allowances

The following table shows changes in the DBS Bank Group's specific and general loan loss allowances for the periods indicated:

	Balance at January 1, 2012	Charge/ (Write back) to income statement	Net write-off during the year	Exchange and other movements	Balance at December 31, 2012
			(*S$ in millions*)		
Specific allowances					
Manufacturing	223	26	(19)	(8)	222
Building and construction	37	(3)	1	(1)	34
Housing loans	11	(1)	-	-	10
General commerce	125	46	(17)	(5)	149
Transportation, storage and communications	282	96	(9)	1	370
Financial institutions, investment and holding companies	392	(21)	(5)	(3)	363
Professionals and private individuals (excluding housing loans)	63	76	(90)	(4)	45
Others	55	(21)	(10)	-	24
Total specific allowances	**1,188**	**198**	**(149)**	**(20)**	**1,217**
Total general allowances	**1,919**	**181**	**-**	**(8)**	**2,092**
Total allowances	**3,107**	**379**	**(149)**	**(28)**	**3,309**

	Balance at January 1, 2011	Charge/ (Write back) to income statement	Net write-off during the year	Exchange and other movements	Balance at December 31, 2011
			(*S$ in millions*)		
Specific allowances					
Manufacturing	305	(29)	(55)	2	223
Building and construction	24	14	(2)	1	37
Housing loans	15	(6)	2	-	11
General commerce	101	55	(32)	1	125
Transportation, storage and communications	180	99	(1)	4	282
Financial institutions, investment and holding companies	380	29	(23)	6	392
Professionals and private individuals (excluding housing loans)	69	54	(61)	1	63
Others	78	(22)	(5)	4	55
Total specific allowances	**1,152**	**194**	**(177)**	**19**	**1,188**
Total general allowances	**1,476**	**444**	**-**	**(1)**	**1,919**
Total allowances	**2,628**	**638**	**(177)**	**18**	**3,107**

	Balance at January 1, 2010	Charge/ (Write back) to income statement	Net write-off during the year	Exchange and other movements	Balance at December 31, 2010
			(S$ in millions)		
Specific allowances					
Manufacturing	368	21	(63)	(21)	305
Building and construction	23	6	(2)	(3)	24
Housing loans	28	(11)	(1)	(1)	15
General commerce	228	84	(203)	(8)	101
Transportation, storage and communications	97	100	(10)	(7)	180
Financial institutions, investment and holding companies	589	354	(539)	(24)	380
Professionals and private individuals (excluding housing loans)	89	48	(63)	(5)	69
Others	90	12	(18)	(6)	78
Total specific allowances	**1,512**	**614**	**(899)**	**(75)**	**1,152**
Total general allowances	**1,325**	**182**	**-**	**(31)**	**1,476**
Total allowances	**2,837**	**796**	**(899)**	**(106)**	**2,628**

Securities Portfolio

The DBS Bank Group classifies its securities portfolio in line with the requirements under FRS 39. Its securities are classified into the following:

- fair value through profit or loss – these securities are either acquired for the purpose of short-term selling (held for trading) or designated by management on initial recognition (under the fair value option). Securities at fair value through profit and loss are carried at fair value with the realized or unrealized gains or losses taken to the income statement;

- loans and receivables – these securities are managed for longer term holding and collection of payments. They are not quoted in an active market and they are carried at amortized cost using the effective interest method; and

- available-for-sale ("**AFS**") – these securities are held for the purpose of investment or satisfying regulatory liquidity requirements. Such securities are held for an indefinite period and may be sold in response to needs for liquidity or changes in interest rates, credit spreads, exchange rates or equity prices. They are carried at fair value with the unrealized gains or losses recognized in the AFS revaluation reserves. When these AFS securities are sold or impaired, the accumulated fair value adjustments in the AFS revaluation reserves are taken to the income statement. Unquoted equity classified as AFS for which fair value cannot be reliably determined is carried at cost less impairment.

The DBS Bank Group's securities are disclosed as follows on its balance sheet:

- Singapore Government Securities and treasury bills;

- financial assets at fair value through profit or loss (which include other securities at fair value through profit or loss);

- financial investments; and

- securities pledged and transferred.

The DBS Bank Group's total securities portfolio accounted for 18% of total assets as at December 31, 2012, compared with 16% as at December 31, 2011. Singapore Government Securities and treasury bills accounted for 3% of total assets as at December 31, 2012, compared with 4% as at December 31, 2011.

The DBS Bank Group's other securities at fair value through profit or loss accounted for 3% of total assets as at December 31, 2012 and 2011. These consisted of non-Singapore Government debt securities, corporate debt securities and equity securities held for trading purposes or designated at fair value through profit or loss.

The DBS Bank Group's financial investments accounted for 10% and 9% of its total assets as at December 31, 2012 and December 31, 2011, respectively. Financial investments included securities classified as AFS and loans and receivables.

Securities pledged and transferred in the ordinary course of business accounted for an insignificant proportion of its total assets.

The following table sets forth book-value data relating to the DBS Bank Group's securities portfolio, as at the periods indicated:

	As at December 31,		
	2010	**2011**	**2012**
	(S$ in millions)		
Singapore Government Securities and treasury bills	11,546	12,503	12,092
Other financial securities at fair value through profit or loss	6,792	9,871	9,818
Financial investments	26,550	30,491	35,567
Securities pledged and transferred	1,982	2,634	4,397
Total	**46,870**	**55,499**	**61,874**

Funding Sources

Historically, the DBS Bank Group has raised most of its funding requirements from deposit-taking activities. The percentage of total liabilities attributable to customer deposits was 76% as at December 31, 2012 and 73% as at December 31, 2011. As at December 31, 2012, the DBS Bank Group had a customer loan-to-deposit ratio of 87%, reflecting that deposits obtained were in excess of loan requirements.

The DBS Bank Group's deposits are diversified, with retail customers providing a substantial portion of total deposits. These deposits have provided a low cost and stable funding source.

DBS Bank has also obtained funds from public offerings and private placements of debt instruments. Borrowings from commercial banks and other financial institutions have accounted for a relatively minor portion of the DBS Bank Group's total domestic borrowings. However, the borrowings make up a more significant portion of the DBS Bank Group's foreign currency requirements.

The DBS Bank Group raises foreign currency funding, mainly in U.S. dollars. Major sources of foreign currency funds include offshore currency markets and domestic money markets in countries in which the DBS Bank Group operates. DBS Bank has also established a Euro Commercial Paper Programme, a US Commercial Paper Programme and a Global Medium Term Note Programme.

The following table sets forth details as at December 31, 2012 of securities issued by the DBS Bank Group which qualify as capital for regulatory capital adequacy purposes.

Year of issue	**Face value**	
	(in millions)	
Issued by DBS Bank, which qualify for Tier II capital treatment		
October 2004	U.S.$750	5.00% Subordinated Notes Callable with Step-up in 2014
June 2006	U.S.$900	Floating Rate Subordinated Notes Callable with Step-up in 2016
July 2006	S$500	4.47% Subordinated Notes Callable with Step-up in 2016
February 2012	S$1,000	3.30% Subordinated Notes Callable in 2017

Year of issue	Face value	
	(in millions)	
March 2012	U.S.$750	3.625% Subordinated Notes Callable in 2017
August 2012	S$1,000	3.10% Subordinated Notes Callable in 2018
Issued by DBS Bank, which qualify for Tier I capital treatment		
October 2010...........	S$1,700	4.70% non-cumulative perpetual preference shares Callable in 2020
November 2010........	S$800	4.70% non-cumulative perpetual preference shares Callable in 2020
Issued by DBS Capital Funding Corporation II, which qualify for Tier I capital treatment		
May 2008.................	S$1,500	5.75% non-cumulative guaranteed preference shares, Callable with Step-up in 2018

Notes:

(1) As these securities do not meet, in full, the requirements set out in MAS Notice 637, their recognition as Additional Tier 1 capital instruments and Tier II capital instruments, as the case may be, has, in total, been capped at 50% from January 1, 2013. This cap will be reduced by 10% in each subsequent year.

The following table sets forth a breakdown of the sources of the DBS Bank Group's funding sources at the periods indicated:

	As at December 31,		
	2010	2011	2012
	(S$ in millions)		
Subordinated term debts...	6,398	5,304	5,505
Medium term notes	1,194	1,381	3,168
Commercial papers	-	6,228	5,820
Certificates of deposit [(1)]	1,018	2,767	1,149
Other debt securities in issue [(2)]	2,430	2,981	3,617
Total	**11,040**	**18,661**	**19,259**
Due within 1 year...	3,042	9,270	8,498
Due after 1 year...	7,998	9,391	10,761
Total	**11,040**	**18,661**	**19,259**

Notes:

(1) Includes certificate of deposits classified as financial liabilities at fair value through profit or loss on the balance sheet.

(2) Includes other debt securities classified as financial liabilities at fair value through profit or loss on the balance sheet.

Deposits

The DBS Bank Group offers a variety of deposit accounts, including non-interest bearing current accounts as well as interest bearing savings, current and fixed deposit accounts. The DBS Bank Group generally sets the deposit interest rates according to market conditions. For fixed deposits, the interest rates offered vary according to the maturity and size of the deposit. When a fixed deposit matures and rolls over, the prevailing interest rate will be used.

The DBS Bank Group's customer deposits increased by 8% to S$243 billion as at December 31, 2012 from S$225 billion as at December 31, 2011, with U.S. dollar, Singapore dollar and Hong Kong dollar deposits accounting for most of the growth.

Deposits Maturity Profile

The following table sets forth a breakdown of the DBS Bank Group's customer deposits by the remaining maturity and not the original maturity category as of the periods indicated:

	Deposits Maturity Profile					
	Less than 7 Days	**1 Week to 1 Month**	**1 to 3 Months**	**3 to 12 Months**	**Over 1 Year**	**Total**
	(S$ in millions)					
2012	158,543	29,651	25,402	25,064	4,247	242,907
2011	147,286	26,294	26,351	21,797	3,618	225,346
2010	129,754	21,388	19,923	16,745	5,882	193,692

Although the DBS Bank Group's deposit funding consists primarily of contractually short-term deposits, these deposits are mainly in statistically stable savings and current deposits, which account for 60% of the DBS Bank Group's deposits as at December 31, 2012, and retail fixed deposits that are often rolled over at maturity. These provide the DBS Bank Group with a stable source of long-term funds.

Interbank Funding (including interbank funding at fair value through profit or loss)

DBS Bank is a leading participant in domestic and foreign interbank markets and maintains money market lines with a large number of domestic and foreign banks. DBS Bank is a net provider of Singapore dollar interbank funds. As at December 31, 2012, the DBS Bank Group had total interbank liabilities of S$25.9 billion (or 7% of total liabilities and shareholders' funds) and interbank assets of S$29.4 billion (or 8% of total assets). As at December 31, 2011, the DBS Bank Group had total interbank liabilities of S$28.1 billion (or 8% of total liabilities and shareholders' funds) and interbank assets of S$27.2 billion (or 8% of total assets).

MANAGEMENT

DBSH and DBS Bank are both managed by a Board of Directors comprising the same nine members. The full Board of Directors of DBSH meets at least five times a year but may meet more often when necessary. DBSH has established a number of Board Committees in line with corporate governance best practices, including Audit, Board Risk Management, Executive, Nominating and Compensation and Management Development committees.

Under DBSH's and DBS Bank's constitutive documents, at each Annual General Meeting ("**AGM**"), one-third of the Directors of DBSH and DBS Bank, for the time being, shall retire from office on rotation. The directors to retire shall be those who have been longest in office since their last re-election or appointment. The retiring directors are eligible for re-election.

The Boards of DBSH and DBS Bank

The following table sets out the members of the Board of Directors of DBSH. The Board of Directors of DBS Bank consists of the same members.

Name	Title
Mr. Peter Seah Lim Huat	Chairman
Mr. Piyush Gupta	Chief Executive Officer
Dr. Bart Joseph Broadman	Director
Ms. Euleen Goh Yiu Kiang	Director
Mr. Ho Tian Yee	Director
Mr. Nihal Vijaya Devadas Kaviratne CBE	Director
Mr. Andre Sekulic	Director
Mr. Danny Teoh Leong Kay	Director
Ms. Woo Foong Pheng (Mrs. Ow Foong Pheng)	Director

Peter Seah Lim Huat

Chairman

Mr. Seah, 66, joined the Board of Directors of DBS Group Holdings Ltd and DBS Bank Ltd. on November 16, 2009 and assumed the role of Chairman on May 1, 2010. He is Chairman of the Compensation and Management Development Committee, Executive Committee and Nominating Committee, as well as a member of the Audit Committee and Board Risk Management Committee. In addition, he is Chairman of DBS Bank (Hong Kong) Limited and also chairs its Board Risk Management Committee.

Mr. Seah is the present Chairman of Singapore Health Services Pte Ltd and LaSalle College of the Arts Limited. Mr. Seah was a banker for 33 years before retiring as Vice Chairman and CEO of the former Overseas Union Bank in 2001.

He also serves on the boards of CapitaLand Limited, StarHub Ltd, STATS ChipPAC Ltd and Government of Singapore Investment Corporation Private Limited.

Piyush Gupta

Chief Executive Officer

Mr. Gupta, 53, was appointed CEO and to the Board of Directors of DBS Group Holdings Ltd and DBS Bank Ltd. on November 9, 2009. He is a member of the Executive Committee. In addition, he is also Vice Chairman of DBS Bank (Hong Kong) Limited and a director of The Islamic Bank of Asia Limited.

Prior to joining DBS, Mr. Gupta was Citigroup's Chief Executive Officer for South East Asia, Australia and New Zealand.

Mr. Gupta serves on the boards of Dr. Goh Keng Swee Scholarship Fund, Human Capital Leadership Institute, Institute of International Finance Washington and MasterCard Asia/Pacific, Middle East and Africa Regional Advisory Board. He is also an advisory board member of the Sim Kee Boon Institute for Financial Economics, a Managing Council member of the Indian Business-leaders Roundtable under the Singapore Indian Development Association ("**SINDA**"), a council member of Singapore Business Federation and The Institute of Banking and Finance. He is the Chairman of The Association of Banks in Singapore.

Bart Joseph Broadman

Director

Dr. Broadman, 52, was appointed to the Board of Directors of DBS Group Holdings Ltd and DBS Bank Ltd. on December 17, 2008. He is a member of the Board Risk Management Committee and Compensation and Management Development Committee.

Dr. Broadman is a co-founder and Director of Alphadyne Asset Management based in Singapore. Prior to forming Alphadyne, Dr. Broadman spent 14 years in Asia working for J.P. Morgan, where he held the post of Vice Chairman of Asia and Head of Markets (Credit, Rates and Equities) in Asia.

Dr. Broadman is a director of Alphadyne (UK) Holdings Limited. He is also a member of the Investment Committee of Nanyang Technological University and a member of the Financial Research Council of the Monetary Authority of Singapore.

Euleen Goh Yiu Kiang

Director

Ms. Goh, 58, was appointed to the Board of Directors of DBS Group Holdings Ltd and DBS Bank Ltd. on December 1, 2008. She chairs the Board Risk Management Committee and is a member of the Compensation and Management Development Committee, Executive Committee and Nominating Committee.

Ms. Goh is currently Chairperson of the Board of Governors of Singapore International Foundation. She is a director of CapitaLand Limited and Singapore Airlines Limited. She is a member of the Management Advisory Board of NUS Business School and was previously the Chairperson of the Accounting Standards Council. Ms. Goh was CEO of Standard Chartered Bank, Singapore from 2001 to March 2006. She held various senior management positions in Standard Chartered Bank, retiring in March 2006 after some 21 years.

Ho Tian Yee

Director

Mr. Ho, 61, was appointed to the Board of Directors of DBS Group Holdings Ltd and DBS Bank Ltd. on April 29, 2011. He is a member of the Board Risk Management Committee and Nominating Committee.

Mr. Ho has over 30 years' experience in managing and investing in global financial markets. As principal shareholder and Managing Director of Pacific Asset Management (S) Pte Ltd, he oversees the management of the company and assumes responsibilities for all investment decisions and risks.

Mr. Ho spent 19 years with Bankers Trust Company, Singapore where his last position was as General Manager and Regional Head of South East Asian operations. He was responsible for the Singapore branch operations and the strategic direction of the Bankers Trust global trading business in Asia.

He is a director of SP AusNet. He also serves on the boards of Fullerton Fund Management Co. Ltd, Hexa-Team Planners Pte Ltd and Singapore Power Ltd.

Nihal Vijaya Devadas Kaviratne CBE

Director

Mr. Kaviratne, 69 was appointed to the Board of Directors of DBS Group Holdings Ltd and DBS Bank Ltd. on April 29, 2011. He is a member of the Audit Committee and Board Risk Management Committee.

Mr. Kaviratne is currently Chairman of Akzo Nobel India Limited, and serves on the board of GlaxoSmithKline Pharmaceuticals Ltd in India. Mr. Kaviratne had spent a 40-year career with the Unilever Group during which he held various senior level management positions until his retirement in March 2005.

He currently serves as President Commissioner of PT TVS Motor Company and on the boards of SATS Ltd, StarHub Ltd and Wildlife Reserves Singapore Pte Ltd.

Andre Sekulic

Director

Mr. Sekulic, 62, was appointed to the Board of Directors of DBS Group Holdings Ltd and DBS Bank Ltd. on April 26, 2012. He is a member of the Audit Committee and Compensation and Management Development Committee.

Mr. Sekulic is a business leader with 35 years of experience in banking and financial services in Asia/Pacific, Africa, the Middle East and the United States. He started his career as General Manager at Citicorp Inc. with regional responsibilities in Asia/Pacific, then as General Manager for Citibank in Australia where he participated in its consumer bank business.

From 1986 to 2009, Mr. Sekulic rose from Senior Vice President and General Manager of MasterCard Asia Pacific to President of MasterCard Asia Pacific, the Middle East and Africa, where he led the building of the brand across the region.

He is currently Chairman of comGateway (S) Pte Ltd, a global internet shopping platform and a director of ourGroup Inc, an internet platform for philanthropic interests. He also serves on the boards of Hussar Pty Ltd, Insourcing International Pty Ltd, Queenstar Pte Ltd and Queenstar Pty Ltd.

Danny Teoh Leong Kay

Director

Mr. Teoh, 57, was appointed to the Board of Directors of DBS Group Holdings Ltd and DBS Bank Ltd. on October 1, 2010. He is Chairman of the Audit Committee, as well as a member of the Board Risk Management Committee and Nominating Committee.

Mr. Teoh spent 27 years in KPMG LLP, Singapore and was the Managing Partner of the firm from 2005 until he retired in September 2010. Mr. Teoh is a Chartered Accountant and an associate member of the Institute of Chartered Accountants in England and Wales.

He currently serves on the boards of CapitaMall Trust Management Limited (the Manager of CapitaMall Trust), Changi Airport Group (Singapore) Pte Ltd, JTC Corporation, Keppel Corporation Limited and the Singapore Olympic Foundation.

Woo Foong Pheng (Mrs. Ow Foong Pheng)

Director

Mrs. Ow, 49, was appointed to the Board of Directors of DBS Group Holdings Ltd and DBS Bank Ltd. on April 26, 2012. She is a member of the Audit Committee and Nominating Committee.

Mrs. Ow is currently the Permanent Secretary of the Ministry of Trade and Industry and serves as a board member of Mapletree Greater China Commercial Trust Management Ltd (the Manager of Mapletree Greater China Commercial Trust). She started her career in the Administrative Service in the Ministry of Education and subsequently served in several ministries, including National Development, Finance and

Defence. In 2001, Mrs. Ow became Deputy Secretary, Ministry of Home Affairs and in 2004, she became Deputy Secretary, Ministry of Manpower. Mrs. Ow was appointed Chief Executive Officer, Jurong Town Corporation in 2006.

Board Responsibility

The Board directs the DBS Bank Group in the conduct of its affairs, exercising its fiduciary role to ensure that corporate responsibility and ethical standards are met. The Board is responsible for:

(i) Setting the strategic direction and long-term goals of the DBS Bank Group and ensuring that adequate resources are available to meet strategic objectives.

(ii) Approving and monitoring capital and financial plans to ensure that they are in line with the DBS Bank Group's strategic directions; the annual budget; the annual and interim financial statements; and capital expenditures and strategic acquisitions and divestments.

(iii) Establishing a risk strategy and a framework for risks to be assessed and managed.

(iv) Monitoring and reviewing management performance.

(v) Using its wide-ranging expertise to vet corporate plans and policies.

(vi) Determining the DBS Bank Group's values and standards (including ethical standards) and ensuring that obligations to the stakeholders are understood and met.

(vii) Making succession plans for itself and for the chief executive officer to ensure continuity of leadership.

(viii) Considering sustainability issues (including environmental and social factors) as part of the Group's strategy.

As part of its ethical responsibilities, the Board ensures that a culture of fair dealing is embedded across the Group and the values of being Respectful, Easy to deal with and Dependable are entrenched across the Group's processes and business practices so as to place customers at the heart of the banking experience.

The Board also delegates authority and powers to Board committees to oversee specific responsibilities, such as executive leadership and strategy, financial reporting audit, risk management, credit controls and approvals, compensation and management and leadership development. These committees enable the Board to better carry out its stewardship and fiduciary responsibilities. The Board has established an internal framework called the Group Approving Authority to ensure that guidelines for the delegation of authority at various levels are consistently applied throughout the DBS Bank Group.

Terms of Appointment

The DBS Bank Group has a standing policy that a non-executive director will serve up to a maximum of three three-year terms. The DBS Bank Group considers this tenure to be appropriate for members to gain an understanding of the DBS Bank Group and to make an effective contribution. None of the incumbent directors have served more than six years.

The present Board comprises nine members. The DBS Bank Group is of the view that the size of the Board is appropriate, given the current size and geographic footprint of the DBS Bank Group's operations. Nevertheless, the Board through the Nominating Committee (the "**NC**") continually reviews the size and composition of the Board at least annually, taking into account the requirements of the business and the resourcing level required at Board committees. The Board members, two of whom are women, collectively bring range and depth of experience and industry expertise to the table, representing diversity of age, gender, nationality, skills and knowledge.

Selection Criteria and Nomination Process for New Directors

The NC recognizes the importance of an appropriate balance and diversity of industry knowledge, skills, backgrounds, experience, professional qualifications, gender and nationalities in building an effective Board. To achieve this, the NC reviews the Board's collective skills matrix regularly to ensure that the Board has the appropriate diversity to perform effectively. The matrix takes into account the dynamic changes occurring within the financial services industry and local, regional and global markets.

As part of the formal process for the appointment of new directors, the NC reviews the composition of the Board and identifies the skills required to enhance the Board's effectiveness. Thereafter, suitable candidates are identified from various sources. The NC conducts an initial assessment to review a candidate's qualifications, attributes and past experience. The NC then proceeds to interview short-listed candidates. The NC considers the proposed candidate's independence, expertise and background, and determines if he or she possesses the skills required and makes its recommendations to the Board accordingly. A candidate's capabilities are mapped against a detailed matrix which has been crafted and tailored to suit the Group's requirements.

Induction Programme

Upon appointment, a new director receives his or her letter of appointment, and is issued with a Directors' Handbook setting out a director's duties, responsibilities and disclosure obligations as a director of a financial institution. The new director is also briefed on key disclosure duties and statutory obligations. As part of the induction programme, the new director gains an understanding of the Group's management, business and governance practices through a series of detailed induction briefings by members of senior management on the Group's various businesses and support functions.

Rotation and Re-election of Directors

The Articles of Association require the one-third of directors who are longest-serving to retire from office every year at the AGM. Based on such a rotation process, each director is required to submit himself or herself for re-election by shareholders at least once every three years. A director who reaches the age of 70 is required by law to retire and stand for re-election every year.

In addition, NC members are subject to an annual assessment of their independence as prescribed by the Code of Corporate Governance 2012 (the "**Code**"), the Guidelines (as defined herein) and the Banking (Corporate Governance) Regulations 2005. This independence assessment takes into account the NC members' business relationships with the DBS Bank Group and relationship with members of management and the substantial shareholder of DBSH.

Board Committees of DBS Bank Group

The Board of Directors has established five committees to increase its effectiveness.

Executive Committee

The Executive Committee comprises Mr. Seah (Chairman), Ms. Goh and Mr. Gupta.

The Executive Committee's responsibilities include:

(i) Reviewing the DBS Bank Group's strategy, business plans, annual budget and capital structure.

(ii) Reviewing strategic investments or divestments.

(iii) Reviewing the delegation of authority stipulated by the Group Approving Authority.

(iv) Reviewing weak credit cases.

(v) Approving credit transactions, investments, capital expenditures and expenses that exceed the limits that can be authorized by the Chief Executive Officer.

In the course of the financial year, the Executive Committee reviewed the potential impact on the DBS Bank Group's operations arising from changes in global market conditions to ensure that the DBS Bank Group's strategy remains relevant and responsive to changes in business conditions. It also reviewed several corporate actions, divestments and investments as well as the capital expenditure, providing an initial review prior to discussion and approval by the Board.

Audit Committee

The Audit Committee (the "**AC**") comprises Mr. Teoh (Chairman), Mr. Seah, Mr. Kaviratne, Mr. Sekulic and Mrs. Ow.

The AC's responsibilities include:

(i) Reviewing the adequacy of internal controls, such as financial, operational, compliance and information technology controls, as well as accounting policies and systems.

(ii) Monitoring the financial reporting process and ensuring the integrity of the DBS Bank Group's financial statements.

(iii) Reinforcing the effectiveness of internal and external audit processes.

(iv) Reviewing the internal auditor's plans, the scope and results of audits, and effectiveness of the internal audit function.

(v) Approving the hiring of Head of Group Audit, including appointment, removal, evaluation, annual compensation and salary adjustment.

(vi) Reviewing the arrangements by which staff of the DBS Bank Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and to ensure that arrangements are also in place for independent investigation of such matters and for appropriate follow up action.

(vii) Maintaining effective communications between the Board, management and external auditors. The Audit Committee reviews internal and external auditors' plans, the effectiveness of their audits, and the independence of the external auditors.

(viii) Making recommendations to the Board on the proposals to shareholders on the appointment, re-appointment and renewal of the external auditors and approving the remuneration and terms of engagement of the external auditors.

All AC meetings are also attended by the Chief Executive Officer, heads of Group Audit, Finance, and Legal, Compliance and Secretariat. The AC also has full discretion to invite any director and executive to attend its meetings. Separate sessions with the external auditor are held without the presence of management at each AC meeting to discuss matters that might have to be raised privately. In addition, the Chairman of the AC meets the internal auditors regularly to discuss the internal audit plan, current work, key findings and other significant matters. The AC has explicit authority to investigate any matter within its terms of reference, and has full access to and cooperation by management

Board Risk Management Committee

The Board Risk Management Committee (the "**BRMC**") comprises Ms. Goh (Chairman), Dr. Broadman, Mr. Seah, Mr. Teoh, Mr. Ho and Mr. Kaviratne.

The BRMC's responsibilities include:

(i) Monitoring risk exposures and risk strategy in accordance with approved guidelines.

(ii) Approving the DBS Bank Group's overall and specific risk governance frameworks (including setting risk appetite and risk authority limits) and Basel II compliant risk models.

(iii) Overseeing an independent DBS Bank Group-wide risk management system and ensuring there are sufficient resources to monitor risks.

(iv) Exercising oversight of the Internal Capital Adequacy Assessment Process through stress scenario setting approval and other regular reporting

(v) Approving the Recovery Plan

In 2012, the BRMC continued to steer the development of the Risk Appetite Framework. This framework encompasses the Risk Appetite Statement and the allocation of risk limits and capital to the various risk types, geographies, industries and individual clients. The Risk Appetite statement was approved by the Board in April 2012. During discussions on the risk dashboard (which was introduced in 2011), the BRMC closely monitored the Eurozone crisis and other significant macro-economic outlook; it reviewed the impact and actions taken by management which included various stress testing exercises on the various portfolios and country risk exposures. The BRMC was also kept informed of the regulatory developments such as Basel III. In addition, the BRMC reviewed and approved the Recovery Plan, which sets out the framework and options that the Group can take to stabilise itself and restore the capital, liquidity and profitability it needs to continue as a going concern should it come under severe stress

Compensation and Management Development Committee

The Compensation and Management Development Committee (the "**CMDC**") comprises Mr. Seah (Chairman), Dr. Broadman, Ms. Goh and Mr. Sekulic.

The CMDC's responsibilities include:

(i) Overseeing the principles and framework of compensation to ensure their alignment with prudent risk-taking to build a sustainable business in the long term.

(ii) Overseeing the remuneration of senior executives including reviewing and approving the remuneration of the executive director.

(iii) Approving employee incentive schemes and reviewing their effectiveness in employee retention and the creation of long-term value for the DBS Bank Group.

(iv) Overseeing management development and succession planning to ensure that the DBS Bank Group strengthens its core competencies, bench strength and leadership pipeline.

Nominating Committee

The NC comprises Mr. Seah (Chairman), Ms. Goh, Mr. Teoh, Mr. Ho and Mrs. Ow.

The NC's responsibilities include:

(i) Regularly reviewing the composition of the Board and Board committees taking into account size and independence requirements, amongst others.

(ii) Reviewing the Board's succession plans for directors, in particular, the Chairman and the Chief Executive Officer.

(iii) Identifying, reviewing and recommending Board appointments for approval by the Board, taking into account the expertise, skills and knowledge offered by the candidate and the needs of the Board.

(iv) Reviewing and recommending to the Board the re-appointment of any non-executive director having regard to their performance, commitment and ability to contribute to the Board as well as his or her skillset.

(v) Conducting on an annual basis an evaluation of the performance of the Board, the Board committees and the directors, and analyzing whether each director is independent in accordance with regulatory guidelines.

(vi) Making an annual assessment of whether each director has sufficient time to discharge his or her responsibilities, taking into consideration multiple board representations and other principal commitments.

(vii) Exercising oversight of the CDP for training of Board members.

Role of the Board of Directors of DBS Bank

The Articles of Association of DBS Bank state that the business of DBS Bank will be managed by the Directors, who may exercise all the powers of DBS Bank, subject to the provisions of the Companies Act or the Articles of Association and to such regulations as may be prescribed by DBS Bank in general meeting. Without detracting from the Articles, the Board of Directors of DBS Bank has also decided that certain matters must always be approved by the Board of Directors. These include:

(i) the consolidated financial statements and Directors' report of DBS Bank;

(ii) any strategic plan for DBS Bank;

(iii) the annual budget for DBS Bank;

(iv) all strategic acquisitions and divestments by DBS Bank or its subsidiaries;

(v) all major fund-raising exercises of DBS Bank or its subsidiaries; and

(vi) all decisions that will have a major impact on the reputation or standing of DBS Bank.

Organization Structure of the DBS Bank Group

General

The DBS Bank Group recognizes that the ability to maintain good corporate governance is a key factor in its future success. In this light, DBS Bank Group maintains an organizational structure to facilitate effective decision making to capture business opportunities in a timely manner while leveraging its regional strengths. In addition, the organizational structure defines the roles and responsibilities for various business units, support units and countries in the areas of operations and controls, allowing seamless coordination and alignment between the various units in the decision making process.

The DBS Bank Group has established a committee structure to foster cross-functional proactive and participative management throughout the DBS Bank Group. The highest management decision-making body at DBS is the Group Executive Committee responsible for overseeing corporate strategy, credit, capital and risk management across the DBS Bank Group.

The Group Executive Committee together with the Group Management Committee is responsible for setting the strategy and direction of the DBS Bank Group, driving business performance and achieving synergies across the organization and thereafter facilitate the execution of these decisions to deliver on planned outcomes and results. The Group Management Committee is also responsible for all matters of corporate governance and for protecting and enhancing the DBS Bank Group's brand and corporate reputation. Other committees include (i) Risk Executive Committee, (ii) Group Credit Risk Committee, (iii) Group Market and Liquidity Risk Committee, (iv) Group Operational Risk Committee and (v) Group Asset Liability Committee, (vi) Group Capital and Balance Sheet Committee, among others.

Each committee comprises senior managers from across the DBS Bank Group's business and functional units. Meeting frequencies range from weekly to quarterly for these committees.

Group Executive Committee and Group Management Committee of the DBS Bank Group

The following table sets forth the senior management who are members of the Group Executive Committee and Group Management Committee of the DBS Bank Group.

Name	Responsibility
Mr. Piyush Gupta(1)	Chief Executive Officer
Mrs. Chng Sok Hui(1)..	Chief Financial Officer
Ms. Jeanette Wong(1)	Institutional Banking Group
Ms. Tan Su Shan(1)..	Consumer Banking Group / Wealth Management Group

Name	Responsibility
Mr. Andrew Ng(1)	Treasury & Markets
Mr. Elbert Pattijn(1)..	Chief Risk Officer
Mr. David Gledhill(1)...	Group Technology & Operations
Mr. Sim S. Lim(1)...	Country Head, DBS Singapore
Mr. Sebastian Paredes(1)..................................	Country Head, DBS Bank (Hong Kong) Limited
Mr. Eric Ang..	Capital Markets
Mr. Sanjiv Bhasin..	Country Head, DBS Bank Ltd. India
Mr. Jerry Chen..	Country Head, DBS Bank (Taiwan)
Mr. Kenneth Fagan	Group Legal, Compliance and Secretariat
Mr. Neil Ge..	Country Head, DBS Bank (China) Limited
Ms. Lee Yan Hong..	Group Human Resources
Mr. Jimmy Ng...	Group Audit
Ms. Karen Ngui..	Group Strategic Marketing and Communications
Mr. Bernard Tan	Strategic Projects
Mr. Melvin Teo...	President Director of PT Bank DBS Indonesia
Mr. Domenic Fuda	Consumer Banking Group / Wealth Management Group

Note:

(1) Members of the Group Executive Committee.

Mrs. Chng Sok Hui

Sok Hui is a career DBS banker. She joined DBS in 1983 and was appointed Chief Financial Officer in October 2008. Prior to her current role, Sok Hui was Head of Risk Management for six years. She is the Supervisor of DBS Bank (China) Board and serves on the boards of the Bank of the Philippine Islands, Housing and Development Board and the Singapore Accounting Standards Council.

Ms. Jeanette Wong

Jeanette oversees DBS' corporate banking and global transaction services businesses. She was the CFO of DBS for five years before taking on her current responsibilities in 2008. Prior to joining DBS in 2003, Jeanette spent 16 years at JP Morgan. Jeanette chairs the board of DBS Bank (Taiwan) and is also on the boards of DBS Bank (China) and Neptune Orient Lines. She also chairs the Advisory Board of SMU Lee Kong Chian School of Business.

Ms. Tan Su Shan

Su Shan is responsible for DBS' Consumer Banking & Wealth Management businesses. She was promoted to her current role in April 2013. Before that, she was responsible for growing DBS' regional wealth management business which encompasses DBS Private Bank, DBS Treasures Private Client and DBS Treasures. Prior to joining the bank, Su Shan was Morgan Stanley's Head of Private Wealth Management for Southeast Asia. She has also worked at Citi Private Bank as the Region Head for Singapore, Malaysia and Brunei. Su Shan is a member of the Monetary Authority of Singapore Private Banking Advisory Group.

Mr. Andrew Ng

Andrew joined DBS in 2000 and has over 25 years of experience in the treasury business. Prior to joining DBS, he was Executive Director at Canadian Imperial Bank of Commerce (CIBC) from 1995 to 1999. He set up CIBC's trading platform and derivative capabilities on Asian currencies. Between 1986 and 1995, Andrew was Head of North Asia Trading and Treasurer of Chase Manhattan Bank in Taipei.

Mr. Elbert Pattijn

Elbert has been Chief Risk Officer for DBS since October 2008. Prior to that, he was Head of Specialised Corporate and Investment Banking at the bank. Before DBS, he was Head of Debt Products Origination, Asia for ING Bank. He has previously held the position of Head of Counterparty Risk, Country Risk, Risk Research and Modelling for ING Group in Amsterdam. Elbert has also worked for Barclays and ABN AMRO.

Mr. David Gledhill

David brings with him over 25 years of experience in the financial services industry and has spent over 20 years in Asia. Prior to joining DBS in 2008, he held progressively senior positions with regional responsibilities in JP Morgan where he was involved with several mergers, offshoring as well as the regionalization of the bank's operations. David is a Director of Singapore Clearing House Pte Ltd and a member of IBM Advisory Board.

Mr. Sim S. Lim

Sim is the first DBS country head with dedicated oversight for Singapore. He is responsible for helping the bank to derive greater synergy and value across the Singapore franchise. He spent the bulk of his 28-year banking career in Asia, where he assumed a wide variety of roles. Prior to joining DBS, Sim was the President and CEO of Citigroup Global Markets Japan Inc.

Mr. Sebastian Paredes

Sebastian is the country head of DBS Bank (Hong Kong) Ltd. A banker of over 25 years, Sebastian has a strong track record in building franchises across multiple markets. Prior to joining DBS, Sebastian was President Director of PT Bank Danamon Indonesia where he solidified the bank's position in retail, SME and commercial banking. Prior to that, he spent 20 years at Citi in South America, Middle East, Africa and Europe.

Mr. Eric Ang

Eric started his career with DBS in 1978 and is currently responsible for Capital Markets. Within the DBS Group, he serves on a number of boards including DBS Asia Capital, Hwang-DBS Investment Bank Berhad and The Islamic Bank of Asia.

Mr. Sanjiv Bhasin

Sanjiv is the country head of DBS Bank Ltd, India, a role he has held since 2008. A seasoned banker, Sanjiv started his career with HSBC India in 1979 where he was previously Chief Operating Officer. Sanjiv has worked in various capacities spanning corporate, investment banking, credit and risk management in India, London and Mauritius. Before joining DBS, he was the CEO and Managing Director of Rabo India Finance.

Mr. Jerry Chen

Jerry is the country head of DBS Bank Ltd, Taiwan. Prior to joining DBS in 2008, he was the President of Ta Chong Bank for four years, during which he significantly increased the bank's asset quality to attract foreign investments. Jerry has extensive experience in Corporate Banking, Consumer Banking and Treasury businesses and spent over 25 years in Citibank, Taiwan.

Mr. Ken Fagan

Kenneth joined DBS in 2008. He is an industry veteran with more than 30 years of legal experience. Kenneth spent 25 years with Citibank and relocated to Singapore in 1994. He served as the first General Counsel of Citibank's Asia Pacific Consumer Business and subsequently as the General Counsel for Citibank's Asia Pacific Corporate Bank as well.

Mr. Neil Ge

Neil is the country head of DBS Bank (China) Ltd. A seasoned banker, he has over 20 years of international experience spanning Beijing, Shanghai, Hong Kong, Tokyo and New York. Formerly Managing Director at Credit Suisse's Shanghai office, Neil played an instrumental role in building up the joint venture between Credit Suisse and Founder Securities

Ms. Lee Yan Hong

With more than 25 years of Human Resources experience in a diverse range of industries, Yan Hong is responsible for driving the strategic people agenda of DBS Group. Prior to joining DBS in 2010, Yan Hong was Citigroup's Managing Director of Human Resources, Singapore. She has also worked at General Motors and Hewlett Packard previously.

Mr. Jimmy Ng

Jimmy is responsible for strengthening the bank's control environment, risk management and governance process. He has over 20 years of banking experience across a broad range of functions including Technology and Operations, Risk Management, Product Control and Audit.

Ms. Karen Ngui

Karen is responsible for corporate communications, brand management, strategic marketing and corporate social responsibility. She has over 25 years of experience in the financial sector and prior to joining DBS in 2005, was the Global Head of Brand Management and Strategic Marketing at Standard Chartered Bank. She sits on the Board of Governors of the Singapore International Foundation.

Mr. Bernard Tan

Bernard leads strategic projects for DBS Group. Prior to this, his stints at DBS include being country head of Indonesia and leading the successful integration of Bowa Commercial Bank with DBS Taiwan. Bernard held a variety of senior leadership positions in the Singapore military and government before joining DBS in 2008.

Mr. Melvin Teo

President Director of PT Bank DBS Indonesia, Melvin is responsible for leading the team and driving organic business growth in Indonesia. Prior to this, he was the country head of DBS Bank (China) Limited. During his three-year stint as country head of China, Melvin successfully grew and strengthened the China franchise.

Mr. Domenic Fuda

Domenic was promoted to Deputy Group Head of CBG and Wealth Management in April 2013. He joined DBS in 2010 as Chief Financial Officer (CFO) of Regional Consumer Banking. Prior to joining DBS, he spent over 15 years at Citigroup in a variety of senior management roles across Asia. Before joining DBS, Domenic was Citi's Chief Operating Officer for South East Asia Pacific, Australia and New Zealand.

Remuneration

The DBS Bank Group's remuneration policy is aimed at establishing a framework for attracting, retaining and motivating employees, and creating incentives for delivering long-term performance within established risk limits. The policy reinforces a culture that rewards performance.

Remuneration of Non-executive Directors

The remuneration for non-executive directors, including the Chairman, has been benchmarked to reflect trends in global, regional and local banking markets. Non-executive directors will receive 70% of their director's fees in cash and the remaining 30% in share awards. The share awards are not subject to a vesting period, but are subject to a selling moratorium whereby each non-executive director is required to hold the equivalent of one year's basic retainer for his or her tenure as a director and for one year after the date he or she steps down as a director. The fair value of share grants to the non-executive directors shall be based on the volume-weighted average price of DBSH shares over the 10 trading days immediately following the AGM. Shareholders are entitled to vote on non-executive directors' remuneration at the forthcoming AGM.

Remuneration of Executive Director

The remuneration for the executive director reflects the CMDC's assessment of the DBS Bank Group's achievements against the balanced scorecard framed by market or comparable remuneration data. The remuneration structure incentivizes the executive director to achieve the DBS Bank Group's annual as well as long-term goals and ensure that they are aligned with shareholders' interests. The CMDC's recommendation for the executive director's remuneration has to be endorsed by the Board.

The annual fee structure for the Board in 2012, which is unchanged from the previous year, is as follows.

Annual Fees for the Board

	$
Chairman	500,000
Director	80,000

Additional Fees for Membership in Board Committees

Type of Committee	Chairman	Member
	($)	
Executive Committee	75,000	45,000
Audit Committee	75,000	45,000
Board Risk Management Committee	75,000	45,000
Nominating Committee	35,000	20,000
Compensation and Management Development Committee	65,000	35,000

Breakdown of Directors' Remuneration

The following table shows the composition of directors' remuneration for 2012[1]. Directors who were appointed or who resigned or retired during the year are included in the table.

Name of Director	Salary Remuneration	Cash Bonus[2]	Share Plan	Directors' Fees[3]	Share-based Remuneration[4]	Others[5]	Total
				($)			
Peter Seah Lim Huat	-	-	-	662,544	283,948	52,792	999,284
Piyush Gupta	1,200,000	3,485,000	4,615,000	-	-	31,249	9,331,249
Bart Joseph Broadman	-	-	-	153,300	65,700	-	219,000
Christopher Cheng Wai Chee[7]	-	-	-	227,600	-	-	227,600
Euleen Goh Yiu Kiang	-	-	-	245,700	105,300	-	351,000
Ho Tian Yee	-	-	-	140,000	60,000	-	200,000
Nihal Vijaya Devadas Kaviratne CBE	-	-	-	181,580	77,820	-	259,400
Kwa Chong Seng[8]	-	-	-	79,295	-	-	79,295
Andre Sekulic[9]	-	-	-	109,478	46,919	-	156,397
Danny Teoh Leong Kay	-	-	-	207,200	88,800	-	296,000
Woo Foong Pheng (Mrs Ow)[10]	-	-	-	135,462	-	-	135,462

Notes:

(1) Refers to 2012 performance remuneration – includes fixed pay in 2012, cash bonus received in 2013 and shares granted in 2013.

(2) The amount was accrued in the 2012 financial statements.

(3) Fees payable in cash, in 2013, for being a director in 2012. This was approved by the shareholders at the 2013 AGM.

(4) This is to be granted in the form of DBSH shares, for being a director in 2012. This was approved by the shareholders at the 2013 AGM.

(5) Represents non-cash component and comprises club, car and driver benefits and employer's contribution to CPF.

(6) For better comparability with other listed companies, these figures exclude the estimated value of retention shares amounting to $923,000 which will only vest in the 4^{th} year if the incumbent is still in the employment of the Group.

(7) Dr. Cheng, who resigned as Director at the conclusion of the 2013 AGM, received all of his directors' remuneration in cash.

(8) Mr. Kwa, who stepped down on April 25, 2012, received all of his director's remuneration in cash.

(9) Mr. Sekulic was appointed as Director on April 26, 2012.

(10) Mrs. Ow was appointed as Director on April 26, 2012. Directors' remuneration payable to Mrs. Ow has been paid fully in cash to a government agency, the Directorship & Consultancy Appointments Council.

Notes:

- *Directors are also paid attendance fees for Board and Board Committee meetings, as well as for attending the AGM and the annual Board offsite*

- *Fees have been pro-rated according to the date of appointment or resignation. There were 366 days in calendar year 2012*

In 2012, none of the DBS Bank Group employees were immediate family members of a director.

Key executives' remuneration

Although the Code recommends that at least the top five key executives' remuneration be disclosed within bands of S$250,000, the Board believes such disclosure would be disadvantageous to the DBS Bank Group's business interests, given the highly competitive conditions in the banking industry.

Long-term share incentives – DBSH Share Plan, DBSH Employee Share Plan and Share Ownership Scheme

As the DBS Bank Group seeks to foster a culture that aligns employees' interests with those of shareholders' as well as to enable employees to share in the success of the DBS Bank it has put in place share-based plans. There are three plans: the DBSH Share Plan (the "**Share Plan**"), the DBSH Employee Share Plan (the "**ESP**") and the DBSH Share Ownership Scheme (the "**SOS**").

Prior to 2009, a DBSH Share Option Plan (the "**SOP**") was also part of the long-term share incentives that had been put in place. The SOP expired on June 19, 2009 and it was not extended or replaced. The termination does not affect the rights of holders of outstanding existing options.

Employees holding the corporate rank of Vice President and above are eligible to participate in the Share Plan whilst the ESP caters to employees who are Assistant Vice Presidents and below.

Awards made under both the Share Plan and the ESP form part of the employees' annual deferred remuneration.

The grants operate like restricted share awards and comprise two elements – the main award and the retention award. The shares given in the retention award constitute 20% of the shares given in the main award. Awards made under the plans vest over a four-year period: 33% of the shares in the main award will vest two years after the grant date, another 33% three years after and the remaining 34% four years after, when the shares in the retention award will also vest.

In addition, shares can also be awarded to Vice Presidents and below as part of talent retention. Shares awarded in such cases only comprise one element - the main award and have similar vesting arrangements as those awarded under the Share Plan and the ESP.

Vesting of awards made under the Share Plan and the ESP is conditional on eligible employee's continued employment with the Group at the respective vesting dates and is subject to the terms and conditions of the award, the Share Plan or the ESP (where applicable) and such other terms and conditions that may be implemented by the Group from time to time.

The aggregate number of new DBSH ordinary shares that may be issued under the Share Plan together with the shares subject to the exercising of options under the former SOP may not at any time exceed 7.5% of the issued ordinary shares (excluding treasury shares) of the DBSH.

In addition, employees who are not eligible for the Share Plan are eligible to participate in the SOS. The SOS is a market purchase plan administered by DBS Trustee Ltd, a wholly-owned subsidiary of DBS Bank Ltd. All confirmed employees with at least one year of service can participate in the scheme. Participants and the DBS Bank Group contribute up to 10% and 5% of monthly base salary respectively to buy units of DBSH ordinary shares.

PRINCIPAL SHAREHOLDERS OF DBSH

The following table shows the shareholders of DBSH owning, in aggregate, more than 70% of the outstanding ordinary shares of DBSH, as shown on its share register as at April 30, 2013.

Name of Shareholder	Number of Shares Held	Percentage of Shares
Citibank Nominees Singapore Pte Ltd	457,441,566	18.74%
Maju Holdings Pte Ltd[1]	428,888,448	17.57%
DBS Nominees Pte Ltd	400,704,612	16.42%
Temasek Holdings (Private) Limited[2]	284,145,301	11.64%
DBSN Services Pte Ltd	234,055,565	9.59%

Notes:

(1) Wholly-owned subsidiary of Temasek Holdings (Private) Limited.

(2) Wholly-owned company of the Singapore Government through the Minister for Finance.

Based on the interests of substantial shareholders as recorded in the Register of Substantial Shareholders as at April 30, 2013, Temasek Holdings (Private) Limited, directly or indirectly, held approximately 29.2% of the ordinary shares of DBSH. In addition, Maju Holdings Pte. Ltd. held 30,011,421 non-voting redeemable convertible preference shares each fully paid. Maju Holdings Pte. Ltd. can convert such preference shares into ordinary shares at any time and they are mandatorily convertible upon sale. All of these preference shares, if converted as at April 30, 2013, would bring such ownership to approximately 30.4%.

REGULATION AND SUPERVISION

Regulation and Supervision in Singapore

Introduction

Singapore licensed banks come within the ambit of the Banking Act, Chapter 19 of Singapore (the "**Banking Act**") and the MAS, as the administrator of the Banking Act, supervises and regulates the banks and their operations. In addition to provisions in the Banking Act and the subsidiary legislation issued thereunder, banks have to comply with notices, circulars and guidelines issued by the MAS from time to time.

A licensed bank's operations may include the provision of capital markets services and financial advisory services. A bank licensed under the Banking Act is exempt from holding a capital markets services license under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**") and from holding a financial advisor's license under the Financial Advisers Act, Chapter 110 of Singapore (the "**FAA**"). However, the bank will nonetheless have to comply with the SFA and the FAA and the subsidiary legislation issued thereunder, as well as notices, circulars, guidelines, practice notes and codes issued by the MAS from time to time, as may be applicable to it in respect of these regulated activities.

The Monetary Authority of Singapore

The MAS is banker and financial agent to the Singapore Government and is the central bank of Singapore. Following its merger with the Board of Commissioners of Currency on October 1, 2002, the MAS has also assumed the functions of currency issuance. The MAS' functions include: (a) to act as the central bank of Singapore, including the conduct of monetary policy, the issuance of currency, the oversight of payment systems and serving as banker to and financial agent of the Singapore Government; (b) to conduct integrated supervision of financial services and financial stability surveillance; (c) to manage the official foreign reserves of Singapore; and (d) to develop Singapore as an international financial center.

The Regulatory Environment

Capital Adequacy Ratios

In 2007, the MAS approved DBS Bank's application to adopt the Basel II Internal Ratings-Based Approach (IRBA), with effect from January 1, 2008, for computing part of its regulatory capital requirements.

In December 2010, the Basel Committee for Banking Supervision (the "**Basel Committee**") published Basel III: A global regulatory framework for more resilient banks and banking systems (the "**Basel III framework**") which presents the details of global regulatory standards on bank capital adequacy and liquidity, aimed at strengthening global capital standards and promoting a more resilient banking sector.

The Basel III framework sets out higher capital standards for banks, and introduced two global liquidity standards: the "Liquidity Coverage Ratio", intended to promote resilience to potential liquidity disruptions over a 30-day horizon and the "Net Stable Funding Ratio", which requires a minimum amount of stable sources of funding at banks relative to the liquidity profiles of their assets and potential for contingent liquidity needs arising from off-balance sheet commitments over a one-year horizon. In January 2011, the Basel Committee has also published requirements for all classes of capital instruments issued on or after January 1, 2013 to be loss absorbing at the point of non-viability.

In July 2012, the Basel Committee further published the interim framework for capitalization of bank exposures to central counterparties.

The MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks incorporated in Singapore (dated September 14, 2012, last revised on December 28, 2012, with certain amendments to take effect from July 1, 2013) ("**MAS Notice 637**") implements Basel III capital standards for Singapore-incorporated banks and sets out the current requirements relating to the minimum capital adequacy ratios ("**CARs**") for Singapore-incorporated banks and the methodology such banks shall use for calculating these ratios. MAS Notice 637 also sets out the expectations of the MAS in respect of the internal capital adequacy assessment process of Singapore-incorporated banks under the supervisory review process, as well as the minimum disclosure requirements for Singapore-incorporated banks in relation to its capital adequacy.

The DBS Bank Group is required to comply with MAS Notice 637.

Pursuant to MAS Notice 637, the MAS has imposed CAR requirements on a Singapore-incorporated bank at two levels:

(a) the bank standalone ("**Solo**") level CAR requirements, which measure the capital adequacy of a Singapore-incorporated bank based on its standalone capital strength and risk profile; and

(b) the consolidated ("**Group**") level CAR requirements, which measure the capital adequacy of a Singapore-incorporated bank based on its capital strength and risk profile after consolidating the assets and liabilities of its subsidiaries and any other entities which are treated as part of the bank's group of entities according to Singapore FRS (collectively called "**banking group entities**"), taking into account any exclusions of certain banking group entities or any adjustments pursuant to securitization required under MAS Notice 637.

In addition to complying with the above CAR requirements in MAS Notice 637, a Singapore-incorporated bank should consider as part of its internal capital adequacy assessment process whether it has adequate capital at both the Solo and Group levels, to cover its exposure to all risks.

Under MAS Notice 637, banks incorporated in Singapore will be required to meet capital adequacy requirements that are higher than the Basel Committee's requirements. MAS Notice 637 sets out a minimum CETI CAR of 4.5% and a minimum Tier I CAR of 6.0% with effect from 1 January 2013. These will increase progressively to 6.5% and 8.0% respectively from 1 January 2015. MAS' existing requirement for Total CAR will remain unchanged at 10.0%.

The minimum capital requirements under MAS Notice 637, when fully implemented, will be two percentage points higher than the Basel III minima specified by the Basel Committee.

Under the requirements of the Basel Committee, banks are required to maintain minimum CETI, Tier I and Total CARs of 3.5%, 4.5%, and 8.0%, respectively, from January 1, 2013, and CETI, Tier I and Total CARs of 4.5%, 6.0% and 8.0%, respectively, from January 1, 2015. In addition, banks are required to hold a capital conservation buffer ("**CCB**") of 2.5% above the minimum capital adequacy requirements to weather periods of high stress. This CCB is to be met with CETI capital and will begin at 0.625% on January 1, 2016, increasing by an additional 0.625 percentage points in each subsequent year, to reach 2.5% on January 1, 2019.

Furthermore, banks are subject to a countercyclical buffer ranging from 0% to 2.5% which will be implemented by each country when there is excessive credit growth in their systems, with discretion on the implementation according to their national circumstances. The countercyclical buffer will be phased in from 1 January 2016 to 1 January 2019. This countercyclical buffer is to be met with CETI or possibly other forms of loss absorbing capital, subject to further guidance from the Basel Committee. It is not an ongoing requirement but only applied as and when specified by the relevant banking supervisors. These two buffers are to be maintained in the form of CETI capital.

In line with the Basel Committee's requirements, the MAS has introduced in MAS Notice 637 a CCB of 2.5% above the minimum capital adequacy requirements. The CCB will be met with CETI capital and begins at 0.625% on January 1, 2016, increasing by an additional 0.625% in each subsequent year, to reach its final level of 2.5% on January 1, 2019. Including the CCB, banks incorporated in Singapore will be required to meet CETI, Tier I, and total CARs of 9.0% 10.5% and 12.5%, respectively from January 1, 2019.

The table below summarises the capital requirements under MAS Notice 637.

From 1 January		2013	2014	2015	2016	2017	2018	2019
Minimum CAR %								
CETI (a)		4.5	5.5	6.5	6.5	6.5	6.5	6.5
CCB (b)		-	-	-	0.625	1.25	1.875	2.5
CETI including CCB (a) + (b)		4.5	5.5	6.5	7.125	7.75	8.375	9.0
Tier I		6.0	7.0	8.0	8.625	9.25	9.875	10.5
Total		10.0	10.0	10.0	10.625	11.25	11.875	12.5
Countercyclical Buffer		-	-	-	0.625	1.25	1.875	2.5

In addition to changes in minimum capital requirements, Basel III also mandates various adjustments in the calculation of capital resources. These adjustments will be phased in from January 1, 2013 and are for items such as goodwill, and investments exceeding certain thresholds.

Lastly, Basel III has revised the criteria for the eligibility of capital instruments. The DBS Bank Group's existing preference shares and subordinated term debts are ineligible in the first instance as capital instruments under Basel III rules as they lack provisions for conversion to ordinary shares or write-down at the point of non-viability as determined by the MAS, but are accorded partial recognition under the Basel III transitional arrangements.

Other Key Prudential Provisions

A bank is also required to hold minimum liquid assets as specified in Section 38 of the Banking Act and MAS Notice 613 on Minimum Liquid Assets, last revised on March 30, 2011 ("**MAS Notice 613**"). Under the bank-general framework, every bank shall hold, at all times, a minimum of 16% of its qualifying liabilities (as defined in MAS Notice 613) in liquid assets unless it applies to the MAS for approval to comply with a bank-specific framework instead or a bank-basic framework under MAS Notice 613. A bank must compute and maintain its minimum liquid assets requirement on every business day in accordance with Appendix 5 of MAS Notice 613. Where the bank is approved by the MAS to comply with the bank-specific framework, the MAS will assign such bank a cap (which would be between 10% and 15%) of its qualifying liabilities that it would be required to hold. Banks in Singapore that qualify for a bank-specific minimum liquid asset requirement must comply with the guidelines detailed in Appendix 1 of MAS Notice 613. Bank-specific minimum liquid asset requirements are not released publicly. A bank which is unable to comply with the bank-general framework or the bank-specific framework may apply to the MAS for approval to comply with the bank-basic framework. If approved, such bank shall hold at all times, during a maintenance period, liquid assets of at least 18% of the average of the daily qualifying liabilities computed during the relevant two-week period beginning on a Thursday and ending on a Wednesday. In general, a bank must hold, at all times at least 50% of its liquid assets held for the purposes of Section 38 of the Banking Act in Tier-I liquid assets, as detailed in MAS Notice 613. Under Section 39 of the Banking Act and MAS Notice 758 on Minimum Cash Balance, a bank is also required to maintain, during a maintenance period, a minimum cash balance with the MAS of at least an average of 3% of its average qualifying liabilities (as defined in MAS Notice 613) computed over the relevant two-week period beginning on a Thursday and ending on a Wednesday.

Under Section 29 of the Banking Act, the MAS may, by notice in writing to any bank, impose such requirements as may be necessary or expedient for the purposes of limiting the exposure of the bank to: (a) a substantial shareholder group of the bank (where the bank is incorporated in Singapore); (b) the financial group of the bank; (c) a director group of the bank; and (d) any other person or class of persons as may be prescribed. For the purposes of this paragraph, (a) "**substantial shareholder group**" means a group of persons comprising any substantial shareholder (i.e. holding or having an interest in not less than 5% of the total voting rights) of the bank, every affiliate of such substantial shareholder of the bank, and where the bank is a subsidiary of a financial holding company or a parent bank ("**Holding Company**"), any substantial shareholder of the Holding Company and every affiliate of such substantial shareholder. Where a "**substantial shareholder**" is an individual, this term shall include a reference to a family member of the substantial shareholder; (b) "financial group" means a group of companies comprising (in the case of a bank incorporated in Singapore) every company in which the bank acquires or holds, directly or indirectly, a major stake (as defined below); and (c) "director group" means a group of persons comprising any director of the bank, every firm or limited liability partnership in which the director is a partner, a manager, an agent, a guarantor or a surety, every individual of whom, and every company in which, the director is a guarantor or surety and every company in which the director (i) is an executive officer; (ii) owns more than half of the total number of issued shares (whether legally or beneficially); (iii) controls more than half of the voting power; or (iv) controls the composition of the board of directors. In this paragraph, a reference to "director" includes the spouse, parent and child of a director of the bank. Regulation 24 of the Banking Regulations 2001, as amended (the "**Banking Regulations**") has prescribed that the MAS may also impose requirements for the purpose of limiting the exposure of the bank to: (a) any officer (other than a director) or employee of the bank or other person who receives remuneration from the bank other than for services rendered to the bank or any company that is treated as part of the bank's group of companies according to Singapore FRS; and (b) a group of persons, who are financially dependent on one another or where one person (the controlling person) controls every other person in that group, and where at least one of the persons is a counterparty to the bank. For these purposes, a person is controlled by the controlling person if the person is (i) a person in which the controlling person holds more than half of the total number of issued shares (whether legally or beneficially); (ii) a person in which the controlling person controls more than half of the voting power; (iii) a person in which the controlling person controls the composition of the board of directors; (iv) a subsidiary of a person described in (i) to (iii) above; or (v) a person the policies of which the controlling person is in a position to determine. The MAS issued MAS Notice 639 on Exposures to Single Counterparty Groups (last revised on December 31, 2009) ("**MAS Notice 639**") pursuant to Section 29 of the Banking Act. MAS Notice 639 sets out the limits on a bank in Singapore's exposures to a single counterparty group, the types of exposures to be included in or excluded from those limits, the basis for computation of exposures, the approach for aggregating exposures to counterparties that pose a single risk to the bank, the recognition of credit risk mitigation and aggregating of exposures at the bank group level. MAS Notice 639 sets out requirements on "large exposures limit" and "substantial exposures limit" to a "single counterparty group" (as respectively defined in MAS Notice 639), on a Solo level and a Group level. Pursuant to MAS Notice 639, the MAS has set out that:

(a) at Solo level, a bank incorporated in Singapore shall not permit (i) the aggregate of its exposures to a single counterparty group to exceed 25% or such other percentage of its eligible total capital as may be approved by the MAS; and (ii) the aggregate of exposures exceeding 10% of its eligible total capital to any single counterparty group to exceed 50% or such other percentage of its total exposures as may be approved by the MAS; and

(b) at Group level, a bank incorporated in Singapore shall aggregate its exposures to a single counterparty group (other than the exposures to the financial group of the bank) with the exposures of its subsidiaries and the exposures of all other companies treated as part of the bank group to the same counterparty group and shall not permit (i) the aggregate of the exposures of the bank group to a single counterparty group to exceed 25% or such other percentage of the eligible total capital of the bank group as may be approved by MAS; and (ii) the aggregate of the exposures of the bank group exceeding 10% of the eligible total capital of the bank group to any single counterparty group, to exceed 50% or such other percentage of the bank group's total exposures as may be approved by MAS. The term "**eligible total capital**", in relation to a bank incorporated in Singapore, has the same meaning as "**Eligible Total Capital**" in MAS Notice 637, on a Solo level and in relation to a bank group, has the same meaning as "**Eligible Total Capital**" in MAS Notice 637, on a Group level.

Exposures would have to be calculated based on the maximum loss that a bank may incur as a result of the failure of a specified counterparty to meet any of its obligations.

Every bank in Singapore shall make adequate provisions for bad and doubtful debts and before any profit or loss is declared, ensure that the provision is adequate.

MAS Notice 643 on Transactions with Related Parties (dated April 2, 2013, and scheduled to take effect from July 1, 2014) ("**MAS Notice 643**") was issued by the MAS pursuant to Section 55(1) of the Banking Act. MAS Notice 643 sets out requirements relating to transactions of banks in Singapore with related parties, which seek to minimise the risk of abuses arising from conflicts of interest. The requirements under MAS Notice 643 on a bank incorporated in Singapore include: (i) ensuring that every related party transaction is conducted free of conflicts of interest and based on terms and conditions that are not more favourable than similar transactions with non-related parties under similar circumstances; (ii) establishing a policy on related party transactions and putting in place adequate procedures to implement it, if it or any person in its bank group may enter into any related party transaction or write off any exposure to any of the bank's related parties; and (iii) ensuring that its board of directors approves and reviews annually the bank's policy on related party transactions and the adequacy of the procedures to implement the policy. The matters that must be addressed by the bank's related party transactions policy and procedures are prescribed in MAS Notice 643 and include setting out the criteria which have to be satisfied for any proposed related party transaction as well as materiality thresholds on an aggregated basis for particular transaction types where exposures arise for any related party group, and requiring approval from its board of directors for related party transactions which do not meet such criteria or crosses the materiality thresholds or for the write-off of any exposure of the bank to any of the bank's related parties. The criteria to be specified by the bank for a related party transaction that does not require its board of directors' approval must, at a minimum, be subject to standard terms and conditions which are identical to those for similar transactions with a non-related party under similar circumstances. MAS Notice 643 also sets out certain factors that the bank should take into account in setting the materiality threshold for related party transactions. A "**related party**" for the purposes of MAS Notice 643 refers to (a) any person in a director group, senior management group, financial group, substantial shareholder group or related corporation group (each as defined in MAS Notice 643); or (b) any person whose interests in the opinion of the board of directors of the bank conflict with that of the bank and who is specified by the board of directors in the internal documents of the bank, as a related party.

A bank in Singapore is prohibited from carrying on or entering into any partnership, joint venture or other arrangement with any person to carry on any business except: (a) banking business; (b) business which is regulated or authorized by the MAS or if carried on in Singapore, would be regulated or authorized by the MAS under any written law; (c) business which is incidental to (a) or (b); (d) business or a class of business prescribed by the MAS; or (e) any other business approved by the MAS (Section 30 of the Banking Act).

A bank in Singapore, either directly or through any subsidiary of the bank or any other company in the bank group, can hold any beneficial interest in the share capital of a company (and such other investment, interest or right as may be prescribed by the MAS) ("**equity investment**"), whether involved in financial business or not, so long as such equity investment does not exceed in the aggregate 2% of the capital funds of the bank or such other percentage as the MAS may prescribe. Such a restriction on a bank's equity investment does not apply to any interest held by way of security in the ordinary course of the bank's business or to any shareholding or interest acquired or held by a bank in the course of satisfaction of debts due to the bank, where such interest is disposed of at the earliest suitable opportunity. In addition, any major stake approved by the MAS under Section 32 of the Banking Act and any equity investment in a single company acquired or held by a bank when acting as a stabilizing manager in relation to an offer of securities issued by the company will not be subject to the restrictions on equity investment described above.

A bank in Singapore cannot hold or acquire, directly or indirectly, a major stake in any company without first obtaining the approval of the MAS (Section 32 of the Banking Act). A "**major stake**" means: (a) any beneficial interest exceeding 10% of the total number of issued shares in a company; (b) control over more than 10% of the voting power in a company; or (c) any interest in a company, where directors of the company are accustomed or under an obligation, whether formal or informal, to act in accordance with the bank's directions, instructions or wishes, or where the bank is in a position to determine the policy of the company.

No bank in Singapore shall hold or acquire, directly or through a subsidiary of the bank or any other company in the banking group, interests in or rights over immovable property, wherever situated, the value of which exceeds in the aggregate 20% of the capital funds of the bank or such other percentage as the MAS may prescribe (Section 33 of the Banking Act). The Banking Regulations further provide that the property sector exposure of a bank in Singapore shall not exceed 35% of the total eligible assets of that bank. Under the Banking Act and the Banking Regulations, a bank can invest in properties subject to an aggregate of 20% of its capital funds, but it is not allowed to engage in property development or management. However, a bank is permitted to carry on property management services in relation to investment properties that are owned by the bank or any company in which the bank has acquired or holds a major stake (in this paragraph, "**banking group**"), properties that have been foreclosed by the banking group in satisfaction of debts owed to it and properties occupied and used in the business of the banking group.

Corporate Governance Regulations and Guidelines

The Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore (dated April 3, 2013) (the "**Guidelines**") and the Banking (Corporate Governance) Regulations 2005, define what is meant by an independent director and set out the requirements for the composition of the board of directors and board committees, such as the Nominating Committee, Remuneration Committee and Audit Committee. The Guidelines also, set out, *inter alia*, the principle that there should be a clear division of responsibilities between the leadership of the board of directors of a bank and the executives of a bank's business, as well as the principle that there should be a strong and independent element on the board of directors of a bank, which is able to exercise objective judgment on corporate affairs independently, in particular, from the management of the bank and 10% shareholders of the bank (as defined in the Guidelines). The Guidelines also encourage the separation of the roles of Chairman and Chief Executive Officer and outline how this is to be applied. The Guidelines further set out the principle that the board of directors of a bank should ensure that the bank's related party transactions are undertaken on an arm's length basis.

Other Requirements

The MAS issues licenses under the Banking Act to banks to transact banking business in Singapore. Such licenses may be revoked if the MAS is satisfied, among other things, that the bank: (a) is carrying on its business in a manner likely to be detrimental to the interests of the depositors of the bank or has insufficient assets to cover its liabilities to its depositors or the public; (b) is contravening the provisions of the Banking Act; or (c) has been convicted of any offence under the Banking Act or any of its directors or officers holding a managerial or executive position has been convicted of any offence under the Banking Act.

In the event of the winding up of a bank, the following liabilities in Singapore of the bank shall, amongst themselves, rank in the following order of priority: (a) firstly, any premium contributions due and payable by the bank under the Deposit Insurance and Policy Owners' Protection Schemes Act 2011, Chapter 77B of Singapore (the "**Deposit Insurance and Policy Owners' Protection Schemes Act**"); (b) secondly, liabilities incurred by the bank in respect of insured deposits, up to the amount of compensation paid or payable out of the Deposit Insurance Fund by the Singapore Deposit Insurance Corporation Limited under the Deposit Insurance and Policy Owners' Protection Schemes Act in respect of such insured deposits; (c) thirdly, deposit liabilities incurred by the bank with non-bank customers, other than those specified in paragraph (b) above and paragraph (d) below; and (d) fourthly, deposit liabilities incurred by the bank with non-bank customers when operating an Asian Currency Unit approved under the Banking Act. As between liabilities of the same class referred to in each of the paragraphs (a) to (d) above, such liabilities shall rank equally between themselves. The liabilities specified above shall have priority over all unsecured liabilities of the bank other than the preferential debts specified in Section 328(1) of the Companies Act, Chapter 50 of Singapore.

Unless otherwise expressly provided in the Banking Act, officers of a bank may not disclose customer information to any other person without the written consent of the customer.

Examinations and Reporting Arrangements for Banks

The MAS conducts on-site examinations of banks. Banks are also subject to annual audit by an external auditor approved by the MAS, who, aside from the annual balance sheet and profit and loss account, must report to the MAS immediately if in the course of the performance of his duties as an auditor of the bank, he is satisfied that:

(a) there has been a serious breach or non-observance of the provisions of the Banking Act or that otherwise a criminal offence involving fraud or dishonesty has been committed;

(b) losses have been incurred which reduce the capital funds of the bank by 50%;

(c) serious irregularities have occurred, including irregularities that jeopardize the security of the creditors; or

(d) he is unable to confirm that the claims of creditors are still covered by the assets.

Banks incorporated in Singapore shall not, except with the prior written approval of the MAS, appoint the same audit firm for more than five consecutive financial years.

All banks in Singapore are required to submit periodic statistical returns and financial reports to the MAS, including returns covering minimum cash balances and liquid assets, statements of assets and liabilities and total foreign exchange business transacted.

The MAS may also require *ad hoc* reports to be submitted.

Directors and Executive Officers of banks

The Monetary Authority of Singapore (Amendment) Act 2013 (the "**MAS (Amendment) Act 2013**") has come into operation on April 18, 2013. Among the amendments introduced by the MAS (Amendment) Act 2013 is the application of a revised disqualification rule to directors of a bank incorporated in Singapore and executive officers of all banks. The MAS' written consent will be required before a bank can employ directors and executive officers disqualified under the rule.

Supervision by Other Agencies

The DBS Bank Group's overseas operations are also supervised by the regulatory agencies in their respective jurisdictions – in particular, DBSHK is supervised by the Hong Kong Monetary Authority, PT Bank DBS Indonesia is supervised by Bank Indonesia, the DBS Bank Group's Indian branches are supervised by the Reserve Bank of India and the DBS Bank Group's China branches are supervised by the Chinese Banking Regulatory Commission.

Apart from being supervised by the MAS, the Singapore stockbroking and futures trading arms of the DBS Bank Group are also supervised by the Singapore Exchange Securities Trading Limited and the Singapore Exchange Derivatives Trading Limited.

RELATED PARTY TRANSACTIONS

The DBS Bank Group conducts banking transactions with a number of related parties. Related parties of the DBS Bank Group as defined under Singapore FRS include associated companies, joint venture companies, directors and management personnel of the DBS Bank Group. Related party transactions include deposit taking, loans and credit card facilities. All of the related party transactions undertaken by the DBS Bank Group parties are made in the ordinary course of business and are carried out on arm's length terms. For a more detailed description, see DBS Bank Group's most recent annual consolidated financial statements included in this Offering Circular.

SINGAPORE TAXATION

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines issued by the MAS in force as at the date of this Offering Circular and are subject to any changes in such laws or administrative guidelines, or the interpretation of those laws or guidelines, occurring after such date, which changes could be made on a retroactive basis. These laws and guidelines are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Offering Circular are intended or are to be regarded as advice on the tax position of any holder of the Bonds or of any person acquiring, selling or otherwise dealing with the Bonds or on any tax implications arising from the acquisition, sale or other dealings in respect of the Bonds. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Bonds and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Bonds are advised to consult their own professional tax advisors as to the tax consequences of the acquisition, ownership of or disposal of the Bonds, including, in particular, the effect of any foreign, state or local tax laws to which they are subject to. It is emphasised that none of the Issuer, the Managers and any other persons involved in the issuance of the Bonds accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Bonds.

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore); or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% final withholding tax described below) to non-resident persons (other than non-resident individuals) is 17% with effect from the year of assessment 2010. The applicable rate for non-resident individuals is 20%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The rate of 15% may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after January 1, 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after February 17, 2006; and

(c) prepayment fee, redemption premium and break cost from debt securities derived on or after February 15, 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

Withholding Tax Exemption on Section 12(6) Payments Made by Specified Entities

Pursuant to Section 45I of the ITA, payments of income which are deemed under Section 12(6) of the ITA to be derived from Singapore and which are made by a specified entity shall be exempt from withholding tax if such payments are liable to be made by such specified entity for the purpose of its trade or business under a debt security which is issued within the period from 17 February 2012 to 31 March 2021. Notwithstanding the above, permanent establishments in Singapore of non-resident persons are required to declare such payments in their annual income tax returns and will be assessed to tax on such payments (unless specifically exempt from tax).

A specified entity includes a bank licensed under the Banking Act, Chapter 19 of Singapore or a merchant bank approved under the Monetary Authority of Singapore Act, Chapter 186 of Singapore.

Qualifying Debt Securities Scheme

In addition, as the issue of the Bonds is lead-managed by DBS Bank Ltd. which is a Financial Sector Incentive (Bond Market) Company (as defined in the ITA), and the Bonds are issued as debt securities before December, 31 2013, the Bonds would be "qualifying debt securities" for the purposes of the ITA, to which the following treatment shall apply:

(a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Comptroller of Income Tax in Singapore (the "**Comptroller**") may direct, of a return on debt securities for the Bonds within such period as the Comptroller may specify and such other particulars in connection with the Bonds as the Comptroller may require to the Comptroller and the MAS and the inclusion by the Issuer in all offering documents relating to the Bonds of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Bonds is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for qualifying debt securities shall not apply if the non-resident person acquires the Bonds using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "**Qualifying Income**") from the Bonds derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Bonds are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;

(b) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the Comptroller may direct, of a return on debt securities for the Bonds within such period as the Comptroller may specify and such other particulars in connection with the Bonds as the Comptroller may require, to the Comptroller and the MAS), Qualifying Income from the Bonds derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(c) subject to:

    (aa) the Issuer including in all offering documents relating to the Bonds a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Bonds is not exempt from tax shall include such income in a return of income made under the ITA; and

    (bb) the Issuer, or such other person as the Comptroller may direct, furnishing to the Comptroller and the MAS a return on debt securities for the Bonds within such period as the Comptroller may specify and such other particulars in connection with the Bonds as the Comptroller may require,

    payments of Qualifying Income derived from the Bonds are not subject to withholding of tax by the Issuer.

However, notwithstanding the foregoing:

(a) if during the primary launch of the Bonds, the Bonds are issued to fewer than four persons and 50% or more of the issue of the Bonds is beneficially held or funded, directly or indirectly, by related parties of the Issuer, the Bonds would not qualify as "qualifying debt securities"; and

(b) even though the Bonds are "qualifying debt securities", if, at any time during the tenure of the Bonds, 50% or more of the issue of the Bonds is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from the Bonds held by:

   (I) any related party of the Issuer; or

   (II) any other person where the funds used by such person to acquire the Bonds are obtained, directly or indirectly, from any related party of the Issuer,

   shall not be eligible for the tax exemption or concessionary rate of tax described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms "break cost", "prepayment fee" and "redemption premium" are defined in the ITA as follows:

> "**break cost**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;
>
> "**prepayment fee**", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and
>
> "**redemption premium**", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to "break cost", "prepayment fee" and "redemption premium" in this Singapore tax disclosure shall have the same meaning as defined in the ITA.

Notwithstanding that the Issuer is permitted to make payments of interest, discount income, prepayment fee, redemption premium and break cost in respect of the Bonds without deduction or withholding of tax under Section 45 and Section 45A of the ITA, any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Bonds is not exempt from tax is required to include such income in a return of income made under the ITA.

Capital Gains

Singapore does not impose tax on capital gains. However, there are no specific laws or regulations which deal with the characterisation of capital gains and hence, gains arising from the disposal of the Bonds by any person may be construed to be of an income nature and subject to income tax, especially if they arise from activities which the Comptroller would regard as the carrying on of a trade or business in Singapore.

Holders of the Bonds who apply or are required to apply FRS 39 may, for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Bonds, irrespective of disposal, in accordance with FRS 39. Please see the section below on "Adoption of FRS 39 Treatment for Singapore Income Tax Purposes".

Adoption of FRS 39 Treatment for Singapore Income Tax Purposes

The Inland Revenue Authority of Singapore has issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39 — Financial Instruments: Recognition & Measurement" (the **FRS 39 Circular**). The ITA has since been amended to give effect to the FRS 39 Circular.

The FRS 39 Circular generally applies, subject to certain "opt-out" provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

Holders of the Bonds who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisors regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Bonds.

Estate Duty

Singapore estate duty has been abolished for deaths occurring on or after February 15, 2008.

SUBSCRIPTION AND SALE

United States

The Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States unless pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold outside the United States in reliance upon Regulation S. The Bonds have not been offered or sold, and will not be offered or sold, except in offshore transactions (as defined in Regulation S) in accordance with Rule 903 of Regulation S. Accordingly, the Managers or their affiliates or any persons acting on their behalf have not engaged or will not engage in any directed selling efforts with respect to the Bonds.

Until 40 days after the commencement of the offering of the Bonds, an offer or sale of the Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Terms used in this paragraph have the meanings given to them by Regulation S.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") no offering of Bonds which are the subject of the offering contemplated by this Offering Circular has been made to the public in that Relevant Member State other than:

(i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(ii) at any time to fewer than 100, or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Manager or Managers nominated by the Issuer for any such offer; or

(iii) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Bonds referred to in (i) to (iii) above shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Bonds to the public" in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented to the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

Each Manager:

(i) (i) is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) has not offered or sold and will not offer or sell any Bonds other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Bonds would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(ii) has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Bonds in circumstances in which section 21(1) of the FSMA would not, if the Issuer was not an authorized person, apply to the Issuer; and

(iii) has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Bonds in, from or otherwise involving the United Kingdom.

Hong Kong

The Bonds may not offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No Manager has issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Japan

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the "**Financial Instruments and Exchange Act**"). Accordingly, the Bonds will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Control Law (Law No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other applicable laws and regulations of Japan.

Singapore

This Offering Circular has not been registered as a prospectus with the MAS. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds may not be circulated or distributed, nor may the Bonds be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Bonds are subscribed or purchased in reliance of an exemption under Sections 274 or 275 of the SFA, the Bonds shall not be sold within the period of six months from the date of the initial acquisition of the Bonds, except to any of the following persons:

(i) an institutional investor (as defined in Section 4A of the SFA);

(ii) a relevant person (as defined in Section 275(2) of the SFA); or

(iii) any person pursuant to an offer referred to in Section 275(1A) of the SFA,

unless expressly specified otherwise in Section 276(7) of the SFA.

Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(iv) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(v) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Sections 276(3)(i)B), 275(1 A) or 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law; or

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 32 of the Securities and Futures (Offer of Investments)(Shares and Debentures) Regulations 2005 of Singapore.

General

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Bonds, or possession or distribution of this Offering Circular or any other offering material, in any country or jurisdiction where action for that purpose is required.

The Managers shall comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Bonds or has in its possession or distributes this Offering Circular or any such other material, in all cases at its own expense. Other persons into whose hands this Offering Circular comes are required by the Issuer and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they acquire, offer, sell or deliver the Bonds or possess or publish this Offering Circular or any related offering material, in all cases at their own expense.

CLEARING AND SETTLEMENT

Clearance of the Bonds will be effected through the Depository system maintained by the Depository.

The Depository, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. The Depository holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with the Depository.

Clearance and Settlement under the Depository System

The entire issue of the Bonds is to be held by the Depository in the form of the Global Certificate for persons holding the Bonds in securities accounts with the Depository ("**Depositors**"). Delivery and transfer of Bonds between Depositors is by electronic book-entries in records of the Depository only, as reflected in the securities accounts of Depositors. Although the Depository encourages settlement on the third business day following the trade date of debt securities, market participants may mutually agree on a different settlement period if necessary.

Settlement of over-the-counter trades in the Bonds through the Depository System may only be effected through Depository Agents approved by the Depository under the Companies Act, Chapter 50 of Singapore to maintain securities sub-accounts and to hold the Bonds in such securities sub-accounts for themselves and their clients. Accordingly, Bonds for which trade settlement is to be effected through the Depository System must be held in securities sub-accounts with Depository Agents. Depositors holding the Bonds in direct securities accounts with the Depository, and who wish to trade Bonds through the Depository System, must transfer the Bonds to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

General

The Depository is not involved in money settlement between Depository Agents (or any other persons) as the Depository is not a counterparty in the settlement of trades of debt securities. However, the Depository will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although the Depository has established procedures to facilitate transfer of interests in the Bonds in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Principal Paying Agent, the Registrar or any other agent will have the responsibility for the performance by the Depository of its obligations under the rules and procedures governing its operations.

GENERAL INFORMATION

1. Approval in-principle has been received from the SGX-ST for the listing and quotation of the Bonds on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offering Circular. Admission to the Official List of the SGX-ST and quotation of the Bonds on the SGX-ST is not to be taken as an indication of the merits of the Bonds, the Issuer, its subsidiaries and/or associated companies.

2. The Issuer has obtained all necessary consents, approvals and authorizations in Singapore in connection with the offering and issue of the Bonds. The issue of the Bonds was authorized pursuant to the Group Approving Authority approved by a resolution of the Board of Directors of the Issuer passed on August 2, 2012.

3. There has been no material adverse change in the financial position of the DBS Bank Group since December 31, 2012.

4. The DBS Bank Group is not, and has not been, involved in any litigation or arbitration proceedings that may have, or have had during the 12 months preceding the date of this Offering Circular, a material adverse effect on the financial position of the DBS Bank Group and the DBS Bank Group is not aware of any such litigation or arbitration pending or threatened.

5. From the date of this Offering Circular and for so long as the Bonds are outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer:

   (i) the Fiscal Agency Agreement;

   (ii) the audited consolidated financial statements of DBS Bank Group for the years ended December 31, 2012, December 31, 2011 and December 31, 2010;

   (iii) the unaudited consolidated condensed interim financial information of the DBS Group for the three months ended March 31, 2013; and

   (iv) a copy of this Offering Circular or any further Offering Circular and any supplementary Offering Circular.

REGISTERED OFFICE OF THE ISSUER

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