

DBS HIGH NOTES (HN) FAQ

3 August 2009

1) What is HN?

HN is a 5-year structured note linked to a Reference Portfolio consisting of 100 entities ("**Reference Entities**") from North America, Europe, emerging markets and sovereigns.

2) What are the recent events surrounding HN?

Lear Corporation (**Lear**), a global supplier of automotive seating systems, electrical distribution systems and electronic products, failed to make the interest payments on the 8.50% senior notes due 2013 (the **8.50% Notes**) and 8.75% senior notes due 2016 (the **8.75% Notes**) by 1 July 2009, being the expiration of the 30-day cure period following the interest payment due date under the 8.50% Notes and 8.75% Notes. Lear is one of the Reference Entities in the Reference Portfolio in HN and such failure to pay constitutes a Credit Event under HN as stated in the Issuer Notice dated 9 July 2009. The Loss in respect of Lear has been determined to be 0.615%.

3) What is the Aggregate Loss incurred by the Reference Portfolio to date?

As at 3 August 2009, 7 of the 100 Reference Entities in HN have experienced a Credit Event.

Lyondell Chemical Company (**Lyondell**), Nortel Networks Limited (**Nortel**), Smurfit-Stone Container Enterprises Inc (**Smurfit-Stone**), Bowater Inc. (**Bowater**) and Visteon had filed for bankruptcy protection under Chapter 11 of the US Bankruptcy Code. Abitibi-Consolidated Inc (**ACI**) and Lear failed to make payment under its various debt agreements. Bankruptcy and failure to pay constitute Credit Events under HN. Customers continue to take on the credit risks of the remaining 93 Reference Entities.

To date, the Aggregate Loss for HN as a result of Credit Events occurring to Lyondell, Nortel, Smurfit-Stone, ACI, Bowater, Visteon and Lear is **6.09375%**.

4) What is the impact of the Credit Events on your HN investment?

Investors are protected from the first 18.94% of Losses incurred by the Reference Portfolio. Investors will receive their original investment amount at maturity if the Aggregate Loss incurred by the Reference Portfolio is less than or equal to 18.94%. If the Aggregate Loss incurred by the Reference Portfolio exceeds the Loss Protection Level of 18.94%, customer's original investment amount will be severely eroded. An Aggregate Loss of 20.94% incurred by the Reference Portfolio will result in a reduction of the original investment amount to zero.

5) Can you outline to me again the credit risks that I am taking for HN?

Customers are subject to the credit risks of the following entities:

- i) the Issuer, DBS Bank Ltd
- ii) the remaining 93 Reference Entities in the Reference Portfolio.

As at 3 August 2009, DBS's credit rating is Moody's Aa1/S&P AA-/Fitch AA-.

Please refer to Annex for the updated credit ratings of the Reference Entities.

6) What constitutes a Credit Event?

A Credit Event, as defined in the HN Prospectus, means any one or more of the following events:

- (i) Bankruptcy;
- (ii) Failure to pay;
- (iii) Restructuring;
- (iv) Modified Restructuring; and
- (v) Repudiation/Moratorium

Different Credit Events apply to different Reference Entities. Customers should therefore refer to the HN Prospectus for full details of the Credit Events applicable to the relevant Reference Entities.

7) So what next?

To help customers monitor their investments in HN, semi-annual statements are sent to customers in January and July of each year. Such statements will reflect the indicative buy back price of the investment at the relevant time and include information on the occurrence of any event which has or may have an adverse effect on the redemption amount or the outstanding principal amount in relation to HN.

To further help customers, we have started to publish daily indicative buy back prices for HN on the DBS website at Rates Online at www.dbs.com and are accepting redemptions on a daily basis until further notice.

8) Should I hold on to or redeem my investment in HN?

There is no straightforward answer to your question. This is an individual decision you should make after taking into account the information you have, the latest market development, your investment objectives, terms of the Prospectus, your risk appetite, and your view of the markets. In DBS, we strive to provide you relevant information about your investments for your reference.

This document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person. Opinions expressed are that of DBS Bank Ltd and are subject to change without notice and may involve a number of assumptions, which may not be valid. Although the information contained herein has been taken from sources that are believed to be accurate, no warranty or representation is made as to its correctness, completeness or accuracy. DBS Bank Ltd does not assume or undertake any duty to advise any person or investor and accepts no liability whatsoever for any direct, indirect or consequential loss arising from any use or reliance of this document or anything contained in it. No person has been authorised by DBS Bank Ltd to make any representations or provide any advice on investment decisions relating to High Notes. Customers should seek advice from a financial adviser taking into account their specific investment objectives, market events, financial situation and particular needs and the risk factors contained in the Prospectus dated 26 October 2005 (as amended) before making any decision relating to their investment in High Notes. The risk factors set out in the Prospectus dated 26 October 2005 (as amended) cannot disclose or foresee all risks relating to investments in High Notes and customers should not rely on the information set out therein as the sole basis for any investment decision in relation to High Notes. For details of HN, customers should refer to the relevant offering documents, including but not limited to HN Prospectus.

DBS HIGH NOTES

List of Reference Entities in the Reference Portfolio

DBS High Notes					
No.	Reference Entity	S&P Issuer Rating (current)*	Moody's Issuer Rating (current)*	Country	Region
1	Abitibi - Consolidated Inc. ⁴	D	NR	Canada	North America
2	Advanced Micro Devices Inc.	CCC+	Caa1	United States	North America
3	AES Corp. (The)	BB-	B1	United States	North America
4	AK Steel Corp.	BB-	NR	United States	North America
5	Allegheny Energy Supply Co. LLC	BBB-	Baa3	United States	North America
6	American Axle & Manufacturing Holdings Inc	CCC+	Ca	United States	North America
7	Amkor Technology Inc	B+	B2	United States	North America
8	ArvinMeritor Inc.	CCC+	Caa2	United States	North America
9	Bombardier Inc.	BB+	Ba2	Canada	North America
10	Bowater Inc. ⁵	D	NR	United States	North America
11	British Airways PLC	BB	B1	Britain	Europe
12	Case New Holland Inc.	BB+	Ba3	Italy	Europe
13	Chesapeake Energy Corp.	BB	Ba3	United States	North America
14	China Development Bank Corp	A+	A1	China	Emerging Markets
15	Citic Resources Holdings Ltd	BB	NR	Hong Kong	Emerging Markets
16	Frontier Communications Corp. (Formerly known as Citizens Communications Co.)	BB	Ba2	United States	North America
17	CMS Energy Corp.	BBB-	Ba1	United States	North America
18	D.R. Horton Inc.	BB-	Ba3	United States	North America
19	Dillard's Inc.	B-	B3	United States	North America
20	Eastman Kodak Co	CCC+	Caa1	United States	North America
21	DISH DBS Corporation (Formerly known as Echostar DBS Corp.)	BB-	Ba3	United States	North America
22	El Paso Corp.	BB	Ba3	United States	North America
23	Export-Import Bank of China	A+	A1	China	Emerging Markets
24	Federative Republic of Brazil	BBB-	Ba1	Brazil	Sovereign
25	FelCor Lodging L.P.	B-	B2	United States	North America
26	Flextronics International Ltd.	BB+	NR	SINGAPORE	Emerging Markets
27	Ford Motor Credit Company LLC (Formerly known as Ford Motor Credit Co.)	CCC+	Caa1	United States	North America
28	Forest Oil Corp.	BB-	B1	United States	North America
29	General Electric Capital Corp	AA+	Aa2	United States	North America

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No.	Reference Entity	S&P Issuer Rating (current) [*]	Moody's Issuer Rating (current) [*]	Country	Region
30	GMAC LLC (Formerly known as General Motors Acceptance Corp.)	CCC	Ca	United States	North America
31	Georgia-Pacific LLC (Formerly known as Georgia-Pacific Corp.)	BB-	B2	United States	North America
32	Goodyear Tire & Rubber Co. (The)	BB-	B2	United States	North America
33	HeidelbergCement AG	B-	B3	Germany	Europe
34	Host Hotels & Resorts, L.P. (Formerly known as Host Marriott LP)	BB-	Ba1	United States	North America
35	Huntsman International LLC	B	NR	United States	North America
36	ICICI Bank Ltd	BBB-	Baa2	India	Emerging Markets
37	Indosat Tbk PT	BB	Ba1	Indonesia	Emerging Markets
38	Industrial Bank Of Korea	A	A2	South Korea	Emerging Markets
39	International power plc	BB-	Ba3	Britain	Europe
40	KB Home	BB-	B1	United States	North America
41	Korea Electric Power Corp	A	A2	South Korea	Emerging Markets
42	Lear Corp ⁷	D	NR	United States	North America
43	Levi Strauss & Co.	B+	B2	United States	North America
44	Liberty Media LLC (Formerly known as Liberty Media Corp)	BB+	Ba2	United States	North America
45	Alcatel-Lucent USA Inc. (Formerly known as Lucent Technologies Inc.)	B+	B1	United States	North America
46	Lyondell Chemical Co. ¹	D	NR	United States	North America
47	Malayan Banking Bhd	A-	NR	Malaysia	Emerging Markets
48	Mediacom LLC	NR	B3	United States	North America
49	MGM MIRAGE	CCC+	Caa2	United States	North America
50	Nalco Co.	BB-	Ba2	United States	North America
51	Navistar International Corp.	BB-	NR	United States	North America
52	Noble Group Ltd	BB+	Ba1	Hong Kong	Emerging Markets
53	Nortel Networks Ltd. ²	NR	NR	Canada	North America
54	NOVA Chemicals Corp.	B-	B3	Canada	North America
55	OAQ Gazprom	BBB	Baa1	Russia	Emerging Markets
56	Parker Drilling Co.	B+	B2	United States	North America
57	Philippine Long Distance Telephone Co	BB+	Ba2	Philippines	Emerging Markets
58	PolyOne Corp.	B-	B1	United States	North America
59	Pride International Inc.	BBB-	Ba1	United States	North America
60	Qwest Capital Funding Inc	NR	B1	United States	North America
61	Reliance Industries Ltd	BBB	Baa2	India	Emerging Markets
62	RRI Energy Inc. (Formerly known as Reliant Energy Inc.)	B+	B1	United States	North America

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No.	Reference Entity	S&P Issuer Rating (current)*	Moody's Issuer Rating (current)*	Country	Region
63	Republic of Colombia	BB+	Ba1	Colombia	Sovereign
64	Republic of Indonesia	BB-	Ba3	Indonesia	Sovereign
65	Republic of Korea	A	A2	South Korea	Sovereign
66	Republic of Peru	BBB-	Ba1	Peru	Sovereign
67	Republic of Philippines	BB-	B1	Philippines	Sovereign
68	Republic of Turkey	BB-	Ba3	Turkey	Sovereign
69	RJ Reynolds Tobacco Holdings Inc.	BBB-	Baa3	United States	North America
70	Royal Caribbean Cruises Ltd.	BB-	Ba3	United States	North America
71	Saks Inc.	B-	Caa1	United States	North America
72	Shinhan Bank	A-	A2	South Korea	Emerging Markets
73	Sinclair Broadcast Group Inc.	B-	NR	United States	North America
74	Sino-Forest Corp	BB	Ba2	Canada	Emerging Markets
75	Smithfield Foods Inc.	B	Caa1	United States	North America
76	Smurfit-Stone Container Enterprises Inc. ³	D	NR	United States	North America
77	Standard Chartered PLC	A	A3	Britain	Europe
78	Standard Pacific Corp.	CCC	Caa1	United States	North America
79	Starwood Hotels & Resorts Worldwide Inc.	BB	Ba1	United States	North America
80	State Bank of India Ltd	BBB-	Baa2	India	Emerging Markets
81	STATS ChipPAC Ltd	BB+	Ba1	Singapore	Emerging Markets
82	Sun Hung Kai Properties Ltd	A	A1	Hong Kong	Emerging Markets
83	Telekom Malaysia Bhd	A-	A3	Malaysia	Emerging Markets
84	Tenet Healthcare Corp.	B	Caa2	United States	North America
85	Tesoro Corp	BB+	Ba1	United States	North America
86	TRW Automotive Inc.	B	Caa2	United States	North America
87	Ukraine Government	CCC+	B2	Ukraine	Sovereign
88	Unisys Corp.	CC	Caa1	United States	North America
89	United Rentals (North America) Inc.	B	B2	United States	North America
90	United States Steel Corp.	BB	Ba3	United States	North America
91	Unum Group (Formerly known as UnumProvident Corp.)	BBB-	Ba1	United States	North America
92	Vedanta Resources PLC	BB	Ba2	Britain	Emerging Markets
93	Visteon Corp. ⁶	D	NR	United States	North America
94	VTB Bank (Formerly known as Vneshtorgbank)	BBB	Baa1	Russia	Emerging Markets
95	Wharf Holdings Ltd	BBB	NR	Hong Kong	Emerging Markets
96	Williams Cos. Inc. (The)	BBB-	Baa3	United States	North America
97	Woodside Petroleum Ltd	A-	Baa1	Australia	Emerging Markets

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No.	Reference Entity	S&P Issuer Rating (current)*	Moody's Issuer Rating (current)*	Country	Region
98	Woori Bank	A-	A2	South Korea	Emerging Markets
99	Xerox Corp.	BBB	Baa2	United States	North America
100	Xinao Gas Holdings Ltd	BB+	Ba2	China	Emerging Markets

¹ Lyondell Chemical Company, one of the entities in the LyondellBasell group filed for bankruptcy protection on 6 January 2009.

² Nortel Networks Limited filed for bankruptcy protection on 14 January 2009.

³ Smurfit-Stone Container Enterprises Inc filed for bankruptcy protection on 26 January 2009.

⁴ Abitibi-Consolidated Inc. failed to make payment under its various debt agreements on or about 18 March 2009, which constitutes a Credit Event under High Notes.

⁵ Bowater Inc. filed for bankruptcy on or about 16 April 2009.

⁶ Visteon Corp filed for Chapter 11 under the US Bankruptcy Code on 28 May 2009.

⁷ Lear Corp failed to make interest payments in July 2009. Such failure to pay constitutes a Credit Event as stated in the Issuer Notice dated 9 July 2009.

Names of New Replacement Reference Entities following the Substitution event on 19 March 2009 are italicised. Please refer to DBS's letter dated 13 April 2009 for details.

* Source: Standard and Poor's and Moody's respectively, from their respective website, <http://www.standardpoors.com> and <http://www.moody's.com>, as at 13 July 2009. There is no assurance that the ratings will not change after this date. None of Standard & Poor's and Moody's has consented to the inclusion of the above statements for the purposes of Section 249 of the SFA and they are therefore not liable for the above statements under Sections 253 and 254 of the SFA. The above statements are subject to any disclaimers of Standard & Poor's and Moody's applicable from time to time as set out in their respective websites.

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