

POSB Invest Equity Series 2 SGD Equity-Linked Structured Deposit – Tranche A

Quarterly Update – Dec 2010

Product Features¹

POSB Invest Equity Series 2 Tranche A is a SGD Equity-Linked Structured Deposit with a tenor of approximately 5 years whose return is linked to the performance of the shares of 3 Singapore companies.

You will receive 5 fixed payout amounts of each 0.8% totaling 4% of the principal amount over the tenor of the structured deposit; provide specified redemption event does not occur.

In addition, you will accumulate an amount in SGD equal to 1% of the principal amount when the return of each share in the basket is equal or greater than 0% in respect of a fixing date. You will receive the sum of accumulated coupons on maturity date or specified redemption date, as applicable.

If the specified redemption event occurs, you will receive the fixed payout (0.8% of the principal amount) and the bonus payout amount (1.8% of the principal amount) on the specified redemption date.

Specified redemption event occurs when the return of each share in the basket is equal to or greater than 20% in respect of a fixing date. The earliest date on which a specified redemption event can occur is on the second fixing date (i.e. 24 May 2012).

Return of each Share = $\frac{\{(\text{Closing Price}_{\text{fixing date}} - \text{Closing Price}_{\text{initial}}) / \text{Closing Price}_{\text{initial}}\} * 100\%}{1}$

The Bank will return your full Principal at maturity.

Product Details

| | |
|-------------------------|-------------|
| Value Date | 24 May 2010 |
| Maturity Date | 8 June 2015 |
| Initial Price | 100% |
| Price as at 31 Dec 2010 | 97.27% |
| Accumulated Total | 0% |
| Coupon (%) | |
| Next Payout Date | 7 June 2011 |

Product Update As at 31 Dec 2010, this product paid you a payout of 0% of the principal amount.

The price of this product is affected by many factors including, but not limited to, the prevailing underlying share price.

Please refer to the appendix for details of the fixings.

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Underlying Reference:

| Share | Bloomberg Ticker | Exchange |
|----------------------------|-------------------------|--------------------------|
| Keppel Corporation Limited | KEP SP | Singapore Stock Exchange |
| Singapore Exchange Limited | SGX SP | Singapore Stock Exchange |
| Singapore Airlines Limited | SIA SP | Singapore Stock Exchange |

Appendix

Performance of Underlying
NA