

# Credit Linked Notes 2 (USD)

Half Yearly Update – December 2014

## Product Features<sup>1</sup>

**DBS Credit Linked Notes 2 (USD)** has a tenor of approximately 5 years and is designed for investors seeking enhanced yields by providing exposure to the Reference Entity (i.e. CapitaLand Limited).

The Notes will pay the investor quarterly interest at a rate equal to the higher of 3.20% per annum and the Floating Rate Option. The investor will receive 100% of the original investment amount, within 10 Business days from the Final Maturity Date, provided no Credit Event occurs in relation to the Reference Entity on or before the Scheduled Maturity Date.

If a Credit Event (for example, a Failure to Pay) occurs in relation to the Reference Entity on or before the Scheduled Maturity Date, the Notes will terminate immediately and the investor of the Notes will receive a Credit Event Redemption Amount on the Credit Event Redemption Date based on the Final Price of the Reference Obligation of the Reference Entity and taking into account any adjustments for Hedging Costs. In this case, the Credit Event Redemption Amount will likely be less than the original investment amount. **In the worst case scenario, the investor could lose their entire investment in the Notes.**

## Product Details

Issue Date	13 May 2011
Scheduled Maturity Date	20 June 2016
Issue Price	100%
Price as at 31 Dec 2014	101.36%
Rate of Interest	A rate equal to the Floating Rate Option, subject to a minimum of 3.20% per annum.
Next Payout Date	20 March 2015
Product Update	As at 31 Dec 2014, the price of this product was 101.36%.

The price of this product is affected by many factors including, but not limited to, the prevailing credit spread in respect of the Reference Entity.

Please refer to the appendix for details of the credit rating.

This Half Yearly Update contains a brief description of the product named herein and is not intended in any way to replace the terms of the product as set out in the relevant termsheet. In the event of any inconsistency between the terms in this Half Yearly Update and the provisions in the relevant termsheet, the provisions in the relevant termsheet shall prevail. You should therefore refer to the relevant termsheet for the full details, definitions and terms of the product.

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**Credit Rating of Reference Entity and Reference Obligation**

Reference Entity	Credit Rating at Issuance of Notes		Credit Rating as at 31 Dec 2014	
	Reference Entity (S&P/Moody's/Fitch)	Reference Obligation (S&P/Moody's/Fitch)	Reference Entity (S&P/Moody's/Fitch)	Reference Obligation (S&P/Moody's/Fitch)
CapitaLand Limited and its successor	NR/NR/NR	XS0303539786 (Senior) NR/NR/NR	NR/NR/NR	XS0303539786 (Senior) NR/NR/NR

Remarks:

- means subject to negative CreditWatch of S&P or review for possible downgrade on Moody's Watchlist or negative Rating Watch of Fitch respectively.

+ means subject to positive CreditWatch of S&P or review for possible upgrade on Moody's Watchlist or positive Rating Watch of Fitch respectively.

NR means no relevant rating applicable to the relevant reference entity or reference obligation is published by the credit rating agency.

As at 31 Dec 2014, based on information to the bank, no credit event has occurred to DBS Credit Linked Notes Series 02 (USD).