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DBSAM launches STI ETF and signs MOU with SGX to develop more ETFs

STI ETF is first in a series of SGX-listed ETFs by DBSAM

Singapore, 5 February 2009 – DBS Asset Management (DBSAM) and Singapore Exchange Limited (SGX) today announced the impending launch of the DBS Singapore STI ETF on SGX, on 25 February 2009. The DBS Singapore STI ETF will be the first of a series of new SGX-listed Exchange Traded Funds (ETF) by DBSAM.

The DBS Singapore STI ETF seeks to track the performance of the Straits Times Index (STI), which constitutes 30 of the largest and most liquid companies in Singapore. The ETF serves investors looking for a medium-term investment horizon, banking on the steadfastness of Singapore's financial foundation.

Ms Deborah Ho, CEO of DBSAM, said, "It is in challenging times like these that investors should focus their attention on the true nature of long-term wealth management – low-cost, effective and liquid access to opportunities for compounding growth in investments. SGX and DBSAM's endeavour will provide precisely such ETF products to Asian investors buying Asia, as well as to global investors who wish to buy into Asia."



The Initial Offer Period of the DBS Singapore STI ETF is from 12 to 18 February 2009. Members of the public can apply for the shares through DBS and POSB ATMs or DBS Vickers Securities. Investors can trade the DBS Singapore STI ETF shares through their brokers.

The launch follows an MOU between DBSAM and SGX with the intention of developing a suite of ETF products dealing with a variety of Asian stock market indices and their underlying assets. The alliance aims to establish Singapore as Asia's regional investment and wealth-management gateway by jointly developing, promoting and distributing SGX-listed ETF products.

"We are proud and excited to be working closely with SGX to further develop Singapore's capabilities in asset, capital and financial risk management. Both DBS and SGX are anchors in the regional capital markets, and we intend to bring our full resources to provide transparent and effective access products for both professional and retail investors," added Ms Ho.

"SGX is pleased that DBSAM has launched an ETF on the STI, and to sign an MOU with them. The MOU signals our commitment to working with a local asset manager on product innovation in developing new types of ETFs that will cater to the local market. These include ETFs on the FTSE ST Index Series, as well as those that are suitable for retirement or regular savings. The new products will leverage the strengths of SGX and DBS' distribution channels in the region," said Mr Chew Sutat, SGX Executive Vice President & Head, Market Development.

ETFs are open-ended investment funds listed and traded intra-day on a stock exchange. They aim to track the performance of an index and provide access to a wide variety of markets and asset classes.



ETFs have no sales fee and generally charge less than 1% for management fees, enabling investors to obtain cost-efficient exposure to a diversified portfolio of securities through a single transaction.

With the launch of this ETF, SGX has 25 ETFs covering mainly Asian equity markets such as Singapore, India, Greater China, ASEAN, Korea and Japan as well as commodities, including gold.

Details of the DBS Singapore STI ETF

| | |
|--------------------------------|--------------------------------|
| Initial Offering Period | 12 – 18 February 2009, 12 noon |
| Listing Date | 25 February 2009 |
| Trading Name | DBS Singapore STI ETF |
| Board Lot | 100 units |
| Trading Currency | SGD |
| SGX Trading Code | DBS STI ETF 100 |
| Bloomberg Fund Ticker | DBSSTI SP |
| Benchmark | STI Index |
| Bloomberg Index Ticker | FSSTI Index |



STI Top 10 Constituents

| Rank | Constituent | Index Weight (%) |
|------|----------------------------------|------------------|
| 1 | Singapore Telecommunications Ltd | 14.87 |
| 2 | DBS Group Holdings Ltd | 11.08 |
| 3 | United Overseas Bank Ltd | 9.87 |
| 4 | Oversea-Chinese Banking Corp Ltd | 8.73 |
| 5 | Jardine Matheson Holdings Ltd | 5.38 |
| 6 | Singapore Airlines Ltd | 4.88 |
| 7 | Singapore Exchange Ltd | 4.02 |
| 8 | Hong Kong Land Holdings Ltd | 3.98 |
| 9 | CapitalLand Ltd | 3.86 |
| 10 | Keppel Corp | 3.59 |
| | | |
| | | 70.26% |

Source: Bloomberg, 4 February 2009

Index is reviewed on a semi-annual basis.



Performance of the STI



Source: Bloomberg, 4 February 2009

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About DBS Asset Management Ltd

DBS Asset Management (DBSAM) ranks among the most experienced and best known fund management companies in Asia. With offices in Singapore and Hong Kong, and associated companies in Malaysia, China, India and Thailand, we manage money for institutional, private and retail investors across Asia. An award winning fund manager with more than 26 years of experience and an established track record of consistent positive returns, DBSAM delivers effective investment management solutions for Asia-focused clients that cover a wide spectrum of asset classes, with core competency in global fixed income, Asian equities and absolute return strategies. For more information, please visit www.dbsam.com.



DBS - Living, Breathing Asia

DBS is one of the largest financial services groups in Asia with operations in 16 markets. Headquartered in Singapore, DBS' "AA-" and "Aa1" credit ratings are among the highest in the Asia-Pacific region.

As a bank that specialises in Asia, DBS leverages its deep understanding of the region, local culture and insights to serve and build lasting relationships with its clients. DBS provides the full range of services in corporate, SME, consumer and wholesale banking activities across Asia and the Middle East. The bank is committed to expand its pan-Asia franchise by leveraging its growing presence in mainland China, Hong Kong and Taiwan to intermediate the increasing trade and investment flows between these markets. Likewise, DBS is focused on extending its end-to-end services to facilitate capital within fast-growing countries in Indonesia and India.

DBS acknowledges the passion, commitment and can-do spirit in each of its 15,000 staff, representing over 30 nationalities. For more information, please visit www.dbs.com.

About Singapore Exchange Limited

Singapore Exchange Ltd (SGX) was inaugurated on 1 December 1999, following the merger of two established and well-respected financial institutions - the Stock Exchange of Singapore (SES) and the Singapore International Monetary Exchange (SIMEX). SGX is Asia-Pacific's first demutualised and integrated securities and derivatives exchange and is listed on its own bourse. The exchange's stock is a component of benchmark indices such as the MSCI Singapore's Free Index and the Straits Times Index (STI).

SGX aims to offer a highly trusted, comprehensive and efficient securities and derivatives marketplace for raising capital, risk transfer, trading, clearing and settlement. SGX facilitates the trading and clearing of commodity futures and over-the-counter (OTC) derivatives such as forward freight agreements and oil swaps. Through strategic alliances and partnerships with other exchanges around the world, SGX is firmly positioned as an Asian Gateway.

For more information, please visit SGX website: www.sgx.com



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Important Notice:

The prospectus dated on 2 February 2009 (the "Prospectus") in respect of the offer of the units (the "Units") in the DBS Singapore STI ETF (the "Fund") will be available and may be obtained at DBS and POSB branches or downloaded from DBS Asset Management Ltd's ("DBSAM" or "the Manager") website (<http://www.dbsam.com>) on 12 February 2009. Listing of the Units on SGX Securities Trading ("SGX-ST") does not guarantee a liquid market for the Units. Transactions in the Units are subject to payment of brokerage commissions. The Units in the Fund may be bought and sold throughout the trading hours of the SGX-ST through any brokerage account. The trading price of the Units on the SGX-ST may be different from the net asset value per Unit in the Fund. The Fund may be delisted from the SGX-ST if requirements for continued listing on the SGX are not met. Units may only be created or redeemed with the Manager through a participating dealer under certain conditions specified in the Prospectus.

This document is published for information and general circulation only and does not have regard to the specific objectives, financial situation and particular needs of any specific person. Investors should seek advice from a financial adviser regarding the suitability of the investment product before making any investments. In the event that the investor chooses not to do so, he should consider carefully whether the investment is suitable for him. **Past performance of the Manager is not necessarily indicative of the future or likely performance of the Manager.** DBS Bank Ltd ("DBS") and DBSAM accept no liability for any loss whatsoever arising from any use or reliance of opinions expressed, and the opinions expressed are subject to change without notice. DBS, DBSAM and their related companies, their directors and/or employees may have positions in and may effect transactions in the Units in the Fund or securities mentioned in this document. Investments in Units in the Fund are subject to risks, including possible loss of principal amount invested. Investments in Units in the Fund are not deposits or other obligations of, or guaranteed or insured by DBS or DBSAM, or any subsidiaries or associated companies of DBS Group Holdings Ltd or their affiliates. **The value of the Units and the income accruing to the Units, if any, may fall or rise. All applications for Units in the Fund must be made on application forms accompanying the Prospectus or otherwise as described in the Prospectus. Investors must read the Prospectus before deciding whether to subscribe for Units in the Fund.**

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DBSAM will determine the actual issue price of the Units and the number of Units to be allotted to each investor on 23 February 2009. Any excess monies paid by an investor will be refunded to the investor's DBS or POSB bank account (as the case may be) by no later than 5.00 p.m. on 25 February 2009. Investors who apply for Units through ATMs belonging to DBS Bank Ltd (including POSB ATMs) will have the full amount of Units applied for being issued and allotted to them, subject to terms and conditions in the Prospectus. Please refer to the Prospectus for more information.

DBS Bank Ltd Co. Reg No: 196800306E

DBS Asset Management Ltd Co. Reg No: 198202562H Jan 09

Singapore Exchange Limited Co. Reg. No: 199904940D