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大新銀行集團有限公司 DahSingBankingGroupLimited

(incorporated in Hong Kong with limited liability under the Companies Ordinance)

(The holding company of Dah Sing Bank, Limited and MEVAS Bank Limited)

(Stock Code: 2356)

TRANSACTION VALUE EXCEEDED 2008 ANNUAL CAP — CONTINUING CONNECTED TRANSACTIONS WITH DAH SING FINANCIAL HOLDINGS LIMITED

For the year ending 31 December 2008, the aggregate annual interest expense payable by DSB and BCM, both wholly owned subsidiaries of the Company, for deposits placed by certain members of the DSFH Group with DSB and BCM, has exceeded the estimated annual cap of HK\$24.2 million previously set by the Company pursuant to the Continuing Connected Transactions Announcement. The revised estimated annual interest expense payable for 2008 is HK\$38 million. The Company makes this announcement pursuant to the requirements of Rule 14A.34 of the Listing Rules.

The Company proposes that the annual cap for annual interest expenses payable for the year ending 31 December 2008 be revised to HK\$38 million.

The board of directors (the “**Directors**”, and the “**Board**”) of Dah Sing Banking Group Limited (the “**Company**”) wishes to announce that, for the year ending 31 December 2008, the estimated annual interest expense payable by Dah Sing Bank, Limited (“**DSB**”) and Banco Comercial de Macau, S.A. (“**BCM**”), both wholly owned subsidiaries of the Company, to certain members of the DSFH Group (principally Dah Sing Life Assurance Company Limited (“**DSL**A”), Dah Sing Insurance Company Limited (“**DSI**”, formerly Dah Sing General Insurance Company Limited), Macau Life Insurance Company Limited (“**MLIC**”), Macau Insurance Company Limited (“**MIC**”) and World Prosper Limited (“**WP**”), for deposits placed by (i) DSLA, DSI and WP with DSB and (ii) MLIC and MIC with BCM, are expected to be approximately HK\$38 million (the “**Revised Interest Expense Estimate**”). The Revised Interest Expense Estimate will therefore exceed the annual cap of HK\$24.2 million previously set for the year ending 31 December 2008 pursuant to the announcement issued by the Company on 28 December 2006 in respect of the Company’s continuing connected transactions (the “**Continuing Connected Transactions Announcement**”).

Pursuant to Rule 14A.36(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), if any annual cap of a continuing connected transaction is exceeded, the Company is required to re-comply with Rules 14A.35(3) (reporting and announcement requirements) and, where applicable, 14A.35(4) (independent shareholders’ approval requirements) of the Listing Rules. The Revised Interest Expense Estimate, however, is expected to be less than 2.5% of the applicable percentage ratios under Rule 14A.34 of the Listing

Rules for the year ending 31 December 2008. The Company will therefore not be required to re-comply with Rule 14A.35(4) (independent shareholders' approval requirements) of the Listing Rules. The transaction will, however, be subject to the reporting and announcement requirements described in Rules 14A.45 to 14A.47 of the Listing Rules.

DSLA is a wholly owned subsidiary of Dah Sing Financial Holdings Limited ("DSFH"), incorporated in Bermuda, and is an authorised life assurance company in Hong Kong. As DSLA is a wholly owned subsidiary of DSFH, and DSFH is the Company's substantial shareholder, DSLA is a connected person of the Company pursuant to the Listing Rules.

DSI is a wholly owned subsidiary of DSFH, incorporated in Bermuda, and is an authorised general insurance company in Hong Kong. As DSI is a wholly owned subsidiary of DSFH, and DSFH is the Company's substantial shareholder, DSI is a connected person of the Company pursuant to the Listing Rules.

WP is a wholly owned subsidiary of DSFH, incorporated in Hong Kong, and is an investment holding company.

MIC is a company 78% owned by DSMI Group Limited and 18% owned by DSGI (1) Limited, and is principally engaged in the underwriting of general insurance business in Macau. Both DSMI Group Limited and DSGI (1) Limited are wholly owned subsidiaries of DSFH. As DSFH is the Company's substantial shareholder, MIC is a connected person of the Company pursuant to the Listing Rules.

MLIC is a company which is 99.85% owned by MIC, 0.13% owned by DSLI (BVI) (1) Limited and 0.02% owned by DSLI (2) Limited, and is principally engaged in the underwriting of life insurance business in Macau. As MIC is a connected person of the Company pursuant to the Listing Rules, DSLI (BVI) (1) Limited and DSLI (2) Limited are both wholly owned subsidiaries of DSFH, and DSFH is the Company's substantial shareholder, MLIC is a connected person of the Company pursuant to the Listing Rules.

As set out in the Continuing Connected Transactions Announcement, (i) interest expenses payable by DSB and BCM to certain members of the DSFH Group is calculated on normal prevailing commercial interest rates in effect from time to time offered by DSB and BCM to its customers, multiplied by the amount of deposits placed with DSB and BCM; and (ii) the annual cap for each of the two years ending 31 December 2008 in respect of this continuing connected transaction is HK\$24.2 million. As at 31 October 2008, DSLA, DSI and WP had deposited an aggregate of approximately HK\$3,110 million with DSB, and MLIC and MIC had deposited an aggregate of approximately HK\$316 million with BCM, both in various interest-bearing deposit accounts. Of the aggregate HK\$3,426 million deposited by the DSFH Group with DSB and BCM, approximately HK\$2,792 million had been deposited recently in response to the decision of the DSFH Group to retain a significantly larger cash balance on deposit due to the global financial turmoil. As a result of the DSFH Group's higher deposit balances and rising interest rates, the interest accrued on such deposits has increased beyond the annual cap anticipated by the Company.

As at 31 October 2008, after a review of DSB's and BCM's respective internal bank records, it has come to the Company's attention that the aggregate interest expense payable by DSB to DSLA and DSI and by BCM to MLIC and MIC has reached HK\$26.3 million. In ascertaining the Revised Interest Expense Estimate, the Directors considered (i) the recent increase in deposit balances placed with DSB and BCM by certain members of the DSFH Group; and (ii) the anticipated interest payable on such deposit balances for November and December 2008 based on current deposit interest rates. After further review, the Company expects that the

aggregate interest expense payable for November and December 2008 will be in the region of approximately HK\$12 million; accordingly, the Revised Interest Expense Estimate payable on such deposits by 31 December 2008 will reach HK\$38 million. The Company therefore makes this announcement in accordance with the requirements of Rule 14A.34 of the Listing Rules.

The Company proposes that the annual cap for the above transactions with DSFH for the year ending 31 December 2008 be revised to HK\$38 million.

The Company is the holding company of three banking subsidiaries, DSB, BCM, and MEVAS Bank Limited, and a securities trading company, as well as an offshore joint venture banking business with SG Hambros Bank.

DSFH is the holder of approximately 74.96% of the issued share capital of the Company, and is the company holding the insurance interests of the DSFH Group.

DSB and BCM are wholly owned banking subsidiaries of the Company.

By Order of the Board
Dah Sing Banking Group Limited
H. L. Soo
Company Secretary

Hong Kong, 2 December 2008

At the date of this announcement, the Board of Directors of the Company comprises Messrs. David Shou-Yeh Wong (Chairman), Hon-Hing Wong (Derek Wong) (Managing Director and Chief Executive), Lung-Man Chiu (John Chiu), Gary Pak-Ling Wang, Harold Tsu-Hing Wong and Frederic Suet-Chiu Lau as Executive Directors; Mr. Keisuke Tahara as Non-Executive Director; Messrs. John William Simpson, David Richard Hinde, Robert Tsai-To Sze, Andrew Kwan-Yuen Leung and Seng-Lee Chan as Independent Non-Executive Directors.