

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



JOINT ANNOUNCEMENT
PLACING OF EXISTING SHARES
AND RESTORATION OF PUBLIC FLOAT

Dah Sing Financial Holdings Limited (which presently holds approximately 78.54% of the issued shares of the Company) has agreed to place, through the Placing Agent, 33,526,800 shares in the share capital of the Company to not less than six independent investors at a price of HK\$15.20 per Share.

The Placing is unconditional and fully underwritten by the Placing Agent.

The Placing Shares represent approximately 3.60% of the existing issued share capital of the Company of 931,416,279 Shares.

The Vendor has approximately a 78.54% interest in the Company as at the date of this announcement which will be reduced to approximately 74.94% immediately upon completion of the Placing.

As far as the Company is aware, the public float of the Company is approximately 21.46% as at the date of this announcement. Upon completion of the Placing it is expected that the public float will be restored to approximately 25.06%.

A. AGREEMENT TO PLACE EXISTING SHARES

- Parties:** The Vendor, the controlling shareholder of the Company, and the Placing Agent.
- Placing Agent:** The Placing Agent is independent of and not connected with the directors, chief executive or substantial shareholders of any member of the Group or any of their respective associates. The Placing Agent will receive a placement commission of HK\$0.10 per Placing Share.
- Placees:** The Placing Shares will be placed to not less than six placees who will be independent of and not connected with the directors, chief executive or substantial shareholders of any member of the Group or any of their respective associates. It is expected that no placee will become a substantial shareholder of the Company as a result of the Placing.
- Number of Placing Shares:** 33,526,800 Shares to be placed, representing approximately 3.60% of the existing issued share capital of the Company of 931,416,279 Shares. The Placing is fully underwritten by the Placing Agent.
- Placing price:** The Vendor will receive HK\$15.20 per Placing Share before the deduction of the placement commission, stamp duty, fees and expenses. This price was agreed after arm's length negotiations and represents:
- (i) a discount of approximately 3.49% to the closing price of HK\$15.75 per Share as quoted on the Stock Exchange on the last trading day of the Shares immediately before and including the date of this announcement; and
 - (ii) a premium of approximately 0.46% to the average closing price of approximately HK\$15.13 per Share as quoted on the Stock Exchange for the last ten trading days of the Shares immediately before and including the date of this announcement.
- Completion:** The Placing Agreement is unconditional and completion of the Placing is expected to take place on or before 16th February 2006.

B. SHAREHOLDING DETAILS

The shareholdings of the Vendor and the public in the Company immediately before completion of the Placing and immediately after completion of the Placing are and will be as follows:

Shareholder	Immediately before the Placing % of the existing issued Share capital	Immediately after the Placing % of the existing issued Share capital
Vendor	78.54%	74.94%
Public	21.46%	25.06%

Note: The figures assume that no further Shares are issued or re-purchased by the Company and other than the Placing Shares no Shares are sold or purchased by the Vendor, in each case after the date of this announcement and up to the date of the completion of the Placing.

C. REASONS FOR THE PLACING

Reference is made to the announcement jointly issued by the Company and the Vendor dated 28th November 2005 regarding the public float requirement of the Company. As mentioned in the announcement, the Stock Exchange has approved and granted a three month extension to 31st March 2006 from strict compliance with the public float requirement set out in Rule 8.08(1)(b) of the Listing Rules. The Vendor, the controlling shareholder of the Company, and the Company are of the view that the current market conditions present a good opportunity to conduct the Placing in order to restore the minimum public float of the Company. As far as the Company is aware, the public float of the Company is approximately 21.46% as at the date of this announcement. Upon completion of the Placing it is expected that the public float will be restored to approximately 25.06%.

D. DEFINITIONS

The following defined terms are used in this announcement:

“associate”	has the meaning ascribed in the Listing Rules
“Company”	Dah Sing Banking Group Limited
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Placing Agent”	The Hongkong and Shanghai Banking Corporation Limited
“Placing Agreement”	placing agreement between the Vendor and the Placing Agent dated 13th February 2006
“Placing Shares”	the 33,526,800 Shares to be placed by the Placing Agent pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares pursuant to the Placing Agreement
“Shares”	ordinary shares of HK\$1.00 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Dah Sing Financial Holdings Limited

By order of the board of directors of
Dah Sing Financial Holdings Limited
Hoi-Lun Soo (Helen Soo)
 Company Secretary

By order of the board of directors of
Dah Sing Banking Group Limited
Hoi-Lun Soo (Helen Soo)
 Company Secretary

Hong Kong, 13th February 2006

As at the date of this announcement, the Executive Directors of the Vendor are Messrs David Shou-Yeh Wong, Hon-Hing Wong (Derek Wong), Roderick S. Anderson, Gary Pak-Ling Wang and Nicholas J. Mayhew. The Independent Non-executive Directors are Messrs Peter G. Birch, Robert Tsai-To Sze, Tai-Lun Sun (Dennis Sun), Kwok-Hung Yue (Justin Yue). The Non-executive Directors are Messrs Chung-Kai Chow, Kunio Suzuki (with Toshifumi Kato as alternate), Sohei Sasaki, Kosuke Furukawa, John Wai-Wai Chow and Yiu-Ming Ng.

As at the date of this announcement, the Executive Directors of the Company are Messrs David Shou-Yeh Wong, Hon-Hing Wong (Derek Wong), Lung-Man Chiu (John Chiu), Gary Pak-Ling Wang, Harold Tsu-Hing Wong and Dennis Tat-Wang Yau. The Independent Non-executive Directors are Messrs John William Simpson, David Richard Hinde, Robert Tsai-To Sze and Andrew Kwan-Yuen Leung. The Non-executive Director is Mr. Takashi Muraoka.