

**DEVELOPMENT BANK OF SOUTHERN AFRICA LIMITED**

*(Incorporated in the Republic of South Africa in terms of the Development Bank of Southern Africa Act, No. 13 of 1997)*

**Issue of ZAR 287 000 000 10% Unsecured Notes Due 27 February 2023 (DV23)**

**Under its ZAR 35 000 000 000 Domestic Medium Term Note Programme**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the amended and restated Programme Memorandum dated 21 January 2008. This Applicable Pricing Supplement must be read in conjunction with such Programme Memorandum as amended or supplemented. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the amended and restated Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail. To the extent that certain provisions of the *pro forma* Pricing Supplement do not apply to the Notes described herein, they may be deleted in this Applicable Pricing Supplement or indicated to be not applicable.

**Description of the Notes**

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| --- | --- |
| 1. Issuer | Development Bank of Southern Africa Limited |
| 1. Status of Notes | Unsecured  Senior |
| 1. (a) Tranche Number  (b) Series Number | 20  1 |
| 1. Aggregate Principal Amount | R 287,000,000 |
| 1. Interest/Payment Basis | Fixed Rate |
| 1. Form of Notes | Registered Notes |
| 1. Automatic/Optional Conversion from one Interest/Payment Basis to another | N/A |
| 1. Issue Date | | 15 March 2011 |
| 1. Business Centre | | Johannesburg |
| 1. Additional Business Centre | N/A |
| 1. Principal Amount per Note | R 1,000,000 |
| 1. Specified Denomination | R 1,000,000 |
| 1. Issue Price | 100.7555% |
| 1. Interest Commencement Date | 15 March 2011 |
| 1. Maturity Date | 27 February 2023 |
| 1. Specified Currency | ZAR |
| 1. Applicable Business Day Convention | Following Business Day |
| 1. Calculation Agent | Development Bank of Southern Africa Limited |
| 1. Paying Agent | Development Bank of Southern Africa Limited |
| 1. Specified office of the Paying Agent | Development Bank of Southern Africa Limited |
| 1. Transfer Agent | Development Bank of Southern Africa Limited |
| 1. Final Redemption Amount | 100% of the Aggregate Principal Amount |
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| **Fixed Rate Notes** |  |
| 1. (a) Fixed Interest Rate(s) | 10 percent per annum payable semi‑annually in arrear |
| (b) Interest Payment Date(s) | 27 February and 27 August in each year up to and including the Maturity Date |
| (c) Initial Broken Amount | N/A |
| (d) Final Broken Amount | N/A |
| (e) Any other terms relating to the particular method of calculating interest | N/A |
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| **Floating Rate Notes** |  |
| 1. (a) Interest Payment Date(s) | N/A |
| (b) Interest Period(s) | N/A |
| (c) Definitions of Business Day (if different from that set out in Condition 1) | N/A |
| (d) Interest Rate(s) | N/A |
| (e) Minimum Interest Rate | N/A |
| (f) Maximum Interest Rate | N/A |
| (g) Other terms relating to the method of calculating interest (e.g., Day Count Fraction, rounding up provision, if different from Condition 7.2) | N/A |
| 1. Manner in which the Interest Rate is to be determined | N/A |
| 1. Margin | N/A |
| 1. If ISDA Determination |  |
| (a) Floating Rate | N/A |
| (b) Floating Rate Option | N/A |
| (c) Designated Maturity | N/A |
| (d) Reset Date(s) | N/A |
| 1. If Screen Determination |  |
| (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) | N/A |
| (b) Interest Determination Date(s) | N/A |
| (c) Relevant Screen Page and Reference Code | N/A |
| 1. If Interest Rate to be calculated otherwise than by reference to or above, insert basis for determining Interest Rate/Margin/ Fall back provisions | N/A |
| 1. If different from the Calculation Agent, agent responsible for calculating amount of principal and interest | N/A |
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| **PARTLY PAID NOTES** |  |
| 1. Amount of each payment comprising the Issue Price | N/A |
| 1. Date upon which each payment is to be made by Noteholder | N/A |
| 1. Consequences (if any) of failure to make any such payment by Noteholder | N/A |
| 1. Interest Rate to accrue on the first and subsequent instalments after the due date for payment of such instalments | N/A |
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| **Instalment Notes** |  |
| 1. Instalment Dates | N/A |
| 1. Instalment Amounts (expressed as a percentage of the aggregate Principal Amount of the Notes) | N/A |
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| **MIXED RATE NOTES** |  |
| 1. Period(s) during which the interest rate for the Mixed Rate Notes will be (as applicable) that for: | N/A |
| (a) Fixed Rate Notes | N/A |
| (b) Floating Rate Notes | N/A |
| (c) Indexed Notes | N/A |
| (d) Other Notes | N/A |
|  |  |
| **Zero Coupon Notes** |  |
| 1. (a) Implied Yield | N/A |
| (b) Reference Price | N/A |
| (c) Any other formula or basis for determining amount(s) payable | N/A |
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| **Indexed Notes** |  |
| 1. (a) Type of Indexed Notes | N/A |
| (b) Index/Formula by reference to which Interest Rate/Interest Amount (delete as applicable) is to be determined | N/A |
| (c) Manner in which the Interest Rate/Interest Amount (delete as applicable) is to be determined | N/A |
| (d) Interest Payment Date(s) | N/A |
| (e) Calculation Agent (if different from Development Bank of Southern Africa Limited) | N/A |
| (f) Provisions where calculation by reference to Index and/or Formula is impossible or impractical | N/A |
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| **EXCHANGEABLE NOTES** |  |
| 1. Mandatory Exchange applicable? | No |
| 1. Noteholders’ Exchange Right applicable? | No |
| 1. Exchange Securities | N/A |
| 1. Manner of determining Exchange Price | N/A |
| 1. Exchange Period | N/A |
| 1. Other | N/A |
|  |  |
| **EXTENDIBLE NOTES** |  |
| 1. Last date to which Maturity Date may be extended | N/A |
| 1. Step‑up Margin | N/A |
| 1. Requisite Notice | N/A |
| 1. Other | N/A |
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| **DUAL CURRENCY NOTES** |  |
| 1. Rate of exchange/method of calculating rate of exchange | N/A |
| 1. Calculation Agent, if any, responsible for calculating the interest payable | N/A |
| 1. Provisions applicable where calculation by reference to rate of exchange impossible or impractical | N/A |
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| **OTHER NOTES** |  |
| 1. If the Notes are not Partly Paid Notes, Instalment Notes, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes, Indexed Notes, Extendible Notes or Exchangeable Notes, or if the Notes are a combination of any of the aforegoing, set out the relevant description and any additional Terms and Conditions relating to such Notes | N/A |
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| **Provisions regarding Redemption/ Maturity** |  |
| 1. Issuer’s Optional Redemption:  if yes: | No |
| (a) Optional Redemption Date(s) | N/A |
| (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) | N/A |
| (c) Minimum Period of Notice (if different to Condition 9.3) | N/A |
| (d) If redeemable in part: | N/A |
| Minimum Redemption Amount(s) | N/A |
| Higher Redemption Amount(s) | N/A |
| (e) Other terms applicable on Redemption | N/A |
| 1. Redemption at the option of the Noteholders:  if yes: | No |
| (a) Optional Redemption Date(s) | N/A |
| (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) | N/A |
| (c) Minimum period of notice (if different to Condition 9.4) | N/A |
| (d) If redeemable in part: Minimum Redemption Amount(s)  Higher Redemption Amount(s) | N/A |
| (e) Other terms applicable on Redemption | N/A |
| (f) Attach *pro forma* put notice(s) | N/A |
| 1. Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default | N/A |
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| **GENERAL** |  |
| 1. Additional selling restrictions |  |
| (a) International Securities Numbering (ISIN) | ZAG000019779 |
| (b) Stock Code | DV23 |
| 1. Financial Exchange | JSE Limited |
| 1. If syndicated, names of managers | Nedbank Limited (acting through its Nedbank Capital division)  The Standard Bank of South Africa Limited |
| 1. Credit Rating assigned to Notes or the Issuer as at the Issue Date (if any) | AAA(zaf) National Long-Term Rating by Fitch Southern Africa (Proprietary) Limited |
| 1. Governing law (if the laws of South Africa are not applicable) | N/A |
| 1. Use of proceeds | Funding the Issuer’s business operations |
| 1. Last Day to Register | 16 February or 16 August which shall mean that the Register will be closed from each Last Day to Register to the next applicable Payment Day or 10 days prior to the actual redemption date |
| 1. Books Closed Period | The Register will be closed from 17 February to 26 February and from 17 August to 26 August (all dates inclusive) in each year until the Maturity Date |
| 1. Stabilisation Manager (if any) | N/A |
| 1. Other provisions | N/A |
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Application is hereby made to list this issue of Notes on 15 March 2011.

**SIGNED** at \_\_\_\_\_\_\_\_\_\_\_\_\_\_ this \_\_\_\_\_\_ day of March 2011.

For and on behalf of

**DEVELOPMENT BANK OF SOUTHERN AFRICA LIMITED**

Name : Name:

Capacity : Capacity :

who warrants his/her authority hereto who warrants his/her authority hereto