DBSA

Development Bank of Southern Africa

DEVELOPMENT BANK OF SOUTHERN AFRICA LIMITED

(reconstituted and incorporated in terms of section 2 of the Development Bank of Southern Africa Act, 1997)

ZAR80,000,000,000 DOMESTIC MEDIUM TERM NOTE PROGRAMME

TAP issue of ZAR200,000,000 Senior Unsecured Fixed Rate Notes due 18 June 2021 (DV2021)

This document constitutes the Applicable Pricing Supplement relating to the issue of the Tranche of Notes described herein ("**Notes**" and "**this Tranche**").

This Applicable Pricing Supplement must be read in conjunction with the amended and updated Programme Memorandum, dated 14 December 2015 (as further amended and/or supplemented from time to time) ("**Programme Memorandum**"), prepared by the Development Bank of Southern Africa Limited (reconstituted and incorporated in terms of section 2 of the Development Bank of Southern Africa Act, 1997) ("**Issuer**" **or** "**DBSA**") in connection with the Development Bank of Southern Africa Limited ZAR80,000,000,000 Domestic Medium Term Note Programme ("**Programme**").

The Programme Memorandum, dated 14 December 2015, was approved by the JSE Limited ("**JSE**") on 18 December 2015.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions*" ("**Terms and Conditions**"). References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

To the extent that there is any conflict or inconsistency between the provisions of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

A.	**DESCRIPTION OF THE NOTES**	
1.	Issuer	Development Bank of Southern Africa Limited (reconstituted and incorporated in terms of section 2 of the Development Bank of Southern Africa Act, 1997).
2.	Tranche number	4
	Series number	1
3.	Status of the Notes	Senior Notes (see Condition 5.1)
4.	Security	Unsecured
5.	Form of the Notes	Registered uncertificated Notes. The Notes in this Tranche are issued in registered uncertificated form and will be held in the Central Securities Depository.
6.	Type of Notes	Fixed Rate Notes
7.	Issue Date/Settlement Date	28 June 2017
8.	Issue Price	100.02884

9.	Interest Basis	Fixed rate semi- annual coupon
10.	Redemption/Payment Basis	Redemption at par
11.	Change of Interest or Redemption/ Payment Basis	Not Applicable
12.	Aggregate Principal Amount	
	(a) Series (incl this tranche)	ZAR1097,000,000
	(b) Tranche	ZAR200,000,000
13.	Specified Currency	ZAR
14.	Specified Denomination (Nominal Amount per Note)	ZAR1,000,000 (or such other amount as is prescribed from time to time in terms of section 96(2)(a) of the Companies Act)
15.	Business Day Convention	Following Business Day Convention
16.	Day Count Fraction	Actual/365
17.	Business Centre	Johannesburg
18.	Additional Business Centre	Not Applicable
B.	**PROGRAMME AMOUNT**	
1.	Programme Amount as at the Issue Date	ZAR80,000,000,000
2.	Aggregate Outstanding Principal Amount of all of the Notes (including Existing Notes) in issue under the Programme as at the Issue Date	ZAR30,400,000,000, excluding the aggregate Principal Amount of this Tranche and any other Tranche/s of Notes issued on the Issue Date specified in Item A(8) above.
3.	Issuer confirmation as to Programme Amount	The Issuer confirms that the issue of this Tranche of Notes will not cause the Issuer to exceed the Programme Amount.
C.	**FIXED RATE NOTES**	
1.	(a) Fixed Interest Rate(s)	9.03 percent per annum
	(b) Interest Payment Date(s)	18 June and 18 December each year up to and including the Maturity Date, with the first Interest Payment Date being 18 December 2014
	(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

2.	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest for Fixed Rate Notes	Not Applicable
D.	**REDEMPTION**	
1.	Maturity Date	18 June 2021
2.	Final Redemption Amount	The aggregate Outstanding Principal Amount of this Tranche plus interest accrued (if any) to the Maturity Date.
3.	Call Option	Not Applicable
4.	***If Call Option applicable:***	
(a)	Redemption in whole	Not Applicable
(b)	Redemption in part	Not Applicable
(c)	Optional Redemption Date/s (Call)	Not Applicable
(d)	Optional Redemption Amount/s (Call)	Not Applicable
5.	Put Option	Not Applicable
6.	***If Put Option applicable:***	
(a)	Redemption in whole	Not Applicable
(b)	Redemption in part	Not Applicable
(c)	Optional Redemption Date/s (Put)	Not Applicable
(d)	Optional Redemption Amount/s (Put)	Not Applicable
(e)	Put Option Notice	Not Applicable
(f)	*pro forma* Put Option Notice attached	Not Applicable
7.	***Issuer optional early redemption following a Tax Event:***	Applicable – (see Condition 10.4)
(a)	*Redemption in whole:*	Applicable
(b)	*Redemption in part:*	Not Applicable
(c)	Optional Redemption Date (Tax Event)	The Interest Payment Date (in the case of interest-bearing Notes) or other date (in the case of non-interest-bearing Notes) stipulated as the date for redemption of this Tranche of Notes in the notice of redemption given by the Issuer in terms of Condition 10.4.
(d)	Optional Redemption Amount (Tax Event)	The aggregate Outstanding Principal Amount of this Tranche plus interest accrued (if any) to the Optional Redemption Date (Tax Event)
8.	***Noteholder optional redemption following a Change of Control Event:***	Applicable, subject to Condition 10.5.2
(a)	Redemption in whole:	Applicable
(b)	Redemption in part:	Not Applicable

(c)	Early Termination Amount	The Early Termination Amount, in relation to each Note in this Tranche which has been accelerated by the Noteholder of that Note in terms of Condition 10.5.2 the Outstanding Principal Amount of that Note plus interest accrued (if any) to the Actual Redemption Date
9.	***Action following an Event of Default:***	
(a)	Condition 11.1	Applicable – *(Condition 11.1 only applicable to Senior Notes)*
(b)	Condition 11.2	Not Applicable
(c)	Early Termination Amount	The Early Termination Amount, in relation to each Note in this Tranche which has been accelerated by the Noteholder of that Note in terms of Condition 11.1.3 or (subject to and without derogating from the provisions of Condition 5.2) Condition 11.2.4, as the case may be is: the Outstanding Principal Amount of that Note plus interest accrued (if any) to the Actual Redemption Date
10.	Other terms applicable on redemption	Not Applicable
E.	**AGENTS AND SPECIFIED OFFICES**	
1.	Calculation Agent	The Issuer
2.	Specified Office of the Calculation Agent	1258 Lever Road, Headway Hill, Halfway House, 1685, Republic of South Africa
3.	Paying Agent	The Issuer
4.	Specified Office of the Paying Agent	1258 Lever Road, Headway Hill, Halfway House, 1685, Republic of South Africa
5.	Transfer Agent	The Issuer
6.	Specified Office of the Transfer Agent	1258 Lever Road, Headway Hill, Halfway House, 1685, Republic of South Africa
F.	**REGISTER CLOSED**	
1.	Last Day to Register	Up until 17h00 (South African time) on the eleventh day (whether such is a Business Day or not) preceding each Interest Payment Date (where applicable) and the Redemption Date, being in each instance, the last date on which the Transfer Agent will accept Transfer Forms and record in the Register the transfer of Notes represented by Certificates.
2.	Register Closed Period	The Register will be closed during the 10 (ten) days preceding each Interest Payment Date (where applicable) and the Redemption Date from 17h00 (South African time) on the Last Day to Register until 17h00 (South African time) on the day preceding the Interest Payment Date (where applicable) and the Redemption Date.
3.	Books Closed Dates	08 to 18 June, 08 to 18 December, (all dates inclusive) of each year until maturity
G.	**GENERAL**	
1.	Exchange Control Approval	Not Applicable
2.	Additional selling restrictions	Not Applicable
3.	International Securities Numbering (ISIN)	ZAG000116906
4.	Stock Code Number	DV2021

5.	Financial Exchange	JSE Limited (Interest Rate Market)
6.	Debt Sponsor	Nedbank Limited, acting through its Corporate and Investment Banking division
7.	Method of Distribution	N/A
8.	Bookbuild and Allocation Policy	Private Placement
9.	Pricing Methodology	Not Applicable
10.	Names of Dealer/s	Nedbank Limited, acting through its Corporate and Investment Banking division
11.	Stabilisation Manager (if applicable)	Not Applicable
12.	Governing law	The Programme Memorandum, the Notes in this Tranche and the Applicable Terms and Conditions are governed by, and shall be construed in accordance with, the laws of South Africa.
13.	Rating assigned to the Issuer as at the Issue Date, Rating Agency/ies and date on which such Rating is expected to be reviewed	Fitch: F1+(zaf)/AA+(zaf) S&P: Global: B/BB+ Moody's: Global: Prime -3/Baa3 Moody's: Local: P-1.za/Aa1.za Ratings to be reviewed following a review of the ratings assigned to the Republic of South Africa from time to time.
14.	Rating (if any) assigned to the Programme as at the Issue Date, Rating Agency/ies and date on which such Rating is expected to be reviewed	Not Applicable
15.	Rating (if any) assigned to this Tranche of Notes as at the Issue Date, Rating Agency/ies and date on which such Rating is expected to be reviewed	Not Applicable
16.	Use of proceeds	The Issuer will use the net proceeds from the issue of this Tranche for its general corporate purposes
17.	Other provisions	Not Applicable

Additional Disclosures

The Dealer and its affiliates have a lending relationship with the Issuer and from time to time have performed, and in the future will perform, banking, investment banking, advisory, consulting and other financial services for the Issuer and its affiliates, for which it may receive customary advisory and transaction fees and expenses reimbursement.

In addition, in the ordinary course of their business activities, the Dealer and its affiliates may make loans or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such loans, investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates (including the Notes). The Dealer or its affiliates may hedge their credit exposure to the Issuer consistent with their customary risk management policies.

Responsibility

The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement, the annual financial reports of the Issuer and any amendments to such annual financial reports and each supplement to the Programme Memorandum by the Issuer from time to time (except as otherwise stated therein).

The Issuer certifies that, to the best of its knowledge and belief, there are no facts the omission of which would make any statement contained in the Programme Memorandum false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that the Programme Memorandum contains or incorporates by reference (see the section of this Programme Memorandum headed "*Documents Incorporated by Reference*") all information required by the JSE Debt Listings Requirements and all other Applicable Laws.

Application is hereby made to list this tranche of Notes on the Interest Rate Market of the JSE, as from 28 June 2017, pursuant to the Development Bank of Southern Africa Limited ZAR80,000,000,000 Domestic Medium Term Note Programme.

DEVELOPMENT BANK OF SOUTHERN AFRICA LIMITED

By: ______________	By: ______________
duly authorised	*duly authorised*
Capacity: Manager: Capital Markets	Capacity: GM Treasury
Date: 27/06/2017	Date: 27/6/2017