

APPLICABLE PRICING SUPPLEMENT – DVFB26 (TAP ISSUE)



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

Issue of ZAR368,000,000 Senior Unsecured Floating Rate Notes due 31 May 2026

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

The issue of this Tranche is the second tap issue of the DVFB26 Notes issued on 31 May 2019 (and first tapped on 30 September 2019), and all references to "**Notes**", "**this Tranche**" and "**this Tranche of Notes**" must, where appropriate, be construed accordingly.

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.

References in this Applicable Pricing Supplement to the "**Terms and Conditions**" are to the section of the Programme Memorandum headed "**Terms and Conditions**", as amended by the JSE Debt Listings Requirements currently applicable to the Interest Rate Market of the JSE (see the SENS announcement released on 26 March 2019. References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions). Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in 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	3
	Series number	26
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	Floating Rate Notes
7.	Issue Date/Settlement Date	23 October 2019
8.	Issue Price	101,678191% of the aggregate Principal Amount of this Tranche
9.	Interest Basis	Floating Interest Rate (Reference Rate + the Margin)
10.	Redemption/Payment Basis	Redemption at par
11.	Change of Interest or Redemption/ Payment Basis	Not Applicable
12.	Aggregate Principal Amount	
	(a) Series (including this Tranche)	ZAR1,348,000,000
	(b) Tranche	ZAR368,000,000
13.	Specified Currency	ZAR
14.	Specified Denomination (Nominal Amount per Note)	ZAR1,000,000
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	ZAR29,183,680,000, excluding the aggregate Principal Amount of this Tranche and any other Tranche/s of Notes issued on the Issue Date specified in Item A(7) 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. FLOATING RATE NOTES

1.	Floating Interest Rate	The floating rate per annum NACQ equal to the sum of the Reference Rate and the Margin for the period from and including the Interest Commencement Date to but excluding the Redemption Date.
2.	Margin	1.64% per annum to be added to the Reference Rate
3.	Interest Commencement Date	31 August 2019
4.	Interest Payment Dates	31 August, 30 November, 28 February and 31 May of each year for the period from and including the Interest Commencement Date to but excluding the Redemption Date or, if any such date is not a Business Day, the date determined in accordance with the Following Business Day Convention (see Item A(15) above).
5.	First Interest Payment Date	30 November 2019

6.	Interest Periods	Each successive period commencing on and including an Interest Payment Date and ending on but excluding the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date (31 August 2019) and end on (but exclude) the First Interest Payment Date (30 November 2019) and the final Interest Period will end on (but exclude) the Redemption Date, it being recorded, for the avoidance of doubt, that if any such date is not a Business Day, the date will be determined in accordance with the Following Business Day Convention (see Item C(4) above).
7.	Manner in which the Rate/s of interest is/are to be determined	Screen Rate Determination
8.	If Screen Rate Determination applicable	
	a) Reference Rate	JIBAR being, subject to Condition 7.2.3.2, the average mid-market yield rate per annum for 3 month deposits in Rand which appears on the Relevant Screen Page as the "SFX 3M YIELD" at or about the Relevant Time on the Rate Determination Date, determined by the Calculation/Issuer Agent in accordance with Condition 7.2.3.4
	b) Rate Determination Dates	The first day of each Interest Period; provided that the first Rate Determination Date shall be 18 October 2019.
	c) Relevant Screen Page and Reference Code	Reuters Screen SAFEX MNY MKT page - "SFX 3M YIELD"
	d) Relevant Time	11h00 South African Time
	e) Relevant Financial Centre	Johannesburg
9.	Minimum Rate of Interest	Not Applicable
10.	Maximum Rate of Interest	Not Applicable
11.	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating the Floating Interest Rate	Not Applicable

D. REDEMPTION

1.	Maturity Date	31 May 2026
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.	Put Option	Not Applicable
5.	<i>Issuer optional early redemption following a Tax Event:</i>	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 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.

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| 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) |
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6. **Noteholder optional redemption following a Change of Control Event:**
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| 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, is the Outstanding Principal Amount of that Note plus interest accrued (if any) to the Actual Redemption Date. |
7. **Action following an Event of Default:**
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| 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 |
8. Section 4.22(gg) of the JSE Debt Listings Requirements
- The Notes will not be "automatically redeemed on the occurrence of a trigger event" as contemplated in Section 4.22(gg) of the JSE Debt Listings Requirements).
9. Other terms applicable on redemption
- Not Applicable

E. AGENTS AND SPECIFIED OFFICES

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| 1. Calculation/Issuer Agent | Nedbank Limited |
| 2. Specified Office of the Calculation/Issuer Agent | Nedbank 135 Rivonia Campus, Third Floor Block F, 135 Rivonia Road, Sandton, 2196, South Africa |
| 3. Settling Bank | The Standard Bank of South Africa Limited |
| 4. Specified Office of the Settling Bank | 25 Pixley Ka Isaka Seme Street, Johannesburg 2000, 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 |
| 7. Participant/Settlement Agent | The Standard Bank of South Africa Limited |
| 8. Specified Office of the Issuer's Participant/Settlement Agent | 25 Pixley Ka Isaka Seme Street, Johannesburg 2000, South Africa |

F. REGISTER CLOSED

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| 1. Last Day to Register | Up until 17h00 (South African time) on 20 August, 19 November, 17 February and 20 May of each year until 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 |
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- Certificates or, if any such date is not a Business Day, the date determined in accordance with the Following Business Day Convention (see Item A(15) above).
2. Register Closed Period
The Register will be closed during the 10 (ten) days preceding each Interest Payment Date and the Redemption Date from 17h00 (South African time) on the Last Day to Register until 17h00 (South African time) on the day preceding each Interest Payment Date and the Redemption Date.
 3. Books Closed Dates
21 August, 20 November, 18 February and 21 May of each year until the Redemption Date or, if any such date is not a Business Day, the date determined in accordance with the Following Business Day Convention (see Item A(15) above).

G. GENERAL

1. Exchange Control Approval
Not Applicable
2. Additional selling restrictions
Not Applicable
3. International Security Identification Number (ISIN)
ZAG000159906
4. Stock Code Number
DVFB26
5. Financial Exchange
JSE Limited (Interest Rate Market)
6. Debt Sponsor
Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division)
7. Method of Distribution
Dutch Auction (sealed bid without feedback)
8. Bookbuild and Allocation Policy
Method of distribution set out in the Term Sheet, dated 18 October 2019, prepared by Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division) and sent to potential investors for purposes of placing the Notes in this Tranche.
9. Pricing Methodology
Not Applicable
10. Name of Dealers
Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division)
Rho Capital Proprietary Limited
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
Standard & Poor's: B/BB+ (last reviewed on 26 October 2018)
Moody's: Global: Prime-3/Baa3 (last reviewed on 28 February 2019)
Moody's: Local: Local: P-1.za/Aa1.za (last reviewed on 28 February 2019)
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
Not Applicable

	Programme as at the Issue Date, Rating Agency/ies and date on which such Rating is expected to be reviewed	
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.	Material change	As at the date of signature of this Applicable Pricing Supplement, the Issuer has no "subsidiaries" as defined in the Companies Act. The Issuer confirms that, as at the date of signature of this Applicable Pricing Supplement, no material change in the financial or trading condition of the Issuer has occurred since 31 March 2019 (being the end of the last financial period for which audited annual financial statements of the Issuer have been prepared). This statement has not been confirmed or verified or reviewed and reported on by the auditors of the Issuer.
18.	Other relevant information	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 certifies that, to the best of its knowledge and belief, there are no facts the omission of which would make any statement contained in this Applicable Pricing Supplement false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that this Applicable Pricing Supplement contains all information required by the JSE Debt Listings Requirements (and all other Applicable Laws) to appear in this Applicable Pricing Supplement.

The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, the annual financial statements of the Issuer, this Applicable Pricing Supplement, the annual report of the Issuer and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Programme Memorandum, the annual financial statements of the Issuer, this Applicable Pricing Supplement, the annual report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum, the annual financial statements of the Issuer, this Applicable Pricing Supplement, the annual report of the Issuer and any amendments or supplements to the aforementioned documents, and expressly disclaims any liability for any loss arising from or in reliance upon the

whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

The issue of this Tranche is the second tap issue of the DVFB26 Notes issued on 31 May 2019. This Tranche of Notes will be listed on the Interest Rate Market of the JSE, as from 23 October 2019, 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: 

duly authorised

Name of signatory: Sithembiso Khoza

Capacity: Acting GE Treasury & Balance Sheet Management

Date: _____ October 2019

By: 

duly authorised

Name of signatory: Johan Testa

Capacity: Head: Treasury

Date: _____ October 2019