

ABSA BANK LIMITED

Registration number: 1986/004794/06

Authorised financial services and registered credit provider (NCRCP7)

Incorporated in the Republic of South Africa

ISIN: ZAE000079810

JSE share code: ABSP

(Absa Bank)

ABSA BANK LIMITED: THE INCREASE IN THE DIVIDEND TAX AND ITS EFFECT ON ABSA BANK LIMITED NON-CUMULATIVE NON-REDEEMABLE PREFERENCE SHARES
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Holders of Absa Bank non-cumulative non-redeemable preference shares (ABSP Preference Shares) are referred to our SENS announcement of 6 February 2012 dealing with dividends payable in respect of the ABSP Preference Shares being adjusted (grossed up) and the 2012 Budget Speech presented by the Minister of Finance on 22 February 2012, during which it was announced that dividend tax is to be levied at a rate of 15%.

As stated in our 6 February 2012 SENS announcement, "the gross-up will be limited to the introduction of the dividend tax in its current form and does not extend to any future amendments thereto". The "current form" of the dividend tax at the time of the 6 February 2012 SENS announcement was 10%.

Absa will maintain this position and accordingly symbol "B" in the formula referred to under "Entitlements to dividends" in the pre-listing statement will be increased from 63% to 70% as stated in our SENS announcement of 6 February 2012, subject to approval by holders of ABSP Preference Shares at the general meeting on Wednesday, 14 March 2012.

Johannesburg

9 March 2012

Sponsor:

J. P. Morgan Equities Limited

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