

BARCLAYS AFRICA GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1986/003934/06)

ISIN: ZAE000174124

JSE share code: BGA

(Barclays Africa Group)

ABSA BANK LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1986/004794/06)

ISIN: ZAE000079810

JSE share code: ABSP, ABMN

(Absa Bank)

BARCLAYS AFRICA GROUP LIMITED – BASEL III PILLAR 3 DISCLOSURE AS AT 31 MARCH 2015

The quarterly Pillar 3 disclosure is made in accordance with the requirements of the Banks Act, No. 94 of 1990 (the Banks Act).

1) Capital Adequacy**Barclays Africa Group**

Barclays Africa Group remains capitalised above the regulatory minimum requirements, with Common Equity Tier 1, Tier 1 and Total Capital Adequacy ratios being within our increased board approved target capital ranges. As at 31 March 2015, Barclays Africa Group's Common Equity Tier 1 ratio was 11.4%, Tier 1 ratio was 12.1% and Total Capital Adequacy ratio was 13.9%.

The table below represents the capital position for Barclays Africa Group at 31 March 2015 and the comparatives at 31 December 2014.

	31-Mar-2015 ¹		31-Dec-2014 ¹	
	Rm	%	Rm	%
Regulatory Capital Position (excluding unappropriated profit):				
Common Equity Tier 1	64 598	10.2%	65 714	10.6%
Share capital and premium	5 852		6 242	
Reserves	63 118		63 554	
Non-controlling interest - ordinary shares	2 275		2 250	
Deductions	(6 647)		(6 332)	
Additional Tier 1 capital	4 192	0.7%	4 572	0.8%
Tier 1 capital	68 790	10.9%	70 286	11.4%
Tier 2 capital	11 215	1.8%	10 603	1.7%
Total capital	80 005	12.7%	80 889	13.1%

Statutory Capital Position (including unappropriated profit):				
Common Equity Tier 1	72 123	11.4%	73 829	11.9%
Tier 1 capital	76 315	12.1%	78 401	12.7%
Total capital	87 530	13.9%	89 004	14.4%

Board Approved Target Ranges²:			
Common Equity Tier 1	9.5% - 11.5%	9.5% - 11.0%	
Tier 1 Capital	10.5% - 12.5%	10.5% - 12.0%	
Total Capital	12.5% - 14.5%	12.5% - 14.0%	

	31-Mar-2015			
	RWA	Minimum Required Capital		
	Per risk type	Pillar 1	Pillar 2a	Total
	Rm	8%	2%	10%
Credit risk	467 818	37 425	9 357	46 782
Counterparty credit risk	12 448	996	249	1 245
Equity investment risk	10 401	832	208	1 040
Market risk	22 824	1 826	456	2 282
Operational risk	92 942	7 435	1 859	9 294
Non-customer assets	24 360	1 949	487	2 436
Total RWA and Minimum Required Capital	630 793	50 463	12 616	63 079

	31-Dec-2014			
	RWA	Minimum Required Capital		
	Per risk type	Pillar 1	Pillar 2a	Total
	Rm	8%	2%	10%
Credit risk	456 622	36 530	9 132	45 662
Counterparty credit risk	12 083	967	241	1 208
Equity investment risk	13 737	1 099	275	1 374
Market risk	21 781	1 742	436	2 178
Operational risk	92 942	7 435	1 859	9 294
Non-customer assets	22 540	1 803	451	2 254
Total RWA and Minimum Required Capital	619 705	49 576	12 394	61 970

Absa Bank

Absa Bank remains capitalised above the regulatory minimum requirements, with Common Equity Tier 1, Tier 1 and Total Capital Adequacy ratios being within our board approved target capital ranges. As at 31 March 2015, Absa Bank's Common Equity Tier 1 ratio was 10.1%, Tier 1 ratio was 10.8% and Total Capital Adequacy ratio was 13.1%.

The table below represents the capital position for Absa Bank at 31 March 2015 and comparatives at 31 December 2014.

	31-Mar-2015 ¹		31-Dec-2014 ¹	
	Rm	%	Rm	%
Regulatory Capital Position (excluding unappropriated profit):				
Common Equity Tier 1	42 364	9.3%	42 556	9.6%
Share capital and premium	16 768		16 768	
Reserves	29 761		29 731	
Deductions	(4 165)		(3 943)	
Additional Tier 1 capital	3 251	0.7%	3 715	0.8%
Tier 1 capital	45 615	10.0%	46 271	10.4%
Tier 2 capital	10 737	2.3%	10 228	2.3%
Total capital	56 352	12.3%	56 499	12.7%

Statutory Capital Position (including unappropriated profit):				
Common Equity Tier 1	45 953	10.1%	46 820	10.6%
Tier 1 capital	49 204	10.8%	50 535	11.4%
Total capital	59 941	13.1%	60 763	13.7%

Board Approved Target Ranges²:

Common Equity Tier 1	9.0% - 10.5%	9.0% - 10.5%
Tier 1 Capital	10.0% - 11.5%	10.0% - 11.5%
Total Capital	12.0% - 13.5%	12.0% - 13.5%

Risk Weighted Assets (RWA) and Minimum Required Capital per Risk Type³	31-Mar-2015			
	RWA	Minimum Required Capital		
	Per risk type	Pillar 1	Pillar 2a	Total
	Rm	8%	2%	10%
Credit risk	339 068	27 126	6 781	33 907
Counterparty credit risk	12 222	978	244	1 222
Equity investment risk	6 574	526	131	657
Market risk	18 865	1 509	378	1 887
Operational risk	65 339	5 227	1 307	6 534
Non-customer assets	14 531	1 162	291	1 453
Total RWA and Minimum Required Capital	456 599	36 528	9 132	45 660

RWA and Minimum Required Capital per Risk Type³	31-Dec-2014			
	RWA	Minimum required Capital		
	Per risk type	Pillar 1	Pillar 2a	Total
	Rm	8%	2%	10%
Credit risk	326 956	26 157	6 539	32 696
Counterparty credit risk	11 954	956	239	1 195
Equity investment risk	7 650	612	153	765
Market risk	18 260	1 461	365	1 826
Operational risk	65 339	5 227	1 307	6 534
Non-customer assets	13 796	1 104	276	1 380
Total RWA and Minimum Required Capital	443 955	35 517	8 879	44 396

2) Leverage ratio

The leverage ratio framework is complementary to the risk-based capital framework and is a non-risk based contingency measure to restrict the build-up of excessive leverage in the banking sector.

Barclays Africa Group

	31-Mar-2015 ⁴
Tier 1 Capital (excluding unappropriated profit) (Rm)	68 790
Tier 1 Capital (including unappropriated profit) (Rm)	76 315
Total Exposures (Rm)	1 201 640
Leverage Ratio (excluding unappropriated profit)	5.7%
Leverage Ratio (including unappropriated profit)	6.4%
Minimum Required Leverage Ratio	4.0%

Absa Bank

	31-Mar-2015 ⁴
Tier 1 Capital (excluding unappropriated profit) (Rm)	45 615
Tier 1 Capital (including unappropriated profit) (Rm)	49 204
Total Exposures (Rm)	1 024 947
Leverage Ratio (excluding unappropriated profit)	4.5%
Leverage Ratio (including unappropriated profit)	4.8%
Minimum Required Leverage Ratio	4.0%

3) Liquidity Coverage Ratio

The objective of the liquidity coverage ratio is to promote the short-term resilience of the liquidity risk profile of banks by ensuring that they have sufficient high quality liquid assets to survive a significant stress scenario lasting 30 calendar days. The liquidity coverage ratio requirement, from 1 January 2015, is 60% and will increase by 10% per year to 100% on 1 January 2019.

The liquidity coverage ratio is calculated as the value of high quality liquid assets divided by total net cash outflows. High quality liquid assets are the value of assets that can be easily and immediately converted into cash. Net cash outflows are calculated according the scenario parameters outlined by regulations.

Barclays Africa Group

Barclays Africa Group held high quality liquid assets in excess of the regulatory minimum requirement. The table below represents the average liquidity coverage ratio for Barclays Africa Group for the quarter ended 31 March 2015:

	31-Mar-2015 ^{4,5}
High Quality Liquid Assets (Rm)	111 087
Net Cash Outflows (Rm)	138 084
Liquidity Coverage Ratio	80%
Required Liquidity Coverage Ratio	60%

Absa Bank

Absa Bank held high quality liquid assets in excess of the regulatory minimum requirement. The table below represents the average liquidity coverage ratio for Absa Bank for the quarter ended 31 March 2015:

	31-Mar-2015^{4,5}
High Quality Liquid Assets (Rm)	93 182
Net Cash Outflows (Rm)	120 424
Liquidity Coverage Ratio	77%
Required Liquidity Coverage Ratio	60%

Notes:

1. The 31 March 2015 figures have not been audited. (31 December 2014 comparatives have been audited).
2. Board approved target ranges include unappropriated profit.
3. The regulatory minimum Common Equity Tier 1 requirement as at 31 March 2015 was 6.5% (31 December 2014: 5.5%).
4. This announcement represents the first public disclosure of the Leverage and Liquidity Coverage Ratios, therefore no comparative information is disclosed.
5. The values disclosed represent the simple average of the relevant 3 month-end data points.

Johannesburg
3 June 2015 2015

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