

**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 30 SEPTEMBER 2014**

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

Barclays Africa Group remains capitalised above the regulatory minimum requirements, with Common Equity Tier 1 and Tier 1 ratios above and Total Capital Adequacy ratio within our board approved target capital ranges. As at 30 September 2014, Barclays Africa Group's Common Equity Tier 1 ratio was 11.6%, Tier 1 ratio was 12.4% and Total Capital Adequacy ratio was 14.0%.

Bond ABCPI2 (nominal value of R3 billion), which partially qualified as Tier 2 capital under Basel III at a Barclays Africa Group and Absa Bank level, was redeemed by Absa Bank at its first optional redemption date of 20 September 2014.

The table below represents the capital position for Barclays Africa Group at 30 September 2014 and the comparatives at 30 June 2014.

	30-Sep-2014 <sup>1</sup>		30-Jun-2014 <sup>1</sup>	
	Rm	%	Rm	%
<b>Regulatory Capital Position</b> (excluding unappropriated profit)				
<b>Common Equity Tier 1</b>	<b>63 671</b>	<b>10.5%</b>	<b>63 506</b>	<b>10.7%</b>
Share capital and premium	6 184		6 202	
Reserves	61 559		61 199	
Non-controlling interest - ordinary shares	2 335		2 183	
Deductions	(6 407)		(6 078)	
<b>Additional Tier 1 capital</b>	<b>4 476</b>	<b>0.8%</b>	<b>4 416</b>	<b>0.7%</b>
<b>Tier 1 capital</b>	<b>68 147</b>	<b>11.3%</b>	<b>67 922</b>	<b>11.4%</b>
<b>Tier 2 capital</b>	<b>9 977</b>	<b>1.6%</b>	<b>12 790</b>	<b>2.1%</b>
<b>Total capital</b>	<b>78 124</b>	<b>12.9%</b>	<b>80 712</b>	<b>13.5%</b>

<b>Statutory Capital Position</b> (including unappropriated profit):				
Common Equity Tier 1	70 410	11.6%	69 966	11.8%
Tier 1 capital	74 885	12.4%	74 382	12.5%
Total capital	84 862	14.0%	87 172	14.6%

<b>Board Approved Target Ranges<sup>2</sup></b>				
Common Equity Tier 1	9.5% - 11.0%		9.5% - 11.0%	
Tier 1 Capital	10.5% - 12.0%		10.5% - 12.0%	
Total Capital	12.5% - 14.0%		12.5% - 14.0%	

	30-Sep-2014			
	RWA Per risk type Rm	Minimum required capital		
		Pillar 1 8% Rm	Pillar 2a 2% Rm	Total 10% Rm
Credit risk	451 730	36 138	9 035	45 173
Counterparty credit risk	13 360	1 069	267	1 336
Equity investment risk	13 917	1 113	278	1 391
Market risk	20 606	1 649	412	2 061
Operational risk	82 015	6 562	1 640	8 202
Non-customer assets	23 382	1 870	468	2 338
<b>Total RWA and minimum required capital</b>	<b>605 010</b>	<b>48 401</b>	<b>12 100</b>	<b>60 501</b>

	30-Jun-2014			
	RWA Per risk type Rm	Minimum required capital		
		Pillar 1 8% Rm	Pillar 2a 2% Rm	Total 10% Rm
Credit risk	443 629	35 490	8 873	44 363
Counterparty credit risk	11 838	947	237	1 184
Equity investment risk	14 871	1 190	297	1 487
Market risk	17 535	1 403	350	1 753
Operational risk	82 015	6 561	1 641	8 202
Non-customer assets	25 165	2 013	503	2 516
<b>Total RWA and Minimum Required Capital</b>	<b>595 053</b>	<b>47 604</b>	<b>11 901</b>	<b>59 505</b>

## 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 30 September 2014, Absa Bank's Common Equity Tier 1 ratio was 10.0%, Tier 1 ratio was 10.9% and Total Capital Adequacy ratio was 13.1%.

The table below represents the capital position for Absa Bank at 30 September 2014 and comparatives at 30 June 2014.

Regulatory Capital Position (excluding unappropriated profit)	30-Sep-2014 <sup>1</sup>		30-Jun-2014 <sup>1</sup>	
	Rm	%	Rm	%
<b>Common Equity Tier 1</b>	<b>39 834</b>	<b>9.1%</b>	<b>40 208</b>	<b>9.3%</b>
Share capital and premium	14 768		14 768	
Reserves	29 302		29 574	
Deductions	(4 236)		(4 134)	
<b>Additional Tier 1 capital</b>	<b>3 715</b>	<b>0.9%</b>	<b>3 715</b>	<b>0.8%</b>
<b>Tier 1 capital</b>	<b>43 549</b>	<b>10.0%</b>	<b>43 923</b>	<b>10.1%</b>
<b>Tier 2 capital</b>	<b>9 739</b>	<b>2.2%</b>	<b>12 792</b>	<b>3.0%</b>
<b>Total capital</b>	<b>53 288</b>	<b>12.2%</b>	<b>56 715</b>	<b>13.1%</b>

Statutory Capital Position (including unappropriated profit):				
Common Equity Tier 1	43 613	10.0%	43 987	10.1%
Tier 1 capital	47 328	10.9%	47 702	10.9%
Total capital	57 066	13.1%	60 494	13.9%

### Board Approved Target Ranges<sup>2</sup>

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 Type:<sup>3</sup>

Risk Weighted Assets (RWA) and Minimum Required Capital per Risk Type: <sup>3</sup>	30-Sept-2014			
	RWA Per risk type Rm	Minimum required capital		
		Pillar 1 8%	Pillar 2a 2%	Total 10%
		Rm	Rm	Rm
Credit risk	323 510	25 881	6 470	32 351
Counterparty credit risk	13 216	1 057	264	1 321
Equity investment risk	8 999	720	180	900
Market risk	17 978	1 438	360	1 798
Operational risk	59 302	4 744	1 186	5 930
Non-customer assets	12 858	1 029	257	1 286
Total RWA and minimum required capital	435 863	34 869	8 717	43 586

RWA and Minimum Required Capital per Risk Type <sup>3</sup> :	30-Jun-2014			
	RWA Per risk type Rm	Minimum required capita		
		Pillar 1 8%	Pillar 2a 2%	Total 10%
		Rm	Rm	Rm
Credit risk	324 765	25 981	6 495	32 476
Counterparty credit risk	11 698	936	234	1 170
Equity investment risk	9 219	738	184	922
Market risk	15 752	1 260	315	1 575
Operational risk	59 302	4 744	1 186	5 930
Non-customer assets	13 367	1 069	268	1 337
Total RWA and Minimum Required Capital	434 103	34 728	8 682	43 410

Notes:

1. The 30 June 2014 and 30 September 2014 figures have not been audited.
2. Board approved target ranges include unappropriated profit.
3. The regulatory minimum Common Equity Tier 1 requirement as at 30 September 2014 was 5.5% (30 June 2014: 5.5%).

Johannesburg  
21 November 2014

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**Lead Independent Sponsor:**

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Absa Bank Limited Corporate and Investment Banking Division