
APPLICABLE PRICING SUPPLEMENT



Member of



ABSA BANK LIMITED

*(Incorporated in the Republic of South Africa with limited liability under registration
number 1986/004794/06)*

**Issue of ZAR 250,000,000.00 Mercedes Benz South Africa limited Credit Linked Notes due
March 2016**

**Under its ZAR 40,000,000,000 Master Structured Note Programme approved by the JSE Limited
and the Stock Exchange of Mauritius Ltd**

This Applicable Pricing Supplement must be read in conjunction with (i) the Master Structured Note Programme Memorandum dated 21 October 2013, approved by the JSE on or about 28 October 2013 and approved by the Stock Exchange of Mauritius Ltd on or about 29 November 2013, prepared by Absa Bank Limited in connection with the Absa Bank Limited ZAR40,000,000,000 Master Structured Note Programme, as amended and/or supplemented from time to time (the "**Master Programme Memorandum**") and (ii) the Applicable Product Supplement in Section IV-A of the Master Programme Memorandum headed "Credit Linked Notes", as amended and/or supplemented from time to time (the "**Applicable Product Supplement**").

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in Schedule 1 to Section II-A of the Master Programme Memorandum headed "Terms and Conditions of the Notes" (the "**Glossary of Terms**"), as amended by the Applicable Product Supplement.

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as replaced, amended and/or supplemented by the Applicable Product Supplement and/or this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Master Programme Memorandum and/or the Applicable Product Supplement, the provisions of this Applicable Pricing Supplement shall prevail.

This Applicable Pricing Supplement supersedes any previous pricing supplement, confirmation, term sheet or other communication in respect of the Notes described below.

DESCRIPTION OF THE NOTES	
1. Issuer	Absa Bank Limited (" Absa ")
2. Applicable Product Supplement	Applicable: Credit Linked Note Applicable Product Supplement contained in Section IV-A of the Master Programme Memorandum
3. Listing	Listed Notes
4. Issuance Currency	ZAR
5. Series Number	2014-01
6. Tranche Number	A
7. Aggregate Nominal Amount:	
(a) Series	ZAR 250,000,000.00
(b) Tranche	ZAR 250,000,000.00
8. Interest	Interest-bearing
9. Interest Payment Basis	Floating Rate Notes
10. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	Not Applicable
11. Form of Notes	Registered Notes: The Notes in this Tranche are issued in uncertificated form and held by the CSD.
12. Issue Date	18 February 2014
13. Trade Date	11 February 2014
14. Specified Denomination	ZAR 1,000,000.00
15. Issue Price	100%
16. Interest Commencement Date	Issue Date
17. Maturity Date	22 March 2016
18. Applicable Business Day Convention	Modified Following Business Day
19. Definition of Business Day (if different from that set out in Glossary of Terms)	Not Applicable
20. Final Redemption Amount	ZAR 250,000,000.00

21.	Last Date to Register	10 calendar days before each Floating Interest Payment Date i.e. 12 March, 12 June, 12 September and 12 December of each year until the Maturity Date
22.	Books Closed Period(s)	The Register will be closed from 9 calendar days before each Floating Interest Payment Date until each relevant Floating Interest Payment Date i.e. 13 - 22 March, 13 - 22 June, 13 - 22 September and 13 - 22 December of each year until the Maturity Date.
23.	Value of aggregate Nominal Amount of all Notes issued under the Structured Note Programme as at the Issue Date	ZAR397,510,000.00
FLOATING RATE NOTES		
24.	(a) Floating Interest Payment Date(s)	The 22 nd of March, June, September and December in each year, commencing 22 March 2014.
	(b) Minimum Interest Rate	Not Applicable
	(c) Maximum Interest Rate	Not Applicable
	(d) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	Day Count Fraction: Act/365 (Fixed)
	(e) Manner in which the Interest Rate is to be determined	Screen Rate Determination
	(f) Margin	100 basis points to be added to the relevant Reference Rate
	(h) If Screen Determination:	
	(i) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)	ZAR-JIBAR-SAFEX (3 months)
	(ii) Interest Rate Determination Date(s)	(a) The Issue Date, followed by, (b) each 22 nd of March, June, September and December in each year, commencing on 22 March 2014 and ending 22 December 2015.

(iii)	Relevant Screen Page and Reference Code	Reuters RIC <SFX3MYLD> on Reuters Page "SAFEY" (Page number ZA01209)
(i)	If Interest Rate to be calculated otherwise than by ISDA Determination or Screen Determination, insert basis for determining Interest Rate/Margin/ Fallback provisions	Not Applicable
(j)	Calculation Agent responsible for calculating amount of principal and interest	Absa Corporate and Investment Banking, a division of Absa Bank Limited
CREDIT EVENT REDEMPTION		
25.	Type of Credit Linked Note	Single Name CLN
26.	Redemption at Maturity	Final Redemption Amount
27.	Redemption following the occurrence of Credit Events	Applicable
	Extension interest	Not Applicable
	Reference Entity	Mercedes Benz South Africa Limited
	Reference Obligation(s)	The obligation(s) identified as follows: Primary Obligor: Mercedes Benz South Africa Limited Maturity: 16 April 2019 Coupon: 9.035% semi-annually ISIN: ZAG000094640
	All Guarantees	Applicable
	Reference Price	100 per cent
	Conditions to Settlement	Credit Event Notice: Applicable If Physical Settlement is Specified, Notice of Physical Settlement: Applicable Notice of Publicly Available Information: Not applicable Public Sources of Publicly Available Information: Not applicable

Credit Events	The following Credit Event(s) shall apply: Bankruptcy Failure to Pay Grace Period Extension: Applicable Payment Requirement: ZAR 1,000,000.00 Obligation Default Obligation Acceleration Repudiation/Moratorium Restructuring Default Requirement: ZAR5,000,000.00	
Credit Event Accrued Interest	Not Applicable	
Obligation(s)	Obligation Category (Select only one):	Obligation Characteristics (Select all that apply):
	<input type="checkbox"/> Payment	<input checked="" type="checkbox"/> Not Subordinated
	<input type="checkbox"/> Borrowed Money	<input checked="" type="checkbox"/> Specified Currency: ZAR
	<input type="checkbox"/> Reference Obligations Only	<input type="checkbox"/> Not Sovereign Lender
	<input type="checkbox"/> Bond	<input type="checkbox"/> Not Domestic Currency
	<input type="checkbox"/> Loan	<input type="checkbox"/> Not Domestic Law
	<input checked="" type="checkbox"/> Bond or Loan	<input type="checkbox"/> Listed
		<input type="checkbox"/> Not Domestic Issuance
Excluded Obligations (if any)	Not Domestic Currency and Not Domestic Law	
Issuer CLN Settlement Option	Not applicable	
CLN Settlement Method	Physical Settlement	
Terms Relating to Physical Settlement:		
Deliverable Obligation(s)	Deliverable Obligation Category (Select only one)	Deliverable Obligation Characteristics (Select all that apply)

	<input type="checkbox"/> Payment	<input checked="" type="checkbox"/> Not Subordinated
	<input type="checkbox"/> Borrowed Money	<input checked="" type="checkbox"/> Specified Currency: ZAR
	<input type="checkbox"/> Reference Obligations Only	<input type="checkbox"/> Not Sovereign Lender
	<input type="checkbox"/> Bond	<input type="checkbox"/> Not Domestic Currency
	<input type="checkbox"/> Loan	<input type="checkbox"/> Not Domestic Law
	<input checked="" type="checkbox"/> Bond or Loan	<input type="checkbox"/> Listed
		<input type="checkbox"/> Not Contingent
		<input type="checkbox"/> Not Domestic Issuance
		<input type="checkbox"/> Assignable Loan
		<input type="checkbox"/> Consent Required Loan
		<input type="checkbox"/> Direct Loan Participation
		<input type="checkbox"/> Indirect Loan Participation Qualifying Participation Seller
		<input type="checkbox"/> Transferable
		<input type="checkbox"/> Maximum Maturity
		<input type="checkbox"/> Accelerated or Matured
		<input type="checkbox"/> Not Bearer
Excluded Deliverable Obligations	Not Domestic Currency and Not Domestic Law	
Partial Cash Settlement of Consent Required Loans	Applicable	
Partial Cash Settlement of Assignable Loans	Applicable	
Partial Cash Settlement of Participations	Applicable	

Other terms relating to Physical Settlement (if any)	<p>Condition 6.9.1.1 of the Terms and Conditions of the Notes shall be deleted and replaced with the following:</p> <p>If "Cash Settlement" is deemed to apply pursuant to Credit Linked Condition 6.4 to Credit Linked Condition 6.8 (inclusive), the portion of the Deliverable Obligations Portfolio corresponding to the applicable Undeliverable Obligation, Undeliverable Loan Obligation, Undeliverable Participation or Unassignable Obligation (each an "Undeliverable Deliverable Obligation") shall not consist of such Undeliverable Deliverable Obligation, but shall consist of an amount equal to the outstanding principal balance (or, the equivalent Currency Amount thereof) of such Undeliverable Deliverable Obligation multiplied by the Final Price with respect to such Undeliverable Deliverable Obligation less (iii) Swap Costs and Settlement Expenses (if any);</p>
Additional Business Centre Delivery Method	Not Applicable
Other Provisions	None
PROVISIONS REGARDING REDEMPTION/MATURITY	
Redemption at the option of the Issuer:	No
28. Redemption at the Option of Noteholders:	No
29. Early Redemption Amount(s) payable on redemption for taxation reasons, Change in Law or on Event of Default (if required).	Yes
If yes:	
(a) Amount payable; or	The Early Redemption Amount determined by the Calculation Agent in accordance with Condition 8.5 of the Terms and Conditions of the Notes
(b) Method of calculation of amount payable	Not applicable
GENERAL	
30. Financial Exchange	JSE Limited t/a The Johannesburg Stock Exchange

31.	Calculation Agent	Absa Corporate and Investment Banking, a division of Absa Bank Limited
32.	Calculation Agent City	Johannesburg
33.	Paying Agent	Absa Corporate and Investment Banking, a division of Absa Bank Limited
34.	Specified office of the Paying Agent	15 Alice Lane Sandton 2196 Gauteng South Africa
35.	Transfer Agent	Absa Corporate and Investment Banking, a division of Absa Bank Limited or an affiliate thereof
36.	Additional selling restrictions	Not Applicable
37.	ISIN No.	ZAG000112764
38.	Stock Code	ASN004
39.	Method of distribution	Private Placement
40.	If syndicated, names of Managers	Not Applicable
41.	If non-syndicated, name of Dealer	Absa Corporate and Investment Banking, a division of Absa Bank Limited or an affiliate thereof
42.	Governing law (if the laws of South Africa are not applicable)	As specified in the Credit Linked Conditions
43.	Other provisions	None

Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Applicable Pricing Supplement contains all information required by law and the JSE Listing Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.



Application is hereby made to list this issue of Notes on 18 February 2014.

SIGNED at Sandton on this 17th day of February 2014
for and on behalf of

ABSA BANK LIMITED



Name: TEBOHO MOLEFE

Capacity: PRINCIPAL



Name: CHRIS PAIZIS

Capacity: MANAGING PRINCIPAL