
APPLICABLE PRICING SUPPLEMENT



ABSA BANK LIMITED

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

Issue of ZAR60,000,000.00 Senior Unsecured Registered Notes

Under its ZAR40,000,000,000 Master Structured Note Programme

This Applicable Pricing Supplement must be read in conjunction with the Master Structured Note Programme Memorandum dated 21 October 2013 and approved by the JSE on or about 28 October 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").

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Glossary of Terms.

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 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, 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
2. Status of Notes	Listed Notes

3.	Issuance Currency	South African Rand / ZAR
4.	Series Number	2014-5
5.	Tranche Number	ASN008
6.	Total Notes In Issue	ZAR1,271,924,800.00
7.	Aggregate Nominal Amount:	
	(a) Series	ZAR60,000,000.00
	(b) Tranche	ZAR60,000,000.00
8.	Interest	Not Applicable
9.	Interest Payment Basis	Not Applicable
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. The default standard of the Notes under the Master Structured Note Programme is ' <u>unsubordinated and unsecured</u> ' per Condition 5 (<i>Status of Notes</i>) on page 37 of the Master Programme Memorandum.
12.	Issue Date	06 March 2014
13.	Specified Denomination	ZAR1,000,000.00 and increments of ZAR1,000.00 thereafter
14.	Issue Price	100.00%
15.	Interest Commencement Date	Not Applicable
16.	Maturity Date	06 March 2019 (subject to such day being an Exchange Business Day and a Business Day. If such day is not an Exchange Business Day and a Business Day, then such day shall be the next day

		which is an Exchange Business Day and a Business Day)
17.	Applicable Business Day Convention	Modified Following Business Day
18.	Final Redemption Amount	See Indexed Linked Notes provisions in paragraph 22(b) below
19.	Last Date to Register	20 February 2019
20.	Books Closed Period(s)	The Register will be closed from 21 February 2019 to the Maturity Date
21.	Value of aggregate Nominal Amount of all Notes issued under the Structured Note Programme as at the Issue Date	ZAR1,271,924,800.00
INDEX LINKED NOTES		
22.	(a) Type of Index Linked Notes	Indexed Redemption Amount Notes
	(b) Index/Formula by reference to which Interest Rate / Interest Amount is to be determined	<p>If on any one of the Anniversary Dates 1, 2, 3 or 4 the Issuer has not redeemed the Notes early; and</p> <p>If on the Anniversary Date 5 at the Index Valuation Time the Anniversary Index Level is greater than or equal to F_i, the Final Redemption Amount will be equal to the ANA plus the Enhanced Return specified as such in row 5 of the table in paragraph 22(k) below;</p> <p>or</p> <p>If on Anniversary Date 5 at the Index Valuation Time the Anniversary Index Level is not greater than or is not equal to F_i; and:</p> <p>a) the Calculation Agent determines that on Anniversary Date 5, the level of the Index is greater than or equal to the Barrier at the Index Valuation Time, then the Final Redemption Amount will be equal to the ANA;</p> <p>or</p>

- b) the Calculation Agent determines that on Anniversary Date 5 at the Index Valuation Time, the level of the Index is below the Barrier at the Index Valuation Time, then the Final Redemption Amount will be equal to an amount determined and calculated by the Calculation Agent according to the following formula:

$$\text{FRA} = \text{ANA} * (1 - \text{Knock In Amount})$$

Where:

"FRA" means the Final Redemption Amount;

"ANA" means the Aggregate Nominal Amount

"*" means "multiplied by";

"Knock In Amount" (KIA) means an amount determined and calculated in accordance with the following formula:

$$\text{KIA} = \text{Max}(0, 1 - \text{WOF}(\text{Ff}/\text{Fi}))$$

"max" means the maximum of;

"Ff" means the official level of each Index as of the Index Valuation Time on Anniversary Date 5;

"Fi" means the level of each Index as of the Index Valuation Time on the Effective Date i.e. 27 February 2014;

"WOF(Ff/Fi)" means the numerically lowest value of the "Index Performance"; where "Index Performance" means, in relation to each Index, Ff/Fi;

"Effective Date" means 27 February 2014;

For purposes of the above:

"Anniversary Date 1", "Anniversary Date 2", "Anniversary Date 3", "Anniversary Date 4" or "Anniversary Date 5" means the date specified as such in the table in paragraph 22(k) below;

each such date being subject to adjustment if such

day is not an Exchange Business Day and a Business Day, then such day shall be the next day which is an Exchange Business Day and a Business Day;

“Exchange Business Day” means a Scheduled Trading Day on which: (i) the Index Sponsor publishes the closing level of the Index; and (ii) the Listing Financial Exchange or an Index Component Exchange, as the case may be, is open for trading during its regular trading session, notwithstanding the Listing Financial Exchange and/or any Index Component Exchange, as the case may be, closing prior to its Scheduled Closing Time;

“Scheduled Trading Day” means any day on which: (i) the Index Sponsor publishes the closing level of the Index; and (ii) the Listing Financial Exchange or an Index Component Exchange, as the case may be, is open for trading during its regular trading session, notwithstanding the Listing Financial Exchange and/or any Index Component Exchange, as the case may be, closing prior to its Scheduled Closing Time;

“Scheduled Closing Time” means, in respect of an Index Component Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Index Component Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

“Index Sponsor” means the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day;

“Index Component Exchange” means in respect of each component security of the Index (each, a

	<p>"Component Security"), the principal stock exchange of which such Component Security is principally traded, as determined by the Calculation Agent;</p> <p>"Anniversary Index Level" means, in respect of each Anniversary Date, the level of the Index determined by the Calculation Agent at the Index Valuation Time;</p> <p>"Barrier" means $F_i * 60\%$ (i.e. a 40% fall in F_i);</p> <p>"Index" means the S&P500 Index (Bloomberg Ticker: SPX Index) and the FTSE 100 Index (Bloomberg Ticker: UKX Index);</p> <p>"Index Valuation Time" means:</p> <ol style="list-style-type: none"> I. for the purposes of determining whether a Market Disruption Event has occurred in respect of any Component Security or any options contracts or future contracts on the Index, the Scheduled Closing Time on the Exchange in respect of such Component Security or such options contracts or future contracts on the Index, as the case may be; and II. in all other circumstances, the time at which the official closing level of the Index is calculated and published.
(c) Manner in which the Interest Rate / Interest Amount is to be determined	Not applicable
(d) Interest Period(s)	Not applicable
(e) Interest Payment Date(s)	Not applicable
(f) Index Calculation Agent	FTSE Limited for the FTSE 100 Index and S&P DowJones Indices LLC for the S&P500 Index
(g) Provisions where calculation by reference to Index and/or	See paragraph 36 below

	Formula is impossible or impracticable													
(h)	Minimum Interest Rate	Not applicable												
(i)	Maximum Interest Rate	Not applicable												
(j)	Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	Not applicable												
(k)	Other terms relating to Index Linked Notes	<p>An Autocall Event shall be deemed to have occurred if at the Index Valuation Time on any one of the Anniversary Dates 1, 2, 3 or 4 specified in paragraph 22(b) above, the Calculation Agent determines that the relevant Anniversary Index Level is greater than or equal to F_i specified above. On the occurrence of an Autocall Event, the Notes will automatically terminate early on the relevant Early Redemption Date and the Issuer will pay to the holder of the Notes the relevant Early Redemption Amount specified in the table below:</p> <table><tr><td></td><td>Anniversary Date</td><td>Early Redemption Date</td><td>Early Redemption Amount (in the case of 1 through 4) and Final Redemption Amount (in the case of 5)</td></tr><tr><td>1</td><td>27 February 2015</td><td>06 March 2015</td><td>ANA+ANA* (1*ER)</td></tr><tr><td>2</td><td>27 February</td><td>06 March 2016</td><td>ANA+ANA* (2*ER)</td></tr></table>		Anniversary Date	Early Redemption Date	Early Redemption Amount (in the case of 1 through 4) and Final Redemption Amount (in the case of 5)	1	27 February 2015	06 March 2015	ANA+ANA* (1*ER)	2	27 February	06 March 2016	ANA+ANA* (2*ER)
	Anniversary Date	Early Redemption Date	Early Redemption Amount (in the case of 1 through 4) and Final Redemption Amount (in the case of 5)											
1	27 February 2015	06 March 2015	ANA+ANA* (1*ER)											
2	27 February	06 March 2016	ANA+ANA* (2*ER)											

	2016		
3	27 February 2017	06 March 2017	ANA+ANA* (3*ER)
4	27 February 2018	06 March 2018	ANA+ANA* (4*ER)
5	27 February 2019	N/A	ANA+ANA* (5*ER)

(subject to any such days being an Exchange Business Day and a Business Day. If any such day is not an Exchange Business Day and a Business Day, then such day shall be the next day which is an Exchange Business Day and a Business Day)

For purposes of the above table:

“ER” means an Enhanced Return of 16.5%;
and

“ANA” shall bear the meaning assigned to such term in paragraph 22(b) above.



PROVISIONS REGARDING REDEMPTION/MATURITY	
23. Redemption at the option of the Issuer:	No
24. Redemption at the Option of Noteholders:	No
25. Early Redemption Amount(s) payable on redemption for taxation reasons, Autocall Event, Change in Law, Hedging Disruption, Increased Cost of Hedging, Market Disruption Event, Trading Disruption, Exchange Disruption, Early Closure, Disrupted Day, Additional Termination Events or on Event of Default (if required).	Yes
If yes:	
(a) Amount payable; or	Not Applicable
(b) Method of calculation of amount payable for an Autocall Event	See paragraph 22(k) above
(c) Method of calculation of amount payable for all other purposes	As specified in Condition 8.5 (<i>Early Redemption Amounts</i>) of the Master Programme Memorandum
GENERAL	
26. Listing Financial Exchange	All such exchanges relevant to the Index as determined by the Calculation Agent
27. Calculation Agent	Absa Corporate and Investment Banking, a division of Absa Bank Limited or an Affiliate thereof
28. Paying Agent	Absa Corporate and Investment Banking, a division of Absa Bank Limited or an Affiliate thereof

29.	Specified office of the Paying Agent	15 Alice Lane Sandton 2196 Gauteng South Africa
30.	Transfer Agent	Absa Corporate and Investment Banking, a division of Absa Bank Limited or an Affiliate thereof
31.	ISIN No.	ZAG000113739
32.	Stock Code	ASN008
33.	Method of distribution	Private Placement
34.	Governing law (if the laws of South Africa are not applicable)	Law of the Republic of South Africa
35.	Pricing Methodology	Standard JSE pricing methodology
36.	Other provisions	Applicable The Notes will be inward listed securities listed on the JSE in terms of the authority granted by the Financial Surveillance Department of the South African Reserve Bank
(a)	Change in Law:	<p>If on or after the Effective Date of the Notes:</p> <p>(A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or</p> <p>(B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including, without limitation, any action taken by a taxing authority), the Calculation Agent determines in good faith that:</p> <p>(X) it has become illegal or contrary to such applicable law or regulation for the Issuer</p>

	<p>or the Note Holder or the affiliate of the Issuer to hold, acquire, deal in or dispose of hedge positions, underlying securities or other property or assets comprised in an index, any currency, futures contracts, commodities or contracts in securities, options, futures, derivatives or foreign exchange relating to the Notes (collectively, "Hedge Positions"), or</p> <p>(Y) the Issuer or the affiliate of the Issuer will incur a materially increased cost in performing its obligations in respect of the Notes or its Hedge Positions in connection with the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position), or</p> <p>(Z) the Issuer or any of its affiliates will be subjected to materially less favourable regulatory capital treatment in respect of such Notes or any related Hedge Positions,</p> <p>the Issuer may terminate the Notes early and the Calculation Agent will calculate the early termination amount to be paid to the Note Holder.</p>
<p>(b) Hedging Disruption:</p>	<p>If the Issuer or an affiliate of the Issuer (each a Hedging Party) is unable after using commercially reasonable efforts, to either (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Notes or any Hedge Positions in connection with the Notes, or (ii) freely realise, recover, receive, repatriate, remit or transfer the proceeds of any</p>

	<p>Hedge Position in connection with the Notes between accounts within the jurisdiction of the Hedge Positions (the "Affected Jurisdiction") or from accounts within the Affected Jurisdiction to accounts outside of the Affected Jurisdiction, the Issuer may terminate the Notes early and the Calculation Agent will calculate the early termination amount to be paid to the Note Holder</p>
<p>(c) Increased Cost of Hedging:</p>	<p>If the Issuer or an affiliate of the Issuer (each a Hedging Party) would incur a materially increased (as compared with circumstances existing on the Effective Date) amount of tax, duty, expense or fee (other than brokerage or commissions) to:</p> <p>(A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity price risk (or any other relevant price risk including, but not limited to, the currency risk) of entering into and performing its obligations with respect to the Notes or Hedge Positions in connection with the Notes, or</p> <p>(B) realise, recover or remit the proceeds of Hedge Positions in connection with the Notes between accounts within the jurisdiction of the Hedge Positions (the "Affected Jurisdiction") or from accounts within the Affected Jurisdiction to accounts outside the Affected Jurisdiction,</p> <p>the Issuer may terminate the Notes early and the Calculation Agent will calculate the early termination amount to be paid to the Note Holder</p>
<p>(d) Market Disruption Event:</p>	<p>Means either:</p> <p>(i) (a) the occurrence or existence, in respect of any Component Security, of:</p>

	<p>(1) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Index Valuation Time in respect of the Index Component Exchange on which such Component Security is principally traded;</p> <p>(2) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Index Valuation Time in respect of the Index Component Exchange on which such Component is principally traded; or</p> <p>(3) an Early Closure in respect of such Component Security;</p> <p>AND</p> <p>(b) the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Index;</p> <p>OR</p> <p>(ii) the occurrence or existence, in respect of futures or options contracts relating to the Index, of: (a) a Trading Disruption; (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the Index Valuation Time in respect of the Index Component Exchange; or (c) an Early Closure, in each case in respect of such futures or options contracts.</p>
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	For the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of the Index shall be based on a comparison of (x) the portion of the level of the Index attributable to that Component Security to (y) the overall level of the Index, in each case using the official opening weightings as published as part of the market "opening data"
(e) Trading Disruption:	Means any suspension of or limitation imposed on trading by the relevant Index Component Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Index Component Exchange or otherwise: (i) relating to any Component Security on the Index Component Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to the Index on the Index Component Exchange
(f) Exchange Disruption:	Means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component Security on the Index Component Exchange in respect of such Component Security; or (ii) futures or options contracts relating to the Index on the Index Component Exchange
(g) Early Closure	Means the closure on any Exchange Business Day of the Index Component Exchange in respect of any Component Security prior to its Scheduled Closing Time unless such earlier closing is announced by such Index Component Exchange at least one hour prior to the earlier of: (i) the actual

	<p>closing time for the regular trading session on such Index Component Exchange on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the Index Component Exchange system for execution at the relevant Index Valuation Time on such Exchange Business Day</p>
<p>(h) Disrupted Day:</p>	<p>Means any Scheduled Trading Day on which: (i) the Index Sponsor fails to publish the level of the Index; (ii) the Index Component Exchange fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred. The Calculation Agent shall as soon as reasonably practicable under the circumstances notify the parties or other party, as the case may be, of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date, a Valuation Date, a Potential Exercise Date, a Knock-in Determination Day, a Knock-out Determination Day or an Expiration Date. Without limiting the obligation of the Calculation Agent to notify the parties as set forth in the preceding sentence, failure by the Calculation Agent to notify the parties of the occurrence of a Disrupted Day shall not affect the validity of the occurrence.</p> <p>The consequences of a Disrupted Day are that the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Scheduled Valuation Day is a Disrupted Day. In that case, (i) that eighth Scheduled Trading Day shall be deemed to be the Valuation Day, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the level of the Index as of the Index Valuation Time as of that eighth Scheduled Valuation Day in accordance with the</p>

formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Index Component Exchange traded or quoted price as of the Index Valuation Time on that eighth Scheduled Trading Day of each Component Security (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Component Security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant Component Security as of the Index Valuation Time on that eighth Scheduled Trading Day).

For purposes of the above, the following terms shall have the meanings assigned next to each such term:

"Averaging Date" means, in respect of each Valuation Date, each date specified or otherwise determined as such (or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day);

"Valuation Date(s)" means the Anniversary Date specified as such in the table in paragraph 22(k) above;

"Scheduled Valuation Day" means any original day that, but for the occurrence of an event causing a Disrupted Day, would have been a Valuation Day;

"Potential Exercise Date" each date specified or otherwise determined as such (or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day);

"Knock-in Determination Day" means each Scheduled Trading Day from, but excluding the Effective Date to and including the Anniversary Date 5;

"Knock-out Determination Day" means each Scheduled Trading Day, unless such day is a Disrupted Day;

	<p>"Expiration Date" means each date specified or otherwise determined as such (or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day)</p>
<p>(i) Additional Termination Events:</p>	<p>The following shall constitute an "Additional Termination Event":</p> <p>(a) The failure by any party despite all its reasonable endeavours to obtain or maintain all applicable South African exchange controls approvals and any other regulations, licences or approvals (howsoever described) necessary to enter into pursuant to the Notes and/or each Component Security.</p> <p>(b) Force Majeure – due to:</p> <p>(i) any confiscations, impairment of currency and/or security transfers, banking moratorium, standstill, waivers or deferral, or other restrictions, whether de facto or de jure (including any expropriation, confiscation, requisition or nationalization of private property), imposed by a government or administrative authority, any court, tribunal, or any other entity de facto or de jure, or any other entity charged with the regulation of the financial markets (including the central bank), or</p> <p>(ii) the declaration of a national emergency, the occurrence of a natural or man-made disaster, civil unrest or act of terrorism, the imposition of martial law or declaration of war or further to any similar circumstance beyond the control of a party after the date of this Pricing Supplement, it becomes impossible (other than as a result of its</p>

own misconduct) for a party to perform any absolute or contingent obligation to make a payment or delivery or to receive a payment or delivery in respect of the Notes or to comply with any other material provision of this Pricing Supplement.

A South African Sovereign Event occurs. For purposes of this provision, a "South African Sovereign Event" means the occurrence of any of the following events: (a) the failure of the South African Reserve Bank or any successor to it as the central bank and monetary authority of South Africa to exchange, or to approve or permit the exchange of South African Rand for U.S. Dollars or any other action of any governmental authority of South Africa (including the promulgation, operation or enforcement of any law, act, decree, regulation, ordinance, order, policy or determination or modification of, or change in the interpretation of any of the foregoing) or any event in South Africa (including a decree by the South African Parliament or the President of South Africa) that has the effect of restricting such exchange or the transfer of funds outside of South Africa, or the transfer of South African Rand within South Africa, or which causes U.S. Dollars to be unavailable in any legal exchange market thereof in South Africa in accordance with normal practice, or (b) a declaration by a South African governmental authority of any moratorium on, the required scheduling of, or required approval of, the payment of any indebtedness, or any similar actions; or (c) any expropriation, confiscation, requisition, nationalization or other action by any governmental authority of South Africa which deprives the Note Holder of all or a substantial portion of its assets in South Africa.



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 06 March 2014.

SIGNED at Sandton on this 05th day of March 2014

for and on behalf of

ABSA BANK LIMITED


 Name: Wayne Dennehy
 Capacity: Managing Principal
 Who warrants his/her authority hereto


 Name: TEBOHO MOLEFE
 Capacity: Principal
 Who warrants his/her authority hereto