

APPLICABLE PRICING SUPPLEMENT

Absa Bank Limited

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

Issue of ZAR 1,000,000,000 Senior Unsecured Registered Notes under JSE stock code

ABSI2

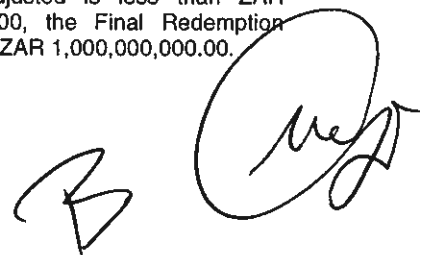
Under its ZAR 30,000,000,000 Domestic Medium Term Note Programme

This document constitutes the Applicable Pricing Supplement relating to the issue of the Tranche of Notes described in this Pricing Supplement.

This Pricing Supplement must be read in conjunction with the Programme Memorandum issued by Absa Bank Limited dated 11 August 2008, as amended. To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Programme Memorandum, the provisions of this Pricing Supplement shall prevail.

DESCRIPTION OF THE NOTES

1. Issuer	Absa Bank Limited
2. Status of Notes	Senior Unsecured Notes
3. (a) Tranche Number	01
(b) Series Number	02
4. Aggregate Principal Amount	ZAR 1,000,000,000.00
5. Interest/Payment Basis	Indexed Notes
6. Form of Notes	Registered Notes
7. Secured	No
8. Automatic/Optional Conversion from one Interest/Payment Basis to another	N/A
9. Issue Date	28 January 2010
10. Business Centre	Johannesburg
11. Additional Business Centre	N/A
12. Specified Denomination	Notes are subject to a minimum denomination of R1,000,000.00
13. Issue Price	188.9644
14. Interest Commencement Date	7 December 2009
15. Maturity Date	7 December 2023
16. Specified Currency	ZAR
17. Applicable Business Day Convention	Modified Following Business Day convention
18. Calculation Agent	Absa Capital
19. Specified Office of the Calculation Agent	Johannesburg
20. Paying Agent	Absa Investor Services
21. Specified Office of the Paying Agent	Johannesburg
22. Transfer Agent	Absa Investor Services
23. Specified Office of the Transfer Agent	Johannesburg
24. Final Redemption Amount	ZAR 1,000,000,000.00, adjusted by the CPI Adjustment, provided that if the amount so adjusted is less than ZAR 1,000,000,000.00, the Final Redemption Amount will be ZAR 1,000,000,000.00.

Handwritten signature and initials, likely representing the issuer or a representative, located at the bottom right of the document.

PARTLY PAID NOTES

- | | |
|--|-----|
| 25. Amount of each payment comprising the Issue Price | N/A |
| 26. Date upon which each payment is to be made by Noteholder | N/A |
| 27. Consequences (if any) of failure to make any such payment by Noteholder | N/A |
| 28. Interest Rate to accrue on the first and subsequent instalments after the due date for payment of such instalments | N/A |

INSTALMENT NOTES

- | | |
|---|-----|
| 29. Instalment Dates | N/A |
| 30. Instalment Amounts (expressed as a percentage of the aggregate Principal Amount of the Notes) | N/A |

FIXED RATE NOTES

- | | |
|---|-----|
| 31. (a) Fixed Interest Rate | N/A |
| (b) Interest Payment Date(s) | N/A |
| (c) Initial Broken Amount | N/A |
| (d) Final Broken Amount | N/A |
| (e) Any other terms relating to the particular method of calculating interest | N/A |

FLOATING RATE NOTES

- | | |
|--|-----|
| 32. (a) Interest Payment Date(s) | N/A |
| (b) Interest Period(s) | N/A |
| (c) Definitions of Business Day (if different from that set out in Condition 1 of the Ordinary Conditions) | N/A |
| (d) Minimum Interest Rate | N/A |
| (e) Maximum Interest Rate | N/A |
| (f) Other terms relating to the method of calculating interest (e.g., Day Count Fraction, rounding up provision, if different from Condition 6 of the Ordinary Conditions) | N/A |
| 33. Manner in which the Interest Rate is to be determined | N/A |
| 34. Margin | N/A |
| 35. If ISDA Determination | |
| (a) Floating Rate | N/A |
| (b) Floating Rate Option | N/A |
| (c) Designated Maturity | N/A |
| (d) Reset Date(s) | N/A |
| 36. If Screen Determination | |
| (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) | N/A |
| (b) Interest Determination Date(s) | N/A |
| (c) Relevant Screen Page and Reference Code | N/A |
| 37. If Interest Rate to be calculated otherwise than by reference to the previous 2 sub-paragraphs, insert basis for determining Interest Rate/Margin/Fall back provisions | N/A |
| 38. If different from the Calculation Agent, agent responsible for calculating amount of principal and interest | N/A |

A handwritten signature in black ink, appearing to be 'mjb' followed by a large, stylized flourish or symbol.

MIXED RATE NOTES

39. Period(s) during which the interest rate for the Mixed Rate Notes will be (as applicable) that for:
- (a) Fixed Rate Notes N/A
 - (b) Floating Rate Notes N/A
 - (c) Indexed Notes N/A
 - (d) Other Notes N/A

ZERO COUPON NOTES

40. (a) Implied Yield N/A
- (b) Reference Price N/A
- (c) Any other formula or basis for determining amount(s) payable N/A

INDEXED NOTES

41. (a) Type of Indexed Notes Indexed Interest and Indexed Redemption Amount Notes
- (b) Coupon 5.50% NACS
- (c) ISDA Inflation Definitions The 2008 ISDA Inflation Derivatives Definitions, as amended from time to time (as published by the International Swaps and Derivatives Association, Inc.)
- (d) Incorporation of the ISDA Inflation Definitions The ISDA Inflation Definitions are incorporated by reference into this Pricing Supplement.
- (e) Index/Formula by reference to which Interest Amount/Final Redemption Amount is to be determined ZAR – revised Consumer Price Index (CPI)
- (f) Reference CPI or CPI_{Date} Means, in relation to a date:

(1) if the date is the first day of a calendar month, Reference CPI is the CPI for the fourth calendar month preceding the calendar month in which the date occurs (which CPI is typically published during the third calendar month preceding the calendar month in which the date occurs); and

(2) if the date occurs on any day other than the first day of any calendar month, then reference CPI shall be determined in accordance with the following formula:

$$\text{Ref CPI}_{\text{Date}} = \text{Ref CPI}_J + \left[\frac{t-1}{D} \right] \times (\text{Ref CPI}_{J+1} - \text{Ref CPI}_J)$$

Where:

(i) Ref CPI_J is the Index level for the first day of the fourth calendar month preceding the relevant Interest Payment Date;

(ii) Ref CPI_{J+1} is the Index level for the third calendar month preceding the Interest Payment Date;

(iii) t is the calendar day corresponding to date; and

(iv) D is the number of days in the calendar month in which date occurs.

(g) Base CPI	Means, 65.05040323 being the Reference CPI as per the R197 government bond.
(h) CPI Adjustment	Means, in relation to an amount to be valued or paid on a date, that amount divided by the Base CPI and multiplied by the Reference CPI for that date, as determined by the Calculation Agent.
(i) Interest Amount	The amount determined by adjusting ZAR1,000,000 in respect of the Aggregate Principal Amount by the CPI Adjustment for the relevant Interest Payment Date, and multiplying the adjusted amount by the Coupon, and dividing the result by two.
(j) Interest Period	6 months
(k) Interest Payment Date(s)	7 June, 7 December
(l) If different from the Calculation Agent, agent responsible for calculating amount of principal and interest	N/A
(m) Provisions where calculation by reference to Index and/or Formula is impossible or impracticable	N/A
(n) Index delay and disruption event provisions	The provisions of the ISDA Inflation Definitions will apply, on the basis that the Related Bond means the Government of South Africa Government Issue Loan No. R 197.

EXCHANGEABLE NOTES

42. Mandatory Exchange applicable?	N/A
43. Noteholders' Exchange Right applicable?	N/A
44. Exchange Securities	N/A
45. Manner of determining Exchange Price	N/A
46. Exchange Period	N/A
47. Other	N/A

OTHER NOTES

48. If the Notes are not Partly Paid Notes, Instalment Notes, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes, Indexed Notes or Exchangeable Notes or if the Notes are a combination of any of the foregoing, set out the relevant description and any additional Terms and Conditions relating to such Notes	N/A
--	-----

PROVISIONS REGARDING REDEMPTION MATURITY

49. Prior consent of Registrar of Banks required for any redemption prior to the Maturity Date	N/A
50. Redemption at the option of the Issuer: if yes:	N/A
(a) First Optional Redemption Date	N/A
(b) Optional Redemption Date(s)	N/A
(c) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)	N/A
(d) Minimum period of notice	N/A
(e) If redeemable in part:	N/A
Minimum Redemption Amount(s)	
Higher Redemption Amount(s)	
(f) Approval(s) of Registrar of Banks	N/A
(g) Other terms applicable on Redemption	N/A

A large, stylized handwritten signature, possibly reading 'M. J. B.', is written in the bottom right corner of the page. The signature is in dark ink and is somewhat cursive and abstract.

- | | |
|---|-----|
| 51. Redemption at the option of the Noteholders: If yes: | N/A |
| (a) Optional Redemption Date(s) | N/A |
| (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) | N/A |
| (c) Minimum period of notice (if different to Condition 11.5 of the Ordinary Conditions) | N/A |
| (d) If redeemable in part:
Minimum Redemption Amount(s)
Higher Redemption Amount(s) | N/A |
| (e) Other terms applicable on Redemption | N/A |
| (f) Attach <i>pro forma</i> put notice(s) | |
| 52. Early Redemption Amount(s) | N/A |
| (a) Early Redemption Amount (Regulatory) | N/A |
| (b) Early Redemption Amount (Tax) | N/A |
| (c) Early Termination Amount | N/A |

GENERAL

- | | |
|---|--|
| 53. Additional selling restrictions | N/A |
| 54. (a) International Securities Numbering (SIN) | ZAG000074378 |
| (b) Stock Code | ABSI2 |
| 55. Financial Exchange | JSE |
| 56. Method of distribution | Bookbuild |
| 57. If syndicated, names of managers | N/A |
| 58. Receipts attached? If yes, number of Receipts attached | N/A |
| 59. Coupons attached? If yes, number of Coupons attached | N/A |
| 60. Talons attached? If yes, number of Talons attached | N/A |
| 61. Credit Rating assigned to Notes (if any) | N/A |
| 62. Stripping of Receipts and/or Coupons prohibited as provided in Condition 15.4 of the Ordinary Conditions? | N/A |
| 63. Governing law (if the laws of South Africa are not applicable) | N/A |
| 64. Other Banking Jurisdiction | N/A |
| 65. Last Day to Register | 27 May, 26 November which shall mean that the "Books Closed Period" (during which the Register will be closed) will be from each Last Day to Register to the applicable Payment Day until the date of redemption |
| 66. Stabilisation Manager (if any) | N/A |
| 67. Pricing Methodology | Bookbuild |
| 68. Authorised amount of the Programme | R30,000,000,000.00 |
| 69. Other provisions | N/A |

Responsibility

The Issuer accepts responsibility for the information contained in this Applicable Pricing Supplement.

Application is hereby made to list this issue of Notes on 28 January 2010.

ABSA BANK LIMITED

Issuer

Duly authorised

Date:

25/01/2010

CFGRÖNUM
GROUP TREASURER

Duly authorised

Date:

25/01/2010