

APPLICABLE PRICING SUPPLEMENT

ABSA BANK LIMITED

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

(the "Issuer")

Issue of ZAR100, 000, 000 Series 2010 – 125 MTN Group Limited Credit Linked Notes

Under its ZAR 20,000,000,000 Credit-linked Note Programme

The Notes described in this Applicable Pricing Supplement are subject to the terms and conditions set out in this Applicable Pricing Supplement and the General Terms and Conditions of the Notes set out in the Programme Memorandum dated 19 July 2007 relating to the Issuer's Credit-linked Note Programme (the "Programme Memorandum"). Unless inconsistent with the context, terms used but not defined in this Applicable Pricing Supplement shall have the meanings assigned to them in the Programme Memorandum. This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum.

NOTES ISSUED PURSUANT TO THIS APPLICABLE PRICING SUPPLEMENT MAY BE LINKED TO THE PERFORMANCE OF ONE OR MORE REFERENCE ENTITIES. THE ATTENTION OF NOTEHOLDERS IS DRAWN TO THE RISK FACTORS ON PAGES 13 to 16 OF THE PROGRAMME MEMORANDUM DATED 19 JULY 2007.

DESCRIPTION OF THE NOTES

1. Issuer:	Absa Bank Limited ("Absa")
2. Arranger and Programme Dealer:	Absa Capital, a division of Absa Bank Limited ("Absa Capital")
3. Series Number:	2010 – 125
4. Tranche Number:	A
5. Listed / Unlisted:	Listed
6. Aggregate Principal Amount of this Tranche:	ZAR100,000,000
7. Interest/Payment Basis:	Floating Rate
8. Issue Date:	15 December 2010. The Noteholder bears the risk of loss from a Credit Event with effect from this date.
9. Trade Date	10 December 2010
10. Denomination:	ZAR 1,000,000.00 Notes are subject to a minimum denomination of ZAR 1,000,000.00
11. Issue Price:	100%
12. Margin:	1.40 per cent. per annum
13. Reference Rate:	SFX 3M Yield (RIC: <SFX3MYLD>) SAFEX Jibar Fixing on Reuters page SAFEX code ZA01209
14. Interest Period(s):	Each period from and including one Interest Payment Date to, but excluding the next Interest Payment Date, provided that the first Interest Period shall commence on the Interest Commencement Date and the final Interest Period shall end on the Interest Termination

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	Date.
15. Interest Payment Date(s):	On the 18 th April , July , October and January, in each year, commencing on 18 th April 2011
16. Interest Commencement Date:	The Issue Date
17. Interest Termination Date:	If an Event Determination Date occurs during the Notice Delivery Period, Interest will cease to accrue as of the earlier to occur of the day prior to (a) the Interest Payment Date occurring on or immediately preceding the Event Determination Date and (b) the Scheduled Redemption Date or, if no Interest Payment Date has occurred, the Issue Date, as applicable, such date being the Interest Termination Date.
18. Scheduled Redemption Date:	18 January 2013
19. Scheduled Redemption Amount:	ZAR 100,000,000
20. Maturity Date:	The Scheduled Redemption Date, subject to an Event Determination Date occurring during the Notice Delivery Period.
21. Cash Settlement Amount:	<p>If an Early Redemption Event occurs and the Conditions to Settlement are satisfied, the Cash Settlement Amount shall be calculated by the Calculation Agent as being:</p> <p>(i) the Cash Settlement Amount determined by the Calculation Agent in accordance with Condition 6.2.1(b)(iii) of the Programme Memorandum; minus</p> <p>(iii) Hedging Costs.</p> <p>Where:</p> <p>"Hedging Costs" means, in respect of the Notes, an amount determined by the Calculation Agent in a commercially reasonable manner equal to any expense, loss or costs incurred (or expected to be incurred) by or on behalf of the Issuer as a result of its terminating, liquidating, modifying, obtaining or re-establishing any term deposit, related interest rate swap or basis swap position or funding arrangements entered into by it (including with its internal treasury function) in connection with the Notes.</p>
22. Currency of Issue:	ZAR
23. Calculation Agent:	Absa Capital
24. Transfer Secretary:	Absa Capital
25. Paying Agent:	Absa Capital
26. Business Day(s):	Johannesburg
27. Business Day Convention:	Following (which shall apply to any date referred to in

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	this Pricing Supplement that falls on a day that is not a Business Day)
28. Day Count Fraction:	Actual/365
29. Books Closed Period(s):	On the 08 January, 08 April, 08 July, and 08 October, in each year
30. Last Day(s) to Register:	By 07 January, 07 April, 07 July, and 07 October, in each year
31. Default Rate:	SFX ZAR OND (RIC: <SFXROD>) SAFEX JIBAR Fixing on Reuters page Safey
32. Effect of a Credit Event	If an Early Redemption Event occurs and the Conditions to Settlement are satisfied, the Issuer's obligation to redeem the Notes at the Scheduled Redemption Amount shall cease and be replaced by an obligation to redeem the Notes on the Early Redemption Date by payment of the Cash Settlement Amount minus Hedging Costs, provided however that such Hedging Costs are subject to a maximum of the then outstanding principal amount of such Notes. Upon discharge by the Issuer of such payment on the Early Redemption Date, or otherwise as provided herein, the Issuer's obligations in respect of the Notes shall be discharged. If an Event Determination Date occurs during the Notice Delivery Period, Interest will cease to accrue as of the earlier to occur of the day prior to (a) the Interest Payment Date occurring on or immediately preceding the Event Determination Date and (b) the Scheduled Redemption Date or, if no Interest Payment Date has occurred, the Issue Date.
REDEMPTION	
33. Redemption at Maturity:	Scheduled Redemption Amount
34. Redemption following the occurrence of an Early Redemption Event:	Applicable
Reference Entity:	MTN Group Ltd
Reference Obligation(s):	<p>In respect of the Reference Entity (i) the obligation identified as follows or any Substitute Reference Obligation in respect thereof:</p> <p>Primary Obligor: MTN Group Ltd</p> <p>Maturity: 28 October 2013</p> <p>Coupon 7.8%</p> <p>CUSIP/ISIN: ZAG000081571</p> <p>and; (ii) one or more obligations of such Reference Entity that would constitute a Deliverable Obligation. The Issuer may select the Reference Obligation of the Reference Entity at any time on or before the Valuation Date.</p>
All Guarantees:	Applicable

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Reference Price:	100 per cent.
Conditions to Settlement:	Credit Event Notice: Applicable Notice of Publicly Available Information: Applicable
Credit Events:	<p>The following Credit Event[s] shall apply:</p> <p>Bankruptcy</p> <p>Failure to Pay</p> <p>Grace Period Extension: Applicable. Payment Requirement: ZAR 1,000,000.00 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Failure to Pay.</p> <p>Restructuring</p> <p>Default Requirement: ZAR 1,000,000.00 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event.</p> <p>Obligation Acceleration</p> <p>Obligation Default</p> <p>Repudiation/Moratorium</p>
Obligation(s):	<p>Obligation means (i) the Reference Obligation, or (ii) any obligation of the Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is Specified as applicable, as provider of any Qualifying Guarantee) described by the:</p> <p>Obligation Category: Bond or Loan</p> <p>Obligation Characteristics: Not Subordinated Specified Currency: ZAR</p> <p>As determined by the Calculation Agent.</p>
Excluded Obligations (if any):	None
Settlement Method:	Cash Settlement.
Terms Relating to Cash Settlement:	
Final Price:	In respect of a Reference Obligation, the price of such Reference Obligation (expressed as a percentage) determined in accordance with the Valuation Method.
Valuation Date:	Single Valuation Date: The Valuation Date shall be a Business Day selected by the Calculation Agent falling on or after the Event Determination Date.
Valuation Time:	As determined by the Calculation Agent.
Quotation Method:	Bid

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Quotation Amount:	With respect to a Reference Obligation, an amount in the Settlement Currency specified by the Issuer which shall not exceed the Principal Amount.
Quotations:	Exclude Accrued Interest
Dealer(s):	As determined by the Calculation Agent.
Settlement Currency:	ZAR
Cash Settlement Date:	5 Business Days
Valuation Method:	Market
Deliverable Obligation (s):	<p>Deliverable Obligation means (i) the Reference Obligation, or (ii) any obligation of the Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable, as provider of any Qualifying Guarantee) described by the:</p> <p>Deliverable Obligation Category: Bond or Loan</p> <p>Obligation Characteristics: Not Subordinated Specified Currency: ZAR</p> <p>As determined by the Calculation Agent.</p>
Excluded Deliverable Obligations:	None
35. Optional Early Redemption by the Issuer and, if applicable:	Not Applicable
36. Optional Early Redemption by the Noteholders:	Not Applicable
37. Tax Redemption Amount:	The market value of the Notes less Hedging Costs, as determined by the Calculation Agent.
GENERAL	
38. Form of Notes:	Registered
39. Status of Notes:	Senior
40. Financial Exchange:	JSE Limited
41. ISIN:	ZAG000082785
42. Stock Code:	ACL101

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Signed at ABSA CAPITAL on 14 DECEMBER 2010

For and on behalf of ABSA BANK LIMITED
represented by:

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who warrants his/her authority hereto

M. D. J. J.

who warrants his/her authority hereto