



NEDBANK LIMITED

(incorporated with limited liability under registration number 1951/000009/06 in the Republic of South Africa)

ZAR20,000,000,000 DOMESTIC MEDIUM TERM NOTE PROGRAMME

issue of ZAR130,000,000 ZERO COUPON NOTES

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

This Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 26 June 2009, as amended by the Supplement dated 19 August 2009, prepared by Nedbank Limited (the “**Issuer**”) in connection with the Nedbank Limited ZAR20,000,000,000 Domestic Medium Term Note Programme, as further amended and/or supplemented from time to time (the “**Programme Memorandum**”).

Capitalised terms not defined in this Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed “*Terms and Conditions of the Unsubordinated Notes, Tier 2 Notes and Tier 3 Notes*” (the “**Ordinary Conditions**”) and the “**Terms and Conditions**”). References to any Condition in this Pricing Supplement are to that Condition of the Ordinary Conditions.

To the extent that there is any conflict or inconsistency between the provisions of this Pricing Supplement and the Programme Memorandum, the provisions of this Pricing Supplement shall prevail.

| A. | DESCRIPTION OF THE NOTES | |
|-----------|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | Issuer | Nedbank Limited |
| 2. | Tranche Number | 1 |
| 3. | Series Number | 5 |
| 4. | Status of Notes | Unsubordinated Notes (See condition 5.1 (<i>Status of the Unsubordinated Notes</i>) of the Terms and Conditions) |
| 5. | Form of Notes | The Notes in this Tranche are issued in certificated form and lodged in the Central Securities Depository under a single Global Certificate. |
| 6. | Type of Notes | Zero Coupon Notes |
| 7. | Security | Unsecured |
| 8. | Issue Date | 28 October 2009 |
| 9. | Issue Price | 19.68768% |
| 10. | Interest Basis | Zero Coupon |
| 11. | Redemption/Payment Basis | Redemption at par |
| 12. | Change of Interest or Redemption/ Payment Basis | Not Applicable |
| 13. | Aggregate Principal Amount of this Tranche | ZAR130,000,000 |
| 14. | Specified Denomination (Principal Amount per Note) | ZAR1 million |
| 15. | Calculation Amount | ZAR1 million |
| 16. | Specified Currency | ZAR |

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|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| B. PROGRAMME AMOUNT | | |
| 1. | Programme Amount as at the Issue Date | ZAR20 billion |
| 2. | Aggregate outstanding Principal Amount of all of the Notes issued under the Programme (including Notes issued under the Programme pursuant to the Previous Programme Memorandum) as at the Issue Date | ZAR16,922,000,000 excluding the aggregate Principal Amount of this Tranche of Notes. |
| C. ZERO COUPON NOTE PROVISIONS | | |
| 1. | Accrual Yield | 11,1250% per annum |
| 2. | Reference Price | 27.1756% |
| 3. | Any other formula/basis of determining amount payable | Not Applicable |
| D. REDEMPTION | | |
| 1. | Maturity Date | 28 October 2024 |
| 2. | Prior approval of the Registrar of Banks required for redemption | No |
| 3. | Call Option | Not Applicable |
| 5. | Put Option | Not Applicable |
| 7. | Final Redemption Amount | ZAR660,311,359.23 |
| 9. | Early Redemption Amount: | Not Applicable |
| 10. | Other terms applicable on redemption | Not Applicable |
| F. AGENTS AND SPECIFIED OFFICES | | |
| 1. | Calculation Agent | Nedbank Capital, a division of Nedbank Limited |
| 2. | Specified Office of the Calculation Agent | 135 Rivonia Road, Sandown, Sandton, 2196, Republic of South Africa |
| 3. | Paying Agent | Nedbank Limited |
| 4. | Specified Office of the Paying Agent | Braampark Forum IV, 2 nd Floor, 33 Hoofd Street, Braamfontein, 2001, Republic of South Africa |
| 5. | Transfer Agent | Computershare Investor Services (Proprietary) Limited |
| 6. | Specified Office of the Transfer Agent | Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa |
| G. REGISTER CLOSED | | |
| 1. | Last Day to Register | Up until 17h00 (South African time) on the sixth day (whether such is a Business Day or not) preceding each Interest Payment Date and the Redemption Date (if applicable) being, in each instance, the last date on |

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| | | which the Transfer Agent will accept Transfer Forms and record in the Register the transfer of Notes represented by Certificates. |
| 2. | Register Closed Period | The Register will be closed during the 5 days preceding each Interest Payment Date and the Redemption Date (if applicable) from 17h00 (South African time) on the Last Day to Register until 17h00 (South African time) on the day preceding the Interest Payment Date and the Redemption Date (if applicable). |
| H. GENERAL | | |
| 1. | Additional selling restrictions | Not Applicable |
| 2. | International Securities Numbering (ISIN) | ZAG000072729 |
| 3. | Stock Code Number | NBK4 |
| 4. | Financial Exchange | Bond Market of the JSE |
| 5. | Dealers | Nedbank Capital |
| 6. | Stabilisation Manager | Not Applicable |
| 7. | Credit rating assigned to this Tranche of Notes as at the Issue Date | Not Applicable |
| 8. | Credit rating of the Issuer as at the Issue Date | As at the Issue Date, the Issuer has a domestic long-term credit rating of (i) AA- (ZAF) from Fitch Southern Africa (Proprietary) Limited and (ii) Aa1.za from Moody's Investor Services Limited. |
| 9. | Governing law | South African law |
| 10. | Other banking jurisdiction | Not Applicable |
| 11. | Use of proceeds | The proceeds of the issue of this Tranche of Notes will be used for its general corporate purposes. |

Application is hereby made to list Tranche 1 of Series 5 of the Notes on the Bond Market of the JSE Limited, as from 28 October 2009, pursuant to the Nedbank Limited ZAR20,000,000,000 Domestic Medium Term Note Programme.

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

NEDBANK LIMITED

By: _____

duly authorised

Date: 27/10/2009

By: _____

duly authorised

Date: 27.10.2009