**INTEREST RATES MARKET NOTICE**

**Date: 22 August 2014**

**Subject:** Scheduled redemption

***(ABSA BANK LIMITED –“ABCPI2”)***

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Absa Bank Limited – ABCPI2 Notes (the “Notes”) issued with a final maturity date of 20 September 2019, are redeemable at the Issuer’s option on 20 September 2014 (“Optional Redemption Date”) in accordance with condition 11.4 (“Redemption at the Option of the Issuer”) of the Terms and Conditions of the Notes (as read with the Applicable Pricing Supplement).

In terms of condition 8.6 (“Payment Day”) and condition 18 (“Notices”) of the Terms and Conditions of the Notes, notice is hereby given to Noteholders that the Issuer has exercised its right to early redeem all of the Notes on 20 September 2014. As the Payment Day falls on a non-business day, payment of the redemption amount, together with applicable interest (up to an including 21 September 2014), will be effected on Monday, 22 September 2014, being the Payment Day immediately following the Optional Redemption Date.

The redemption of the Notes will amount to a ZAR 3,000,000,000 reduction of Tier 2 capital and the amount outstanding after the redemption will be ZAR Nil.

Absa Bank will maintain its strong capital position subsequent to the early redemption of this Note.

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|  | **Capital Redemption Amount** |  | **Amount Outstanding After Capital Redemption** |
| ***ABCPI2 - ZAG000065251*** | R 3,000,000,000.00 |  | R 0.00 |

For further information on the Note issued please contact:

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