

Absa Group Limited

(Incorporated in the Republic of South Africa)

(Registration number: 1986/003934/06)

JSE Share Code: ASA

ISIN: ZAE000067237

("Absa Group")

REVISED UPDATED PRO-FORMA FINANCIAL INFORMATION AS AT 31 DECEMBER 2012**1. INTRODUCTION**

Shareholders are referred to the detailed terms announcement released on 6 December 2012 regarding the proposed transaction to combine the Barclays African operations, which are expected to include Barclays Bank Plc's interests in Botswana, Ghana, Kenya, Mauritius, Seychelles, Tanzania, Uganda, Zambia and the Barclays Africa Regional Office Proprietary Limited, with Absa Group and the announcement regarding the posting of the circular released on 18 December 2012. The proposed transaction will be effected by way of an acquisition by Absa Group of 100% of the shares in Barclays Africa Limited, for a consideration of 129,540,636 Absa Group ordinary shares, at the agreed R141.50 per share (the "Proposed Transaction"). As a result, Barclays stake in Absa Group will increase from 55.5% to 62.3%.

To reflect the enlarged portfolio and pan-African focus of the business, it is intended that "Absa Group Limited" will be renamed "Barclays Africa Group Limited" and the composition of the board of directors of Absa Group will be reconstituted accordingly.

The Proposed Transaction is expected to be completed in the first half of 2013, subject to fulfilment of the conditions precedent.

The updated *pro-forma* financial effects as at 31 December 2012 are set out below.

2. UPDATED UNAUDITED PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

The unaudited *pro forma* financial effects of the Proposed Transaction are set out below. The unaudited *pro forma* financial effects have been prepared for illustrative purposes only, to provide information on how the Proposed Transaction might have affected the reported historical financial information of Absa Group, assuming that the Proposed Transaction was implemented on 1 January 2012, for purposes of the *pro forma* income statement and 31 December 2012 for purposes of the *pro forma* statement of financial position.

Because of their nature, the unaudited *pro forma* financial effects may not fairly present Absa Group's financial position, changes in comprehensive income, changes in equity, and results of operations or cash flows after the Proposed Transaction. It does not purport to be indicative of what the financial results would have been had the Proposed Transaction been implemented on a different date.

The board of Absa Group are solely responsible for the preparation of the unaudited *pro forma* financial effects.

The table below sets out the unaudited *pro forma* financial effects on Absa Group of the Proposed Transaction based on audited results of Absa Group for the 12 months ended 31 December 2012 and financial position at 31 December 2012.

Twelve month period ended 31 December 2012

	Before the Proposed Transaction ⁽¹⁾	The Proposed Transaction	After the Proposed Transaction ⁽²⁾	Percentage change ⁽³⁾
Earnings per share – cents	1,169.6	29.8	1,199.4	2.5%
Headline earnings per share – cents	1,227.3	20.8	1,248.1	1.7%
Net asset value per share - cents	9,319	(184)	9,136	(2.0%)
Net tangible asset value per share – cents	8,962	(202)	8,760	(2.3%)

Notes to the pro-formas:

(1) The 'Before the Proposed Transaction' financial information has been extracted, without adjustment from the published, audited full year results of Absa Group for the 12 month period ended 31 December 2012.

(2) The 'After the Proposed Transaction' financial information includes the following adjustments:

a. the inclusion of the adjusted, unaudited income and expenditure relating to the Barclays Africa operations on the assumption that the Proposed Transaction took place on 1 January 2012;

b. the inclusion of the adjusted, unaudited assets and liabilities relating to the Barclays Africa operations on the assumption that the Proposed Transaction took place on 31 December 2012;

c. operating expenses due to the actuarial gains and losses arising on the retirement benefit funds being recognised in Other Comprehensive Income to align with Absa Group accounting policies;

d. the expensing of incremental transaction costs of R28 million, given that R150 million has been included in Absa Group's financial results for the year ending 31 December 2012;

e. the capitalisation of transaction costs of R9 million;

f. the reversal of the revaluation reserve which arose on the revaluation of a property in Barclays Bank Uganda Limited to align with Absa Group accounting policy of recognising property at its historical cost less accumulated depreciation;

g. the purchase consideration has been settled by the issue of new ordinary shares, which has been calculated utilising a valuation of Barclays Africa operations of GBP 1.3billion, an exchange rate of GBP1:ZAR14.10 and an Absa share price of R141.50;

h. the excess of the purchase consideration over the net asset value of the Barclays Africa operations is recognised against share premium as no goodwill is recognised due to Absa Group and Barclays Africa operations being under common control; and

i. the number of shares and weighted average number of shares in issue have been adjusted for the 129 540 636 new ordinary shares to be issued as settlement for the acquisition of the Barclays Africa operations.

(3) The 'Percentage change' column compares the 'After the Proposed Transaction' column to the 'Before the Proposed Transaction' column.

(4) With the exception of the transaction costs discussed under 2 d and 2 e above, the other adjustments are anticipated to have continuing effect.

(5) The pro-forma financial information has been prepared based on audited results for Absa Group and unaudited management accounts for Barclays Africa operations as incorporated into Barclays consolidated results for 31 December 2012 results announcement.

The *pro forma* financial effects of the Proposed Transaction as set out above have been prepared in accordance with the requirements of the JSE Listings Requirements and the South African Institute of Chartered Accountant's Guide on *pro forma* financial information. The above *pro forma* financial effects include transaction costs of R150 million in the audited

statutory accounts for Absa and R28 million of additional costs in “The Proposed Transaction” column. Had the entire R178 million of transaction costs been included as part of “The Proposed Transaction” column and not accounted for in part in the “Before the Proposed Transaction” column, the *pro forma* financial impact of the Proposed Transaction on Absa is set out below:

Twelve month period ended 31 December 2012

	Before the Proposed Transaction	The Proposed Transaction	After the Proposed Transaction	Percentage change
Adjusted earnings per share – cents	1,190.5	8.9	1,199.4	0.7%
Adjusted headline earnings per share – cents	1,248.2	(0.1)	1,248.1	0.0%

Notes:

Excluding the transaction costs of R178 million from the analysis above, the *pro forma* adjusted earnings per share and headline earnings per share after the Proposed Transaction is 1,220.3 cents and 1,269.0 cents respectively resulting in an percentage increase of 2.5% and 1.7% to earnings per share and headline earnings per share respectively.

3. GENERAL MEETING

Shareholders are reminded of the general meeting to be held in the P W Scales Auditorium, Absa Towers, 160 Main Street, Johannesburg on Monday, 25 February 2013 at 10:00 to transact the business as stated in the Notice contained in the circular to shareholders posted on 18 December 2012.

Johannesburg

13 February 2013

Independent lead sponsor to Absa Group
J.P. Morgan Equities South Africa Proprietary Limited

Joint sponsor to Absa Group
Absa Corporate and Investment Banking, a division of Absa Bank Limited