

ABSA GROUP LIMITED

(Incorporated in the Republic
of South Africa)
(Registration number: 1986/003934/06)
ISIN: ZAE000067237
JSE share code: ASA
Issuer code: AMAGB
(Absa or Absa Group)

ABSA BANK LIMITED

(Incorporated in the Republic
of South Africa)
(Registration number: 1986/004794/06)
ISIN: ZAE000079810
JSE share code: ABSP, ABMN
(Absa Bank)

ABSA GROUP – BASEL III PILLAR 3 DISCLOSURE AS AT 31 MARCH 2013

Absa Group's quarterly Pillar 3 disclosure is made in accordance with the requirements as set out in Regulation 43(1)(e)(iii) of the Regulations relating to Banks, issued under the Banks Act, 1990 (Act No. 94 of 1990 (as amended)).

Absa Group remains capitalised above the minimum regulatory requirements and board approved target capital ranges. As at 31 March 2013 Absa Group's Common Equity Tier 1 ratio was 12.2%, Tier 1 ratio was 13.3% and Total Capital Adequacy was 16.4%, after the successful implementation of Basel III.

The table below represents the capital position for the Absa Group as at 31 March 2013 based on Basel III while the 31 December 2012 comparatives are based on Basel II.5.

	31-Mar-2013 ¹		31-Dec-2012	
	Rm	%	Rm	%
Regulatory Capital Position (excluding unappropriated profit):				
Common Equity Tier 1	47 808	10.6%	49 371	11.3%
Share capital and premium	5 856		6 039	
Reserves	48 802		45 749	
Non-controlling interest - ordinary shares	406		1 267	
Deductions	(7 256)		(3 684)	
Additional Tier 1 capital	4 754	1.1%	4 644	1.0%
Tier 1 capital	52 562	11.7%	54 015	12.3%
Tier 2 capital	13 832	3.0%	14 637	3.4%
Total capital	66 394	14.7%	68 652	15.7%
Statutory Capital Position (including unappropriated profit) ² :				
Common Equity Tier 1	55 152	12.2%	57 017	13.0%
Tier 1 capital	59 906	13.3%	61 661	14.0%
Total capital	73 739	16.4%	76 298	17.4%
Board Approved Target Ranges:				
Common Equity Tier 1		9.5% - 11.0%		9.5% - 11.0%
Total Capital		12.5% - 14.0%		12.5% - 14.0%

	31-Mar-13		
	Rm	Rm	Rm
Minimum Required Capital per Risk Type³:	Pillar 1	Pillar 2a	Total
Credit risk	26 579	4 984	31 563
Equity investment risk	1 763	331	2 094
Market risk	1 111	208	1 319
Operational risk	4 991	936	5 927
Other	1 608	301	1 909
Total minimum required capital	36 052	6 760	42 812

	31-Dec-12		
	Rm	Rm	Rm
Minimum Required Capital per Risk Type³:	Pillar 1	Pillar 2a	Total
Credit risk	25 720	4 822	30 542
Equity investment risk	1 819	341	2 160
Market risk	1 104	207	1 311
Operational risk	4 990	936	5 926
Other	1 424	267	1 691
Total minimum required capital	35 057	6 573	41 630

Absa Bank

Absa Bank remains capitalised above the minimum regulatory requirements and board approved target capital ranges. As at 31 March 2013 Absa Bank's Common Equity Tier 1 ratio was 11.8%, Tier 1 ratio was 12.8% and Total Capital Adequacy was 16.5%, after the successful implementation of Basel III.

The table below represents the capital position for the Absa Bank as at 31 March 2013 based on Basel III while the 31 December 2012 comparatives are based on Basel II.5.

	31-Mar-2013 ¹		31-Dec-2012	
	Rm	%	Rm	%
Regulatory Capital Position (excluding unappropriated profit):				
Common Equity Tier 1	44 463	11.2%	44 863	11.6%
Share capital and premium	12 768		12 768	
Reserves	37 729		34 659	
Deductions	(6 034)		(2 564)	
Additional Tier 1 capital	4 180	1.0%	4 644	1.2%
Tier 1 capital	48 643	12.2%	49 507	12.8%
Tier 2 capital	14 382	3.6%	14 647	3.8%
Total capital	63 025	15.8%	64 154	16.6%
Statutory Capital Position (including unappropriated profit) ² :				
Common Equity Tier 1	46 912	11.8%	48 058	12.5%
Tier 1 capital	51 092	12.8%	52 702	13.7%
Total capital	65 474	16.5%	67 349	17.5%
Board Approved Target Ranges:				
Common Equity Tier 1		9.0% - 10.5%		9.0% - 10.5%
Total Capital		12.0% - 13.5%		12.0% - 13.5%
Minimum Required Capital ³ :	Rm	Rm	Rm	
	Pillar 1	Pillar 2a	Total	
31 March 2013	31 834	5 969	37 803	
31 December 2012	30 868	5 788	36 656	

Notes:

1. The March 2013 figures above have not been audited.
2. The statutory capital position excludes our 2012 final dividend paid in April 2013.
3. The minimum required capital is based on the regulatory minimum (9.5%), comprises Pillar 1 (8.0%) and Pillar 2a (1.5%) and excludes the bank specific Pillar 2b add on.

Johannesburg
4 June 2013

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