

**BARCLAYS AFRICA GROUP LIMITED**

(Incorporated in the Republic of South Africa)  
(Registration number: 1986/003934/06)  
ISIN: ZAE000174124  
JSE share code: BGA  
(Barclays Africa Group)

**ABSA BANK LIMITED**

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

**BARCLAYS AFRICA GROUP LIMITED – BASEL III PILLAR 3 DISCLOSURE AS AT 31 MARCH 2016**

The quarterly Pillar 3 disclosure is made in accordance with the requirements of the Banks Act, No. 94 of 1990 (the Banks Act).

**1) Capital Adequacy****Barclays Africa Group Limited**

Barclays Africa Group Limited remains capitalised above the regulatory minimum requirements, with Tier 1 and Total Capital Adequacy ratios being within our board approved target capital ranges and Common Equity Tier 1 marginally above the board approved target capital ranges. As at 31 March 2016, Barclays Africa Group Limited's Common Equity Tier 1 ratio was 11.6%, Tier 1 ratio was 12.1% and Total Capital Adequacy ratio was 14.0%.

The table below represents the capital position for Barclays Africa Group Limited at 31 March 2016 and the comparatives at 31 December 2015.

	31 Mar 2016 <sup>(1)</sup>		31 Dec 2015 <sup>(1)</sup>	
	Rm	%	Rm	%
<b>Regulatory Capital Position</b> (excluding unappropriated profit)				
<b>Common Equity Tier 1</b>	<b>75 841</b>	<b>10.8%</b>	<b>77 640</b>	<b>11.0%</b>
Share capital and premium	6 026		5 941	
Reserves	71 966		72 568	
Non-controlling interest - ordinary shares	2 219		2 556	
Deductions	(4 370)		(3 425)	
<b>Additional Tier 1 capital</b>	<b>4 003</b>	<b>0.6%</b>	<b>4 413</b>	<b>0.7%</b>
<b>Tier 1 capital</b>	<b>79 844</b>	<b>11.4%</b>	<b>82 053</b>	<b>11.7%</b>
<b>Tier 2 capital</b>	<b>13 427</b>	<b>1.9%</b>	<b>13 302</b>	<b>1.9%</b>
<b>Total capital</b>	<b>93 271</b>	<b>13.3%</b>	<b>95 355</b>	<b>13.6%</b>

**Statutory Capital Position** (including unappropriated profit):

Common Equity Tier 1	<b>81 008</b>	<b>11.6%</b>	83 913	11.9%
Tier 1 capital	<b>85 011</b>	<b>12.1%</b>	88 326	12.6%
Total capital	<b>98 438</b>	<b>14.0%</b>	101 628	14.5%

**Board Approved Target Ranges<sup>(2)</sup>**

Common Equity Tier 1	9.5% - 11.5%	9.5% - 11.5%
Tier 1 Capital	10.5% - 12.5%	10.5% - 12.5%
Total Capital	13.0% - 15.0%	12.5% - 14.5%

**Risk Weighted Assets (RWA) and Minimum Required Capital per Risk Type:<sup>(3)</sup>**

	31 Mar 2016 <sup>(1)</sup>			
	RWA Per risk type	Minimum required capital		
		Pillar 1 8%	Pillar 2a 1.75%	Total 9.75%
Rm	Rm	Rm	Rm	
Credit risk	514 091	41 127	8 997	50 124
Counterparty credit risk	21 198	1 696	371	2 067
Equity investment risk	10 939	875	192	1 067
Market risk	26 405	2 112	462	2 574
Operational risk	98 668	7 894	1 726	9 620
Non-customer assets	29 620	2 370	518	2 888
Total RWA and minimum required capital	700 921	56 074	12 266	68 340

**RWA and Minimum Required Capital per Risk Type<sup>(3)</sup>:**

	31 Dec 2015 <sup>(1)</sup>			
	RWA Per risk type	Minimum required capital		
		Pillar 1 8%	Pillar 2a 2%	Total 10%
Rm	Rm	Rm	Rm	
Credit risk	515 695	41 255	10 314	51 569
Counterparty credit risk	24 083	1 927	482	2 409
Equity investment risk	9 574	766	191	957
Market risk	25 012	2 001	500	2 501
Operational risk	98 668	7 894	1 973	9 867
Non-customer assets	29 631	2 370	593	2 963
Total RWA and Minimum Required Capital	<b>702 663</b>	<b>56 213</b>	<b>14 053</b>	<b>70 266</b>

#### Absa Bank Limited and its subsidiaries <sup>(4)</sup>

Absa Bank Limited remains capitalised above the regulatory minimum requirements and within our board approved target capital ranges. As at 31 March 2016, Absa Bank Limited's Common Equity Tier 1 ratio was 10.5%, Tier 1 ratio was 11.1% and Total Capital Adequacy ratio was 13.6%.

The table below represents the capital position for Absa Bank Limited at 31 March 2016 and comparatives at 31 December 2015.

Regulatory Capital Position (excluding unappropriated profit)	31 Mar 2016 <sup>(1)</sup>		31 Dec 2015 <sup>(1)</sup>	
	Rm	%	Rm	%
<b>Common Equity Tier 1</b>	<b>49 417</b>	<b>9.9%</b>	<b>49 806</b>	<b>10.1%</b>
Share capital and premium	21 768		21 758	
Reserves	31 324		30 766	
Deductions	(3 675)		(2 718)	
<b>Additional Tier 1 capital</b>	<b>2 769</b>	<b>0.6%</b>	<b>3 234</b>	<b>0.6%</b>
<b>Tier 1 capital</b>	<b>52 186</b>	<b>10.5%</b>	<b>53 040</b>	<b>10.7%</b>
<b>Tier 2 capital</b>	<b>12 685</b>	<b>2.5%</b>	<b>12 677</b>	<b>2.6%</b>
<b>Total capital</b>	<b>64 871</b>	<b>13.0%</b>	<b>65 717</b>	<b>13.3%</b>
<b>Statutory Capital Position (including unappropriated profit):</b>				
Common Equity Tier 1	52 541	10.5%	52 174	10.5%
Tier 1 capital	55 310	11.1%	55 407	11.2%
Total capital	67 995	13.6%	68 084	13.8%
<b>Board Approved Target Ranges<sup>(2)</sup></b>				
Common Equity Tier 1	9.0% - 10.5%		9.0% - 10.5%	
Tier 1 Capital	10.0% - 11.5%		10.0% - 11.5%	
Total Capital	12.5% - 14.0%		12.0% - 13.5%	

Risk Weighted Assets (RWA) and Minimum Required Capital per Risk Type: <sup>(3)</sup>	31 Mar 2016 <sup>(1)</sup>			
	RWA Per risk type Rm	Minimum required capital		
		Pillar 1 8% Rm	Pillar 2a 1.75% Rm	Total 9.75% Rm
Credit risk	367 195	29 376	6 426	35 802
Counterparty credit risk	20 674	1 654	362	2 016
Equity investment risk	3 178	254	56	310
Market risk	22 176	1 774	388	2 162
Operational risk	68 005	5 440	1 190	6 630
Non-customer assets	17 092	1 367	299	1 666
<b>Total RWA and minimum required capital</b>	<b>498 320</b>	<b>39 865</b>	<b>8 721</b>	<b>48 586</b>

RWA and Minimum Required Capital per Risk Type: <sup>(3)</sup>	31 Dec 2015 <sup>(1)</sup>			
	RWA Per risk type Rm	Minimum required capita		
		Pillar 1 8% Rm	Pillar 2a 2% Rm	Total 10% Rm
Credit risk	361 993	28 959	7 240	36 199
Counterparty credit risk	23 339	1 867	467	2 334
Equity investment risk	3 556	285	71	356
Market risk	20 539	1 643	411	2 054
Operational risk	68 005	5 440	1 360	6 800
Non-customer assets	17 361	1 389	347	1 736
<b>Total RWA and Minimum Required Capital</b>	<b>494 793</b>	<b>39 583</b>	<b>9 896</b>	<b>49 479</b>

## 2) Leverage ratio

The leverage ratio framework is complementary to the risk-based capital framework and is a non-risk based contingency measure to restrict the build-up of excessive leverage in the banking sector.

The table below represents the capital position for Barclays Africa Group Limited at 31 March 2016 and the comparatives at 31 December 2015.

### Barclays Africa Group Limited

	31 Mar 2016 <sup>(1)</sup>	31 Dec 2015 <sup>(1)</sup>
Tier 1 Capital (excluding unappropriated profit) (Rm)	79 844	82 053
Tier 1 Capital (including unappropriated profit) (Rm)	85 011	88 326
Total Exposures (Rm)	1 321 314	1 318 677
Leverage Ratio (excluding unappropriated profit)	6.0%	6.2%
Leverage Ratio (including unappropriated profit)	6.4%	6.7%
Minimum Required Leverage Ratio	4.0%	4.0%
Board Target Leverage Ratio	≥4.5%	≥4.5%

### Absa Bank Limited and its subsidiaries

	31 Mar 2016 <sup>(1)</sup>	31 Dec 2015 <sup>(1)</sup>
Tier 1 Capital (excluding unappropriated profit) (Rm)	52 186	53 040
Tier 1 Capital (including unappropriated profit) (Rm)	55 310	55 407
Total Exposures (Rm)	1 127 047	1 113 924
Leverage Ratio (excluding unappropriated profit)	4.6%	4.8%
Leverage Ratio (including unappropriated profit)	4.9%	5.0%
Minimum Required Leverage Ratio	4.0%	4.0%
Board Target Leverage Ratio	≥4.5%	≥4.5%

## 3) Liquidity Coverage Ratio

The objective of the liquidity coverage ratio (LCR) is to promote the short-term resilience of the liquidity risk profile of banks by ensuring that they have sufficient high quality liquid assets (HQLA) to survive a significant stress scenario lasting 30 calendar days. The LCR requirement, from 1 January 2015, was 60% and will increase by 10% per year to 100% on 1 January 2019. The requirement for 2016 is 70%.

The LCR is calculated as the value of HQLA divided by total net cash outflows. HQLA are the value of assets that can be easily and immediately converted into cash. Net cash outflows are calculated according to the scenario parameters outlined by regulations.

Absa Bank Limited successfully applied for a committed liquidity facility from the South African Reserve Bank under guidance note 8 of 2014 and 5 of 2015, which is included in HQLA for LCR purposes from January 2016.

**Barclays Africa Group Limited**

Barclays Africa Group Limited holds HQLA in excess of the regulatory minimum requirement. The table below represents the average LCR for Barclays Africa Group Limited<sup>(6)</sup> at 31 March 2016 and the comparatives at 31 December 2015<sup>(5)</sup>:

	31 Mar 2016 <sup>(1)</sup>	31 Dec 2015 <sup>(1)</sup>
High Quality Liquid Assets (Rm)	131 963	110 009
Net Cash Outflows (Rm)	165 001	157 340
Liquidity Coverage Ratio	80.0%	69.9%
Required Liquidity Coverage Ratio	70.0%	60.0%

**Absa Bank Solo**

Absa Bank Solo holds HQLA in excess of the regulatory minimum requirement. The table below represents the average LCR for the bank at 31 March 2016 and the comparatives at 31 December 2015<sup>(5)</sup>:

	31 Mar 2016 <sup>(1)</sup>	31 Dec 2015 <sup>(1)</sup>
High Quality Liquid Assets (Rm)	120 428	101 578
Net Cash Outflows (Rm)	150 253	145 031
Liquidity Coverage Ratio	80.2%	70.0%
Required Liquidity Coverage Ratio	70.0%	60.0%

**Notes:**

1. The 31 March 2016 figures have not been audited. (31 December 2015 comparatives have been audited).
2. Board approved target ranges include unappropriated profit.
3. The regulatory minimum Common Equity Tier 1 requirement as at 31 March 2016 was 6.25% (31 December 2015: 6.50%).
4. Absa Bank Limited includes subsidiary undertakings, special purpose entities, joint ventures, associates and offshore holdings.
5. The values disclosed represent the simple average of the relevant 3 month-end data points.
6. Only banking and/or deposit taking entities are included. The group data represents an aggregation of the relevant individual net cash outflows and HQLA portfolios. Surplus HQLA holdings in excess of the minimum requirement have been excluded from the aggregated HQLA number for all non-South African banking entities.

Johannesburg  
27 May 2016

**Enquiries:**

Alan Hartdegen  
(+2711) 350-2598  
E-mail: Alan.Hartdegen@barclaysafrica.com

**Lead Independent Sponsor:**

J.P. Morgan Equities South Africa Proprietary Limited

**Joint Sponsor:**

Corporate and Investment Bank – a division of Absa Bank Limited