Announcement in terms of Rule 9.20 of the Listing Requirements of the Botswana Stock Exchange

Barclays Bank Botswana announces that on 27th April 2010 Standard Chartered Bank (“SCB”) and Barclays Bank PLC (“BB”) entered into a Sale of Business Agreement (“the Agreement”) pursuant to which SCB would acquire the custody and trustee services business conducted by BB and its subsidiaries or branches in Africa (“the Africa Custody Business”).

Part of the Africa Custody Business is constituted by the custody and trustee business conducted by Barclays Bank Botswana in Botswana (“the Botswana Business”).

The disposal of the Botswana Business pursuant to the terms of the Agreement contemplates the sale of all the custody and trustee assets and associated operations of Barclays Bank Botswana, as a going concern.

Pursuant to the Agreement the Botswana Business is to be acquired from Barclays Bank Botswana by Standard Chartered Bank Botswana Limited (“SCBB”).

The sale and purchase of the Botswana Business is conditional upon:

1) approval of the disposal by the Non-Bank Financial Institutions Regulatory Authority (“NBFIRA”);
2) the grant of a licence by NBFIRA to SCBB to conduct the Botswana Business;
3) the approval of the Botswana Stock Exchange to the disposal and acquisition of the Botswana Business; and
4) notification of the disposal and acquisition of the Botswana Business to the Bank of Botswana.

Completion of the sale and purchase of the Botswana Business is also conditional on the satisfaction of certain other conditions, including regulatory approvals in other countries in which the Africa Custody Business operates.

Appropriate applications and notifications which are necessary for the fulfillment of the conditions precedent have been made.

The consideration payable by SCB for the Botswana Business (which may be subject to certain adjustments under the terms of the Agreement) is CGBP 871,198 which as at 27 April 2010 equated (at a rate of exchange BWP10,493.2 to CGBP1.00) to BWP 103,580,454.

The consideration is to be satisfied by payment of CGBP2,672,402 to BB and the balance of CGBP719,796 (assuming no adjustment is needed) to Barclays Bank Botswana. The value of the net assets of the Botswana Business, the subject of the transaction, as at 31 December 2009 (the date of the latest audited financial statements of Barclays Bank Botswana (“the Latest Accounts Date”)) was CGBP36,565.00 and represents 0.0003% of the value of the total net assets of Barclays Bank Botswana and the value of the contracts of business or assets under custody which the Botswana Business has in its books was CGBP10,485,408 as at the Latest Accounts Date.

The pre-tax profits of the net assets of the Botswana Business the subject of the transaction as at the Latest Accounts Date was CGBP18,825,000 which represent 3.1% of the total profit of Barclays Bank Botswana as at that date.

The purchase consideration (in Pula terms of) BWP103,580,454 represents 1.86% of the market capitalisation of Barclays Bank Botswana Limited of BWP5,581,660,000 as at 27 April 2010. The said purchase consideration represents 11.02% of the book value of Barclays Bank Botswana of BWP939,982,000 as at the Latest Accounts Date.

The transaction is consistent with Barclays’ wider exit from the global custody business back in 1998, when it sold its global institutional custody business. Barclays does not have custody operations outside Africa.

The benefits which are expected to accrue to Barclays Bank Botswana as a result of the transaction are:

• The transaction represents an opportunity for Barclays to realise significant value for shareholders without any significant impact on the remaining businesses.
• Proceeds are expected to reinforce the development of profitable operations consistent with Barclays Africa’s strategy elsewhere.
• As at the Latest Accounts Date, the Botswana Business recorded income of BWP2,798,000. For the same period, Barclays Bank Botswana posted income of BWP143,449,000. The total percentage of the income of the Botswana business accounted for less than 2% of the total income of Barclays Bank Botswana and 3.1% of the total profits of Barclays Bank Botswana. As a result we do not anticipate that the impact of the transaction would be significant to the overall Barclays Bank Botswana financial performance.

Proceeds of the sale will be paid as follows:

• The BWP equivalent of CGBP719,796 (subject to any adjustments) will be paid by SCB directly to Barclays Bank Botswana.
• Sterling consideration of CGBP2,672,402 (subject to any adjustments) will be paid by SCB to BB. This amount represents the value that SCB places on the fact that the Botswana Business is part of the Africa Custody Business and not just a standalone business in Botswana. Although it is not legally obliged to do so, BB has indicated its intent to pay this amount to Barclays Bank Botswana promptly on receipt of the funds from SCB.
• Proceeds will not be received until all regulatory approvals have been given and other conditions precedent of the Agreement have been satisfied and once SCBB is fully able to receive the business, which is expected to be no later than year end 2010.

We would like to clarify that the sale of the Botswana Business by Barclays Bank Botswana to SCBB is just one transaction that forms part of a group of transactions for the sale of Barclays custody businesses in Africa to various subsidiaries of SCB. This group of transactions, taken together, constitute the sale by BB of its Africa Custody Business to SCB.

The portion of the sales proceeds accruing to Barclays Bank Botswana shareholders will be applied as follows:

• Proceeds of the sale will be paid to Barclays Bank Botswana shareholders. Local minority shareholders will receive their proportional share of the proceeds on payment through payment of a special dividend after completion of the transaction.

Dated at Gaborone this 23rd day of July 2010.

By order of the Board

Thuli Johnson, Managing Director

Company Secretary