Africa's regulators approve Absa-Barclays transaction; deal clears final hurdle

Absa Group Limited ("Absa") today announced that the combination of Absa with Barclays' African businesses had cleared the final hurdle, opening the way for this transformational deal to be delivered on 31 July 2013.

The necessary conditions have been fulfilled (or, where appropriate, waived) to conclude the combination of Barclays Africa and Absa, including regulatory approvals in Botswana, Ghana, Kenya, Mauritius, Seychelles, South Africa, Tanzania, Uganda and Zambia.

The approval includes Barclays Bank Botswana Limited ("Barclays Botswana"), following regulatory approval for the transaction to go ahead by the Bank of Botswana and other authorities in Botswana.

Commenting on the development, Absa Group Chief Executive and Barclays Chief Executive Africa Maria Ramos said: "This is a momentous achievement for Barclays in Africa. The deal marks an extraordinary milestone that sets us firmly on course to become the `Go-To` bank on the continent. It means that we can accelerate Africa's true global potential by supporting the development of capital markets and providing a greater range of financial services on the continent."

Reflecting the enlarged group's pan-Africa focus, Absa Group Limited will change its name to Barclays Africa Group Limited on 2 August 2013. The Absa brand will still be used in South Africa while the strong Barclays brand will remain elsewhere, including in Botswana.

Barclays will hold 62.3% of Barclays Africa Group Limited through the issue of 129.5 million ordinary shares by Absa, representing a value of approximately R18.3 billion. Barclays Bank Kenya Limited and Barclays Bank Botswana will continue to be listed on their respective stock exchanges.

Barclays Botswana Interim Managing Director, Aupa Monyatsi, said: "We are excited about the opportunities that this development brings to the growth of our business in the market, particularly the ability for us to offer our clients and customers the best of both Barclays and Absa services and products in Botswana."

The listing of Barclays Bank Botswana on the Botswana Stock Exchange will continue to be maintained, as only the shares held by Barclays will be transferred in the proposed combination. The proposed combination will not impact the number of shares held by the minorities in Barclays Bank Botswana.

As we previously announced, Egypt and Zimbabwe are not included in this transaction but they remain an integral part of our African business and we will continue to run them on an operational basis.

Maria Ramos concludes: "We have created one of the leading banking groups in Africa, strengthening our geographic footprint and increasing our growth opportunities on the continent. By capitalising on our heritage and seeing the opportunity in some of the fastest growing economies in the world, we are well positioned to win in Africa."

Notes

1. With the exception of National Bank of Commerce (NBC) in Tanzania and Absa's representation offices in Namibia and Nigeria.

2. As set out in the circular to shareholders dated 16 December 2012.

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