



Joint Media Statement

Absa Bank Limited

US\$ 500,000,000 Term Loan Facility

28th June 2019

Absa Bank Limited (the “**Borrower**” or “**Absa**” or the “**Bank**”), Bank of America Merrill Lynch and Standard Chartered Bank (together the “**Bookrunners**” and “**Coordinators**”) are pleased to announce the signing and successful closing of a US\$ 500,000,000 Term Loan facility (the “**Facility**”).

The Facility has an initial tenor of two years, subject to an extension option available at the Borrower’s discretion to extend the maturity by a further one-year at the end of the initial two-year tenor. The Facility pays a margin of 1.05% per annum. The proceeds of the Facility will be used for general corporate purposes including, but not limited to trade related finance.

The Facility launched on 29th May 2019 to select financial institutions, at a launch amount of US\$ 300,000,000 (subject to increase). Absa subsequently elected to upsize the transaction to US\$ 500,000,000, in light of the significant commitments received.

The response from the market was extremely strong, with more than 192% oversubscription achieved versus the original launch amount with the final lender group consisting of 19 geographically diverse banks. This significant over-subscription necessitated the scaling back of total commitments, even after upsizing the facility to US\$ 500,000,000. The positive market response is a reflection of Absa’s strong appeal to international investors, as well as the Borrower’s robust credit profile.

“This is the first syndicated loan Absa Bank has concluded in more than a decade and we are pleased with the result. I would also like to acknowledge our Coordinators and the key relationship banks that have participated in this US\$500m syndicated loan,” said Jason Quinn, Absa Group Ltd. Financial Director. *“The need for this syndicated loan following our US\$400m Tier II bond issuance last year is to fund the growth in our US dollar lending both in South Africa and our Regional Operations, in support of our group strategy”*

About the Borrower

Absa Group Limited was founded in 1991 in Johannesburg South Africa. In 2005, Barclays acquired a majority (56.4%) stake in the group, eventually renaming the group to Barclays Africa in 2013. Barclays Bank divested its majority shareholding in 2017 maintaining a 14.88% shareholding (as at 31 December 2018). In 2018, Barclays Africa Group Limited was officially renamed Absa Group Limited (“**Absa Group**”) and started trading under its new name on the Johannesburg Stock Exchange. The Absa Group is one of Africa's largest financial services providers with a presence in 12 African countries, as well as the UK. Absa Bank Limited is a 100% owned subsidiary of the Absa Group.

Absa Bank Limited (rated Baa3 by Moody's) is incorporated and domiciled in South Africa and provides retail, business, corporate, investment banking, and wealth management products and services. The Borrower is one of South Africa's largest financial services organisations. Absa Group and its subsidiaries operate primarily in South Africa and employ 40 856 people. The rollout of the new Absa brand design in South Africa commenced in 2018, and is due to be rolled out to the rest of the African countries by mid-2020, subject to approvals including from regulators in those countries, with products and services not being affected.

As at 31st December 2018, Absa Group's full year results reflect a total income was ZAR 76.5bn with a net profit of ZAR 15.3bn. Total assets were ZAR 1,289bn of which ZAR 841bn were loans and advances to customers.

Additional information about the Borrower may found on its website:

<https://www.absa.africa/absafrica/investor-relations/>

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Bank of America Merrill Lynch

Standard Chartered Bank

Bookrunners and Mandated Lead Arrangers

BNP Paribas

CITIBANK N.A.

Commerzbank Aktiengesellschaft

First Abu Dhabi Bank PJSC

HSBC Bank plc

ICBC London Branch

Mizuho Bank, Ltd.

MUFG

The National Bank of Ras Al Khaimah (P.S.C.)

Société Générale

State Bank of India, Johannesburg

State Bank of India, London Branch

Sumitomo Mitsui Banking Corporation Europe Limited

Wells Fargo Bank, N.A., London Branch

Lead Arrangers

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