



APPLICABLE PRICING SUPPLEMENT

ABSA BANK LIMITED

(incorporated in the Republic of South Africa with limited liability with company registration number 1986/004794/06)

Issue of ZAR10,000,000 Series 2015-42 Republic of South Africa Credit Linked Notes due 20 September 2020 under its ZAR 40,000,000,000 Master Structured Note Programme approved by the JSE Limited and the Stock Exchange of Mauritius Limited

This Applicable Pricing Supplement must be read in conjunction with (i) the Master Structured Note Programme Memorandum dated 21 October 2013 and approved by the JSE Limited t/a The Johannesburg Stock Exchange on or about 28 October 2013 and approved by the Stock Exchange of Mauritius Limited on or about 29 November 2013, as amended and/or supplemented from time to time (the "**Master Programme Memorandum**"), and (ii) the Applicable Product Supplement in Section IV-A of the Master Programme Memorandum headed "Credit Linked Notes", as amended and/or supplemented from time to time (the "**Applicable Product Supplement**"), prepared by Absa Bank Limited in connection with the Absa Bank Limited ZAR40,000,000,000 Master Structured Note Programme.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in Schedule 1 to Section II-A of the Master Programme Memorandum headed "Terms and Conditions of the Notes" (the "**Glossary of Terms**").

This document constitutes an Applicable Pricing Supplement relating to Note described herein to be issued by the Issuer. The Notes described herein will be subject to the Terms and Conditions, as replaced, amended and/or supplemented by the Applicable Product Supplement and/or this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Master Programme Memorandum and/or the Applicable Product Supplement, the provisions of this Applicable Pricing Supplement shall prevail.

This Applicable Pricing Supplement supersedes any previous pricing supplement, confirmation, Applicable Pricing Supplement or other communication in respect of the Notes described below.

DESCRIPTION OF THE NOTES	
1. Issuer	Absa Bank Limited (" Absa ")
2. Applicable Product Supplement	Credit Linked Note Applicable Product Supplement contained in Section IV-A of the Master Programme Memorandum.
3. Status of Notes	The default status of the Notes under the Master Structured Note Programme is 'unsubordinated and unsecured' per Condition 5 (Status of Notes) on page 37 of the Master Programme Memorandum.
4. Listing	Listed Notes
5. Issuance Currency	ZAR (South African Rand)
6. Series Number	2015-42
7. Tranche Number	ASN080
8. Aggregate Nominal Amount:	
(a) Series	ZAR10,000,000.00
(b) Tranche	ZAR10,000,000.00
9. Interest	Interest-bearing
10. Interest Payment Basis	Floating Rate Notes
11. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	Not Applicable
12. Form of Notes	Registered Listed Notes: The Notes in this Tranche will be in uncertificated form and held by the CSD.
13. Issue Date	05 August 2015
14. Trade Date	29 July 2015
15. Specified Denomination	ZAR 1,000,000.00 Notes are subject to a minimum denomination of ZAR 1,000,000.00
16. Issue Price	100%
17. Interest Commencement Date	Issue Date

18.	Maturity Date	20 September 2020
19.	Applicable Business Day Convention	Following Business Day Convention
20.	Definition of Business Day (if different from that set out in Glossary of Terms pg 69)	Not Applicable
21.	Final Redemption Amount	ZAR10,000,000.00
22.	Last Date to Register	9 th of March, 9 th of June, 9 th of September and 9 th of December in each year until the Maturity Date.
23.	Books Closed Period(s)	The Register will be closed from 10 th of March to 20 th of March and from 10 th of June to 20 th of June and from 10 th of September to 20 th of September and from 10 th of December to 20 th of December (all dates inclusive) in each year until the Maturity Date.
24.	Value of aggregate Nominal Amount of all Notes issued under the Structured Note Programme as at the Issue Date	ZAR9,332,353,999.14
FLOATING RATE NOTES		
25.	(a) Floating Interest Payment Date(s)	The 20 th of March, June, September and December in each year, commencing on the 20 th of September 2015 and ending on the Maturity Date.
	(e) Manner in which the Interest Rate is to be determined	Screen Rate Determination
	(f) Margin	180 basis points to be added to the relevant Reference Rate
	(h) If Screen Determination:	
	(i) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)	ZAR-JIBAR-SAFEX (3 months)
	(ii) Interest Rate Determination Date(s)	a. The Issue Date, followed by b. Each 20 th of December, March, June and September in each year ending on 20 June 2020
	(iii) Relevant Screen Page	Reuters RIC <SFX1MYLD> on Reuters Page

	and Reference Code	"SAFEY" (Page number ZA01209)
(i)	If Interest Rate to be calculated otherwise than by ISDA Determination or Screen Determination, insert basis for determining Interest Rate/Margin/Fallback provisions	Not Applicable
(j)	Calculation Agent responsible for calculating amount of principal and interest	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
CREDIT EVENT REDEMPTION		
26.	Type of Credit Linked Note	Single Name CLN
27.	Redemption at Maturity	Final Redemption Amount
28.	Redemption following the occurrence of Credit Events	Applicable
Extension interest		Not applicable
Reference Entity		Republic of South Africa
Reference Obligation(s)		<p>In respect of the Reference Entity (i) the obligation identified as follows or any Substitute Reference Obligation in respect thereof.</p> <p>Primary Obligor: Republic of South Africa</p> <p>Maturity: 09/03/2020</p> <p>Coupon: 5.5%</p> <p>ISIN: US836205AN45</p> <p>Original Issue Amount: USD2,000,000,000.00</p> <p>and; (ii) one or more obligations of such Reference Entity described by the Deliverable Obligation Category and having the Deliverable Obligation Characteristics. Notwithstanding the definition of Deliverable Obligation Category and Deliverable Obligation Characteristics, the Issuer may select the Reference Obligation(s) or any Substitute Reference Obligation(s) of the Reference Entity at any time on or before the CLN Valuation Date (each such one or more selected Reference Obligations, a "Selected Valuation Obligation").</p>
Transaction Type		Not Applicable

All Guarantees	Applicable	
Conditions to Settlement	Applicable Credit Event Notice: Applicable Notice of Publicly Available Information: Applicable	
Credit Events	The following Credit Event(s) shall apply: Failure to Pay Grace Period Extension: Applicable Payment Requirement: ZAR1,000,000.00 Obligation Acceleration Repudiation/Moratorium Restructuring Multiple Holder Obligation: Not applicable Default Requirement: ZAR1,000,000.00	
Credit Event Accrued Interest:	Not applicable	
Obligation(s)	Obligation Category (Select only one):	Obligation Characteristics (Select all that apply):
	<input type="checkbox"/> Payment	<input checked="" type="checkbox"/> Not Subordinated
	<input type="checkbox"/> Borrowed Money	<input type="checkbox"/> Specified Currency [ZAR and/or any other] Permitted Currency]
	<input type="checkbox"/> Reference Obligations Only	<input type="checkbox"/> Not Sovereign Lender
	<input checked="" type="checkbox"/> Bond	<input checked="" type="checkbox"/> Not Domestic Currency
	<input type="checkbox"/> Loan	<input checked="" type="checkbox"/> Not Domestic Law
	<input type="checkbox"/> Bond or Loan	<input type="checkbox"/> Listed
		<input checked="" type="checkbox"/> Not Domestic Issuance
Excluded Obligations (if any)	Not Applicable	
Issuer CLN Settlement Option	Not applicable	

CLN Settlement Method	Cash Settlement or Auction Settlement as determined by the Calculation Agent
Fallback CLN Settlement Method	Cash Settlement
Terms Relating to Cash Settlement:	As specified in the Credit Linked Conditions
Final Price (if different from the relevant definition in the Applicable Product Supplement)	Notwithstanding the definition of "Final Price" in the Credit Linked Conditions, the price of the relevant Selected Valuation Obligation (as defined under "Reference Obligation" above), expressed as a percentage, determined in accordance with the specified Valuation Method (treating such Selected Valuation Obligation as a Reference Obligation for such purpose and for purposes of other relevant provisions of the terms relating to cash settlement contained in the Credit Linked Conditions).
CLN Cash Settlement Amount	<p>For the purposes of the definition of "CLN Cash Settlement Amount" in the Credit Linked Conditions and for the purposes of other relevant provisions of the terms relating to cash settlement contained in the Credit Linked Conditions, the definition of "Final Price" shall be read as "Final Aggregate Price" as defined below.</p> <p>"Final Aggregate Price" means if there is one Selected Valuation Obligation, the "Final Aggregate Price" shall be the Final Price determined in relation to such Selected Valuation Obligation. If there is more than one Selected Valuation Obligation, the "Final Aggregate Price" shall be the weighted average of the Final Price determined in relation to each such Selected Valuation Obligation.</p>
CLN Valuation Date	Any Business Day elected by the Issuer up to the 100 th Business Day following the No Auction Announcement Date.
CLN Valuation Time	The time selected by the Issuer in a commercially reasonable manner, at which the market in respect of the relevant Selected Valuation Obligation(s) selected by the Issuer is likely to be most liquid.
Quotation Method	Bid
Quotation Amount	In respect of a Selected Valuation Obligation, the amount determined by the Issuer in a commercially reasonable manner provided that the sum of the Quotation Amounts for all Selected Valuation

	Obligations shall be approximately equal to the Nominal Amount (or the currency equivalent thereof).
Minimum Quotation Amount	As specified in the Credit Linked Conditions
Dealer(s)	As specified in the Credit Linked Conditions
Settlement Currency	ZAR
Credit Event Redemption Date	Five (5) Business Days following the calculation of the Final Aggregate Price.
Credit Event Redemption Amount	As specified in the Credit Linked Conditions
Quotations	Exclude Accrued Interest
Valuation Method	Blended Highest (as defined in Condition 21.15.4) of the Credit Linked Conditions
Deliverable Obligation(s)	<p>Deliverable Obligation Category</p> <p>Bond</p> <p>Deliverable Obligation Characteristics</p> <p>Not Subordinated</p> <p>Specified Currency</p> <p>Not Domestic Law</p> <p>Not Domestic Issuance</p> <p>Transferable</p> <p>Not Bearer</p>
Additional Business Centre Delivery Method	Not Applicable
Other Provisions	None
PROVISIONS REGARDING REDEMPTION/MATURITY	
29. Redemption at the option of the Issuer:	No
30. Redemption at the option of Noteholders:	No
31. Early Redemption Amount(s) payable on redemption for taxation reasons, Change in Law or on Event of Default (if required).	Yes
If yes:	
(a) Amount payable; or	The Early Redemption Amount determined and calculated by the Calculation Agent in accordance

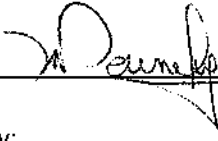
		with Condition 8.5 of the Terms and Conditions of the Notes.
(b)	Method of calculation of amount payable	Not Applicable
GENERAL		
32.	Financial Exchange	JSE Limited t/a The Johannesburg Stock Exchange
33.	Calculation Agent	Absa Corporate and Investment Bank (a division of Absa Bank Limited) or an affiliate thereof.
34.	Calculation Agent City	Johannesburg
35.	Paying Agent	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
36.	Specified office of the Paying Agent	15 Alice Lane Sandton 2196 Gauteng Republic of South Africa
37.	Transfer Agent	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
38.	Provisions relating to stabilisation	Not Applicable
39.	Stabilising manager	Not Applicable
40.	Additional selling restrictions	Not Applicable
41.	ISIN No.	ZAG000128463
42.	Stock Code	ASN080
43.	Method of distribution	Private Placement
44.	If syndicated, names of Managers	Not Applicable
45.	If non-syndicated, name of Dealer	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof
46.	Governing law	The laws of the Republic of South Africa
47.	Issuer Rating on Issue Date:	Issuer Rating: AAA (zaf) as assigned by Fitch Ratings on 17 July 2014 and to be reviewed by Fitch from time to time.

	Issuer Rating: (P) Baa2 as assigned by Moody's on 23 March 2015 and to be reviewed by Moody's from time to time.
48. Rating Agencies:	In accordance with Section 4.22 of the Debt Listing Requirements, the Issuer confirms that the Programme Amount has not been exceeded at the time of the issuing of the Notes.
49. Other provisions	<p>1. Inward Listing. The Notes will be inward listed securities listed on the JSE in terms of the authority granted by the Financial Surveillance Department of the South African Reserve Bank</p> <p>2. Agreement to amend the Notes to be governed by a new Credit Linked Note Applicable Product Supplement reflecting the 2014 ISDA Credit Derivative Definitions</p> <p>The Issuer and the Noteholder hereby agree, at the Issuer's option, to amend the Applicable Pricing Supplement of the Notes to delete the reference to the existing Credit Linked Note Applicable Product Supplement (the "2003 CLN APS") based on the provisions of the 2003 ISDA Credit Derivative Definitions and replace it in its entirety with a Credit Linked Note Applicable Product Supplement (the "2014 CLN APS") based on the provisions of the 2014 ISDA Credit Derivative Definitions, as soon as reasonably possible after the Master Programme Memorandum has been formally amended to include such the 2014 CLN APS.</p>
50. Debt Listing Requirements:	In accordance with section 4.22 of the JSE Debt Listing Requirements, the Issuer hereby confirms that the Programme Amount has not been exceeded at the time of the issuing of the Notes.

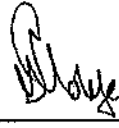
Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Applicable Pricing Supplement contains all information required by law and the JSE Listing Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

for and on behalf of
ABSA BANK LIMITED



Name:
Capacity:
Date: **Wayne Dennehy**
Managing Principal
03/08/2015



Name: **Tebogo Molefe**
Capacity: Principal
Date: 03/08/2015.