**MEDIA STATEMENT ON PUBLIC PROTECTOR’S PROVISIONAL REPORT**

Absa is in receipt of and notes the Public Protector’s Provisional Report. As this is a confidential provisional document released to a limited number of parties for comment and further input, it may change materially following further submissions.

We have fully cooperated with the Public Protector’s investigation since it began and we will continue to do so. Following an interview with senior executives of Absa in June 2016, the Public Protector accepted our written offer for her to inspect confidential documents in our possession that are very pertinent to the successful finalization of the investigation. The Public Protector accepted this offer in writing but never actually took it up. This offer remains open.

These documents pertain to, among others, due diligence performed by Absa prior to acquiring Bankorp. Bankorp started receiving SA Reserve Bank assistance in 1985. Absa acquired Bankorp in April 1992 at fair value. All the obligations pertaining to the SA Reserve Bank’s assistance were discharged in full by October 1995.

We have written to the Public Protector informing her that we accept her invitation to make further submissions in terms of the Public Protector Act. These submissions will correct several factual and legal inaccuracies that are contained in the Provisional Report. This will be done on or before the deadline of 28 February 2016.

It is regrettable that the Public Protector’s Report has been leaked before further submissions and finalization because in its current form it perpetuates an incorrect view that Absa Bank Ltd was the beneficiary of undue SA Reserve Bank assistance.

The Davis Panel of Experts appointed by former SARB Governor, Mr Tito Mboweni found that that Absa’s shareholders did not derive any undue benefit from the SARB’s intervention and as such no claim of restitution could be pursued against Absa. We emphatically agree with this position and attach the full Executive Summary of the Davis Panel Report for reference. The full Davis Panel Report can be accessed on: <http://www.gov.za/sites/www.gov.za/files/gov_panelexperts_bankorp_0.pdf>

It must be noted that the matters and events under investigation occurred during the period 1985 to 1995, 21 to 31 years ago. The testimony provided by current Absa senior executives to the Public Protector was based on records available to the bank’s current management as none of them have personal knowledge of events at the time.

In order to provide the Public Protector with the space she requires to complete her final report we do not intend to provide running public commentary on the Provisional Report until it has been finalized and published.

ENDS.