



AUDITED SUMMARISED FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

OVERVIEW

Nedbank Limited ("Nedbank") is a wholly owned subsidiary of Nedbank Group Limited, which is listed on JSE Limited. These consolidated annual financial results are published to provide information to holders of Nedbank's listed non-redeemable non-cumulative preference shares.

Commentary relating to the Nedbank consolidated annual financial results is included in the Nedbank Group Limited results, as presented to shareholders on 25 February 2010. Further information is provided on the website www.nedbankgroup.co.za.

BOARD CHANGES DURING THE YEAR

As previously reported, the following changes were made during the course of the year:

Independent non-executive directors	Appointed	Non-executive directors	Appointed
Alan Knott-Craig	1 January 2009	Julian Roberts	1 December 2009
Wendy Lucas-Bull	1 August 2009	Don Hope	1 December 2009
Jabu Moleketi	1 August 2009	<i>Executive directors</i>	
Malcolm Wyman	1 August 2009	Graham Dempster	5 August 2009
		Raisibe Morathi	1 September 2009

Following the retirement of Tom Boardman as Chief Executive on 28 February 2010, he has accepted the invitation from the board to serve as a non-executive director of Nedbank with effect from 1 March 2010. Rosie Harris, Lot Ndlovu and Bob Head resigned from the board on 31 March 2009, 16 October 2009 and 19 February 2010 respectively.

Michael Katz, JB Magwaza and Mafika Mkwana retired as independent non-executive directors with effect from 19 November 2009, each having served on the board for more than nine years.

ACCOUNTING POLICIES

Nedbank Limited is a company domiciled in South Africa. The summarised financial results at and for the year ended 31 December 2009 comprised the company and its subsidiaries (together referred to as the 'group') and the group's interests in associates and jointly controlled entities.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December			
Rm	2009	2008	
Interest and similar income	49 332	55 154	
Interest expense and similar charges	33 795	39 874	
Net interest income	15 537	15 280	
Impairments charge on loans and advances	6 659	4 755	
Income from lending activities	8 878	10 525	
Non-interest revenue	10 338	9 877	
Operating income	19 216	20 402	
Total operating expenses	13 792	12 671	
– Operating expenses	13 674	12 484	
– BEE transaction expenses	118	187	
Indirect taxation	402	356	
Profit from operations before non-trading and capital items	5 022	7 375	
Non-trading and capital items	(32)	745	
– Net (loss)/profit on sale of subsidiaries, investments, and property and equipment	(22)	756	
– Net impairment of investments, property and equipment, and capitalised development costs	(10)	(11)	
Profit from operations	4 990	8 120	
Share of (losses)/profits of associates and joint ventures	(1)	9	
Profit before direct taxation	4 989	8 129	
Total direct taxation	960	1 791	
– Direct taxation	959	1 683	
– Taxation on non-trading and capital items	1	108	
Profit for the year	4 029	6 338	
Other comprehensive income/(expense) net of taxation	264	(218)	
– Exchange differences on translating foreign operations	32	(24)	
– Fair-value adjustments on available-for-sale assets	146	(272)	
– Gains on property revaluations	86	78	
Total comprehensive income for the year	4 293	6 120	
Profit attributable to:			
Equity holders of the parent	3 790	6 106	
Non-controlling interest – ordinary shareholders	224	217	
– preference shareholders	15	15	
Profit for the year	4 029	6 338	
Total comprehensive income attributable to:			
Equity holders of the parent	4 054	5 882	
Non-controlling interest – ordinary shareholders	224	223	
– preference shareholders	15	15	
Total comprehensive income for the year	4 293	6 120	

HEADLINE EARNINGS RECONCILIATION

for the year ended 31 December			
Rm	2009		2008
	Gross	Net of taxation	Net of taxation
Profit attributable to equity holders of the parent	3 790		6 106
Less: Non-trading and capital items	(32)	(33)	745
– Net (loss)/profit on sale of subsidiaries, investments, and property and equipment	(22)	(23)	756
– Net impairment of investments, property and equipment, and capitalised development costs	(10)	(10)	(11)
Headline earnings	3 823		5 469

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

for the year ended 31 December			
Rm	2009	2008	
Cash generated by operations	13 703	13 867	
Change in funds for operating activities	(14 018)	(9 842)	
Net cash (utilised by)/generated by operating activities before taxation	(315)	4 025	
Taxation paid	(1 977)	(2 087)	
Cashflows (utilised by)/from operating activities	(2 292)	1 938	
Cashflows utilised by investing activities	(1 734)	(1 214)	
Cashflows from/(utilised by) financing activities	3 587	(921)	
Net decrease in cash and cash equivalents	(439)	(197)	
Cash and cash equivalents at the beginning of the year*	17 699	17 896	
Cash and cash equivalents at the end of the year*	17 260	17 699	

* Including mandatory reserve deposits with central banks.

Nedbank's principal accounting policies have been applied consistently over the current and previous financial years, except for the adoption for this year of IFRS 3: Business Combinations, IFRS 2: Vesting Conditions and Cancellations (amendment), IAS 1: Presentation of Financial Statements (amendment), IAS 27: Consolidated and Separate Financial Statements (amendment), IFRS 7: Enhancing Disclosures about Fair Value and Liquidity Risk (amendment), IAS 32: Financial Instruments: Presentation, and IAS 1: Presentation of Financial Instruments – Puttable Financial Instruments Arising on Liquidation and Obligations (amendment), IAS 39: Financial Instruments: Recognition and Measurement: Eligible Hedged Items and Clarification regarding ending Assessment of Embedded Derivatives (amendment), IFRIC 13: Customer Loyalty Programmes and IFRIC 17: Distributions of Non-cash Assets to Owners.

In the preparation of these financial results the group has applied key assumptions concerning the future and other indeterminate sources in recording various assets and liabilities. These assumptions were applied consistently to both the company and group financial statements for the year ended 31 December 2009. These assumptions are subject to ongoing review and possible amendments.

EVENTS AFTER THE REPORTING PERIOD

There are no material events after the reporting period to report on, other than commentary on the Imperial Bank Limited acquisition, which is included in the Nedbank Group Limited results.

AUDITED RESULTS – AUDITORS' OPINION

KPMG Inc and Deloitte & Touche, Nedbank's independent auditors, have audited the consolidated annual financial statements of Nedbank from which the summarised consolidated financial results have been derived, and have expressed an unmodified audit opinion on the consolidated annual financial statements. The summarised consolidated financial results comprise the consolidated statement of financial position at 31 December 2009, consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated cashflow statement for the year then ended, and selected explanatory notes. The audit report is available for inspection at Nedbank's registered office.

NEDBANK NON-REDEEMABLE NON-CUMULATIVE PREFERENCE SHARES – DECLARATION OF DIVIDEND NO 14

Notice is hereby given that preference dividend no 14 of 40,15068 cents per share has been declared for the period from 1 July 2009 to 31 December 2009, payable on Monday, 29 March 2010, to shareholders of the non-redeemable non-cumulative preference shares recorded in the books of the company at the close of business on Friday, 26 March 2010.

In accordance with the provisions of STRATE, the electronic settlement and custody system used by JSE Limited, the relevant dates for the payment of the dividend are as follows:

Last day to trade cum dividend	Thursday, 18 March 2010
Shares trade ex dividend	Friday, 19 March 2010
Record date	Friday, 26 March 2010
Payment date	Monday, 29 March 2010

Share certificates may not be dematerialised or rematerialised between Friday, 19 March 2010, and Friday, 26 March 2010, both days inclusive.

Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on payment date. In the absence of specific mandates, dividend cheques will be posted to shareholders. Shareholders who have dematerialised their share certificates will have their accounts, at their participant or broker, credited on Monday, 29 March 2010.

For and on behalf of the board

RJ Khoza

Chairman

25 February 2010

TA Boardman

Chief Executive

Registered office: Nedbank Sandton, 135 Rivonia Road, Sandown, 2196; Johannesburg, 2001; PO Box 61051, Marshalltown, 2107.

Transfer secretaries: Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg, 2001; PO Box 61051, Marshalltown, 2107.

Directors: Dr RJ Khoza (Chairman), TA Boardman* (Chief Executive), CJW Ball**, MWT Brown* (Chief Executive Designate), TCP Chikane, GW Dempster*, MA Enus-Brey, Prof B de L Figaji, DI Hope (New Zealand), A de VC Knott-Craig, WE Lucas-Bull, NP Mnxasana, PJ Moleketi, RK Morathi* (Chief Financial Officer), JVF Roberts (British), GT Serobe, MI Wyman (British).

* Executive **Senior independent non-executive director

Company Secretary: GS Nienaber

Nedbank Limited Reg No: 1951/000009/06

Incorporated in the Republic of South Africa

JSE share code: NBKP **ISIN:** ZAE00043667

Sponsors: Investec Bank Limited, Nedbank Capital

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December			
Rm	2009	2008	
ASSETS			
Cash and cash equivalents	6 823	7 638	
Other short-term securities	14 408	10 411	
Derivative financial instruments	12 871	23 114	
Government and other securities	35 754	41 834	
Loans and advances	444 403	433 422	
Other assets	3 917	4 731	
Clients' indebtedness for acceptances	2 025	2 998	
Current taxation receivable	580	314	
Investment securities	3 012	2 743	
Non-current assets held for sale	12	10	
Investments in associate companies and joint ventures	922	913	
Deferred taxation asset	36	71	
Investment property	102	104	
Property and equipment	4 754	4 124	
Long-term employee benefit assets	1 783	1 667	
Mandatory reserve deposits with central banks	10 437	10 061	
Intangible assets	3 151	2 977	
Total assets	544 990	547 132	
EQUITY AND LIABILITIES			
Ordinary share capital	27	27	
Ordinary share premium	14 422	14 422	
Reserves	18 174	16 927	
Total equity attributable to equity holders of the parent	32 623	31 376	
Preference share capital and premium	3 483	3 122	
Non-controlling interest attributable to			
– ordinary shareholders	1 796	1 644	
– preference shareholders	91	300	
Total equity	37 993	36 442	
Derivative financial instruments	10 799	23 077	
Amounts owed to depositors	465 899	461 084	
Provisions and other liabilities	5 218	6 145	
Liabilities under acceptances	2 025	2 998	
Current taxation liabilities	162	117	
Deferred taxation liabilities	1 514	1 982	
Long-term employee benefit liabilities	1 298	1 227	
Long-term debt instruments	20 082	14 060	
Total liabilities	506 997	510 690	
Total equity and liabilities	544 990	547 132	
Guarantees on behalf of clients	27 827	25 154	

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Rm	Total equity attributable to equity holders of the parent	Preference share capital and premium	Non-controlling interest attributable to ordinary shareholders	Non-controlling interest attributable to preference shareholders	Total equity
Balance at 31 December 2007	28 403	3 122	1 307	300	33 132
Ordinary non-controlling shareholders' share of preference dividends paid			(15)	15	–
Dividends to ordinary shareholders	(2 294)		(67)		(2 361)
Dividends to preference shareholders	(333)			(30)	(363)
Shares issued by subsidiary			225		225
Total income and expense for the year	5 600	–	194	15	5 809
Total comprehensive income for the year	5 882	–	223	15	6 120
Net income recognised directly in equity	(282)	–	(29)	–	(311)
Share-based payment reserve movement	(288)				(288)
Regulatory risk reserve position	7				7
Disposal of subsidiaries			(29)		(29)
Other movements	(1)				(1)
Balance at 31 December 2008	31 376	3 122	1 644	300	36 442
Issues of shares net of expenses		361			361
Ordinary non-controlling shareholders' share of preference dividends paid			(15)	15	–
Dividends to ordinary shareholders	(2 070)		(5)		(2 075)
Dividends to preference shareholders	(335)			(30)	(365)
Total income and expense for the year	3 652	–	172	(194)	3 630
Total comprehensive income for the year	4 054	–	224	15	4 293
Net income recognised directly in equity	(402)	–	(52)	(209)	(663)
Share-based payment reserve movement	(399)				(399)
Regulatory risk reserve provision	(3)				(3)
Buyout of non-controlling interests			(52)		(52)
Preference shares held by group entities				(209)	(209)
Balance at 31 December 2009	32 623	3 483	1 796	91	37 993

THESE RESULTS AND ADDITIONAL INFORMATION ARE AVAILABLE ON WWW.NEDBANKGROUP.CO.ZA.



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