

## **1. Nedbank Group Profile**

Nedbank Group Limited ('Nedbank Group') is a bank holding company that operates as one of the four largest banking groups in South Africa through its principal banking subsidiary, Nedbank Limited. The company's ordinary shares have been listed on JSE Limited since 1969.

Nedbank Group focuses on southern Africa, with the group positioned as a bank for all. The bank operates through five business clusters, namely Nedbank Capital, Nedbank Corporate, Nedbank Business Banking, Nedbank Retail and Nedbank Wealth.

The principal services offered comprise business, corporate and retail banking, property finance, investment banking, private banking, foreign exchange, and securities trading. Income is also generated from private equity, credit card issuing and processing services, custodial services, unit trust administration, insurance, asset and wealth management services.

Headquartered in Sandton, Johannesburg, the Group has large operational centres in Durban and Cape Town, complemented by a regional network as well as facilities in other southern African countries. In addition, Nedbank Group has branches and representative offices in certain key global financial centres to meet the international banking requirements of the Group's South African-based multinational clients.

Nedbank Group has a market capitalisation of R71,5 billion at 30 September 2011.

## 2. Financial results for Nedbank Group Limited for the six months ended 30 June 2011

### PROFITABILITY

- Headline earnings: R2 772 million
- Basic earnings: R2 764 million
- ROE (excluding goodwill): 13,7%
- Cost-to-income ratio: 55,9%

### BALANCE SHEET

- Total assets: R608,7 billion
- Tangible net asset value per share grew by 9,6%
- Strongly capital adequacy ratios (CAR)
  - Core Tier 1 CAR 10,7% (regulatory minimum 5,25%)
  - Tier 1 CAR 12,4% (regulatory minimum 7,00%)
  - Total CAR 15,2% (regulatory minimum 9,75%)

### LOW GEARING

- Loan to Deposit ratio: 95,5 %
- Total Assets to Shareholders Equity: 13,3 times

### 3. Quote from the Chief Executive on the 2011 Q3 Trading Update

*“The growth outlook for South Africa has become less certain given the potential for contagion from the northern hemisphere sovereign debt crisis with many countries starting to report slower growth.*

*Despite the uncertain trading conditions Nedbank Group continues to make good progress in growing its franchise and remains well placed to deliver diluted headline earnings per share growth for the year in excess of its medium-to-long term target.”*

*Mike Brown*

*Chief Executive*

Further detail on the Nedbank Group results can be found on the group website on [www.nedbankgroup.co.za](http://www.nedbankgroup.co.za)

## 4. Distribution footprint and client statistics

### OPERATIONAL STATISTICS

for the period ended

#### NEDBANK RETAIL

Classification of clients	Number of clients	Number of internet banking clients	Number of branches	Banking outlets including kiosks	Private bank suites	Roving sales
June 2011	5 015 470	521 207	454	147	18	71
December 2010	4 832 306	498 006	452	144	18	71

	Number of personal loans kiosks	Number of personal loans branches	POS devices enabled for cash back	Number of ATMs	Number of SSTs	Number of employees
June 2011	385	45	6 138	2 467	384	15 913
December 2010	320	43	6 419	2 283	384	15 473

#### NEDBANK CORPORATE

Classification of clients	Number of clients	Number of electronic banking clients/ profiles	Number of ATM's Africa	Number of locations/ branches	Number of employees
<b>June 2011</b>					
Corporate Banking (Turnover > R400m)	562	2 204		5	289
Property Finance	4 938			7	437
Africa	217 796	18 877	87	49	1 396
Other					1 505
<b>Total</b>	<b>223 296</b>	<b>21 081</b>	<b>87</b>	<b>61</b>	<b>3 627</b>
<b>December 2010</b>					
Corporate Banking (Turnover > R400m)	546	2 224		5	278
Property Finance	5 212			7	450
Africa	219 942	18 880	83	46	1 404
Other					1 479
<b>Total</b>	<b>225 700</b>	<b>21 104</b>	<b>83</b>	<b>58</b>	<b>3 611</b>

#### NEDBANK BUSINESS BANKING

Classification of clients	Number of clients*	Number of electronic banking clients/ profiles*	Number of locations/ branches	Number of employees
June 2011	15 039	13 156	62	2 409
December 2010	21 842	18 950	63	2 390

\* Client numbers are based on number of ACLM Groups and have been impacted year on year by changes in client segmentation rules and client migrations.

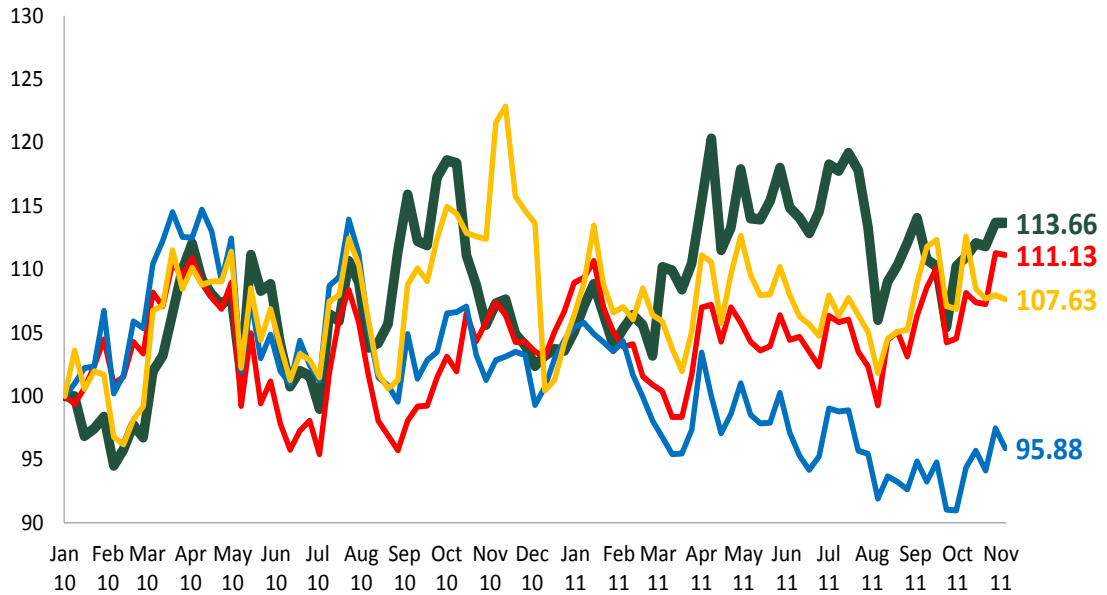
## 5. Ownership structure

### SHAREHOLDERS' ANALYSIS

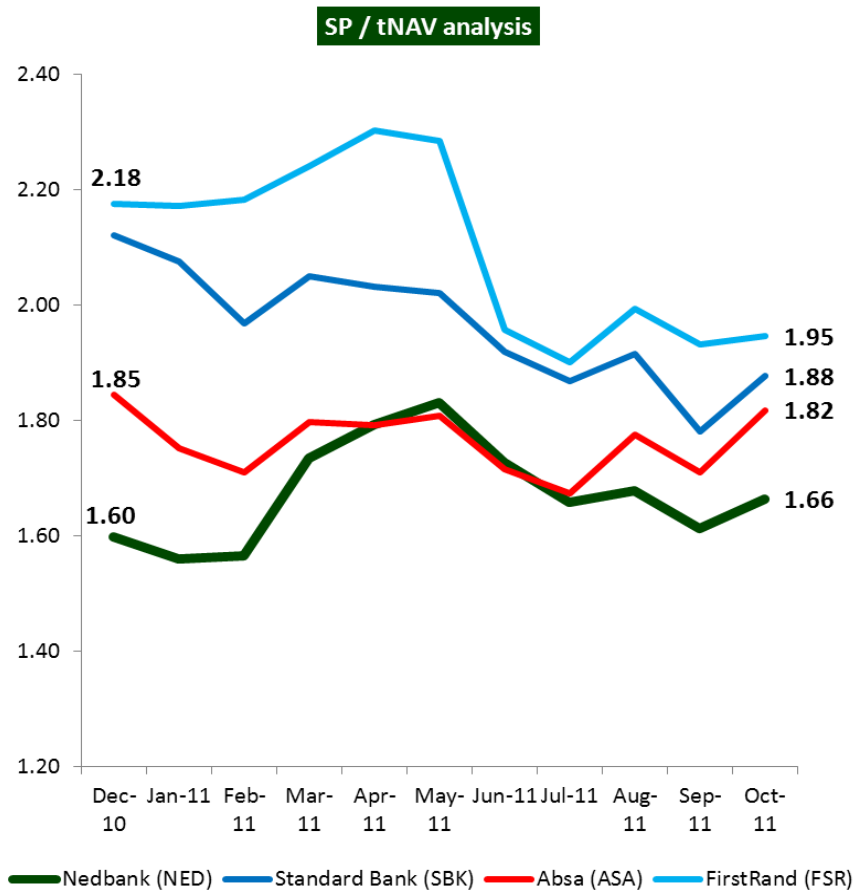
Register date:	30 June 2011
Authorised share capital:	600 000 000 shares
Issued share capital:	507 365 232 shares

	Number of shares	June 2011 % holding	June 2010 % holding	Dec 2010 % holding
<b>Major shareholders/managers</b>				
Old Mutual Life Assurance Company (South Africa) Limited and associates	263 139 014	51,86	51,50	51,37
Nedbank Group treasury shares	52 928 767	10,43	13,03	12,89
BEE trusts:				
– Eyethu scheme – Nedbank South Africa	24 713 013	4,87	7,78	7,69
– Omufima scheme – Nedbank Namibia	738 467	0,15	0,15	0,14
Nedbank Group (2005) Share Option, Matched Share and Restricted Share Scheme	12 482 546	2,46	2,17	2,14
Nedbank Group Limited and associates (Capital Management)	14 715 049	2,90	2,87	2,86
Nedbank Namibia Limited	47 512	0,01	0,01	0,01
NES Investments (Pty) Ltd	232 180	0,05	0,05	0,05
Public Investment Corporation (SA)	36 015 713	7,10	6,32	6,45
Lazard Asset Management (US and UK)	15 614 221	3,08	4,92	2,96
Coronation Fund Managers (SA)	13 759 273	2,71	2,63	2,74
Sanlam Investment Management (SA)	10 897 026	2,15	1,89	2,18
Government Institutions Pension Fund (NA)	6 594 276	1,30	1,36	1,38
BlackRock Inc (US and UK)	6 004 915	1,18	1,22	1,38
<b>Major beneficial shareholders</b>				
Old Mutual Life Assurance Company (South Africa) Limited and associates (SA)	263 139 014	51,86	51,50	51,37
Government Employees Pension Fund (SA)	42 721 285	8,42	7,62	7,63
<b>Geographical distribution of shareholders</b>				
Domestic	439 613 931	86,65	85,84	87,04
– South Africa	428 965 464	84,55	83,67	84,91
– Namibia	7 941 609	1,57	1,60	1,61
– Swaziland			0,02	0,03
– Unclassified	2 706 858	0,53	0,55	0,49
Foreign	67 751 301	13,35	14,16	12,96
– United States of America	43 890 815	8,65	9,39	8,66
– United Kingdom and Ireland	7 918 499	1,56	1,46	1,50
– Europe	4 812 168	0,95	1,55	1,14
– Other countries	11 129 819	2,19	1,76	1,66
	507 365 232	100,00	100,00	100,00

### 6. Share price performance



### 7. Price to tangible book (NAV)



## 8. Credit ratings

Fitch ratings	Nedbank Group Limited July 2011	Nedbank Limited July 2011
Individual	C	C
Support	2	2
<b>Foreign currency</b>		
Short term	F2	F2
Long term	BBB	BBB
Long-term rating outlook	Stable	Stable
<b>Local currency</b>		
Long-term senior	BBB	BBB
Long-term rating outlook	Stable	Stable
<b>National</b>		
Short term	F1+ (zaf)	F1+ (zaf)
Long term	AA – (zaf)	AA – (zaf)
Long-term rating outlook	Stable	Stable

### MOODY'S INVESTORS SERVICE

Moody's Investors Service (Moody's) reaffirmed the ratings of Nedbank Limited in July 2010.

Moody's Investors Service	Nedbank Limited July 2011
Bank financial-strength rating	C-
Outlook – financial-strength rating	Stable
Global local currency – long-term deposits	A2
Global local currency – short-term deposits	Prime-1
Foreign currency – long-term bank deposits	A3
Foreign currency – short-term bank deposits	Prime-2
Outlook – foreign currency deposit rating	Stable
National scale rating – long-term deposits	Aa2.za
National scale rating – short-term deposits	Prime-1.za
Outlook – national scale rating	Stable