

# GROUP AT A GLANCE

as at 30 June 2016

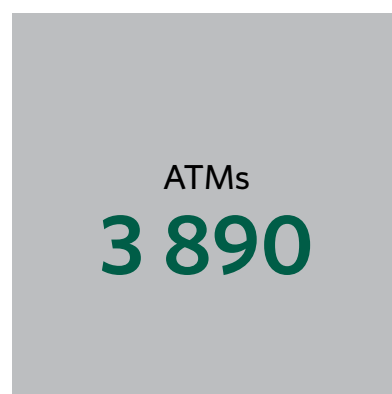
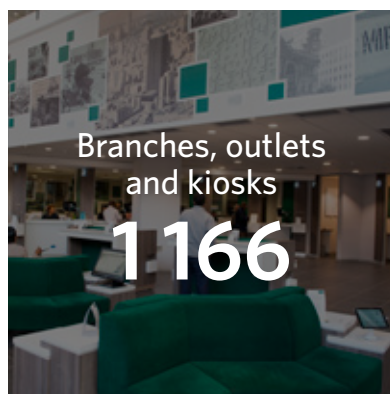
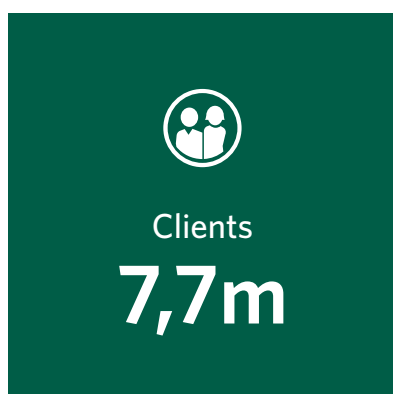
MAKE  
THINGS  
HAPPEN



## FINANCIAL HIGHLIGHTS



Six months ended	%	June 2016	June 2015
Headline earnings (Rm)	2,0	5 427	5 323
ROE (excl goodwill) (%)		15,7	17,3
Diluted HEPS (cents)	1,6	1 119	1 101
Interim dividend per share (cents)	6,1	570	537
Common-equity tier 1 capital ratio (%)		11,6	11,4
Advances (Rm)	6,9	693 332	648 844
Deposits (Rm)	7,4	741 712	690 495
NIR : Expenses (%)		83,0	83,1
NIM (%)		3,37	3,36
CLR (%)		0,67	0,77
Efficiency ratio (%)		57,1	55,8



## VERY STRONG PERFORMANCE FROM NEDBANK GROUP'S MANAGED OPERATIONS IN SA IN A DIFFICULT MACRO ENVIRONMENT

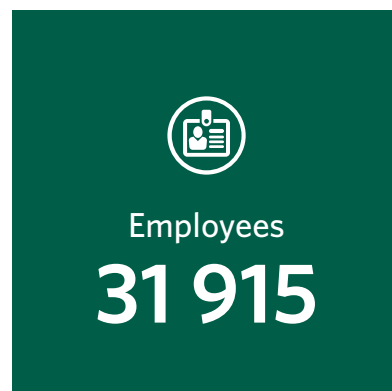
'Nedbank Group's managed operations, excluding Ecobank Transnational Incorporated (ETI), produced a very strong performance for the first six months of the year. Headline earnings growth was underpinned by strong revenue generation and an improved credit loss ratio of 67 basis points, while strengthening our portfolio impairment coverage ratios.

Our focus on growing our transactional banking franchise continues to unlock benefits. The integration of our CIB Cluster last year resulted in an enhanced client offering, which increased cross-sell activities. Our RBB Cluster made good progress in gaining clients through its innovative digital and other offerings, resulting in an increase of 7,3% in main-banked clients and an increase in the ROE from 15,9% to 18,3%. Our Wealth Cluster grew earnings strongly, with good performances from Private Wealth, Asset Management and Insurance.

Strong growth from our managed operations in SA was offset by a weak performance in the Rest of Africa and, in particular, the impact of equity accounting in Nedbank's first quarter (Q1) 2016 the associate income of our share of ETI's loss in its fourth quarter (Q4) 2015, as we have already reported on in our Q1 2016 performance update in May. ETI continues to navigate a difficult operating environment, and following its comprehensive review of processes and portfolios, which led to elevated impairment charges in Q4 2015, ETI has produced a much-improved performance in Q1 2016. We believe in the long-term growth potential of the Rest of Africa and remain supportive of ETI's management and board in their strategy to enhance the focus of the business on delivering a return on equity ahead of its cost of equity.

Our guidance for organic growth in diluted headline earnings per share for 2016 remains unchanged. We continue to expect positive growth in this metric, albeit that in the current economic environment this is expected to be lower than the growth we achieved in 2015 and below our medium-to-long-term target of the consumer price index plus GDP growth plus 5%.

**Mike Brown**  
Chief Executive



# KEY STRATEGIC FOCUS AREAS FOR GROWTH



Client-centred  
innovation



Grow our  
transactional  
banking franchise



Strategic  
portfolio tilt



Optimise and  
invest



Pan-african  
banking network

## A BANK FOR AFRICANS

Nedbank Group's primary market remains SA, however, we are continuing to expand into the rest of Africa. Outside SA we have a presence in six countries in the Southern African Development Community (SADC) and East Africa region where we own subsidiaries and banks in Namibia, Swaziland, Malawi, Mozambique, Lesotho, Zimbabwe, as well as representative offices in Angola and Kenya.

In West and Central Africa we have a partnership strategy and 20% shareholding in Ecobank Transnational Incorporated (ETI), enabling a unique one-bank experience to our clients across more than 2 000 branches in 39 countries.

Outside Africa we have presence in key global financial centres to provide international banking services for SA-based multinational and high-net-worth clients in the Isle of Man, Guernsey, Jersey and London, Toronto and Dubai (UAE).

### NEDBANK

- Nedbank existing presence
- Expansion opportunities



### ECOBANK

- Ecobank top three in country
- Ecobank other
- Ecobank representative offices



### NEDBANK CIB

- Investment banking deals
- Nedbank representative offices



## WHO LEADS US

### Non-executive Directors

V Naidoo (*Chairman*), MWT Brown\* (*Chief Executive*), DKT Adomakoh (*Ghanaian*), TA Boardman, BA Dames, ID Gladman (*British*), JB Hemphill, EM Kruger, PM Makwana, Dr MA Matooane, NP Mnexasana, RK Morathi\* (*Chief Financial Officer*), JK Netshitenzhe, MC Nkuhlu\* (*Chief Operating Officer*), S Subramoney, MI Wyman\*\* (*British*)  
Company Secretary: TSB Jali

### Group Executive

Mike Brown (*CE*), Mfundo Nkuhlu (*COO*), Raisibe Morathi (*CFO*), Brian Kennedy (*ME: Nedbank Corporate and Investment Banking*), Iolanda Ruggiero (*ME: Nedbank Wealth*), Ciko Thomas (*ME: Nedbank Retail and Business Banking*), Sandile Shabalala (*ME: Business Banking*), Thabani Jali (*GE: Enterprise Governance and Compliance, Group Company Secretary*), Fred Swanepoel (*CIO*), Trevor Adams (*CRO*), Abe Thebyane (*GE: Group Human Resources*), Thulani Sibeko (*GE: Group Marketing, Communication and Corporate Affairs*), Priya Naidoo (*GE: Strategic Planning and Economics*), Mike Davis (*GE: Balance Sheet Management*)

GE: Group Executive ME: Managing Executive

## AWARDS AND RECOGNITION

### The Banker

SA Bank of the Year 2015, 2014, 2013 and 2011

Africa Bank of the year 2015

## OUR BUSINESSES

## Our products and services

NEDBANK  
CORPORATE  
AND  
INVESTMENT  
BANKING

## Our clients

SA corporates, institutions and parastatals with a turnover of over R700m per annum.  
> 600 large corporate clients

Full suite of wholesale banking solutions, including investment banking and lending; global markets and treasury; commercial property finance; deposit-taking; and transactional banking.



## Our areas of strength and differentiation

- Leading industry expertise in infrastructure, mining and resources, oil and gas, telecoms and energy.
- Market leadership in commercial property finance and renewable-energy financing.
- Strong corporate banking relationships.

## Key metrics

Assets	R476,2bn
HE	R3 004m
ROE	21,3%

Brian Kennedy  
2 754 staff members

NEDBANK  
RETAIL AND  
BUSINESS  
BANKING

## Our clients

Individual clients, as well as businesses with an annual turnover of less than R700m per annum.  
> 7m retail and small-business clients  
> 22 000 business banking client groups

Full range of services, including transactional banking; card solutions; lending solutions; deposit-taking; risk management; investment products; and card-acquiring services for business.



## Our areas of strength and differentiation

- A leader in Business Banking, underpinned by an accountable, empowered, decentralised business service model.
- Leader in Corporate Saver deposits and debtor management.
- Strong positioning in household motor finance, household deposits and card acquiring.
- Nedbank won the 2015 Best African Retail Bank of the Year award at the 2016 Retail Banking Global Conference and Awards held in London in May this year.
- Nedbank was awarded the EFMA Accenture award for best global analytics and big data product and the Best analytics product in Africa from Asian Banker for its big data payment innovation, Market Edge™.

## Key metrics

Assets	R296,5bn
HE	R2 371m
ROE	18,3%

Ciko Thomas and  
Sandile Shabalala  
21 247 staff members

NEDBANK  
WEALTH

## Our clients

High-net-worth individuals as well as other retail, business and corporate clients.  
> 14 800 high-net-worth clients locally and internationally

Wide range of financial services, including high-net-worth banking and wealth management solutions, as well as asset management and insurance offerings.



## Our areas of strength and differentiation

- Integrated International high-net-worth proposition.
- Nedbank Private Wealth won numerous awards including being voted best UK Private Bank. Locally Nedbank Private Wealth ranked third overall in the 2016 SA's Top Private Banks and Wealth Managers Survey and achieved first place in the Entrepreneur category. At the Euromoney Awards Nedbank Private Wealth won first place for Philanthropic Advice, Social Impact Investing and Succession Planning.
- Unique Best of Breed™ asset management model.
- Nedgroup Investments won both the SA and offshore Asset Management Company of the Year awards for 2015 – Annual Raging Bull Awards.

## Key metrics

AUM	R256,3bn
HE	R614m
ROE	35,9%

Iolanda Ruggiero  
2 182 staff members

REST OF  
AFRICA

## Our clients

Retail, small and medium enterprises (SMEs), and business and corporate clients across the countries we operate in.  
> 275 000 retail clients

Full range of banking services, including transactional, lending, deposit-taking and card products.



## Our areas of strength and differentiation

- The Ecobank-Nedbank Alliance: Footprint across 39 countries; the largest in Africa.
- Representative offices in Angola and Kenya.
- Banco Único: Best Bank in Mozambique for the second consecutive year for excellence in service
- Banco Único: Award for best Internet Banking in Mozambique (2015 and 2016)
- Nedbank Namibia: Best Customer Service bank in Namibia (2014 and 2015)
- Nedbank Malawi: Best Customer Service and Internet bank in Malawi in 2015

## Key metrics

Assets	R32,7bn
HE	-R550m
ROE	-15,2%

Mfundo Nkuhlu  
1 935 staff members

## OUR PERFORMANCE

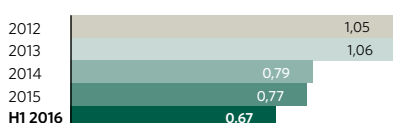
Advances (Rbn) 6,1% CAGR



NIR:Expenses (%) - 140 bps



CLR (%) - 38 bps



NIM (%) - 16 bps



Deposits (Rbn) 6,7% CAGR



Efficiency ratio (%) + 150 bps



## OUR DISTRIBUTION NETWORK

Branches



Banking outlets



Number of ATMs



## SHAREHOLDING



Major shareholders (%)

OMLACSA	54,05
Nedbank treasury	3,54
Coronation	6,85
PIC	6,15
Allan Gray	4,31
Lazard	3,16
Dimensional	1,61
BlackRock	1,47
GSIC	1,36
Vanguard	1,27

## CREDIT RATINGS

	Short term	Long term	Outlook
<b>MOODY'S</b>			
Foreign currency	Prime-2	Baa2	Negative
Local currency	Prime-2	Baa2	Negative
National	Prime-1.za	Aa1.za	Negative
<b>STANDARD &amp; POOR'S</b>			
Foreign currency	A-3	BBB-	Negative
Local currency	A-2	BBB+	Negative
National	ZaA-1	ZaAA-	Negative

## FINANCIAL CALENDAR 2016

Annual results	2 March
First-quarter trading update	5 May
Annual general meeting	5 May
Interim results	3 August

## MARKET INFORMATION

Date of incorporation	1966
Share code	NED
Registration no	1966/010630/06
ISIN	ZAE000004875

## INVESTOR RELATIONS

**Alfred Visagie**  
+27 (0) 11 295 6249  
alfredv@nedbank.co.za

**Penny Himlok**  
+27 (0) 11 295 6549  
pennyh@nedbank.co.za

**Deputy Group Company Secretary**  
**Jacqueline Katzin**  
+27 (0) 11 294 9107  
jackiek@nedbank.co.za