

Ned 11 Tier II Bond

August 2007

GROW



MAKE THINGS HAPPEN

NEDBANK
GROUP

A Member of the  OLD MUTUAL Group

Team Contact Details



● Nedbank Ltd

- | | | |
|-----------------|------------------------------------|--------------|
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| - Markus Borner | Head: Strategic Capital Management | 011 295 8616 |
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● Nedbank Capital

- | | | |
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| - Jason Hall | Debt Origination Transactor | 011 535 4027 |
| - Terry Eichhoff | Head: Placement & Distribution | 011 535 4027 |

● Citi

- | | | |
|-------------------|------------------------------------|--------------|
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● Nedbank Group Investor Relations

- | | | |
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| - Don Bowden | Tier 1 Investor Relations | 021 702 3102 |
|--------------|---------------------------|--------------|

- Introduction
- Financial Overview
- Liquidity & Credit Update
- Capital Management Update
- Instrument Details

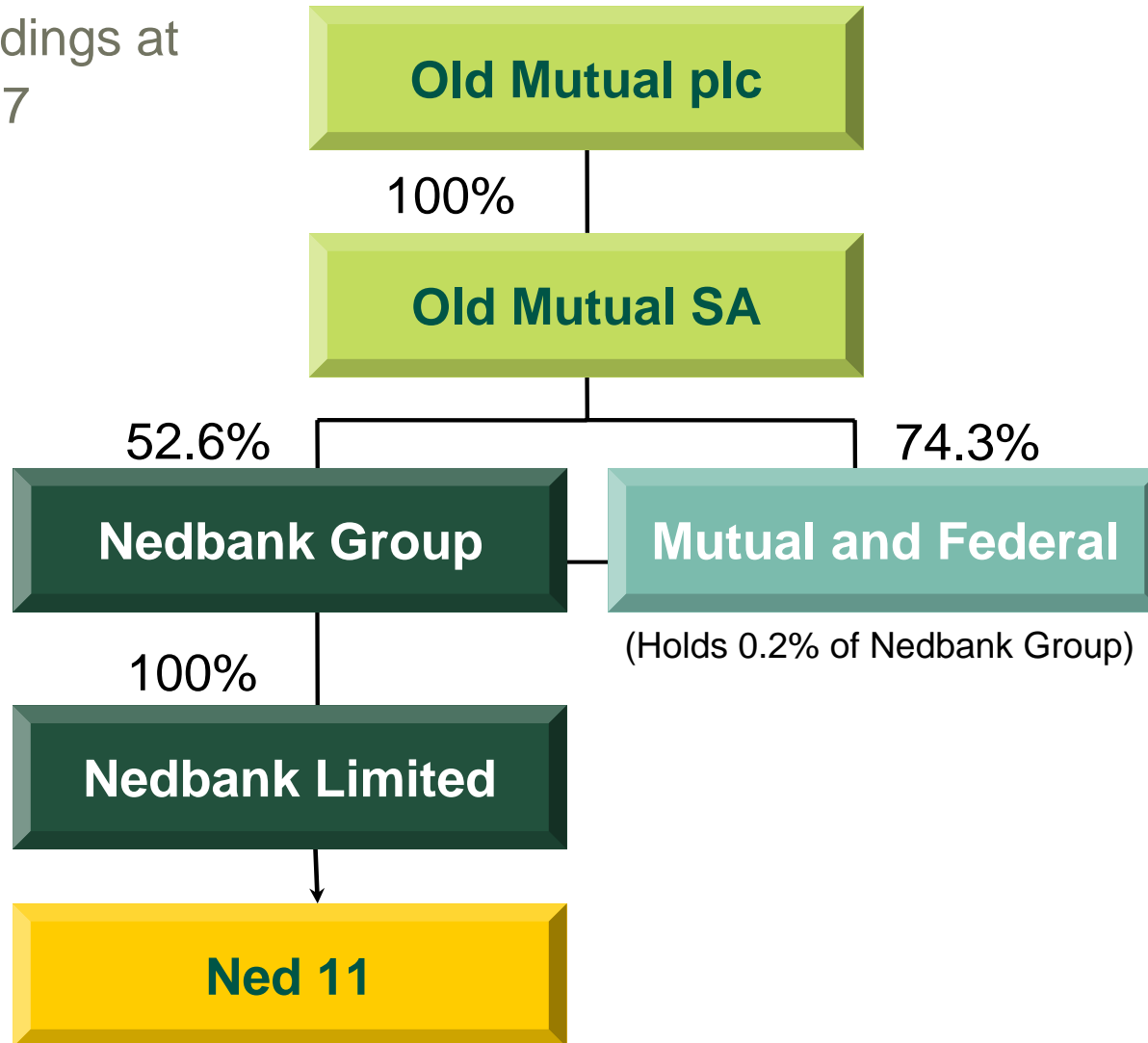
The word 'GROW' is written vertically in large, bold, green letters. Each letter is filled with a close-up image of green grass blades, symbolizing growth and nature.

- Support organic balance sheet growth
- Appropriate maturity profile for debt capital
- Part of capital structure and mix optimisation

... part of ongoing active capital management

Group Organisational Structure

Effective holdings at
30 June 2007



... Old Mutual remains key controlling shareholder

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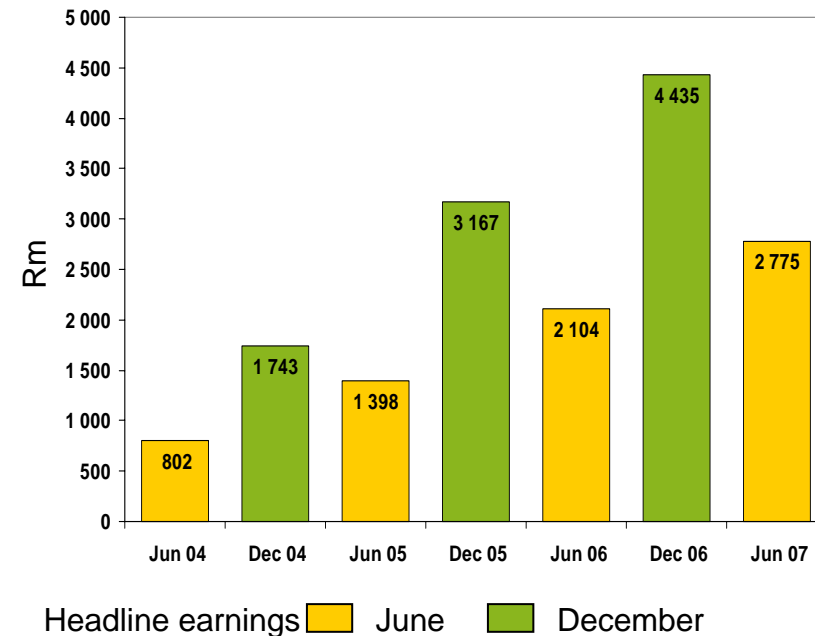
- Headline earnings up 31,9%
- ROE up – 18,3% to 21,2%
- ROE excluding goodwill up to 24,7%
- Efficiency ratio improved from 56,9% to 55,2%
 - Revenue growth of 18,5%
 - Expense growth of 14,9%
- Strong growth from Retail & Corporate
- Advances growth of 17,5% to R335bn

A large graphic of the word 'GROW' in a bold, green, sans-serif font. The letters are filled with a vertical texture of green grass blades. The graphic is positioned on the right side of the slide, partially enclosed by a large, light green circular arc.

*... highlights continuing momentum
of Nedbank & banking sector*

Continuing to grow

- Net primary client growth across all businesses
- Public sector client gains
- Advances market share gains
- Distribution rollout progressing well
- Enhanced focus on transformation
- Aligned strategy with Old Mutual delivering results



... strategy gaining traction

Key Financial Indicators

Six months ended	% change	Jun 2007	Jun 2006
Headline earnings (Rm)	31,9	2 775	2 104
Headline EPS (cents)	34,1	700	522
Diluted HEPS (cents)	32,2	673	509
ROE (%)		21,2	18,3
ROE (excluding goodwill) (%)		24,7	21,8
ROA (%)		1,26	1,16
Margin (%)		3,90	3,91
Credit loss ratio (%)		0,63	0,61
Efficiency ratio (%)		55,2	56,9
Total assets (Rbn)	21,1	461	381
Tangible NAV per share (cents)	19,8	5 661	4 726
Group capital adequacy (%)		12,4	13,3
Interim dividend per share (cents)	48,3	310	209

Income Statement

Rm – six months ended	% ch	Jun 2007	Jun 2006
Net interest income	30,3	6 568	5 039
Impairments charge	26,1	(1 016)	(806)
Income from lending activities	31,2	5 552	4 233
Non-interest revenue	5,3	4 742	4 502
Total expenses	14,9	(6 238)	(5 427)
Indirect taxation	(14,2)	(133)	(155)
Associate income	>100	179	59
Headline profit before taxation	27,7	4 102	3 212
Direct taxation	21,8	(1 038)	(852)
Minorities & preference shares	12,9	(289)	(256)
Headline earnings	31,9	2 775	2 104
Capital items	(89,6)	23	222
Attributable income	20,3	2 798	2 326

Segmental Performance

		Headline earnings		ROE	
Rm – six months ended % ch		Jun 2007	Jun 2006	Jun 2007	Jun 2006
Nedbank Capital	(5,4)	545	576	33,4	30,6
Nedbank Corporate	28,6	1 541	1 198	22,5	21,7
Nedbank Retail	34,5	956	711	24,7	24,2
Imperial Bank	20,2	107	89	24,3	24,6
Operating units	22,3	3 149	2 574	23,7	23,3
Shared services		20	(82)		
Central management		(394)	(388)		
Total	31,9	2 775	2 104	21,2	18,3

NII - Margin Analysis

% of daily average interest-earning banking assets	%	Rm
December 2006	3,94	10 963
H1 2007 asset growth		2 438
Net endowment effect	0,15	527
Current & savings accounts margin uplift	0,18	622
Squeeze due to cost of funds increase	(0,12)	(406)
Balance sheet composition & competitive pricing	(0,20)	(729)
Mix change in personal loans	(0,05)	(170)
June 2007 annualised	3,90	13 245

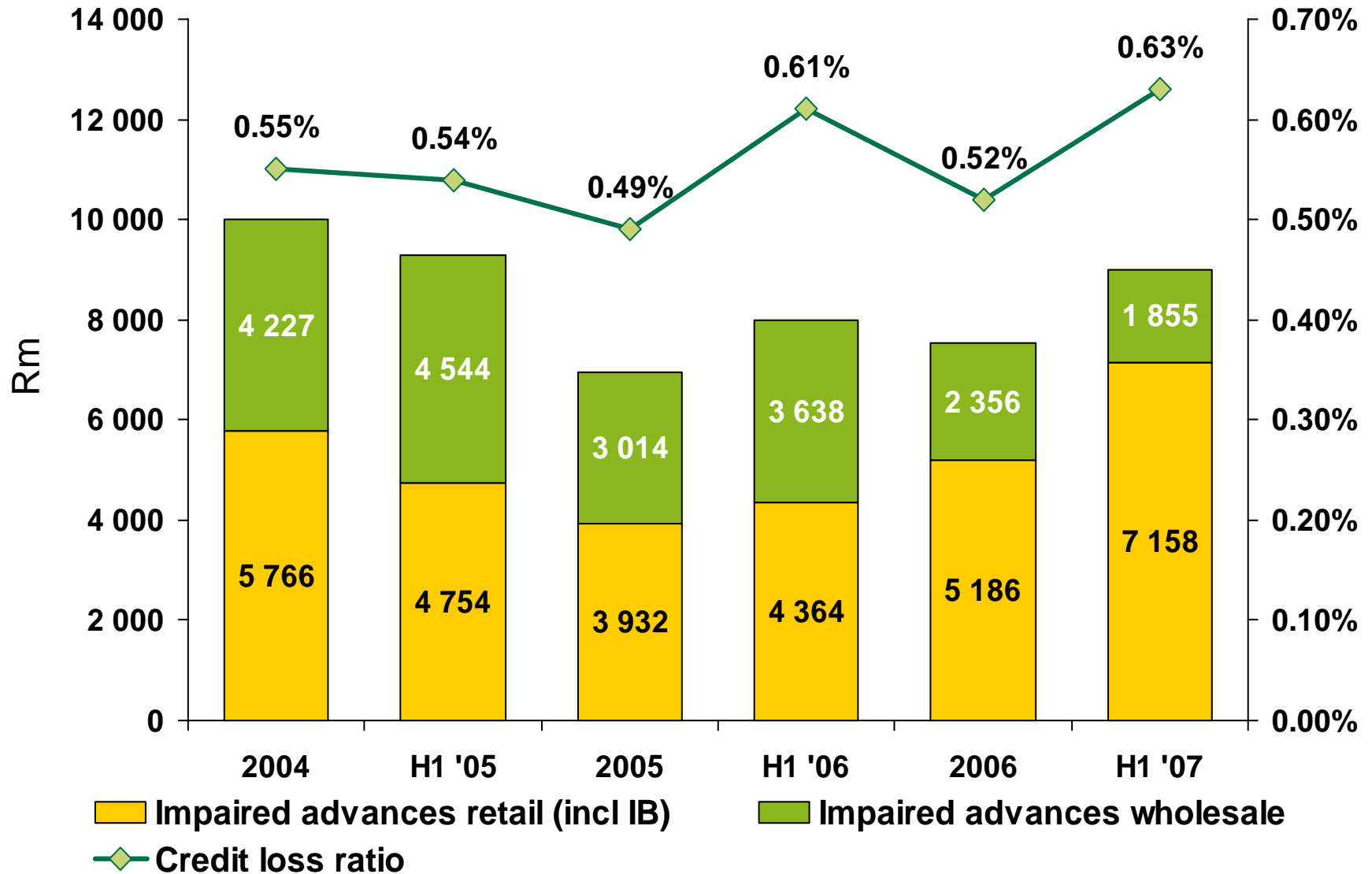
Note: description of movement in interim margin & not a forecast of NII for 2007

Impairments Charge

Rm – six months ended	Average advances split (%)	Jun 2007	Jun 2006
Impairments charge		1 016	806
As % of NII (%)		15,5	16,0
As % of average advances (%)	100,0	0,63	0,61
Nedbank Capital	12,7	(0,10)	0,90
Nedbank Corporate	42,4	0,11	0,07
Nedbank Retail	35,8	1,35	1,12
Personal loans		10,41	11,57
Other retail advances		0,89	0,74
Imperial Bank	9,1	1,18	0,85

... within target ranges

Impairment Trends



Non-interest Revenue

Rm – six months ended	% change	Jun 2007	Jun 2006
Commission & fees	12,9	3 541	3 137
Net trading income	(41,2)	521	886
Exchange & non-interest dealings	>100	405	147
Investment income	(47,6)	43	82
Rental income	8,7	25	23
Foreign currency translation gains		-	3
Sundry income	(7,6)	207	224
Non-banking subsidiaries	1,6	129	127
Other	(19,6)	78	97
Total NIR	5,3	4 742	4 502

*... strong fees & commissions
but trading revenues disappointing*

Expenses

Rm – six months ended	% change	Jun 2007	Jun 2006
Staff costs	19,0	3 323	2 793
Computer processing	12,4	787	700
Accommodation	10,6	492	445
Marketing & PR	24,0	382	308
Fees & insurance	5,0	650	619
Alliance partner fees	>(100)	(6)	20
Other	11,1	529	476
Operating expenses	14,8	6 157	5 361
BEE	22,7	81	66
Total expenses	14,9	6 238	5 427

... appropriate discipline

Balance Sheet

Rm	Annualised % change	Jun 2007	Dec 2006
Cash & securities	13,7	71 835	67 258
Advances	17,5	335 340	308 563
Investments		9 414	8 062
Property & equipment		3 460	3 377
Computer software		1 260	1 266
Goodwill		3 703	3 695
Derivatives		9 446	15 273
Other		26 374	17 418
Total assets	17,0	460 832	424 912
Ordinary shareholders' equity	19,8	27 585	25 116
Minorities & preference shareholders	29,3	4 889	4 272
Deposits	19,8	356 640	324 685
Derivatives		11 636	12 904
Long-term debt instruments	59,4	11 028	8 518
Other		49 054	49 417
Total equity & liabilities	17,0	460 832	424 912

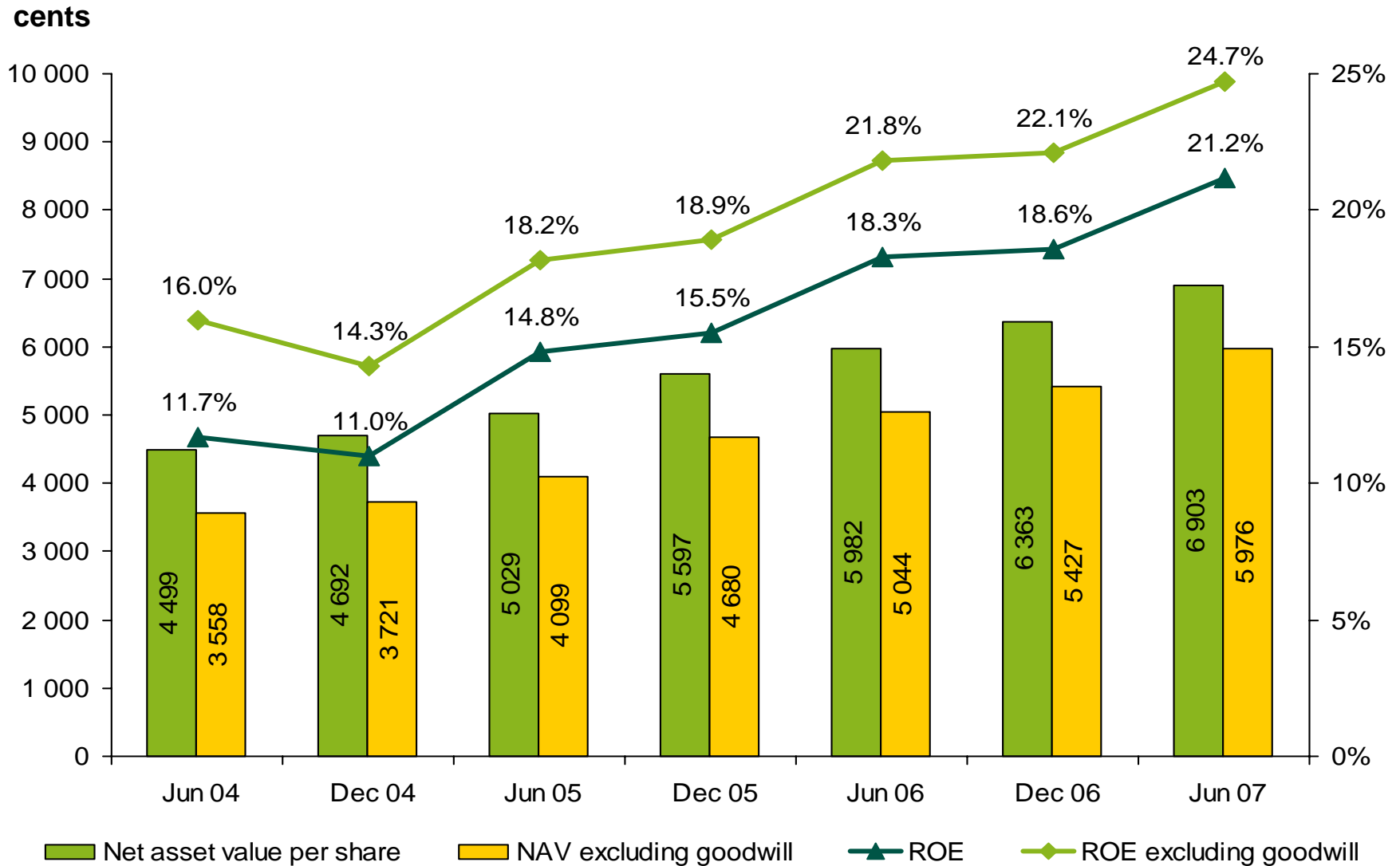
Rm	Annualised % change	Jun 2007	Dec 2006
Home loans	26,8	112 113	98 944
Commercial mortgages	28,1	52 645	46 212
Properties in possession	29,2	150	131
Credit cards	49,2	6 573	5 283
Overdrafts	11,9	14 575	13 761
Overnight loans	(18,8)	15 769	17 392
Foreign currency lending	(40,6)	13 835	17 324
Other loans to clients	19,6	24 249	22 099
Leases & instalment debtors	20,8	47 822	43 358
Preference shares & debentures	43,6	8 317	6 840
Reverse repurchase agreements	(36,0)	5 505	6 703
Trade & other bills	(17,2)	1 603	1 752
Term loans	22,4	37 713	33 948
Impairment of advances	13,4	(5 529)	(5 184)
	17,5	335 340	308 563

Deposits

Rm	Annualised % change	Jun 2007	Dec 2006
Current accounts	5,3	42 444	41 349
Savings accounts	10,6	14 080	13 374
Term deposits	21,9	225 136	203 094
Credit card balances	1,2	853	848
Foreign currency liabilities	42,8	11 234	9 267
NCDs	42,3	55 070	45 518
Deposit repurchase agreements	(61,2)	7 823	11 235
	19,8	356 640	324 685

... liquidity remains strong

Value Metrics



Performance achieved while:

- Gaining market share
- Increasing brand awareness
- Reducing fees
- Enhancing core banking platforms, systems & processes
- Rolling-out our distribution foot print
- Implementing NCA & Basel II
- Achieving positive shifts in staff commitment & values

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- Slower retail / good wholesale advances growth
- Margin pressure from funding & asset mix offset by endowment
- Prudent credit risk management but increasing impairments
- Positive NIR growth impacted by continued fee pressure
- Improved Trading Income
- Maintain strong cost discipline & extract synergies with Old Mutual

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Group Targets

Short-term 2007 targets	ROE	20%
	Efficiency ratio	55%

Medium to long-term targets post 2007	Jun 07	
ROE > 20% & ROE (excl goodwill) 10% above monthly weighted average cost of ordinary shareholders' equity	21,2% (24,7%)	✓
Efficiency ratio: < 55%	55,2%	✓
Growth in diluted HEPS: at least CPIX + GDP growth + 5%	32,0%	✓
Impairment charge: between 0,55% & 0,80% of avg advances	0,63%	✓
Basel II tier 1 CAR: 8,0% – 9,0% Basel II total CAR: 11,0% – 12,0%	N/A	On track
Economic capital - capitalised to a 99,9% confidence interval on economic capital basis (target debt rating A- + 15% buffer)	A-	✓
Dividend cover policy range of 2,25 to 2,75 times	2,25	✓

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Key Liquidity Messages

- Nedbank has no exposure to US sub-prime market
- Nedbank has limited committed liquidity facilities to conduits (R9.2 billion Synthesis and R600 million other)
 - Daily liquidity management of such facilities in place and no draw-downs to-date
- No undue liquidity concentrations and liquidity and funding maintained within approved liquidity limits
- No over-reliance on Top 10 liquidity providers
- Reliance on bearer documents within accepted market norm
- Interbank reliance normal and in line with market
- Funding capacity in foreign and securitised markets
- Declining relative retail deposits with more funding sourced from wholesale market

- Nedbank has committed liquidity facilities to Synthesis.
- Current programme size - R9,2 billion – only invest in AA- (zaf) / Aa3.za or better assets – approx. 70% of portfolio consists of AAA (zaf) / Aaa.za rated assets (the only dual rated SA conduit by two International Rating Agencies).
- A conservative approach to asset selection.
- The liquidity facilities are strictly managed and monitored within Nedbank's broader ALCO processes – with daily and weekly limits imposed.
- A general widening of spreads has been experienced, but there has been no impact on liquidity – Synthesis has been able to place all commercial paper, without having to draw down on liquidity facilities.

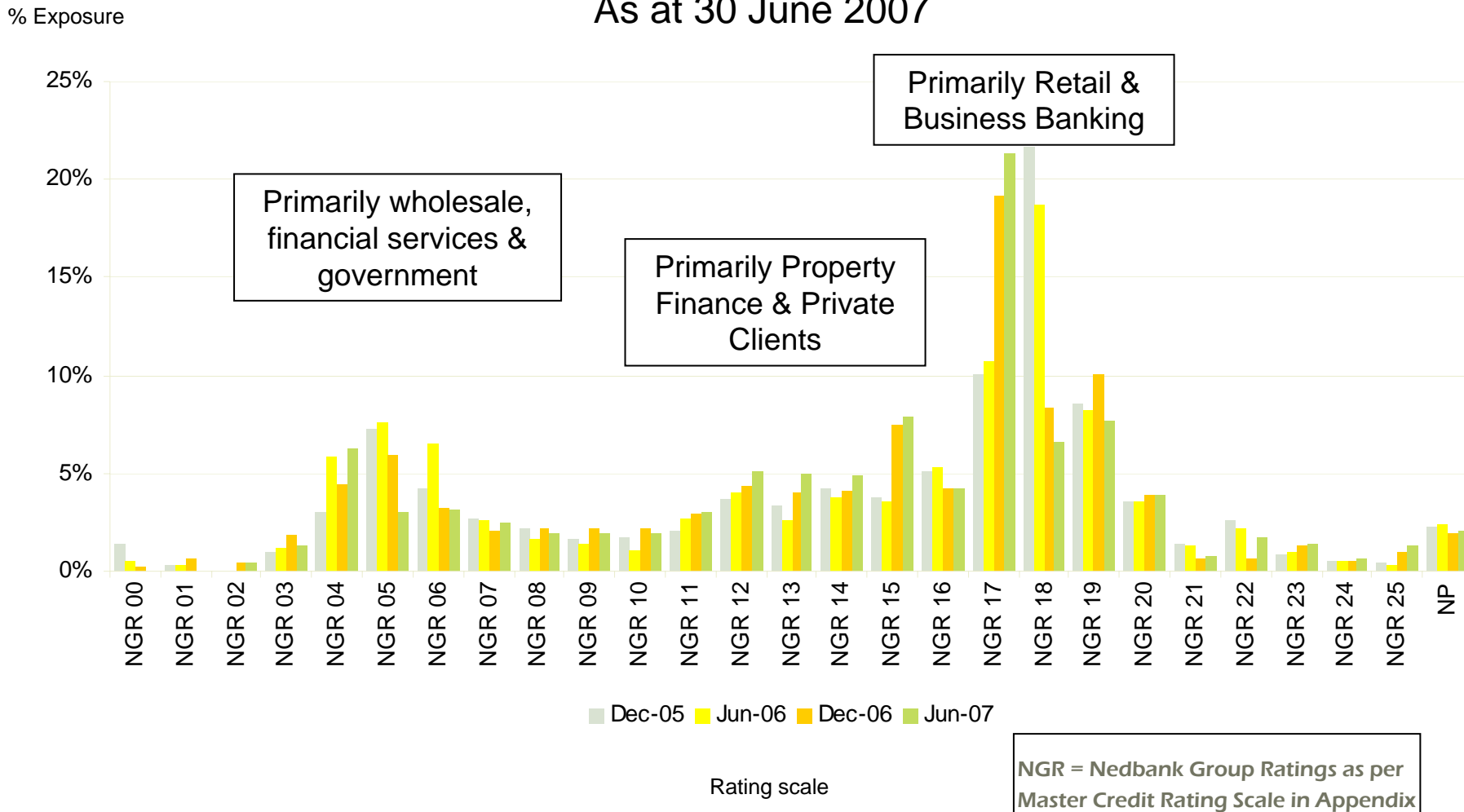
- Growth and impairments in line with expectations
 - Wholesale credit growth on back of infrastructural spend
 - Slowing retail growth and increasing impairments
- No sub – prime exposure within Nedbank Group
- Credit Quality Messages
 - Weakening in retail over last 6 months
 - Strengthening in wholesale
 - Continuing refinement in credit measurements off a conservative base
- Economic Capital A – target rating plus 10 % buffer capitalisation remains extremely robust

- Small Business, Private Bank & BoE stable
- Deterioration across most products in middle & mass markets
- Main issue affordability
- Most criteria tightened in the last 18 months
 - Minimum income / Repayment to income / Scorecard cut-offs
- Scorecards rebuilt for Basel II & NCA
- New collections systems implemented in HL & current accounts
- Pricing for risk well entrenched
- Expect H1 credit loss ratio to stabilise in H2

Credit Risk Profile (exposure per PD)

Excludes collateral

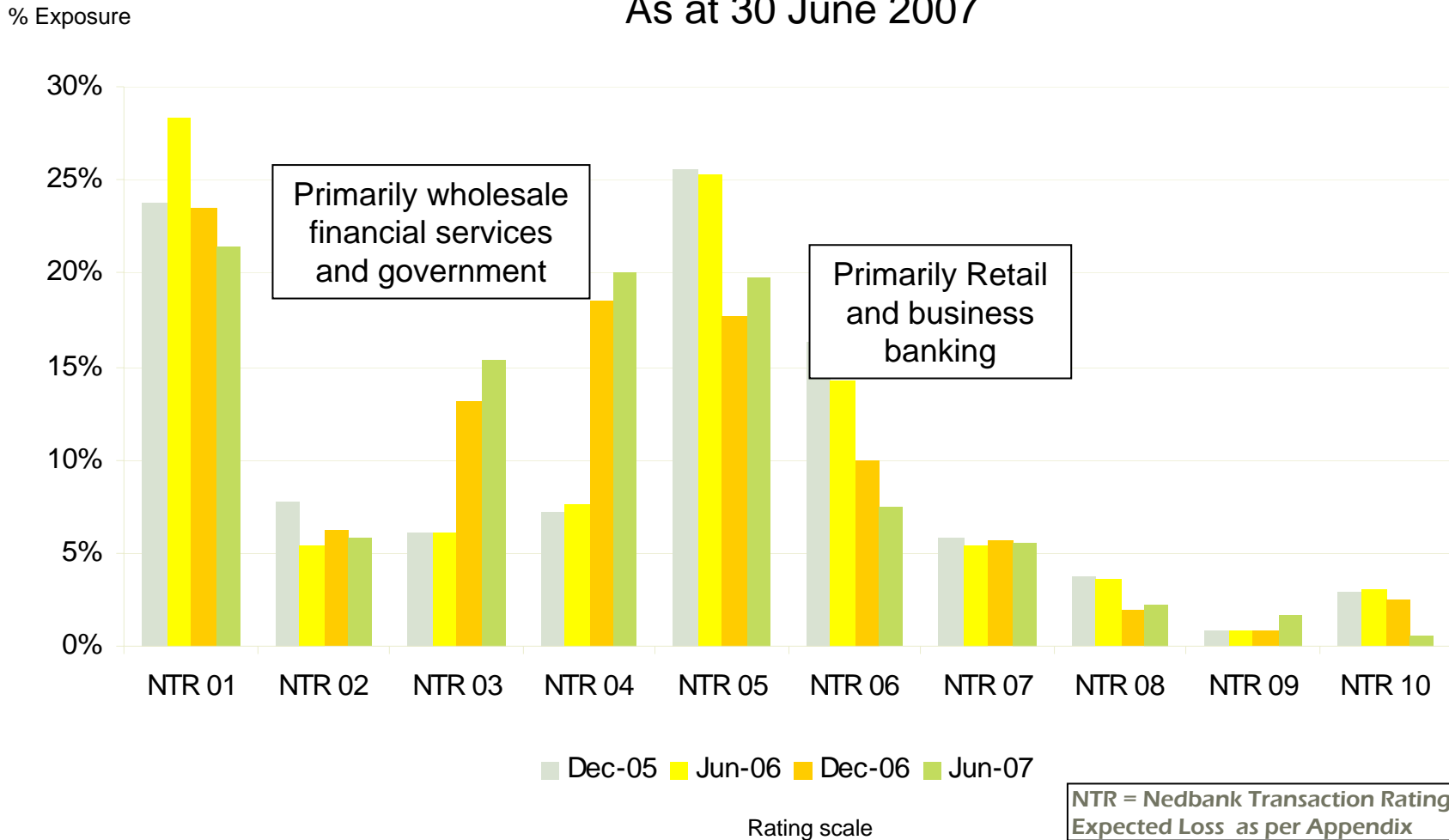
As at 30 June 2007



Credit Risk Profile (exposure per EL)

Includes collateral

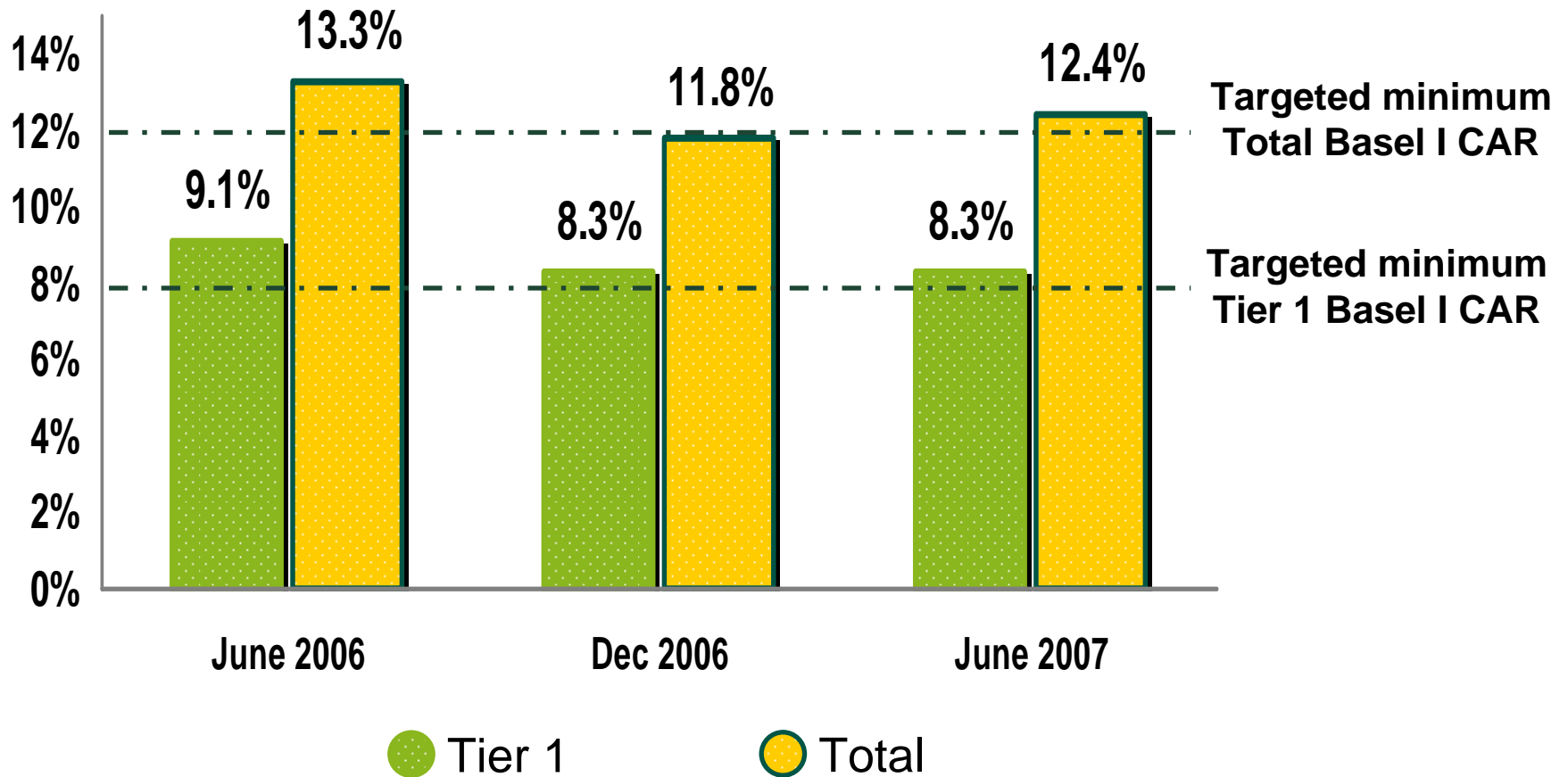
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Group Capital Adequacy



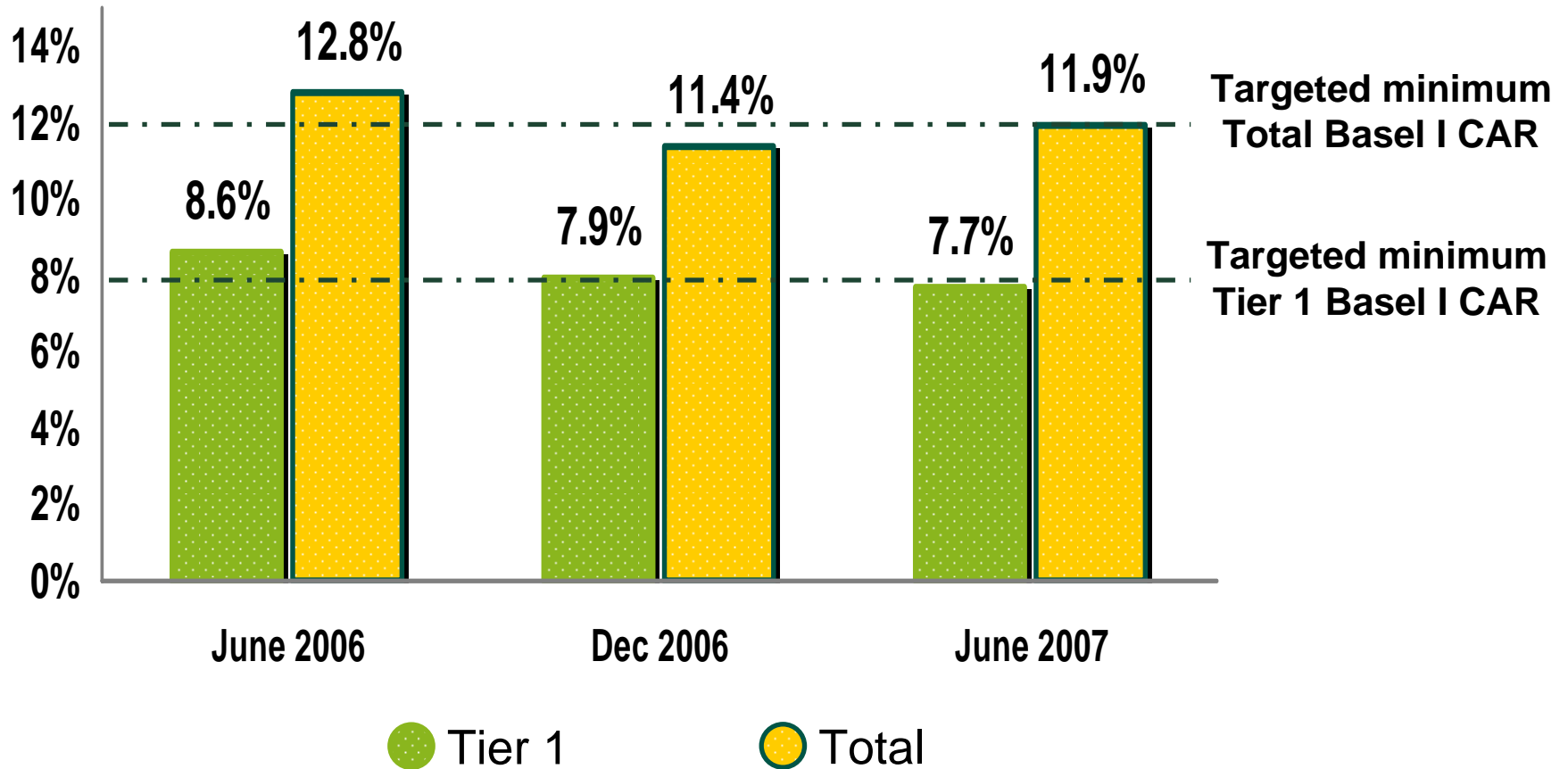
... capital in line with target levels

Capital Position – Nedbank Group



Regulatory capital (Rm)	Tier 1	Tier 2	Tier 3	Total	RW assets
31 December 2006	22 932	9 593	158	32 683	276 913
Group capital adequacy (%)	8,3	3,4	0,1	11,8	
Attributable income (excl FX)	2 952			2 952	
Ordinary dividend	(1 170)			(1 170)	
Currency impact	27			27	
Growth – risk-weighted assets					23 272
Capital raising / Scrip / Options exercised	916	2 650		3 566	
New preference share issue	361			361	
Tier 2 movements on qualifying provision		(6)		(6)	
Tier 3 non-qualification			(31)	(31)	
Capital reduction – buyback	0			0	
Profits not appropriated	(539)			(539)	
IFRS reserve movements & Other	(627)	97		(530)	
30 June 2007	24 852	12 334	127	37 313	300 186
Group capital adequacy (%)	8,3	4,1	0,0	12,4	

Nedbank Ltd Solo Supervision Capital Adequacy



... capital in line with target levels

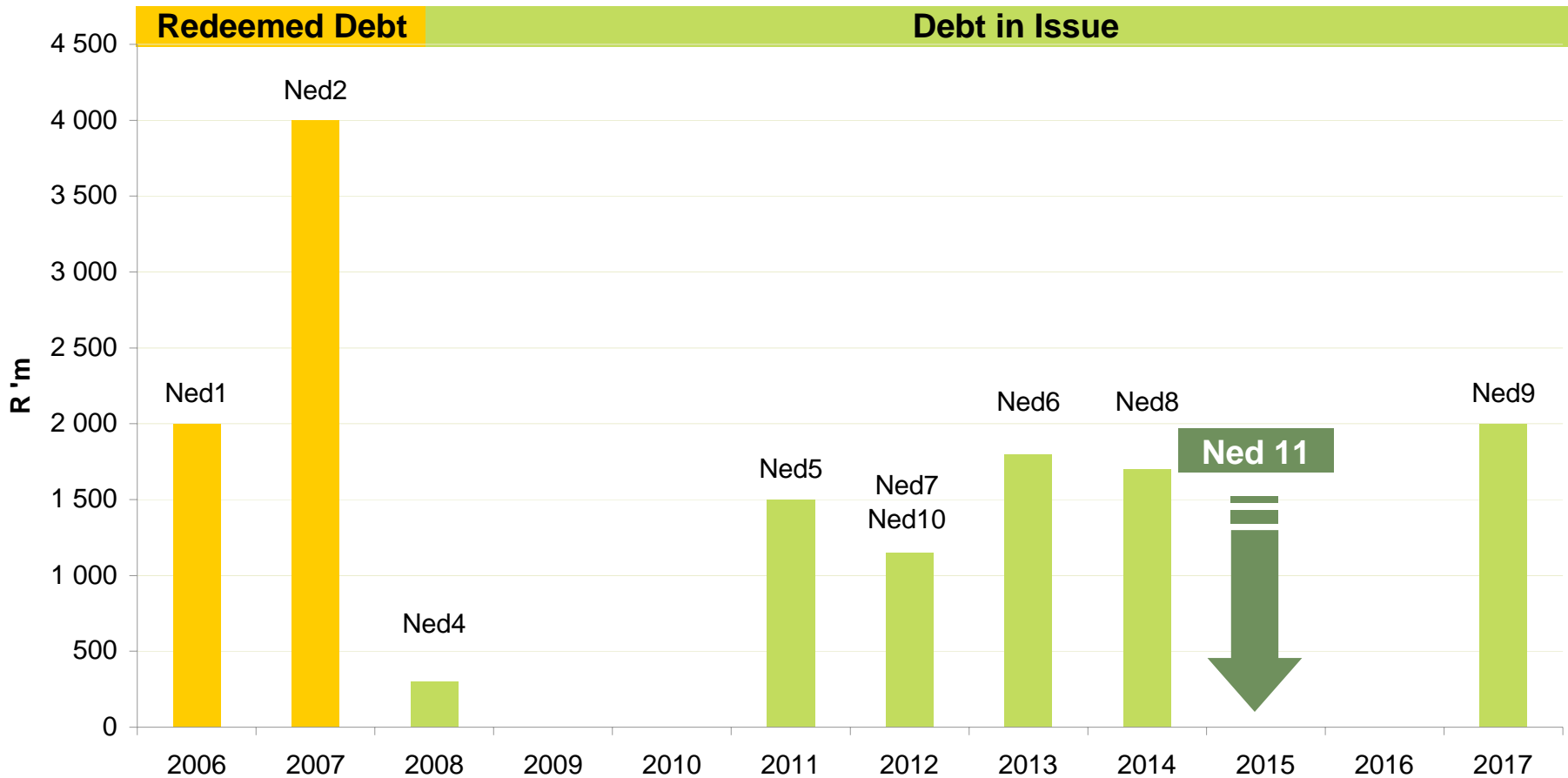
Capital Position – Nedbank Ltd

Solo Supervision



Regulatory capital (Rm)	Tier 1	Tier 2	Tier 3	Total	RW assets
31 December 2006	18 971	8 228	173	27 372	240 307
Nedbank capital adequacy (%)	7,9	3,4	0,1	11,4	
Attributable income (excl FX)	1 822			1 822	
Ordinary dividend	(624)			(624)	
Growth – risk-weighted assets					19 354
Capital raising		2 650		2 650	
New preference share issue	361			361	
Tier 2 movements on qualifying provision		65		65	
Tier 3 non-qualification			(50)	(50)	
IFRS reserve movements	(66)			(66)	
Impairments Movements	(232)			(232)	
Profits not appropriated	(426)			(426)	
Other adjustments		0		0	
30 June 2007	19 939	10 943	123	31 004	259 661
Nedbank capital adequacy (%)	7,7	4,2	0,0	11,9	

Subordinated Debt Maturity Profile



... create Nedbank yield curve & diversify internationally

- **Nedbank Limited**

- Perpetual preference share issue of R364,4 million
- Rating upgrades: CA-Ratings, Moody's & Fitch

- **Nedbank Group Limited**

- Cash dividend vs capitalisation award, H1 2007 dividend is a scrip alternative
- s38 promulgated, awaiting effective date

- **Basel II on track**

- Nedbank Limited
 - Conditional approval for AIRB approach for credit risk
 - Conditional approval for standardised for operational risk
- Imperial Bank Limited
 - Conditional approval for standardised for operational risk
- Capital adequacy - projections remain strong

- **R2bn Imperial Bank asset securitisation**

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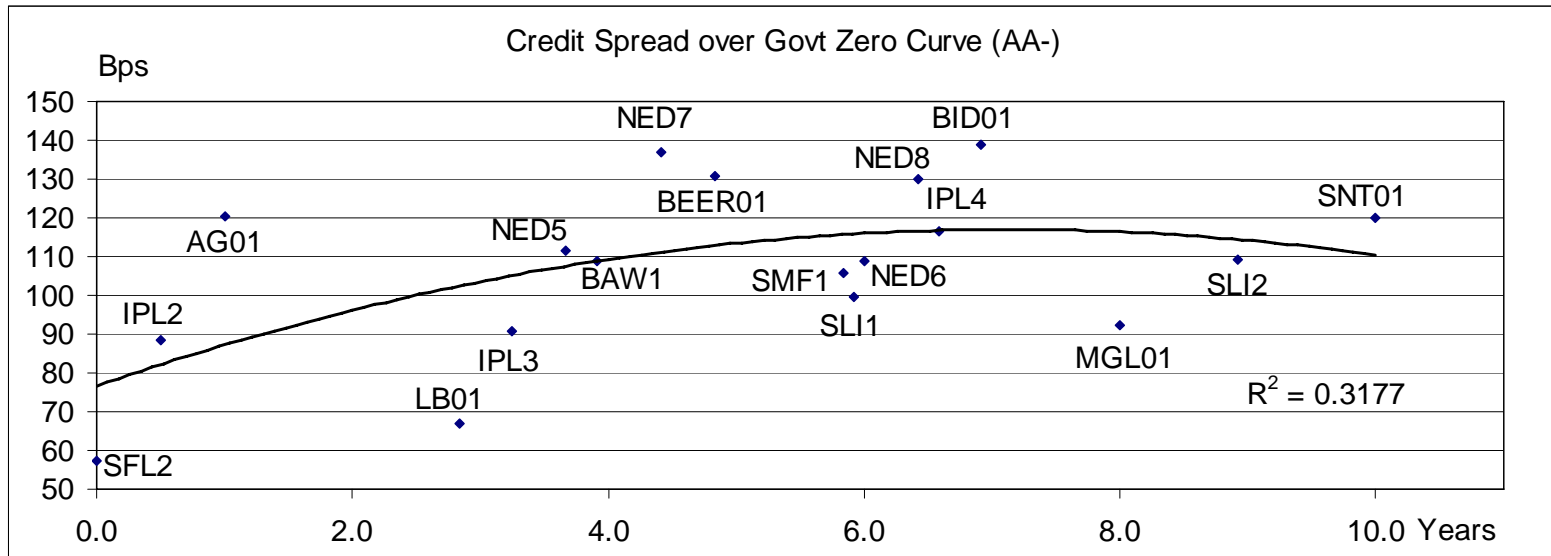
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- Subordinated debt issued by Nedbank Ltd - existing R15 bn listed DMTN programme (currently being increased from R 10 bn)
- Intention to issue a R 1 – 1.5 bn, with SARB approval in place to issue up to R 2bn
- Ned 11
 - Term
 - Legal maturity: 13 years
 - Call date: 8 years after issue date
 - Benchmark : R157
- Fixed rate semi-annual coupon in arrears
- Step up rate at call date of 100bps plus initial margins
- Banks Act Section 79 approval obtained
 - R 1 bn in terms of existing authority
 - R 1 bn in terms of expected additional authority

Ratings

	Nedbank Limited	
	December 2006	June 2007
Fitch		
Foreign currency		
Short-term	F3	F2
Long-term	BBB	BBB+
Long-term rating outlook	Positive	Stable
Local currency		
Long-term senior	BBB+	BBB+
Long-term rating outlook	Stable	Stable
National		
Short-term	F1+ (zaf)	F1+ (zaf)
Long-term	AA- (zaf)	AA- (zaf)
Moody's		
Global local currency long-term deposits	A1	Aa3
Global local currency short-term deposits	Prime-1	Prime-1
Foreign currency – long-term bank deposits	Baa1	Baa1
Foreign currency – short-term bank deposits	Prime-2	Prime-2
National scale rating	Aa2.za	Aa1.za
Outlook - deposits	Positive	Positive

Relative Value Chart as at 22 August 2007



Source: BESA & Nedbank (22 August 2007)

Nedbank Bond	Maturity	Spread over Gov
NED5	24 April 2011	112bps
NED6	20 Sept 2013	108bps
NED7	08 Feb 2012	137bps
NED8	08 Feb 2014	130bps

NOTE: Price guidance will be provided prior to bookbuild

- Citi appointed as manager & dealer on NED 11 bond issue
 - Market-making is Citi's primary role
 - Indicative bid/offer terms ⁽¹⁾:
 - NED11
 - 7 bps in R5mn notional
 - 12 bps in R10mn notional
 - >R10m by negotiation
 - Citi's commitment is subject to changes in market conditions &/or material changes in Nedbank's financial condition, as determined in our sole discretion
- (1) Government bond primary dealer obligations limited to 5bps bid/offer in R5m. Citi's ability to provide 2-way bid/offer quotes subject to availability of stock
- Citi indicative pricing & contact details - Reuters Page CITISAFI

Roadshow

27-29 August 2007

Bookbuild launch & pricing

12 Sept 2007 (09h00 - 11h30)

Bookbuild hotline

(011) 535 4027

Bookbuild contacts

Terry / Lucille / Trish

Key bookbuild points

- Price guidance will be provided prior to bookbuild
- No feedback within first hour and early bidders preferred (Limited feedback after 10am)
- Staggered bids welcome
- Bids over R157
- Bonds allocated at same clearing spread

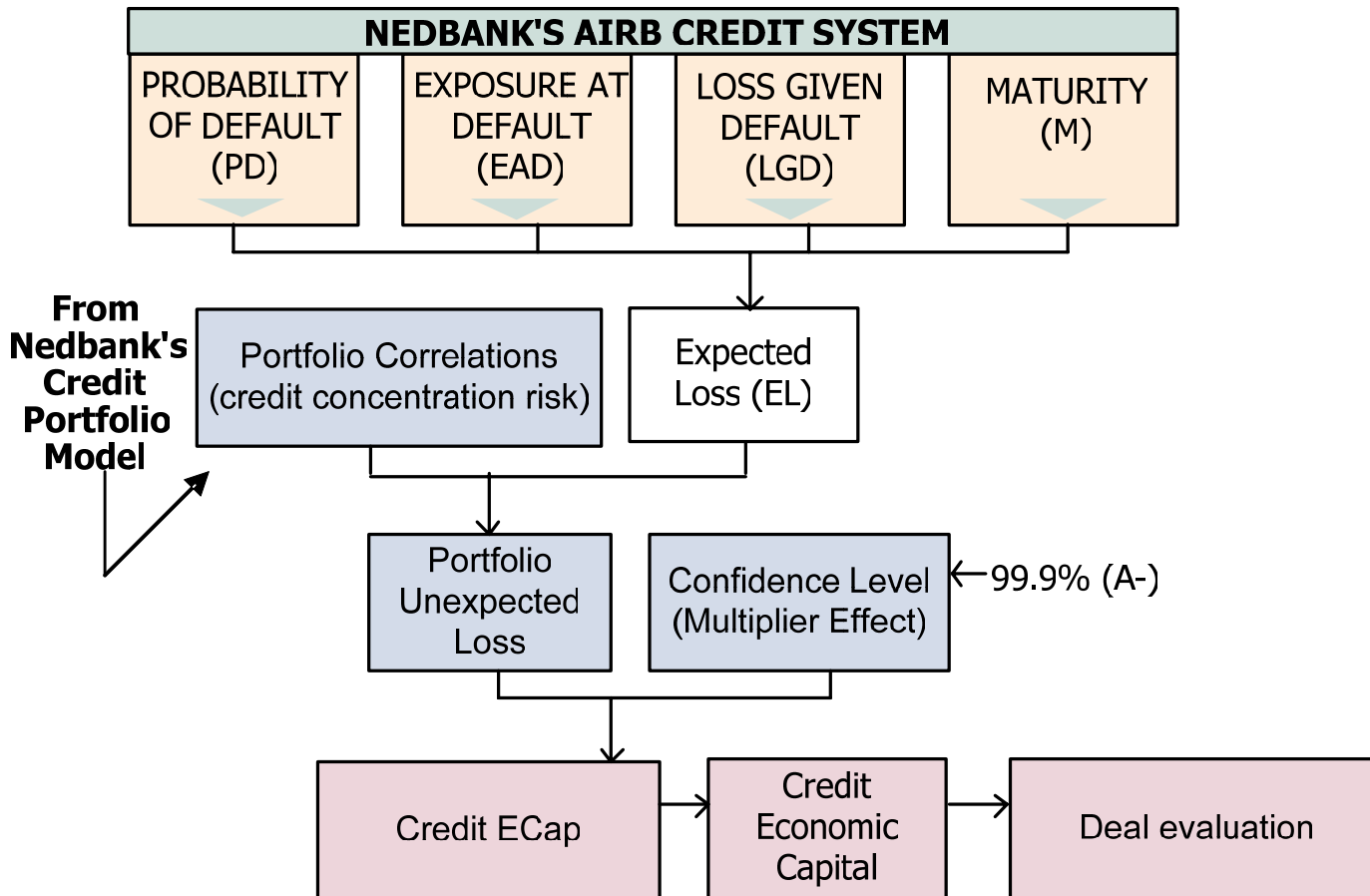
A separate document is enclosed detailing the bookbuild methodology and allocation policy

Appendix



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AIRB credit risk methodology



Key Factors affecting Credit Risk and Economic Capital requirements	
PD	Credit rating
EAD	Exposure
	Limits
LGD	LTV
	Collateral quality
	Recovery rates
Concentration	Customer
	Sector

Master credit rating scale – Nedbank Group



Rating Category	Rating Class	PD (bp)	Lower Bound	Upper Bound	Corresponding S&P grade*
Performing	NGR00	0	-	-	
	NGR01	1	-	1.2	AAA
	NGR02	1.4	1.2	1.7	AA+
	NGR03	2	1.7	2.4	AA
	NGR04	2.8	2.4	3.4	AA-
	NGR05	4	3.4	4.8	A+
	NGR06	5.7	4.8	6.7	A+ to A
	NGR07	8	6.7	9.5	A to A-
	NGR08	11.3	9.5	13.5	A- to BBB+
	NGR09	16	13.5	19	BBB+
	NGR10	22.6	19	27	BBB+ to BBB
	NGR11	32	27	38	BBB to BBB-
	NGR12	45.3	38	54	BBB-
	NGR13	64	54	76	BBB- to BB+
NGR14	90.5	76	108	BB+ to BB	

* International Rating Scale

Master credit rating scale – Nedbank Group (cont.)

Rating Category	Rating Class	PD (bp)	Lower Bound	Upper Bound	Corresponding S&P grade*
	NGR15	128	108	152	BB
	NGR16	181	152	215	BB to BB-
	NGR17	256	215	304	BB- to B+
	NGR18	362	304	431	B+
	NGR19	512	431	609	B+ to B
	NGR20	724	609	861	B to B-
Watchlist	NGR21	1024	861	1,218	B to B-
	NGR22	1448	1,218	1,722	B- to CCC
	NGR23	2048	1,722	2,436	CCC
	NGR24	2896	2,436	3,444	CCC to C
	NGR25	4096	3,444	-	CCC to C
Non-performing	NP1				D
	NP2				D
	NP3				D

* International Rating Scale

Nedbank's master transaction rating scale

The combination of PD's, EAD's, LGD's and Portfolio Correlations is then classified according to the following table for rating individual advances

EL as % of EAD		
Rating class	Lower bound	Upper bound
NTR01	0.00%	0.05%
NTR02	0.05%	0.10%
NTR03	0.10%	0.20%
NTR04	0.20%	0.40%
NTR05	0.40%	0.80%
NTR06	0.80%	1.60%
NTR07	1.60%	3.20%
NTR08	3.20%	6.40%
NTR09	6.40%	12.80%
NTR10	12.80%	100%

Nedbank Group has acted in good faith and has made every reasonable effort to ensure the accuracy and completeness of the information contained in this document, including all information that may be defined as 'forward-looking statements' within the meaning of United States securities legislation.

Forward-looking statements may be identified by words such as 'believe', 'anticipate', 'expect', 'plan', 'estimate', 'intend', 'project', 'target', 'predict' and 'hope'.

Forward-looking statements are not statements of fact, but statements by the management of Nedbank Group based on its current estimates, projections, expectations, beliefs and assumptions regarding the group's future performance.

No assurance can be given that forward-looking statements will prove to be correct and undue reliance should not be placed on such statements.

The risks and uncertainties inherent in the forward-looking statements contained in this document include, but are not limited to: changes to IFRS and the interpretations, applications and practices subject thereto as they apply to past, present and future periods; domestic and international business and market conditions such as exchange rate and interest rate movements; changes in the domestic and international regulatory and legislative environments; changes to domestic and international operational, social, economic and political risks; and the effects of both current and future litigation.

Nedbank Group does not undertake to update any forward-looking statements contained in this document and does not assume responsibility for any loss or damage whatsoever and howsoever arising as a result of the reliance by any party thereon, including, but not limited to, loss of earnings, profits, or consequential loss or damage.