NEDBANK GROUP TEN-YEAR REVIEW 2017

10 YR

FOR THE YEAR ENDED 31 DECEMBER

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NEDBANK

A Member of the OLDMUTUAL Group

TEN-YEAR REVIEW: STATISTICS AND RATIOS

	Nine-year CAGR[1] %		2017
Share statistics			
Earnings per share:			
– Headline	6,2	cents	**2 452**
– Diluted headline	6,2	cents	**2 406**
– Basic	4,8	cents	**2 417**
– Diluted basic	4,8	cents	**2 372**
Dividends/Distributions:			
– Declared per share	8,4	cents	**1 285**
– Paid/Capitalised per share	7,3	cents	**1 240**
– Dividend/Distribution cover	(2,0)	times	**1,91**
Net asset value per share	8,0	cents	**16 990**
Tangible net asset value per share	8,2	cents	**14 626**
Shares:			
– Gross number in issue		m	**498**
– Treasury shares		m	**(16)**
– Net number in issue		m	**482**
– Weighted-average number		m	**481**
– Fully diluted weighted average		m	**490**
Share price and related statistics			
Nedbank Group traded price:			
– Closing	11,6	cents	**25 610**
– High	7,5	cents	**26 797**
– Low	11,5	cents	**20 000**
JSE banks index – closing	13,6		**9 619**
JSE all-share index – closing	12,0		**59 505**
Market capitalisation	12,3	Rbn	**127,6**
Number of shares traded	0,1	m	**307,4**
Number traded to weighted-average number of shares		%	**63,9**
Value of shares traded	9,3	Rm	**69 462**
Value traded to market capitalisation		%	**54,4**
Price/earnings ratio		historical	**10,4**
Price to book		times	**1,5**
Dividend yield[2]		%	**5,0**
Earnings yield		%	**9.6**
Closing price/Tangible net asset value		times	**1,8**
Performance ratios			
Net interest income to interest-earning banking assets		%	**3,62**
Non-interest revenue to total income		%	**46,6**
Credit loss ratio – banking advances[3]		%	**0,49**
Non-interest revenue to total operating expenses		%	**80,7**
Efficiency ratio		%	**58,6**
Expenses to average assets		%	**3,06**
Effective taxation rate		%	**25,5**
Return on total assets[3]		%	**1,22**
Return on risk-weighted assets		%	**2,28**
Return on equity[3]		%	**15,3**
Return on equity (excluding goodwill)[3]		%	**16,4**

2016	2015	2014	2013	2012	2011	2010	2009	2008
2 400	2 284	2 127	1 884	1 640	1 365	1 104	1 010	1 422
2 350	2 242	2 066	1 829	1 590	1 340	1 069	983	1 401
2 121	2 261	2 109	1 877	1 632	1 367	1 084	1 140	1 581
2 077	2 219	2 049	1 822	1 583	1 341	1 050	1 109	1 558
1 200	1 107	1 028	895	752	605	480	440	620
1 140	1 105	965	802	680	533	442	520	660
2,00	2,06	2,07	2,11	2,18	2,26	2,30	2,30	2,29
15 830	15 685	14 395	13 143	11 721	10 753	9 831	9 100	8 522
13 723	13 794	12 553	11 346	9 989	9 044	8 160	7 398	7 179
495	494	499	510	507	507	515	499	469
(17)	(17)	(33)	(49)	(50)	(52)	(66)	(63)	(59)
478	477	466	461	457	455	449	436	410
478	474	464	460	456	453	444	423	405
488	483	478	474	471	462	458	435	412
23 813	18 861	24 900	21 000	18 800	14 500	13 035	12 405	9 550
23 900	27 102	25 115	21 925	18 881	15 445	15 000	12 900	13 975
16 575	16 900	19 087	16 540	18 501	12 360	11 725	6 492	7 498
7 755	6 107	7 300	5 775	5 336	4 118	4 099	3 668	3 057
50 654	50 694	49 771	46 256	39 250	31 985	32 119	27 666	21 509
118,1	93,2	124,3	107,2	95,4	73,6	67,1	61,9	44,8
294,7	195,8	213,5	220,5	149,8	206,1	265,2	272,7	305,4
61,7	41,3	46,0	47,9	32,9	45,5	59,7	64,5	75,4
58 800	45 545	47 670	41 690	32 527	28 578	35 379	27 512	31 237
49,8	48,9	38,4	38,9	34,1	38,8	52,7	44,5	69,8
9,9	8,3	11,7	11,1	11,5	10,6	11,8	12,3	6,7
1,5	1,2	1,7	1,6	1,6	1,3	1,3	1,4	1,1
5,0	5,9	4,1	4,3	4,0	4,2	3,7	3,5	6,5
10,1	12,1	8,5	9,0	8,7	9,4	8,5	8,1	14,9
1,7	1,4	2,0	1,9	1,9	1,6	1,6	1,7	1,3
3,41	3,30	3,52	3,57	3,53	3,48	3,35	3,39	3,66
47,1	47,7	46,9	47,7	46,8	46,1	44,3	42,2	39,9
0,68	0,77	0,79	1,06	1,05	1,13	1,36	1,52	1,17
82,9	83,3	82,8	86,4	84,2	81,5	79,6	78,8	78,1
56,9	57,2	56,5	55,2	55,6	56,6	55,7	53,5	51,1
3,00	3,01	3,15	3,13	3,09	3,01	2,81	2,65	2,60
24,9	24,0	25,3	25,2	26,8	25,2	20,7	20,2	21,6
1,23	1,25	1,27	1,23	1,13	0,99	0,82	0,76	1,09
2,23	2,30	2,24	2,21	2,08	1,86	1,51	1,31	1,62
15,3	15,7	15,8	15,6	14,8	13,6	11,8	11,8	17,7
16,5	17,0	17,2	17,2	16,4	15,3	13,4	13,4	20,1

	Nine-year CAGR[1] %		2017
Assets and related ratios			
Advances:			
– Performing advances	5,6	Rm	**702 755**
– Defaulted/Impaired loans and advances	2,6	Rm	**19 576**
– Gross advances	5,5	Rm	**722 331**
– Impairment of advances	4,8	Rm	**(12 002)**
– Net advances	5,5	Rm	**710 329**
Non-performing advances to gross advances		%	**2,7**
Impairment of advances to gross advances		%	**1,7**
Assets:			
– Total assets on statement of financial position	6,3	Rm	**983 314**
– Assets under management	15,7	Rm	**312 313**
– Total assets administered by the group	7,9	Rm	**1 295 627**
Capital and related ratios			
Total equity attributable to equity holders of the parent	9,9	Rm	**81 823**
Regulatory capital:[4]			
– Tier 1	8,5	Rm	**70 715**
– Total qualifying capital	7,1	Rm	**81 909**
Risk-weighted assets[4]	4,5	Rm	**528 207**
Group capital adequacy ratios:[4]			
– Common equity tier 1		%	**12,6**
– Tier 1		%	**13,4**
– Total		%	**15,5**
Employee statistics and ratios			
Number of employees[5]	1,5		**31 531**
Operating income per employee	7,5	R000	**1 534**
Expenses per employee	7,4	R000	**945**
Headline earnings per employee	6,7	R000	**374**

[1] Compound annual growth rate.
[2] Dividend yield is calculated as the pretax dividend declared per share divided by the closing share price.
[3] Figures for 2009 to 2017 were calculated using a daily average denominator. Figures for 2008 were calculated using a simple-average denominator.
[4] Ratios and balances for 2013 to 2017 were calculated according to Basel III principles, 2012 according to Basel II.5 principles and 2008 to 2011 according to Basel II principles.
[5] Excludes temporary staff and agency contractors.

	2016	2015	2014	2013	2012	2011	2010	2009	2008
	699 673	675 484	608 270	572 980	518 763	487 310	461 687	435 085	427 815
	19 553	17 559	15 846	17 848	19 273	23 210	26 765	27 045	17 301
	719 226	693 043	624 116	590 828	538 036	510 520	488 452	462 130	445 116
	(12 149)	(11 411)	(11 095)	(11 456)	(10 870)	(11 497)	(11 226)	(9 798)	(7 859)
	707 077	681 632	613 021	579 372	527 166	499 023	477 226	452 332	437 257
	2,7	2,5	2,5	3,0	3,6	4,5	5,5	5,9	3,9
	1,7	1,6	1,8	1,9	2,0	2,3	2,3	2,1	1,8
	966 022	925 726	809 313	749 594	682 958	648 127	608 718	570 703	567 023
	273 327	257 295	212 013	190 341	150 495	112 231	102 570	87 204	84 381
	1 239 349	1 183 021	1 021 326	939 935	833 453	760 358	711 288	657 907	651 404
	75 733	74 754	67 024	60 617	53 601	48 946	44 101	39 649	34 913
	65 987	60 085	55 131	53 605	46 227	41 707	36 861	36 627	33 967
	77 719	70 522	64 385	61 637	53 483	50 884	47 372	47 538	44 120
	509 268	501 243	440 696	392 926	359 658	331 980	323 437	326 466	355 235
	12,1	11,3	11,6	12,5	11,4	11,0	10,1	9,9	8,2
	13,0	12,0	12,5	13,6	12,9	12,6	11,7	11,5	9,6
	15,3	14,1	14,6	15,7	14,9	15,3	15,0	14,9	12,4
	32 401	31 312	30 499	29 513	28 748	28 494	27 525	27 037	27 570
	1 400	1 304	1 271	1 186	1 106	987	859	798	801
	875	834	804	760	715	664	603	558	498
	354	346	324	294	260	217	158	158	209

TEN-YEAR REVIEW: CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December

Rm	Nine-year CAGR[1] %	2017	2016
Interest and similar income	2,9	**75 299**	73 395
Interest expense and similar charges	1,5	**47 675**	46 969
Net interest income	6,1	**27 624**	26 426
Impairments charge on loans and advances	(4,1)	**3 304**	4 554
Income from lending activities	8,8	**24 320**	21 872
Non-interest revenue	9,4	**24 063**	23 503
Operating income	9,1	**48 383**	45 375
Total operating expenses	9,0	**29 812**	28 366
Indirect taxation	11,6	**1 001**	927
Profit from operations before non-trading and capital items	9,2	**17 570**	16 082
Non-trading and capital items	> (100,0)	**(224)**	(1 363)
Profit from operations	7,9	**17 346**	14 719
Share of profits of associate companies and joint arrangements	> (100,0)	**(838)**	(105)
Profit before direct taxation	7,1	**16 508**	14 614
Direct taxation	9,4	**4 209**	3 955
Profit for the year	6,5	**12 299**	10 659
Profit attributable to:			
– Ordinary shareholders	6,8	**11 621**	10 132
– Holders of preference shares		**338**	361
– Non-controlling interest – holders of additional tier 1 capital instruments		**252**	78
– Non-controlling interest – ordinary shareholders	(11,2)	**88**	88
Profit for the year	6,5	**12 299**	10 659
Headline earnings	8,3	**11 787**	11 465

[1] *Compound annual growth rate.*

	2015	2014	2013	2012	2011	2010	2009	2008
	60 289	52 619	46 087	44 730	42 880	44 377	50 537	57 986
	36 404	29 658	24 867	25 050	24 846	27 769	34 231	41 816
	23 885	22 961	21 220	19 680	18 034	16 608	16 306	16 170
	4 789	4 506	5 565	5 199	5 331	6 188	6 634	4 822
	19 096	18 455	15 655	14 481	12 703	10 420	9 672	11 348
	21 748	20 312	19 361	17 324	15 412	13 215	11 906	10 729
	40 844	38 767	35 016	31 805	28 115	23 635	21 578	22 077
	26 110	24 534	22 419	20 563	18 919	16 598	15 100	13 741
	783	635	601	561	505	447	438	374
	13 951	13 598	11 996	10 681	8 691	6 590	6 040	7 962
	(141)	(103)	(50)	(30)	(14)	(91)	624	756
	13 810	13 495	11 946	10 651	8 677	6 499	6 664	8 718
	871	161	27	1		1	55	154
	14 681	13 656	11 973	10 652	8 677	6 500	6 719	8 872
	3 519	3 468	3 016	2 865	2 174	1 364	1 307	1 868
	11 162	10 188	8 957	7 787	6 503	5 136	5 412	7 004
	10 721	9 796	8 637	7 449	6 190	4 811	4 826	6 410
	371	323	292	293	281	266	344	337
	70	69	28	45	32	59	242	257
	11 162	10 188	8 957	7 787	6 503	5 136	5 412	7 004
	10 831	9 880	8 670	7 483	6 184	4 900	4 277	5 765

TEN-YEAR REVIEW: CONSOLIDATED STATEMENT OF FINANCIAL POSITION

for the year ended 31 December

Rm	Nine-year CAGR[1] %	2017	2016
Assets			
Cash and cash equivalents	7,8	**16 900**	26 384
Other short-term securities	19,6	**92 775**	84 679
Derivative financial instruments	3,3	**29 904**	17 633
Government and other securities	1,7	**49 241**	51 048
Loans and advances	5,5	**710 329**	707 077
Other assets	10,2	**14 589**	14 077
Current taxation assets	(5,3)	**211**	574
Investment securities	7,8	**16 634**	14 225
Non-current assets held for sale	50,2	**388**	287
Investments in private-equity associates, associate companies and joint arrangements	21,5	**6 722**	6 567
Deferred taxation assets	(0,6)	**189**	494
Investment property	(100,0)		22
Property and equipment	8,3	**8 902**	8 969
Long-term employee benefit assets	14,6	**5 924**	5 203
Mandatory reserve deposits with central banks	7,5	**19 222**	18 700
Intangible assets	8,4	**11 384**	10 083
Total assets	6,3	**983 314**	966 022
Equity and liabilities			
Ordinary share capital	1,8	**482**	478
Ordinary share premium	5,7	**18 688**	18 043
Reserves	11,7	**62 653**	57 212
Total equity attributable to equity holders of the parent	9,9	**81 823**	75 733
Holders of preference shares	(0,2)	**3 222**	3 222
Non-controlling interest attributable to holders of additional tier 1 capital instruments		**2 635**	2 000
Non-controlling interest attributable to ordinary shareholders	(8,3)	**859**	756
Total equity	9,2	**88 539**	81 711
Derivative financial instruments	(0,2)	**23 367**	13 296
Amounts owed to depositors	5,7	**771 584**	761 542
Provisions and other liabilities	10,1	**23 292**	34 667
Current taxation liabilities	1,1	**259**	214
Other liabilities held for sale			
Deferred taxation liabilities	(10,7)	**761**	804
Long-term employee benefit liabilities	12,4	**3 525**	3 448
Investment contract liabilities	13,4	**18 134**	15 342
Insurance contract liabilities		**2 277**	2 922
Long-term debt instruments	15,5	**51 576**	52 076
Total liabilities	6,1	**894 775**	884 311
Total equity and liabilities	6,3	**983 314**	966 022

[1] *Compound annual growth rate.*

	2015	2014	2013	2012	2011	2010	2009	2008
	22 840	13 339	20 842	14 445	13 457	8 650	7 867	8 609
	75 614	67 234	42 451	43 457	35 986	27 044	18 550	18 589
	30 488	15 573	13 390	13 812	12 840	13 882	12 710	22 321
	43 060	27 177	32 091	26 753	30 176	31 824	35 983	42 138
	681 632	613 021	579 372	527 166	499 023	477 226	452 332	437 257
	8 984	8 715	8 673	9 488	12 051	10 014	5 455	6 084
	1 032	291	565	246	698	483	602	346
	13 155	20 029	19 348	16 213	14 281	11 918	11 025	8 455
	2	16	12	508	8	5	12	10
	9 579	7 670	1 101	1 032	568	936	924	1 167
	227	309	216	541	266	284	282	200
	32	130	214	205	614	199	211	213
	8 784	7 773	6 818	6 398	6 312	5 612	4 967	4 327
	5 055	4 546	2 980	2 095	2 118	2 052	1 860	1 741
	16 232	14 911	13 231	12 677	11 952	11 095	10 508	10 065
	9 010	8 579	8 290	7 922	7 777	7 494	7 415	5 501
	925 726	809 313	749 594	682 958	648 127	608 718	570 703	567 023
	477	466	461	457	455	449	436	410
	17 569	16 781	16 343	16 033	15 934	15 522	13 728	11 370
	56 708	49 777	43 813	37 111	32 557	28 130	25 485	23 133
	74 754	67 024	60 617	53 601	48 946	44 101	39 649	34 913
	3 561	3 561	3 473	3 561	3 561	3 560	3 486	3 279
	436	326	246	213	178	153	1 849	1 881
	78 751	70 911	64 336	57 375	52 685	47 814	44 984	40 073
	33 628	15 472	16 580	13 454	13 853	12 052	11 551	23 737
	725 851	653 450	602 952	550 878	524 130	492 393	471 386	469 914
	23 240	13 788	14 682	15 526	14 751	18 245	11 252	9 829
	412	134	301	193	200	191	315	235
				36				
	1 182	931	789	793	1 345	1 804	1 945	2 100
	3 074	3 071	1 842	1 913	1 479	1 414	1 304	1 231
	10 988	11 747	11 523	9 513	8 237	7 309	6 749	5 843
	3 618	4 171	3 321	2 979	2 005	1 392	1 133	
	44 982	35 638	33 268	30 298	29 442	26 104	20 084	14 061
	846 975	738 402	685 258	625 583	595 442	560 904	525 719	526 950
	925 726	809 313	749 594	682 958	648 127	608 718	570 703	567 023


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