

Reviewed preliminary
financial results

for the year ended
31 December 2007



MAKE THINGS HAPPEN

NEDBANK
GROUP

A Member of the  OLD MUTUAL Group

'We are pleased with the balance we have achieved between delivering on our short-term performance targets and investing to build a platform for long-term growth. Although our financial performance is now benchmarking closer to that of our peers, we are not yet satisfied and aspire to improve our performance further. We remain firmly committed to our vision of becoming southern Africa's most highly rated and respected bank. As part of this vision we will continue our transformation into a truly southern African bank, representative of and providing banking services to all.'

Tom Boardman • Chief Executive





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For more information contact:

Mike Brown • Chief Financial Officer

Tel: +27 11 294 9999

Fax: +27 11 295 9999

E-mail: mikeb@nedbank.co.za

Don Bowden • Tier 1 Investor Relations

Tel: +27 21 702 3102

Mobile: +27 82 555 8721

Fax: +27 21 702 3107

E-mail: don@tier1ir.co.za

Directors:

Dr RJ Khoza (*Chairman*)

Prof MM Katz (*Vice-chairman*)

ML Ndlovu (*Vice-chairman*)

TA Boardman (*Chief Executive*),

CJW Ball

MWT Brown (*Chief Financial Officer*)

TCP Chikane

BE Davison

MA Enus-Brey,

Prof B de L Figaji

R Harris (*British*)

RM Head (*British*)

JB Magwaza

ME Mkwanazi

CML Savage

GT Serobe

JH Sutcliffe (*British*)

Delivery on strategy

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Built platform for sustainable growth
Consistent delivery on objectives
Exceeded 2007 financial targets

Focus now on

... achieving vision of being the
most highly rated & respected SA bank

... transformation & culture differentiation

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Notes

Culture as a competitive advantage

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Barrett survey results - top 10 rated by staff

2005	2006	2007
Cost-consciousness	Cost-consciousness	Client-driven
Profit	Accountability	Accountability
Accountability	Client-driven	Client satisfaction
Community involvement	Client satisfaction	Cost-consciousness
Client-driven	Results orientation	Community involvement
Process-driven	Performance driven	Performance driven
Bureaucracy (L)	Profit	Profit
Results orientation	Bureaucracy (L)	Achievement
Client satisfaction	Teamwork	Being the best
Silo mentality (L)	Community involvement	Results orientation

- **Limiting values** eliminated from top 10
- **Positive steps** taken towards aligning corporate & individual values

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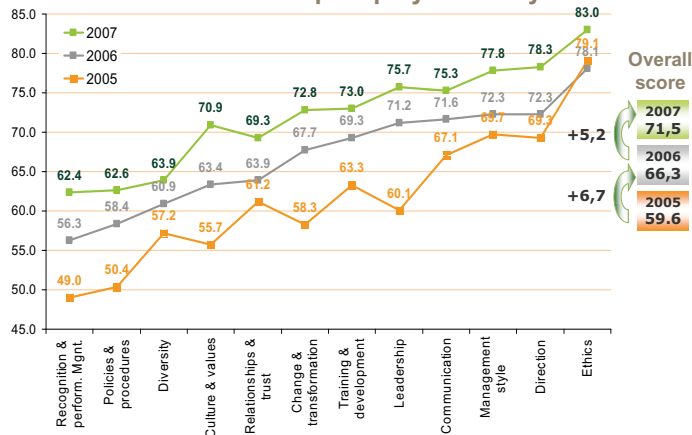
Source: Barrett Survey

Notes

Improving staff morale

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Nedbank Group employee surveys



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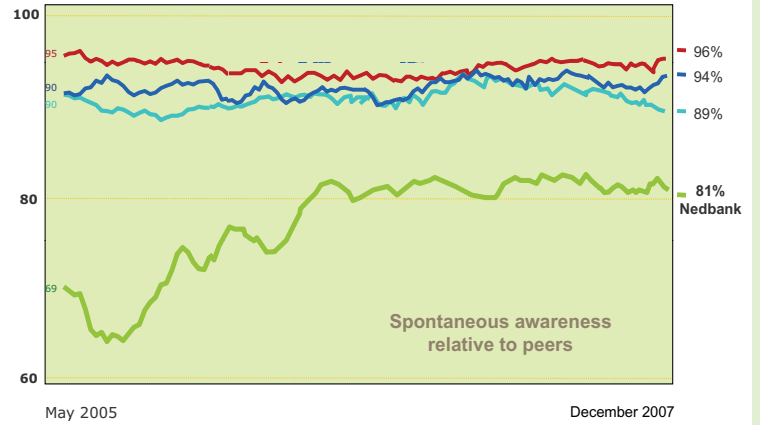
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Building & repositioning the brand

NEDBANK GROUP



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Nedbank brand repositioning

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Bank happy with its green image
 TRILLION green positioning in financial services is a strategic pillar for the Nedbank Group, winner of the 2006 South Africa's Greenest Company award.

Nedbank out to woo rural clients
 And flagship branch opens in Mthatha

We are serious about 'Ask Once': Nedbank

Nedbank to introduce CFDs for retail investors

Rural Transkei takes banking out of the box

client-centric approach

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Price competitiveness

NEDBANK GROUP

WE'VE REDUCED OUR FEES. AGAIN.
 TODAY'S A GOOD DAY TO OPEN AN ACCOUNT.

MAKE THE GOOD THINGS HAPPEN

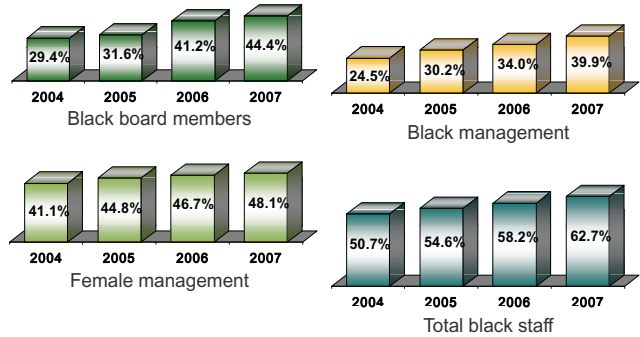
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Notes

Transforming employee profile

NEDBANK GROUP



FSC score - 96,2 (out of potential 98)

DTI score ** Level 4 (67,4)

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* Audited by SizweNtsakuba still to be verified by FSC Council ** Verified by SizweNtsakuba

Notes

Board composition

NEDBANK GROUP

	2007	Post announced resignations / retirements
Non-executive directors	16	13
Independent	8	5
Other	8	8
Executive directors	2	2
Total	18	15
Black	44,4%	53,3%

... focus on recruitment of independent directors

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Notes

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Financial results
Mike Brown

Key financial indicators
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For the year ended	% change	2007	2006
Headline earnings (Rm)	33,5	5 921	4 435
Diluted HEPS (cents)	32,8	1 429	1 076
ROE (%)		21,4	18,6
ROE (excluding goodwill) (%)		24,8	22,1
ROA (%)		1,30	1,14
Margin (%)		3,94	3,94
Credit loss ratio (%)		0,62	0,52
Efficiency ratio (%)		54,9	58,2
Tangible NAV per share (cents)	21,6	6 207	5 106
Basel I capital adequacy (%)		12,2	11,8
Dividend per share (cents)	33,9	660	493

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Notes

Income statement
NEDBANK
 GROUP

Rm – year ended	% ch	2007	2006
Net interest income	29,0	14 146	10 963
Impairments	45,9	(2 164)	(1 483)
Income from lending activities	26,4	11 982	9 480
Non-interest revenue	10,3	10 446	9 468
Total expenses	13,5	(13 489)	(11 886)
Indirect taxation	(11,6)	(305)	(345)
Associate income	56,2	239	153
Headline profit before taxation	29,2	8 873	6 870
Direct taxation	22,5	(2 336)	(1 907)
Minorities & preference shares	16,7	(616)	(528)
Headline earnings	33,5	5 921	4 435

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Notes

Segmental performance
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Basel I capital allocation		Headline earnings		ROE %	
Rm – year ended	% ch	2007	2006	2007	2006
Nedbank Capital	11,1	1 272	1 145	36,8	31,3
Nedbank Corporate	21,8	3 063	2 515	21,4	21,6
Nedbank Retail	37,3	2 008	1 463	24,3	23,0
Imperial Bank	17,6	227	193	23,9	24,7
Operating units	23,6	6 570	5 316	24,3	23,7
Shared services		(12)	(138)		
Central management		(637)	(743)		
Total	33,5	5 921	4 435	21,4	18,6

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Revised segmental analysis

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Rm – year ended	Average capital allocation		Headline earnings		ROE %	RORAC %
	Basel I	ECap	Basel I	ECap	Basel I	ECap
Division						
Nedbank Capital	3 461	2 887	1 272	1 174	36,8	40,7
Nedbank Corporate	14 345	9 977	3 063	2 632	21,4	26,4
Nedbank Retail	8 270	8 490	2 008	1 876	24,3	22,1
Imperial Bank	950	950	227	227	23,9	23,9
Operating units	27 026	22 304	6 570	5 909	24,3	26,5
Shared services		1 112	(12)	(15)		
Central management	629	442	(637)	27		
	27 655	23 858	5 921	5 921	21,4	24,8
Goodwill		3 797				
Total	27 655	27 655	5 921	5 921	21,4	21,4

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Notes

NII - margin analysis

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% of daily average interest-earning banking assets	%	Rm
December 2006	3,94	10 963
2007 asset growth		3 179
Net endowment effect	0,17	626
Liability price movement:	0,13	466
Current & savings accounts	0,23	828
Increased cost of funds	(0,10)	(362)
Asset price movement:	(0,30)	(1 088)
Personal loans pricing & mix	(0,10)	(350)
Home loans margin	(0,06)	(206)
Commercial mortgage margin	(0,10)	(362)
Other	(0,04)	(170)
December 2007	3,94	14 146

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Notes

Impairment charge

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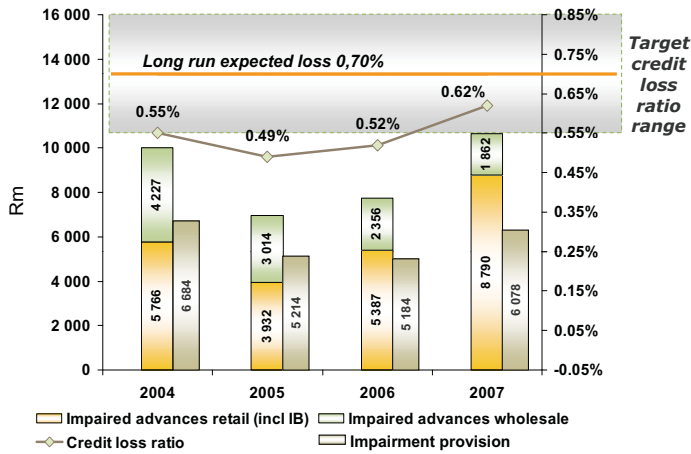
Rm – year ended	% of average advances	2007	2006
Impairment charge		2 164	1 483
As % of NII (%)		15,3	13,5
As % of average advances (%)	100,0	0,62	0,52
Nedbank Capital	14,0	0,05	0,28
Nedbank Corporate	41,3	0,11	0,15
Nedbank Retail	35,6	1,26	1,10
Personal loans	1,7	9,94	12,14
Other retail	33,9	0,82	0,64
Imperial Bank	9,1	1,28	0,87

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Impairment trends

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Notes

Non-interest revenue

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Rm - year ended	% change	2007	2006
Commission & fees	15,1	7 528	6 538
Trading income	(19,0)	1 334	1 647
Private equity income	58,3	915	578
Other inv income & FV adjustment	(15,8)	85	101
Rental income	2,0	51	50
Foreign currency translation gains	(>100)	-	4
Sundry income	(3,1)	533	550
Non-banking subsidiaries	(15,0)	271	319
Other	13,4	262	231
Total NIR	10,3	10 446	9 468

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Notes

Expenses

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Rm - year ended	% change	2007	2006
Staff costs	16,4	7 079	6 082
Computer processing	11,2	1 673	1 504
Communication & travel	18,4	559	472
Accommodation	10,9	1 068	963
Marketing & PR	13,4	887	782
Fees & insurance	6,8	1 498	1 402
Other	7,9	577	535
Operating expenses	13,6	13 341	11 740
BEE	1,4	148	146
Total expenses	13,5	13 489	11 886

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Notes

Deposits		NEDBANK GROUP	
Rm	% change	2007	2006
Current accounts	11,1	45 921	41 349
Savings accounts	4,1	13 925	13 374
Term deposits	23,3	251 423	203 942
Foreign currency liabilities	(11,2)	8 230	9 267
NCDs	23,4	56 166	45 518
Deposit repurchase agreements	(21,0)	8 876	11 235
	18,4	384 541	324 685
Nedbank Retail	13,8	87 457	76 876
Other clusters	19,9	297 084	247 809

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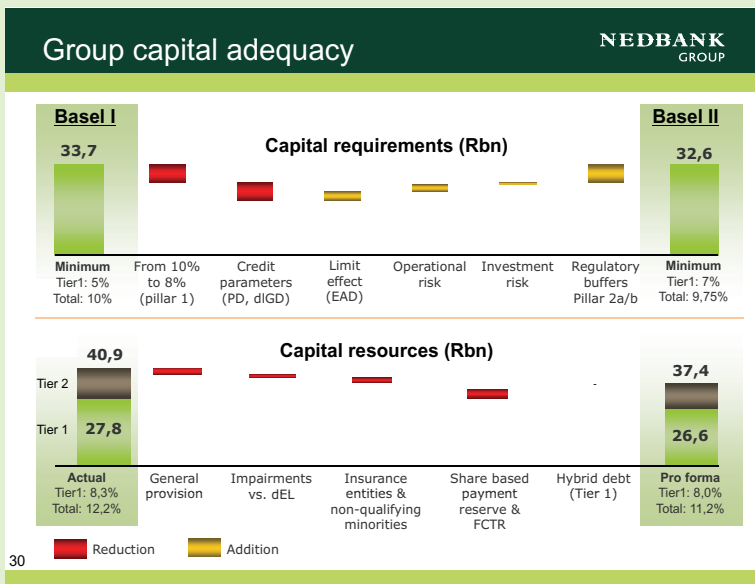
Risk & capital management

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- Risk – a bank's core business
- Basel II successfully implemented
 - Catalyst to elevate risk & capital management to world class standards
 - AIRB approval for all credit in Nedbank Ltd
- Measure risk (economic capital (EC))
- Allocate EC – used to measure performance
- Optimise risk / reward (using economic profit)
- Price for risk / CVM / risk appetite
- "Manage for Value" thrust from 2008

... additional disclosure under Pillar 3

Notes



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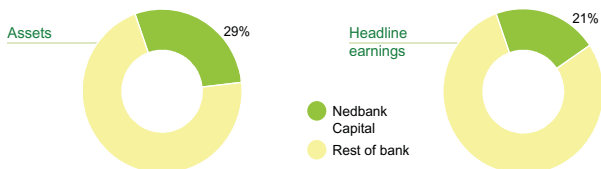
Nedbank Capital
Brian Kennedy

Nedbank Capital - financial highlights



Year ended - Rm	% change	2007	2006
Headline earnings	11,1	1 272	1 145
Efficiency ratio		45,4%	43,0%
Credit loss ratio		0,05%	0,28%
Allocated Basel I capital	(5,4)	3 461	3 659
ROE		36,8%	31,3%
RORAC		40,7%	

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Nedbank Capital – revenue split



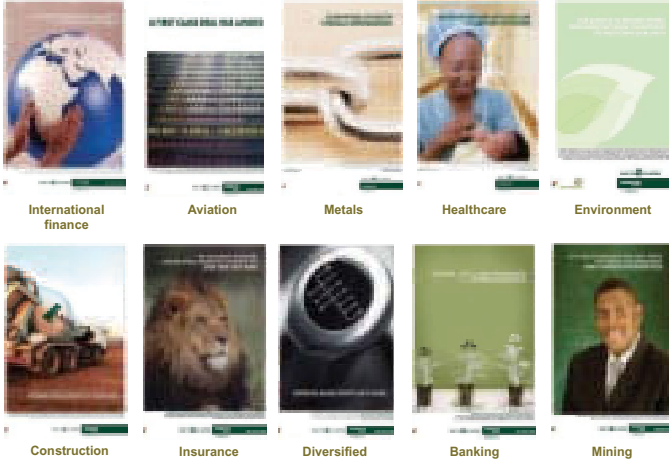
Rm	% change	2007	2006
Net interest income	2,7	693	675
Impairments	(78,8)	25	118
Income from lending activities	19,9	668	557
Non-interest revenue	4,2	2 135	2 048
Trading	(22,7)	1 172	1 516
Macquarie alliance		(305)	3
Other		1 477	1 513
Advisory & other	47,3	355	241
Private equity	>100	608	291
Realised		331	296
Unrealised		277	(5)
Operating income	7,6	2 803	2 605

Notes

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Major deals in 2007 across sectors

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Nedbank Capital – risk management

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- Risk-centric pricing
 - Enhanced credit pricing models
 - Economic capital model
 - Granular RAPM
- Risk framework & committees enhanced to ensure Basel II readiness
- Market risk infrastructure rationalised & upgraded
- Enhanced risk information & communication
- Development of detailed valuation models across Investment Banking

Equity exposure per sector

Resources	43,6%
Cyclical goods	29,5%
Finance & insurance	11,0%
Basic industries	8,0%
Cyclical services	7,9%

Debt exposure per sector

Resources	32,5%
Non cyclical	21,7%
Finance & insurance	19,7%
Basic industries	15,4%
Cyclical services	8,6%
Cyclical goods	1,5%
Commercial real estate	0,2%
Corporate	0,1%
Other	0,3%

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Notes

Physical presence

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London Branch
Product/sector expertise,
coverage, credit

Sector focus:

- Mining & resources
- Infrastructure
- Energy
- Structured trade & commodity finance

West Africa 2
representatives

2 representatives for
Portuguese speaking
Africa

East Africa 2
representatives

Johannesburg
Product/sector
expertise, marketing,
credit, management

Planned

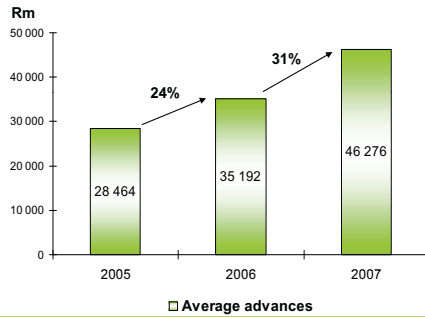
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Notes

Corporate Banking

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- Emphasis on staff leadership & development
- Good gains in new transactional clients
- Significant successes in public sector & BEE lending
- Collaboration efforts creating benefits
- Growing quality term advances
- Reducing lower yielding short term advances



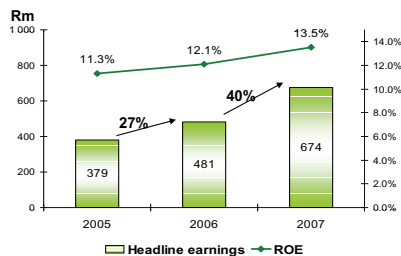
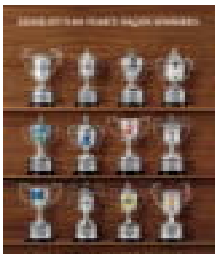
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Corporate Banking

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- 38% volume growth in transaction processing
- Strong risk management with good recovery of bad debts
- Headline earnings up 40,1% to R674 m



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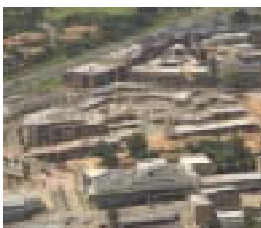
... infrastructure spend provides growth prospects

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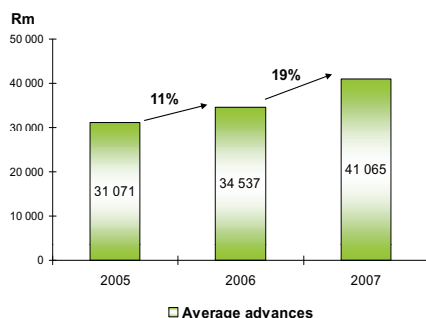
Property Finance

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GROUP

- Management & leadership development at all levels
- Property lending earnings up 16,3% & 19% average advances growth
- Private equity earnings of R313 m down 4,2% on 2006, exceeded expectations



Leading financier of Melrose Arch



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Notes



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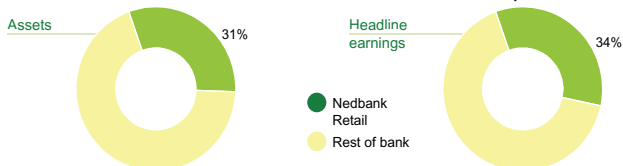
Nedbank Retail
Rob Shuter

Nedbank Retail – financial highlights



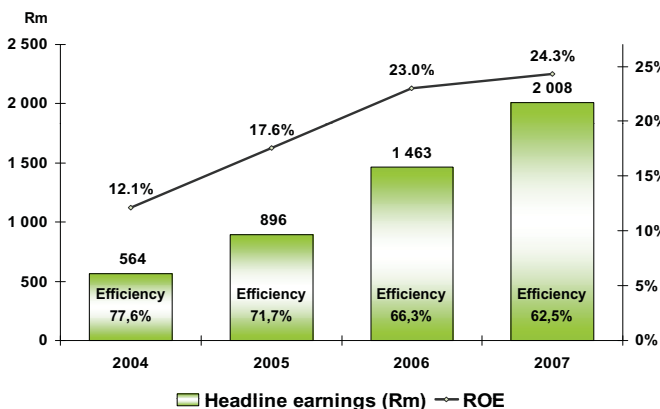
Year ended - Rm	% change	2007	2006
Headline earnings	37,3	2 008	1 463
Margin		5,31%	5,44%
Efficiency ratio		62,5%	66,3%
Credit loss ratio		1,26%	1,10%
Average advances	31,4	121 750	92 631
Allocated Basel I capital	30,3	8 270	6 348
ROE		24,3%	23,0%
RORAC		22,1%	

Notes



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Nedbank Retail – financial performance



Notes

... delivering the retail turnaround

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Bancassurance & Wealth

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 GROUP

Rm	Headline earnings		ROE %	Efficiency ratio %	Average advances		Credit loss ratio %
Division	2007	%ch	2007	2007	2007	%ch	2007
Bancassurance & Wealth	461	48	48 ▲	58,9 ▼	12 478	33	0,50 ▲

- Invested for growth over last few years
- Significant profit contributor
- High ROE & risk diversification
- Nedgroup Life APE up 22%
- BoE Private Clients & Nedgroup Life core growth 43%
- New mass market products launched
- AUM & AUA of R132 bn



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Notes

Integrated Segments

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Rm	Headline earnings		ROE %	Efficiency ratio %	Average advances		Credit loss ratio %
Division	2007	%ch	2007	2007	2007	%ch	2007
Integrated Segments	446	46	32 ▲	55,9 ▼	22 109	20	1,06 ▼

Small Business Services

- Benefits of foundation laid in 2005 & 2006
- Transactional volume gains
- Strong sales & relationship focus
- Impairments well controlled
- Load shedding a concern

Nedbank Private Bank

- Business stabilised & foundation laid
- 15 Private banking suites nationally
- Integrating Private & Personal Banking
- Relaunch Private Banking service offering in Q1 2008

Old Mutual Bank

- 100% Nedbank from November 2007
- 31 branches closing & 15 rebrands
- Intermediary friendly rolling out to Nedbank
- Integration proceeding well

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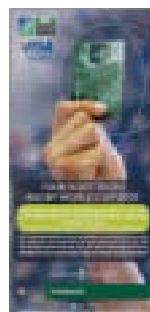
Notes

Card

 NEDBANK
 GROUP

Rm	Headline earnings		ROE %	Efficiency ratio %	Average advances		Credit loss ratio %
Division	2007	%ch	2007	2007	2007	%ch	2007
Card	287	27	47 ▼	61,1 ▼	5 487	43	6,86 ▲

- Strong growth in issuing
- 0,9% market share growth (mainly mid-market)
- Stable acquiring market share
- Significant headwinds in future
 - Stress in consumer portfolio
 - Lower volumes
 - Acquiring margin compression



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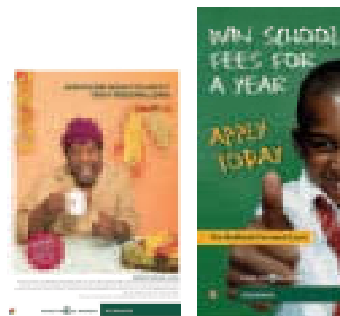
Notes

Personal Loans

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Rm	Headline earnings		ROE %	Efficiency ratio %	Average advances		Credit loss ratio %
	2007	%ch	2007	2007	2007	%ch	2007
Personal Loans	200	112	35 ▲	44,9 ▼	5 433	61	9,94 ▼

- Average loan growth of 61% but actual (closing growth) of 28,1%
- “Manage for value” strategy implemented
- Significant credit policy tightenings
- Well positioned to compete in tougher markets



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VAF & TIP

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Rm	Headline earnings		ROE %	Efficiency ratio %	Average advances		Credit loss ratio %
	2007	%ch	2007	2007	2007	%ch	2007
VAF & TIP	179	25	27 ▲	83,4 ▼	6 602	9	3,13 ▲

Vehicle & Asset Finance

- Dealer strategy gaining traction
- Margin improving
- Credit ratios improving
- Application processing enhanced
- Market share gains
- Business on target for scale

Transactional & Investment Products

- Net primary client growth: 88 000 (2006: 53 000)
- Switching processes streamlined
- Overdraft growth slow post NCA
- Money 24 reaches R10 bn
- Strong growth in retail deposits

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Nedbank Retail – credit

NEDBANK GROUP

- Credit loss ratios benchmarking well
- Significant policy tightenings over last 2 years
- Application processes improved
- Emphasis on quality asset mix
- Benefit of early adoption of improved collections process
- Full effect of higher interest rates still to be felt
- R167m IBNR raised for tougher environment

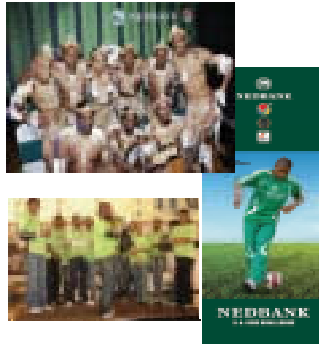
...managing through the interest rate cycle

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Mass market relevance

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- 2,7m of 4,0m clients ► mass market
- 60% of primary clients ► mass market
- 16% Mzansi market share (12% - Dec 2005)
- 14% Personal Loans market share (8% - Dec 2005)
- 60% of new distribution ► mass market
- Significant shift in brand dynamics
- Active sales drive through Nedbank Cup



...building a bank for all South Africans

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Notes

Nedbank Retail – distribution update

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- Distribution plan ahead of expectations
- 25 new bank branches (17 in 2006)
- 22 Personal Loans branches
- 24 new outlets largely in-retailer
- 1 351 merchants enabled for cash advance
- 411 ATM's & 71 SST's rolled out
- 33 additional mobile sales teams
- SMS banking launched
- Strong sales growth through all channels



...driving cost effective distribution expansion

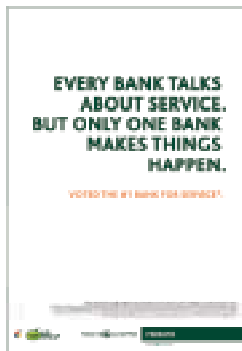
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Notes

Nedbank Retail – client service

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- Launched explicit service promise - Ask Once™
- CMAT assessment in global top quartile
- Service improvements across most channels
- Top bank in Ask Afrika Orange Index



...service as a long term differentiator

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Notes



Future focus

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Notes

"The greatest organisations are vision led & values driven"
Richard Barrett

"Employees look for organisations that share their values, & organisations that align their values with those of their employees have successful track records"
Richard Barrett

"Growth without transformation is not sustainable"
Tom Boardman

"The enemy of great is good"
Jim Collins

... goal of sustainable outperformance

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Targets

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Notes

2007	Targets	Achieved
ROE	20%	21,4%
Efficiency ratio	55%	54,9%



Medium- to long-term	Targets	2008
ROE (excluding goodwill)	10% above COE	24%
Diluted HEPS growth	CPIX + GDP growth + 5%	16%

... meet or exceed peer performance

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Notes

Thank you



Revised segmental analysis

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ECap - 2007	Average capital allocation		Headline earnings		RORAC %	
	Jun	Dec	Jun	Dec	Jun	Dec
Rm – half & full year						
Nedbank Capital	2 747	2 887	500	1 174	36,7	40,7
Nedbank Corporate	9 787	9 977	1 344	2 632	27,7	26,4
Nedbank Retail	8 231	8 490	894	1 876	21,9	22,1
Imperial Bank	880	950	107	227	24,3	23,9
Operating units	21 645	22 304	2 845	5 909	26,5	26,5
Shared services	1 112	1 112	41	(15)		
Central management	(105)	442	(111)	27		
	22 652	23 858	2 775	5 921	24,5	24,8
Goodwill	3 699	3 797				
Total	26 351	27 655	2 775	5 921	21,2	21,4

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Notes

Central management

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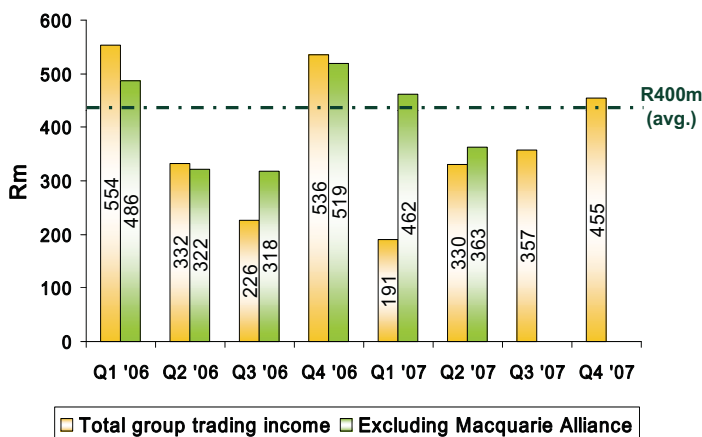
Rm	2007	2006
Excess cost of subordinated debt	(61)	(97)
Funding cost of group goodwill	(237)	(182)
Preference share dividends	(259)	(219)
Net fair value accounting mismatch	(33)	(59)
Other	(47)	(186)
	(637)	(743)

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Group trading income

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Taxation

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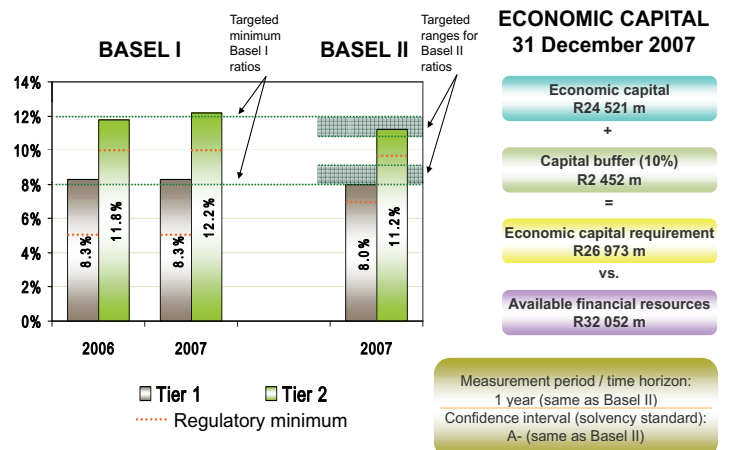
Rm – year ended	2007	%	2006	%
Total tax	2 336	26,3	1 907	27,9
Tax – business operations	2 197	24,7	1 732	25,5
– risk provisions	97	1,1	174	2,5
Tax – structured deals	(79)	(0,9)	(61)	(1,0)
STC	121	1,4	62	0,9

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Notes

Group capital adequacy (continued)

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Notes

Economic capital

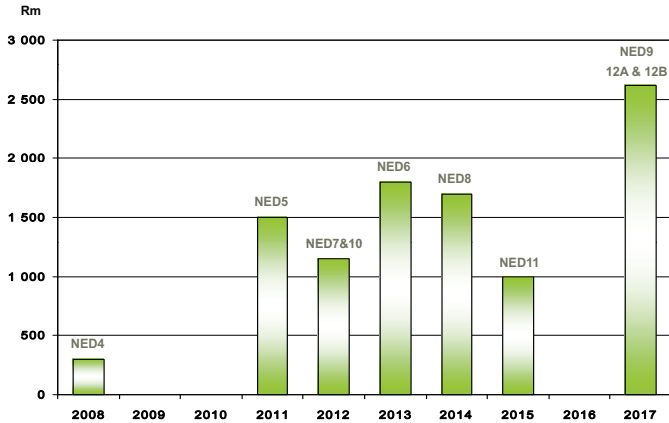
NEDBANK
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Risk category - Rm	2007
Credit	16 335
Market	2 472
Trading	353
ALM	31
Property	919
Investment (including Forex)	1 169
Operational	1 099
Business	3 885
Other assets	730
Economic capital	24 521

87

Subordinated debt maturity profile

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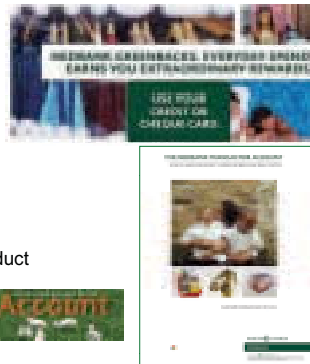
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Nedbank Retail - product innovation

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- JustSave savings account
- BoE transactional banking
- Nedbank Greenbacks credit card
- Future-Sure Education plan
- Online share trading
- Mobile SMS banking
- Dreammaker guaranteed investment product



...continued focus on product innovation

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Notes

Disclaimer

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Nedbank Group has acted in good faith & has made every reasonable effort to ensure the accuracy & 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' & '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 & assumptions regarding the group's future performance.

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

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

Nedbank Group does not undertake to update any forward-looking statements contained in this document & does not assume responsibility for any loss or damage whatsoever & 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.

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Notes

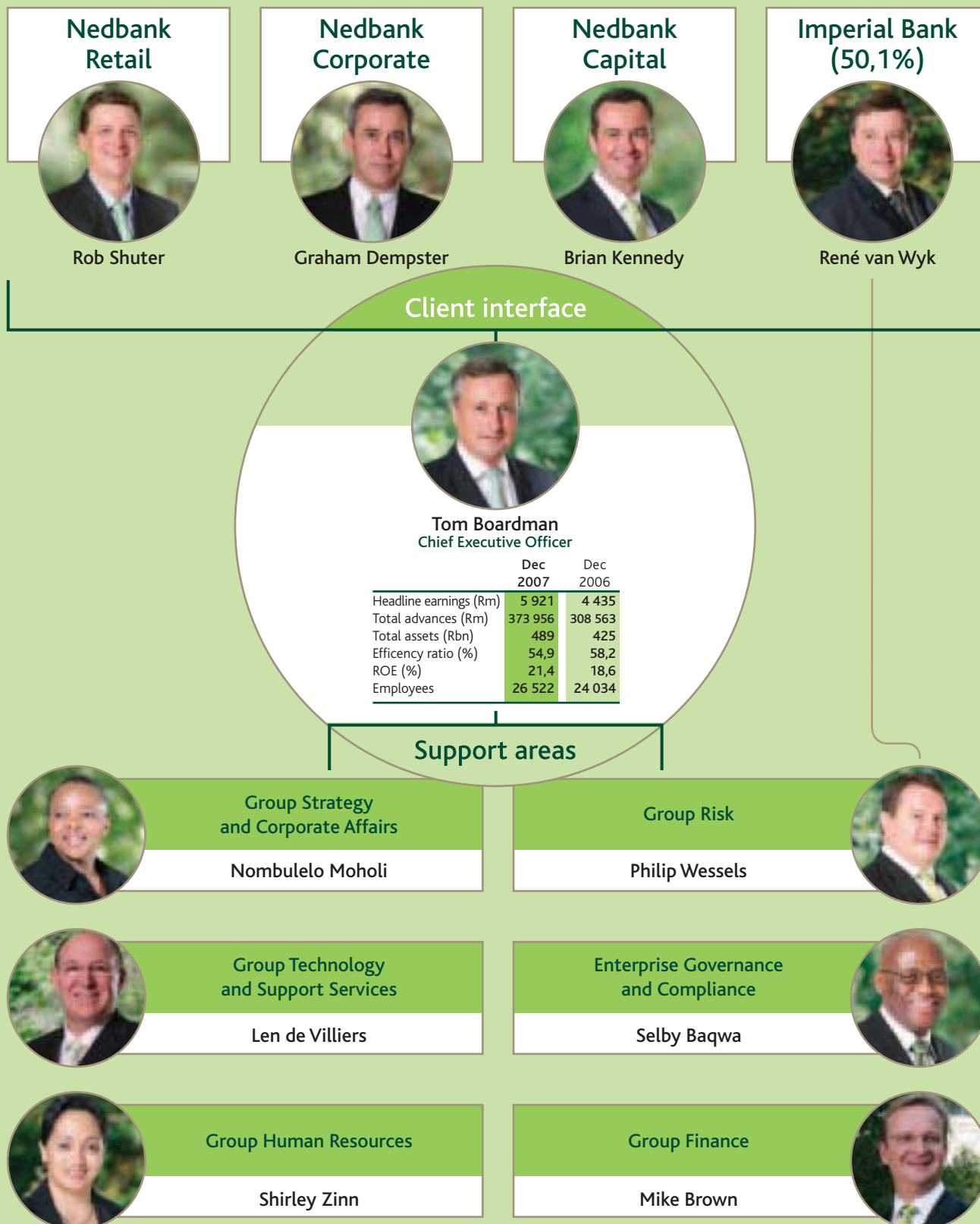




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Group structure



Reviewed preliminary financial results

for the year ended 31 December 2007

FINANCIAL HIGHLIGHTS

- ROE increased from 18,6% to 21,4%
- ROE (excl goodwill) increased from 22,1% to 24,8%
- Efficiency ratio improved from 58,2% to 54,9%
- Headline earnings up 33,5% to R5 921 million
- Final dividend per share up 23,2% to 350 cents

Overview

The operations of South African banks remained largely unaffected by the volatility and risk aversion that have characterised international financial markets. Our domestic environment was impacted by increasing interest rates, rising household debt and ongoing pressure on margins. Notwithstanding these constraints, Nedbank Retail grew strongly and Nedbank Corporate showed good growth as both government and the corporate market increased investment in infrastructure. After a disappointing first half Nedbank Capital delivered improved earnings in the second half.

Throughout the period the group continued to invest in creating a platform for sustainable long-term growth and performance through:

- investing in people and values, and focusing on corporate culture as a competitive advantage, which lead to improvements in staff morale and client service levels;
- building the brand and positioning Nedbank as a bank for all South Africans;
- differentiating on price and ensuring the bank's competitiveness in key markets;
- growing the infrastructure and distribution network to service clients better;
- increasing the bank's client base through enhanced focus, accountability, streamlined processes and improved client service;
- using risk management as a business enabler and competitive advantage, by leveraging the group's Basel II programme as a catalyst to implement worldclass risk management practices; and
- building the group's relevance as a sustainable bank and good corporate citizen.

Banking environment

The South African economy remained resilient throughout 2007. Key features in the banking environment included the following:

- Sustained competitive pressure on fees and margins in both the wholesale and retail banking markets. The report on the Competition Commission's inquiry into bank fees is ongoing and is expected to be released in the first quarter of 2008.
- The increase in interest rates that had a positive endowment effect on banks' interest margins; however, this has been offset by pressure on margins from the continued industry reliance on wholesale funding.
- Rising inflation, the high individual debt burden and the increase in interest rates resulting in a slowdown in consumer spending and increasing consumer default rates. This trend is expected to broaden in 2008.
- The growth trend in fixed-capital formation and government consumption expenditure resulting in positive momentum in wholesale banking.
- Increasing regulatory issues, in particular the implementation of the National Credit Act (NCA) on 1 June 2007 and the introduction of Basel II with effect from 1 January 2008, both of which are likely to benefit the banking industry in the medium to long term.

Financial performance

Headline earnings increased by 33,5% to R5 921 million. Basic earnings grew by 32,9% to R6 025 million.¹

Headline earnings per share (EPS) increased by 33,8% to 1 485 cents (2006: 1 110 cents). Diluted headline EPS increased by 32,8% from 1 076 cents to 1 429 cents. Basic EPS grew by 33,1% from 1 135 cents in 2006 to 1 511 cents in 2007.¹

The group's return on average ordinary shareholders' equity (ROE) improved from 18,6% to 21,4% for the year, exceeding the target of 20% that was set in 2004 at the start of the group's recovery programme. ROE, excluding goodwill, improved from 22,1% to 24,8%.¹

Shareholders will again be offered a capitalisation award with a cash dividend alternative of 350 cents per share. Total awards for the year amount to 660 cents per share, up 33,9% from the 493 cents per share declared for 2006.

Net interest income (NII)

NII grew 29,0% to R14 146 million (2006: R10 963 million) due to strong growth in average interest-earning banking assets of 29,0%.

The group's net interest margin for the 12-month period was 3,94%, the same level as reported in 2006. The margin:

- benefited from the endowment impact of interest rate increases on capital and current and savings accounts of 0,4%;
- decreased from liability margin compression of 0,1% as deposit interest rates continued to price in upside risk and as the sector had to source a higher proportion of funding from the wholesale deposit market; and
- decreased from asset margin compression of 0,3% mainly from the impact of strategic changes in the product mix of personal loans and competitive pricing behaviour, particularly in home loans and commercial mortgages.

Impairment losses on loans and advances

The credit loss ratio increased from 0,52% in 2006 to 0,62% for the year. The growth in advances and the increase in the credit loss ratio are reflected in a 45,9% increase in the impairments charge to R2 164 million. Impairment levels have risen in Nedbank Retail and Imperial Bank while the credit loss ratios in Nedbank Capital and Nedbank Corporate have remained at lower-than-expected levels, assisted by active credit management and unusually high levels of recoveries. The effect of the deteriorating retail environment has been mitigated to an extent through tighter credit policies and an early focus on collections processes and systems. The group has continued to apply stringent credit management policies and has tightened credit granting requirements in the retail areas most affected by the worsening credit cycle over the last two years.

Nedbank has no direct exposure to US subprime mortgages. The group is indirectly exposed through banking relationships with large institutions who themselves have subprime exposure. These are relatively small and are not expected to lead to any losses to the group.

Nedbank Retail raised an additional incurred but not reported (IBNR) provision of R167 million in December 2007 to adjust for the effect of the current higher interest rates not yet evident in the historic data used for provisioning calculations.

Impaired advances increased by 37,6% from R7 743 million to R10 652 million as the credit environment worsened. Impairment provisions increased by 17,2% from R5 184 million to R6 078 million, this increase being limited by improvements in underlying security values.

Non-interest revenue (NIR)

NIR for the period increased by 10,3% to R10 446 million (2006: R9 468 million).

This growth in NIR was driven primarily by the following:

- Commission and fee income growth of 15,0%, including fees in Bond Choice, which grew by 22,1% from R614 million to R750 million.
- An increase of 58,3% in private equity revaluations, realisations and dividend income from R578 million to R915 million.

This growth was partially offset by the following:

- Weak trading results as reported in the first half, mainly due to poor trading within the business alliance with Macquarie, resulting in trading income for the year decreasing by 19,0% to R1 334 million.
- The competitive pricing structure for transactional products adopted in Nedbank Retail, where fees have been reduced by an average of 19% since mid-2006.
- A continuous move from cheques to electronic channels by business banking clients.

Expenses

Expenses continue to be well-managed, increasing by 13,5% to R13 489 million. The 'jaws' ratio continued to improve, with total revenue growth of 20,4% being 6,9% above expense growth, resulting in the efficiency ratio improving from 58,2% for 2006 to 54,9%.

Growth in operating expenses slowed, as anticipated, from 14,8% at June 2007. Staff expenses increased by 16,4%, reflecting the investment the group has made in client-facing staff and an increase in variable pay as a result of the continued improvement in operating performance. Staff numbers increased by 10,4% during the year. Marketing costs increased as planned by 13,4% as the group continued to invest in repositioning the Nedbank brand.

Expenses include:

- costs for the integration of Old Mutual Bank into Nedbank of R64 million;
- Bond Choice's expenses, which grew by 17,2% from R538 million to R630 million; and
- the share-based payments charge in respect of the group's black economic empowerment (BEE) transaction, which increased by 6,5% from R138 million to R147 million.

Direct taxation

The effective taxation rate decreased from 27,8% to 26,3% as the group benefited from lower tax risk provisions.

Associate income

Associate income increased from R153 million to R239 million. This increase arose from strong growth in the NedLife and BoE Private Clients bancassurance joint ventures with Old Mutual SA, which collectively grew core earnings by 43,0%. In addition, this was boosted by a profit of R65 million from the sale of JSE Limited shares in the first quarter of the year by the BoE Private Clients joint venture.

Non-trading and capital items¹

Non-trading and capital items of R104 million after tax (2006: R98 million after tax) comprised mainly profits on the sale of:

- MasterCard Worldwide shares issued to the group at the time of the listing of MasterCard of R85 million;
- a portion of the shares in Bond Choice of R12 million; and
- the group's investment in Taquanta Investment Holdings Limited of R10 million.

Balance sheet

Capital¹

The group is well-capitalised under Basel I, with a Tier 1 group capital adequacy of 8,3% and total group capital adequacy ratio of 12,2%. Under Basel II parameters the group remains well-capitalised with a pro forma Tier 1 group capital adequacy of 8,0% and a pro forma total group capital adequacy ratio of 11,2%. Under Basel II the regulatory minimum for Tier 1 is 7% and for total group capital adequacy 9,75%.

Advances

During the period under review advances grew 21,2% to R374 billion, with average interest-earning banking assets increasing by 29,0% to R359 billion.

As a result of the strong advances growth, total assets increased 15,1% to R489 billion. Growth in higher-risk areas, such as personal loans, slowed as the group tightened credit criteria and focused on higher-quality, lower-margin personal loans.

Advances growth by cluster is as follows:

Rm	2007	2006	Increase (%)
Nedbank Corporate	153 718	133 254	15,4
Nedbank Capital	51 233	40 560	26,3
Nedbank Retail	133 492	106 974	24,8
Imperial Bank	35 320	27 735	27,3
Other	193	40	
Total	373 956	308 563	21,2



Commentary • continued

Deposits

Deposits increased by 18,5% from December 2006 to R385 billion at December 2007.

Nedbank's liquidity remains sound in an overall liquidity environment that was made more challenging by the negative international liquidity developments. Contagion of South African markets has been limited, with little direct exposure by local banks to US subprime markets. The impact on Nedbank and the South African markets has, to date, been limited to a reduction in international liquidity (which has traditionally not been a large portion of the funding base) and an increase in the pricing of capital market debt. This has had a small negative impact on the cost of rolling over conduit paper and new subordinated-debt issues.

During 2007 Nedbank successfully launched its inaugural auto loans and residential mortgage-backed securitisation programmes, raising R1,7 billion and R1,87 billion respectively. These programmes have diversified the funding base and lengthened the bank's existing funding profile. In addition, Nedbank issued a further foreign syndicated club loan of \$500 million in February 2007, raising additional foreign funding and creating further funding diversification.

Cluster performance

Nedbank Capital

Nedbank Capital increased headline earnings by 11,1% to R1 272 million and improved its ROE to 36,8% (2006: 31,3%).

NII increased by 2,7% to R693 million. Loans and advances grew by 26,3%, but this was offset by a higher proportion of preference share deals and the funding effect of an increased investment portfolio. The credit loss ratio improved from 0,28% in 2006 to 0,05% for 2007 as the cluster benefited from impairment recoveries and reduced credit losses.

NIR grew 4,2% to R2 135 million. Within NIR:

- commission and fee income increased by 33,3%, benefiting from strong deal flow in Specialised Finance and Corporate Finance;
- income from private equity investments amounted to R608 million for the year, an increase of 108,9% (2006: R291 million); but
- trading revenue decreased by 22,6% to R1 172 million, mainly as a result of disappointing trading from the business alliance with Macquarie, as previously reported, in the first half of 2007.

After a disappointing first half it was pleasing to see second-half earnings grow by 33,4%, compared with the first half, and up 27,8% on the same period last year.

The Specialised Finance business performed particularly well. It has built a competitive presence in its sectors of focus and deal flow momentum from the first half continued into the second half. A highlight of the year was the performance of the resources team, including winning *The Banker Deal of the Year Award 2007 for Africa* and southern Africa for the Exxaro Resources Limited BEE deal.

On the back of strong mining-related deal flow and to mitigate risk, a commodities desk was established during the year to focus on metals hedging for project finance clients. Corporate Finance won some good mandates and continued to benefit from BEE-related transactions. Private Equity performed well, with good gains in the current year relating to investments made in previous years. Certain positions were realised and others hedged to provide some protection in volatile markets.

The outlook for 2008 remains positive. However, recent uncertainty may impact on the rate of domestic project spend and could adversely impact earnings growth.

Nedbank Corporate

Nedbank Corporate increased headline earnings by 21,8% to R3 063 million. At 21,4%, ROE was marginally down on the 2006 ROE of 21,6%.

The investment in Lion Match was disposed of effective 1 July 2007 and the shareholding in Bond Choice was reduced from 80% to 62% in July 2007, resulting in reduced earnings contributions in 2007 from these entities.

The core banking activities generated headline earnings growth of 27,9%, with the major businesses all performing well, reflecting the inherent strength of Nedbank's wholesale banking franchise. Headline earnings grew by 30,7% in Business Banking to R1 227 million, 40,1% in Corporate Banking to R674 million, 16,3% in Property Finance lending activities to R694 million and 63,5% in Nedbank Africa to R90 million.

Revenue grew strongly, impairments were well-managed and expense growth was controlled below the level of income growth.

Property investment activities generated headline earnings of R313 million, down by 4,2% on the record level produced in 2006, but still exceeded expectations.

NII and NIR grew 19,6% and 9,9% respectively, through strong growth in average advances and good progress in gaining primary banking clients in both the public and private sectors in all the businesses, supported by the significant improvement in the electronic banking offering. Average advances increased by 25,8%, notwithstanding the initiative to reduce the level of short-term, low-margin advances in Corporate Banking. Core transactional fee income grew by 10%, despite the continued impact of disintermediation on the cheque business as clients switch to cheaper electronic platforms and credit cards. The investment in electronic banking systems has provided the impetus for growth in this area, with electronic banking volumes growing by 31,0% following successful client conversions and acquisitions.

The credit loss ratio of 0,11% remains low and is attributable to the quality of the portfolio and bad-debt recoveries through effective credit management.

Despite investment in electronic banking and risk management systems, increasing frontline sales headcount and further regulatory compliance costs, expenses were well-managed and increased by 12,6%.

Nedbank Africa is focused on building its existing operations and on selectively extending its presence on the continent. Merchant Bank of Central Africa (MBCA), the group's subsidiary in Zimbabwe, continued to make a profit in rand terms, but due to economic conditions and exchange control regulations in that country the investment remains fully impaired.

The businesses in Nedbank Corporate are well-positioned to perform in the more challenging environment.

Nedbank Retail

Nedbank Retail had an excellent year, growing headline earnings by 37,3% to R2 008 million and delivering an ROE of 24,3%. The efficiency ratio improved to 62,5% and overall advances growth was strong at 24,8%.

The credit environment continued to deteriorate and, as anticipated in this environment, Nedbank Retail's credit loss ratio worsened from 1,1% to 1,26%. Over the past two years the division has consistently tightened credit policies across most products and invested in increased capacity and systems in its collections areas. These initiatives will stand Nedbank Retail in good stead in the future.

The hard work done in the division continues to bear fruit and, with the retail turnaround now completed, Nedbank Retail is focused on delivering on its 'fastest-growing retail bank' strategy.

Some of the highlights of the year included the following:

- Market share gains in many categories, including Home Loans, Personal Loans, Card, Mzansi and Vehicle Finance.
- Disciplined execution of the client service strategy, including the introduction of the AskOnce undertaking, resulting in improved client service metrics as well as the top banking service award in the Ask Afrika Orange Index Survey.
- Continued efforts to build Nedbank Retail as the most affordable provider of banking services, including transactional-fee reductions of 19% over the last two years.
- Net growth of 88 000 clients who use Nedbank as their primary bank (2006: 53 000).
- Rollout of the distribution plan, including 411 ATMs (1 636 at December 2007) and 71 staffed outlets (744 at December 2007), with all elements of the distribution plan currently performing better than the original business case.
- Creating a more balanced portfolio of businesses to reduce the historic dependency on the Home Loans Division. In particular the Bancassurance and Wealth, Small Business Services and Personal Loans Divisions now contribute significantly to the cluster's earnings.
- Strong growth of bancassurance, with new-business premiums increasing by 12,6% from R5 731 million to R6 455 million and the annual premium equivalent of credit and single life products of Nedgroup Life (the joint venture with Old Mutual SA) growing by 21,9%.
- The acquisition of Old Mutual's 50% interest in Old Mutual Bank for a net consideration of R140 million. This integration offers significant opportunities to roll out the intermediary-friendly strategy in Nedbank and to rationalise duplicated infrastructure and overlapping branches. The integration is well underway and should be completed by June 2008.
- Significant progress in rolling out the transformation and mass-market strategy, including new products such as DreamMaker and FutureSure. 60% of the planned growth in distribution will be into mass-market areas. Progress has been made in internal transformation, including employment equity, with the division exceeding all of its Financial Sector Charter (FSC) access, low-income housing, black small- and medium-enterprise (SME) lending and Mzansi targets.

While the retail environment will be significantly tougher in 2008, the business is well-positioned to compete vigorously in the South African market and remains committed to building its market share and relevance on a sustainable and profitable basis.

Imperial Bank

Imperial Bank increased headline earnings by 24,1% to R479 million (2006: R386 million), although ROE declined from 24,7% to 23,9%. Nedbank Group's share of these earnings was up 17,6% to R227 million (2006: R193 million).

NII grew by 38,2%, driven by loans and advances growth of 27,3%.

Following the continued increases in interest rates, impairments have risen steadily throughout the year. The impairments charge increased by 95,3%. The credit loss ratio of 1,28% continues to be within acceptable parameters.

Expenses increased by 21,0% and there was a further improvement in the efficiency ratio from 35,4% last year to 30,2% for 2007.

The effective tax rate has increased from 23,7% to 30,0% as the benefits of the assessed loss in the previously acquired NRB entity have now been fully utilised.

Motor Finance, Property Finance and Supplier Asset Finance all achieved acceptable ROEs. Medical Finance achieved good-quality growth and is performing according to expectations, but needs to achieve critical mass in order to earn an acceptable ROE in the long term.

Nedbank recognises the significant contribution made by Bill Lynch, the former Chairman of Imperial Bank, to the success of Imperial Bank and extends condolences to his family on his recent passing.

Central services

The unallocated costs in central services were R649 million, a decrease of 26,3% from R881 million in 2006. This improvement arose mainly from lower costs on subordinated debt, a higher net endowment on surplus capital, and lower taxation risk provisions, offset by a higher funding charge on goodwill and higher preference share dividends in the environment of higher interest rates.

Technology

R581 million was spent on technology innovation projects across all business clusters. These included:

- data and voice network infrastructure upgrades to new state-of-the-art technology;
- a new Microsoft enterprise software licence implemented for the group;
- industry-leading cash box systems installed for many corporate clients;
- substantial investments to comply with the NCA; and
- Basel II and enterprise data warehouse systems and infrastructure projects.

Risk and capital management

Nedbank has successfully implemented its Basel II blueprint. This is in line with the revisions to the Banks Act and the new internationally based Basel II banking regulations introduced by the South African Reserve Bank (SARB), which were effective from 1 January 2008. The main purpose of Basel II is to promote significant enhancement and sophistication of risk and capital measurement and management, thereby further elevating the safety and soundness of the banking industry.

One of Nedbank's notable Basel II achievements was receiving formal approval from the SARB for the Advanced Internal Ratings Based (AIRB) approach for credit risk, noting that Imperial Bank, Fairbairn Private Bank and the African subsidiaries have adopted the standardised approach. Nedbank's risk and capital management positioning provides the bank with sophisticated management science and capabilities to optimise the risk-return equation and grow our businesses profitably within the clearly established risk appetite of the group.

During the period the group continued to manage its capital actively and:

- redeemed the expensive NED2 R4 billion bond on its call date in July 2007;¹
- concluded several Tier 2 subordinated-debt issues totalling R6,77 billion, thereby continuing to build a smooth and diversified subordinated-debt maturity profile (a highlight was the R2 billion inaugural Tier 2 investment in a South African bank by the International Finance Corporation and the African Development Bank);¹
- completed a R1,7 billion Imperial Bank asset securitisation;¹



Commentary • continued

- completed a R1,87 billion Nedbank Retail home loan securitisation; ¹ and
- issued Tier 1 perpetual preference shares of R364 million. ¹

Hybrid capital instruments now qualify as Tier 1 regulatory capital under Basel II and the group is well-advanced in planning its inaugural issue.

Nedbank Group, Nedbank and Imperial Bank all received rating upgrades from Moody's and Fitch during 2007. This was very pleasing and recognises the successful turnaround of the group over the past few years.

The group expects to issue further Tier 2 capital and hybrid forms of Tier 1 capital in 2008. Nedbank is committed to improving its profile as an issuer in the debt capital markets and this should result in a more robust subordinated-debt yield curve for the group.

The amendments to section 38 of the Companies Act will, subject to ordinary shareholder and BEE participant approval at an extraordinary general meeting to be held in May 2008, enable the group to amend the terms of its BEE ownership scheme and revert to cash-only dividends in future.

Focus on staff morale and client service

It is Nedbank's objective to create a great place to work for our staff, characterised by a fully inclusive culture that is vision-led and values-driven. The group believes organisational culture can be a key differentiator and competitive advantage. With this focus on staff, Nedbank has again experienced a significant shift in staff morale, measured through the annual employee surveys, which improved by 5,2 percentage points in 2007 on top of the 6,7 percentage point increase in 2006.

These increases in staff morale have been the catalyst for improvements in client service across all clusters.

Transformation

Nedbank has placed a significant focus on transformation, although much work still lies ahead.

With the conclusion of its broad-based BEE transaction in 2005 the group met its direct-ownership criteria for its FSC scorecard. In 2007 the group has scored 13% for direct ownership (using FSC criteria) against a target of 10%. The group has also progressed well in other areas measured by the FSC scorecard and currently scores 96,2 out of a potential 98 against the FSC scorecard. This score has been audited by SizweNtsaluba, but is still to be verified by the FSC Council in accordance with FSC requirements.

The group also measures and tracks itself against the Department of Trade and Industry (dti) codes, where the group has also met its direct-ownership requirements with a score of 17,5% for direct ownership, which complies with the 15% minimum set by the codes. The group is currently rated as a level 4 BEE contributor (up from level 5 at the end of 2006) against the dti scorecard, with a score of 67,4 as verified by SizweNtsaluba. The group has set an objective of achieving at least level 2 status over time.

While we continue to align the group with the dti codes, we are committed to delivering on our FSC obligations in the areas of access, empowerment financing and BEE financing, which are not covered by the dti codes.

Various opportunities have been identified and significant progress has been made through leveraging the relationships with our black business partners, the Brimstone and the Wiphold consortia, and through our business development partner, Aka Capital. The relationship between Nedbank and our black business partners is constantly improving and is at a level where it is extremely beneficial for all parties.

Transformation is, however, much more than compliance and numbers. Nedbank believes that transformation is a key strategic differentiator and is employing both transformation and the development of a unique corporate culture as cornerstones of its strategy.

Collaboration with the Old Mutual Group in South Africa

Group collaboration benefits achieved by Nedbank since the start of the recovery now exceed R650 million per annum. The bulk of the additional revenue was derived from the retail joint ventures, while the joint initiative to reduce the cost of data and telecommunications continues to deliver significant savings. The various initiatives started over the past two years have largely been integrated into business-as-usual activities and promise to deliver ongoing benefits.

Prospects

The slowdown in consumer spending, the increase in consumer credit stress, continuing electricity shortages and ongoing volatility in credit and equity markets are likely to make the year ahead significantly more challenging for the South African economy and the banking sector. The key factors influencing performance in 2008 are likely to be the following:

- Slower growth in retail advances, together with continued good growth in wholesale advances, although the influence of electricity shortages on the economy may slow this growth. As a result, total advances are expected to grow in the mid-teens.
- Lower margins as margin compression in certain categories of advances and continued industry reliance on wholesale funding are expected to be only partially offset by an endowment benefit in the margin resulting from past interest rate increases.
- Higher impairment charges due to the impact of higher interest rates on the retail portfolios and lower wholesale recoveries.
- Fewer positive once-off items and revaluations in the private equity portfolios.

While the general banking environment will be much tougher than in previous years, the group is confident of continuing to improve its performance off the solid platform built over the past four years. The group's focus is now on working towards our vision of becoming southern Africa's most highly rated and respected bank.

The main focus areas of the group in 2008 are as follows:

- Building on its transformation journey.
- Growing the group's
 - retail distribution network;
 - transactional banking market share;
 - relevance in the public sector;

- business banking franchise; and
- mass-market presence.
- Involvement in social and community projects.
- Managing the credit cycle.
- Disciplined expense management.
- Ongoing capital management activities.
- An active process of continuous improvement in all operations.
- IT projects to improve staff and client experiences.
- Economic-value-based management. From 2008 economic profit (EP) replaces ROE as the primary internal financial performance measure in the group. EP is a best-practice measure since it incentivises an appropriate balance between return and growth, and better aligns with shareholder value creation.

Medium- to long-term financial targets

After successfully delivering on the short-term financial targets of a 20% ROE and 55% efficiency ratio in 2007, the group has set the following key medium- to long-term targets:

- ROE (excluding goodwill) 10% above the group's monthly weighted average cost of ordinary shareholders' equity.
- Growth in diluted headline EPS of at least average CPIX plus GDP growth plus 5%.

In the medium term the group targets to meet or exceed the comparable performance of its peers.

Board changes during the year

Nick Dennis resigned as an independent non-executive director (31 December 2007) and Rosie Harris was appointed as a non-executive director (10 December 2007). Subsequent to the year-end Barry Davison announced his decision to resign as a director effective 2 August 2008 and Cedric Savage will retire effective 14 May 2008. Chris Ball, an independent non-executive director since 2002, was appointed as senior independent non-executive director (16 February 2007).

Accounting policies¹

Nedbank Group Limited (the 'company') is a company domiciled in South Africa. The preliminary reviewed financial results of the company at and for the year ended 31 December 2007 comprise the company and its subsidiaries (together referred to as the 'group') and the group's interests in associates and jointly controlled entities. The group's principal accounting policies have been applied consistently over the current and prior financial years. During the year the group has implemented international financial reporting standard (IFRS) 7 Financial Instruments: Disclosure and international accounting standard (IAS) 1 Presentation of Financial Instruments: Capital Disclosures (amendment). IFRS 7 replaces the disclosure requirements in terms of IAS 32 in respect of financial instruments and the disclosure requirements in terms of IAS 30 in respect of banks. The implementation of IFRS 7 has not affected the group's current or prior annual results.

Nedbank Group's reviewed financial results have been prepared in accordance with the recognition and measurement criteria of IFRS, interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), and the presentation and disclosure requirements of IAS 34: Interim Financial Reporting.

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 2006. These assumptions are subject to ongoing review and possible amendments.

Subsequent events

As of the date of this announcement there are no post-balance-sheet events to report.

Reviewed results – auditors' opinion

KPMG Inc and Deloitte & Touche, the group's independent auditors, have reviewed the preliminary financial statements that comprise the consolidated balance sheet at 31 December 2007, consolidated income statement, condensed consolidated statement of changes in equity and condensed consolidated cashflow statement for the year then ended, and selected explanatory notes, and have expressed an unmodified review conclusion on the preliminary financial statements. The selected explanatory notes are marked with¹. The review report is available for inspection at the company's registered office.

Forward-looking statements

This announcement contains certain forward-looking statements with respect to the financial condition and results of operations of Nedbank Group and its group companies, which by their nature involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. Factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: global, national and regional economic conditions; levels of securities markets; interest rates; credit or other risks of lending and investment activities; and competitive and regulatory factors.

Capitalisation award with a cash dividend alternative

Notice is hereby given that the directors of the company have resolved to issue fully paid ordinary shares in the company as a capitalisation award to ordinary shareholders. Ordinary shareholders will be entitled, in respect of all or part of their shareholding, to elect to receive new fully paid ordinary shares, which will be issued only to those ordinary shareholders who elect in respect of all or part of their shareholding, on or before 12:00 on Friday, 11 April 2008, to receive the capitalisation award shares. Shareholders not electing to receive new fully paid ordinary shares in respect of all or part of their shareholding will be entitled to receive a cash dividend alternative of 350 cents per ordinary share (the cash dividend alternative).



Commentary • continued

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

	2008
Last day to trade to participate in the capitalisation award or the cash dividend alternative	Friday, 4 April
Shares trade ex the capitalisation award election and the cash dividend alternative on	Monday, 7 April
Listing of the maximum number of new ordinary shares that may be taken up in terms of the capitalisation award on	Monday, 7 April
Last day to elect to receive capitalisation award shares (by 12:00), failing which the cash dividend alternative will be received	Friday, 11 April
Record date to participate in the capitalisation award or receive the cash dividend alternative	Friday, 11 April
Payment of the cash dividend alternative to shareholders who have not elected to participate in the capitalisation award or have participated in the capitalisation award in respect of only part of their shareholding on	Monday, 14 April
New shares issued and posted or participant or broker accounts credited regarding the shares to be issued to shareholders participating in the capitalisation award in respect of all or part of their shareholding on	Monday, 14 April
The maximum number of new shares listed in terms of the capitalisation award, adjusted to reflect the actual number of shares issued in terms of the capitalisation award on or about	Wednesday, 16 April

Shares may not be dematerialised or rematerialised between Monday, 7 April 2008, and Friday, 11 April 2008, both days inclusive.

The above dates and times are subject to change. Any changes will be published on the Securities Exchange News Service (SENS) and in the press.

The number of capitalisation shares to which shareholders are entitled will be determined in the ratio that 350 cents per ordinary share bears to the 30-day volume-weighted average price for the company's share, to be determined no later than Thursday, 27 March 2008. Details of the ratio will be published on SENS no later than Friday, 28 March 2008, at 11:00 and in the financial press the following business day. Trading in the STRATE environment does not permit fractions and fractional entitlements. Accordingly, where a shareholder's entitlement to new ordinary shares calculated in accordance with the above formula gives rise to a fraction of a new ordinary share, such fraction will be rounded up to the nearest whole number, where the fraction is greater than or equal to 0,5, and rounded down to the nearest whole number, where the fraction is smaller than 0,5.

A circular relating to the capitalisation award and the cash dividend alternative will be posted to shareholders on or about Wednesday, 19 March 2008.

Note:

Dematerialised shareholders are required to notify their duly appointed participant or broker of their election in terms of the capitalisation award in the manner and at the time stipulated in the agreement governing the relationship between shareholders and their participant or broker.

For and on behalf of the board

Dr RJ Khoza
Chairman

TA Boardman
Chief Executive

27 February 2008

Registered office:

Nedbank Group Limited, Nedbank Sandton, 135 Rivonia Road, Sandown, 2196; PO Box 1144, Johannesburg, 2000

Transfer secretaries:

Computershare Investor Services 2004 (Pty) Limited, 70 Marshall Street, Johannesburg, 2001; PO Box 61051, Marshalltown, 2107

Directors:

Dr RJ Khoza (*Chairman*), Prof MM Katz (*Vice-chairman*), ML Ndlovu (*Vice-chairman*), TA Boardman* (*Chief Executive*), CJW Ball**, MWT Brown* (*Chief Financial Officer*), TCP Chikane, BE Davison, MA Enus-Brey, Prof B de L Figaji, R Harris (*British*), RM Head (*British*), JB Magwaza, ME Mkwanazi, CML Savage, GT Serobe, JH Sutcliffe (*British*)

* Executive ** Senior independent non-executive director

Company Secretary: GS Nienaber

Reg No: 1966/010630/06

Share code: NED

ISIN code: ZAE000004875

Sponsors: Merrill Lynch South Africa (Pty) Limited
Nedbank Capital

This announcement is available on the group's website – www.nedbankgroup.co.za – together with the following:

- Detailed financial information in HTML and PDF formats.
- Financial results presentation to analysts.
- Link to a webcast of the presentation to analysts.

For further information kindly contact Nedbank Group Investor Relations by email at nedbankgroupir@nedbank.co.za.

Financial highlights

for the year ended 31 December

		% change	2007	2006
Statistics				
Number of shares listed	m		459,3	450,9
Number of shares in issue excluding shares held by group entities	m		401,9	394,7
Weighted average number of shares	m		398,7	399,5
Diluted weighted average number of shares	m		414,4	412,3
Headline earnings per share	cents	33,8	1 485	1 110
Diluted headline earnings per share	cents	32,8	1 429	1 076
Basic earnings per share	cents	33,1	1 511	1 135
Diluted basic earnings per share	cents	32,3	1 454	1 099
Dividend declared per share	cents	33,9	660	493
– Interim			310	209
– Final			350	284
Dividend paid per share	cents		594	394
Dividend cover	times		2,25	2,25
Net asset value per share	cents	18,1	7 513	6 363
Tangible net asset value per share	cents	21,6	6 207	5 106
Closing share price	cents	1,9	13 600	13 350
Price earnings ratio	historical		9	12
Market capitalisation	Rbn	3,8	62,5	60,2
Number of employees		10,4	26 522	24 034
Key ratios (%)				
Return on ordinary shareholders' equity (ROE)			21,4	18,6
ROE excluding goodwill			24,8	22,1
Return on total assets (ROA)			1,30	1,14
Net interest income to average interest-earning banking assets			3,94	3,94*
Non-interest revenue to total income			42,5	46,3
Credit loss ratio			0,62	0,52
Efficiency ratio			54,9	58,2
Efficiency ratio (excluding BEE transaction expenses)			54,3	57,5
Effective taxation rate			26,3	27,8
Group capital adequacy ratios:				
Tier 1			8,3	8,3
Total			12,2	11,8
Balance sheet statistics (Rm)				
Total equity attributable to equity holders of the parent		20,2	30 193	25 116
Total equity			35 125	29 388
Amounts owed to depositors			384 541	324 685
Loans and advances		21,2	373 956	308 563
Gross			380 034	313 747
Impairment of loans and advances			(6 078)	(5 184)
Total assets		15,0	488 856	424 912
Assets under management			85 438	86 212
Total assets administered by the group		12,4	574 294	511 124

* Restated.

Consolidated income statement

for the year ended 31 December

Rm	Note	% change	2007	2006
Interest and similar income		47,3	42 001	28 521
Interest expense and similar charges		58,6	27 855	17 558
Net interest income	1	29,0	14 146	10 963
Impairment charge on loans and advances	2	45,9	2 164	1 483
Income from lending activities		26,4	11 982	9 480
Non-interest revenue	3	10,3	10 446	9 468
Operating income		18,4	22 428	18 948
Total expenses	4	13,5	13 489	11 886
Operating expenses		13,6	13 341	11 740
BEE transaction expenses		1,4	148	146
Indirect taxation		(11,6)	305	345
Profit from operations before non-trading and capital items		28,5	8 634	6 717
Non-trading and capital items			111	124
Impairment of goodwill				(70)
Profit on sale of subsidiaries, investments and property and equipment			118	248
Net impairment of investments, property and equipment and capitalised development costs			(7)	(55)
Other non-trading and capital items				1
Profit from operations		27,8	8 745	6 841
Share of profits of associates and joint ventures	10	56,2	239	153
Profit before direct taxation		28,5	8 984	6 994
Direct taxation	5	21,2	2 343	1 933
Taxation		22,5	2 336	1 907
Taxation on non-trading and capital items		(73,1)	7	26
Profit for the year		31,2	6 641	5 061
Profit attributable to:				
Equity holders of the parent			6 025	4 533
Minority interest – ordinary shareholders	6		344	309
Minority interest – preference shareholders	7		272	219
Profit for the year			6 641	5 061
Earnings reconciliation				
Profit attributable to equity holders of the parent		32,9	6 025	4 533
Less: Non-headline earnings items			104	98
Non-trading and capital items			111	124
Taxation on non-trading and capital items			(7)	(26)
Headline earnings		33,5	5 921	4 435

Consolidated balance sheet

as at 31 December

Rm	Note	2007	2006
Assets			
Cash and cash equivalents		10 344	12 267
Other short-term securities		25 793	25 756
Derivative financial instruments		9 047	15 273
Government and other securities		29 637	22 196
Loans and advances	8	373 956	308 563
Other assets		9 313	12 468
Clients' indebtedness for acceptances		2 251	2 577
Current taxation receivable		59	161
Investment securities	9	8 318	7 155
Non-current assets held for sale		31	490
Investments in associate companies and joint ventures	10	978	907
Deferred taxation asset		25	120
Investment property		171	158
Property and equipment		3 929	3 377
Long-term employee benefit assets		1 393	1 444
Computer software and capitalised development costs	11.1	1 349	1 266
Mandatory reserve deposits with central bank		8 364	7 039
Goodwill	11.2	3 898	3 695
Total assets		488 856	424 912
Equity and liabilities			
Ordinary share capital		402	395
Ordinary share premium		10 721	9 727
Reserves		19 070	14 994
Total equity attributable to equity holders of the parent		30 193	25 116
Minority shareholders' equity attributable to			
– ordinary shareholders	6	1 511	1 202
– preference shareholders	7	3 421	3 070
Total equity		35 125	29 388
Derivative financial instruments		11 432	12 904
Amounts owed to depositors	13	384 541	324 685
Other liabilities		34 225	37 847
Liabilities under acceptances		2 251	2 577
Current taxation liabilities		337	434
Other liabilities held for sale			417
Deferred taxation liabilities		1 616	1 649
Long-term employee benefit liabilities		1 157	1 215
Investment contract liabilities		5 846	5 278
Long-term debt instruments	14	12 326	8 518
Total liabilities		453 731	395 524
Total equity and liabilities		488 856	424 912
Guarantees on behalf of clients		20 579	15 250



Condensed consolidated cash flow statement

for the year ended 31 December

Rm	2007	2006
Cash generated by operations	12 453	9 297
Change in funds for operating activities	(10 691)	(3 739)
Net cash generated from operating activities before taxation	1 762	5 558
Taxation paid	(2 419)	(953)
Cash flows (utilised by)/from operating activities	(657)	4 605
Cash flows utilised by investing activities	(2 063)	(1 057)
Cash flows from/(utilised by) financing activities	2 122	(1 131)
Net (decrease)/increase in cash and cash equivalents	(598)	2 417
Cash and cash equivalents at the beginning of the year*	19 306	16 889
Cash and cash equivalents at the end of the year*	18 708	19 306

* Including mandatory reserve deposits with central bank.

Group statement of changes in total shareholders' equity

for the year ended 31 December

Rm	Number of ordinary shares	Ordinary share capital	Ordinary share premium	Reserves not available for distribution	Foreign currency translation reserve	Property revaluation reserve
Balance at 31 December 2005	401 753 557	402	10 465	59	(53)	415
Shares issued for options exercised under Employee Incentive Schemes	2 382 090	2	293			
Shares issued in terms of capitalisation award	5 025 656	5	551			
Shares issued in terms of BEE transaction	665 442	1	24			
Share issue expenses			(1)			
Preference shares issued by subsidiary						
Shares repurchased by subsidiary						
Shares acquired by group entities	(13 699 677)	(14)	(1 499)			
Shares acquired by BEE trusts	(1 441 586)	(1)	(106)			
Preference share dividend paid						
Dividends paid to ordinary shareholders						
Total income and expenses for the year		–	–	34	334	70
Profit for the period						
Net (expenses)/income recognised directly in equity		–	–	34	334	70
Transfer (to)/from reserves						
Release of reserve previously not available***				139		(7)
Foreign currency translation reserve movements				(105)		
Revaluation of property					334	
Available-for-sale reserve movements						
Share-based payments reserve movements						
Other movements						77
Balance at 31 December 2006	394 685 482	395	9 727	93	281	485
Shares issued for options exercised under Employee Incentive Schemes	3 493 321	3	499			
Shares issued in terms of capitalisation award	4 830 026	5	646			
Shares issued in terms of BEE transaction	70 172		16			
Share issue expenses			(1)			
Preference shares issued by subsidiary						
Shares issued by subsidiary						
Shares acquired by group entities	(5 171)		(1)			
Shares acquired by BEE trusts	(1 132 431)	(1)	(165)			
Preference share dividend paid						
Preference share cumulative dividend paid						
Ordinary minority shareholders' share of preference dividend paid						
Dividends paid to ordinary shareholders						
Total income and expenses for the year		–	–	20	(25)	363
Profit for the period						
Net (expenses)/income recognised directly in equity		–	–	20	(25)	363
Transfer (to)/from reserves						
Release of reserve previously not available***				239	(22)	(14)
Foreign currency translation reserve movements				(219)		
Available-for-sale reserve movements					(3)	
Revaluation of property						374
Acquisition of subsidiary						3
Buy-out of minority						
Sale of subsidiary						
Share-based payments reserve movements						
Other movements						
Balance at 31 December 2007	401 941 399	402	10 721	113	256	848

* Represents other non-distributable revaluation surplus on capital items and non-distributable reserves transferred from other distributable reserves in order to comply with the Banks Act 1990.

** Represents the accumulated profits after distributions to shareholders and appropriations of retained earnings to other non-distributable reserves.

*** Relates to differences between the market price and the exercise price of the options granted to employees that were exercised during the current year.



Share-based payment reserve	Other non-distributable reserves*	Available-for-sale reserve	Other distributable reserves**	Total equity attributable to equity holders of the parent	Minority shareholders' equity attributable to ordinary shareholders	Minority shareholders' equity attributable to preference shareholders	Total shareholders' equity
501	233	285	10 183	22 490	1 049	2 770	26 309
				295			295
				556			556
				25			25
				(1)			(1)
				–		300	300
				–	(150)		(150)
				(1 513)			(1 513)
				(107)			(107)
				–		(219)	(219)
			(1 562)	(1 562)	(23)		(1 585)
135	125	(110)	4 345	4 933	326	219	5 478
			4 533	4 533	309	219	5 061
135	125	(110)	(188)	400	17	–	417
(90)	131		(173)	–			–
				(105)			(105)
				334	21		355
				77			77
		(110)		(110)			(110)
225				225			225
	(6)		(15)	(21)	(4)		(25)
636	358	175	12 966	25 116	1 202	3 070	29 388
				502			502
				651			651
				16			16
				(1)		(3)	(4)
				–		364	364
				–	150		150
				(1)			(1)
				(166)			(166)
				–		(285)	(285)
				–		(10)	(10)
				–	(13)	13	–
			(2 402)	(2 402)	(41)		(2 443)
238	107	(41)	5 816	6 478	213	272	6 963
			6 025	6 025	344	272	6 641
238	107	(41)	(209)	453	(131)	–	322
(91)	103	(3)	(212)	–			–
				(219)			(219)
				(3)	(41)		(44)
		(38)		(38)			(38)
				374			374
				3			3
				–	(21)		(21)
				–	(81)		(81)
329				329			329
	4		3	7	12		19
874	465	134	16 380	30 193	1 511	3 421	35 125

Reconciliation of shares in issue and share premium

for the year ended 31 December

Ordinary share capital and premium

	Number of shares 2007 m	Total 2007 Rm	Ordinary share capital 2007 Rm	Ordinary share premium 2007 Rm	Number of shares 2006 m	Total 2006 Rm	Ordinary share capital 2006 Rm	Ordinary share premium 2006 Rm
Total shares listed	459,3	13 668	459	13 209	450,9	12 498	451	12 047
Less treasury shares held	57,4	2 545	57	2 488	56,2	2 376	56	2 320
Bought back – capital management								
Executed H2 2005	1,0	100	1	99	1,0	100	1	99
Executed H1 2006	5,5	616	6	610	5,5	616	6	610
Executed H2 2006	8,2	897	8	889	8,2	897	8	889
	14,7	1 613	15	1 598	14,7	1 613	15	1 598
BEE transaction shares	42,4	929	42	887	41,2	762	41	721
Other shares held by group entities	0,3	3	–	3	0,3	1		1
Net shares reported	401,9	11 123	402	10 721	394,7	10 122	395	9 727

Share buybacks and treasury shares

	Price R	Shares m	Value Rm
BEE transaction shares		42,4	929
Other shares held by group entities		0,3	3
Bought back – capital management	109,04	14,7	1 613
Executed H2 2005	97,19	1,0	100
Executed H1 2006	111,65	5,5	616
Executed H2 2006	109,15	8,2	897
Total		57,4	2 545



Earnings per share and weighted average shares

for the year ended 31 December

Earnings per share	Basic	Basic diluted	Headline	Headline diluted
December 2007				
Earnings for the period	6 025	6 025	5 921	5 921
Weighted average number of ordinary shares	398 746 512	414 405 412	398 746 512	414 405 412
Earnings per share (cents)	1 511	1 454	1 485	1 429
December 2006				
Earnings for the period	4 533	4 533	4 435	4 435
Weighted average number of ordinary shares	399 509 771	412 288 123	399 509 771	412 288 123
Earnings per share (cents)	1 135	1 099	1 110	1 076

Basic earnings and headline earnings per share are calculated by dividing the relevant earnings amount by the weighted average number of shares in issue. Fully diluted basic earnings and fully diluted headline earnings per share are calculated by dividing the relevant earnings amount by the weighted average number of shares in issue after taking the dilutive impact of potential ordinary shares to be issued into account (the estimated future dilutive shares arising from the BEE transaction as set out in note 15).

Number of weighted average dilutive potential ordinary shares ('000)

Generally, potential shares are dilutive if the strike price + SBP charge to come < average share price for the period of R141,22 (the SBP charge to come represents the value of services to be received by Nedbank group in exchange for these potential shares).

	December 2007		December 2006
	Potential shares	Weighted average dilutive shares	Weighted average dilutive shares
Traditional schemes	25 668	5 837	4 634
Nedcor share incentive trust (1994)	7 864	2 627	2 817
Nedbank group options scheme (2005)	17 189	2 796	1 537
Matched shares scheme	615	414	280
BEE schemes – South Africa	30 330	9 812	8 144
Black Business Partners	7 892	2 631	2 992
Non-executive directors	493	225	116
Retail	5 483	2 051	685
Corporate	10 239	3 243	3 164
Black executives	1 085	377	209
Black management	5 138	1 285	978
BEE schemes – Namibia	448	10	–
Black Business Partners	200		
Affinity Groups	74		
Education	99		
Black management	75	10	
Total	56 446	15 659	12 778

Nedbank Group: categories of financial instruments

as at 31 December

2007 Rm	Total	At fair value through profit or loss	
		Held for trading	Designated
Assets			
Cash and cash equivalents	10 344		
Other short-term securities	25 793	14 574	4 243
Derivative financial instruments	9 047	9 047	
Government and other securities	29 637	5 087	12 245
Loans and advances	373 956	26 005	22 930
Other assets	9 313	3 715	243
Clients' indebtedness for acceptances	2 251		
Current taxation receivable	59		
Investment securities	8 318		8 004
Non-current assets held for sale	31		
Investment in associate companies and joint ventures	978		
Deferred taxation asset	25		
Investment property	171		
Property and equipment	3 929		
Post-employment assets	1 393		
Computer software and capitalised development costs	1 349		
Mandatory reserve deposits with central bank	8 364		
Goodwill	3 898		
Total assets	488 856	58 428	47 665
Total equity and liabilities			
Ordinary share capital	402		
Ordinary share premium	10 721		
Reserves	19 070		
Total equity attributable to equity holders	30 193	–	–
Minority shareholders' equity attributable to ordinary shareholders	1 511		
Minority shareholders' equity attributable to preference shareholders	3 421		
Total equity	35 125	–	–
Derivative financial instruments	11 432	11 432	
Amounts owed to depositors	384 541	16 147	54 447
Other liabilities	34 225	26 610	
Liabilities under acceptances	2 251		
Current taxation liabilities	337		
Non-current liabilities held for sale	–		
Deferred taxation liabilities	1 616		
Post-employment liability	1 157		
Investment contract liabilities	5 846		5 846
Long-term debt instruments	12 326		7 725
Total liabilities	453 731	54 189	68 018
Total equity and liabilities	488 856	54 189	68 018

CLASSIFICATIONS IN TERMS OF IAS 39

A financial asset or financial liability *at fair value through profit or loss* is an asset or liability held that was either acquired to sell or repurchase in the short term, or is managed on a portfolio basis for short-term gains, or is a derivative or is an asset or liability that has been designated for classification and valuation as fair value through profit and loss.

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss and are held at fair value with fair value gains and losses recorded directly within equity and not through profit and loss.



Available-for-sale financial assets	Held-to-maturity investments	Loans and receivables	Financial liabilities at amortised cost	Non-financial assets and liabilities
	992	10 344		
5 984				
241	6 219	5 845		
		325 021		
		5 355		2 251
				59
314				31
				978
				25
				171
				3 929
				1 393
				1 349
		8 364		3 898
6 539	7 211	354 929	–	14 084
				402
				10 721
				19 070
–	–	–	–	30 193
				1 511
				3 421
–	–	–	–	35 125
			313 947	
			7 615	
				2 251
				337
				1 616
				1 157
			4 601	
–	–	–	326 163	5 361
–	–	–	326 163	40 486

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity date that an entity has the positive intention and ability to hold to maturity.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are carried at an accrued value and not fair valued.

Financial liabilities at amortised cost are non-derivative liabilities carried at amortised cost and not fair valued.

Non-financial assets and liabilities are all other assets and liabilities, which fall outside of the scope of IAS 39.

Nedbank Group: categories of financial instruments

as at 31 December

2006 Rm	Total	At fair value through profit or loss	
		Held for trading	Designated
Assets			
Cash and cash equivalents	12 267		
Other short-term securities	25 756	13 301	6 760
Derivative financial instruments	15 273	15 273	
Government and other securities	22 196	3 231	10 220
Loans and advances	308 563	23 084	25 841
Other assets	12 468	4 106	277
Clients' indebtedness for acceptances	2 577		
Current taxation receivable	161		
Investment securities	7 155		6 821
Non-current assets held for sale	490		
Investment in associate companies and joint ventures	907		
Deferred taxation asset	120		
Investment property	158		
Property and equipment	3 377		
Post-employment assets	1 444		
Computer software and capitalised development costs	1 266		
Mandatory reserve deposits with central bank	7 039		
Goodwill	3 695		
Total assets	424 912	58 995	49 919
Total equity and liabilities			
Ordinary share capital	395		
Ordinary share premium	9 727		
Reserves	14 994		
Total equity attributable to equity holders	25 116	–	–
Minority shareholders' equity attributable to ordinary shareholders	1 202		
Minority shareholders' equity attributable to preference shareholders	3 070		
Total equity	29 388	–	–
Derivative financial instruments	12 904	12 904	
Amounts owed to depositors	324 685	18 770	9 647
Other liabilities	37 847	29 769	
Liabilities under acceptances	2 577		
Current taxation liabilities	434		
Non-current liabilities held for sale	417		
Deferred taxation liabilities	1 649		
Post-employment liability	1 215		
Investment contract liabilities	5 278		5 278
Long-term debt instruments	8 518		4 131
Total liabilities	395 524	61 443	19 056
Total equity and liabilities	424 912	61 443	19 056

CLASSIFICATIONS IN TERMS OF IAS 39

A financial asset or financial liability *at fair value through profit or loss* is an asset or liability held that was either acquired to sell or repurchase in the short term, or is managed on a portfolio basis for short-term gains, or is a derivative or is an asset or liability that has been designated for classification and valuation as fair value through profit and loss.

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss and are held at fair value with fair value gains and losses recorded directly within equity and not through profit and loss.



Available-for-sale financial assets	Held-to-maturity investments	Loans and receivables	Financial liabilities at amortised cost	Non-financial assets and liabilities
		12 267		
5 695				2 577
	3 599	5 146		161
		259 638		
		8 085		
				490
334				907
				120
				158
				3 377
				1 444
				1 266
		7 039		3 695
6 029	3 599	292 175	–	14 195
				395
				9 727
				14 994
–	–	–		25 116
				1 202
				3 070
–	–	–		29 388
			296 268	
			8 078	
				2 577
				434
				417
				1 649
				1 215
			4 387	
–	–	–	308 733	6 292
–	–	–	308 733	35 680

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity date that an entity has the positive intention and ability to hold to maturity.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are carried at an accrued value and not fair valued.

Financial liabilities at amortised cost are non-derivative liabilities carried at amortised cost and not fair valued.

Non-financial assets and liabilities are all other assets and liabilities, which fall outside of the scope of IAS 39.

Return on equity drivers

for the year ended 31 December

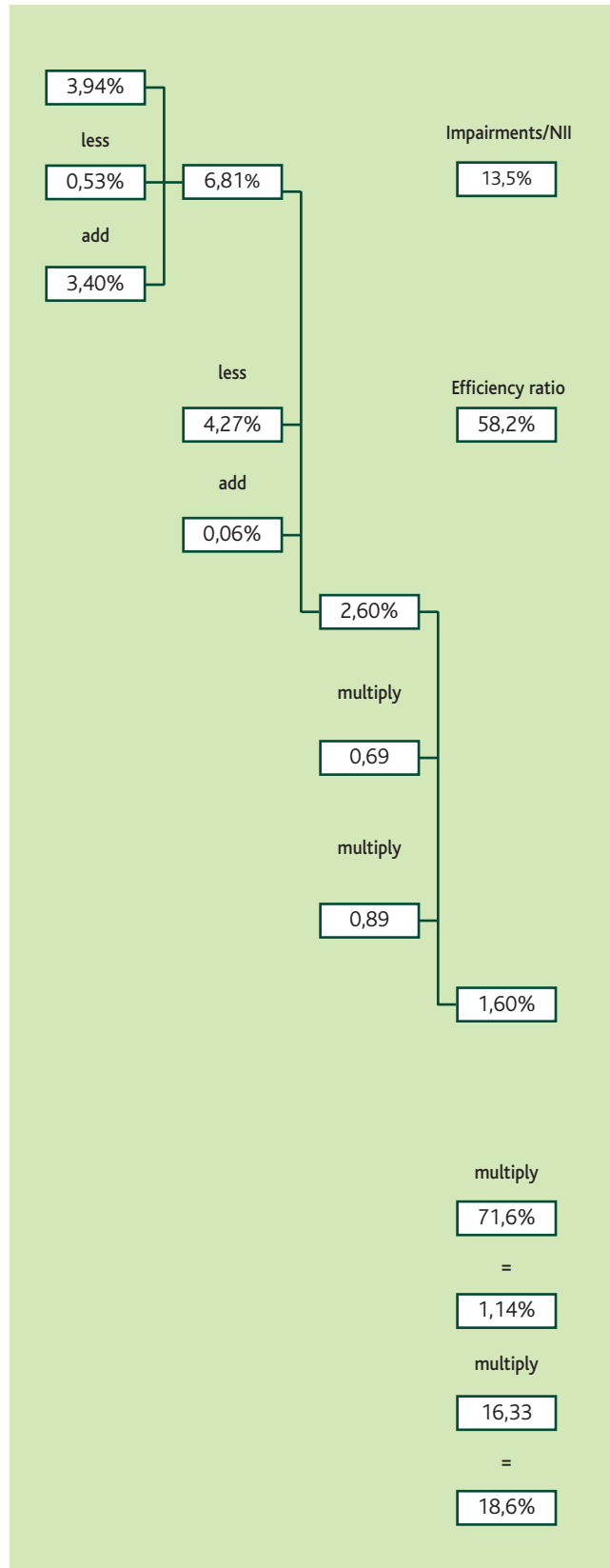
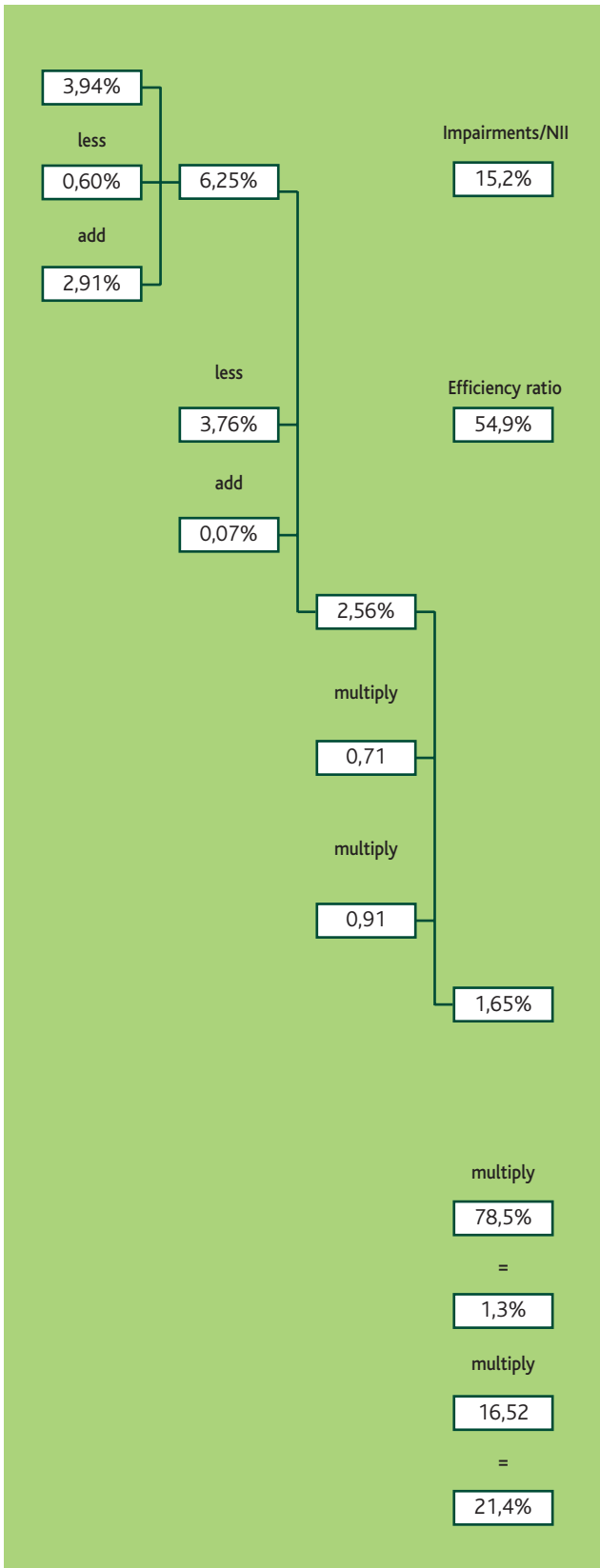
Rm	2007	2006	
Net interest income	14 146	10 963	Net interest income/average interest-earning banking assets
Impairment of loans and advances	(2 164)	(1 483)	Impairments/average interest-earning banking assets
Non-interest revenue	10 446	9 468	Non-interest revenue/average interest-earning banking assets
Income from normal operations	22 428	18 948	
Total operating expenses	(13 489)	(11 886)	Total expenses/average interest-earning banking assets
Share of profits of associates and joint ventures	239	153	Associate income/average interest-earning banking assets
Net profit before taxation	9 178	7 215	
Indirect taxation	(305)	(345)	
Direct taxation	(2 336)	(1 907)	1 – effective taxation rate
Net profit after taxation	6 537	4 963	
Minority interest	(616)	(528)	Income attributable to minorities
Headline earnings	5 921	4 435	Headline earnings
Daily average interest-earning banking assets*	358 824	278 160	Interest-earning banking assets/daily average total assets
Daily average total assets*	399 049	318 416	Interest-earning banking assets/simple average total assets
Simple average total assets	456 884	388 585	Return on total assets
Simple average shareholders' funds	27 655	23 803	Gearing
			Return on ordinary shareholders' equity

*Averages calculated on a 365-day basis



2007

2006



Operational segmental reporting

for the year ended 31 December

Balance sheet (Rbn)	Nedbank Group		Nedbank Corporate		Nedbank Capital	
	2007	2006	2007	2006	2007	2006
Assets						
Cash and cash equivalents	19	19	1	2	5	8
Other short-term securities	26	26	1	1	17	18
Derivative financial instruments	9	15			9	15
Government and other securities	30	22	1	1	22	17
Advances and other accounts	374	309	154	133	51	41
Other assets	31	34	4	5	6	8
Intergroup assets	–	–	52	33	34	31
Total assets	489	425	213	175	144	138
Equity and liabilities						
Amounts owed to depositors	385	325	194	158	101	89
Other liabilities	46	49	5	5	29	32
Derivative financial instruments	11	13			11	13
Intergroup liabilities	–	–				
Long-term debt instruments	12	9				
Allocated capital	35	29	14	12	3	4
Total equity and liabilities	489	425	213	175	144	138
Income statement (Rm)						
Net interest income	14 146	10 963	5 818	4 863	693	675
Impairment charge on loans and advances	2 164	1 483	158	176	25	118
Income from lending activities	11 982	9 480	5 660	4 687	668	557
Non-interest revenue	10 446	9 468	3 198	2 909	2 135	2 048
Operating income	22 428	18 948	8 858	7 596	2 803	2 605
Total expenses	13 489	11 886	4 478	3 976	1 284	1 171
Operating expenses	13 341	11 740	4 446	3 924	1 253	1 149
BEE transaction expenses	148	146	32	52	31	22
Indirect taxation	305	345	29	35	21	29
Profit/(loss) from operations	8 634	6 717	4 351	3 585	1 498	1 405
Share of profits of associates and joint ventures	239	153	54	64	1	
Profit/(loss) before direct taxation	8 873	6 870	4 405	3 649	1 499	1 405
Direct taxation	2 336	1 907	1 274	1 071	227	242
Profit/(loss) after taxation	6 537	4 963	3 131	2 578	1 272	1 163
Minority interest income attributable to – ordinary shareholders	344	309	68	63		18
– preference shareholders	272	219				
Headline earnings	5 921	4 435	3 063	2 515	1 272	1 145
Selected Ratios*						
Average interest-earning banking assets (Rbn)	359	278	188	148	81	56
Return on average assets (%)	1,3 [†]	1,1 [†]	1,6	1,7	0,9	1,0
Return on average equity (%)	21,4 [†]	18,6 [†]	21,4	21,6	36,8	31,3
ROE excluding goodwill (%)	24,8 [†]	22,1 [†]	21,4	21,6	36,8	31,3
Interest margin (%)	3,94	3,94	3,09	3,28	0,85	1,20
Non-interest revenue to gross income (%)	42,5	46,3	35,5	37,4	75,5	75,2
Impairments charge to average advances (%)	0,62	0,52	0,11	0,15	0,05	0,28
Efficiency ratio (%)	54,9	58,2	49,7	51,2	45,4	43,0
Efficiency ratio (excluding BEE) (%)	54,3	57,5	49,3	50,5	44,3	42,2
Effective taxation rate (%)	26,3	27,8	28,9	29,4	15,1	17,2
Number of employees	26 522	24 034	6 143	5 677	625	626

[†] These ratios were calculated on simple average amounts.

* These ratios (unless otherwise stated) were calculated using amounts to Rm to provide more accurate information.

Depreciation of R545 million (2006: R456 million) and amortisation of R431 million (2006: R438 million) of property, equipment, computer software and capitalised development costs are charged on an activity-justified transfer pricing methodology by the segment owning the assets to the segment utilising the benefits thereof.



Nedbank Retail		Imperial Bank		Shared Services		Central Management		Eliminations	
2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
2	2	1	1	1	1	9	5		
7	6	1	1						
133	107	35	28			7	4		
12	10	1		6	7	1	4		
						2	4	(86)	(64)
154	125	38	30	7	8	19	13	(86)	(64)
87	77	2			1	1			
9	8			3	3		1		
48	34	32	27	3	3	3		(86)	(64)
2		1	1			9	8		
8	6	3	2	1	1	6	4		
154	125	38	30	7	8	19	13	(86)	(64)
6 941	5 442	1 491	1 079	(299)	(197)	(498)	(899)		
1 572	1 047	412	211	(4)	(72)	1	3		
5 369	4 395	1 079	868	(295)	(125)	(499)	(902)	-	-
4 851	4 196	128	64	408	411	(27)	43	(247)	(203)
10 220	8 591	1 207	932	113	286	(526)	(859)	(247)	(203)
7 367	6 389	489	405	115	174	3	(26)	(247)	(203)
7 325	6 346	489	405	67	149	8	(30)	(247)	(203)
42	43			48	25	(5)	4		
135	157	34	21	87	101	(1)	2		
2 718	2 045	684	506	(89)	11	(528)	(835)	-	-
184	83				6				
2 902	2 128	684	506	(89)	17	(528)	(835)	-	-
858	630	205	120	(77)	155	(151)	(311)		
2 044	1 498	479	386	(12)	(138)	(377)	(524)	-	-
36	35	239	193			1			
		13				259	219		
2 008	1 463	227	193	(12)	(138)	(637)	(743)	-	-
131	100	33	24				3	(74)	(53)
1,4	1,4	1,4	1,5						
24,3	23,0	23,9	24,7						
24,3	23,1	23,9	24,7						
5,31	5,44	4,59	4,47						
41,1	43,5	7,9	5,6						
1,26	1,10	1,28	0,87						
62,5	66,3	30,2	35,4						
62,1	65,9	30,2	35,4						
29,6	29,6	30,0	23,7						
15 356	13 442	1 008	873	3 369	3 399	21	17		

Pro forma 2007 operational segmental performance – Economic capital allocations

for the year ended 31 December

Balance sheet (Rbn)	Nedbank Group 2007	Nedbank Corporate 2007	Nedbank Capital 2007	Nedbank Retail 2007
Assets				
Cash and cash equivalents	19	1	5	2
Other short-term securities	26	1	17	7
Derivative financial instruments	9		9	
Government and other securities	30	1	22	
Advances and other accounts	374	154	51	133
Other assets	31	4	6	12
Intergroup assets	–	48	34	
Total assets	489	209	144	154
Equity and liabilities				
Amounts owed to depositors	385	194	101	87
Other liabilities	46	5	29	9
Derivative financial instruments	11		11	
Intergroup liabilities	–			48
Long-term debt instruments	12			2
Allocated capital	35	10	3	8
Total equity and liabilities	489	209	144	154
Income statement (Rm)				
Net interest income	14 146	5 175	545	6 745
Impairment charge on loans and advances	2 164	158	25	1 572
Income from lending activities	11 982	5 017	520	5 173
Non-interest revenue	10 446	3 198	2 135	4 851
Operating income	22 428	8 215	2 655	10 024
Total expenses	13 489	4 478	1 284	7 367
Operating expenses	13 341	4 446	1 253	7 325
BEE transaction expenses	148	32	31	42
Indirect taxation	305	29	21	135
Profit/(Loss) from operations	8 634	3 708	1 350	2 522
Share of profits of associates and joint ventures	239	54	1	184
Profit/(Loss) before direct taxation	8 873	3 762	1 351	2 706
Direct taxation	2 336	1 062	177	794
Profit/(Loss) after taxation	6 537	2 700	1 174	1 912
Minority interest income attributable to – ordinary shareholders	344	68		36
– preference shareholders	272			
Headline earnings	5 921	2 632	1 174	1 876
Selected Ratios				
Return on risk-adjusted capital (RORAC) (%)	21,4	26,4	40,7	22,1



Imperial Bank 2007	Shared Services 2007	Central Management 2007	Eliminations 2007
1	1	9	
1			
		7	
35		1	
1	6	2	
(1)		5	(86)
37	7	24	(86)
2		1	
	3		
32	3	3	(86)
1		9	
2	1	11	
37	7	24	(86)
1 491	(250)	440	–
412	(4)	1	–
1 079	(246)	439	–
128	408	(27)	(247)
1 207	162	412	(247)
489	115	3	(247)
489	67	8	(247)
	48	(5)	
34	87	(1)	
684	(40)	410	–
684	(40)	410	–
205	(25)	123	
479	(15)	287	–
239		1	
13		259	
227	(15)	27	–
23,9			

Reconciliation of operational segmental analysis from Reported to Pro forma 2007

as at 31 December

Headline earnings	Reported 2007	ECAP adjustment	ALM recovery adjustment	Tax adjustment	Pro-forma 2007
Nedbank Corporate	3 063	(499)	(144)	212	2 632
Nedbank Capital	1 272	(78)	(70)	50	1 174
Nedbank Retail	2 008	(38)	(158)	64	1 876
Imperial Bank	227				227
	6 570	(615)	(372)	326	5 909
Shared Services	(12)	49	0	(52)	(15)
Central Management	(637)	566	372	(274)	27
	5 921	–	–	–	5 921

Nedbank Corporate segmental report

for the year ended 31 December

December 2007	Corporate banking	Business banking
Headline earnings (Rm)	674	1 227
Return on average equity (%)	13,5	28,9
Efficiency ratio (%)	47,4	50,6
Number of employees	268	2 301
Number of clients – advances	523	22 842
Average total advances (Rm)	46 276	47 571
Average total deposits (Rm)	97 730	64 050
Allocated capital (Rm)	4 996	4 241

*** Includes Centralised Credit, Risk and Finance and Eliminations*

December 2006	Corporate banking	Business banking
Headline earnings (Rm)	481	939
Return on average equity (%)	12,1	27,2
Efficiency ratio (%)	49,3	52,9
Number of employees	268	2 187
Average total advances (Rm)	35 192	38 495
Average total deposits (Rm)	73 223	54 445
Allocated capital (Rm)	3 962	3 454



Property finance	Africa	Other **	Total
1 007	90	65	3 063
22,7	18,7		21,4
42,4	69,5		49,7
855	1 582	1 137	6 143
5 542	160 829		
41 065	4 879	2 446	142 237
161	6 317	3 788	172 046
4 515	479	114	14 345

Property finance	Africa	Other **	Total
924	55	116	2 515
28,1	12,9		21,6
23,8	76,9		51,2
810	1 370	1 042	5 677
34 469	4 415	463	113 034
408	5 137	1 943	135 156
3 288	426	524	11 654

Nedbank Retail segmental report

for the year ended 31 December

	% change	Headline earnings		ROE		Efficiency ratio	
		2007	2006	2007	2006	2007	2006
		Rm	Rm	%	%	%	%
Home loans ⁽¹⁾	15	593	517	16	19	40,7	42,9
Bancassurance & Wealth ⁽²⁾	48	461	311	48	43	58,9	62,0
Integrated Segments ⁽³⁾	46	446	306	32	26	55,9	59,5
Card	27	287	226	47	51	61,1	69,2
Personal loans	112	200	94	35	27	44,9	49,8
VAF & TIP ⁽¹⁾	25	179	143	27	24	83,4	84,3
Vehicle Asset Finance ⁽¹⁾	20	(66)	(82)	(12)	(17)	96,9	110,3
Transactional and Investment Products ⁽¹⁾	9	245	225	195	203	81,7	81,9
Other ⁽⁴⁾	17	(158)	(134)	(41)	(39)	<-100	<-100
Total	37	2 008	1 463	24,28	23,04	62,5	66,3

1) Excludes business written in integrated segments.

2) Excludes revenues from Bancassurance in Nedbank Corporate and certain revenues in Card and Personal Loans, Includes BOE Private Clients.

3) Includes Private Banking, Small Business Services, OMB and Go Banking.

4) Comprises centralised costs per JV agreements, costs related to closed branches, cost of cash not yet transfer priced and net impairment adjustments.



% change	Total advances		Average advances		Total deposits		Credit loss ratio	
	2007	2006	2007	2006	2007	2006	2007	2006
	Rm	Rm	Rm	Rm	Rm	Rm	%	%
28	77 442	60 585	69 730	51 638	7	118	0,23	0,18
15	13 537	11 741	12 478	9 363	14 990	13 514	0,50	(0,10)
20	23 820	19 805	22 109	18 499	27 580	23 522	1,06	1,23
31	5 920	4 529	5 487	3 828	857	1 031	6,86	4,36
27	5 784	4 555	5 433	3 367	30	19	9,94	12,14
20	7 060	5 900	6 602	6 038	43 906	38 622	3,13	2,69
22	6 071	4 977	5 347	4 923			1,75	1,90
7	989	923	1 255	1 115	43 906	38 622	8,41	5,91
(49)	(71)	(139)	(89)	(102)	87	51	<-100	<-100
25	133 492	106 976	121 750	92 631	87 457	76 877	1,26	1,10

Nedbank Retail – bancassurance

for the year ended 31 December

Rm	% change	2007	2006
New business premiums			
Credit, Single Life and Simple Investment Products (Nedlife)	13,7	471,6	414,7
Short-term Insurance (Nedic and NGIB)	18,2	833,7	705,1
Advised-based Products (NFP)	11,7	5 150,0	4 611,0
Life	(1,3)	1 352,0	1 369,0
Non-life	17,0	3 539,0	3 026,0
Nedbank Pref Shares	20,2	260,0	216,0
Total	12,6	6 456,3	5 730,8
% OMSA via NFP	(4,4)	57%	60%
Advised-based Products (NFP) APE	7,7	632,7	587,7
Group	13,0	549,4	486,0
Non-group	(18,1)	83,3	101,7
Credit, Single Life and Simple Investment Products (Nedlife) APE	21,9	412	338



Operational statistics for the year ended 31 December

Nedbank Retail

	Number of clients	Number of internet banking clients	Number of branches	Banking outlets	Private bank suites	Mobile sales
December 2007	3 944 776	339 149	468	50	16	91
December 2006	3 531 199	278 497	456	27	16	57

	Number of personal loan kiosks	Number of personal loan branches	POS devices enabled for cash back	Number of ATMs	Number of SSTs	Number of employees	Assets under management R bn
December 2007	200	26	1 454	1 636	375	15 356	85
December 2006	250	10	103	1 286	316	13 442	72

Nedbank Corporate

Classification of clients	Number of clients	Number of electronic banking clients	Number of ATMs Africa	Number of locations/branches
December 2007*				
Corporate Banking (Turnover > R400 million)	523	1 625		5
Business Banking (Turnover > R5 million)	22 842	16 825		72
Property Finance	5 542			7
Africa	159 611	10 082	58	45
Total	188 518	28 532	58	129

* Due to refinement of data sources for client information, comparative results could not be restated and have not been disclosed.

Number of employees

	2007	2006
Corporate Banking (Turnover > R400 million)	268	268
Business Banking (Turnover > R5 million)	2 301	2 187
Property Finance	855	810
Africa	1 582	1 370
Other	1 137	1 042
Total	6 143	5 677

Imperial Bank

Classification of clients	Number of clients	Number of branches	Number of employees
December 2007	279 521	15	1 008
December 2006	215 508	17	873

Geographical segmental reporting

for the year ended 31 December

Balance sheet (Rbn)	South Africa*		Rest of Africa		Rest of world	
	2007	2006	2007	2006	2007	2006
Assets						
Cash and cash equivalents	17	17	1	1	1	1
Other short-term securities	17	18	1	1	8	7
Government and other securities	29	20			1	2
Derivative financial instruments	9	15				
Loans and advances	354	295	7	5	13	9
Other assets	28	30	1	1	2	3
Intergroup assets	(1)	(3)		1	1	2
Total assets	453	392	10	9	26	24
Total equity	30	24	1	1	4	4
Derivative financial instruments	11	13				
Amounts owed to depositors	363	301	7	7	15	17
Other liabilities	46	48		1		
Intergroup liabilities	(9)	(3)	2		7	3
Long-term debt instruments	12	9				
Total liabilities	453	392	10	9	26	24
Income statement (Rm)						
Net interest income	13 336	10 158	441	513	369	292
Impairment charge on loans and advances	2 087	1 458	17	19	60	6
Income from lending activities	11 249	8 700	424	494	309	286
Non-interest revenue	9 775	8 916	245	163	426	389
Operating income	21 024	17 616	669	657	735	675
Operating expenses	12 393	10 886	458	422	490	432
BEE transaction expenses	145	123	3	23		
Indirect taxation	298	337	3	2	4	6
Profit from operations	8 188	6 270	205	210	241	237
Share of profits of associates and joint ventures	238	151	1	2		
Profit before direct taxation	8 426	6 421	206	212	241	237
Direct taxation	2 247	1 778	57	101	32	28
Profit after taxation	6 179	4 643	149	111	209	209
Minority interest income attributable to						
– ordinary shareholders	284	248	33	35	27	26
– preference shareholders	272	219				
Headline earnings	5 623	4 176	116	76	182	183

* Includes all group eliminations.



Assets under management

as at 31 December

Rm	2007	2006
Fair value of funds under management – by type		
Unit trusts	40 070	32 780
Third party	2 832	23 321
Private clients	42 536	30 111
	85 438	86 212
Fair value of funds under management – by geography		
South Africa	70 675	72 827
Rest of World	14 763	13 385
	85 438	86 212

Rm	2007			Total
	Unit trusts	Third party	Private clients	
Reconciliation of movement in funds under management – by type				
Opening balance	32 780	23 321	30 111	86 212
Group transfers	2 347	(6 716)	4 369	–
Disposals		(14 659)		(14 659)
Inflows	13 942	1 052	13 686	28 680
Outflows	(12 402)	(368)	(9 782)	(22 552)
Mark-to-market value adjustment	3 573	79	3 898	7 550
Foreign currency translation differences	(170)	123	254	207
Closing balance	40 070	2 832	42 536	85 438

Rm	2007		Total
	South Africa	Rest of the world	
Reconciliation of movement in funds under management – by geography			
Opening balance	72 827	13 385	86 212
Disposals	(14 349)	(310)	(14 659)
Inflows	23 921	4 759	28 680
Outflows	(18 584)	(3 968)	(22 552)
Mark-to-market value adjustment	6 860	690	7 550
Foreign currency translation differences		207	207
Closing balance	70 675	14 763	85 438

Rbn	2007	2006
Segmentals		
Nedbank Retail	85	72
Nedbank Capital		14
	85	86

Balance sheet – banking/trading categorisation

as at 31 December

Rm	2007				2006			
	Banking	Trading	Elims	Total	Banking	Trading	Elims	Total
Assets								
Cash and cash equivalents	10 712	(368)		10 344	11 559	708		12 267
Other short-term securities	11 509	15 946	(1 662)	25 793	12 629	14 851	(1 724)	25 756
Derivative financial instruments	166	9 192	(311)	9 047	273	15 816	(816)	15 273
Government and other securities	24 646	5 693	(702)	29 637	19 128	7 602	(4 534)	22 196
Loans and advances	347 979	25 977		373 956	285 512	23 051		308 563
Other assets	5 167	4 146		9 313	5 547	6 921		12 468
Customers' indebtedness for acceptances	2 251			2 251	2 577			2 577
Current taxation receivable	59			59	161			161
Investment securities	7 926	392		8 318	7 084	71		7 155
Non-current assets held for sale	31			31	42	448		490
Investments in associate companies and joint ventures	978			978	907			907
Deferred taxation asset	44	(19)		25	114	6		120
Property and equipment	4 085	15		4 100	3 521	14		3 535
Post-employment assets	1 393			1 393	1 444			1 444
Mandatory reserve deposits with central banks	8 364			8 364	7 039			7 039
Intangible assets	5 246	1		5 247	4 958	3		4 961
Inter-divisional assets	1 044		(1 044)	–		3 037	(3 037)	–
Total assets	431 600	60 975	(3 719)	488 856	362 495	72 528	(10 111)	424 912
Total equity and liabilities								
Allocated capital	27 654	2 539		30 193	23 065	2 051		25 116
Minority shareholders' equity attributable to:								
– ordinary shareholders	1 511			1 511	1 176	26		1 202
– preference shareholders	3 421			3 421	3 070			3 070
Total equity	32 586	2 539		35 125	27 311	2 077		29 388
Derivative financial instruments	804	10 939	(311)	11 432	1 138	12 582	(816)	12 904
Amounts owed to depositors	368 491	17 712	(1 662)	384 541	305 916	20 493	(1 724)	324 685
Other liabilities	6 175	28 752	(702)	34 225	5 560	36 821	(4 534)	37 847
Non-current liabilities held for sale				–		417		417
Liabilities under acceptances	2 251			2 251	2 577			2 577
Current taxation liabilities	345	(8)		337	442	(8)		434
Deferred taxation liabilities	1 619	(3)		1 616	1 503	146		1 649
Post-employment liability	1 157			1 157	1 215			1 215
Investment contract liabilities	5 846			5 846	5 278			5 278
Long-term debt instruments	12 326			12 326	8 518			8 518
Inter-divisional liabilities		1 044	(1 044)	–	3 037		(3 037)	–
Total liabilities	399 014	58 436	(3 719)	453 731	335 184	70 451	(10 111)	395 524
Total equity and liabilities	431 600	60 975	(3 719)	488 856	362 495	72 528	(10 111)	424 912

Notes to the income statement

for the year ended 31 December

1. Average banking balance sheet and related interest

Rm	2007			2006		
	Average balance	Margin statement interest		Average balance	Margin statement interest	
	Assets	Received	%	Assets	Received	%
Average prime rate			13,10			11,13
Advances and clients' indebtedness for acceptances						
Home loans (including PIPs)	112 132	12 798	11,4	85 310	8 208	9,6
Commercial mortgages	51 900	6 230	12,0	40 050	4 419	11,0
Lease and instalment debtors	47 101	6 130	13,0	37 751	4 196	11,1
Credit card balances	6 502	1 003	15,4	4 515	581	12,9
Bills and acceptances*	3 244	99	3,1	3 063	126	4,1
Overdrafts	13 416	1 727	12,9	11 049	1 242	11,2
Term loans and other**	89 830	10 613	11,8	67 496	7 140	10,6
Impairment of loans and advances	(5 722)			(5 135)		
Government and public sector securities	20 455	1 926	9,4	18 152	1 477	8,1
Short-term funds and trading securities	19 966	1 475	7,4	15 909	1 132	7,1
Interest-earning banking assets	358 824	42 001	11,7	278 160	28 521	10,3
Net inter-divisional assets – trading book	6 765			7 472		
Revaluation of FVTPL-designated assets	(21)			836		
Derivative financial instruments	282			325		
Insurance assets	5 670			4 543		
Cash and bank notes	1 662			1 647		
Other assets	6 628			8 681		
Associates and investments	3 063			2 464		
Property and equipment	3 562			3 315		
Intangible assets	4 861			4 891		
Mandatory reserve deposit with central bank	7 753			6 082		
Total assets	399 049	42 001	10,5	318 416	28 521	9,0
	Liabilities	Paid	%	Liabilities	Paid	%
Deposit and loan accounts	197 326	17 161	8,7	157 969	10 817	6,8
Current and savings accounts	55 966	1 708	3,1	48 790	1 250	2,6
Negotiable certificates of deposit	54 729	5 177	9,5	36 882	2 820	7,6
Other interest-bearing liabilities***	33 740	2 746	8,1	24 877	1 698	6,8
Long-term debt instruments	10 244	1 063	10,4	8 424	973	11,6
Interest-bearing banking liabilities	352 005	27 855	7,9	276 942	17 558	6,3
Other liabilities	9 312			8 632		
Revaluation of FVTPL-designated liabilities	(21)			836		
Derivative financial instruments	1 085			1 406		
Investment contract liabilities	5 669			4 543		
Ordinary shareholders' equity	26 233			22 006		
Minority shareholders' equity	4 766			4 051		
Total shareholders' equity and liabilities	399 049	27 855	7,0	318 416	17 558	5,5
Interest margin on average interest-earning banking assets	358 824	14 146	3,94	278 160	10 963	3,94

Where possible, averages are calculated on daily balances.

* Includes clients' indebtedness for acceptances.

** Includes term loans, preference shares, factoring debtors and other lending-related instruments and interest on derivatives.

*** Includes foreign currency liabilities and liabilities under acceptances.

Notes to the income statement

for the year ended 31 December (continued)

2. Impairments and impaired advances

Rm	Nedbank Corporate 2007	Nedbank Capital 2007
Opening balance	1 773	370
Specific impairment	861	358
IBNR	912	12
Income statement impairment charge	158	25
Specific impairment	40	15
IBNR	118	10
Bad debts recovered	154	–
Amounts written off/other transfers	(248)	(11)
Total impairments	1 837	384
Specific impairments	820	362
IBNR	1 017	22
Analysis of impairments		
Specific impairments	820	362
Specific impairment on impaired advances	654	76
Specific impairment for discounted cash flow losses	166	–
Total specific impairment on impaired advances	820	76
Specific impairment on performing loans (includes discounted cash flow losses)	–	286
Incurring but not reported (IBNR)	1 017	22
Total impairments	1 837	384
Total advances	155 555	51 617
Total average advances	145 291	46 274
Impaired advances (net of security) covered by a portion of the specific impairment		
Segmental analysis		
Mortgage advances	777	–
Lease and instalment debtors	324	–
Credit card balances	10	–
Personal loans	–	–
Other loans and advances	623	98
Total impaired loans	1 734	98
Properties in possession	30	–
Total impaired advances	1 764	98
Less: Security before discounting and expected recoveries	1 110	22
Net uncovered position before discounting	654	76
Losses due to discounting cash flow losses	166	–
Net uncovered position after discounting	820	76
Specific impairments	820	76
Specific impairment on impaired advances	654	76
Specific impairment for discounted cash flow losses	166	–
Value at risk/(excess impairment raised)	–	–
Ratios		
Impairments to total advances (%)	1,18	0,74
Credit loss ratio (%)	0,11	0,05
Properties in possession to total advances (%)	0,02	–
Impaired advances to total advances (%)	1,13	0,19
Properties in possession (PIPs)		
Balance at beginning of period	21	–
Disposal/write-downs/revaluations	(12)	–
PIPs acquired during the period	21	–
Balance at end of period	30	–
Unsold	27	–
Sold awaiting transfer	3	–
Product analysis	Mortgage advances	Lease and instalment debtors
Impaired loans	5 744	1 779
Properties in possession	–	–
Impaired advances	5 744	1 779
Security before discounting and expected recoveries	5 004	724
Net uncovered position before discounting	740	1 055
Losses due to discounting cash flows	195	38
Net uncovered position after discounting	935	1 093
Specific impairments	935	1 093
Specific impairment on impaired advances	740	1 055
Specific impairment for discounted cash flow losses	195	38
Value at risk/(excess impairment raised)	–	–

** Includes personal loans.



Nedbank Retail 2007	Imperial Bank 2007	Central management 2007	December 2007	December 2006
2 386	622	33	5 184	5 214
1 994	541	33	3 787	4 418
392	81	–	1 397	796
1 572	412	(3)	2 164	1 483
1 441	343	4	1 843	968
131	69	(7)	321	515
257	7	–	418	296
(1 282)	(138)	(9)	(1 688)	(1 809)
2 933	903	21	6 078	5 184
2 383	752	24	4 341	3 787
550	151	(3)	1 737	1 397
2 383	752	24	4 341	3 787
2 032	752	–	3 514	3 200
351	–	–	517	303
2 383	752	–	4 031	3 503
–	–	24	310	284
550	151	(3)	1 737	1 397
2 933	903	21	6 078	5 184
136 425	36 223	214	380 034	313 747
122 893	32 290	144	346 892	283 685
4 876	91	–	5 744	3 610
637	818	–	1 779	1 497
560	–	–	570	316
916	–	–	916	–
521	93	–	1 335	2 189**
7 510	1 002	–	10 344	7 612
278	–	–	308	131
7 788	1 002	–	10 652	7 743
5 756	250	–	7 138	4 543
2 032	752	–	3 514	3 200
351	–	–	517	303
2 383	752	–	4 031	3 503
2 383	752	–	4 031	3 503
2 032	752	–	3 514	3 200
351	–	–	517	303
–	–	–	–	–
2,15	2,49	–	1,60	1,65
1,26	1,28	–	0,62	0,52
0,20	–	–	0,08	0,04
5,71	2,77	–	2,80	2,47
110	–	–	131	309
(95)	–	–	(107)	(226)
263	–	–	284	48
278	–	–	308	131
172	–	–	199	41
106	–	–	109	90
Credit card balances	Personal loans	Other loans and advances	December 2007	December 2006
570	916	1 335	10 344	7 612
–	–	308	308	131
570	916	1 643	10 652	7 743
171	344	895	7 138	4 543
399	572	748	3 514	3 200
14	239	31	517	303
413	811	779	4 031	3 503
413	811	779	4 031	3 503
399	572	748	3 514	3 200
14	239	31	517	303
–	–	–	–	–

Notes to the income statement

for the year ended 31 December (continued)

2 Impairments and impaired advances (continued)

Analysis of expected losses covered by specific impairments

December 2007 Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub- standard	Total	Special- mention	Standard	
Advances	308	3 323	2 934	4 087	10 652			10 652
Less: Security before discounting and expected recoveries		1 643	1 971	3 524	7 138			7 138
Net uncovered position before discounting	308	1 680	963	563	3 514		–	3 514
Losses due to discounting cash flows		68	170	279	517			517
Specific impairment on performing loans (incl discounted cash flow losses)					–		310	310
Total expected losses covered by specific impairments below	308	1 748	1 133	842	4 031	–	310	4 341
Specific impairment on impaired advances	308	1 680	963	563	3 514		–	3 514
Specific impairment for discounted cash flow losses		68	170	279	517			517
Specific impairment on performing loans (incl discounted cash flow losses)					–		310	310

December 2006 Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub- standard	Total	Special- mention	Standard	
Advances	131	2 095	2 202	3 315	7 743		–	7 743
Less: Security before discounting and expected recoveries		943	1 222	2 378	4 543		–	4 543
Net uncovered position before discounting	131	1 152	980	937	3 200		–	3 200
Losses due to discounting cash flows		48	100	155	303			303
Specific impairment on performing loans (incl discounted cash flow losses)					–		284	284
Total expected losses covered by specific impairments below	131	1 200	1 080	1 092	3 503	–	284	3 787
Specific impairment on impaired advances	131	1 152	980	937	3 200		–	3 200
Specific impairment for discounted cash flow losses		48	100	155	303			303
Specific impairment on performing loans (incl discounted cash flow losses)					–		284	284



Classification categories

2007 – Nedbank Group

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Mortgage advances		1 420	1 695	2 629	5 744	3 149	175 132	184 025
Lease and instalment debtors		1 056	322	401	1 779	1 022	49 767	52 568
Credit card balances		86	310	174	570	466	6 073	7 109
Personal loans		239	364	313	916	452	5 544	6 912
Other loans and advances		522	243	570	1 335	2 754	125 023	129 112
Properties in possession (PIPs)	308				308			308
Total gross balances	308	3 323	2 934	4 087	10 652	7 843	361 539	380 034
% of total advances	0,1	0,9	0,8	1,1	2,9	2,1	95,0	100,0

2006 – Nedbank Group

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Mortgage advances		692	924	1 994	3 610	2 611	138 936	145 157
Lease and instalment debtors		698	537	262	1 497	622	41 239	43 358
Credit card balances		41	171	104	316	241	4 726	5 283
Other loans and advances		664	570	955	2 189	2 192	115 437	119 818
Properties in possession (PIPs)	131				131			131
Total gross balances	131	2 095	2 202	3 315	7 743	5 666	300 338	313 747
% of total advances	0,0	0,7	0,7	1,1	2,5	1,8	95,7	100,0

2007 – Nedbank Corporate

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Mortgage advances		100	201	476	777	1 021	66 223	68 021
Lease and instalment debtors		91	90	143	324	319	16 226	16 869
Credit card balances		2	6	3	11	4	38	53
Personal loans					–		343	343
Other loans and advances		117	73	432	622	1 007	68 610	70 239
Properties in possession (PIPs)	30				30		–	30
Total gross balances	30	310	370	1 054	1 764	2 351	151 440	155 555
% of total advances	0,0	0,2	0,2	0,7	1,1	1,5	97,4	100,0

2006 – Nedbank Corporate

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Mortgage advances		146	179	358	683	1 124	52 334	54 141
Lease and instalment debtors		85	105	88	278	249	13 958	14 485
Credit card balances		3	2	1	6	5	38	49
Other loans and advances		340	123	592	1 055	798	64 478	66 331
Properties in possession (PIPs)	21				21			21
Total gross balances	21	574	409	1 039	2 043	2 176	130 808	135 027
% of total advances	0,0	0,4	0,3	0,8	1,5	1,6	96,9	100,0

Notes to the income statement

for the year ended 31 December (continued)

Classification categories

2007 – Nedbank Capital

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Lease and instalment debtors					–		230	230
Other loans and advances		28	18	52	98	1 542	49 747	51 387
Total gross balances	–	28	18	52	98	1 542	49 977	51 617
% of total advances	–	0,1	0,0	0,1	0,2	3,0	96,8	100,0

2006 – Nedbank Capital

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Lease and instalment debtors			239		239			239
Other loans and advances		28	46		74	869	39 748	40 691
Total gross balances	–	28	285	–	313	869	39 748	40 930
% of total advances	–	0,1	0,7	–	0,8	2,1	97,1	100,0

2007 – Nedbank Retail

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Mortgage advances		1 229	1 494	2 153	4 876	2 109	99 660	106 645
Lease and instalment debtors		230	220	187	637	309	8 507	9 453
Credit card balances		84	304	171	559	462	6 035	7 056
Personal loans		239	364	313	916	452	5 201	6 569
Other loans and advances		284	152	186	522	205	5 697	6 424
Properties in possession (PIPs)	278				278			278
Total gross balances	278	2 066	2 534	2 910	7 788	3 537	125 100	136 425
% of total advances	0,2	1,5	1,9	2,1	5,7	2,6	91,7	100,0

2006 – Nedbank Retail

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Mortgage advances		454	745	1 636	2 835	1 485	79 804	84 124
Lease and instalment debtors		121	167	164	452	215	7 316	7 983
Credit card balances		38	169	103	310	236	4 688	5 234
Other loans and advances		170	393	363	926	525	10 458	11 909
Properties in possession (PIPs)	110				110			110
Total gross balances	110	783	1 474	2 266	4 633	2 461	102 266	109 360
% of total advances	0,1	0,7	1,3	2,1	4,2	2,3	93,5	100,0



Classification categories

2007 – Imperial Bank

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Mortgage advances		91			91	19	9 528	9 638
Lease and instalment debtors		735	12	71	818	394	24 852	26 064
Other loans and advances		93			93		428	521
Total gross balances	–	919	12	71	1 002	413	34 808	36 223
% of total advances	–	2,5	0,0	0,2	2,7	1,1	96,2	100,0

2006 – Imperial Bank*

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Mortgage advances		92			92	2	7 017	7 111
Lease and instalment debtors		492	26	10	528	158	20 020	20 706
Other loans and advances		126	8		134		406	540
Total gross balances	–	710	34	10	754	160	27 643	28 357
% of total advances	–	2,5	0,1	0,0	2,6	0,6	96,8	100,0

* 2006 restated.

2007 – Central management and Shared services

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Mortgage advances					–		(279)	(279)
Lease and instalment debtors					–		(48)	(48)
Other loans and advances					–		541	541
Total gross balances	–	–	–	–	–	–	214	214
% of total advances	–	–	–	–	–	–	100,0	100,0

2006 – Central management and Shared services

Rm	Impaired advances					Performing loans		Total
	PIPs	Loss	Doubtful	Sub-standard	Total	Special-mention	Standard	
Mortgage advances					–		(219)	(219)
Lease and instalment debtors					–		(55)	(55)
Other loans and advances					–		347	347
Total gross balances	–	–	–	–	–	–	73	73
% of total advances	–	–	–	–	–	–	100,0	100,0

Notes to the income statement

for the year ended 31 December (continued)

Category	Definition
(i) Standard (or current)	Items that are fully current, the continued repayment of which are without doubt and for which full repayment is expected.
(ii) Special-mention	Items that are subject to conditions that, if left uncorrected, could raise concerns about timely and full repayment and, as such, require more than normal attention.
(iii) Substandard	Items showing weaknesses that could lead to probable loss, if not corrected, or in respect of which full repayment is in doubt owing to the primary sources of repayment being insufficient.
(iv) Doubtful	Items that exhibit all the weaknesses inherent in items classified as substandard, with the added characteristic that the items are not adequately secured.
(v) Loss	Items that are considered uncollectable and of such little value that the items should no longer be included in advances.
(vi) Properties in Possession (Pips)	Properties acquired through payment defaults on loans secured by properties.
(vii) Impaired advances	Represents an aggregate of items mentioned in (iii), (iv), (v) and (vi) categories above.

Notes to the income statement

for the year ended 31 December (continued)

3.1 Non-interest revenue

Rm	Nedbank Group		Nedbank Corporate		Nedbank Capital	
	2007	2006	2007	2006	2007	2006
Commission and fees income	7 528	6 538	2 543	2 247	338	253
Administration fees	195	156	56	52		(4)
Cash-handling fees	378	329	281	243		
Insurance commission	523	411	22	33		
Exchange commission	294	238	186	161		
Fees	1 056	812	295	223	334	242
Guarantees	83	73	77	68	2	1
Other card income	1 695	1 463	36	33		
Service charges	1 709	1 657	410	417		
Bond originator income	578	487	750	614		
Other commission	1 017	912	430	403	2	14
Securities dealing and fair value adjustments	841	500	327	247	500	215
Securities dealing	836	523	303	231	518	233
Fair value adjustments	5	(23)	24	16	(18)	(18)
Trading income	1 334	1 647	121	88	1 172	1 516
Foreign exchange	733	719	121	88	571	588
Debt securities	342	551	342		342	551
Equities	233	377	233		233	377
Commodities	26		26		26	
Other						
Rental income	51	50	15	12		
Investment income	159	179	22	79	108	57
Long-term assets sales	28	6	8	6	2	
Dividends received	131	173	14	73	106	57
Sundry income	533	550	170	236	17	7
Non-banking subsidiaries	271	319	46	135		
Other sundry income	262	231	124	101	17	7
Foreign currency translation gains	–	4				
Total non-interest revenue	10 446	9 468	3 198	2 909	2 135	2 048

3.2 Private equity income included in NIR

Rm	Nedbank Group		Nedbank Corporate		Nedbank Capital	
	2007	2006	2007	2006	2007	2006
Security dealing	809	448	299	214	510	234
Investment income – dividends received	106	130	8	73	98	57
Total private equity NIR	915	578	307	287	608	291
Realised	409	460	78	164	331	296
Unrealised	506	118	229	123	277	(5)
Total private equity NIR	915	578	307	287	608	291



	Nedbank Retail		Imperial Bank		Shared Services		Central Management and Eliminations	
	2007	2006	2007	2006	2007	2006	2007	2006
	4 772	4 059	39	35	33	97	(197)	(153)
	146	117			7	7	(14)	(16)
	97	86						
	501	377				1		
	104	66			4	12		(1)
	417	317	14	(8)	10	39	(14)	(1)
	4	4						
	1 659	1 429				1		
	1 299	1 240					(172)	(127)
	545	423	25	43	12	37	3	(8)
	3	51	-	-	45	13	(34)	(26)
	3	51				12	12	(4)
					45	1	(46)	(22)
	41	43	-	-	-	-	-	-
	41	43						
	1	2			34	37	1	(1)
	2	1	-	-	4	15	23	27
	2	1			4	15	18	
							5	27
	32	40	89	29	292	249	(67)	(11)
	32	40	89	29	225	184	(67)	(11)
					67	65		
								4
	4 851	4 196	128	64	408	411	(274)	(160)

Notes to the income statement

for the year ended 31 December (continued)

4 Expenses

Rm	Nedbank Group		Nedbank Corporate		Nedbank Capital	
	2007	2006	2007	2006	2007	2006
Staff costs	7 079	6 082	1 731	1 496	641	634
Salaries and wages	6 942	5 993				
Long-term employee benefits	20	(13)				
Share-based payment expenses – employees	117	102				
Computer processing	1 673	1 504	170	156	75	63
Depreciation for computer equipment	288	218				
Amortisation of computer software	431	438				
Operating lease charges for computer equipment	126	55				
Other computer processing expenses	828	793				
Communication and travel	559	472	94	87	66	49
Occupation and accommodation	1 068	963	182	156	32	32
Depreciation for owner-occupied land and buildings	67	61				
Operating lease charges for land and buildings	457	315				
Other occupation and accommodation expenses	544	587				
Marketing and public relations	887	782	116	105	28	21
Fees and insurances	1 498	1 402	734	608	96	81
Auditors' remuneration	93	92				
Bond choice	517	451				
Other fees and insurances	888	859				
Office equipment and consumables	296	258	44	40	8	11
Depreciation for furniture and other equipment	186	171				
Depreciation for vehicles	4	6				
Operating lease charges for furniture and other equipment	20	5				
Other office equipment and consumables	86	76				
Other sundries	284	287	55	153	25	18
Fees to alliance partners – Old Mutual Bank	(3)	(10)				
Activity – justified transfer-pricing	–	–	1 320	1 123	282	240
Operating expenses	13 341	11 740	4 446	3 924	1 253	1 149
BEE transaction expenses	148	146	32	52	31	22
BEE share-based payments costs	147	138				
Fees	1	8				
Total operating expenses	13 489	11 886	4 478	3 976	1 284	1 171
Efficiency ratio (%)	54,9	58,2	49,7	51,2	45,4	43,0



	Nedbank Retail		Imperial Bank		Shared Services		Central Management and Eliminations	
	2007	2006	2007	2006	2007	2006	2007	2006
	3 136	2 537	294	244	1 289	1 205	(12)	(34)
	346	244	30	14	1 064	1 025	(12)	2
	237	206	33	25	164	139	(35)	(34)
	790	650	24	38	22	83	18	4
	499	456	49	39	219	188	(24)	(27)
	397	411	18	21	391	395	(138)	(114)
	165	142	11	5	72	60	(4)	
	155	79	30	19	37	26	(18)	(8)
	(3)	(10)						
	1 603	1 631			(3 191)	(2 972)	(14)	(22)
	7 325	6 346	489	405	67	149	(239)	(233)
	42	43			48	25	(5)	4
	7 367	6 389	489	405	115	174	(244)	(229)
	62,5	66,3	30,2	35,4				

Notes to the income statement

for the year ended 31 December (continued)

5 Taxation charge

Rm	2007	2006
South African normal taxation		
Current	1 883	403
Deferred	229	1 255
Secondary taxation on companies (STC)	121	62
Foreign taxation	106	163
Current and deferred taxation on income	2 339	1 883
Prior year overprovision – current	(24)	(43)
Prior year underprovision – deferred	21	67
Total taxation on income	2 336	1 907
Taxation on non-trading and capital items	7	26
Total	2 343	1 933
Effective taxation rate excluding non-trading and capital items (%)	26,3	27,8

	%	%
Taxation rate reconciliation (excluding non-trading and capital items)		
Standard rate of South African normal taxation	29	29
Dividend income	(4)	(4)
Differences between foreign taxation rates and South African taxation rate	(1)	(1)
Non-taxable investment income	(1)	(1)
Effect of taxation losses utilised	–	(1)
Risk provision	1	3
Structured deals	(1)	(1)
STC	1	1
Other	2	3
Total taxation on income as percentage of profit before taxation (excluding non-trading and capital items)	26	28

6 Minority interest

Rm	2007		2006	
	Balance sheet	Income statement	Balance sheet	Income statement
Imperial Bank	1 188	239	794	193
Nedbank (Swaziland)	48	12	39	10
Nedbank (Namibia) (100% subsidiary from Jul 07)		3	21	3
Nedbank (Malawi)	1		1	
Fairbairn Private Bank (Jersey)	196	27	196	26
Taquanta (sold)			26	17
MBCA Bank (Zimbabwe)	2	19	24	22
The Lion Match Company (sold)		2	51	11
Bond Choice	29	33	15	17
BoE Private Clients	42	9	33	10
Other	5		2	
	1 511	344	1 202	309



7 Preference shares

Dividends declared	Number of shares	Cents per share	Amount (Rm)
2007			
Nedbank – Final declared for 2006 – paid March 2007	277 298 896	44,13699	122
Imperial – Final declared for 2006 – paid March 2007	3 000 000	430,93151	13
Nedbank – Interim declared for 2007 – paid Sept 2007	312 781 032	46,72603	146
Imperial – Interim declared for 2007 – paid Sept 2007	3 000 000	435,82192	13
			294
Nedbank – Final declared for 2007 – payable March 2008	312 781 032	51,55479	161
Imperial – Final declared for 2007 – payable March 2008	3 000 000	435,82192	13
			174
2006			
Nedbank – Final declared for 2005 – paid March 2006	277 298 896	39,69863	110
Nedbank – Interim declared for 2006 – paid Aug 2006	277 298 896	39,27740	109
			219

Dividends paid	Days	Rate	Amount (Rm)
2007			
Nedbank			
1 Jul 2006 – 31 Dec 2006	184		122,4
1 Jul 2006 – 3 Aug 2006	34	8,250%	21,3
4 Aug 2006 – 15 Oct 2006	73	8,630%	47,8
16 Oct 2006 – 10 Dec 2006	56	9,000%	38,3
11 Dec 2006 – 31 Dec 2006	21	9,375%	15,0
1 Jan 2007 – 30 Jun 2007	181		145,9
1 Jan 2007 – 10 Jun 2007	161	9,375%	126,9
11 Jun 2007 – 30 Jun 2007	20	9,750%	19,0
Imperial			
22 Jun 2006 – 31 Dec 2006	193		12,9
22 Jun 2006 – 3 Aug 2006	43	7,700%	2,7
4 Aug 2006 – 15 Oct 2006	73	8,050%	4,8
16 Oct 2006 – 10 Dec 2006	56	8,400%	3,9
11 Dec 2006 – 31 Dec 2006	21	8,750%	1,5
1 Jan 2007 – 30 Jun 2007	181		13,1
1 Jan 2007 – 10 Jun 2007	161	8,750%	11,6
11 Jun 2007 – 30 Jun 2007	20	9,100%	1,5
Total paid			294,3
Less: Cumulative dividend paid			9,5
Ordinary minority shareholders' share of dividend paid			12,9
			271,9
2006			
Nedbank			
1 Jul 2005 – 31 Dec 2005	184	7,88%	110
1 Jan 2006 – 30 Jun 2006	181		109
1 Jan 2006 – 8 Jun 2006	159	7,88%	95
9 Jun 2006 – 30 Jun 2006	22	8,25%	14
	365		219

Notes to the balance sheet

as at 31 December

8 Loans and advances

Segmental breakdown Rm	Nedbank Group		Nedbank Corporate		Nedbank Capital	
	2007	2006	2007	2006	2007	2006
Homeloans	123 980	98 944	14 796	14 025		
Commercial mortgages	60 045	46 213	53 225	40 116		
Properties in possession	308	131	30	21		
Credit cards	7 109	5 283	53	49		
Overdrafts	12 514	13 761	10 252	11 509	44	158
Term loans	39 835	33 948	29 022	25 396	2 059	1 012
Personal Loans	6 912	5 477	343	349		
Other term loans	32 923	28 471	28 679	25 047	2 059	1 012
Overnight loans	18 336	17 392	18 331	17 369	4	10
Other loans to clients	47 786	38 583	8 073	7 138	36 837	28 507
Foreign client lending	13 734	17 324	2 084	2 061	11 649	15 261
Remittances in transit	196	160	140	143		
Other loans*	33 856	21 099	5 849	4 934	25 188	13 246
Leases and instalment debtors	52 568	43 358	16 869	14 485	230	239
Preference shares and debentures	9 377	6 840	4 346	4 056	4 828	2 576
Factoring accounts	494	839	494	839		
Deposits placed under reverse repurchase agreements	5 839	6 703			5 839	6 703
Trade, other bills and bankers' acceptances	1 843	1 752	64	24	1 776	1 725
Loans and advances before impairments	380 034	313 747	155 555	135 027	51 617	40 930
Impairment of advances	(6 078)	(5 184)	(1 837)	(1 773)	(384)	(370)
Total loans and advances	373 956	308 563	153 718	133 254	51 233	40 560
Comprises:						
– Loans and advances to clients	361 668	296 282	155 226	134 787	35 621	26 062
– Loans and advances to banks	18 366	17 465	329	240	15 996	14 868
Loans and advances before impairments	380 034	313 747	155 555	135 027	51 617	40 930

* Represents mainly loans relating to Specialised Finance, Debt Capital Markets in Capital and other loans in Corporate and Retail.



	Nedbank Retail		Imperial Bank		Shared Services		Central Management and Eliminations	
	2007	2006	2007	2006	2007	2006	2007	2006
	105 788	83 410	3 549	1 620			(153)	(111)
	857	714	6 089	5 491			(126)	(108)
	278	110						
	7 056	5 234						
	2 204	2 019			3	7	11	68
	8 369	7 117	385	411	-	12	-	-
	6 569	5 128						
	1 800	1 989	385	411		12		
	1	13						
	2 338	2 671	11	7	143	89	384	171
	1	2						
	28	24			28	(7)		
	2 309	2 645	11	7	115	96	384	171
	9 453	7 983	26 064	20 706			(48)	(55)
	78	86	125	122				
	3	3						
	136 425	109 360	36 223	28 357	146	108	68	(35)
	(2 933)	(2 386)	(903)	(622)	(2)	(9)	(19)	(24)
	133 492	106 974	35 320	27 735	144	99	49	(59)
	134 412	106 996	36 223	28 357	118	115	68	(35)
	2 013	2 364			28	(7)		
	136 425	109 360	36 223	28 357	146	108	68	(35)

Notes to the balance sheet

as at 31 December (continued)

9 Investment securities

Rm	2007	2006
Listed investments	598	552
Eland Platinum Holdings Ltd		19
Enaleni Pharmaceuticals	2	2
Mastercard Incorporated		66
Private equity portfolio	482	382
Other*	114	83
Unlisted investments	1 874	1 325
Endowment Policies	245	390
Dr Holsboer Investment Portfolio	240	205
Morning Tide Investments 168 (Pty) Ltd	94	
Strate Ltd	16	20
Private equity portfolio	916	449
Other*	363	261
Total listed and unlisted investments	2 472	1 877
Listed policyholder investments at market value	5 177	4 433
Equity other than property	419	495
Government, public and private sector stock	195	162
Unit trusts	4 563	3 776
Unlisted policyholder investments at directors' valuation	704	881
Equity other than property	8	8
NCDs, money market and other short-term funds	696	873
Policyholder liabilities	(35)	(36)
Total policyholder investments	5 846	5 278
Total investment securities	8 318	7 155
Summary of total private equity investments		
Property investments	428	313
Listed investments	338	282
Unlisted investments	90	31
Other investments	970	518
Listed investments	144	100
Unlisted investments	826	418
	1 398	831
Shareholder loans included in advances	1 345	603

* Less than R10 million per investment.

Notes to the balance sheet

as at 31 December

10 Investments in associate companies and joint ventures

Name of company and nature of business	Percentage holding		Acquisition date
	2007	2006	
Unlisted			
Joint Ventures			
BoE (Pty) Limited	50	50	Jan 03
Nedgroup Life Assurance Company Limited	50	50	Jan 03
Associates			
Access Africa Property Group (Pty) Limited	40		Jan 06
Acturis Limited†	53	53	Mar 01
African Spirit Trading 306 (Pty) Limited	33	33	Oct 06
Capricorn Business and Technology Park (Pty) Limited	41	42	Nov 98
Century Square Development Trust***		35	May 01
Clidet No 683 (Pty) Limited	49	49	Aug 06
Eagle Creek Investments 265 (Pty) Limited	25		Aug 07
Emergent Property Holdings (Pty) Limited (Sumolek Sun Trading)	43		Jul 07
G & C Shelf 31 (Pty) Limited	40	40	May 04
Kimberly Clark SA Holdings (Pty) Limited***		50	Aug 04
Lyric Rose (Pty) Limited	49	48	Oct 00
Masingita Property Investment Holdings (Pty) Limited	35	35	Aug 05
Mooirivier Mall (Pty) Limited	30		Nov 06
Nedglen Property Development (Pty) Limited	35		Nov 04
Odyssey Developments (Pty) Limited	49		Nov 07
Off The Shelf Investment Forty One (Pty) Limited	33		Dec 00
Robow Investments No 47 (Pty) Limited	50	50	Dec 02
Sanbona Properties (Pty) Limited	50	50	Oct 03
Sandton Square Portion 8 (Pty) Limited	25	25	Nov 02
SBM Nedbank International Limited**			Jul 99
The Waterbuck Trust	40		Oct 07
Visigro Investments (Pty) Limited	30	30	Jun 06
Whirlprops 33 (Pty) Limited	49	49	Sept 06
XDV (Pty) Limited	25	25	Nov 06
Other			

* Represents amounts less than R1 million.

** No longer an associate, consolidated as wholly-owned subsidiary as from May 2006.

*** Disposed of in 2007.

† Investment in preference shares which do not carry voting rights, therefore accounted for as an associate.



Year-end	Date to which equity income accounted for	Equity-accounted earnings		Carrying amount		Market value/Directors' valuation		Net indebtedness of loans to/(from) associates	
		2007	2006	2007	2006	2007	2006	2007	2006
		184	83	230	209	230	209	-	-
Dec	Dec 07	133	51	182	158	182	158		
Dec	Dec 07	51	32	48	51	48	51		
		55	70	748	698	722	793	505	404
Feb				9		4		6	
Sep				9	10	9	10		
Dec				20	9	20	9	20	9
Sep				17	19	17	19	13	18
Feb					4		4		1
Feb				211	170	211	170	166	170
Feb				20				11	
				72		72		66	
Feb				46	88	46	88	(99)	21
Dec	Jun 07	14	31		259		349		
Feb				12	10	12	10	2	8
Feb				27	26	27	26	28	24
Feb				29		29		29	
Jun				6		6			
Jun				110		110		110	
Feb				8		8		7	
Feb				*	*	*	*	7	7
Sept				*	*	*	*	67	62
Apr				20		20		8	32
Dec	Apr 06		2						
Feb				8		8		8	
Feb				48	25	48	25	2	25
Feb	Dec 07	40	32	*	54	*	54		
Jun				10	*	10	*	10	
	Dec 07	1	5	66	24	65	29	44	27
		239	153	978	907	952	1 002	505	404

Notes to the balance sheet

as at 31 December

11 Intangible assets

11.1 Computer software and capitalised development costs – carrying amount

Rm	Amortisation periods	2007	2006
Computer software	2 – 5 years	923	945
Customer product systems		501	555
Infrastructure and supporting systems		271	255
Risk management systems		140	81
Channel systems		9	48
Customer information systems		2	6
Capitalised development costs	none	426	321
Customer product systems		194	131
Infrastructure and supporting systems		112	150
Risk management systems		120	40
		1 349	1 266
Computer software			
Opening balance		945	1 024
Additions		110	65
Commissioned during period		308	345
Disposals		(4)	(1)
Foreign exchange and other moves		(5)	5
Amortisation charge for the period		(431)	(438)
Impairments			(55)
Closing balance		923	945
Capitalised development costs			
Opening balance		321	296
Additions		414	370
Commissioned during period		(308)	(345)
Impairments		(1)	–
Closing balance		426	321



11.2 Goodwill – carrying amounts

Rm	2007	2006
Carrying amount at beginning of period	3 695	3 687
Arising on business combinations	225	5
Realised through disposals	(21)	
Impairments recognised in income statement		(70)
Foreign currency translation	(1)	73
Carrying amount at end of period	3 898	3 695

Rm	Percentage holding	2007			2006		
		Cost	Accumulated amortisation and impairments	Carrying amount	Cost	Accumulated amortisation and impairments	Carrying amount
Major subsidiaries							
Fairbairn Private Bank/Fairbairn Trust Company	70	449	138	311	450	138	312
Peoples Mortgage Limited	100	198	198	–	198	198	–
Imperial Bank	50	285	25	260	285	25	260
Nedbank Limited	100	3 565	739	2 826	3 565	739	2 826
Nedcor Investment Bank	100	375	375	–	375	375	–
Old Mutual Bank	100	206		206			
Nedbank Namibia Limited	100	134	2	132	115	2	113
SBM Nedbank International	100			–	5	5	–
Capital One		82		82	82		82
American Express		81		81	81		81
Lion Match Company				–	21		21
		5 375	1 477	3 898	5 177	1 482	3 695

12 Intangible assets – ratios

Rm	2007	2006
Total assets	488 856	424 912
Ordinary shareholders' equity	30 193	25 116
Intangible assets	5 247	4 961
Capitalised software (refer note 11.1)	1 349	1 266
Goodwill (refer note 11.2)	3 898	3 695
Intangible assets/Total assets (%)	1,07	1,17
Intangible assets/Ordinary shareholders' equity (%)	17,4	19,8

Notes to the balance sheet

as at 31 December

13 Amounts owed to depositors

Segmental breakdown Rm	Nedbank Group		Nedbank Corporate		Nedbank Capital	
	2007	2006	2007	2006	2007	2006
Current accounts	45 920	41 349	20 983	18 318	74	(19)
Savings accounts	13 925	13 374	567	558		22
Other deposits and loan accounts	251 424	203 942	167 411	133 483	33 128	28 812
Call and term deposits	153 684	119 525	122 338	90 632	3 875	7 710
Fixed deposits	24 378	22 651	2 356	3 000	909	546
Cash management deposits	41 910	39 273	41 876	39 212		–
Other deposits	31 452	22 493	841	639	28 344	20 556
Foreign client liabilities	8 230	9 267	4 976	5 045	3 053	4 033
Negotiable certificates of deposit	56 166	45 518	421	545	55 914	44 955
Deposits received under repurchase agreements	8 876	11 235			8 616	11 002
Total amounts owed to depositors	384 541	324 685	194 358	157 949	100 785	88 805



	Nedbank Retail		Imperial Bank		Shared Services		Central Management and Eliminations	
	2007	2006	2007	2006	2007	2006	2007	2006
	24 794	22 973			3	21	66	56
	13 300	12 760					58	34
	49 162	40 952	1 547	144	25	603	151	(52)
	27 293	20 492	239	116	8	573	(69)	2
	20 794	19 232	21	20			298	(147)
	31	61					3	
	1 044	1 167	1 287	8	17	30	(81)	93
	201	191					(169)	(2)
					260	233		18
	87 457	76 876	1 547	144	288	857	106	54

Notes to the balance sheet

as at 31 December

14 Long-term debt instruments

Rm		2007	2006
Rand-denominated	Instrument terms		
R515 million bonds repayable on 4 December 2008 (IBP1)	13,50% per annum	528	553
R500 million bonds repayable on 30 December 2010 (IBP2)	8,38% per annum	472	506
R4 billion subordinated callable notes repayable on 9 July 2012 (NED02)***†	13,15% per annum*		4 254
R1,5 billion subordinated callable notes repayable on 24 April 2016 (NED05)***	7,845% per annum*	1 406	1 456
R1,8 billion subordinated callable notes repayable on 20 September 2018 (NED06)****	9,84% per annum*	1 844	1 616
R650 million subordinated callable notes repayable on 8 February 2017 (NED07)***	9,03% per annum*	641	
R1,7 billion subordinated callable notes repayable on 8 February 2019 (NED08)****	8,90% per annum*	1 667	
R2 billion subordinated callable notes repayable on 6 July 2022 (NED09)*****	JIBAR + 0,47% per annum**	2 050	
R500 million subordinated callable notes repayable on 15 August 2017(NED10)***	JIBAR + 0,45% per annum**	507	
R1 billion subordinated callable notes repayable on 17 September 2020 (NED11)*****	10,54% per annum*	1 048	
R500 million subordinated callable notes repayable on 14 December 2012 (NED12A)***	JIBAR + 0,70% per annum**	503	
R120 million subordinated callable notes repayable on 14 December 2012 (NED12B)***	10,38% per annum*	119	
R291 million callable notes repayable on 18 November 2039 (GRN1A1)#	JIBAR + 0,25% per annum**	293	
R1,4 billion callable notes repayable on 18 November 2039 (GR1A2A)#	JIBAR + 0,60% per annum**	991	
R98 million callable notes repayable on 18 November 2039 (GRN1B)#	JIBAR + 0,85% per annum**	75	
R76 million callable notes repayable on 18 November 2039 (GRN1C)#	JIBAR + 1,10% per annum**	50	
R200 million unsecured debentures repayable on 30 November 2029	Interest free	5	4
		12 199	8 389
US dollar-denominated			
US\$40 million repayable on 17 April 2008	Six-month LIBOR on nominal value		
US\$18 million repayable on 31 August 2009	1,5 basis points below six-month LIBOR on nominal value	125	128
		125	128
Namibian dollar-denominated			
N\$40 million long-term debenture issue repayable on 15 September 2030	17% per annum until 15 September 2000 – thereafter interest free	2	1
		2	1
Total long-term debt instruments in issue		12 326	8 518



Coupon holders are entitled, in the event of interest default, to put the coupon covering such interest payments to Nedbank Group Limited.

The US dollar-subordinated debt instruments are either matched by advances to clients or covered against exchange rate fluctuations.

In accordance with the group's articles of association, the borrowing powers of the company are unlimited.

* Interest is payable on these notes biannually.

** Interest payable on these notes quarterly.

*** Callable by the issuer, Nedbank Limited, after five years from date of issue, being 24 April 2006, 8 February 2007, 15 August 2007 and 14 December 2007 and 14 December 2007 (ie 26 April 2011, 8 February 2012, 15 August 2012 and 14 December 2012, and 20 December 2012), at which time the interest converts to a floating three-month JIBAR rate, plus a spread of 1,70%, 1,95%, 1,45%, 1,70% and 1,70% respectively.

**** Callable by the issuer, Nedbank Limited, after seven years from the date of issue, being 20 September 2006 and 8 February 2007 (ie 20 September 2013 and 8 February 2014), at which time the interest converts to a floating three-month JIBAR rate, plus a spread of 2,05% and 2,17% respectively.

***** Callable by the issuer, Nedbank Limited, after eight years from the date of issue, being 17 September 2007 (ie 17 September 2015), at which time the interest converts to a floating three-month JIBAR rate, plus a spread of 2,85%

***** Callable by the issuer, Nedbank Limited, after ten years from the date of issue, being 6 July 2007 (ie 6 July 2017), at which time the interest will step up by 1,00% to a floating three-month JIBAR rate, plus a spread of 1,47%.

† The debt instrument was redeemed on its call date 9 July 2007.

Callable by the issuer, Greenhouse Funding (Pty) Limited, after approximately five years from the date of issue, being 10 December 2007 (ie 18 November 2012), at which time the interest rate on the notes (GRN1A1, GR1A2A, GRN1B, GRN1C) will step up to a three-month JIBAR rate, plus a spread of 0,40%, 0,80%, 1,10% and 1,35% respectively.

Tier 3 capital

Included in fixed deposits on page 62b is a R300 million subordinated debt instrument, issued on 20 September 2005 and callable on 20 September 2008, of which R253 million qualified as Tier 3 capital.

At 31 December 2006 R300 million was included in deposits, of which R158 million qualified as Tier 3 capital.

Notes to the balance sheet

as at 31 December

15 BEE: Estimated future dilutive shares and IFRS 2 charge

These are purely illustrative scenarios for the period 2008 – 2017 of the dilutive potential ordinary shares and the IFRS 2 charge as at the end of each year. The first scenario is at an illustrative annual share price growth of 10% and dilutive sensitivity is illustrated by assuming other growth rates. These examples are not based on any share price growth expectations.

	Actual 2005	Actual 2006	Actual 2007
15.1 Estimated future dilutive shares as at end of each year ('000)			
Dilutive shares at 10% share price growth:			
SA BEE transaction	1 408	8 144	9 812
Black Business Partners	764	2 992	2 631
Non-executive directors	21	116	225
Retail	12	685	2 051
Corporate	581	3 164	3 243
Black Executives	11	209	377
Black Management	19	978	1 285
Namibia BEE transaction	–	–	10
Black Business Partners			
Affinity Groups			
Education			
Discretionary			
LTIP			
Black Management			10
	1 408	8 144	9 822
Dilutive shares at share price growth of:			
SA BEE transaction			
5%	1 408	8 144	9 812
15%	1 408	8 144	9 812
20%	1 408	8 144	9 812
30%	1 408	8 144	9 812
Namibia BEE transaction			
5%			10
15%			10
20%			10
30%			10



Illustrative forecast 2008	Illustrative forecast 2009	Illustrative forecast 2010	Illustrative forecast 2011	Illustrative forecast 2012	Illustrative forecast 2013	Illustrative forecast 2014	Illustrative forecast 2015	Illustrative forecast 2016	Illustrative forecast 2017
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11 649	10 543	11 073	5 707	4 324	4 124	3 751	461	314	213
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2 668	2 714	2 766	2 823	2 885	2 951	3 020			
356	357	350							
2 667	488	74							
4 141	4 814	5 279							
404	489	600	698	528	446	430	290	199	156
1 413	1 681	2 004	2 186	911	727	301	171	115	57

130	141	151	164	170	134	123	119	–	–
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76	77	78	80	81	82	84	85		
38	37	37	36	36	35	34	34		

		4	13	20	12				
16	27	32	35	33	5	5			

11 779	10 684	11 224	5 871	4 494	4 258	3 874	580	314	213
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10 587	9 018	8 784	4 169	2 448	1 827	1 639	380	315	264
12 835	12 481	13 415	7 279	5 707	5 222	5 468	698	547	446
13 802	13 906	15 152	8 377	6 796	6 264	6 563	803	621	501
15 536	16 235	17 820	9 979	8 301	7 624	7 909	949	720	572

127	139	151	163	160	126	114	120	14	22
135	150	162	170	167	132	121	122		
139	155	167	174	170	135	125	126		
147	164	175	181	175	139	130	133		

Notes to the balance sheet

as at 31 December

15 BEE: Estimated future dilutive shares and IFRS 2 charge (continued)

15.2 Estimated share-based payment IFRS 2 BEE charge per year (Rm)

	2005	2006	2007	2008
IFRS 2 BEE charge at 10% share price growth:				
SA BEE transaction	371,2	116,5	146,5	209,0
Black Business Partners	214,6		19	
Non-executive directors*	0,6	2,0	12,0	3,0
Retail	1,1	38,0	30,2	80,0
Corporate	14,3	50,7	56,3	82,0
Black Executives	2,4	6,7	7,0	13,0
Black Management	10,6	19,1	22,0	31,0
Broad-based	127,6			
Namibia BEE transaction	–	21,7	–	1,4
Black Business Partners		9,0		
Affinity Groups		3,3		
Education		4,4		
Discretionary				0,2
LTIP				0,2
Black Management				1,0
Broad-based		5,0		
	371,2	138,2	146,5	210,4

* The movement in the expenses is due to an incorrect interpretation of the trust deed applied in prior periods.

15.3 Total estimated IFRS 2 BEE charge (Rm) at varying share price growth assumptions:

	December 2007			
	5%	10%	15%	20%
SA BEE transaction	1 500,4	1 341,2	1 549,6	1 576,1
Pegged cost for instruments allocated to date	1 140,5	1 140,5	1 140,5	1 140,5
Future costs dependent on share price growth	359,8	200,7	409,1	435,6
Namibia BEE transaction	33,7	32,3	30,9	30,0
Pegged cost for instruments allocated to date	25,1	25,1	25,1	25,1
Future costs dependent on share price growth	8,6	7,2	5,8	4,9
	1 534,1	1 373,5	1 580,5	1 606,1



2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
180,0	168,0	89,0	24,0	17,0	11,0	6,0	3,0	–	1 341,2
									233,6
1,0									18,6
45,0	39,0	1,0							234,3
89,0	89,0	53,0							434,3
15,0	15,0	18,0	15,0	12,0	9,0	5,0	2,0		120,1
30,0	25,0	17,0	9,0	5,0	2,0	1,0	1,0		170,7
									127,6
2,0	2,3	1,8	1,0	0,5	0,4	0,4	0,4	0,4	32,3
									9,0
									3,3
									4,4
0,4	0,4	0,4	0,4	0,4	0,4	0,4	0,4	0,4	3,8
0,6	0,9	0,7	0,2						2,6
1,0	1,0	0,7	0,4	0,1					4,2
									5,0
182,0	170,3	90,8	25,0	17,5	11,4	6,4	3,4	0,4	1 373,5

	December 2006				
30%	5%	10%	15%	20%	30%
1 633,4	1 329,3	1 350,2	1 370,5	1 392,4	1 438,8
1 140,5	953,6	953,6	953,6	953,6	953,6
492,9	375,7	396,6	416,9	438,8	485,2
29,3	33,6	33,9	34,2	34,5	35,1
25,1	26,2	26,2	26,2	26,2	26,2
4,2	7,4	7,7	8,0	8,3	8,9
1 662,7	1 362,9	1 384,1	1 404,7	1 426,6	1 473,9

Nedbank Group – Share-based payments

Analysis of BEE Schemes – Illustrative roll of shares – based on a 10% increase in share price: 31 December 2007

Illustrative vesting outside of group	Inception	Actual 2005	Actual 2006	Actual 2007	Illustrative forecast 2008	Illustrative forecast 2009	Illustrative forecast 2010	Illustrative forecast 2011
Opening balance		–	1 471 700	1 559 493	1 713 617	1 713 617	7 476 930	11 600 540
SA BEE transaction		1 471 700	47 977	154 124	–	5 772 762	4 108 191	15 877 987
BBP								
NED								789 130
Retail – For sale			19 965	65 280		3 572 473	2 095 114	1 033 350
Retail – Free shares						1 200 296	707 843	353 922
Corporate Non-Aka								10 160 049
Corporate Aka								1 676 901
Community								
Black executives						183 600	247 467	317 613
Black management			28 012	88 844		816 393	1 057 766	1 547 023
Broad-based		1 471 700						
Evergreen								
Namibia BEE transaction		–	39 816	–	–	–	24 869	65 744
BBP								
AG								
Education								
Discretionary								
LTIP								40 875
Black Management							24 869	24 869
Broad-based			39 816					
		1 471 700	1 559 493	1 713 617	1 713 617	7 486 379	11 619 438	27 563 169
Treasury shares i.e. in Trusts considered to be inside group								
Opening balance		–	39 796 430	40 374 079	40 219 955	40 219 955	34 456 642	30 333 032
Inception		41 268 130	665 442					
SA BEE transaction	41 268 130	(1 471 700)	(47 977)	(154 124)	–	(5 772 762)	(4 108 191)	(15 877 987)
BBP	7 891 300							
NED	789 130							(789 130)
Retail – For sale	7 102 170		(19 965)	(65 280)		(3 572 473)	(2 095 114)	(1 033 350)
Retail – Free shares	2 367 390					(1 200 296)	(707 843)	(353 922)
Corporate Non-Aka	10 160 049							(10 160 049)
Corporate Aka	1 676 901							(1 676 901)
Community	1 531 551							
Black Executives	2 093 521					(183 600)	(247 467)	(317 613)
Black Management	5 261 076		(28 012)	(88 844)		(816 393)	(1 057 766)	(1 547 023)
Broad-based	1 471 700	(1 471 700)						
Evergreen	923 342							
Namibia BEE transaction	665 442	–	(39 816)	–	–	–	(24 869)	(65 743)
BBP	199 929							
AG	74 048							
Education	98 730							
Discretionary	81 452							
LTIP	81 749							(40 875)
Black Management	89 718						(24 869)	(24 869)
Broad-based	39 816		(39 816)					
		39 796 430	40 374 079	40 219 955	40 219 955	34 447 193	30 314 134	14 370 404
Actual cumulative cap shares			815 960	2 150 413	2 150 413	2 150 413	2 150 413	2 150 413
		39 796 430	41 190 039	42 370 368	42 370 368	36 597 606	32 464 547	16 520 817



Illustrative forecast 2012	Illustrative forecast 2013	Illustrative forecast 2014	Illustrative forecast 2015	Illustrative forecast 2016	Illustrative forecast 2017	Illustrative forecast 2018	Total	Illustrative cap shares	Illustrative call option	Illustrative shares
27 534 820	28 632 504	29 467 468	29 905 244	38 162 148	38 773 794	39 018 258	-			
1 026 424	830 241	432 902	8 256 905	238 938	173 769	-	38 391 919	8 180 284	(13 405 900)	33 611 015
			7 891 300				7 891 300	5 443 384	(5 947 106)	7 387 578
							789 130	192 493	(547 498)	434 125
							6 786 182			6 786 182
							2 262 061			2 262 061
							10 160 049	1 928 043	(5 747 867)	6 340 224
							1 676 901	616 364	(1 163 429)	1 129 836
270 746	256 133	229 570	262 272	188 938	137 181		2 093 521			2 093 521
755 678	574 108	203 332	103 332	50 000	36 588		5 261 076			5 261 076
							1 471 700			1 471 700
71 260	4 723	4 873	-	372 707	-	81 452	665 444	278 920	(412 971)	531 393
				199 929			199 929	119 714	(173 426)	146 217
				74 048			74 048	29 499	(44 200)	59 347
				98 730			98 730	39 332	(58 933)	79 129
						81 452	81 452	90 376	(136 413)	35 415
40 875							81 750			81 750
30 385	4 723	4 873					89 719			89 719
							39 816			39 816
28 632 504	29 467 468	29 905 244	38 162 148	38 773 794	38 975 911	39 099 710	39 057 363	8 459 205	(13 818 872)	34 142 408
14 398 753	13 301 070	12 466 106	12 028 330	3 771 426	3 159 780	2 915 316				
(1 026 424)	(830 241)	(432 902)	(8 256 905)	(238 938)	(173 769)	-	2 876 211			
			(7 891 300)							
							315 988			
							105 329			
							1 531 551			
(270 746)	(256 133)	(229 570)	(262 272)	(188 938)	(137 181)		(0)			
(755 678)	(574 108)	(203 332)	(103 332)	(50 000)	(36 588)		0			
							923 342			
(71 260)	(4 723)	(4 873)	-	(372 707)	-	(81 452)	-			
				(199 929)						
				(74 048)						
				(98 730)						
(40 875)						(81 452)				
(30 385)	(4 723)	(4 873)								
13 301 070	12 466 106	12 028 330	3 771 426	3 159 780	2 957 663	2 833 864	2 876 211			
2 150 413	2 150 413	2 150 413	2 150 413	2 150 413	2 150 413	2 150 413	2 150 413			
15 423 134	14 588 170	14 150 394	5 893 490	5 281 844	5 108 076	5 026 624	5 026 624			

Nedbank Group – Share-based payments

Illustrative roll of shares – SA BEE transaction

	Inception	2005	2006	2007	2008	2009	2010
Issued outside group	–	1 471 700	1 519 677	1 673 801	1 673 801	7 437 114	11 535 855
Treasury shares	41 268 130	39 796 430	39 748 453	39 594 329	39 594 329	33 831 016	29 732 275
Original BEE allocation	41 268 130	41 268 130	41 268 130	41 268 130	41 268 130	41 268 130	41 268 130
Cap shares	–	116 659	747 199	1 024 777	1 127 255	1 239 980	1 363 978
– BBP		96 214	289 466	442 266	486 493	535 142	588 656
– NED			28 021	35 439	38 983	42 881	47 169
– Corporate		20 445	429 712	547 072	601 779	661 957	728 153
	41 268 130	41 364 344	41 953 817	42 214 744	42 309 405	42 413 533	42 528 073
Call option shares	–	–	–	–	–	–	–
– BBP							
– NED							
– Corporate							
Shares expected at end	41 268 130	41 384 789	42 015 329	42 292 907	42 395 385	42 508 110	42 632 108
Weighted dilutive shares		1 406 976	8 143 756	9 811 687	11 651 677	10 544 711	11 072 967

Illustrative roll of shares – Namibia BEE transaction

	Inception	2005	2006	2007	2008	2009	2010
Issued outside group	–	–	39 816	39 816	39 816	39 816	64 685
Treasury shares	665 442	–	625 626	625 626	625 626	625 626	600 757
Original BEE allocation	665 442	–	665 442	665 442	665 442	665 442	665 442
Cap shares	–	–	16 479	18 697	25 388	26 330	27 317
– BBP			9 605	10 067	10 550	11 057	11 588
– AG			2 002	2 514	2 635	2 761	2 894
– Education			2 669	3 352	3 513	3 682	3 858
– Discretionary			2 202	2 765	8 691	8 830	8 976
	665 442	–	681 921	684 139	690 830	691 772	692 759
Call option shares	–	–	–	–	–	–	–
– BBP							
– AG							
– Education							
– Discretionary							
Shares expected at end	665 442	–	681 921	684 139	690 830	691 772	692 759
Weighted dilutive shares				10 065	130 095	141 393	151 216



2011	2012	2013	2014	2015	2016	2017	2018	Total
27 404 391	28 430 815	29 261 056	29 693 959	37 950 863	38 189 802	38 434 266	38 434 266	38 434 266
13 863 739	12 837 315	12 007 074	11 574 171	3 317 267	3 078 328	2 833 864	2 833 864	2 833 864
41 268 130	41 268 130	41 268 130	41 268 130	41 268 130	41 268 130	41 268 130	41 268 130	41 268 130
647 522	712 274	783 501	861 851					8 264 996
647 522	712 274	783 501	861 851					5 443 384
								192 493
								2 989 118
41 915 652	41 980 404	42 051 631	42 129 981	41 268 130	41 268 130	41 268 130	41 268 130	49 893 126
(7 458 794)	-	-	(5 947 106)	-	-	-	-	(13 405 900)
			(5 947 106)					(5 947 106)
(547 498)								(547 498)
(6 911 296)								(6 911 296)
34 456 858	41 980 404	42 051 631	36 182 875	41 268 130	41 268 130	41 268 130	41 268 130	36 487 226
5 707 437	4 325 353	4 124 033	3 751 174	460 607	314 474	213 294		
2011	2012	2013	2014	2015	2016	2017	2018	Total
130 429	201 689	206 412	211 285	211 285	583 992	583 992	665 442	665 442
535 013	463 753	459 030	454 157	454 157	81 450	81 450	-	-
665 442	665 442	665 442	665 442	665 442	665 442	665 442	665 442	665 442
28 351	29 434	30 570	31 761	33 008	5 793	5 793	-	278 920
12 145	12 728	13 340	13 981	14 653				119 714
3 033	3 179	3 331	3 491	3 659				29 499
4 044	4 238	4 442	4 655	4 879				39 332
9 129	9 289	9 457	9 633	9 818	5 793	5 793		90 376
693 793	694 876	696 012	697 203	698 450	671 235	671 235	665 442	944 362
-	-	-	-	-	(325 178)	(0)	(87 793)	(412 971)
					(173 426)			(173 426)
					(44 200)			(44 200)
					(58 933)			(58 933)
					(48 619)		(87 793)	(136 413)
693 793	694 876	696 012	697 203	698 450	346 057	671 235	577 649	531 391
163 254	170 076	133 642	122 510	118 941				

Nedbank Group – BEE deal assumptions

The following are the assumptions used for the South African BEE deal:

Changes in assumptions Timing of initial grant*	Forecast December 2007 August 2005	December 2006 August 2005
Share price	'R87,90 for initial grants R136,00 at Dec 2007 + 10% pa for future allocations.'	'R87,90 for initial grants R133,50 at Dec 2006 + 10% pa for future allocations.'
Timing of allocations	Greater number allocated later (ie at higher share price) in line with latest fact pattern.	Greater number allocated later (ie at higher share price) in line with latest fact pattern.
Expected vesting criteria (Management Schemes)	Expected life to mirror experience in current employee schemes. Evenly spread between vesting and expiry dates at 50/50.	Expected life to mirror experience in current employee schemes. Evenly spread between vesting and expiry dates at 50/50.
Pricing of allocations	Instrument values based on share price on grant date and not R74,75. Corporate and Non-executive Directors scheme issue price based on anticipated share price on anticipated grant dates.	Instrument values based on share price grant date and not R74,75. Corporate and Non-executive Directors scheme issue price based on anticipated share price on anticipated grant dates.
Dividend yield	Forecast dividend yields.	Forecast dividend yields.
Participant drop-off rates	Refined per scheme based on historical data – Increased for some.	Refined per scheme based on historical data – Increased for some.

* Affects share price and other factors ie dividend yield and volatility, spreading of allocations etc.

Currency representation of balance sheet

as at 31 December 2007

	Rand Rm	UK£ Rm	US\$ Rm	Other Rm	Total Rm
2007					
Total assets	439 612	11 682	24 987	12 575	488 856
Cash and balances with central banks	16 734	154	978	842	18 708
Other short-term securities	17 206	6 763	1 249	575	25 793
Government and other securities	27 254	438	1 235	710	29 637
Loans and advances and other assets	357 805	4 297	21 455	10 183	393 740
Deferred taxation assets	21	1		3	25
Current taxation receivable	49	1		9	59
Clients' indebtedness for acceptances	2 153	9	51	38	2 251
Other investments	9 255	0	18	23	9 296
Property and equipment and intangible assets	9 135	19	1	192	9 347
Total liabilities	409 202	10 259	23 569	10 701	453 731
Long-term debt instruments	12 200		125	1	12 326
Deposits, current accounts and other liabilities	393 018	10 237	23 394	10 552	437 201
Deferred taxation liabilities	1 531			85	1 616
Current taxation liabilities	300	13	(1)	25	337
Liabilities under acceptances	2 153	9	51	38	2 251
Net assets	30 410	1 423	1 418	1 874	35 125
Capital	30 679	1 523	2 012	911	35 125
	269	100	594	(963)	-
2006					
Total assets	374 794	9 446	30 178	10 494	424 912
Cash and balances with central banks	17 363	104	935	904	19 306
Other short-term securities	18 501	5 968	771	516	25 756
Government and other securities	19 146	204	1 664	1 182	22 196
Loans and advances and other assets	300 673	3 123	26 739	7 703	338 238
Deferred taxation assets	116	1		3	120
Current taxation receivable	155			6	161
Clients' indebtedness for acceptances	2 487	36	38	16	2 577
Other investments	8 010		30	22	8 062
Property and equipment and intangible assets	8 343	10	1	142	8 496
Total liabilities	349 614	8 319	28 016	9 575	395 524
Long-term debt instruments	8 389		128	1	8 518
Deposits, current accounts and other liabilities	336 794	8 268	27 846	9 438	382 346
Deferred taxation liabilities	1 590			59	1 649
Current taxation liabilities	375	15	4	40	434
Liabilities under acceptances	2 466	36	38	37	2 577
Net assets	25 180	1 127	2 162	919	29 388
Capital	24 598	1 778	2 166	846	29 388
	(582)	651	4	(73)	-

This balance sheet provides a view of the currency in which group balance sheet items are represented, expressed in ZAR.

Geographical currency representation of balance sheet

as at 31 December 2007 – Domestic and offshore

	Rand Rm	UK£ Rm	US\$ Rm	Other Rm	Total Rm
Domestic					
Total assets	438 485	844	13 866	918	454 113
Cash and balances with central banks	16 069	1	26	5	16 101
Other short-term securities	17 206				17 206
Government and other securities	27 254				27 254
Loans and advances and other assets	357 343	843	13 840	913	372 939
Deferred taxation assets	21				21
Current taxation receivable	49				49
Clients' indebtedness for acceptances	2 153				2 153
Other investments	9 255				9 255
Property and equipment and intangible assets	9 135				9 135
Total liabilities	409 179	681	13 884	505	424 249
Long-term debt instruments	12 200				12 200
Deposits, current accounts and other liabilities	392 995	681	13 884	505	408 065
Deferred taxation liabilities	1 531				1 531
Current taxation liabilities	300				300
Liabilities under acceptances	2 153				2 153
Net assets/(Liabilities)	29 306	163	(18)	413	29 864
Intercompany	1 373	(163)	18	(413)	815
Capital	30 679	–	–	–	30 679
Offshore					
Total assets	1 126	10 839	11 121	11 657	34 743
Cash and balances with central banks	665	154	952	836	2 607
Other short-term securities		6 763	1 249	575	8 587
Government and other securities		438	1 235	710	2 383
Loans and advances and other assets	461	3 454	7 615	9 271	20 801
Deferred taxation assets		1		3	4
Current taxation receivable		1		9	10
Clients' indebtedness for acceptances		9	51	38	98
Other investments			18	23	41
Property and equipment and intangible assets		19	1	192	212
Total liabilities	24	9 578	9 685	10 195	29 482
Long-term debt instruments			125	1	126
Deposits, current accounts and other liabilities	24	9 556	9 510	10 046	29 136
Deferred taxation liabilities				85	85
Current taxation liabilities		13	(1)	25	37
Liabilities under acceptances		9	51	38	98
Net assets	1 102	1 261	1 436	1 462	5 261
Intercompany	(1 102)	262	576	(551)	(815)
Capital	–	1 523	2 012	911	4 446



Geographical currency representation of balance sheet as at 31 December 2006 – Domestic and offshore

	Rand Rm	UK£ Rm	US\$ Rm	Other Rm	Total Rm
Domestic					
Total assets	373 303	205	20 109	942	394 559
Cash and balances with central banks	16 670				16 670
Other short-term securities	18 501				18 501
Government and other securities	19 146				19 146
Loans and advances and other assets	299 875	205	20 109	942	321 131
Deferred taxation assets	116				116
Current taxation receivable	155				155
Clients' indebtedness for acceptances	2 487				2 487
Other investments	8 010				8 010
Property and equipment and intangible assets	8 343				8 343
Total liabilities	348 923	85	20 728	358	370 094
Long-term debt instruments	8 389				8 389
Deposits, current accounts and other liabilities	336 103	85	20 728	358	357 274
Deferred taxation liabilities	1 590				1 590
Current taxation liabilities	375				375
Liabilities under acceptances	2 466				2 466
Net assets/(liabilities)	24 380	120	(619)	584	24 465
Intercompany	218	(120)	619	(584)	133
Capital	24 598	–	–	–	24 598
Offshore					
Total assets	1 492	9 240	10 069	9 552	30 353
Cash and balances with central banks	693	104	935	904	2 636
Other short-term securities		5 968	771	516	7 255
Government and other securities		204	1 664	1 182	3 050
Loans and advances and other assets	799	2 917	6 630	6 761	17 107
Deferred taxation assets		1		3	4
Current taxation receivable				6	6
Clients' indebtedness for acceptances		36	38	16	90
Other investments			30	22	52
Property and equipment and intangible assets		10	1	142	153
Total liabilities	692	8 233	7 288	9 217	25 430
Long-term debt instruments			128	1	129
Deposits, current accounts and other liabilities	692	8 182	7 118	9 080	25 072
Deferred taxation liabilities				59	59
Current taxation liabilities		15	4	40	59
Liabilities under acceptances		36	38	37	111
Net assets	800	1 007	2 781	335	4 923
Intercompany	(800)	771	(615)	511	(133)
Capital	–	1 778	2 166	846	4 790

This balance sheet provides a view of the currency in which group balance sheet items are represented, expressed in ZAR.

Capital adequacy Basel I

as at 31 December

The group's capital adequacy ratio and risk-weighted assets are based on the aggregation of the banks within the group. The requirement of capital adequacy is not a group concept but is a requirement of each bank. The table below is indicative of the group as a whole, as if it were a bank.

Rm	Percentage weighting	Risk-weighted assets 2007	2006
Money, interbank deposits and claims on central government			
Land bank and other public sector bodies	10	470	415
Trade transactions with recourse to other banks	20	8 919	8 051
Residential mortgage loans	50	47 924	37 892
All other banking assets excluding intragroup assets	100	220 994	182 948
Notional trading assets	100	7 102	4 905
All other non-banking assets	100	29 591	26 586
Total on-balance sheet items		315 000	260 797
Off-balance sheet items	0 – 100	18 932	13 538
Counterparty risk	0 – 100	2 758	2 579
Total risk-weighted assets		336 690	276 914

Nedbank Group	2007		2006	
	Capital Rm	%	Capital Rm	%
Tier 1 capital (primary)	27 785	8,3	22 932	8,3
Share capital and reserves	30 193	9,0	25 116	9,1
Minority interest: ordinary shareholders	1 511	0,5	1 202	0,4
Minority interest: preference shareholders	3 421	1,0	3 070	1,1
Impairments	(8)	–	(7)	–
Goodwill	(3 898)	(1,2)	(3 695)	(1,3)
Other regulatory differences	(3 434)	(1,0)	(2 754)	(1,0)
Tier 2 capital (secondary)	12 855	3,8	9 593	3,4
Long-term debt instruments	12 326	3,6	8 518	3,1
Tier 2 bonds not qualifying as Tier 2 capital	(1 453)	(0,4)	(416)	(0,2)
Provision for performing loans	1 685	0,5	1 296	0,4
Other regulatory differences	297	0,1	195	0,1
Tier 3 capital (tertiary)	253	0,1	158	0,1
	40 893	12,2	32 683	11,8

Capital adequacy analysis by bank

(solo supervision)	Country CARs	2007		2006	
		Risk-weighted assets Rm	Capital %	Risk-weighted assets Rm	Capital %
Nedbank Ltd	10,0%	288 636	11,7	240 307	11,4
Imperial Bank Ltd	10,0%	33 909	10,6	27 806	10,5
Nedbank (Lesotho) Ltd	8,0%	453	21,2	405	23,3
Nedbank (Swaziland) Ltd	8,0%	582	19,3	547	16,7
Nedbank (Malawi) Ltd	8,0%	97	12,8	77	21,1
Nedbank (Namibia) Ltd	10,0%	3 147	11,9	2 851	11,3
SBM Nedbank International Ltd	10,0%	–	–	76	211,5
Fairbairn Private Bank (Jersey) Ltd	11,0%	1 504	14,7	1 515	14,1
Fairbairn Private Bank (IOM) Ltd	11,5%	2 919	12,8	2 447	14,4



Group capital position – Basel I

Regulatory capital (Rm)	Tier 1	Tier 2	Tier 3	Total	RW assets
December 2006	22 932	9 593	158	32 683	276 914
Group capital adequacy (%)	8,3	3,4	0,1	11,8	
Basic income (excl FX)	6 346			6 346	
Ordinary dividend	(2 402)			(2 402)	
Currency impact	(24)			(24)	(1 821)
Growth – risk-weighted assets				–	61 597
Net capital raising	1 318	2 777		4 095	
New preference share issue	351			351	
Tier 2 movements on qualifying provision		372		372	
Tier 3 non-qualification			95	95	
Capital reduction – treasury shares	(167)			(167)	
Unappropriated profits	(4)			(4)	
Other adjustments	(565)	113		(452)	
December 2007	27 785	12 855	253	40 893	336 690
Group capital adequacy (%)	8,3	3,8	0,1	12,2	

Cost of capital

Cost of capital is the weighted average of the cost of the two equity components: ordinary and preference shares (WACC).

	WACC December 2007		WACC December 2006	
	Rm	%	Rm	%
Cost of ordinary shares (after tax) – Capital Asset Pricing Model*	90	13,92	90	13,14
Cost of preference shares – 75% Nedbank prime interest rate plus STC	10	10,81	10	9,79
		13,61		12,79

*	Risk-free rate – R157	Beta	Equity risk premium	After-tax cost of ordinary shares
30 June 2005	8,25%	1,00	5,44%	13,69%
31 December 2005	7,46%	1,00	5,13%	12,59%
30 June 2006	8,65%	1,00	5,13%	13,78%
31 December 2006	7,73%	1,02	5,30%	13,14%
30 June 2007	8,03%	1,02	5,30%	13,43%
31 December 2007	8,40%	1,00	5,52%	13,92%

Capital adequacy Basel II

as at 31 December (pro forma)

Nedbank Group	Risk-weighted assets	
	2007	
	Rm	
Money, interbank deposits and claims on central government		
Credit Risk		267 010
Operational risk		28 462
Market Risk		4 632
Equity Risk		17 140
Other		17 632
Total risk weighted assets		334 876

Nedbank Group	2007	
	Capital	%
	Rm	
Tier 1 capital (primary)	26 611	8,0
Share capital and reserves	30 193	
Minority interest: ordinary shareholders	1 511	
Minority interest: preference shareholders	3 421	
Impairments	(8)	
Goodwill	(3 898)	
Unappropriated profits	(852)	
Other regulatory differences	(3 756)	
Tier 2 capital (secondary)	10 510	3,1
Long-term debt instruments	12 326	
Tier 2 bonds not qualifying as Tier 2 capital	(1 453)	
General allowance for credit impairment	350	
Other regulatory differences	(713)	
Tier 3 capital (tertiary)	300	0,1
	37 421	11,2



Interest rate sensitivity for the year ended 31 December

- Interest rate risk was managed in 2007 through a combination of on- and off-balance sheet instruments.
- Principal hedging instruments employed during 2007 included forward rate agreements and swaps.
- Banking book interest rate risk strategies are evaluated regularly by the Group ALCO & Executive Risk Committee to align interest rate sensitivity with interest rate views and defined risk appetite, ensuring optimal strategies are employed, either positioning the balance sheet or protecting interest income through different interest rate cycles. In 2007 the balance sheet was positioned for interest rate increases including:
 - Capital and ambiguous deposit accounts were invested in the short end of the yield curve.
 - The repricing profile of rate sensitive assets was quicker than the repricing of rate sensitive liabilities post hedging activities.

The Group ALCO started to reduce the interest rate sensitivity in the banking book during late 2007.

(Banking book interest rate risk was maintained within board-approved limits, defined risk appetite and economic capital allocation throughout this reporting period.)

- Banking book interest rate strategies are derived at the net income level taking into account the likely impact on impairments for interest rate views. Progress was made in modelling the interest rate sensitivity/impairments relationship during 2007 and remains a key objective in managing banking book interest rate risk.
- The impact of 1% parallel upward move in rates (assuming full annual impact and no management intervention) would positively impact NII at the end of 2007 by approximately R578 million (1,65% of total equity) having started the year at R647 million (2,20% of total equity).
- A large component of banking book interest rate risk resides within the cluster results due to a variable rate FTP methodology employed on endowment creating a natural hedge against impairments within these businesses.
- Economic value of equity closely aligns to book value of equity because of balance sheet positioning and the hedging strategies employed.
- Margins end 2007 in line with 2006 although competitive asset pricing continues and the cost of funding increased, squeezing margins by approximately 40 basis points. This squeeze was largely offset in 2007 due to endowment on equity and rate insensitive deposits, enhancing margins by approximately 40 basis points.

Credit Ratings

Fitch ratings

	Nedbank Group November 2007	Nedbank November 2007
Individual	B/C	B/C
Support	2	2
Foreign currency		
Short-term	F3	F2
Long-term	BBB	BBB+
Long-term rating outlook	Stable	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)

Individual and support

B = A strong bank with strong profitability, balance sheet integrity, franchise, management, operating environment or prospects.

C = An adequate bank which, however, possesses one or more troublesome aspects.

2 = A bank for which there is a high probability of external support, and the potential provider of support is highly rated in its own right.

Foreign and local currency (capped by sovereign risk limits of BBB+ for foreign long-term, F2 for foreign short-term and A for local long-term)

F2 = Good credit quality. The capacity for timely payment of financial commitments is satisfactory.

F3 = Fair credit quality. The capacity for timely payment of financial commitments is adequate.

BBB = Good credit quality. Indicates that there is currently a low expectation of credit risk. The capacity for timely payment of financial commitments is considered adequate.

The modifiers '+' or '-' denote relative status within major categories.

National

F1 = Indicates the strongest capacity for timely payment of financial commitments relative to other issuers or issues in the same country.

AA = Denotes a very strong credit risk relative to other issuers or issues in the same country.

The modifiers '+' or '-' denote relative status within major rating categories.

Moody's Investors Service

	Nedbank September 2007
Financial strength	C
Outlook – Financial strength	Stable
Global local currency – long-term deposits	Aa3
Global local currency – short-term deposits	Prime-1
Foreign currency – long-term bank deposits	Baa1
Foreign currency – short-term bank deposits	Prime-2
Outlook – Deposits	Positive
National scale ratings – long-term deposits	Aa1.za
National scale ratings short-term deposits	Prime-1.za

Financial strength

C = Banks rated C possess good intrinsic financial strength. Typically, they will be institutions with valuable and defensible business franchises. These banks will demonstrate either acceptable financial fundamentals within a stable operating environment, or better than average financial fundamentals within an unstable operating environment.

Long-term (capped by sovereign rating)

Aa = Obligations rated Aa are subject to very low credit risk and considered high quality grade.

Baa = Obligations rated Baa are subject to moderate credit risk. They are considered medium grade and as such may possess certain speculative characteristics.

Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category.

Short-term

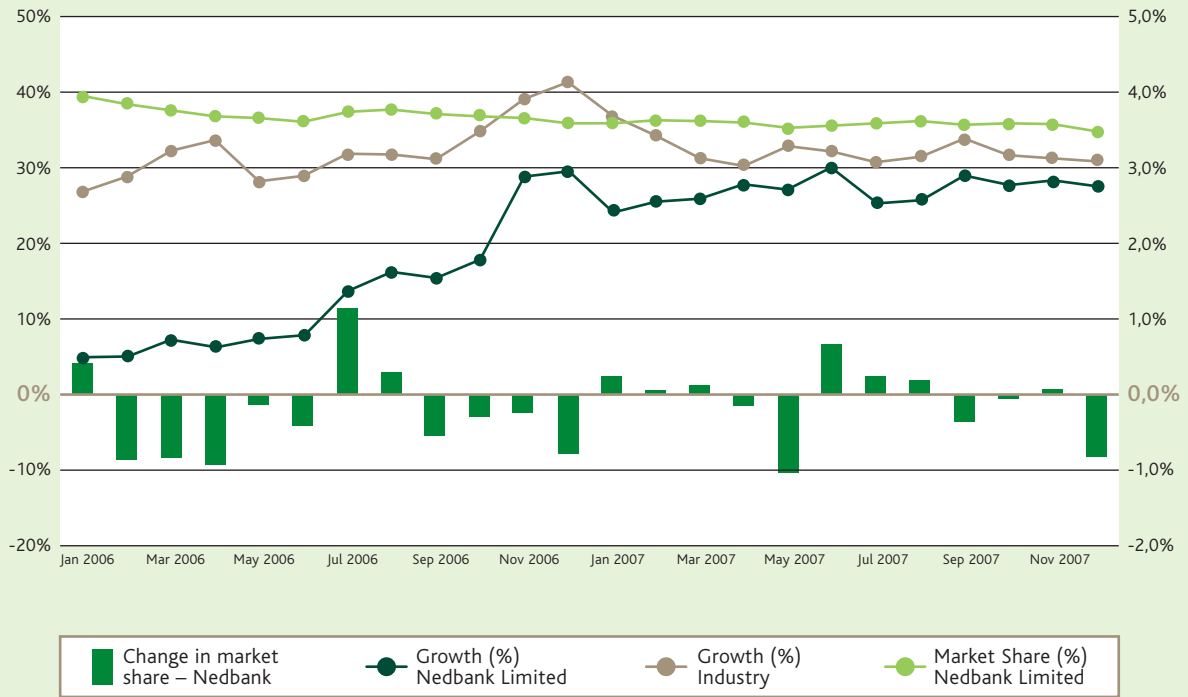
P-1 = Issuers rated Prime-1 have a superior ability to repay short-term debt obligations.

P-2 = Issuers rated Prime-2 have a strong ability to repay short-term debt obligations.

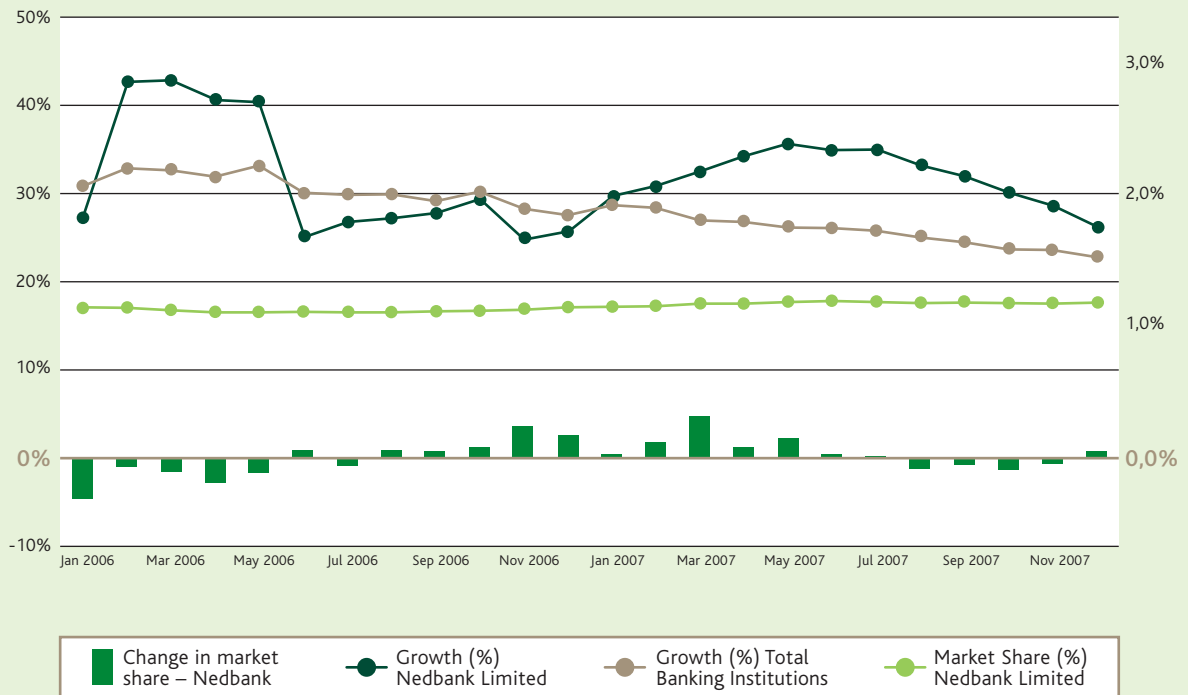


Market share

Commercial Mortgages

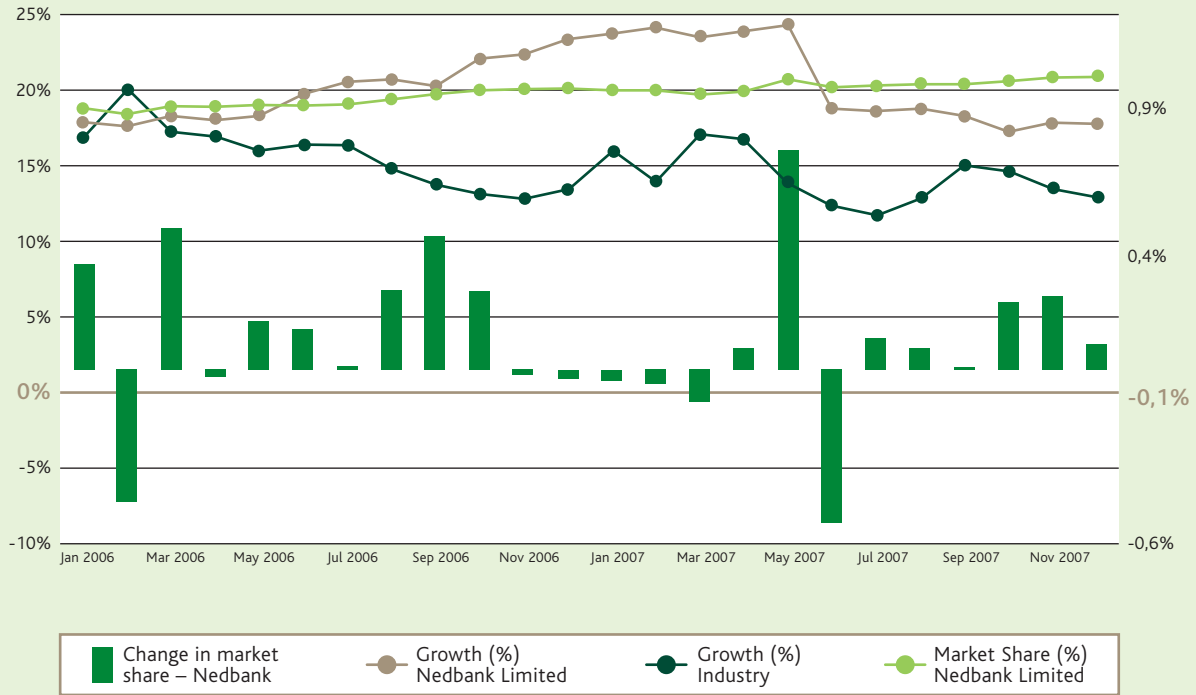


Residential Mortgages

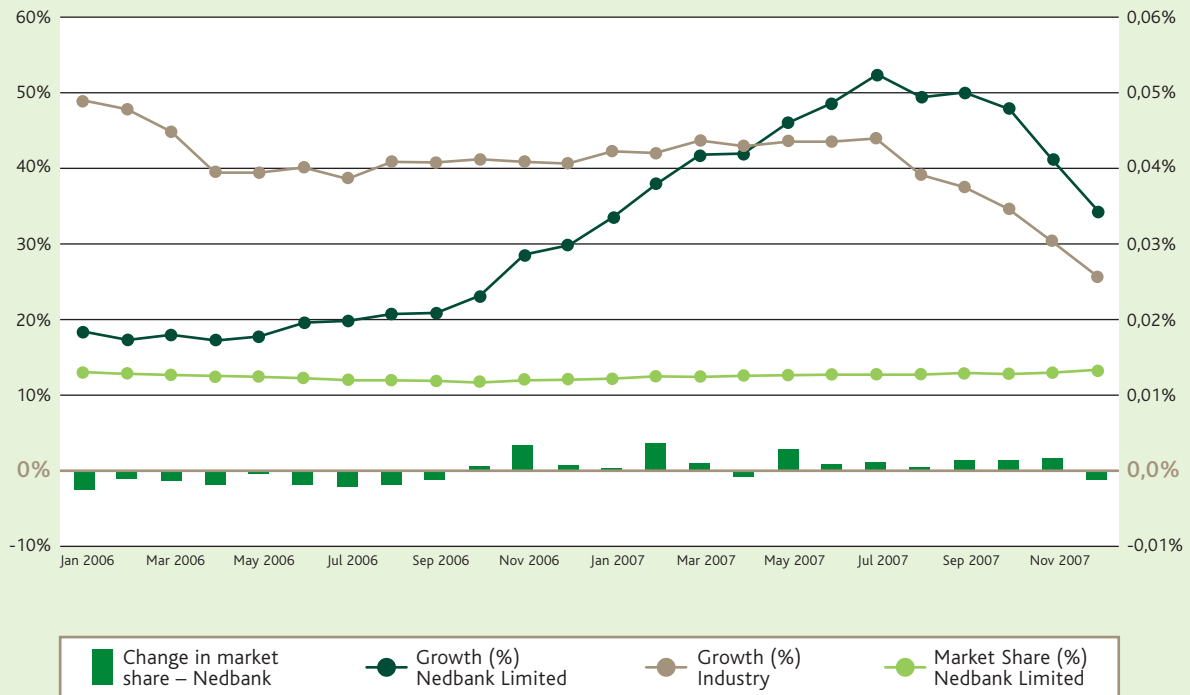


Market share

Instalment Credit



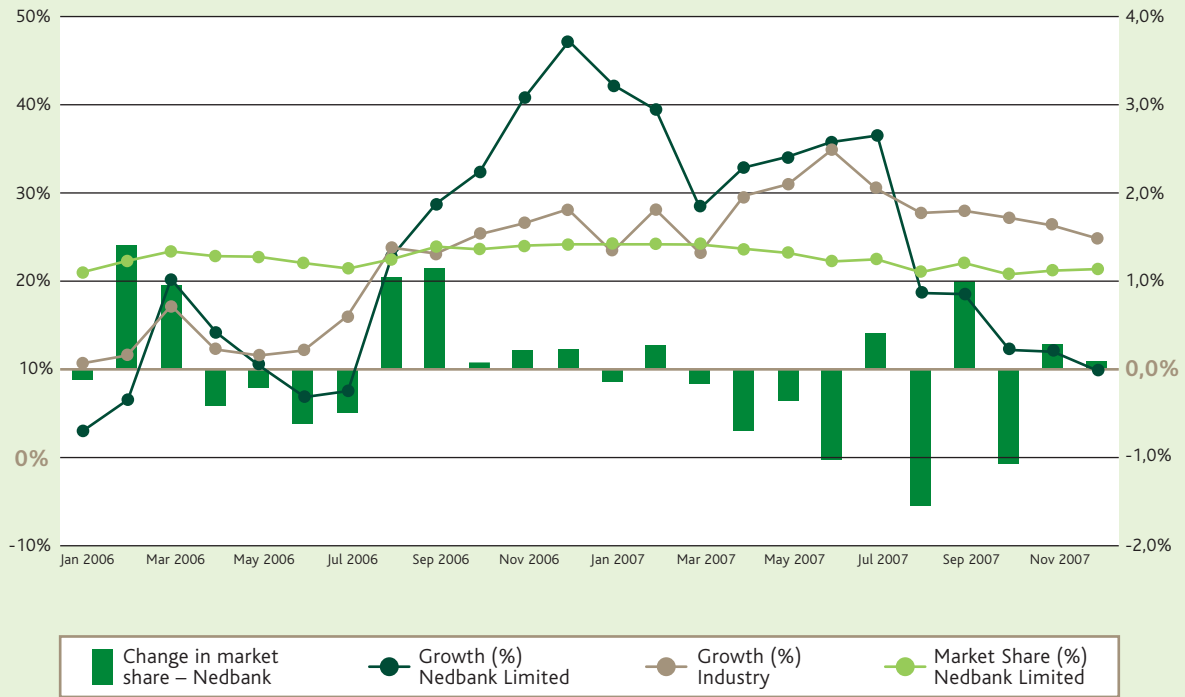
Credit Cards



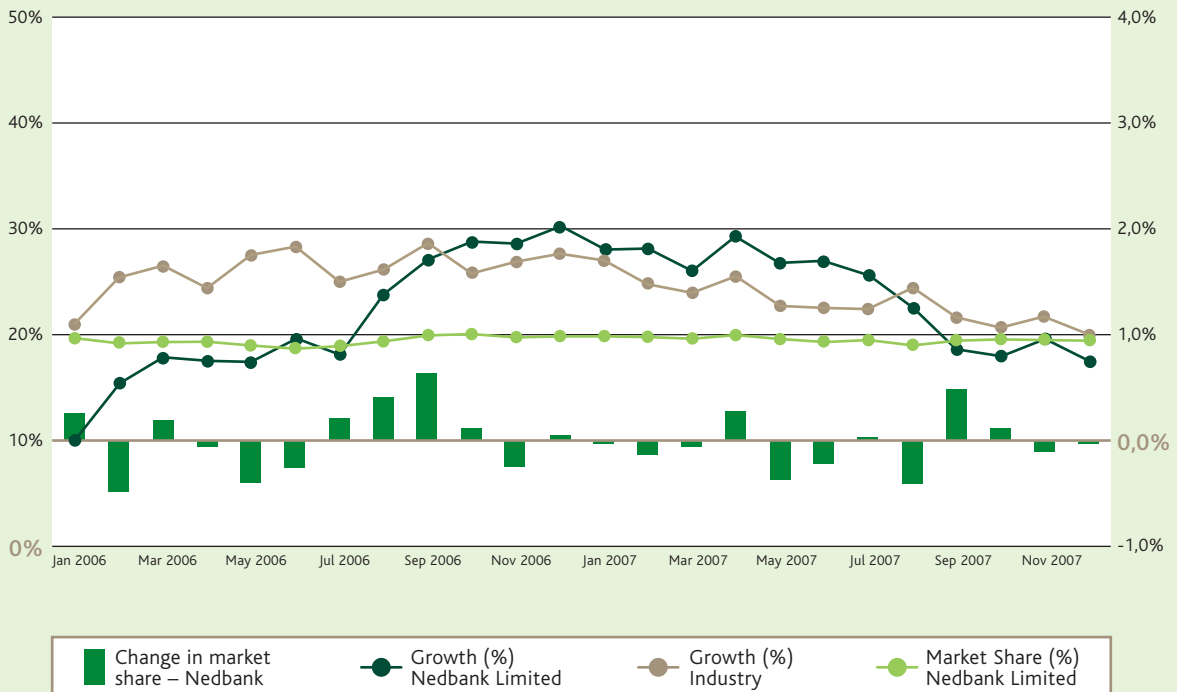


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Other Loans and Advances

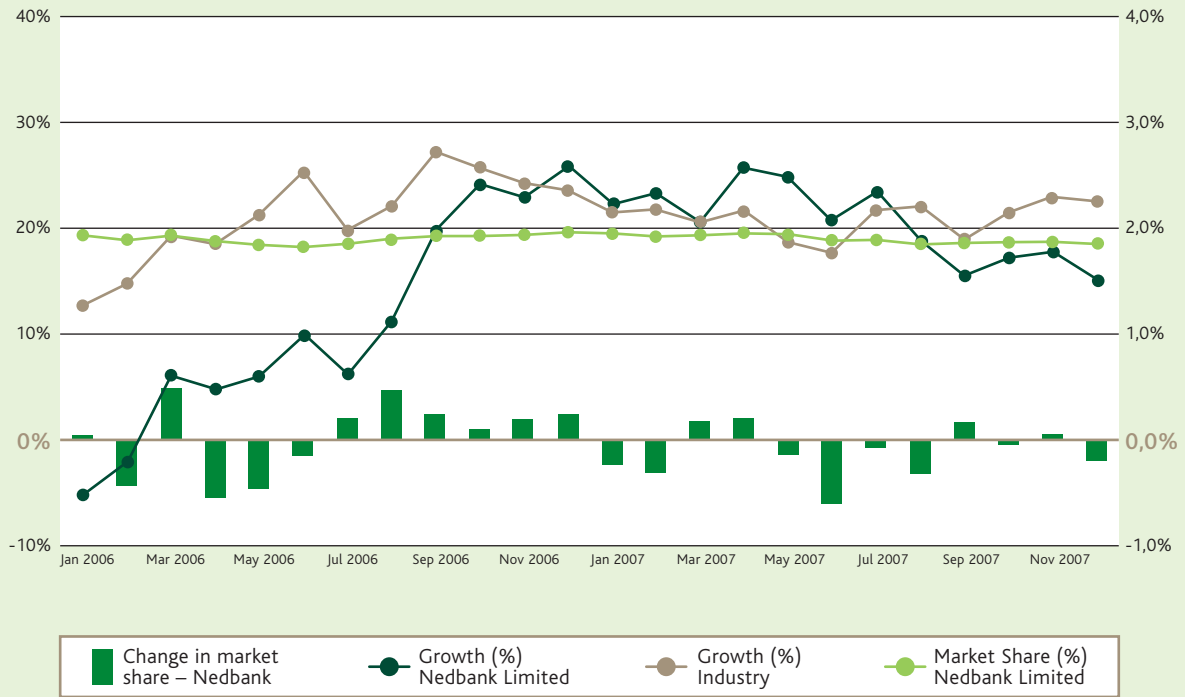


Total Advances

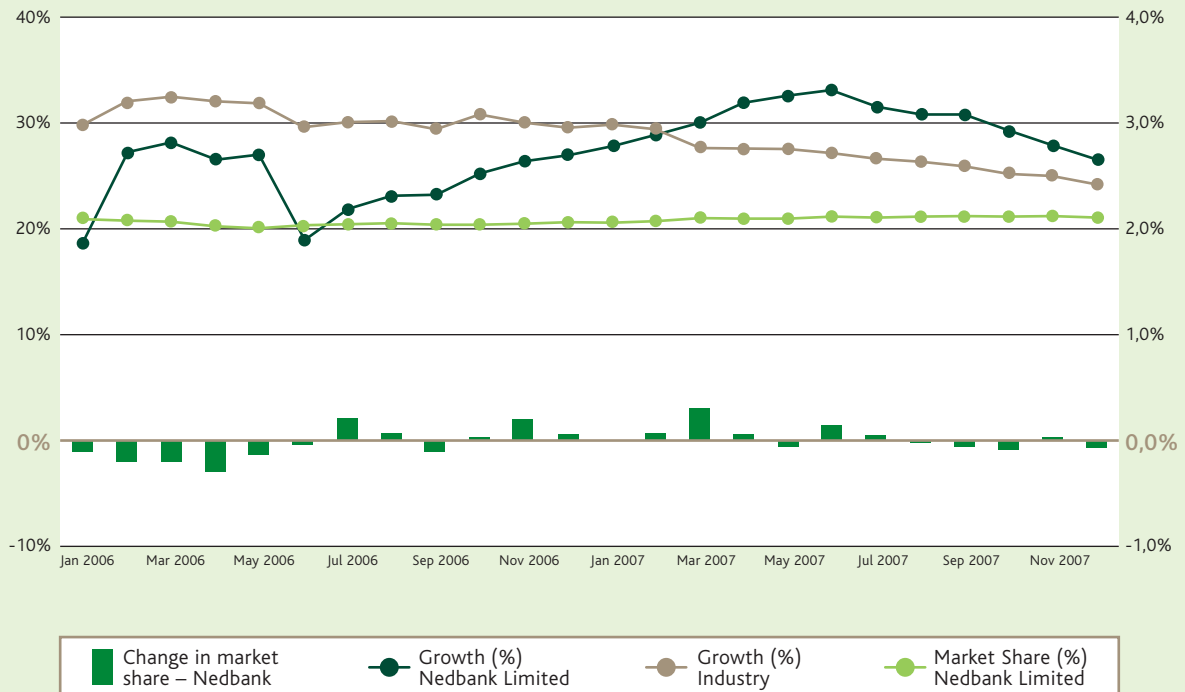


Market share

Total Assets



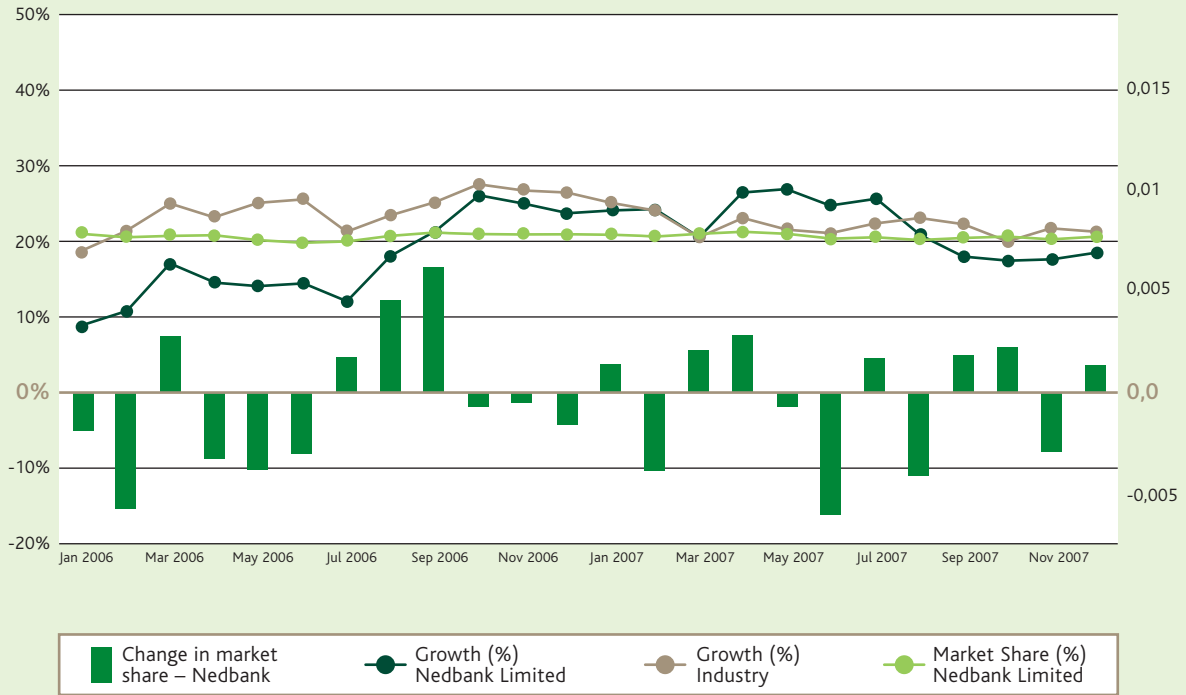
Total Mortgage Advances



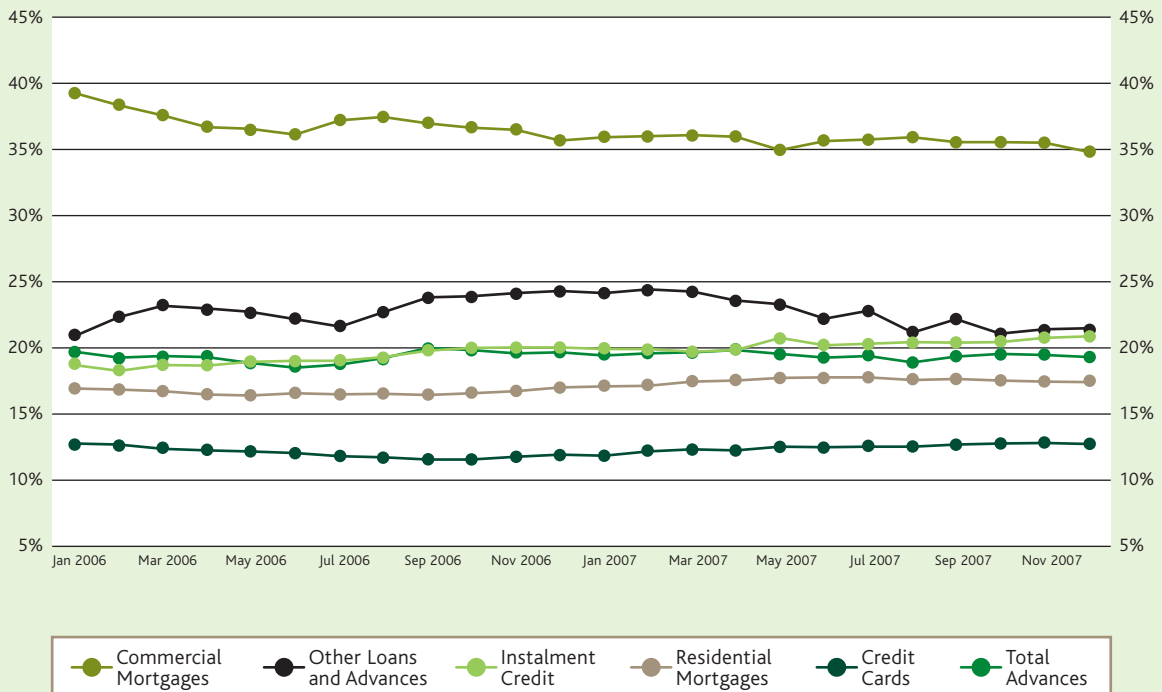


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Deposits



Market Share Percentages



Nedbank Group employee incentive schemes

as at 31 December

	2007	2006
Movements		
Options outstanding at beginning of period	20 384 608	22 370 999
Granted	6 557 583	6 296 334
Exercised	3 503 475	2 401 148
Expired	173 313	4 520 563
Surrendered	2 090 526	1 361 014
Options outstanding at end of the period	21 174 877	20 384 608
Analysis		
Performance-based options – 1994 Scheme	1 311 740 ^p	4 079 420 ^p
Non-performance-based options – 1994 Scheme	2 960 131	5 044 328
Performance-based options – 2005 Scheme	6 227 766 ^p	
Non-performance-based options – 2005 Scheme	10 078 478	10 811 210
Performance-based options – matched shares 2005 Scheme	298 381	224 825
Non-performance-based options – matched shares 2005 Scheme	298 381	224 825
	21 174 877	20 384 608
Summary: by scheme		
Nedcor share incentive trust (1994)	3 971 572	7 614 159
Options granted in respect of the rights offer (1994 scheme)	271 409	1 215 051
Ex-NIB share incentive scheme – now part of Nedcor share incentive trust (1994 scheme)	28 890	294 538
Nedbank Group options scheme (2005)	16 306 244	10 811 210
Nedbank group matched share scheme (2005)	596 762	449 650
Options outstanding at end of the period	21 174 877	20 384 608

Nedcor share incentive trust (1994)

The following options granted had not been exercised at 31 December 2007

Option expiry date	Number of shares	Issue price R	Option expiry date	Number of shares	Issue price R
			b/f	2 772 947	
10-Aug-10	56 000 ^p	55,75	1-Apr-08	2 500	88,00
10-Aug-10	215 700	55,75	25-Feb-09	54 750	102,19
1-Apr-08	10 000	60,01	15-Oct-08	62 650	102,65
1-Oct-08	7 500	60,01	2-Jul-08	945 175	123,60
1-Jan-09	33 000	60,01	1-Jan-08	23 400	125,00
11-May-10	708 850	60,01	15-Apr-08	110 150	125,00
11-May-10	1 218 782 ^p	60,01			
11-May-10	2 000	61,40			
11-May-10	12 500 ^p	61,40			
1-Oct-09	50 650	69,20			
1-Oct-09	17 265 ^p	69,20			
20-Apr-11	440 700	74,40			
	2 772 947		Total	3 971 572	

Options granted in respect of the rights offer (1994 scheme)

Option expiry date	Number of shares	Issue price R	Option expiry date	Number of shares	Issue price R
			b/f	19 371	
1-Jan-08	1 272	45,00	1-Jul-08	8 333	45,00
6-Jan-08	416	45,00	2-Jul-08	186 906	45,00
27-Jan-08	1 166	45,00	15-Oct-08	3 813	45,00
1-Feb-08	834	45,00	25-Feb-09	24 690	45,00
6-Feb-08	2 778	45,00	1-Oct-09	21 103	45,00
1-Apr-08	1 968	45,00	1-Oct-09	7 193 ^p	45,00
15-Apr-08	10 729	45,00			
1-May-08	208	45,00			
	19 371		Total	271 409	

^p Performance-based options



continued

Ex-NIB share incentive scheme – now part of Nedcor share incentive trust (1994 scheme)

The following options granted had not been exercised at 31 December 2007

Option expiry date	Number of shares	Issue price R
6-Feb-08	6 667	90,9
1-Apr-08	2 222	81,00
1-Jul-08	20 001	111,00
Total	28 890	

Nedbank Group options scheme (2005)

The following options granted had not been exercised at 31 December 2007

Option expiry date	Number of shares	Issue price R
1-Jul-08	6 000	76,79
30-Jun-10	4 193 047	76,79
8-Aug-10	488 850	84,68
10-Aug-11	384 500	107,03
1-Apr-08	20 600	110,98
1-Jul-08	25 000	110,98
28-Feb-11	4 960 481	110,98
10-Aug-12	725 300 ^p	134,30
28-Feb-12	5 502 466 ^p	144,30
Total	16 306 244	

Nedbank group matched share scheme (2005)

The obligation to deliver the following matched shares, subject to time and performance criteria, exists at 31 December 2007

Option expiry date	Number of shares
3-Jun-08	274 593
1-Apr-09	147 433
1-Apr-10	174 736
Total	596 762

Shareholders' analysis

Register date: 28 December 2007
 Authorised share capital: 600 000 000 shares
 Issued share capital: 459 278 075 shares

Major shareholders/managers	Number of shares	Dec 2007 % holding	Dec 2006 % holding	Dec 2005 % holding
Old Mutual Group	244 343 186	53,20	50,95	50,50
Old Mutual Life Assurance Company Limited and associates (SA)	242 566 875	52,81	50,58	50,19
Old Mutual Asset Managers (SA)	1 776 311	0,39	0,37	0,31
Nedbank Group treasury shares held	57 336 676	12,48	12,46	9,63
BEE trusts:				
Eyethu scheme – Nedbank South Africa	41 731 815	9,09	9,01	9,35
Omufima scheme – Nedbank Namibia	638 632	0,14	0,14	
Nedbank group capital management	14 715 049	3,20	3,26	0,23
NES (Pty) Ltd	251 180	0,05	0,05	0,05
Public Investment Corporation (SA)	24 370 517	5,31	3,56	1,26
Sanlam Investment Management (SA)	12 585 497	2,74	1,82	4,57
STANLIB Asset Management (SA)	12 172 132	2,65	1,46	3,83
Investec Asset Management	6 973 531	1,52	0,04	0,06
Boston Company Asset Management (US)	6 249 990	1,36	2,54	3,28
Lazard Asset Management (US)	5 921 468	1,29		
Coronation Fund Management (SA)	5 688 018	1,24	0,10	0,10
Metropolitan Asset Managers (SA)	5 425 227	1,18	1,27	1,17
Allan Gray Ltd (SA)	5 041 907	1,10	9,46	8,17
Major beneficial shareholders				
Old Mutual Life Assurance Company (South Africa) Limited and associates (SA)	242 566 875	52,81	50,58	50,19
Public Investment Corporation (SA)	32 526 351	7,08	4,28	5,42
Geographical distribution of shareholders				
Domestic				
South Africa	405 864 035	88,37	85,93	84,46
Namibia	1 837 112	0,40	0,47	0,44
Swaziland			0,16	0,15
Other countries	3 582 369	0,78	0,65	0,64
Foreign				
USA	32 562 816	7,09	9,15	10,38
United Kingdom and Ireland	3 766 080	0,82	1,16	1,52
Europe	6 935 099	1,51	1,73	1,37
Other countries	4 730 564	1,03	0,75	1,04
	459 278 075	100,00	100,00	100,00



Nedbank Limited Consolidated income statement

for the year ended 31 December

Rm	2007	2006
Interest and similar income	40 185	27 089
Interest expense and similar charges	26 631	16 600
Net interest income	13 554	10 489
Impairment charge on loans and advances	2 115	1 465
Income from lending activities	11 439	9 024
Non-interest revenue	9 725	8 566
Operating income	21 164	17 590
Total operating expenses	12 927	11 725
Operating expenses	12 792	11 581
BEE transaction expenses	135	144
Indirect taxation	298	334
Profit from operations before non-trading and capital items	7 939	5 531
Non-trading and capital items	25	183
Impairment of goodwill		(1)
Profit on sale of subsidiaries, investments and property and equipment	27	242
Net impairment/gain of investments, property and equipment and capitalised development costs	(2)	(58)
Profit from operations	7 964	5 714
Share of profits of associates and joint ventures	54	68
Profit before direct taxation	8 018	5 782
Total direct taxation	2 139	1 669
Taxation	2 139	1 645
Taxation on non-trading and capital items		24
Profit for the period	5 879	4 113
Attributable to:		
Equity holders of the parent	5 568	3 870
Minority interest – ordinary shareholders	298	243
Minority interest – preference shareholders	13	
Profit for the period	5 879	4 113
Earnings reconciliation		
Profit attributable to equity holders of the parent	5 568	3 870
Less: Non-headline earnings items	25	159
Non-trading and capital items	25	183
Taxation on non-trading and capital items		(24)
Headline earnings	5 543	3 711

Nedbank Limited Consolidated balance sheet

as at 31 December

Rm	2007	2006
Assets		
Cash and cash equivalents	9 545	11 165
Other short-term securities	11 775	13 855
Derivative financial instruments	9 924	10 314
Government and other securities	29 271	22 031
Loans and advances	373 185	319 180
Other assets	4 920	5 120
Clients' indebtedness for acceptances	2 236	2 544
Current taxation receivable	29	138
Investment securities	2 739	2 385
Non-current assets held for sale		41
Investments in associate companies and joint ventures	735	690
Deferred taxation asset	65	48
Investment property	75	66
Property and equipment	3 757	3 323
Post-employment assets	1 305	1 357
Computer software and capitalised development costs	1 323	1 236
Mandatory reserve deposits with central bank	8 351	7 026
Goodwill	1 392	1 369
Total assets	460 627	401 888
Total equity and liabilities		
Ordinary share capital	27	27
Ordinary share premium	14 422	14 422
Reserves	13 340	9 583
Total equity attributable to equity holders of the parent	27 789	24 032
Preference share capital and premium	3 122	2 770
Minority shareholders' equity attributable to ordinary shareholders	1 307	955
Minority shareholders' equity attributable to preference shareholders	300	300
Total equity	32 518	28 057
Derivative financial instruments	10 336	11 549
Amounts owed to depositors	389 290	339 164
Other liabilities	11 033	9 098
Liabilities under acceptances	2 236	2 544
Current taxation liabilities	275	338
Deferred taxation liabilities	1 470	1 410
Post-employment liabilities	1 145	1 210
Long-term debt instruments	12 324	8 518
Total liabilities	428 109	373 831
Total equity and liabilities	460 627	401 888
Guarantees on behalf of clients	20 564	15 235



Nedbank Limited Capital adequacy (solo supervision) Basel I

for the year ended 31 December

Rm	Risk-weighted assets		
	Percentage weighting	2007	2006
Money, interbank deposits and claims on central government			
Land bank and other public sector bodies	10	438	396
Trade transactions with recourse to other banks	20	5 868	5 526
Residential mortgage loans	50	45 890	36 287
All other banking assets excluding intragroup	100	210 401	178 239
Notional trading assets	100	6 407	4 905
Total on-balance sheet items		269 004	225 353
Off-balance sheet items	0 – 100	17 030	12 465
Counterparty risk	0 – 100	2 602	2 489
Total risk-weighted assets		288 636	240 307

	2007		2006	
	Capital Rm	%	Capital Rm	%
Tier 1 capital (primary)	21 991	7,7	18 971	7,9
Share capital and reserves	23 517	8,2	20 488	8,5
Preference share capital and premium	3 122	1,1	2 770	1,2
Impairments	(4 648)	(1,6)	(4 287)	(1,8)
Tier 2 capital (secondary)	11 387	3,9	8 228	3,4
Long-term debt instruments	9 837	3,4	7 079	2,9
Provision for performing loans	1 253	0,4	954	0,4
Other	297	0,1	195	0,1
Tier 3 capital (tertiary)	269	0,1	173	0,1
	33 647	11,7	27 372	11,4

Definitions

ASSETS UNDER MANAGEMENT

Assets managed by Nedbank Group, which are beneficially owned by clients and are therefore not reported on the consolidated balance sheet. The service provided in respect of these assets is discretionary portfolio management on behalf of clients.

ATM

Automated teller machine. A cash machine or free-standing device dispensing cash, which may also provide other information or services to clients who have a card and a personal identification number, password or other personal identification.

BASEL CAPITAL ACCORD (BASEL II)

The new Basel Capital Accord (Basel II) of the Bank for International Settlements is an improved capital adequacy framework accomplished by closely aligning banks' capital requirements with improved modern risk management practices and sophisticated risk assessment capabilities. It further ensures the risk sensitivity of the minimum capital requirements by including supervisory reviews and market discipline through enhanced disclosure.

BEE

Black economic empowerment, as defined in the Financial Sector Charter. It means the economic empowerment of all black people (Africans, coloureds and Indians who are South African citizens), including women, workers, youth, people with disabilities and people living in rural areas, through diverse but integrated socio-economic strategies.

BEE TRANSACTION

Nedbank Group's BEE transaction, which focused primarily on the issuing of shares to BEE partners for the purposes of BEE, equating to approximately 9,33% (41 268 130 shares) of total share capital and equating to black ownership of 11,5% of the value of Nedbank Group's South African businesses in 2005.

Nedbank Namibia's BEE transaction, which focused primarily on the issuing of shares to BEE partners and affinity groups for the purposes of BEE in Namibia, equating to approximately 0,15% (665 442 shares) of total share capital of Nedbank Group Limited and equating to black ownership of 11,13% of the value of NedNamibia Holdings Limited, Nedbank Group's Namibian business in 2006.

CAPITAL ADEQUACY RATIO

The capital adequacy of South African banks is measured in terms of the South African Banks Act requirements. The ratio is calculated by dividing the primary (Tier 1), secondary (Tier 2) and tertiary (Tier 3) capital by the risk-weighted assets. The minimum South African total capital adequacy ratio for banks is currently 10% of risk-weighted assets. Non-South African banks within the group have similar requirements.

Group capital adequacy ratio

Group capital adequacy is the ratio of group net qualifying capital and reserve funds to total group risk-weighted assets as calculated per the regulations relating to banks.

Primary (Tier 1) capital

Primary capital consists of issued ordinary share capital and perpetual preference share capital, retained earnings and reserves. This amount is then reduced by the portion of capital that is allocated to trading activities.

Secondary (Tier 2) capital

Secondary capital is made up of subordinated debt, portfolio impairments and 50% of any revaluation reserves.

Tertiary (Tier 3) capital

Tertiary capital means

- accrued current-period uncapitalised net profits derived from trading activities; and
- capital obtained by way of unsecured subordinated loans, subject to such conditions as may be prescribed.

CASH FLOW

Financing activities

Activities that result in changes to the capital structure of the group.

Investment activities

Activities relating to the acquisition, holding and disposal of property and equipment and long-term investments.

Operating activities

Activities that are not financing or investing activities and arise from the operations conducted by the group.

CREDIT LOSS RATIO

Credit Loss Ratio is the impairments charge as a percentage of average advances.

DEFERRED TAXATION ASSETS

Deferred taxation assets are the amounts of income taxation recoverable in future periods in respect of:

- deductible temporary differences arising due to differences between the taxation and accounting treatment of transactions; and
- the carry forward of unused taxation losses.



DEFERRED TAXATION LIABILITIES

Deferred taxation liabilities are the amounts of income taxation payable in future periods due to differences between the taxation and accounting treatment of transactions.

DIRECT TAXATION

Direct taxation includes normal taxation on income, capital gains taxation (CGT) and secondary taxation on companies (STC).

DIVIDEND/DISTRIBUTION COVER

Headline earnings per share divided by the dividend/distribution declared per share.

DIVIDEND/DISTRIBUTION DECLARED PER SHARE

Dividend/distribution declared per share is the actual interim dividend paid/capitalisation award issued and the final dividend declared/capitalisation award declared for the period under consideration, expressed in cents.

DIVIDEND/DISTRIBUTION PAID/CAPITALISED PER SHARE

Dividend/distribution paid/capitalised per share is the actual final dividend paid/capitalisation award issued for the prior year and the interim dividend paid/capitalisation award issued for the year under consideration, expressed in cents.

DIVIDEND YIELD

Dividend/capitalisation award declared per ordinary share as a percentage of the closing share price of ordinary shares.

EARNINGS PER SHARE (EPS)

Basic earnings basis

Income attributable to equity holders for the period divided by the weighted average number of ordinary shares in issue (net of shares held by group entities) during the period.

Headline earnings basis

Headline earnings divided by the weighted average number of shares in issue (net of shares held by group entities) during the period.

Fully diluted basis

The relevant earnings figure is adjusted for the assumed adjustments to income that would have been earned on the issue of shares issued from dilutive instruments. The resultant earnings are divided by the weighted average number of ordinary shares and other dilutive instruments (ie potential ordinary shares) outstanding at the period-end, assuming they had been in issue for the period.

EARNINGS YIELD

Headline earnings per share as a percentage of the closing price of ordinary shares.

ECONOMIC CAPITAL (ECAP)

Economic capital is the quantification of risk and an internal assessment of the amount of capital required to protect the group against economic losses with a desired level of confidence (solvency standard or default probability) over a one-year time horizon. In other words, it is the magnitude of economic losses the group could withstand while still remaining solvent.

EFFECTIVE TAXATION RATE

The taxation charge in the income statement, excluding taxation relating to non-trading and capital items, as a percentage of profit before taxation.

EFFICIENCY RATIO (COST-TO-INCOME RATIO)

Total operating expenses (excluding indirect taxation) as a percentage of income from normal operations (net interest income plus non-interest revenue).

FINANCIAL SECTOR CHARTER (FSC)

A transformation charter, as contemplated in the broad-based BEE legislation, that was voluntarily developed by the financial sector and constitutes a framework and establishes the principles on which BEE will be implemented in the financial sector.

FOREIGN EXCHANGE TRANSLATION GAINS/LOSSES

The results and assets/liabilities of all foreign entities controlled by the group that have a rand-functional currency are translated at the closing exchange rate and the differences arising are recognised in the income statement as foreign exchange translation gains/losses.

HEADLINE EARNINGS

Headline earnings is not a measure of maintainable earnings. For purposes of the definition and calculation, the guidance given on headline earnings, as issued by the South African Institute of Chartered Accountants in circular 07/02 of December 2002, has been used. Headline earnings consist of the earnings attributable to ordinary shareholders excluding non-trading and capital items.

IFRS

International Financial Reporting Standards, as adopted by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB.

Nedbank Group's consolidated financial results are prepared in accordance with IFRS.

IMPAIRMENT CHARGE TO AVERAGE ADVANCES

Impairment charge on loans and advances for the year divided by average advances. Also known as the credit loss ratio or impairment ratio.

Definitions

continued

IMPAIRMENT OF LOANS AND ADVANCES

Impairment of loans and advances arises where there is objective evidence that the group will not be able to collect an amount due. The impairment is the difference between the carrying amount and the estimated recoverable amount.

INDIRECT TAXATION

Value Added Taxation (VAT) and other taxes, levies and duties paid to government, excluding direct taxation.

'JAWS' RATIO

The difference between the rate of growth in total income from normal operations and the rate of total expense growth.

JIBAR

Johannesburg Interbank Agreement Rate, which is the rate that South African banks charge each other for wholesale money.

KING II (THE CODE)

The King Report on Corporate Governance 2002, which sets out principles of good corporate governance for South African companies and organisations.

LIBOR

London Interbank Offered Rate, which is the rate that banks participating in the London money market offer each other for short-term deposits.

MARKET CAPITALISATION

The group's closing share price multiplied by the number of shares in issue including shares held by group entities.

NET ASSET VALUE PER SHARE

Total equity attributable to equity holders of the parent divided by the number of shares in issue, excluding shares held by group entities.

NET INTEREST INCOME TO AVERAGE INTEREST-EARNING ASSETS (NET INTEREST MARGIN)

Net interest income expressed as a percentage of average net interest-earning banking assets. Net interest-earning banking assets are used, as these closely resemble the quantum of assets earning income that is included in net margin.

NON-INTEREST REVENUE TO TOTAL INCOME

Income from normal operations, excluding net interest, as a percentage of total income from normal operations.

NON-PERFORMING ADVANCES (NPAs)

Advances are classified as non-performing when:

- categorised as 'doubtful' and 'loss' per the bank regulatory credit risk classification system;
- a counterparty is under judicial management or declared insolvent; or
- management is doubtful about the collection of future cash flows.

NON-TRADING AND CAPITAL ITEMS

These comprise the following:

- surpluses and losses on disposal of long-term investments, subsidiaries, joint ventures and associates;
- impairment of goodwill arising on acquisition of subsidiaries, joint ventures and associates;
- surpluses and losses on the sale or termination of an operation;
- capital cost of fundamental reorganisation or restructuring having a material effect on the nature and focus of the operations of the reporting entities;
- impairment of investments, property and equipment, computer software and capitalised development costs; and
- other items of a capital nature.

OFF-BALANCE SHEET ASSETS

Assets managed on behalf of third parties on a fully discretionary basis.

PRICE/EARNINGS RATIO

The closing price of ordinary shares divided by headline earnings (for the previous 12 months) per share.

PROPERTIES IN POSSESSION (PIPs)

Properties acquired through payment defaults on loans secured by properties.

RETURN ON ORDINARY SHAREHOLDERS' EQUITY (ROE)

Headline earnings expressed as a percentage of average equity attributable to equity holders of the parent.

RETURN ON RISK ADJUSTED CAPITAL (RORAC)

Headline earnings expressed as a percentage of economic capital.

RETURN ON TOTAL ASSETS (ROA)

Headline earnings expressed as a percentage of average total assets.



RISK-WEIGHTED ASSETS

Risk-weighted assets are determined by applying risk weights to balance sheet assets and off-balance sheet financial instruments according to the relative credit risk of the counterparty. The risk weighting for each balance sheet asset and off-balance sheet financial instrument is regulated by the South African Banks Act or by regulations in the respective countries of the other banking licences.

SEGMENTAL REPORTING

Operational segment

A distinguishable component of the group, based on the market on which each business area focuses, which is subject to risks and returns that are different from those of other operating segments.

Geographical segment

A distinguishable component of the group that is engaged in providing services within a particular economic environment and is subject to risks and returns that are different from those of components operating in other economic environments.

SHARE-BASED PAYMENTS

Transfers of a company's equity instruments by its shareholders to parties that have supplied goods or services to the company (including employees).

SST

Self-service terminal, similar to an ATM, but designed for non-cash transactions.

TANGIBLE NET ASSET VALUE PER SHARE

Total equity attributable to equity holders of the parent less goodwill, computer software and capitalised development costs, divided by the number of shares in issue, excluding shares held by group entities.

TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

Ordinary share capital, share premium and reserves.

SHARES HELD BY GROUP ENTITIES (TREASURY SHARES)

Ordinary shares in Nedbank Group Limited acquired/held by group companies, including ordinary shares held in share trusts as part of the BEE transaction.

WEIGHTED AVERAGE NUMBER OF SHARES

The number of shares in issue increased by shares issued during the period, weighted on a time basis for the period during which they participated in the income of the group, less shares held by group entities, weighted on a time basis for the period during which the entities held these shares.

These definitions should be read in conjunction with the group's accounting policies, which also clarify certain terms used.

DISCLAIMER

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.

Share and bond information

COMPANY DETAILS

Nedbank Group Limited
Incorporated in the Republic of South Africa
Registration number: 1966/010630/06

Registered address:

Nedbank Sandton, 135 Rivonia Road, Sandown, 2196, Johannesburg
PO Box 1144, Johannesburg, 2000

Transfer secretaries:

South Africa

Computershare Investor Services 2004 (Pty) Limited
70 Marshall Street, Johannesburg, 2001
PO Box 61051, Marshalltown, 2107

Namibia

Transfer Secretaries (Pty) Limited
Shop 8, Kaiserkrone Centre, Post Street Mall, Windhoek, Namibia
PO Box 2401, Windhoek, Namibia

INSTRUMENT CODES

Nedbank Group ordinary shares

JSE share code:

NED

NSX share code:

NBK

ISIN:

ZAE000004875

ADR code:

NDBKY

ADR CUSIP:

63975K104

Nedbank Limited non-redeemable, non-cumulative preference shares

JSE share code:

NBKP

ISIN:

ZAE000043667

Imperial Bank Limited non-redeemable, non-cumulative preference shares

JSE share code:

IBLP

ISIN:

ZAE000081675

Nedbank Limited subordinated debt

Listed on the Bond Exchange of South Africa

ISIN:

NED4

ZAG000026279

NED5

ZAG000029810

NED6

ZAG000033358

NED7

ZAG000036831

NED8

ZAG000036849

NED9

ZAG000041120

NED10

ZAG000043191

NED11

ZAG000044272

NED12

ZAG00004875

NED12A

ZAG000047937

NED12B

ZAG000047945

Imperial Bank Limited subordinated debt

Listed on the Bond Exchange of South Africa

IPB1

ZAG000019571

IPB2

ZAG000029422

Imperial Bank Securitisation issue

Listed on the Bond Exchange of South Africa

OCT1A1

ZAG000040361

OCT1A2

ZAG000040379

OCT1A3

ZAG000040387

OCT1A4

ZAG000040395

OCT1B1

ZAG000040403

OCT1C1

ZAG000040411

OCT1D1

ZAG000040429

OCT1E1

ZAG000040437

Nedbank Limited Securitisation issue

Listed on the Bond Exchange of South Africa

GRN1A1

ZAG000047192

GRN1B

ZAG000047234

GRN1C

ZAG000047176

GRN1D

ZAG000047184

These results and additional information are available on

www.nedbankgroup.co.za

Nedbank Group Head Office

Nedbank Sandton 135 Rivonia Road Sandown 2196

P O Box 1144 Johannesburg 2000

Tel +27 (0)11 294 4444

Fax +27 (0)11 294 6540

Transfer secretaries

Computershare Investor Services 2004 (Pty) Limited

70 Marshall Street Johannesburg 2001 South Africa

PO Box 61051 Marshalltown 2107 South Africa

Tel +27 (0)11 370 5000

Fax +27 (0)11 688 5217/8