

# GROUP AT A GLANCE

as at 31 December 2015

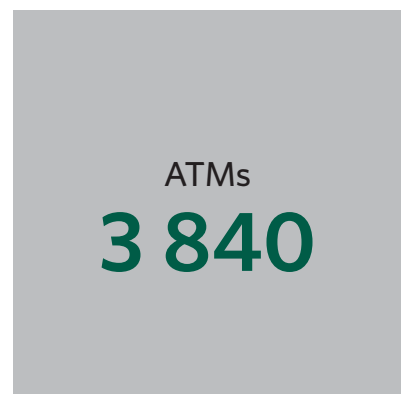
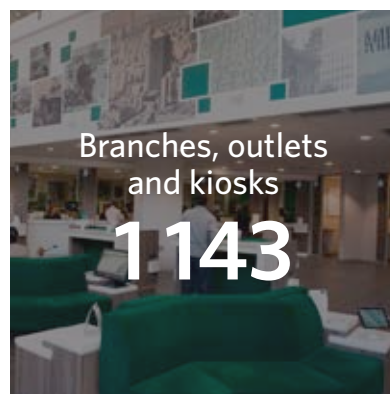
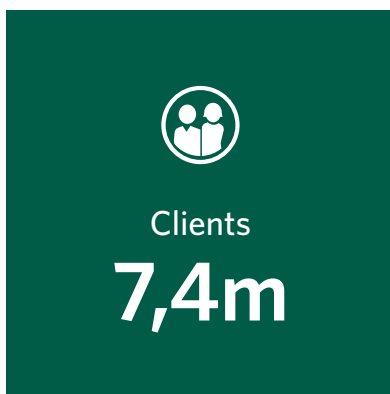
MAKE THINGS HAPPEN



## FINANCIAL HIGHLIGHTS



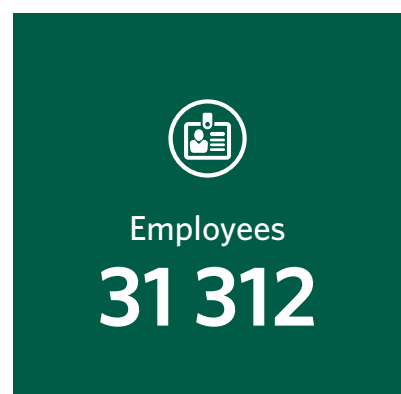
Year end	%	2015	2014
Headline earnings (Rm)	9,6	10 831	9 880
ROE (excl goodwill) (%)		17,0	17,2
Diluted HEPS (cents)	8,5	2 242	2 066
Dividend per share (cents)	7,7	1 107	1 028
Common-equity tier 1 capital ratio (%)		11,3	11,6
Advances (Rm)	11,2	681 632	613 021
Deposits (Rm)	11,1	725 851	653 450
NIR : Expenses (%)		83,3	82,8
NIM (%)		3,30	3,52
CLR (%)		0,77	0,79
Efficiency ratio (%)		56,1	56,5




## DELIVERING VALUE IN A VOLATILE MACRO ENVIRONMENT

'Nedbank Group produced a resilient performance in an environment of difficult macroeconomic conditions, volatile markets and an escalating regulatory agenda. We delivered growth in diluted headline earnings per share of 8,5% – ahead of the guidance we gave during the year. Earnings growth was driven by ongoing momentum in non-interest revenue (NIR) and disciplined cost management, combined with the benefit of equity-accounted earnings from our investment in ETI, based on our 20% share of their 12 months of publicly reported results to September 2015. NIR growth was underpinned by an 8,5% growth in retail main banked clients and from our integrated CIB model that successfully unlocked additional revenue growth and cross-sell opportunities. In response to increasing macroeconomic headwinds, we focused on reducing cost growth, maintaining conservative provisioning levels and increasing liquidity buffers. Nedbank is committed to long-term value creation for all our stakeholders and we were honoured to win 2015 Bank of the year for both Africa and SA by The Financial Times and The Banker magazine. Nedbank Group is in excellent shape to deal with the challenging macroeconomic environment that we expect in both SA and in the rest of Africa. Forecast risk has increased and as a result our guidance for performance in the year ahead is harder than usual to formulate. Against this context we currently forecast that growth in diluted headline earnings per share for 2016 will be lower than the growth we achieved in 2015 and below our medium-to-long-term target of consumer price index + gross domestic product growth + 5%. Given the increased forecast risk we will update this guidance with our June 2016 results'.


**Mike Brown**  
Chief Executive



# KEY STRATEGIC FOCUS AREAS FOR GROWTH



**Client-centred innovation**



**Grow our transactional banking franchise**



**Strategic portfolio tilt**




**Optimise and invest**

## A BANK FOR AFRICANS


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

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

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

**Strategic portfolio tilt**

**Pan-african banking network**

### NEDBANK

- Nedbank existing presence
- Expansion opportunities



### ECOBANK

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



### NEDBANK CIB

- Investment banking deals
- Nedbank representative offices



## WHO LEADS US

### Non-executive Directors

V Naidoo (*Chairman*), DKT Adomakoh (*Ghanaian*), TA Boardman, BA Dames, ID Gladman (*British*), JB Hemphill, PM Makwana, Dr MA Matooane, NP Mnxasana, JK Netshitenzhe, S Subramoney, MI Wyman\* (*Senior independent non-executive director*) (*British*)

### Group Executive

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

GE: Group Executive ME: Managing Executive

\* On 1 April 2016, Philip Wessels retires and Ciko Thomas replaces him as ME: Retail and Business Banking

## AWARDS AND RECOGNITION

### The Banker

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

### African Banker Awards

Socially Responsible Bank of the Year  
Most Innovative Bank of the Year

## OUR BUSINESSES

### Our products and services

#### NEDBANK CORPORATE AND INVESTMENT BANKING

##### Our clients

SA corporates, institutions and parastatals with a turnover of over R700m per annum.

> 600 large corporate clients

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



##### Our areas of strength and differentiation

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

##### Key metrics

Assets	R470,6bn
HE	R5 208m
ROE	22,6%

**Brian Kennedy**  
2 728 staff members

#### NEDBANK RETAIL AND BUSINESS BANKING

##### Our clients

Individual clients, as well as businesses with an annual turnover of less than R700m per annum.

> 7m retail and small-business clients

> 22 000 business banking client groups

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



##### Our areas of strength and differentiation

- A leader in Business Banking, underpinned by an accountable, empowered, decentralised business service model.
- Leader in Corporate Saver deposits and debtor management.
- Strong positioning in household motor finance, household deposits and card acquiring.
- Nedbank Contact Centre: Best Contact Centre in South Africa – Contact Centre Management Group Awards.
- Nedbank's innovative Home Loan online application solution was awarded Technology Project of the Year by The Banker magazine.

##### Key metrics

Assets	R348,6bn
HE	R4 460m
ROE	16,6%

**Philip Wessels\***  
**Sandile Shabalala and Ciko Thomas\***  
20 921 staff members

#### NEDBANK WEALTH

##### Our clients

High-net-worth individuals as well as other retail, business and corporate clients.

> 14 500 high-net-worth clients locally and internationally

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



##### Our areas of strength and differentiation

- Integrated International high-net-worth proposition.
- Nedbank Private Wealth won numerous awards, including being voted the best UK private bank, best international banking service, as well as ranked first in the entrepreneur category of the 2015 Intellidex Top Private Banks and Wealth Managers Survey. At the annual Euromoney Private Banking and Wealth Management Survey the business won first place for philanthropic advice.
- Unique Best of Breed™ asset management model.
- Nedgroup Investments won both the SA and offshore Asset Management Company of the Year awards for 2015 – Annual Raging Bull Awards.

##### Key metrics

AUM	R257,3bn
HE	R1 134m
ROE	41,5%

**Iolanda Ruggiero**  
2 107 staff members

#### REST OF AFRICA

##### Our clients

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

> 275 000 retail clients

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



##### Our areas of strength and differentiation

- The Ecobank-Nedbank Alliance: Footprint across 39 countries; the largest in Africa.
- Representative offices in Angola and Kenya.
- Banco Único: Fastest Growing Retail Bank and Best Internet Bank Mozambique 2015 – Global Banking and Finance Review Awards.
- Nedbank Namibia: Best Customer Service bank in Namibia – Customer Service Management Africa Awards.
- Nedbank Malawi: Best Customer Service Bank in Malawi in 2015, as well as the Best Internet Bank in Malawi – Global Banking and Finance Review Awards.

##### Key metrics

Assets	R32,9bn
HE	R691m
ROE	10,2%

**Mfundo Nkuhlu**  
1 812 staff members

\* On 1 April 2016, Philip Wessels retires and Ciko Thomas replaces him as Managing Executive: Retail and Business Banking

## OUR PERFORMANCE

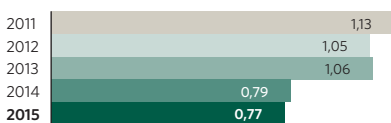
Advances (Rbn) 8,1% CAGR



NIR:Expenses (%) + 180 bps



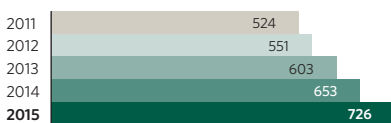
CLR (%) - 26 bps



NIM (%) - 18 bps



Deposits (Rbn) 8,5% CAGR



Efficiency ratio (%) - 50 bps



## OUR DISTRIBUTION NETWORK

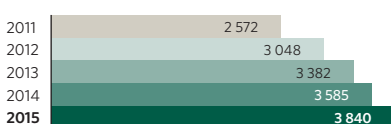
Branches



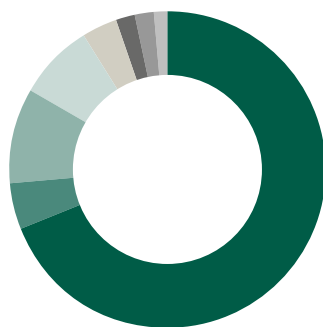
Banking outlets



Number of ATMs



## SHAREHOLDING



Major shareholders (%)

OMLACSA	54,11
Nedbank treasury	3,61
Coronation	7,57
PIC	6,24
Lazard	2,64
Dimensional	1,59
BlackRock	1,56
Sanlam	0,95

## CREDIT RATINGS

	Short term	Long term	Outlook
<b>MOODY'S</b>			
Foreign currency	Prime-2	Baa2	Negative
Local currency	Prime-2	Baa2	Negative
National	Prime-1.za	A1.za	
<b>STANDARD &amp; POOR'S</b>			
Foreign currency	A-3	BBB-	Negative
Local currency	A-2	BBB+	Negative
National	ZaA-1	ZaAA	Negative

## OUR DISTRIBUTION NETWORK

## FINANCIAL CALENDAR 2016

Annual results	2 March
First-quarter trading update	5 May
Annual general meeting	5 May
Interim results	3 August
Third-quarter trading update	31 October

## MARKET INFORMATION

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

## INVESTOR RELATIONS

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

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

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