

GROWing in tougher times

Consumer conference June 2008



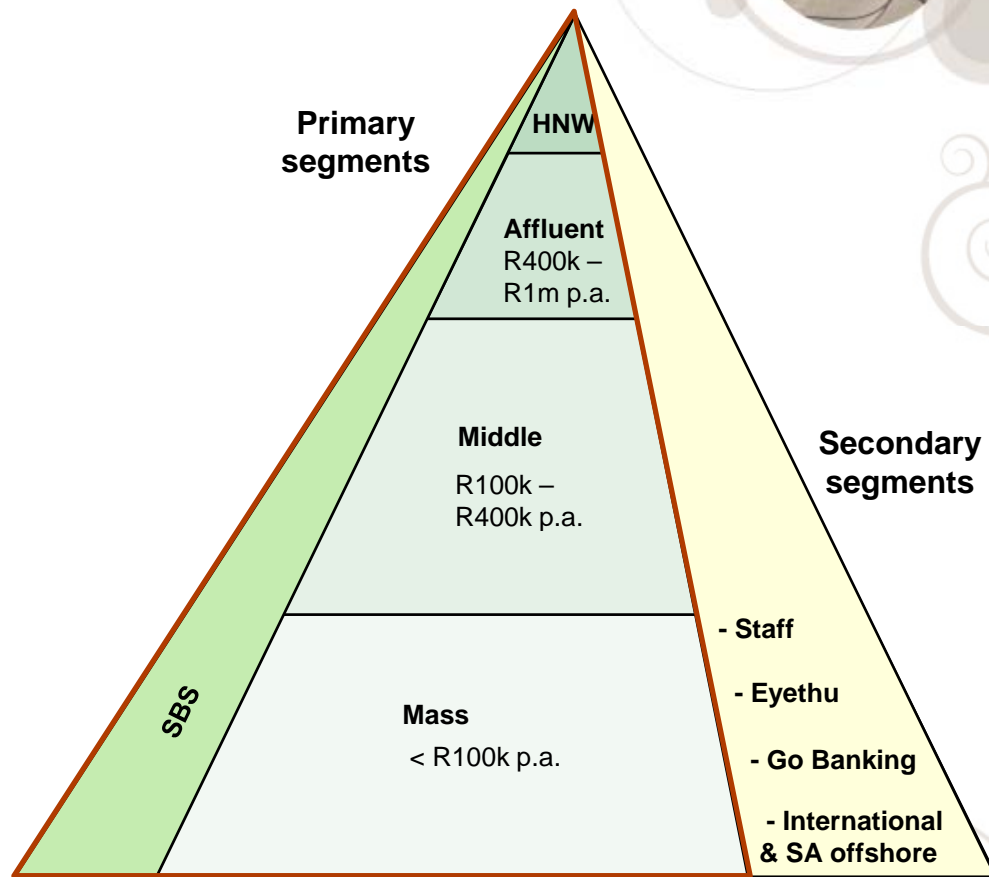
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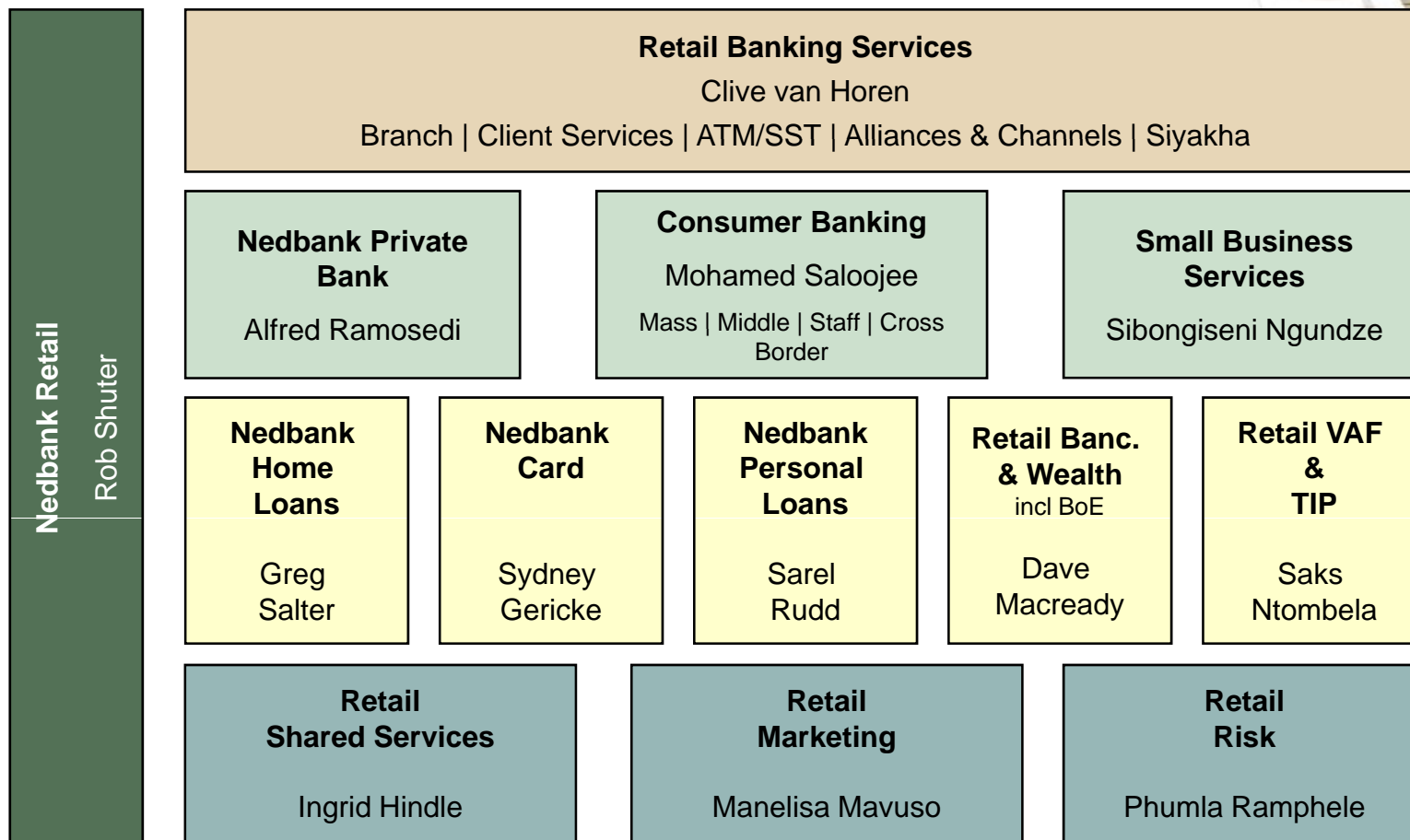
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Nedbank Retail strategy & segmentation



The Nedbank Retail business structure

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Repositioning of the Nedbank brand

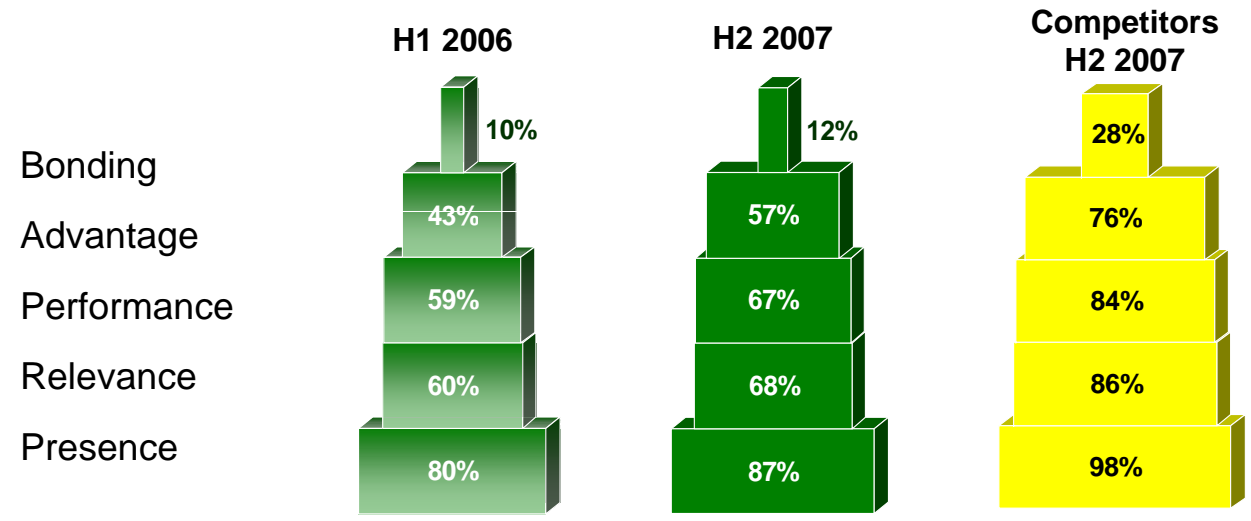


Image Attributes	Jun '05	Jan '08
Is the most respected and admired bank	21%	24%
A bank for all South Africans	25%	45%
A proudly South African bank	26%	41%
A bank that cares about our community	27%	37%
A deep understanding of you and your banking needs	17%	24%
A great place to bank	17%	24%
A bank I aspire to bank with	18%	24%

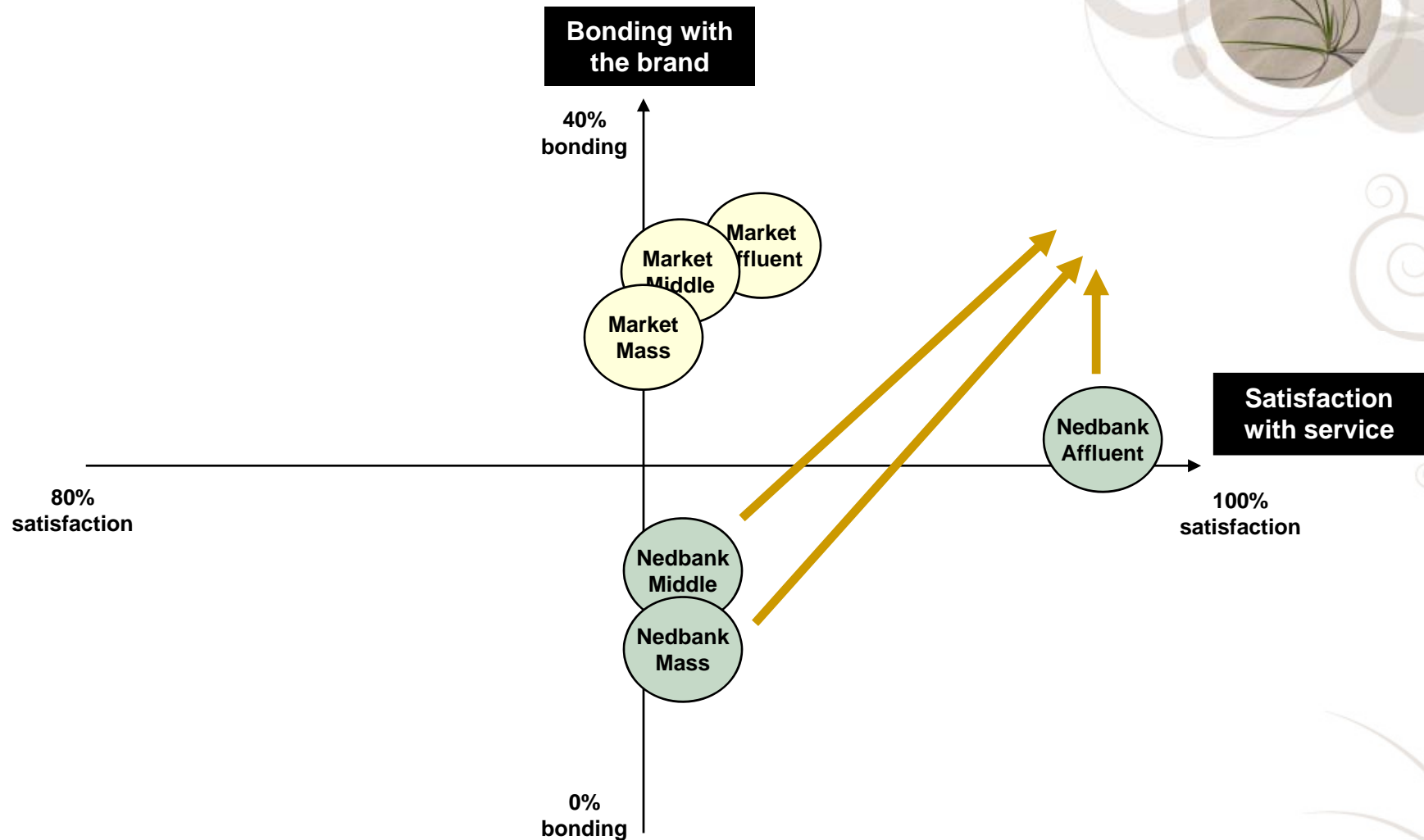
%chg
14%
80%
58%
37%
41%
41%
33%



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Brand bonding & client satisfaction levels



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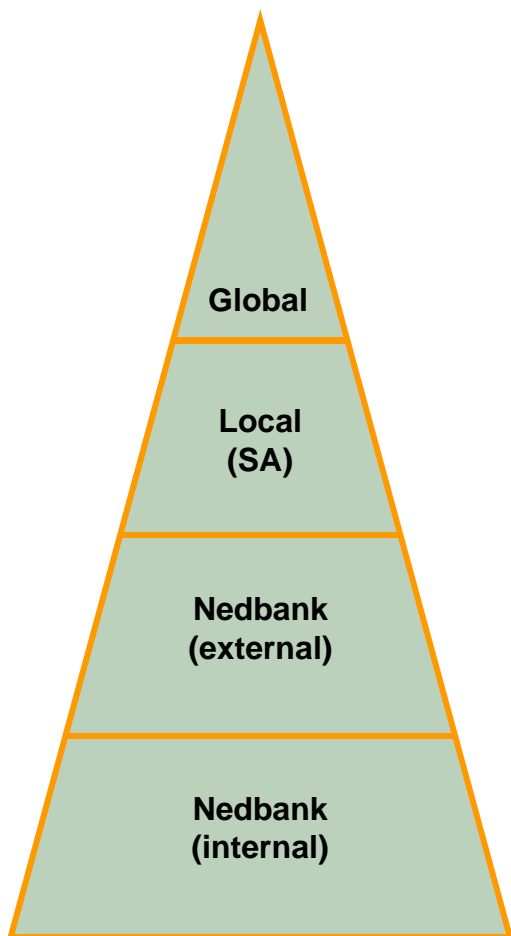
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Client management framework

Retail experience measurement framework



Metric	2005	2006	2007	Long term target
CMAT™ score:	• N/A	• 36 (Ave.)	• 44 (Top Quartile)	• Top decile
Orange Index:	• N/A	• 45 • (#5 bank)	• 32 • (#1 bank)	• (#1 bank – by more than 5%)
Client satisfaction:	• 62.6*	• 64.6	• 68.3	• >75
OBS rulings (against NED):	• 52%	• 39%	• 30%	• <10%
Client complaints:	• 20,721	• 33,674	• 40,922	
Ops metrics (e.g. HL application TAT):	• 80hrs	• 50hrs	• 46hrs	

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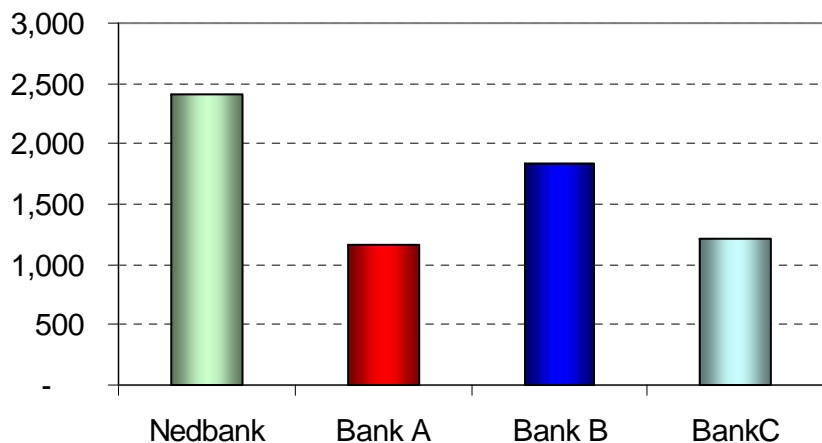
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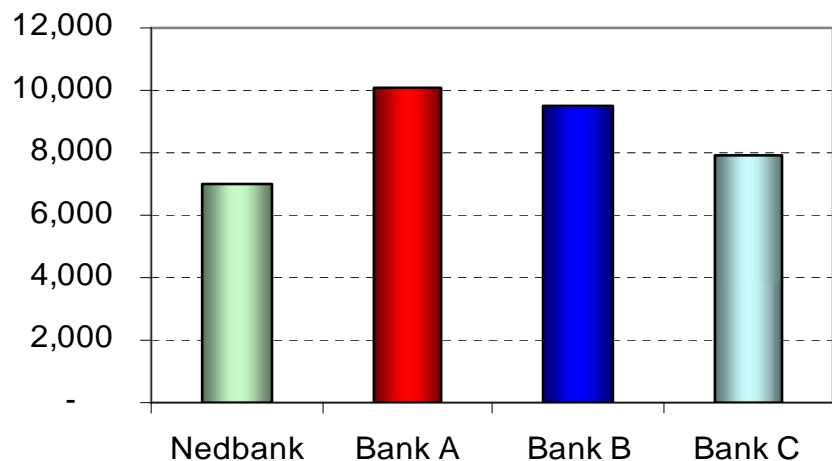
Outlet & ATM presence



Clients : ATM ratios



Clients : staffed outlet ratios



Clients	Clients	ATM's	Outlets
Nedbank	3,950,000	1,636	563
Bank A	9,000,000	7,693	892
Bank B	8,190,000	4,452	866
Bank C	5,610,000	4,642	709

ATM ratio	Outlets ratio
2,414	7,016
1,170	10,090
1,840	9,457
1,209	7,913



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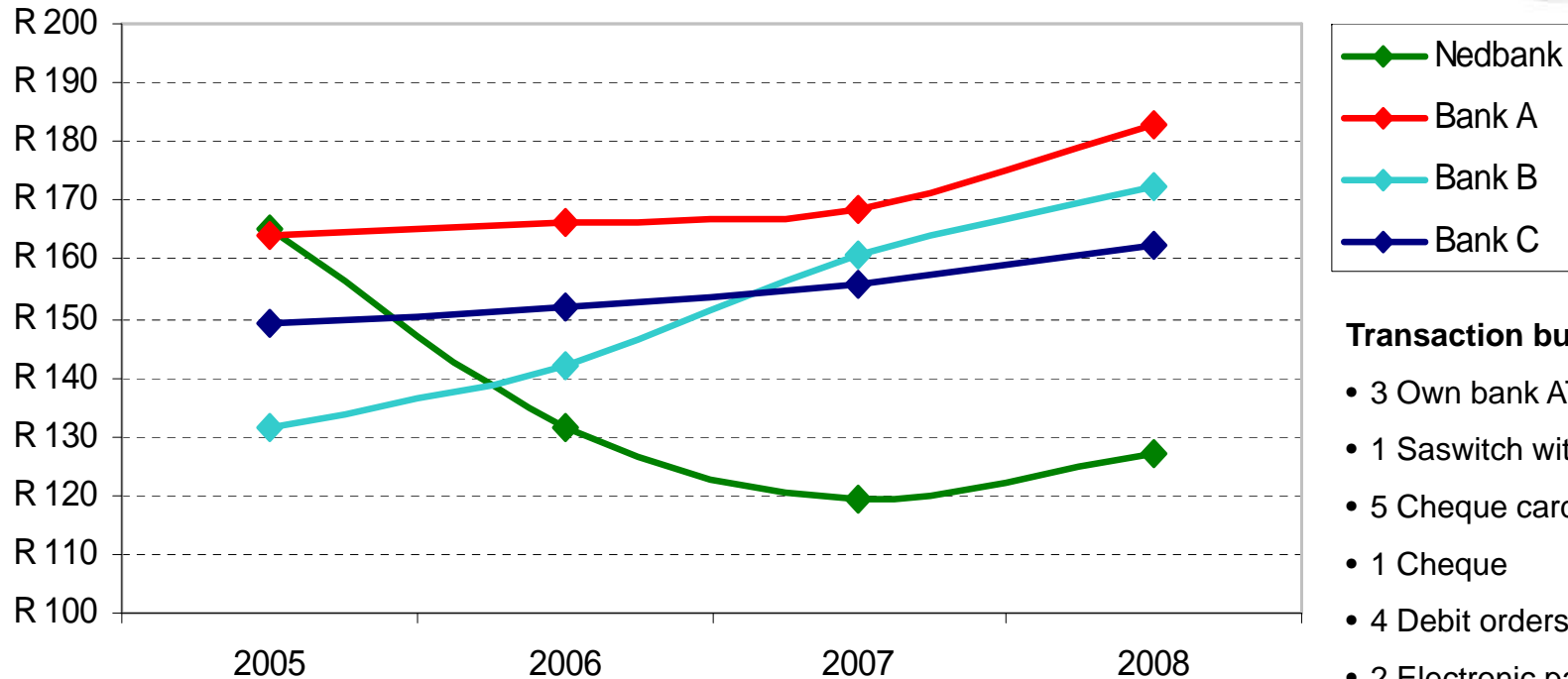
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An aggressive pricing strategy

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Typical current account – average monthly banking charges



Transaction bundle:

- 3 Own bank ATM withdrawals
- 1 Saswitch withdrawal
- 5 Cheque card purchases
- 1 Cheque
- 4 Debit orders
- 2 Electronic payments



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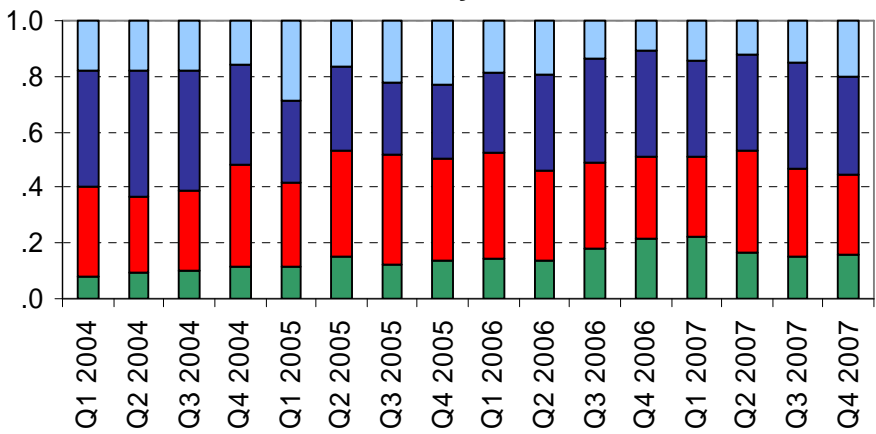
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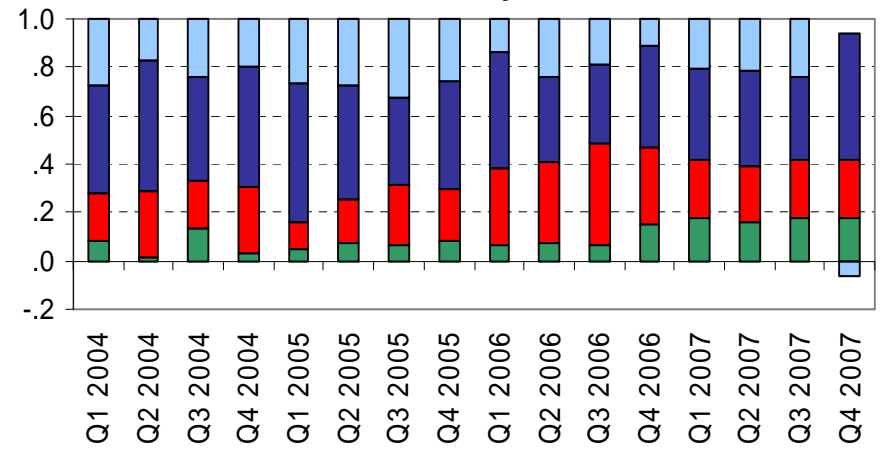
Monthly advances growth



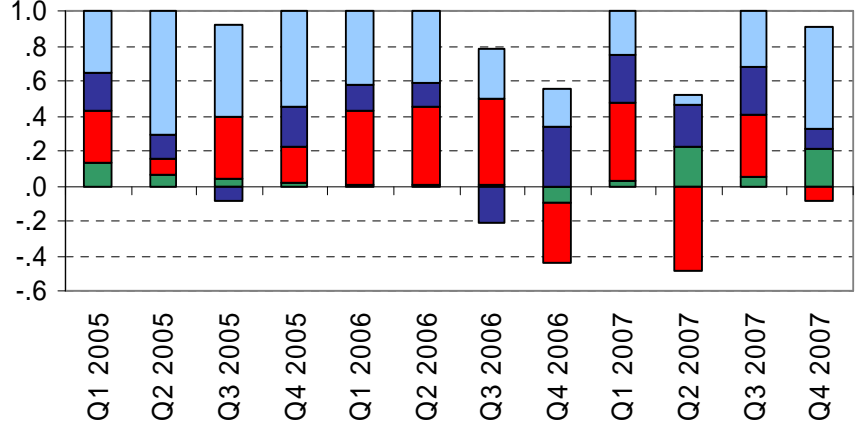
HL: net monthly book movement



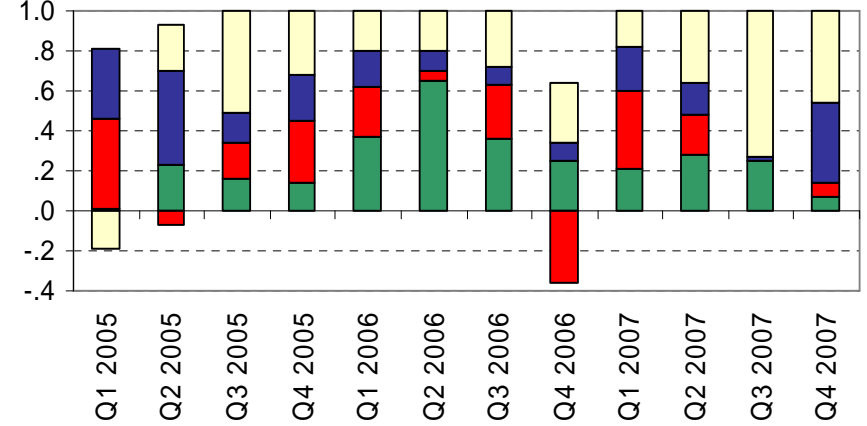
Card: net monthly book movement



VAF: net monthly book movement



PL: net monthly book movement



Bank A Bank B Bank C Nedbank



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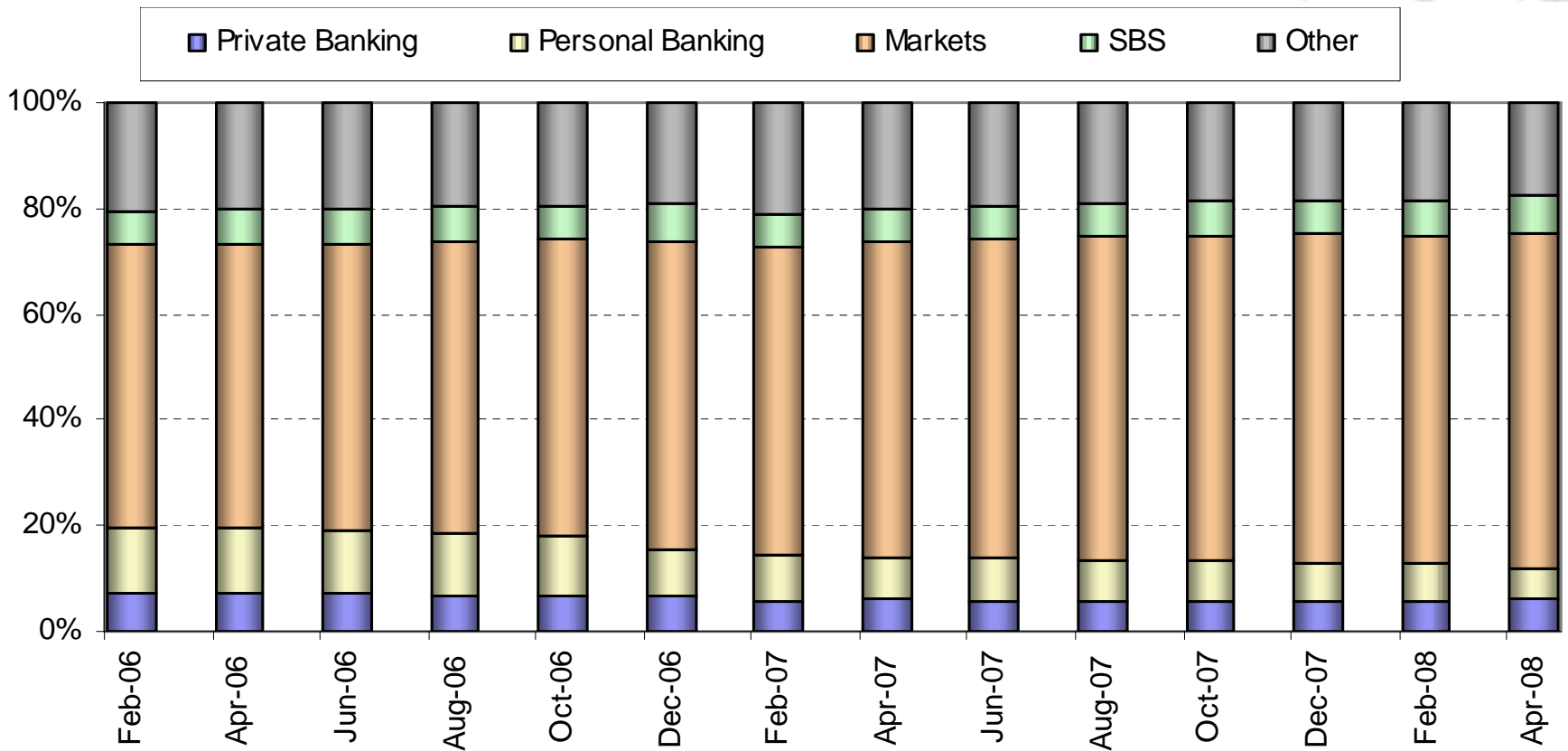
Source: DI900

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Nedbank Retail advances per segment



Total advances split per segment



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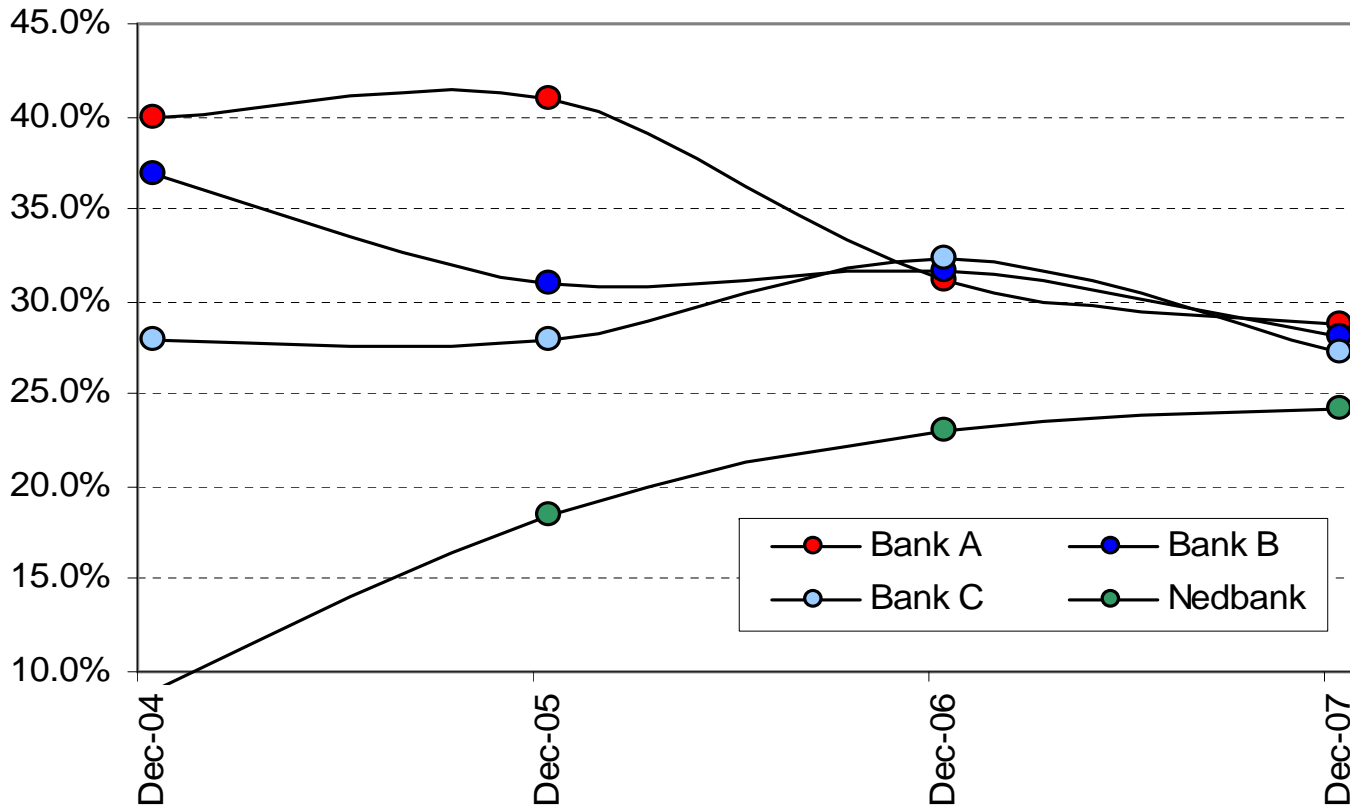
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Delivering a financial turn-around



Retail competitor ROE comparison



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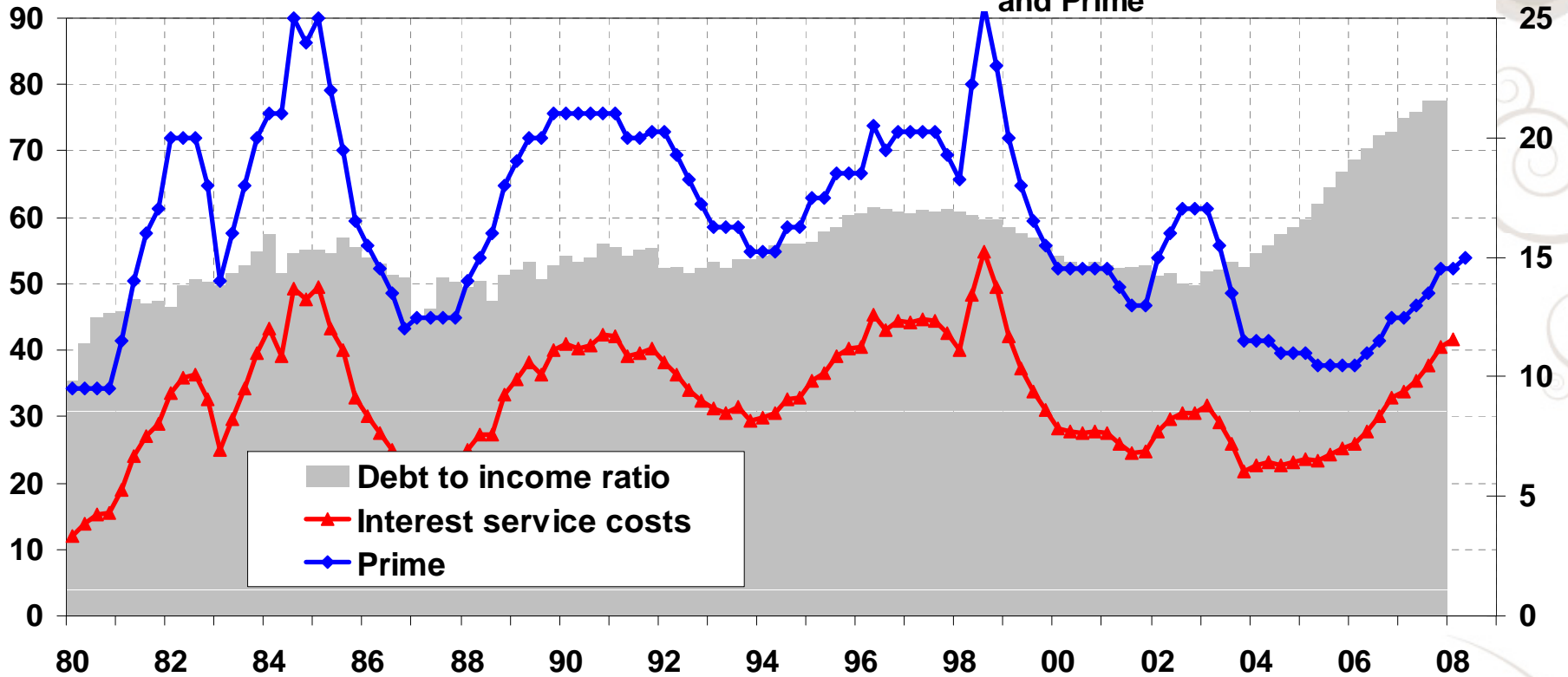
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Tougher times are here...



Personal debt as a % of disposable income

Interest service costs as % PDI and Prime



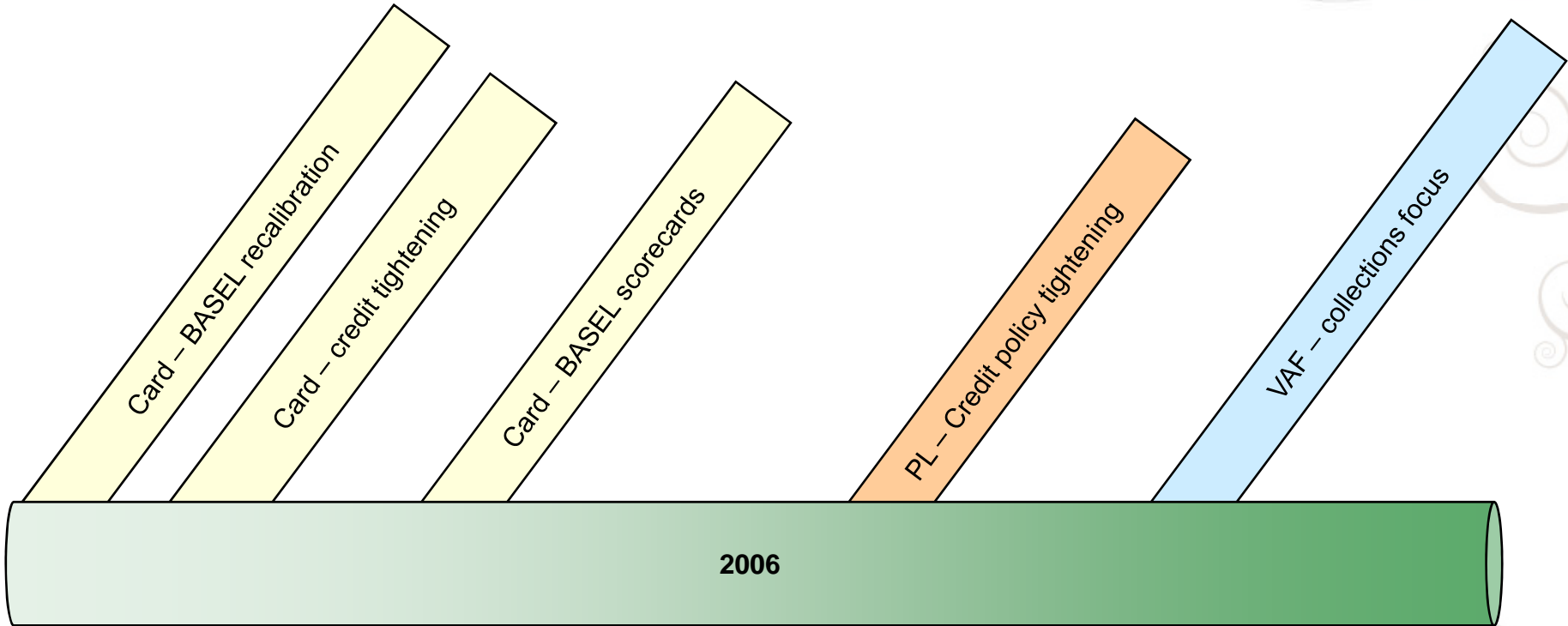
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Credit & collections actions in 2006



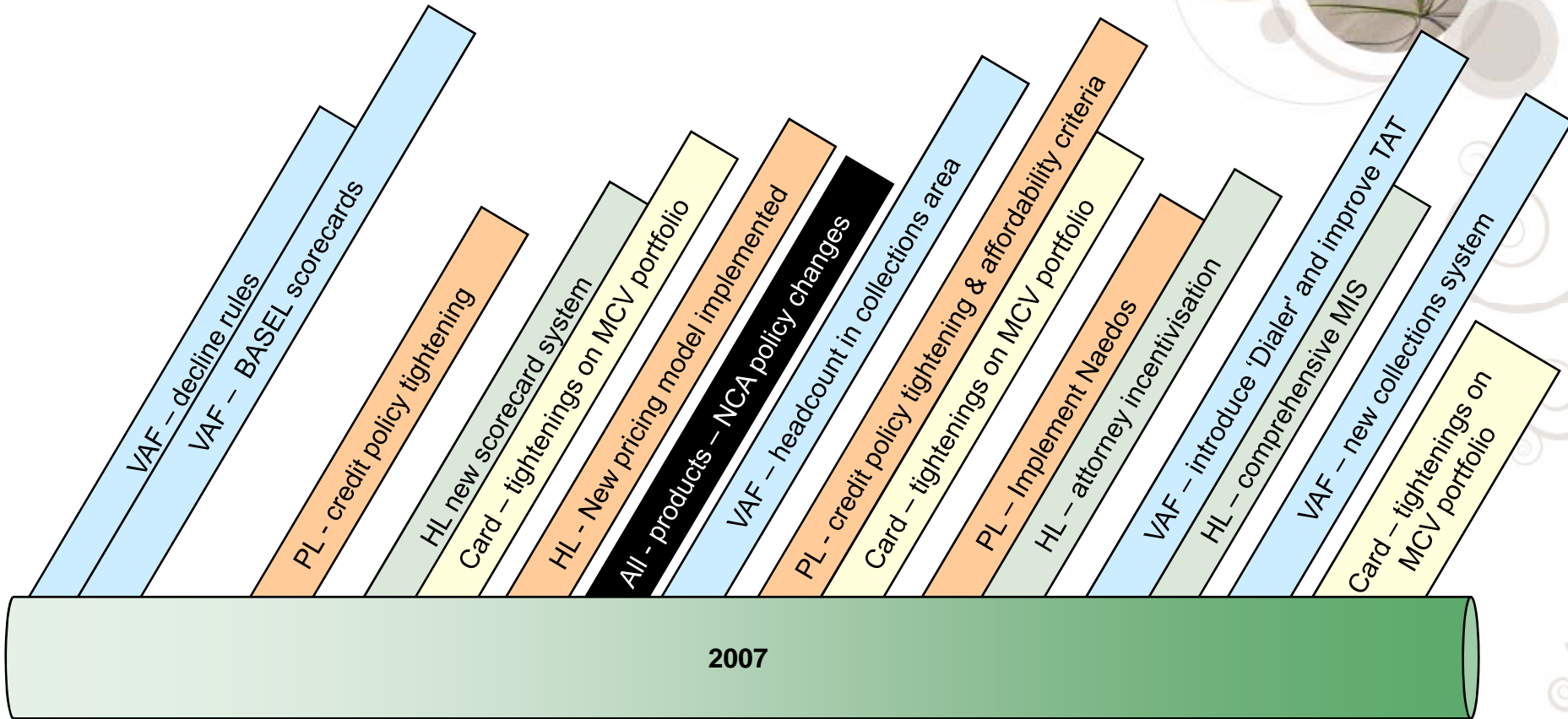
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Credit & collections actions in 2007



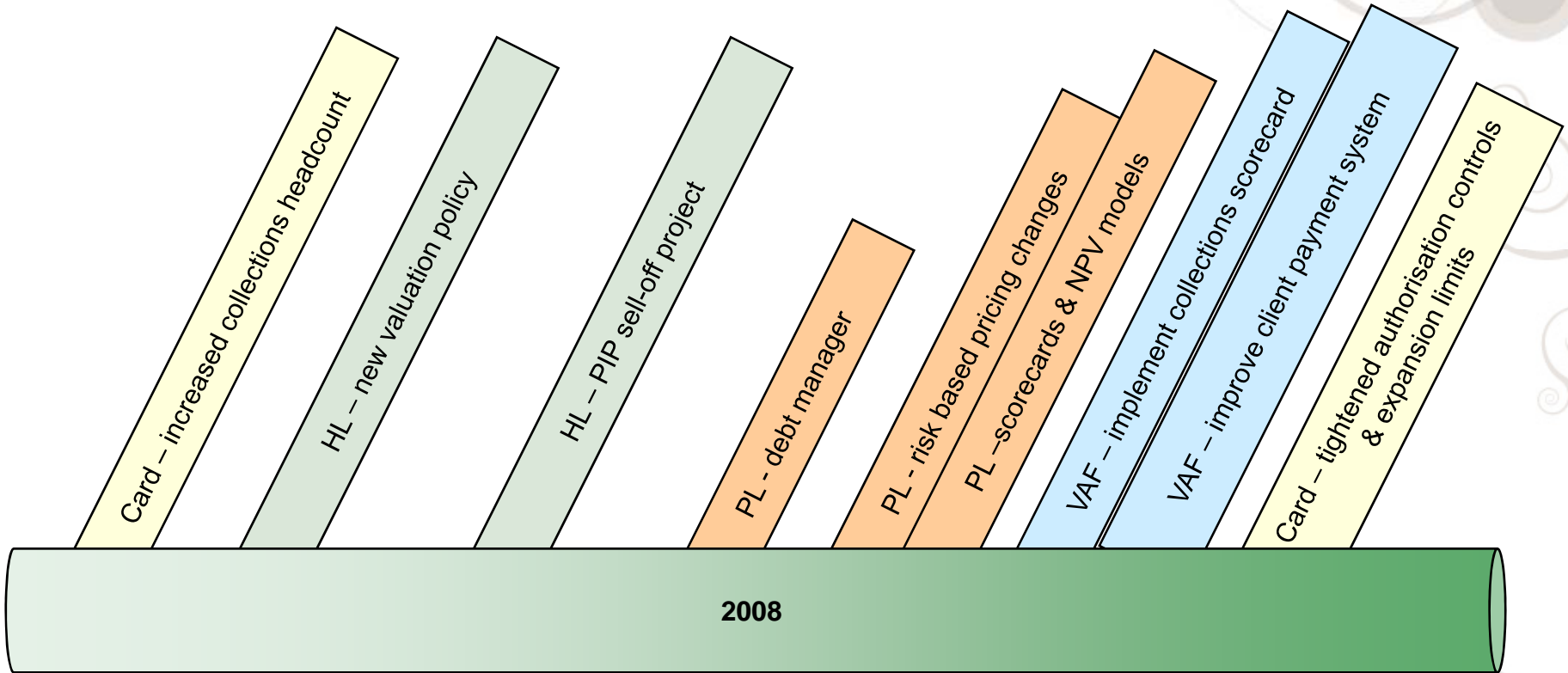
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Credit & collections actions in 2008

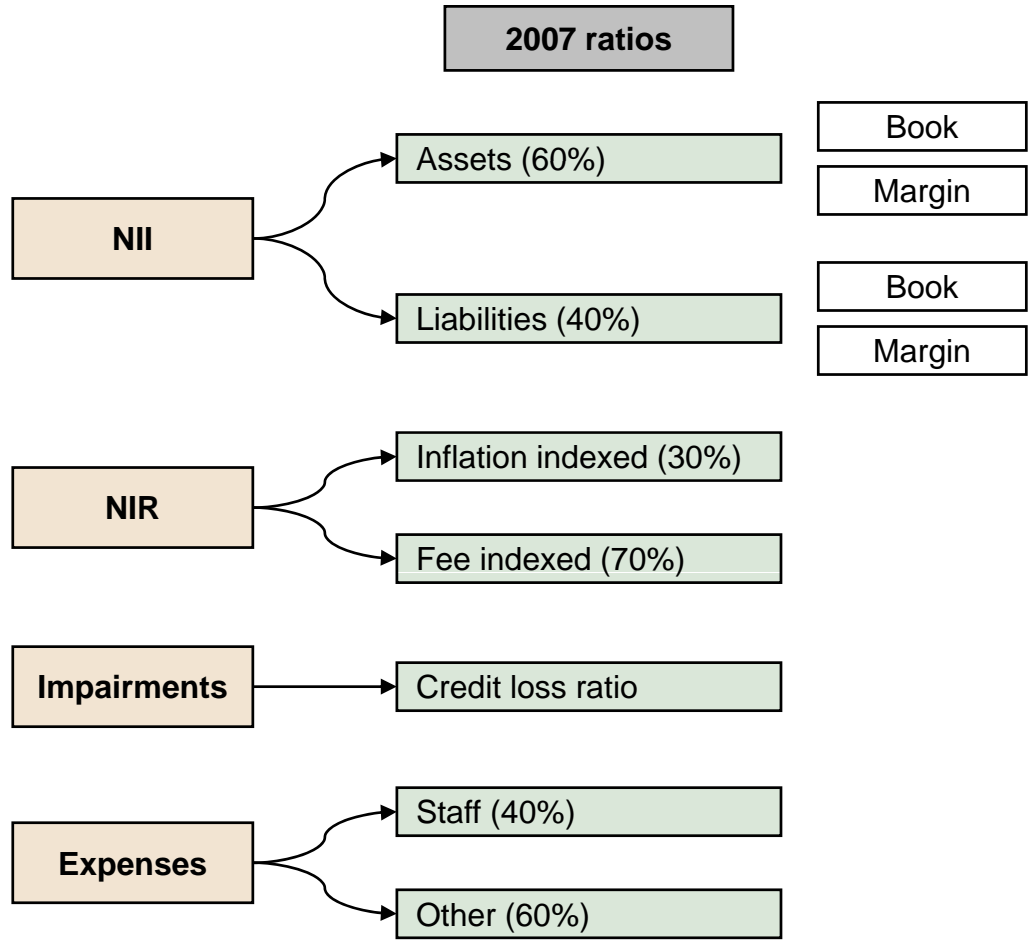


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Income statement levers



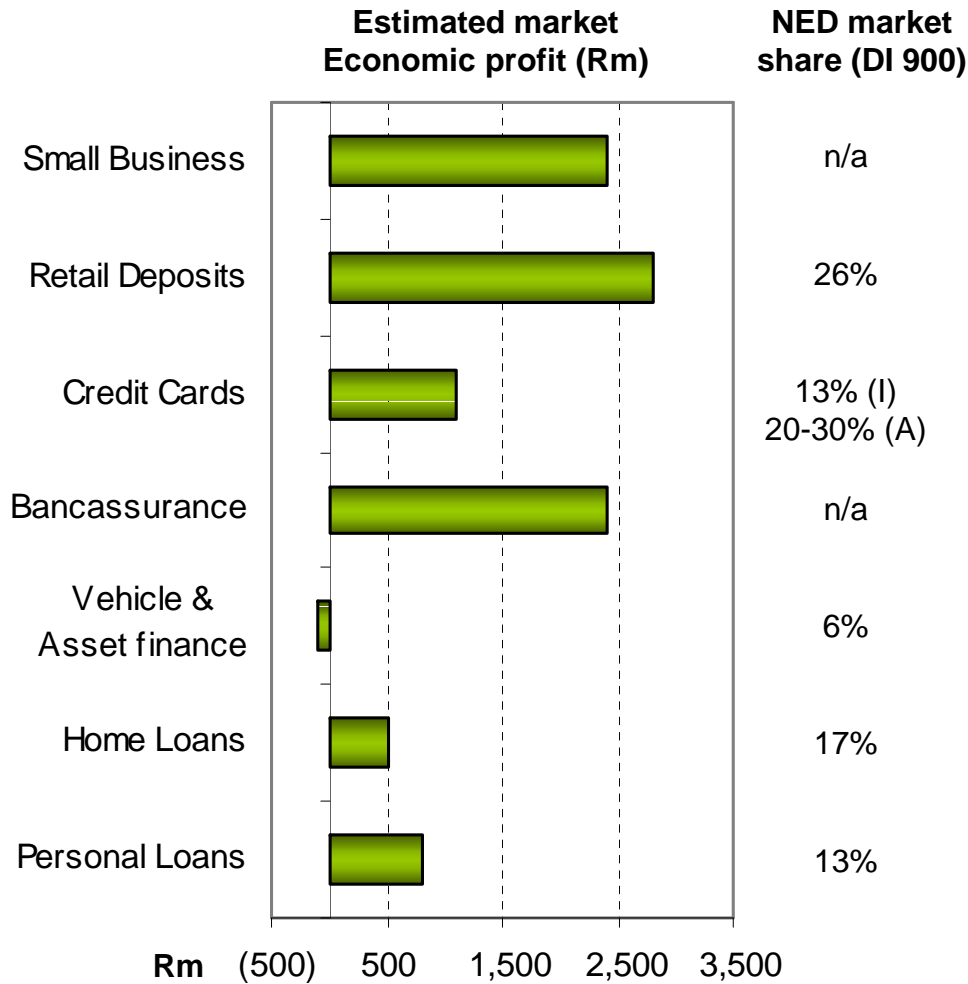
	2006	2007
Book	R102 bn	R128 bn
Margin	3.95%	3.67%
Book	R66 bn	R77 bn
Margin	3.17%	3.88%
Impairments	1.10%	1.26%



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Chasing economic profit



NED strategic focus

- Reorganize Nedbank Retail
- SBS growth strategy
- Focus on primary clients
- Competitive pricing strategy
- Focus on acquiring
- Cashback at POS
- Profitable asset growth
- Focused Bancassurance strategy
- Leverage Group opportunities
- Profitable asset growth
- VAF turn-around strategy
- Pricing up
- Profitable asset growth
- Cross-selling and retention
- Focus on Mass market
- Repositioning of the brand
- Distribution strategy

Great at sales



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Source: Nedbank internal workings



Questions...



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