



# Standard Bank Group

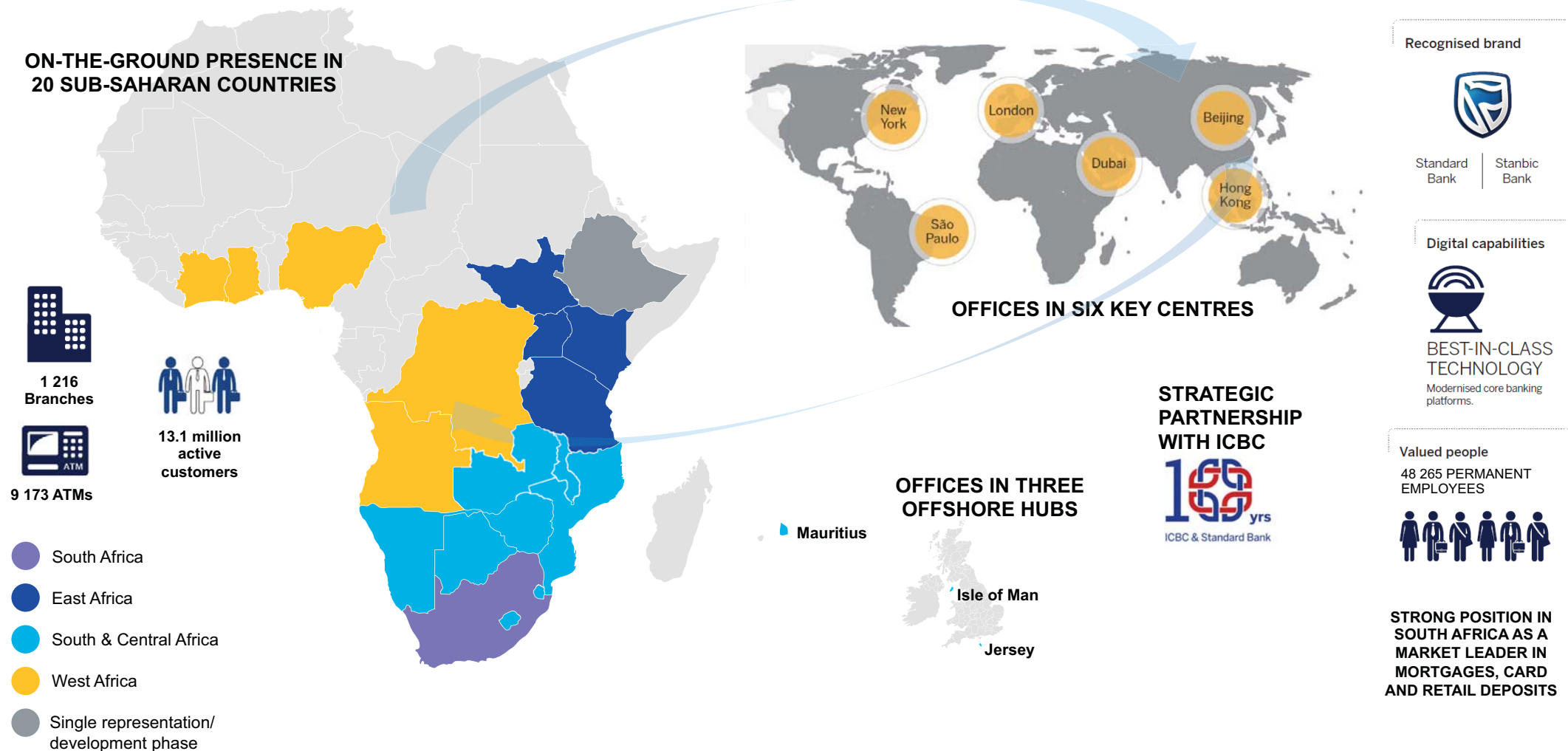
AN AFRICAN-FOCUSED, CLIENT-CENTRIC, DIGITALLY ENABLED

INTEGRATED FINANCIAL SOLUTIONS PROVIDER

30 JUNE 2018

# OVERVIEW OF STANDARD BANK GROUP

## AFRICA IS OUR HOME, WE DRIVE HER GROWTH



ON-THE-GROUND PRESENCE IN 20 SUB-SAHARAN COUNTRIES



1 216  
Branches



9 173 ATMs



13.1 million  
active  
customers

- South Africa
- East Africa
- South & Central Africa
- West Africa
- Single representation/  
development phase



**OFFICES IN THREE OFFSHORE HUBS**

- Mauritius
- Isle of Man
- Jersey

**STRATEGIC PARTNERSHIP WITH ICBC**

ICBC & Standard Bank

Recognised brand



Standard Bank | Stanbic Bank

Digital capabilities



**BEST-IN-CLASS TECHNOLOGY**  
Modernised core banking platforms.

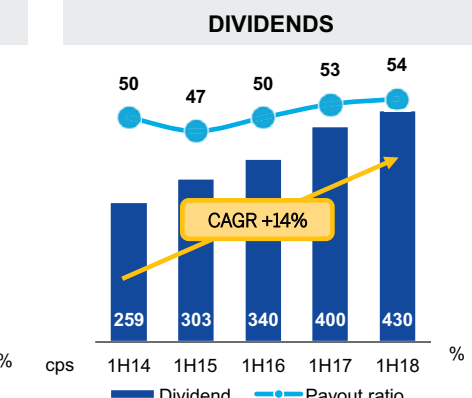
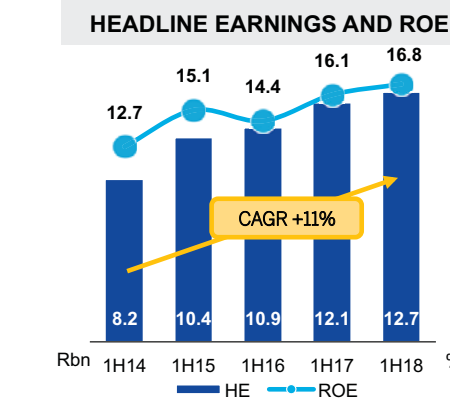
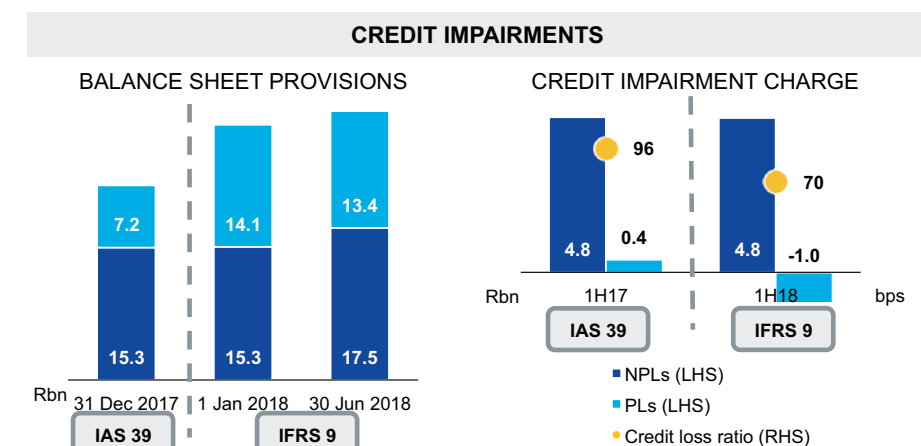
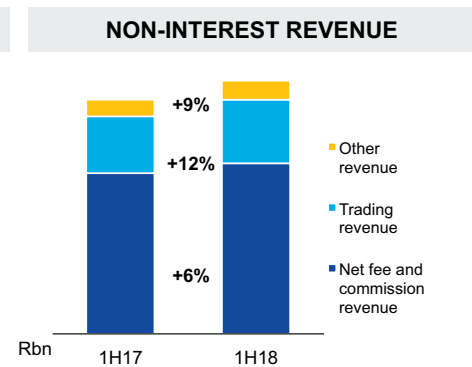
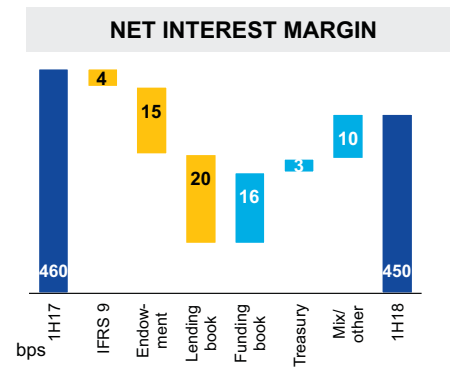
Valued people

48 265 PERMANENT EMPLOYEES



# FINANCIAL PERFORMANCE

	1H18 Rbn	change %	change CCY %	1H17 Rbn	FY17 Rbn
<b>INCOME STATEMENT</b>					
Net interest income	29.2	1	4	28.8	60.1
Non-interest revenue	22.0	8	11	20.3	42.6
<b>Total income</b>	<b>51.2</b>	<b>4</b>	<b>7</b>	<b>49.1</b>	<b>102.7</b>
Operating expenses	29.2	6	8	27.6	57.0
<b>Pre-provision profit</b>	<b>22.0</b>	<b>2</b>	<b>6</b>	<b>21.5</b>	<b>45.7</b>
Credit impairment charges	4.0	(22)	(21)	5.2	9.4
<b>Banking activities headline earnings</b>	<b>11.7</b>	<b>6</b>	<b>9</b>	<b>11.0</b>	<b>24.3</b>
Other banking interests	0.1	(38)	(19)	0.2	0.6
Liberty attributable to the group	0.9	(3)	(3)	0.9	1.4
<b>SBG headline earnings</b>	<b>12.7</b>	<b>5</b>	<b>8</b>	<b>12.1</b>	<b>26.3</b>
<b>BALANCE SHEET</b>					
Gross loans and advances to customers	992.9	4	4	954.2	952.5
Deposits from customers	1 174.6	4	4	1 128.6	1 166.6
Retail priced deposits	448.6	9	7	412.0	426.5
Ordinary shareholders equity	155.8	2	2	153.1	157.0
<b>KEY RATIOS</b>					
Net interest margin (%)	4.50			4.60	4.74
Credit loss ratio (%)	0.70			0.96	0.86
Jaws (%)	(1.8)			1.0	1.1
Cost-to-income ratio (%)	57.1			56.1	55.5
CET 1 ratio (%)	13.8			13.7	13.5
ROE (%)	16.8			16.1	17.1



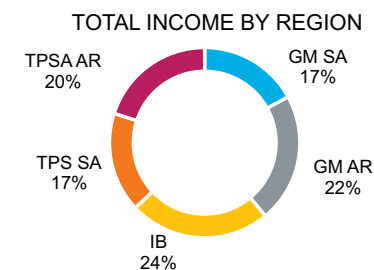
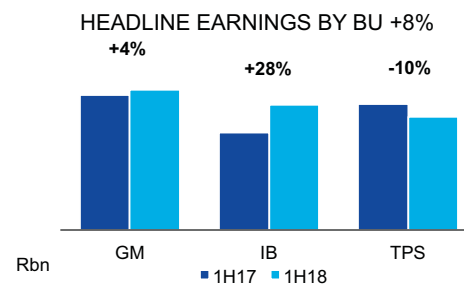
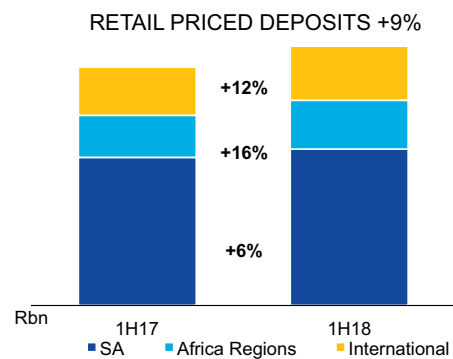
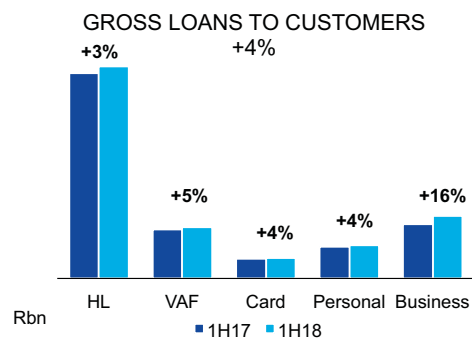
# BUSINESS UNITS

## PERSONAL & BUSINESS BANKING

FINANCIAL HIGHLIGHTS	1H18	change %	change CCY %	1H17
Total income (Rbn)	34.0	5	6	32.5
Headline earnings (Rbn)	6.6	8	8	6.1
Net interest margin (bps)	594			597
Credit loss ratio (bps)	114			136
Jaws (%)	(1.7)			1.2
Cost-to-income ratio (%)	60.8			59.8
ROE (%)	19.4			17.8
Number of employees	27 887	(1)		28 167

### GEOGRAPHIC VIEW

Headline earnings (Rbn)	1H18	change %	change CCY %	1H17
South Africa	6.0	5	5	5.7
Africa Regions	0.2	>100	>100	0.1
Wealth International	0.4	31	29	0.3



## CORPORATE & INVESTMENT BANKING

FINANCIAL HIGHLIGHTS	1H18	change %	change CCY %	1H17
Total income (Rbn)	18.0	4	9	17.3
Headline earnings (Rbn)	5.7	8	13	5.3
Net interest margin (bps)	302			307
Credit loss ratio (bps)	3			33
Jaws (%)	(1.5)			5.2
Cost-to-income ratio (%)	52.8			52.1
ROE (%)	20.7			21.3
Number of employees	3 754			3 835

### GROSS LOANS AND ADVANCES TO CUSTOMERS (Rbn)

	1H18	change %	change CCY %	1H17
Global Markets	17.7	(48)	(48)	33.8
Investment Banking	308.5	6	5	291.6
Transactional Products and Services	37.9	12	11	30.9
Real Estate and PIM	0.0	(92)	(92)	0.2

# MEASURING OUR FINANCIAL PROGRESS

	MEDIUM TERM TARGETS		1H18
<b>GROWTH</b>	Africa Regions contribution*	> 30%	32%
	Cost-to-income ratio	Approaching 50%	57.1%
	Credit loss ratio	80 – 100bps	70bps
<b>RESILIENCE</b>	LCR and NSFR	> 100%	> 100%
	CET 1 ratio	11.0% - 12.5%	13.8%
<b>RETURNS</b>	Group HE growth	Sustainable growth	+5%
	ROE	18% - 20%	16.8%

\* Contribution to banking headline earnings

# LEGAL ENTITIES

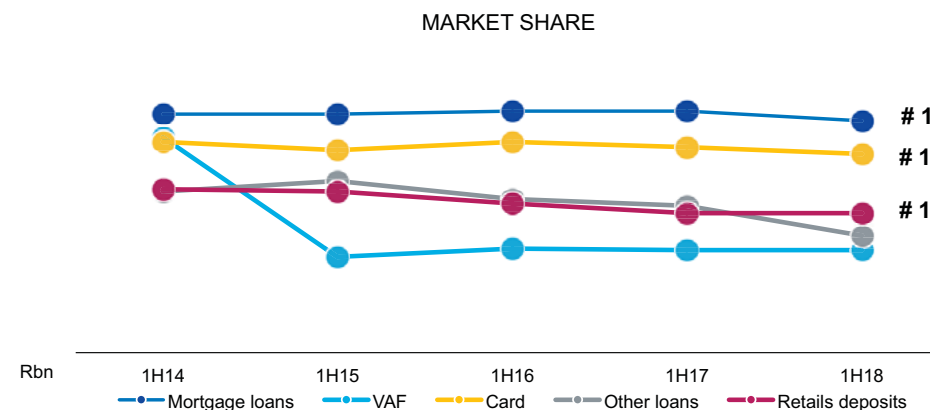
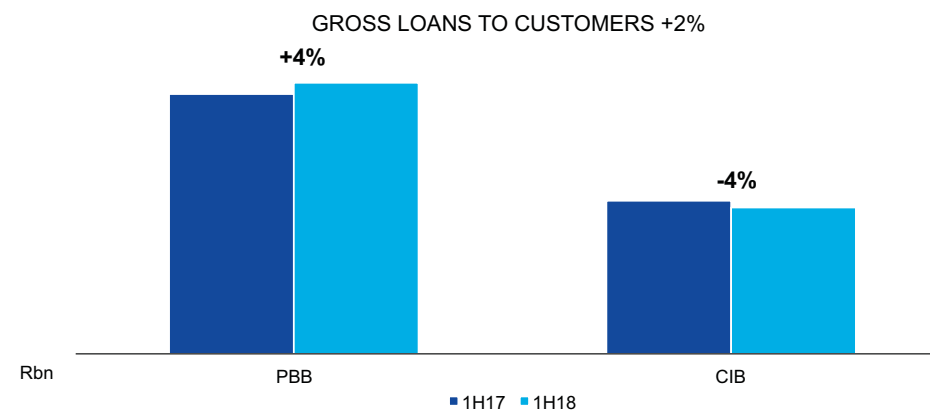
## CONTRIBUTION BY LEGAL ENTITY

	HE 1H18 Rbn	NAV 1H18 Rbn	ROE %
Standard Bank of South Africa (SBSA)	7.3	94.8	15.2
Africa Regions	3.8	34.7	25.4
Standard Bank Wealth International	0.4	4.9	
Other	0.2	3.3	
<b>Banking activities</b>	<b>11.7</b>	<b>137.7</b>	<b>17.5</b>
Other banking interests	0.1	7.6	3.6
ICBC Standard Bank (40% share)	(0.1)	6.2	
ICBC Argentina (20% share)	0.2	1.4	
Liberty	0.9	10.5	16.7
<b>Standard Bank Group</b>	<b>12.7</b>	<b>155.8</b>	<b>16.8</b>

## SBSA

FINANCIAL HIGHLIGHTS	1H18	change %	1H17
Total income (Rbn)	34.6	3	33.6
Headline earnings (Rbn)	7.2	(3)	7.4
Gross loans to customers (Rbn)	847.3	2	839.0
Deposits from customers (Rbn)	868.2	2	848.4
Credit loss ratio (bps)	80		88
Cost-to-income ratio (%)	60.3		57.9
Loan-to-deposit ratio (%)	94.4		96.5
CET 1 ratio (%)	13.2		13.8
ROE (%)	15.2		15.4

## SBSA



## AFRICA REGIONS

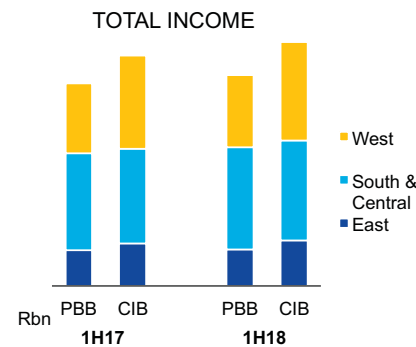
Headline earnings	1H18 Rm	change %	change CCY %	1H17 Rm
<b>Africa Regions</b>	<b>3 771</b>	<b>20</b>	<b>32</b>	<b>3 155</b>
East	543	24	36	438
South & Central	1 806	9	11	1 661
West	1 422	35	72	1 056

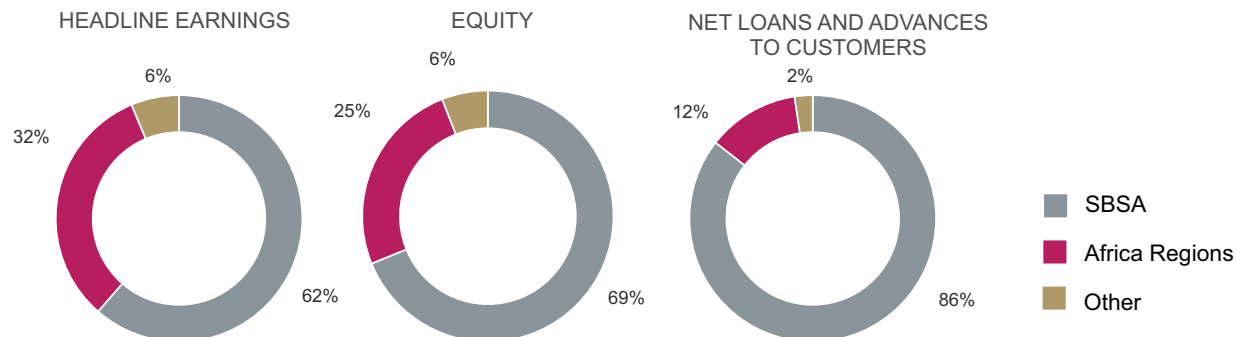
ROE	1H18 %	1H17 %
<b>Africa Regions</b>	<b>25.4</b>	<b>23.5</b>
East	18.8	14.0
South & Central	24.7	26.3
West	30.8	26.6

Top 5 contributors to Africa Regions headline earnings:

Angola  
Mozambique  
Uganda  
Ghana  
Nigeria



## AFRICA REGIONS CONTRIBUTION TO BANKING ACTIVITIES



## STANBIC BANK (UGANDA), 80% SHARE

	1H18	change %	1H17
Total income (UGX bn)	321.0	2	313.8
Profit after tax (UGX bn)	96.1	1	95.4
Credit loss ratio (%)	0.9		1.4
Cost-to-income ratio (%)	52		51
Loan-to-deposit ratio (%)	60		62
ROE (%)	23		28
Ranking by assets	# 1		

## STANBIC IBTC HOLDINGS (NIGERIA), 64% SHARE\*

	1H18	change %	1H17
Total income (NGN bn)	94.0	16	81.3
Profit after tax (NGN bn)	43.1	79	24.1
Credit loss ratio (%)	(2.6)		7.3
Cost-to-income ratio (%)	52		47
Loan-to-deposit ratio (%)	46		47
ROE (%)	43		31
Ranking by assets	# 8		

## STANBIC HOLDINGS (KENYA), 68% SHARE\*\*

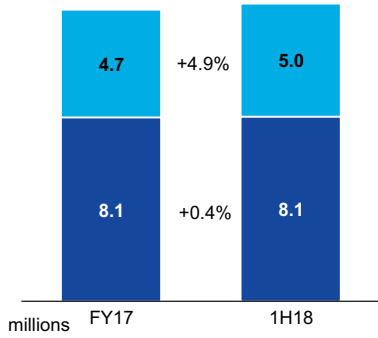
	1H18	change %	1H17
Total income (KES bn)	11.2	22	9.2
Profit after tax (KES bn)	3.6	>100%	1.7
Credit loss ratio (%)	0.4		3.1
Cost-to-income ratio (%)	51		56
Loan-to-deposit ratio (%)	82		90
ROE (%)	17		9
Ranking by assets	# 7		

\* Acquired an additional 11% in Stanbic IBTC in May 2018, increasing our stake to 64%

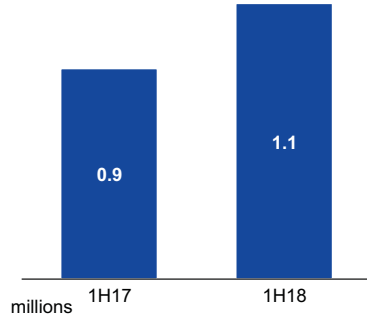
\*\* Acquired an additional 8% in Stanbic Holdings in early July 2018, increasing our stake to 68%

## CUSTOMERS AND TRANSACTIONAL BEHAVIOUR

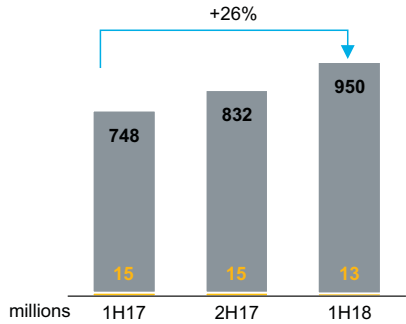
### ACTIVE CUSTOMERS



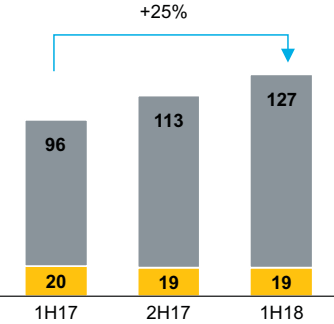
### INSTANT MONEY USERS



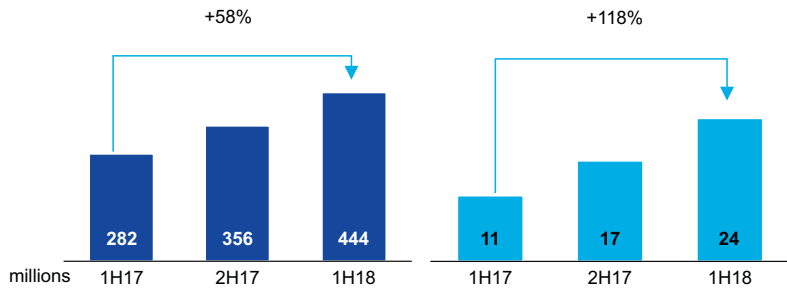
### SA TRANSACTIONS



### AR TRANSACTIONS



### MOBILE TRANSACTIONS



■ South Africa ■ Africa Regions ■ Face-to-face ■ Digital

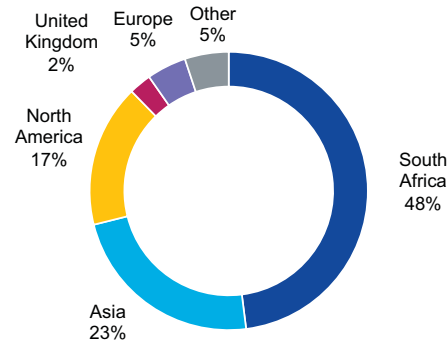
## EQUITY INFORMATION

Listings: JSE (SBK); NSE (SNB)  
 Share price\*: ZAR 191.87 / USD 13.95  
 Market cap\*: ZAR 310bn / USD 23bn  
 Issued shares\*: 1 595 million  
 Liquidity: ~ 60%

\* As at 30 June 2018



## GEOGRAPHIC SPREAD OF SHAREHOLDERS



For more information:  
[www.standardbank.com/reporting](http://www.standardbank.com/reporting)

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