



Absa Group Limited

Financial Results

31 March 2003



CONTENTS

1	SALIENT FEATURES
2	GROUP FINANCIAL REPORTING STRUCTURE
4	PROFIT COMMENTARY
8	GROUP INCOME STATEMENT
9	GROUP BALANCE SHEET
10	STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS
11	HEADLINE EARNINGS
12	HEADLINE EARNINGS PER SHARE
12	DIVIDENDS PER SHARE
13	RETURN ON AVERAGE EQUITY
13	RETURN ON AVERAGE ASSETS
14	SHAREHOLDERS' FUNDS
14	NET ASSET VALUE PER SHARE
15	SHARE PERFORMANCE
16	NET INTEREST INCOME
16	NET INTEREST MARGIN
17	CHARGE FOR BAD AND DOUBTFUL ADVANCES
18	BAD DEBTS PER PRODUCT
19	PROVISIONS FOR BAD AND DOUBTFUL ADVANCES
19	NON-PERFORMING ADVANCES
20	NON-INTEREST INCOME AS A % OF OPERATING INCOME
20	NON-INTEREST INCOME
21	COST-TO-INCOME RATIO
21	OPERATING EXPENDITURE
22	ADVANCES
24	MARKET SHARE
25	PROFIT CONTRIBUTION BY BUSINESS AREA
26	SEGMENT REPORTING
34	CAPITAL ADEQUACY
36	FIVE-YEAR SUMMARY OF THE INCOME STATEMENT
37	FIVE-YEAR SUMMARY OF THE BALANCE SHEET
38	STAFF COMPLEMENT
38	HEADLINE EARNINGS PER STAFF MEMBER
39	OUTLETS
39	INTERNET AND TELEPHONE BANKING CUSTOMERS
40	SHAREHOLDERS' INFORMATION
40	SHAREHOLDERS' DIARY
IBC	ADMINISTRATIVE INFORMATION

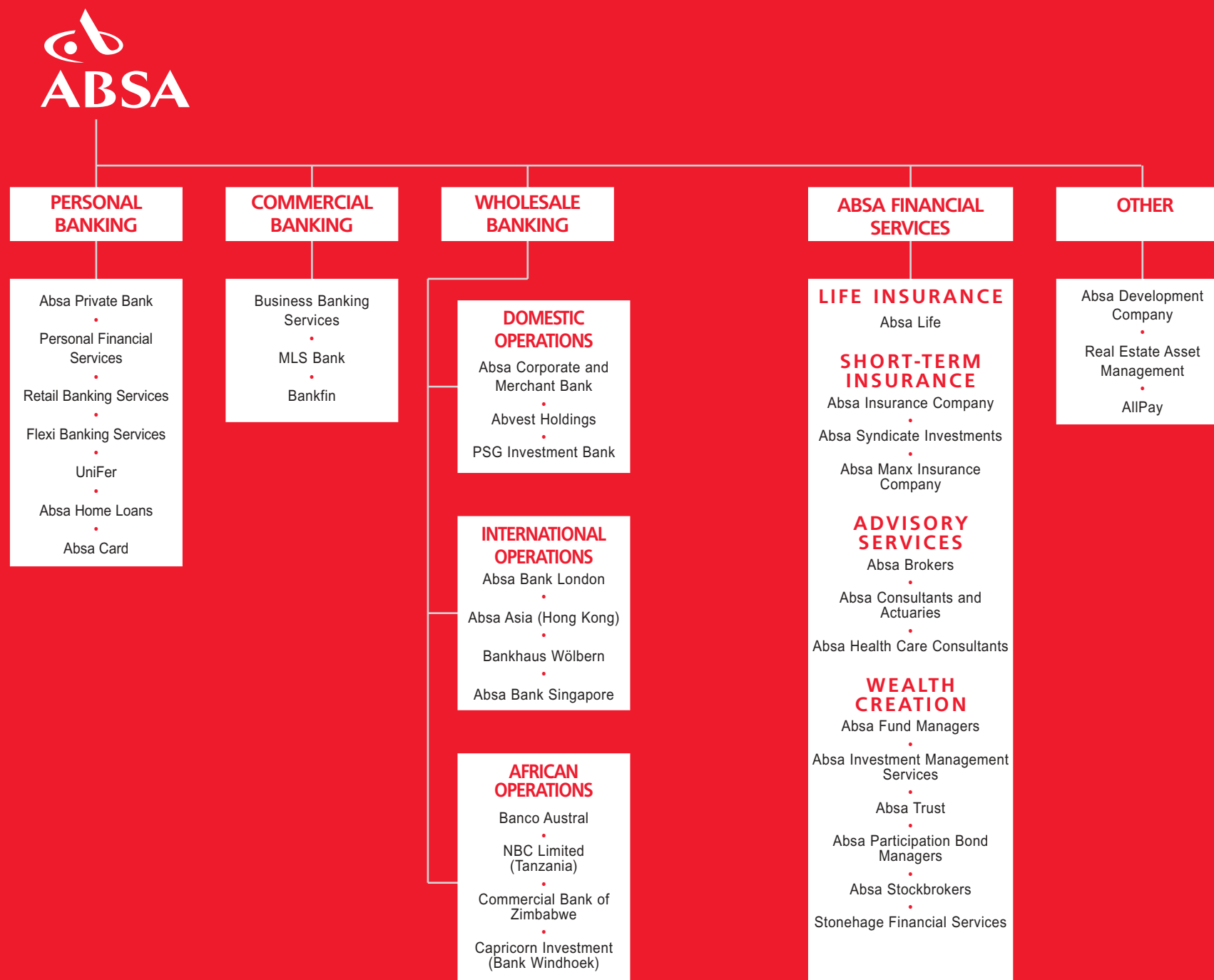
SALIENT FEATURES

year ended 31 March

	2003	2002	Change %	2001
Income statement (Rm)				
Headline earnings	3 441	1 888	82,3	2 446
Headline earnings*	3 441	2 872*	19,8	2 315*
Attributable income	3 391	1 686	101,1	2 442
Balance sheet (Rm)				
Total assets	269 064	247 300	8,8	196 514
Total advances	199 297	183 860	8,4	156 396
Total deposits	222 056	213 766	3,9	167 736
Financial performance (%)				
Return on average equity	21,4	12,9		19,1
Return on average assets, excluding acceptances	1,35	0,86		1,32
Operating performance (%)				
Net interest margin on average assets	3,45	3,82		4,25
Net interest margin on average interest bearing assets	3,80	4,11		4,48
Charge for bad and doubtful advances	1,02	2,38		1,09
Non-performing advances to total advances	5,1	5,2		4,4
Non-interest income as % of operating income	50,8	47,9		45,0
Cost-to-income ratio	60,0	60,3		62,3
Share statistics (cents)				
Headline earnings per share	528,1	291,1	81,4	377,2
Headline earnings per share*	528,1	442,8*	19,3	357,0*
Earnings per share	520,5	260,0	100,2	376,5
Dividends per share relating to income for the year	145,0	116,0	25,0	116,0
Dividend cover (times)	3,6	2,5		3,3
Net asset value per share	2 589	2 354	10,0	2 138
Capital adequacy (%)				
Absa Bank	11,5	10,2		10,7
Absa Group	12,5	11,2		12,4

*The F2002 and F2001 figures exclude the impact of UniFer

GROUP FINANCIAL REPORTING STRUCTURE



Profit and dividend announcement

We are pleased to report on a successful year for Absa Group Limited. Shareholders have been rewarded with sound earnings growth in a volatile and tough trading environment, predominantly because of high interest rates and fluctuations in the value of the rand.

Headline earnings for the year ended 31 March 2003 increased by 82,3% to R3 441 million (528,1 cents per share), compared with R1 888 million (291,1 cents per share) for the previous financial year. This high growth stems from the low earnings base of the previous year as a result of losses suffered by UniFer, a microlending subsidiary in the Group. The Group's complete recovery is confirmed by 19,8% increase in headline earnings, from the R2 872 million reported to shareholders as the Group's pro-forma earnings (excluding micro-lending) in the previous year.

Return on average shareholders' funds increased from 12,9% (19,3% on pro-forma) to 21,4%.

Banking operations continued to generate substantial earnings growth for the third successive year, with personal banking delivering particularly good growth of 27,0%. Commercial and wholesale banking performed well and the Group has strengthened its position in these market segments. The depressed global and domestic financial markets affected the contribution of Absa Financial Services. Earnings growth from bancassurance and financial services nevertheless improved by 20,9%, illustrating the sound operational performance of the businesses in this segment.

A final dividend of 85,0 cents per share has been declared. This brings the total dividend for the year to 145,0 cents per share and represents an increase of 25,0% on the dividend of the previous year.

Operating environment

Economic growth deteriorated from the fourth quarter of 2002. In this period, inflation peaked and then declined. Lower inflation has yet to translate into interest rate cuts, with the prime rate remaining at a relatively high 17% since September 2002 to date. Along with high interest rates, a steadily strengthening rand throughout most of the financial year has been a key source of pressure on the economy.

South Africa continued to live within its means for much of the financial year. This is reflected in the current account balance showing a surplus for most of 2002.

Consumer spending decreased during the second half of 2002 because of higher interest rates as well as slower growth in real household disposable income. However, neither businesses nor households seem to be overexposed to credit commitments and national income growth is keeping pace with domestic expenditure. This seems to have limited the negative impact of interest rates. It also suggests that, once interest rates begin to decline, relatively strong growth in consumer credit demand will resume. The CPIX measure of inflation is expected to remain on a downward trend for most of 2003 owing to greater anticipated currency stability and a stabilisation of global food price inflation.

The weak global economic environment and the strong rand continue to pose a risk to the domestic economy because of their potential effect on export growth in 2003. As a result, slower economic growth is anticipated for 2003 overall, compared with the 3% real growth achieved in 2002.

**Return on
average
shareholders'
funds increased
to 21,4%**

Group performance

A significant portion of the Group's earnings was generated from services rendered to the consumer market. Although consumer spending and credit demand declined somewhat

during the second half of the financial year, these were still strong enough to stimulate the Group's advances and earnings growth. The credit quality of middle and higher income households remains good and should improve further if interest rates decline in line with market expectations. The Group improved its market share in mortgages, instalment finance, credit cards and overdrafts and other loans.

Commercial banking showed good advances growth of 11,9%. This performance was primarily driven by growth in Bankfin's advances. Corporate credit demand remained depressed, leading to intense competition for quality customers. Wholesale domestic advances increased by 1,7%.

The Group experienced moderate growth in its net interest income despite lower corporate advances growth and a decline in the net interest margin. Competition and the

Headline earnings of
the Personal banking
segment increased by
27% to

R977 million

commoditisation of consumer lending products continued to exert pressure on lending rates. Growth in personal and commercial deposits benefited substantially from specific marketing campaigns, investor concerns about alternative options and the difficulties second tier banks experienced last year.

Non-interest income increased by 18,6% during the year, enabling the Group to achieve its objective of increasing non-interest income as a percentage of total income to more than 50%. It is encouraging to note that the growth in annuity-type non-interest income held its own and constitutes two thirds of the total non-interest income. The growth in commissions and fees was supported by an increase in customers, transaction volumes and the annual pricing review.

The Group continues to play a leading role in the e-space. Internet banking grew from 282 025 to a market leading 378 597 customers. Transaction income from e-channels increased by 49,6% over the past year, demonstrating the benefit of having 1,3 million credit cards and 5,7 million debit cards in the field.

Non-interest income growth also benefited from a strong trading performance and a profit on the realisation of investments. Trading on behalf of customers is expected to grow as the Group's stature in the corporate and business markets continues to improve.

The Group reduced its cost-to-income ratio from 60,3% to 60,0% for the year under review. Operating expenses increased by 11,1% following a strong focus on income growth that required investment in intellectual capital, infrastructure development and customer service initiatives. However, if acquisitions are excluded, the Group reduced its cost-to-income ratio from 60,3% (March 2002) to 59,6% for the year under review. These acquisitions are expected to make positive contributions in the future.

Segmental reporting

Personal banking

The headline earnings of the Personal banking segment increased to R977 million (excluding UniFer) and constitutes 28,4% of the Group's headline earnings. This performance is particularly pleasing as it was achieved while significant changes were being made to the delivery network. Project Galaxy, a major undertaking during 2002/2003, migrated back-office functions out of branches into centralised processing centres and generated meaningful savings in infrastructure and staff. Despite these changes, customer service levels continued to improve.

Mortgage advances increased by 14,1% and credit cards by 18,2%. However, overdrafts and other loans declined by 14,1% even though market share increased in this category. Intense competition and the growing importance of home loan originators continue to pose the challenge to Absa Home Loans of striking a balance between volume growth and pricing strategy. The home loan product remains a vital element of the Group's bancassurance cross-selling strategy and the gain in mortgage market share was accompanied by improved selling rates by insurance operations.

The decision to transfer repossessed properties from the Home Loans business unit to the Real Estate Asset Management division has yielded positive results. These have decreased by 16,4% in number since March 2002.

Unifer's turnaround is progressing according to plan. Its integration into Absa is almost complete. The Minister of Finance approved the transfer of the assets and liabilities of Unibank to Absa in terms of Section 54 of the Banks Act on 9 March 2003. Unibank then surrendered its banking licence. New business growth remains limited as a result of the over-indebtedness of customers in this segment and the implementation of a more stringent credit scoring model. The advances book has been adequately provided for and the net outstanding amount was R1,7 billion at 31 March 2003.

Commercial banking

One of the Group's focus areas is to improve its share of the business market. While continuing to enjoy leadership positions in the public sector, agribusiness, franchising and new enterprise banking, the Group believes that it can strengthen its presence in the business market. Good progress in increasing customer penetration was made during the year. Business banking's management is confident of its specialist expertise and experience in a number of industries. Business Banking Services increased earnings by 16,5%, which is satisfactory considering the increase in provisions raised for bad debts.

Bankfin had a particularly good year, with headline earnings growing by 20,9%. With new vehicle sales experiencing pressure because of high vehicle prices and interest rates, Bankfin's strength in the used car market enabled it to maintain its market share without sacrificing lending margins. A joint venture has been established with MAN Financial Services to strengthen the Group's presence in the heavy vehicle market. Bankfin implemented its new business model during the year under

review. This led to the integration of Bankfin's credit and risk management function into the Group's centralised credit risk management division, the amalgamation of administration functions and the shrinking of 68 branches into 10 processing centres.

Wholesale banking

The wholesale segment, consisting of domestic and international banking and African operations, improved earnings by 20,4% in the year under review. Domestic operations performed well in the areas of trade finance, structured commodity finance and trading income. Lower levels of bad debts were experienced. The division's results were negatively influenced by low activity in project and structured finance and marginal advances growth.

International banking operations recorded strong growth from a low base. Absa Asia was the best performer, largely because of trade finance activities. Bad debt provisions affected the contributions of the London and Singapore offices. These provisions should be lower in future, as both operations have reduced their exposure to the international corporate market.

The contribution from African operations continues to grow strongly, although it represents only 2,6% of the Group's earnings. NBC Limited in Tanzania and Banco Austral in Mozambique rendered satisfactory returns on investments and have assisted the Group in obtaining additional trade finance business in those countries.

Financial services

Absa Life reported a strong operational performance, although earnings were understandably negatively influenced by a decline in the value of investments. Absa Life's earnings declined by 16,8% to R178 million. Embedded value on new business improved from R52 million to R71 million.

Short-term insurance operations overcame a slow first six months to increase earnings by 75,9%. Claims ratios on most business classes improved in the second half of the year and investment surpluses were realised.

Above average growth was achieved in Absa Brokers' life and short-term business. After contributing broking commissions of R58 million to a number of business units in the Group, Absa Brokers produced a profit of R8 million. The recently established data-broker division has started to show promising signs.

Capital adequacy

At 12,5% of risk-weighted assets, the Group is adequately capitalised, on the basis of the South African Reserve Bank's prescribed consolidated capital requirements. Absa Bank's capital adequacy was at 11,5% of risk-weighted assets at 31 March 2003, with primary capital representing 6,5% and secondary capital 5,0%. R1,5 billion Tier II capital was successfully raised in October 2002.

Accounting policies

The financial statements of the Group comply in all material respects with South African Statements of Generally Accepted Accounting Practice and are consistent with those applied in the previous financial year.

Prospects

The decline in the inflation rate and the anticipated lower interest rates are likely to stimulate the demand for consumer credit. Given the Group's business mix, this should be positive for advances growth and credit quality. Although there is still a degree of surplus capacity in the manufacturing sector, the stronger rand should present an opportunity for investment. This could lead to an improvement in corporate credit demand.

Through high services levels, the Group has forged strong relationships with its 5,9 million customers. Although the Group is confident that it can retain its substantial market share in most consumer banking products, its focus will be on leveraging its market leadership positions in targeted markets, extending its role as a trusted advisor to its customer base and on cross-selling.

Both the business and corporate banking business show encouraging signs of progress. Customer acquisition and innovative solutions will be catalysts for growth. However, international economies still look weak and there is a high degree of uncertainty about their short-term performance. Barring a further deterioration in world economies and equity markets, the Group's strength in the consumer market puts it in a favourable position to continue to deliver real growth in headline earnings.

On behalf of the board

D C Cronjé

Chairman

30 May 2003

E R Bosman

Group Chief Executive

Declaration of ordinary dividend No 33

Notice is hereby given that a final dividend of 85,0 cents per ordinary share has been declared and is payable to shareholders recorded in the books of the company at the close of business on Friday, 27 June 2003.

In compliance with the requirements of STRATE, the electronic settlement and custody system used by the JSE Securities Exchange South Africa, the company has determined the following salient dates for the payment of the dividend:

Last day to trade cum-dividend	Friday, 20 June 2003
Shares commence trading ex-dividend	Monday, 23 June 2003
Record date	Friday, 27 June 2003
Payment of dividend	Monday, 30 June 2003

Share certificates may not be dematerialised/rematerialised between Monday, 23 June 2003 and Friday, 27 June 2003, both days inclusive.

On Monday, 30 June 2003, the dividend will be electronically transferred to the bank accounts of certificated shareholders that utilise this facility. In respect of those who do not, cheques dated 30 June 2003 will be posted on or about that date. Shareholders who have dematerialised their shares will have their accounts, held at their GSDP or Broker, credited on Monday, 30 June 2003.

On behalf of the board

W R Somerville

Group Secretary

30 May 2003

GROUP INCOME STATEMENT

for the year ended 31 March

	2003 Rm	2002 Rm	Change %	2001 Rm
Interest income	30 299	24 517	23,6	22 571
Interest expense	(21 467)	(16 133)	(33,1)	(14 708)
Net interest income	8 832	8 384	5,3	7 863
Charge for bad and doubtful advances	(1 957)	(4 042)	51,6	(1 643)
Income from lending activities	6 875	4 342	58,3	6 220
Non-interest income	9 127	7 694	18,6	6 421
Operating income	16 002	12 036	33,0	12 641
Operating expenditure	(10 780)	(9 700)	(11,1)	(8 900)
Indirect taxation	(695)	(649)	(7,1)	(534)
Impairment charge – Goodwill	(54)	(144)	62,5	—
Net income from operations	4 473	1 543	189,9	3 207
Share of associated companies' income	92	100	(8,0)	53
Net income before taxation	4 565	1 643	177,8	3 260
Taxation	(1 104)	(337)	(227,6)	(717)
Net income after taxation	3 461	1 306	165,0	2 543
Minority shareholders' interest	(70)	380	(118,4)	(101)
Net income attributable to shareholders	3 391	1 686	101,1	2 442
Headline earnings	3 441	1 888	82,3	2 446

GROUP BALANCE SHEET

at 31 March

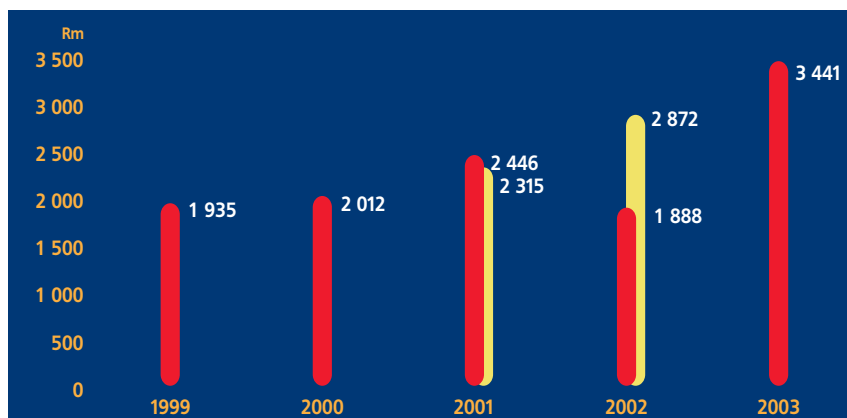
	2003 Rm	2002 Rm	Change %	2001 Rm
Assets				
Cash and short-term assets	12 617	11 688	7,9	6 402
Short-term money market assets	11 740	11 381	3,2	10 462
Government and other securities	16 785	17 624	(4,8)	10 642
Advances	199 297	183 860	8,4	156 396
Other assets	19 466	12 965	50,1	4 354
Investments	3 506	3 399	3,1	2 671
Subsidiary companies	—	131	(100,0)	—
Associated companies	450	442	1,8	332
Property and equipment	2 613	2 552	2,4	2 562
Goodwill	132	16	>100,0	95
Intangible assets	55	50	10,0	69
Deferred taxation	223	445	(49,9)	198
Taxation	15	53	(71,7)	87
Client liabilities under acceptances	2 165	2 694	(19,6)	2 244
Total assets	269 064	247 300	8,8	196 514
Liabilities				
Deposits and current accounts	222 056	213 766	3,9	167 736
Deferred taxation	1 451	1 414	2,6	2 002
Taxation	327	740	(55,8)	399
Other liabilities	17 795	6 434	>100,0	4 742
Provisions	1 081	919	17,6	907
Insurance funds	1 396	1 453	(3,9)	1 163
Subordinated debt	5 686	4 394	29,4	2 962
Liabilities to clients under acceptances	2 165	2 694	(19,6)	2 244
Total liabilities	251 957	231 814	8,7	182 155
Shareholders' funds				
Share capital	1 303	1 303	—	1 297
Share premium	1 532	1 532	—	1 532
Reserves	14 031	12 500	12,2	11 040
Shareholders' funds	16 866	15 335	10,0	13 869
Minority shareholders' interest	241	151	59,6	490
Total liabilities and shareholders' funds	269 064	247 300	8,8	196 514
Contingencies	14 275	16 579	(13,9)	14 198

STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS

at 31 March

	2003 Rm	2002 Rm	2001 Rm
Share capital	1 303	1 303	1 297
Opening balance	1 303	1 297	1 286
Shares issued	—	6	11
Share premium	1 532	1 532	1 532
Opening balance	1 532	1 532	1 532
Non-distributable reserves	443	1 408	749
Opening balance	1 408	749	566
Movement in foreign currency translation reserve	(711)	549	157
Insurance contingency reserve: transfer from distributable reserves	(5)	2	9
Changes in value of investments held by short-term insurance companies	(300)	12	(18)
Associated companies' earnings	51	96	35
Distributable reserves	13 588	11 092	10 291
Opening balance	11 092	10 291	8 581
Foreign currency translation effect	—	—	(20)
Transfer to insurance contingency reserve	(29)	(2)	(9)
Transfer to non-distributable reserves	(65)	(73)	(35)
Attributable income	3 391	1 686	2 442
Dividends	(801)	(810)	(668)
Total shareholders' funds at end of year	16 866	15 335	13 869

HEADLINE EARNINGS



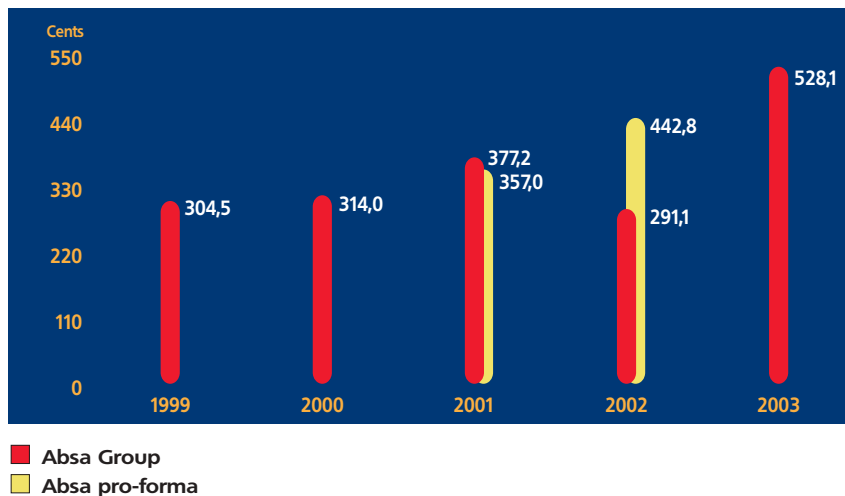
■ Absa Group

■ Absa pro-forma*

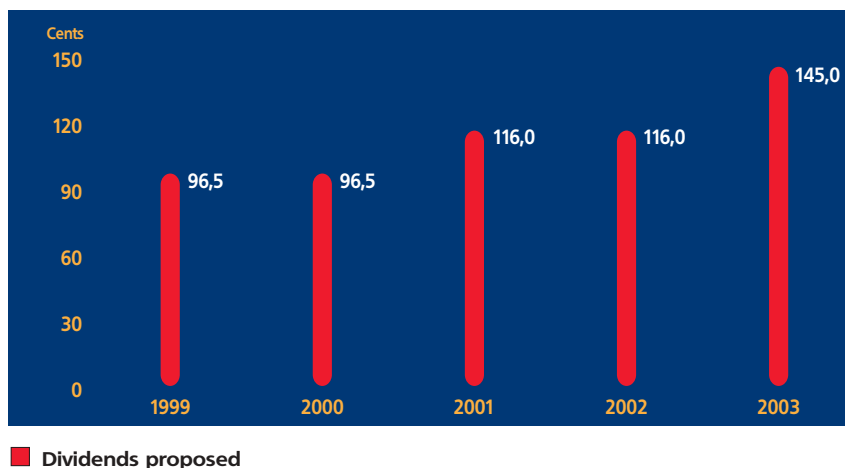
**Absa pro-forma excludes UniFer.*

	2003 Rm	2002 Rm	Change %	2001 Rm
Determination of headline earnings				
Net income attributable to shareholders	3 391	1 686	101,1	2 442
Adjustments for:				
Profit on disposal of property and equipment	(30)	—	(100,0)	—
Net (profit)/loss on disposal of strategic investments	(16)	26	>100,0	(8)
Goodwill amortised and impaired	96	176	(45,5)	12
Headline earnings	3 441	1 888	82,3	2 446

HEADLINE EARNINGS PER SHARE

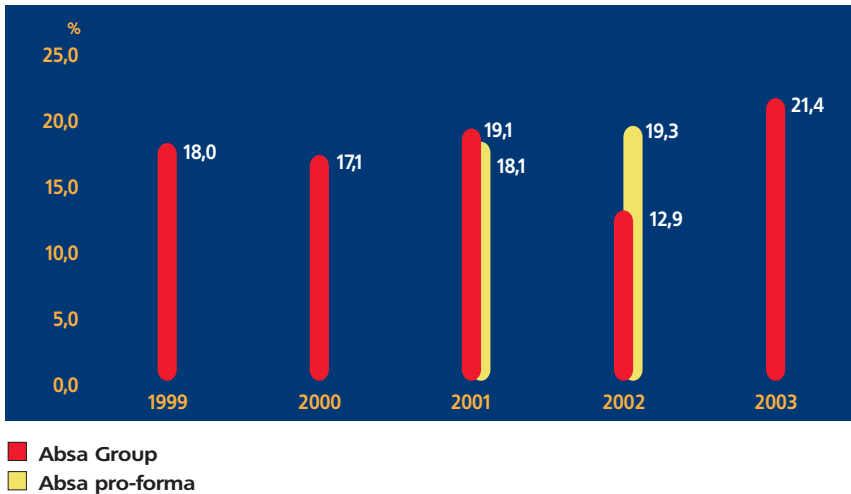


DIVIDENDS PER SHARE



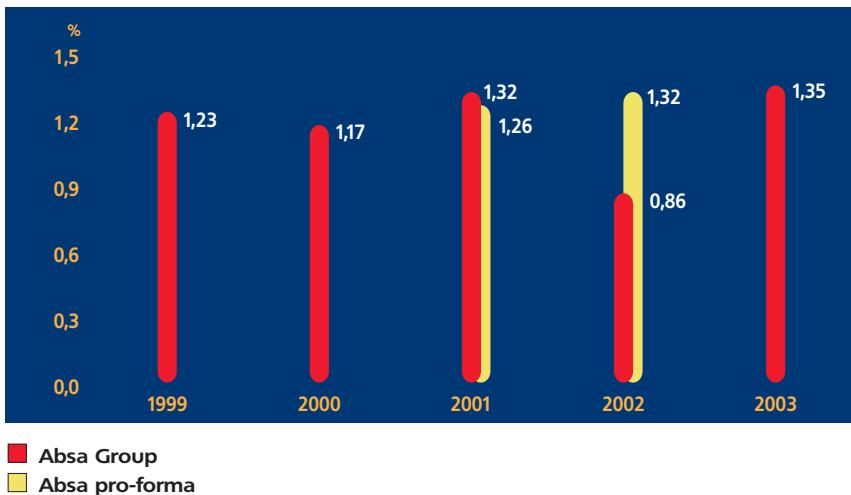
	2003	2002	2001
Dividend cover (times)	3,6	2,5	3,3
Weighted average number of shares (million)	651,5	648,6	648,5

RETURN ON AVERAGE EQUITY



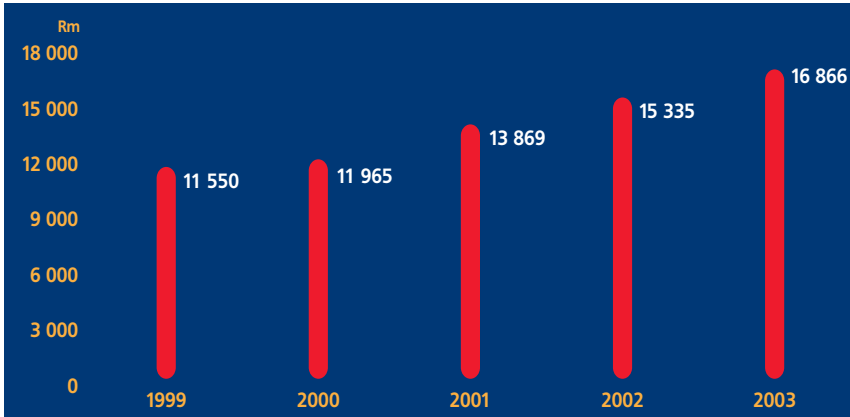
The Group aims to achieve an ROE of 23% over the medium term. Cost of equity for the Group is 16,6%.

RETURN ON AVERAGE ASSETS

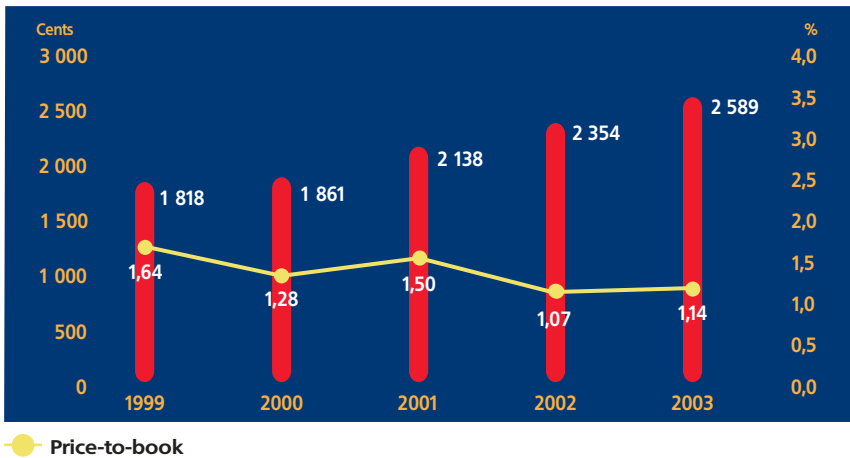


The Group aims to achieve 1,50% over the medium term.

SHAREHOLDERS' FUNDS



NET ASSET VALUE PER SHARE



SHARE PERFORMANCE

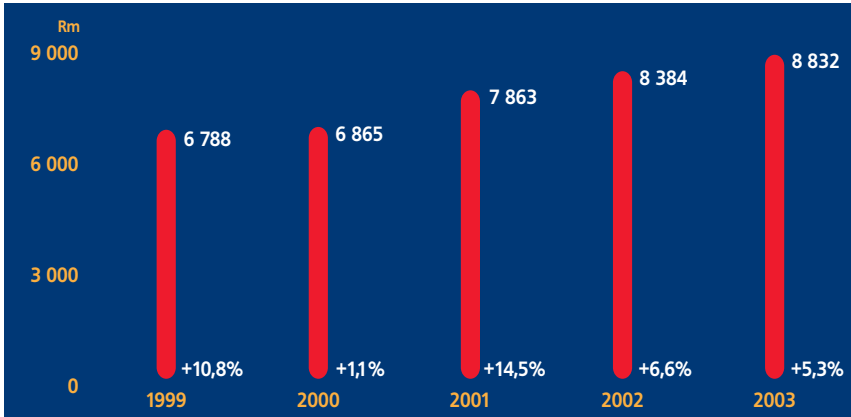


■ Absa
■ Index

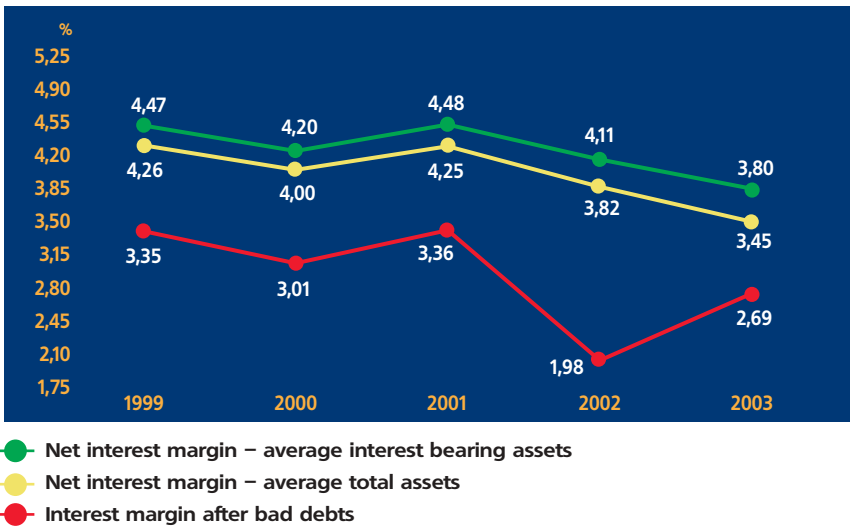
Share performance on the JSE Securities Exchange South Africa.

	2003	2002	2001
Number of shares in issue ('000)	651 547	651 547	648 547
Market prices (cents per share):			
Closing	2 940	2 530	3 210
High	3 651	4 155	3 365
Low	2 500	2 410	2 020
Weighted average	3 132	3 302	2 753
Closing price/net asset value per share	1,14	1,10	1,50
Closing price/earnings	5,6	8,7	8,5
Volume of shares traded (millions)	439,9	365,9	244,0
Value of shares traded (R millions)	13 894,4	12 081,1	6 719,4
Market capitalisation (R millions)	19 155,5	16 484,1	20 818,4

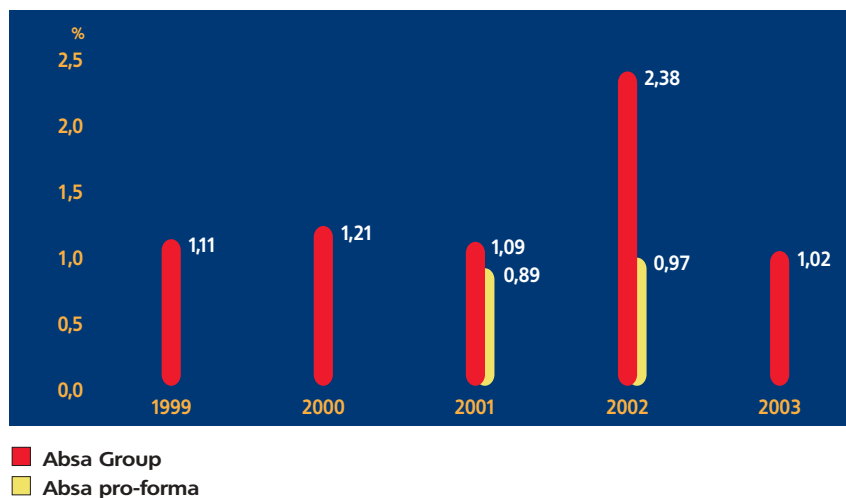
NET INTEREST INCOME



NET INTEREST MARGIN

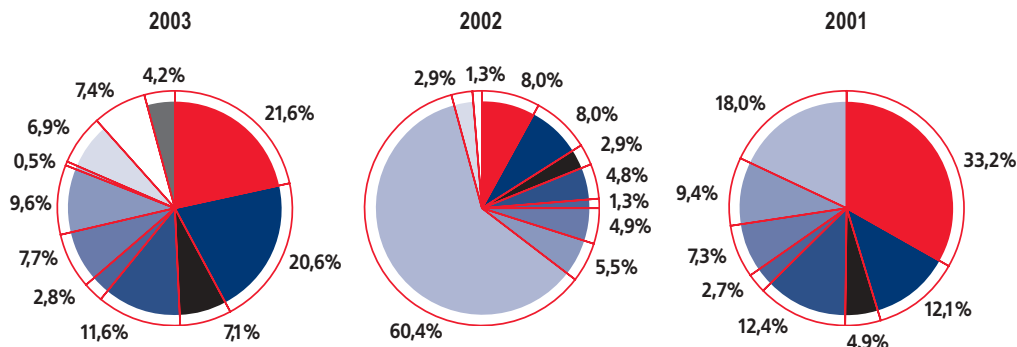


CHARGE FOR BAD AND DOUBTFUL ADVANCES



	2003 Rm	2002 Rm	Change %	2001 Rm
Retail banking	1 679	3 774	55,5	1 411
Personal banking	845	658	(28,4)	n/a
UniFer	11	2 406	99,5	n/a
Commercial banking	823	710	(15,9)	n/a
Wholesale banking	267	258	(3,5)	184
Domestic operations	42	106	60,4	140
International operations	200	140	(42,9)	36
African operations	25	12	(108,3)	8
Other	11	10	(10,0)	48
Charge to the income statement	1 957	4 042	51,6	1 643

BAD DEBTS PER PRODUCT



- Mortgages ■ Cheque accounts ■ Personal loans ■ Instalment finance
- Credit cards ■ Other retail advances ■ Other wholesale advances
- Micro loans ■ Pips written down to market value ■ Commercial property finance
- Reclassification from general to specific provision

	2003 Rm	2002 Rm	Change %	2001 Rm
Mortgages	441	320	(37,8)	540*
Cheque accounts	420	320	(31,3)	197
Personal loans	144	115	(25,2)	80
Instalment finance	236	190	(24,2)	201
Credit cards	57	50	(14,0)	44
Other retail advances	159	195	18,5	117
Other wholesale advances	197	217	9,2	152
Micro loans	11	2 406	99,5	293
Pips written down to market value	140	116	(20,7)	—
Commercial property finance	151	53	(>100,0)	—
Reclassification from general to specific provision	86	—	(>100,0)	—
Total specific provision	2 042	3 982	48,7	1 624
General provision	38	166	77,1	130
Bad and doubtful advances before recoveries	2 080	4 148	49,9	1 754
Recovery of bad debts	(123)	(106)	16,0	(111)
Total charge to the income statement	1 957	4 042	51,6	1 643

*Includes Pips and Commercial property finance.

PROVISIONS FOR BAD AND DOUBTFUL ADVANCES

	2003 Rm	2002 Rm	Change %	2001 Rm
Accumulated provisions for bad and doubtful advances				
Specific provisions	6 508	6 151	5,8	3 264
General provisions	1 589	1 576	0,8	1 410
	8 097	7 727	4,8	4 674

NON-PERFORMING ADVANCES

	Out- standing balance Rm	Security and re- coveries Rm	Net exposure Rm	Provisions raised Rm
Non-performing advances at 31 March 2003				
Personal loans	601	263	338	364
Retail overdrafts and credit cards	1 671	462	1 209	1 250
Foreign currency loans	627	172	455	460
Instalment finance	505	114	391	392
Mortgages	3 908	3 042	866	924
Micro loans (UniFer)	1 969	—	1 969	1 969
Other	1 305	398	907	1 149
	10 586	4 451	6 135	6 508

Non-performing advances as a %
of total advances

– Absa pro-forma	4,1%
– Absa Group	5,1%

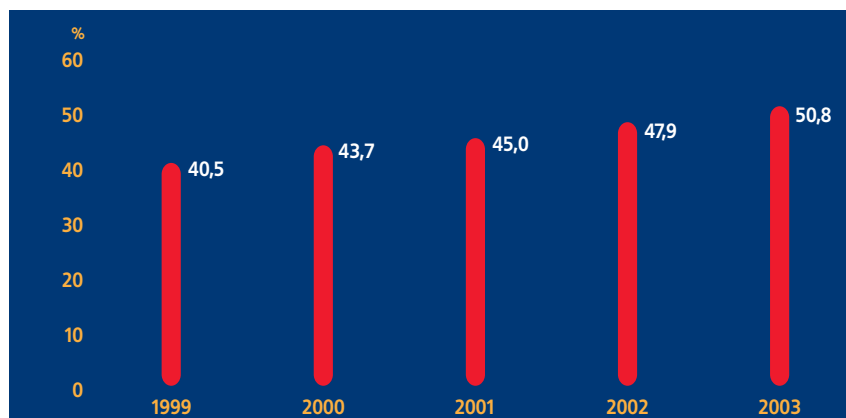
Non-performing advances at 31 March 2002	9 971	3 902	6 069	6 151
---	-------	-------	-------	-------

Non-performing advances as a %
of total advances

– Absa pro-forma	4,0%
– Absa Group	5,2%

NON-INTEREST INCOME AS A % OF OPERATING INCOME

(excluding bad debts)



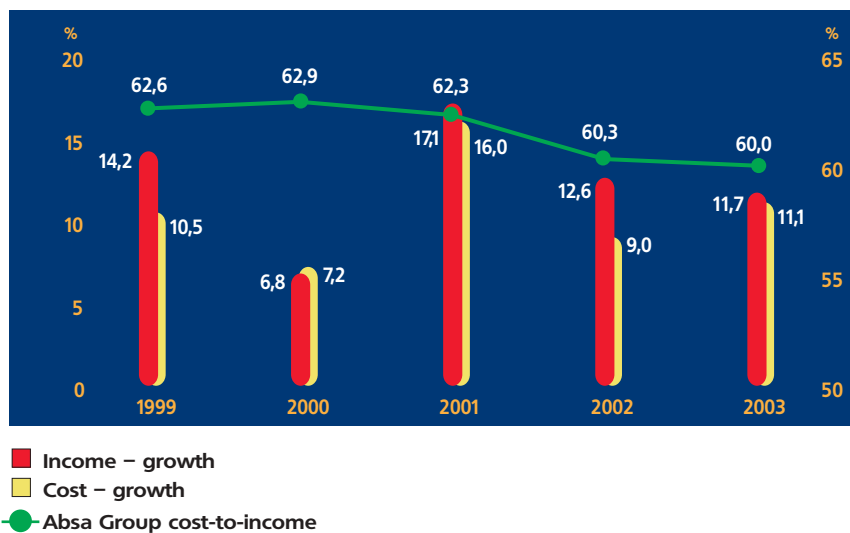
NON-INTEREST INCOME

	2003 Rm	2002 Rm	Change %	2001 Rm
Banking-related income	7 821	6 743	16,0	5 200
Commissions and fees	6 139	5 282	16,2	4 209
Net trading income	1 075	855	25,7	508
Knowledge-based income	130	235	(44,7)	146
Valuation fees	63	61	3,3	51
Unit and property trust income	24	43	(44,2)	15
Pension fund payment services	267	157	70,1	93
Other banking income	123	110	11,8	178
Insurance-related income	908	910	(0,2)	950
Net broking commission	338	311	8,7	300
Trust and estate income	129	113	14,2	260
Net insurance underwriting surplus	115	180	(36,1)	229
Net life surplus	178	214	(16,8)	146
Other	148	92	60,9	15
Investment income	305	(20)	>100,0	154
Net profit/(loss) on realisation of investments	136	(117)	>100,0	74
Dividend income	169	97	74,2	80
Other activities	93	61	52,5	117
Profit on the disposal of property and equipment	30	—	100,0	58
Property development profits	38	39	(2,6)	34
Property rentals	25	22	13,6	25
	9 127	7 694	18,6	6 421



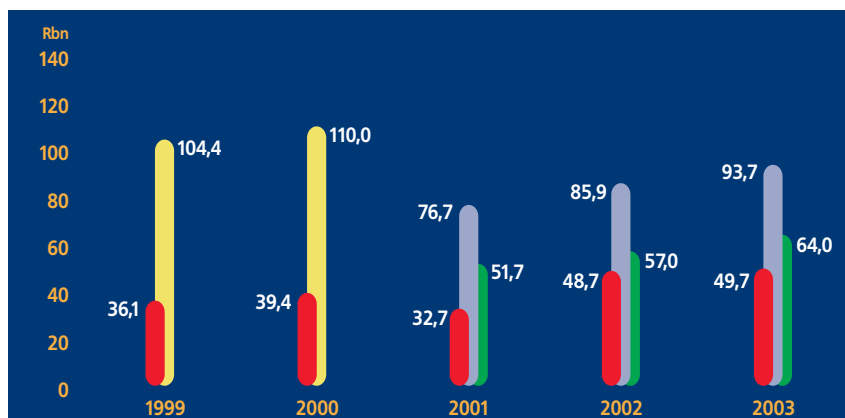
ABSA

COST-TO-INCOME RATIO



OPERATING EXPENDITURE

	2003 Rm	2002 Rm	Change %	2001 Rm
Amortisation	66	66	—	58
Auditors' remuneration	39	32	(21,9)	29
Depreciation	632	608	(3,9)	636
Impairment charge	49	27	(81,5)	18
Information technology costs	916	764	(19,9)	709
Marketing and advertising	320	342	6,4	310
Operating lease charges	585	536	(9,1)	513
Professional fees	485	370	(31,1)	422
Staff costs	5 338	4 872	(9,6)	4 491
Other operating expenditure	2 350	2 083	(12,8)	1 714
	10 780	9 700	(11,1)	8 900



- Wholesale advances
- Personal and Commercial advances
- Personal advances
- Commercial advances

	2003 Rm	2002 Rm	Change %	2001 Rm
Total personal advances:				
Mortgages	77 741	68 456	13,6	60 153
Advances	77 136	67 620	14,1	58 916
Properties in possession	605	836	(27,6)	1 237
Cheque accounts	3 024	3 904	(22,5)	3 816
Instalment finance	452	483	(6,4)	1 374
Personal loans	4 278	4 527	(5,5)	4 237
Credit card accounts	3 772	3 191	18,2	2 928
Micro loans	3 400	4 337	(21,6)	3 500
Other	1 079	997	8,2	712
Gross advances	93 746	85 895	9,1	76 720
Provision for bad and doubtful advances	(4 074)	(4 338)	6,1	(2 284)
Net advances	89 672	81 557	10,0	74 436

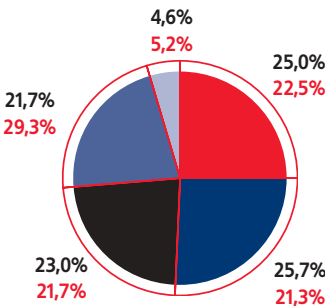
	2003 Rm	2002 Rm	Change %	2001 Rm
Total commercial advances:				
Mortgages	13 467	12 930	4,2	11 977
Cheque accounts	9 817	9 637	1,9	10 222
Instalment finance*	28 527	24 441	16,7	21 167
Personal loans	6 413	5 530	16,0	3 681
Credit card accounts	63	75	(16,0)	83
Other	5 701	4 338	31,4	4 520
Gross advances	63 988	56 951	12,4	51 650
Provision for bad and doubtful advances	(2 658)	(2 136)	(24,4)	(1 405)
Net advances	61 330	54 815	11,9	50 245
Total wholesale advances:				
Corporate overdrafts	4 801	3 851	24,7	2 867
Foreign currency loans	23 288	23 575	(1,2)	12 213
Specialised and project finance	8 875	11 698	(24,1)	9 001
Overnight finance	4 120	3 655	12,7	2 573
Preference shares	3 552	2 575	37,9	2 155
Commodities	1 730	1 564	10,6	1 863
Other	3 294	1 823	80,7	2 028
Gross advances	49 660	48 741	1,9	32 700
Provision for bad and doubtful advances	(1 365)	(1 253)	(8,9)	(985)
Net advances	48 295	47 488	1,7	31 715
Total gross advances	207 394	191 587	8,3	161 070
Provision for bad and doubtful advances	(8 097)	(7 727)	(4,8)	(4 674)
Total net advances	199 297	183 860	8,4	156 396

The advances have been reclassified to reflect the new operating model.

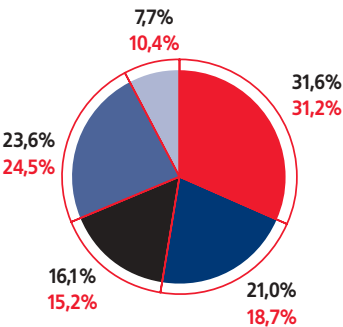
**Although Bankfin operates in both the personal and commercial markets, this division is included in the commercial banking segment. 71% of Bankfin's total advances are in respect of consumers.*

MARKET SHARE

Credit cards – % share
2003/2002

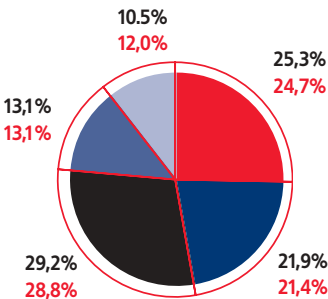


Mortgage loans – % share
2003/2002

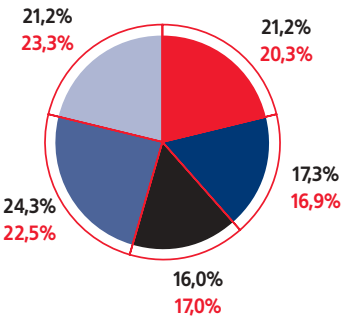


ABSA SBIC FIRSTRAND NEDCOR/BOE OTHER

Instalment finance – % share
2003/2002

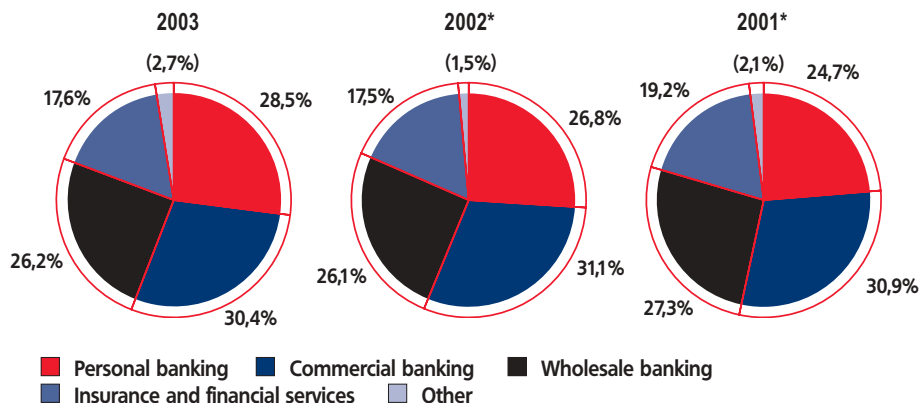


Overdrafts and other loans – % share
2003/2002



ABSA SBIC FIRSTRAND NEDCOR/BOE OTHER

PROFIT CONTRIBUTION BY BUSINESS AREA



	2003 Rm	2002 Rm	Change %	2001 Rm
Personal banking	980	(215)	>100,0	703**
Absa Card	296	281	5,3	
Absa Home Loans	447	443	0,9	
Properties in possession	(263)	(246)	(6,9)	
Absa Private Bank	—	5	(100,0)	
Personal Financial Services	140	118	18,6	
Retail Banking Services	231	125	84,8	
Flexi Banking Services	126	43	>100,0	
UniFer	3	(984)	>100,0	
Commercial banking	1 047	893	17,2	716
Business Bank	700	601	16,5	450
Bankfin	289	239	20,9	210
MLS Bank	58	53	9,4	56
Wholesale banking	903	750	20,4	631
Domestic operations	702	612	14,7	482
International operations	110	79	39,2	122
African operations	91	59	54,2	27
Total banking	2 930	1 428	>100,0	2 050
Insurance and financial services	607	502	20,9	445
Other	(96)	(42)	(>100,0)	(49)
Total headline earnings	3 441	1 888	82,3	2 446

*Absa pro-forma (excluding the impact of UniFer).

**Performance per business unit unavailable for 2001.

SEGMENT REPORTING

year ended 31 March 2003

Income statement (Rm)	Personal	Commercial
Net interest income	4 312	3 444
Bad and doubtful advances	(856)	(823)
Non-interest income	3 577	1 918
Operating expenditure	(5 297)	(2 974)
Taxation and other	(756)	(518)
Headline earnings	980	1 047
Balance sheet (Rm)		
Total assets*	131 164	87 448
Total advances	89 401	60 373
Total deposits	43 557	47 324
Financial performance (%)		
Return on average equity	23,6	23,4
Return on average assets, excluding acceptances	0,77	1,30
Operating performance (%)		
Net interest margin	3,4	4,3
Bad debt ratio	1,02	1,43
Non-interest/total income	45,3	35,8
Cost-to-income ratio	67,1	55,5
Cost-to-assets	4,2	3,7

*Total assets include intergroup balances of R123 399 million.

Wholesale	AFS	Other	Absa Group
1 151	149	(224)	8 832
(267)	(11)	—	(1 957)
2 108	1 136	388	9 127
(1 821)	(578)	(110)	(10 780)
(268)	(89)	(150)	(1 781)
903	607	(96)	3 441
166 245	4 891	2 715	392 463
49 432	118	(27)	199 297
130 869	—	306	222 056
20,8	27,6	n/a	21,4
0,57	12,61	n/a	1,35
0,7	n/a	n/a	3,45
0,55	n/a	n/a	1,02
64,7	88,4	n/a	50,8
55,9	45,0	n/a	60,0
1,2	12,0	n/a	4,2

SEGMENT REPORTING

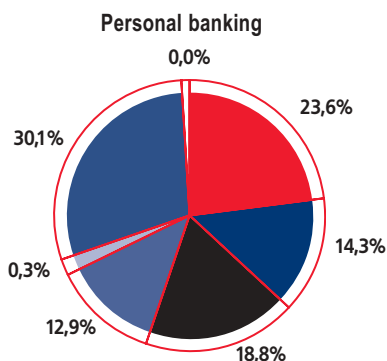
year ended 31 March 2003 (continued)

PERSONAL BANKING

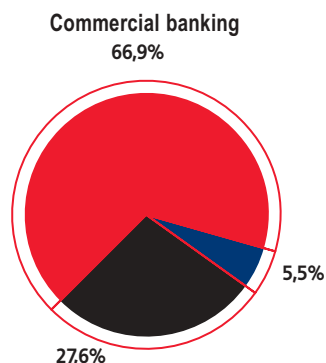
	Absa Private Bank	Personal Financial Services	Retail Banking Services	Flexi Banking Services	UniFer
Headline earnings (Rm)	—	140	231	126	3
ROE (%)	—	46,1	46,6	151,8	—
Cost-to-income (%)	74,6	66,4	83,4	65,2	85,6
Total assets (Rm)	1 982	12 773	26 157	3 502	2 294
Total advances (Rm)	1 704	5 713	4 157	175	1 630
Total deposits (Rm)	1 316	12 062	24 935	3 175	—

COMMERCIAL BANKING

	Business Banking Services	Bankfin	MLS	Total
Headline earnings (Rm)	700	289	58	1 047
ROE (%)	32,0	16,1	19,0	23,4
Cost-to-income (%)	55,8	56,7	34,8	55,5
Total assets (Rm)	52 811	30 545	4 092	87 448
Total advances (Rm)	28 765	27 852	3 756	60 373
Total deposits (Rm)	47 271	35	18	47 324



- Retail Banking Services
- Personal Financial Services
- Absa Home Loans (net of PIPs)
- Flexi Banking Services
- UniFer
- Absa Card
- Private Bank



- Business Banking Services
- MLS Bank
- Bankfin

Note: These results are after the allocation of all head office and support charges.

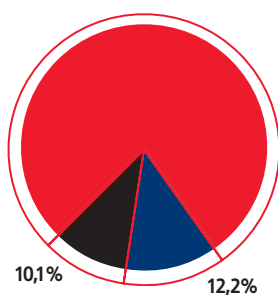
Home Loans	PIPs	Absa Card	Total
447	(263)	296	980
16,1	n/a	91,8	23,6
40,0	n/a	48,7	67,1
79 879	546	4 031	131 164
72 092	472	3 458	89 401
—	—	2 069	43 557

WHOLESALE BANKING

Domestic	International	Africa	Total
702	110	91	903
22,3	10,6	19,6	20,8
49,5	59,0	71,5	55,9
129 570	31 538	5 137	166 245
36 737	11 796	899	49 432
108 456	18 607	3 806	130 869

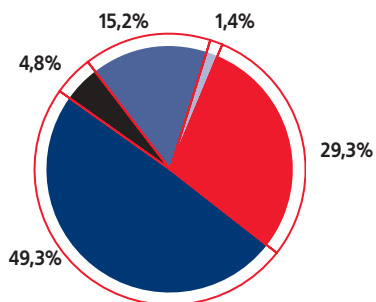
Wholesale banking

77,7%



- Domestic operations
- International operations
- African operations

Absa Financial Services



- Life insurance
- Short-term insurance
- Advisory services
- Wealth creation
- Other

SEGMENT REPORTING

year ended 31 March 2002

Income statement (Rm)	Personal	Commercial
Net interest income	3 812	3 048
Bad and doubtful advances	(658)	(710)
Non-interest income	3 067	1 436
Operating expenditure	(4 877)	(2 447)
Taxation and other	(575)	(434)
Headline earnings	769	893
Balance sheet (Rm)		
Total assets*	121 352	75 586
Total advances	77 740	54 757
Total deposits	39 217	40 305
Financial performance (%)		
Return on average equity	24,2	26,0
Return on average assets, excluding acceptances	0,78	1,32
Operating performance (%)		
Net interest margin	3,9	4,6
Bad debt ratio	0,90	1,12
Non-interest/total income	44,6	32,0
Cost-to-income ratio	70,9	54,6
Cost-to-assets	5,0	3,6

**Total assets include intergroup balances of R114 043 million.*

Wholesale	AFS	Other	Absa pro-forma	UniFer	Absa Group
1 042	120	(243)	7 779	605	8 384
(258)	(10)	—	(1 636)	(2 406)	(4 042)
1 408	985	384	7 280	414	7 694
(1 147)	(488)	(120)	(9 079)	(621)	(9 700)
(295)	(105)	(63)	(1 472)	1 024	(448)
750	502	(42)	2 872	(984)	1 888
153 336	4 736	2 530	357 540	3 803	361 343
48 168	82	152	180 899	2 961	183 860
133 150	—	(38)	212 634	1 132	213 766
18,3	24,7	n/a	19,3	—	12,9
0,58	10,98	n/a	1,32	—	0,86
0,8	n/a	n/a	3,58	11,27	3,82
0,65	n/a	n/a	0,97	54,56	2,38
57,5	89,1	n/a	48,3	40,6	47,9
46,8	44,2	n/a	60,3	60,9	60,3
1,2	11,5	n/a	4,1	16,2	4,4

SEGMENT REPORTING

year ended 31 March 2002 (continued)

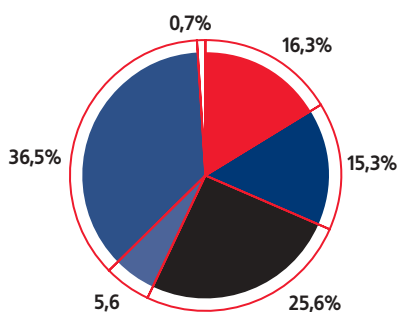
PERSONAL BANKING

	Absa Private Bank	Personal Financial Services	Retail Banking Services	Flexi Banking Services
Headline earnings (Rm)	5	118	125	43
ROE (%)	9,6	49,2	44,4	75,0
Cost-to-income (%)	73,8	70,1	87,6	83,2
Total assets (Rm)	1 657	12 217	22 983	3 927
Total advances (Rm)	1 424	3 274	3 993	209
Total deposits (Rm)	1 041	11 444	21 847	2 686

COMMERCIAL BANKING

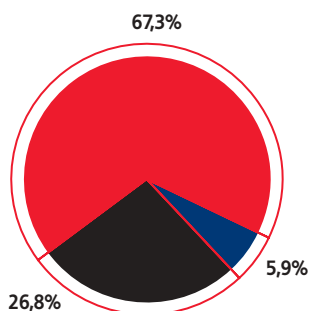
	Business Banking Services	Bankfin	MLS	Total
Headline earnings (Rm)	601	239	53	893
ROE (%)	34,3	16,8	19,8	26,0
Cost-to-income (%)	55,5	55,0	34,4	54,6
Total assets (Rm)	45 271	26 404	3 911	75 586
Total advances (Rm)	27 651	23 575	3 531	54 757
Total deposits (Rm)	40 208	34	63	40 305

Personal banking



- Retail Banking Services
- Personal Financial Services
- Absa Home Loans (net of PIPs)
- Flexi Banking Services
- Absa Card
- Private Bank

Commercial banking



- Business Banking Services
- MLS Bank
- Bankfin

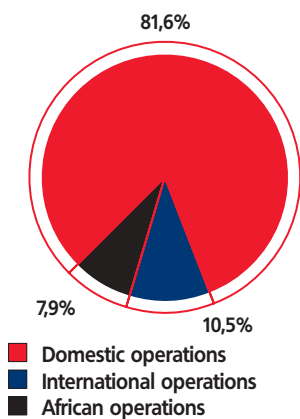
Note: These results are after the allocation of all head office and support charges.

Home Loans	PIPs	Absa Card	Total
443	(246)	281	769
18,2	n/a	104,3	24,2
36,7	n/a	44,6	70,9
76 107	828	3 633	121 352
65 101	772	2 967	77 740
—	—	2 199	39 217

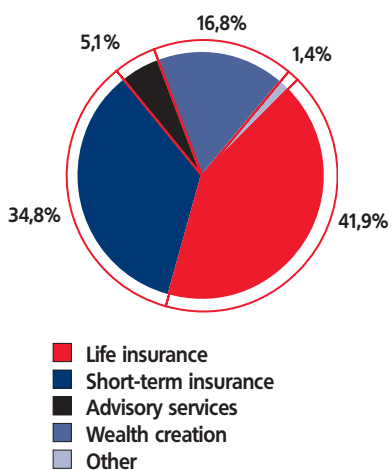
WHOLESALE BANKING

Domestic	International	Africa	Total
612	79	59	750
22,9	5,7	30,1	18,3
40,0	57,7	67,6	46,8
109 292	39 070	4 974	153 336
33 903	13 386	879	48 168
104 287	25 075	3 788	133 150

Wholesale banking



Absa Financial Services



CAPITAL ADEQUACY

at 31 March

Capital adequacy of Absa Bank Limited

Risk-weighted assets	2003		2002	
	Un-weighted assets Rbn	Risk-weighted assets Rbn	Un-weighted assets Rbn	Risk-weighted assets Rbn
<i>Assets – Banking activities</i>				
On balance sheet	219 031	141 113	196 611	126 615
Off balance sheet	342 185**	6 456	20 388	7 438
Total	561 216	147 569	216 999	134 053
<i>Notional assets – Trading activities</i>	—	8 453	—	9 120
	561 216	156 022	216 999	143 173
Qualifying capital	Rbn	%*	Rbn	%*
<i>Primary capital</i>				
Share capital	270	0,2	270	0,2
Share premium	628	0,4	628	0,4
Reserves	10 706	6,8	9 085	6,3
Impairments	(1 434)	(0,9)	(1 811)	(1,2)
	10 170	6,5	8 172	5,7
<i>Secondary capital</i>				
Subordinated convertible loans	1 628	1,0	1 627	1,1
Subordinated redeemable debt	5 419	3,6	4 130	2,9
General debt provision	933	0,6	863	0,6
Revaluation reserve	59	0,0	137	0,1
Impairments	(341)	(0,2)	(338)	(0,2)
	7 698	5,0	6 419	4,5
Total qualifying capital	17 868	11,5	14 591	10,2

*Percentage of capital to risk-weighted assets.

**Absa Bank's exposure as a member of the Centralised Securities Depository Participation has been included since 1 April 2002. All these exposures are currently risk-weighted at zero %.



ABSA

Capital adequacy of Absa Group Limited and its banking subsidiaries at 31 March

	2003 %	2002 %	2001 %
Absa Bank	11,5	10,2	10,7
Absa Asia (Hong Kong)	12,1	17,3	8,3
Banco Austral	25,3	—	—
Bankhaus Wölbern	10,9	11,6	13,6
MEEG Bank	10,5	16,8	20,8
MLS Bank	10,7	11,2	10,0
National Bank of Commerce	19,5	19,0	19,6
PSG Investment Bank	46,4	—	—
Unibank*	—	—	18,4
Total banking operations	11,5	10,3	11,2
Absa Group Limited	12,5	11,2	12,4

**Regulatory approval has been received for the transfer of Unibank assets into Absa Bank and the banking licence of Unibank was cancelled on 31 March 2003.*

FIVE-YEAR SUMMARY OF THE INCOME STATEMENT

for the year ended 31 March

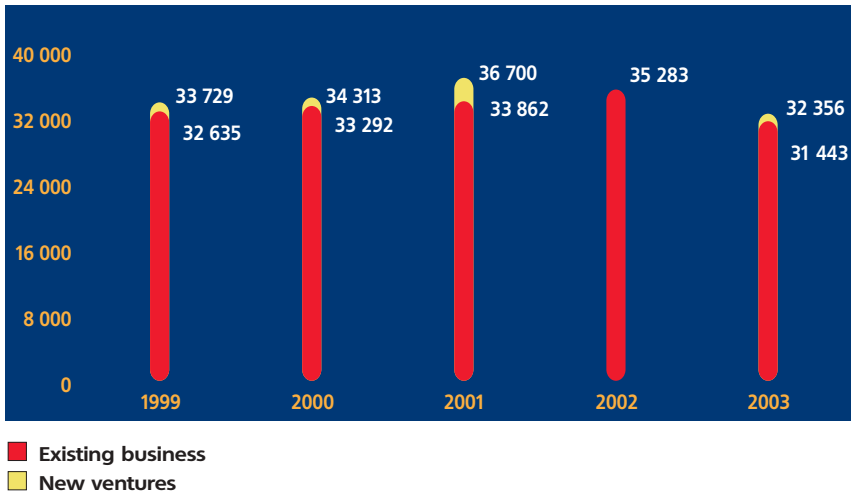
	2003 Rm	2002 Rm	2001 Rm	2000 Rm	1999 Rm
Interest income	30 299	24 517	22 571	22 708	28 124
Interest expense	(21 467)	(16 133)	(14 708)	(15 843)	(21 336)
Net interest income	8 832	8 384	7 863	6 865	6 788
Charge for bad and doubtful advances	(1 957)	(4 042)	(1 643)	(2 271)	(1 460)
Income from lending activities	6 875	4 342	6 220	4 594	5 328
Non-interest income	9 127	7 694	6 421	5 331	4 632
Operating income	16 002	12 036	12 641	9 925	9 960
Operating expenditure	(10 780)	(9 700)	(8 900)	(7 672)	(7 154)
Indirect taxation	(695)	(649)	(534)	(384)	(417)
Impairment charge – Goodwill	(54)	(144)	—	—	—
Net income before exceptional and abnormal items	4 473	1 543	3 207	1 869	2 389
Abnormal/exceptional items	—	—	—	—	(63)
Net income from operations	4 473	1 543	3 207	1 869	2 326
Share of associated companies' income	92	100	53	50	20
Net income before taxation	4 565	1 643	3 260	1 919	2 346
Taxation	(1 104)	(337)	(717)	(302)	(474)
Net income after taxation	3 461	1 306	2 543	1 617	1 872
Minority shareholders' interest	(70)	380	(101)	—	—
Net income attributable to shareholders	3 391	1 686	2 442	1 617	1 872
Adjustment for headline earnings	50	202	4	395	63
Headline earnings	3 441	1 888	2 446	2 012	1 935

FIVE-YEAR SUMMARY OF THE BALANCE SHEET

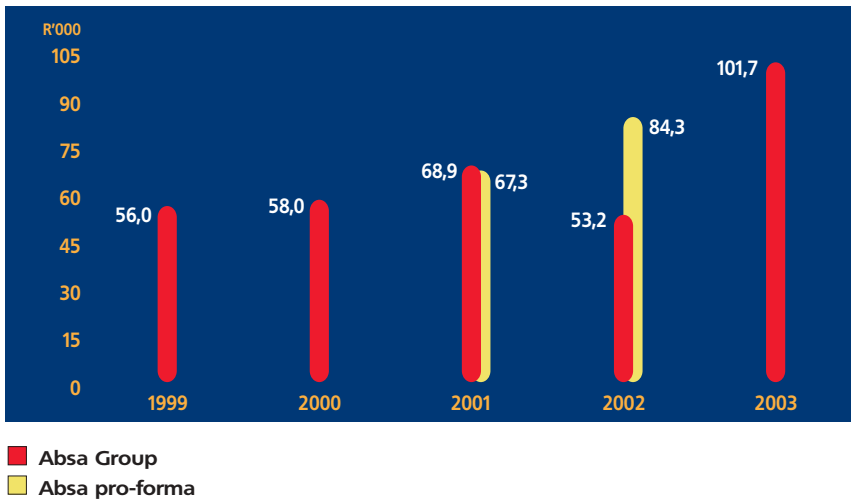
at 31 March

	2003 Rm	2002 Rm	2001 Rm	2000 Rm	1999 Rm
Assets					
Cash and short-term assets	12 617	11 688	6 402	6 557	5 663
Short-term money market assets	11 740	11 381	10 462	5 815	6 462
Government and other securities	16 785	17 624	10 642	10 267	10 084
Advances	199 297	183 860	156 396	144 824	137 607
Other assets and taxation	19 481	13 018	4 441	2 484	2 278
Investments	3 506	3 399	2 671	2 835	2 472
Subsidiary companies	—	131	—	364	—
Associated companies	450	442	332	281	225
Property and equipment	2 613	2 552	2 562	2 615	2 204
Intangible assets	187	66	164	74	94
Deferred taxation	223	445	198	—	—
Client liabilities under acceptances	2 165	2 694	2 244	1 118	1 386
Total assets	269 064	247 300	196 514	177 234	168 475
Liabilities					
Deposits and current accounts	222 056	213 766	167 736	153 541	146 771
Deferred taxation	1 451	1 414	2 002	1 755	1 539
Taxation	327	740	399	84	107
Other liabilities and provisions	18 876	7 353	5 649	5 208	4 331
Insurance funds	1 396	1 453	1 163	972	823
Subordinated debt	5 686	4 394	2 962	2 591	1 968
Liabilities to clients under acceptances	2 165	2 694	2 244	1 118	1 386
Total liabilities	251 957	231 814	182 155	165 269	156 925
Minority shareholders' interest	241	151	490	—	—
Shareholders' funds	16 866	15 335	13 869	11 965	11 550
Total liabilities and shareholders' funds	269 064	247 300	196 514	177 234	168 475
Contingencies	14 275	16 579	14 198	11 471	13 735

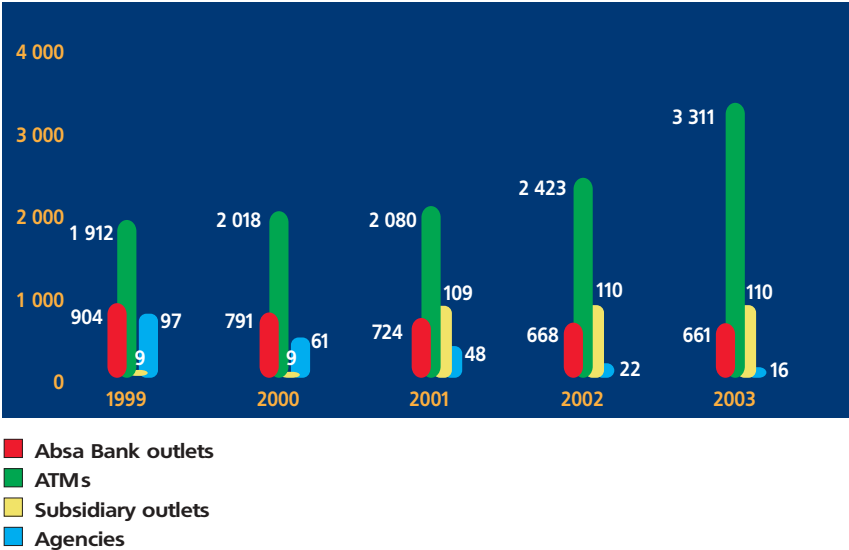
STAFF COMPLEMENT



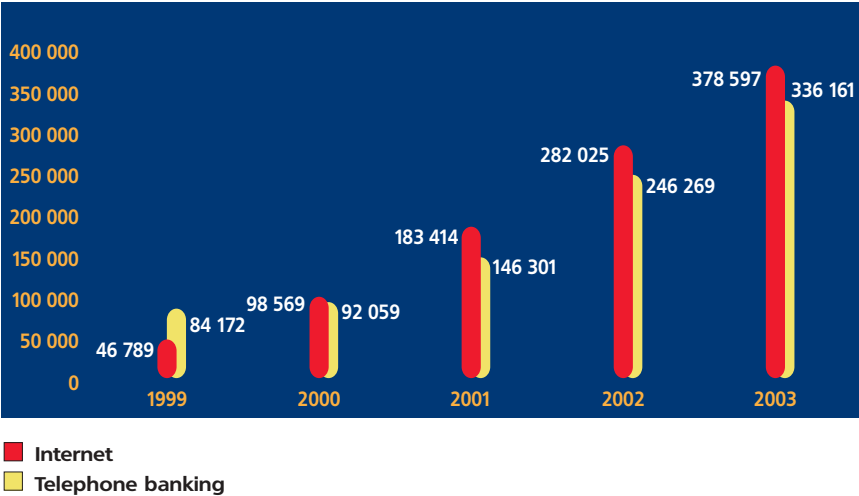
HEADLINE EARNINGS PER STAFF MEMBER



OUTLETS



INTERNET AND TELEPHONE BANKING CUSTOMERS



SHAREHOLDERS' INFORMATION

at 31 March

	2003 %	2002 %	2001 %
Sanlam Limited and associates [#]	22,6	22,6	24,1
Universa (Proprietary) Limited and its shareholders* [#]	—	23,8	23,8
Mines Pension Funds [#]	6,2	—	—
Financial Securities Limited (Remgro) [#]	9,4	—	—
Public Investment Commissioner	8,4	6,8	—
Managed funds and other corporate holdings	47,2	34,9	39,7
Individuals	6,2	11,9	12,4
	100,0	100,0	100,0

**Universa ceased to exist on 20 August 2002 and was replaced by a voting-pool agreement between Sanlam, Financial Securities Limited (Remgro) and Mines Pension Funds.*

[#]Major shareholders (owners) holding more than 5%.

SHAREHOLDERS' DIARY

Financial year-end	31 March 2003
Annual general meeting	22 August 2003

Reports

Announcement of the final results	2 June 2003
Announcement of the interim results	24 November 2003

Dividends

Dividend	Declaration date	Last day to trade	Ex dividend date	Record date	Payment date
Final 2002/2003	30 May 2003	20 June 2003	23 June 2003	27 June 2003	30 June 2003
Interim 2003/2004	24 November 2003	11 December 2003	12 December 2003	19 December 2003	22 December 2003



ABSA

CONTROLLING COMPANY

Absa Group Limited
Reg No 1986/003934/06

REGISTERED OFFICE

3rd Floor, Absa Towers East
170 Main Street, Johannesburg, 2001
Postal address: PO Box 7757
Johannesburg, 2000
Telephone (011) 350-4000
Telefax (011) 350-4928
e-mail: groupsec@absa.co.za

OVERSEAS OFFICES

London Branch

75 King William Street, London, EC4N 7AB
Telephone (094420) 7 711-6400
Telefax (094420) 7 711-6550
e-mail: info@absa.co.uk

Hamburg

Bankhaus Wölbern & Co. (AG & Co. KG)
Reg No HRA 51805
Herrrengraben 74, Hamburg, D-20459
Telephone (094940) 37 608-0
Telefax (094940) 37 608-101
e-mail: info@woelbern.de

Hong Kong

Absa Asia Limited
Reg No 116188
Room 1303-1310
13th Floor, Dah Sing, Financial Centre
108 Gloucester Road, Wanchai, Hong Kong
Telephone (09852) 2531-9388
Telefax (09852) 2802-1908
e-mail: absahk@absaasia.com

Isle of Man

Absa Manx Holdings Limited
Reg No 076041C
3rd Floor, 18 – 20 North Quay
Douglas, Isle of Man, IM1 4LE
Telephone (09441624) 615-042
Telefax (09441624) 614-943
e-mail: amalgfin@enterprise.net

New York (Representative office)

42nd Floor, 780 Third Avenue
New York, NY 10017
Telephone (091212) 223-4400
Telefax (091212) 223-5620
e-mail: lponcesaer@msn.com

Shanghai (Representative office)

Room 404, Dynasty Centre
457 Wulumuqi Road North
Shanghai, 200040
People's Republic of China
Telephone (098621) 6249-7050
Telefax (098621) 6249-0181
e-mail: juliaabsash@online.sh.cn

Singapore Branch

9 Temasek Boulevard
#40-01 Suntec Tower Two, Singapore 038989
Telephone (0965) 6 333-1033
Telefax (0965) 6 333-1066
e-mail: absasgsg@absa.com.sg

Stonehage Financial Services Holdings Limited

Sir Walter Raleigh House
48/50 The Esplanade, St Helier
Jersey, JE1 4HH
Channel Islands
Telephone (09441534) 823-000
Telefax (09441534) 823-001
e-mail: ian.crosby@stonehage.com

Analysts, investors and others seeking information on the Group
should contact Willie Roux at Group Investor Relations.

Telephone: (+27 11) 350-4061 Telefax: (+27 11) 350-6487 e-mail: willier@absa.co.za

Information regarding the Absa Group's services,
financial performance, latest news releases and share price are available on
www.absa.co.za

