HIGHLIGHTS

- ROE (excluding goodwill) increased to **15,7%**
- Core Tier 1 (Basel II.5) capital ratio **strengthened to 10,6%**
- Interim dividend per share of **340 cents**

Headline earnings
R3 468m
up 25,1%

Diluted headline earnings per share
741 cents
up 23,5%

Strong NIR growth
R8 265m
up 15,8%

REVIEWED CONDENSED FINANCIAL RESULTS

FOR THE SIX MONTHS ENDED 30 JUNE 2012

BANKING AND ECONOMIC ENVIRONMENT

After a positive start to the year the global market environment worsened in the second quarter, led by the deepening recession in the Eurozone. Activity in major emerging markets such as China has also weakened and conditions in the USA remain tough.

Given that Europe, the USA and China are SA's largest trading partners, the growth of SA's gross domestic product (GDP) slowed to 2,7% in the first quarter of 2012, from 3,1% in 2011, following lower levels of production and exports.

Although the rate of domestic spending has declined, low interest rates continue to support the modest household demand for credit, while transactional banking volumes remain favourable.

Corporate credit demand continued to improve in early 2012. However, since the second quarter, business confidence has weakened, which could lead to the private sector delaying capital expenditure and focusing on efficiency rather than expansion.

REVIEW OF RESULTS

Nedbank Group performed well for the six months ended 30 June 2012 ('the period') and made good progress in delivering on its key strategic focus areas.

The group achieved strong headline earnings growth of 25,1% to R3 468m for the period (June 2011: R2 772m). This was driven by 11,0% growth in net interest income (NII), 15,8% growth in non-interest revenue (NIR), continued improvement in impairments and responsible expense management combined with investment for growth.[1]

Diluted headline earnings per share (DHEPS) increased 23,5% to 741 cents (June 2011: 600 cents) and diluted basic earnings per share increased 24,9% to 747 cents (June 2011: 598 cents).[1]

The increase in return on assets (ROA) to 1,07% and a slight decrease in gearing supported an increase in the return on average ordinary shareholders' equity (ROE), excluding goodwill, to 15,7% (June 2011: 13,7%) and ROE to 14,1% (June 2011: 12,2%). The group generated an economic profit (EP) of R578m (June 2011: R146m).

The balance sheet remains well capitalised with the Basel II.5 core Tier 1 capital ratio at 10,6% (December 2011: pro forma 10,5%).

During the period the group lengthened its liquidity duration, resulting in the long-term funding profile increasing to 27,0% (December 2011: 25,0%), while liquidity buffers were increased to R26bn (December 2011: R24bn).

Tangible net asset value per share grew by 10,1% (annualised) from 9 044 cents in December 2011 to 9 500 cents in June 2012.

DELIVERING VALUE TO ALL OUR STAKEHOLDERS

The significant impact of unsound banking practices on the economic condition of many countries around the world is a salutary reminder of the profound responsibilities that banks have as custodians of a nation's savings and as mobilisers of the efficient deployment of capital in laying the foundation for economic growth and job creation activity to flourish.

The SA banking industry has further enhanced its historically strong reputation as a consequence of the long-established sound and traditional banking practices adopted within a well-managed and regulated environment.

Nedbank Group continued to deliver on its vision of building Africa's most admired bank by all its stakeholders and making a positive contribution to SA and the other countries in which we operate through our positioning as a bank for all, providing relevant banking services to the broader population and offering great-value banking.

The highlights during this period with respect to each of our key stakeholders include:

- For staff: In striving to make Nedbank a great place to work we seek to have engaged employees who feel valued and able to contribute and communicate fully – our employee and corporate culture survey feedback is important and cultural entropy has improved to worldclass levels of 10%; we have been rated an employer of choice among graduates; and we have invested in skills development, with 1 100 managers undergoing the group's personal mastery programmes and more than 500 employees participating in our management development programmes and 134 graduates in our graduate development programme.
- For clients: We have paid out R69bn in new loans; launched various new innovative solutions and products such as Approve-it™, MyFinancialLife™, the Nedbank App Suite, the Nedbank 4 Me client value proposition, the Dezign Student Account, the Green Savings Bond, Nedbank Small Business Friday™ and the revamped Simply Biz website; kept fee increases at or below inflation; and increased footprint by 76 new staffed outlets and 385 ATMs year-on-year. Over the past 12 months Nedbank Retail increased its client base by 11,7% and Business Banking added 177 new transactional banking clients, while all the other clusters continued to deepen client relationships.
- For shareholders: We have generated a 22,3% total shareholders' return; declared a half-year dividend of 340 cents per share; delivered R578m EP; achieved a credit ratings upgrade from Fitch Ratings; and created significant value through our broad-based black economic empowerment scheme by creating R4,4bn in value since inception, R1,9bn of which has vested. Nedbank Group also received the *Euromoney* Best South African Bank 2012 award.
- For regulators: We have continued to strengthen capital and liquidity levels to remain well positioned for Basel III and the Solvency Assessment and Management insurance regime; contributed to working groups on new regulation and made direct and indirect cash taxation contributions of R3,3bn for the period.
- For communities: We have achieved the No 1 ranking of JSE top 50 companies in the *Financial Mail* 2012 Top Empowered Companies index; contributed R41m to social development; spent R2,9bn on local procurement; launched the first Green Savings Bond in SA; opened our third building with the 4-Star Green Star rating at Menlyn Maine; and won the *Financial Times* African and Middle East Sustainable Bank of the Year 2012 award and the *African Business* Environmental Sustainability in Africa 2012 award.

CLUSTER PERFORMANCE

	% change	Headline earnings (Rm)		ROE (%)	
		Jun 2012	Jun 2011*	Jun 2012	Jun 2011*
Nedbank Capital	25,1	683	546	24,1	21,0
Nedbank Corporate**	14,7	864	753	22,2	24,5
Nedbank Business Banking	(6,1)	433	461	20,5	22,8
Nedbank Retail	38,4	1 194	863	11,8	9,3
Nedbank Wealth	23,6	356	288	29,3	25,4
Line clusters	21,3	3 530	2 911	17,5	16,1
Centre**	55,4	(62)	(139)		
Total	25,1	3 468	2 772	14,1	12,2

* *H1 2011 restated for enhancements to capital allocation methodologies in 2012.*

** *Restated for transfer of the Rest of Africa Division from Nedbank Corporate to the centre.*

Nedbank Capital's headline earnings grew 25,1% to R683m (June 2011: R546m). The results were mainly driven by NIR growth of 42,4%, underpinned by strong growth in trading as well as fee and commission income, and partly offset by lower private equity income. EP of R311m and a ROE of 24,1% were achieved.

Nedbank Corporate grew headline earnings by 14,7% to R864m (June 2011: R753m) from strong growth in NIR, transactional activity and deposits, together with reduced impairments. ROE of 22,2% was achieved as a result of an improvement in the ROA to 1,03%, and the cluster grew EP to R353m.

While sustaining a high ROE of 20,5%, Nedbank Business Banking's 6,1% reduction in headline earnings and lower EP for the period of R156m are reflective of the challenging economic cycle adversely impacting the small- and medium-enterprise (SME) sector. Good progress was made in new client acquisitions and cross-sell, while maintaining outstanding risk management practices reflected in the credit loss ratio of 0,41%.

Nedbank Retail's accelerating momentum is reflected in 38,4% headline earnings growth and improving ROE to narrow the gap in relation to the cost of equity. This is testimony to the excellent progress strategically and financially in repositioning the cluster. Diligent execution of the distinctive client-centred growth strategy and effective risk management practices resulted in strong client gains, increased transactional and lending volumes, and lower impairments, while also further strengthening balance sheet impairments and expanding distribution.

Nedbank Wealth generated strong earnings growth of 23,6% to R356m (June 2011: R288m). NII increased 8,4% supported by international wealth management and BoE Private Clients increasing NII 19,7% and 13,4% respectively. Further support came from good insurance earnings growth of 39,1% and total assets under management increasing 18,3% to R125,5bn.

The Rest of Africa Division delivered a strong increase in headline earnings of 60,5%. This division was previously housed in Nedbank Corporate and is now managed at group level, with earnings included in headline earnings at the centre.

Further segmental information is available on the group's website at www.nedbankgroup.co.za.

FINANCIAL PERFORMANCE

NII

NII grew 11,0% to R9 642m (June 2011: R8 683m), underpinned by 7,7% (annualised) growth in average interest-earning banking assets (June 2011: 5,9%).[1]

The net interest margin (NIM) increased to 3,53% from the comparative period (June 2011: 3,43%) and the full 2011 year (December 2011: 3,46%)[1], supported by sustained momentum in asset mix changes, offset by the cost of lengthening the liquidity profile and holding higher liquid asset buffers.

IMPAIRMENTS CHARGE ON LOANS AND ADVANCES

The group's credit loss ratio continued to improve to 1,11%[1] (June 2011: 1,21%) from reduced levels of specific impairments, driven by better asset quality, reduced defaulted advances, higher levels of repayments and improved risk management. Portfolio impairments of 11 basis points included the strengthening of balance sheet impairments on the performing home loans and personal loans book.

Credit loss ratio analysis (%)	Jun 2012	Jun 2011	Dec 2011
Specific impairments	1,00	1,10	1,02
Portfolio impairments	0,11	0,11	0,12
Total credit loss ratio	1,11	1,21	1,14

Nedbank Retail and Nedbank Corporate were the main drivers of the group's improved credit loss ratio. In Nedbank Retail home loan impairments continued to improve, while bad debt recoveries increased from effective collection processes. Nedbank Capital's impairments charge reflects the increasing pressures in the operating environment.

Credit loss ratio (%)	% banking advances	Jun 2012	Jun 2011	Dec 2011	Through-the-cycle target ranges
Nedbank Capital	10,1	1,41	0,86	1,23	0,10 – 0,35
Nedbank Corporate*	32,2	0,30	0,35	0,29	0,20 – 0,35
Nedbank Business Banking	12,1	0,41	0,40	0,54	0,55 – 0,75
Nedbank Retail	39,7	2,00	2,24	1,98	1,50 – 2,20
Nedbank Wealth	4,0	0,46	0,41	0,25	0,20 – 0,40
Group		1,11	1,21	1,14	0,60 – 1,00

* *The Rest of Africa Division was previously reported in Nedbank Corporate and is now reported at the centre.*

Defaulted advances declined 14,1% from R25 418m at June 2011 and 9,6% (annualised) from R22 928m at December 2011 to R21 838m. The group's total coverage ratio increased from 50,1% at December 2011 to 52,9%, and portfolio provisions of R200m raised at the centre in the prior year were not released.

NIR

NIR grew strongly, increasing by 15,8% to R8 265m (June 2011: R7 139m)[1], clearly demonstrating the inherent strength of the Nedbank franchise and the increasing number of South Africans choosing to bank with Nedbank. NIR growth was primarily driven by:

- good growth in commission and fee income of 14,6% from increases in transactional and lending volumes, net client acquisitions while keeping fee increases at or below the inflation rate and deepening cross-sell across the client base;
- excellent growth in insurance income of 29,2% from increased sales and a positive claims experience; and
- trading income growing 35,9% following strong performance in the fixed-income, credit and commodities (FICC) business in the Global Markets Division of Nedbank Capital.

Private equity income increased slightly to R139m (June 2011: R137m), following strong realisations in Nedbank Capital mostly offset by prudent valuations of unrealised investment portfolios as well as lower dividend income received in both Nedbank Capital private equity and Nedbank Corporate property private equity. Negative fair-value adjustments of R125m (June 2011: R61m profit) were recorded in the designated-asset-and-liability hedged portfolios.

The NIR-to-expenses ratio continued to increase to 83,2% (December 2011: 81,5%), boosted by the strong growth in NIR. The group is showing excellent progress towards the medium-to-long-term NIR-to-expenses target of 85,0%.

EXPENSES

The group maintained good cost discipline, resulting in an improved NIR-to-expenses growth delta of 3,3% and a slight improvement in the efficiency ratio to 55,5% (June 2011: 55,9%).[1]

Expenses increased 12,5% to R9 939m (June 2011: R8 838m)[1], comprising 7,0% relating to business-as-usual activities, 2,1% relating to growth initiatives and 3,4% relating to variable compensation.

The main contributors to the increase in expenses were:

- remuneration costs increasing 11,1% mostly from headcount growth of 1,7% and inflation-related annual salary increases of 6,5%;
- short-term incentive (STI) costs increasing 46,6% due to the 25,1% increase in headline earnings and just under 300% increase in EP, as well as the heavier phasing of the 2011 STI accrual into the second half of 2011, and as such the growth rate should be more in line with earnings growth for the full year;
- long-term incentive costs increasing by R67m to R198m, as 2011 contained reversals of costs for the period from 2009 to 2011 when certain of the associated corporate performance targets were not met and the related incentive awards lapsed; and
- volume-driven costs, such as computer processing, card and marketing costs, growing in support of revenue-generating business activities.

TAXATION[1]

The taxation charge and effective tax rate increased to R1 399m (June 2011: R1 013m)[1] and 27,9% (June 2011: 25,7%) respectively. This was mainly the result of:

- an increase in capital gains tax (CGT) from 14,0% to 18,65%; and
- an increase in secondary tax on companies (STC) of R86m, compared with 2011, from a reduction in available STC credits due to the termination of the STC regime effective 1 April 2012 and the full H2 2011 dividend being subjected to STC.

STATEMENT OF FINANCIAL POSITION

CAPITAL

The group implemented Basel II.5 capital criteria with effect from 1 January 2012. In line with the pro forma ratio disclosed to the market the 2011 year-end Basel II core Tier 1 capital ratio of 11,0% decreased to 10,5% under Basel II.5.

Strong organic earnings, partially offset by the distribution of the group's final 2011 dividend in April 2012 and growth in advances, resulted in the group's Basel II.5 core Tier 1 capital ratio in June 2012 increasing to 10,6%. Capital ratios are anticipated to increase further during the remainder of 2012 as a result of ongoing risk-weighted asset optimisation initiatives and earnings growth.

The draft SA regulations incorporating the impact of Basel III have been issued, although some key aspects still have to be finalised. Overall the group remains in a strong position to meet the draft capital requirements as currently anticipated. Revised internal targets incorporating Basel III will be communicated to the market once the regulations have been finalised.

Basel II	Jun 2012 ratio (Basel II.5)	Jun 2011 ratio (Basel II)	Dec 2011 ratio (Basel II)	Internal target range (Basel II)
Core Tier 1 ratio	10,6%	10,7%	11,0%	7,5% to 9,0%
Tier 1 ratio	12,1%	12,4%	12,6%	8,5% to 10,0%
Total capital ratio	14,4%	15,2%	15,3%	11,5% to 13,0%

(Ratios include unappropriated profits.)

Further details will be available in the group's 30 June 2012 Pillar 3 Report to be released on 17 September 2012 and published on the group's website at www.nedbankgroup.co.za.

CAPITAL ALLOCATION TO BUSINESSES

Enhancements relating to the internal economic capital allocation to line clusters included an upward revision to the amount of capital allocated to the clusters from 10,0% to 11,0%. Enhancements were also made to the allocation of capital impaired against intangible assets, previously held at the centre. These enhancements resulted in a dilution of the line clusters' ROE performance, given higher capital levels. Headline earnings and ROE numbers for the line clusters for the comparative period were restated on a like-for-like basis. These enhancements had no impact on the group's overall headline earnings, capital levels and ROE ratio.

FUNDING AND LIQUIDITY

Nedbank Group remains well funded, with a strong liquidity position, underpinned by a further lengthening of its funding profile, growth of the deposit base, a strong loan-to-deposit ratio of 95,6% and a low reliance on interbank and foreign currency funding.

The average long-term funding ratio increased to 27,0% (June 2011: 26,1%; December 2011: 25,0%), supported by the successful issuance in March 2012 of R1,7bn senior unsecured debt, strong growth in the Nedbank Retail Savings Bond to R5,9bn since its launch in March 2011, and the recent launch of the Green Savings Bond. Growth in the surplus liquid asset buffer to R26bn for June 2012 (June 2011: R16bn; December 2011: R24bn) also contributed to a stronger liquidity position.

The South African Reserve Bank (SARB) announcement during the period that SA banks would have access to committed liquidity facilities (CLFs) of up to 40% of the Basel III liquidity coverage ratio (LCR) net cash outflows to meet LCR requirements in 2015 has been positively received by the market and is in line with the approaches implemented in other similar markets. This provides clarity on how the LCR will be adopted by SA banks given the limited availability of level 2 assets in SA and is favourable for credit extension and economic growth in SA.

LOANS AND ADVANCES

Group loans and advances grew 7,1% (annualised) to R514bn (December 2011: R496bn).[1]

Rm[1]	Jun 2012	Dec 2011	% change (annualised)
Nedbank Capital	80 212	68 510	34,3
Banking activity	49 538	48 558	4,1
Trading activity	30 674	19 952	>100,0
Nedbank Corporate	156 537	155 010	2,0
Nedbank Business Banking	59 061	58 272	2,7
Nedbank Retail	187 577	183 663	4,3
Nedbank Wealth	19 053	19 624	(5,9)
Centre	11 086	10 969	2,1
	513 526	496 048	7,1

During the period gross new advances payouts increased to R69bn (six months to June 2011: R52bn).

Overall advances growth continues to be shaped by the group's portfolio tilt strategy of focusing on business activities that generate higher EP. Nedbank Retail's advances growth was underpinned by strong growth in personal loans, credit card business and motor finance, partially offset by a slight decrease in home loans following the retail home loans strategy of positioning Nedbank Retail as the primary client interface with differentiated risk-based pricing. The environment for Nedbank Business Banking's SME clients remains challenging and has impacted demand for credit and the risk profile of this market segment. Nedbank Corporate's advances growth of 2,0% comprises advances growth of 6,4% in Corporate Banking and a decrease of 1,0% in Commercial Property Finance. The pipelines in the wholesale banking areas remain strong, although growth in the second half of the year is likely to be affected by weak global market conditions and lower levels of business confidence.

DEPOSITS

Deposits increased 6,1% (annualised) to R537bn (December 2011: R521bn).[1]

In line with the group's funding strategy of lengthening the term deposit book and optimising the mix of deposits, call and term deposits increased 8,1% and cash management deposits grew 23,0%. Negotiable certificates of deposit (NCDs) decreased 11,9%.

Given the challenging environment with interest rates at 38-year lows, current accounts decreased 5,1% and savings accounts showed moderate growth of 6,6%.

ECONOMIC OUTLOOK

The difficult global macro environment and recession in Europe have led to softer GDP growth in key emerging markets including SA.

SA's GDP is now forecast to grow by 2,5% in 2012 as a result of lower production and weaker exports in agriculture, manufacturing and mining. Interest rates are at 38-year lows and are expected to remain flat for the rest of the year, however, there is downside risk should there be a further slowdown in economic growth rates.

Lower levels of real wage growth and increased concerns around job security are anticipated to result in decreased consumer spending. Consumer credit demand should continue to grow, but is at risk of slowing down given decreasing levels of consumer confidence.

Business confidence remains weak, with the private sector remaining cautious and continuing to delay capital expenditure. Government and the public sector still have robust infrastructure plans, and, if implemented, are expected to support wholesale advances growth.

PROSPECTS

In the light of the group's 2012 forecast for GDP growth and interest rates the group's financial guidance for the full year is currently as follows:

- Advances growth at mid single digits.
- NIM to increase slightly from the 3,46% level for the 2011 full year.
- The credit loss ratio to continue improving to within the upper end of the group's target range of 0,60% to 1,00%.
- NIR (excluding fair-value adjustments) to grow at low double digits, maintaining ongoing improvements in the group's NIR-to-expenses ratio.
- Expenses, including investing for growth, to increase by mid to upper single digits.
- The group to maintain strong capital ratios and continue to strengthen funding and liquidity in preparation for Basel III.

The group's financial guidance for 2012 as set out above remains largely unchanged from that given earlier in the year, with the exception of an upward revision of the margin, which was previously expected to remain at the December 2011 level of 3,46% and is now anticipated to be slightly above this level.

The SARB is expected to finalise Basel III capital levels for SA banks in the second half of 2012. Once the Basel III capital levels have been set, the group will be in a position to finalise its Basel III capital targets, review the current dividend policy of 2,25 to 2,75 times and communicate this to the market at the release of the 2012 annual results.

Building on the growth momentum from the first half of 2012, the group remains on track to achieve its earnings growth for the year in line with its medium-to-long-term financial target [GDP plus consumer price index (CPI) plus 5%].

Shareholders are advised that this guidance has not been reviewed or reported on by the group's auditors.

BOARD AND EXECUTIVE CHANGES DURING THE PERIOD

Professor Brian Figaji retired as independent non-executive director of Nedbank Group and Nedbank Limited with effect from Friday, 4 May 2012.

Ian David Gladman was appointed as non-executive director of Nedbank Group and Nedbank Limited with effect from 7 June 2012.

Gawie Nienaber retired as Group Company Secretary with effect from 30 June 2012 after reaching the mandatory retirement age in terms of Nedbank Group's normal retirement policy.

Thabani Jali was appointed as Group Company Secretary and Jackie Katzin was appointed as Deputy Group Company Secretary of Nedbank Group and Nedbank with effect from 1 July 2012.

ACCOUNTING POLICIES[1]

Nedbank Group Limited is a company domiciled in South Africa. The condensed consolidated interim financial results of the group at and for the six months ended 30 June 2012 comprise the company and its subsidiaries (the 'group') and the group's interests in associates and jointly controlled entities.

Nedbank Group's principal accounting policies have been prepared in terms of the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board and have been applied consistently over the current and prior financial years. Nedbank Group's condensed consolidated interim financial results have been prepared in accordance with the measurement and recognition criteria of IFRS and presented in accordance with the disclosures, prescribed by International Accounting Standard (IAS) 34: Interim Financial Reporting, the South African Statements and Interpretations of Statements of Generally Accepted Accounting Practice (AC 500 series) issued by the Accounting Practices Board and the requirements of the Companies Act of SA.

In the preparation of these condensed consolidated interim financial results the group has applied key assumptions concerning the future and other inherent uncertainties in recording various assets and liabilities. The assumptions applied in the financial results for the six months ended 30 June 2012 were consistent with those applied during the 2011 financial year. These assumptions are subject to ongoing review and possible amendments. The financial results have been prepared under the supervision of Raisibe Morathi, the Chief Financial Officer.

EVENTS AFTER THE REPORTING PERIOD[1]

There are no material events after the reporting period to report on.

REVIEWED RESULTS – INDEPENDENT AUDITORS' REPORT

KPMG Inc and Deloitte & Touche, Nedbank Group's independent auditors, have reviewed the condensed consolidated interim financial results of Nedbank Group Limited and have expressed an unmodified review conclusion on the condensed consolidated interim financial results. The auditors' review was conducted in accordance with International Standards of Review Engagements (ISRE 2410): Review of Interim Information Performed by the Independent Auditor of the Entity. The condensed consolidated interim financial results comprise the consolidated statement of financial position at 30 June 2012, consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cashflows for the six months then ended and selected explanatory notes. The related notes are marked with [1]. The review report is available for inspection at Nedbank Group'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 that, by their nature, involve risk and uncertainty because they relate to events and depend on circumstances that may or may not 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; as well as competitive and regulatory factors. By consequence, all forward-looking statements have not been reviewed or reported on by the group's auditors.

INTERIM DIVIDEND DECLARATION

Notice is hereby given that a gross interim dividend of 340 cents per ordinary share has been declared, payable to shareholders for the six months ended 30 June 2012. The dividend has been declared out of income reserves.

The dividend will be subject to a local dividend tax rate of 15% or 51 cents per ordinary share, resulting in a net dividend of 289 cents per ordinary share, unless the shareholder is exempt from paying dividend tax or is entitled to a reduced rate in terms of the applicable double-tax agreement. No STC credits were available to be utilised as part of this declaration. Nedbank Group Limited's tax reference number is 9375/082/71/7 and the number of ordinary shares in issue at the date of declaration is 507 509 491.

In accordance with the provisions of Strate, the electronic settlement and custody system used by JSE Limited, the relevant dates for the dividend are as follows:

Event	Date
Last day to trade (cum dividend)	Friday, 31 August 2012
Shares commence trading (ex dividend) on	Monday, 3 September 2012
Record date (date shareholders recorded in books)	Friday, 7 September 2012
Payment date	Monday, 10 September 2012

Share certificates may not be dematerialised or rematerialised between Monday, 3 September 2012, and Friday, 7 September 2012, both days inclusive.

On Monday, 10 September 2012, the dividend will be electronically transferred to the bank accounts of all certificated shareholders where this facility is available. Where electronic funds transfer is either not available or not elected by the shareholder, cheques dated Monday, 10 September 2012, will be posted on that date.

Holders of dematerialised shares will have their accounts credited at their participant or broker on Monday, 10 September 2012.

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.

For and on behalf of the board

Dr RJ Khoza
Chairman

MWT Brown
Chief Executive

1 August 2012

'Nedbank Group performed strongly in the first half of 2012, with the results underpinned by good revenue growth, prudent provisioning, responsible expense management and increased capital and liquidity ratios. We continue to build on the momentum created over the past few years and make good progress in delivering on our key strategic focus areas.

Nedbank is a vision-led and values-driven company and is firmly committed to supporting our staff, clients, shareholders, regulators and communities in achieving our vision of building Africa's most admired bank.

Highlights in respect of our key stakeholders include our corporate culture and values measures now being at worldclass levels; advances of new loans to clients amounting to R69bn; launching a number of innovative products, including the secure Nedbank App Suite; and increasing access to banking through 76 new outlets and 385 new ATMs. We also continue to lead in transformation as the JSE's most empowered large company as measured by the dti Codes, maintaining a level 2 rating.

Notwithstanding the increasingly challenging market conditions, Nedbank Group remains on track to achieve its earnings growth target in 2012.'

Mike Brown

Chief Executive

NEDBANK GROUP

A Member of the OLD MUTUAL Group

FINANCIAL HIGHLIGHTS

at		Reviewed 30 Jun 2012	Reviewed 30 Jun 2011	Audited 31 Dec 2011
Statistics				
Number of shares listed	m	507,5	507,4	507,4
Number of shares in issue, excluding shares held by group entities	m	456,0	454,4	455,2
Weighted average number of shares	m	455,7	451,2	452,9
Diluted weighted average number of shares	m	468,0	462,2	461,5
Preprovisioning operating profit	Rm	7 569	6 577	13 709
Economic profit	Rm	578	146	924
Headline earnings per share	cents	761	614	1 365
Diluted headline earnings per share	cents	741	600	1 340
Ordinary dividends declared per share	cents	340	265	605
– Interim	cents	340	265	265
– Final	cents			340
Ordinary dividends paid per share	cents	340	268	533
Dividend cover	times	2,24	2,32	2,26
Net asset value per share	cents	11 208	10 128	10 753
Tangible net asset value per share	cents	9 500	8 477	9 044
Closing share price	cents	17 389	14 650	14 500
Price/earnings ratio	historical	11	12	11
Market capitalisation	Rbn	88,2	74,3	73,6
Number of employees		28 678	28 210	28 494
Key ratios (%)				
Return on ordinary shareholders' equity (ROE)		14,1	12,2	13,6
ROE, excluding goodwill		15,7	13,7	15,3
Return on total assets		1,07	0,92	0,99
Net interest income to average interest-earning banking assets		3,53	3,43	3,46
Credit loss ratio – banking advances		1,11	1,21	1,14
Non-interest revenue to total operating expenses		83,2	80,8	81,5
Non-interest revenue to total income		46,2	45,1	46,1
Efficiency ratio		55,5	55,9	56,6
Efficiency ratio (excluding BEE transaction expense)		55,3	55,5	56,0
Effective taxation rate		27,9	25,7	25,2
Group capital adequacy ratios (including unappropriated profits):				
Core Tier I		10,6*	10,7	11,0
Tier 1		12,1*	12,4	12,6
Total		14,4*	15,2	15,3
Statement of financial position statistics (Rm)				
Total equity attributable to equity holders of the parent		51 110	46 022	48 946
Total equity		54 856	49 728	52 685
Amounts owed to depositors		536 944	493 974	521 155
Loans and advances		513 526	471 918	496 048
– Gross		525 071	483 385	507 545
– Impairment of loans and advances		(11 545)	(11 467)	(11 497)
Total assets administrated by the group		795 537	715 981**	760 358
– Total assets		670 021	609 875	648 127
– Assets under management		125 516	106 106**	112 231
Life assurance embedded value		1 827	1 122	1 522
Life assurance value of new business		279	152	409

* *Basel II.5 and not reviewed by or reported on by the group's auditors.*
** *Restated.*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Rm	Total equity attributable to equity holders of the parent	Non-controlling interest attributable to ordinary shareholders	Non-controlling interest attributable to preference shareholders	Total equity
Balance at 31 December 2010	44 101	153	3 560	47 814
Dividend to shareholders	(1 251)	(9)		(1 260)
Dividend in respect of BEE transaction	(310)			(310)
Preference share dividend			(143)	(143)
Issues of shares net of expenses	313			313
Shares delisted	(10)			(10)
Shares acquired/cancelled by group entities and BEE trusts	148			148
Dilution of shareholding in subsidiary	11	(11)		–
Total comprehensive income for the period	2 842	13	143	2 998
Share-based payment reserve movement	176			176
Regulatory risk reserve provision	2			2
Balance at 30 June 2011	46 022	146	3 560	49 728
Dividend to shareholders	(1 357)	(2)		(1 359)
Preference share dividend			(138)	(138)
Issues of shares net of expenses	20			20
Shares acquired/cancelled by group entities and BEE trusts	(53)			(53)
Total comprehensive income for the period	4 037	27	138	4 202
Share-based payment reserve movement	270			270
Regulatory risk reserve provision	(2)			(2)
Acquisition of subsidiary		7	1	8
Other movements	9			9
Balance at 31 December 2011	48 946	178	3 561	52 685
Dividend to shareholders	(1 628)	(7)		(1 635)
Dividend in respect of BEE transaction	19			19
Preference share dividend			(142)	(142)
Issues of shares net of expenses	13			13
Shares acquired/cancelled by group entities and BEE trusts	9			9
Total comprehensive income for the period	3 503	14	142	3 659
Share-based payment reserve movement	245			245
Regulatory risk reserve provision	1			1
Other movements	2			2
Balance at 30 June 2012	51 110	185	3 561	54 856

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period ended Rm		Reviewed 30 Jun 2012	Reviewed 30 Jun 2011	Audited 31 Dec 2011
Interest and similar income		22 362	21 030	42 880
Interest expense and similar charges		12 720	12 347	24 846
Net interest income		9 642	8 683	18 034
Impairments charge on loans and advances		2 702	2 792	5 331
Income from lending activities		6 940	5 891	12 703
Non-interest revenue		8 265	7 139	15 412
Operating income		15 205	13 030	28 115
Total operating expenses		9 939	8 838	18 919
– Operating expenses		9 893	8 788	18 725
– BEE transaction expenses		46	50	194
Indirect taxation		243	252	505
Profit from operations before non-trading and capital items		5 023	3 940	8 691
Non-trading and capital items		34	(16)	(14)
– Net profit on sale of subsidiaries, investments, and property and equipment		29	16	40
– Net impairment of investments, property and equipment, and capitalised development costs		5	(32)	(54)
Profit from operations before direct taxation		5 057	3 924	8 677
Total direct taxation		1 404	1 005	2 174
– Direct taxation		1 399	1 013	2 194
– Taxation on non-trading and capital items		5	(8)	(20)
Profit for the period		3 653	2 919	6 503
Other comprehensive income net of taxation		6	79	697
– Exchange differences on translating foreign operations		17	87	469
– Fair-value adjustments on available-for-sale assets		(1)	(8)	(21)
– (Losses)/Gains on property revaluations		(10)		249
Total comprehensive income for the period		3 659	2 998	7 200
Profit attributable to:				
Equity holders of the parent		3 497	2 764	6 190
Non-controlling interest – ordinary shareholders		14	12	32
Non-controlling interest – preference shareholders		142	143	281
Profit for the period		3 653	2 919	6 503
Total comprehensive income attributable to:				
Equity holders of the parent		3 503	2 842	6 879
Non-controlling interest – ordinary shareholders		14	13	40
Non-controlling interest – preference shareholders		142	143	281
Total comprehensive income for the period		3 659	2 998	7 200
Basic earnings per share	cents	767	613	1 367
Diluted earnings per share	cents	747	598	1 341

HEADLINE EARNINGS RECONCILIATION

for the period ended Rm	Reviewed 30 Jun 2012 Gross	Reviewed 30 Jun 2012 Net of taxation	Reviewed 30 Jun 2011 Gross	Reviewed 30 Jun 2011 Net of taxation	Audited 31 Dec 2011 Gross	Audited 31 Dec 2011 Net of taxation
Profit attributable to equity holders of the parent		3 497		2 764		6 190
Less: Non-trading and capital items	34	29	(16)	(8)	(14)	6
– Net profit on sale of subsidiaries, investments, and property and equipment	29	24	16	24	40	60
– Net impairment of investments, property and equipment, and capitalised development costs	5	5	(32)	(32)	(54)	(54)
Headline earnings		3 468		2 772		6 184

CONDENSED SEGMENTAL REPORTING

for the period ended Rm	Total assets Reviewed 30 Jun 2012	Total assets Reviewed 30 Jun 2011	Total assets Audited 31 Dec 2011	Operating income Reviewed 30 Jun 2012	Operating income Reviewed 30 Jun 2011	Operating income Audited 31 Dec 2011	Headline earnings Reviewed 30 Jun 2012	Headline earnings Reviewed 30 Jun 2011	Headline earnings Audited 31 Dec 2011
Nedbank Capital	157 065	120 673	149 789	1 844	1 368	3 091	683	546	1 228
Nedbank Corporate	168 733	156 272	167 074	2 143	1 887	3 865	864	753	1 571
Total Nedbank Retail and Nedbank Business Banking	283 495	271 768	279 323	9 129	8 029	17 102	1 627	1 324	2 957
– Nedbank Retail	193 889	185 755	190 398	7 062	6 063	13 107	1 194	863	2 091
– Nedbank Business Banking	89 606	86 013	88 925	2 067	1 966	3 995	433	461	866
Nedbank Wealth	40 953	34 645	37 759	1 468	1 257	2 690	356	288	654
Shared Services	7 083	7 252	7 315	(4)	77	259	10	(14)	3
Central Management	146 953	160 633	153 282	650	432	1 150	(72)	(125)	(229)
Eliminations	(134 261)	(141 368)	(146 415)	(25)	(20)	(42)			
Total	670 021	609 875	648 127	15 205	13 030	28 115	3 468	2 772	6 184

The segmental results for the periods ended 30 June 2011 and 31 December 2011 have been restated for the following adjustments: (a) enhancements to the allocation of economic capital; (b) the reallocation of negotiable certificates of deposit from Nedbank Capital to the centre; and (c) transferring the Rest of Africa Cluster from Nedbank Corporate to Central Management. These restatements have no effect on the group results and ratios, and only affect the segment results and related ratios.

This announcement is available on the group's website at www.nedbankgroup.co.za, together with the following additional information:

- 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 at nedbankgroupir@nedbank.co.za.

Transfer secretaries in SA: Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg, 2001, SA. PO Box 61051, Marshalltown, 2107, SA.

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

Sponsors in SA:
Merrill Lynch South Africa (Pty) Limited, Nedbank Capital.

Sponsor in Namibia:
Old Mutual Investment Services (Namibia) (Pty) Limited.

MAKE THINGS HAPPEN

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at Rm	Reviewed 30 Jun 2012	Reviewed 30 Jun 2011	Audited 31 Dec 2011
Assets			
Cash and cash equivalents	11 840	11 743	13 457
Other short-term securities	42 090	29 125	35 986
Derivative financial instruments	14 608	8 284	12 840
Government and other securities	26 693	36 056	30 176
Loans and advances	513 526	471 918	496 048
Other assets	11 775	7 900	12 051
Clients' indebtedness for acceptances	2 562	2 754	2 975
Current taxation receivable	976	618	698
Investment securities	15 825	12 808	14 281
Non-current assets held for sale	22	8	8
Investments in associate companies and joint ventures	602	1 128	568
Deferred taxation asset	269	229	266
Investment property	617	202	614
Property and equipment	6 259	5 835	6 312
Long-term employee benefit assets	2 185	2 111	2 118
Mandatory reserve deposits with central banks	12 384	11 654	11 952
Intangible assets	7 788	7 502	7 777
Total assets	670 021	609 875	648 127
Equity and liabilities			
Ordinary share capital	456	454	455
Ordinary share premium	15 955	15 968	15 934
Reserves	34 699	29 600	32 557
Total equity attributable to equity holders of the parent	51 110	46 022	48 946
Non-controlling interest attributable to:			
– ordinary shareholders	185	146	178
– preference shareholders	3 561	3 560	3 561
Total equity	54 856	49 728	52 685
Derivative financial instruments	15 272	8 894	13 853
Amounts owed to depositors	536 944	493 974	521 155
Provisions and other liabilities	16 246	13 691	14 751
Liabilities under acceptances	2 562	2 754	2 975
Current taxation liabilities	116	121	200
Deferred taxation liabilities	1 033	1 858	1 345
Long-term employee benefit liabilities	1 544	1 458	1 479
Investment contract liabilities	8 709	7 666	8 237
Insurance contract liabilities	2 683	1 541	2 005
Long-term debt instruments	30 056	28 190	29 442
Total liabilities	615 165	560 147	595 442
Total equity and liabilities	670 021	609 875	648 127

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

for the period ended Rm	Reviewed 30 Jun 2012	Reviewed 30 Jun 2011	Audited 31 Dec 2011
Cash generated by operations	9 121	7 914	16 552
Change in funds for operating activities	(4 641)	(2 082)	(4 080)
Net cash from operating activities before taxation	4 480	5 832	12 472
Taxation paid	(2 431)	(855)	(3 609)
Cashflows from operating activities	2 049	4 977	8 863
Cashflows utilised by investing activities	(2 155)	(2 147)	(3 702)
Cashflows (utilised by)/from financing activities	(1 115)	833	557
Effects of exchange rate changes on opening cash and cash equivalents (excluding foreign borrowings)	36	(11)	(54)
Net (decrease)/increase in cash and cash equivalents	(1 185)	3 652	5 664
Cash and cash equivalents at the beginning of the period*	25 409	19 745	19 745
Cash and cash equivalents at the end of the period*	24 224	23 397	25 409

* *Including mandatory reserve deposits with central banks.*

CONDENSED GEOGRAPHICAL SEGMENTAL REPORTING

for the period ended Rm	Operating income Reviewed 30 Jun 2012	Operating income Reviewed 30 Jun 2011	Operating income Audited 31 Dec 2011	Headline earnings Reviewed 30 Jun 2012	Headline earnings Reviewed 30 Jun 2011	Headline earnings Audited 31 Dec 2011
SA	14 217	12 095	26 228	3 171	2 519	5 695
– Business operations	14 217	12 095	26 228	3 354	2 706	6 162
– BEE transaction expenses				(41)	(44)	(186)
– Profit attributable to non-controlling interest – preference shareholders				(142)	(143)	(281)
Rest of Africa	584	503	1 101	124	95	246
Rest of world – business operations	404	432	786	173	158	243
Total	15 205	13 030	28 115	3 468	2 772	6 184

Directors: RJ Khoza (*Chairman*), MWT Brown* (*Chief Executive*), TA Boardman, TCP Chikane, GW Dempster* (*Chief Operating Officer*), MA Enus-Brey, ID Gladman (*British*), DI Hope (*New Zealand*), WE Lucas-Bull, PM Makwana, NP Mnxasana, RK Morathi* (*Chief Financial Officer*), JK Netshitenzhe, JVF Roberts (*British*), GT Serobe, MI Wyman** (*British*).

* Executive ** Senior independent non-executive director

Company Secretary: TSB Jali

Registered office: Nedbank Group Limited, Nedbank Sandton, 135 Rivonia Road, Sandown, Sandton, 2196. PO Box 1144, Johannesburg, 2000.

Reg No: 1966/010630/06 **ISIN:** ZAE000004875
JSE share code: NED **NSX share code:** NBK

Merrill Lynch
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