Unaudited results

and dividend announcement

for the six months ended 30 June 2008

Standard Bank

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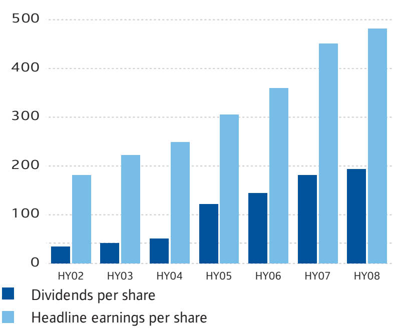
Key financial highlights

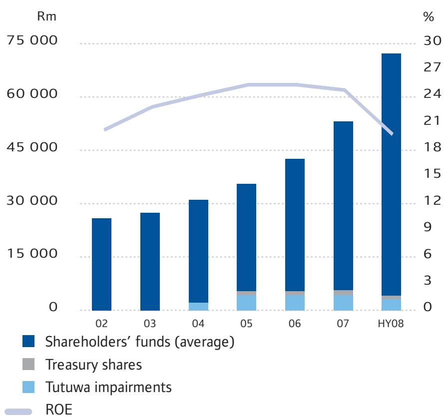
	Normalised	IFRS
Return on equity (%)	19,8	21,4
Headline earnings growth (%)	15	22
Headline earnings per share (cents)	481,8	529,2
Headline earnings per share growth (%)	7	10
Cost-to-income ratio (%)	48,7	48,9
Credit loss ratio (%)	1,27	1,28
Dividends per share (cents)	193,0	193,0
Net asset value per share growth (%)	40	44

Headline earnings and dividends per share (cents)

CAGR (HY2002 – HY2008): Headline earnings per share 18%
Dividends per share 34%



Return on ordinary equity



Overview of financial results

Standard Bank achieved satisfactory results in the first half of 2008, reflecting the diversification and resilience of our businesses amidst continued global financial market turmoil. Our strongly capitalised group and healthy liquidity profile has put us in a position to take advantage of business opportunities that are unfolding in our chosen growth markets.

The period was characterised by turbulence in financial markets worldwide and cyclically higher inflation and interest rates in South Africa. Against this backdrop, the group grew headline earnings per share by 10% to 529,2 cents per share, increased net asset value per share by 44% and achieved a return on equity of 21,4% on an International Financial Reporting Standards (IFRS) basis. On a normalised basis headline earnings per share grew 7%, net asset value per share increased 40% and a return on equity of 19,8% was achieved.

Whereas the results are prepared on an IFRS basis, normalised results make adjustments for two accounting anomalies that have distorted the results from an economic perspective since 2004. These adjustments are explained later in this announcement. The commentary that follows is based on the normalised results.

In the first half of the year further effects of the sub-prime and resulting credit crises spread through developed economies. Liquidity continued to evaporate, credit spreads widened and fears of a global recession mounted. In developing economies, inflation increased on the back of escalating energy and food prices.

In South Africa, consumers continued to come under pressure from rising inflation, falling asset values and tighter borrowing conditions. The South African Reserve Bank has raised interest rates on ten occasions since June 2006, taking the prime lending rate 500 basis points higher to 15,5% at June 2008. Household spending lost momentum and activity in the residential property and passenger car markets slowed significantly. However, strong investment spending continued to buoy growth in the corporate sector.

Our strategy to grow businesses in other emerging markets continued to deliver value in the period. Including Liberty Life, headline earnings from South Africa grew 1%. Our businesses in the rest of Africa lifted their contribution by 55% and those outside of Africa by 11%. This meant that our operations outside South Africa grew headline earnings by 30% which enabled the group to achieve growth in headline earnings of 15% in very difficult trading conditions.

Our breadth of business by product line also showed results. While Personal & Business Banking was not able to grow headline earnings and Liberty Life's contribution fell 46%, Corporate & Investment Banking grew headline earnings by a commendable 20%. Liberty Life's earnings are strongly correlated to South African investment market performance and the first half of 2008 saw markets significantly underperform. This compares to the strong market performance in the first half of 2007.

Key factors impacting the results

- **Higher inflation and interest rates in South Africa**
  Spiralling energy and food prices, together with the 100 basis point increase in the prime lending rate over the six-month period, placed further strain on local consumers, eroding their ability to repay debt, resulting in a marked increase in arrears in Personal & Business Banking lending units. These economic impacts, combined with management actions taken to constrain growth in lending, resulted in a slowdown in asset growth in the six months under review.

- **Subscription for shares by the Industrial and Commercial Bank of China Limited (ICBC)**
  On 3 March 2008, ICBC subscribed for 152,5 million newly issued ordinary shares for an aggregate consideration of R15,9 billion. This new equity capital resulted in additional income that boosted earnings growth. The short-term effect of introducing this capital has been slightly accretive to earnings per share but dilutive to return on equity (ROE). R4,3 billion of this capital has been used in the acquisition of minority interests in Liberty Holdings in July 2008. Some capital has been used to fund organic business growth and the remainder is earmarked for acquisition activity in emerging markets. The business co-operation with ICBC, though still gaining traction, is progressing well, with numerous business opportunities having been identified.

- **Recent acquisitions**
  Standard Bank acquired controlling interests in BankBoston Argentina on 1 April 2007 and in IBTC Chartered Bank Plc in Nigeria on 24 September 2007. The results from both these operations are included for the full period adding an incremental R150 million and R234 million respectively to

group headline earnings. A 60% interest in CfC Bank (now renamed CfC Stanbic Holdings) in Kenya was acquired effective 1 June 2008 and had no material effect on earnings. The integration of this operation into the group is progressing well.

Banking activities income statement analysis

Net interest income – up 40%

Net interest income grew strongly in Personal & Business Banking and in Corporate & Investment Banking, by 34% and 49% respectively. Central funding posted 66% growth, reflecting the income earned on the ICBC capital not yet deployed.

Net interest income growth was achieved through strong balance growth, particularly in the corporate customer loan book and a widening net interest margin which increased by 25 basis points to 3,16%, mainly as a result of the endowment impact of higher interest rates on shareholders' funds and transactional deposits. This benefit was offset to some extent by the higher cost of term funding as the domestic bank continued to increase its long-term funding ratio.

Non-interest revenue – up 25%

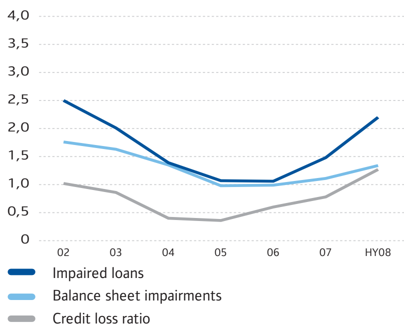
Net fee and commission revenue grew by 21%. Within Personal & Business Banking account transaction fees grew 11% following price increases that were lower than inflation, coupled with a 7% growth in the number of accounts in South Africa and strong volume growth in the expanded branch networks of our operations in the rest of Africa. Card-based fees rose 19%, helped by our recent acquisition in Argentina and increased merchant turnover in South Africa. The outcome of the Competition Commission enquiry into bank charges is expected to have some impact on Personal & Business Banking fees earned in South Africa, although this cannot be quantified as yet. Corporate & Investment Banking lifted advisory fees by 48% on the back of increased underwriting fees in Nigeria and higher corporate and structured finance advisory deal volumes.

Trading revenue increased by 42%. Excellent growth of 90% was achieved in our operations in the rest of Africa with the inclusion of IBTC Nigeria. In this market, foreign exchange and debt securities trading benefited from higher client volumes. Trading revenue outside Africa grew 19% underpinned by robust activity in commodity markets and a strong performance from debt securities, as credit spreads widened. Trading revenue in South Africa was up 24%, with good performances from commodities and foreign exchange trading due to higher volatility, which was somewhat offset by a slowdown in debt securities trading.

Other non-interest revenue was 7% lower. Other revenue was reduced by unfavourable fair value movements in the group's listed property investments particularly when compared to the high base set in the comparative period. Income from insurance-related activities benefited from increased bancassurance commissions and the inclusion of the insurance operations of CfC Stanbic Holdings for the first time. Capital profit on the partial realisation of Visa shares amounted to R123 million but is excluded from headline earnings.

Credit impairment charges doubled

Credit loss history (as a percentage of gross loans and advances)



Credit impairment charges increased significantly by 113% and the credit loss ratio deteriorated from 0,78% to 1,27%.

The above-mentioned financial pressure on South African consumers brought about by interest rate hikes and declining disposable income impacted Personal & Business Banking acutely. These factors combined to drive up impaired loans (previously referred to as non-performing loans) by 122% since June 2007 and by 75% on December 2007, increasing the charge for impaired loans by 137% and resulting in a total credit loss ratio for Personal & Business Banking of 2,18% (June 2007: 1,31%).

Mortgage loan customers felt the effects of the rising rate cycle and began experiencing difficulty in meeting their full contractual repayments towards the end of last year. This effect has been exacerbated by some contraction in house prices, affecting the expected realisation values of security. The credit loss ratio for mortgages therefore rose from 0,61% to 1,30%. The component of this provision attributable to the discounting of expected recoveries increased from 25 basis points at June 2007 to 78 basis points.

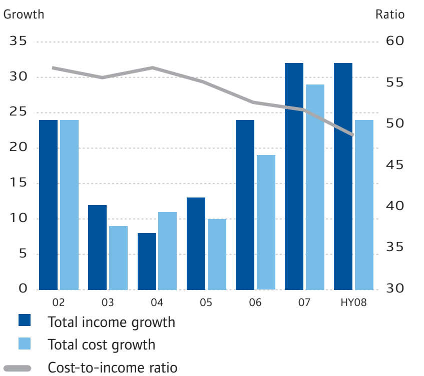
The credit loss ratio of 2,00% (June 2007: 1,38%) in instalment sale and finance leases reflected the unremitting pressure on the recovery value of used passenger vehicles in a market that became increasingly saturated due to the extent of delinquencies and higher fuel prices. The credit loss ratio in card debtors increased from 6,34% to 9,44%.

In Corporate & Investment Banking the credit loss ratio increased from 0,16% to 0,29%, with the increase mostly arising in the rest of Africa.

Management continue to monitor the group's credit risk actively and closely. Credit extension has been tightened by increasing scorecard cut-offs across a number of portfolios over the last year and capacity has been strengthened in customer debt management by enhancing systems and increasing the number of staff.

Operating expenses – up 24%

Cost and income growth (%)



The group improved the cost-to-income ratio to 48,7% (from 51,8% at June 2007), as a result of the strong income growth achieved. If the impact of recent acquisitions is excluded, operating expenses grew by 17%.

Staff costs were 21% higher following a 10% increase in headcount and inflationary increases. Excluding the impact of acquisitions, headcount rose 5% and staff costs 14%. Overall headcount in South Africa increased 3% since June 2007 and was marginally down since December.

Other operating expenses increased 29% (or 21% excluding recent acquisitions). A 13% growth in IT costs was attributable to systems developments and enhancements, greater levels of business activity and higher maintenance costs. Premises costs continued to escalate in line with the group's expansion in its chosen markets. In South Africa, other operating expense growth was limited to 11%.

Balance sheet analysis

Banking assets grew by 30%, and by 26% excluding the effect of recent acquisitions.

Loans and advances growth

	Growth June 2007 to June 2008 %	Growth December 2007 to June 2008 (Annualised) %
Personal & Business Banking	20	16
Mortgage loans	21	15
Instalment sale and finance leases	14	2
Card debtors	13	9
Other loans	27	50
Corporate & Investment Banking	31	42
Banks	26	19
Customers	32	53
Gross loans and advances	25	28

Gross loans and advances increased by 25% from June 2007 with a marked slowdown in new business in personal banking in the period under review.

Mortgage loans were up 21% on June 2007 mainly due to readvances on existing mortgages and reduced prepayments. New bond values fell by 8% and new bond registration volumes were down 14%, dampening balance growth since December to 15%. Instalment sale and finance leases grew 14% on June 2007, but were only up 2% from December, mainly due to an increase in the non-motor book. Card debtors increased 13% due to higher average balances, partly offset by a 2% reduction in the number of accounts. Recent strong growth in other lending relates mainly to a buoyant South African agriculture sector and increased commercial lending in other countries, mainly on the African continent.

In Corporate & Investment Banking strong growth was achieved in all regions: South Africa by 31%; the rest of Africa by 44%, excluding new acquisitions; and outside Africa by 22%. Loans to customers gained momentum primarily due to an increase in specialised term finance and demand for medium-term financing. Loans and advances to banks reflect placement of surplus liquidity.

Liquidity

Liquidity constraints in international money markets and debt capital markets have eased somewhat during 2008, although ongoing and prolonged risk aversion of investors and depositors remains evident. Prudent liquidity management practices continue to be rigorously applied within the bank's liquidity management framework. The structural liquidity mismatch was managed within best-practice banking guidelines. Surplus liquidity buffers, comprising unencumbered and readily available marketable and liquid assets, amounted to R75 billion as at 30 June 2008.

Capital and Basel II

The group implemented Basel II on 1 January 2008. Over the last year we have enhanced our internal economic capital and stress testing methodologies significantly, and have improved and formalised our capital assessment process. As previously reported, the conversion to Basel II led to increased risk-weighted exposures and lower qualifying capital, resulting in lower capital adequacy ratios. Lower risk-weighted exposures in Personal & Business Banking were more than offset by higher risk-weighted exposures in Corporate & Investment Banking portfolios and the addition of operational risk which was not measured under Basel I.

Capital levels were significantly bolstered by the conclusion of the ICBC transaction in March 2008, which added R15,9 billion to group capital. Capital adequacy ratios for the group at June 2008 were 13,9% and 11,2% for total and tier one ratios respectively.

Dividends

It is currently group policy to declare both interim and year-end dividends at a cover ratio of 2,5 times normalised headline earnings. This policy remained unchanged and an interim dividend of 193 cents per share was declared, an increase of 7% on the 2007 interim distribution of 181 cents per share.

Financial Sector Charter

We continue to support the harmonisation process undertaken by the financial sector and other stakeholders to achieve the alignment of the Financial Sector Charter (FSC) to the Broad-based Black Economic Empowerment Codes of Good Practice legislated in 2007. The bank maintained an A rating in the overall FSC Scorecard with an improvement in the area of employment equity. Black managers comprised more than 50% of the bank's management in South Africa at June 2008, of which 53% are female.

Transaction with Liberty Holdings minorities

The group's offer to acquire the issued ordinary shares of Liberty Holdings Limited that the group did not already own closed on 18 July 2008, at which time 97,08% of minority shareholders had accepted the offer. Including Liberty Holdings shares bought directly by Standard Bank, the total investment amounted to R4,3 billion. These transactions increased Standard Bank Group's interest in Liberty Holdings from 63,5% at June 2008 to 98,9% and its effective share of Liberty Life from 35,0% to 53,2%.

We are pleased to have achieved our objective of increasing our effective economic interest in Liberty as part of a rebalancing of our portfolio of financial services subsidiaries and to align our economic exposure with our strategic and commercial contribution to Liberty.

Liberty is considering the merits of implementing a holding company structure and Standard Bank has been approached by Liberty to consider facilitating this structure by allowing Liberty Holdings to become such a listed holding company. Standard Bank, Liberty Holdings, Liberty and their advisers are considering this proposal as well as other alternatives in relation to Liberty Holdings.

Zimbabwe

Conditions in Zimbabwe have further deteriorated at both an economic and social level. Stanbic Bank Zimbabwe remains solvent and profitable when measured in local currency. Despite the recent signing of a memorandum of understanding, political risk in this environment remains high. The group adopts a conservative approach in recognising earnings from this subsidiary and no amounts have been included in these results.

Prospects

The global economy has experienced a period of rapid deterioration and the outlook remains uncertain. South Africa's growth potential for 2008 is being restrained by the potential slowdown in global economic activity. However, strong investment spending, particularly by the South African government and public sector entities, is expected to support economic growth and should ease the impact of the slowdown. Reduced disposable income following sharply increased food, transport and borrowing costs, a weaker residential property market and low recovery values of vehicles are compounding the strain on households' ability to service debt which is likely to increase default experience in South Africa.

The group publishes its financial objectives annually in March. The principal financial objectives for 2008 published at that stage were normalised headline earnings per share growth of CPIX plus 5% and a return on equity of 21,0%. Following the significant increase in early arrears and non-performing loans, which exceeded our expectations, we moderated our outlook at our May annual general meeting and advised that growth in normalised headline earnings per share was only expected to exceed CPIX. The default experience in our Personal & Business Banking loan book has worsened further since May and growth in normalised headline earnings per share, while positive, was below CPIX for the period under review.

Given our recent experience of South African consumer credit performance and the potential effects of volatility in international markets, we are currently not in a position to provide reliable guidance on results for the financial year. In the circumstances, we intend issuing a voluntary trading update and results guidance in late October, following the next trading quarter.

While the current environment presents challenging trading conditions, our capital position and growing franchise remain healthy and we will maintain our focus on risk mitigation and cost-saving strategies to protect and grow shareholder wealth. We continually identify and pursue growth opportunities in our chosen markets to enhance the group's long-term growth prospects.

Jacko Maree
Chief executive

Derek Cooper
Chairman

Johannesburg
12 August 2008

Declaration of dividends

Notice is hereby given that the following interim dividends have been declared:

- Ordinary dividend No. 78 of 193 cents per ordinary share (share codes: SBK and SNB, ISIN: ZAE000109815), payable on Monday, 22 September 2008, to ordinary shareholders recorded in the books of the company at the close of business on the record date, Friday, 19 September 2008. The last day to trade to participate in the dividend is Friday, 12 September 2008. Ordinary shares will commence trading ex-dividend from Monday, 15 September 2008;
- 6,5% first cumulative preference shares (first preference shares) dividend No. 78 of 3,25 cents per first preference share (share code: SBKP, ISIN: ZAE000038881), payable on Monday, 15 September 2008, to holders of first preference shares recorded in the books of the company at the close of business on the record date, Friday, 12 September 2008. The last day to trade to participate in the dividend is Friday, 5 September 2008. First preference shares will commence trading ex-dividend from Monday, 8 September 2008; and
- Non-redeemable, non-cumulative, non-participating preference shares (second preference shares) dividend No. 8 of 515,58 cents per second preference share (share code: SBPP, ISIN: ZAE000056339), payable on Monday, 15 September 2008, to holders of second preference shares recorded in the books of the company at the close of business on the record date, Friday, 12 September 2008. The last day to trade to participate in the dividend is Friday, 5 September 2008. Second preference shares will commence trading ex-dividend from Monday, 8 September 2008.

The relevant dates for the payment of dividends are as follows:

	Ordinary shares	**6,5% cumulative preference shares (First preference shares)**	**Non-redeemable, non-cumulative, non-participating preference shares (Second preference shares)**
JSE Limited (JSE)			
Share code	SBK	SBKP	SBPP
ISIN	ZAE000109815	ZAE000038881	ZAE000056339
Namibian Stock Exchange (NSX)			
Share code	SNB		
ISIN	ZAE000109815		
Dividend number	78	78	8
Dividend per share (cents)	193	3,25	515,58
Dividend payment dates			
Last day to trade *"CUM"* dividend	Friday, 12 September 2008	Friday, 5 September 2008	Friday, 5 September 2008
Shares trade *"EX"* dividend	Monday, 15 September 2008	Monday, 8 September 2008	Monday, 8 September 2008
Record date	Friday, 19 September 2008	Friday, 12 September 2008	Friday, 12 September 2008
Payment date	Monday, 22 September 2008	Monday, 15 September 2008	Monday, 15 September 2008

Ordinary share certificates may not be dematerialised or rematerialised between Monday, 15 September 2008 and Friday, 19 September 2008, both days inclusive.

Preference share certificates (first and second) may not be dematerialised or rematerialised between Monday, 8 September 2008 and Friday, 12 September 2008, both days inclusive.

Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on the payment date. In the absence of specific mandates, dividend cheques will be posted to shareholders. Preference shareholders (first and second) who have dematerialised their share certificates will have their accounts at their CSDP or broker credited on Monday, 15 September 2008. Ordinary shareholders who have dematerialised their share certificates will have their accounts at their CSDP or broker credited on Monday, 22 September 2008.

On behalf of the board

Loren Wulfsohn
Group secretary

Normalised results

With effect from 2004, we have adjusted the group's results reported under International Financial Reporting Standards (IFRS) for two required accounting conventions that do not reflect the underlying economic substance of transactions. Consistent with prior years, to arrive at the normalised results the IFRS results have been adjusted for the following items:

- preference share funding for the group's Black Economic Empowerment Ownership initiative (Tutuwa) transaction that is deducted from equity and reduces the shares in issue in terms of IFRS; and
- group companies' shares held for the benefit of Liberty Life policyholders that result in a reduction of the number of shares in issue and the exclusion of fair value adjustments and dividends on these shares. The IFRS requirement causes an accounting mismatch between income from investments and changes in policyholders' liabilities.

Two recent transactions reduced the extent of the normalised adjustments relating to Tutuwa:

- In December 2007 the group externalised R1 billion of preference share financing provided in terms of the Tutuwa initiative, resulting in the release of 24,7 million ordinary shares previously deemed by IFRS to be "treasury shares"; and
- In March 2008 Tutuwa participants sold 11,1% of their shares to ICBC, partly using the proceeds for the repayment of their preference share liability, thereby releasing a further 11,0 million ordinary shares previously deemed by IFRS to be "treasury shares".

The result of these adjustments is shown in the table below:

Normalised headline earnings

for the six months ended 30 June 2008

	Weighted average number of shares '000	Headline earnings Rm	Growth on 30 June 2007 %
Disclosed on an IFRS basis	**1 368 386**	**7 241**	**22**
Tutuwa initiative	**67 293**	**112**	
– Initial transaction	**99 190**		
– External financing	**(24 691)**		
– Disposal of shares to ICBC	**(7 206)**		
Group shares held for the benefit of Liberty Life policyholders	**38 840**	**(249)**	
Normalised	**1 474 519**	**7 104**	**15**

Normalised financial statistics

for the six months ended 30 June 2008

	% change	June 2008	June 2007	December 2007
Standard Bank Group				
Cents per ordinary share				
Headline earnings	7	**481,8**	451,1	960,6
Diluted headline earnings	7	**477,7**	444,5	947,5
Total dividends	7	**193,0**	181,0	386,0
Basic earnings	2	**492,3**	481,7	1 028,5
Diluted earnings	3	**488,2**	474,7	1 014,5
Net asset value	40	**5 451**	3 904	4 255
Financial performance (%)				
ROE		**19,8**	24,4	24,8
Net interest margin		**3,16**	2,91	2,97
Credit loss ratio		**1,27**	0,78	0,78
Cost-to-income ratio		**48,7**	51,8	51,6
Number of ordinary shares in issue (000's)				
– end of period	11	**1 527 810**	1 370 740	1 372 597
– weighted average	8	**1 474 519**	1 366 720	1 369 223
– diluted weighted average	7	**1 486 991**	1 386 926	1 388 217

Normalised headline earnings contribution by business unit

for the six months ended 30 June 2008

Rm	% change	June 2008	June 2007	December 2007
Personal & Business Banking	(3)	**2 538**	2 623	5 658
Corporate & Investment Banking	20	**3 726**	3 099	6 732
Central and other		**561**	(71)	(210)
Central and other – IFRS		**466**	(237)	(536)
Tutuwa adjustments		**95**	166	326
Banking activities	21	**6 825**	5 651	12 180
Liberty Life	(46)	**279**	514	973
Liberty Life – IFRS		**511**	448	867
Policyholders' deemed treasury shares and Tutuwa adjustment		**(232)**	66	106
Standard Bank Group	15	**7 104**	6 165	13 153

Unaudited results prepared in accordance with IFRS

Consolidated income statement

for the six months ended 30 June 2008

Rm	% change	June 2008 Unaudited	June 2007 Unaudited	December 2007 Audited
Income from banking activities	33	**28 816**	21 695	47 296
Net interest income	41	**14 390**	10 193	22 549
Non-interest revenue	25	**14 426**	11 502	24 747
Income from investment management and life insurance activities	(52)	**13 486**	28 086	49 834
Total income	(15)	**42 302**	49 781	97 130
Credit impairment charges	113	**4 497**	2 109	4 590
Benefits due to policyholders	(67)	**7 273**	21 795	37 153
Income after credit impairment charges and policyholders' benefits	18	**30 532**	25 877	55 387
Operating expenses in banking activities	24	**14 167**	11 423	24 706
Operating expenses in investment management and life insurance activities	11	**3 916**	3 528	7 423
Net income before goodwill	14	**12 449**	10 926	23 258
Goodwill impairment/(gain)		**2**	(390)	(376)
Net income before associates and joint ventures	10	**12 447**	11 316	23 634
Share of profit from associates and joint ventures	(19)	**187**	230	355
Net income before indirect taxation	9	**12 634**	11 546	23 989
Indirect taxation	26	**647**	515	1 185
Profit before direct taxation	9	**11 987**	11 031	22 804
Direct taxation	(17)	**2 804**	3 386	6 232
Profit for the period	20	**9 183**	7 645	16 572
Attributable to minorities	43	**1 531**	1 074	2 471
Attributable to preference shareholders	17	**256**	219	450
Attributable to ordinary shareholders	16	**7 396**	6 352	13 651
Basic earnings per share (cents)	5	**540,5**	517,0	1 109,0
Diluted earnings per share (cents)	7	**521,2**	486,4	1 044,1

Headline earnings

for the six months ended 30 June 2008

Rm	% change	June 2008 Unaudited	June 2007 Unaudited	December 2007 Audited
Group profit attributable to ordinary shareholders	16	**7 396**	6 352	13 651
Headline earnings adjustable items added back or reversed[1]		**(184)**	(424)	(966)
Goodwill impairment/(gain) – IFRS 3		**2**	(390)	(376)
Profit on sale of properties and equipment – IAS 16		**(6)**	(7)	(61)
Impairment of properties and equipment – IAS 16		**28**	–	10
Gains on disposal of businesses and divisions – IAS 27		**(17)**	–	(6)
Impairment of intangibles – IAS 38		**–**	27	26
Gains on disposal of available-for-sale assets – IAS 39		**(191)**	(54)	(559)
Taxation on headline earnings adjustable items		**29**	5	32
Minority share of headline earnings adjustable items		**–**	–	4
Headline earnings	22	**7 241**	5 933	12 721

[1] *These headline earnings adjustable items have been included in the calculation of normalised headline earnings disclosed on the previous page.*

Segment report

for the six months ended 30 June 2008

Rm	% change	June 2008 Unaudited	June 2007 Unaudited	December 2007 Audited
Revenue contribution by business unit				
Personal & Business Banking	28	**15 879**	12 395	27 075
Corporate & Investment Banking	32	**12 047**	9 124	19 750
Central and other	>100	**997**	349	818
Banking activities	32	**28 923**	21 868	47 643
Liberty Life	(55)	**12 869**	28 380	50 320
Standard Bank Group – Normalised	(17)	**41 792**	50 248	97 963
Adjustments for IFRS		**510**	(467)	(833)
Standard Bank Group – IFRS	(15)	**42 302**	49 781	97 130
Profit and loss attributable to ordinary shareholders				
Personal & Business Banking	(3)	**2 571**	2 644	5 707
Corporate & Investment Banking	21	**3 739**	3 102	6 772
Central and other	>100	**670**	324	629
Banking activities	15	**6 980**	6 070	13 108
Liberty Life	(46)	**279**	514	975
Standard Bank Group – Normalised	10	**7 259**	6 584	14 083
Adjustments for IFRS		**137**	(232)	(432)
Standard Bank Group – IFRS	16	**7 396**	6 352	13 651

Consolidated balance sheet

as at 30 June 2008

Rm	% change	June 2008 Unaudited	June 2007 Unaudited	December 2007 Audited
Assets				
Cash and balances with central banks	45	**23 296**	16 096	20 618
Financial investments, trading and pledged assets	15	**361 574**	315 602	331 596
Loans and advances	25	**735 576**	589 773	646 781
Loans and advances to banks	25	**107 203**	85 585	98 631
Loans and advances to customers	25	**628 373**	504 188	548 150
Investment property	14	**15 405**	13 506	14 937
Derivative and other assets	42	**189 323**	133 267	141 968
Interest in associates and joint ventures	15	**12 435**	10 859	12 293
Goodwill and other intangible assets	>100	**9 220**	2 885	6 666
Property and equipment	29	**7 618**	5 921	7 216
Total assets	25	**1 354 447**	1 087 909	1 182 075
Equity and liabilities				
Equity	62	**97 063**	59 770	68 436
Equity attributable to ordinary shareholders	67	**79 921**	47 871	53 671
Preference share capital and premium		**5 503**	5 503	5 503
Minority interest	82	**11 639**	6 396	9 262
Liabilities	22	**1 257 384**	1 028 139	1 113 639
Deposit and current accounts	23	**779 740**	636 405	705 843
Deposits from banks	35	**87 231**	64 836	72 372
Deposits from customers	21	**692 509**	571 569	633 471
Derivative, trading and other liabilities	43	**274 665**	192 083	200 691
Policyholders' liabilities	(1)	**180 493**	182 817	186 137
Subordinated debt	34	**22 486**	16 834	20 968
Total equity and liabilities	25	**1 354 447**	1 087 909	1 182 075

Contingent liabilities and capital commitments

as at 30 June 2008

Rm	June 2008 Unaudited	June 2007 Unaudited	December 2007 Audited
Letters of credit	**16 219**	10 998	14 299
Guarantees	**28 122**	26 272	31 916
Irrevocable unutilised facilities	**57 677**	53 096	47 172
	102 018	90 366	93 387
Capital commitments			
Contracted capital expenditure	**847**	285	161
Capital expenditure authorised but not yet contracted	**4 861**	1 653	4 156
	5 708	1 938	4 317

Consolidated cash flow information

for the six months ended 30 June 2008

Rm	**June 2008 Unaudited**	June 2007 Unaudited	December 2007 Audited
Net cash from operating activities	**15 592**	16 775	32 694
Net cash used in operating funds	**(24 177)**	(5 719)	(14 956)
Net cash used in investing activities	**(2 212)**	(7 279)	(14 001)
Net cash from/(used in) financing activities	**12 791**	(2 616)	(1 115)

Statement of changes in equity

for the six months ended 30 June 2008

Rm	**Ordinary shareholders' funds**	**Preference share capital and premium**	**Minority interest**	**Total equity**
Balance at 1 January 2007	42 916	5 503	6 289	54 708
Total recognised income and expenses	14 293	450	3 896	18 639
Profit for the year	13 651	450	2 471	16 572
Items accounted for directly in reserves	642		1 425	2 067
Currency translation movement and hedging	155		(52)	103
Cash flow hedging and available-for-sale revaluations	(423)		–	(423)
Change in shareholding of subsidiaries	665		1 384	2 049
Other reserve movements	245		93	338
Issue of share capital and premium	300		73	373
Share buy-backs	–		–	–
Net decrease in treasury shares	626		(455)	171
Net distributions paid	(4 464)	(450)	(541)	(5 455)
Balance at 31 December 2007	53 671	5 503	9 262	68 436
Balance at 1 January 2008	**53 671**	**5 503**	**9 262**	**68 436**
Total recognised income and expenses	**12 202**	**256**	**2 404**	**14 862**
Profit for the period	**7 396**	**256**	**1 531**	**9 183**
Items accounted for directly in reserves	**4 806**		**873**	**5 679**
Currency translation movement and hedging	**2 998**		**562**	**3 560**
Cash flow hedging and available-for-sale revaluations	**1 393**		**–**	**1 393**
Change in shareholding of subsidiaries	**232**		**351**	**583**
Other reserve movements	**183**		**(40)**	**143**
Issue of share capital and premium	**16 061**		**–**	**16 061**
Share buy-backs	**(128)**		**–**	**(128)**
Net decrease in treasury shares	**1 075**		**368**	**1 443**
Net dividends paid	**(2 960)**	**(256)**	**(395)**	**(3 611)**
Balance at 30 June 2008	**79 921**	**5 503**	**11 639**	**97 063**

Private equity associates and joint ventures[2]

Rm	**June 2008 Unaudited**	December 2007 Audited
Cost	**236**	198
Carrying value	**389**	317
Fair value	**397**	383
Loans to associates and joint ventures	**818**	442
Equity accounted income	**34**	144
Other income from associates and joint ventures	**–**	–
Profit or loss on disposal of associates and joint ventures	**7**	–

[2] *These associates and joint ventures are accounted for using the equity method and are subject to the headline earnings exemption for listed banks, effective for periods ending on or after 31 August 2007.*

Major business acquisition

Rm		**CfC Bank**
Date of acquisition		**1 June 2008**
Percentage of voting equity instruments acquired (%)		**60**
	Carrying amount	**Fair value**
The details of the fair value of the assets and liabilities acquired and goodwill arising are as follows[3]:		
Cash and balances with central banks	**329**	**329**
Trading assets and financial investments	**1 859**	**1 851**
Loans and advances	**2 470**	**2 464**
Property, equipment, intangibles and other assets	**996**	**1 367**
Deposit and current accounts	**(3 145)**	**(3 145)**
Derivatives and other liabilities	**(1 928)**	**(2 008)**
Net asset value	**581**	**858**
Less: minority interest		**(402)**
Goodwill[3]		**872**
Cost of acquisition		**1 328**
Less: fair value of 36,3% of subsidiary effectively disposed to minorities[4]		**(603)**
Cash consideration paid		**725**

[3] *Goodwill represents the premium paid for control of an acquisition. The allocation between goodwill and intangible assets has been based on preliminary calculations.*

[4] *Fair value of the equity instruments of the subsidiary was determined with reference to the listed share price of CfC Bank. Stanbic Africa Holdings Limited, a wholly-owned subsidiary of the group, was allotted 113,3 million new CfC shares in exchange for Stanbic Bank Kenya, representing 41,4% of the combined entity.*

Financial statistics

for the six months ended 30 June 2008

Rm	% change	June 2008 Unaudited	June 2007 Unaudited	December 2007 Audited
Standard Bank Group				
Number of ordinary shares in issue (000's)				
– end of period	16	**1 425 474**	1 232 409	1 256 916
– weighted average	11	**1 368 386**	1 228 666	1 230 961
– diluted weighted average	9	**1 419 137**	1 305 874	1 307 414
Cents per ordinary share				
Headline earnings	10	**529,2**	482,9	1 033,4
Diluted headline earnings	12	**510,2**	454,3	973,0
Total dividends	7	**193,0**	181,0	386,0
Basic earnings	5	**540,5**	517,0	1 109,0
Diluted earnings	7	**521,2**	486,4	1 044,1
Net asset value	44	**5 607**	3 884	4 270
Financial performance (%)				
ROE		**21,4**	26,4	26,7
Net interest margin		**3,15**	2,88	2,94
Credit loss ratio		**1,28**	0,79	0,79
Cost-to-income ratio		**48,9**	52,2	51,9
Capital adequacy (%)				
Capital ratio				
– tier I capital		**11,2**	10,3[5]	8,5
– total capital		**13,9**	13,7[5]	11,3

[5] *Based on Basel I.*

Accounting policies

Basis of preparation

The consolidated financial results are prepared in accordance with, and comply with, International Financial Reporting Standards (IFRS) and the South African Companies Act (61 of 1973). The consolidated financial statements are prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of assets and liabilities where required in terms of IFRS. The interim results are prepared in accordance with IAS 34 – *Interim Financial Reporting* and have not been audited.

Changes in accounting policies

The accounting policies are consistent with those adopted in the previous year. The following new accounting interpretations became effective on 1 January 2008:

- IFRIC 12 – *Service Concession Arrangements*; and
- IFRIC 14 – IAS 19 – *The limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.*

The adoption of these standards and interpretations has had no material effect on the results, nor has it required any restatements of the results.

Reclassifications

Reclassifications to the 2007 interim results relate to adjustments to amounts previously disclosed on adoption of IFRS 7 identified during the finalisation of the 2007 year end results. These adjustments relate to the reclassification of:

- fee and commission expenses relating to financial instruments and included within other operating expenses to fee and commission expense;
- loans and advances to customers reclassified to loans and advances to banks;
- deposits from customers to deposits from banks; and
- financial instruments previously disclosed as pledged assets to trading assets and financial investments.

The reclassifications did not impact equity attributable to ordinary shareholders or profit for the period attributable to ordinary shareholders.

Standard Bank Group Limited
Registration No. 1969/017128/06
Incorporated in the Republic of South Africa

Directors:
DE Cooper *(Chairman)*, Kaisheng Yang** *(Deputy chairman)*, SJ Macozoma *(Deputy chairman)*, JH Maree* *(Chief executive)*, DDB Band, E Bradley, TS Gcabashe, SE Jonah KBE##, Sir Paul Judge#, KP Kalyan, Yagan Liu**, RP Menell, Adv KD Moroka, AC Nissen, MC Ramaphosa, MJD Ruck, MJ Shaw, Lord Smith of Kelvin, Kt#, EM Woods
**Executive director* ***Chinese* *#British* *##Ghanaian*

Group secretary:
L Wulfsohn

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Johannesburg 2001
PO Box 61051, Marshalltown 2107

Namibia
Transfer Secretaries (Proprietary) Limited
Shop 8, Kaiserkrone Centre, Post Street Mall,
Windhoek
PO Box 2401, Windhoek

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Standard Bank

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निहित प्रेरित प्रोत्साहित निहित
Re na le seabe.
意 積極 投入
mego. Re na le tšhušumetšo. Mafolofolo
eïnspireerd. Gemotiveerd. Betrokke.
意 积极 投入
a ikitlaetsa.
gili. Yaratıcı. Kararlı. Ilgili.
を与え. やる気になる. 関与する.
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