

Financial results Presentation

for the year ended 31 December 2007



Financial highlights



	Financial objectives	2007	Change %	2006
Headline EPS (HEPS) (cents)	+16.5%	960.6	21	796.4
Diluted HEPS (cents)		947.5	21	783.7
DPS (cents)		386.0	21	320.0
NAVPS (cents)		4 255	20	3 548
ROE (%)	24.0	24.8		25.4
Credit loss ratio (%)	≤0.75	0.78		0.60
Cost-to-income ratio* (%)	≤53.5	52.0		52.7

Financial results are stated on a normalised basis where applicable

* Excluding MasterCard capital profit

2

Operating environment in 2007



- 1H07
 - Generally favourable operating conditions
 - despite 50bp interest rate hike in South Africa
 - Headline earnings grew 27%
- 2H07
 - Dislocation in global credit markets
 - Global tightening in liquidity
 - Retail slowdown towards the end of the year
 - interest rates increased by a further 150bp in South Africa
 - Headline earnings grew 17%

3

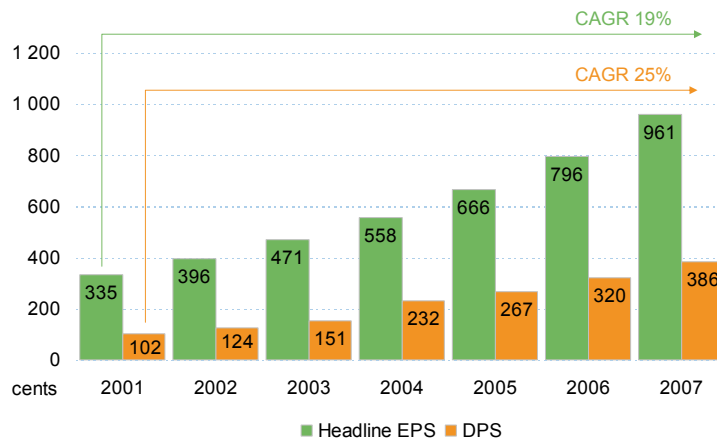
Group income statement highlights



	2007	Change %	2006
Net interest income	22 896	35	17 001
Non-interest revenue	24 747	29	19 165
Credit impairment charges	4 590	68	2 733
Operating expenses	24 706	29	19 105
Banking activities	12 180	22	9 975
Liberty contribution	973	15	843
Normalised headline earnings	13 153	22	10 818

4

Group headline earnings and dividends per share



5

Business unit review



2007	Headline earnings Rm	Headline earnings growth %	ROE %
Personal & Business Banking	5 661	18	28.1
Corporate & Investment Banking	6 765	34	27.3
Central funding and other domestic	(246)		
Banking activities	12 180	22	24.7
Liberty Life	973	15	25.8
Standard Bank Group	13 153	22	24.8

6

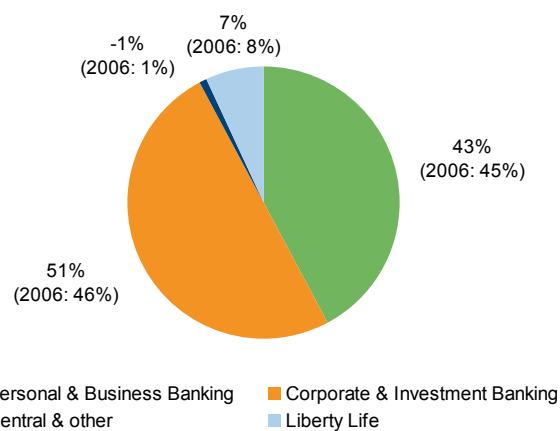
Business unit review Geographic snapshot



2007	Headline earnings Rm	Headline earnings growth %
South Africa (Banking operations)	9 832	15
South Africa (Liberty Life)	973	15
South Africa	10 805	15
Rest of Africa	1 269	58
Outside Africa	1 229	98
Outside South Africa	2 498	75
Central funding	(150)	
Standard Bank Group	13 153	22

7

Headline earnings mix by major business unit



8

Balance sheet analysis



Loans and advances



	Dec 2007 Rbn	Change %	Dec 2006 Rbn	2007 mix %
Personal & Business Banking	345	29	268	52
Mortgage loans	219	29	170	33
Instalment sales	64	31	49	10
Card debtors	22	31	17	3
Other lending	40	24	32	6
Corporate & Investment Banking	308	29	239	48
Banks	99	11	89	15
Customers	209	40	150	32
Central	4		5	1
Gross loans and advances	657	28	512	100

10

Funding



	Dec 2007 Rbn	Change %	Dec 2006 Rbn	2007 mix %
Personal & Business Banking	329	30	253	46
Retail priced	152	26	120	21
Wholesale priced	177	33	133	25
Money market	29	71	17	4
Securitisation	19	36	14	3
Intragroup from CIB	129	27	102	18
Corporate & Investment Banking	380	27	300	54
Deposit and current accounts	705	29	545	100

11

Liquidity



- Continuous focus on liquidity
 - Group long-term funding ratio increased to 17.8% (2006: 15.5%)
 - Emphasis on structural liquidity mismatch, inclusive of contingent liabilities
 - Surplus liquidity buffer
 - R60bn in excess of prudential liquid asset requirements
- Increased reliance by local banks on domestic term funding
 - SA 5yr CD now pricing in excess of 200bp
- Securitisation demand weak in second half
- Concentration risks in deposit base managed closely
- Limited exposure to conduits
 - R13bn total exposure

12

Income statement analysis



Margin on interest earnings assets



	NII Rm	Margin %
Restated margin on interest earning assets for 2006	17 472	3.63
Volume	4 397	
Rate related changes		
Lending	(147)	(0.03)
IAS 39 discount unwind	209	0.04
Funding	(169)	(0.03)
Endowment effect of higher rates	1 625	0.28
Other treasury and banking activities	214	0.04
Balance sheet related changes		
Surplus liquidity	(508)	(0.09)
Changes in balance sheet composition		0.08
Acquisitions	1 005	0.02
Margin on interest earning assets for 2007	24 098	3.94

14

Non-interest revenue



	2007	Change %	2006
Net fee and commission revenue	14 511	23	11 825
Trading revenue	7 216	49	4 852
Other revenue	3 020	21*	2 488
Banking and other	1 016	24	819
MasterCard disposal	459	>100	157
Property related revenue	584	(21)	743
Insurance related revenue	961	25	769
Total non-interest revenue	24 747	29	19 165

* Growth excluding MasterCard 10%

15

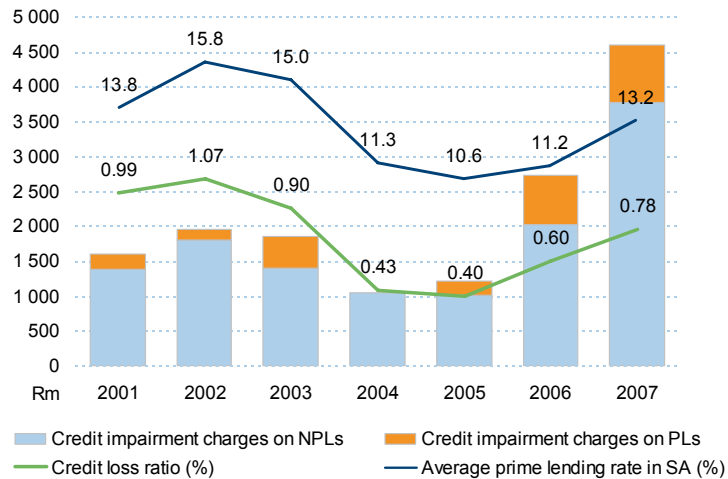
Credit impairment charges



	NPL charge Rm	PL charge Rm	Total charge Rm	Credit loss ratio %
2007				
Personal & Business Banking	3 690	550	4 240	1.34
Corporate & Investment Banking	74	176	250	0.09
Central and other		100	100	
	3 764	826	4 590	0.78
Change %	86	16	68	
2006				
Personal & Business Banking	1 915	418	2 333	1.00
Corporate & Investment Banking	107	228	335	0.15
Central and other		65	65	
	2 022	711	2 733	0.60

16

Credit impairment trends



17

Operating expenses



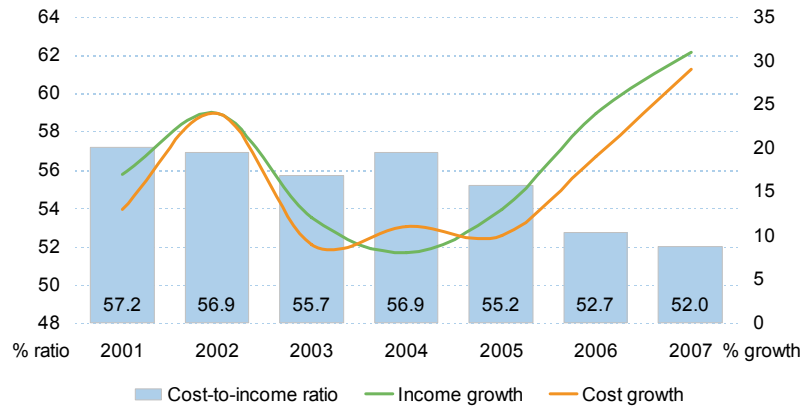
	2007 Rm	Change %
Staff	14 488	32
Personal & Business Banking	7 336	29
Corporate & Investment Banking	6 739	42
Other	10 218	26
Personal & Business Banking	6 835	21
Corporate & Investment Banking	3 755	29

- Total costs up 29%
 - Excluding acquisitions up 23%
- Staff costs
 - Headcount up 17% of which 9% is from acquisitions
 - Increased incentive pay
- Other costs
 - IT costs up 24%
 - Higher levels of business activity
 - Continued expansion

18

Cost-to-income ratio

excluding MasterCard capital profit

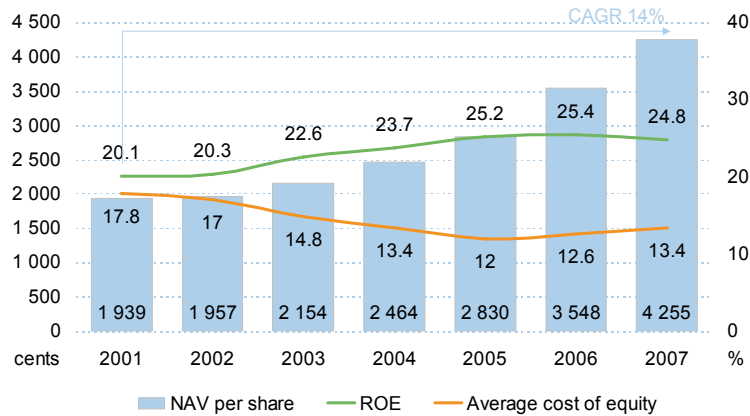


19

Capital management



Group return on equity



21

Capital adequacy BII conversion



	Dec 07 BI Rbn	Change Rbn	Dec 07 Pro-forma BII Rbn
Risk-weighted assets			
Credit risk	461	4	465
<i>Personal & Business Banking</i>	243	(66)	177
<i>Corporate & Investment Banking</i>	216	69	285
<i>Central & other</i>	2	1	3
Trading/market risk	63	(9)	54
Operational risk	-	56	56
Banking activities	524	51	575
Available qualifying capital			
Tier 1	55	(6)	49
Tier 2	19	(5)	14
Tier 3	2	-	2
Banking activities	76	(11)	65

22

Capital adequacy ratios



	SBSA		Group	
	Tier 1 %	Total %	Tier 1 %	Total %
Basel I	8.6	12.5	10.4	14.4
Basel II	8.1	11.4	8.5	11.3
Basel II regulatory minimum	7.0	9.75	7.0	9.75
Pro-forma				
Including ICBC capital			11.2	14.0
Debt capital headroom (Rbn)				15.0

23

Personal & Business Banking

Peter Wharton-Hood



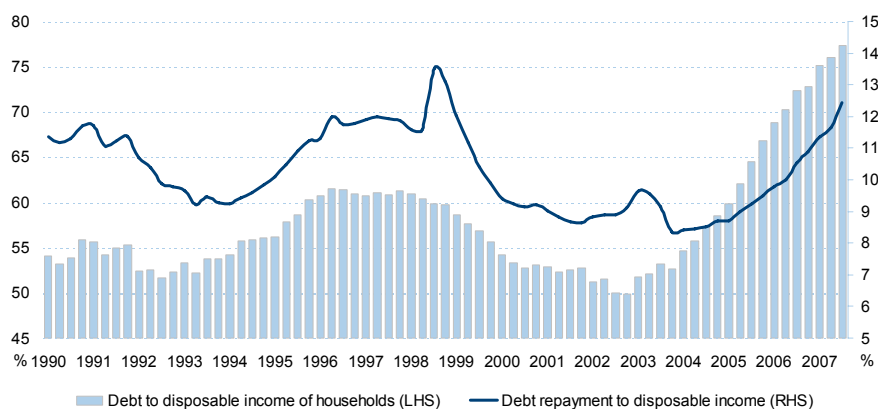
Overview of results



- Customer acquisition strategies over the past three years were appropriate
- Geographic diversification benefits starting to show
- Market pressures dampened retail momentum, but no surprises
- Substantial increase in credit impairments
- Interest income boosted by the endowment effect
- Significant bancassurance progress made
- Good progress made in addressing regulatory challenges
- Implementation of Basel II

25

Current market conditions



Source: South African Reserve Bank

26

Financial highlights



- Headline earnings up 18% to R5 661m
- Credit loss ratio 1.34% (2006: 1.00%)
- ROE 28.1% (2006: 31.6%)
- Cost-to-income ratio 52.1% (2006: 53.8%)
- External net advances up 28% to R340bn

27

Abridged income statement



	Dec 2007 Rm	Change %	Dec 2006 Rm
Net interest income	15 457	39	11 152
Non-interest revenue	11 618	19	9 759
Net fee and commission revenue	10 468	17	8 948
Other revenue	1 150	42	811
Total income	27 075	29	20 911
Credit impairment charges	4 240	82	2 333
Operating expenses	14 171	25	11 334
Net income	8 664	20	7 244
Normalised headline earnings	5 661	18	4 816

28

Product reporting



	Total income			Headline earnings		
	Dec 2007 Rm	Change %	Dec 2006 Rm	Dec 2007 Rm	Change %	Dec 2006 Rm
Home loans	3 356	20	2 797	825	(15)	969
Vehicle and asset finance	2 191	40	1 561	110	(4)	114
Card	3 937	30	3 025	370	23	300
Transactional and lending products	15 731	30	12 061	3 614	24	2 913
Bancassurance	1 860	27	1 467	742	43	520
Personal & Business Banking	27 075	29	20 911	5 661	18	4 816

29

Credit impairments



	Dec 2007 %	Jun 2007 %	Dec 2006 %
Home loans	0.54	0.61	0.27
Vehicle and asset finance	1.49	1.51	1.09
Card	7.20	6.55	7.03
Other	2.01	1.83	1.57
Personal & Business Banking	1.34	1.32	1.00

30

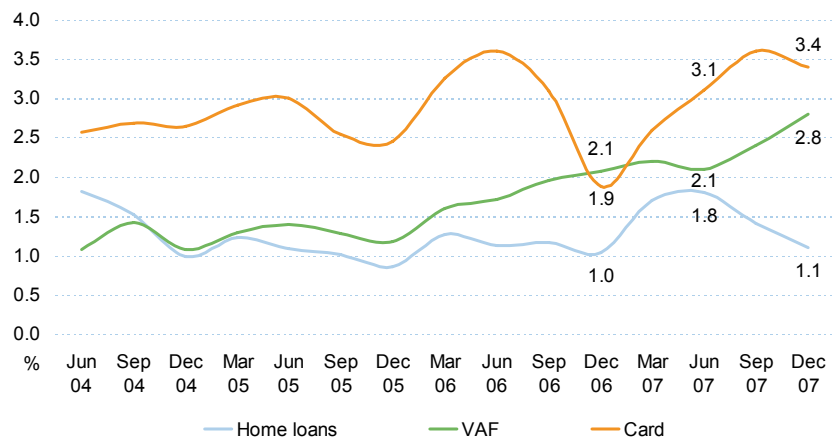
Home loans NPLs - credit impairments



	Dec 2007 Rm	% of NPLs	Jun 2007 Rm	% of NPLs	Dec 2006 Rm	% of NPLs
Book size	219 177		193 914		170 112	
NPLs	5 423		4 368		2 371	
Net security	(4 325)	79.8	(3 612)	82.7	(1 906)	80.4
Security	(4 921)		(3 965)		(2 159)	
Time value discount	596		353		253	
Net exposure	1 098		756		465	
NPL provision	1 098		756		465	
/S charge for NPLs	1 054		446		386	
Credit loss ratio	0.54		0.61		0.27	

31

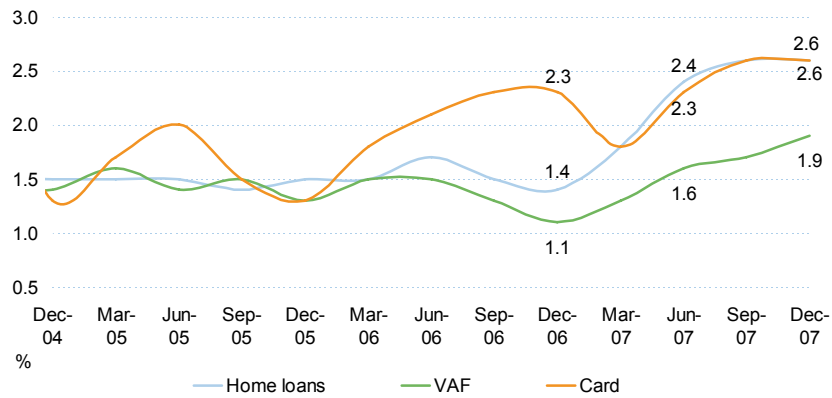
Early arrears in SBSA (special mention category)



Source: DI500

32

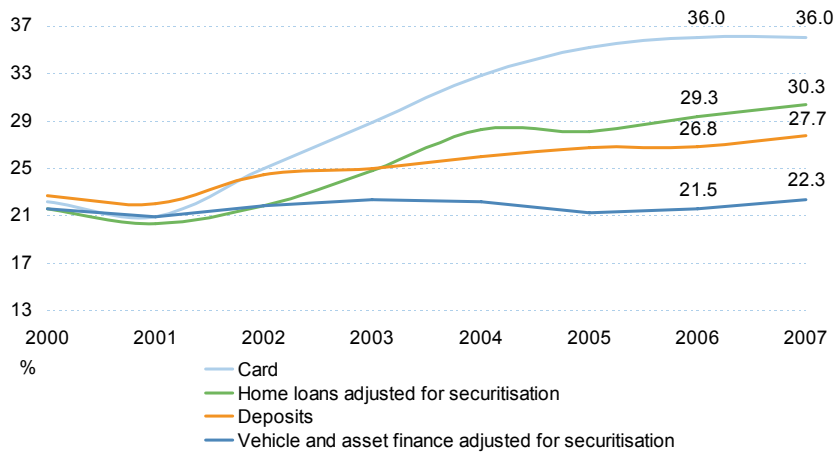
Non Performing Loans in SBSA



Source: DI500

33

Retail market share in South Africa



Source: DI900

34

Secured lending - Home loans



- Globally the book increased 29%
- Value of new registrations in South Africa starting to slow, up 9% (2006: up 43%)
- Margin compression continues
 - Continued dependence on more expensive wholesale priced funding
- Contribution from Rest of Africa still small
 - introduction of product into Botswana, Lesotho, Mozambique, Kenya, Swaziland and Uganda completed in 2007

35

Secured lending - Home loans



- Credit
 - Average loan to value and instalment to income ratios of new business in South Africa remain stable
 - 81% and 25% respectively
 - 67% balance to original value on portfolio in South Africa is well within expectations
 - Portfolio well provided

36

Secured lending - Vehicle and asset finance



- Globally the book increased 31%
- Re-entry into dealership origination channel in South Africa
- Strong volume growth boosted by corporate and commercial market despite year-on-year decline of 5% in vehicle sales in South Africa
- Argentina performed well
- Expansion of product offering into all African countries boosted contribution from Rest of Africa
- Credit
 - Larger proportion of non-Standard Bank customers acquired through dealership origination channel
 - Declining recovery values in used car market have triggered increased impairments
 - Improved asset disposal procedures have mitigated losses

37

Unsecured lending - Card



- Consolidation after 3 years of strong growth
 - Number of credit card accounts up 2% to 2.3 million with increase in revolving customers
 - Cardholders spend up 6%, slow down evident in 4th quarter
 - Book increased by 31%
- Acquiring revenue up 9% with strong growth in debit card spend
 - Acquiring new customers at a slower rate
- Growing card portfolios in Botswana, Namibia, Lesotho and Swaziland
- Credit
 - Impairment levels reflect the tightening economic environment and portfolio maturation
 - Within management target of 700 to 900 bps

38

Unsecured lending - Other lending



- Good growth in credit utilisation, specifically in demand portfolios
 - Book increased by 24%
 - Number of accounts up 12%
- SMMEs starting to show signs of stress, SMEs more resilient in line with corporate sector
- Credit provisions in line with expectations

39

Transaction and investment products



- Continued focus on sales yielded further volume increases
 - Number of transactional accounts up 9%
 - Fees and commissions up 13%
- Average business current account balances up 22%
- Average investment balances up 32%
- Widening deposit margins from positive endowment effect
- Strong product sales in lower end of market
- Mzansi account base in excess of 620 000 (2006: 439 000)

40

Distribution



	%
South Africa	
Growth in ATM transactions	5
Growth in branch based transactions	5
Growth in number of branches*	0
Growth in number of ATMs	3
Growth in internet users	23
Rest of Africa	
Growth in ATM transactions	21
Growth in number of branches	28
Growth in number of ATMs	13
Growth in internet users	28

* 21 opened, 24 closed/integrated

41

Bancassurance



- Significant progress made in aligning sales processes with Liberty Life
- Co-operation levels outside South Africa gaining traction
- Holistic wealth model in design stage with Liberty Life
- SBFC responsible for a 28% increase in risk premiums and investment capital channelled into the group
- Embedded product volumes increased by 21%

42

Outlook for Personal & Business Banking - South Africa



- Interest rate outlook will continue to dampen consumer and SMME credit demand
- Volume and asset growth rates likely to moderate
- Continued focus on risk management and collections
- Focus on sensible cost management without compromising business investment
- Well positioned to continue serving transactional requirements of all customers
- Focus on regulatory compliance continues

43

Outlook for Personal & Business Banking - Rest of Africa



- Stronger focus on countries with higher earning potential
- Leverage acquisition in Nigeria
- Replication of proven South African service led sales strategies
- Improve customer service and fine-tune relevant and appropriate product offerings
- Leverage newly launched products to deepen penetration into higher/mid value customer segments
- Continued expansion of channel offerings – mobile banking and business on-line
- Further investment in the physical network

44

Argentina



- Headline earnings attributable to the group R129m in 2007
- People, processes and systems aligned with and integrated into the group
- Significant “overnight” rebranding exercise completed
 - Achieved substantial awareness
- Service led sales strategies implemented in Personal & Business Banking with broader segment focus
- Successful client retention strategies in Corporate Banking resulted in limited deposit run-off
- Newly established Investment Banking team gaining momentum
- Headline earnings of US\$40m expected in 2008
 - Of which 77% will accrue to Standard Bank

45

Corporate & Investment Banking

Ben Kruger



Overview of results



- Execution of our strategy starting to pay dividends
- Good diversification of earnings across all geographies and products
- Cross sell and leveraging of activities globally
- Integration of Nigeria and Turkey well under way
- No direct exposure to subprime, but some adverse effects from a secondary perspective
- Intensified focus on risk and capital management
- Implementation of Basel II

47

Financial highlights



- Headline earnings up 34% to R6 765m
- Credit loss ratio 0.09% (2006: 0.15%)
- ROE 27.3% (2006: 27.7%)
- Cost-to-income ratio 52.6% (2006: 52.6%)

48

Abridged income statement



	Dec 2007 Rm	Change %	Dec 2006 Rm
Net interest income	6 804	33	5 117
Non-interest revenue	12 952	39	9 335
Net fee and commission revenue	4 094	40	2 929
Trading revenue	7 423	50	4 945
Other revenue	1 435	(2)	1 461
Total income	19 756	37	14 452
Credit impairment charges	250	(25)	335
Operating expenses	10 494	37	7 642
Net income	9 012	39	6 475
Normalised headline earnings	6 765	34	5 033

49

Operating expenses

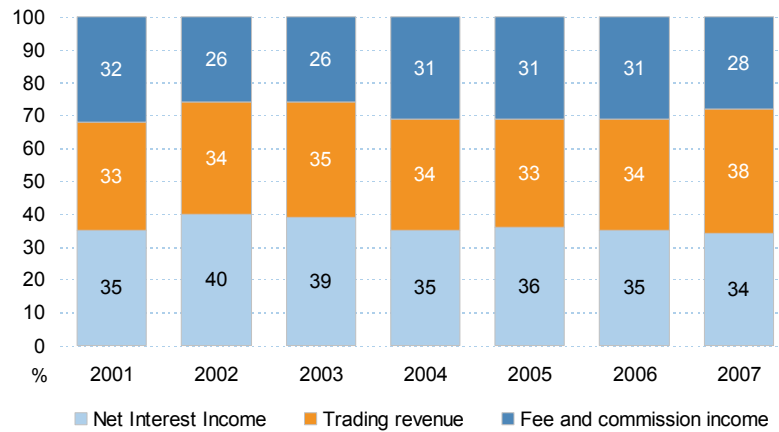


	Dec 2007 Rm	Change %
Operating expenses	10 494	37
Staff costs	6 739	42
Other operating expenses	3 755	29

- Staff cost increase due to higher incentive based remuneration, hiring of high calibre key staff and acquisitions
- Other operating expense growth largely attributable to higher levels of business activity and continued expansion
- Higher IT and infrastructure spend due to roll-out of key platforms in Africa and Outside Africa
- Implementation of Basel II

50

Income contribution



51

Divisional contribution



	Total income			Headline earnings		
	Dec 2007 Rm	Change %	Dec 2006 Rm	Dec 2007 Rm	Change %	Dec 2006 Rm
Banking and Trade Finance	7 870	27	6 217	2 618	31	1 996
Investment Banking	3 413	26	2 717	1 630	6	1 540
Global Markets	8 473	54	5 518	2 517	68	1 497
Total	19 756	37	14 452	6 765	34	5 033

52

Banking and trade finance



- Income R7.9bn, up 27%, headline earnings R2.6bn, up 31%
- Good growth in term lending and commercial property finance
- Growth in cash management and overnight deposits
- Lower credit impairment charges
- Additional fee revenue from the first time inclusion of Argentina and Nigeria
- Contribution from volume growth in transactional banking offset by pricing pressure

53

Investment banking



- Income R3.4bn, up 26%, headline earnings R1.6bn, up 6% off a high base
- Strong performance from M&A and advisory
- Robust asset financing recorded across geographies
- Project finance franchise growing, notably in mining & resources, infrastructure and telecoms sectors
- Good contribution from private equity and unlisted investment portfolios
- Lower investment gains on the property portfolio
- Expanding the Investment Banking franchise in Africa and Internationally

54

Global markets



- Income R8.5bn, up 54%, headline earnings R2.5bn, up 68%
- Strong result, notwithstanding volatile market conditions
- Excellent performance from debt capital markets, resources, foreign exchange and equity derivatives
- First time inclusion of Argentina and Nigeria
- Higher level of principal account trading profits
- Improved scale and contribution in all businesses outside of South Africa
- Strong team with heightened risk management awareness

55

Current market conditions



- Global Financial Markets
 - Significant subprime and secondary effects still emerging
 - Evaporating liquidity
 - Heightened risk aversion
 - Effective closure of Securitisation Markets
 - Increasing probability that the US economy is sliding into a recession
 - Knock-on effects of US slowdown on Emerging Markets
- South Africa
 - Credit markets weakened sharply since October 2007

56

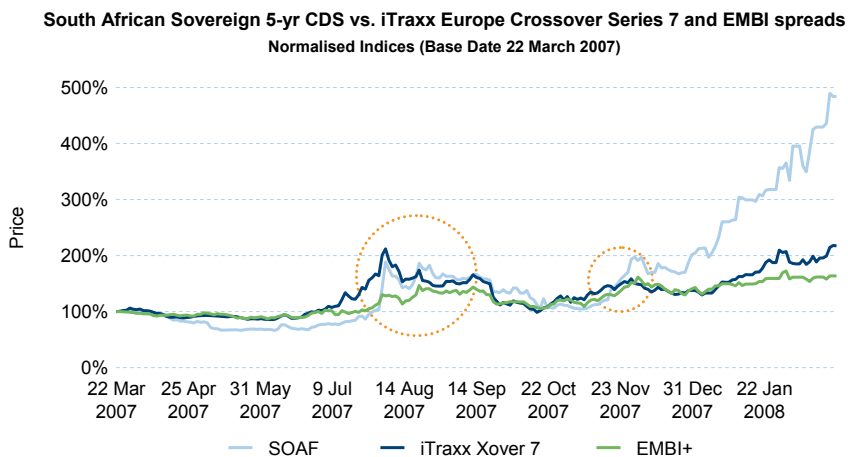
Risk management Interpretation of market events



- Subprime crisis
- Liquidity crunch
- Asset repricing and de-leveraging

57

Risk management Interpretation of market events



58

Risk management Credit quality



- Credit quality of portfolio has improved
- Approval obtained from Regulator for AIRB approach to credit risk
- No direct exposure to sub prime
- Moving to an economic capital credit decision making model

59

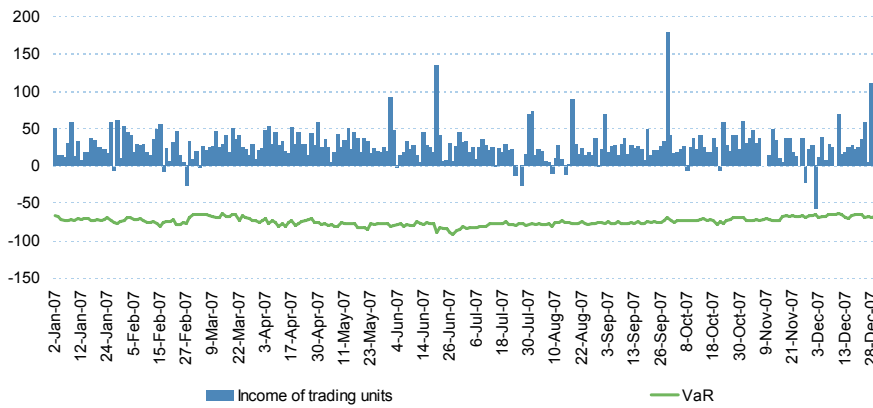
Macro credit hedge



- Implemented Macro Credit Hedge during first half of 2007, targeted at protecting CIB against an anticipated downturn in credit markets
- Countries targeted were those where CIB had the largest exposure concentrations
- Hedge positions were actively managed during 2007 to maintain similar levels of protection during market movements
- Hedge has performed well, providing cover during periods of market turbulence
- Hedge continues to be maintained

60

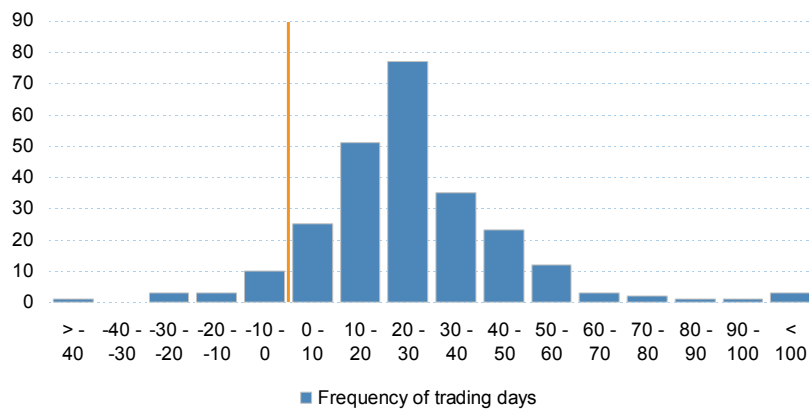
Risk management – Value at Risk / Trading Revenue



Income realised on 233 days in trading units

61

Trading Revenue – daily income distribution



■ Frequency of trading days

62

Nigeria update



- Headline earnings R247m (2006: R49m)
- Merger effective 24 September 2007
- Group risk governance framework introduced
- Operations and systems integration completed December 2007
- Staff integration complete, Chris Newson appointed CEO
- Market leading position in Global Markets, Investment Banking and Asset Management
- Optimistic on the potential for Personal & Business Banking
- Good progress to date in very competitive markets, but significant investment required in branch and ATM infrastructure
- Improved position in key priority market
- Headline earnings in excess of \$100m expected in 2008
 - Of which 50.1% will accrue to Standard Bank

63

Outlook



- Continue heightened awareness on risk management and pricing
- Increased focus on cost discipline in demanding revenue environment
- Ongoing development of human capital
- Optimise infrastructure roll-out
- Active capital management
- Maintain earnings momentum with balanced focus on growth opportunities
- Well positioned in terms of asset quality, business mix and deal pipeline facilitating on-going customer focus
- Cautiously optimistic re 2008 subject to market environment

64

Liberty Life

Jacko Maree



Liberty Life



- Liberty Life now owns 100% of Stanlib
- Contribution to headline earnings up 15%
 - 7% of group headline earnings
- Weighted average investment return 14.76% (2006: 33.00%)
- Return on embedded value 19.5% (2006: 22.4%)
- Indexed premiums up 14%

Conclusion

Jacko Maree



2007 – a momentous year



- Weathered global financial market stresses not seen in the last decade
- Finalised acquisitions in the important emerging markets of Nigeria, Argentina and Turkey
- Negotiated and gained necessary approvals for the historic transaction between Standard Bank and ICBC which resulted in
 - valuable strategic position
 - significant injection of tier one capital in a cost effective manner
 - supportive shareholder
- Achieved financial results that exceeded published objectives for headline earnings per share growth and return on equity

68

Post year end



- Global economy
- South African economy and business environment
- Basel II
- ICBC
 - New capital injection is dilutive in the short term but extends our growth horizon in the longer term
 - Strong capital ratios a competitive advantage
 - Business co-operation commences in March 2008

69

Conclusion



- Geographic diversification pays off
- Growth in SA expected to moderate to more “normal” levels from exceptional growth of the past 4 years
- Growth in chosen African countries likely to significantly exceed growth rate in SA, assisted by ICBC business co-operation
- Capital injection allows us to consider further acquisitions in a more “acquisition-friendly” environment

70

