Unaudited interim results and dividend announcement

for the six months ended 30 June 2006

Standard Bank

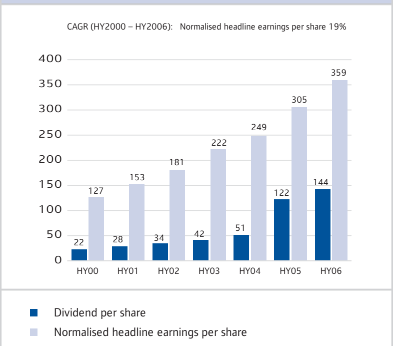
Contents

Inspired. Motivated. Involved.

The group's key financial highlights were:

	IFRS	Normalised
• Headline earnings growth (%)	18	18
• Headline earnings per share growth (%)	17	18
• Headline earnings per share (cents)	384,0	359,0
• Return on equity (%)	26,6	24,2
• Dividend per share growth (%)	18	18
• Dividend per share (cents)	144	144
• Cost-to-income ratio (%)	54,7	54,2
• Credit loss ratio	0,71	0,70

Normalised headline earnings and dividend per share (cents)



Overview of financial results

For the six months ended 30 June 2006, Standard Bank Group increased headline earnings per share by 17% to 384,0 cents per share and posted a return on equity of 26,6%. On a normalised basis headline earnings per share grew 18% and the return on equity was 24,2%. The group's results are prepared in accordance with International Financial Reporting Standards (IFRS). Certain of the accounting conventions under IFRS, in the opinion of the board, distort the results from an economic perspective. The normalised results, more fully discussed in the normalised results section of this announcement, adjust for these anomalies.

From a macroeconomic perspective, global economic growth remained generally strong for the six months under review. However, rising inflation in most of the markets in which the group operates resulted in tighter monetary policies and reduced liquidity. Towards the end of the period investors became more risk averse and selective, with the consequence of widening emerging market risk spreads. The resultant volatility in emerging market currencies also negatively affected equities in these markets.

The South African economy remained buoyant in the first half of 2006 and brisk growth in credit extension continued. Consumer spending remained strong although there are now signs of slower growth, albeit off a high base. Inflationary pressures prompted the South African Reserve Bank to tighten monetary policy with a 50bp increase in interest rates in June and a further 50bp at the beginning of August.

Key factors impacting the results

• Strong revenue growth

Total banking income grew 21% for the period under review, with strong contributions from both net interest income and non-interest revenue, driven by increased customer activity and demand across most businesses.

• Healthy asset growth

Corporate & Investment Banking loans and advances grew by 56%, boosted by balances from interbank trades and the warehousing of surplus liquidity in the market. Excluding these balances, core lending grew by 43%, after several years of subdued growth. International deal flow improved in both trade finance and structured lending while locally, empowerment financing was a very strong driver of asset growth. Personal & Business Banking grew lending assets by a healthy 28% on the back of a 13,4% increase in average property prices for the period and record home loan registration volumes. Sales campaigns in the card business have been successful at targeting all income bands with increasing emphasis on LSM 4 – 8 customers.

• Opportunities arising from volatile financial and commodity markets

Revenues were positively impacted by volatility in foreign exchange and commodities markets and, to a lesser extent, negatively impacted in equity derivative trading. Investment Management & Life Insurance benefited from strong equity markets for most of the period. Despite the increased volatility in emerging markets, no material trading losses were incurred.

• Credit impairment charges increase

As expected, the low level of credit losses of 2005 did not continue into 2006. The return to a more normal credit loss experience in Corporate & Investment Banking contrasts adversely with the substantial credit recoveries made in the comparative period. Personal & Business Banking's credit loss ratio increased to 1,02% for the period under review, from 0,85% in 2005.

• Reliance on wholesale priced funding continues

Retail priced customer deposits continue to grow at a slower pace than consumer lending, resulting in an increasing reliance on more expensive wholesale funding. This has continued to place pressure on margins.

• Continued investment in operations outside of South Africa

The group continues to scale up its operations outside of South Africa, investing in talent and infrastructure which has the immediate effect of increasing costs. The proposed acquisition of BankBoston Argentina remains subject to regulatory approvals. The group is actively investigating further opportunities to expand its activities in West Africa and in July 2006 an office was opened in Angola to take advantage of corporate banking opportunities offered by that market.

Income statement analysis

Net interest income

Net interest income grew 24% (normalised: 23%) mainly in Personal & Business Banking (19%) and in Corporate & Investment Banking (27%).

The group margin reflects a 17bp decline for the six months due to proportionately faster growth in lower margin corporate assets, a R20 billion increase in low margin surplus liquidity assets (a reservoir of liquidity to meet internal liquidity risk standards implemented during the second half of the prior year), and the increased reliance on wholesale funding.

Non-interest revenue

Non-interest revenue grew 20%, comprising 16% growth in fee and commission revenue, 20% in trading revenue and 44% in other revenue sources.

Personal & Business Banking increased fee and commission revenue by 17%. Card-based fees grew 24% as cardholder and merchant turnover volumes rose by 29% and approximately 475 000 new accounts were acquired since year end. Despite low price increases, transaction fees from branches and other points of representation were up 12% as business volumes increased off a higher current account base. An increased number of Internet banking subscribers resulted in 51% growth in online transactions. This, together with higher volume ATM cash withdrawals, increased electronic banking fees by 17%. Corporate & Investment Banking fees increased by 15% as volume growth benefited banking transaction and foreign currency fees. Knowledge-based fees grew by 19%, with increased advisory activity and increased revenue from brokerage fees due to higher trading volumes by clients.

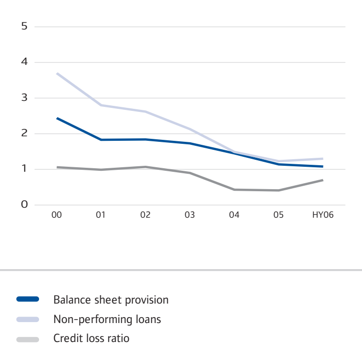
Commodity trading revenue more than doubled due to increased customer flows. These were spurred by a rising and more volatile commodity market driven by high demand, supply concerns and speculative and hedging activities. Trading revenue in debt securities was lower as liquidity in emerging markets reduced. Foreign exchange trading grew by 14% as rand volatility boosted trading volumes and market share was gained outside of South Africa. Equity trading income was lower due to the non-recurrence of 2005 fair value gains on unlisted equities and the equity derivative trading book being negatively affected by May's weakening in equity markets. Trading revenue from international sources increased by 35% mainly due to commodities.

Growth in other revenue is attributable to an improved underwriting performance in short-term insurance together with increased momentum in income from bancassurance activities. Included in other revenue is a R157 million profit realised on the sale of shares in MasterCard in which 59% of the MasterCard shares owned by the group were sold as part of MasterCard's initial public offering. As this investment is classified as an investment in banking infrastructure and consequently accounted for as an available-for-sale asset, the realised gain is excluded from headline earnings while the remaining unrealised portion of the investment is accounted for at fair value. The unrealised gain applicable to this portion at 30 June 2006 of R173 million was accounted for directly in equity, bringing the total return for the period to R330 million.

Credit impairment charges

Credit impairment charges rose 104% off a low base, with the group's credit loss ratio increasing from 0,45% to 0,70% on a normalised basis. This was mainly as a result of strong growth in lending books and the non-recurrence of prior year corporate recoveries. In Personal & Business Banking the credit loss ratio increased from 0,85% to 1,02%. As anticipated, credit losses in card debtors increased significantly in line with the higher revolving credit portion of the card book, while losses in instalment finance resulted mainly from non-performing finance leases in the transport industry. Additional portfolio provisions based on the potential implications of the

Normalised credit loss history (as a percentage of gross loans and advances) (%)

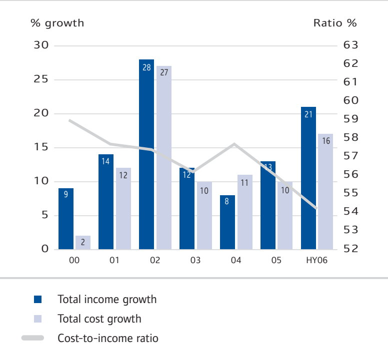


National Credit Act and a higher interest rate environment are included in the performing loans charge. The credit loss ratio in Corporate & Investment Banking swung from a 2005 release of 0,16% through substantial recoveries of impaired loans, to a charge of 0,26%. The current year charge relates mainly to two mining and resource clients having difficulty in meeting commodity delivery schedules, impacting their ability to service debt and hedging commitments. Total non-performing loans increased by 20% but reduced as a percentage of the lending book from 1,5% to 1,3%.

Operating expenses

Operating expenses in the group's banking operations increased by 16% with staff costs up 14% and other operating expenses up 20%. With total income growth of 21% exceeding cost growth across the group's businesses, the group's normalised cost-to-income ratio improved from 56,4% to 54,2%.

Normalised cost and income growth (%)



Staff cost growth was influenced by a number of factors. These included planned increased headcount in growth areas outside Africa, higher incentive provisions in line with a planned move to increase the proportion of performance-related remuneration, annual staff increases, as well as greater need for temporary staff due to increased business volumes and compliance requirements, and the phase-in of share option costs in terms of IFRS2.

Growth in other operating expenses resulted from increased business volumes, escalating premises rentals, and costs relating to repositioning the group brand. Higher IT fees resulted from human resource related systems and trading system implementations and the growth in software, maintenance and licence expenses. Expenses were also increased by professional fees related to the group's preparation for Basel II and the National Credit Act.

Business units

As detailed in the annual report and previous announcements, the group's business units have been segmented in 2005 along business lines which are no longer defined by geography and clearly reflect executive responsibility and reporting lines.

Personal & Business Banking comprises 43% (June 2005: 41%) of the group's headline earnings and grew its earnings by 24%. South Africa was the main source of earnings growth in this segment. Robust growth was posted across most consumer lending products offsetting the impact of tighter margins. An increase in credit losses was experienced with the most noticeable increase in card debtors. Buoyant economic activity boosted transactional fee income despite low fee increases. Income from short-term insurance and bancassurance activities showed strong growth. Income from associates and joint ventures increased significantly, mainly as a result of strong performances from the African Bank (ABIL) joint venture, the recently acquired investment in RCS Investment Holdings and the investment in SA Home Loans.

Given the substantial growth potential in the mass market, we believe that direct access to this segment is vital. To this end it was announced that the ABIL joint venture will be terminated, allowing Standard Bank to more independently drive its mass market strategy. Competitive pressures in retail banking in South Africa continue to intensify and a number of factors have had a dampening effect on short-term profitability. The proportion of new home loan business from external originators increased, pushing up acquisition costs.

Corporate & Investment Banking, comprising 45% (June 2005: 46%) of the group's earnings, grew its earnings by 17%. The global markets division benefited from a good trading performance, underpinned by the run in base and precious metal markets coupled with increased volatility in foreign exchange markets. This was partially offset late in the reporting period by higher volatility in debt and equity markets, which reduced overall trading income.

Increased deal flow in cross-border repurchase trades, structured lending transactions, clearing facilities and property loans benefited banking and trade finance. Fee income was boosted by increased transaction volumes in electronic banking, trade finance and custody. As mentioned above, credit impairments reverted from recoveries in 2005 to a charge in 2006. Investment banking achieved strong earnings growth by increasing project and structured finance lending balances and fees. Realisations of property investments contributed to income growth but were partially offset by adverse fair value adjustments on the listed property portfolio towards the end of the period.

Investment Management & Life Insurance contributed 7% (June 2005: 7%) to the group's headline earnings and grew its earnings by 20%. Notwithstanding a difficult operating environment, and a slow down in new premium growth, Liberty Life recorded good financial results for the period. Return on embedded value improved from 16,3% to 18,3%. The results were positively impacted by strong investment market performance, higher average asset levels earning higher management fees and better risk experience.

Balance sheet analysis

The group's banking assets increased by 34%. This included growth in Personal & Business Banking of 27% and Corporate & Investment Banking of 39%.

Personal & Business Banking's mortgage loan book increased 31% buoyed by strong volumes and client demand which saw record registrations of new mortgages in South Africa towards the end of the period. The instalment finance book was up 17% on June 2005 (10% on December 2005). Growth in instalment finance lending slowed as a result of early settlements and low growth mainly in non-motor new business transaction volumes. The focus on card growth generated a 44% increase in card debtors. This growth was driven by an increase in new accounts, a higher level of revolving facilities and increased consumer spending.

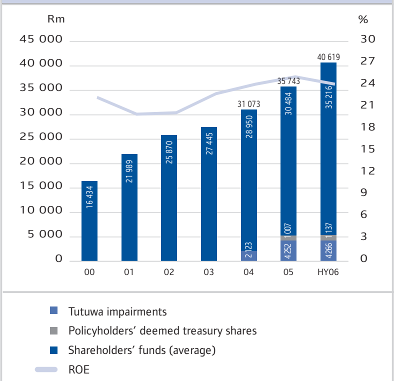
The group's South African market share in mortgage lending and instalment finance at June 2006 decreased to 25,1% (June 2005: 26,6%) and 20,5% (June 2005: 22,1%) respectively. These declines were partly due to some R10 billion of securitisation transactions as part of the bank's funding strategy. Market share in credit card debtors increased to 35,9% (June 2005: 34,0%).

A 56% loan growth in Corporate & Investment Banking arose across all lending categories. Fully collateralised lending, which requires minimal capital usage, has increased significantly as a result of new product offerings and increased customer demand. The provision of dollar liquidity on a collateralised basis to emerging market counterparties and commodity related variation margins has also increased significantly. Term lending increased by 55% assisted by the conclusion of a number of large corporate transactions in South Africa. Strong growth also occurred in trade and specialised finance lending. The group's global markets business benefited from cross-border repurchase trades, structured lending transactions and higher clearing facilities.

The group's ordinary shareholders' equity grew year-on-year by 23% on a normalised basis. This growth resulted from earnings retained after dividends and a R2,1 billion increase in the foreign currency translation reserve.

The group utilised R102 million to buy back 1,3 million shares and issued 7,6 million shares to settle share-option obligations. The group issued bonds qualifying as Tier II banking capital to the value of R3 billion.

Normalised return on ordinary equity



Dividends

The group's stated policy is a dividend cover ratio for both interim and year-end dividends of 2,5 times covered by normalised headline earnings. This policy is subject to annual review and may be adjusted for the purposes of growing the business, acquisition activity, the impact of Basel II or changes in reported earnings resulting from applying fair value principles.

Based on an unchanged cover ratio of 2,5 times, a dividend of 144 cents per share (June 2005: 122 cents) was declared for the six-month period, 18% higher than the comparative prior period.

Financial Sector Charter progress

The group provided an audited Financial Sector Charter scorecard in the Sustainability and BEE Report as at 31 December 2005. This report was the first of its kind from Standard Bank and conveys key outcomes achieved by the bank towards fulfilling charter responsibilities and is available on www.standardbank.co.za.

Highlights of improvements made subsequent to this date are: financing for empowerment transactions increased by 33% to R10 billion; procurement from approved vendors increased to 47% (December 2005: 38%) of total procurement; employment equity improved with the percentage of black managers increasing across all bands, black managers approaching an average of 40% of total management across all categories at June 2006 (December 2005: 37%).

As recently announced in the press, Standard Bank has made good progress in identifying the SMEs that will become beneficiaries in the Tutuwa Community Trust. Of the total of 250 SMEs, 172 have been identified and the process has been extended to 31 October 2006 when it will be finalised.

Prospects

Globally, economic growth may decelerate as geo-political tensions escalate and higher interest rates and energy costs dampen growth expectations. Increased volatility and decreased risk appetite among investors could further impact emerging markets, resulting in upward pressure on inflation and interest rates. In South Africa, further increases in interest rates may entrench lower growth in consumer spending. Despite this, domestic GDP growth is expected to remain healthy.

In this environment, lending growth in Personal & Business Banking is set to slow down off its high base. Higher interest rates should benefit interest margins. This will be offset to some degree by an anticipated increase in credit losses which historically have followed any increase in interest rates.

Corporate & Investment Banking is expected to benefit from growth in South African infrastructural and empowerment financing and an increase in corporate credit demand. The absence of substantial credit recoveries compared to previous periods should result in an increased credit loss ratio for the full year. Trading activities should continue to enjoy increased client flow from the commodity and foreign exchange markets.

In Investment Management & Life Insurance, investment markets have continued to deliver higher than expected investment returns, but recent volatility is causing some uncertainty around future returns.

The group's growth prospects continue to be underpinned by its diverse portfolio. Although headline earnings growth may be slower in the second half, we believe that our principal financial objectives for 2006, as previously published, of a normalised return on equity of 24,0%, and normalised headline earnings per share growth of South African inflation (CPIX) plus 10 percentage points remain achievable.

Jacko Maree *Chief executive*
Derek Cooper *Chairman*

Johannesburg
15 August 2006

Declaration of dividends

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

- Ordinary dividend No. 74 of 144 cents per ordinary share (share codes: SBK and SNB, ISIN: ZAE000057378), payable on Monday, 18 September 2006, to ordinary shareholders recorded in the books of the company at the close of business on the record date, Friday, 15 September 2006. The last day to trade to participate in the dividend is Friday, 8 September 2006. Ordinary shares will commence trading ex-dividend from Monday, 11 September 2006;
- 6,5% first cumulative preference shares (first preference shares) dividend No. 74 of 3,25 cents per first preference share (share code: SBKP, ISIN: ZAE000038881), payable on Monday, 11 September 2006, to holders of first preference shares recorded in the books of the company at the close of business on the record date, Friday, 8 September 2006. The last day to trade to participate in the dividend is Friday, 1 September 2006. First preference shares will commence trading ex-dividend from Monday, 4 September 2006; and
- Non-redeemable, non-cumulative, non-participating preference shares (second preference shares) dividend No. 4 of 366,12 cents per second preference share (share code: SBPP, ISIN: ZAE000056339), payable on Monday, 11 September 2006, to holders of second preference shares recorded in the books of the company at the close of business on the record date, Friday, 8 September 2006. The last day to trade to participate in the dividend is Friday, 1 September 2006. Second preference shares will commence trading ex-dividend from Monday, 4 September 2006.

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

	Ordinary shares	**6,5% 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	ZAE000057378	ZAE000038881	ZAE000056339
Namibian Stock Exchange (NSX)			
Share code	SNB		
ISIN	ZAE000057378		
Dividend number	74	74	4
Dividend per share (cents)	144	3,25	366,12
Dividend payment dates			
Last day to trade "CUM" dividend	Friday 8 September 2006	Friday 1 September 2006	Friday 1 September 2006
Shares trade "EX" dividend	Monday 11 September 2006	Monday 4 September 2006	Monday 4 September 2006
Record date	Friday 15 September 2006	Friday 8 September 2006	Friday 8 September 2006
Payment date	Monday 18 September 2006	Monday 11 September 2006	Monday 11 September 2006

Ordinary share certificates may not be dematerialised or rematerialised between Monday, 11 September 2006 and Friday, 15 September 2006, both days inclusive.

Preference share certificates (first and second) may not be dematerialised or rematerialised between Monday, 4 September 2006 and Friday, 8 September 2006, both days inclusive.

Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on payment date. In the absence of specific mandates, dividend cheques will be posted to shareholders. Preference shareholders who have dematerialised their share certificates will have their accounts at their CSDP or broker credited on Monday, 11 September 2006. Ordinary shareholders who have dematerialised their share certificates will have their accounts at their CSDP or broker credited on Monday, 18 September 2006.

On behalf of the board

Loren Wulfsohn
Group secretary

Unaudited normalised results

Normalised results have been adjusted for the following required accounting conventions that do not reflect the underlying economic substance of transactions:

Black Economic Empowerment Ownership (Tutuwa) initiative

In terms of the accounting treatment of the Tutuwa initiative concluded in October 2004, preference share funding to the empowerment participants by the group is not recognised as an asset but deducted from equity. Income legally accrued on these preference shares is therefore not reflected in income. Perpetual preference share capital raised to fund the transaction is classified as equity and thus dividends are only accounted for when declared. The ordinary shares delivered to the Tutuwa participants, although legally effected, are deemed to be treasury shares for accounting purposes until eventual redemption or refinancing of the preference share funding. The "normalised" calculation adjusts results for preference dividends receivable but not included in income and reverses the elimination of preference shares against equity. Dividends declared on perpetual preference shares are adjusted to an accrual basis. In addition, in calculating normalised headline earnings per share, the number of shares held by the Tutuwa participants is added back to the weighted number of shares in issue.

Group companies' shares held for the benefit of policyholders

Group companies' shares held by Liberty Life are invested for the risk and reward of its policyholders, not its shareholders, and consequently the group's shareholders are exposed to an insignificant portion of the fair value changes on these shares. In terms of IFRS, with effect from January 2005, Standard Bank and Liberty Holdings shares held by Liberty Life on behalf of policyholders are deemed to be treasury shares and the investment in these shares is accordingly set off against equity in the group's financial statements. The cost price of these shares is eliminated against ordinary shareholders' funds and minority interests on consolidation. Fair value movements are eliminated from the income statement and dividends received are eliminated against dividends paid without a corresponding elimination in policyholders' liabilities resulting in a mismatch in the group's income statement. The elimination is attributable to Standard Bank ordinary shareholders to the extent of the effective holding in Liberty Life (approximately 30%).

The weighted average number of shares in issue for earnings per share is calculated by deducting the full number of group shares held (100%), as the accounting standard IAS 33: Earnings per share, does not contemplate minority portions of treasury shares. This treatment exaggerates the reduction in the weighted number of shares used for per share calculations.

For purposes of calculating the normalised numbers and ratios, the adjustments described above are reversed and the group shares held are treated as assets invested on behalf of policyholders. The result of these adjustments is as follows:

Normalised headline earnings

	Weighted average number of shares '000	Headline earnings Rm	Growth on 30 June 2005 %
Disclosed in terms of IFRS	1 211 650	4 653	18
Tutuwa initiative	99 190	186	
Group shares held for the benefit of policyholders	45 362	30	
Normalised for Tutuwa initiative and group shares held for the benefit of policyholders	1 356 202	4 869	18

Normalised financial statistics
for the six months ended

	% change	June 2006	June 2005	December 2005
Standard Bank Group				
Number of ordinary shares in issue (000's)				
– weighted average		**1 356 202**	1 353 703	1 353 382
– fully diluted weighted average		**1 379 172**	1 373 708	1 377 085
Cents per ordinary share				
Headline earnings	18	**359,0**	304,8	666,0
Fully diluted headline earnings	18	**353,0**	300,4	654,5
Dividends	18	**144,0**	122,0	267,0
Earnings	27	**377,6**	298,1	663,6
Fully diluted earnings	26	**371,3**	293,8	652,2
Net asset value	22	**3 231**	2 644	2 830
Financial performance (%)				
ROE		**24,2**	23,7	25,2
Net interest margin		**2,75**	2,92	2,97
Credit loss ratio		**0,70**	0,45	0,40
Cost-to-income ratio		**54,2**	56,4	56,0

Normalised headline earnings contribution by business unit
for the six months ended

Rm	% change	June 2006	June 2005	December 2005
Personal & Business Banking	24	**2 086**	1 683	3 990
Corporate & Investment Banking	17	**2 210**	1 896	4 050
Central and other	(10)	**243**	271	353
Central and other – IFRS	(30)	**70**	100	8
Tutuwa adjustments	1	**173**	171	345
Banking activities	18	**4 539**	3 850	8 393
Investment Management & Life Insurance	20	**330**	276	620
Investment Management & Life Insurance – IFRS	10	**287**	262	416
Policyholders' deemed treasury shares and Tutuwa adjustment	>100	**43**	14	204
Standard Bank Group	18	**4 869**	4 126	9 013

Consolidated income statement for the six months ended 30 June 2006

Rm	% change	June 2006 Unaudited	June 2005 Unaudited	December 2005 Audited
Income from banking activities	22	**16 512**	13 589	28 943
Net interest income	24	**7 464**	6 023	13 015
Interest income	22	**22 094**	18 088	38 625
Interest expense	21	**14 630**	12 065	25 610
Non-interest revenue	20	**9 048**	7 566	15 928
Income from investment management and life insurance activities	18	**24 084**	20 373	52 332
Total income	20	**40 596**	33 962	81 275
Credit impairment charges	>100	**1 300**	638	1 207
Benefits due to policyholders	29	**18 747**	14 574	41 004
Income after credit impairment charges and policyholders' benefits	10	**20 549**	18 750	39 064
Operating expenses in banking activities	16	**9 039**	7 759	16 403
Operating expenses in investment management and life insurance activities	(28)	**2 777**	3 846	7 797
Net income before goodwill	22	**8 733**	7 145	14 864
Goodwill impairment	(99)	**4**	415	421
Net income before associates and joint ventures	30	**8 729**	6 730	14 443
Income from associates and joint ventures	75	**103**	59	226
Net income before indirect taxation	30	**8 832**	6 789	14 669
Indirect taxation	14	**436**	383	778
Profit before direct taxation	31	**8 396**	6 406	13 891
Direct taxation	20	**2 377**	1 977	4 312
Profit for the period	36	**6 019**	4 429	9 579
Attributable to minorities	>100	**1 002**	464	921
Attributable to preference shareholders	(2)	**112**	114	226
Attributable to ordinary shareholders	27	**4 905**	3 851	8 432

Headline earnings for the six months ended 30 June 2006

Rm	% change	June 2006 Unaudited	June 2005 Unaudited	December 2005 Audited
Group profit attributable to ordinary shareholders	27	**4 905**	3 851	8 432
Headline earnings adjustable items added back or reversed[1]		**(532)**	369	293
Goodwill impairment		**4**	415	421
Profit on sale of properties and equipment		**(1)**	(46)	(64)
Gains on disposal of businesses and divisions		**(378)**	–	–
Recycled investment gains on available-for-sale assets		**(157)**	–	(64)
Taxation on headline earnings adjustable items		**21**	1	20
Minority share of headline earnings adjustable items		**259**	(280)	(281)
Headline earnings	18	**4 653**	3 941	8 464

[1]These headline earnings adjustable items have been included in the calculation of normalised headline earnings disclosed on page 8.

Segment report for the six months ended 30 June 2006

Headline earnings contribution by business unit

Rm	% change	June 2006 Unaudited	June 2005 Unaudited	December 2005 Audited
Personal & Business Banking	24	**2 086**	1 683	3 990
Corporate & Investment Banking	17	**2 210**	1 896	4 050
Central and other	(30)	**70**	100	8
Banking activities	19	**4 366**	3 679	8 048
Investment Management & Life Insurance	10	**287**	262	416
Standard Bank Group	18	**4 653**	3 941	8 464

Financial statistics for the six months ended 30 June 2006

	% change	June 2006 Unaudited	June 2005 Unaudited	December 2005 Audited
Standard Bank Group				
Number of ordinary shares in issue (000's)				
– weighted average		**1 211 650**	1 203 775	1 205 169
– fully diluted weighted average		**1 279 620**	1 254 125	1 261 527
Cents per ordinary share				
Headline earnings	17	**384,0**	327,4	702,3
Fully diluted headline earnings	16	**363,6**	314,2	670,9
Dividends	18	**144,0**	122,0	267,0
Earnings	27	**404,8**	319,9	699,7
Fully diluted earnings	25	**383,3**	307,1	668,4
Net asset value	25	**3 176**	2 534	2 729
Financial performance (%)				
ROE		**26,6**	26,7	27,8
Net interest margin		**2,71**	2,86	2,92
Credit loss ratio		**0,71**	0,45	0,40
Cost-to-income ratio		**54,7**	57,1	56,7
Capital adequacy (%)				
Capital ratio				
– primary capital		**10,6**	10,8	10,5
– total capital		**14,7**	15,0	14,2

Consolidated balance sheet as at 30 June 2006

Rm	% change	June 2006 Unaudited	June 2005 Unaudited	December 2005 Audited
Assets				
Cash and balances with banks	37	**84 139**	61 343	71 106
Short-term negotiable securities	26	**30 381**	24 081	25 931
Derivative assets	16	**120 021**	103 434	100 188
Trading assets	98	**66 083**	33 374	38 431
Investments	20	**172 931**	144 619	159 147
Loans and advances	38	**411 416**	297 529	338 729
Current and deferred taxation	(26)	**1 018**	1 381	990
Other assets	14	**32 080**	28 221	13 186
Disposal groups held for sale		**–**	–	2 380
Interest in associates and joint ventures	44	**6 047**	4 195	4 985
Goodwill and other intangible assets	(3)	**2 537**	2 619	2 453
Property and equipment	14	**4 658**	4 089	4 581
Total assets	32	**931 311**	704 885	762 107
Equity and liabilities				
Equity	22	**48 791**	39 861	41 692
Equity attributable to ordinary shareholders	27	**38 593**	30 473	32 931
Preference share capital and premium	50	**4 489**	2 991	2 991
Minority interest	(11)	**5 709**	6 397	5 770
Liabilities	33	**882 520**	665 024	720 415
Derivative liabilities	12	**120 494**	107 125	103 482
Trading liabilities	94	**43 538**	22 474	21 462
Deposit and current accounts	33	**498 994**	374 063	412 309
Current and deferred taxation	17	**6 737**	5 768	6 926
Other liabilities	>100	**46 445**	21 333	21 490
Disposal groups held for sale		**–**	–	1 267
Policyholders' liabilities	22	**150 282**	123 081	140 835
Subordinated bonds	43	**16 030**	11 180	12 644
Total equity and liabilities	32	**931 311**	704 885	762 107

Statement of changes in shareholders' funds for the six months ended 30 June 2006

Rm	Ordinary shareholders' funds Audited	Preference share capital and premium Audited	Minority interest Audited	Total equity Audited
Balance at 1 January 2005	28 163	2 991	3 722	34 876
Consolidation of minority property partnerships			2 449	2 449
Restated balance at 1 January 2005	28 163	2 991	6 171	37 325
Profit for the year	8 432	226	921	9 579
Net dividends paid	(3 747)	(226)	(637)	(4 610)
Net translation gain and hedging	397		(21)	376
Issue of share capital and share premium	246		71	317
Share buy-backs	(677)			(677)
Other reserve movements	117		(735)	(618)
Balance at 31 December 2005	32 931	2 991	5 770	41 692
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
Balance at 1 January 2006	**32 931**	**2 991**	**5 770**	**41 692**
Profit for the period	**4 905**	**112**	**1 002**	**6 019**
Net dividends paid	**(1 769)**	**(112)**	**(541)**	**(2 422)**
Net translation gain and hedging	**2 062**		**25**	**2 087**
Issue of share capital and share premium	**203**	**1 500**	**36**	**1 739**
Share buy-backs	**(102)**			**(102)**
Other reserve movements	**363**	**(2)**	**(583)**	**(222)**
Balance at 30 June 2006	**38 593**	**4 489**	**5 709**	**48 791**

Consolidated cash flow information for the six months ended 30 June 2006

Rm	**June 2006 Unaudited**	June 2005 Unaudited	December 2005 Audited
Net cash from operating activities	**10 189**	8 516	19 261
Net cash from operating funds	**3 581**	17 678	23 767
Net cash used in investing activities	**(2 702)**	(4 237)	(5 471)
Net cash from/(used in) financing activities	**1 744**	(1 548)	(2 054)

Contingent liabilities and capital commitments as at 30 June 2006

Rm	**June 2006 Unaudited**	June 2005 Unaudited	December 2005 Audited
Contingent liabilities			
Letters of credit	**7 644**	5 107	5 398
Guarantees	**21 290**	18 309	16 309
Irrevocable unutilised facilities	**37 064**	23 698	26 417
	65 998	47 114	48 124
Capital commitments			
Contracted capital expenditure	**484**	384	552
Capital expenditure authorised but not yet contracted	**833**	556	876
	1 317	940	1 428

Accounting policies

The consolidated financial statements are prepared in accordance with, and comply with International Financial Reporting Standards (IFRS) and the South African Companies Act of 1973. The consolidated financial statements are prepared in accordance with the going concern principle under the historical cost basis as modified by the revaluation of financial instruments classified as available-for-sale, financial assets and liabilities held at fair value through profit and loss, investment properties and derivative instruments. The accounting policies are consistent with those adopted in the previous year except for the adoption of accounting standards and interpretations issued with effective date of 1 January 2006. The adoption of these standards and interpretations has not had a material effect on the results, nor has it required any restatements of the results.

Since the previous results announcement, the group reclassified certain asset and liability balances to more appropriate classifications resulting in changes to individual asset and liability line items. In addition, Stanlib, the group's asset management operation, has been reclassified from banking activities to insurance activities to reflect the revised operating structure of the group. This reclassification impacted certain individual banking and insurance income statement line items. In addition, minority interests in unincorporated property partnerships have been consolidated and the opening balance of minority interest restated accordingly. These reallocations did not impact profit or equity attributable to ordinary shareholders of the group.

The interim results have not been audited.

Board of directors

DE Cooper (Chairman), JH Maree* (Chief executive), DDB Band, E Bradley, TS Gcabashe, DA Hawton, SE Jonah KBE §, Sir Paul Judge#, SJ Macozoma, RP Menell, Adv KD Moroka, AC Nissen, MC Ramaphosa, Dr MA Ramphele, MJD Ruck, MJ Shaw, Sir Robert Smith#

**Executive director*

§Ghanaian

#British

Group secretary

L Wulfsohn

Standard Bank Group Limited

(Incorporated in the Republic of South Africa)
(Registered bank controlling company)
(Reg No 1969/017128/06)
Share code: SBK · ISIN: ZAE000057378

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PO Box 61051, Marshalltown, Johannesburg 2107

Namibia

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We are passionate and positive about what we do.

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