

**BALANCE SHEET UNDER PILLAR 3/REGULATORY CONSOLIDATION – NEDBANK GROUP**

Rm	Group 2016	Pillar 3 2016	Basel III capital components	Ref <sup>1</sup>
<b>Assets</b>				
Cash and cash equivalents	26 384	26 171		
Other short-term securities	84 679	83 801		
Derivative financial instruments	17 633	17 633		
Government and other securities	51 048	51 036		
Loans and advances	707 077	715 060		
Total expected loss			13 164	i
Other assets	14 077	13 325		
Current taxation assets	574	217		
Investment securities	14 225	2 447		
Non-current assets held for sale	287	100		
Investments in private-equity associates, associate companies and joint arrangements	6 567	6 567		
Investments in financial entities above the 10% CET1 threshold			514	o
Investments in own shares				p
Deferred taxation assets	494	350		
of which:				
amounts arising from carry forwards of unused tax losses, unused tax credits and all other relevant amounts, net of the pro rata share of any deferred tax liabilities			69	g
amounts arising from temporary differences, net of the pro rata share of any deferred tax liabilities			371	h
Investment property	22	22		
Property and equipment	8 969	8 966		
Long-term employee benefit assets	5 203	5 203		
For every separate defined benefit pension scheme which gives rise to a net asset on the balance sheet			3 291	k
Mandatory reserve deposits with central banks	18 700	18 700		
Intangible assets	10 083	10 089		
Total gross value of goodwill			5 199	e
Total gross value of all relevant intangible assets			4 884	f
<b>Total assets</b>	<b>966 022</b>	<b>959 687</b>		
<b>Equity and liabilities</b>				
Ordinary share capital	478	461		
Ordinary share premium	18 043	17 920		
Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus			18 521	a
Reserves	57 212	54 870		
Retained earnings			49 720	b
Accumulated other comprehensive income (and other reserves)			2 771	b
<b>Total equity attributable to equity holders of the parent</b>	<b>75 733</b>	<b>73 251</b>		
Non-controlling interest attributable to:				
– Ordinary shareholders	756	756		
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)			675	c
National specific regulatory adjustments (minority interest CET1 adjustment)			(35)	c
Additional tier 1 instruments of which:				
– preference shareholders	3 222	3 222	3 188	d
– classified as equity in terms of Financial Reporting Standards	2 000	2 000	2 000	d
Surplus attributable to minority interest			(809)	d
<b>Total equity</b>	<b>81 711</b>	<b>79 229</b>		
Derivative financial instruments	13 296	13 296		
Gains and Losses due to changes in own credit risk on fair valued liabilities			311	n
Amounts owed to depositors	761 542	777 753		
Provisions and other liabilities	34 667	33 116		
Gross amount of eligible provisions			11 662	j

General allowance for credit Impairments			180	m
Current taxation liabilities	214			
Other liabilities held for sale				
Deferred taxation liabilities	804	769		
Associated deferred tax liability which would be extinguished if the relevant defined pension fund becomes impaired			702	k
Associated deferred tax liability which would be extinguished if the relevant intangible assets becomes impaired or derecognised in terms of relevant Financial Reporting Standards			24	f
Long-term employee benefit liabilities	3 448	3 448		
For every separate defined benefit pension scheme which gives rise to a net asset on the balance sheet			784	k
Investment contract liabilities	15 342			
Insurance contract liabilities	2 922			
Long-term debt instruments	52 076	52 076		
Additional tier 1 instruments of which: classified as liabilities in terms of Financial Reporting Standards			3 188	d
Long-term debt instruments subject to phase out			3 082	l
Long-term debt instruments Basel III			2 000	q
Long-term debt instruments not subject to Basel III minority interest adjustment - directly issued qualifying tier 2 instruments			7 743	l
Surplus attributable to minority interest			(1 272)	r
Grandfathering				l
<b>Total liabilities</b>	<b>884 311</b>	<b>880 458</b>		
<b>Total equity and liabilities</b>	<b>966 022</b>	<b>959 687</b>		

<sup>1</sup> Refer to the table Nedbank Group – composition of capital disclosure for the 12 months ended 31 December 2016 for note references.

**BALANCE SHEET UNDER PILLAR 3/REGULATORY CONSOLIDATION – NEDBANK LIMITED**

	Bank <sup>1,2</sup> 2016	Basel III capital components	Ref <sup>3</sup>
<b>Assets</b>			
Cash and cash equivalents	19 123		
Other short-term securities	67 681		
Derivative financial instruments	17 568		
Government and other securities	51 361		
Loans and advances	642 611		
Total expected loss		13 103	f
Other assets	7 163		
Current taxation assets	403		
Investment securities	1 680		
Non-current assets held for sale	87		
Investments in private-equity associates associate companies and joint arrangements	1 692		
Qualifying instruments held in banks or other regulated institutions		36	i
Investment in own shares			m
Deferred taxation assets	196		
Investment property			
Property and equipment	7 560		
Long-term employee benefit assets	5 042		
For every separate defined benefit pension scheme which gives rise to a net asset on the balance sheet		3 291	h
Mandatory reserve deposits with central banks	17 738		
Intangible assets	4 519		
Total gross value of goodwill		1 410	d
Associated deferred tax liability which would be extinguished if the goodwill becomes impaired or derecognised in terms of relevant Financial Reporting Standards			
Total gross value of all relevant intangible assets		4 519	e
Amounts invested in group companies	38 969		
<b>Total assets</b>	<b>883 393</b>		
<b>Equity and liabilities</b>			
Ordinary share capital	28		
Ordinary share premium	19 193		
Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus		19 221	a
Reserves	41 626		
Retained earnings		38 728	b
Accumulated other comprehensive income (and other reserves)		591	b
Capital requirement in respect of foreign branches		(759)	i
Accumulated losses			i
<b>Total equity attributable to equity holders of the parent</b>	<b>60 847</b>		
Non-controlling interest attributable to:			
- Preference shareholders	3 561	3 188	c
Additional tier 1 instruments of which: classified as equity in terms of Financial Reporting Standards	2 000	2000	c
<b>Total equity</b>	<b>66 408</b>		
Derivative financial instruments	13 207		
Gains and Losses due to changes in own credit risk on fair valued liabilities		311	n
Amounts owed to depositors	699 231		
Provisions and other liabilities	12 401		
Gross amount of eligible provisions		11 566	g
General allowance for credit Impairments		4	l
Current taxation liabilities			

	Bank <sup>1, 2</sup> 2016	Basel III capital components	Ref <sup>3</sup>
Other liabilities held for sale			
Deferred taxation liabilities			
Associated deferred tax liability which would be extinguished if the goodwill becomes impaired or derecognised in terms of relevant Financial Reporting Standards			d
Associated deferred tax liability which would be extinguished if the relevant defined pension fund becomes impaired		702	h
Associated deferred tax liability which would be extinguished if the relevant intangible assets becomes impaired or derecognised in terms of relevant Financial Reporting Standards			e
Long-term employee benefit liabilities	3 326		
For every separate defined benefit pension scheme which gives rise to a net asset on the balance sheet		784	h
Investment contract liabilities			
Insurance contract liabilities			
Amounts due from group companies	39 761		
Long-term debt instruments	49 059		
Long-term debt instruments Basel III		9 743	j
Long-term debt instruments subject to phase out		3 082	k
Grandfathering			k
<b>Total liabilities</b>	<b>816 985</b>		
<b>Total equity and liabilities</b>	<b>883 393</b>		

<sup>1</sup> Note that there is no difference between the Regulatory and IFRS disclosure.

<sup>2</sup> Total SA operations excluding foreign branches [Regulation 18(3) of the regulations relating to banks issued in terms of the Banks Act (Act No. 94 of 1990)].

<sup>3</sup> Refer to the table Nedbank Limited – composition of capital disclosure for the 12 months ended 31 December 2016 for note references.