

Standard Bank Group Limited

Registration No. 1969/017128/06

Incorporated in the Republic of South Africa

JSE share code: SBK

ISIN: ZAE000109815

NSX share code: SNB

NSX share code: SNB ZAE000109815

SBKP ZAE000038881 (First preference shares)

SBPP ZAE000056339 (Second preference shares)

JSE bond codes: SBS, SBK, SBN, SBR, ETN series SSN series and CLN series (all JSE listed bonds issued in terms of The Standard Bank of South Africa Limited's Domestic Medium Term Note Programme and Credit Linked Note Programme)
("Standard Bank Group" or "the group")

Update on the group's performance for the four months to 30 April 2014 and capital adequacy disclosure at 31 March 2014

1. Update on the group's performance for the four months to 30 April 2014

At the annual general meeting to be held later today, group chief executives Sim Tshabalala and Ben Kruger will refer to this update regarding the group's performance for the first four months of 2014 in comparison with the equivalent period for 2013.

Banking activities

Good growth overall has been recorded in total income, with continued improvement in margin largely due to higher endowment benefits from increased domestic interest rates. Higher growth in fees and commissions has been offset to an extent by subdued trading conditions in fixed income, currency and equity markets resulting in steady growth in non-interest income. Credit impairments have increased moderately due mainly to a tougher domestic environment for our customers, but loss ratios remain within expectations. Non-staff cost growth continues to be impacted by the fall in the average value of the rand, but the group's cost-to-income ratio remains broadly in line with the same period in the prior year.

Liberty Holdings Limited ("Liberty")

Shareholders are referred to the Liberty operational update on 23 May 2014 wherein, referring

to the first quarter of 2014, the following comments were included:

“The performance of the group for the three months to 31 March 2014 continues to reflect the benefits of product innovation and effective distribution partnerships. Investment markets were relatively subdued for the quarter resulting in lower earnings from the Shareholder Investment Portfolio compared to the equivalent 2013 period.”

2. Basel III capital adequacy disclosure at 31 March 2014

In terms of the Basel III requirements under Regulation 43(1)(e)(ii) of the regulations relating to banks, minimum disclosure on the capital adequacy of the group is required on a quarterly basis. This announcement is in accordance with the reporting requirement for quarterly disclosure in terms of Pillar 3 of the Basel III capital accord.

Standard Bank Group

SBG remained well capitalised as at 31 March 2014 with a total capital adequacy ratio of 15.6% and tier I capital adequacy ratio of 13.0%, exceeding minimum regulatory requirements.

	March 2014 Rm
Ordinary share capital and premium	18 161
Ordinary shareholders' reserves ¹	110 323
Qualifying common equity tier I non-controlling interest	4 119
Regulatory deductions against common equity tier I capital	(27 122)
Common equity tier 1 capital	105 481
Unappropriated Profit	8 601
Common equity tier 1 capital excluding unappropriated profit	96 880
Perpetual preference shares	4 396
Qualifying tier I non-controlling interest	112
Tier I capital excluding unappropriated profit	101 388
Tier II subordinated debt	20 403
General allowance for credit impairments	1 007
Tier II capital	21 410
Total qualifying capital excluding unappropriated profit	122 798

Total minimum regulatory capital requirement ²	84 398
Credit Risk	53 953
Counterparty credit risk	4 932
Equity Risk	1 577
Market Risk	6 980
Operational Risk	11 640
Other risk	5 316
Capital Adequacy Ratio (excl unappropriated profit)	
Total capital adequacy ratio (%)	14.5
Tier I capital adequacy ratio (%)	12.0
Common equity tier I capital adequacy ratio (%)	11.5
Capital Adequacy Ratio (incl unappropriated profit)	
Total capital adequacy ratio (%)	15.6
Tier I capital adequacy ratio (%)	13.0
Common equity tier I capital adequacy ratio (%)	12.5

Note:

¹ Ordinary shareholders' reserves include unappropriated profits.

² Total minimum capital requirement calculated at 10% is comprised of Pillar 1 at 8% and Pillar 2a at 2% and excludes bank specific add-ons.

The Standard Bank of South Africa Limited and its subsidiaries (“SBSA”)

SBSA remained well capitalised as at 31 March 2014 with a total capital adequacy ratio of 15.6% and tier I capital adequacy ratio of 12.3%, exceeding minimum regulatory requirements.

	March 2014 Rm
Tier I capital ¹	56 428
Tier II capital	16 158
Total qualifying capital	72 586
Unappropriated Profit	3 419
Total minimum regulatory capital requirement ²	48 841
Credit Risk	35 976

Counterparty credit risk	1 629
Equity Risk	1 236
Market Risk	1 596
Operational Risk	6 631
Other risk	1 773

Capital Adequacy Ratio (excl unappropriated profit)	
Total capital adequacy ratio (%)	14.9
Tier I capital adequacy ratio (%)	11.6

Capital Adequacy Ratio (incl unappropriated profit)	
Total capital adequacy ratio (%)	15.6
Tier I capital adequacy ratio (%)	12.3

Note:

¹ Tier I capital excludes unappropriated profits.

² Total minimum capital requirement calculated at 10% is comprised of Pillar 1 at 8% and Pillar 2a at 2% and excludes bank specific add-ons.

The information contained in this announcement has not been reviewed by or reported on by Standard Bank Group's external auditors.

Johannesburg

29 May 2014

Lead sponsor

The Standard Bank of South Africa Limited

Independent sponsor

Deutsche Securities (SA) Proprietary Limited