Standard Bank Group Limited

(Incorporated in the Republic of South Africa)

Registration No. 1969/017128/06

JSE and A2X share code: SBK

NSX share code: SNB

ISIN: ZAE000109815

("Standard Bank Group" or "the group")

Basel III capital adequacy, leverage ratio and liquidity coverage ratio disclosure as at 31 March 2019.

In terms of the requirements under Regulation 43(1)(e)(iii) of the regulations relating to banks and Directive 4/2014, Directive 11/2015 and Directive 1/2018 issued in terms of section 6(6) of the Banks Act (Act No. 94 of 1990), minimum disclosure on the capital adequacy of the group and its leverage ratio is required on a quarterly basis. This disclosure is in accordance with Pillar 3 of the Basel III accord.

Standard Bank Group capital adequacy and leverage ratio

	March 2019 (Rm)	
	Transitional[1]	Fully loaded[2]
Ordinary share capital and premium	17 860	17 860
Ordinary shareholders' reserves[3]	145 680	145 680
Qualifying Common Equity Tier I non-controlling interest	5 909	5 909
Regulatory deductions against Common Equity Tier I capital	(26 267)	(29 651)
Common Equity Tier I capital	**143 182**	**139 798**
Unappropriated profit	(9 552)	(9 552)
Common Equity Tier 1 capital excl. unappropriated profit	**133 630**	**130 246**
Qualifying other equity instruments	7 660	7 660
Qualifying Tier I non-controlling interest	1 223	1 223
Tier I capital excl. unappropriated profit	**142 513**	**139 129**
Qualifying Tier II subordinated debt	16 648	16 648
General allowance for credit impairments	3 324	5 215
Tier II capital	**19 972**	**21 863**
Total regulatory capital excl. unappropriated profit	**162 485**	**160 992**

March 2019 (Rm)

	Transitional[1]	Fully loaded[2]
Credit risk	85 612	85 612
Counterparty credit risk	3 085	3 085
Equity risk in the banking book	584	584
Market risk	8 828	8 828
Operational risk	19 106	19 106
Investments in financial entities	5 796	5 657
Total minimum regulatory capital requirement [4]	**123 011**	**122 872**

	March 2019	
	Transitional[1]	**Fully loaded[2]**
Capital Adequacy Ratio (excl. unappropriated profit)		
Total capital adequacy ratio (%)	15.2	15.2
Tier I capital adequacy ratio (%)	13.4	13.0
Common Equity Tier I capital adequacy ratio (%)	12.5	12.2
Capital Adequacy Ratio (incl. unappropriated profit)		
Total capital adequacy ratio (%)	16.1	16.0
Tier I capital adequacy ratio (%)	14.2	13.9
Common Equity Tier I capital adequacy ratio (%)	13.4	13.1
Leverage ratio		
Tier I capital (excl. unappropriated profit) (Rm)	142 513	139 129
Tier I capital (incl. unappropriated profit) (Rm)	152 065	148 681
Total exposures (Rm)	1 862 636	1 859 324
Leverage ratio (excl. unappropriated profits, %)	7.7	7.5
Leverage ratio (incl. unappropriated profits, %)	8.2	8.0

Note:
[1] Represents IFRS 9 transition impact as allowed by the SARB.
[2] Represents fully loaded Expected Credit Loss (ECL) accounting results (full IFRS 9 impact).
[3] Including unappropriated profits.
[4] Measured at 11.5% in line with Basel III transitional requirements and excludes any bank-specific capital requirements. There is currently no requirement for the countercyclical buffer add-on in South Africa. The impact on the group's countercyclical buffer requirement from other jurisdictions in which the group operates is insignificant (buffer requirement of 0.0207%).

The Standard Bank of South Africa (SBSA) and its subsidiaries capital adequacy and leverage ratio

	March 2019 (Rm)	
	Transitional[1]	Fully loaded[2]
Ordinary share capital and premium	45 248	45 248
Ordinary shareholders' reserves[3]	48 965	48 965
Regulatory deductions against Common Equity Tier I capital	(12 951)	(14 336)
Common Equity Tier I capital	**81 262**	**79 877**
Unappropriated profit	(4 923)	(4 923)
Common Equity Tier 1 capital excl. unappropriated profit	**76 339**	**74 954**
Qualifying other equity instruments	5 462	5 462
Tier I capital excl. unappropriated profit	**81 801**	**80 416**
Qualifying Tier II subordinated debt	15 365	15 365
General allowance for credit impairments	1 378	2 681
Tier II capital	**16 743**	**18 046**
Total regulatory capital excl. unappropriated profit	**98 544**	**98 462**

	March 2019 (Rm)	
	Transitional[1]	Fully loaded[2]
Credit risk	54 471	54 471
Counterparty credit risk	2 755	2 755
Equity risk in the banking book	185	185
Market risk	5 606	5 606
Operational risk	11 241	11 241
Investments in financial entities	1 526	1 526
Total minimum regulatory capital requirement [4]	**75 784**	**75 784**

	March 2019	
	Transitional[1]	Fully loaded[2]
Capital Adequacy Ratio (excl. unappropriated profit)		
Total capital adequacy ratio (%)	15.0	15.0
Tier I capital adequacy ratio (%)	12.4	12.2
Common Equity Tier I capital adequacy ratio (%)	11.6	11.4
Capital Adequacy Ratio (incl. unappropriated profit)		
Total capital adequacy ratio (%)	15.7	15.7
Tier I capital adequacy ratio (%)	13.2	13.0
Common Equity Tier I capital adequacy ratio (%)	12.4	12.1
Leverage ratio		
Tier I capital (excl. unappropriated profit) (Rm)	81 801	80 416
Tier I capital (incl. unappropriated profit) (Rm)	86 724	85 339
Total exposures (Rm)	1 519 572	1 518 187
Leverage ratio (excl. unappropriated profits, %)	5.4	5.3
Leverage ratio (incl. unappropriated profits, %)	5.7	5.6

Note:
[1] Represents IFRS 9 transition impact as allowed by the SARB.
[2] Represents fully loaded ECL accounting results (full IFRS 9 impact).
[3] Excluding unappropriated profits.
[4] Measured at 11.5% in line with Basel III transitional requirements and excludes any bank-specific capital requirements. There is currently no requirement for the countercyclical buffer add-on in South Africa. The impact on the group's countercyclical buffer requirement from other jurisdictions in which the group operates is insignificant (buffer requirement of 0.0164%).

Liquidity Coverage Ratio

In terms of the Basel III requirements in Directive 11/2014 issued in terms of section 6(6) of the Banks Act, (Act No. 94 of 1990), banks are directed to comply with the minimum disclosure on the liquidity coverage ratio (LCR) on both a SBG group consolidated as well as SBSA Solo entity level. This disclosure is in accordance with Pillar 3 of the Basel III liquidity accord.

The LCR is designed to promote short-term resilience of the 30 calendar day liquidity profile, by ensuring that banks have sufficient high quality liquid assets (HQLA) to meet potential outflows in a stressed environment.

	Standard Bank Group Consolidated 31 March 2019 Rm	**The Standard Bank of South Africa Limited ("SBSA") Solo 31 March 2019 Rm**
Total HQLA	272 306	178 465
Net cash outflows	219 933	136 790
LCR (%)	123.8	130.5
Minimum requirement (%)	100.0	100.0

Note:

1. Only banking and/or deposit taking entities are included. The group data represents a consolidation of the relevant individual net cash outflows and the individual HQLA portfolios, where surplus HQLA holding in excess of the minimum requirement of 100% have been excluded from the aggregated HQLA number in the case of all Africa Regions entities.

2. The above figures reflect the simple average of 90 days of daily observations over the quarter ended 31 March 2019 for SBSA including SBSA Isle of Man branch, Stanbic Bank Ghana, Stanbic Bank Uganda, Stanbic IBTC Bank Nigeria, Standard Bank Namibia, Standard Bank Isle of Man Limited and Standard Bank Jersey Limited. The remaining Africa Regions banking entities results are based on the average of the month-end data points at 31 January 2019, 28 February 2019 and 31 March 2019. The figures are based on the regulatory submissions to the South African Reserve Bank.
3. SBSA Solo disclosure excludes foreign branches.

Net Stable Funding Ratio

In terms of the Basel III requirements in Directive 8/2017 issued in terms of section 6(6) of the Banks Act, (Act No. 94 of 1990), banks are directed to comply with the minimum disclosure on the net stable funding ratio (NSFR) on both a SBG group consolidated as well as SBSA Solo entity level. This disclosure is in accordance with Pillar 3 of the Basel III liquidity accord.

The objective of the Basel III Net stable funding ratio (NSFR) is to promote funding stability and resilience in the banking sector by requiring banks to maintain a stable funding profile in relation to the composition of assets and off-balance sheet activities.

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	Standard Bank Group Consolidated 31 March 2019 Rm	SBSA Solo 31 March 2019 Rm
Available stable funding	1 097 352	784 622
Required stable funding	944 637	739 388
NSFR (%)	116.2	106.1
Minimum requirement (%)	100.0	100.0

The information contained in this announcement has not been reviewed and reported on by the group's external auditors.

Johannesburg

28 May 2019

Lead sponsor

The Standard Bank of South Africa Limited

Independent sponsor

J P Morgan Equities South Africa Proprietary Limited

Namibian sponsor

Simonis Storm Securities (Proprietary) Limited