



Nedbank Group Limited
(Incorporated in the Republic of South Africa)
Registration number: 1966/010630/06
JSE share code: NED
NSX share code: NBK
ISIN: ZAE00004875
JSE alpha code: NEDI
(‘Nedbank Group’)

Nedbank Limited
(Incorporated in the Republic of South Africa)
Registration No. 1951/000009/06
JSE share code: NBKP
ISIN: ZAE000043667
JSE alpha code: BINBK

WITHDRAWAL OF NEDBANK GROUP 2020 FINANCIAL GUIDANCE

In recent weeks a combination of the rapid escalation of the Covid-19 pandemic and the Moody’s and Fitch downgrades of the SA sovereign credit ratings have combined to place unprecedented challenges on the South African economy.

Given the developments stated above, there has been a material change in market conditions and the economic outlook in the countries where we operate. It is difficult to accurately predict the progression and duration of the Covid-19 pandemic globally and in South Africa, our predominant market, as well as the residual risks when the lockdowns are lifted. As a result, it is not possible, at this stage, to accurately predict the economic outcomes of the virus and the impact these will have on the banking outlook.

As part of our 2019 annual results announcement on 3 March 2020, Nedbank Group provided financial guidance for 2020 and a series of medium to long-term targets. This financial guidance and related medium to long-term targets were highlighted as being based on our macroeconomic forecasts formulated in January 2020 and subsequently disclosed in our 2019 annual results announcement. Given the rapid escalation of the Covid-19 pandemic and the material changes to the economic outlook since 3 March 2020, these macroeconomic forecasts are no longer valid. As a result, shareholders are herewith advised that Nedbank Group’s 2020 financial guidance as provided in our annual results announcement on 3 March 2020, has been withdrawn and our medium and long-term targets are under review.

This withdrawal of guidance for 2020 is in line with similar announcements made recently by many companies on the JSE. We will continue to assess the impact of the Covid-19 pandemic and will provide appropriate disclosures and updates when sufficient clarity and certainty exists.

The Nedbank Group board and management support the lockdown actions taken by governments in the markets where we have operations. As determined by the respective governments, Nedbank’s banking and financial services have remained open during the lockdowns to ensure clients can continue to receive essential services. Our primary focus is to keep our staff safe and to support our clients in managing their finances through this difficult period, while maintaining our responsibilities to all our stakeholders.

In March we established a Group Executive Steering Committee to oversee all our Covid-19 related actions and risk management processes. This committee reports to the Nedbank Group Board and is supported by a Covid-19 Pandemic Steering Committee, focusing on operational matters including the safety of our staff and managing business continuity plans; a Liquidity Steering Committee focusing on maintaining our strong liquidity profile; and a Credit Steering Committee overseeing the management of credit risks and the support that is being provided to clients in good standing.

The information contained in this announcement has not been reviewed or reported on by Nedbank Group's auditors. Shareholders are further advised that this is not a trading statement as per paragraph 3.4(b) of the JSE Limited Listings Requirements.

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14 April 2020

Sponsors to Nedbank Group in South Africa:

Nedbank CIB

Merrill Lynch South Africa (Pty) Limited

Sponsor to Nedbank Group in Namibia:

Old Mutual Investment Services (Namibia) (Pty) Ltd

Sponsors to Nedbank Limited in South Africa:

Nedbank CIB

Investec Bank Limited