Audited results and distribution announcement

for the year ended 31 December 2008

Standard Bank

08

Audited results and distribution announcement

for the year ended 31 December 2008

Table of contents

Investors are referred to www.standardbank.co.za where a detailed analysis of the group financial results, including an income statement and balance sheet for The Standard Bank of South Africa Limited (SBSA), can be found. Investors will be notified via the Securities Exchange News Service of the JSE (SENS) when the audited annual financial statements for the group and SBSA are available online. This is expected to be towards the end of April.

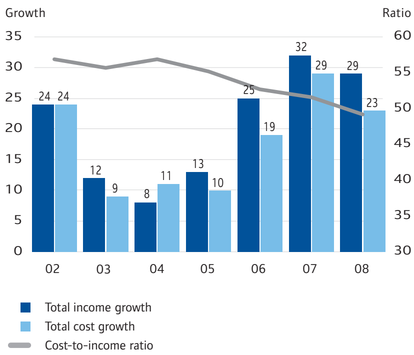
Key financial highlights

	Normalised	IFRS	Financial objectives 2008
Return on equity (%)	18,2	19,1	21,0
Growth in net asset value per share (%)	32,4	34,2	
Headline earnings growth (%)	7,6	10,2	
Headline earnings per share (cents)	942,6	1 002,0	
Headline earnings per share growth (%)	(1,9)	(3,0)	16,3[1]
Distribution per share (cents)	386	386	
Cost-to-income ratio (%)	49,2	49,3	≤ 51,0
Credit loss ratio (%)	1,55	1,55	≤ 1,00

[1] *Average South African inflation (CPIX) for 2008 of 11,3% plus 5%.*

Headline earnings and distributions per share (cents)

Cost and income growth (%)



Overview of financial results

Standard Bank grew normalised headline earnings by 8% in 2008 to R14 150 million. This was achieved in a particularly difficult operating environment characterised by high levels of volatility, declining asset prices and reduced liquidity, particularly in the fourth quarter. The group's diversified business and strong capital position have allowed us to weather the turbulence in global financial markets. Highlights of the 2008 results include strong organic revenue growth despite the difficult operating conditions and meaningful contributions from recent acquisitions in Nigeria and Argentina, both included in the group's results for a full year for the first time. The group's prudent approach to credit impairments has not changed during the year. All business units and geographic regions were profitable in 2008.

The volatile operating conditions experienced during the year resulted in the group not meeting the principal financial objectives set in March 2008. The outlook for headline earnings per share growth was revised downward during the year and in the market update provided in October 2008 it was projected that the group's normalised headline earnings for the year was likely to be similar to or slightly higher than that for 2007.

Economic factors impacting the results

During 2008, the group experienced two distinct negative trends in its operating environment:

- Globally, the systemic credit and liquidity crisis deepened as interbank and wholesale funding markets stalled in the wake of fading confidence amongst financial institutions. Significant deleveraging followed as financial institutions realised assets to cover liquidity shortfalls, resulting in dramatic repricing. The lack of liquidity and the dramatically reduced risk appetite severely limited both the ability and willingness of global financial institutions to finance normal corporate requirements, bringing about a slowdown in market activity and a collapse in commodity prices. This market turmoil and consequent loss of confidence resulted in investors withdrawing funds from emerging markets and currencies devalued significantly. The South African rand lost 37% against the US dollar in 2008.

- In South Africa interest and inflation rates were cyclically higher. The prime interest rate was raised by 50 basis points on ten occasions between June 2006 and June 2008, peaking at 15,5% before the first 50 basis point rate cut in December 2008. Consumer spending declined, hit by rising inflation driven by higher energy and food prices and tighter borrowing conditions. During the second half of the year, activity in the property and passenger car markets dropped off significantly, with a 3% contraction in median property prices and a 23% decline in new passenger vehicle sales. Corporate activity slowed towards the end of the year as commodity prices weakened and demand softened in the wake of the financial crisis in developed countries. The repricing of financial assets impacted insurance operations significantly, as their earnings are exposed to fair value adjustments in equity and debt markets.

South African banks were somewhat insulated from the global turmoil in 2008 due to a combination of factors. South African banks have, typically, limited exposure to exotic and highly geared products. They also have strong deposit gathering franchises. South Africa's strong regulatory framework has been embedded in the operations of local banks, alongside robust risk management practices including the implementation of Basel II during January 2008. However, the fact that South Africa has not been immune to the consequences of the global financial crisis is reflected in the substantially higher cost of long-term funding, significantly altered pricing dynamics and securitisation ceasing to be a financing option.

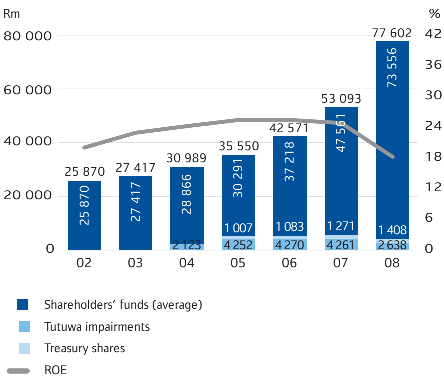
Key performance indicators

In this difficult environment the group achieved a return on equity of 19,1%, headline earnings per share fell 3% to 1 002,0 cents per share and net asset value per share rose 34%. Whereas these results are prepared on an IFRS basis, normalised results make adjustments for two accounting anomalies (described fully in the normalised results section on page 9) that have distorted the results from an economic perspective since 2004.

On a normalised basis, the group's return on equity was 18,2%, headline earnings per share declined 2% to 942,6 cents per share and net asset value per share increased 32%.

The commentary that follows is based on the normalised results.

Return on ordinary equity



Other factors impacting results

- **Subscription for shares by ICBC**

  On 3 March 2008, ICBC subscribed for 152,5 million newly issued ordinary shares for an aggregate consideration of R15,9 billion. This new equity capital provided additional income to boost earnings growth, but diluted return on equity and growth in earnings per share. The group's business co-operation with ICBC is still gaining traction and progressing well. Much of the first year of co-operation has involved relationship building, understanding our mutual structures, exploring client opportunities and determining how best to co-ordinate our efforts in China and the emerging markets in which we operate.

- **Recent acquisitions**

  Standard Bank acquired controlling interests in BankBoston Argentina on 1 April 2007 and in IBTC Chartered Bank Plc in Nigeria on 24 September 2007. The results of both these operations are included for the full period for the first time, adding an incremental R393 million to group headline earnings in 2008. A 60% interest in CfC Bank (renamed CfC Stanbic Holdings) in Kenya was acquired effective 1 June 2008 and had no material effect on earnings.

- **Increased holding in Liberty**

  Standard Bank increased its effective holding in Liberty from 32,8% to 53,7% during the year. Standard Bank wished to increase its effective economic interest in Liberty as part of enhancing its portfolio of financial services subsidiaries and to align its commercial and economic investment and benefits so as to reflect the strategic and commercial contribution which it continues to make to Liberty. The investment required to increase the holding was R4,4 billion.

Business units

Following many years of strong growth, the convergence of several negative macro-economic factors affected our **Personal & Business Banking** division and, although remaining profitable, headline earnings fell 16%. Despite this, a healthy ROE of 19,9% was achieved and the cost-to-income ratio was further improved to 51,3%.

Mortgage lending's results were significantly adversely impacted by increases in non-performing loans, lower new business volumes and margin pressure from higher term funding costs. Instalment sale and finance leases experienced lower new business volumes, increased arrears and falling recovery values. Card products recorded pleasing growth in revenues, with higher merchant sales turnover and cardholder balances, partly offset by increased credit losses. Transactional and lending products recorded strong growth on the back of higher deposit and loan balances, an expanding transactional account base, particularly in the rest of Africa, and a positive endowment impact of higher rates on transactional deposits. Earnings from bancassurance were marginally lower due to reduced investment income in the bank's short-term insurance portfolios, higher lapse ratios and weaker investment returns. This was partially offset by the inclusion of CfC Stanbic's earnings for the first time.

Corporate & Investment Banking grew headline earnings 19% in a challenging environment. An ROE of 22,2% was achieved and the cost-to-income ratio was 50,5%, down from 53,1% in the prior year.

In global markets strong performances were achieved in commodities and foreign exchange trading, boosted by increased client activity, higher volatility and wider spreads. Investment banking was impacted by the sharply declining market values of listed property investments and unlisted debt and equity investments. Provisions for credit losses increased substantially. These factors more than offset the benefits of higher margins and strong growth in arranging and advisory revenue. Transactional products and services recorded strong growth from increased deposit balances, the positive endowment impact of higher rates on transactional deposits, and an expanding client base in the rest of Africa.

Liberty's earnings are closely aligned to investment markets and were significantly impacted in the second half of the year by amongst others the JSE Limited All Share Index being down 26% for the year under review. The high inflation and interest rate environment placed strain on consumers' disposable income and resulted in higher withdrawals and lapse rates on policies, which also had a negative impact on earnings. However, improved mortality experience had a positive impact. The effect on earnings of the reduction in long-term interest rates towards the end of the year was mitigated by interest rate hedges entered into during the last quarter. Liberty's published headline earnings of R1 619 million were 48% down on 2007 and Standard Bank's share of these earnings decreased 34% from R973 million in 2007 to R641 million for 2008, taking into account the increased shareholding in the more difficult second half of the year.

Geographic analysis of results

Geographic breakdown of headline earnings

	% change	Headline earnings 2008 Rm	Headline earnings 2007 Rm	Headline earnings contribution 2008 %	Headline earnings contribution 2007 %
South Africa	1	**10 916**	10 801	**77**	82
South Africa (Banking activities)	5	**10 275**	9 828	**72**	75
South Africa (Liberty Life)	(34)	**641**	973	**5**	7
Rest of Africa	46	**1 862**	1 273	**13**	10
Outside Africa	12	**1 378**	1 229	**10**	9
Central funding and eliminations		**(6)**	(150)		(1)
Standard Bank Group	8	**14 150**	13 153	**100**	100

In addition to maintaining an intense focus on South Africa, the group's strategy of increasing earnings from other strategic emerging markets continues to gain momentum. Earnings growth in our home market resulted from a strong performance from transactional products and trading operations but was restricted by credit impairments in consumer lending products and weaker equity markets in the group's insurance operations. Supported by the recent acquisitions, our operations in the rest of Africa benefited from an enhanced product offering, higher trading volumes and a focus on profitable cross-selling opportunities. Operations outside Africa, where the effects of the global financial crisis were most acutely felt, showed notable resilience in achieving earnings of US$168 million, marginally lower than the prior year, US$174 million. When translated into rand, earnings from this region were up 12%.

Banking operations

Balance sheet analysis

Banking assets grew by 34% year on year. If the translation impact of the weaker rand exchange rate is excluded this reduces to 23%.

Loans and advances

Loans and advances rose 24% on a group basis with growth of 12% in Personal & Business Banking. Growth in mortgage loans slowed to 15% in 2008 from 29% in 2007 due to a weaker property market and stricter acceptance criteria. The total annual value of new mortgage business reduced by 32%. Overall growth of the mortgage book was however supported by a decrease in customers' prepayment rates and lower cancellations. Instalment sale and finance leases were only up 2%: a downturn in the light passenger vehicle market resulted in a reduction of 30% in new loans granted in the motor book. The value of new business in the non-motor book reduced by 1% leading to a motor/non-motor book ratio of 71%/29% (2007: 74%/26%). Growth in card debtors originated mainly from our operation in Argentina as the local book showed no growth.

Market share in the key Personal & Business Banking segments in South Africa have changed as follows from a year ago:

- Mortgage advances increased from 25,7% to 26,6%;
- Instalment finance fell from 23,0% to 21,6%;
- Card debtors were lower, falling from 36,0% to 34,8%; and
- Deposits declined slightly from 27,5% to 26,9%.

Loans and advances in Corporate & Investment Banking grew 39% (22% excluding the translation effect of the weaker rand) with growth of 40% in South Africa, 57% in the rest of Africa and a 3% decline (exchange rate adjusted) outside Africa. Strong growth occurred in term lending as a number of large structured lending deals were concluded in the first half of the year. Within Corporate & Investment Banking advances growth of 39%, loans to banks increased 40% as a result of surplus liquidity placements with other banks.

Net asset value

Net asset value grew by R27,5 billion or 47% in 2008 to R85,9 billion. In addition to the R15,9 billion of equity raised by the issue of shares to ICBC, earnings of R14,1 billion were recorded plus a further R5,2 billion of currency translation and associated hedging gains accounted for directly in reserves. Dividends of R6,1 billion were paid to ordinary shareholders.

Income statement analysis

Net interest income

Net interest income was up 40% and the group's interest margin widened to 3,32% from 2,95% in 2007. Excluding the impact of recent acquisitions, net interest income was up 34%. Strong income growth was achieved in Personal & Business Banking of 29% and in Corporate & Investment Banking of 55%. The interest margins increased to 5,15% (2007: 4,75%) and 1,83% (2007: 1,54%) respectively. Growth in Personal & Business Banking was mainly due to the positive endowment impact of a higher average prime rate on low-earning deposits, lower average concession rates on new mortgage loans and instalment sale and finance leases, and an increase in the unwind to interest income of the discount component of expected recoveries on non-performing loans. Corporate & Investment Banking posted strong lending growth, benefiting from recent acquisitions and the weaker rand exchange rate. Wider lending spreads were partially diluted by higher wholesale funding costs and a group wide focus on improving the long-term funding ratio. The endowment effect on capital assisted the overall margin by 19 basis points.

Non-interest revenue

Non-interest revenue grew 19%, with a meaningful contribution from recent acquisitions. Growth excluding recent acquisitions was 11%.

Net fee and commission revenue grew 21%. Within Personal & Business Banking, increases in account transaction fees in South Africa were restricted to 4,6%. As a result, growth in this category was limited to 13%, driven by a 9% increase in the number of current accounts in South Africa and strong transactional volume growth across the expanding branch network in Africa. Card-based fees rose 13%, assisted by higher merchant turnover despite a 3% reduction in the cardholder base in South Africa. Corporate & Investment Banking lifted advisory fees by 49% on the back of strong growth in fee income in Africa and higher corporate and structured finance advisory deal volumes in the first half of the year. Limited activity in the international debt capital and securitisation markets restricted income from these sources.

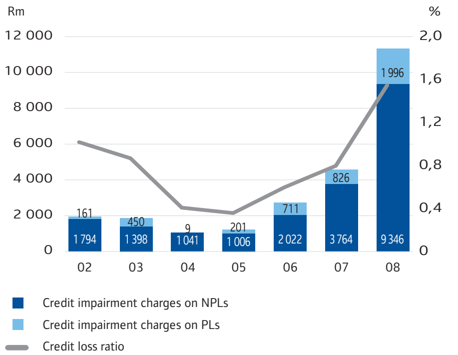
Trading revenue increased 31%. Operations in the rest of Africa posted an excellent trading result, doubling trading revenue. Higher client trading volumes in foreign exchange and debt securities contributed to this performance. In South Africa, trading revenue was up 16%, with good performances from commodities and foreign exchange trading assisted by higher volatility. This was somewhat offset by a slowdown in fixed income trading due to negative market sentiment and lower deal flow. Trading revenue outside Africa grew 7% as a robust performance from trading in commodities and local currencies was diluted by a weaker trading result in equities.

Other non-interest revenue was 21% lower following downward fair value movements in the group's listed property investments from the high base of the comparative period. Income from insurance-related activities benefited from the newly acquired insurance operations within CfC Stanbic Holdings and growth in bancassurance commission but fair value adjustments on the equity portfolio constrained the insurance result. Profit on the partial realisation of Visa shares amounted to R123 million. The comparative number for 2007 includes R459 million realised on Mastercard shares. Profit realised on these available-for-sale instruments was excluded from headline earnings.

Credit impairments

Credit impairments increased by 147%: 117% in Personal & Business Banking, 559% in Corporate & Investment Banking and 399% centrally, where a R500 million impairment has been created to cater for credit losses in the group's credit

Credit impairment charges



portfolios due to the continued significant volatility and uncertainty in international and local markets, the severe slowdown in economic growth and the associated risks of unemployment and corporate default. The credit loss ratio worsened to 1,55% from 0,80%.

Within Personal & Business Banking, credit losses in the current interest rate cycle have worsened due to lower disposable income amongst consumers following sharp increases in food and energy inflation earlier in the year. Economic conditions for mortgage loan customers worsened progressively during 2008, intensifying the difficulty they experienced in meeting contractual repayments. Within mortgages, the credit loss ratio escalated to 1,49% from 0,54%. Recovery values are under pressure as property prices fell by 3%. Credit impairment charges for instalment sale and finance leases were up 83% and the credit loss ratio increased to 2,48% from 1,54% in 2007. The ratio reflects a reduction of expected recoveries to 40% in 2008 from 48% in 2007, as the used car market became saturated due to an increase in delinquencies. Credit impairment charges relating to card debtors grew 48% and the credit loss ratio deteriorated to 9,53% (2007: 7,24%).

The credit loss ratio in Corporate & Investment Banking increased to 0,46% in 2008 from a low base of 0,10% in 2007. This included increased impairments for loans identified as non-performing in sectors where stresses are evident and newly-created portfolio impairments for performing loans to cater for the evidently worsening economic conditions.

We continue to re-evaluate the depth and expected duration of the current downturn to ensure the appropriate strategies are in place. These include a heightened focus on early identification of problem accounts, collection capability and efficiencies, proactive rehabilitation policies and processes. We are nevertheless currently originating quality new business.

Operating expenses

The banking group's cost-to-income ratio improved to 49,2% (2007: 51,6%). The consolidation of recently acquired entities drove banking activities' cost growth to 23% (14% excluding acquisitions). Operating expenses in South Africa were well contained and grew at 7,5%, well below South African inflation.

Staff costs were 17% higher in total and 9% up excluding recent acquisitions. Despite including new staff in Kenya for the first time and an increase in debt management staff required to cater for increased delinquency volumes, headcount increased by only 2%, following initiatives to contain headcount in South Africa. Staff numbers in selected client-facing growth areas in the rest of Africa were increased to manage higher business volumes. Performance-based remuneration was reduced as a percentage of salary costs in response to the current market environment and group results.

Other operating expenses were up 32% with the increase in expenses in South Africa being well controlled at 8%. In line with the group's growth strategy in the rest of Africa and outside Africa recent acquisitions contributed a third to overall cost growth. The devaluation of the rand further contributed to the growth in expenses outside Africa. IT costs increased by 28% as maintenance costs, consultancy fees and software licensing expenses were incurred to maintain, enhance and expand the core network. Depreciation and amortisation increased 72% following implementation of new IT infrastructure and systems, impairment of redundant technology and amortisation of intangible assets identified on new acquisitions. Premises costs were 22% higher resulting from business growth outside of South Africa, rental escalations and utility tariff increases.

Liquidity

Liquidity conditions in international money markets and debt capital markets remained constrained during 2008, and ongoing risk aversion of investors remains evident. In response to the adverse market conditions, heightened focus was placed on the frequency and rigour of the application of prudent practices within the bank's liquidity management framework. The structural liquidity mismatch was managed and maintained within best-practice banking guidelines. Surplus liquidity buffers, comprising unencumbered and readily available marketable assets, amounted to R97 billion as at 31 December 2008.

Capital and Basel II

The group implemented Basel II on 1 January 2008. Over the last year, we significantly enhanced our internal economic capital and stress-testing methodologies and improved and formalised our internal capital assessment process.

The group's capital adequacy ratio was bolstered by the ICBC capital injection of R15,9 billion in March 2008, internally generated capital and proactive management of the balance sheet. Total capital adequacy increased to 12,9% (2007: 11,6%) and tier 1 capital adequacy improved to 10,7% (2007: 8,7%). The economic capital coverage ratio, representing the extent to which minimum economic capital requirements are covered by available financial resources was 1,93 times – indicating a substantially higher capital position relative to risks assumed in banking activities. Domestically, the group redeemed tier 2 subordinated debt to the value of R2 billion. The decision not to replace the tier 2 debt was informed by the group's strong tier 1 capital position and prevailing market conditions.

Distributions

The group's policy of a distribution cover ratio of 2,5 times has not changed. However, given the marginal reduction in headline earnings per share, the board has decided to maintain the group's total distribution per share at the same level as the prior year, resulting in a distribution cover ratio of 2,4 times for 2008. In addition, the board has declared a scrip distribution with a cash alternative. It was considered important to utilise a scrip distribution to incrementally raise capital given that asset growth is continuing and alternate sources of capital are currently limited.

A final distribution of 193 cents per share has been declared, bringing the total distribution declared in respect of 2008 to 386 cents per share. A circular relating to the scrip distribution will be posted to shareholders in due course.

Financial Sector Charter

We continue to support the harmonisation process undertaken by the financial sector and other stakeholders to achieve the alignment of the Financial Sector Charter (FSC) to the Broad-based Black Economic Empowerment Codes of Good Practice legislated in 2007. The bank maintained an "A" rating in the overall FSC Scorecard with an improvement in the area of employment equity. Black managers now comprise more than 51% of the bank's management in South Africa, of which 53% are female.

Prospects

We expect the extremely difficult operating conditions to continue, posing significant challenges for our customers and our industry. Global confidence in financial markets is unlikely to improve in the short term.

Operations outside of South Africa should continue to benefit from synergies with the South African operations and opportunities in local markets. In South Africa it is likely that consumers will remain under pressure as unemployment and lower economic growth exacerbate financial stresses despite the relief provided by the current downward trend in interest rates. Lower commodity prices and a slowdown in activity will pose challenges for South African corporates.

We are committed to continue deepening our client relationships and staying alert to opportunities as they arise. We do not underestimate the challenges of the external environment but we believe our businesses are resilient and we are pursuing our focused strategy with strength and confidence. We continue judiciously to seek growth opportunities in our chosen markets to enhance the group's long-term prospects.

In light of the prevailing volatility of financial markets, the group has not published financial objectives for 2009. In these tough global economic conditions the group will continue to exercise caution and to ensure that sound risk management practices are maintained and enhanced. In light of the above circumstances, the board considers that producing similar results in 2009 to those achieved in 2008 would be an acceptable outcome.

Jacko Maree
Chief executive

Derek Cooper
Chairman

Johannesburg
4 March 2009

Distributions

Ordinary shareholders

Payment of a scrip distribution with a cash dividend election. Notice is hereby given that the directors have resolved to issue fully paid ordinary shares in the company as a scrip distribution to ordinary shareholders. Fully paid ordinary shares of 10 (ten) cents each will be issued as a scrip distribution, payable to ordinary shareholders recorded in the register of Standard Bank Group on the record date, being Friday, 3 April 2009. Ordinary shareholders will be entitled, in respect of all or part of their shareholding, to elect to receive a cash dividend of 193 cents per ordinary share in lieu of the scrip distribution, which will be paid only to those ordinary shareholders who elect in respect of all or part of their shareholding, on or before 12:00 on Friday, 3 April 2009, to receive the cash dividend.

The cash dividend will be paid out of profits of Standard Bank Group while the new ordinary shares to be issued pursuant to the scrip distribution will be issued as a capitalisation issue by way of capitalisation of part of Standard Bank Group's share premium.

The number of new ordinary shares to which ordinary shareholders participating in the scrip distribution will become entitled, will be determined in the ratio that 193 cents multiplied by 1,05 bears to the volume weighted average price (VWAP) of ordinary shares in Standard Bank Group on the JSE Limited (JSE) during the five-day trading period ending Thursday, 19 March 2009. Details of the ratio will be released on the Securities Exchange News Service of the JSE (SENS) by no later than 11:00 on Friday, 20 March 2009 and published in the South African and Namibian press the following business day.

Trading in the STRATE environment does not permit fractions and fractional entitlements. Accordingly, where an ordinary shareholder's entitlement to new ordinary shares calculated in accordance with the above formula gives rise to a fraction of a new ordinary share, such fraction of a new ordinary share will be rounded up to the nearest whole number where the fraction is greater than or equal to 0,5 and rounded down to the nearest whole number where the fraction is less than 0,5.

A circular relating to the scrip distribution and the cash dividend alternative will be posted to shareholders on or about 9 March 2009.

Preference shareholders

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

6,5% first cumulative preference shares (first preference shares) dividend No. 79 of 3,25 cents per first preference share, payable on Monday, 30 March 2009, to holders of first preference shares recorded in the books of the company at the close of business on the record date, Friday, 27 March 2009. The last day to trade to participate in the dividend is Friday, 20 March 2009. First preference shares will commence trading ex-dividend from Monday, 23 March 2009.

Non-redeemable, non-cumulative, non-participating preference shares (second preference shares) dividend No. 9 of 545,04 cents per second preference share, payable on Monday, 30 March 2009, to holders of second preference shares recorded in the books of the company at the close of business on the record date, Friday, 27 March 2009. The last day to trade to participate in the dividend is Friday, 20 March 2009. Second preference shares will commence trading ex-dividend from Monday, 23 March 2009.

The salient dates and times for the scrip distribution/dividends are as follows:

	Ordinary shares	6,5% cumulative 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	ZAE000109815	ZAE000038881	ZAE000056339
Namibian Stock Exchange (NSX)			
Share code	SNB		
ISIN	ZAE000109815		
Distribution/dividend per share (cents)	193	3,25	545,04
Circular and form of election posted to ordinary shareholders	Monday 9 March 2009		
Announcement of the ratio applicable to the scrip distribution, based on the five-day trading period ending Thursday, 19 March 2009, released on SENS	Friday 20 March 2009		
Announcement of the ratio applicable to the scrip distribution published in the South African and Namibian press	Monday 23 March 2009		
Last day to trade in order to be eligible for the scrip distribution/cash dividend ("CUM" distribution)	Friday 27 March 2009	Friday 20 March 2009	Friday 20 March 2009
Shares trade "EX" the scrip distribution/dividend	Monday 30 March 2009	Monday 23 March 2009	Monday 23 March 2009
Listing of the maximum possible number of ordinary shares that could be issued in terms of the scrip distribution	Monday 30 March 2009		
Last day to elect a cash dividend instead of the scrip distribution by 12:00	Friday 3 April 2009		
Record date in respect of the scrip distribution/cash dividend	Friday 3 April 2009	Friday 27 March 2009	Friday 27 March 2009
Share certificates and dividend cheques posted and CSDP/broker accounts credited/updated (Payment date)	Monday 6 April 2009	Monday 30 March 2009	Monday 30 March 2009
Maximum number of new ordinary shares listed adjusted to reflect the actual number of ordinary shares issued	Tuesday 7 April 2009		

Ordinary share certificates may not be dematerialised or rematerialised between Monday, 30 March 2009 and Friday, 3 April 2009, both days inclusive.

Preference share certificates (first and second) may not be dematerialised or rematerialised between Monday, 23 March 2009 and Friday, 27 March 2009, both days inclusive.

All times provided in this announcement are South African local time.

The above dates and times are subject to change. Any changes will be released on SENS and published in the South African and Namibian press.

Where applicable, dividends in respect of certificated shares will be transferred electronically to shareholders' bank accounts on the payment date. In the absence of specific mandates, dividend cheques will be posted to shareholders. Preference shareholders (first and second) who have dematerialised their share certificates will have their accounts at their CSDP or broker credited on Monday, 30 March 2009. Ordinary shareholders who have dematerialised their share certificates will have their accounts at their CSDP or broker credited/updated on Monday, 6 April 2009.

On behalf of the board
Loren Wulfsohn
Group secretary

Normalised results

With effect from 2004, we have adjusted the group's results reported under International Financial Reporting Standards (IFRS) for two required accounting conventions that do not reflect the underlying economic substance of transactions. Consistent with prior years, to arrive at the normalised results the IFRS results have been adjusted for the following items:

- preference share funding for the group's Black Economic Empowerment Ownership initiative (Tutuwa) transaction that is deducted from equity and reduces the shares in issue in terms of IFRS; and

- group companies' shares held for the benefit of Liberty Life policyholders that result in a reduction of the number of shares in issue and the exclusion of fair value adjustments and distributions on these shares. The IFRS requirement causes an accounting mismatch between income from investments and changes in policyholders' liabilities.

Two recent transactions reduced the extent of the normalised adjustments relating to Tutuwa:

- In December 2007, the group externalised R1 billion of preference share financing provided in terms of the Tutuwa initiative, resulting in the release of 24,7 million ordinary shares previously deemed by IFRS to be "treasury shares"; and

- In March 2008, Tutuwa participants sold 11,1% of their shares to ICBC, partly using the proceeds for the repayment of their preference share liability, thereby releasing a further 11,0 million ordinary shares previously deemed by IFRS to be "treasury shares".

The result of these adjustments is shown in the table below:

Normalised headline earnings

	Weighted average number of shares '000	Headline earnings Rm	Growth on 31 December 2007 %
Disclosed on an IFRS basis	1 398 866	14 017	10
Tutuwa initiative	65 376	227	
– Initial transaction	99 190		
– External financing	(24 691)		
– Disposal of shares to ICBC	(9 123)		
Group shares held for the benefit of Liberty Life policyholders	36 884	(94)	
Normalised	1 501 126	14 150	8

Abridged audited results prepared in accordance with IFRS

Consolidated income statement

for the year ended 31 December

Rm	% change	2008	2007
Income from banking activities	30	**61 366**	47 296
Net interest income	42	**31 918**	22 549
Non-interest revenue	19	**29 448**	24 747
Income from investment management and life insurance activities	(53)	**23 359**	49 834
Total income	(13)	**84 725**	97 130
Credit impairment charges	147	**11 342**	4 590
Benefits due to policyholders	(68)	**11 997**	37 153
Income after credit impairment charges and policyholders' benefits	11	**61 386**	55 387
Operating expenses in banking activities	23	**30 390**	24 706
Operating expenses in investment management and life insurance activities	13	**8 423**	7 423
Net income before goodwill	(3)	**22 573**	23 258
Goodwill impairment/(gain)		**5**	(376)
Net income before associates and joint ventures	(5)	**22 568**	23 634
Share of profit from associates and joint ventures	(25)	**268**	355
Net income before indirect taxation	(5)	**22 836**	23 989
Indirect taxation	17	**1 382**	1 185
Profit before direct taxation	(6)	**21 454**	22 804
Direct taxation	(25)	**4 705**	6 232
Profit for the year	1	**16 749**	16 572
Attributable to minorities	(7)	**2 288**	2 471
Attributable to preference shareholders	18	**529**	450
Attributable to ordinary shareholders	2	**13 932**	13 651
Basic earnings per share (cents)	(10)	**995,9**	1 109,0
Diluted earnings per share (cents)	(8)	**962,2**	1 044,1

Headline earnings

for the year ended 31 December

Rm	% change	2008	2007
Group profit attributable to ordinary shareholders	2	**13 932**	13 651
Headline earnings adjustable items added back/(reversed)		**126**	(966)
Goodwill impairment/(gain) – IFRS 3		**5**	(376)
Profit on sale of property and equipment – IAS 16		**(16)**	(61)
Impairment of property and equipment – IAS 16		**84**	10
Impairment of associates – IAS 28		**139**	
Gains on disposal of businesses and divisions – IAS 27		**(24)**	(6)
Impairment of intangibles – IAS 38		**132**	26
Fair value gains on available-for-sale assets – IAS 39		**(194)**	(559)
Taxation on headline earnings adjustable items		**(13)**	32
Minority share of headline adjustable items		**(28)**	4
Headline earnings	10	**14 017**	12 721

Segment report

for the year ended 31 December

Rm	% change	2008	2007[1]
Revenue contribution by business unit			
Personal & Business Banking	24	**33 503**	27 044
Corporate & Investment Banking	32	**26 191**	19 769
Central and other	>100	**1 871**	830
Banking activities	29	**61 565**	47 643
Liberty Life	(54)	**23 136**	50 320
Standard Bank Group – Normalised	(14)	**84 701**	97 963
Adjustments for IFRS		**24**	(833)
Standard Bank Group – IFRS	(13)	**84 725**	97 130
Profit and loss attributable to ordinary shareholders			
Personal & Business Banking	(19)	**4 611**	5 723
Corporate & Investment Banking	18	**7 937**	6 746
Central and other	37	**876**	639
Banking activities	2	**13 424**	13 108
Liberty Life	(34)	**641**	975
Standard Bank Group – Normalised		**14 065**	14 083
Adjustments for IFRS		**(133)**	(432)
Standard Bank Group – IFRS	2	**13 932**	13 651

[1]*Restated as described on page 16.*

Consolidated balance sheet

as at 31 December

Rm	% change	2008	2007[1]
Assets			
Cash and balances with central banks	25	**25 697**	20 618
Financial investments, trading and pledged assets		**346 859**	347 453
Loans and advances	24	**787 934**	634 675
Loans and advances to banks	40	**129 890**	92 515
Loans and advances to customers	21	**658 044**	542 160
Investment property	12	**16 771**	14 937
Derivative and other assets	117	**299 476**	138 138
Interest in associates and joint ventures	(43)	**6 990**	12 293
Goodwill and other intangible assets	50	**10 180**	6 796
Property and equipment	35	**9 746**	7 216
Total assets	27	**1 503 653**	1 182 126
Equity and liabilities			
Equity	45	**99 501**	68 506
Equity attributable to ordinary shareholders	53	**81 953**	53 671
Ordinary share capital	12	**153**	137
Ordinary share premium	>100	**16 844**	1 231
Reserves	24	**64 956**	52 303
Preference share capital and premium		**5 503**	5 503
Minority interest	29	**12 045**	9 332
Liabilities	26	**1 404 152**	1 113 620
Deposit and current accounts	24	**843 815**	680 097
Deposits from banks	26	**129 055**	102 040
Deposits from customers	24	**714 760**	578 057
Derivative, trading and other liabilities	62	**366 737**	226 418
Policyholders' liabilities	(8)	**172 069**	186 137
Subordinated debt	3	**21 531**	20 968
Total equity and liabilities	27	**1 503 653**	1 182 126

Contingent liabilities and capital commitments

as at 31 December

Rm	2008	2007
Letters of credit	**16 521**	14 299
Guarantees	**34 680**	31 916
Irrevocable unutilised facilities[1]	**10 881**	30 898
	62 082	77 113
Contracted capital expenditure	**2 059**	161
Capital expenditure authorised but not yet contracted	**9 117**	4 156
	11 176	4 317

[1] *Restated as described on page 16.*

Consolidated cash flow information

for the year ended 31 December

Rm	2008	2007[1]
Net cash from operating activities	**28 559**	27 953
Net cash used in operating funds	**(21 901)**	(10 215)
Net cash used in investing activities	**(10 885)**	(10 616)
Net cash from/(used in) financing activities	**7 550**	(1 115)

[1]*Restated as described on page 16.*

Statement of changes in equity

for the year ended 31 December

Rm	Ordinary shareholders' equity	Preference share capital and premium	Minority interest	Total equity
Balance at 1 January 2007	42 916	5 503	6 289	54 708
Total recognised income and expense	13 628	450	2 512	16 590
Profit for the year	13 651	450	2 471	16 572
Items accounted for directly in reserves	(23)	–	41	18
Currency translation movement and hedging	155	–	(52)	103
Cash flow hedging and available-for-sale reserves	(423)	–	–	(423)
Equity-settled share-based payment transactions	217	–	36	253
Other reserve movements	28	–	57	85
Issue of share capital and premium	300	–	73	373
Net decrease/(increase) in treasury shares	626	–	(455)	171
Transactions with minority shareholders	665	–	1 384	2 049
Net distributions paid	(4 464)	(450)	(541)	(5 455)
Balance at 31 December 2007 as previously reported	53 671	5 503	9 262	68 436
Finalisation of purchase price allocation in terms of IFRS 3	–	–	70	70
Restated balance at 31 December 2007	53 671	5 503	9 332	68 506
Balance at 1 January 2008	**53 671**	**5 503**	**9 332**	**68 506**
Total recognised income and expense	**19 146**	**529**	**3 603**	**23 278**
Profit for the year	**13 932**	**529**	**2 288**	**16 749**
Items accounted for directly in reserves	**5 214**	**–**	**1 315**	**6 529**
Currency translation movement and hedging	**4 238**	**–**	**1 340**	**5 578**
Cash flow hedging and available-for-sale reserve	**751**	**–**	**(31)**	**720**
Equity-settled share-based payment transactions	**217**	**–**	**35**	**252**
Other reserve movements	**8**	**–**	**(29)**	**(21)**
Issue of share capital and share premium	**16 132**	**–**	**–**	**16 132**
Share buy-backs	**(503)**	**–**	**–**	**(503)**
Net decrease in treasury shares	**1 483**	**–**	**906**	**2 389**
Transactions with minority shareholders	**(2 198)**	**–**	**(982)**	**(3 180)**
Net dividends paid	**(5 778)**	**(529)**	**(814)**	**(7 121)**
Balance at 31 December 2008	**81 953**	**5 503**	**12 045**	**99 501**

Private equity associates and joint ventures

Rm	2008	2007
Cost	**308**	198
Carrying value	**411**	317
Fair value	**516**	383
Loans to associates and joint ventures	**719**	442
Equity accounted income	**119**	144

Major business acquisitions

	CfC Stanbic Holdings Limited
Date of acquisition	1 June 2008
Percentage of voting equity instruments acquired (%)	60
Contribution to revenue since acquisition (Rm)	551
Contribution to net profit before tax since acquisition (Rm)	146
Contribution to revenue if acquisition occurred on 1 January 2008 (Rm)	944
Contribution to net profit before tax if acquisition occurred on 1 January 2008 (Rm)	251

CfC Stanbic Holdings Limited

Rm	Fair value	Carrying amount
Cash and balances with central banks	329	329
Financial investments	1 833	1 859
Loans and advances	2 464	2 470
Property, equipment, intangibles and other assets	1 241	996
Deposit and current accounts	(3 145)	(3 145)
Other liabilities and deferred tax	(1 965)	(1 928)
Net asset value	757	581
Less: minority interest	(362)	
Goodwill[1]	933	
Cost of acquisition	1 328	
Less: fair value of 36,3% of subsidiary effectively disposed to minorities[2]	(603)	
Cash consideration paid	725	

[1] *Goodwill represents the premium paid for control.*

[2] *Fair value of the equity instruments of the subsidiary was determined with reference to the listed share price of CfC Bank Limited.*

Financial statistics

for the year ended 31 December

	% change	2008	2007
Number of ordinary shares in issue (000's)			
– end of period	14	**1 430 618**	1 256 916
– weighted average	14	**1 398 866**	1 230 961
– diluted weighted average	11	**1 447 886**	1 307 414
Cents per ordinary share			
Headline earnings	(3)	**1 002,0**	1 033,4
Diluted headline earnings	(1)	**968,1**	973,0
Total distributions		**386,0**	386,0
Basic earnings	(10)	**995,9**	1 109,0
Diluted earnings	(8)	**962,2**	1 044,1
Net asset value	34	**5 729**	4 270
Financial performance (%)			
ROE		**19,1**	26,7
Net interest margin		**3,31**	2,93
Credit loss ratio		**1,55**	0,80
Cost-to-income ratio		**49,3**	51,9
Capital adequacy (%)			
Capital ratio			
– tier I capital		**10,7**	8,7
– total capital		**12,9**	11,6

[1] *Restated as described on page 9.*

Audit opinion on the annual financial statements

These abridged financial statements have been extracted from the audited financial statements on which KPMG Inc. and PricewaterhouseCoopers Inc. have issued an unmodified audit report. This report is available for inspection at the company's registered office.

Accounting policies

Basis of preparation

The consolidated financial statements are prepared in accordance with, and comply with International Financial Reporting Standards (IFRS) and the South African Companies Act. The consolidated financial statements are prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of assets and liabilities where required in terms of IFRS.

Changes in accounting policies

The accounting policies are consistent with those adopted in the previous year, except as noted below.

The group has early adopted the amendments to IAS 32 *Financial Instruments: Presentation* and IAS 1 *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*. The amendment requires the classification of certain puttable financial instruments and financial instruments that impose on the issuer an obligation to deliver a pro-rata share of the entity only on liquidation as equity. The amendment has had no significant effect on the 2008 results, nor has it required any restatement of prior period results.

The group has early adopted the amendments to IAS 23 *Borrowing Costs*. The group capitalised borrowing costs on all qualifying projects commencing on or after 1 January 2008. The amendment resulted in the capitalisation of borrowing costs amounting to R31 million in 2008, but has had no effect on the comparative period.

As part of its annual improvements project, the International Accounting Standards Board made amendments to a number of accounting standards. The group adopted some of these amendments on 1 January 2008, which did not have a significant effect on the 2008 results, nor has it required any restatement of prior period results.

The following new accounting interpretations were effective 1 January 2008:

- IFRIC 12 *Service Concession Arrangements*; and
- IFRIC 14 – IAS 19 *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*.

The adoption of these interpretations has not had a material effect on the results, nor has it required any restatements of comparative results.

Reclassifications and restatements

A project was undertaken during the year to align the balance sheet classifications within which financial instruments are recognised to both the group's risk management and income recognition policies. During this project the following classification changes were made:

- All items which are of a trading nature were moved into the trading assets or liabilities classification. These included collateral and repurchase agreements held for trading purposes.
- Financial instruments previously classified as other assets were moved to the appropriate financial instrument classification.
- The analysis of balances between banks and non-banks was reviewed and refined.

The allocation of goodwill and intangible assets on the acquisition of IBTC Chartered Bank Plc, previously determined provisionally, was finalised in 2008 and the 2007 comparatives have been restated as if the initial accounting had been completed from the acquisition date as required by IFRS 3 *Business Combinations*. The finalisation of the purchase price allocation resulted in an increase in intangible assets of R200 million and a resulting reduction in goodwill of R70 million, after accounting for minority interest and taxation.

In line with international industry practice, the group has revised the format of its cash flow statement, which was previously compiled on the direct basis, to the indirect basis. In addition, limited reclassifications were made to improve disclosure.

The group reviewed and refined its definition of irrevocable facilities. The comparative information has been restated accordingly.

Where reporting responsibility for individual cost centres and divisions within business units changes, the segmental analysis comparatives are reclassified accordingly.

The reclassifications did not impact equity attributable to ordinary shareholders or profit for the year attributable to ordinary shareholders.

Standard Bank Group Limited
Registration No. 1969/017128/06
Incorporated in the Republic of South Africa

Directors: DE Cooper (Chairman), Kaisheng Yang** (Deputy chairman), SJ Macozoma (Deputy chairman), JH Maree* (Chief executive), DDB Band, E Bradley, TS Gcabashe, SE Jonah KBE##, Sir Paul Judge#, KP Kalyan, Yagan Liu**, RP Menell, Adv KD Moroka, AC Nissen, MC Ramaphosa, MJD Ruck, MJ Shaw, Lord Smith of Kelvin, Kt#, EM Woods
** Executive director   ** Chinese   # British   ## Ghanaian*

Group secretary:
L Wulfsohn

Registered office:
9th floor, Standard Bank Centre, 5 Simmonds Street, Johannesburg 2001. PO Box 7725, Johannesburg 2000

Share transfer secretaries in:

South Africa
Computershare Investor Services (Proprietary) Limited
70 Marshall Street, Johannesburg 2001. PO Box 61051, Marshalltown, Johannesburg 2107

Namibia
Transfer Secretaries (Proprietary) Limited
Shop 8, Kaiserkrone Centre, Post Street Mall, Windhoek. PO Box 2401, Windhoek

Independent Sponsor
Deutsche Securities (SA) (Proprietary) Limited

Joint Sponsor
Standard Bank

Designed by MOTIV
Printed by INCE

Standard Bank

www.standardbank.co.za