

# **LAND BANK GROUP**

**Financial results  
for the year ended 31 March 2011**

**18 August 2011**

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    - ❖ Business & Corporate Banking
    - ❖ Retail
  - Capital Adequacy

## FINANCIAL HIGHLIGHTS (GROUP)

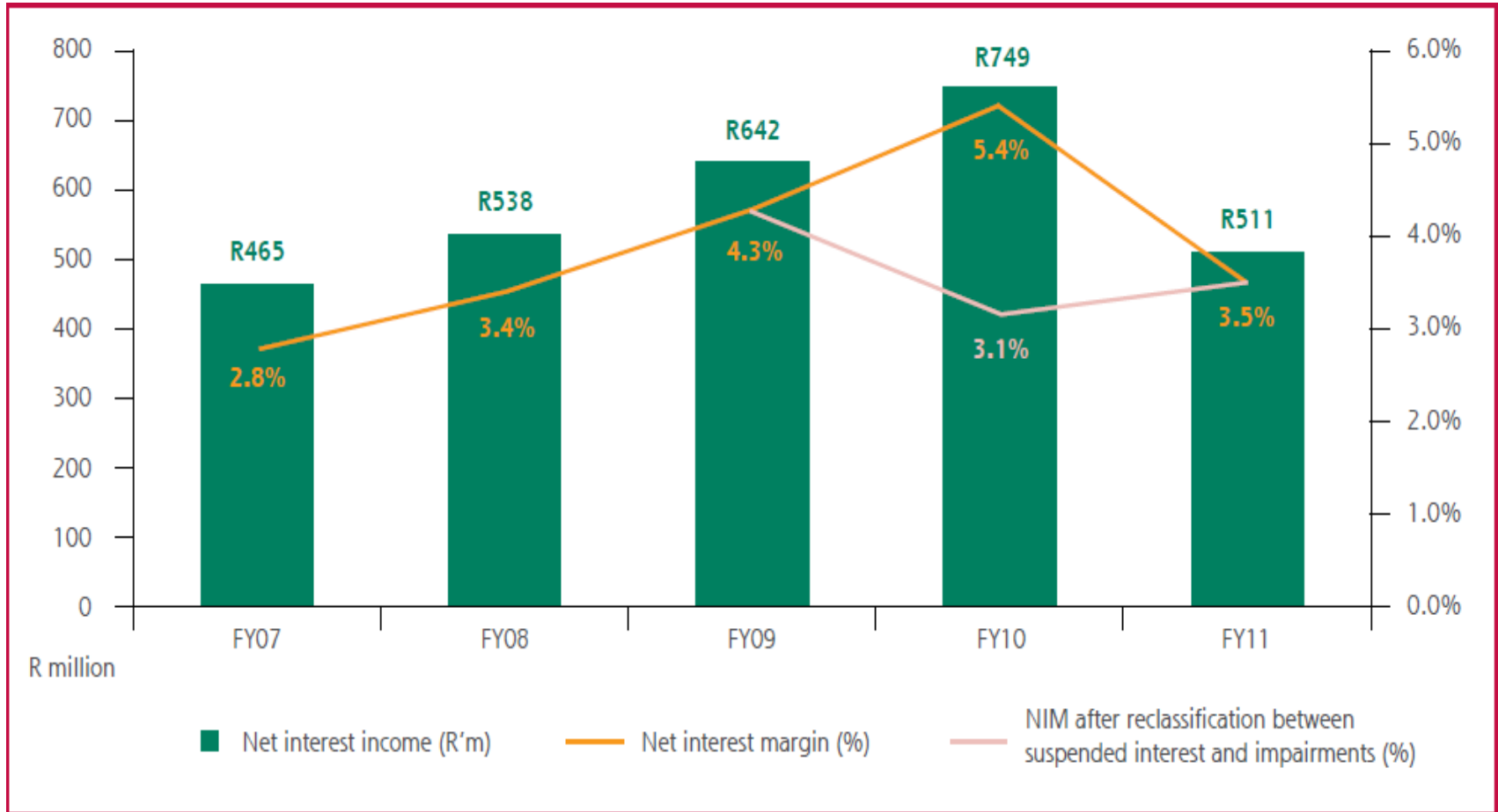
	FY'11	FY'10	Var %
Group profit	R 286.1m	R 379.1m	(24.5%)
Operating income from banking operations	R 688.2m	R 656.5m	4.8%
Profit from insurance operations	R 86.8m	R161.9m	(46.4%)
Profit from continuing operations	R 350.9m	R 422.8m	17.0%
Cost to income ratio – continuing operations	82%	95%	(13.7%)
Net cash position	R 2.1bn	R 1.9bn	10.5%
Capital adequacy ratio	43%	42%	2.4%
Performing loan book	R 13.6bn	R 11.9bn	14.3%
Non performing loans (“NPLs”)	R 1.7bn	R 1.8bn	(5.6%)
NPLs as % of the loan book	11.1%	13.1%	(15.3%)

## INCOME STATEMENT (BANKING OPERATIONS)

	FY'11 R'm	FY'10 R'm	Var %
Net interest income	511.1	748.5	(32%)
Adjusted Net interest income *	511.1	439.0	16.4%
Net impairment releases/ (charges)	125.1	(157.3)	+100%
Operating income from banking activities	688.9	657.2	4.8%
Fair value gains	11.2	37.8	(70%)
Operating expenses	476.6	479.5	0.6%
Profit from continuing operations	314.8	260.1	21.0%
Net profit for the year	269.5	192.6	39.9%

\* FY'10 adjusted to reflect impact of once off cumulative reclassification of suspended interest in that period

## NET INTEREST MARGIN



**FAIR VALUE GAINS**

	<b>FY'11</b>	<b>FY'10</b>	<b>Var</b>
	<b>R'm</b>	<b>R'm</b>	<b>%</b>
<b><i>Held for trading</i></b>			
Swaps	(6.3)	(2.0)	(+100%)
Market-making assets	(1.1)	(4.3)	74%
<b><i>Designated through profit or loss</i></b>			
Promissory notes	(4.1)	44.1	(+100%)
Floating rate notes	22.7	-	+100%
<b>Total</b>	<b>11.2</b>	<b>37.8</b>	<b>70%</b>

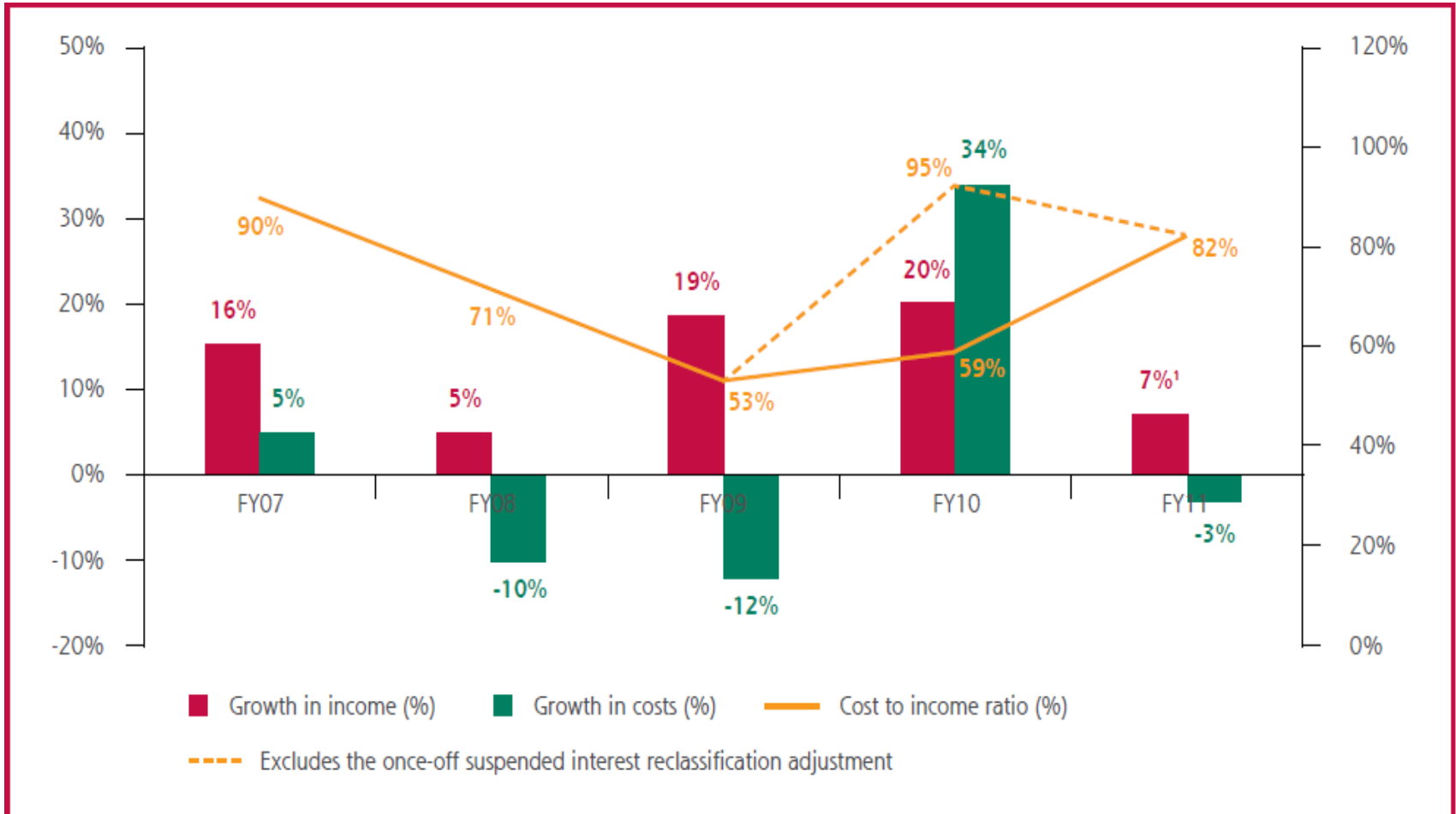
## OPERATING EXPENSES

	Composition %	FY'11 R'm	FY'10 R'm	Var %
Staff costs	64.2%	305.8	261.0	17%
Other	36.8%	170.8	218.5	(21.8)
<b>Total</b>	<b>100%</b>	<b>476.6</b>	<b>479.5</b>	<b>0.6%</b>

*Notable cost increases/ (decreases):*

<i>Staff Costs</i>	<i>17%</i>
<i>Computer expenses</i>	<i>+100%</i>
<i>Professional fees</i>	<i>(49%)</i>
<i>Legal fees</i>	<i>(85%)</i>

## COST EFFICIENCY (CONTINUED OPERATIONS)



## BUSINESS SEGMENTS

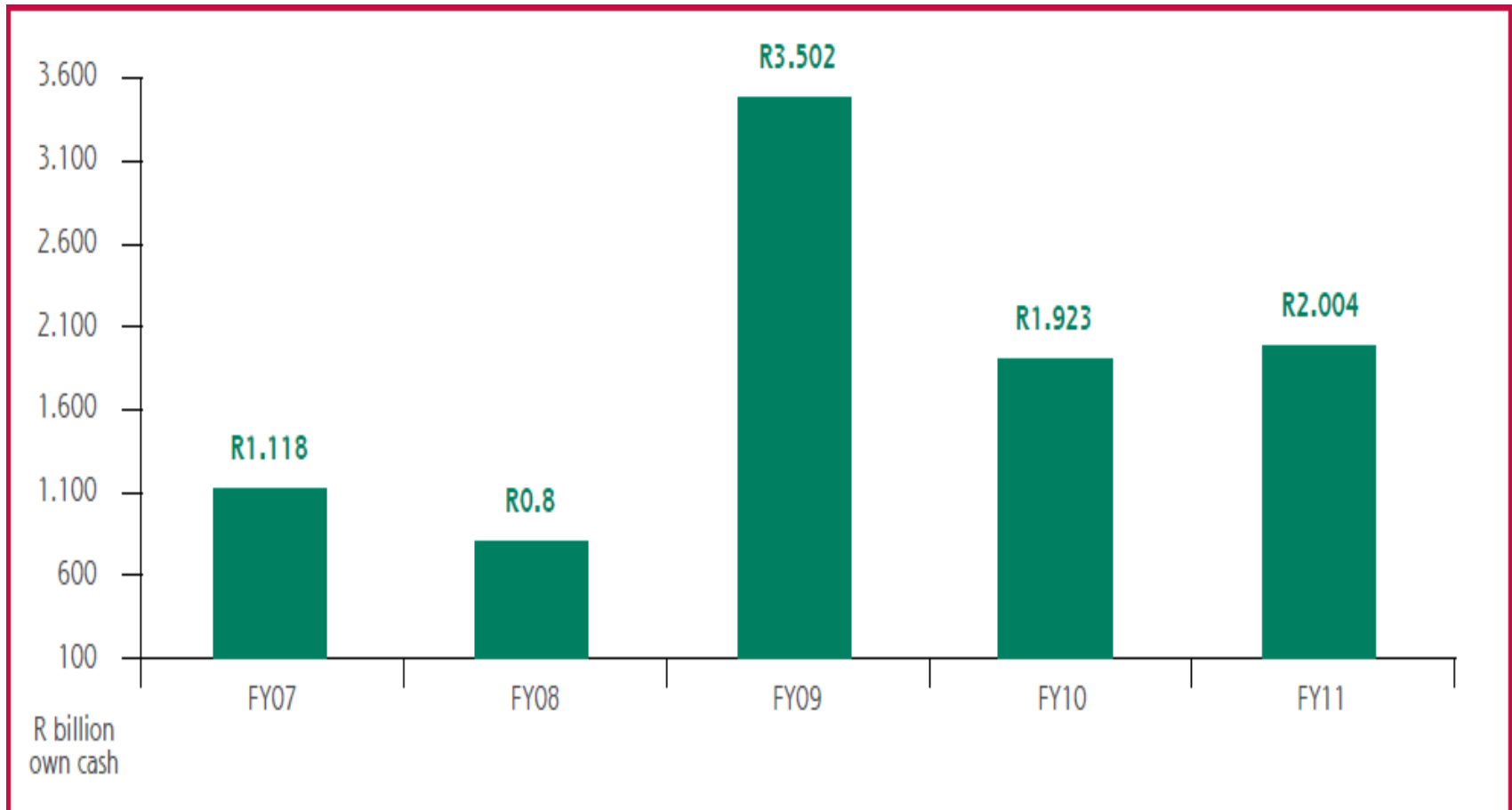
	FY'11 R'm	FY'10 R'm	Var %
Net profit/ (loss)			
- Retail	267.8	93.6	+100%
- B&CB	10.1	183.6	(94.5%)
- Group Capital	(13.7)	(16.2)	2.5%
- LDFU (discontinued)	(45.3)	(68.4)	33.8%

	Composition %	FY'11 R'm	FY'10 R'm	Var %
Total net assets				
- Retail	19.6%	3,294.1	2,496.2	32%
- B&CB	65.6%	11,040.2	9,880.4	11.74%
- Group Capital	14.8%	2,501.1	2,392.5	4.5%
- LDFU (discontinued)		153.9	153.9	-

## BALANCE SHEET

- Liquidity and cash management

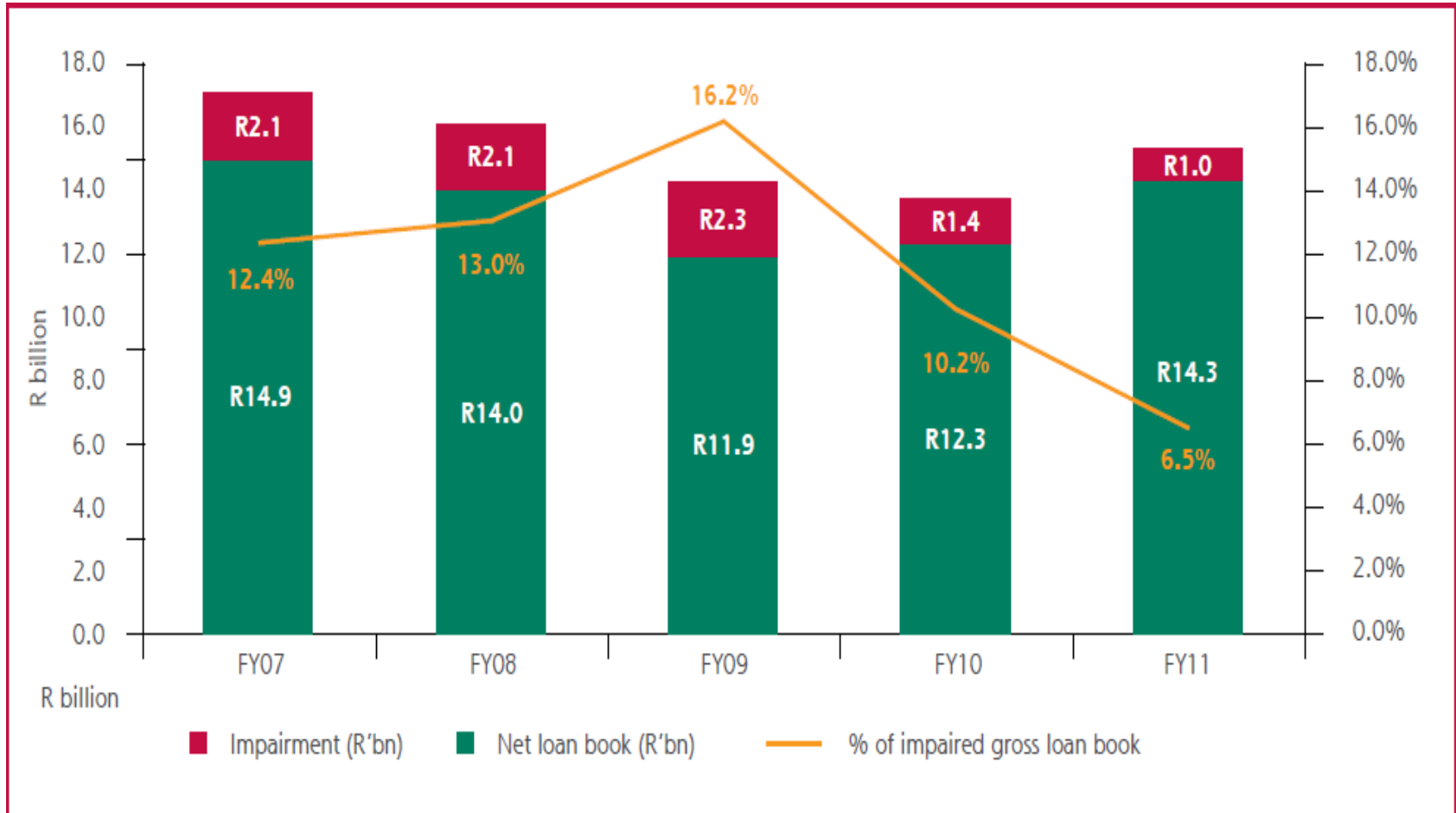
## LIQUIDITY AND CASH MANAGEMENT



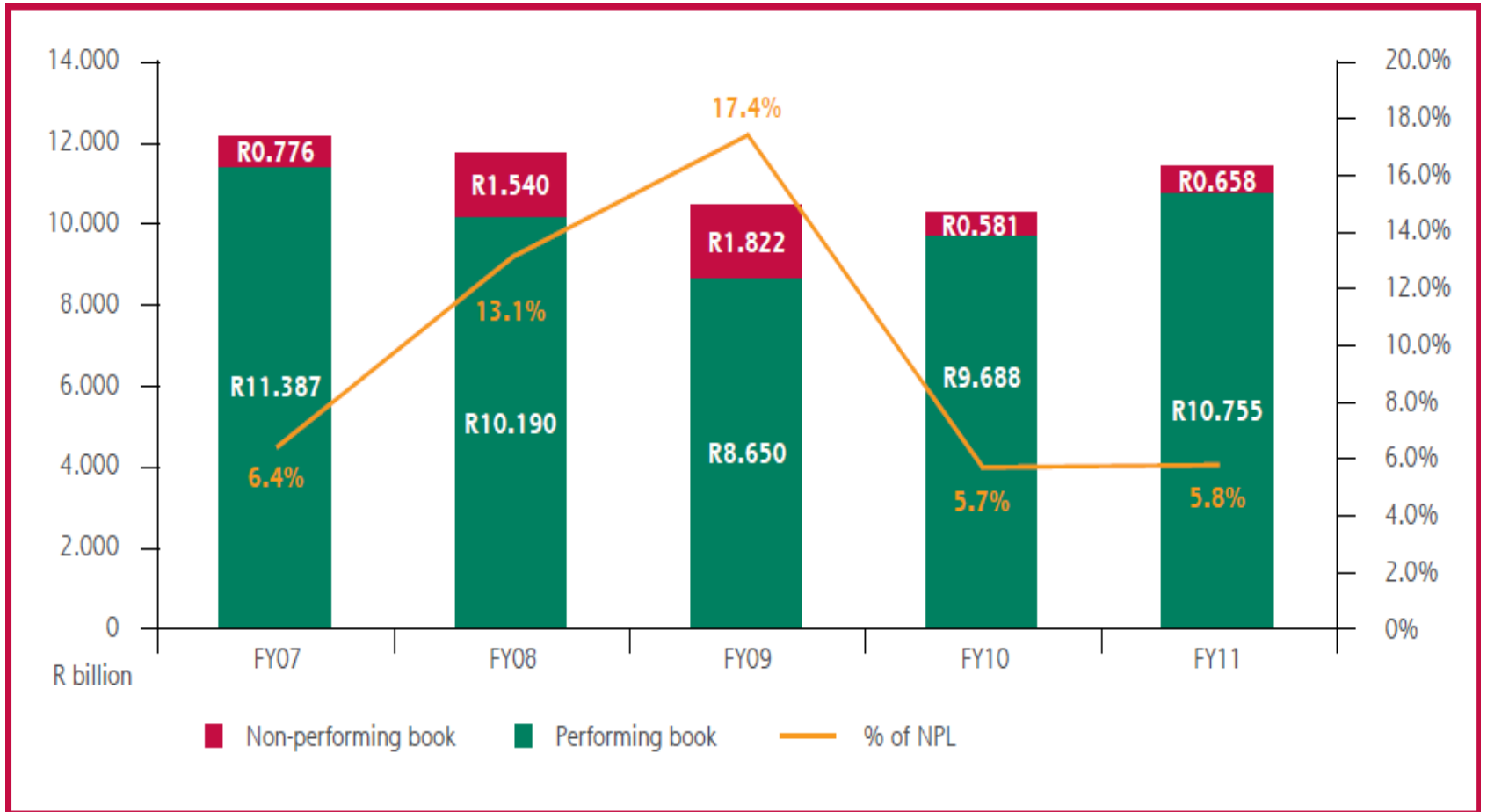
## BALANCE SHEET

- Loan book quality
  - Consolidated
  - Business & Corporate Banking
  - Retail

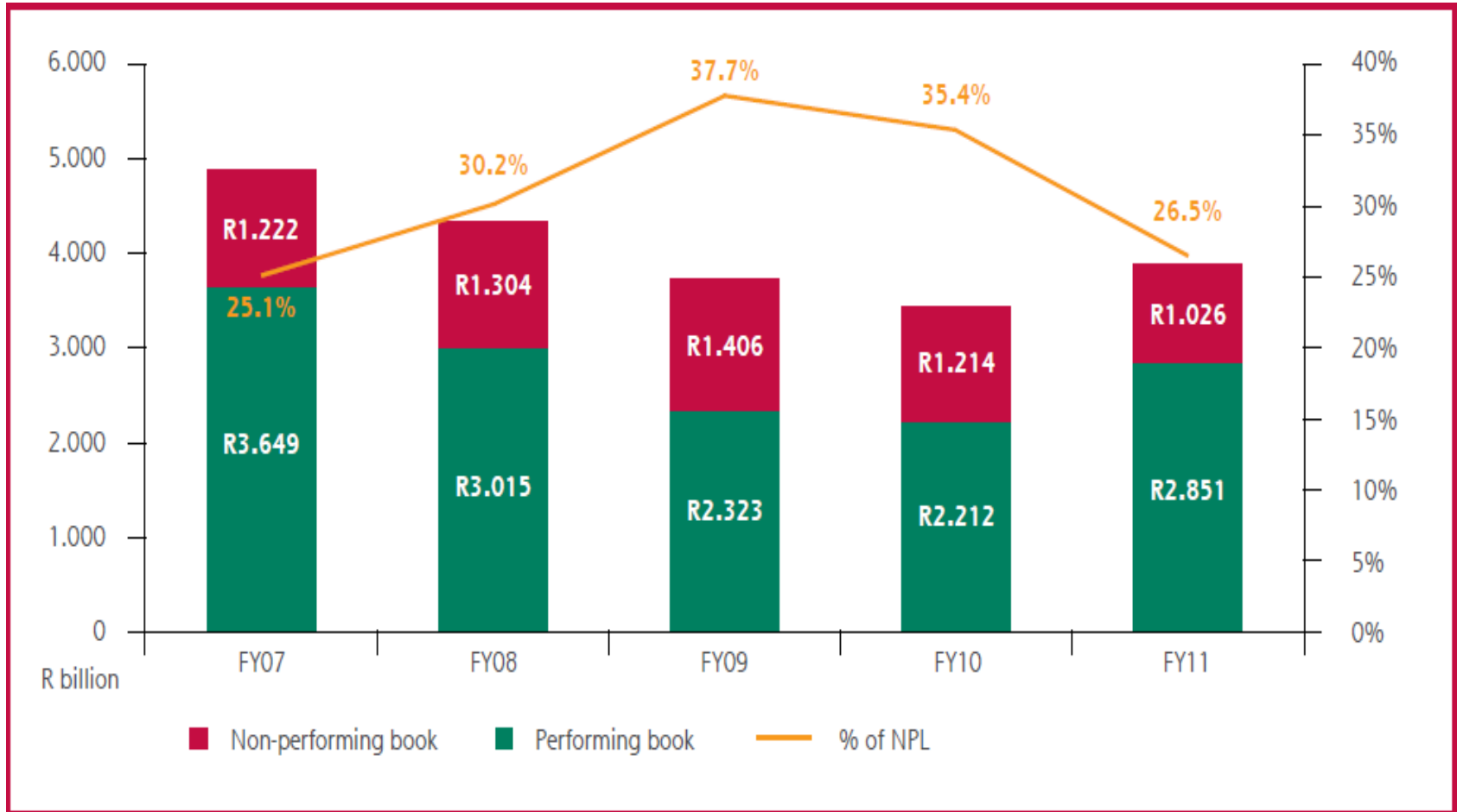
## LOAN BOOK QUALITY (CONSOLIDATED)



## LOAN BOOK QUALITY (BUSINESS & CORPORATE BANKING)



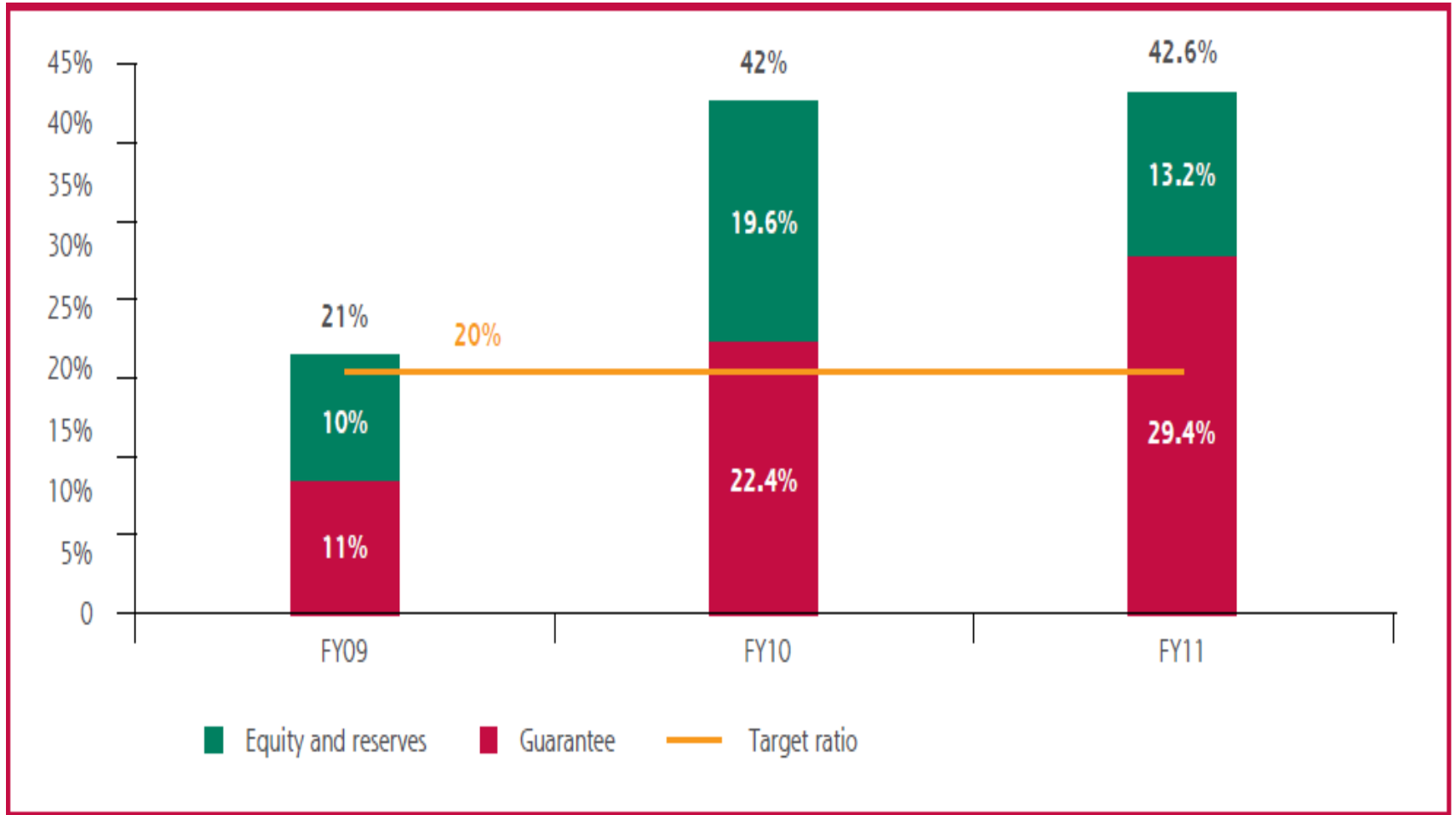
## LOAN BOOK QUALITY (RETAIL)



## BALANCE SHEET

- Capital Adequacy

## CAPITAL ADEQUACY



**THANK YOU**