

NEDBANK GROUP LIMITED
(Incorporated in the Republic of South Africa)
Registration number: 1966/010630/06
JSE share code: NED
NSX share code: NBK
ISIN: ZAE000004875
("Nedbank Group" or "the group")

NEDBANK LIMITED
(Incorporated in the Republic of South Africa)
Registration number: 1951/000009/06
JSE share code: NBKP
ISIN: ZAE000043667
("Nedbank Limited" or "the bank")

QUARTERLY REPORT ON PILLAR III CAPITAL ADEQUACY AT 30 SEPTEMBER 2012

Quarterly Report in terms of Regulation 43(1)(e)(ii) of the Banks Act 94 of 1990 (as amended) ("the Regulation").

Certain of the information required to be disclosed in terms of the Regulation is included in Nedbank Group's trading update for the nine month period to 30 September 2012.

The group's capital ratios remained well above current Basel II and forthcoming Basel III minimum regulatory requirements, as well as our internal Basel II targets.

The group's Core Tier 1 ratio improved to 10,7% in September 2012 (June 2012: 10,6%) as a result of good organic earnings growth and some RWA optimisation in the quarter, partly offset by the distribution of the interim dividend in September 2012.

In addition the group's Tier 1 ratio improved to 12,2% (June 2012: 12,1%) and Total capital ratio remained strong at 14,3% (June 2012: 14,4%), following the redemption of the NED10 R500m tier 2 subordinated note that was called and not replaced in August 2012.

The following table sets out the available capital as at 30 September 2012:

	Nedbank Group		Nedbank Limited	
	Rm	%	Rm	%
Total Tier 1 capital	43 702	12.2%	38 588	12.4%
Core Tier 1 capital	38 389	10.7%	33 275	10.7%
Share capital and premium	16 392		17 461	

Reserves	35 066			21 186		
Minority interest:						
ordinary shareholders	197			0		
Impairments	(3 145)			(2 745)		
Goodwill	(5 014)			(1 410)		
Excess of expected loss over eligible provisions (50%)	(766)			(818)		
Other regulatory differences and non-qualifying reserves	(4 341)			(399)		
Non-core Tier 1 capital	5 313	1.5%		5 313	1.7%	
Preference share capital and premium	3 561			3 561		
Hybrid debt capital	1 752			1 752		
Tier 2 capital	7 652	2.1%		8 034	2.6%	
Long-term liabilities	8 354			8 352		
Excess of expected loss over eligible provisions (50%)	(766)			(818)		
General allowance for credit impairment	83			41		
Other regulatory differences	(19)			459		
Total capital	51 354	14.3%		46 622	14.9%	
Minimum required capital and reserve funds per risk type	Pillar 1	Pillar 2a	Total	Pillar 1	Pillar 2a	Total
Credit Risk	21 361	4 005	25 366	19 065	3 575	22 640
Equity Risk	1 206	226	1 432	1 036	194	1 230
Market Risk	513	96	609	371	69	440
Operational risk	4 186	785	4 971	3 417	641	4 058
Other	1 432	269	1 701	1 100	206	1 306
Total minimum required capital and reserve funds	28 698	5 381	34 079	24 989	4 685	29 674

Notes:

1. The figures above have not been audited.
2. Available capital includes unappropriated profits that are not expected to reverse.
3. Minimum required capital and reserve funds have been reported at 9.5%, in terms of Directive 05/2011 issued in terms of section 6(4) of the Banks Act, 1990.
4. Regulation requires details of any risk exposure or other item that is subject to rapid or material change. These are detailed in the trading update released on 29 October 2012.

Sandton
29 October 2012

Sponsors to Nedbank Group in South Africa:
Merrill Lynch South Africa (Pty) Limited
Nedbank Capital

Sponsors to Nedbank Limited in South Africa:
Nedbank Capital
Investec Bank Limited

Sponsor to Nedbank Group in Namibia:
Old Mutual Investment Services (Namibia) (Pty) Ltd