

100901_SCTRADE



**The involvement of Standard Bank in
helping South African companies conduct
business in Africa and the rest of the world**

September 2010



Table of contents

2

- The Standard Bank Group
- Standard Bank's African footprint
- Global representation
- Africa: The core of our strategy
- The role of Standard Bank in enhancing South Africa's economic growth
- What role do banks play in facilitating investment
- Leveraging our connectivity
- Trade
- BRIC – Africa trade is rising rapidly
- Cross border payments
- We facilitate donor and aid flows
- Donor flows into Africa
- Risk mitigation tools
- We advise
- We arrange funding
- What we need from policymakers?

The Standard Bank Group

3

- A global emerging markets bank, headquartered in downtown Johannesburg, South Africa
 - Established 148 years ago in Johannesburg
 - Key global strategy is to “*Connect Africa to the World and the World to Africa*”
 - Full-service bank covering:
 - Personal & Business Banking
 - Corporate & Investment Banking
 - Investment Management & Life Insurance
-
- On the ground in 17 countries in Africa
 - Presence in 16 countries outside Africa
 - Concentrated on key emerging market sectors – Financial Institutions, Resources, Commodities, Mining and Metals, Oil and Gas, Power and Infrastructure and Telecoms
 - ICBC, the Industrial and Commercial Bank of China, the biggest bank in the world, is a 20% shareholder
-
- Largest banking group in Africa by assets and earnings
 - Market capitalisation of R165 billion (31 August 2010)
 - Employs over 50,000 people in 33 countries around the world, of which 47,000 people are employed in Africa alone
 - Own majority stakes in African and emerging market operations (exception is minority stake in Troika)

Standard Bank's African footprint

- Established Standard Bank South West Africa in 1978
- Started bank in Swaziland in 1988
- Bought ANZ Grindlays in 1992 with 8 African operations: Botswana, Kenya, Uganda, Zambia, DRC, Zimbabwe & minority interests in Nigeria and Ghana
- Boost to ops in Ghana (1999) and acquisitions in Nigeria (2007) and Kenya (2008)
- Angola rep office given a banking licence in 2009



Brands under the Standard Bank Group:

- CfC Stanbic Bank
- Stanbic IBTC Bank
- Stanbic Bank
- Standard Bank

Country	Brand	Standard Bank representation	Corporate Banking	Retail Banking	Custody business	Stock-broking	Investment Banking
South Africa	■	720	✓	✓	✓	✓	✓
Angola	■	1	✓				✓
Botswana	■	6	✓	✓	✓		✓
DRC	■	2	✓				✓
Ghana	■	13	✓	✓	✓		✓
Kenya	■	8	✓	✓	✓	✓	✓
Lesotho	■	18	✓	✓			✓
Malawi	■	19	✓	✓	✓		✓
Mauritius	■	1	✓	Private clients	✓		✓
Mozambique	■	27	✓	✓			✓
Namibia	■	43	✓	✓	✓		✓
Nigeria	■	114	✓	✓	✓	✓	✓
Swaziland	■	11	✓	✓	✓		✓
Tanzania	■	9	✓	✓			✓
Uganda	■	71	✓	✓	✓		✓
Zambia	■	13	✓	✓	✓		✓
Zimbabwe	■	16	✓	✓	✓		✓

Global representation

Standard Bank has extensive expertise in the complicated dynamics of emerging markets, enabling us to effectively partner clients and our stakeholders in achieving their strategic objectives



Africa

- 17 African countries
- 1,106 branches & 5,174 ATMs across these geographic regions

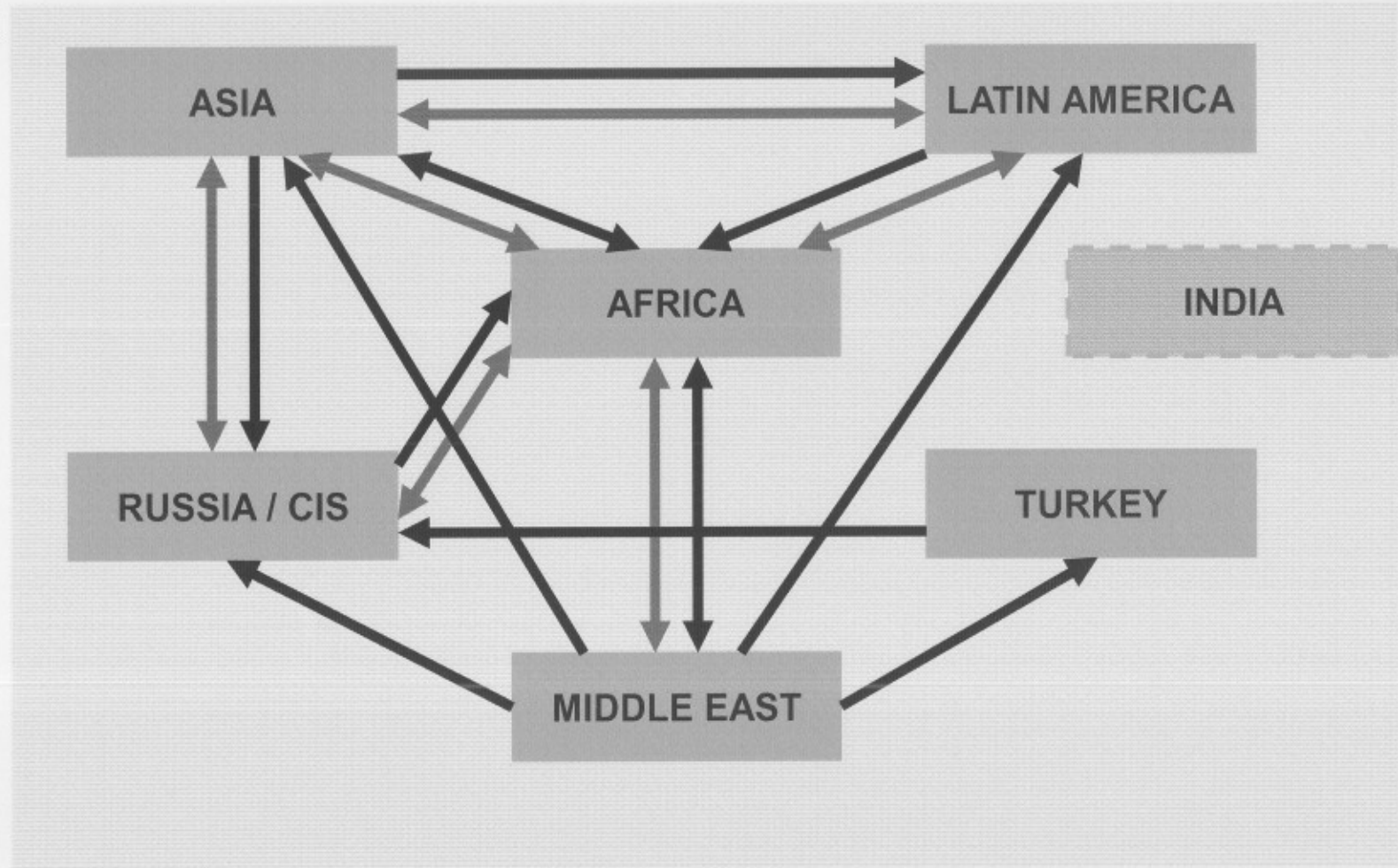
Rest of world


- 16 countries outside Africa
- 90 branches in Argentina

Key regional offices

- Offices in key regional financial centres, including London, Moscow, New York, Hong Kong, Sao Paulo and Dubai

Africa: The core of our strategy



 Capital Flows
 Trade Flows

The role of Standard Bank in enhancing South African economic growth

7

- Our global footprint provides us with leverage to promote South African objectives
- Our South African core banking platform enables us to be trusted local advisors to foreign investors
- Our commitment to South Africa and Africa's economic emancipation provides us with effective partnerships with SA companies
- Our risk management capabilities contribute to the sound health of the South African economy
- Our role as a South African bank places us at the core of the economic life of the South African Nation
 - Standard Bank is deeply ingrained in the South African economy and effective management of depositors funds remains key
- A thriving economy needs a stable/dependable banking partner

Leveraging our connectivity

8

- We partner other institutions for the benefit of SA and Africa
 - Helped National Treasury raise US\$2bn 10-year bond in 2010 (our international network was key to winning this mandate)
- ICBC deal gave us access to Chinese market:
 - 5-year \$1 bn bond that we raised through a consortium of five Chinese banks in 2009
 - Working with Guangdong Nuclear Power Company to find nuclear power projects in SA
 - Standard Bank and ICBC were joint lead arrangers on the \$1.6 bn coal-fired Morupule B power station expansion project in Botswana
 - \$1.5bn of financing provided to Ghana Cocoa Board to enable purchases of cocoa from small scale farmers
 - Refinancing of \$400 mn debt in Equinox Minerals' Lumwana copper project

Leveraging our connectivity (cont.)

Raising funding from:



Access bank loan, capital markets and aid / multilateral

For clients in:



What role do banks play in facilitating investment

10

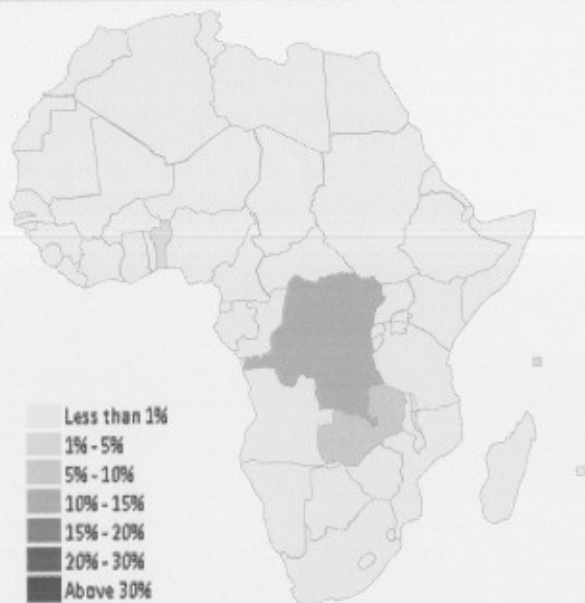
- We facilitate trade
- We facilitate flow of cross border payments
- We provide risk mitigation tools to foreign exchange receipts inherent in cross border payments
- We provide investment advice
- We arrange debt and equity funding for investments *potentially outside of SA*

Trade

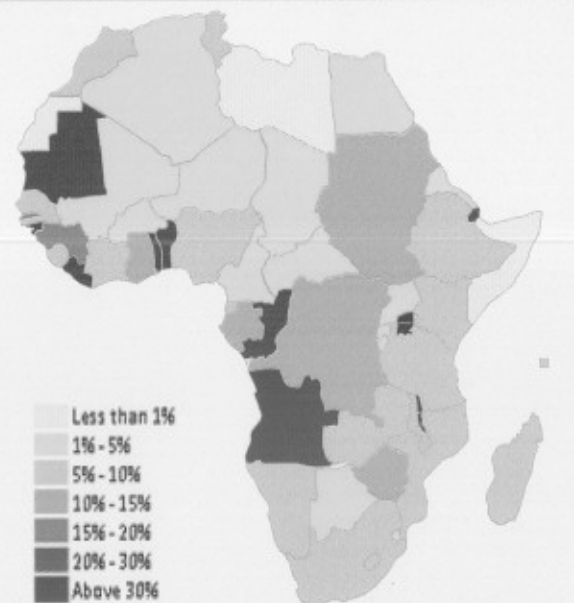
11

- Trade is the first step for a company before setting up operations abroad
- Standard Bank's ability to connect emerging markets is helping Africa connect trade flows with the BRICs:
 - Africa's trade with BRICs rose from a low of 4.6% in 1993 to 22.5% in 2009
 - China became Africa's and SA's largest trading partner in 2009
- We provide guarantees for and Letters of Credit to both the exporter and importer
- By facilitating trade, it assists the exporter in creating jobs and infrastructure in South Africa and as a country we earn foreign currency. It also creates jobs and infrastructure in the importer's country

BRIC trade with Africa; share of each country's GDP - 1980



BRIC trade with Africa; share of each country's GDP - 2008



for ex
setu



Trade (cont.)

12

- In 2009, Standard Bank concluded 1 600 transactions trade related transactions totalling R8bn, in amongst others, Mining, Manufacturing, Telecoms, Agriculture
- In Africa, we provide guarantees for approximately 100 banks
 - In 2009, Standard Bank completed 3 300 transactions totalling R15bn *in Africa with other banks.*
- Outside Africa, Standard Bank completed 875 transactions totalling R6.2bn in 2009
- We also partner with organisations such as the World Bank and IMF who share the risk and enable African exporters to receive trade finance facilities
- In the Agricultural sector for example, we provided trade related services to a number of smaller SA Agri businesses such as Pannar Seeds, John Deere, Profert Fertilizer. We also provide similar services in Mining, Telecoms and Manufacturing

