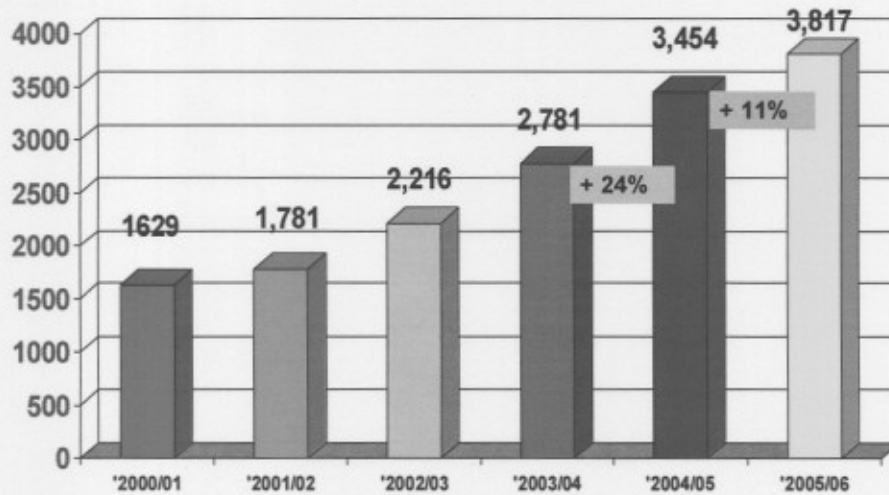


Postbank depositors accounts



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Introduction by
the Group CFO

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IFRS Compliance

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IFRS comparative income statement 2004/05 FY

| | SA GAAP R'000 | IFRS ADJUSTMENTS R'000 | IFRS R'000 |
|----------------------------------|------------------|------------------------------|------------------|
| Revenue | 4,428,068 | (68,916) | 4,359,152 |
| Expenses | (4,130,671) | 56,826 | (4,073,845) |
| Net finance costs | (28,683) | (6,875) | (35,558) |
| Post retirement medical benefits | 512,000 | 176,637 | 688,637 |
| Net profit before tax | 780,714 | 157,672 | 938,386 |
| Tax | 287,458 | (35,923) | 251,535 |
| Net profit for the year | 1,068,172 | 121,749 | 1,189,921 |

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IFRS comparative balance sheet 2004/05 FY

| | SA GAAP R'000 | IFRS ADJUSTMENTS R'000 | IFRS R'000 |
|--------------------|------------------|------------------------------|------------------|
| Assets | | | |
| Non - current | 1,314,608 | 198,045 | 1,512,653 |
| Current | 3,293,431 | 43,939 | 3,337,370 |
| | <u>4,608,039</u> | <u>241,984</u> | <u>4,850,023</u> |
| Equity | 303,152 | 122,767 | 425,919 |
| Liabilities | | | |
| Non - current | 2,679,438 | (1,923,726) | 755,712 |
| Current | 1,625,449 | 2,042,943 | 3,668,392 |
| | <u>4,608,039</u> | <u>241,984</u> | <u>4,850,023</u> |

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2005/2006 Financial performance details

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Group Income Statement

| | 2004/2005 R'000 | 2005/2006 R'000 | Change R'000 | Change % |
|---------------------------------------|--------------------|--------------------|------------------|---------------|
| Profit from trading operations | 135,068 | 287,154 | 152,086 | 113% |
| Non trading items | 767,395 | 442,843 | (324,552) | (42%) |
| Staff non ops items | (91,663) | (24,097) | 67,566 | 74% |
| Subsidy | 161,663 | 86,657 | (75,006) | (46%) |
| Postbank unclaimed funds | 9,784 | 18,851 | 9,067 | (93%) |
| Uthingo dividends | 25,875 | 24,000 | (1,875) | (7%) |
| Insurance premium refund | 20,000 | 0 | (20,000) | (100%) |
| Other non trading items | (22,013) | 30,563 | 52,576 | 239% |
| IFRS adjustments | 121,749 | (30,951) | (152,700) | (100%) |
| Pension fund asset | 0 | 389,855 | 389,855 | 100% |
| Post retirement medical benefits | 542,000 | (52,035) | (594,035) | (110%) |
| Net Profit before tax | 902,463 | 729,997 | (172,466) | (19%) |
| Taxation | 287,458 | (243,726) | (531,184) | (185%) |
| Net Profit after tax | 1,189,921 | 486,271 | (703,650) | (59%) |

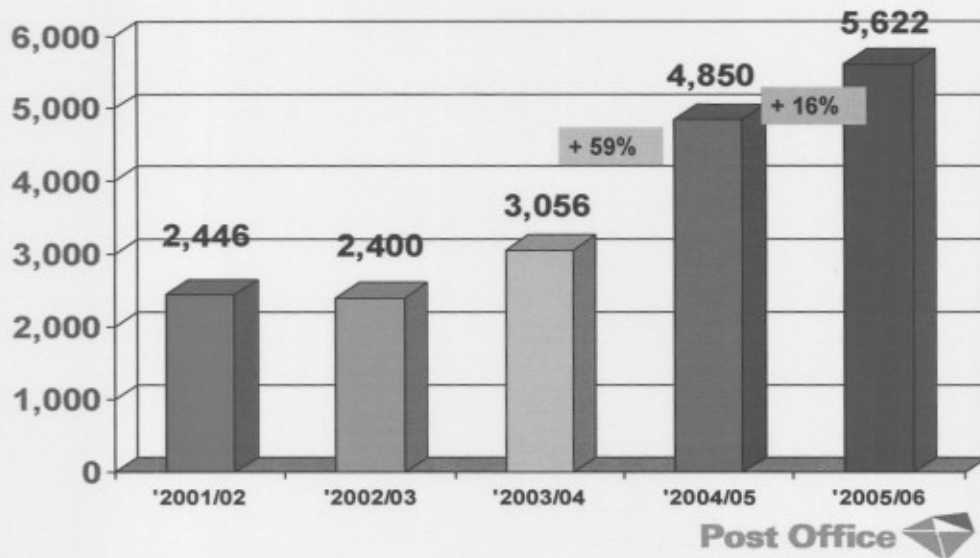
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Balance sheet total assets

| | 2005 R'000 | 2006 R'000 | Change R'000 |
|-------------------------------|------------------|------------------|-----------------|
| ASSETS | | | |
| Noncurrent assets | 1,512,653 | 1,640,262 | 127,609 |
| Property, plant and equipment | 1,259,284 | 1,199,065 | (60,219) |
| Pension fund asset | 0 | 353,836 | 353,836 |
| Deferred taxation | 253,369 | 87,361 | (166,008) |
| Current assets | 3,337,370 | 3,981,265 | 643,895 |
| Inventories | 89,523 | 72,120 | (17,403) |
| Trade and other receivables | 588,786 | 560,502 | (28,284) |
| Available for sale asset | 56,523 | 59,167 | 2,644 |
| Cash and cash equivalents | 2,602,538 | 3,289,476 | 686,938 |
| TOTAL ASSETS | 4,850,023 | 5,621,527 | 771,504 |

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5 year trend total assets (Rm)



Balance sheet equity & liabilities

| | 2005 R'000 | 2006 R'000 | Change R'000 |
|--|------------------|------------------|-----------------|
| EQUITY AND LIABILITIES | | | |
| Capital and reserves | 425,918 | 888,204 | 462,286 |
| Share capital | 950,940 | 950,940 | 0 |
| Accumulated (loss)/profit & Reserves | (525,022) | (62,736) | 462,286 |
| Noncurrent liabilities | 755,712 | 719,832 | (35,880) |
| Interest bearing borrowings | 4,301 | 22 | (4,279) |
| Employment benefit obligations | 681,772 | 659,924 | (21,848) |
| Provisions & Other Lease Liability | 69,639 | 59,886 | (9,753) |
| Current liabilities | 3,668,393 | 4,013,491 | 345,098 |
| Trade and other payables | 1,339,412 | 1,343,178 | 3,766 |
| Funds collected on behalf of third parties | 126,957 | 98,494 | (28,463) |
| Deposits from the public | 2,024,456 | 2,293,849 | 269,393 |
| Employment benefit obligations | 75,720 | 70,720 | (5,000) |
| Taxation | 2,941 | 76,081 | 73,140 |
| Subsidy received in advance | 98,907 | 131,169 | 32,262 |
| TOTAL EQUITY AND LIABILITIES | 4,850,023 | 5,621,527 | 771,504 |

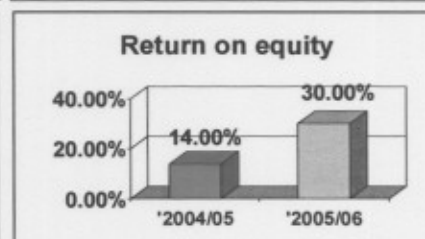
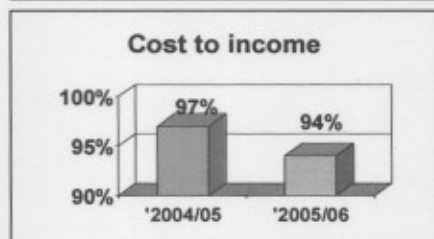
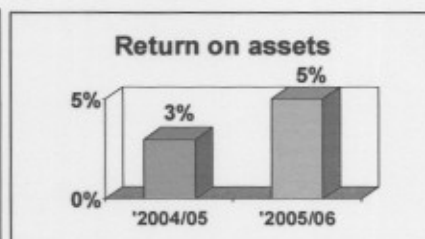
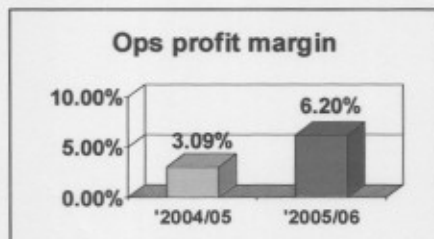
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Summary Cash flow

| | 2005 R'000 | 2006 R'000 | Change R'000 |
|---|---------------|---------------|-----------------|
| Cash inflow/(outflow) from operating activities | 8,752 | 232,992 | 224,240 |
| Net increase in operating funds | 231,135 | 288,164 | 57,029 |
| Cash outflow from investing activities | (210,424) | (126,493) | 83,931 |
| Cash inflow from financing activities | 1,044,650 | 292,275 | (752,375) |
| Increase in cash and cash equivalents | 1,074,113 | 686,938 | (387,175) |
| Cash and cash equivalents at beginning of year | 1,528,425 | 2,602,538 | 1,074,113 |
| Cash and cash equivalents at end of year | 2,602,538 | 3,289,476 | 686,938 |

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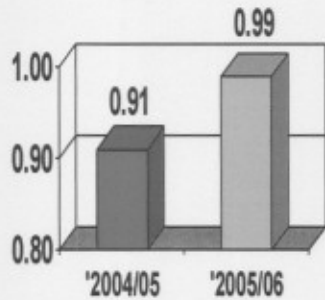
Profitability ratios



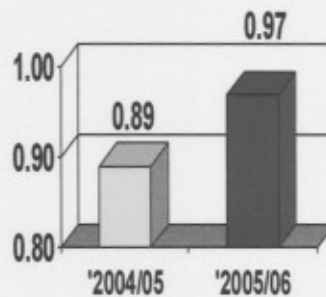
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Liquidity ratios

Current ratio



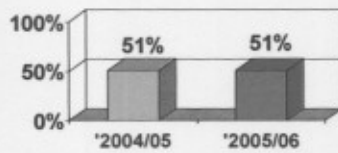
Acid test ratio



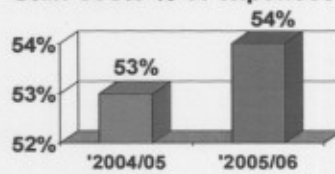
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Efficiency ratios

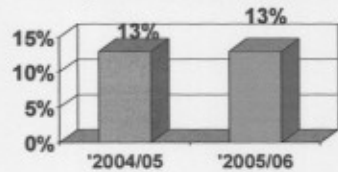
Staff costs % of revenue



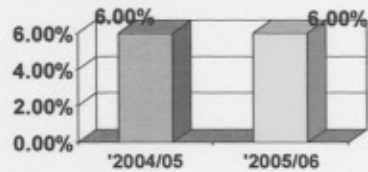
Staff costs % of expenses



Transport cost % of revenue



Accommodation costs % of revenue



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