

## Eight year review income statement

N\$ million	IFRS 2008	IFRS 2007	IFRS 2006	IFRS 2005	Namibian GAAP 2004	Namibian GAAP 2003	Namibian GAAP 2002	Namibian GAAP 2001
Interest and similar income	1 481	1 212	926	815	780	608	472	420
Interest expense and similar charges	(775)	(601)	(443)	(392)	(382)	(299)	(202)	(175)
<b>Net interest income before impairment of advances</b>	<b>706</b>	<b>611</b>	<b>483</b>	<b>423</b>	<b>398</b>	<b>309</b>	<b>270</b>	<b>245</b>
Impairment of advances	(72)	(68)	(29)	(23)	(23)	(12)	(5)	(3)
<b>Net interest income after impairment of advances</b>	<b>634</b>	<b>543</b>	<b>454</b>	<b>400</b>	<b>375</b>	<b>297</b>	<b>265</b>	<b>242</b>
Non interest income	433	380	344	281	218	184	158	131
Net insurance premium income	160	120	108	89	78			
Net claims and benefits paid	(117)	(44)	(42)	(30)	(27)			
Increase in value of policyholder liabilities: insurance contracts	85	(38)	(37)	(29)	(17)			
Increase/(decrease) in value of policyholder liabilities: investment contracts	(4)		2	(2)				
Fair value adjustments to financial liabilities	16	8						
<b>Income from operations</b>	<b>1 207</b>	<b>969</b>	<b>829</b>	<b>709</b>	<b>627</b>	<b>481</b>	<b>423</b>	<b>373</b>
Operating expenses	(626)	(521)	(454)	(400)	(380)	(226)	(188)	(176)
Share of profit / (loss) of associated companies	6	(1)	(3)	1				
<b>Income before tax</b>	<b>587</b>	<b>447</b>	<b>372</b>	<b>310</b>	<b>247</b>	<b>255</b>	<b>235</b>	<b>197</b>
Indirect tax	(18)	(13)	(13)	(3)	(4)	(7)	(6)	(2)
<b>Profit before tax</b>	<b>569</b>	<b>434</b>	<b>359</b>	<b>307</b>	<b>243</b>	<b>248</b>	<b>229</b>	<b>195</b>
Direct tax	(160)	(130)	(102)	(91)	(78)	(7)	(73)	(63)
<b>Earnings</b>	<b>409</b>	<b>304</b>	<b>257</b>	<b>216</b>	<b>165</b>	<b>241</b>	<b>156</b>	<b>132</b>
<b>Earnings attributable to minorities</b>	<b>24</b>							
<b>Earnings attributable to preference shareholders</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>5</b>				
<b>Earnings attributable to ordinary shareholders</b>	<b>384</b>	<b>303</b>	<b>256</b>	<b>211</b>	<b>165</b>	<b>241</b>	<b>156</b>	<b>132</b>
<b>Reconciliation of earnings attributable to ordinary shareholders and headline earnings</b>								
Earnings attributable to ordinary shareholders	384	303	256	211	165	241	156	132
<b>Headline earnings adjustments</b>								
Profit on sale of fixed assets			(1)	(6)	(1)	(2)		
Loss / Profit on revaluation of investment property	1		(1)	(1)				
Impairment on property and equipment								
Impairment of associate companies	(4)	1	3					
Realised gain on available-for-sale financial assets	(1)	(4)	(3)					
Profit on sale of shares in subsidiaries	(34)							
Gains on initial recognition of VISA shares	(16)							
<b>Headline earnings</b>	<b>330</b>	<b>300</b>	<b>254</b>	<b>204</b>	<b>164</b>	<b>239</b>	<b>156</b>	<b>132</b>
<b>Reconciliation of headline earnings and core operational earnings</b>								
Headline earnings	330	300	254	204	164	239	156	132
Plus: Merger expenses					10			
Less: Once-off tax asset created on restructuring						(80)		
<b>Core operational earnings</b>	<b>330</b>	<b>300</b>	<b>254</b>	<b>204</b>	<b>174</b>	<b>159</b>	<b>156</b>	<b>132</b>

## Eight year review balance sheet

N\$ million	IFRS 2008	IFRS 2007	IFRS 2006	IFRS 2005	Namibian GAAP 2004	Namibian GAAP 2003	Namibian GAAP 2002	Namibian GAAP 2001
<b>Assets</b>								
Cash and short-term funds	345	226	208	203	280	453	703	305
Due from banks and other financial institutions	1 004	116	170					
Derivatives financial instruments	38	22	39	5				
Advances	9 142	8 726	7 862	6 709	5 827	3 555	2 932	2 633
Investment securities	2 068	1 152	967	839	637	350	277	222
Accounts receivable	95	155	102	182	97	250	99	58
Policy loans on investment contracts	19	3	1					
Reinsurance assets	390	8	8	3				
Investment in associates	5			6	3	3		
Tax asset	17			8	41			
Deferred tax asset	20	34	39	35	46	40	2	2
Property and equipment	188	164	158	152	142	81	59	56
Investment property	4	6	6	12	18			
Intangible assets	67	62	71	79	109			
<b>Total assets</b>	<b>13 402</b>	<b>10 674</b>	<b>9 631</b>	<b>8 233</b>	<b>7 200</b>	<b>4 732</b>	<b>4 072</b>	<b>3 276</b>
<b>Liabilities and equity</b>								
<b>Liabilities</b>								
Deposit and current accounts	9 676	7 817	7 812	6 706	5 884	3 950	3 271	2 628
Due to banks and other financial institutions	354	831	124					
Derivative financial instruments	62	33	40	4	17			
Creditors and accruals	247	152	114	133	102	162	135	64
Gross outstanding claims	1	2	7	3	3			
Gross unearned premium	16	20	17	10	15			
Provision for unexpired claims	2	2	2	2	2			
Policyholder liabilities	1 142	188	147	109	77			
Post-retirement medical liability	38	34	30	28	26	22	21	20
Tax liability	1	104	1	17				
Deferred tax liability			35	46	36		51	42
Long term liability	236	251						
<b>Total liabilities</b>	<b>11 775</b>	<b>9 434</b>	<b>8 329</b>	<b>7 058</b>	<b>6 162</b>	<b>4 134</b>	<b>3 478</b>	<b>2 754</b>
<b>Equity</b>								
Ordinary shares	1	1	1	1	1	1	1	1
Share premium	258	264	266	266	302	18	11	11
Distributable reserves	1 228	971	1 022	880	715	543	582	510
Non-distributable reserves	(4)	4	13	28	20	36		
<b>Capital and reserves attributable to ordinary equity holders</b>	<b>1 483</b>	<b>1 240</b>	<b>1 302</b>	<b>1 175</b>	<b>1 038</b>	<b>598</b>	<b>594</b>	<b>522</b>
<b>Minority interest</b>	<b>144</b>							
<b>Total equity</b>	<b>1 627</b>	<b>1 240</b>	<b>1 302</b>	<b>1 175</b>	<b>1 038</b>	<b>598</b>	<b>594</b>	<b>522</b>
<b>Total equity and liabilities</b>	<b>13 402</b>	<b>10 674</b>	<b>9 631</b>	<b>8 233</b>	<b>7 200</b>	<b>4 732</b>	<b>4 072</b>	<b>3 276</b>

## Eight year review ratios and selected financial information

	2008	2007	2006	2005	2004	2003	2002	2001
Number of ordinary shares in issue ('000)	267 593	267 593	267 593	267 593	260 771	201 700	200 000	200 000
Number of ordinary shares in issue with share trust eliminated ('000)	264 384	264 323	264 347	264 347	259 071	200 000	200 000	200 000
Weighted number of ordinary shares in issue ('000)	264 384	264 331	264 347	258 496	259 071	200 000	200 000	200 000
Number of preference shares in issue	2	2	2	2	27.2 million			
Number of preference shares expected to convert					14.5 million			
Earnings per ordinary share (cents)	145.2	115.3	96.7	81.6	63.7	120.4	78.2	66.0
Headline earnings per share (cents)	124.7	113.5	95.0	78.7	63.4	119.6	78.2	66.0
Diluted earnings per share (cents)	145.2	115.3	96.7	81.6	63.7	120.4	78.2	66.0
Core operational earnings per share (cents)	124.7	113.5	95.0	78.7	67.2	79.6	78.2	66.0
Diluted core operational earnings per share (cents)	124.7	113.5	95.0	78.7	67.2	79.6	78.2	66.0
Return on assets (earnings on average assets) (%)	3.4	3.0	2.9	2.7	2.8	5.5	4.3	0.0
Return on equity (earnings on average equity) (%)	28.2	24.0	20.6	19.1	20.2	40.4	28.0	0.1
Core operational earnings on average assets (%)	2.8	3.0	2.8	2.6	2.9	3.6	4.3	0.0
Core operational earnings on average equity (%)	24.5	23.7	20.3	18.4	21.3	26.7	28.0	0.1
Cost to income ratio (%)	45.9	47.5	49.0	49.8	52.2	45.9	44.0	46.7
Critical mass (%) (excluding merger expenses in 2004)	4.7	4.9	4.7	4.9	5.3	4.8	4.6	5.4
Net asset value per share (cents)	561.2	469.3	492.7	444.6	400.7	298.9	297.2	261.1
Market capitalisation (N\$ million)	2 665.2	2 119.3	1 873.2	1 605.6	1 199.5	899.6	790.0	672.0
Price to Book	1.8	1.7	1.4	1.4	1.2	1.5	1.3	1.3
<b>Dividend information:</b>								
Dividends per share - ordinary dividend declared (cents) *	53.0	47.0	40.0	32.0	25.0	25.0	42.0	33.0
* based on current year profits								
Dividends per share - ordinary dividend paid (cents) **	51.0	44.0	34.0	28.5	11.5	25.0	42.0	33.0
** based on dividends paid within financial year								
Dividend per share - special dividend (cents)		93.0				95.0		
Dividend yield - ordinary dividend (%)	5.3	5.9	5.7	5.3	5.4	5.6	10.6	9.8
Dividend yield - special dividend (%)		11.7				21.3		
Dividend cover (times) based on total dividends declared	2.4	0.8	2.4	2.5	2.5	1.0	1.9	2.0
Earnings yield (%)	14.6	14.6	13.8	13.6	13.8	27.0	19.8	19.7
Closing share price - ordinary (cents)	996.0	792.0	700.0	600.0	460.0	446.0	395.0	336.0
Price / Earnings ratio	6.9	6.9	7.2	7.4	7.2	3.7	5.1	5.1
Impairment charge vs. average advances (%)	0.8	0.8	0.4	0.4	0.5	0.4	0.2	0.0
Specific impairment charge vs. average advances (%)	0.2	0.5	0.2	0.0	0.2	0.2	0.2	0.1
Capital adequacy ratio of the Banking group (%)	20.7	19.8	20.3	18.4	21.2	19.9	24.4	22.8
Capital adequacy requirement (CAR) cover of Swabou Life (times)	5.1	4.6	2.8	2.5	3.1	1.3		
Solvency margin of Swabou Insurance (%)	59.3	85.2	77.7	83.9	75.0			