



Your story matters



Absa Group FY25 financial results



Kenny Fihla

Chief Executive

Volatile global backdrop, with resilient growth and strong African tailwinds

Global

- Escalating geopolitical fragmentation and shifting alliances impacting capital flows
- Resilient growth despite uncertainty, with US and China outpacing Europe
- Easing monetary policy across major economies

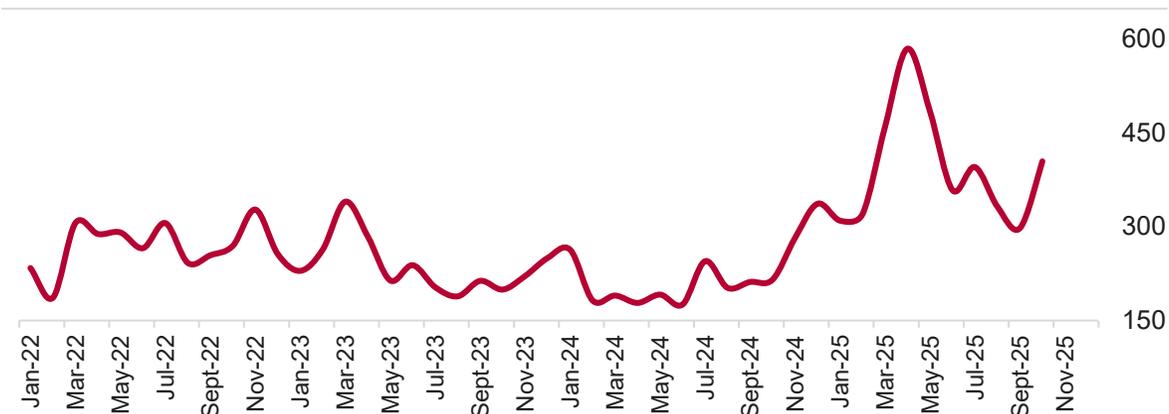
Africa Regions

- Mixed market performance with weighted average GDP growth of 4.8% year on year
- Improved credit ratings for Kenya, Ghana and Zambia
- Continued fiscal pressures and elevated sovereign stress in Botswana and Mozambique

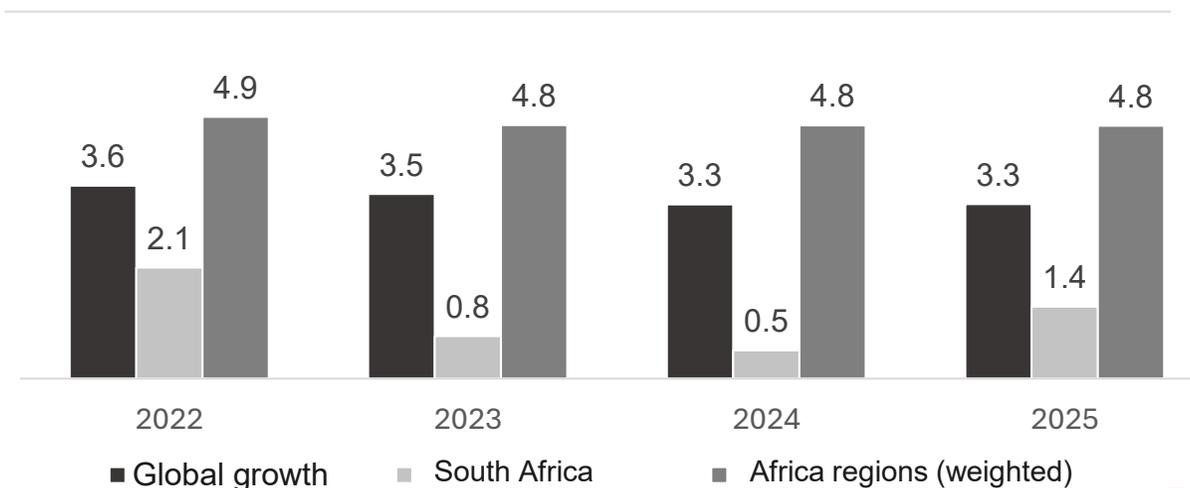
South Africa

- Stronger economic momentum, with four consecutive quarters of GDP growth
- Growth in private sector credit extension of 9% YoY, driven by the corporate sector
- Inflation the lowest in two decades, with inflation target lowering, leading to 100bps of rate cuts

Volatility (World economic policy uncertainty index)



GDP growth (%)



Strengthening our competitive position through deliberate strategic choices

Strong foundations...



● Presence markets ● Africa Rep. offices ○ International offices



13.1 million corporate, business and individual customers



Presence in **12** African markets



Africa regions **31%** of Group earnings



R2.2tn in total assets



12.7% CET1 ratio underpins strong balance sheet



Recognised as a **Top Employer**

Strategic choices anchored on...

Being customer-led

Deliberate culture shifts and leadership appointments

Accelerating Pan-African operating model

Driving operational excellence and disciplined allocation of resources

Strategy is centred on building trust and winning with customers for scaled growth

OUR PURPOSE

Empowering Africa's Tomorrow, Together... One Story At A Time

OUR AMBITION

To be a leading pan-African bank

OUR STRATEGIC PILLARS

CUSTOMER-
LED GROWTH

DIVERSIFIED,
PAN-AFRICAN
BUSINESS

DRIVE
EXCELLENCE

NEW GROWTH
OPPORTUNITES

ENABLED BY

DEEPENING TALENT &
SUCCESSION

STRONG LEADERSHIP &
ORGANISATIONAL RESILIENCE

CULTURE FOR COMPETITIVE
ADVANTAGE

Performance momentum in FY25 underpinned by solid earnings growth

Earnings performance

Headline earnings

+12%

R24.8bn in FY25

Revenue

+5%

R116bn in FY25

Cost-to-income

53.8%

From 53.2% in FY24

Return on equity

15.0%

From 14.8% in FY24

Balance sheet strength

Common Equity Tier 1

12.7%

From 12.6% in FY24

Loan growth

+6%

Net customer loans R1.35tn
FY25

Shareholder returns

Dividends per share

+12%

1 635c in FY25

Net asset value per share

+8%

20 802c in FY25

Solid earnings growth driven by our CIB and Africa Regions businesses

Business unit highlights

		Earnings (Rbn)	RoE (%)
Corporate and Investment Banking	<ul style="list-style-type: none"> Total income up 9%, driven by strong 16% non-interest income growth Net customer loans grew 10% and customer deposits rose 6% Sustainable financing of R35bn (Group R53bn) in FY25 		21.1
Personal and Private Banking	<ul style="list-style-type: none"> Active transactional customers grew 3% and digitally active customers 11% Improved cross sell by 5% with 2.8 products per customer Rewards membership increased 28% to 2.6m 		17.6
Business Banking	<ul style="list-style-type: none"> Revenue grew 2%, driven by 3% higher net interest income Digitally active customers grew 4% and products per customer rose 3% to 2.7 Customer deposits grew 7%, with transactional deposits up 11% 		21.5
Africa regions PPB & BB	<ul style="list-style-type: none"> Active customers grew by 14% to 3.0m, with digital activity increasing by 29% Banking operations revenue grew 14% Customer loans grew 10% and customer deposits 8% (both constant currency) 		17.1

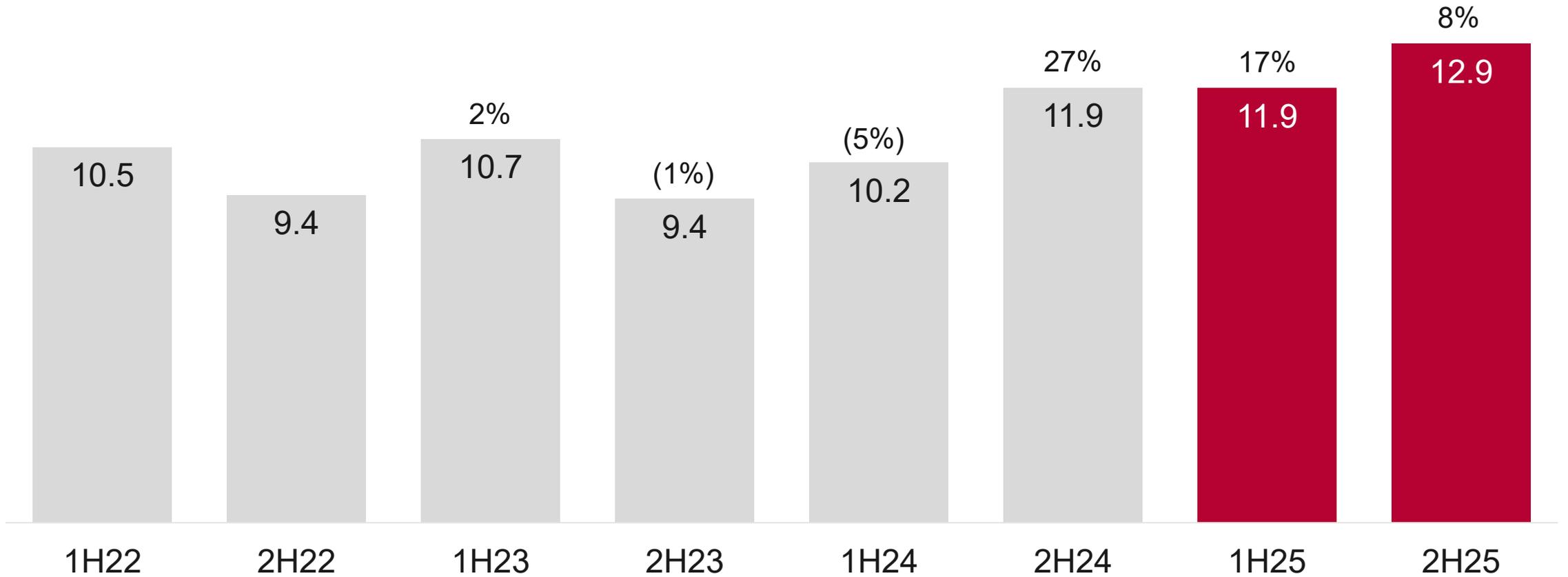


Deon Raju

Financial Director

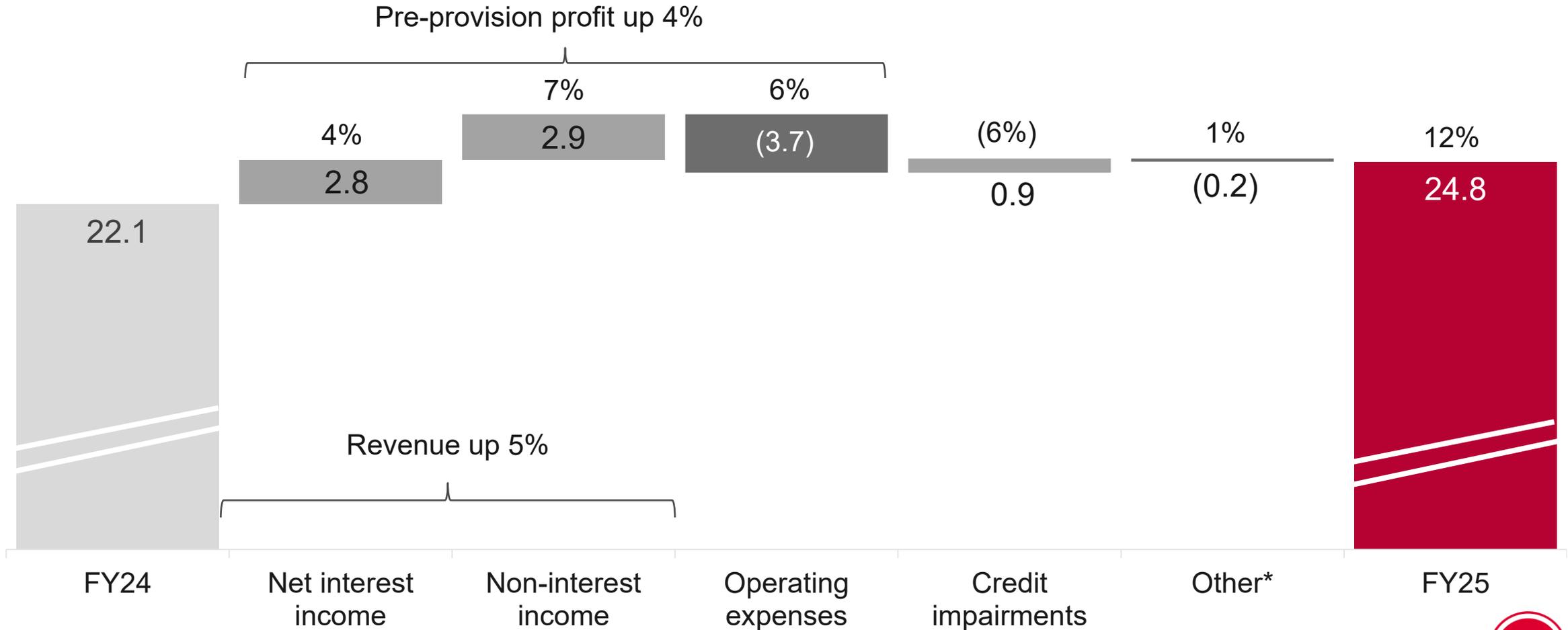
Solid 2H25 earnings growth off a high base

Headline earnings (Rbn)



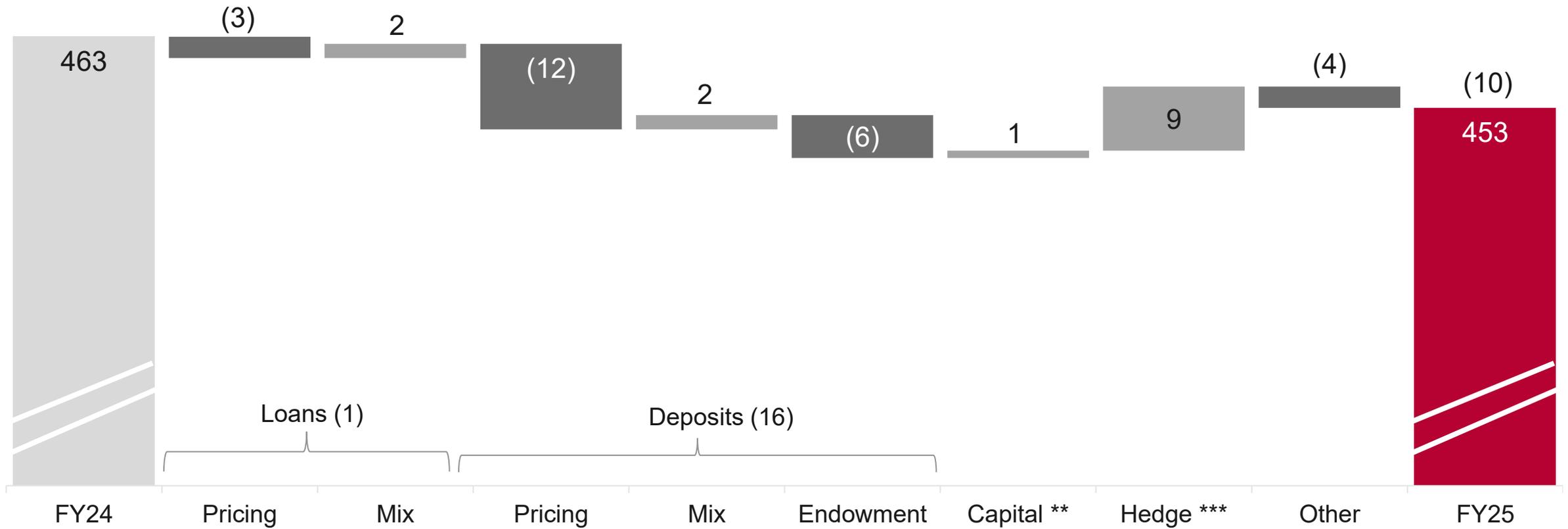
Non-interest income, lower credit charge drove earnings

Headline earnings (R'bn)



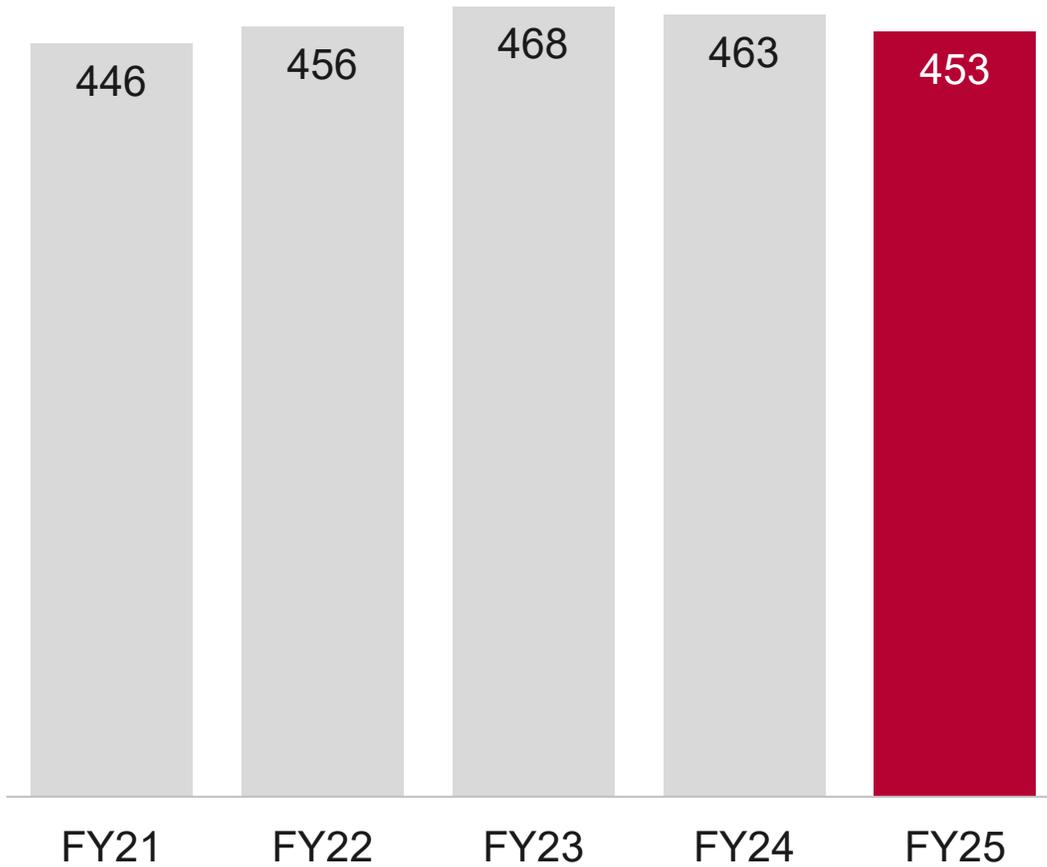
Deposits the main drag on net interest margin

Change in net interest margin* (basis points)

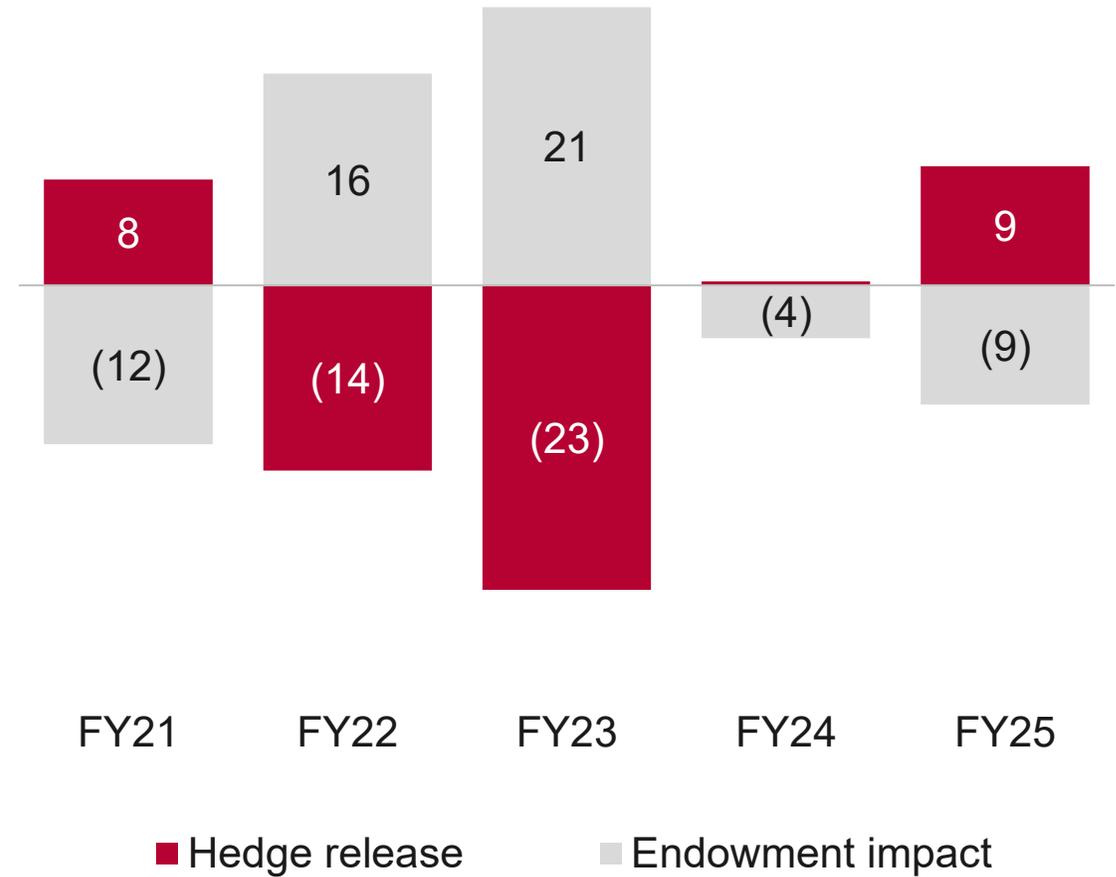


SA structural hedge helps maintain a stable margin

Net interest margin (bps)

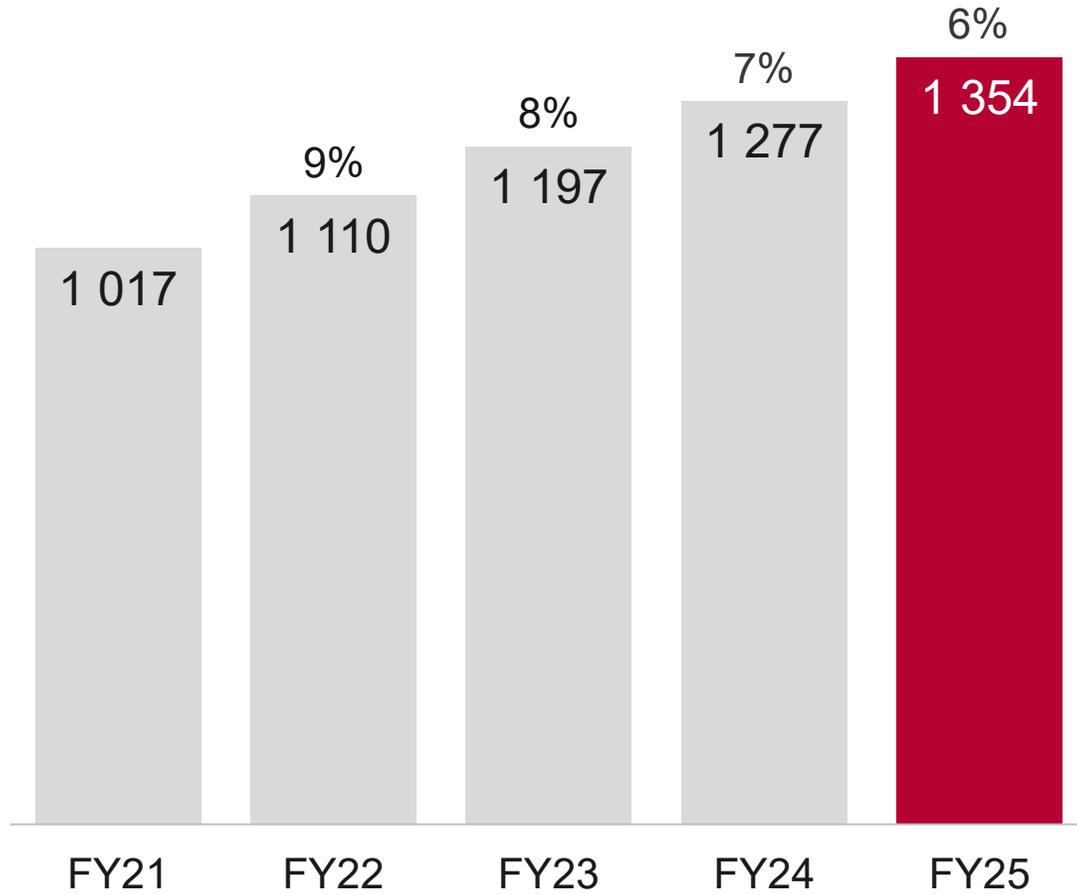


Net interest margin impact yoy (bps)

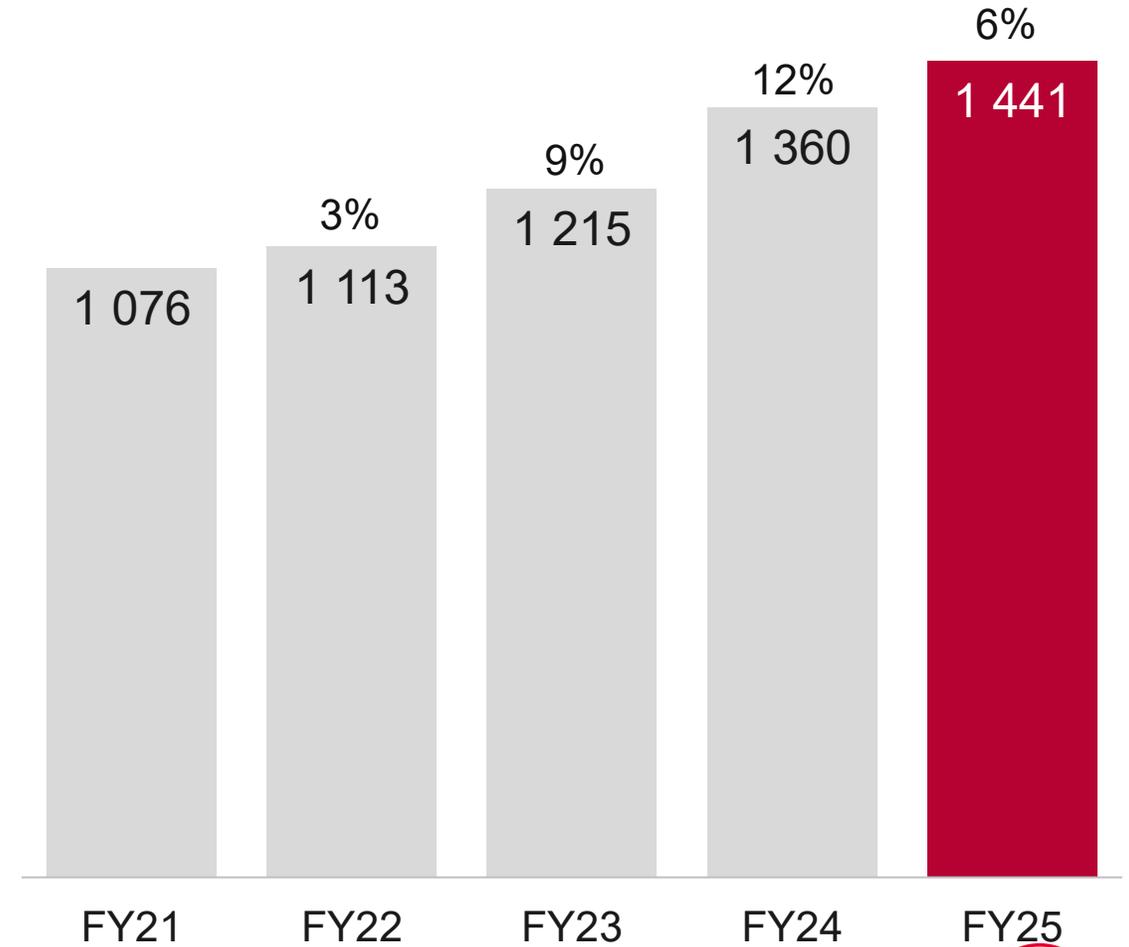


Balance sheet continues to grow

Net customer loans (Rbn)

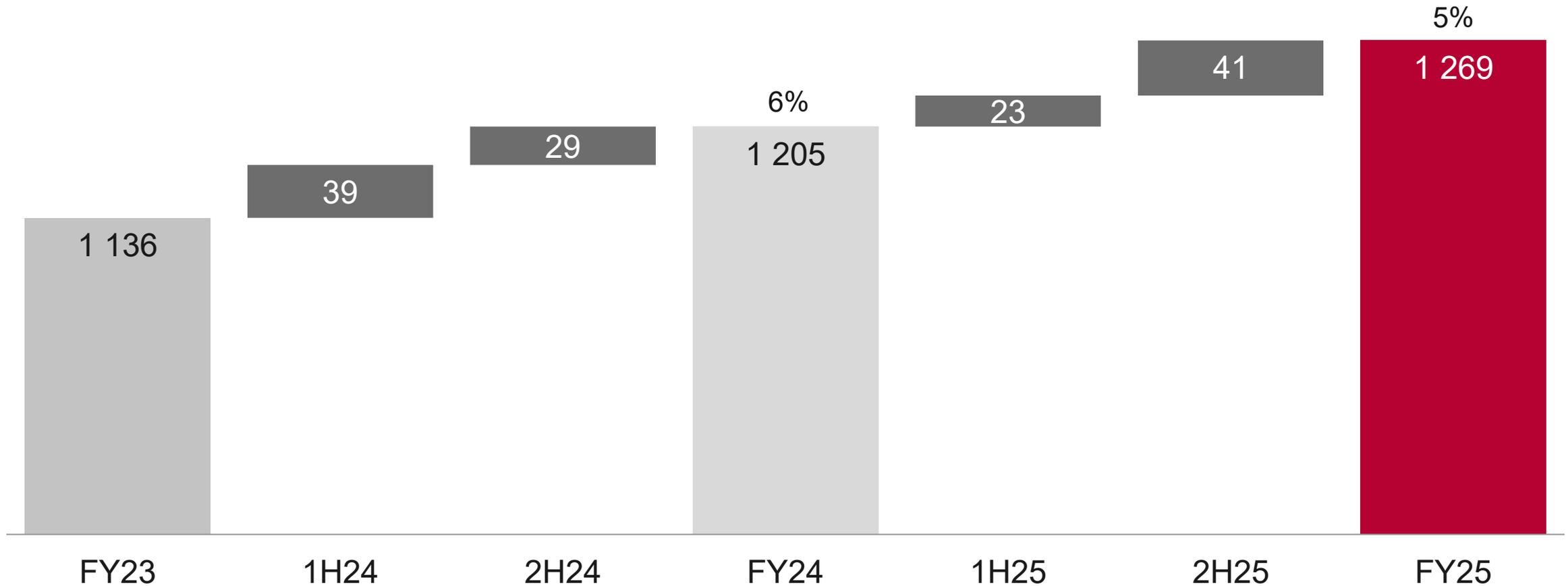


Customer deposits (Rbn)



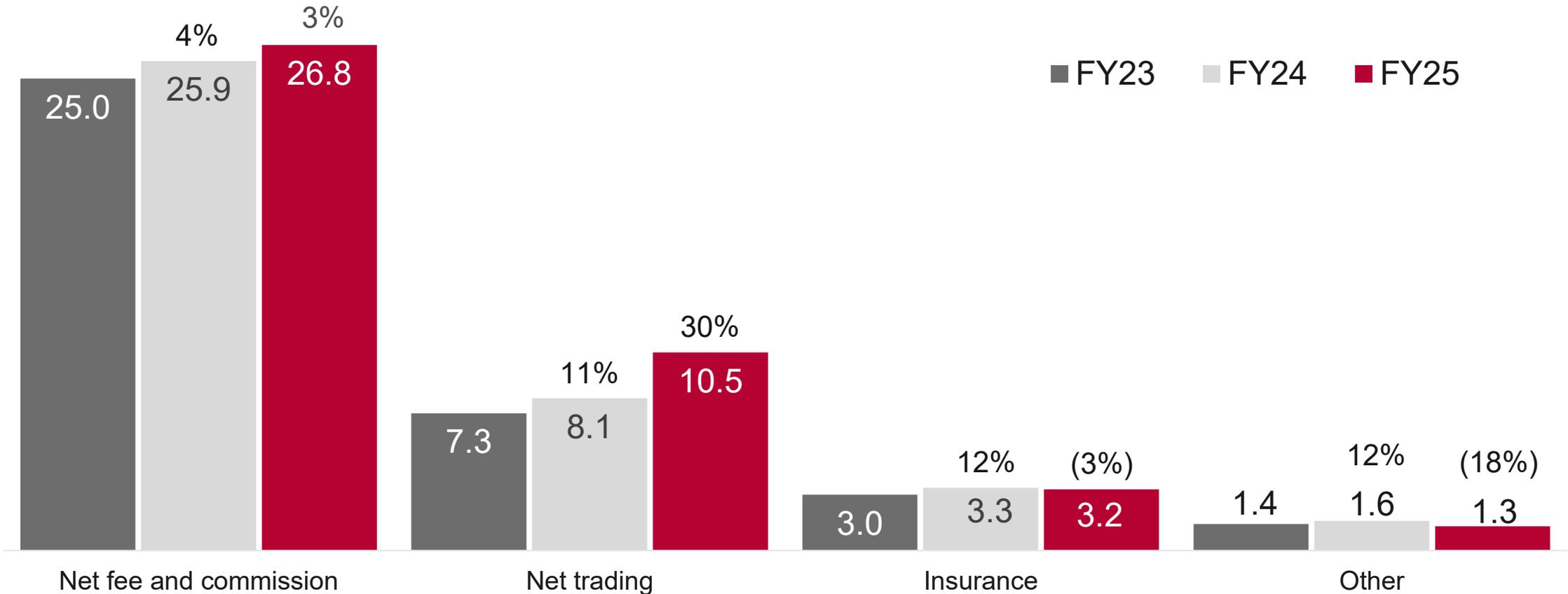
With loan growth improving in 2H25

Net customer loans excluding reverse repurchase agreements (Rbn)



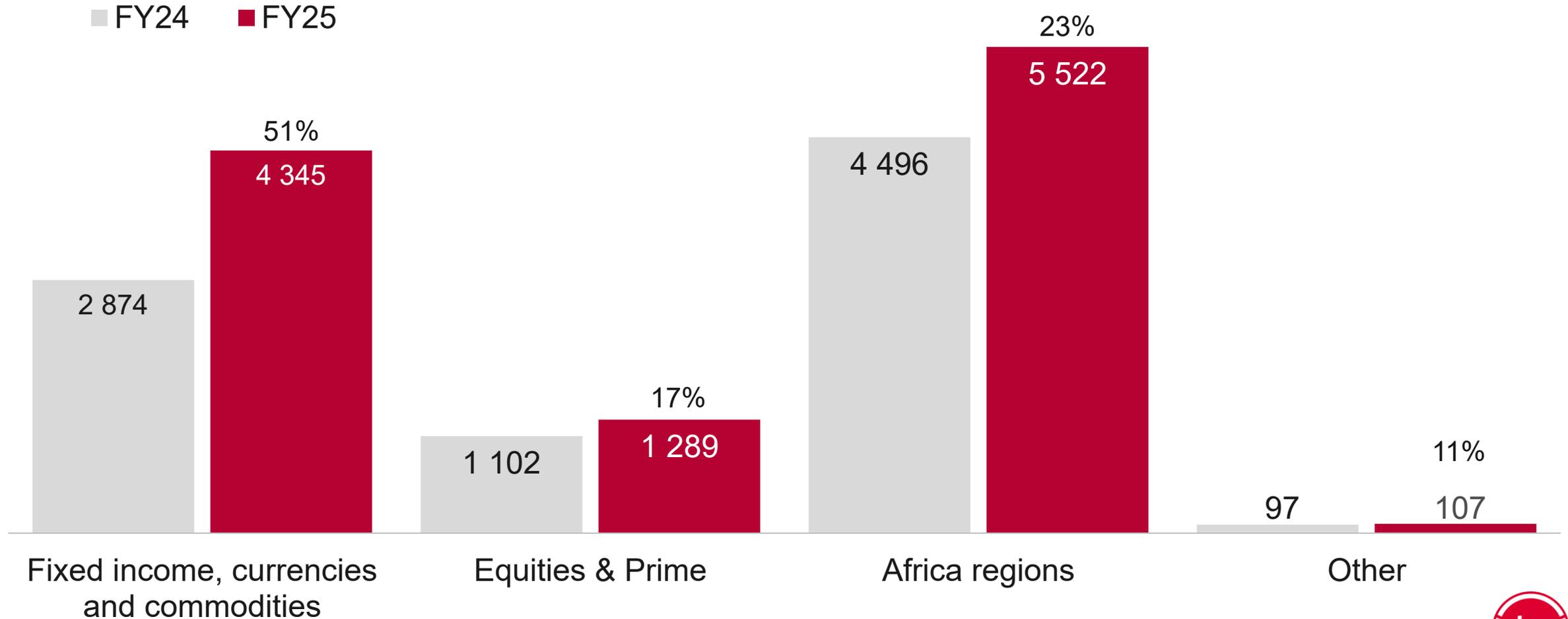
Strong Markets underpinned non-interest income growth

Non-interest income (Rbn)



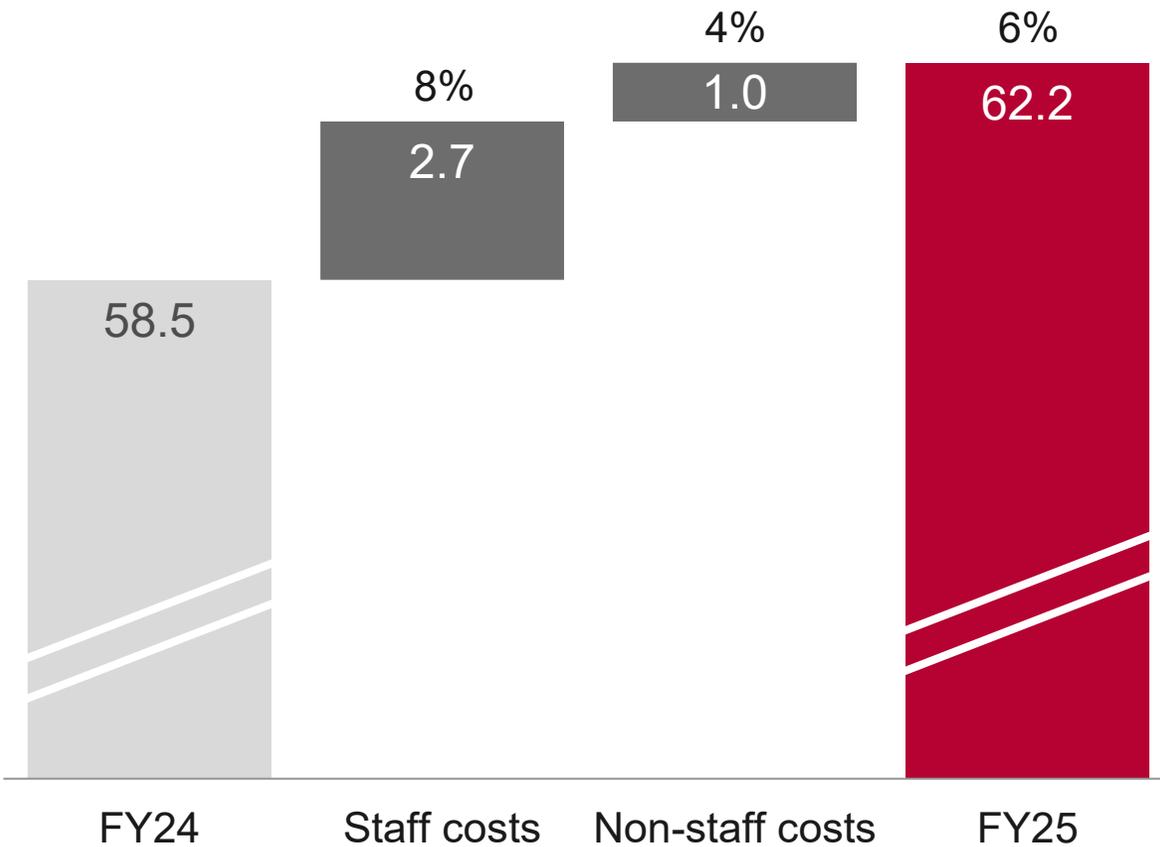
Global Markets revenue growth was broad-based

Global markets revenue (Rm)



Inflationary growth in operating expenses

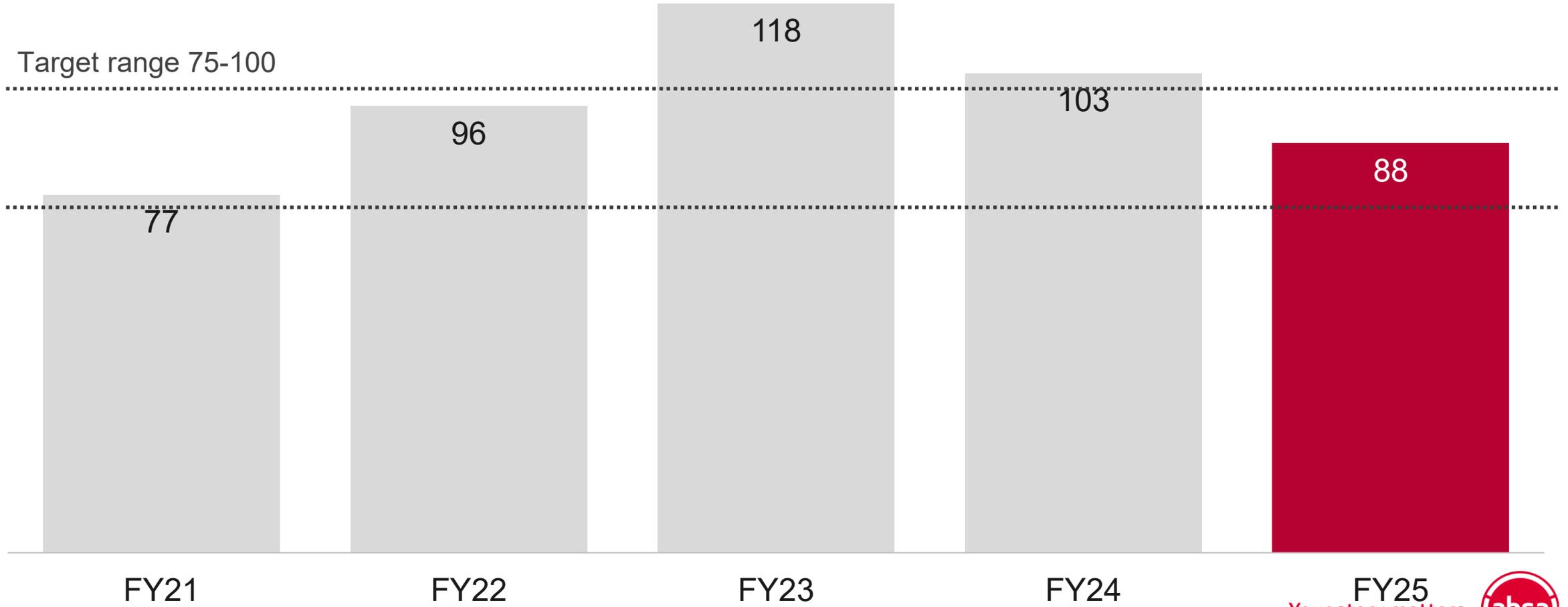
Cost growth drivers (Rbn)



	FY25 Rm	Change %
Staff	36 373	8
Property	1 982	1
Technology	7 078	3
Depreciation	3 200	2
Professional fees	3 329	6
Marketing	2 298	8
Communication *	1 561	1
Cash transportation	966	(22)
Amortisation	2 839	4
Other **	2 609	22
Total	62 235	6

Credit loss ratio improved noticeably ...

Group credit loss ratio (bps)



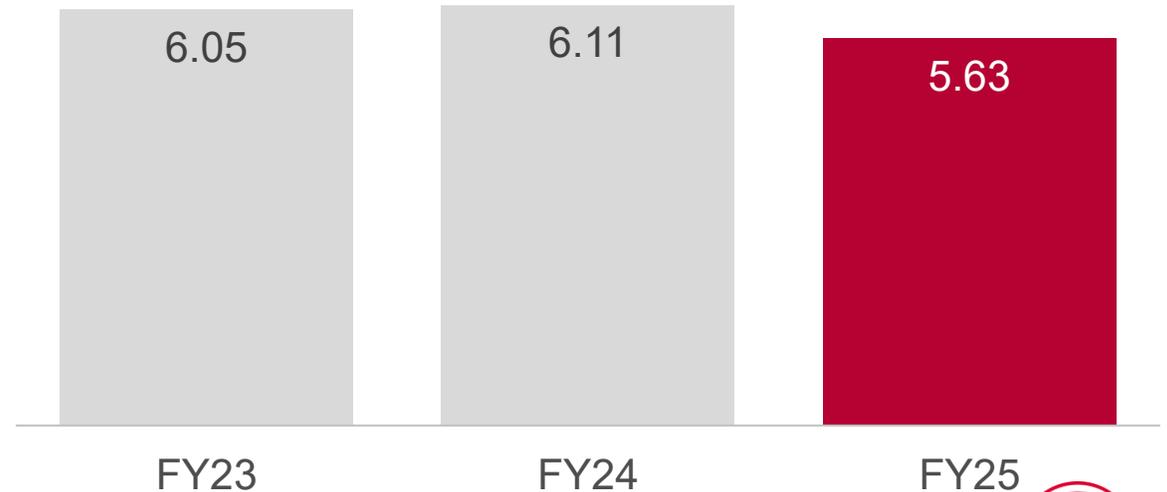
... with asset quality improving across most books

Credit loss ratio (%)	FY24	FY25
PPB	1.89	1.69
Unsecured Lending	7.43	7.34
Home Loans	0.39	0.34
Vehicle and Asset Finance	1.62	1.26
Business Banking	0.49	0.55
AR PPB & BB	1.81	1.41
CIB	0.27	0.21
Group	1.03	0.88

Stage coverage ratios (%)

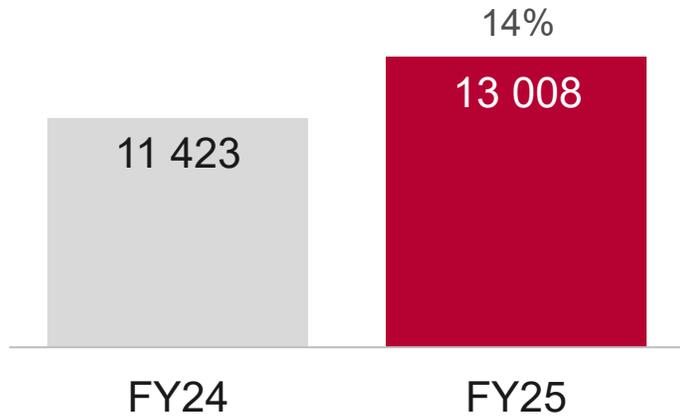
	FY23	FY24	FY25
Stage 1	0.66	0.62	0.61
Stage 2	7.17	5.98	5.30
Stage 3	45.0	47.4	45.8

Non-performing loans (%)

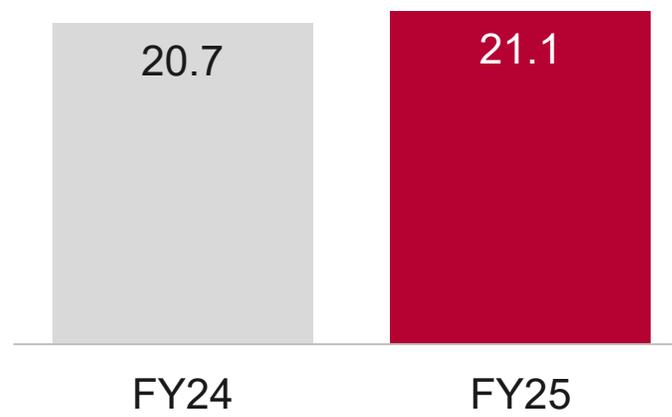


CIB momentum continued

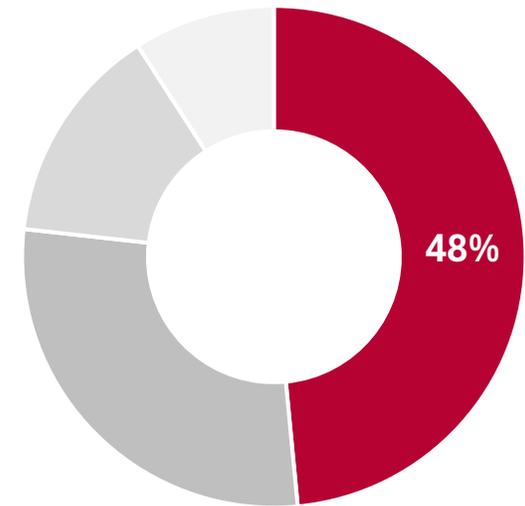
Headline earnings (R'm)



ROE (%)

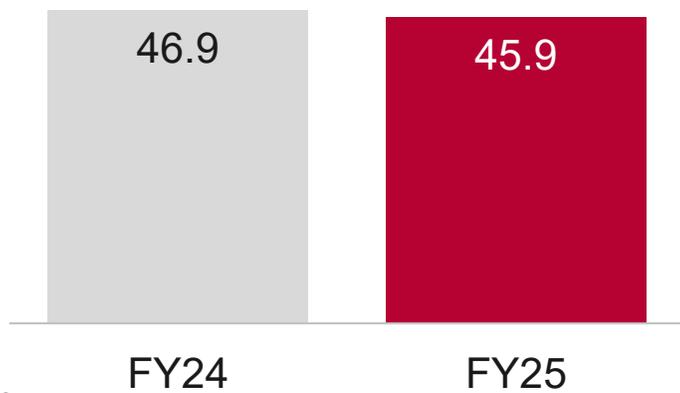


Earnings contribution (%)

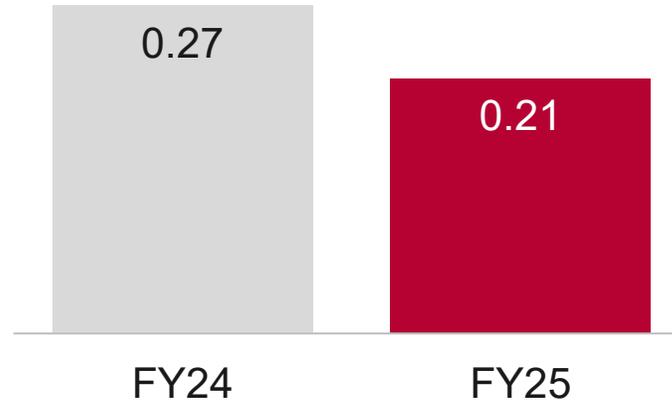


■ CIB ■ PPB ■ BB ■ AR PPB & BB

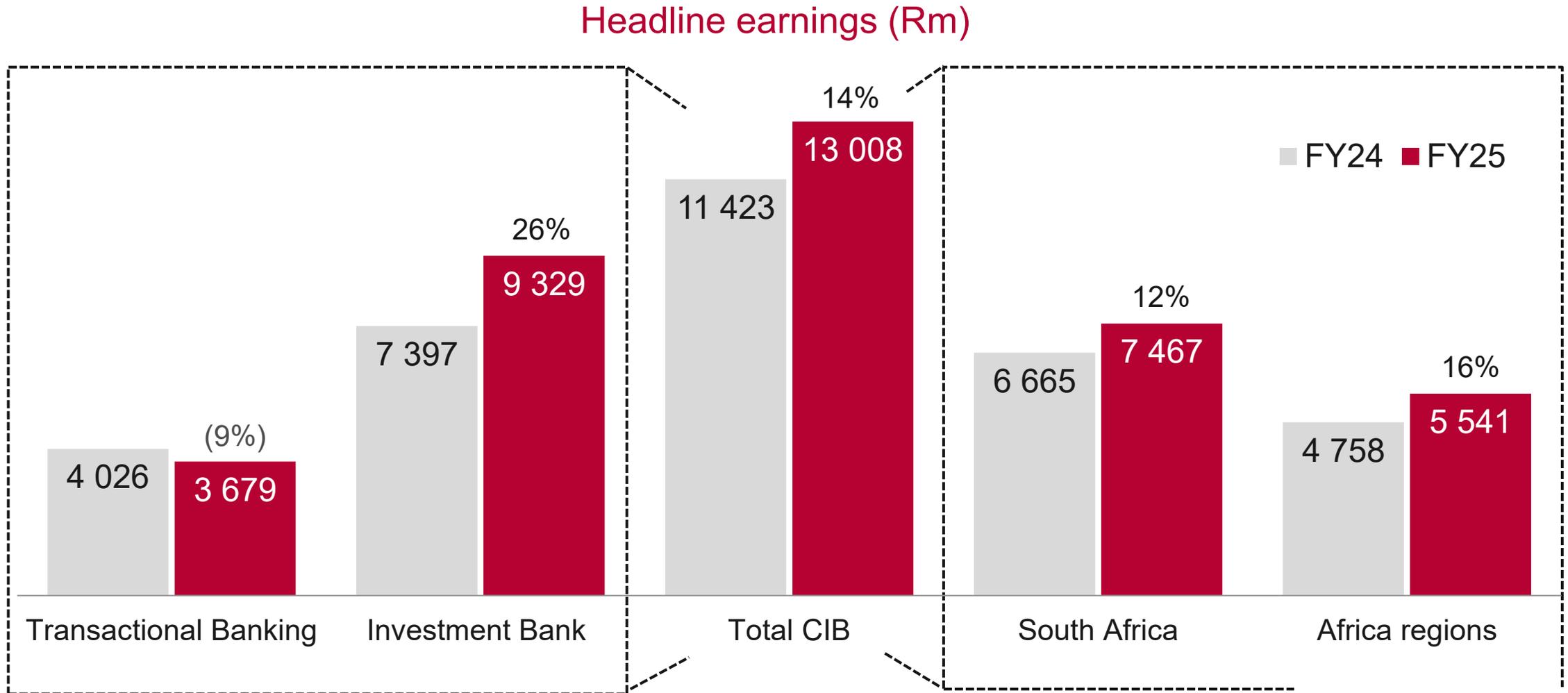
Cost-to-income ratio (%)



Credit loss ratio (%)

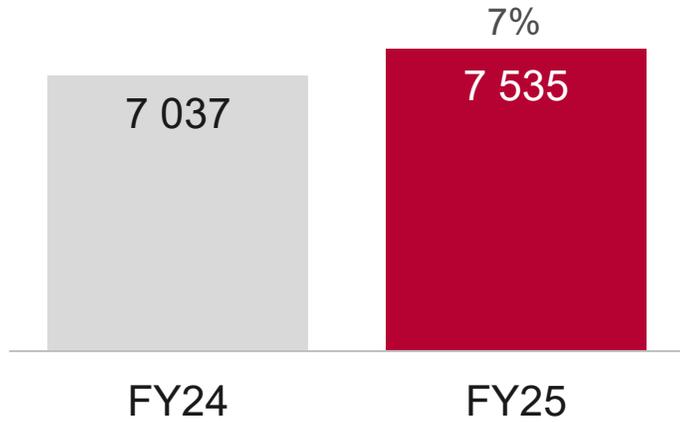


Benefits from diversification, with strong Investment Bank growth



Some positive signs as PPB gains traction

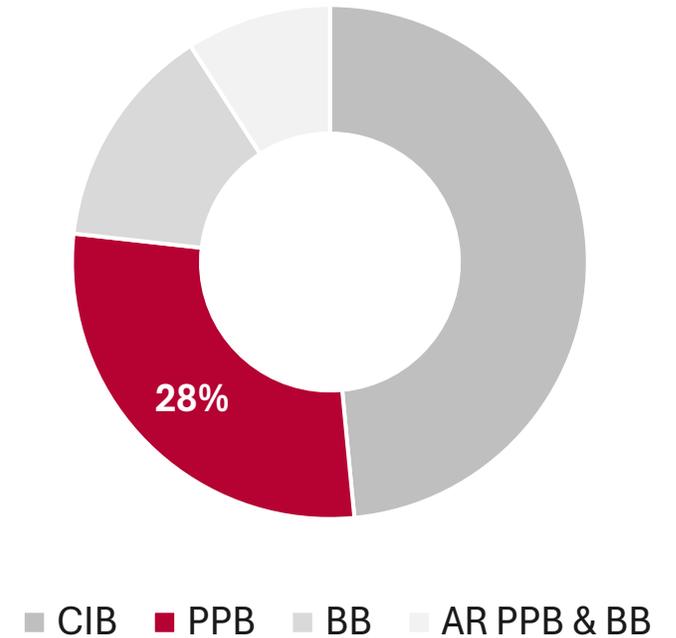
Headline earnings (R'm)



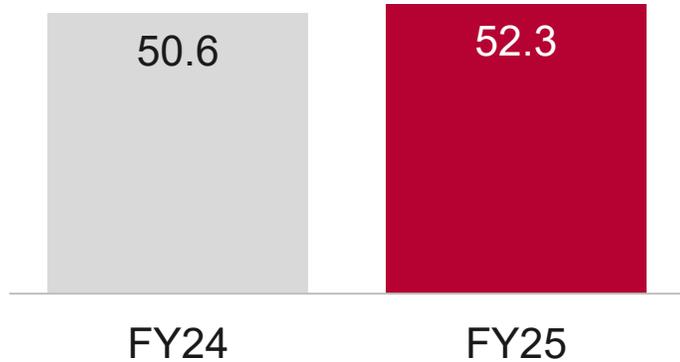
ROE (%)



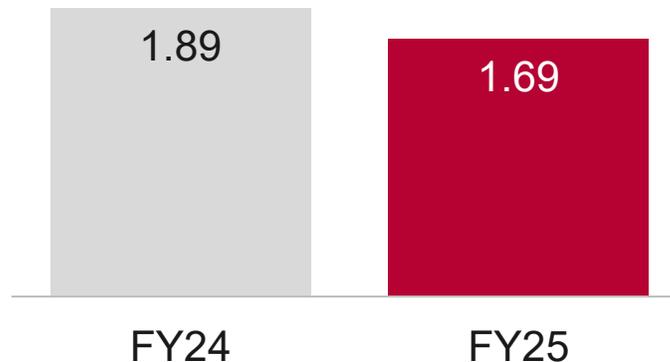
Earnings contribution (%)



Cost-to-income ratio (%)

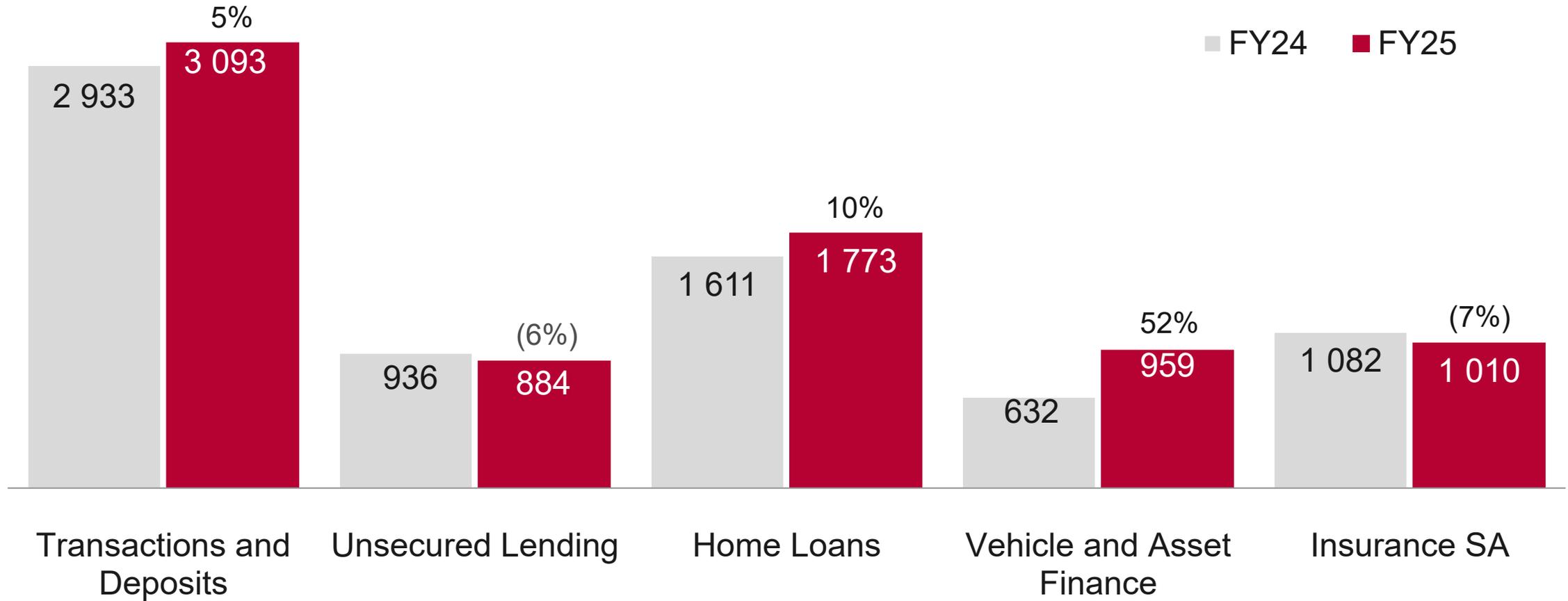


Credit loss ratio (%)



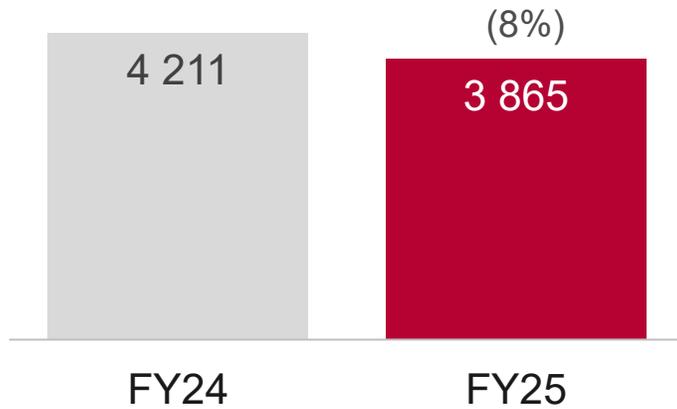
Secured lending businesses drove PPB earnings growth

Headline earnings (Rm)

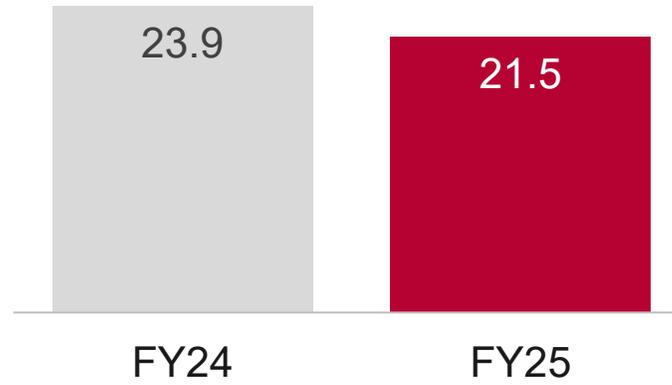


Substantial opportunity to improve Business Banking performance

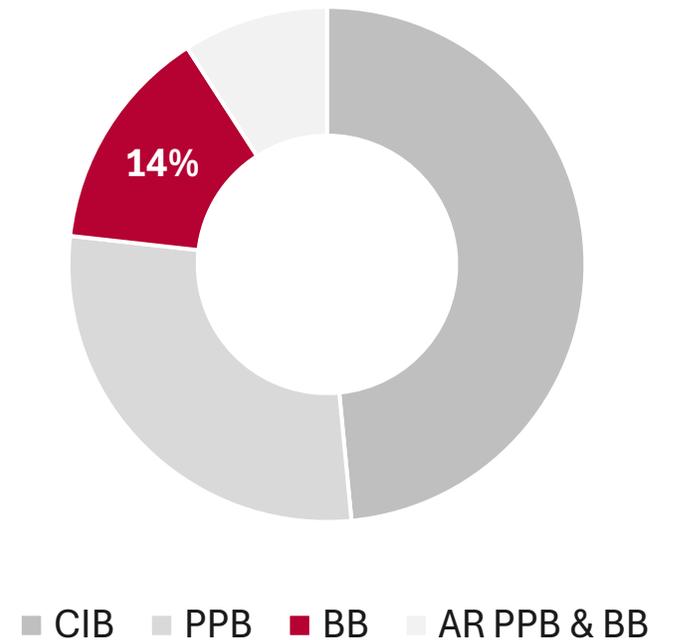
Headline earnings (R'm)



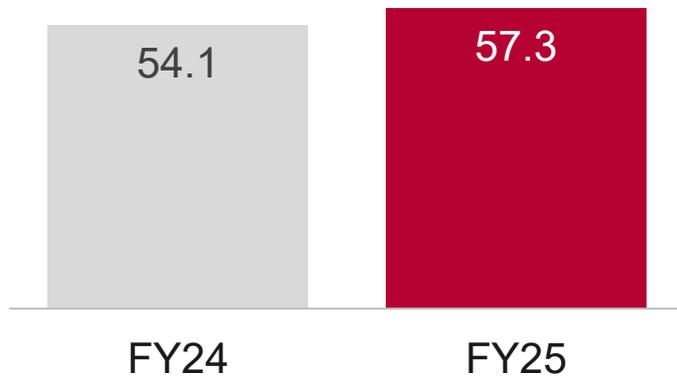
ROE (%)



Earnings contribution (%)



Cost-to-income ratio (%)

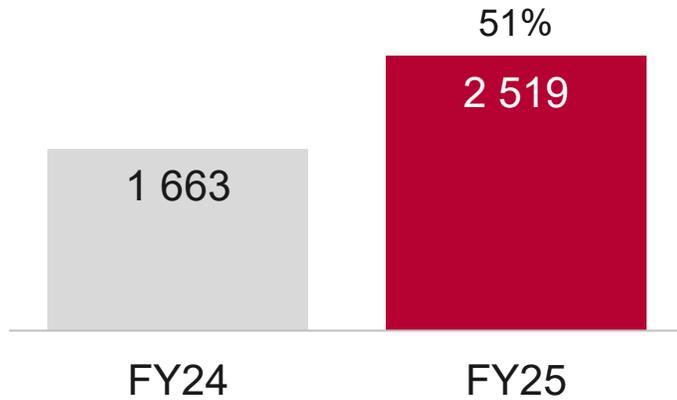


Credit loss ratio (%)

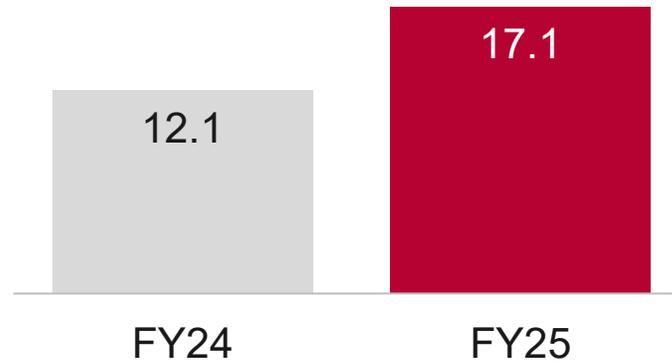


Africa Regions PPB & BB strong revenue-driven growth

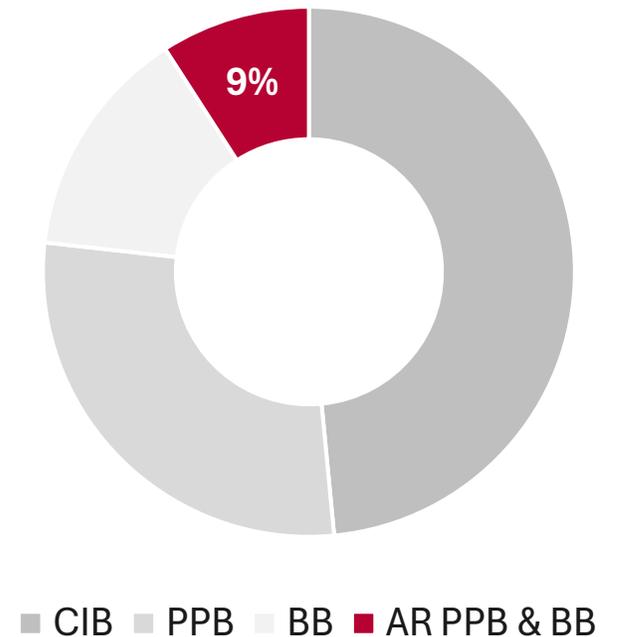
Headline earnings (R'm)



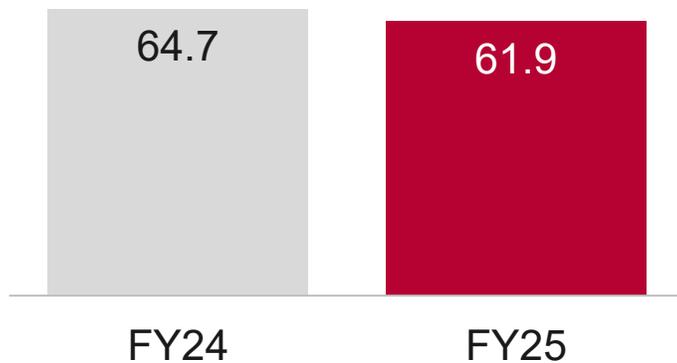
ROE (%)



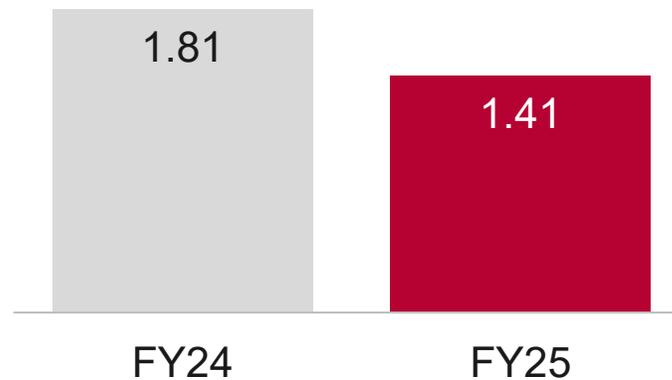
Earnings contribution (%)



Cost-to-income ratio (%)

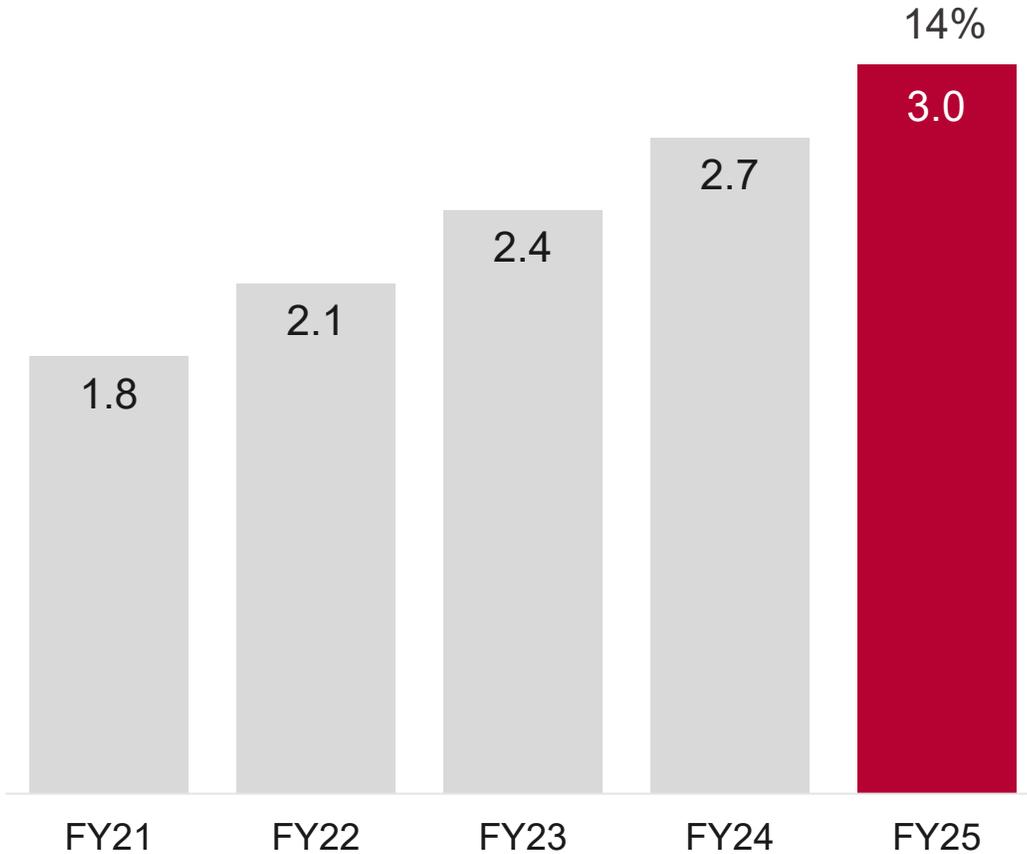


Credit loss ratio (%)

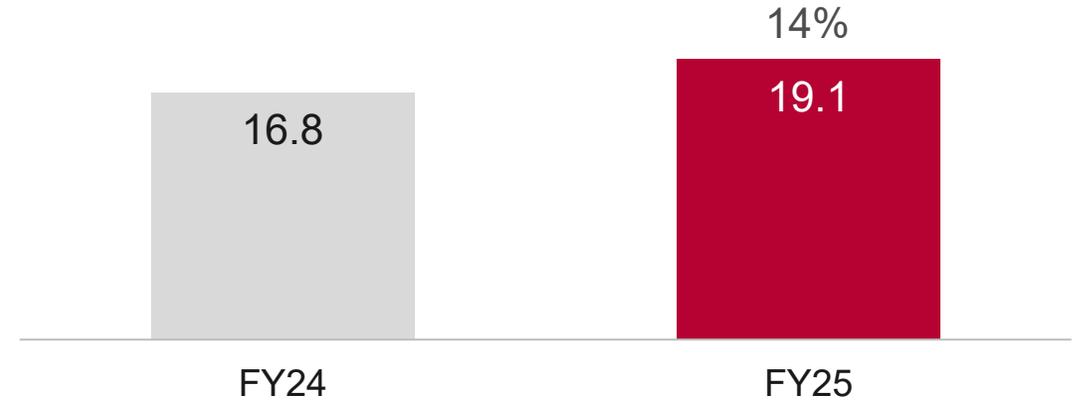


Strong Africa Regions PPB & BB Banking operations momentum

Active customers (m)



Revenue (Rbn)

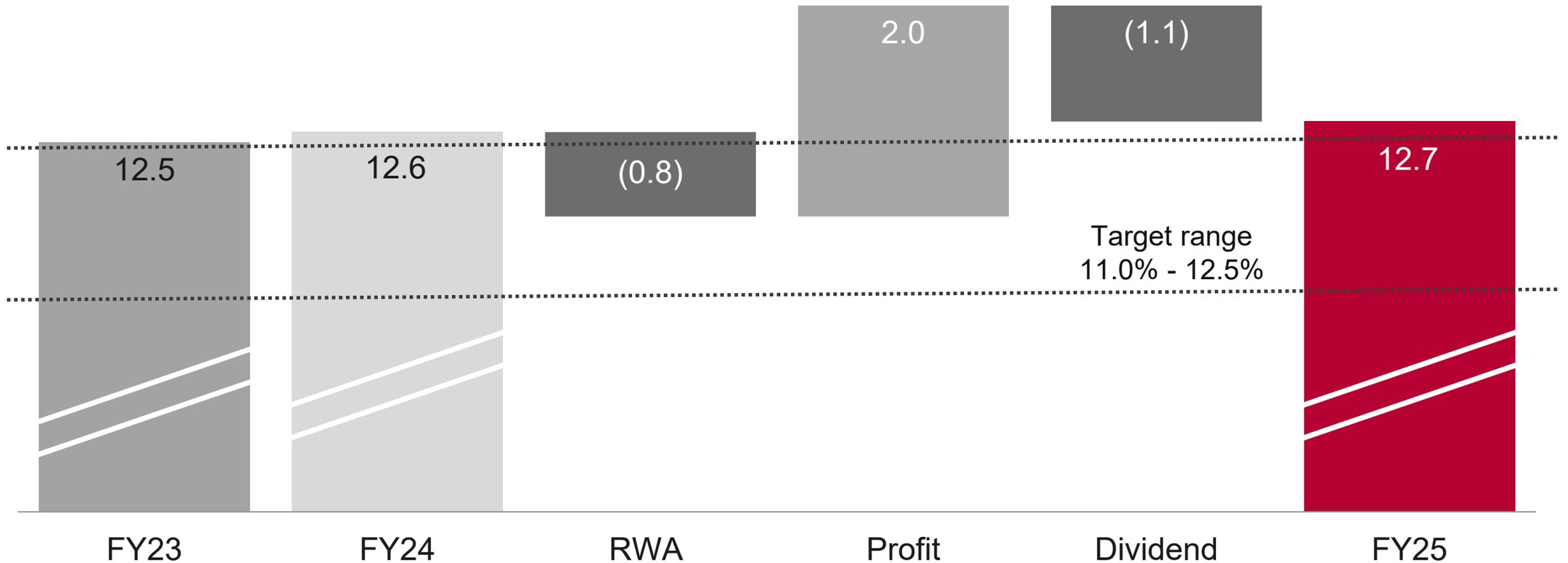


Pre-provision profit (Rbn)



CET1 ratio slightly above our target range

Group common equity tier 1 ratio (R'm)



2026 outlook

Revenue	Mid-single digit revenue growth, with non-interest income above net interest income
Balance sheet	Mid- to high single digit growth in customer loans and customer deposits
Credit impairments	Credit loss ratio expected to improve slightly, into the bottom half of through-the-cycle target range of 75 to 100bps
Operating expenses	Low to mid-single digit growth in operating expenses, producing positive operating JAWS and mid-single digit pre-provision profit growth
Returns	RoE around 16%
Capital	Group CET1 ratio expected to finish 2026 at top end of 11.0% to 12.5% Board target range. Dividend payout ratio of 55%



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MEDIUM-TERM TARGETS (2027 – 2030)

RoE 16-19%
Well within range by 2028

CTI approaching 50%
by 2028

CET1 at or above
Top end of target range

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