

Press Release

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The International Excellence in Retail Financial Services Awards 2011

Absa Bank Wins Two Awards—Best Retail Bank in South Africa and Best Mobile Phone Banking Initiative Internationally

- *Absa Bank wins two awards—Best Retail Bank in South Africa and for Best Mobile Phone Banking Initiative in the international category.*
- *Absa Bank has taken mobile banking to new heights by being the first to market new easy-to-use mobile banking platforms and introducing innovative features to improve the customer banking experience.*
- *Over 170 banks and financial institutions from 29 countries across the Asia Pacific, the Middle East, Central Asia and Africa were evaluated as part of the International Excellence in Retail Financial Services programme.*

Singapore, March 11th 2011—Absa Bank has been named the Best Retail Bank in South Africa and has also swept the award for Best Mobile Phone Banking Initiative at the 10th International Excellence in Retail Financial Services Awards Programme. The bank received the awards at The International Excellence in Retail Financial Services 2011 Awards ceremony, held in conjunction with the region's most prestigious retail banking event, the Excellence in Retail Financial Services Convention. The ceremony was held at the Shangri La Hotel in Kuala Lumpur on March 11th 2011.

About 150 senior bankers from award-winning banks in 29 countries across the Asia Pacific, the Middle East, Central Asia and Africa attended the glittering event that recognises their efforts in bringing superior products and services to their customers.

The awards programme, administered by The Asian Banker and refereed by prominent global bankers, consultants and academics, is the most prestigious of its kind.

A stringent three-month evaluation process based on a balanced and transparent scorecard used to determine the winners and the positions of various retail banks in the region is attached.

Absa Bank wins two awards—Best Retail Bank in South Africa and for Best Mobile Phone Banking Initiative in the international category.

Absa Bank maintained its position as market leader in residential mortgages and deposits, building on an impressive coverage over a wide network of customer segments. The bank demonstrated solid financial performance amid tough economic conditions and was even able to grow its retail banking customer base by more than 10 million customers as at June 2010.

Absa Bank offers exciting mobile, internet and service solutions to meet customer needs, including being the first bank to enable customers to send money to a recipient without a bank account through Cash Send. The bank also ensures customer awareness through awareness campaigns such as “Kweeka”, encouraging customers to use channels such as ATMs, cash deposit machines, internet and mobile banking and debit and credit cards and offering customers convenience, choice, accessibility and security via a wide range of payments and cash transfer solutions.

The bank also has a reputation for its prudent management of sales quality and profitability in secured lending products. It was the first bank in South Africa to introduce the “loan to value” lending criteria—managing the cost of acquisition through origination channels and managing pricing on a risk-return basis.

Chris Kapfer, head of Asian Banker Research, says: “In a difficult environment with rising unemployment Absa Bank implemented several projects in the collections space to address customers’ inability to repay debt. One pro-active initiative was to implement a debt repair line, an inbound and outbound call centre for debt review customers. This programme has been well received by customers, garnering positive feedback for reduction in risk and exposure.”

Absa Bank has taken mobile banking to new heights by being the first to market new easy-to-use mobile banking platforms and introducing innovative features to further improve the customer banking experience.

With a vision toward aligning new technology solutions to growing customer demand for more sophisticated services, Absa Bank took the bold initiative of innovating services. Services now go beyond traditional banking to provide customers with channel alternatives. For example, as part of its mobile banking services, the bank now offers new value-added features including transaction and balance notifications via SMS, fax, and email, real-time inter-bank payments, and payment of traffic fines.

The judges were impressed by Absa Bank’s ability to generate earnings from insurance products in mobile banking in 2010. The bank earns a substantial share of its income through third party revenue share on value added services.

Absa Bank is targeting end-to-end processing through mobile banking. It now offers mobile real-time application and loan approval services. Final completion however needs to take place via a call from the call centre due to regulatory requirements.

Chris Kapfer, head of Asian Banker Research, observes: “Absa Bank is the first to market multiple delivery platforms to cater for the diverse market in South Africa. This has helped to successfully differentiate its brand name against that of its competitors.” Absa was the first bank to allow access to Western Union via mobile banking, creating the ability for customers to send and receive cross-border remittances on the go.

Over 170 banks in 29 countries across Asia, and this year for the first time Africa, were evaluated as part of The International Excellence in Retail Financial Services Programme.

“This year over 170 banks and financial institutions in 29 countries across Asia were evaluated as part of The Excellence in Retail Financial Services Programme in what has become the most prestigious, comprehensive and anticipated awards programme that recognises the pursuit of excellence amongst retail financial institutions anywhere in the world today” said Philippe Paillart, chairman of The International Excellence in Retail Financial Services Programme. He added: “It is amazing to see the rapid development of the retail financial services industry every year, and to experience the narrowing gap between mature and emerging market banks in terms of operational efficiency and technology.”

The transparent award evaluation process uses a balanced scorecard approach and a comprehensive methodology to evaluate the strength of individual banks’ retail banking businesses that involve extensive research and probing interviews, and taps the combined experience of a team of experienced researchers.

Paillart, formerly vice chairman and CEO of DBS Bank and a pioneer in the retail banking industry in the Asia Pacific region, elaborated: “The Asian Banker Excellence Programme was instituted in 2001 on the premise that an outstanding player in the retail financial services industry should build business franchises that are sustainable, competitive and profitable over a period of time. To stay abreast of the rapidly growing geographic scope of the programme, The Asian Banker has renamed the awards ‘The International Retail Financial Services Awards’ in 2011.”

About The Asian Banker

The Asian Banker is the region’s most authoritative provider of strategic business intelligence to the financial services community. The Singapore-based company has offices in Singapore, Malaysia, Hong Kong and Shanghai as well as representatives in London, New York and San Francisco. It has a business model that revolves around three core business lines: publications, research services and forums. The company’s website is www.theasianbanker.com

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