AUDITED RESULTS AND CASH DIVIDEND DECLARATION

FOR THE YEAR ENDED 30 JUNE 2013

FIRSTRAND

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FIRSTRAND

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Certain entities within the FirstRand Group are Authorised Financial Services and Credit Providers
This analysis is available on the Group's website: www.firstrand.co.za

Email questions to investor.relations@firstrand.co.za

INTRODUCTION

This report covers the audited financial results of FirstRand Limited (FirstRand or the Group) based on International Financial Reporting Standards (IFRS) for the year ended 30 June 2013.

The primary results and accompanying commentary are presented on a normalised basis as the Group believes this most accurately reflects its economic performance. The normalised results have been derived from the audited IFRS financial results.

A detailed description of the difference between normalised and IFRS results is provided on pages 14 and 15. Commentary is based on normalised results, unless indicated otherwise.

Alan Hedding, CA(SA), supervised the preparation of the summarised consolidated financial results.

FirstRand's annual integrated report will be published on the Group's website, www.firstrand.co.za, on or about 7 October 2013.

Financial highlights (audited)

	Year ended 30 June		
	2013	2012	% change
Normalised earnings (R million)	**15 323**	12 730	20
Diluted normalised earnings per share (cents)	**271.8**	225.8	20
Normalised net asset value per share (cents)	**1 303.1**	1 142.4	14
Dividend per ordinary share (cents)	**136.0**	102.0	33
Normalised return on equity (%)	**22.2**	20.7	

The Group consists of a portfolio of leading financial services franchises; these are First National Bank (FNB), the retail and commercial bank, Rand Merchant Bank (RMB), the corporate and investment bank, WesBank, the instalment finance business, and Ashburton Investments, the Group's newly-established investment management business.

KEY FINANCIAL RESULTS, RATIOS AND STATISTICS

	Year ended 30 June		
R million	**2013**	2012	% change
Attributable earnings to ordinary equityholders	**14 539**	13 196	10
Headline earnings	**15 114**	12 642	20
Normalised earnings	**15 323**	12 730	20
Normalised net asset value	**73 470**	64 409	14
Normalised net asset value per share (cents)	**1 303.1**	1 142.4	14
Average normalised net asset value	**68 940**	61 634	12
Normalised earnings per share (cents)			
– Basic	**271.8**	225.8	20
– Diluted	**271.8**	225.8	20
Earnings per share (cents)			
– Basic	**266.2**	241.7	10
– Diluted	**262.9**	236.8	11
Headline earnings per share (cents)			
– Basic	**276.7**	231.5	20
– Diluted	**273.3**	226.9	20
Normalised ROE (%)	**22.2**	20.7	
Ordinary dividend (cents per share)	**136.0**	102.0	33
Dividend cover	**2.0**	2.2	
Non-cumulative non-redeemable (NCNR) B preference dividend* (cents per share)	**640.6**	638.3	–
Capital adequacy – FirstRand**			
Capital adequacy ratio (CAR) (%)	**16.3**	14.7	
Tier 1 ratio (%)	**14.8**	13.2	
Common Equity Tier 1 (CET1) ratio (%)	**13.8**	12.3	
Market performance			
Market capitalisation	**163 106**	148 785	10
Price earnings ratio (times)	**10.6**	11.7	
Price-to-book ratio (times)	**2.2**	2.3	
Share price (closing – rand)	**28.93**	26.39	10

* *75.56% of FNB prime lending rate.*

** *2013 capital ratios are calculated on Basel III basis; 2012 capital ratios are calculated on Basel 2.5 basis.*

STATEMENT OF HEADLINE EARNINGS – IFRS (AUDITED)

	Year ended 30 June		
R million	**2013**	2012	% change
Profit for the year (refer page 16)	**15 678**	14 369	9
Non-controlling interests	**(842)**	(898)	(6)
NCNR preference shareholders	**(297)**	(275)	8
Earnings attributable to ordinary equityholders	**14 539**	13 196	10
Adjusted for:	**575**	(554)	(>100)
Loss on disposal of investment securities and other investments of a capital nature	**13**	20	
Gain on disposal of available-for-sale assets	**(33)**	(154)	
Losses/(gains) on disposal of investments in associates or joint ventures	**1**	(473)	
Gain on disposal of investments in subsidiaries	**(63)**	(266)	
Loss on the disposal of property and equipment	**77**	49	
Fair value of investment properties	**(7)**	(12)	
Impairment of goodwill	**438**	115	
Impairment of assets in terms of IAS 36	**306**	7	
Gain from a bargain purchase	**(14)**	–	
Other	**(122)**	41	
Tax effects of adjustments	**(41)**	43	
Non-controlling interests adjustments	**20**	76	
Headline earnings	**15 114**	12 642	20

RECONCILIATION FROM HEADLINE TO NORMALISED EARNINGS (AUDITED)

R million	Year ended 30 June 2013	2012	% change
Headline earnings	**15 114**	12 642	20
Adjusted for:	**209**	88	>100
IFRS 2 Share-based payment expense	**43**	77	(44)
Treasury shares*	**39**	251	(84)
Total return swap adjustment	**85**	(240)	(>100)
Private equity subsidiary realisations	**42**	–	–
Normalised earnings	**15 323**	12 730	20

* *Includes FirstRand shares held for client trading activities.*

OVERVIEW OF RESULTS

INTRODUCTION

The macroeconomic environment remained challenging over the past financial year with global growth as a whole remaining below trend throughout the reporting period.

The local economy continued to be negatively impacted by shifts in both global and domestic risk dynamics. High levels of capital inflows, a strong rand, low bond yields, elevated commodity prices and robust growth in household incomes caused the South African current account deficit to widen to 6.7% by June 2012. However, during 2013 activity in the US started to improve to a degree that its central bank authorities announced the possible unwinding of current US monetary policy stimulus. This development negatively impacted emerging market flows which had benefited from low US rates, and for South Africa this resulted in some currency weakness.

Domestic GDP slowed to 1.9% year-on-year in 1Q13, reflecting lower levels of activity in both the household and business sectors of the economy. Consumer spending slowed to 2.7% and investment spending to 4.4%, resulting in lower credit extension, slowing vehicle sales and a muted housing market.

In the rest of the sub-Saharan region, growth continued on a robust trend, led by activity in construction, agriculture and new extractive industries; although upper-middle-income countries, such as Namibia and Botswana, have grown somewhat slower due to close economic ties with the euro zone.

OVERVIEW OF RESULTS

FirstRand produced excellent results for the year to 30 June 2013, achieving normalised earnings of R15 323 million, an increase of 20% on the previous period and a normalised ROE of 22.2% (2012: 20.7%).

All three operating franchises continued to deliver good operational performances, achieving both strong topline growth and profitability. In the case of FNB, this was once again driven by customer acquisition, loan and deposit growth and the ongoing focus on driving transactional volumes across all of its platforms, particularly electronic. WesBank continued to grow new business volumes across all portfolios and RMB's diversified investment banking and corporate portfolios delivered strong growth in profits particularly from the client-centric business units.

The table below shows a breakdown of sources of normalised earnings.

Sources of normalised earnings

	Year ended 30 June				
R million	**2013**	**% composition**	2012	% composition	% change
FNB	**8 162**	**53**	6 666	53	22
RMB	**4 426**	**29**	3 654	29	21
WesBank	**2 852**	**19**	2 599	20	10
Corporate Centre and consolidation adjustments	**(178)**	**(1)**	(703)	(6)	(75)
FirstRand Limited (company)*	**358**	**2**	789	6	(55)
NCNR preference dividend	**(297)**	**(2)**	(275)	(2)	8
Normalised earnings	**15 323**	**100**	12 730	100	20

* *Included in the 2013 figure is the consolidation adjustment of R589 million (2012: R818 million) to bring the IFRS 2 costs from cash settled in the underlying subsidiaries to equity settled at the Group level.*

The Group's income statement benefited from an increase of 13% in net interest income (NII), driven by good growth in new business at FNB, WesBank and RMB. Net interest margin was again positively impacted by pricing strategies, funding mix and the growth in advances in higher yielding asset classes such as vehicle asset finance and unsecured lending.

Total non-interest revenue (NIR) increased 13% year-on-year, with strong contributions from all franchises. FNB's NIR continued to be underpinned by increases in fee and commission income particularly on the back of ongoing acquisition of core transactional accounts. WesBank's NIR benefited from robust levels of new business origination and good growth in the full maintenance rental book. RMB delivered strong growth in knowledge-based fees, particularly benefiting from cross-border transactions, and fair value income remained resilient on the back of client activities, particularly financing, advisory and structuring. Client execution revenues from RMB's activities in the Group's African subsidiaries also contributed strongly.

Operating costs increased 9% reflecting the continued investment in FNB's electronic platforms and the Group's African operating footprint. IFRS 2 Share-based payments decreased year-on-year reflecting the lower increase in the Group's share price. This was, however, offset by growth in variable staff costs directly linked to growth in profitability.

Bad debts, excluding the impact of the merchant acquiring event, increased from 94 bps to 95 bps, in line with expectations and includes credit impairment overlays, primarily at FNB and RMB. These overlays reflect the Group's view that the benign credit cycle has bottomed and are considered prudent given the strong book growth year-on-year. The overlays do not reflect any specific stresses in the Group's portfolios, all of which are tracking as anticipated.

Absolute levels of non-performing loans (NPLs) decreased 9%, reflecting the ongoing improvement in FNB's residential mortgage book and WesBank's motor book. NPLs in the unsecured books are trending in line with expectations given the tightening of origination strategies in certain risk buckets over the past 12 to 18 months.

The Group's overall balance sheet showed a robust increase in advances year-on-year, particularly in those portfolios where the Group has specifically targeted growth.

OVERVIEW OF OPERATING FRANCHISES

FirstRand's vision is to be the African financial services group of choice, creating long-term franchise value and delivering superior and sustainable economic returns to shareholders within acceptable levels of volatility. The Group seeks to achieve this through two parallel growth strategies:

- become a predominant player in all of the financial services profit pools in South Africa, growing in existing markets and those where it is under-represented; and
- grow its franchise in the broader African continent, targeting those countries expected to show above average domestic growth and which are well positioned to benefit from the trade and investment flows between Africa, China and India.

These strategies are executed through its portfolio of operating franchises, within a framework set by the Group, and good progress continues to be made. Below is a brief overview of progress on these strategic objectives and the financial and operational performance of each franchise.

FNB

FNB represents FirstRand's activities in the retail and commercial segments in both South Africa and the broader African continent. It is growing its franchise strongly in both existing and new markets on the back of innovative products and delivery channels, particularly focusing on electronic and digital platforms.

As previously reported, during the year under review FNB completed an internal realignment of its successful segment focus. The original FNB segment strategy, incorporating Mass, Consumer, Wealth, Commercial and Corporate, has been refined to focus on two larger segments – Retail and Commercial. The African subsidiaries have been aligned under Retail and are now reported under total FNB. The Corporate segment, previously FNB Global Transactional Services, has been rebranded RMB Corporate Banking and aligned under RMB, the corporate and investment bank, to provide an integrated and holistic offering to its large corporate customers.

FNB financial highlights

	Year ended 30 June		
R million	**2013**	2012	% change
Normalised earnings	**8 162**	6 666	22
Normalised profit before tax	**11 641**	9 668	20
Total assets	**297 405**	268 533	11
Total liabilities	**282 583**	255 277	11
NPLs (%)	**3.95**	4.91	
Credit loss ratio* (%)	**1.18**	1.20	
ROE (%)	**35.6**	35.0	
ROA (%)	**2.92**	2.58	
Cost-to-income ratio (%)	**54.9**	56.0	
Advances margin (%)	**3.21**	2.64	

* *2013 figure includes special impairment relating to merchant acquiring event of R215 million (2012: R405 million).*

FNB produced an excellent performance for the period, increasing normalised pre-tax profits 20%. This performance can be attributed to FNB's primary strategy to grow and retain core transactional accounts (up 8% or 542 000 year-on-year underpinning total account growth of 1.1 million) through offering a compelling value proposition to the customer (innovative products and channels at an acceptable cost) and supported by rewards programmes, such as eBucks, SLOW lounges and fuel, data and airtime rewards. Innovations such as the banking app, cellphone banking and eWallet also continued to attract and retain customers.

FNB's NII increased 18% underpinned by good growth in both advances (+10%) and deposits (+14%). The 57 bps improvement in asset margins was driven by the mix change to unsecured lending and the repricing of newly-originated residential mortgages. However, deposit margins reduced 23 bps due to endowment impact and mix change to lower margin products in line with competitive pressures. Deposit and advances growth was generated across all segments as indicated below.

Segment analysis of advances and deposit growth

	Year ended 30 June 2013			
	Deposit growth		Advances growth	
Segments	%	**R billion**	%	**R billion**
Retail	12	**13.2**	6	**11.2**
FNB Africa	22	**7.4**	29	**7.3**
Commercial	13	**13.2**	19	**6.9**

Within the retail banking segment, residential mortgages grew 3% (reflecting FNB's deliberate strategy to only originate in low-risk categories), card issuing grew 15% on the back of new customer acquisition and personal loans grew 10% year-on-year. On a rolling six-months basis personal loans grew only 2% reflecting the ongoing adjustments in credit appetite in that segment. The R1.8 billion decrease in NPLs in residential mortgages also positively impacted NII.

Overall NPLs decreased 11% due to FNB's ongoing proactive workout strategy although NPLs in the personal loans portfolio increased R233 million. Bad debts increased 7% which is within expectations given the cycle and the growth in unsecured lending. FNB has, however, taken the prudent decision to increase portfolio provisions, resulting in a total increase of 16%, excluding the impact of the merchant acquiring event. Overall credit quality across all portfolios is well within risk appetite and coverage ratios have increased. In residential mortgages this was driven mainly by the Wealth portfolio. Coverage ratios in Commercial have also increased due to a reducing proportion of property finance against an increase in African advances.

FNB's strategy to grow core transactional banking accounts and drive activity across its electronic platforms resulted in strong transactional volumes (up 13%) with fee and commissions up 14%. Overall NIR increased 11% mainly driven by activity in the Retail business (up 10%), with Commercial and Africa contributing increases of 9% and 21%, respectively.

FNB's overall operating expenditure increased 12%, which includes investment costs in the operating footprint, particularly in Africa, (costs up 14%). However, the business continues to deliver positive operating jaws.

RMB

RMB represents the Group's activities in the corporate and investment banking segments in South Africa, the broader African continent and India. The business continues to benefit from its strategy to generate more income from client-driven activities, which is anchored around a risk appetite designed to effectively manage the trade offs between earnings volatility, profit growth and returns. This strategy, coupled with steady investment returns and a growing focus on structuring asset management products, is delivering a high quality and sustainable earnings profile.

As mentioned in the FNB section, the rebranding of the Group's corporate banking business to RMB Corporate Banking and the alignment of this franchise under RMB also supports the client-centric strategy, by offering holistic corporate and investment banking solutions to the large corporate and institutional segment.

RMB financial highlights

	Year ended 30 June		
R million	**2013**	2012	% change
Normalised earnings	**4 426**	3 654	21
Normalised profit before tax	**6 062**	4 937	23
Total assets	**355 575**	331 977	7
Total liabilities	**346 939**	324 230	7
Credit loss ratio (%)	**0.57**	0.51	
ROE (%)	**24.8**	23.2	
ROA (%)	**1.30**	1.24	
Cost-to-income ratio (%)	**42.7**	46.0	

RMB produced an excellent result for the year to June 2013 growing pre-tax profits 23% to R6 062 million and generating an ROE of 24.8% (2012: 23.2%). Excluding the impact of the once-off merchant acquiring event, pre-tax profits grew 16%, a strong operational performance reflecting the strength of the RMB domestic franchise, growth from the African expansion strategy and focus on cost containment.

The Global Markets division delivered strong growth in profits of 19% to R1 931 million. This performance continued to be aided by another excellent year from the African subsidiaries, which contributed pre-tax profit growth of 44%. In addition, the Structured Trade and Commodity Finance business which has also focused on Africa, delivered good balance sheet growth during the period. Domestically, Global Markets benefited from participating in a number of large structured transactions during the period and, in particular, significantly benefited from movements in nominal and real interest rate markets.

The Investment Banking Division (IBD) also delivered strong results increasing pre-tax profits 20% to R3 418 million. The growth was balance sheet led with advances up approximately 16%, which was higher than the broader domestic market growth levels and included exceptional growth from the African portfolio on the back of the strategic investments made in the prior periods. IBD also benefited from strong dealflow in healthcare, renewable energy and telecommunications sectors.

Private Equity results are lower year-on-year, with profit before tax of R688 million (2012: R815 million). Earnings from associates and subsidiaries were higher year-on-year, however, this was softened by the conservative valuation of certain fund investments during the year. Investment continued across the Corvest, Ventures and Capital Partners portfolios.

RMB's Resources business was again negatively impacted by weakening commodity prices, with valuations of junior mining counters falling sharply. Unrealised mark-to-market losses were again incurred, but reduced year-on-year. As junior mining counters remain under pressure, new equity investments have been restricted until portfolio performance improves.

RMB's Corporate Banking division performed well with solid growth achieved year-on-year. This result was driven by good deposit growth, which is reflected in the improved net interest income. The year also saw the creation of a Treasury Solutions initiative, which will allow RMB to better leverage both the skills set and client base across Global Markets and RMB Corporate Banking.

WesBank

WesBank represents the Group's activities in asset-based finance in the retail, commercial and corporate segments of South Africa and asset-based motor finance sector through MotoNovo Finance in the UK. Through the Direct Axis brand, WesBank also operates in the unsecured lending market in South Africa. WesBank's leading position in its chosen markets is due to its long-standing alliances with leading motor manufacturers, suppliers and dealer groups and strong point-of-sale presence.

For the year ended 30 June 2013, WesBank grew normalised pre-tax profits 10% to R4 016 million and delivered an ROE of 32.8% and an ROA of 2.14%. This performance was underpinned by strict credit discipline, effective and efficient origination channels and rigid cost management.

WesBank financial highlights

	Year ended 30 June		
R million	**2013**	2012	% change
Normalised earnings	**2 852**	2 599	10
Normalised profit before tax	**4 016**	3 650	10
Total assets	**145 585**	121 610	20
Total liabilities	**141 103**	117 110	20
NPLs (%)	**2.73**	3.47	
Credit loss ratio (%)	**1.25**	0.99	
ROE (%)	**32.8**	33.9	
ROA (%)	**2.14**	2.33	
Cost-to-income ratio (%)	**43.1**	44.3	
Net interest margin (%)	**5.30**	5.22	

Total advances grew 19% to R142.1 billion on the strength of new business growth of 17% to a total origination volume of R79.5 billion. This growth was driven by all the underlying portfolios, with the retail motor, unsecured lending, corporate and commercial and MotoNovo businesses reflecting origination growth of 16%, 27%, 13% and 30% respectively. In addition, the corporate division increased the value of the full maintenance rental asset book to R1.5 billion.

Interest margins were maintained despite increased competition across all portfolios with origination well within agreed risk thresholds. As key macro inputs indicate downside risk to impairment ratios, credit appetite continues to be critically and regularly assessed and performance closely monitored. Although the credit loss ratio increased to 1.25% of advances, this is still well within through-the-cycle expectations.

NPLs continued to reflect a reducing trend (2.73% at June 2013 compared to 3.47% at June 2012 and 3.11% at December 2012), despite the high proportion of restructured debt review accounts, which are still disclosed as non-performing regardless of repayment behaviour. These accounts are increasing as a proportion of NPLs and, in the year under review, represent 18% of NPLs, which compares to 13% at June 2012.

NIR increased 14% year-on-year, reflecting the growth in the advances book and in rental assets, offset by continued pricing pressure in the Auto Card business. Core operating costs increased only 8%, however, when the impact of the increase in profit share payments to alliance partners (which now total R435 million and are 40% up year-on-year) and the increase in depreciation of full maintenance rental assets is included, total expenses grew 13%.

The relative contribution to the Group's normalised earnings mix and growth rates from types of income and business units is shown in the table below.

Segment analysis of normalised earnings

	Year ended 30 June				
R million	**2013**	**% contribution**	2012	% contribution	% change
Retail banking	**8 027**	**53**	6 442	50	25
FNB Retail	**5 583**		4 063		
WesBank	**2 444**		2 379		
Corporate banking	**3 378**	**22**	2 995	24	13
RMB	**391**		172		
FNB Commercial	**2 579**		2 603		
WesBank	**408**		220		
Investment banking	**4 035**	**26**	3 482	27	16
RMB	**4 035**		3 482		
Other	**(117)**	**(1)**	(189)	(1)	(38)
FirstRand and dividends paid on NCNR preference shares	**61**		514		
Corporate Centre and consolidation adjustments	**(178)**		(703)		
Normalised earnings	**15 323**	**100**	12 730	100	20

STRATEGIC ISSUES

Progress on investment management strategy

During the year FirstRand officially launched its investment management franchise, Ashburton Investments, which represents the Group's fourth financial services franchise alongside FNB, RMB and WesBank. The long-term strategic objective for Ashburton is to become the leading alternative investment manager in Africa offering South African, African, Asian and Chinese investment opportunities.

Since Momentum was unbundled from the Group in 2009, asset management was an identified gap in the Group's portfolio. Now, by accessing the origination capabilities of the existing franchises (particularly RMB), Ashburton will offer new investment and asset classes to retail and institutional investors in the form of both alternative and traditional products. For example, it will provide investors with opportunities to participate in debt financing, private equity and credit investments alongside the Group, on the same commercial terms.

Ashburton is managed separately from the banking businesses, which avoids potential conflicts of interest. Systems are ring-fenced to ensure client information confidentiality.

Progress on growth strategies outside South Africa

Rest of Africa

FirstRand has been consistently executing on its strategy to grow its franchise on the African continent, matched with a highly disciplined approach to protecting shareholder returns. As stated in the 2011 annual integrated report:

"*The Group has undertaken to protect its ROE as it builds its presence outside of its core South African operations. It prefers greenfields operations or small rather than significant acquisitions, and whilst this means that expansion takes longer, potential dilution of returns can be contained.*"

The Group believes this strategy is on track and making good progress. There are three pillars to its execution.

1. *Utilise the capabilities of the South African franchise, particularly the domestic balance sheet, intellectual capital and its international platforms.* The Group believes this is very effective in those territories where a physical presence is not required in the short to medium term. RMB has been particularly successful in executing on this strategy, and in total has conducted 28 transactions in 13 African countries, to a value of R19.5 billion. It has also grown advances in the rest of Africa 75% from R9.4 billion to R16.4 billion, representing 11% of RMB's structured lending book.

2. *Start an in-country franchise and grow organically (greenfields).* Over and above its established franchises in Botswana, Namibia, Swaziland and Lesotho, FNB continues to build its operating footprint in Zambia, Mozambique and Tanzania and has successfully rolled out both traditional and electronic products and platforms in these markets. The African subsidiaries of FNB, which also include WesBank's vehicle and asset finance (VAF) operations in those countries, contributed normalised earnings of R695 million, despite the significant investment taking place in the newer territories.

   In addition, since 2010, RMB has successfully deployed Global Markets and Investment Banking teams into the FNB subsidiaries. These activities have generated a compound annual growth rate in profits of over 40%.

   RMB has been granted an investment banking licence in Nigeria and this presence, along with the representative office in Kenya, is generating good profits from cross-border activity in both the east and west African economic hubs and with the Asian investment corridors.

3. *Corporate action.* The Group will undertake small or medium sized acquisitions in Africa where it makes commercial sense and if these are platforms that can contribute scale and/or provide access to local deposits, skills and client bases. The Group does not, however, believe that large transformational acquisitions, which can significantly dilute returns, are necessarily the most effective way to establish a footprint in other African economies given the trade off between the sometimes significant legacy costs of a physical infrastructure and revenues that can potentially be generated from economies with very nascent retail markets. The Group is also of the view that, mobile and electronic innovation is transforming the nature of banking footprints globally and this will also play out in Africa over time. FNB's strong track record in developing such platforms in South Africa means it can build a competitive advantage in this space in a number of other territories.

The growth rate, absolute size and return profile of the Group's growing presence in the rest of Africa is already apparent. Much of this has been achieved through organic expansion which has had the desired effect of protecting the ROE.

India and corridors

FirstRand remains the only South African bank with a branch in India, focusing on trade finance, investment banking, fixed income, currency and commodity products as well as debt capital markets and other structured products. It also started offering retail and commercial banking products.

The India platform is incrementally gaining good traction in-country and adding value to the African expansion strategy as a whole. During the year under review RMB's operations grew strongly, albeit off a low base, driven mainly by the in-country

Global Markets and Investment Banking divisions. Since the year end, RMB facilitated the largest ever investment by an Indian company in South Africa, when it advised Mumbai-listed pharmaceutical group Cipla India in its acquisition of South Africa's Cipla Medpro for R5 billion. This was a very significant cross-border transaction in the India/Africa corridor which RMB has identified as strategic.

FINANCIAL RESOURCE MANAGEMENT

The Group believes a strong balance sheet is key to growth, particularly in periods of uncertainty.

Asset quality

When assessing the underlying risk in the balance sheet from an economic perspective, the Group's asset profile is dominated by a balanced advances portfolio, which constitutes 76% of total assets. In terms of credit quality, 88% of advances are rated B upper or better. Cash, cash equivalents and liquid assets represent 16% of total assets, with only a small portion related to the investment and trading businesses.

Funding

FirstRand's funding profile continues to reflect the structural funding issues associated with the South African banking sector, however, the Group has continued to reduce its reliance on institutional funding and has further improved the term profile of institutional funding from a weighted average remaining term of 12.4 months in 2009 to 20.4 months in 2013.

Capital

FirstRand's capital management strategy is aligned to the Group's overall objective to deliver sustainable returns to shareholders within appropriate levels of volatility.

The Group's philosophy, given the uncertain macro environment, is to operate at the higher end of its targeted capital levels to ensure balance sheet resilience. Current targeted ranges and ratios are summarised in the table.

Capital ratios and targets

	CET1	Tier 1	Total
Regulatory minimum (%)	4.5	6.0	9.5**
Target (%)	9.5 – 11.0	11.0	12.0 – 13.5
FirstRand actual (%)	**13.8**	**14.8**	**16.3**
FRB* actual (%)	**12.6**	**13.3**	**14.9**

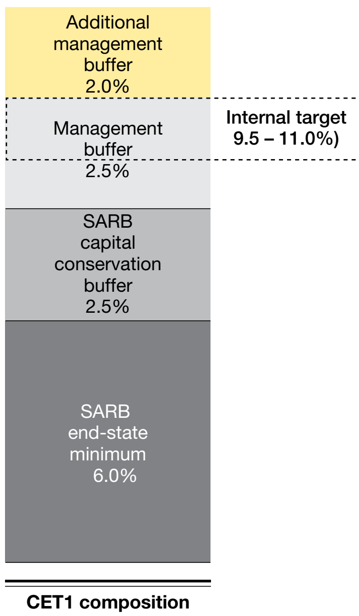
* *Reflects solo supervision, i.e. FRB excluding foreign branches.*
** *The regulatory minimum excludes the bank-specific individual capital requirement.*

The Group's actual CET1 ratio is 13.8%, however, this includes foreign currency translation and available-for-sale reserves, which the Group considers to be too volatile to include as available capital. When these reserves are excluded and the Basel III end-state changes are included, the CET1 ratio is 13%. This ratio is the basis from which the Group manages its capital strategy and is made up of the following:

- SARB end-state minimum of 6%;
- SARB capital conservation buffer of 2.5%;
- a management buffer of 2.5% which covers business as usual organic growth, stress and volatility and sufficient flexibility for possible regulatory change; and
- an additional management buffer of 2% (R10 billion) which is currently allocated for deployment in support of the Group's expansion strategy.

This breakdown is shown in the chart below.

Breakdown of Group's economic view of CET1



Dividend strategy

When assessing the appropriate level of payout to shareholders the Group considers the following:

- to ensure that the ROE remains within the target range of 18% to 22%, FirstRand assesses the robustness of the ongoing capital generation of its business. The Group is currently of the view that its ROE is at a cyclical high and, therefore, a reduction in dividend cover needs to be sustainable on a risk view as well as a core view;
- the anticipated growth in risk weighted assets (RWA) given the operating environment and the overall organic growth plans of the operating franchises; and
- the Group's objective to protect the R10 billion of capital currently allocated to its expansion strategy.

Following a comprehensive analysis of the above factors, the Group has reduced its dividend cover to 2.0x (2012: 2.2x) and considers this to be both appropriate and prudent as all of its buffers will remain intact even under a severe risk scenario. The appropriateness of the level of payout will be re-evaluated on an annual basis.

PROSPECTS

The difficult macroeconomic environment is expected to continue in the current financial year. Despite this, the Group expects to continue to produce good organic growth. FNB's focus on customer acquisition and driving transactional revenues across its platforms is expected to drive NIR growth, as will RMB's client activities both in the domestic market and the rest of Africa. Investment in stated growth opportunities will continue, which will result in some cost pressure although sustained revenue growth should result in positive operating jaws. With respect to advances growth, new business volumes in the vehicle and asset finance and personal loans lending books are expected to moderate further. Corporate advances are expected to remain healthy.

BASIS OF PRESENTATION

The summarised consolidated financial statements are considered provisional based on the JSE Listing Requirements and are summarised from a complete set of the Group consolidated financial statements.

FirstRand prepares its summarised consolidated financial results in accordance with:

- IFRS, including IAS 34 Interim Financial Reporting;
- SAICA Financial Reporting Guide as issued by the Accounting Practices Committee;
- Financial Reporting Pronouncements as issued by Financial Reporting Standards Council;
- JSE Listing Requirements for provisional reports; and
- the requirements by the Companies Act no 71 of 2008 applicable to summary financial statements.

The accounting policies applied in the preparation of the consolidated financial statements from which the summarised financial statements were derived, are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated financial statements. There were no restatements or reclassifications to the primary financial statements in the current year.

The Group believes normalised earnings more accurately reflect operational performance. Headline earnings are adjusted to take into account non-operational and accounting anomalies. Details of the nature of these adjustments and reasons therefore can be found on pages 14 and 15.

The summarised consolidated financial statements for the year ended 30 June 2013 have been audited by PricewaterhouseCoopers Inc. and Deloitte & Touche, who expressed an unmodified opinion thereon. Unless the financial information is specifically stated as audited, it should be assumed it is unaudited. The forward looking information has not been commented or reported on by the Group's external auditors.

FirstRand's board of directors take full responsibility for the preparation of this announcement.

The auditors also expressed an unmodified opinion dated 9 September 2013 on the consolidated financial statements from which these summarised consolidated financial statements were derived. A copy of the auditors' report on the summarised consolidated financial statements and of the auditors' report on the consolidated financial statements are available for inspection at FirstRand's registered office, 4 Merchant Place, corner Fredman Drive and Rivonia Road, Sandton, together with the financial statements identified in the respective auditors' reports.

EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any material events, as defined in *IAS 10 Events After the Reporting Period*, occurring between 30 June 2013 and the date of authorisation of the results announcement.

BOARD CHANGES

Mr Jan Jonathan (Jannie) Durand was appointed to the board as a non-executive director with effect from 23 October 2012.

Mr Durand joined the board as a shareholder representative of Financial Securities Limited (Remgro).

Mr Grant Glenn Gelink was appointed to the board as an independent non-executive director with effect from 1 January 2013.

Mr Ronald Keith (Tim) Store, having reached retirement age, retired from the board on 31 May 2013.

Mr Peter Cooper was appointed as an alternate non-executive director with effect from 9 July 2013.

CASH DIVIDEND DECLARATIONS

Ordinary shares

The directors have declared annual gross cash dividends totalling 136.0 cents per ordinary share out of income reserves for the year ended 30 June 2013.

Ordinary dividends

	Year ended 30 June	
Cents per share	**2013**	2012
Interim (declared 5 March 2013)	**55.0**	44.0
Final (declared 9 September 2013)	**81.0**	58.0
	136.0	102.0

The salient dates for the final dividend are as follows:

Last day to trade cum-dividend	Friday 4 October 2013
Shares commence trading ex-dividend	Monday 7 October 2013
Record date	Friday 11 October 2013
Payment date	Monday 14 October 2013

Share certificates may not be dematerialised or rematerialised between Monday 7 October 2013 and Friday 11 October 2013, both days inclusive.

The final dividend of 81.0 cents per share carries an STC credit of 4.67730 cents per share. Shareholders who are exempt from Dividend Withholding Tax (DWT) will receive the full 81.0 cents per share. For shareholders who are subject to DWT, tax will be calculated at 15% (or such lower rate if a double taxation agreement applies for foreign shareholders), after taking into account the STC credit.

For South African shareholders who are subject to DWT, the net final dividend after deducting 15% tax will be 69.55160 cents per share.

The issued share capital on the declaration date was 5 637 941 689 ordinary shares and 45 000 000 variable rate NCNR B preference shares.

FirstRand's income tax reference number is 9150/201/71/4.

B preference shares

Dividends on the B preference shares are calculated at a rate of 75.56% of the prime lending rate of FNB, a division of FirstRand Bank Limited.

Dividends declared and paid

	B preference shares	
Cents per share	**2013**	2012
Period:		
30 August 2011 – 27 February 2012		305.2
28 February 2012 – 27 August 2012		333.1
28 August 2012 – 25 February 2013	**320.3**	
26 February 2013 – 26 August 2013	**320.3**	
	640.6	638.3

LL Dippenaar
Chairman

SE Nxasana
CEO

BW Unser
Company secretary

9 September 2013

DESCRIPTION OF DIFFERENCE BETWEEN NORMALISED AND IFRS RESULTS

The Group believes normalised results more accurately reflect the economic substance of the Group's performance. The Group's results are adjusted to take into account non-operational items and accounting anomalies.

SHARE-BASED PAYMENTS AND TREASURY SHARES: CONSOLIDATION OF STAFF SHARE TRUST

IFRS 2 Share-based Payments requires that all share-based payment transactions for goods or services received must be expensed with effect from financial periods commencing on or after 1 January 2005.

In 2005 the Group concluded a BEE transaction. As part of this transaction, rights were granted to the Group's black South African employees and black non-executive directors. These rights are accounted for as expenses in accordance with IFRS 2. FirstRand hedged itself against the price risk of the FirstRand share price inherent in these schemes by buying in the open market the FirstRand shares required to settle these schemes. These shares are held in various share trusts. *SIC 12 Consolidation – Special Purpose Entities* requires that these share trusts be consolidated by the Group. FirstRand shares held by the staff share trusts are, therefore, treated as treasury shares.

The economic cost to the Group for the IFRS 2 expense is the net funding cost paid by the Group on the funding required to buy these shares.

For purposes of calculating normalised earnings, the share trusts are deconsolidated, FirstRand shares held by staff share schemes are treated as issued to parties external to the Group and loans to share trusts are recognised as external loans.

ECONOMIC HEDGE AGAINST SHARE-BASED PAYMENT OBLIGATIONS

The Group entered into a Total Return Swap (TRS) with external parties in order to economically hedge itself against the cost associated with the Group's share option schemes.

In terms of *IAS 39 Financial Instruments: Recognition and Measurement*, the TRS is accounted for as a derivative instrument at fair value with the full fair value change recognised in profit or loss.

In accordance with IFRS 2, the expense resulting from these option schemes is recognised over the vesting period of the schemes. This leads to a mismatch in the recognition of the profit or loss of the hedge and the share-based payment expense.

For purposes of calculating normalised earnings, the Group defers the recognition of the fair value gain or loss on the hedging instrument for the specific reporting period to the period in which the IFRS 2 impact will manifest in the Group's results. This reflects the economic substance of the hedge and associated IFRS 2 impact for the Group.

FIRSTRAND SHARES HELD FOR CLIENT TRADING ACTIVITIES

The Group invests in FirstRand shares to offset its exposure as a result of client trading positions. Depending on the nature of the client trading position and resulting risks, FirstRand shares may be held long or sold short by the Group.

In terms of *IAS 32 Financial Instruments: Presentation*, FirstRand shares held by the Group are deemed to be treasury shares for accounting purposes. For the statement of financial position, the cost price of FirstRand shares held long is deducted from equity and the consideration received from selling FirstRand shares short is added back to equity. All gains and losses on FirstRand shares are reversed to profit or loss.

In addition, in terms of *IAS 28 Investments in Associates*, upstream and downstream profits are eliminated when equity accounting is applied, and, in terms of *IAS 32 Financial Instruments: Presentation*, profits or losses cannot be recognised on an entity's own equity instruments. For the income statement, the Group's portion of the fair value change in FirstRand shares is therefore deducted from equity-accounted earnings and the investment recognised using the equity accounted method.

Changes in the fair value of FirstRand shares and dividends declared on these shares affect the fair value of client trading positions reflected in the statement of financial position, unless the client trading position is itself an equity instrument. The change in the fair value of client trading positions is recognised in profit or loss. However, because of the rules relating to treasury shares and the elimination of upstream and downstream profits, when equity accounting is applied the corresponding fair value changes (or the Group's portion of the fair value changes) in the FirstRand shares held to match client trading positions are reversed or eliminated. This results in a mismatch in the overall equity and profit or loss of the Group.

For purposes of calculating normalised earnings, the adjustments described above are reversed and FirstRand shares held for client trading positions are treated as issued to parties external to the Group.

Where the client trading position is itself an equity instrument, then neither gains nor losses on client trading positions or FirstRand shares held to hedge these are reflected in profit or loss or on the statement of financial position.

ECONOMIC HEDGES

From time to time the Group enters into economic interest rate hedging transactions, which do not qualify for hedge accounting in terms of the requirements of IFRS. The Group reclassifies fair value changes on these hedging instruments from NIR to NII to reflect the economic substance of these hedges.

FAIR VALUE ANNUITY INCOME – LENDING

The Group accounts for the majority of its wholesale advances book within RMB on a fair value basis in terms of IFRS. As a result, the margin on these advances is reflected as part of NIR.

The Group reclassifies the margin relating to the annuity fair value income earned on the RMB wholesale advances book from NIR to NII to reflect the economic substance of the income earned on these assets. The corresponding impairment charge is reallocated from NIR to impairment of advances. Fair value advances are adjusted to reflect the cumulative adjustment.

CONSOLIDATED PRIVATE EQUITY SUBSIDIARIES

In accordance with IFRS, operating costs of consolidated private equity subsidiaries are included in profit or loss as part of operating expenses. These operating costs are reclassified to NIR, where income earned from these entities is included. This presentation of net income earned from consolidated private equity subsidiaries more accurately reflects the underlying economic substance of the Group's relationship with these entities.

REALISATIONS ON THE SALE OF PRIVATE EQUITY SUBSIDIARIES

In terms of *Circular 2/2013, Headline Earnings per Share*, gains or losses from the sale of subsidiaries are excluded from headline earnings.

The Circular includes specific industry rules. Rule 1 allows entities to include in headline earnings gains or losses associated with private equity investments that are associates or joint ventures, which form part of trading or operating activities. This exclusion, however, does not apply to gains or losses associated with private equity investments that are subsidiaries. The Group includes gains or losses on the sale of private equity subsidiaries in normalised headline earnings to reflect the nature of these investments.

IMPAIRMENT OF BJM AND ASHBURTON GOODWILL AND SOFTWARE ASSETS

In the current year the goodwill relating to BJM and Ashburton was impaired. In addition, RMB's Corporate Banking Division impaired IT-related intangible assets. These impairments have been excluded from both headline earnings (in terms of *Circular 02/2013, Headline Earnings per Share*) and normalised results.

TRACKER AND RONALD SEWELLS

The Group previously owned 36.11% of Tracker (Pty) Ltd (Tracker). On 3 October 2011, the Group disposed of an effective 15.76% of its shareholding to a consortium of investors. The Group equity accounted for Tracker at its effective shareholding of 36.11% to 1 October 2011 and at 20.35% from 1 October 2011 to 30 June 2012.

In addition, WesBank disposed of its subsidiary, Ronald Sewells, effective August 2011.

Profits resulting from the disposal of Ronald Sewells and the 15.76% shareholding in Tracker were excluded from both headline earnings *(Circular 2/2013, Headline Earnings per Share)* and normalised results in the comparative period.

MMI NAMIBIA

The Group concluded the disposal of its 51% shareholding in Momentum Life Assurance Namibia Limited (MMI Namibia) on 30 June 2012, for effective economic value on 1 July 2011. The profit on disposal of MMI Namibia was excluded from both headline earnings *(Circular 2/2013, Headline Earnings per Share)* and normalised results in the comparative period.

SUMMARISED CONSOLIDATED INCOME STATEMENT – IFRS (AUDITED)

for the year ended 30 June

R million	**2013**	2012	% change
Net interest income before impairment of advances	**24 715**	21 882	13
Impairment of advances	**(4 812)**	(5 065)	(5)
Net interest income after impairment of advances	**19 903**	16 817	18
Non-interest income	**31 614**	29 494	7
Income from operations	**51 517**	46 311	11
Operating expenses	**(31 486)**	(28 422)	11
Net income from operations	**20 031**	17 889	12
Share of profit of associates and joint ventures after tax	**824**	1 120	(26)
Income before tax	**20 855**	19 009	10
Indirect tax	**(645)**	(551)	17
Profit before tax	**20 210**	18 458	9
Income tax expense	**(4 532)**	(4 089)	11
Profit for the year	**15 678**	14 369	9
Attributable to:			
Ordinary equityholders	**14 539**	13 196	10
NCNR preference shareholders	**297**	275	8
Equityholders of the Group	**14 836**	13 471	10
Non-controlling interests	**842**	898	(6)
Profit for the year	**15 678**	14 369	9
Earnings per share (cents)			
– Basic	**266.2**	241.7	10
– Diluted	**262.9**	236.8	11
Headline earnings per share (cents)			
– Basic	**276.7**	231.5	20
– Diluted	**273.3**	226.9	20

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – IFRS (AUDITED)

for the year ended 30 June

R million	**2013**	2012	% change
Profit for the year	**15 678**	14 369	9
Items that may subsequently be reclassified to profit or loss			
Cash flow hedges	**853**	(302)	(>100)
Gains/(losses) arising during the year	**417**	(1 214)	(>100)
Reclassification adjustments for amounts included in profit or loss	**768**	794	(3)
Deferred income tax	**(332)**	118	(>100)
Available-for-sale financial assets	**(89)**	401	(>100)
(Losses)/gains arising during the year	**(102)**	714	(>100)
Reclassification adjustments for amounts included in profit or loss	**(33)**	(154)	(79)
Deferred income tax	**46**	(159)	(>100)
Exchange differences on translating foreign operations	**990**	599	65
Gains arising during the year	**990**	599	65
Share of other comprehensive income of associates after tax and non-controlling interests	**129**	(167)	(>100)
Other comprehensive income for the year	**1 883**	531	>100
Total comprehensive income for the year	**17 561**	14 900	18
Attributable to:			
Ordinary equityholders	**16 358**	13 706	19
NCNR preference shareholders	**297**	275	8
Equityholders of the Group	**16 655**	13 981	19
Non-controlling interests	**906**	919	(1)
Total comprehensive income for the year	**17 561**	14 900	18

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – IFRS (AUDITED)
as at 30 June

R million	2013	2012
ASSETS		
Cash and cash equivalents	**49 620**	38 363
Derivative financial instruments	**52 316**	52 913
Commodities	**6 016**	5 108
Accounts receivable	**7 471**	6 007
Current tax asset	**275**	331
Advances	**598 975**	524 507
Investment securities and other investments	**131 293**	119 708
Investments in associates and joint ventures	**6 992**	6 869
Property and equipment	**14 058**	12 026
Intangible assets	**1 169**	1 743
Reinsurance assets	**394**	898
Post-employment benefit asset	**13**	7
Investment properties	**459**	215
Deferred income tax asset	**598**	471
Non-current assets and disposal groups held for sale	**20**	599
Total assets	**869 669**	769 765
EQUITY AND LIABILITIES		
Liabilities		
Short trading positions	**2 991**	5 343
Derivative financial instruments	**53 013**	53 760
Creditors and accruals	**11 155**	9 086
Current tax liability	**553**	386
Deposits	**697 005**	606 281
Provisions	**600**	592
Employee liabilities	**8 092**	6 933
Other liabilities	**6 669**	6 383
Policyholder liabilities under insurance contracts	**1 112**	1 517
Deferred income tax liability	**735**	1 679
Tier 2 liabilities	**8 116**	7 885
Liabilities directly associated with disposal groups held for sale	**–**	113
Total liabilities	**790 041**	699 958
Equity		
Ordinary shares	**55**	55
Share premium	**5 397**	5 216
Reserves	**66 733**	57 250
Capital and reserves attributable to ordinary equityholders	**72 185**	62 521
NCNR preference shareholders	**4 519**	4 519
Capital and reserves attributable to equityholders of the Group	**76 704**	67 040
Non-controlling interests	**2 924**	2 767
Total equity	**79 628**	69 807
Total equity and liabilities	**869 669**	769 765

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS – IFRS (AUDITED)

for the year ended 30 June

R million	2013	2012
Net cash flows from operating activities	**24 261**	16 635
Net cash utilised in operations	**(4 058)**	(7 064)
Taxation paid	**(6 361)**	(5 331)
Net cash inflow from operating activities	**13 842**	4 240
Net cash outflow from investing activities	**(3 200)**	(3 763)
Net cash inflow from financing activities	**304**	3 464
Net increase in cash and cash equivalents from operations	**10 946**	3 941
Cash and cash equivalents at the beginning of the year	**38 363**	34 240
Cash and cash equivalents at the end of the year	**49 309**	38 181
Cash and cash equivalents acquired*	**2**	1
Cash and cash equivalents disposed of*	**–**	(31)
Effect of exchange rate changes on cash and cash equivalents	**309**	212
Cash and cash equivalents at the end of the year	**49 620**	38 363
Mandatory reserve balances included above**	**16 160**	13 677

* *Cash and cash equivalents acquired and disposed of relate to cash balances held by subsidiaries acquired and disposed of during the year.*

** *Banks are required to deposit a minimum average balance, calculated monthly, with the central bank, which is not available for use in the Group's day-to-day operations. The deposit bears no or low interest. Money at short notice constitutes amounts withdrawable in 32 days or less.*

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – IFRS (AUDITED)

for the year ended 30 June

R million	Ordinary share capital and ordinary equityholders' funds				
	Share capital	Share premium	**Share capital and share premium**	General risk reserve	Cash flow hedge reserve
Balance as at 1 July 2011	53	4 945	**4 998**	13	(451)
Movement in other reserves	–	–	**–**	–	–
Ordinary dividends	–	–	**–**	–	–
Preference dividends	–	–	**–**	–	–
Transfer from/(to) reserves	–	–	**–**	44	–
Changes in ownership interest of subsidiaries	–	–	**–**	–	–
Consolidation of treasury shares	2	271	**273**	–	–
Total comprehensive income for the year	–	–	**–**	–	(302)
Vesting of share-based payment reserve	–	–	**–**	–	–
Balance as at 30 June 2012	55	5 216	**5 271**	57	(753)
Issue of share capital	–	–	**–**	–	–
Movement in other reserves	–	–	**–**	–	–
Ordinary dividends	–	–	**–**	–	–
Preference dividends	–	–	**–**	–	–
Transfer from/(to) reserves	–	–	**–**	21	–
Changes in ownership interest of subsidiaries	–	–	**–**	–	–
Consolidation of treasury shares	–	181	**181**	–	–
Total comprehensive income for the year	–	–	**–**	–	853
Vesting of share-based payment reserve	–	–	**–**	–	–
Balance as at 30 June 2013	55	5 397	**5 452**	78	100

Ordinary share capital and ordinary equityholders' funds								
Share-based payment reserve	Available-for-sale reserve	Foreign currency translation reserve	Other reserves	Retained earnings	**Reserves attributable to ordinary equity-holders**	**Non-cumulative non-redeemable preference shares**	**Non-controlling interests**	**Total equity**
2 739	225	474	13	48 620	**51 633**	**4 519**	**3 069**	**64 219**
709	–	–	36	173	**918**	**–**	**(438)**	**480**
–	–	–	–	(8 742)	**(8 742)**	**–**	**(652)**	**(9 394)**
–	–	–	–	–	**–**	**(275)**	**–**	**(275)**
–	–	–	–	(44)	**–**	**–**	**–**	**–**
–	–	–	–	(37)	**(37)**	**–**	**(131)**	**(168)**
–	–	–	–	102	**102**	**–**	**–**	**375**
–	401	578	(167)	13 196	**13 706**	**275**	**919**	**14 900**
(201)	–	–	–	(129)	**(330)**	**–**	**–**	**(330)**
3 247	626	1 052	(118)	53 139	**57 250**	**4 519**	**2 767**	**69 807**
–	–	–	–	–	**–**	**–**	**(11)**	**(11)**
(47)	–	–	70	(77)	**(54)**	**–**	**(54)**	**(108)**
–	–	–	–	(6 175)	**(6 175)**	**–**	**(663)**	**(6 838)**
–	–	–	–	–	**–**	**(297)**	**–**	**(297)**
–	–	–	–	(21)	**–**	**–**	**–**	**–**
(2)	–	–	–	4	**2**	**–**	**(21)**	**(19)**
–	–	–	–	53	**53**	**–**	**–**	**234**
–	(87)	943	110	14 539	**16 358**	**297**	**906**	**17 561**
(25)	–	–	–	(676)	**(701)**	**–**	**–**	**(701)**
3 173	539	1 995	62	60 786	**66 733**	**4 519**	**2 924**	**79 628**

Segment information

SEGMENT INFORMATION – IFRS
for the year ended 30 June 2013

	2013	
R million	FNB	FNB Africa
Net interest income before impairment of advances	13 175	2 375
Impairment of advances	(2 863)	(190)
Net interest income after impairment of advances	10 312	2 185
Non-interest income	16 166	1 793
Net income from operations	26 478	3 978
Operating expenses	(16 225)	(2 353)
Share of profit from associates and joint ventures after tax	38	2
Income before tax	10 291	1 627
Indirect tax	(388)	(55)
Profit for the year before tax	9 903	1 572
Income tax expense	(2 624)	(462)
Profit for the year	7 279	1 110
The income statement includes:		
Depreciation	(1 151)	(123)
Amortisation	(64)	(13)
Impairment charges	(188)	–
The statement of financial position includes:		
Investments in associates and joint ventures	234	4
Total assets	249 743	47 662
Total liabilities	240 493	42 090

* *Other includes FirstRand Company, consolidation of treasury shares and related consolidation entries.*

Reconciliation of profit for the year to normalised earnings

R million	2013
Profit for the year (per above)	15 678
NCNR preference equityholders	(297)
Non-controlling interests	(842)
Attributable earnings to ordinary equityholders	14 539
Headline earnings adjustments (per page 3)	575
Headline earnings to ordinary equityholders	15 114
Normalised adjustments	209
– IFRS 2 Share-based payment expenses	43
– Treasury shares	39
– TRS adjustment	85
– Private equity subsidiary realisations	42
Normalised earnings from continuing operations	15 323

	2013						
	RMB						
	Investment Banking	Corporate Banking	WesBank	Corporate Centre	Consolidation and IFRS adjustments	Other*	Total
	412	607	6 852	1 364	61	(131)	24 715
	(83)	(44)	(1 632)	–	–	–	(4 812)
	329	563	5 220	1 364	61	(131)	19 903
	9 721	1 148	3 200	1 912	(2 597)	271	31 614
	10 050	1 711	8 420	3 276	(2 536)	140	51 517
	(5 326)	(1 389)	(4 446)	(3 536)	1 559	230	(31 486)
	861	–	261	–	(345)	7	824
	5 585	322	4 235	(260)	(1 322)	377	20 855
	(60)	(33)	(219)	111	–	(1)	(645)
	5 525	289	4 016	(149)	(1 322)	376	20 210
	(1 464)	(77)	(1 064)	39	1 220	(100)	(4 532)
	4 061	212	2 952	(110)	(102)	276	15 678
	(287)	(35)	(354)	(92)	(4)	–	(2 046)
	(23)	–	(31)	(5)	2	–	(134)
	(83)	(248)	(21)	(261)	–	–	(801)
	5 865	–	919	1	(31)	–	6 992
	350 244	5 331	145 585	124 545	(110 746)	57 305	869 669
	342 027	4 912	141 103	72 438	(53 513)	491	790 041

Geographical segments

	2013					
R million	South Africa	Other Africa	United Kingdom	Australasia	Other	Total
Net interest income	17 023	2 384	375	14	107	19 903
Non-interest income*	29 243	2 353	955	(62)	(51)	32 438
Total assets	787 372	53 483	21 566	4 521	2 727	869 669
Non-current assets**	18 901	1 544	95	1 439	(37)	21 942
Total liabilities	716 926	46 327	21 955	3 334	1 499	790 041

* *Includes share of profit from associates and joint ventures after tax.*
** *Excludes financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts.*

SEGMENT INFORMATION – IFRS

for the year ended 30 June 2012

	2012	
R million	FNB	FNB Africa
Net interest income before impairment of advances	11 073	2 132
Impairment of advances	(2 733)	(121)
Net interest income after impairment of advances	8 340	2 011
Non-interest income	14 715	1 708
Net income from operations	23 055	3 719
Operating expenses	(14 414)	(2 061)
Share of profit from associates and joint ventures after tax	24	6
Income before tax	8 665	1 664
Indirect tax	(382)	(47)
Profit for the year before tax	8 283	1 617
Income tax expense	(2 194)	(469)
Profit for the year	6 089	1 148
The income statement includes:		
Depreciation	(1 323)	(108)
Amortisation	(78)	(29)
Impairment charges	–	(5)
The statement of financial position includes:		
Investments in associates and joint ventures	196	4
Total assets	229 266	39 267
Total liabilities	220 878	34 399

* *Other includes FirstRand Company, consolidation of treasury shares and related consolidation entries.*

Reconciliation of profit for the year to normalised earnings

R million	2012
Profit for the year (per above)	14 369
NCNR preference equityholders	(275)
Non-controlling interests	(898)
Attributable earnings to ordinary equityholders	13 196
Headline earnings adjustments (per page 3)	(554)
Headline earnings to ordinary equityholders	12 642
Normalised adjustments	88
– IFRS 2 Share-based payment expenses	77
– Treasury shares	251
– TRS adjustment	(240)
Normalised earnings from continuing operations	12 730

For information about normalised adjustments refer to pages 14 and 15.

	2012						
	RMB						
	Investment Banking	Corporate Banking	WesBank	Corporate Centre	Consolidation and IFRS adjustments	Other*	Total
	438	516	5 849	1 859	114	(99)	21 882
	(89)	(273)	(1 100)	10	(759)	–	(5 065)
	349	243	4 749	1 869	(645)	(99)	16 817
	8 087	1 204	3 347	2 862	(2 423)	(6)	29 494
	8 436	1 447	8 096	4 731	(3 068)	(105)	46 311
	(4 868)	(1 199)	(3 938)	(3 585)	909	734	(28 422)
	1 202	–	239	–	(351)	–	1 120
	4 770	248	4 397	1 146	(2 510)	629	19 009
	(67)	(15)	(206)	167	1	(2)	(551)
	4 703	233	4 191	1 313	(2 509)	627	18 458
	(1 246)	(62)	(1 110)	(348)	1 506	(166)	(4 089)
	3 457	171	3 081	965	(1 003)	461	14 369
	(275)	(44)	(269)	(101)	(3)	–	(2 123)
	(61)	–	(48)	(3)	1	–	(218)
	(134)	–	(3)	(1)	(36)	–	(179)
	5 959	–	732	2	(24)	–	6 869
	328 890	3 087	121 610	100 814	(109 859)	56 690	769 765
	321 493	2 737	117 110	55 288	(52 262)	315	699 958

Geographical segments

	2012					
R million	South Africa	Other Africa	United Kingdom	Australasia	Other	Total
Net interest income	14 202	1 981	479	24	131	16 817
Non-interest income*	28 482	2 021	(2)	(6)	119	30 614
Total assets	709 203	40 850	14 022	3 634	2 056	769 765
Non-current assets**	18 848	1 028	70	1 225	14	21 185
Total liabilities	646 433	35 784	14 493	2 289	959	699 958

* *Includes share of profit from associates and joint ventures after tax.*
** *Excludes financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts.*

Supplementary information

HEADLINE EARNINGS ADDITIONAL DISCLOSURE

Set out below is additional information pertaining to *Section 1 of Circular 02/2013 – Sector-Specific Rules for Calculating Headline Earnings.*

Issue 1 – Re-measurement relating to private equity activities (associates and joint ventures, excluding any private equity investments carried at fair value in terms of IAS 39) regarded as operating or trading activities

R million	Year ended 30 June		% change
	2013	2012	
Aggregate cost of portfolio	**4 018**	4 248	(5)
Aggregate carrying value	**5 514**	5 959	(7)
Aggregate fair value*	**7 399**	7 489	(1)
Equity-accounted income**	**525**	866	(39)
Profit on realisation#	**402**	82	>100
Aggregate other income earned†	**179**	122	47

* *Aggregate fair value is disclosed including non-controlling interests.*
** *Income from associates is disclosed post-tax.*
# *Profit on realisation is disclosed post-tax and non-controlling interests.*
† *Aggregate other income earned is disclosed pre-tax.*

Issue 2 – Capital appreciation on investment products

R million	Year ended 30 June		% change
	2013	2012	
Carrying value of investment properties	**459**	215	>100
Fair value of investment properties	**459**	215	>100
Capital appreciation after tax	**7**	12	(42)

CONTINGENCIES AND COMMITMENTS

R million	As at 30 June 2013	2012	% change
Contingencies			
Guarantees	**30 137**	22 741	33
Acceptances	**270**	293	(8)
Letters of credit	**8 925**	7 886	13
Total contingencies	**39 332**	30 920	27
Capital commitments			
Contracted capital commitments	**1 585**	1 474	8
Capital expenditure authorised not yet contracted	**1 902**	2 237	(15)
Total capital commitments	**3 487**	3 711	(6)
Other commitments			
Irrevocable commitments	**78 783**	69 348	14
Operating lease and other commitments	**3 113**	3 666	(15)
Total other commitments	**81 896**	73 014	12
Total contingencies and commitments	**124 715**	107 645	16

NUMBER OF ORDINARY SHARES IN ISSUE

	Year ended 30 June	
	2013	2012
Shares in issue		
Opening balance as at 1 July	**5 637 941 689**	5 637 941 689
Less: treasury shares	**(171 915 613)**	(175 283 030)
– Staff schemes	**–**	(2 590 187)
– BEE staff trusts	**(171 401 072)**	(171 401 072)
– Shares held by policyholders*	**(514 541)**	(1 291 771)
Number of shares in issue (after treasury shares)	**5 466 026 076**	5 462 658 659
Weighted average number of shares		
Weighted average number of shares before treasury shares	**5 637 941 689**	5 637 941 689
Less: treasury shares	**(176 459 999)**	(177 575 407)
– Staff schemes	**(446 141)**	(4 867 033)
– BEE staff trusts	**(171 401 072)**	(171 401 072)
– Policyholder and mutual funds deemed treasury shares	**(4 612 786)**	(1 307 302)
Weighted average number of shares in issue	**5 461 481 690**	5 460 366 282
Dilution impact:		
Staff schemes	**25 846 994**	84 347 709
BEE staff trusts	**42 483 153**	27 757 143
Diluted weighted average number of shares in issue	**5 529 811 837**	5 572 471 134
Number of shares for normalised earnings per share calculation		
Actual weighted average and diluted weighted average number of shares for calculation of normalised earnings and diluted earnings per share	**5 637 941 689**	5 637 941 689

* *Policyholders only include FirstRand shares held in the FNB ELI cell.*

KEY MARKET INDICATORS AND SHARE STATISTICS

	Year ended 30 June		
	2013	2012	% change
Market indicators			
USD/ZAR exchange rate			
– Closing	**10.01**	8.19	22
– Average	**8.84**	7.78	14
SA prime overdraft (%)	**8.50**	9.00	
SA average prime overdraft (%)	**8.52**	9.00	
SA average CPI (%)	**5.53**	5.85	
JSE All Share Index	**39 578**	33 708	17
JSE Banks Index	**49 961**	47 824	4
Share statistics			
Share price			
– High for the period (cents)	**3 359**	2 819	19
– Low for the period (cents)	**2 515**	2 074	21
– Closing (cents)	**2 893**	2 639	10
Shares traded			
– Number of shares (millions)	**3 398**	1 723	97
– Value of shares (R million)	**99 406**	42 242	>100
– Turnover in shares traded (%)	**62.22**	31.56	

SHARE PRICE PERFORMANCE

	Year ended 30 June		
	2013	2012	% change
FirstRand average share price (cents)	**2 957**	2 203	34
JSE Bank Index (average)	**50 655**	43 137	17
JSE All Share Index (average)	**38 194**	32 474	18

COMPANY INFORMATION

DIRECTORS

LL Dippenaar (Chairman), SE Nxasana (Chief executive officer), VW Bartlett, JJH Bester, MS Bomela, JP Burger (Financial director and chief operating officer), P Cooper (alternate), L Crouse, JJ Durand, GG Gelink, PM Goss, NN Gwagwa, PK Harris, WR Jardine, EG Matenge-Sebesho, AT Nzimande, D Premnarayen (India), KB Schoeman, BJ van der Ross, JH van Greuning

SECRETARY AND REGISTERED OFFICE

BW Unser
4 Merchant Place, Corner Fredman Drive and Rivonia Road
Sandton 2196
PO Box 650149, Benmore 2010
Tel: +27 11 282 1808
Fax: +27 11 282 8088
Website: www.firstrand.co.za

JSE SPONSOR

Rand Merchant Bank (a division of FirstRand Bank Limited)
Corporate Finance
1 Merchant Place, Corner Fredman Drive and Rivonia Road
Sandton 2196
Tel: +27 11 282 8000
Fax: +27 11 282 4184

JSE INDEPENDENT SPONSOR

PricewaterhouseCoopers Corporate Finance (Pty) Ltd
2 Eglin Road
Sunninghill
Sandton 2196

NAMIBIAN SPONSOR

Simonis Storm Securities (Pty) Ltd
4 Koch Street
Klein Windhoek
Namibia

TRANSFER SECRETARIES – SOUTH AFRICA

Computershare Investor Services (Pty) Ltd
70 Marshall Street
Johannesburg 2001
PO Box 61051, Marshalltown 2107
Tel: +27 11 370 5000
Fax: +27 11 688 5248

TRANSFER SECRETARIES – NAMIBIA

Transfer Secretaries (Pty) Ltd
4 Robert Mugabe Avenue, Windhoek
PO Box 2401, Windhoek, Namibia
Tel: +264 612 27647
Fax: +264 612 48531

LISTED FINANCIAL INSTRUMENTS OF THE GROUP AND ITS SUBSIDIARIES

LISTED EQUITY INSTRUMENTS

JSE Limited (JSE)

Ordinary shares

Issuer	Share code	ISIN code
FirstRand Limited	FSR	ZAE000066304

Non-cumulative non-redeemable B preference shares

Issuer	Share code	ISIN code
FirstRand Limited	FSRP	ZAE000060141

Namibian Stock Exchange (NSX)

Ordinary shares

Issuer	Share code	ISIN code
FirstRand Limited	FST	ZAE000066304
FNB Namibia Holdings Limited	FNB	NA0003475176

Botswana Stock Exchange (BSE)

Ordinary shares

Issuer	Share code	ISIN code
First National Bank of Botswana Limited	FNBB	BW0000000066

LISTED DEBT INSTRUMENTS

JSE

	Issuer	Bond code	ISIN code
Subordinated debt	FirstRand Bank Limited	FRB03	ZAG000026774
	FirstRand Bank Limited	FRB05	ZAG000031337
	FirstRand Bank Limited	FRB08	ZAG000047796
	FirstRand Bank Limited	FRB09	ZAG000047804
	FirstRand Bank Limited	FRB10	ZAG000092487
	FirstRand Bank Limited	FRB11	ZAG000102054
Upper Tier 2	FirstRand Bank Limited	FRBC21	ZAG000052283
	FirstRand Bank Limited	FRBC22	ZAG000052390
Senior unsecured	FirstRand Bank Limited	FRBI07	ZAG000055849
	FirstRand Bank Limited	FRBN04	ZAG000041005
	FirstRand Bank Limited	FRBN05	ZAG000042169
	FirstRand Bank Limited	FRBZ01	ZAG000049255
	FirstRand Bank Limited	FRBZ02	ZAG000072711
	FirstRand Bank Limited	FRBZ03	ZAG000080029
	FirstRand Bank Limited	FRJ13	ZAG000079823
	FirstRand Bank Limited	FRJ14	ZAG000069683
	FirstRand Bank Limited	FRJ15	ZAG000094368
	FirstRand Bank Limited	FRJ16	ZAG000073826
	FirstRand Bank Limited	FRJ17	ZAG000094343

	Issuer	Bond code	ISIN code
Senior unsecured	FirstRand Bank Limited	FRJ18	ZAG000084187
	FirstRand Bank Limited	FRJ19	ZAG000104563
	FirstRand Bank Limited	FRS36	ZAG000077397
	FirstRand Bank Limited	FRS37	ZAG000077793
	FirstRand Bank Limited	FRS43	ZAG000078643
	FirstRand Bank Limited	FRS46	ZAG000079807
	FirstRand Bank Limited	FRS49	ZAG000081787
	FirstRand Bank Limited	FRS51	ZAG000086117
	FirstRand Bank Limited	FRS56	ZAG000087271
	FirstRand Bank Limited	FRS59	ZAG000089855
	FirstRand Bank Limited	FRS61	ZAG000090523
	FirstRand Bank Limited	FRS62	ZAG000090614
	FirstRand Bank Limited	FRS63	ZAG000091513
	FirstRand Bank Limited	FRS64	ZAG000092529
	FirstRand Bank Limited	FRS72	ZAG000096033
	FirstRand Bank Limited	FRS75	ZAG000096363
	FirstRand Bank Limited	FRS77	ZAG000097361
	FirstRand Bank Limited	FRS78	ZAG000097916
	FirstRand Bank Limited	FRS79	ZAG000100397
	FirstRand Bank Limited	FRS80	ZAG000100801
	FirstRand Bank Limited	FRS81	ZAG000100892
	FirstRand Bank Limited	FRS82	ZAG000101601
	FirstRand Bank Limited	FRS83	ZAG000102112
	FirstRand Bank Limited	FRS84	ZAG000104514
	FirstRand Bank Limited	FRS85	ZAG000104985
	FirstRand Bank Limited	FRS86	ZAG000105008
	FirstRand Bank Limited	FRS87	ZAG000105420
	FirstRand Bank Limited	FRS88	ZAG000106154
	FirstRand Bank Limited	FRS89	ZAG000106337
	FirstRand Bank Limited	FRS90	ZAG000106410
	FirstRand Bank Limited	FRS91	ZAG000106477
	FirstRand Bank Limited	FRS92	ZAG000106709
	FirstRand Bank Limited	FRX14	ZAG000079815
	FirstRand Bank Limited	FRX15	ZAG000051103
	FirstRand Bank Limited	FRX16	ZAG000084203
	FirstRand Bank Limited	FRX17	ZAG000094376
	FirstRand Bank Limited	FRX18	ZAG000076472
	FirstRand Bank Limited	FRX19	ZAG000073685
	FirstRand Bank Limited	FRX23	ZAG000104969
	FirstRand Bank Limited	FRX24	ZAG000073693
	FirstRand Bank Limited	FRX31	ZAG000084195
	FirstRand Bank Limited	FRX45	ZAG000076480

LISTED DEBT INSTRUMENTS

JSE *continued*

	Issuer	Bond code	ISIN code
Inflation-linked bonds	FirstRand Bank Limited	FRBI22	ZAG000079666
	FirstRand Bank Limited	FRBI23	ZAG000076498
	FirstRand Bank Limited	FRBI28	ZAG000079237
	FirstRand Bank Limited	FRBI33	ZAG000079245
	FirstRand Bank Limited	FRI15	ZAG000051137
Credit-linked notes	FirstRand Bank Limited	FRC29	ZAG000069857
	FirstRand Bank Limited	FRC37	ZAG000076712
	FirstRand Bank Limited	FRC40	ZAG000081027
	FirstRand Bank Limited	FRC41	ZAG000081670
	FirstRand Bank Limited	FRC46	ZAG000082959
	FirstRand Bank Limited	FRC57	ZAG000086414
	FirstRand Bank Limited	FRC61	ZAG000087347
	FirstRand Bank Limited	FRC66	ZAG000088485
	FirstRand Bank Limited	FRC67	ZAG000088741
	FirstRand Bank Limited	FRC68	ZAG000088758
	FirstRand Bank Limited	FRC69	ZAG000088766
	FirstRand Bank Limited	FRC70	ZAG000088840
	FirstRand Bank Limited	FRC71	ZAG000088923
	FirstRand Bank Limited	FRC72	ZAG000088956
	FirstRand Bank Limited	FRC74	ZAG000089178
	FirstRand Bank Limited	FRC76	ZAG000089574
	FirstRand Bank Limited	FRC78	ZAG000089806
	FirstRand Bank Limited	FRC79	ZAG000089947
	FirstRand Bank Limited	FRC82	ZAG000090796
	FirstRand Bank Limited	FRC83	ZAG000090952
	FirstRand Bank Limited	FRC84	ZAG000090986
	FirstRand Bank Limited	FRC85	ZAG000091109
	FirstRand Bank Limited	FRC86	ZAG000091182
	FirstRand Bank Limited	FRC87	ZAG000091570
	FirstRand Bank Limited	FRC94A	ZAG000106725
	FirstRand Bank Limited	FRC95	ZAG000092792
	FirstRand Bank Limited	FRC96A	ZAG000106733
	FirstRand Bank Limited	FRC97	ZAG000093212
	FirstRand Bank Limited	FRC98	ZAG000093220
	FirstRand Bank Limited	FRC99	ZAG000093501
	FirstRand Bank Limited	FRC101	ZAG000093576
	FirstRand Bank Limited	FRC103	ZAG000093840
	FirstRand Bank Limited	FRC104	ZAG000093857
	FirstRand Bank Limited	FRC105	ZAG000093998
	FirstRand Bank Limited	FRC106	ZAG000093956
	FirstRand Bank Limited	FRC107	ZAG000094574
	FirstRand Bank Limited	FRC108	ZAG000094871
	FirstRand Bank Limited	FRC109	ZAG000094889
	FirstRand Bank Limited	FRC110	ZAG000094954
	FirstRand Bank Limited	FRC112	ZAG000095621

	Issuer	Bond code	ISIN code
Credit-linked notes	FirstRand Bank Limited	FRC113	ZAG000095761
	FirstRand Bank Limited	FRC114	ZAG000095837
	FirstRand Bank Limited	FRC115	ZAG000095852
	FirstRand Bank Limited	FRC116	ZAG000095860
	FirstRand Bank Limited	FRC117	ZAG000095928
	FirstRand Bank Limited	FRC118	ZAG000096280
	FirstRand Bank Limited	FRC119	ZAG000096298
	FirstRand Bank Limited	FRC120	ZAG000096306
	FirstRand Bank Limited	FRC121	ZAG000096314
	FirstRand Bank Limited	FRC122	ZAG000096322
	FirstRand Bank Limited	FRC123	ZAG000096272
	FirstRand Bank Limited	FRC124	ZAG000096579
	FirstRand Bank Limited	FRC125	ZAG000096678
	FirstRand Bank Limited	FRC126	ZAG000096934
	FirstRand Bank Limited	FRC127	ZAG000096942
	FirstRand Bank Limited	FRC128	ZAG000096959
	FirstRand Bank Limited	FRC129	ZAG000096967
	FirstRand Bank Limited	FRC130	ZAG000096975
	FirstRand Bank Limited	FRC131	ZAG000096983
	FirstRand Bank Limited	FRC132	ZAG000096991
	FirstRand Bank Limited	FRC133	ZAG000097007
	FirstRand Bank Limited	FRC134	ZAG000097056
	FirstRand Bank Limited	FRC135	ZAG000097122
	FirstRand Bank Limited	FRC136	ZAG000097106
	FirstRand Bank Limited	FRC137	ZAG000097114
	FirstRand Bank Limited	FRC138	ZAG000097130
	FirstRand Bank Limited	FRC139	ZAG000097148
	FirstRand Bank Limited	FRC140	ZAG000097155
	FirstRand Bank Limited	FRC141	ZAG000097189
	FirstRand Bank Limited	FRC142	ZAG000097445
	FirstRand Bank Limited	FRC144	ZAG000097569
	FirstRand Bank Limited	FRC145	ZAG000097627
	FirstRand Bank Limited	FRC146	ZAG000099425
	FirstRand Bank Limited	FRC147	ZAG000099433
	FirstRand Bank Limited	FRC148	ZAG000099466
	FirstRand Bank Limited	FRC149	ZAG000099607
	FirstRand Bank Limited	FRC150	ZAG000099821
	FirstRand Bank Limited	FRC151	ZAG000099904
	FirstRand Bank Limited	FRC152	ZAG000100330
	FirstRand Bank Limited	FRC153	ZAG000100348
	FirstRand Bank Limited	FRC154	ZAG000100694
	FirstRand Bank Limited	FRC155	ZAG000101643
	FirstRand Bank Limited	FRC157	ZAG000101973
	FirstRand Bank Limited	FRC158	ZAG000101981
	FirstRand Bank Limited	FRC159	ZAG000101999
	FirstRand Bank Limited	FRC160	ZAG000102013

	Issuer	Bond code	ISIN code
Credit-linked notes	FirstRand Bank Limited	FRC161	ZAG000102260
	FirstRand Bank Limited	FRC162	ZAG000102286
	FirstRand Bank Limited	FRC163	ZAG000102898
	FirstRand Bank Limited	FRC164	ZAG000103110
	FirstRand Bank Limited	FRC165	ZAG000103128
	FirstRand Bank Limited	FRC166	ZAG000103573
	FirstRand Bank Limited	FRC167	ZAG000104019
	FirstRand Bank Limited	FRC168	ZAG000104753
	FirstRand Bank Limited	FRC169	ZAG000104852
	FirstRand Bank Limited	FRC170	ZAG000105586
	FirstRand Bank Limited	FRC171	ZAG000105719
	FirstRand Bank Limited	FRC172	ZAG000105818
	FirstRand Bank Limited	FRC173	ZAG000105826
	FirstRand Bank Limited	FRC174	ZAG000105891
	FirstRand Bank Limited	FRC175	ZAG000106527
Senior unsecured callable bonds	FirstRand Bank Limited	FR002U	ZAG000042748
	FirstRand Bank Limited	FR003U	ZAG000042755
Investment security index contracts	Rand Merchant Bank	RMBI01	ZAG000050865
	Rand Merchant Bank	RMBI02	ZAG000052986
	Rand Merchant Bank	RMBI03	ZAG000054032
	Rand Merchant Bank	RMBI04	ZAG000055013
	Rand Merchant Bank	RMBI05	ZAG000055864
	Rand Merchant Bank	RMBI06	ZAG000056722
	Rand Merchant Bank	RMBI07	ZAG000057910
	Rand Merchant Bank	RMBI08	ZAG000072265
Structured notes	FirstRand Bank Limited	OILRMB	ZAG000152732
	FirstRand Bank Limited	COLRMB	ZAE000155222

NSX

	Issuer	Bond code	ISIN code
Subordinated debt	First National Bank of Namibia Limited	FNBJ22	NA000A1G3AF2
	First National Bank of Namibia Limited	FNBX22	NA000A1G3AG0

London Stock Exchange (LSE)
European medium term note (EMTN) programme

	Issuer	ISIN code
Senior unsecured	FirstRand Bank Limited	XS0610341967
	FirstRand Bank Limited	XS0595260141
	FirstRand Bank Limited	XS0635404477

SIMPLIFIED GROUP STRUCTURE

FIRSTRAND

Listed holding company (FirstRand Limited, JSE: FSR)

100%	100%	100%	100%
FIRSTRAND BANK LIMITED	FIRSTRAND EMA HOLDINGS LIMITED	FIRSTRAND INVESTMENT HOLDINGS (PTY) LTD (FRIHL)	ASHBURTON INVESTMENTS HOLDINGS LIMITED
Banking	**Africa and emerging markets**	**Other activities****	**Investment management**

Banking

100%	First National Bank[1]
100%	Rand Merchant Bank[1]
100%	WesBank[1]
100%	FirstRand Bank India[2]
100%	FirstRand Bank London[2,#]
100%	FirstRand Bank Kenya[3]
100%	FirstRand Bank Angola[3]
100%	FirstRand Bank Dubai[3]
100%	FirstRand Bank Shanghai[3]

Africa and emerging markets

59%	FNB Namibia
70%	FNB Botswana
100%	FNB Swaziland
90%	FNB Mozambique
100%	FNB Zambia
100%	FNB Lesotho
100%	FNB Tanzania
100%	RMB Nigeria
100%	FirstRand International – Mauritius

Other activities**

96%	RMB Private Equity Holdings
93%	RMB Private Equity
100%	RMB Securities
50%	RMB Morgan Stanley
100%	Rentworks
65%	Direct Axis
100%	FirstRand International – Guernsey (includes RMB Australia Holdings)

Investment management

100%	Ashburton Fund Managers (Pty) Ltd
100%	Ashburton Investor Services (Pty) Ltd
100%	Ashburton Management Company (Pty) Ltd
100%	FNB International Wealth Management Holdings Ltd
100%	RMB CIS Management Company (Pty) Ltd

Structure shows effective consolidated shareholding.

1. Division
2. Branch
3. Representative office

MotoNovo Finance is a business segment of FirstRand Bank Limited (London Branch).

** For segmental analysis purposes, entities included in FRIHL are reported as part of results of the managing franchise. The Group's securitisations and conduits are in FRIHL.

CREDIT RATINGS

FIRSTRAND BANK LIMITED

The credit ratings reflect FRB's strong market position as one of the big four banks in South Africa as well as its focused strategy, good core profitability, financial flexibility, robust risk management and sound capitalisation.

Credit ratings assigned by Standard & Poor's Ratings Services (S&P) as at 9 September 2013

	FirstRand Bank Limited	Sovereign rating South Africa
Foreign currency counterparty credit ratings		
Long-term	**BBB**	BBB
Outlook	**Negative**	Negative
Short-term	**A-2**	A-2
Local currency counterparty credit ratings		
Long-term	**BBB**	A-
Outlook	**Negative**	Negative
Short-term	**A-2**	A-2
National scale		
Long-term	**zaAA**	
Short-term	**zaA-1**	

Summary of rating actions:

- On 12 October 2012, S&P lowered the long-term foreign currency sovereign rating on South Africa to BBB from BBB+ and the long-term local currency rating to A- from A. The agency also lowered the short-term local currency rating to A-2 from A-1 and affirmed the short-term foreign currency rating at A-2. The outlook remained negative.
- Consequently, FRB's long-term foreign and local currency ratings were lowered to BBB from BBB+ with the short-term foreign and local currency ratings affirmed at A-2. The South Africa national scale ratings on FRB were affirmed at zaAA/zaA-1.

Credit ratings assigned by Moody's Investors Service (Moody's) as at 9 September 2013

	FirstRand Bank Limited	Sovereign rating South Africa
FRB foreign currency deposit ratings and sovereign foreign currency bond ratings		
Long-term	**Baa1**	Baa1
Outlook	**Negative**	Negative
Short-term	**P-2**	
FRB local currency deposit ratings and sovereign local currency bond ratings		
Long-term	**A3**	Baa1
Outlook	**Negative**	Negative
Short-term	**P-2**	
National scale		
Long-term	**Aa2.za**	
Short-term	**P-1.za**	
Bank financial strength rating	**C-**	
Outlook	**Stable**	

Summary of rating actions:

- On 27 September 2012, Moody's lowered the government bond rating by one notch to Baa1 from A3. The outlook remained negative.
- Consequently on 4 October 2012, FRB's foreign currency deposit rating was lowered to Baa1 from A3. Local currency deposit and debt ratings were assigned a negative outlook in line with the sovereign rating outlook. The national scale deposit ratings of Aa2.za/P-1.za remained unaffected.
- On 27 April 2013, Moody's affirmed the Bank's ratings.

Credit ratings assigned by Fitch Ratings (Fitch) as at 9 September 2013

	FirstRand Bank Limited	Sovereign rating South Africa
Foreign currency issuer default ratings (IDR)		
Long-term	**BBB**	BBB
Outlook	**Stable**	Stable
Short-term	**F3**	F3
Local currency IDR		
Long-term	**BBB**	BBB+
Outlook	**Stable**	Stable
National ratings		
Long-term	**AA(zaf)**	
Outlook	**Stable**	
Short-term	**F1+(zaf)**	
Viability rating	**bbb**	
Support rating	**3**	
Support rating floor	**BB+**	

Summary of rating actions:

- On 10 January 2013, Fitch downgraded South Africa's long-term foreign currency IDR to BBB from BBB+ and long-term local currency IDR to BBB+ from A. The agency also downgraded the short-term IDR to F3 from F2. The outlooks are stable.
- Consequently, on 15 January 2013, FRB's long-term foreign currency IDR was downgraded to BBB from BBB+, short-term foreign currency IDR downgraded to F3 from F2, long-term local currency IDR downgraded to BBB from BBB+, viability rating downgraded to bbb from bbb+, support rating downgraded to 3 from 2 and the support rating floor downgraded to BB+ from BBB-. The national ratings remained unaffected.
- On 1 August 2013, Fitch affirmed the Bank's ratings.

FIRSTRAND LIMITED

FirstRand Limited's ratings reflect its status as the non-operational holding company of the FirstRand Group and the entity's consequent structural subordination and reliance on dividends from operating companies to meet its obligations, which exposes it to potential regulatory impositions.

Credit ratings assigned by S&P as at 9 September 2013

	FirstRand Limited
Foreign currency counterparty credit ratings	
Long-term	**BBB-**
Outlook	**Negative**
Short-term	**A-3**
Local currency counterparty credit ratings	
Long-term	**BBB-**
Outlook	**Negative**
Short-term	**A-3**
National scale	
Long-term	**zaAA-**
Short-term	**zaA-1**

Summary of rating actions:

- The Group's long- and short-term ratings were lowered to BBB-/A-3 from BBB/A-2 following the downgrading of the sovereign rating as discussed on the previous page. The South Africa national scale ratings were affirmed at zaAA-/zaA-1.

DEFINITIONS

Additional Tier 1 (AT1) capital	NCNR preference share capital plus qualifying capital instruments issued out of fully consolidated subsidiaries to third parties less specified regulatory deductions.
CAGR	Compound annual growth rate.
Capital adequacy ratio (CAR)	Total qualifying capital and reserves divided by RWA.
Common Equity Tier 1 (CET1) capital	Share capital and premium plus accumulated comprehensive income and reserves plus qualifying capital instruments issued out of fully consolidated subsidiaries to third parties less specified regulatory deductions.
Cost-to-income ratio	Operating expenses excluding indirect taxes expressed as a percentage of total income including share of profits from associates and joint ventures.
Credit loss ratio	Total impairment charge per the income statement expressed as a percentage of average advances (average between the opening and closing balance for the year).
Diversity ratio	Non-interest revenue expressed as a percentage of total income including share of profits from associates and joint ventures.
Dividend cover	Normalised earnings per share divided by dividend per share.
Effective tax rate	Tax per the income statement divided by the profit before tax per the income statement.
Exposure at default (EAD)	Gross exposure of a facility upon default of a counterparty.
Loan-to-deposit ratio	Average advances expressed as a percentage of average deposits.
Loss given default (LGD)	Economic loss that will be suffered on an exposure following default of the counterparty, expressed as a percentage of the amount outstanding at the time of default.
Net income after capital charge (NIACC)	Normalised earnings less the cost of equity multiplied by the average ordinary shareholders' equity and reserves.
Normalised earnings	The Group believes normalised earnings more accurately reflect its economic performance. Headline earnings are adjusted to take into account non-operational and accounting anomalies. Refer to pages 14 and 15 for a detailed description of the difference between normalised and IFRS results.
Normalised earnings per share	Normalised earnings attributable to ordinary equityholders divided by the weighted average number of shares including treasury shares.
Normalised net asset value	Normalised equity attributable to ordinary equityholders.
Normalised net asset value per share	Normalised equity attributable to ordinary equityholders divided by the number of issued ordinary shares.
Price earnings ratio (times)	Closing price on 30 June divided by basic normalised earnings per share.
Price-to-book (times)	Closing share price on 30 June divided by normalised net asset value per share.

Probability of default (PD)	Probability that a counterparty will default within the next year (considering the ability and willingness of the counterparty to repay).
Return on assets (ROA)	Normalised earnings divided by average assets.
Return on equity (ROE)	Normalised earnings divided by average normalised ordinary shareholders' equity.
Risk weighted assets (RWA)	Prescribed risk weightings relative to the credit risk of counterparties, operational risk, market risk, equity investment risk and other risk multiplied by on- and off-balance sheet assets.
Shares in issue	Number of ordinary shares listed on the JSE.
Tier 1 ratio	Tier 1 capital divided by RWA.
Tier 1 capital	Common Equity Tier 1 capital plus Additional Tier 1 capital.
Tier 2 capital	Qualifying subordinated debt instruments plus qualifying capital instruments issued out of fully consolidated subsidiaries to third parties plus general provisions for entities on the standardised approach less specified regulatory deductions.
Total qualifying capital and reserves	Tier 1 capital plus Tier 2 capital.
Weighted average number of ordinary shares	Weighted average number of ordinary shares in issue during the year as listed on the JSE.

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