

08

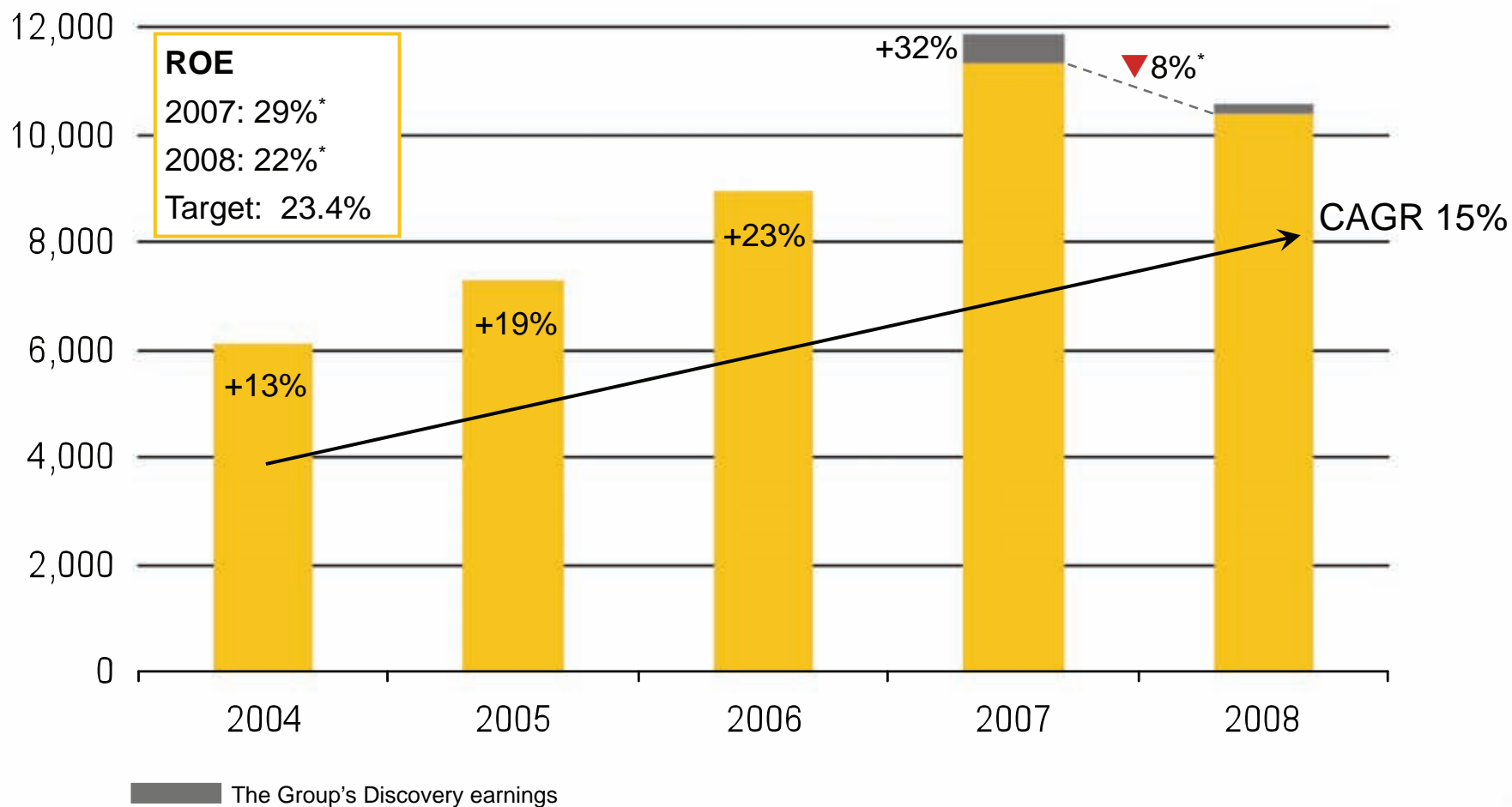
FIRSTRAND LIMITED RESULTS
FOR THE YEAR ENDED 30 JUNE 2008



FIRSTRAND

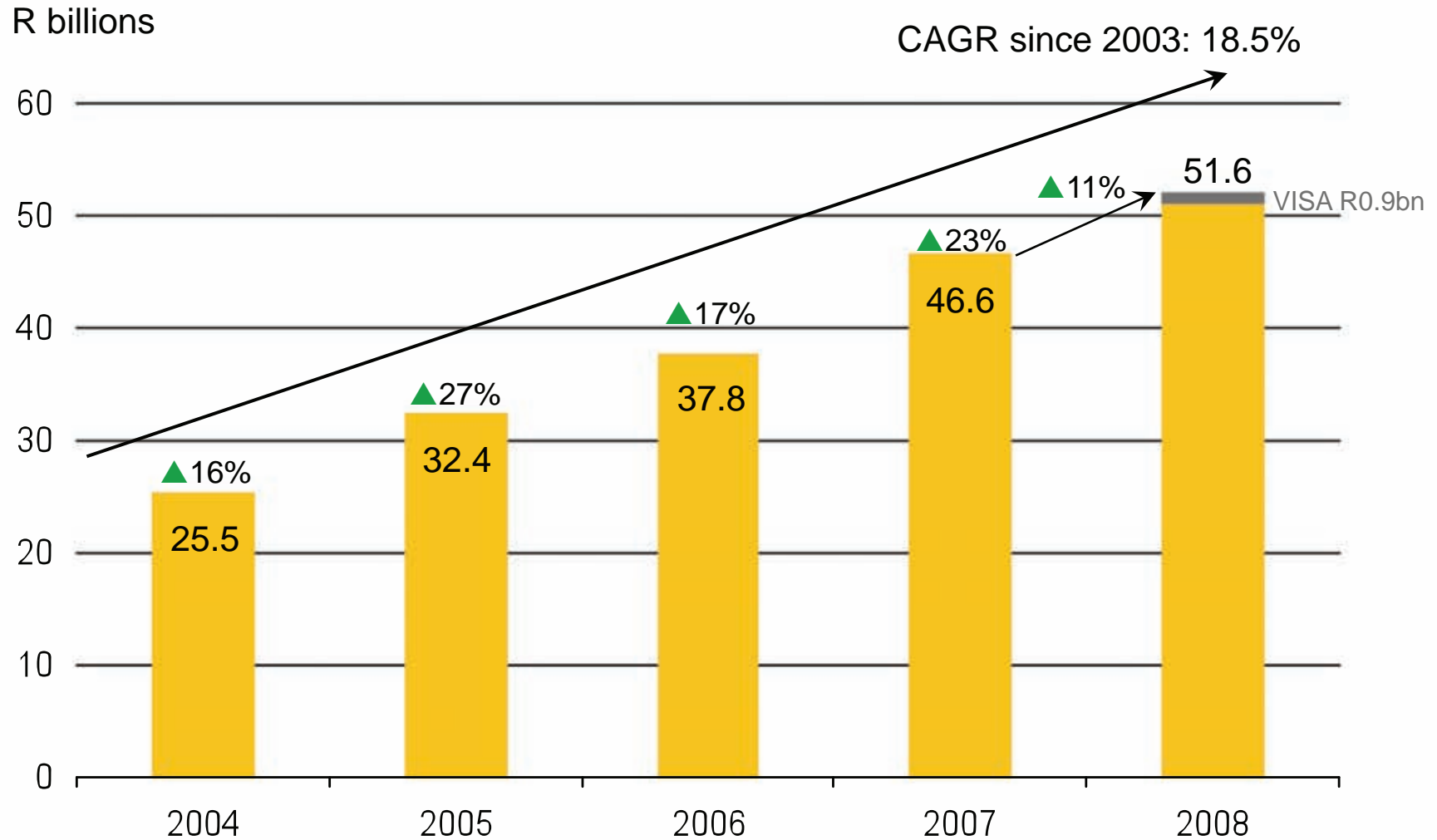
FirstRand's earnings: R10.4* billion profit in 2008

Normalised earnings (R millions)



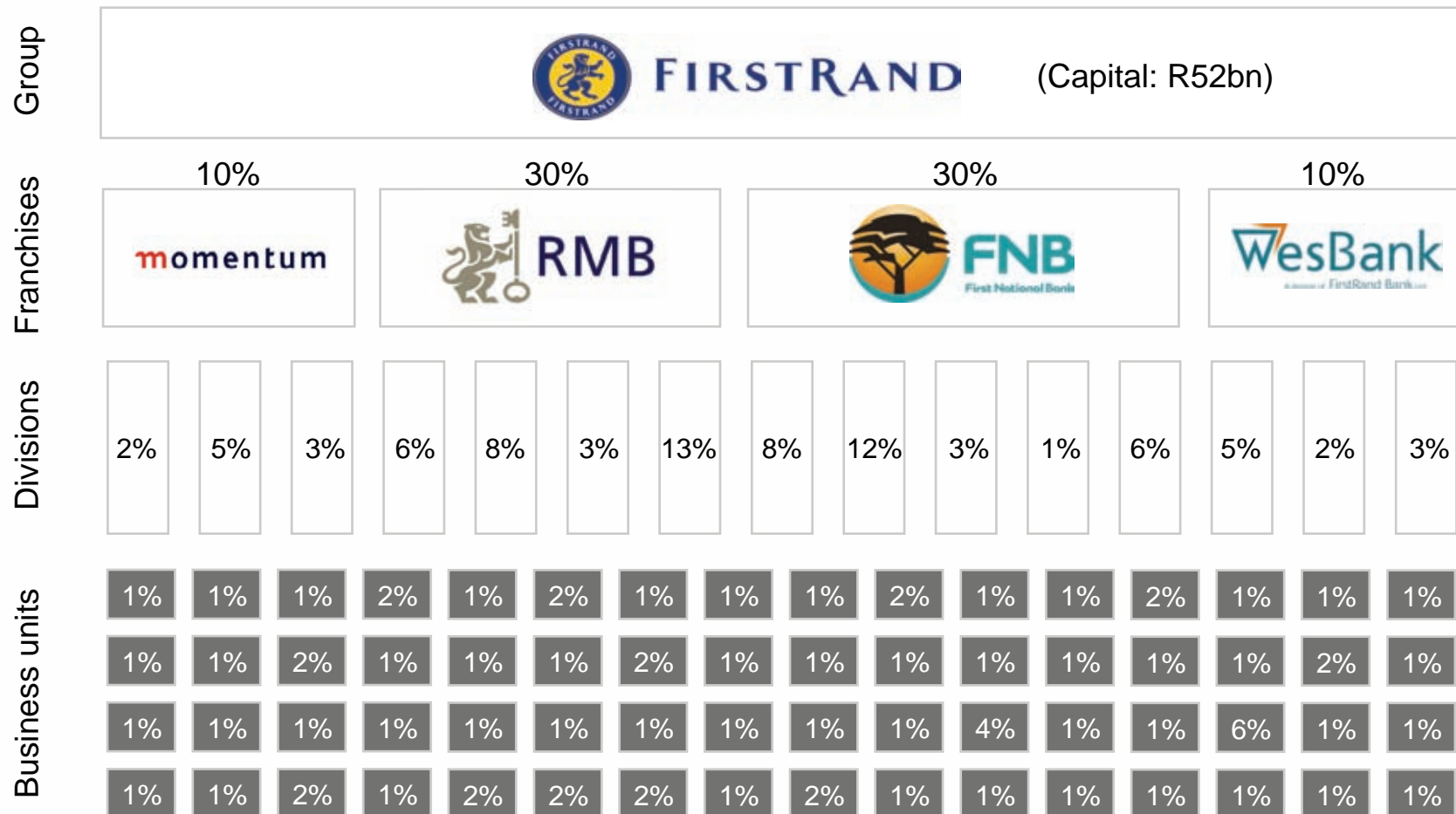
* Pro forma

Solid increase in net asset value



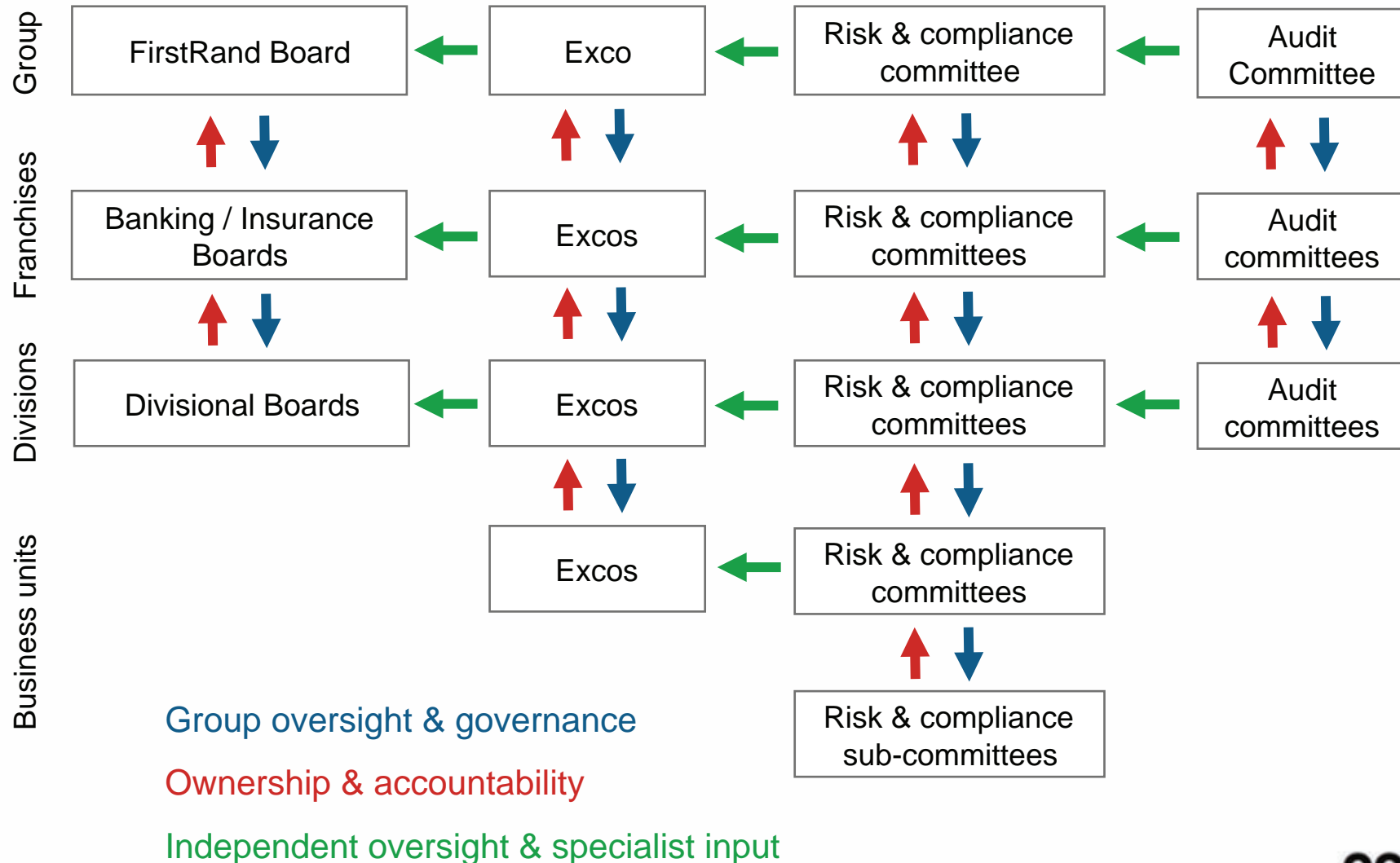
Note: NAV not adjusted for dividends

Capital deployed into the organisation

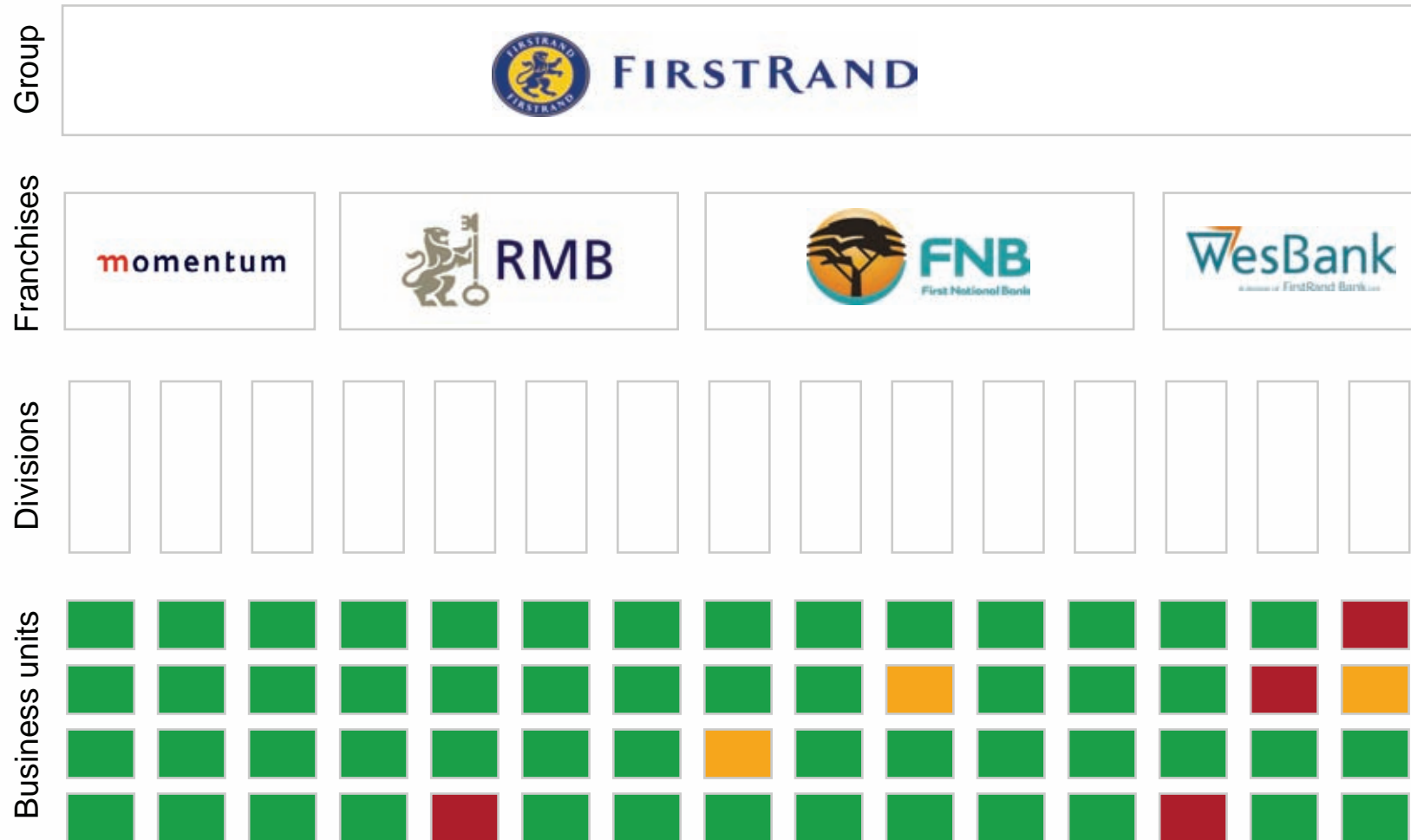


Note: This is a conceptual diagram and the figures used are for illustrative purposes only

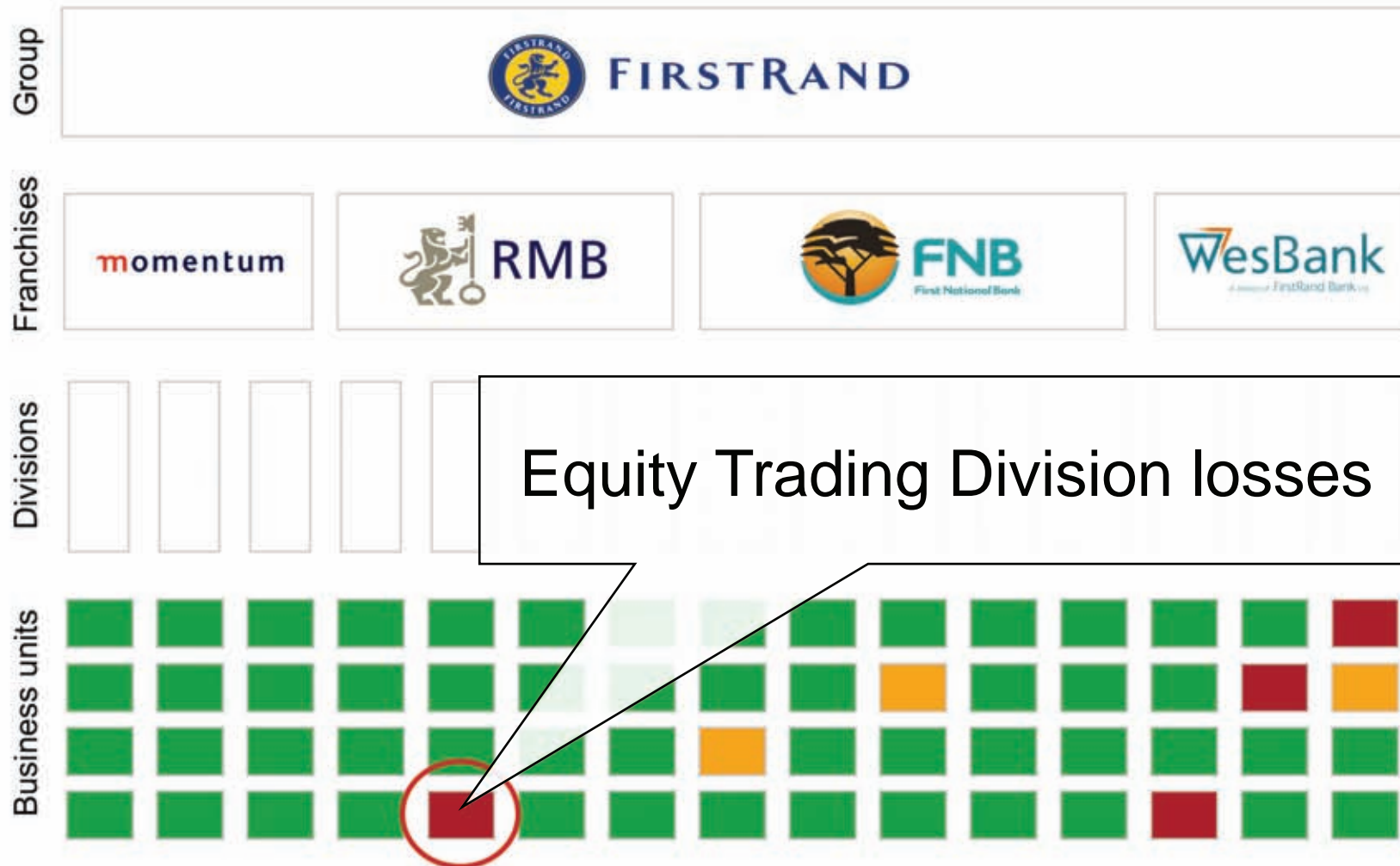
Robust risk management and governance processes



Diversified portfolio



Diversified portfolio



Equity Trading Division losses

- Capital allocated to cover risk exposure at given confidence level
- Misread market: Assumptions wrong
 - Volatility ⇒ Increased dramatically ⇒ More capital for same position
 - Correlations ⇒ Massive divergence ⇒ Hedges made losses not profits
 - Liquidity ⇒ Dried up ⇒ Couldn't sell: "fire sale" very expensive
- Market prices fell below our valuations
 - Fire sale would have been even more expensive
 - Initially decided to reduce but hold until value restored
 - When market got worse, decided to sell
 - Sold down 95% of the portfolio
- Loss due to accumulation of daily losses
 - Incrementally had to allocate more capital
 - Daily losses didn't breach limits
- Selling down proved to be the right decision in current market

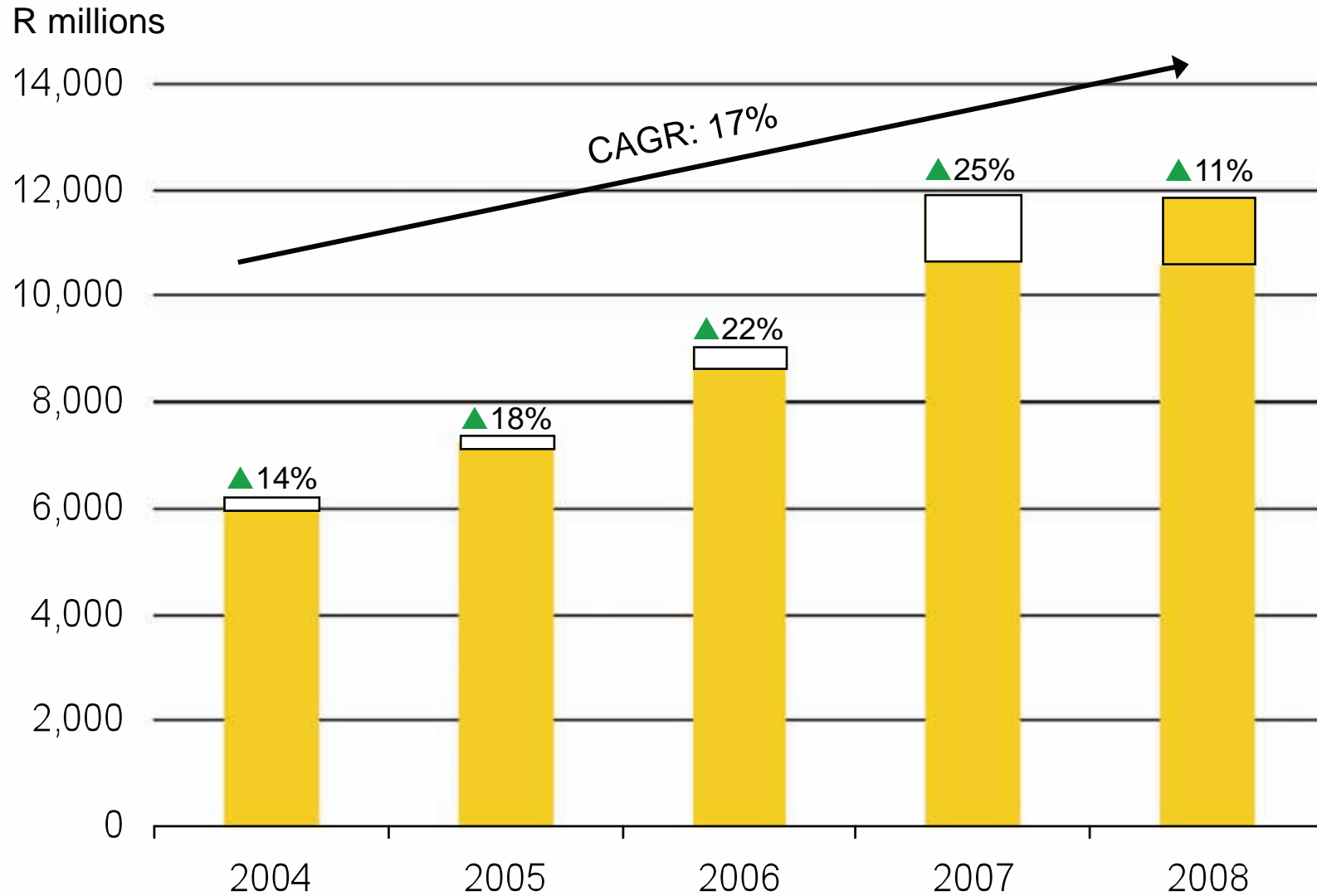


Equity Trading Division losses

- No failure of risk management ⇒ we misread the market
- Concentration of style: Long mid and small caps / short indices
- Volatility, correlation and liquidity assumptions wrong, therefore required more capital to support portfolio
- Valuations irrelevant if no liquidity / exacerbated by MTM
- Better to sell “at best”? (first loss is best loss)
- Losses painful but manageable in the context of our size
 - 2.5% of FRBH Tier 1 capital
 - 8.6% of the Group’s 2007 normalised earnings
 - 99% of division’s 2007 pre-tax profits
- Remedial action
 - Less risk appetite in proprietary trading
 - Reviewed and refined capital allocation process
 - Enhanced risk management with lessons learnt e.g. added more qualitative input
- In future lower risk and less volatile earnings

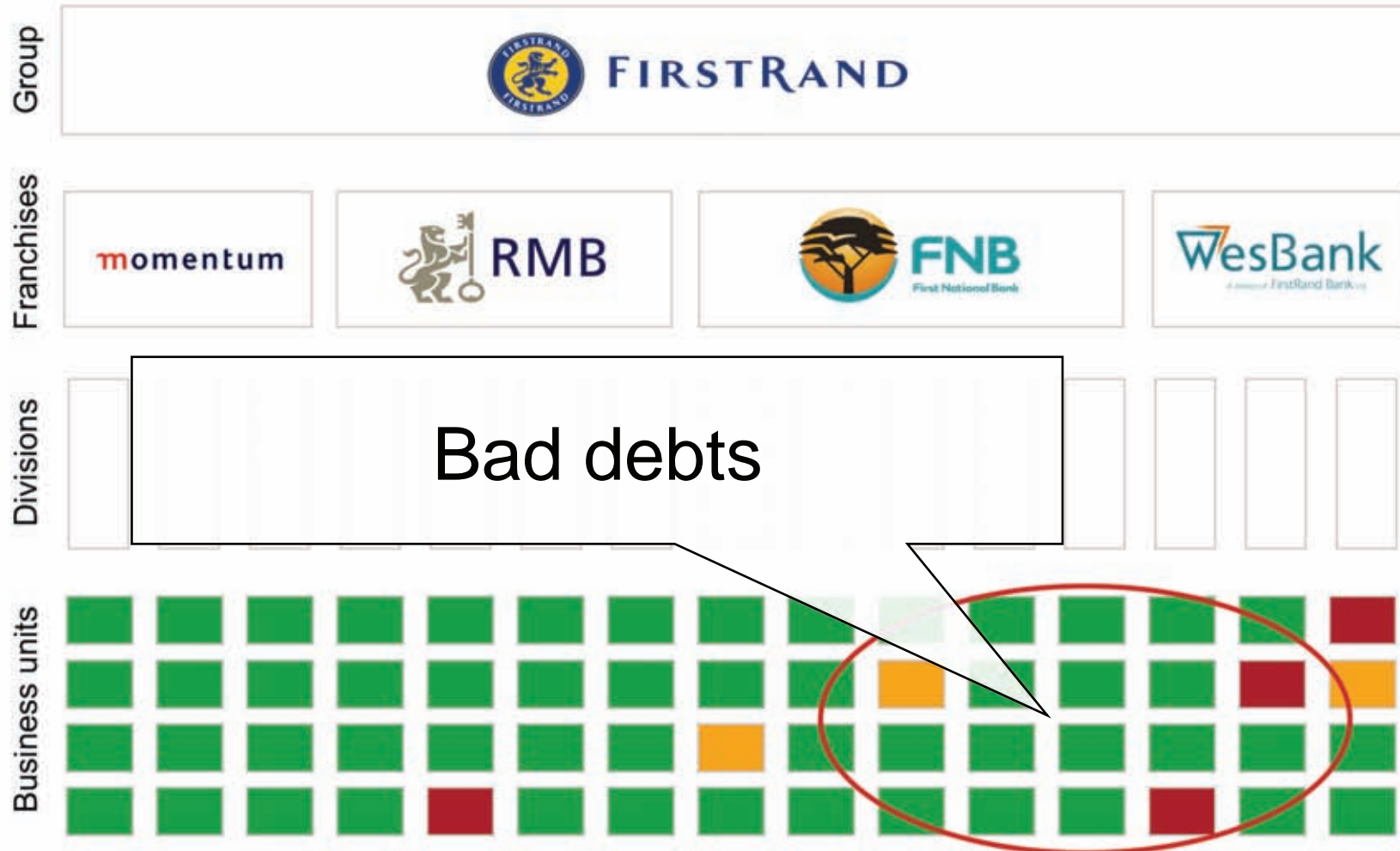


Removing the impact of Equity Trading Division



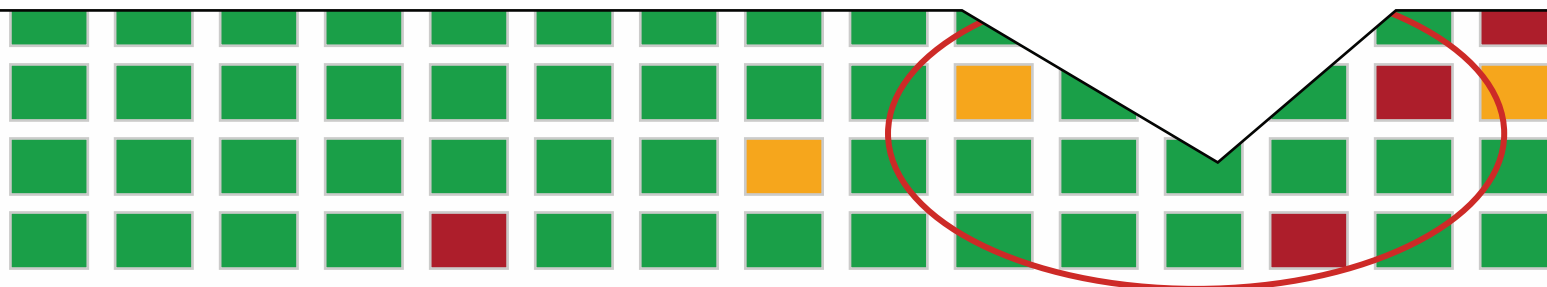
2007/8 growth rate is based on pro forma normalised earnings

Diversified portfolio

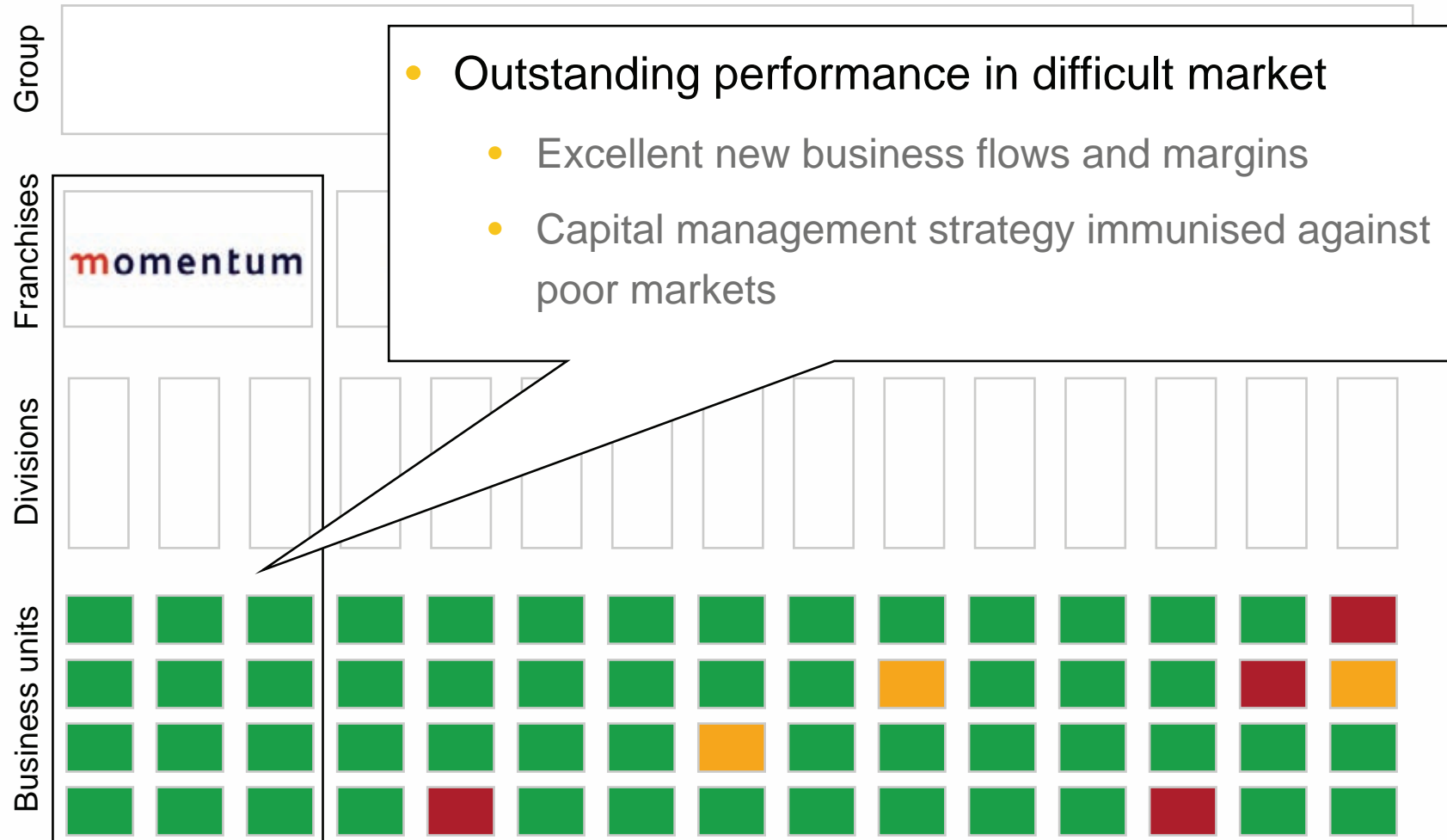


Bad debts

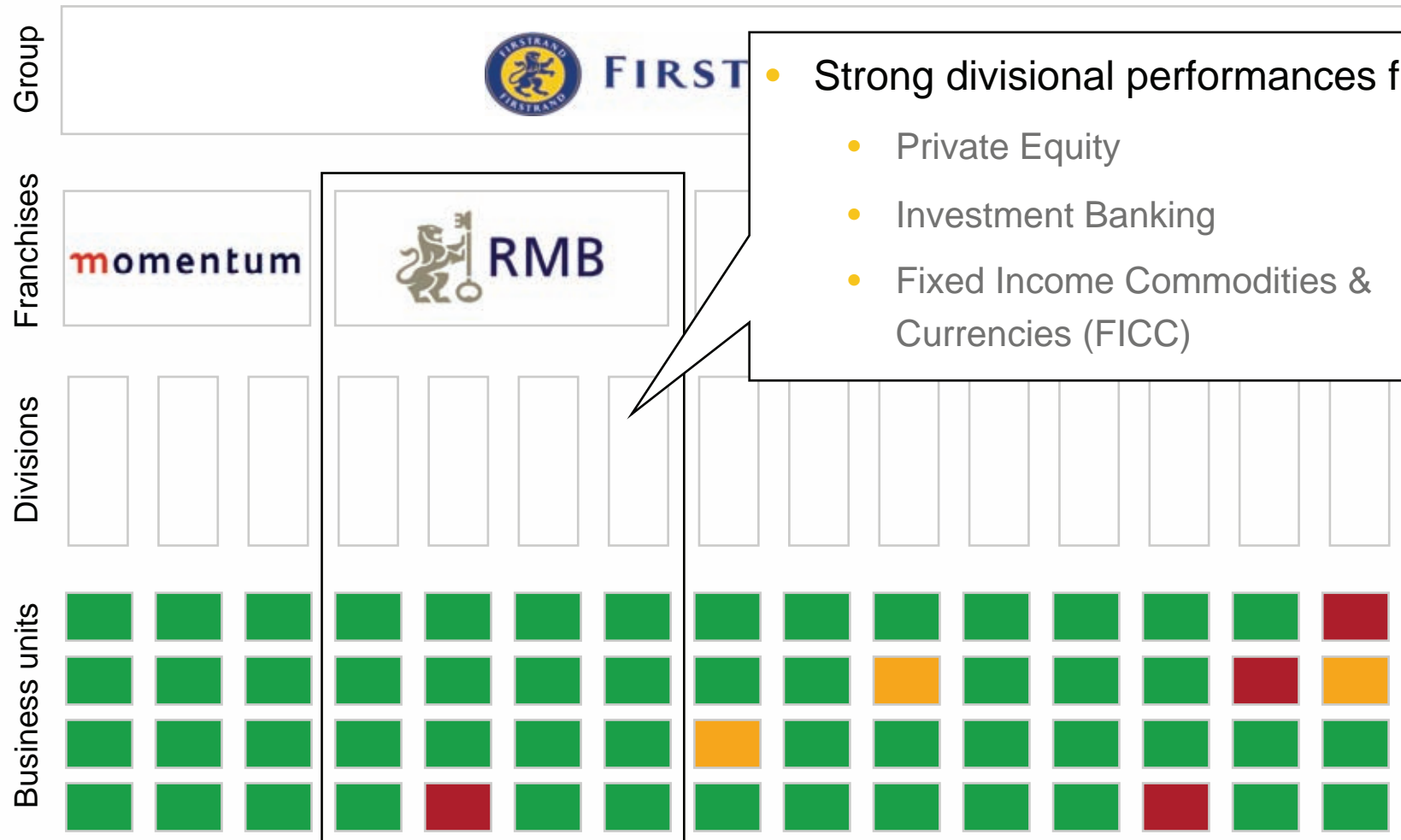
- Identified change in market early and reviewed strategy
- Analysed our portfolios and peer group with respect to
 - Product mix
 - Risk concentrations
 - Provisioning assumptions
 - Maturity and risk profile
- Experience in line with our models' predictions and not out of line with peers
- Adjusted pricing to better reflect risk and balance portfolio
- Focused on collections
- Believe we are prudently provided, going into a difficult year
- Further increase in bad debts expected – bad debts peak after interest rates



Positives in 2008 results

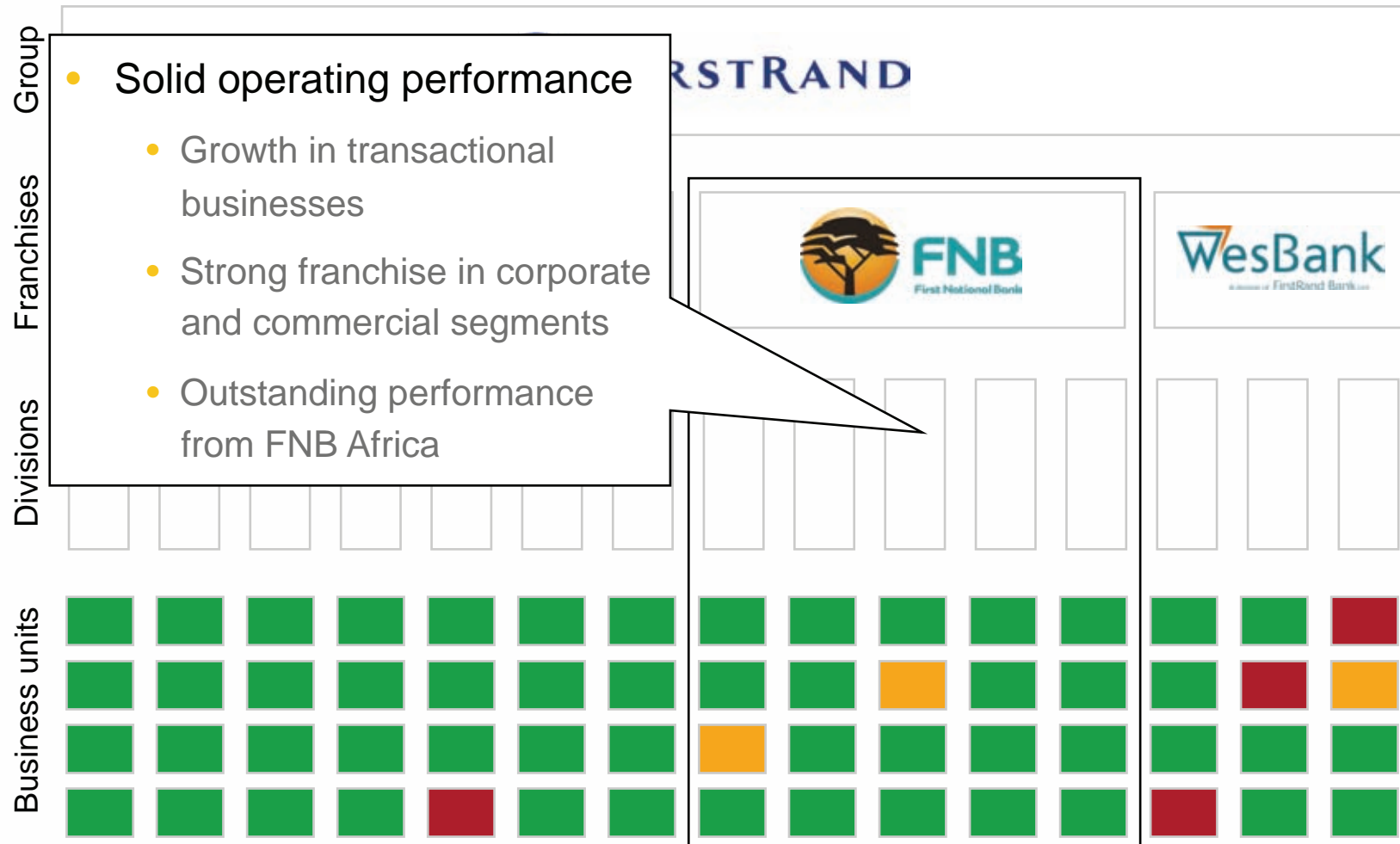


Positives in 2008 results

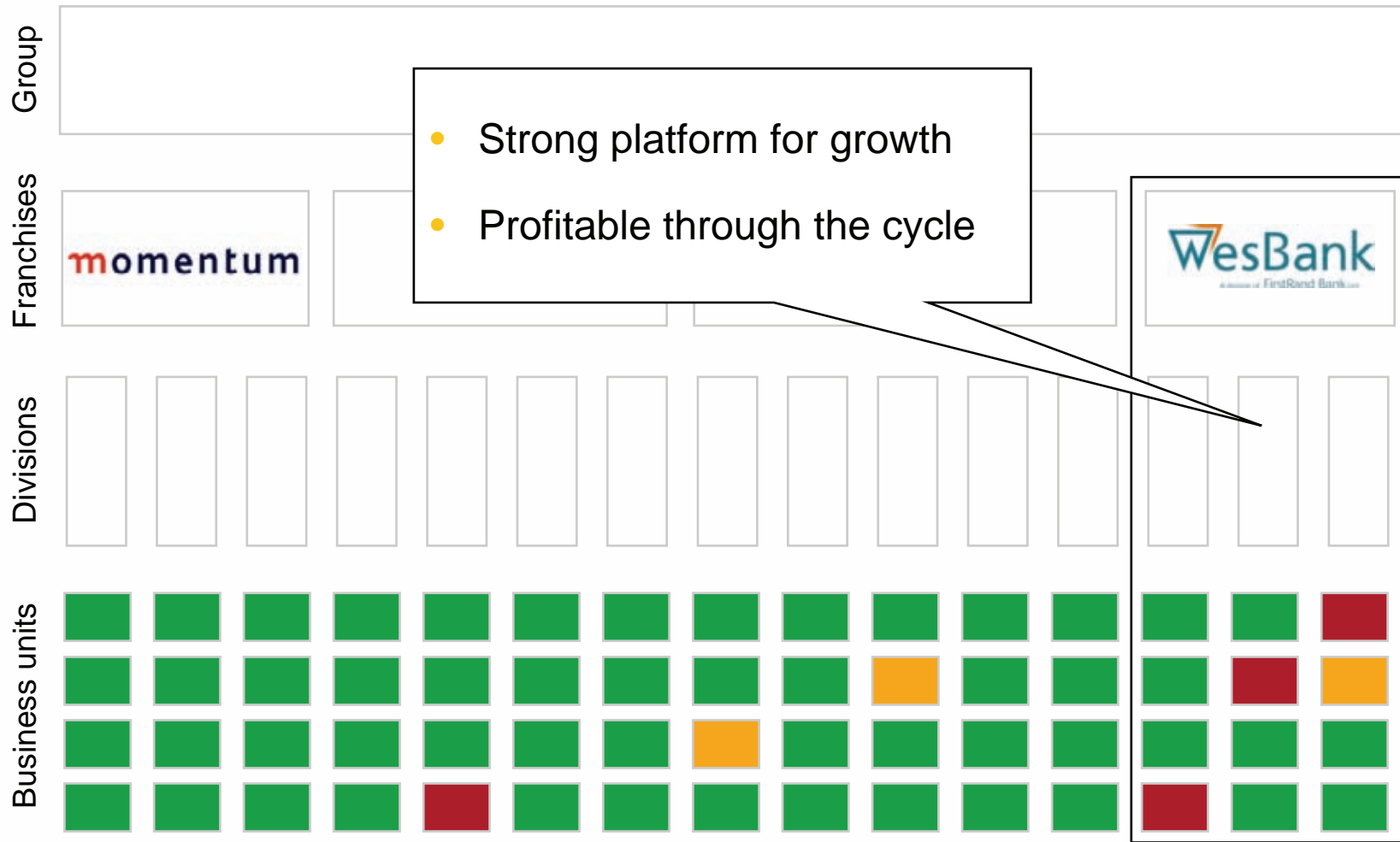


- Strong divisional performances from
 - Private Equity
 - Investment Banking
 - Fixed Income Commodities & Currencies (FICC)

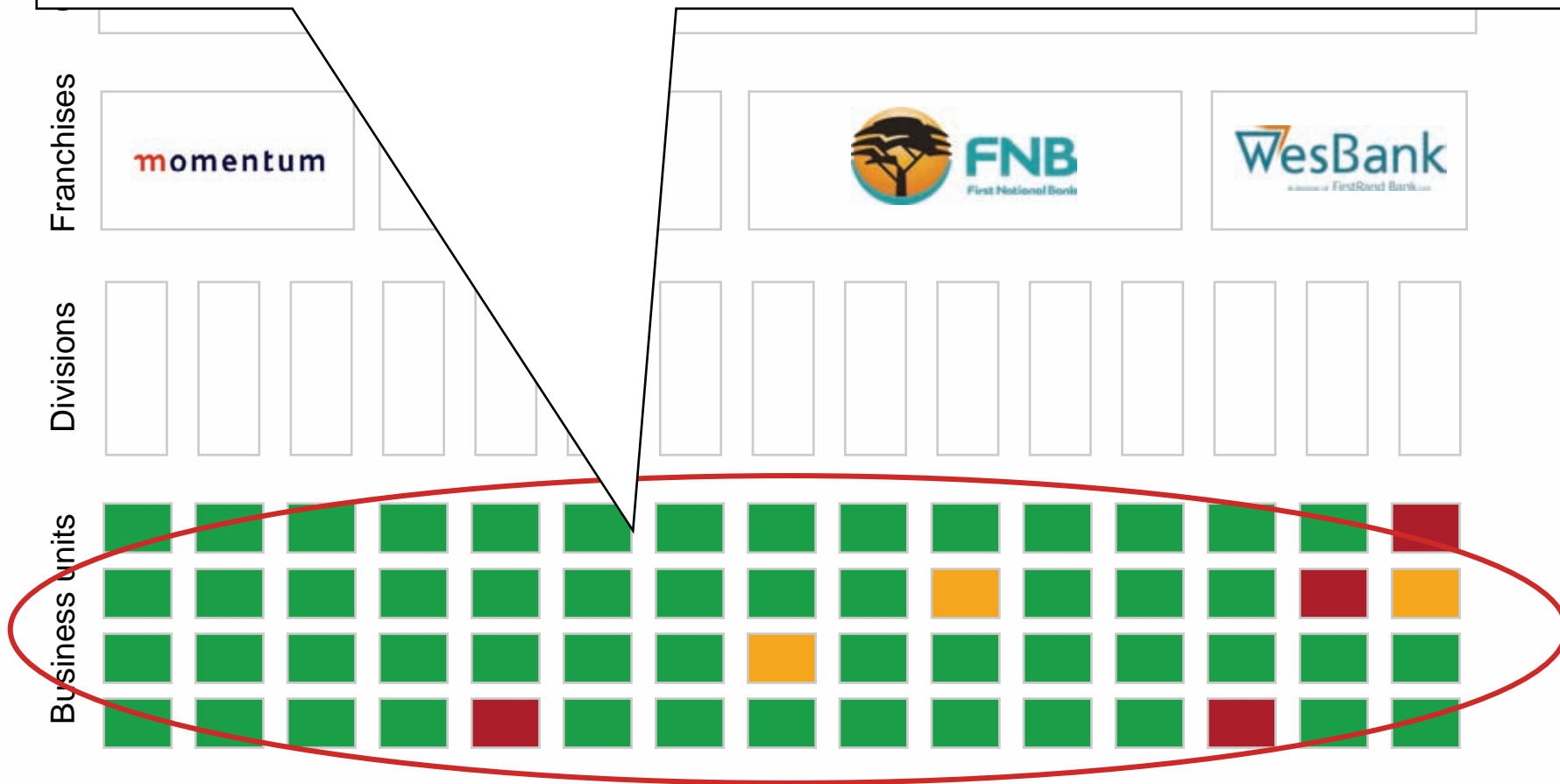
Positives in 2008 results



Positives in 2008 results



Resilience of FirstRand's diversified portfolio in our most difficult year to date



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FIRSTRAND BANKING GROUP RESULTS
FOR THE YEAR ENDED 30 JUNE 2008

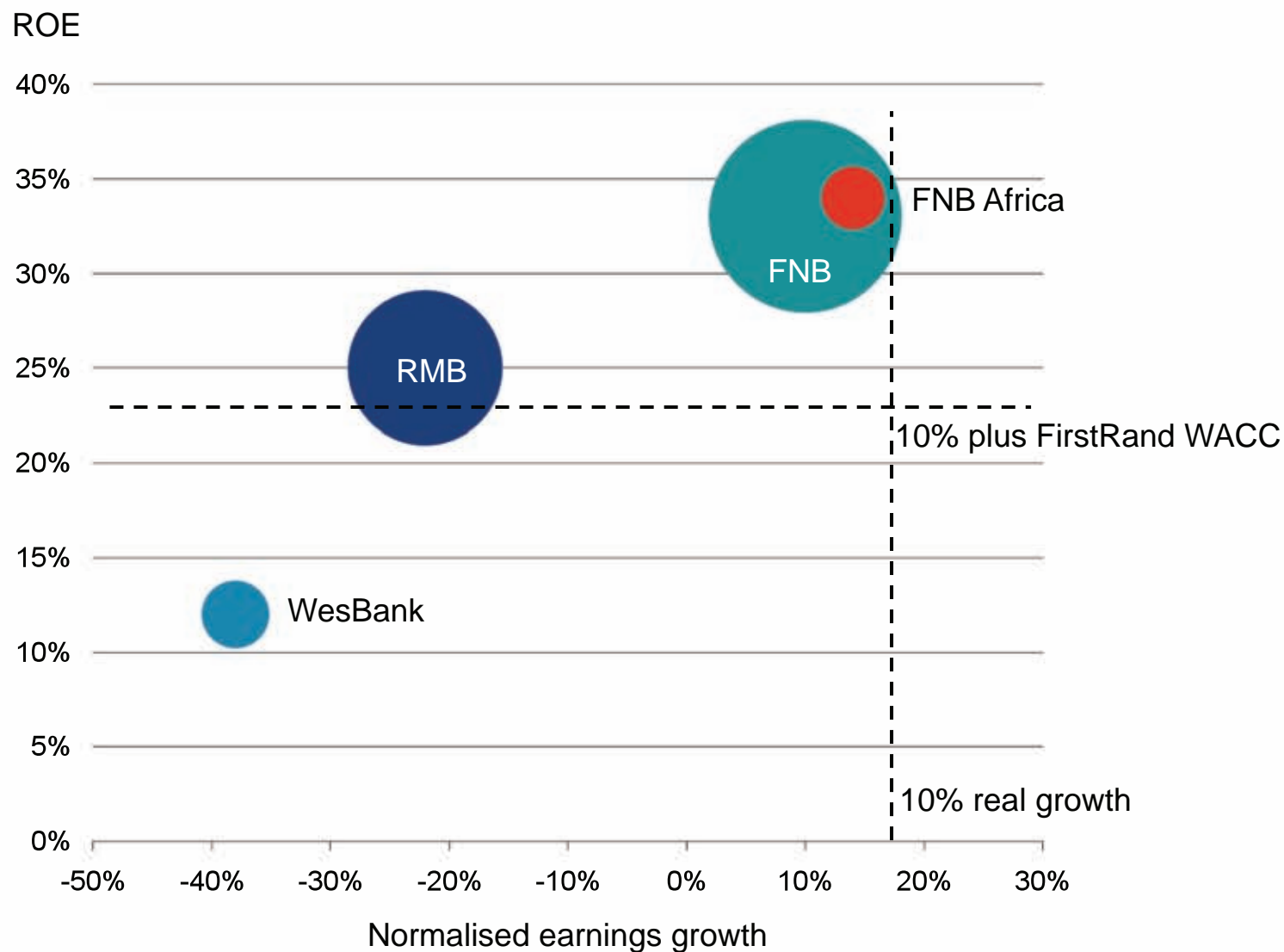


FIRSTRAND
Banking Group

Mixed segment performance

- Normalised earnings
 - Retail ▼16% to R2.76 billion
 - Corporate and commercial ▲29% to R2.97 billion
 - Investment banking ▼22% to R3 billion
- Key issues
 - Retail impacted by bad debt charge of R4.7 billion
 - Investment banking hit by trading losses
 - Corporate and commercial segments still strong, reflecting the Group's diversified lending portfolio

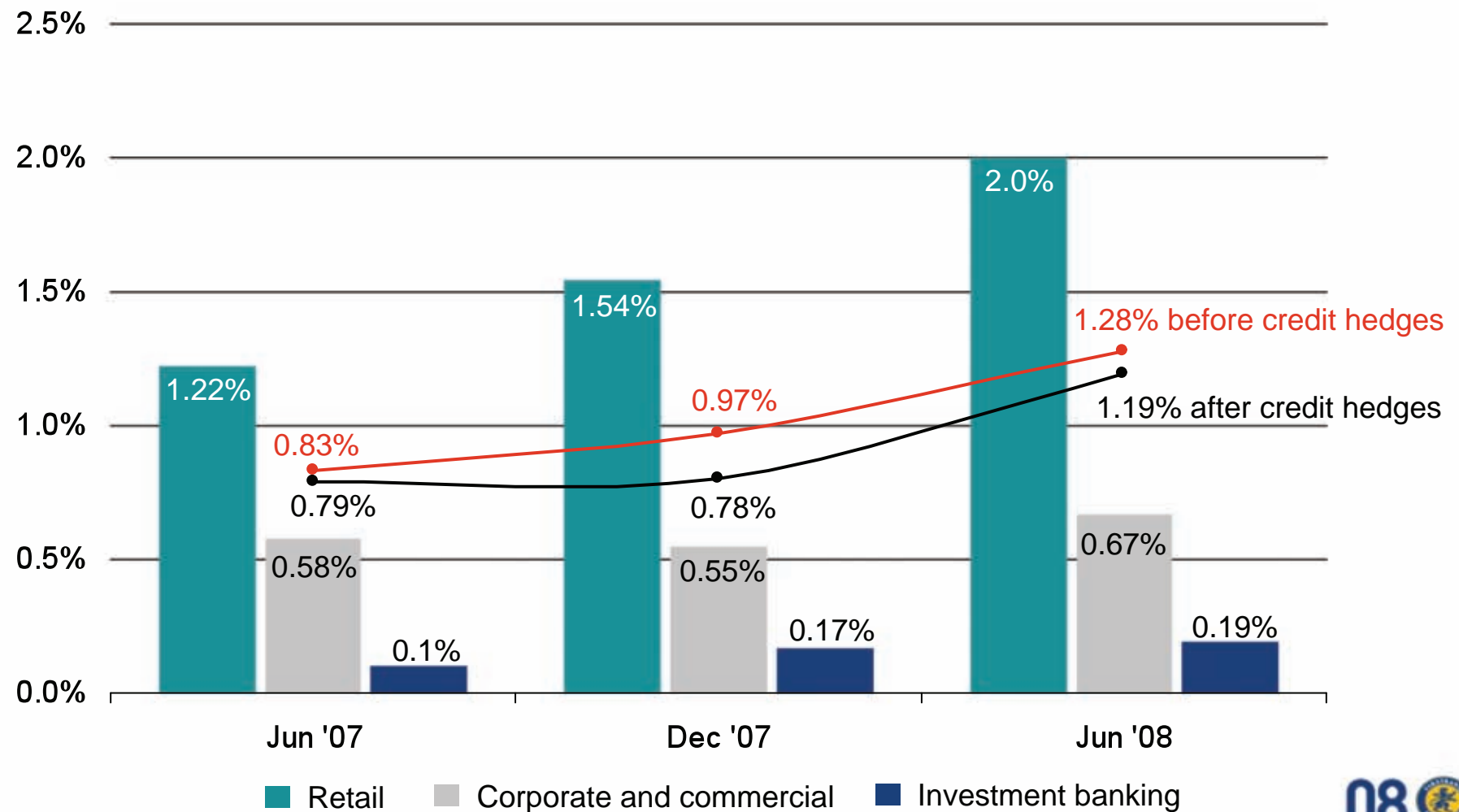
Performance relative to financial targets



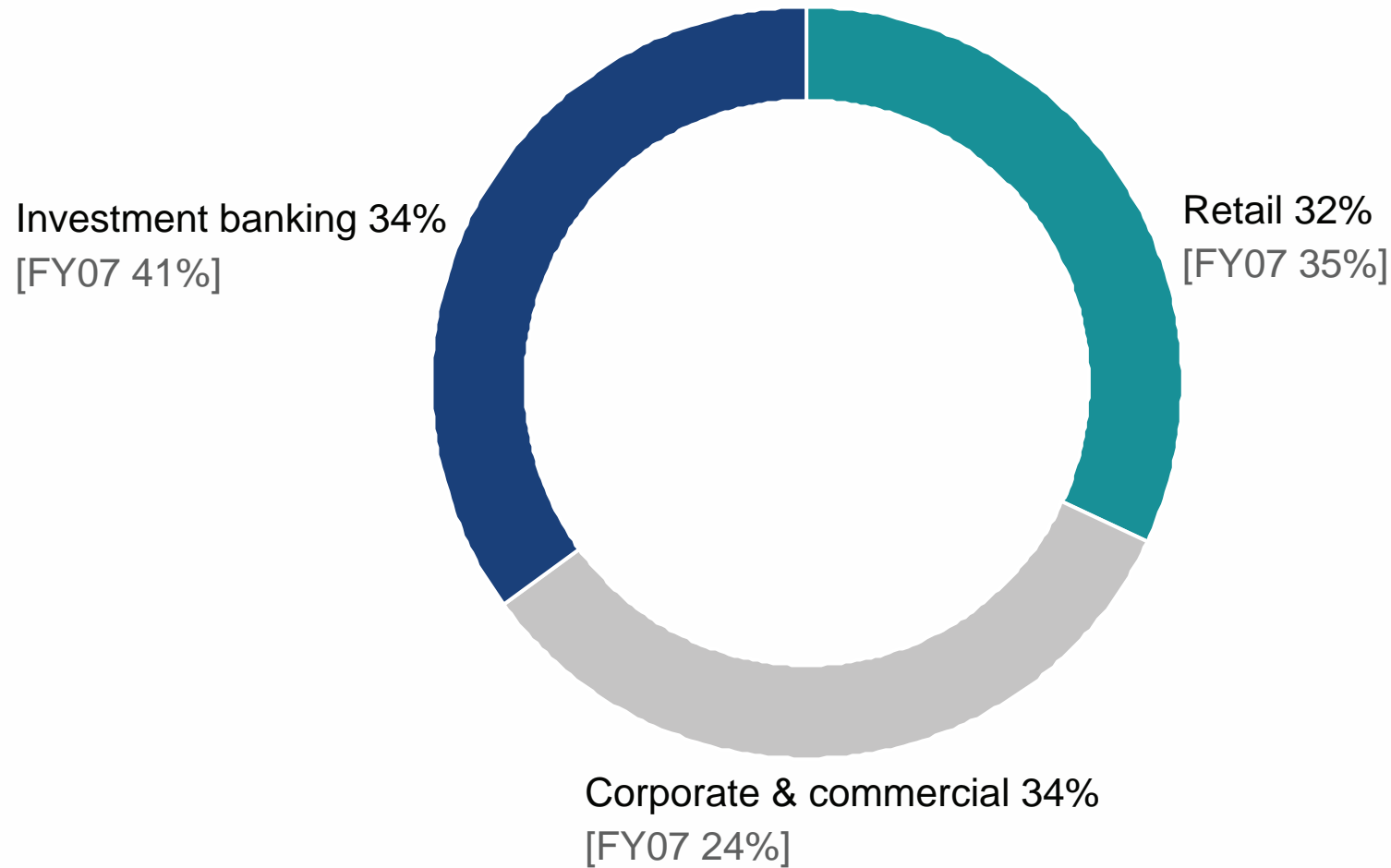
Based on normalised earnings, excluding Group Support

Retail impairments continue to rise with corporate steady

Impairment charge

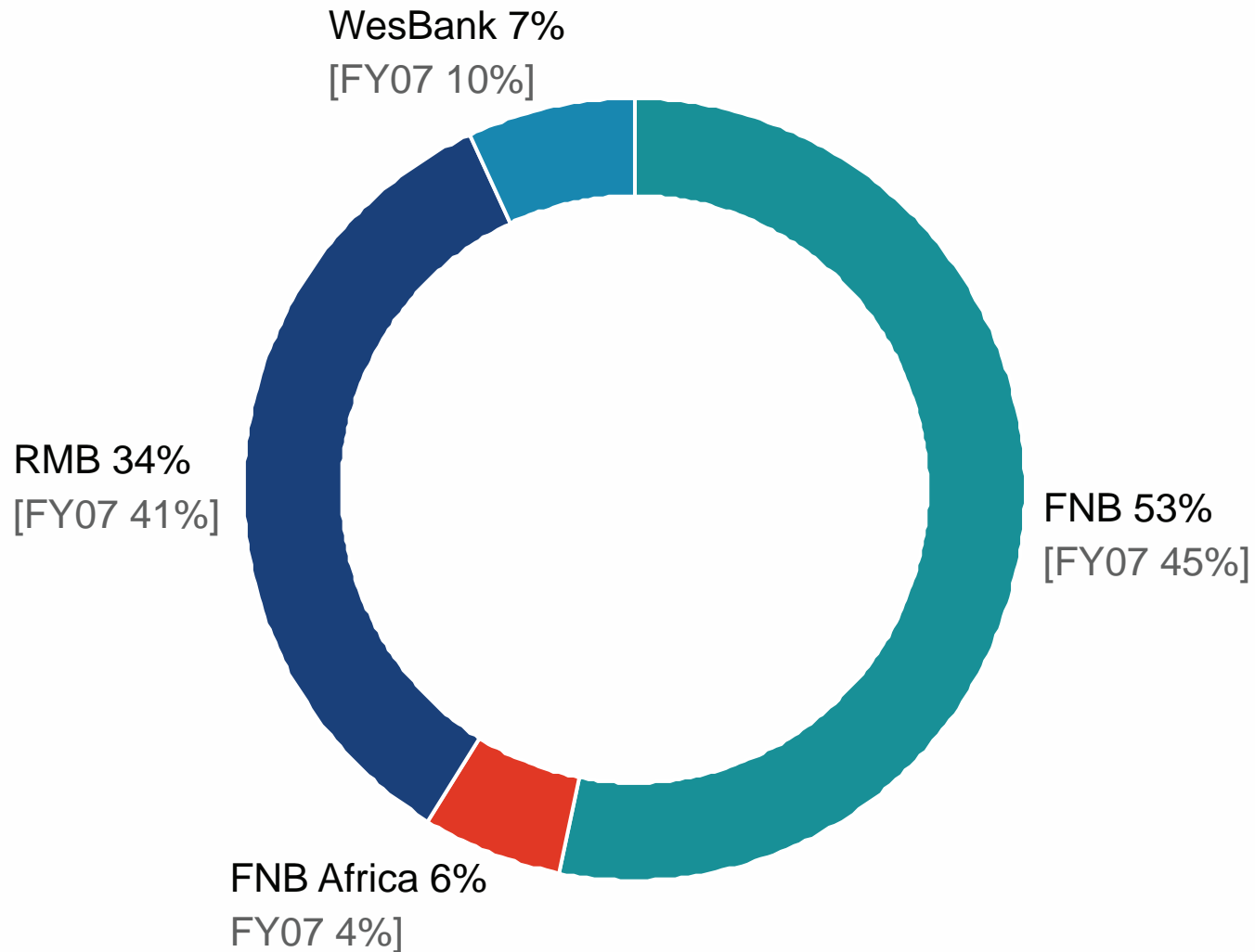


Segment diversification protects earnings and balance sheet



Based on normalised earnings, excluding Group Support

Franchise diversification protects earnings and balance sheet



Based on normalised earnings, excluding Group Support

Business portfolios create protection through the cycle

- Banking franchises well represented in all segments and products
- Well diversified portfolios within segments with no concentration
- Protects against earnings volatility and protects the balance sheet through the cycle
- Continue to manage business to benefit from all opportunities
- Well positioned for the up-turn

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FIRSTRAND LIMITED RESULTS
FOR THE YEAR ENDED 30 JUNE 2008



FIRSTRAND

Key financial ratios

R millions	June '08	June '07	% change
Normalised earnings – pro forma	10 398	11 309	▼ (8)
Diluted normalised EPS – pro forma (cents)	184.4	200.6	▼ (8)
Normalised return on equity – pro forma	22%	29%	▼
Normalised net asset value	51 637	46 622	▲ 11
Attributable earnings	11 309	11 511	▼ (2)
Dividend per share (cents)	82.5	82.5*	■

* Includes Discovery's contribution of 3.7 cents

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FINANCIAL REVIEW
FOR THE YEAR ENDED 30 JUNE 2008

momentum

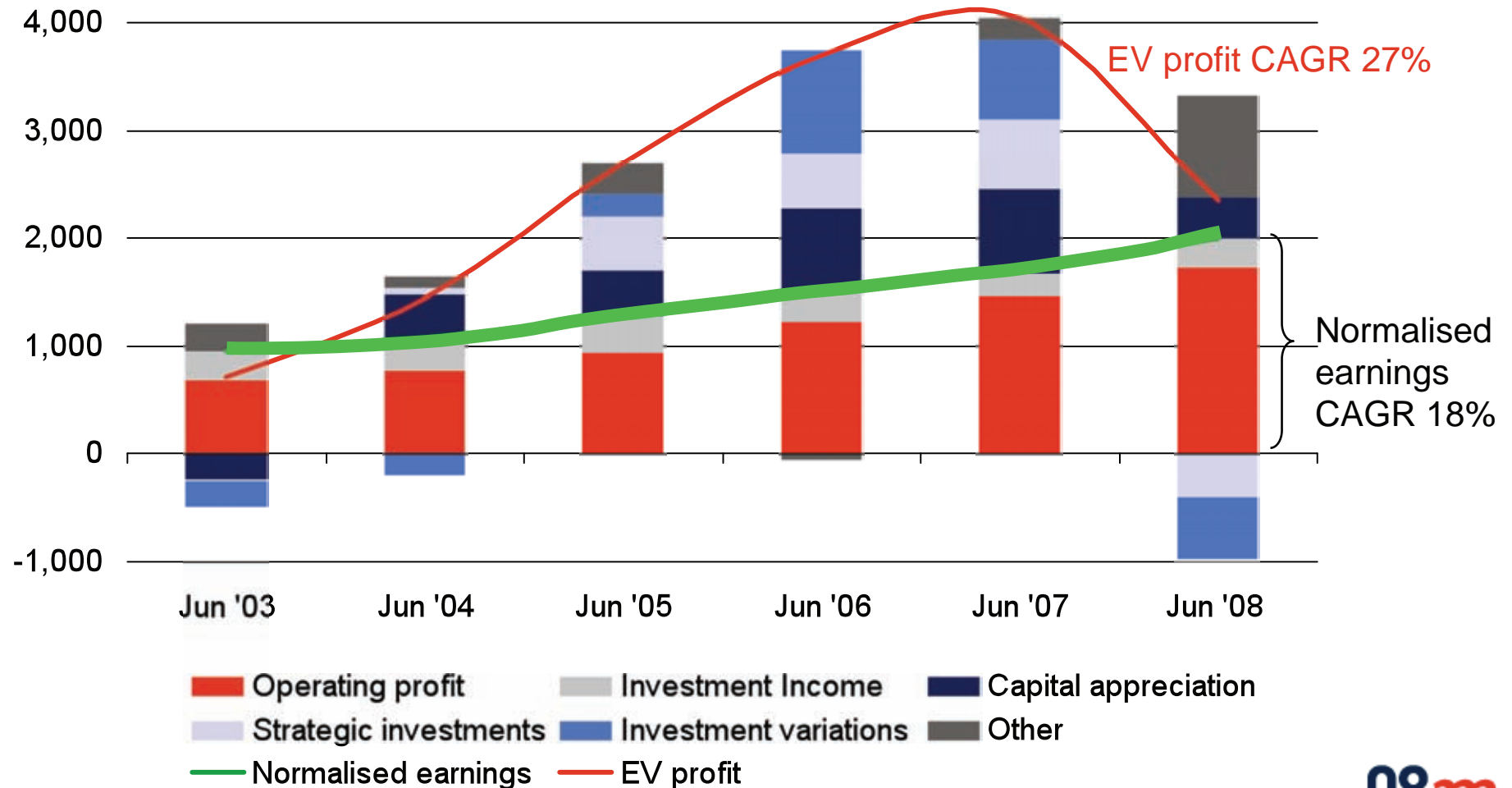
Key financial ratios

	June '08	June '07	% change
Normalised earnings (R millions)	2 004	1 668	▲ 20
Return on equity (%)	30	25	▲
Return on embedded value (%)	15	28	▼
CAR cover (times) (before dividend)	2.2	2.3	■

A consistent performance

Economic value profit

R millions



08

FINANCIAL REVIEW
FOR THE YEAR ENDED 30 JUNE 2008



FIRSTRAND
Banking Group

Key financial ratios

	June '08	June '07	% change
Normalised earnings* (R millions)	8 814	10 089	▼ (13)
Return on equity** (%)	21	31	▼
Return on assets (%)	1.4	2.0	▼
Credit loss ratio*** (%)	1.28	0.83	▲
Cost to income ratio (%)	52.6	51.7	▲

* Before deducting preference share dividends

** After deducting preference share dividends and capital

*** Impairment charge after deducting credit insurance amounted to 1.19% (2007: 0.79%)

Mixed performance from banking franchises

Profit before tax (R millions)	June '08	June '07	% change
FNB	6 345	5 738	▲ 11
FNB Africa	1 098*	907	▲ 21
RMB	4 204	5 281	▼ (20)
WesBank	734	1 370	▼ (46)
OUTsurance	367	310	▲ 18

* Excluding VISA revenue

Contextualising the income statement

R millions	June '08	June '07	% change
Net interest income	17 098	13 998	▲ 22
Credit impairment charge	(5 064)	(2 857)	▲ 77
Net interest income after impairments	12 034	11 141	▲ 8
Non interest revenue ^{1,2}	21 753	22 849	▼ (5)
Transactional	13 722	11 725	▲ 17
Fair value ¹	2 573	6 466	▼ (60)
Private equity ¹	2 370	1 974	▲ 20
Other associates	761	507	▲ 50
Other ²	2 327	2 177	▲ 7
Operating expenses ³	(21 525)	(19 497)	▲ 10
Taxation expense	(2 565)	(3 844)	▼ (33)

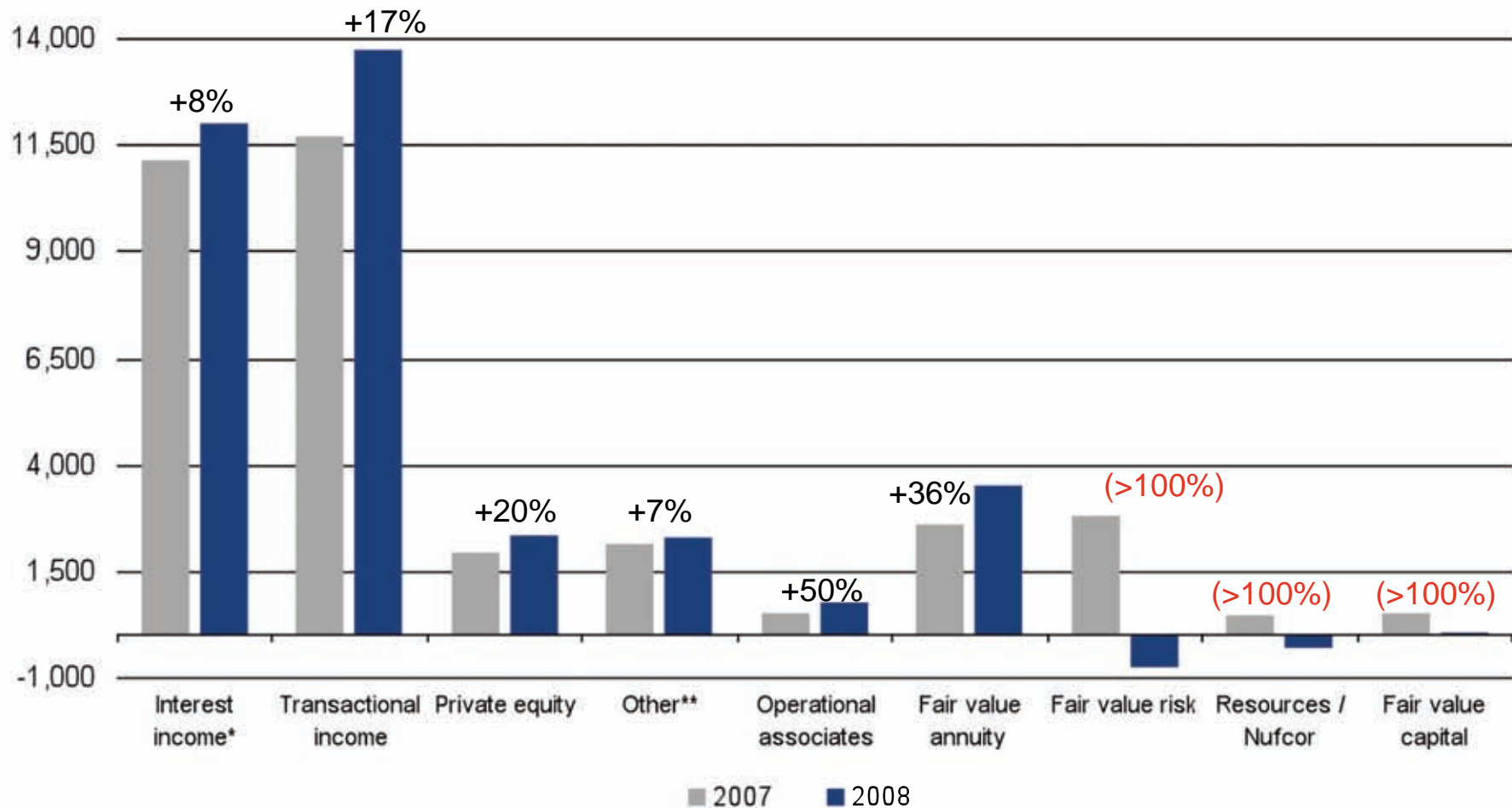
1 Includes associate earnings

2 Excludes VISA revenue

3 Operating expenses includes indirect tax

Diversification adds some protection

Revenue (R millions)



* Interest income is shown after deduction of impairments

** Other income excludes VISA revenue

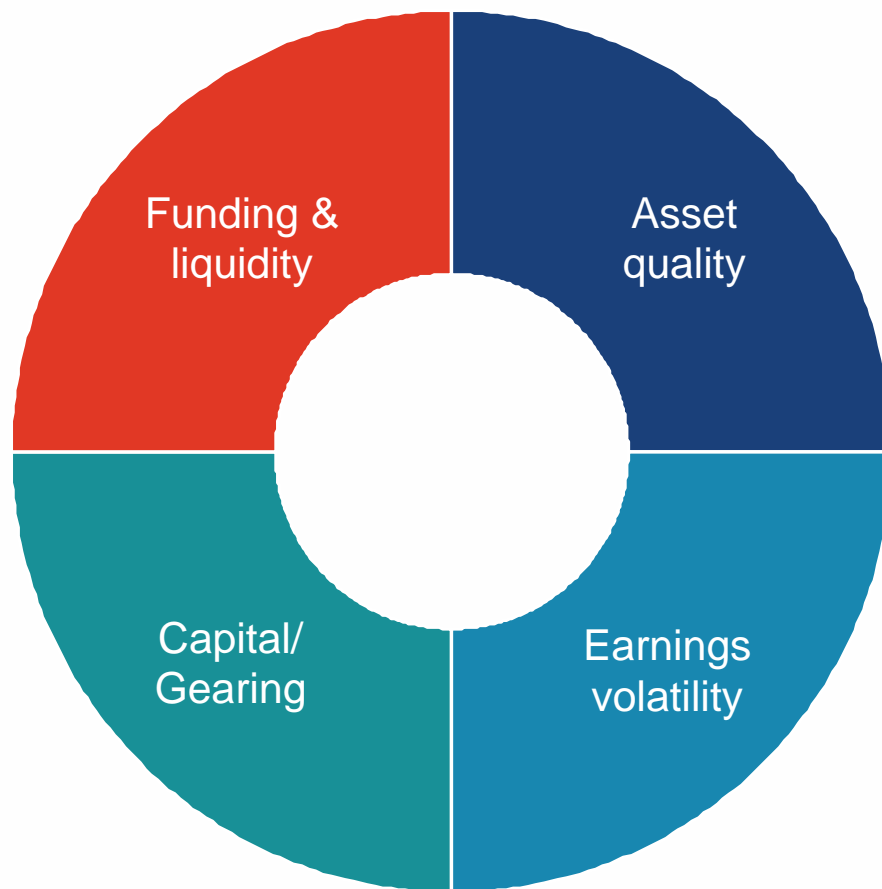
08

BANKING EARNINGS
THROUGH THE CYCLE



FIRSTRAND
Banking Group

Banking risks through the cycle



Banking risks through the cycle



Asset quality – cyclical not structural

Structural

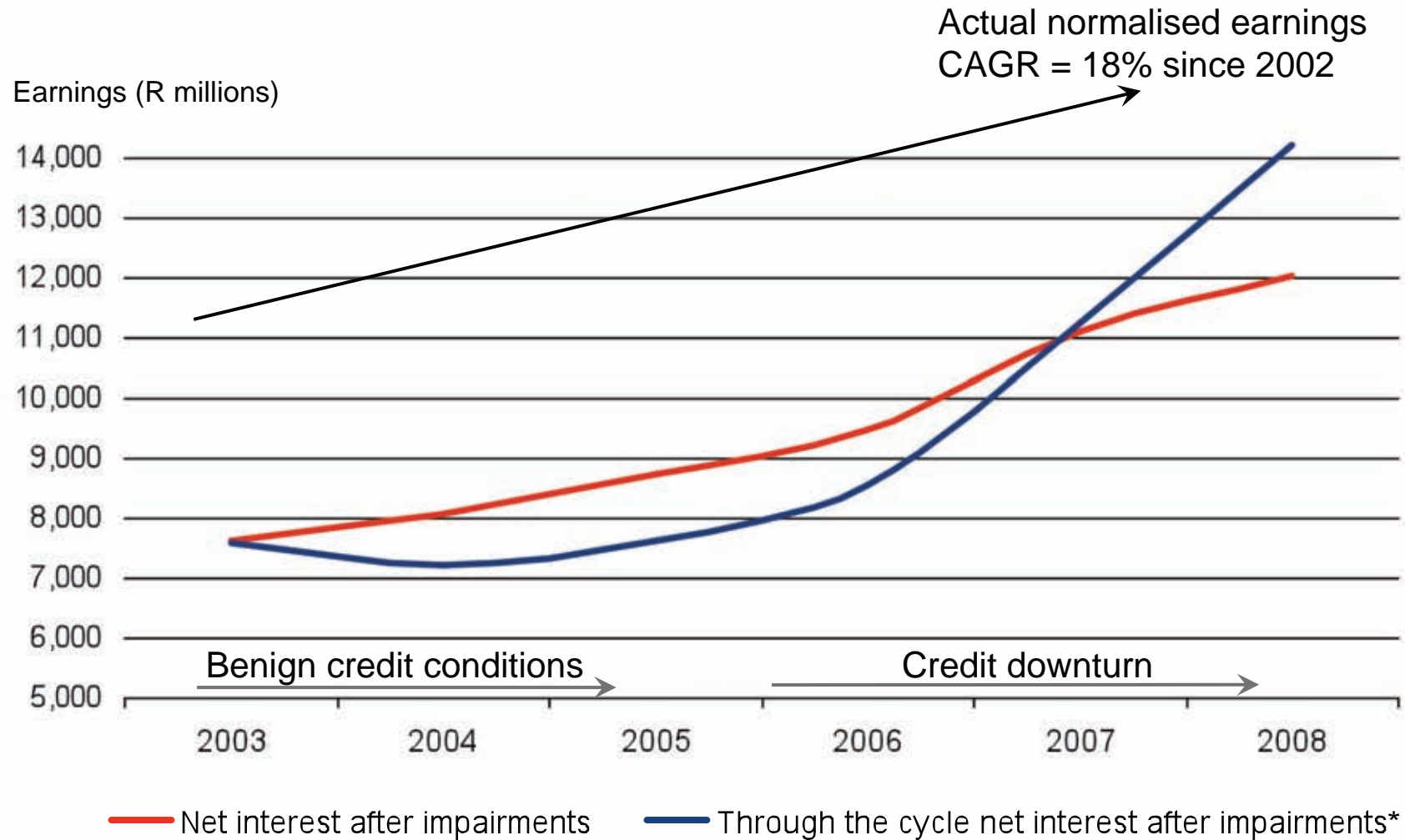
- Not exposed to sub prime and other structured credit markets
- No mispriced credit
- Balance sheet not highly leveraged
- Off balance sheet exposure limited

Cyclical

- Exposure to credit cycle as expected in current cycle

We underestimated the severity of the cycle

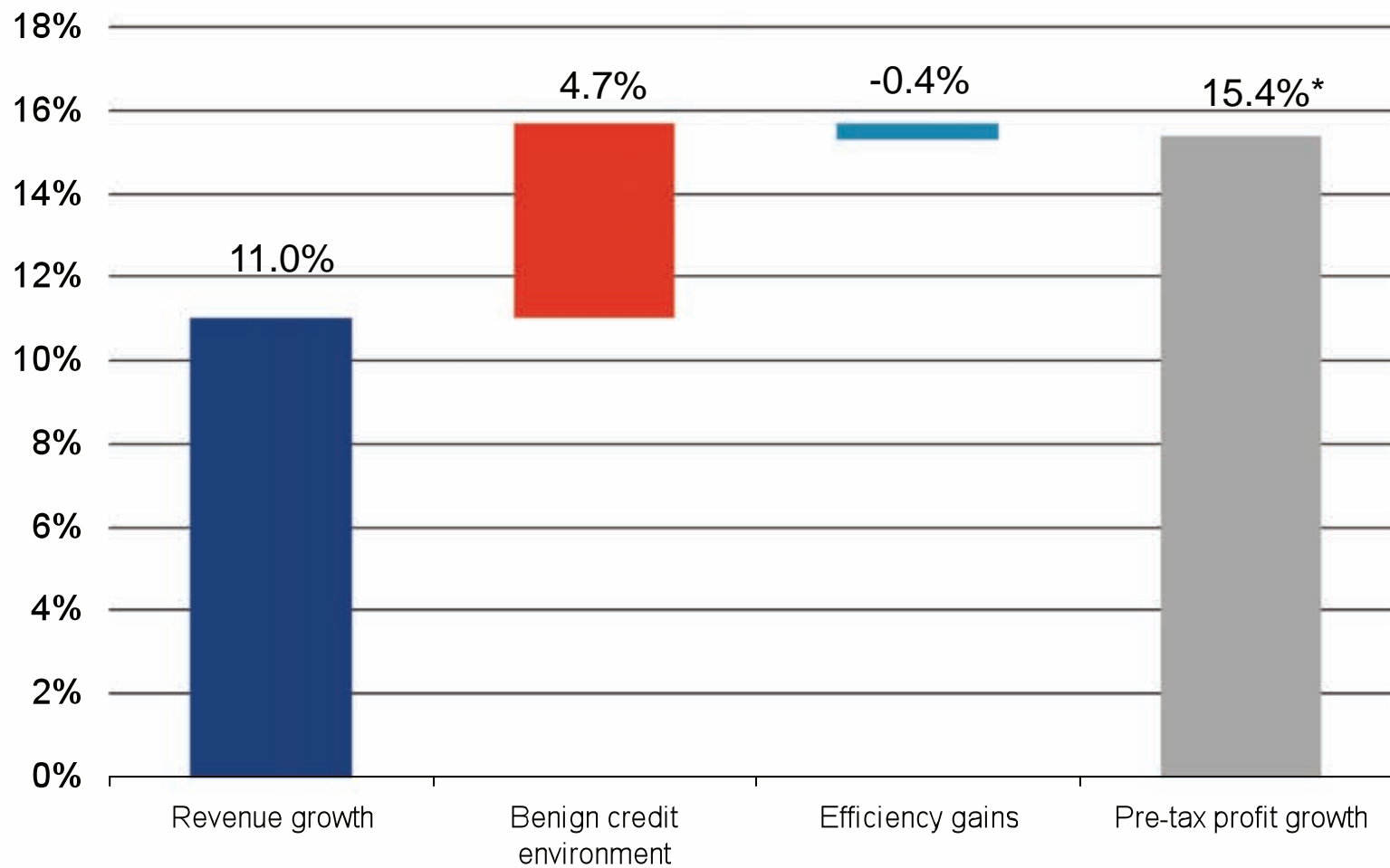
Understanding the impact of bad debts on bank earnings



* Through the cycle net interest after impairments calculated assuming long run average bad debt ratio of 0.8

Benign credit environment resulted in excess profits

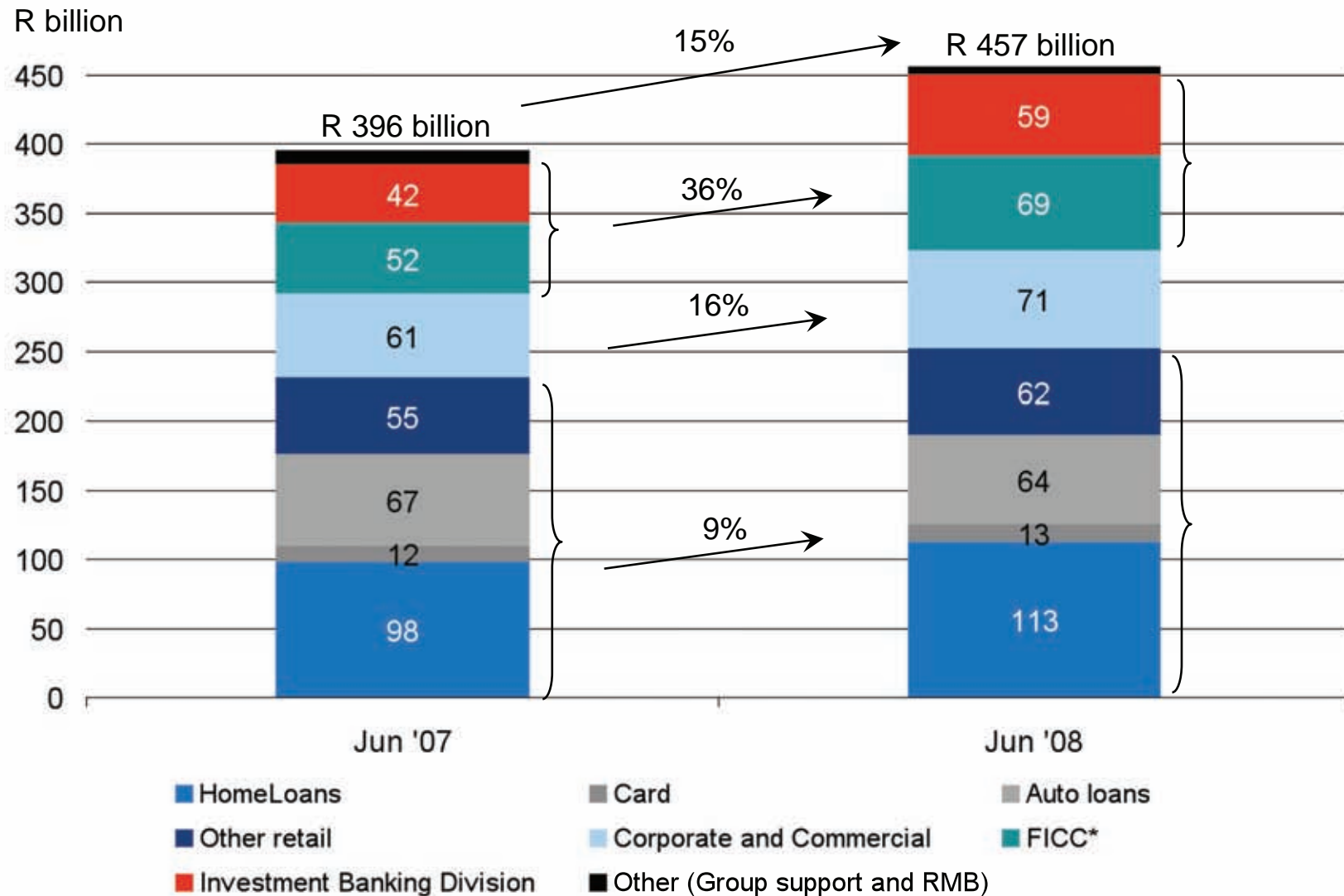
Large Cap Banks pre tax profit breakdown CAGR, 2002-2006



Source: Morgan Stanley – Large Cap Banks US

*Pre-tax profit growth doesn't cast due to rounding

Retail advances growth continues to slow



* Fixed Income Currency and Commodities

A diversified interest income portfolio

R millions	Jun '08	Jun '07	% change
Retail	10 629	9 117	17
HomeLoans	1 274	1 546	(18)
Credit card	1 129	850	33
Personal banking	2 107	1 647	28
Mass	1 020	701	46
Wealth	756	634	19
FNB Africa	1 324	1 101	20
WesBank	3 019	2 638	14
Corporate & commercial	4 755	3 794	25
FNB Corporate	441	428	3
FNB Commercial	3 586	2 661	35
WesBank	728	705	3
Capital and other*	1 714	1 087	58
Total interest income	17 098	13 998	22

* Other includes RMB

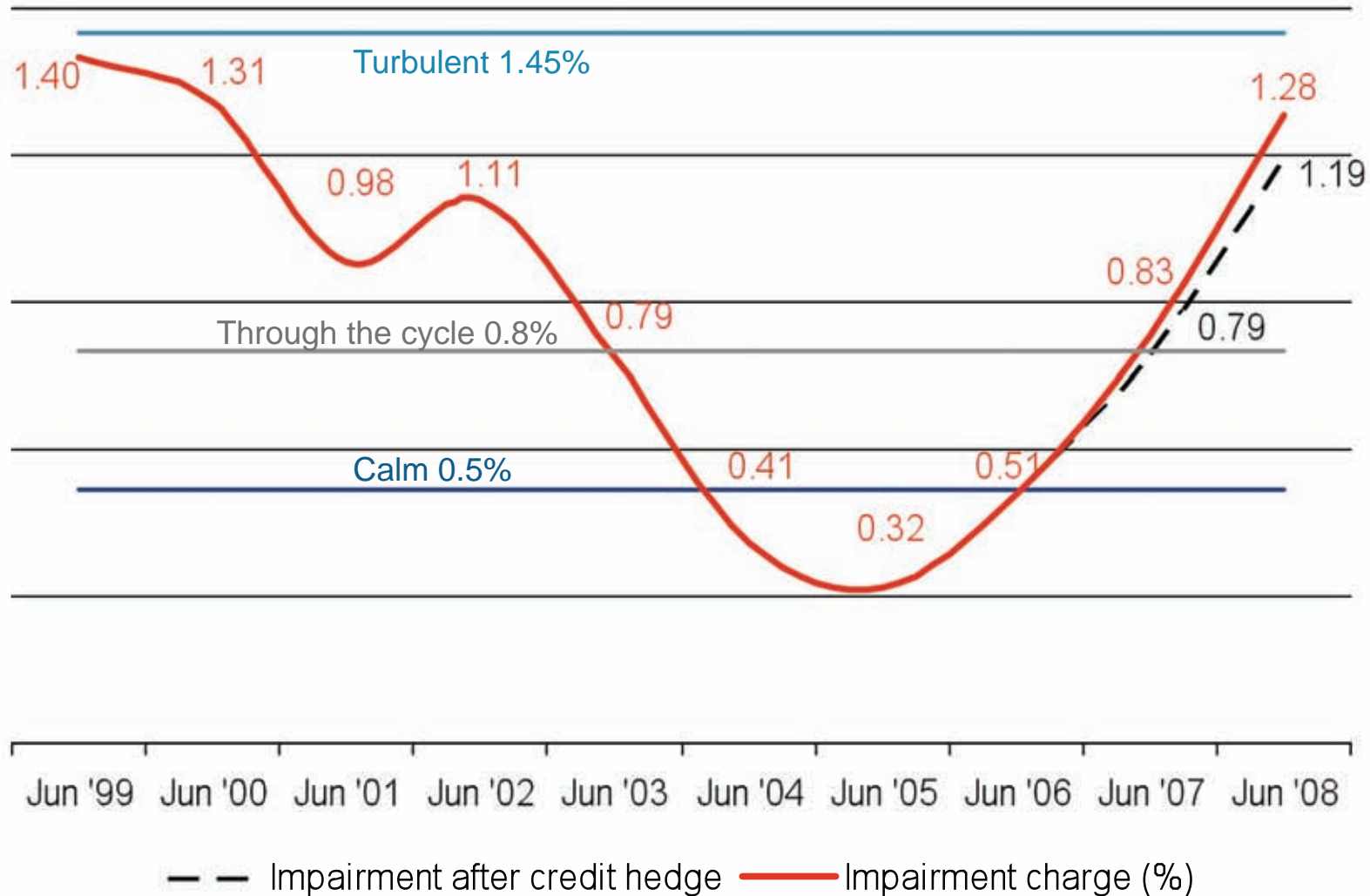
Asset margins holding up

Margins (%)	Jun '08	Jun '07
Retail		
HomeLoans	1.1	1.6
Credit card	7.3	6.9
Other consumer	8.5	8.9
Mass	7.9	9.0
Wealth	1.7	1.8
WesBank retail asset backed	3.9	4.3
WesBank retail non asset backed	12.9	11.4
Corporate and commercial		
FNB Corporate	4.1	3.3
FNB Commercial	4.9	4.5
WesBank corporate	2.5	2.9

NPL's and bad debts continue upward trend...



... but within our risk reward profile



Tough times are not over yet

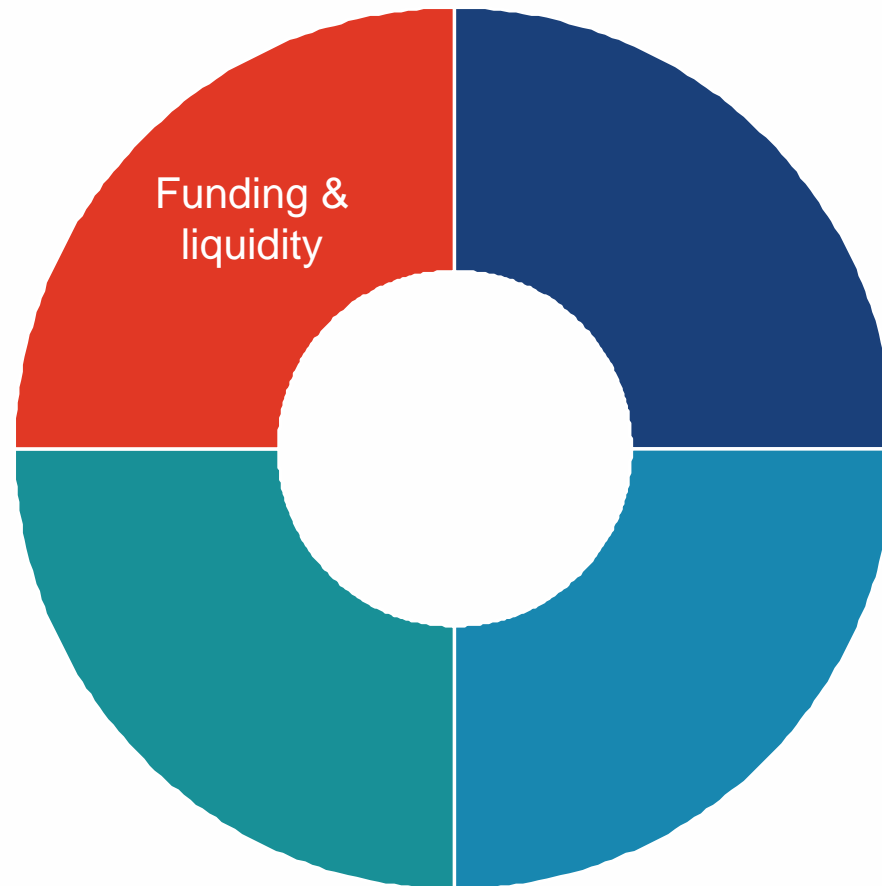
Bad debts Percentage of average advances	12 months Jun '08	6 months Jun '08	6 months Dec '07
Retail			
- Mortgages	0.84	1.22	0.42
- Credit card	8.87	8.46	9.16
- Instalment finance*	1.73	2.22	1.23
Wholesale	0.34	0.34	0.33
Total bad debt ratio	1.28**	1.54	0.97

NPL Percentage of advances	Jun '08	Dec '07	Jun '07
Retail			
- Mortgages	4.1	2.2	1.5
- Credit card	11.8	9.5	7.4
- Instalment finance*	3.2	2.1	1.6
Wholesale	0.9	0.6	0.7
Total NPL ratio	2.9	1.8	1.5

* Includes WesBank Business and Corporate

** Impairment charge after deducting credit insurance amounted to 1.19%

Banking risks through the cycle



Funding and liquidity – industry faces structural pressures

Structural

- Diversified banking activities
- Reliance on wholesale funding in line with our peers
- Not reliant on international capital markets
- Limited exposure to roll over risk

Cyclical

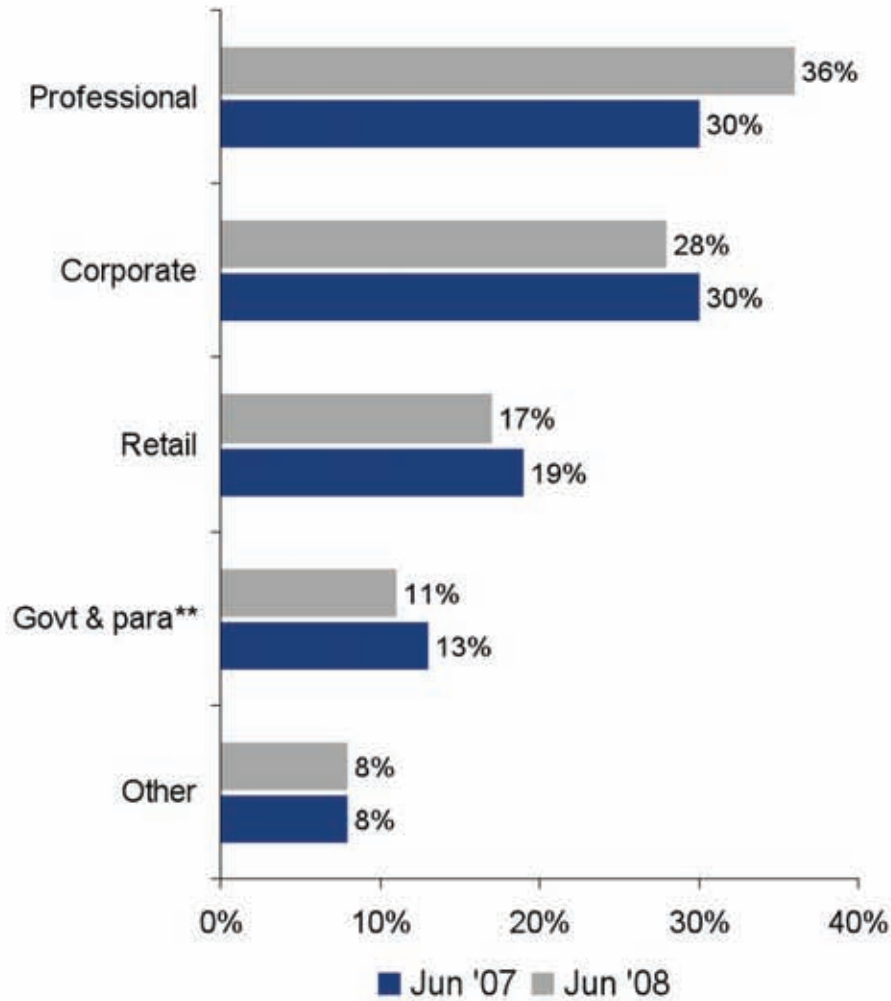
- Funding and liquidity costs increase
- Credit risk repriced

Funding and liquidity strategies provide underpin

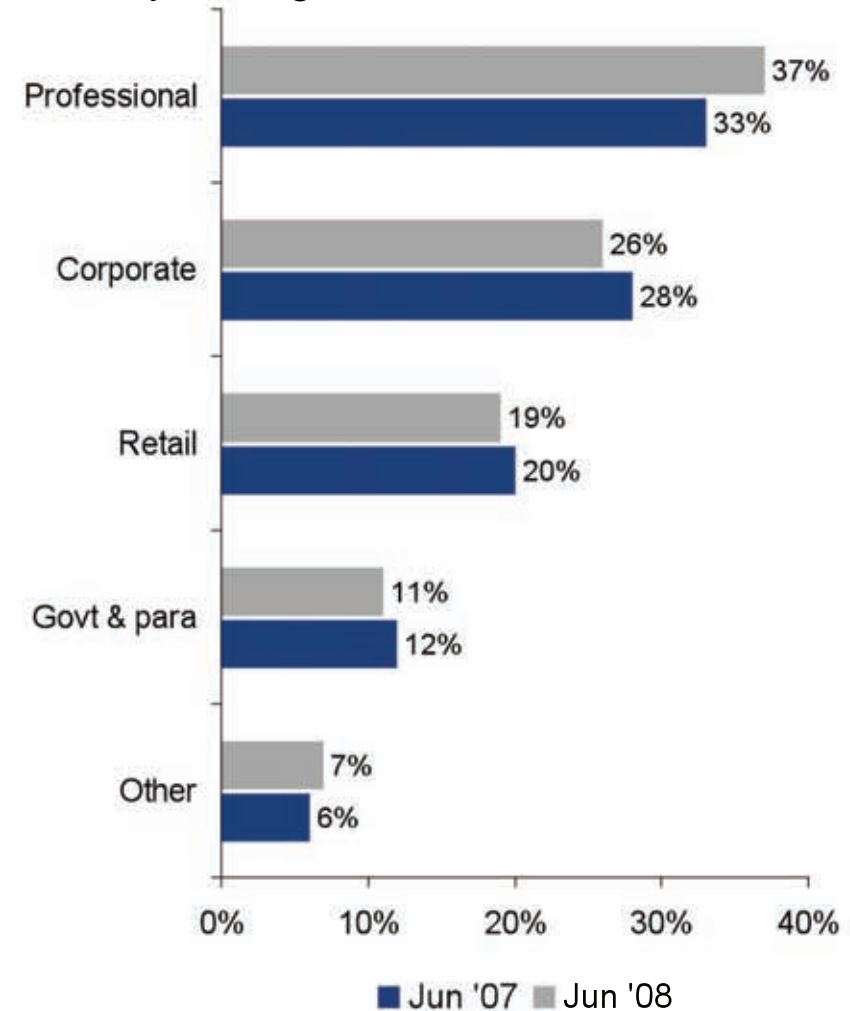
- Increased focus on deposit franchise
- Limit dependence on wholesale funding
- Lengthening funding profile
- Eliminate roll over risk
- Limit off balance sheet activities
- Marginal maturity matched transfer pricing
- Decrease size of international balance sheet
- Excess liquidity buffer

Funding composition in line with our peers

FirstRand Bank Limited



Industry average*



Source: SARB BA900 returns

* Industry average excludes FirstRand ** Government & parastatal

Liability mix adds pressure to margins

R millions	Jun '08	Jun '07	Change %	Jun '08 mix %	Jun '07 mix %
Retail	98 189	81 498	20	15	15
Corporate	127 485	101 505	26	19	19
Professional funding	220 964	196 408	13	34	36
Govt & Para	49 436	45 615	8	8	8
Trading liabilities	79 341	49 944	59	12	9
Other liabilities	23 638	24 442	(3)	3	4
Mezzanine funding	12 637	10 274	23	2	2
Core equity*	46 404	37 781	23	7	7
Total liabilities	658 094	547 467	20	100	100

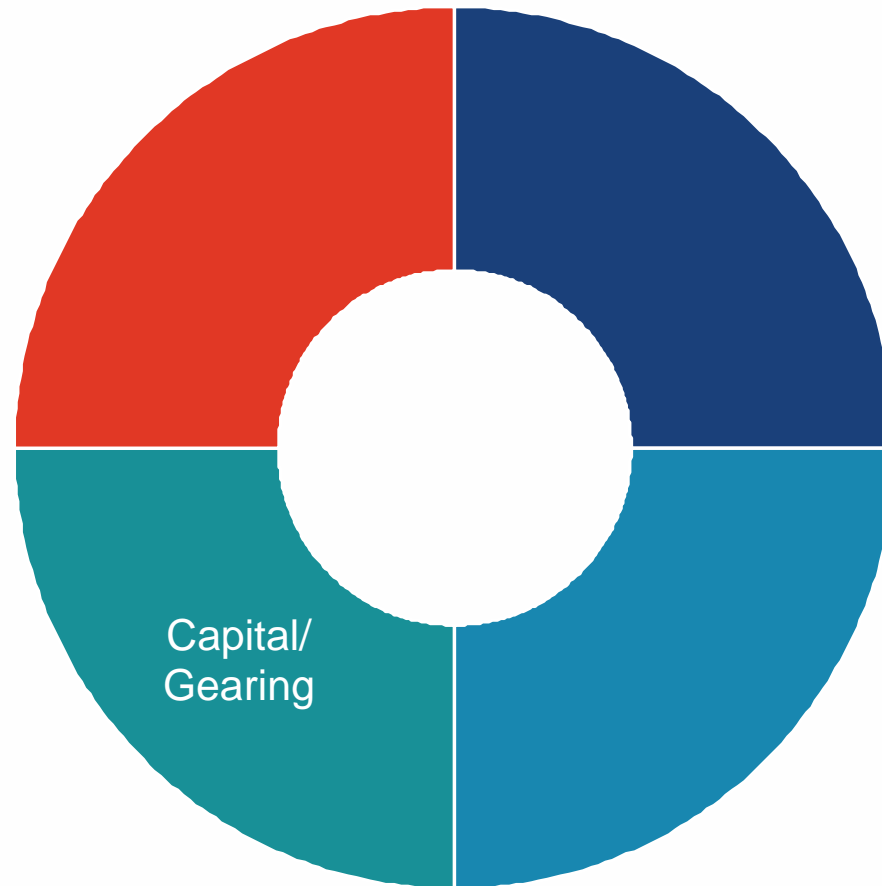
Professional funding spread to JIBAR	Jun '08	Jun '07	% change
Professional funding 12 months	50 bps	20 bps	▲ 30 bps
Professional funding 60 months	80 bps	35 bps	▲ 45 bps

* Ordinary shareholders' and minority shareholders' funds

Endowment effect still provides margin protection

Customer margin (%)	Jun '08	Jun '07	Change
Current and savings	5.33	4.43	▲ 0.90
Money market	1.69	1.57	▲ 0.12
Call	1.90	1.87	▲ 0.03
Term	1.43	1.42	▲ 0.01
Total customer margin	3.47	3.04	▲ 0.43

Banking risks through the cycle



Capital – well within targets

Structural

- Balance sheet not highly leveraged
- Strong core equity position
- Capital held against off balance sheet activities

Cyclical

- Capital strategy provides for cyclical requirements

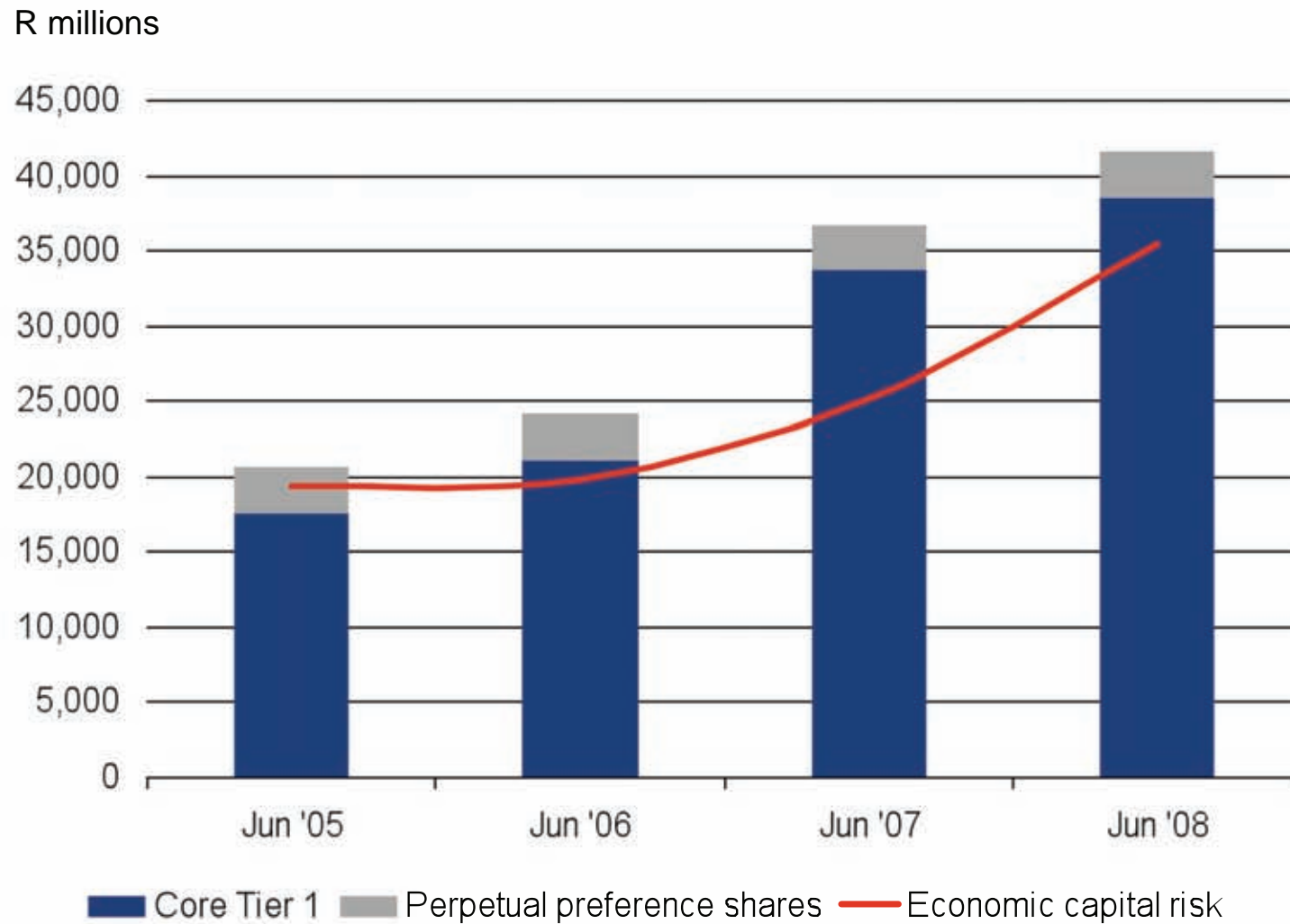
Banking group remains well capitalised

FRBH	Regulatory minimum	Target	Actual Jun '08
Core Tier 1	5.25	8.25	10.30
Tier 1	7.00	10.00	11.13
Total CAR	9.50*	12.00 – 13.50	13.75

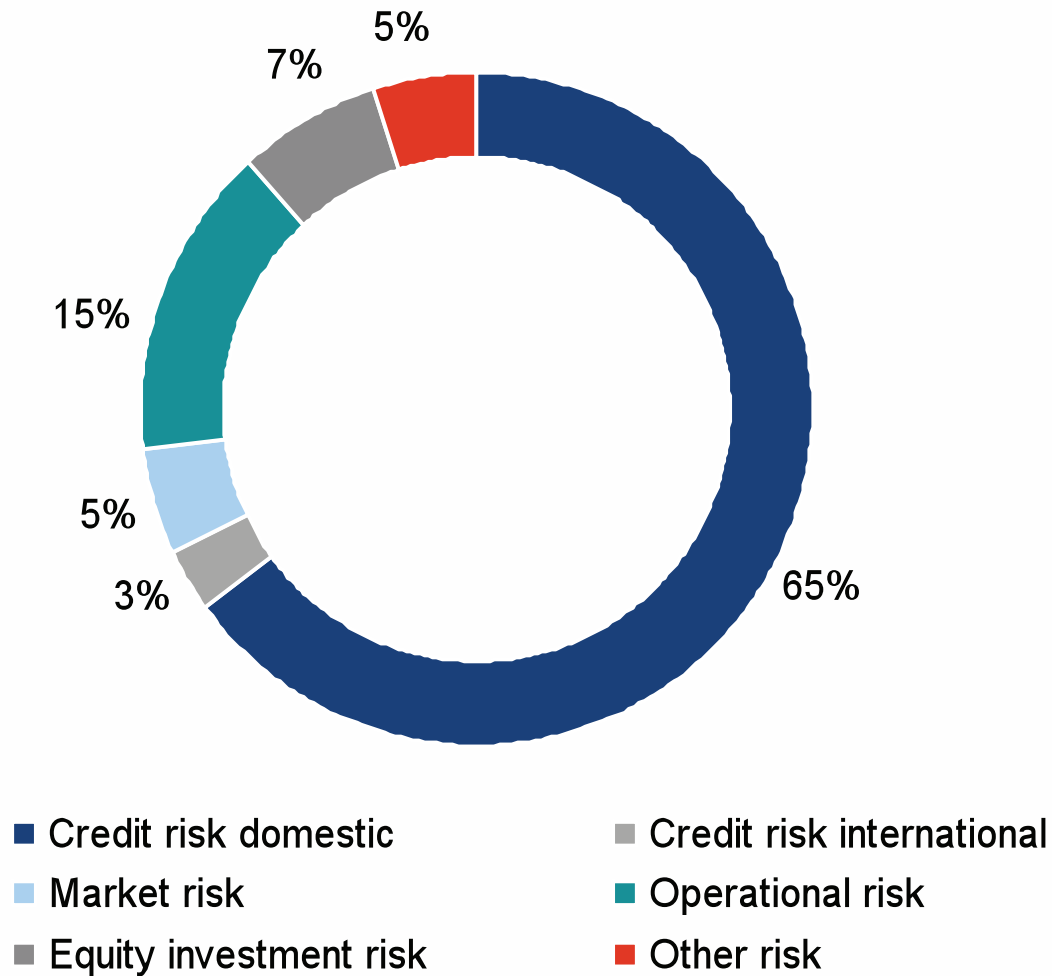
FRB	Regulatory minimum	Target	Actual Jun '08
Core Tier 1	5.25	7.75	8.41
Tier 1	7.00	9.50	9.44
Total CAR	9.50*	11.50 – 13.00	12.28

* Excluding Pillar 2b add on

Economic risk backed with Tier 1 capital

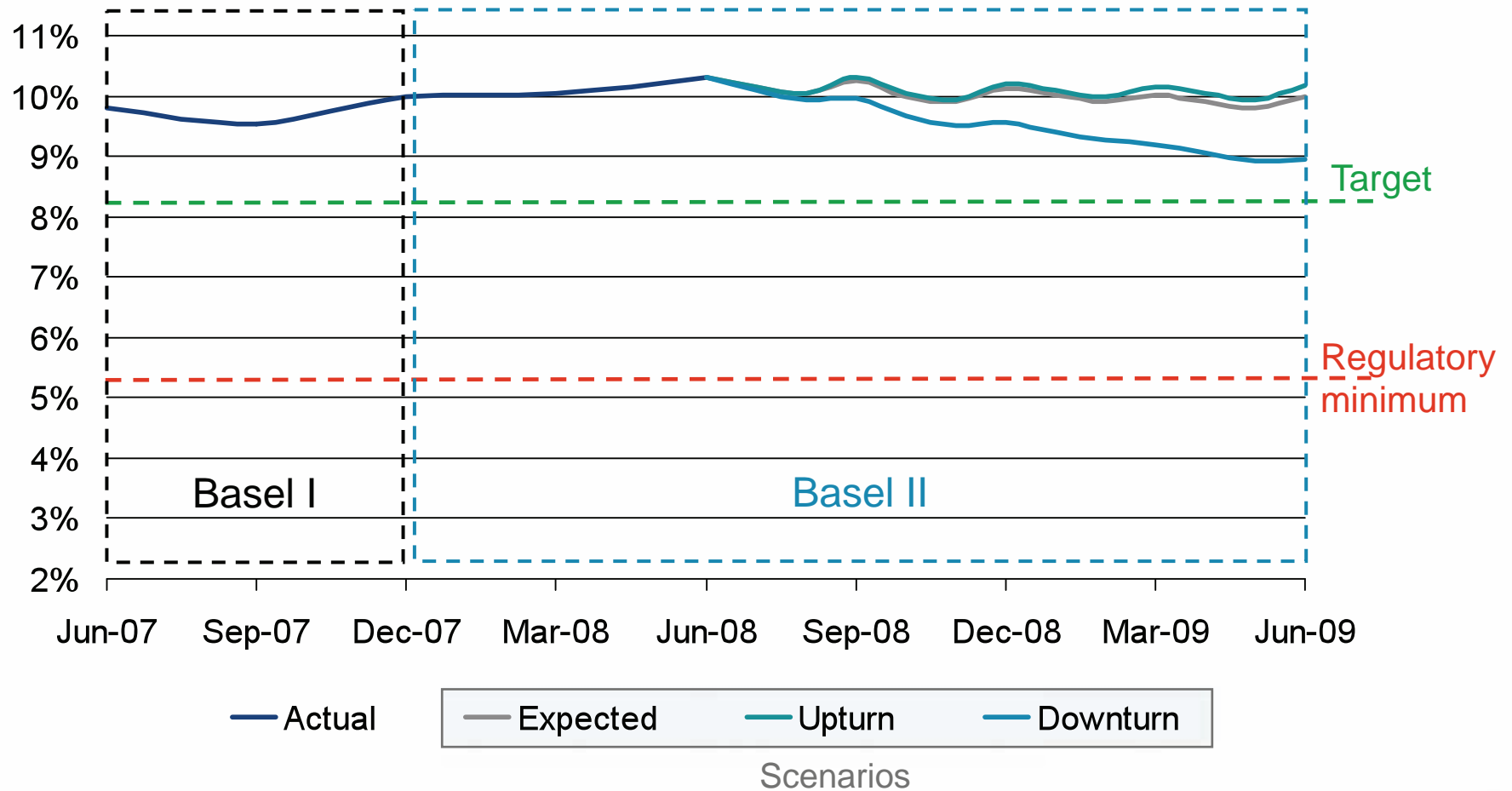


Capital allocated mainly to credit and operational risk



Above targets even in downturn scenario

Core Tier 1 (%)



Banking risks through the cycle

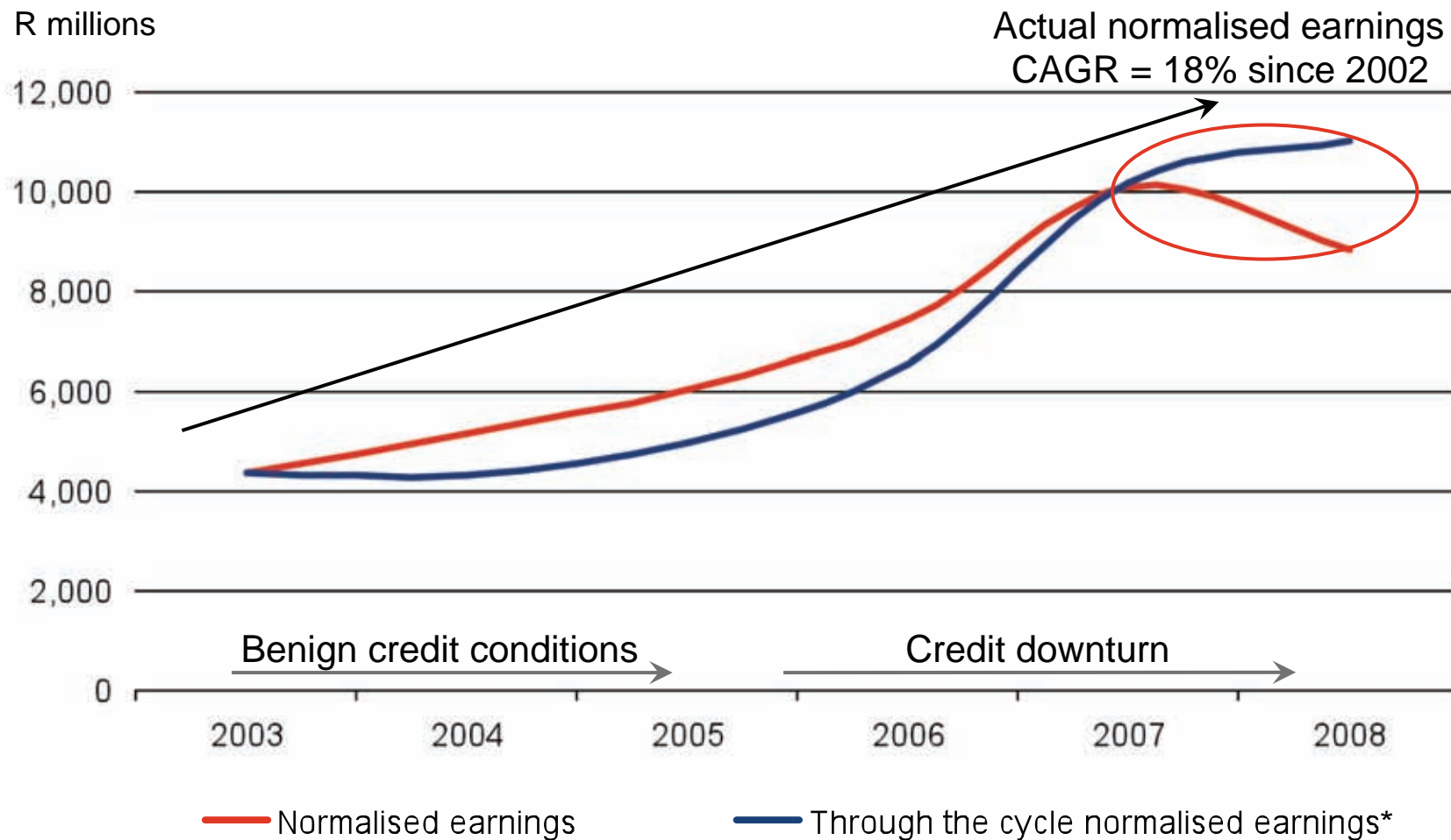


Earnings volatility – it's about risk income

Earnings volatility

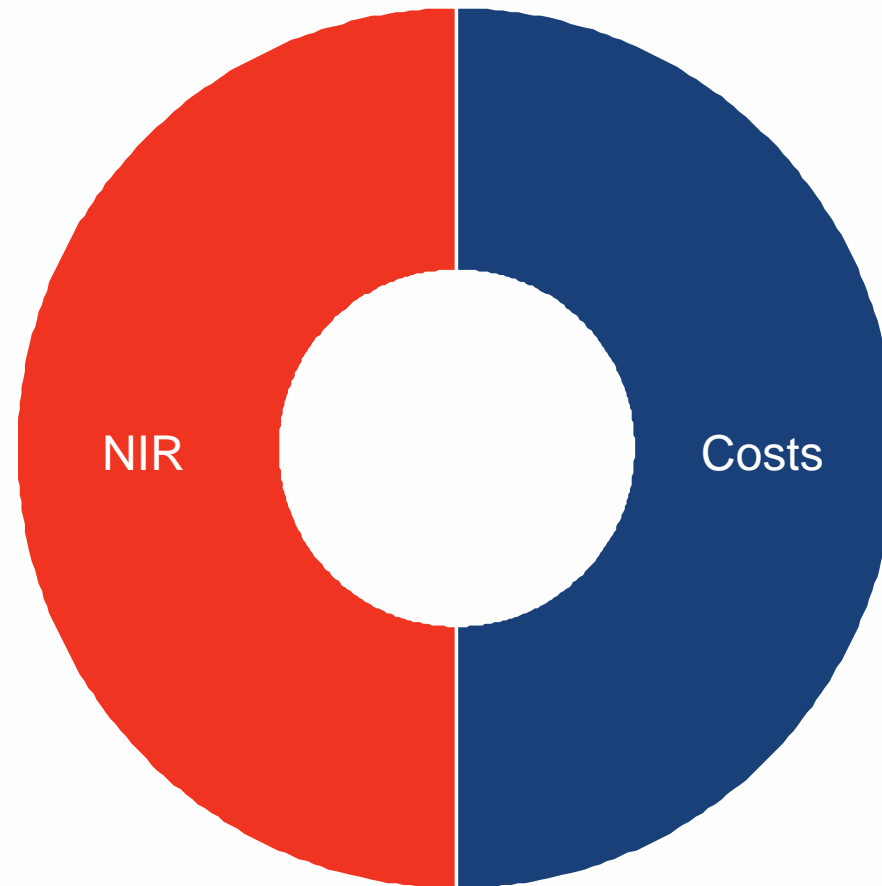
- Market risk appetite exposure too high

Equity trading losses add to the pain in the cycle

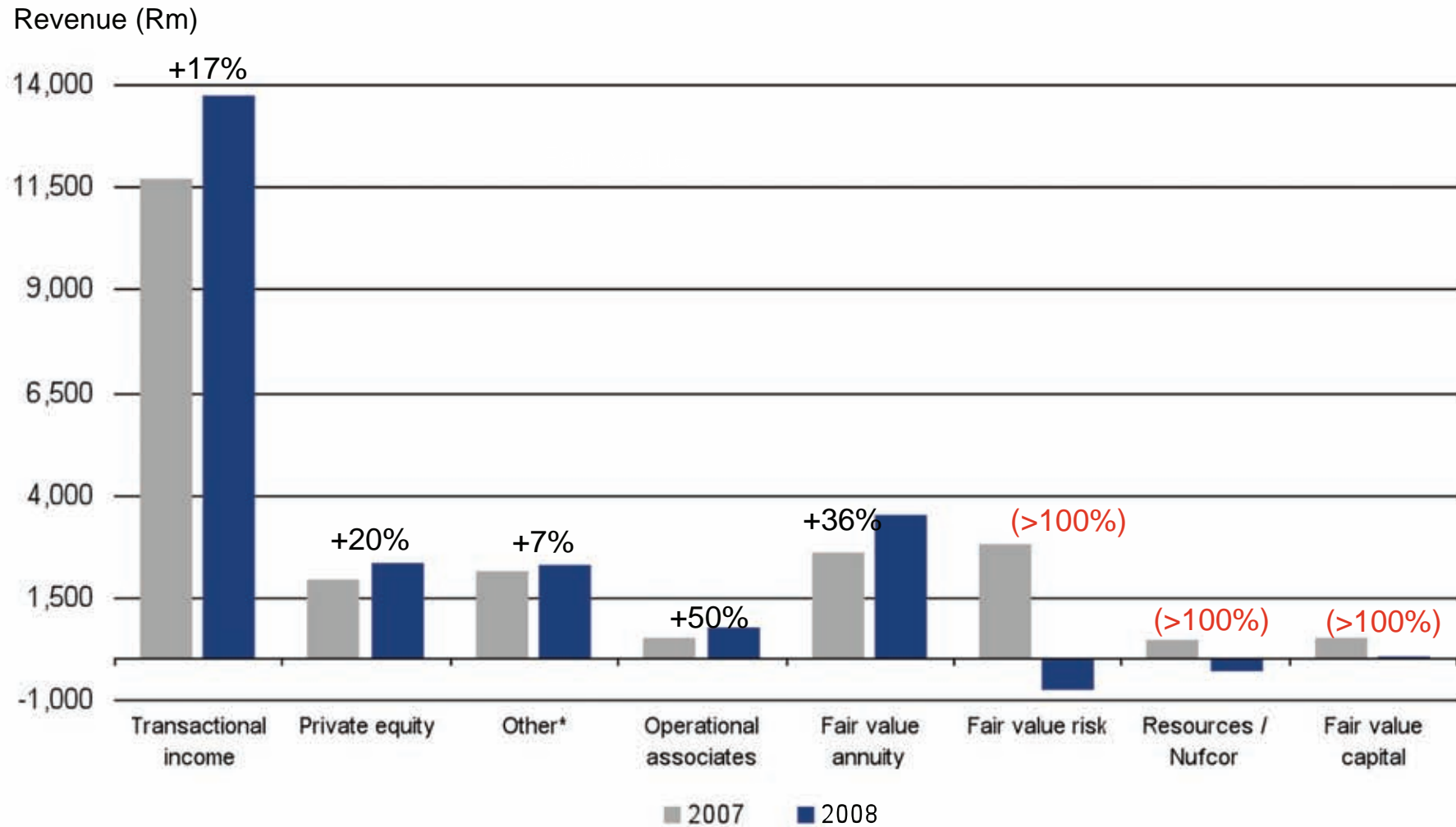


* Through the cycle normalised earnings calculated assuming long run average bad debt ratio of 0.8

Income statement through the cycle

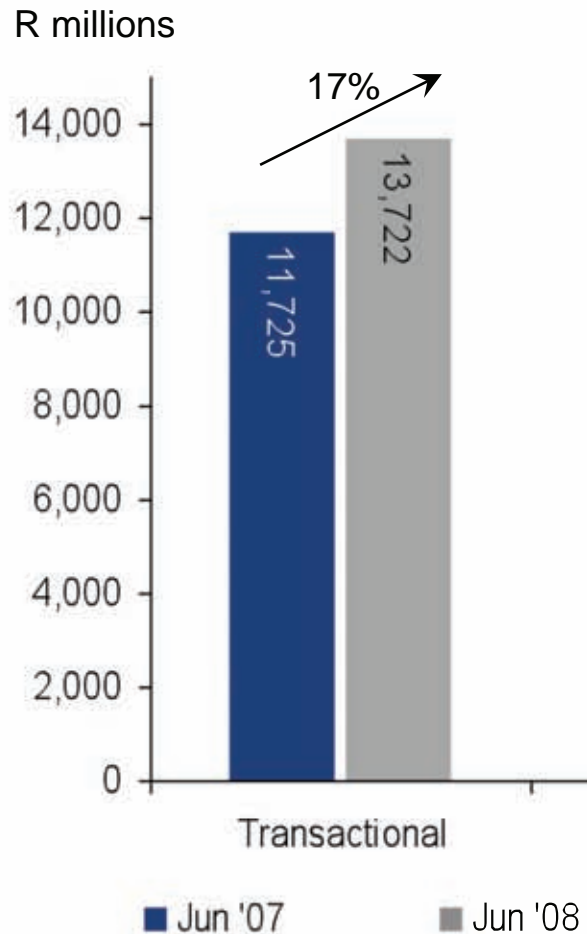


Diversification adds some protection

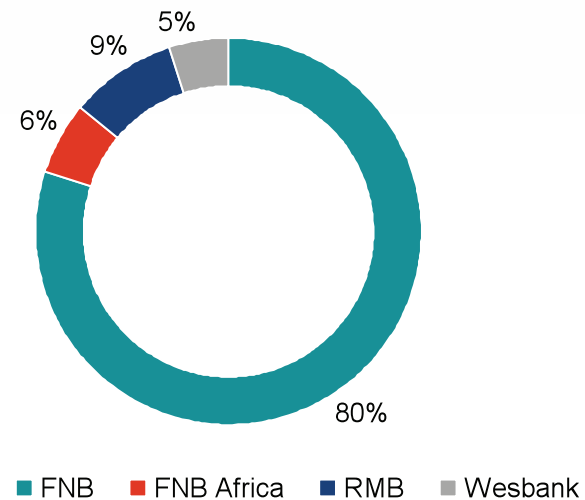


* Other income excludes VISA revenue

Economic activity continues to drive transactional income



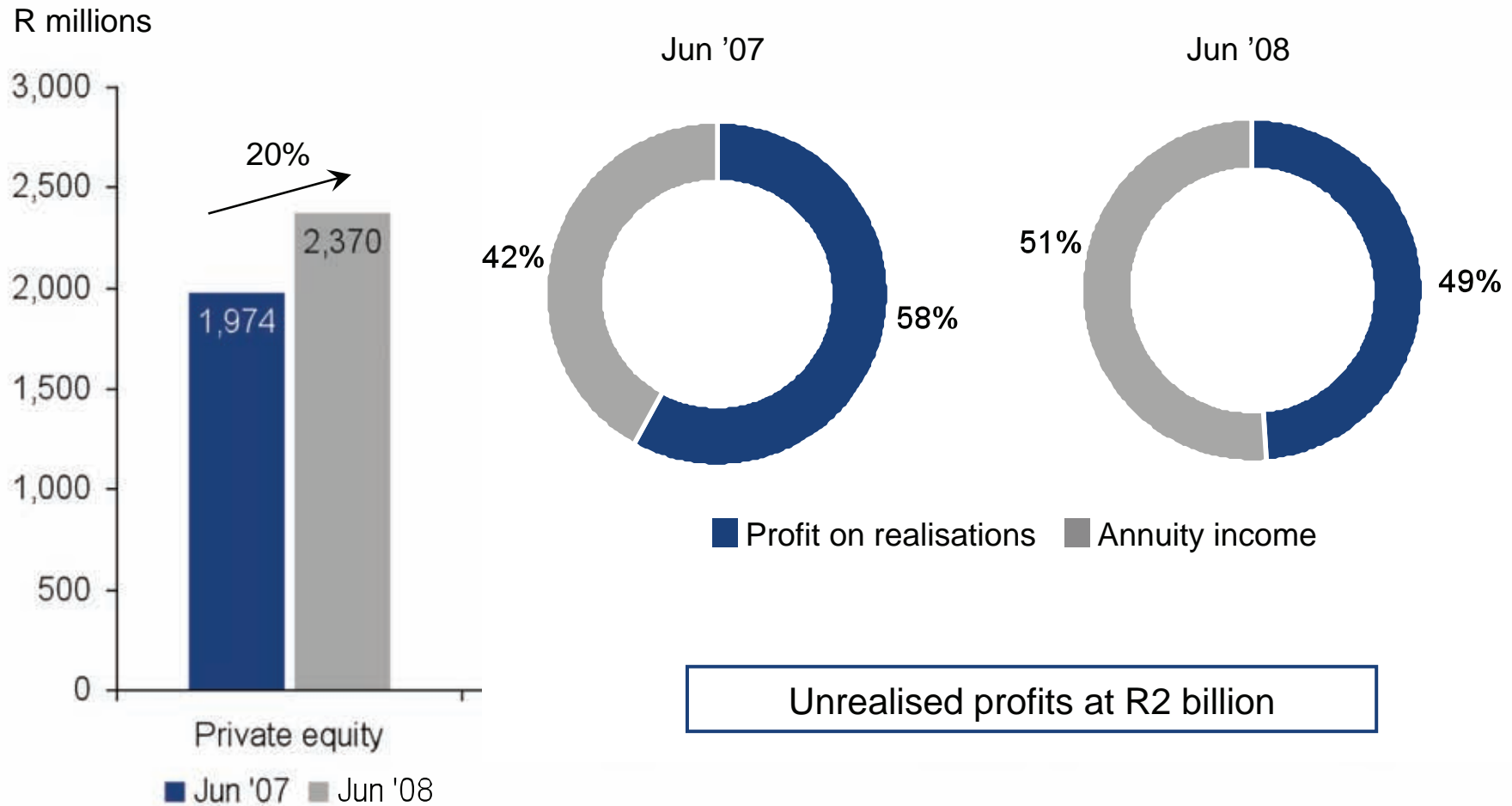
Transactional revenue breakdown by franchise*



- FNB
 - Increase in customer numbers
 - Client activity slowdown due to tough economic conditions
- RMB
 - Increased corporate activity (structuring and BEE)
 - Increased client flows

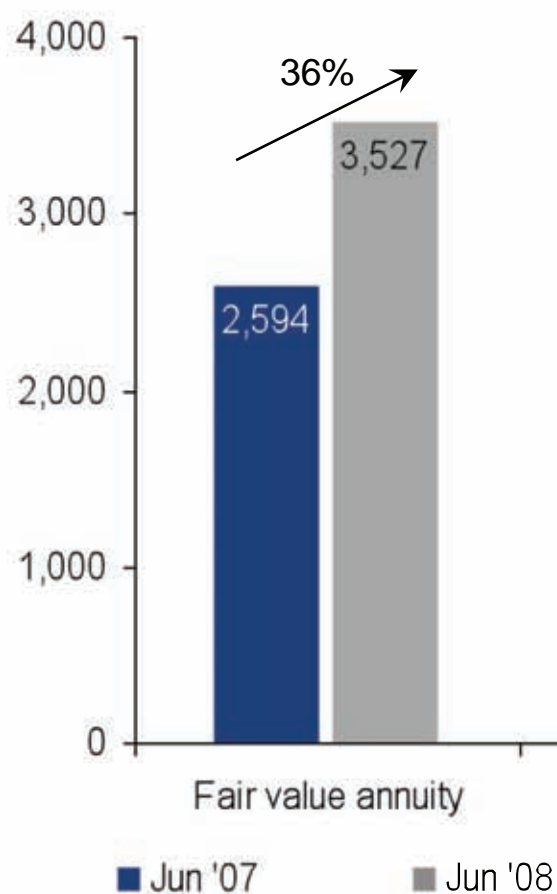
* Excluding Group support

Good balance between annuity income and realisations



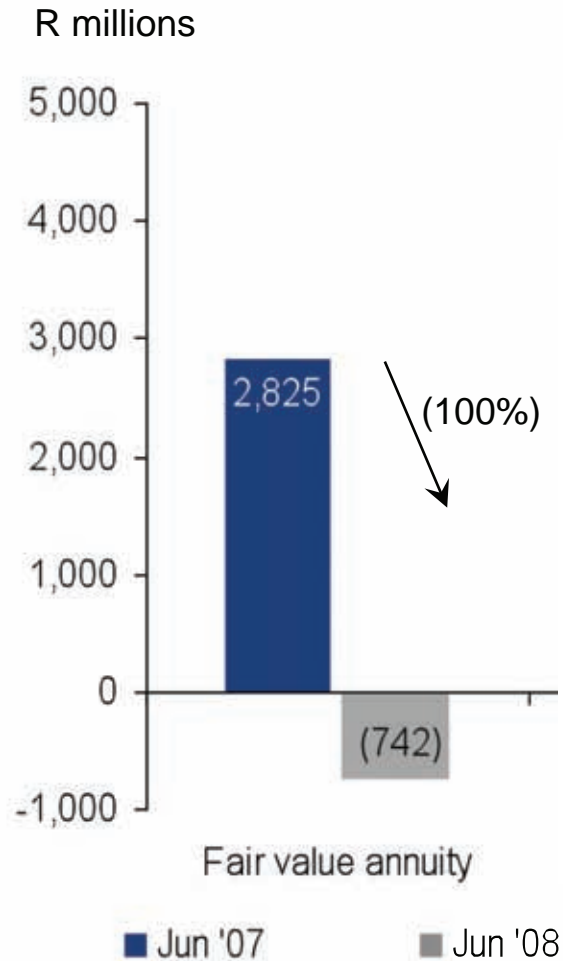
Strong growth in annuity income

R millions



R millions	Jun '08	Jun '07	% change
Annuity	3 527	2 594	36
- Lending	1 987	1 379	44
- Client flows	1 540	1 215	27
Client flows	1 540	1 215	27
- Forex	1 109	995	11
- Debt	315	155	>100
-Equity	116	65	78

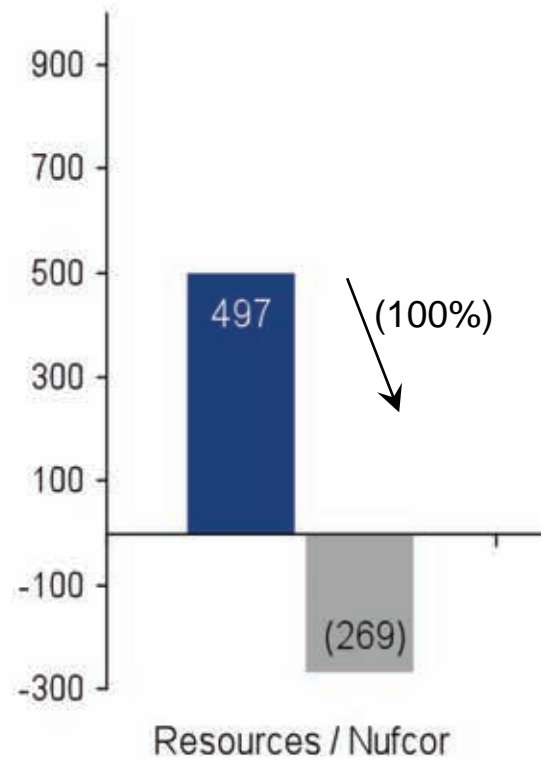
Risk income hit hard by equity trading losses



R millions	Jun '08	Jun '07	% change
Risk	(742)	2 825	(>100)
- Equities	(1 714)	2 096	(>100)
- Commodities	170	143	19
- Interest rates	664	468	42
- Credit	(48)	48	(>100)
- Forex	186	70	>100

Mark-to-market timing issues impact Nufcor

R millions

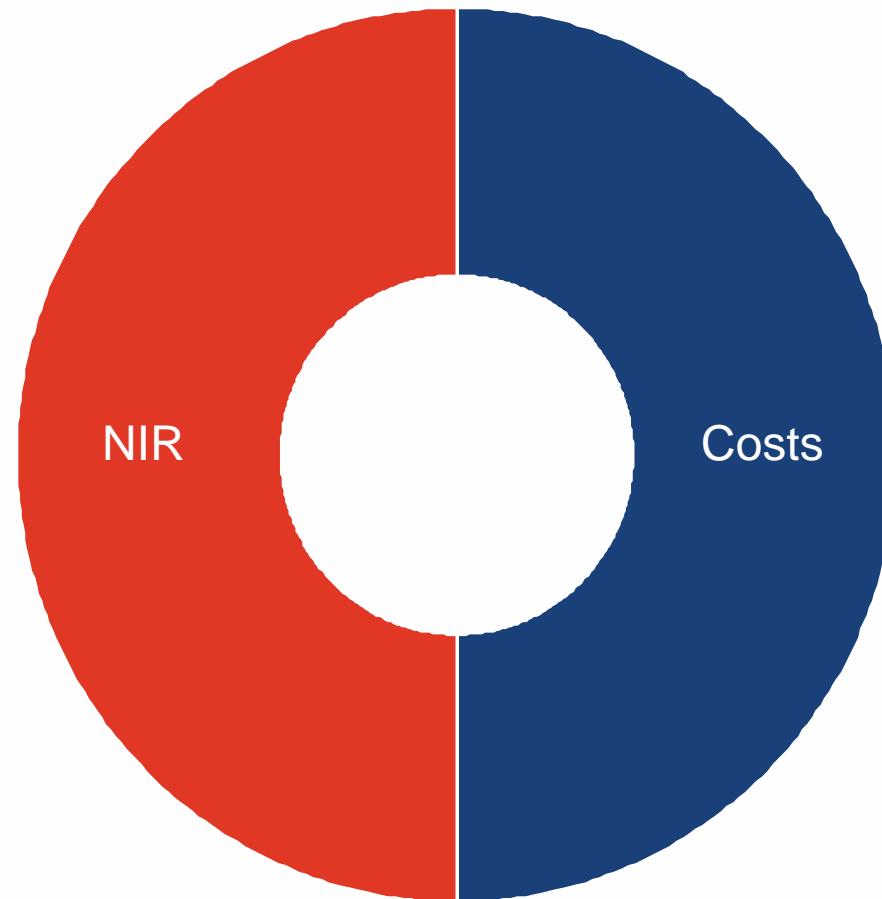


■ Jun '07

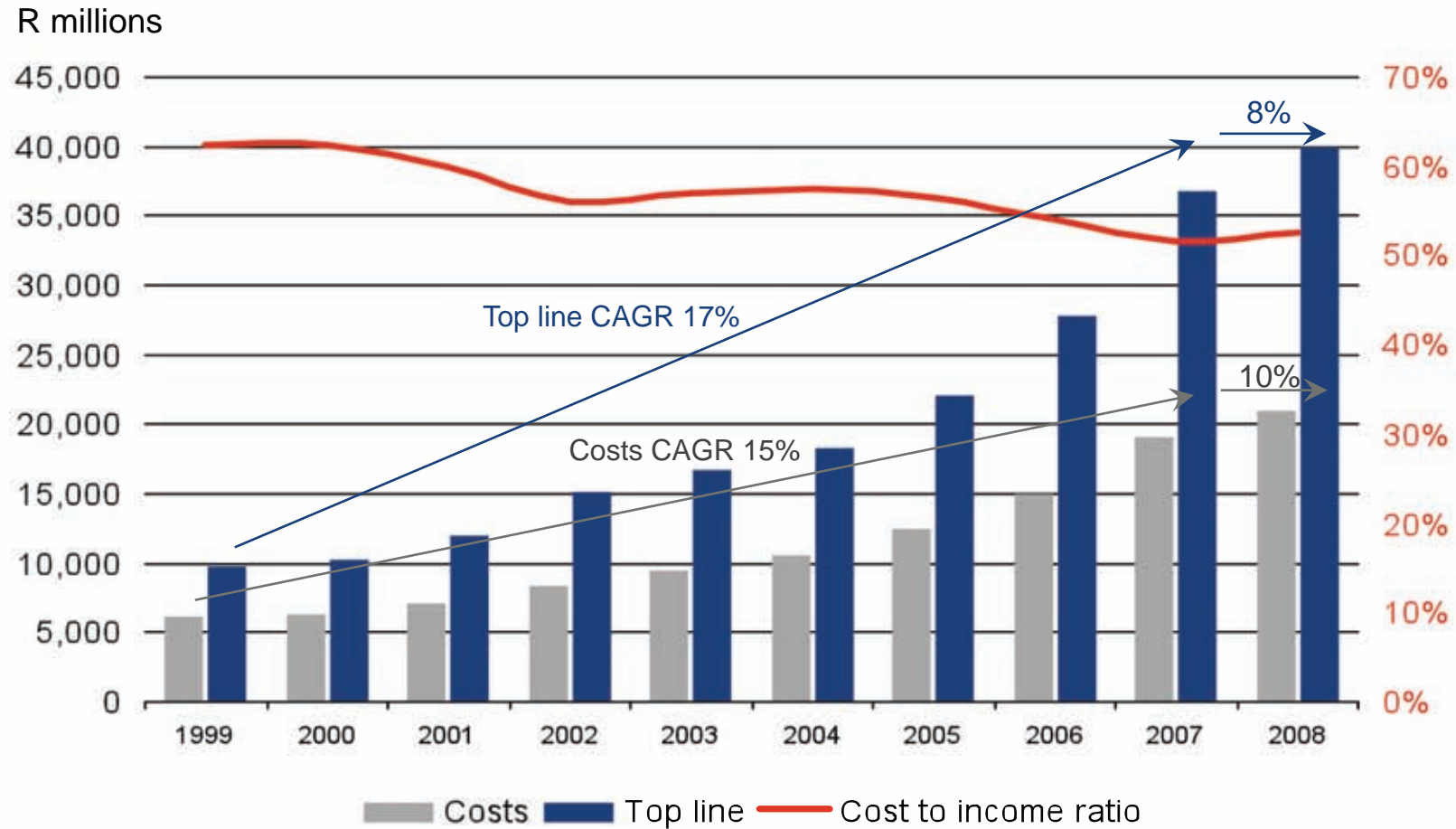
■ Jun '08

R millions	Jun '08	Jun '07	% change
Resources	(269)	497	(>100)

Income statement through the cycle



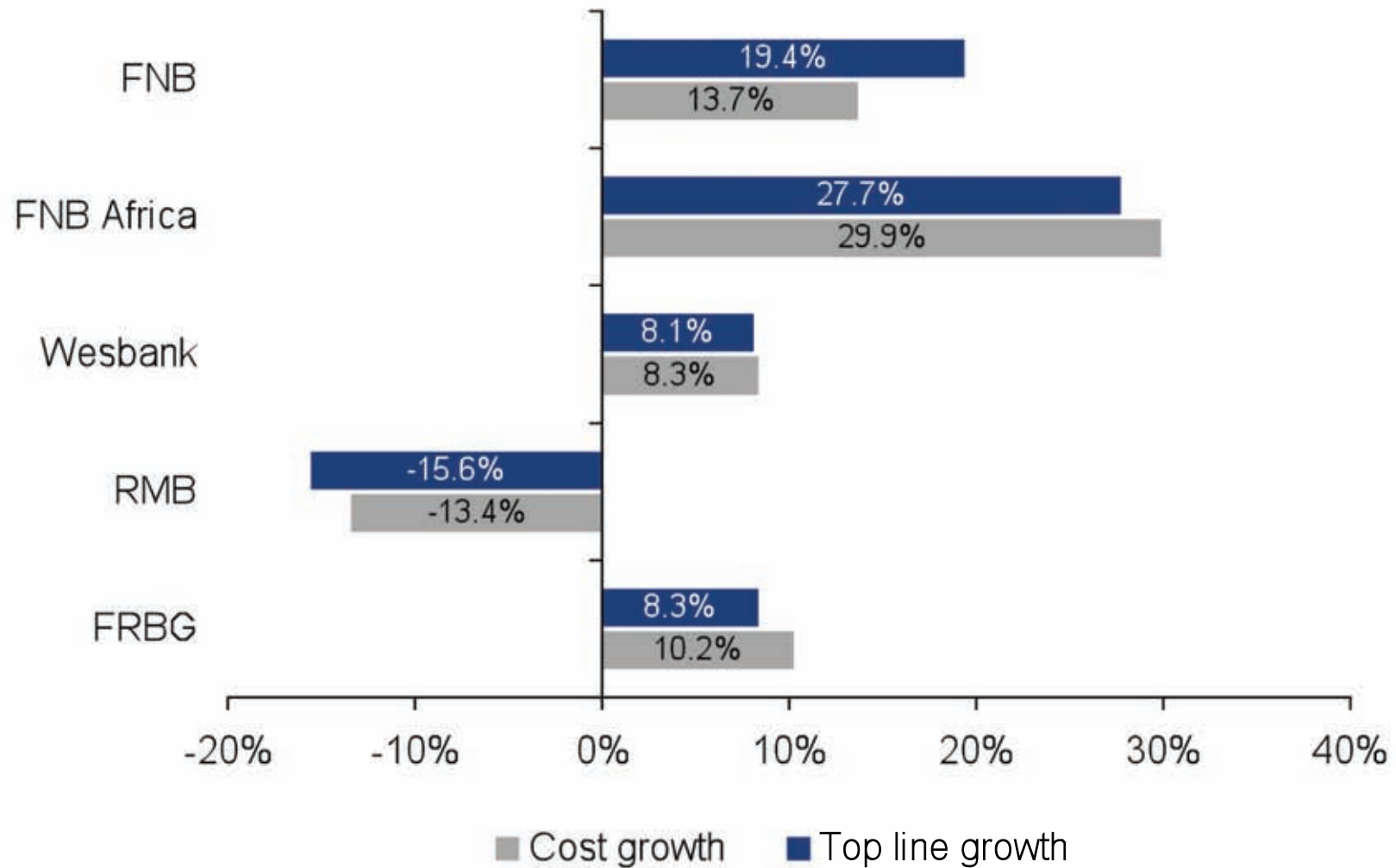
Slowing top line impacts cost to income ratio



Strong focus on costs across the board

Operating expenses (R millions)	Jun '08	Jun '07	% change
Staff expenditure	10 976	10 308	6
Depreciation and amortisation	1 086	908	20
Advertising and marketing	893	866	3
Insurance	302	261	16
Lease charges	866	732	18
Professional fees	840	677	24
Computer expenses	846	681	24
Conveyance of cash	214	176	22
Maintenance	676	582	16
Telecommunications	512	445	15
eBucks rewards	232	203	14
Cooperation agreements and joint ventures	114	171	(33)
Other expenditure	3 420	3 032	13
Total	20 977	19 042	10

Contextualising negative jaws



Improving efficiencies remains a focus

Cost to income ratio (%)	Jun '08	Jun '07
FNB	56.9	59.8
Retail	59.4	61.4
Corporate & Commercial	52.6	57.1
FNB Africa	46.5	45.7
WesBank	53.5	53.4
RMB	42.8	41.7
FirstRand Banking Group	52.6	51.7

08

FINANCIAL REVIEW
FOR THE YEAR ENDED 30 JUNE 2008



FNB
First National Bank

What did we say last time?

Credit conditions to remain a challenge, have not seen the top yet



Historic customer growth should support future revenue increases



Stimulus in the corporate market in SA driving growth in medium corporate and SME segments



Slowdown in retail lending compensated by continued focus on efficiencies



International expansion will diversify portfolio



Despite challenges, we expect to achieve growth targets



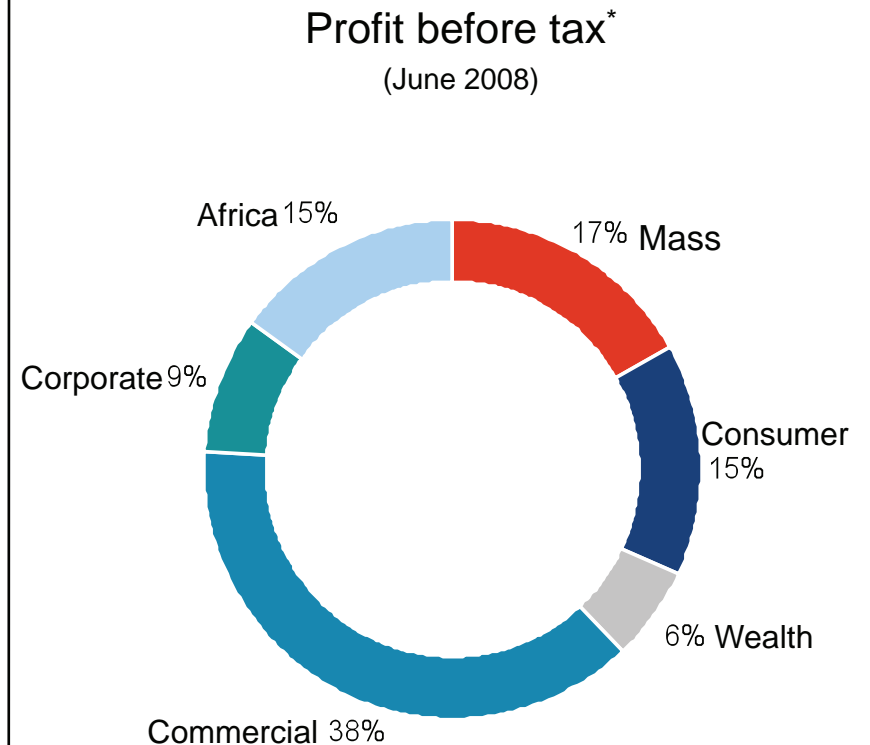
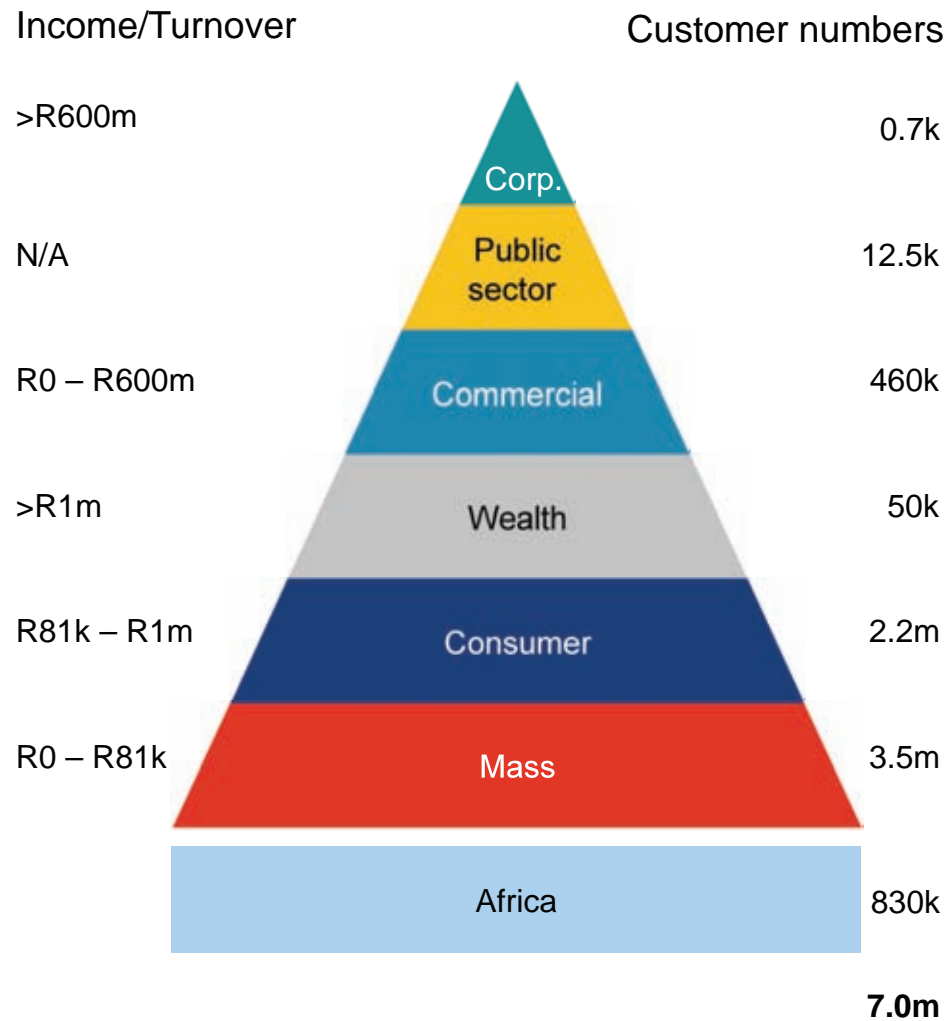
FNB's good performance continues

	June '08	June '07	Change
FNB South Africa			
Profit before tax (R millions)	6 345	5 738	▲ 11%
Cost to income (%)	56.9	59.8	▼
ROE (%)	33	35	▼
FNB Africa			
Profit before tax (R millions)	1 156	907	▲ 27%
Cost to income (%)	46.5	45.7	▲
ROE (%)	34	33	▲

Mixed performance across the SA segments

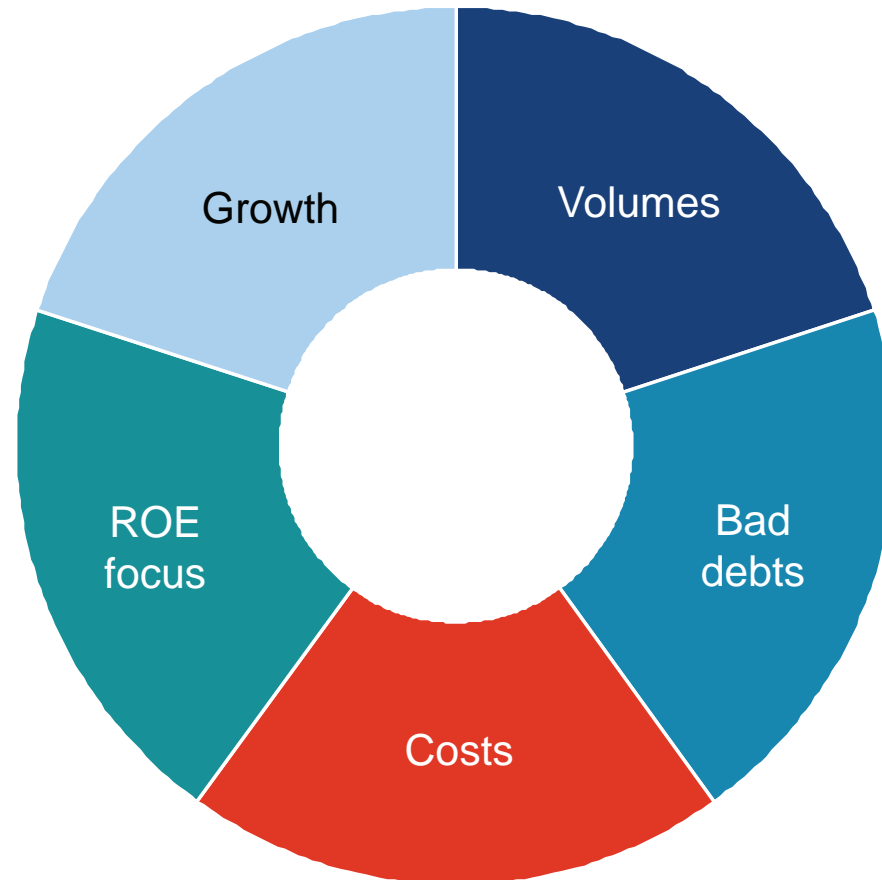
Profit before tax (R millions)	2008	2007	% change
Mass	1 276	981	▲ 30
Consumer	1 159	2 035	▼ (43)
HomeLoans	(381)	729	▼ (>100)
Card Issuing	120	109	▲ 10
Other Consumer	1 420	1 197	▲ 19
Wealth	444	320	▲ 39
Commercial	2 907	2 191	▲ 33
Corporate	671	603	▲ 11
FNB Other and Support	(112)	(392)	▲ 71
FNB South Africa	6 345	5 738	▲ 11

Segment strategy in SA complemented by African expansion

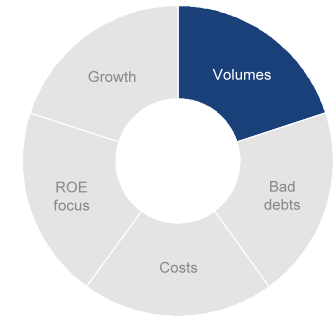


* Excludes FNB Other and Support

Management focus areas



Volumes (not only rand values) still growing



- Volumes
 - Customer growth +8% to 6.3 million*
 - Teller deposit transactions +3%
 - ATM cash withdrawals +16%
 - Cellphone transactions more than doubled (+133%)
 - Internet transactions +22% largely due to payments
 - Cardholder turnover +9%
- Values
 - Deposits +14%, advances +15%, NIR +16%

* SA only, excludes WesBank unique clients (included amounts to 6.6 million)

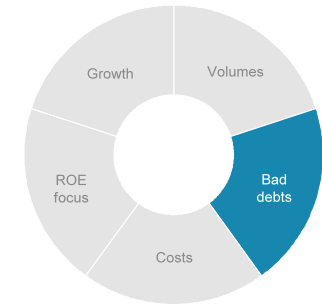
Bad debts: Consumer segment accounts for 80%



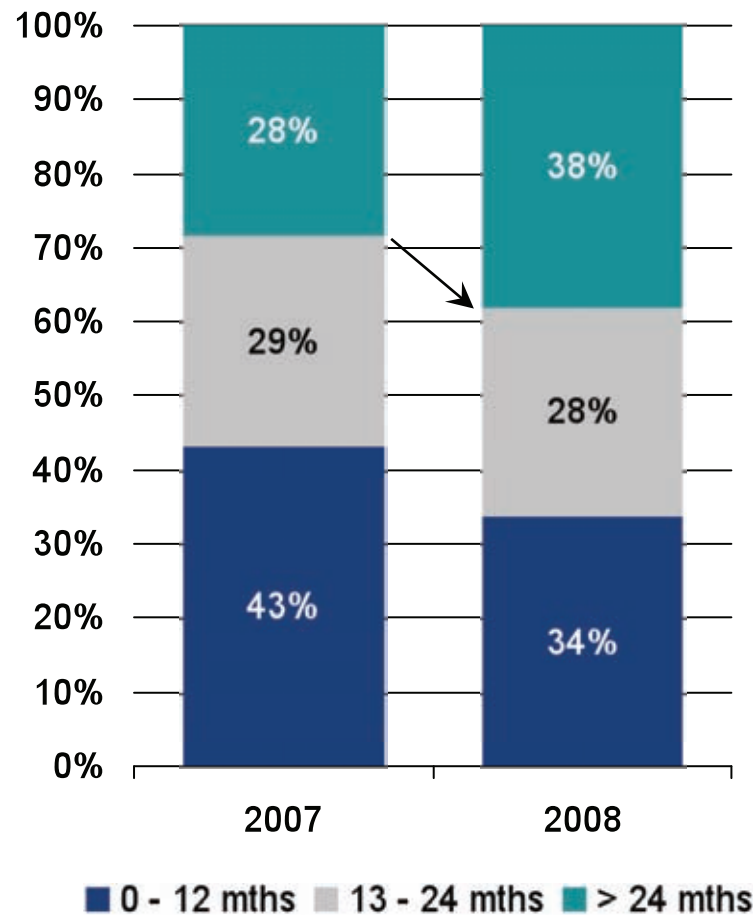
	Advances (Rbn) June 2008	Bad debts as % of advances	
		June 2008	June 2007
Mass	6	3.81	6.48
Consumer	129	2.00	0.93
Wealth	28	0.36	0.25
FNB Other	5	0.36	1.86
Retail	168	1.72	1.03
Commercial	24	0.91	0.62
Corporate	15	0.64	0.07
Commercial & Corporate	40*	0.80	0.39
FNB SA	208	1.55	0.91
FNB Africa	16	0.72	0.75

* Does not cast due to rounding

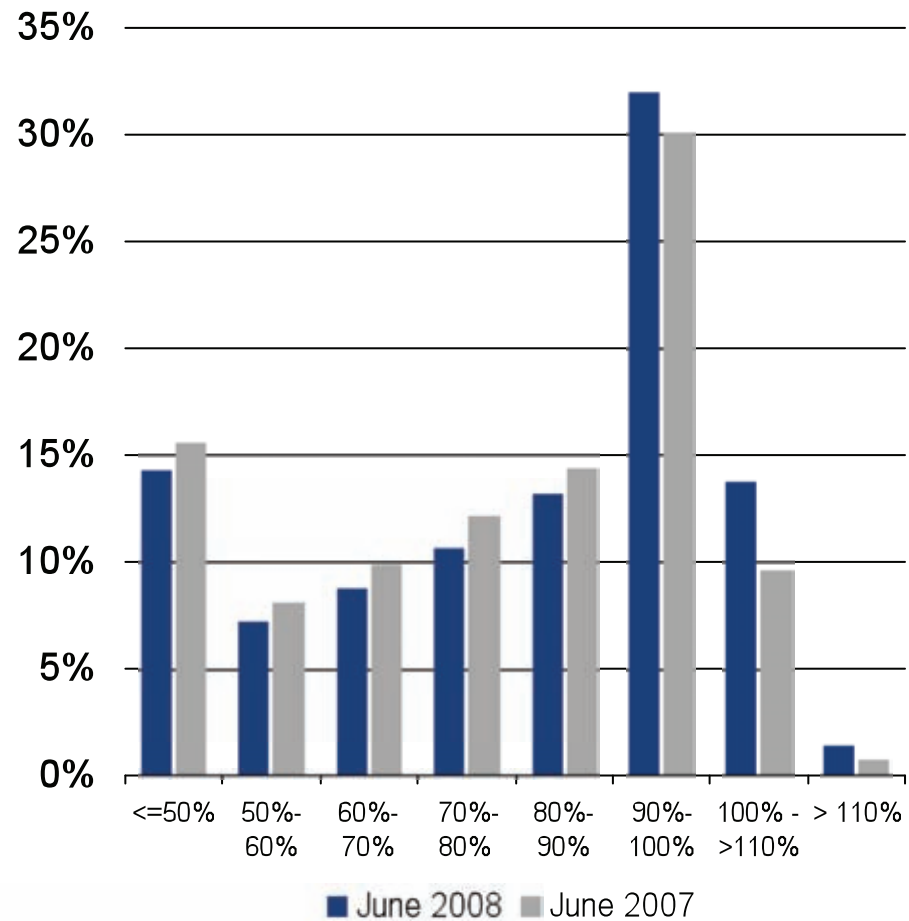
Bad debts: Consumer home loan book metrics



Home loans age distribution

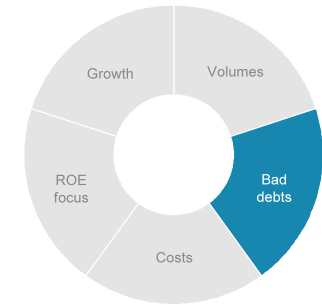


Loan to value (at original value)*

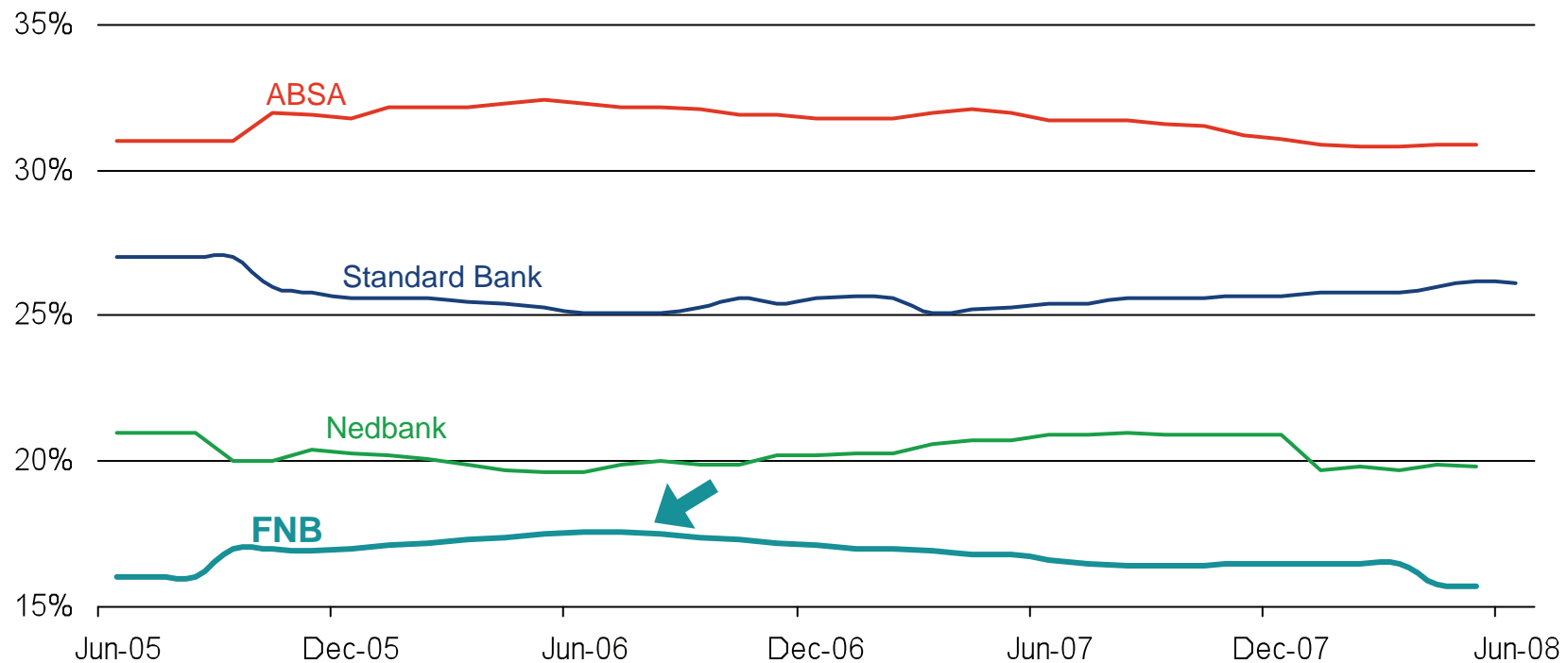


* Average LTV based on valuation at inception: 80% (FY07: 77%)
 Average LTV based on updated market values: 74% (FY07: 69%)

Bad debts: Tough decisions made in mortgage advances



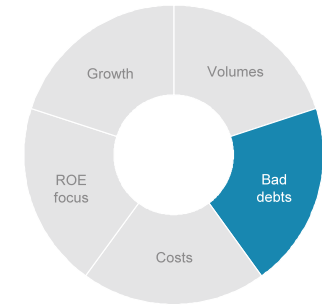
Market share – residential mortgage advances*



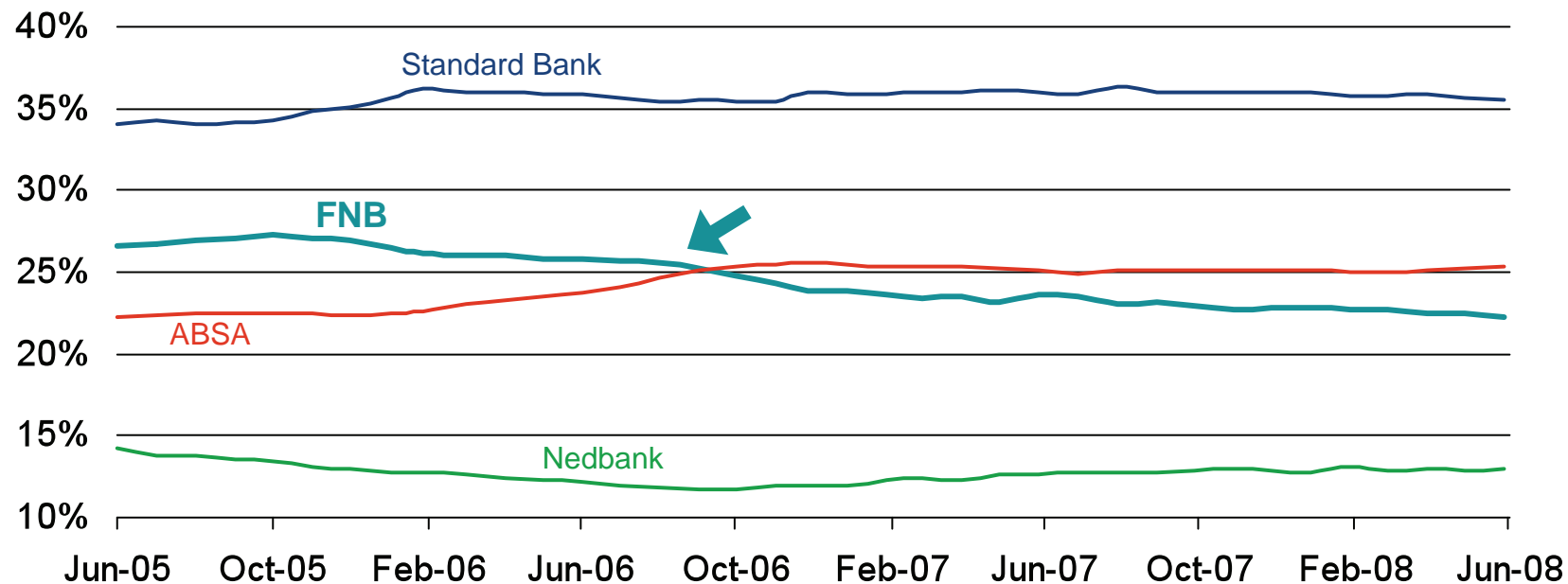
- Charges high but as expected
- Originating for own customers, increasingly own channels
- Continued ROE focus with appropriate risk based pricing

*Source: SARB BA900s

Bad debts: Tough decisions made in Card advances



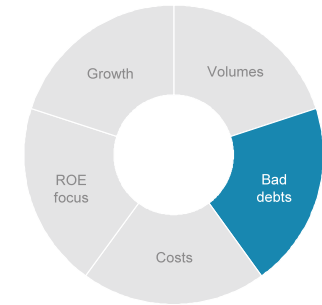
Market share – credit card advances*



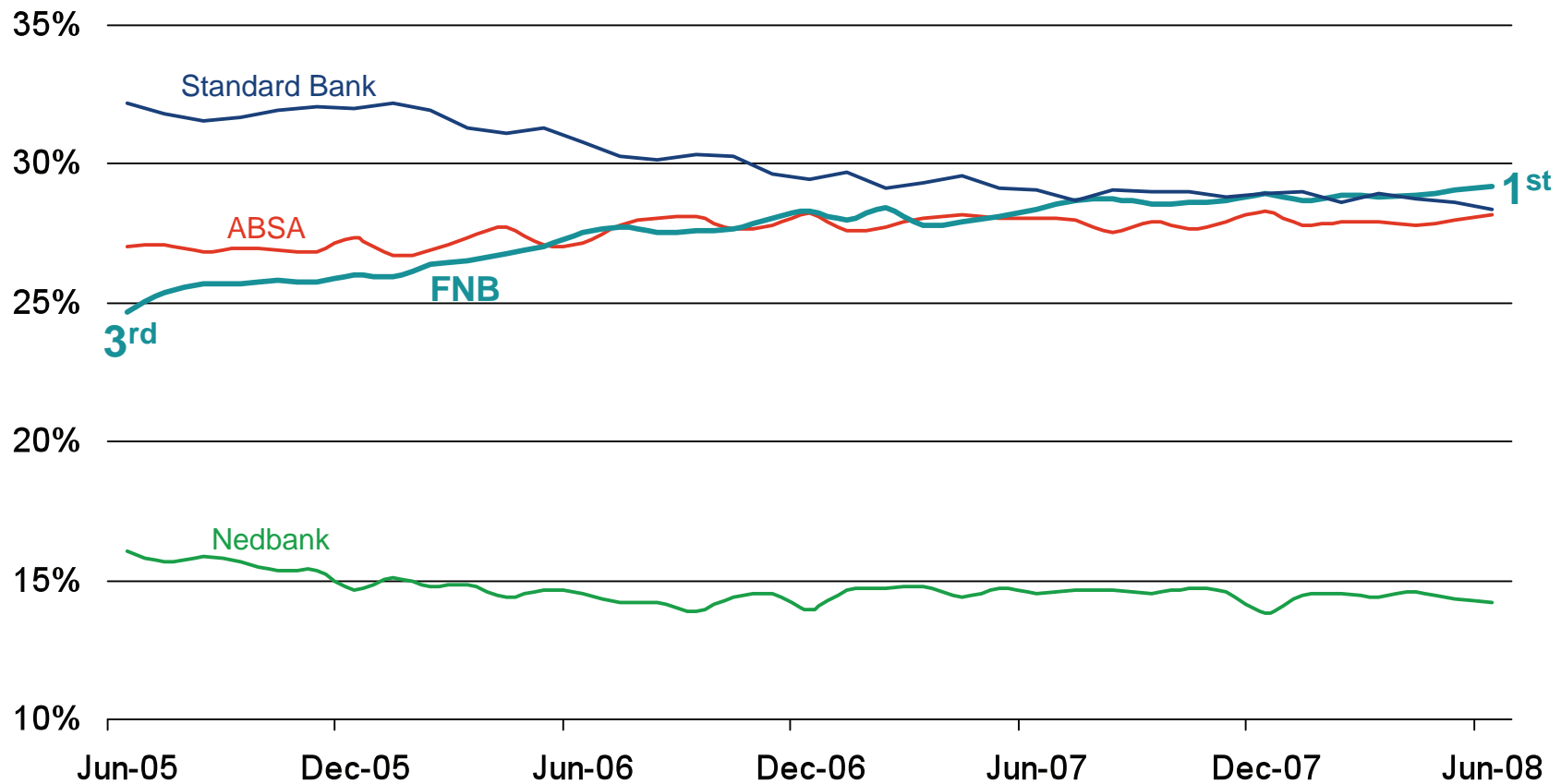
- 10% profit increase
- Collections yielding good results
- Card not only about advances growth, hence increase in market share of card turnover in line with transactional strategy

* Source: SARB BA900s

Bad debts: Focus on growing transactional revenue in Card

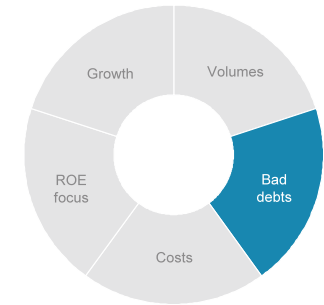


Market share – issuer turnover*

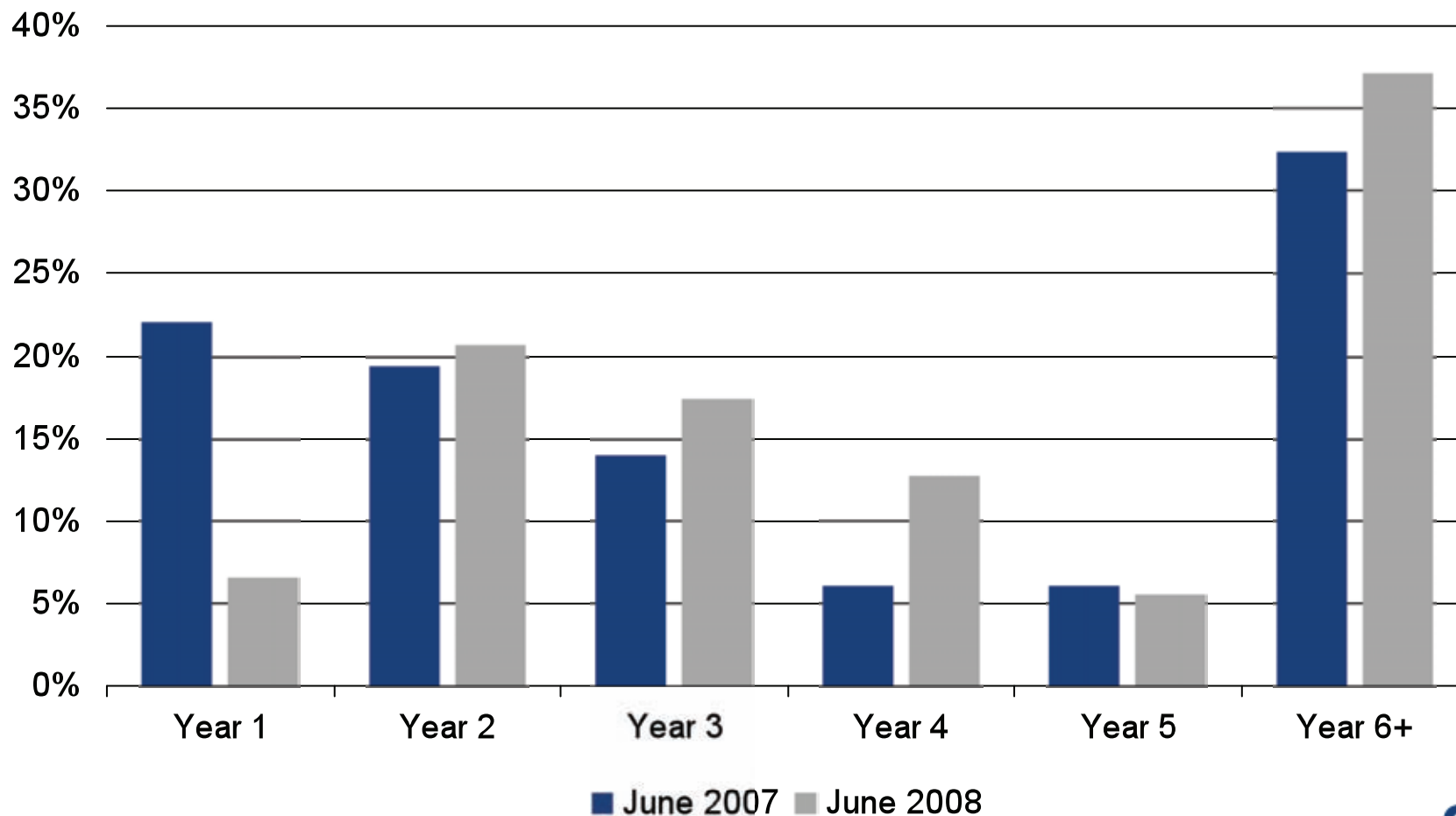


* Source: FNB Card Acquiring

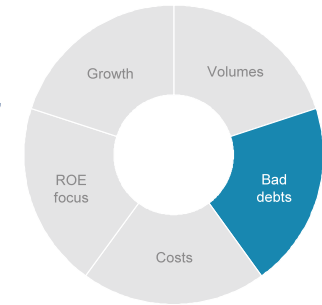
Bad debts: Card new business strain largely out of the system



Percentage of advances by age of book



Bad debts: Disciplined management through tough times

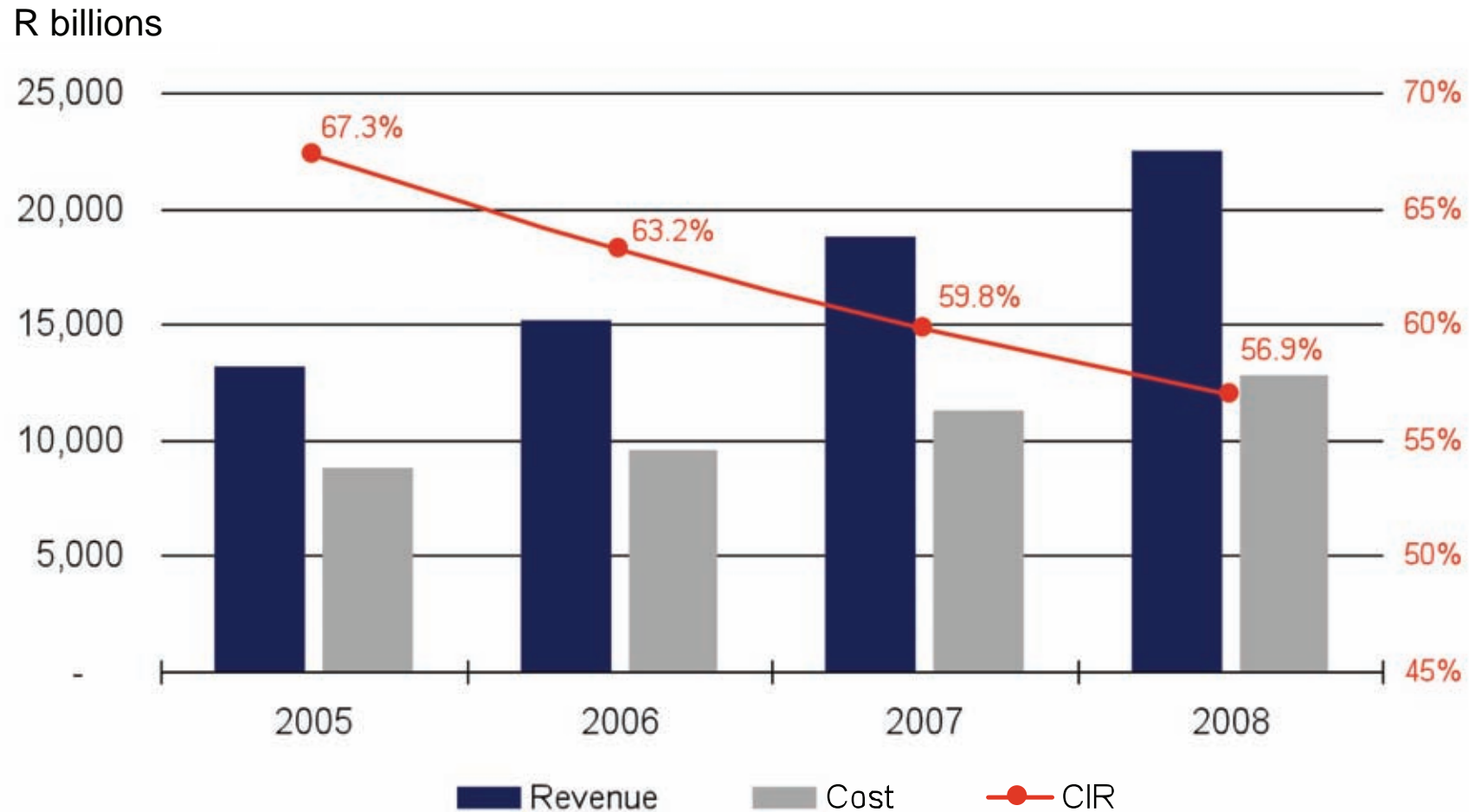


- Tighter affordability criteria
- Focus on FNB Channels and customers for new business
- No aggressive product push
- Reduced LTV and RTI levels on home loans

- Scenario planning
- Stress testing of existing book in line with Group outlook
- Quarterly updating of the affordability model in line with economic outlook

- Capacity
- Technology
- Productivity
- Debt review centre

Costs: Efficiencies of more than 3% per annum achieved



- Cost to income ratio reduction largely driven by revenue growth
- Top line growth under strain, further CIR reduction challenging

Costs: Management approach



- Through the cycle view
- One size doesn't fit all
- Business imperative
- Centrally led, decentralised implementation
- Prepared for risk scenario

Costs: Targeting efficiency



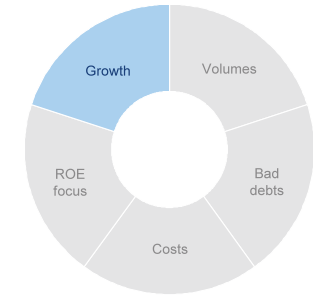
- Selective rationalisation of staff numbers
- Branch optimisation
- Shared services
- Marketing: More bang for less buck
- Increase productivity

ROE focus continues



- Internally our performance is measured in growth in profit **after** cost of capital
- The cost of liquidity and capital has increased
- Credit risk pricing paramount
- International trend: Back to gathering deposits benefiting funding, liquidity and brand

Confident about organic growth opportunities



FNB continues to invest in sustainable growth



- FNB Mozambique is expanding
- FNB Zambia (awaiting Lusaka approval)

FNB continues to invest in sustainable growth



- Investment in physical infrastructure
 - Growth in number, size and quality of branches
 - ATM roll-out
- Innovation
 - Business cellphone banking
 - Cellphone payments at point of sale
 - InContact value added services
 - 2010 promotions
 - Unlimited cheque account option (R66pm)
 - Investments: Flexi Fixed & Restart

FNB prospects – growth will be challenging

- Top line growth will slow in line with economy
- Bad debts will increase even with flat interest rates
- Cost management will only partially compensate
- Competition Commission will gradually impact

- FNB still sees growth runway in SA
 - Organic, infrastructure, innovation
- Investing in Africa

Despite tougher earnings growth environment,
still confident of producing superior ROE through the cycle

08

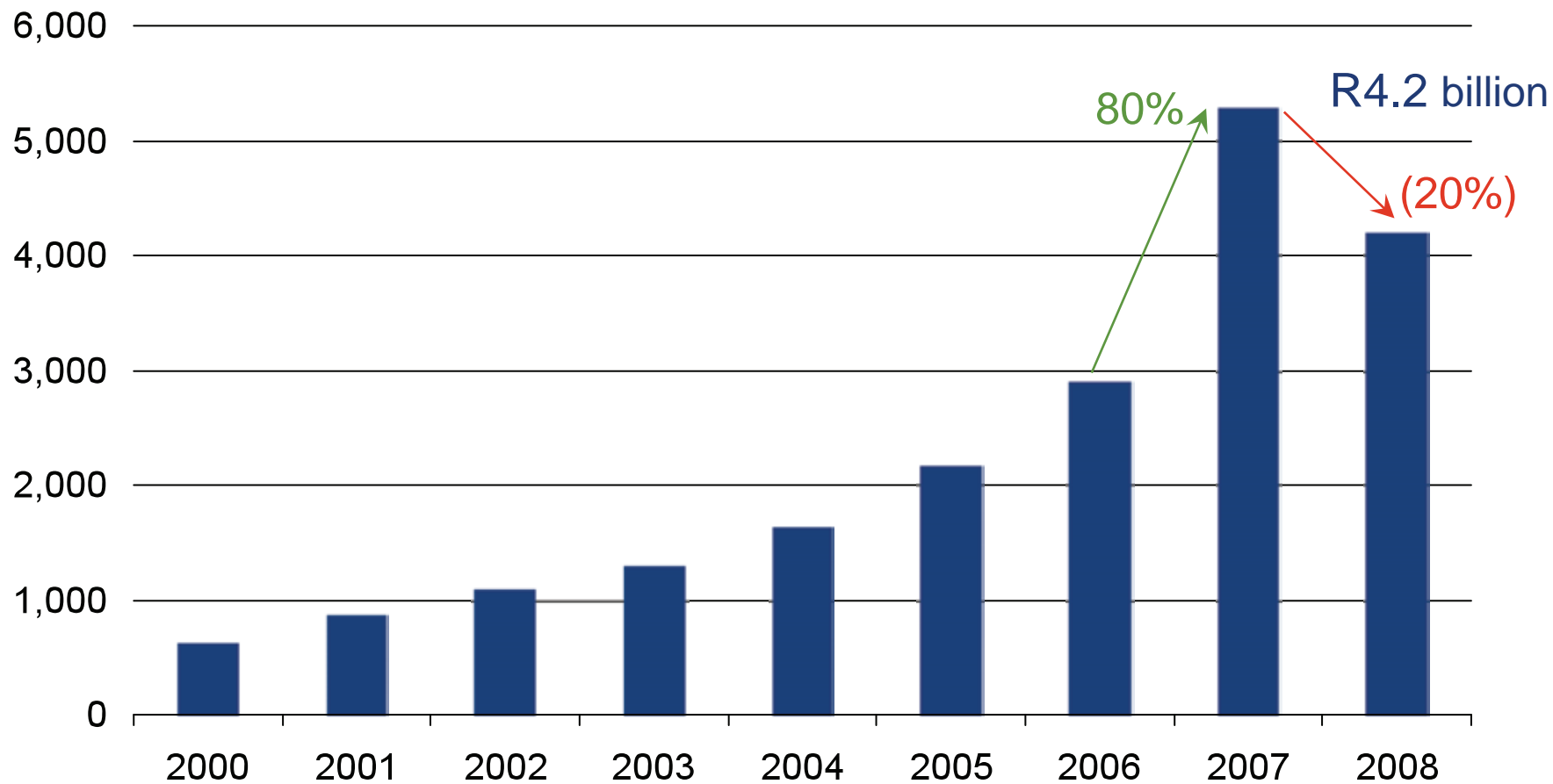
FINANCIAL REVIEW
FOR THE YEAR ENDED 30 JUNE 2008



Second highest earnings

Profit before tax

R millions



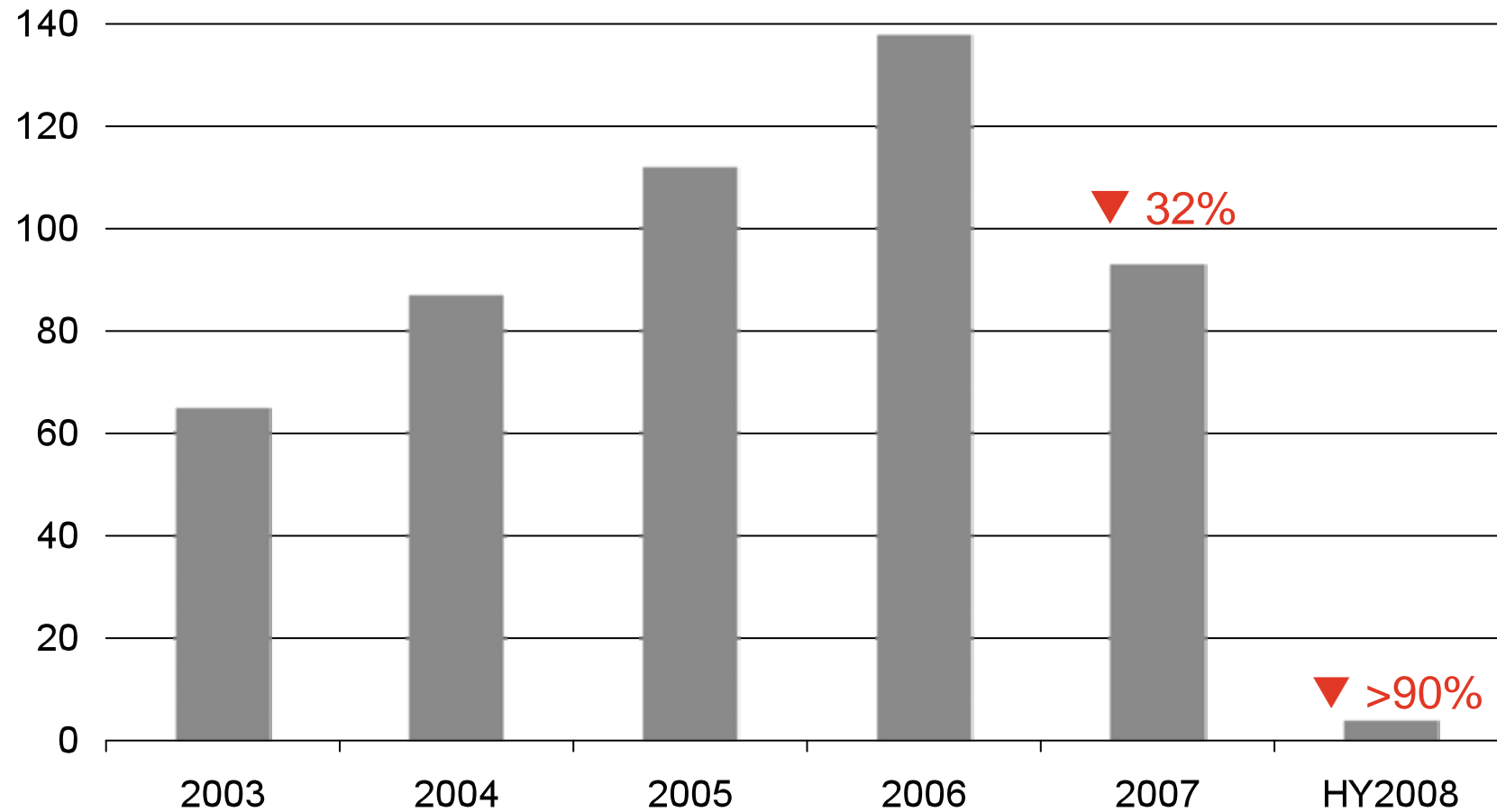
20% decline after an 80% increase

Global banking context

16 Top banks' profit after tax

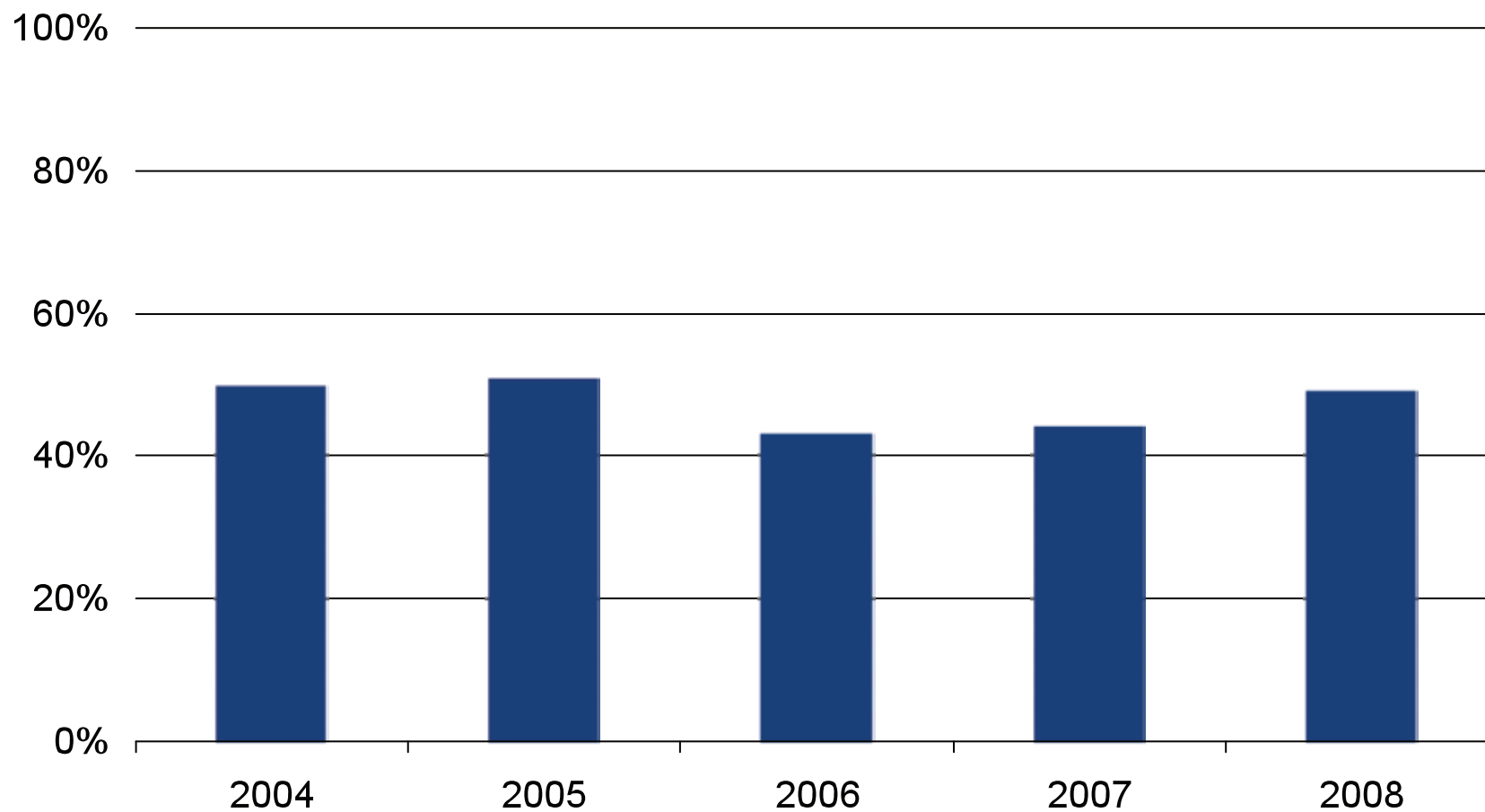
(representing 58% of pre-crisis market capitalisation)

\$ billions



Annuity income

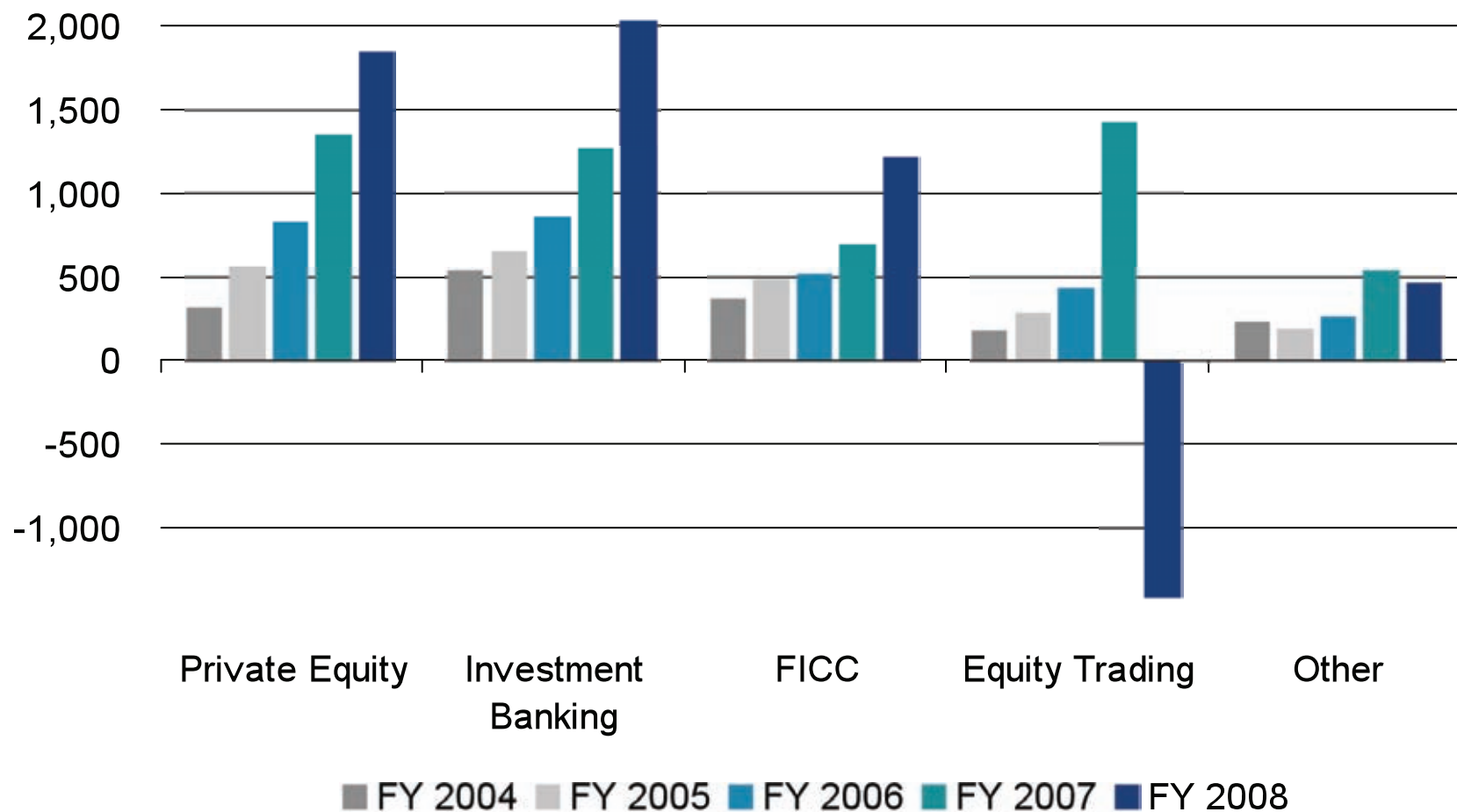
% of revenue



The best of times... the worst of times

Profit before tax

R millions



The worst of times

Equity Trading crash

Losses

- Total R1.4 billion
- Dublin \$268 million (R1.9 billion)

Second half

- No visibility of realisation of inherent value
- Assessed loss write-down
- Local decline

Lessons learnt

- Too big
- Too concentrated (style)
- Underestimated liquidity crunch
- Too slow to sell down

Current position

- Reduced positions to <5%

Way forward

- Refocusing business (less risk more annuity)

Extremely painful mistake

The best of times... Investment Banking

Fantastic deal record this year...across all sectors

Resources	Telcos	BEE	LBOs	Transport & logistics	Property & infrastructure
					
					
					

PBT growth of 64% to R2.1 billion

The best of times...

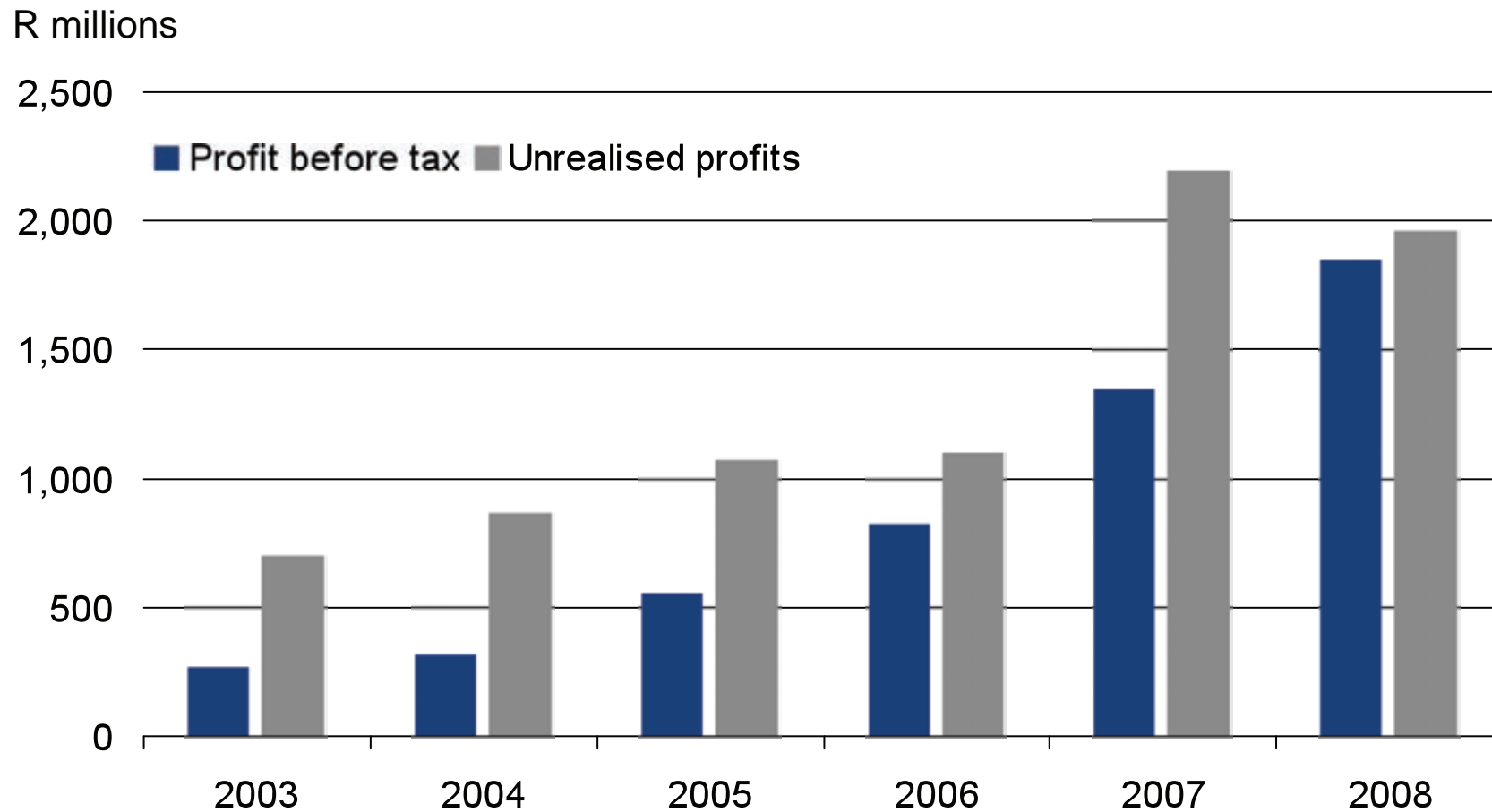
Fixed Income, Currencies & Commodities

- Record year taking advantage of...
 - Volatile & trending markets
 - >50% increase in client flows
- Big driver was Fixed Income
- Giant strides in Debt Capital Markets
 - R107 billion distributed

PBT growth of 76% to R1.2 billion

The best of times...

Private Equity

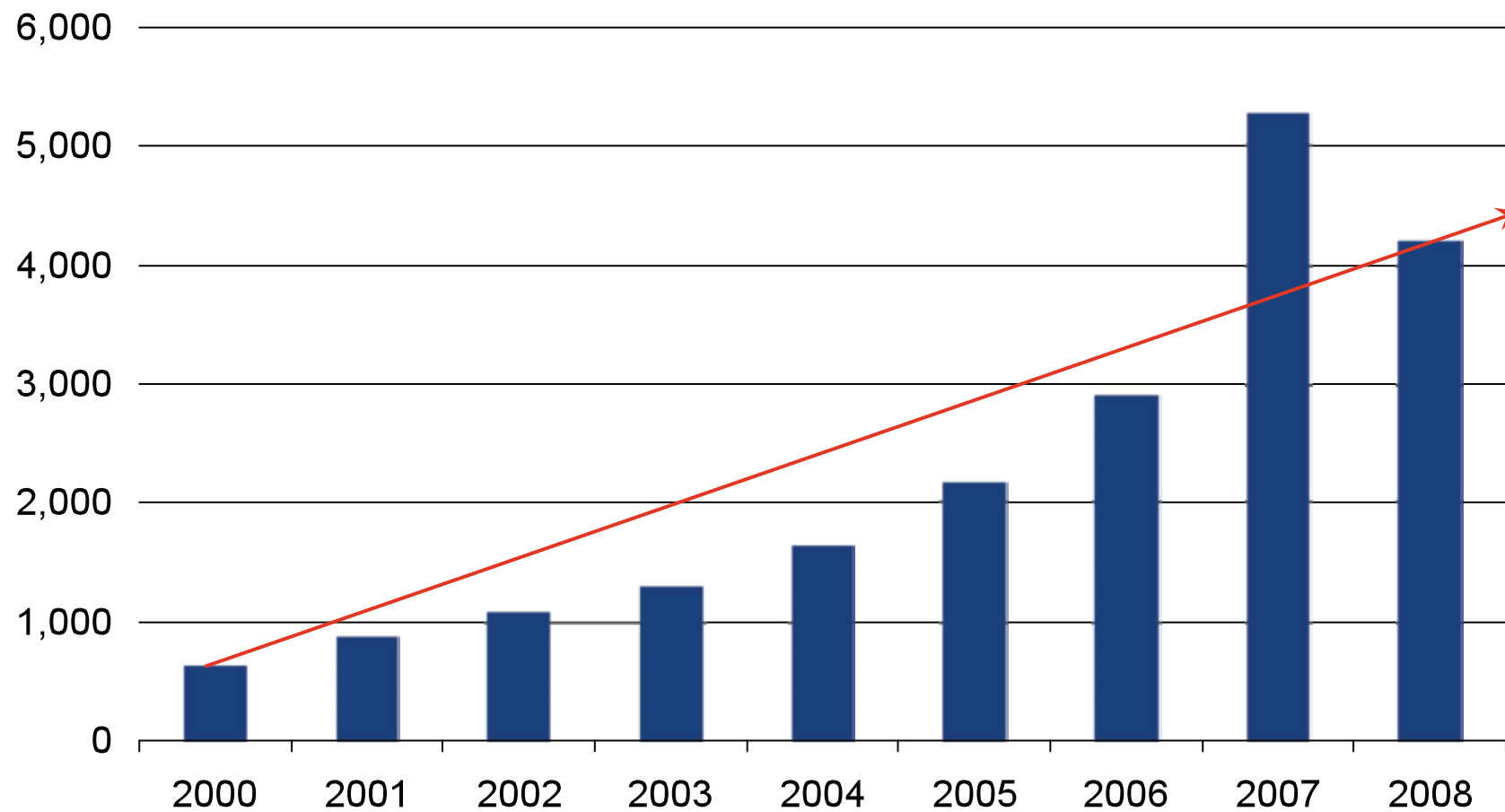


PBT growth 37% to R1.8 billion, unrealised profits = R2 billion

Into a new era

Profit before tax

R millions



Into a new era

Platform for growth...

- Annuity income
- Solid risk management
- Diverse portfolio

Diverse portfolio

Equity Trading

- Difficult Markets but losses not to be repeated

FICC

- Healthy client flows

Investment Banking

- Strong annuity income & solid deal pipeline

Private Equity

- Two realisations complete & associate income

...but all have challenging bases

Into a new era

Platform for growth...

- Annuity income
- Solid risk management
- Diverse portfolio
- Top people
- Sound leadership team
- Good reputation

Good reputation



Best Investment Bank in South Africa

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The logo for WesBank, featuring a stylized 'W' with a yellow and orange gradient, followed by the word 'WesBank' in a teal sans-serif font.

A division of FirstRand Bank Ltd.

Tough year in instalment finance

Profit before tax (R millions)	June '08	June '07	% change
Local	918	1 519	▼ (40)
International	(184)	(149)	▼ (23)
WesBank	734	1 370	▼ (46)

Unpacking local performance

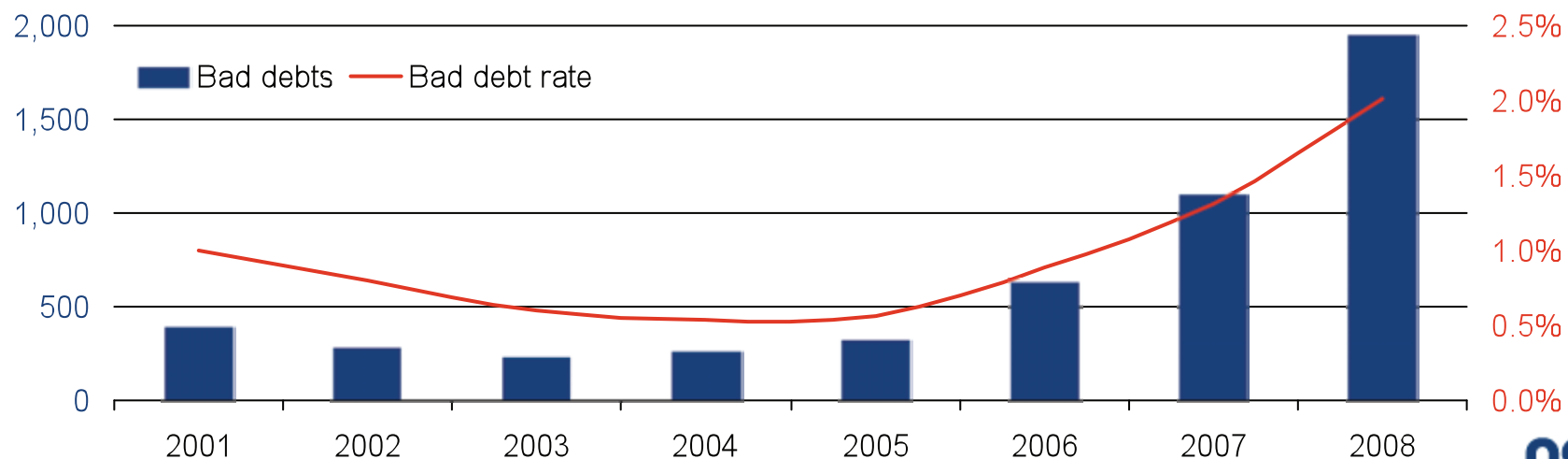
R millions	June '08	June '07	% change	
Net interest income after impairments	1 631	2 411	▼	(32)
Net interest income	3 577	3 507	▲	2
Credit impairment charge	(1 946)	(1 096)	▲	(78)
Non interest revenue	2 092	1 768	▲	18
Operating expenses	(2 681)	(2 555)	▲	(5)

Impact of the cycle

- Negative gearing
 - High bad debts
 - Arrears and provisions at high levels
 - Security realisation values down
 - Reduction in bad debt recoveries
 - Advances growth slowed significantly
 - Retail new business production down 18%
 - Total new business production down 11.5%

Bad debt charge

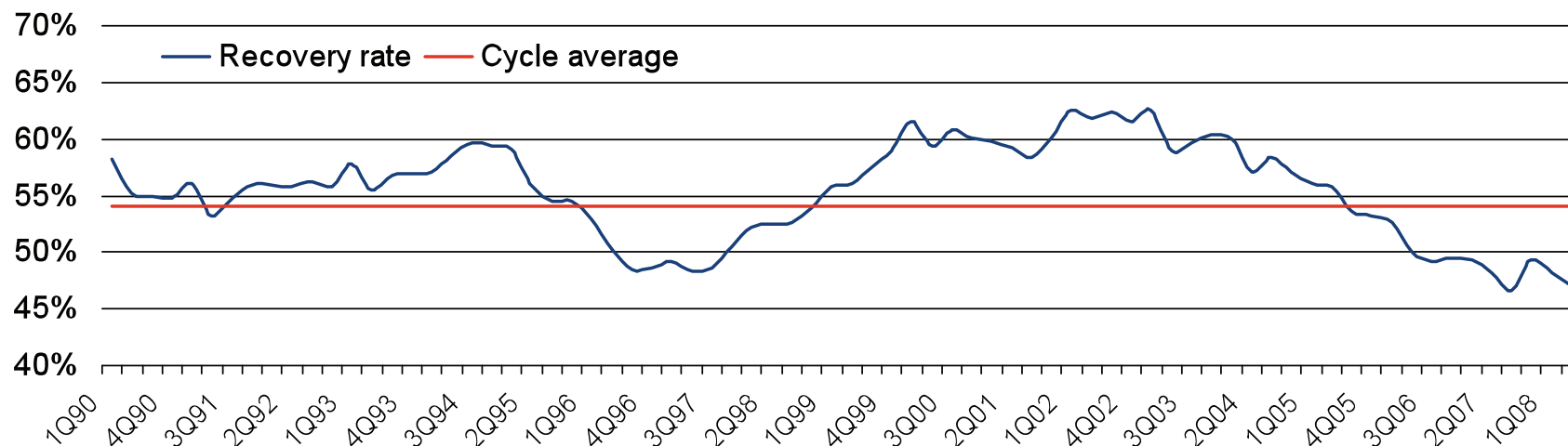
R millions



Impact of the cycle

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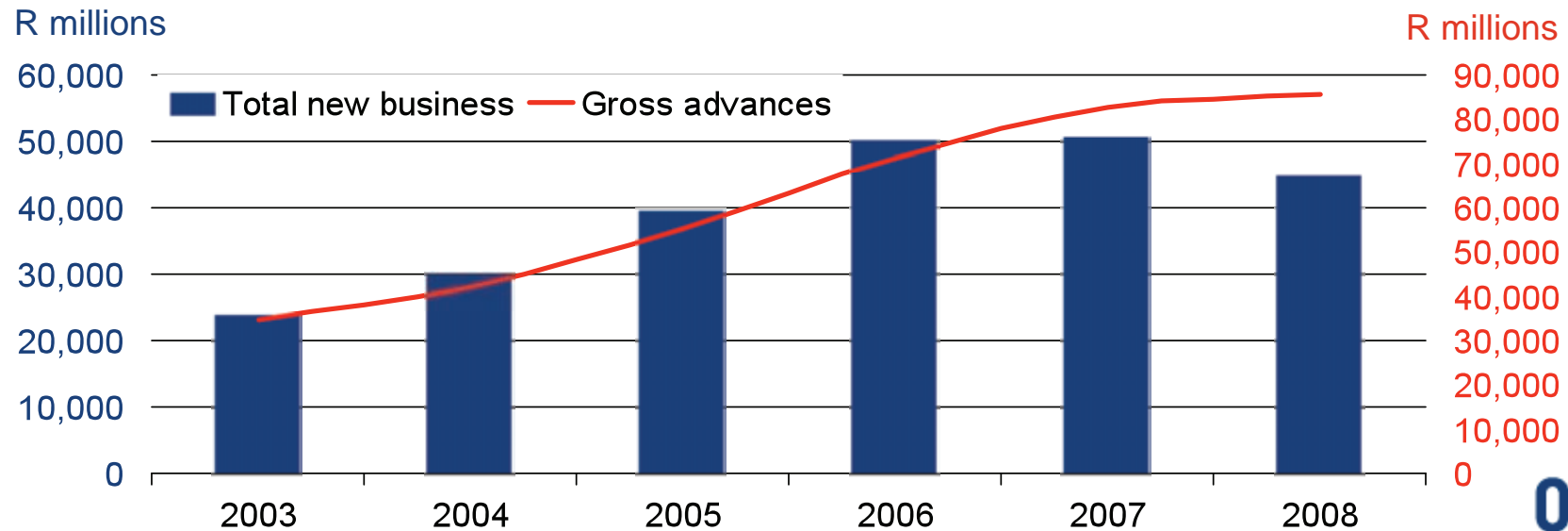
Repo recovery rate



Impact of the cycle

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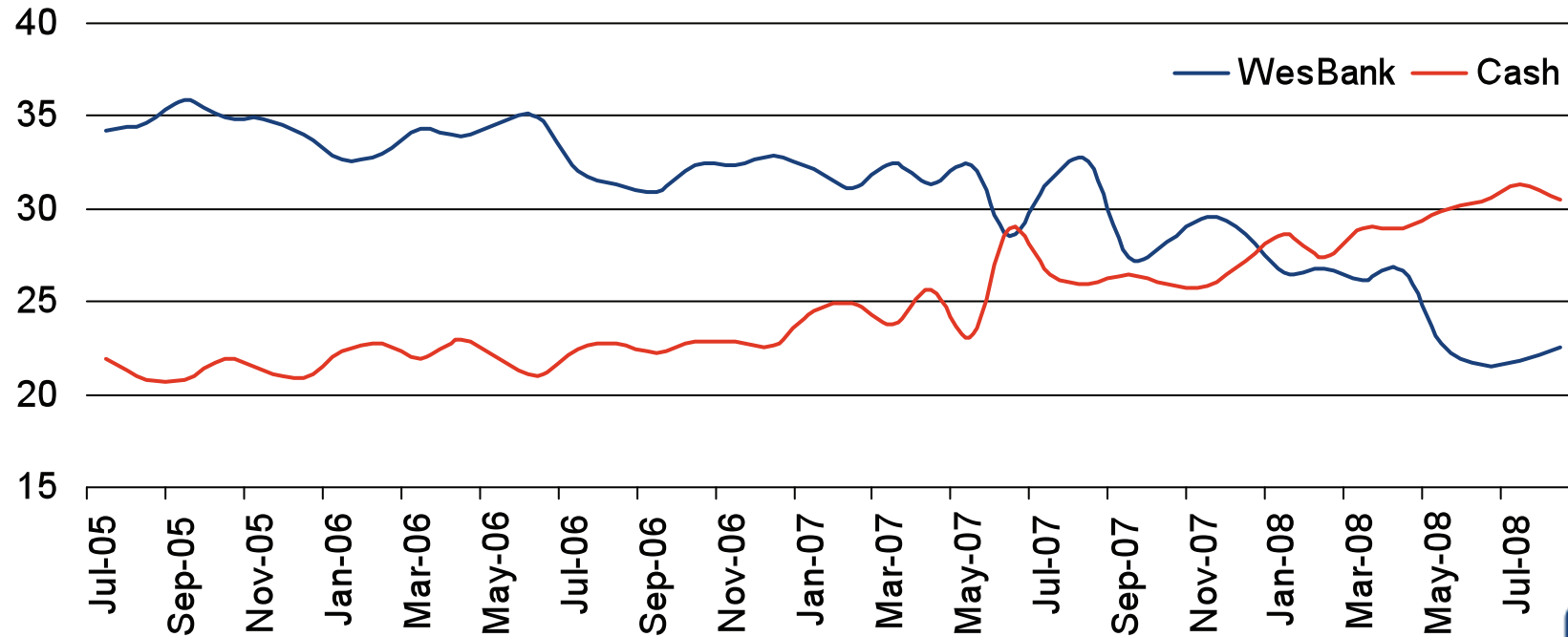
New business production



Managing the book through the cycle

- Early tightening of score cards throughout the cycle based on economic outlook
 - Planned decrease in new business
 - Reduction in market share
 - Balanced with defence of origination platform (dealer network)

New business market share (%)



Managing the book through the cycle

- Early tightening of score cards throughout the cycle based on economic outlook
 - Planned decrease in new business
 - Reduction in market share
 - Balanced with defence of origination platform (dealer network)
- Continued investment in collections
- Underlying credit quality improving from Q3 of FY09
- Prudently provided
- Internal focus on costs and efficiencies
- Increased funding costs negated by appropriate pricing

International strategy

- Why international expansion?
 - Approaching market share ceiling locally
 - Exportability of competitive advantage in certain markets
 - Medium-term revenue diversification strategy

Australian experience

- WorldMark (private equity investment) has a distribution network of motor dealers
- WesBank's objective was to provide vehicle finance leveraging this network
- Market tougher than anticipated
- The advances book was to be funded through securitisation (similar to GE Finance, General Motors Finance, BMW Financial Services)
- On collapse of the securitisation market, decision to exit was taken quickly
- WorldMark then became non-core, and decision was taken to sell
- **Progress on sale**
 - Motor One auto loan book – unconditional sale signed (discount of 5.8% / A\$17m)
 - WorldMark and personal loans book sales in progress
 - Profits generated from the WorldMark sale are expected to exceed the losses incurred on the sale of the advances books

Carlyle (UK)

- Difficult economic climate
- Monthly operating profit achieved
- Established business and brand
- Funding and scale remain the challenge

Prospects – international

- Wrap up Australian exit
- Turnaround of Carlyle to continue
- Brazil

Prospects – local

- Challenging times to continue until Q3 of FY09
- Origination platform not eroded – footprint remains
- Consistent strategy
- Efficient business
- Increasing contribution from non-lending operations
- Arrears showing signs of easing

Well positioned when cycle turns

08

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momentum

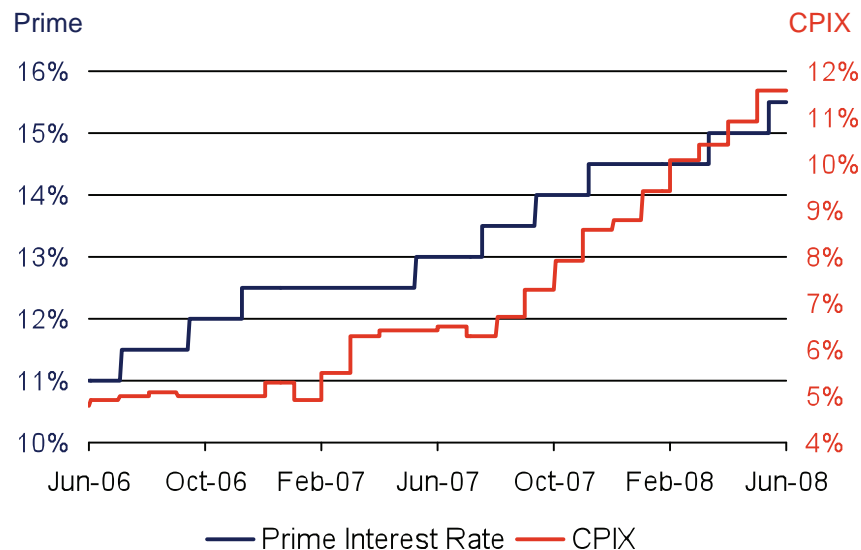
Financial highlights

	June '08	June '07	% change
Normalised earnings (Rm)	2 004	1 668	▲ 20
Return on equity (%)	30	25	▲
Insurance new business (Rm)	28 873	20 651	▲ 40
Value of new business (Rm)	590	518	▲ 14

Challenging operating environment



- Volatile capital markets
- Pressure on asset value growth
- Impact on fee income
- Reduction in embedded value profit



- Pressure on disposable income
- Slowing new business growth
- Increase in lapses and surrenders
- Increase in costs

Momentum in the cycle

Protection through the cycle

```
graph TD; A[Protection through the cycle] --> B[High income segment focus, Exceptional risk experience, Capital not exposed to equity markets]; A --> C[Strong new business initiatives, Bancassurance delivers strong growth, Maintain new business margin];
```

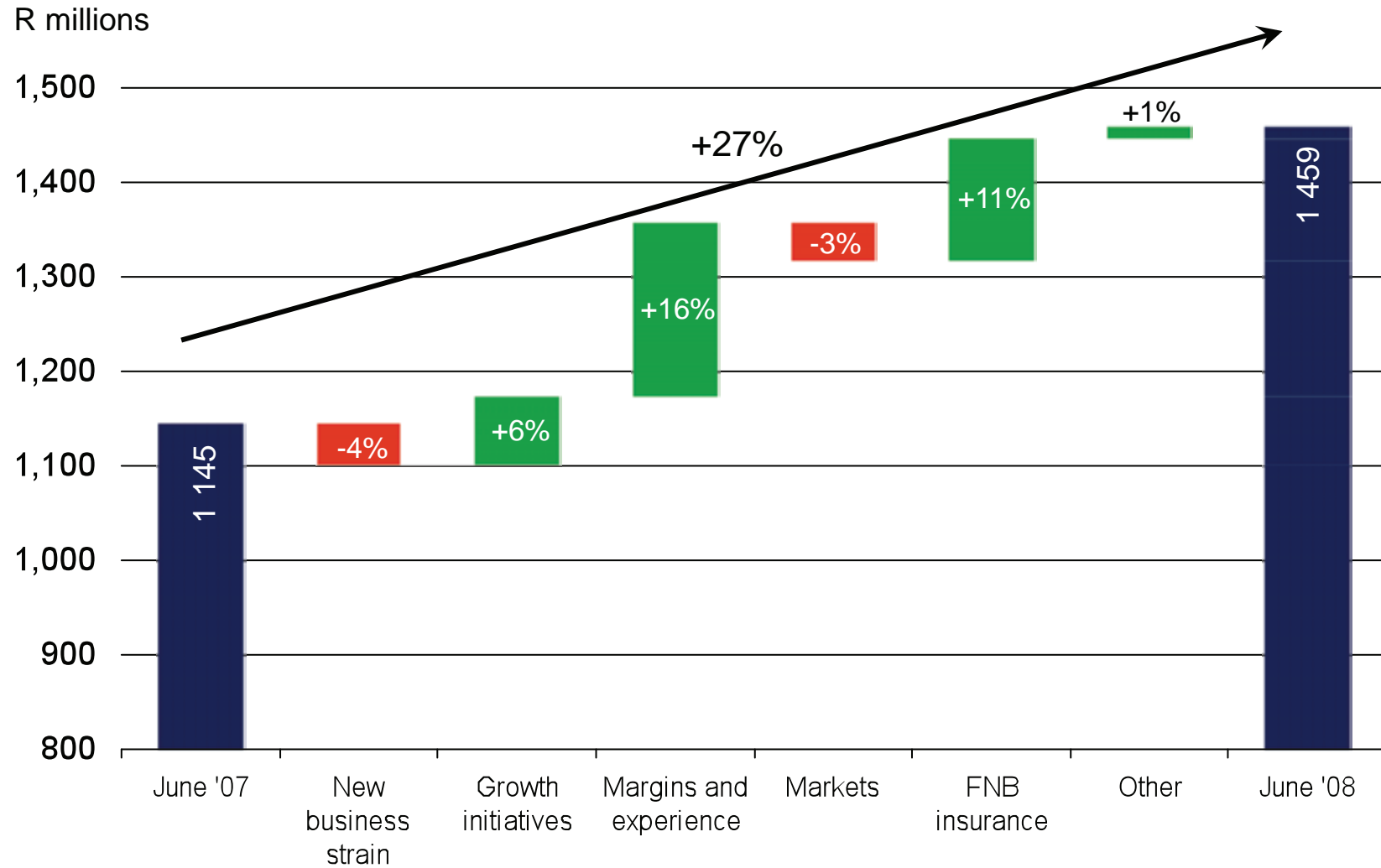
- High income segment focus
- Exceptional risk experience
- Capital not exposed to equity markets

- Strong new business initiatives
- Bancassurance delivers strong growth
- Maintain new business margin

Strong operational performance

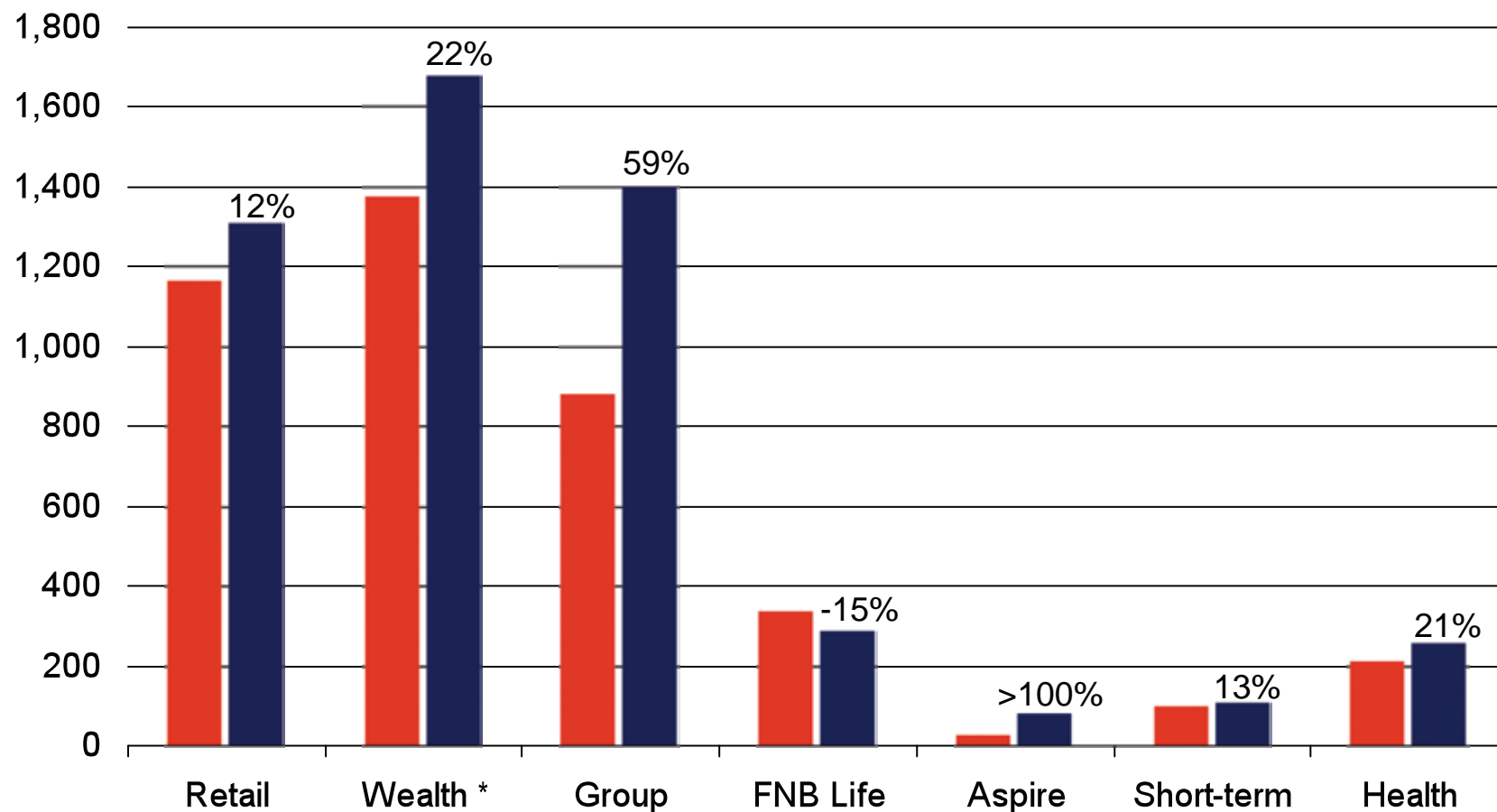
	June '08	June '07	% change
Insurance	1 459	1 145	▲ 27
Momentum insurance	1 184	1 000	▲ 18
FNB insurance	275	145	▲ 90
Asset management	282	326	▼ (13)
Group operating profit	1 741	1 471	▲ 18
Investment income	263	197	▲ 34
Normalised earnings	2 004	1 668	▲ 20

...driven by insurance operations



Strong new business growth across insurance product lines

APE (R millions)



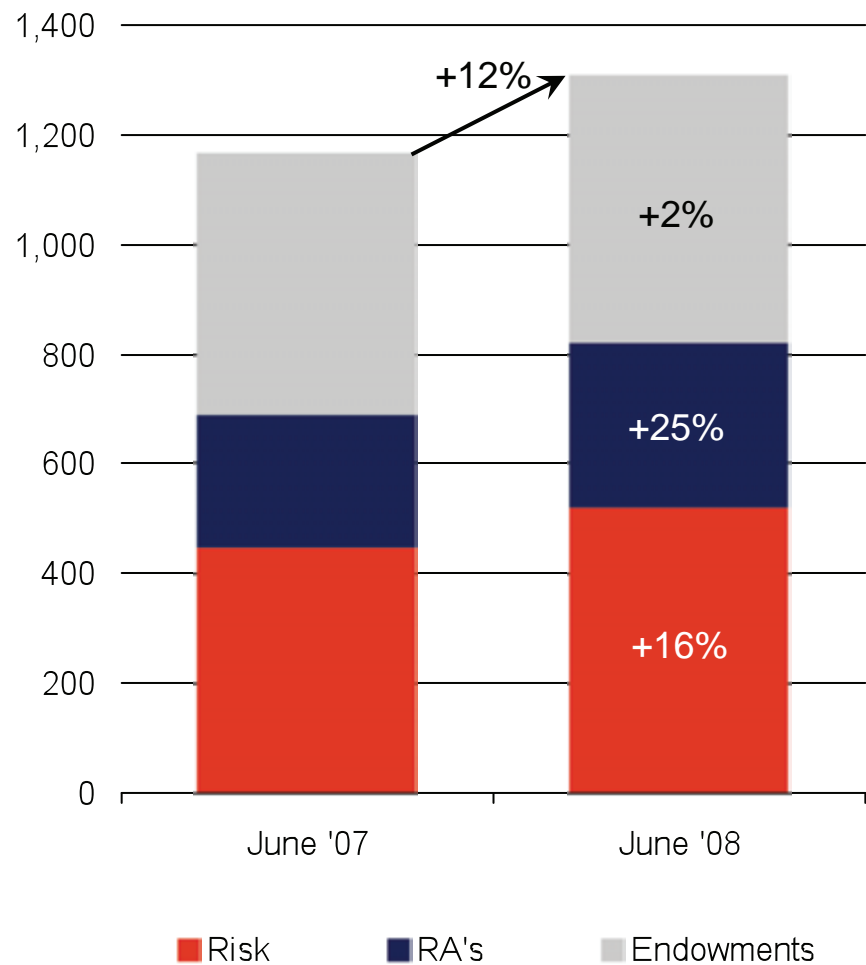
* Excludes RMB Asset Management

■ 2007 ■ 2008

08m

Risk continues to drive retail business

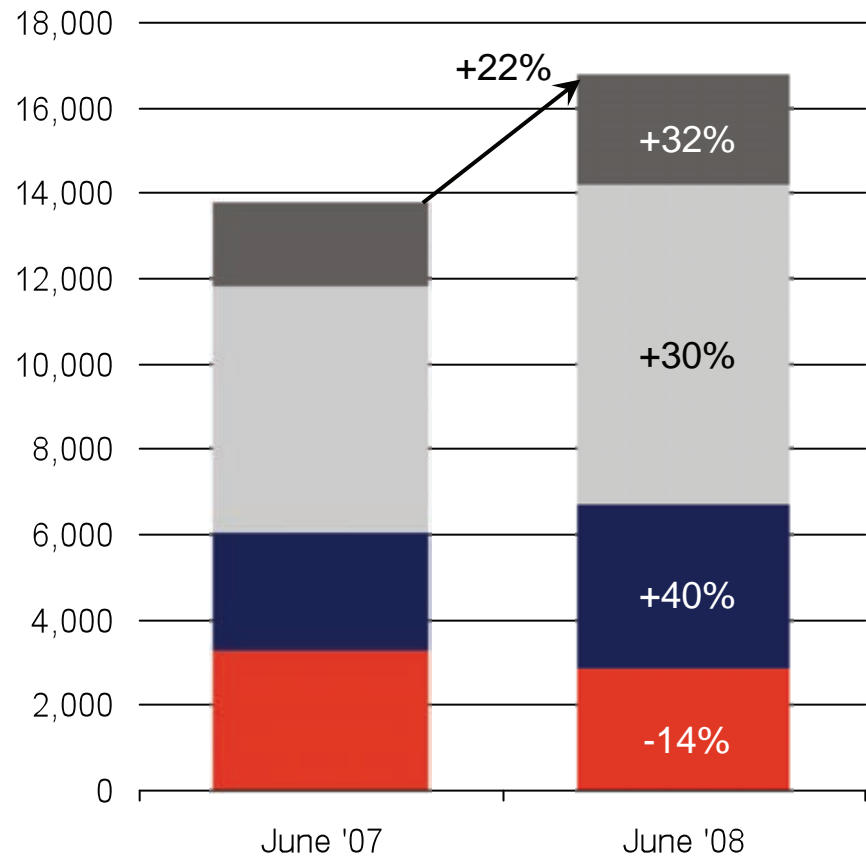
API (R millions)



- Growth maintained despite affordability concerns
- Product innovation
- Change in product mix
- Full impact of pressure on disposable income not felt yet

Strong growth in wealth business

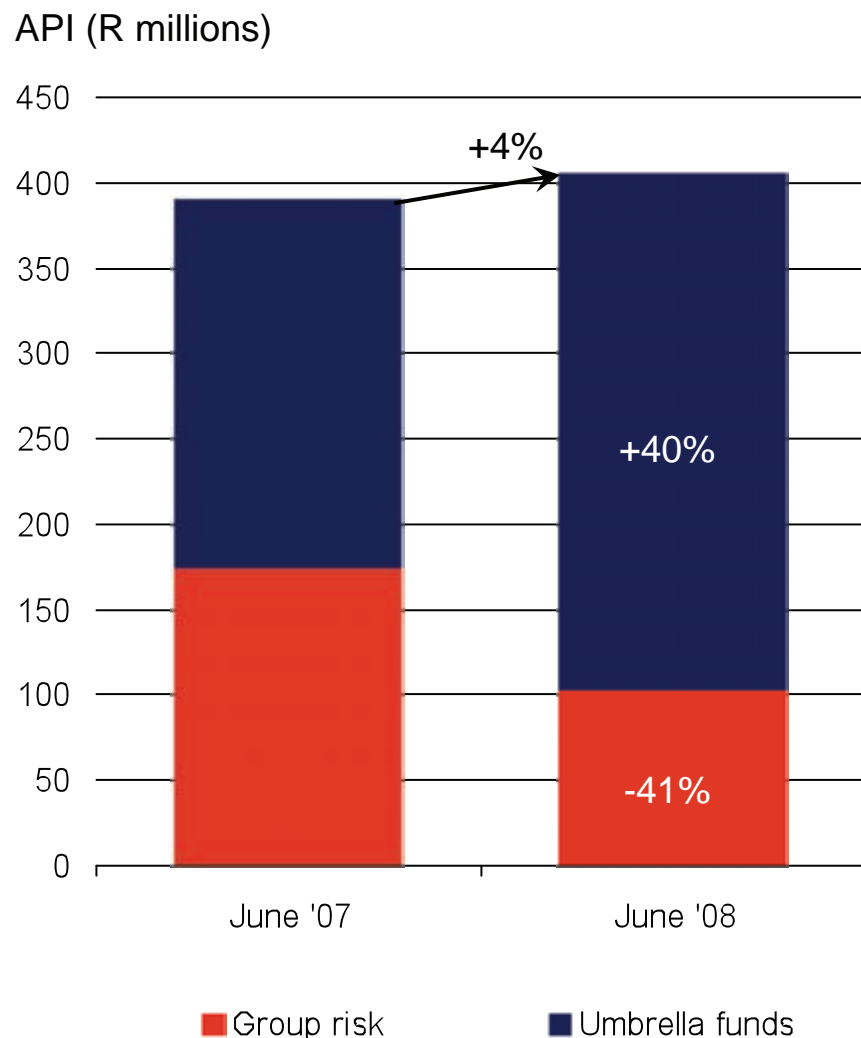
APE (R millions)



■ Endowments ■ Annuities
■ Linked products - local ■ Linked products - offshore

- Demand for foreign investments
- Open architecture assists with retention
- Collaboration benefits
- Product innovation
- Technology enhancement

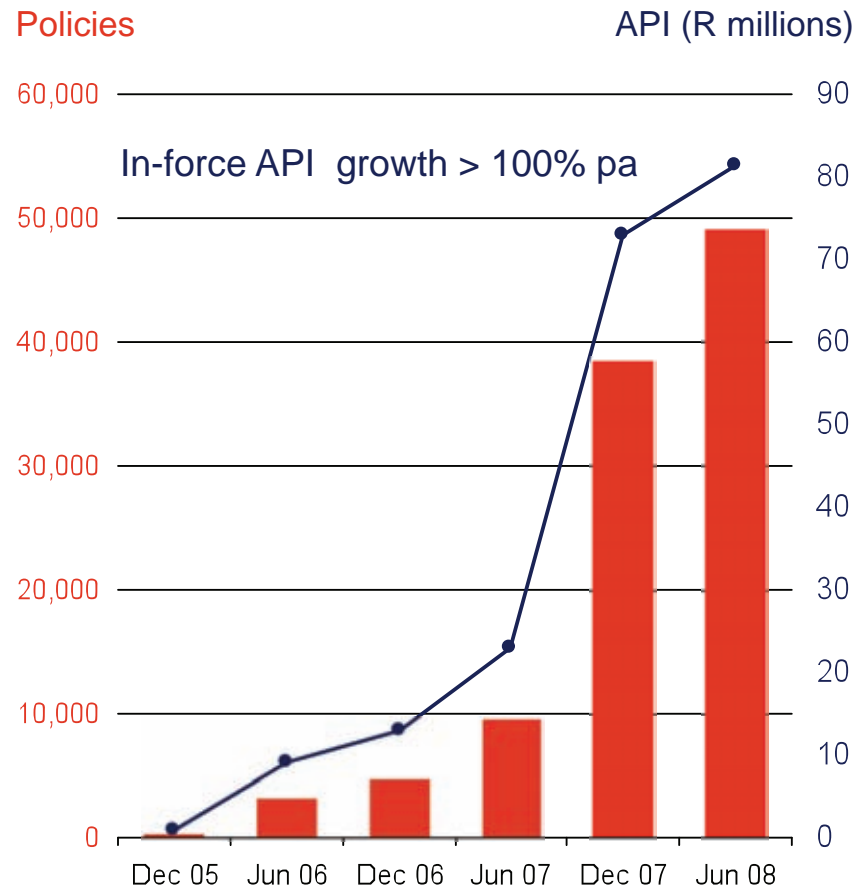
Umbrella funds drive group recurring new business



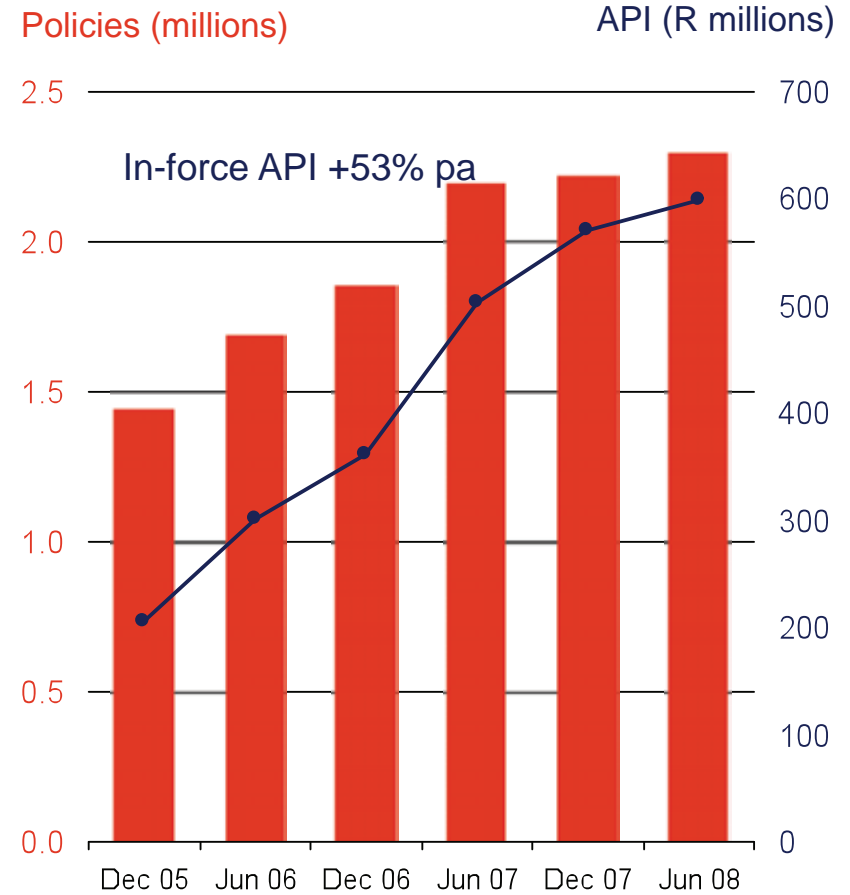
- Group risk market remains highly competitive
- Umbrella funds
 - Strong recurring growth
 - Growth in broker footprint
 - Up and cross-sell initiatives

Significant contribution from FNB collaboration

Aspire

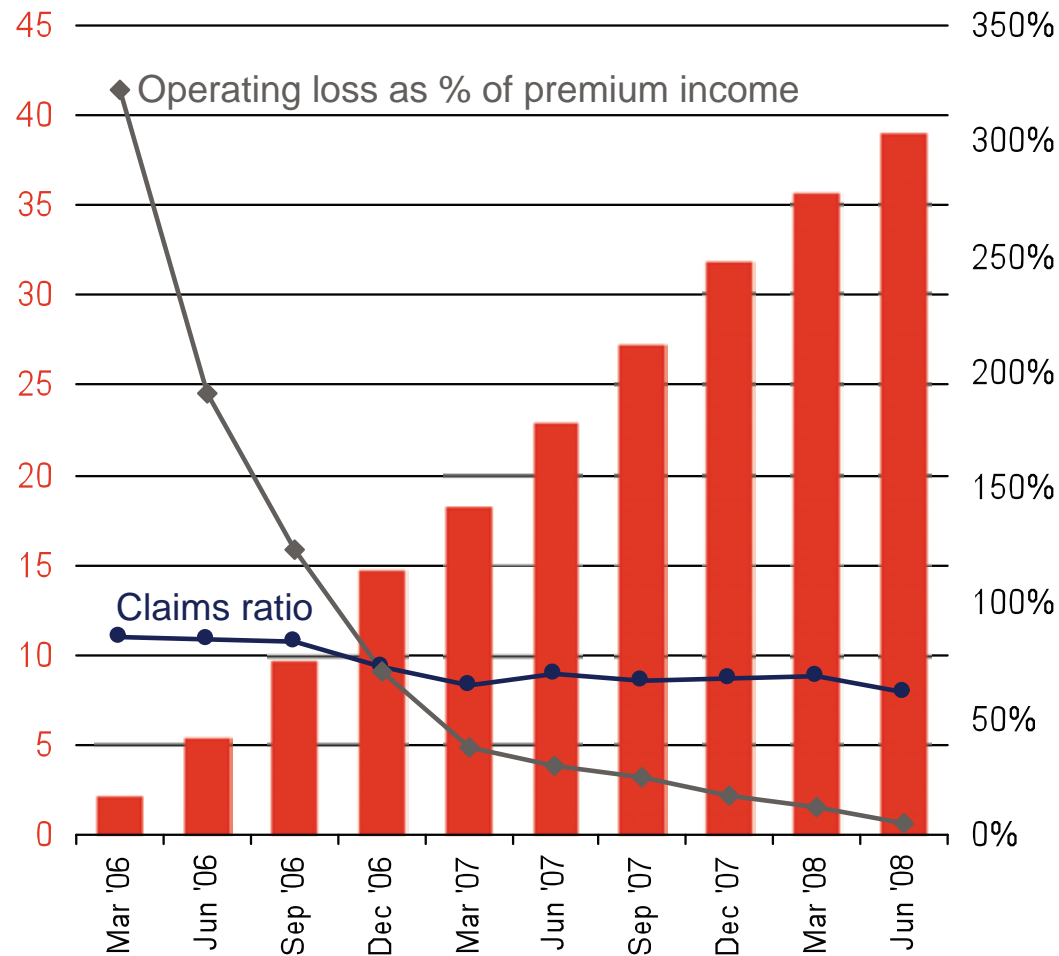


FNB Life



Short-term insurance at breakeven

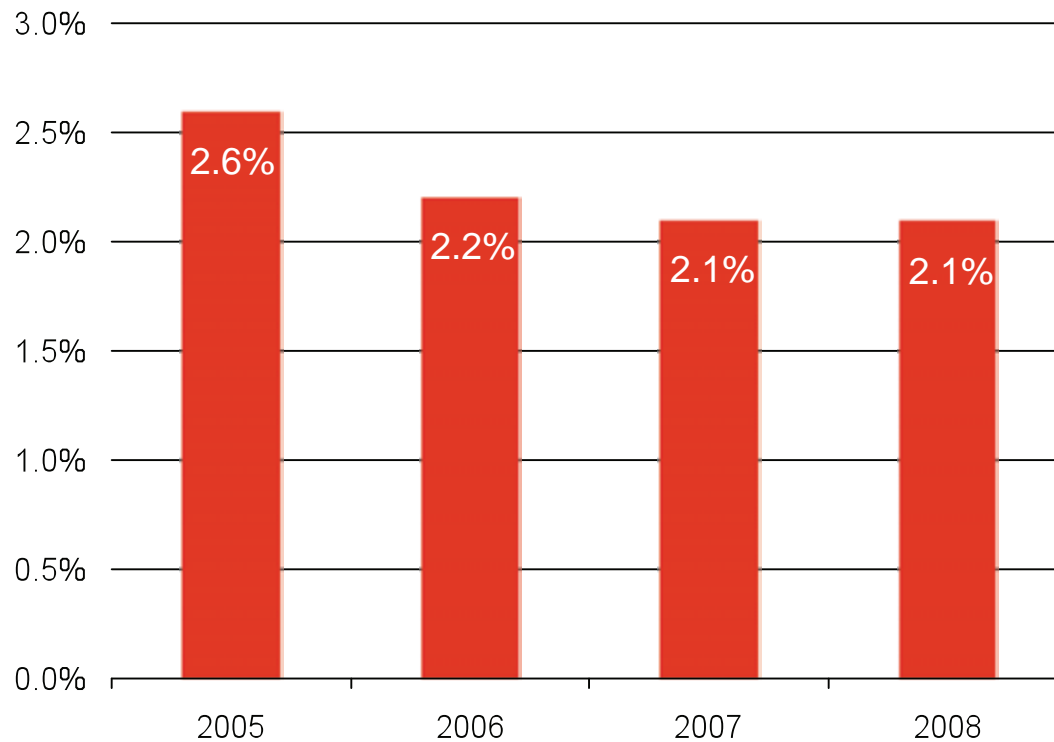
Gross earned premium (R millions)



- Month-on-month breakeven achieved
- Positive trends in all key indicators

Margins maintained

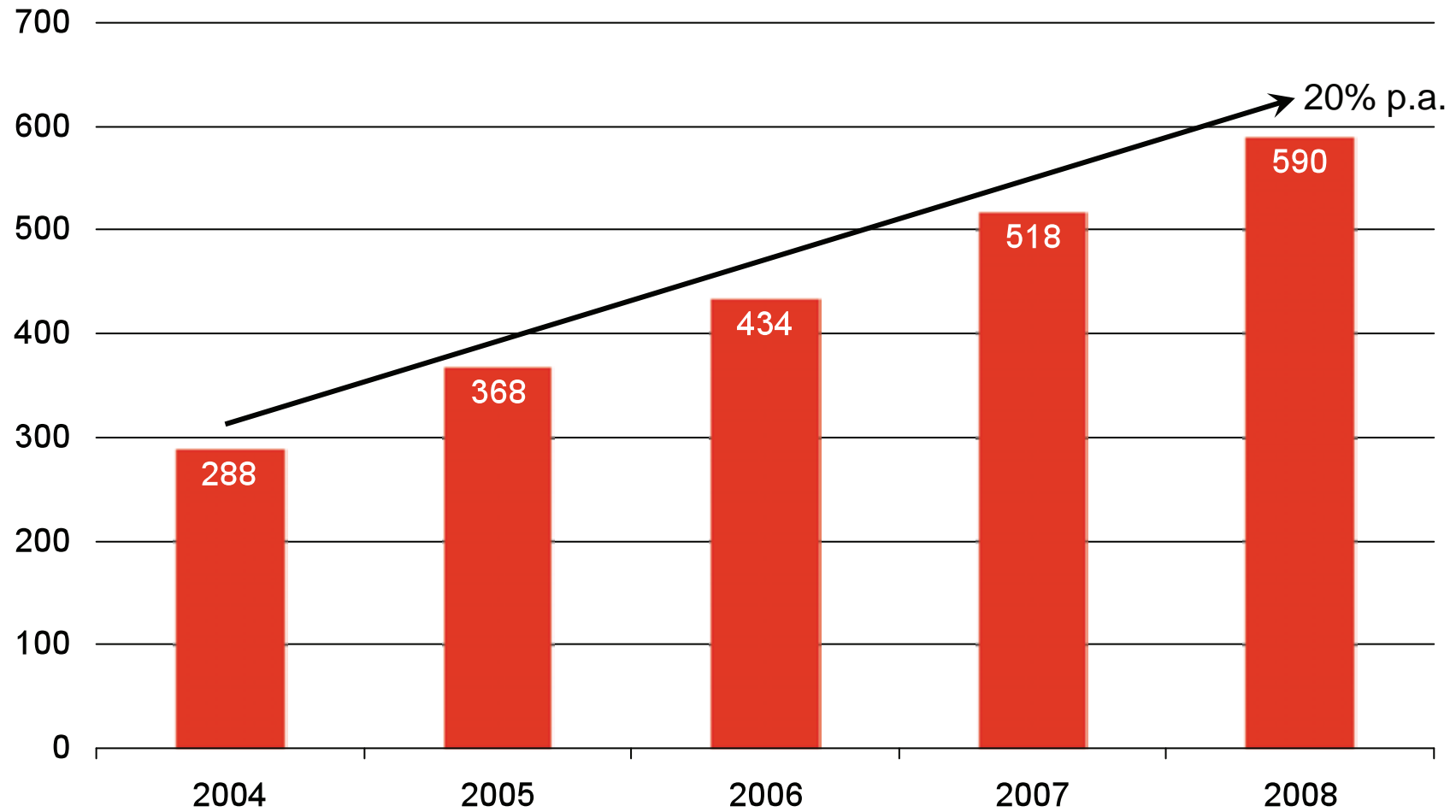
Value of new business as % of PV of future premiums



- Retail benefited from different new business mix
- Higher margins in new segments
- Margins maintained despite some negative impacts
 - Margin pressure in group risk business
 - Increase in risk discount rate

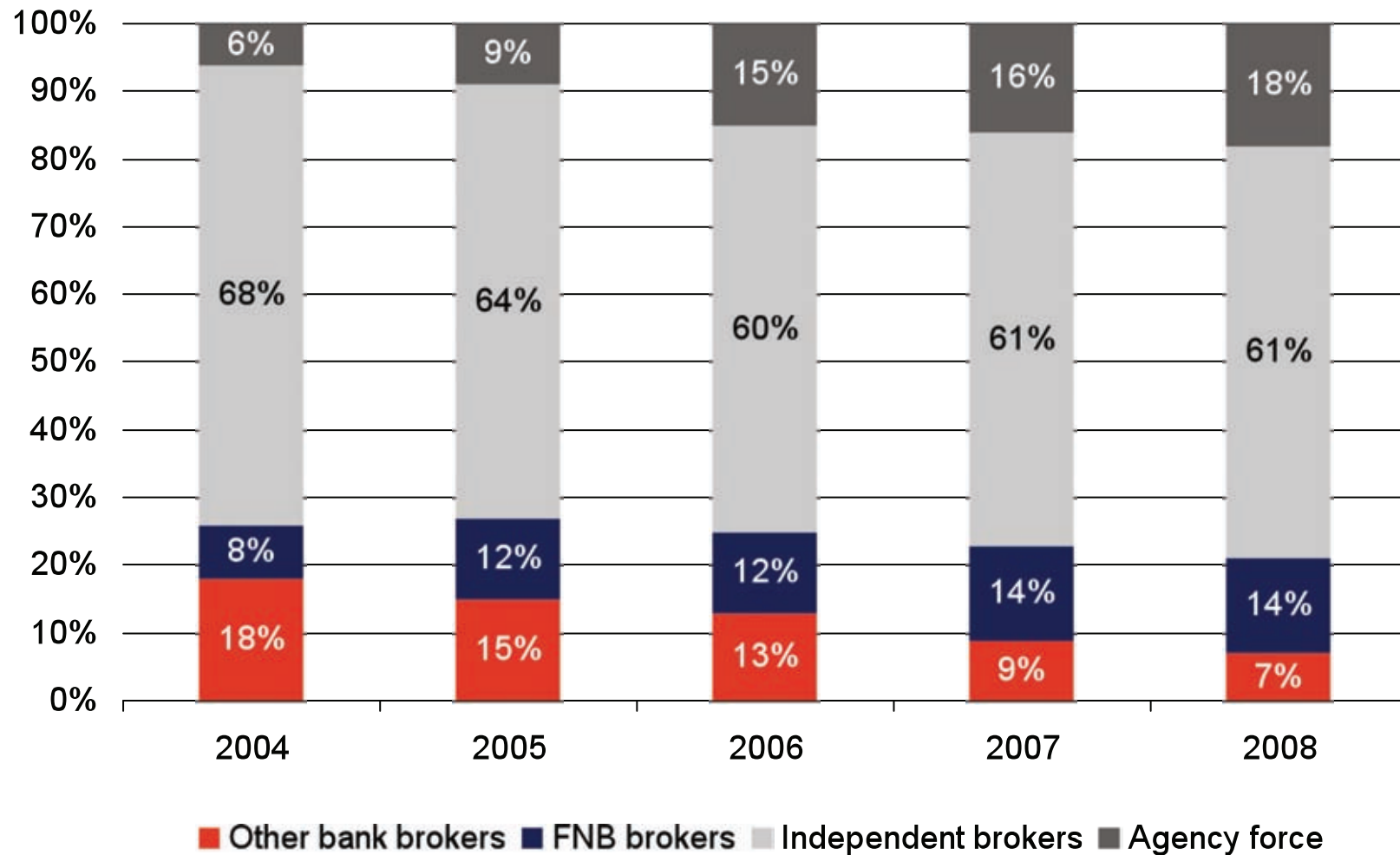
Sustained growth in value of new business

R millions

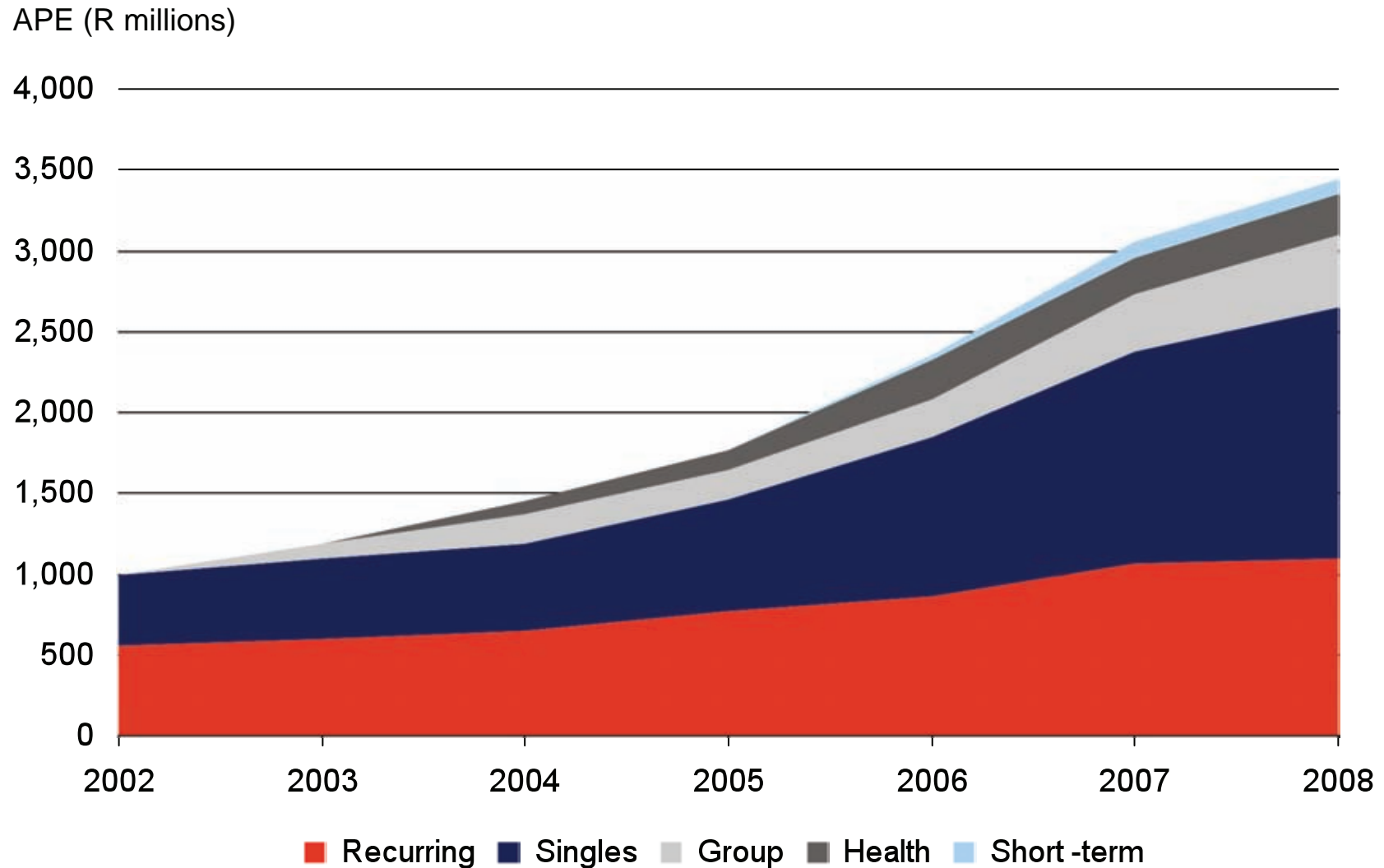


Helped by growing channel diversification

Contribution to Momentum sales APE



...and continued product diversification

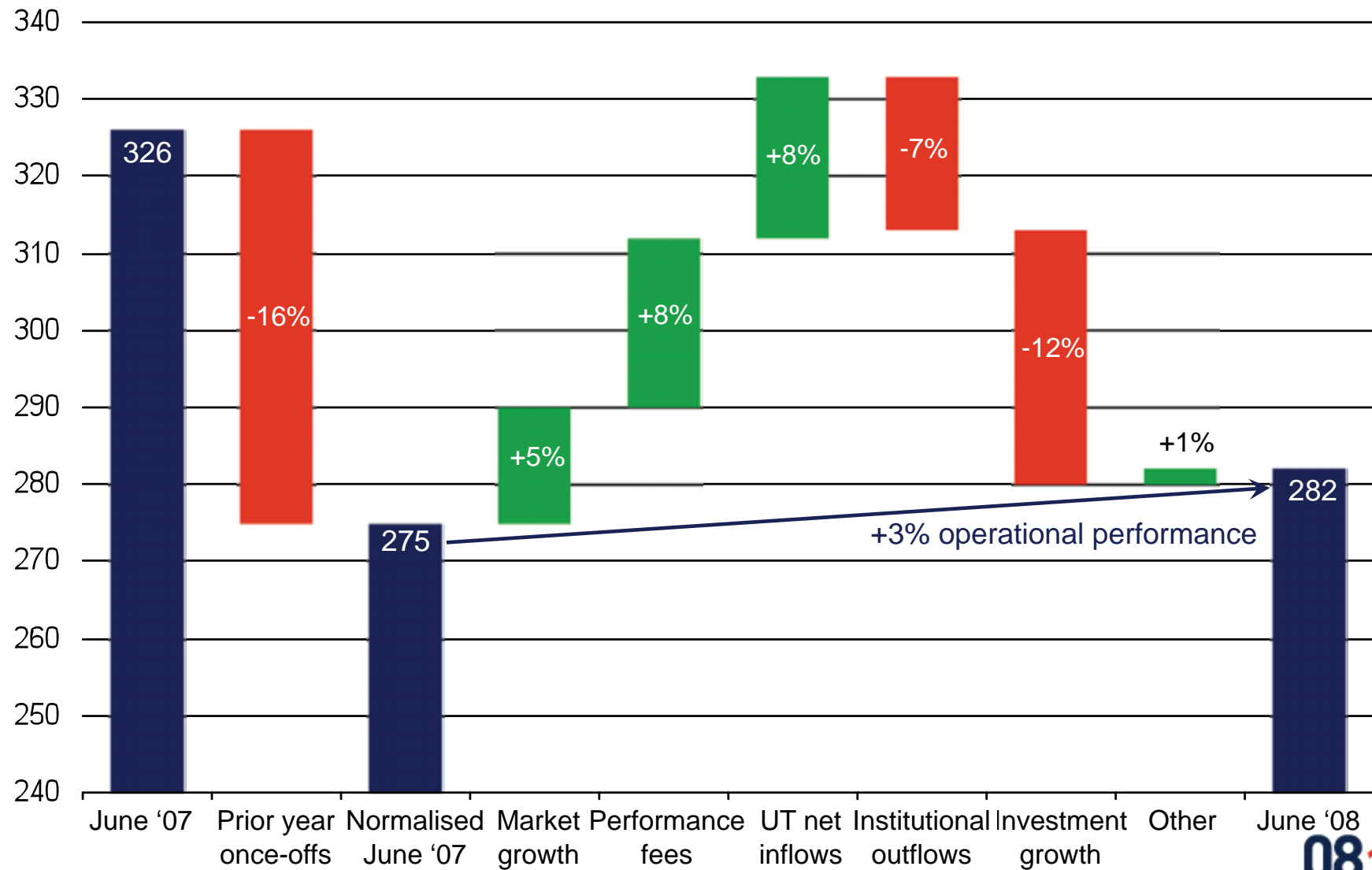


Earnings pressure at RMB Asset Management

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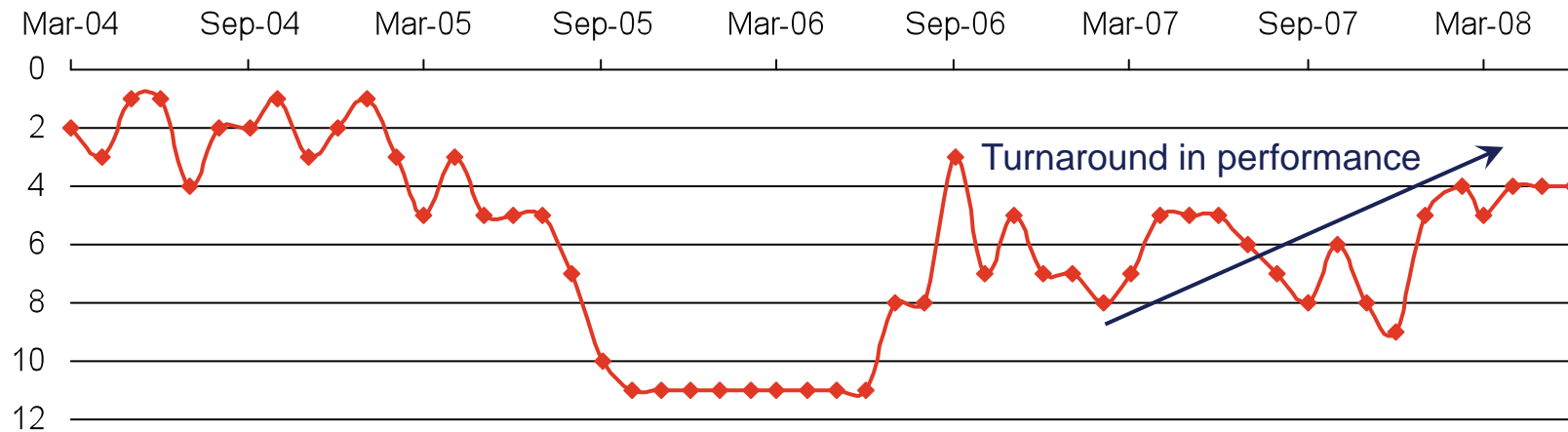
Positive operational performance

R millions

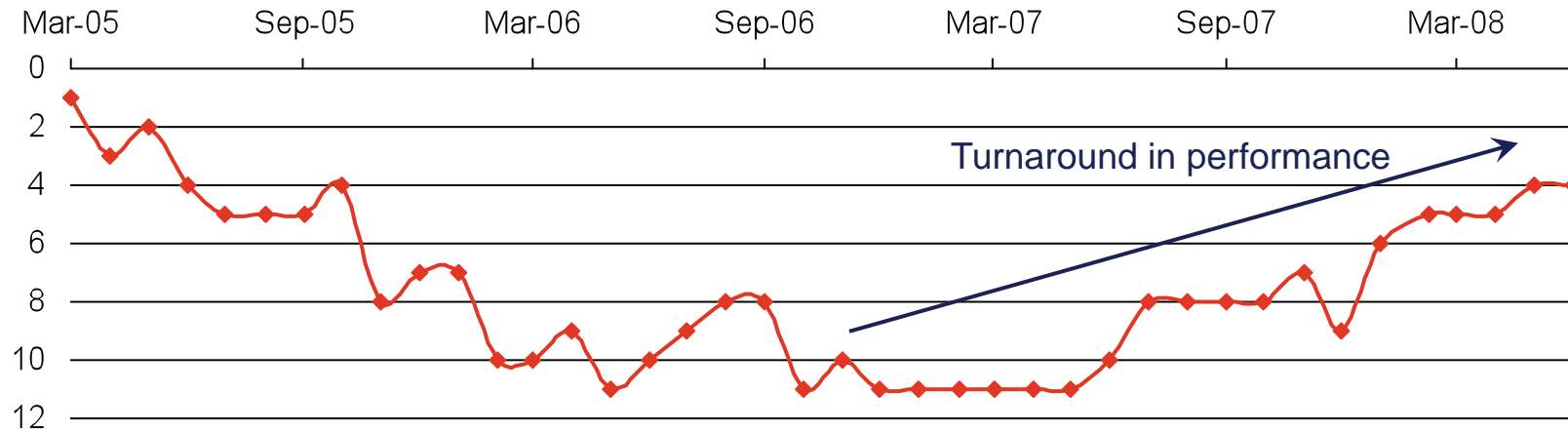


Turnaround in investment performance

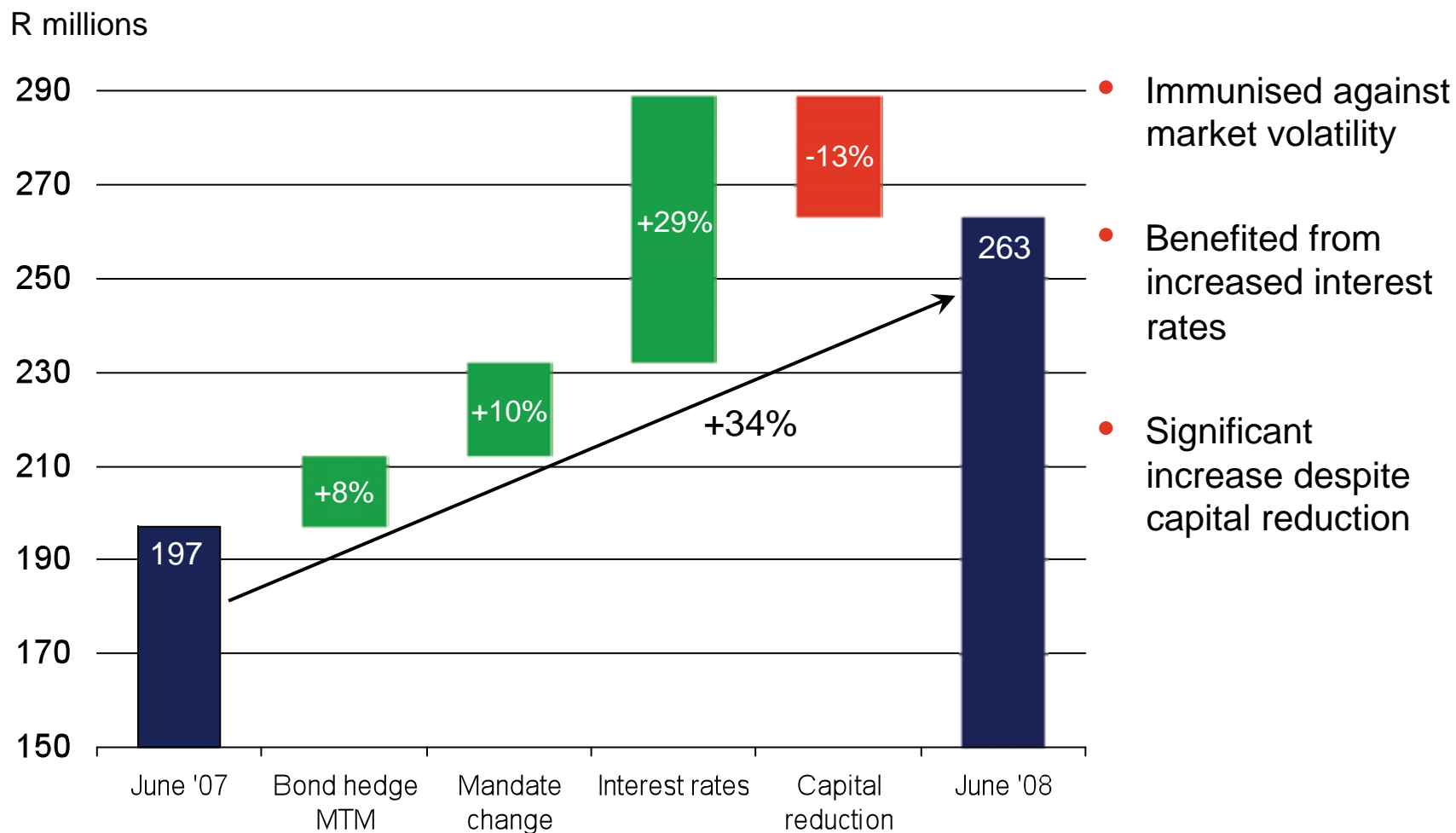
RMBAM 12-month rankings (global)



RMBAM 24-month rankings (global)

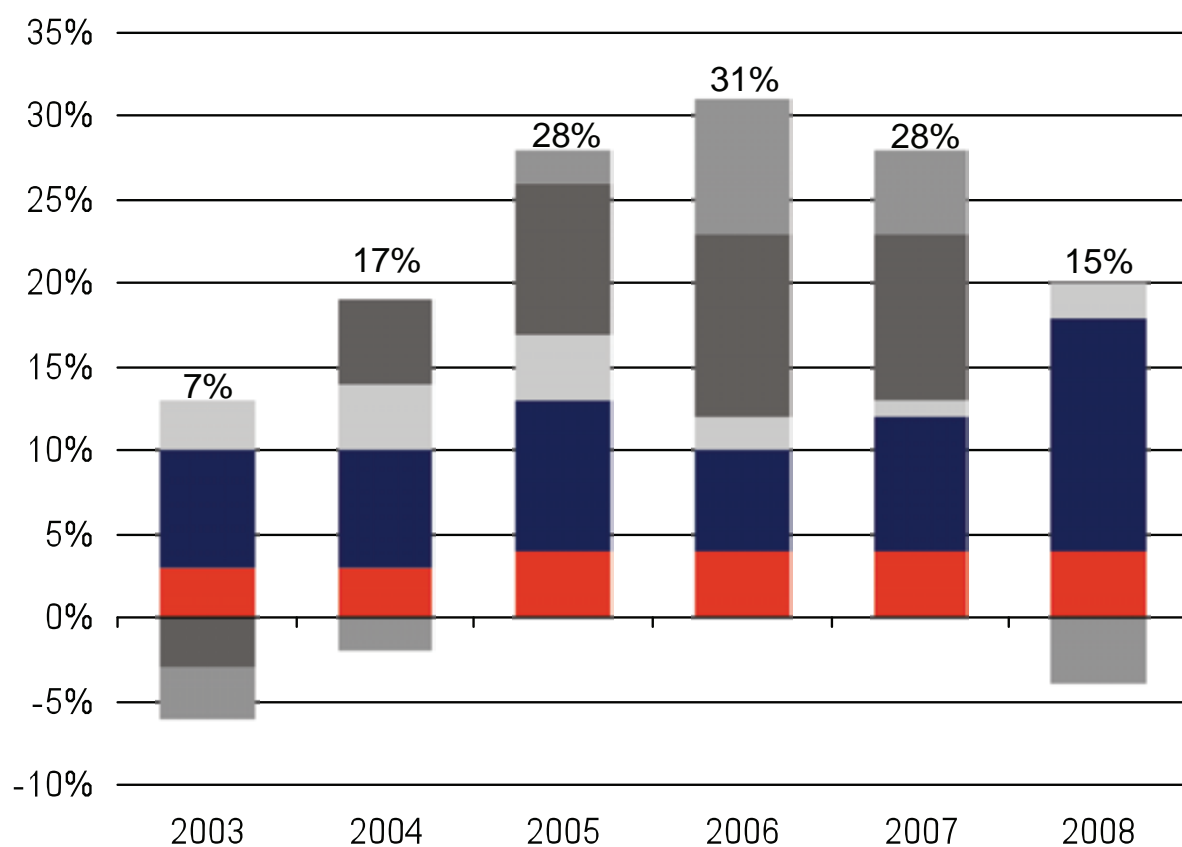


Investment income benefited from capital investment policy



Return on embedded value impacted by negative market

Return on EV

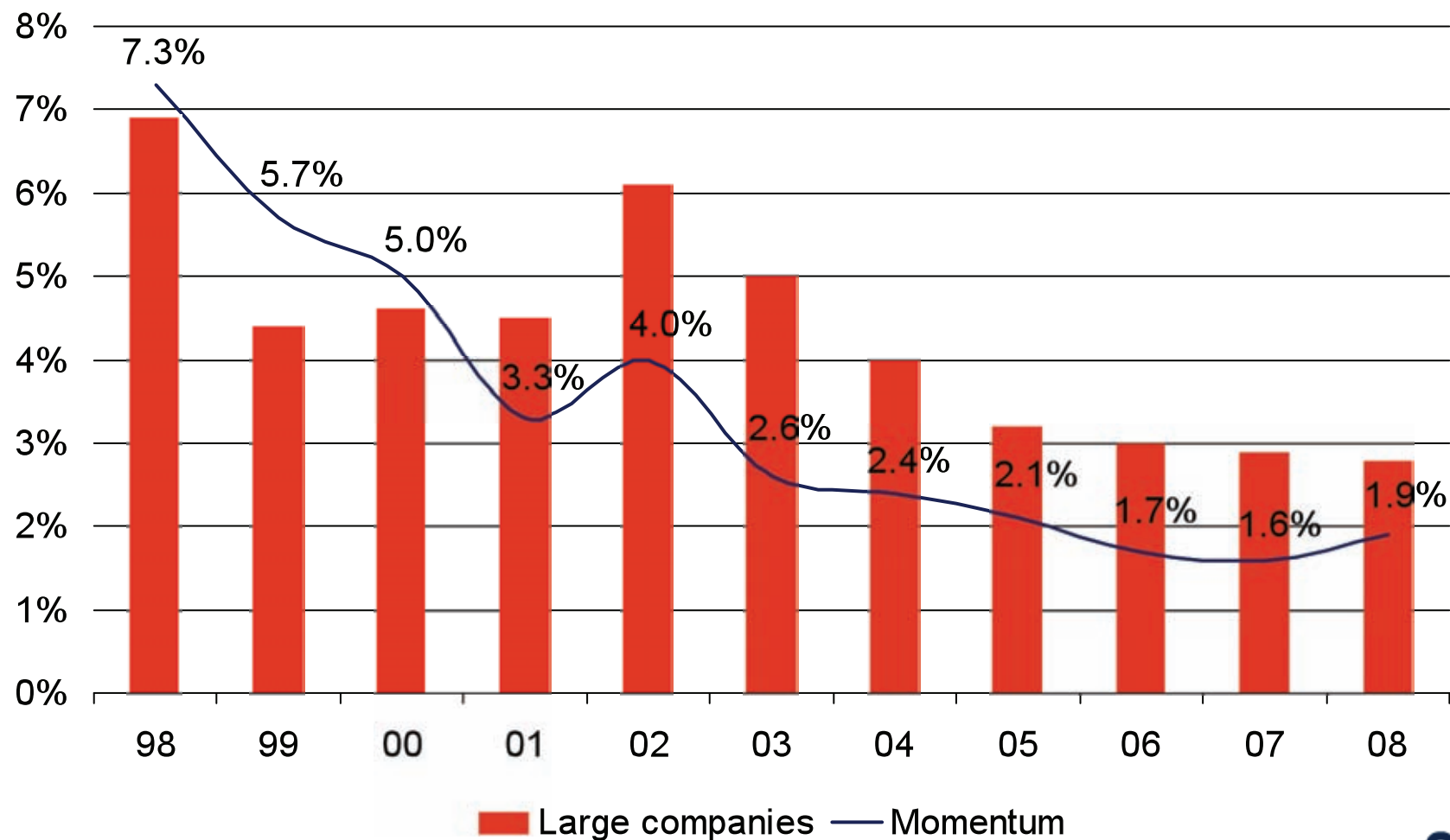


- Operating experience remains strong in unfavourable conditions
- Strong growth in new business embedded value
- Market conditions impact negatively on investment return and experience

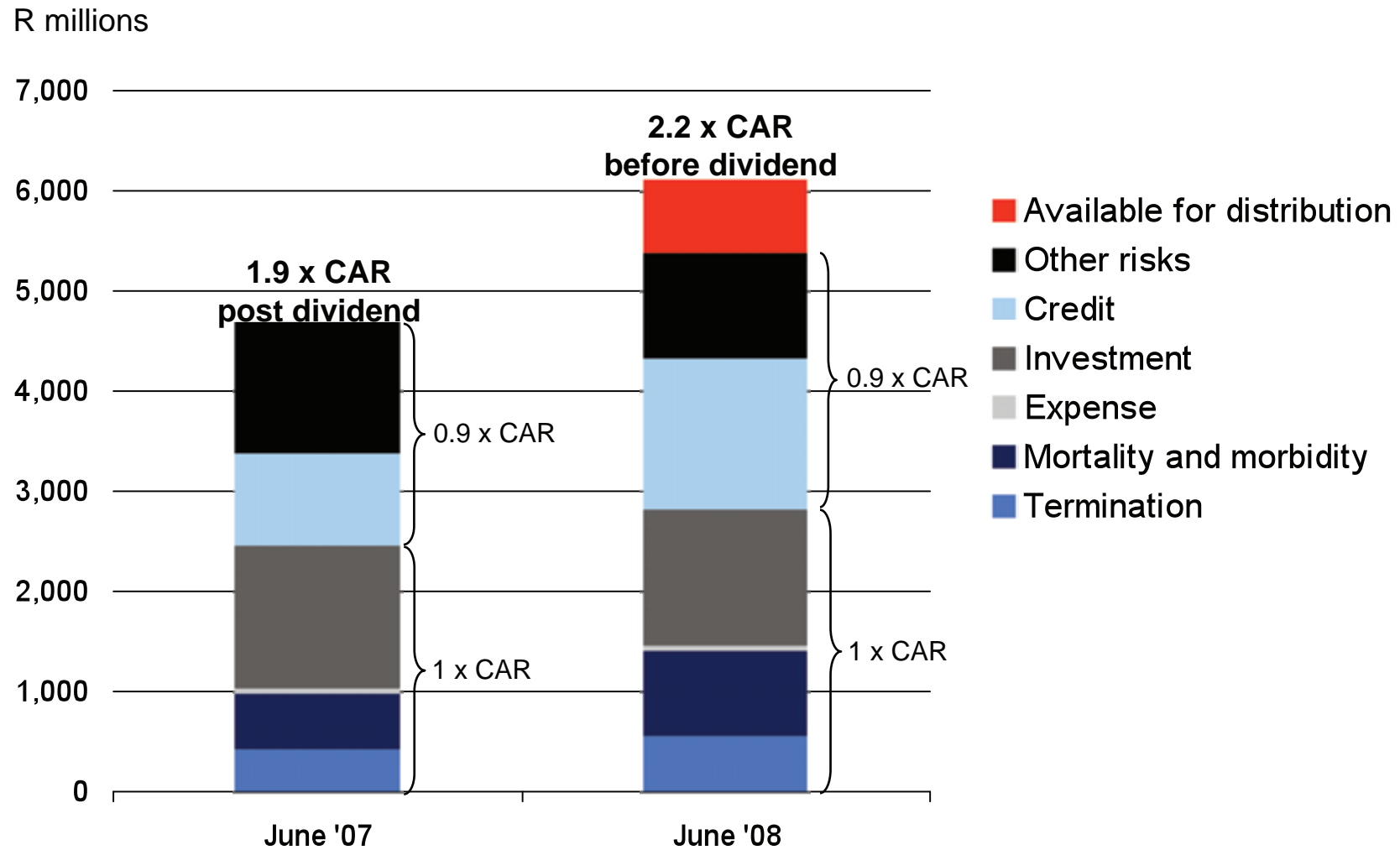
■ Value of new business ■ Operating experience
■ Investment income ■ Capital appreciation
■ Investment experience on VIF

Capital efficiency impacted by volatile markets

CAR as % of liabilities



Momentum remains well capitalised



Outlook

- Market volatility expected to continue
- Pressure on disposable income
- Further benefits from sales success to follow
- Full benefits of investment performance turnaround not yet realised
- Ongoing diversification
- Regulatory reforms expected to continue

08

FIRSTRAND LIMITED RESULTS
PROSPECTS



FIRSTRAND

Local market will continue to remain tough

- GDP to grow 2-3% in 2008-2009
- Consumer remain stressed and affordability levels drop further
- Businesses under increasing pressure as economy slows
- Inflation starts falling – second half 2008
- Interest rates start falling – mid 2009
- Improvement in 2010 could be strong as inflation and interest rates decline

FirstRand's approach to growth

	Local	International
Greenfields	Discovery ● OUTsurance ● RMB Asset Management ● eBucks ● Momentum Health ● Momentum Wealth ●	FNB Zambia ● India ● FNB Lesotho ● Youi - Outsurance Australia ● RMB Resources ● Destiny ●
Accelerated greenfields	Sage ● Saambou ● Corvest ● Advantage ●	Ashburton ● WesBank Australia ● Carlyle Finance ● FNB Mozambique ● FNB Namibia ● FNB Botswana ● FNB Swaziland ● Celpay ●
Partnerships	RMB – Morgan Stanley ●	WesBank – Banco do Brasil ●
Acquisitions	RMB ● Momentum ● FNB ● Southern Life ●	
Investment & Trading Opportunities	RMB Private Equity ●	Private Equity Australia ● Equity Trading (Ireland) – ILCA ● Nufcor ●

● Success

● Too early

● Potential

● Failure

International expansion

- India – Representative office
 - Initial focus - India/SA trade
 - Initial small investment to set up office – our eyes and ears
 - Open for business – partnerships and acquisitions
- Brazil – discussions between Banco do Brasil and WesBank
 - Exciting and growing market
 - Potentially a modest investment if business case stacks up
- Africa
 - Good progress in FNB in Sub-Sahara Africa
 - Actively researching other markets (e.g. Nigeria)

The Group is in good shape after a tough year

We have

- made mistakes and learnt from them
- a strong balance sheet and excellent franchises
- good risk management structures
- diversified businesses with committed management with exciting growth plans

Prospects

- Over the medium term to produce real returns, but environment too uncertain to commit to performance targets

FirstRand's 10th anniversary