

**FirstRand Bank
Limited group
abridged financials**

*for the six months ended
31 December 2014*



FIRSTRAND BANK

CONDENSED CONSOLIDATED INCOME STATEMENT

R million	Six months ended 31 December		% change	Year ended 30 June
	2014	2013		2014
Interest and similar income	25 309	21 656	17	44 756
Interest expense and similar charges	(10 497)	(9 202)	14	(19 558)
Net interest income before impairment of advances	14 812	12 454	19	25 198
Impairment of advances	(2 206)	(2 213)	–	(4 827)
Net interest income after impairment of advances	12 606	10 241	23	20 371
Non-interest income	14 629	14 654	–	28 637
Income from operations	27 235	24 895	9	49 008
Operating expenses	(16 857)	(15 319)	10	(31 076)
Net Income from operations	10 378	9 576	8	17 932
Share of loss of associates and joint ventures after tax	–	–	–	(8)
Income before tax	10 378	9 576	8	17 924
Indirect tax	(426)	(429)	(1)	(796)
Profit before tax	9 952	9 147	9	17 128
Income tax expense	(2 510)	(2 233)	12	(4 378)
Profit for the period	7 442	6 914	8	12 750
Attributable to:				
Ordinary equityholders	7 340	6 818	8	12 558
NCNR preference shareholders	102	96	6	192
Equityholders of FirstRand Bank Limited group	7 442	6 914	8	12 750
Non-controlling interests	–	–	–	–
Profit for the period	7 442	6 914	8	12 750

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

R million	Six months ended 31 December		% change	Year ended 30 June
	2014	2013		2014
Profit for the period	7 442	6 914	8	12 750
Items that may subsequently be classified to profit or loss:				
Cash flow hedges	(141)	75	(>100)	361
Losses arising during the period	(368)	(260)	42	(111)
Reclassification adjustments for amounts included in profit or loss	172	364	(53)	613
Deferred income tax	55	(29)	(>100)	(141)
Available-for-sale financial assets	150	(126)	(>100)	(148)
Gains/(losses) arising during the period	206	(110)	(>100)	(149)
Reclassification adjustments for amounts included in profit or loss	(5)	(66)	(92)	(66)
Deferred income tax	(51)	50	(>100)	67
Exchange differences on translating foreign operations	141	158	(11)	175
Gains arising during the period	141	158	(11)	175
Items that may not subsequently be reclassified to profit or loss:				
Actuarial losses on defined benefit post-employment plans	(12)	(18)	(33)	(206)
Losses arising during the period	(16)	(25)	(36)	(286)
Deferred income tax	4	7	(43)	80
Other comprehensive income for the period	138	89	55	182
Total comprehensive income for the period	7 580	7 003	8	12 932
Attributable to:				
Ordinary equityholders	7 478	6 807	10	12 740
NCNR preference shareholders	102	196	(48)	192
Equityholders of FirstRand Bank Limited group	7 580	7 003	8	12 932
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	7 580	7 003	8	12 932

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

R million	As at 31 December		As at 30 June
	2014	2013	2014
ASSETS			
Cash and cash equivalents	43 160	41 301	51 790
Derivative financial instruments	38 769	43 684	38 633
Commodities	6 271	6 894	7 904
Accounts receivable	3 839	3 631	4 130
Current tax asset	865	471	1
Advances	648 739	575 366	622 121
Amounts due by holding company and fellow subsidiary companies	26 975	24 270	25 984
Investment securities and other investments	95 635	92 134	88 783
Investments in associates	1	48	1
Property and equipment	12 438	10 965	11 369
Intangible assets	91	233	84
Deferred income tax asset	39	–	400
Total assets	876 822	798 997	851 200
EQUITY AND LIABILITIES			
Liabilities			
Short trading positions	476	5 489	5 397
Derivative financial instruments	42 807	48 775	41 628
Creditors and accruals	9 187	7 820	10 376
Current tax liability	–	–	53
Deposits	723 696	650 978	693 176
Provisions	388	278	386
Employee liabilities	6 507	5 531	8 081
Other liabilities	4 320	1 147	4 268
Amounts due to holding company and fellow subsidiary companies	12 964	10 823	12 289
Deferred income tax liability	–	412	–
Tier 2 liabilities	9 868	7 625	11 484
Total liabilities	810 213	738 878	787 138
Equity			
Ordinary shares	4	4	4
Share premium	15 304	15 304	15 304
Reserves	48 301	41 811	45 754
Capital and reserves attributable to ordinary equityholders	63 609	57 119	61 062
NCNR preference shareholders	3 000	3 000	3 000
Capital and reserves attributable to equityholders of FirstRand Bank Limited group	66 609	60 119	64 062
Non-controlling interests	–	–	–
Total equity	66 609	60 119	64 062
Total equity and liabilities	876 822	798 997	851 200

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 December

R million	Ordinary share capital and ordinary equityholders' funds											NCNR preference shares	Non-controlling interests	Total equity
	Share capital	Share premium	Share capital and share premium	Defined benefit post-employment reserve	Cash flow hedge reserve	Share-based payment reserve	Available-for-sale reserve	Foreign currency translation reserve	Other reserves	Retained earnings	Reserves attributable to ordinary equity-holders			
Balance as at 1 July 2013	4	15 304	15 308	(559)	100	439	579	10	1 346	34 194	36 109	3 000	2	54 419
Movement in other reserves	-	-	-	-	-	11	-	-	-	(36)	(25)	-	-	(25)
Ordinary dividends	-	-	-	-	-	-	-	-	-	(1 180)	(1 180)	-	-	(1 180)
Preference dividends	-	-	-	-	-	-	-	-	-	-	-	(96)	-	(96)
Changes in ownership interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(18)	75	-	(126)	158	-	6 818	6 907	96	-	7 003
Balance as at 31 December 2013	4	15 304	15 308	(577)	175	450	453	168	1 346	39 796	41 811	3 000	-	60 119
Balance as at 1 July 2014	4	15 304	15 308	(765)	461	465	431	185	1 346	43 631	45 754	3 000	-	64 062
Movement in other reserves	-	-	-	-	-	(465)	-	-	-	964	499	-	-	499
Ordinary dividends	-	-	-	-	-	-	-	-	-	(5 430)	(5 430)	-	-	(5 430)
Preference dividends	-	-	-	-	-	-	-	-	-	-	-	(102)	-	(102)
Total comprehensive income for the period	-	-	-	(12)	(141)	-	150	141	-	7 340	7 478	102	-	7 580
Balance as at 31 December 2014	4	15 304	15 308	(777)	320	-	581	326	1 346	46 505	48 301	3 000	-	66 609

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

R million	Six months ended 31 December		Year ended 30 June
	2014	2013	2014
Net cash flows from operating activities	9 470	11 935	23 756
Net cash utilised by operations	(11 219)	(9 239)	(13 235)
Taxation paid	(3 379)	(2 485)	(5 346)
Net cash (outflow)/ inflow from operating activities	(5 128)	211	5 175
Net cash outflow from investing activities	(1 922)	(1 360)	(2 733)
Net cash (outflow)/ inflow from financing activities	(1 610)	136	7 039
Net (decrease)/increase in cash and cash equivalents from operations	(8 660)	(1 013)	9 481
Cash and cash equivalents at the beginning of the period	51 790	42 306	42 306
Cash and cash equivalents at the end of the period	43 130	41 293	51 787
Cash and cash equivalents acquired/(disposed of)*	-	-	(7)
Effect of exchange rate changes on cash and cash equivalents	30	8	10
Cash and cash equivalents at the end of the period	43 160	41 301	51 790
Mandatory reserve balances included above**	17 204	14 924	16 040

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

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