

RESULTS PRESENTATION

FOR THE SIX MONTHS ENDED 31 DECEMBER 2013



FIRSTRAND

INTRODUCTION



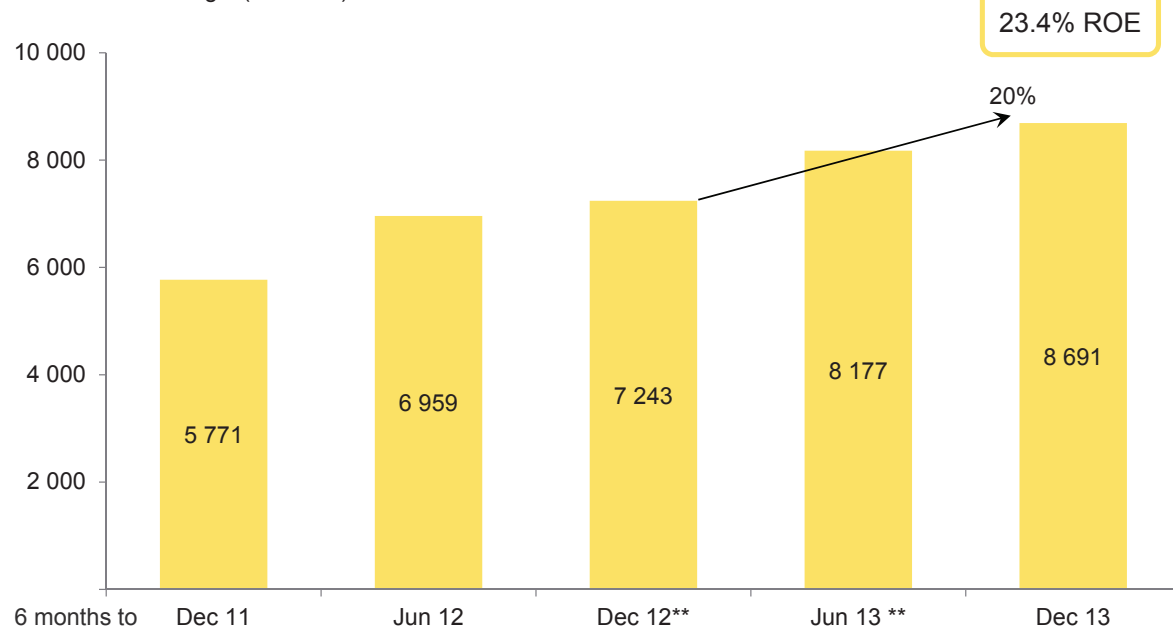
Franchises performed well despite increasing headwinds 

Normalised profit before tax (R million)	Dec 13	Dec 12	% change
FNB	7 059	5 769	▲ 22
RMB	3 195	2 677	▲ 19
WesBank	2 022	1 968	▲ 3

Group continues to deliver growth and returns above hurdle rates



Normalised earnings* (R million)



* Normalised earnings shown on a continuing normalised basis 2011-2012.

** Refer to restatement of prior year numbers on page 123 to 131 of the Analysis of financial results booklet.

FINANCIAL REVIEW



FIRSTRAND



Performance highlights

	Dec 13	Dec 12*	Change
Normalised earnings (R million)	8 691	7 243	▲ 20%
Diluted EPS (cents)	154.2	128.5	▲ 20%
Normalised net asset value per share (cents)	1 342.9	1 182.9	▲ 14%
Dividend per share (cents)	77	55	▲ 40%
Return on equity (%)	23.4	22.3	▲

* Dec 12 figures have been restated – refer to page 123 to 131 of the Analysis of financial results booklet.



Key performance ratios

%	Dec 13	Dec 12*	Change
Return on equity	23.4	22.3	▲
Return on assets	1.97	1.82	▲
Credit loss ratio	0.77	0.90	▼
Cost-to-income ratio	52.5	53.0	▼
Tier 1 ratio**	14.8	13.4	▲
Common Equity Tier 1**	13.7	12.5	▲
Net interest margin	5.13	4.91	▲

* Dec 12 figures have been restated – refer to page 123 to 131 of the Analysis of financial results booklet.

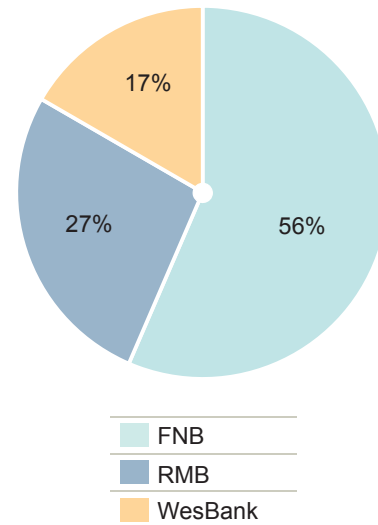
** Dec 13 capital ratios calculated on a Basel III basis; Dec 12 capital ratios calculated on a Basel 2.5 basis and have not been restated for IFRS changes.

Franchises provide diversification and relative contribution stable



Normalised earnings (R million)	Dec 13	Dec 12*	% change
FNB	4 769	4 016	▲ 19
RMB	2 268	1 943	▲ 17
WesBank	1 406	1 389	▲ 1
Treasury and Corporate Centre**	248	(105)	▲ (>100)
Total normalised earnings	8 691	7 243	▲ 20

Franchise contribution#



* Dec 12 figures have been restated – refer to page 123 to 131 of the Analysis of financial results booklet.
 ** Comprises FirstRand company, dividends paid on NCNR pref shares, Treasury and Corporate Centre.

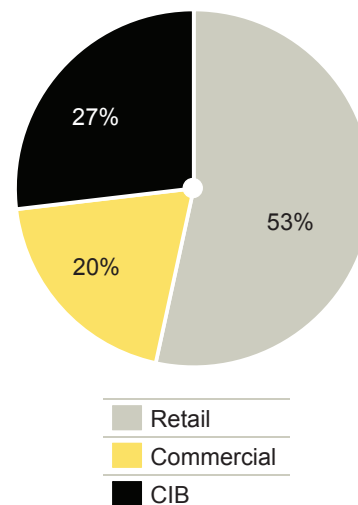
Excluding Treasury and Corporate Centre.

Segment diversification reflects structure of SA growth profile and relative positioning



Normalised earnings (R million)	Dec 13	Dec 12	% change
Retail	4 510	3 938	▲ 15
Commercial*	1 665	1 467	▲ 13
Corporate and investment banking	2 268	1 943	▲ 17
Treasury and Corporate Centre**	248	(105)	▲ (>100)
Total normalised earnings	8 691	7 243	▲ 20

Normalised earnings mix#



* Includes FNB Commercial and WesBank Corporate (page 10 of Analysis of financial results booklet).
 ** Comprises FirstRand company, dividends paid on NCNR pref shares, Treasury and Corporate Centre.

Excluding Treasury and Corporate Centre.

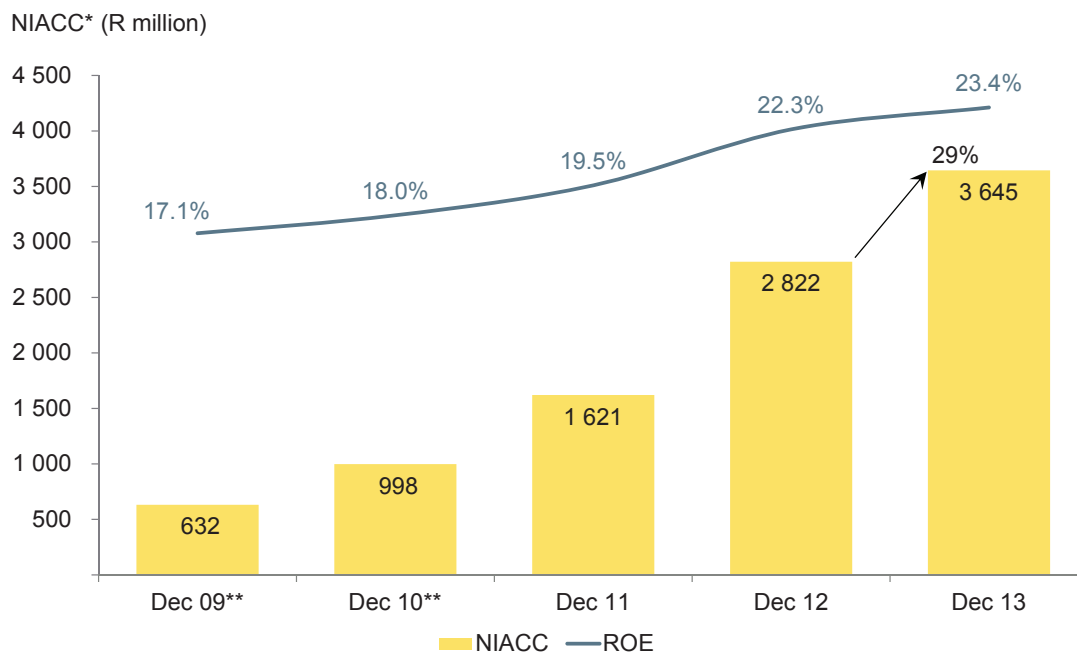
Rest of Africa's absolute revenues increasing...



...with local franchises continuing to show strong growth

Based on gross revenue, excluding Treasury and Corporate Centre.

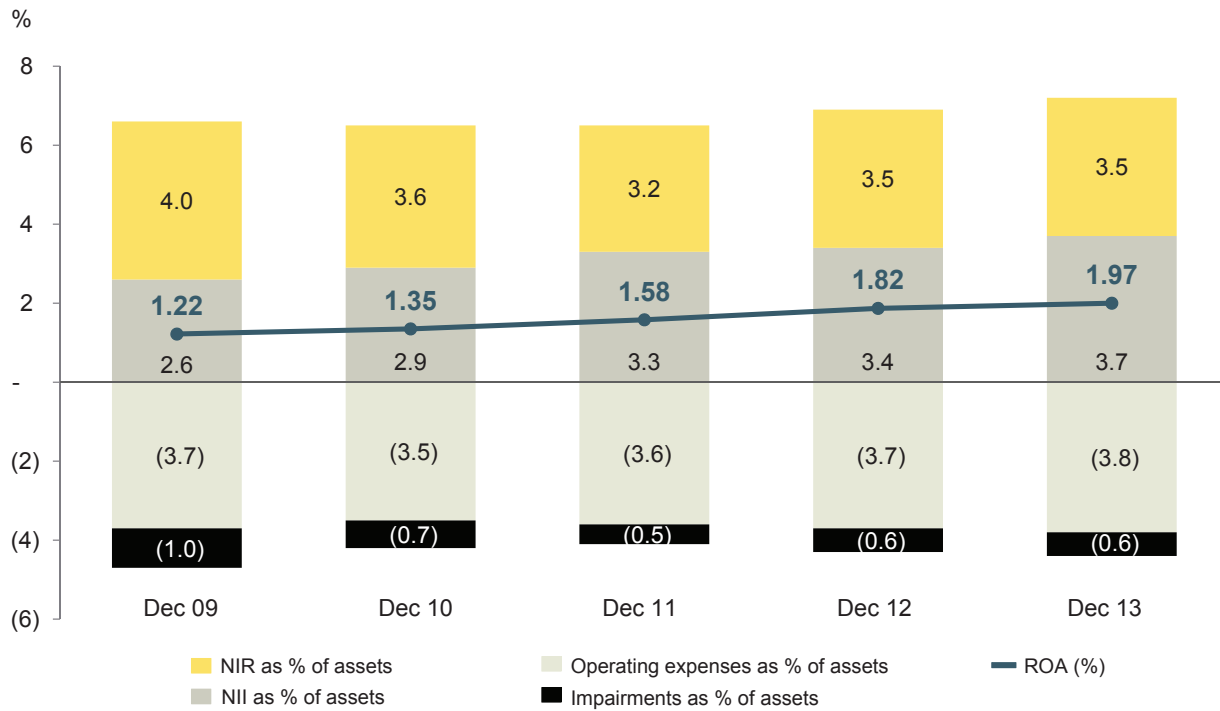
Economic profit reflects shareholder value creation



* Net income after cost of capital.

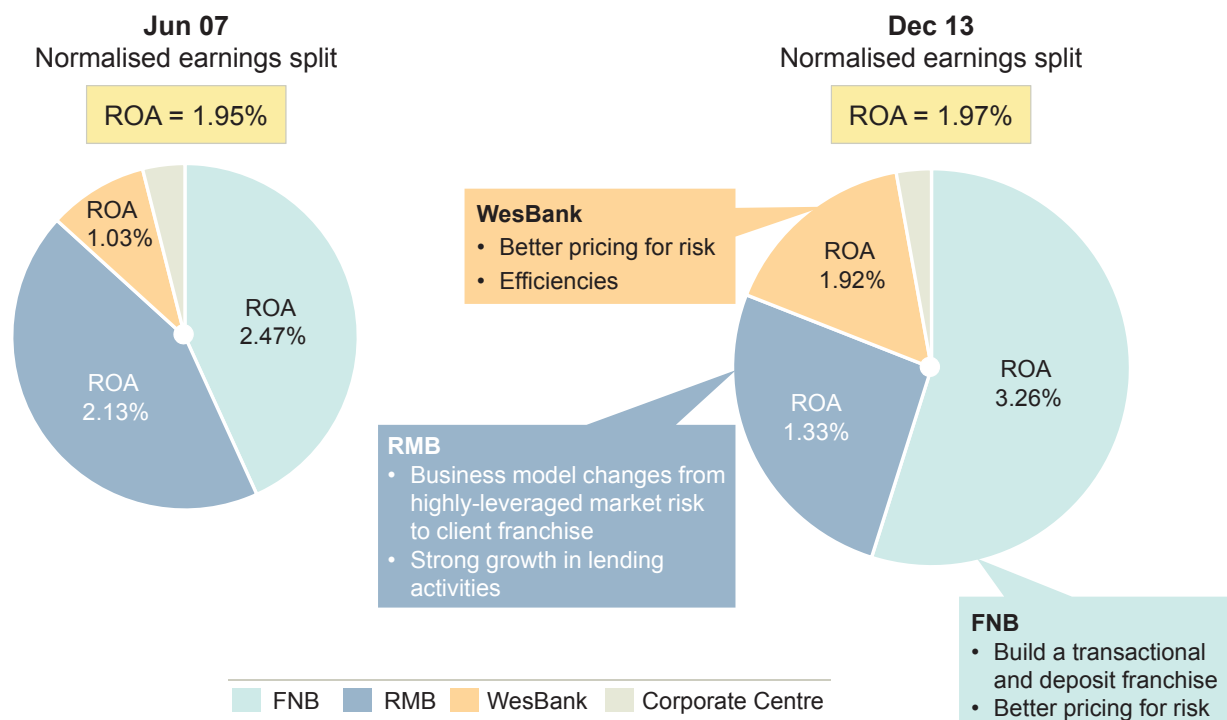
** Comparatives prior to 2011 are for FirstRand Banking Group.

ROA composition reflects quality of earnings



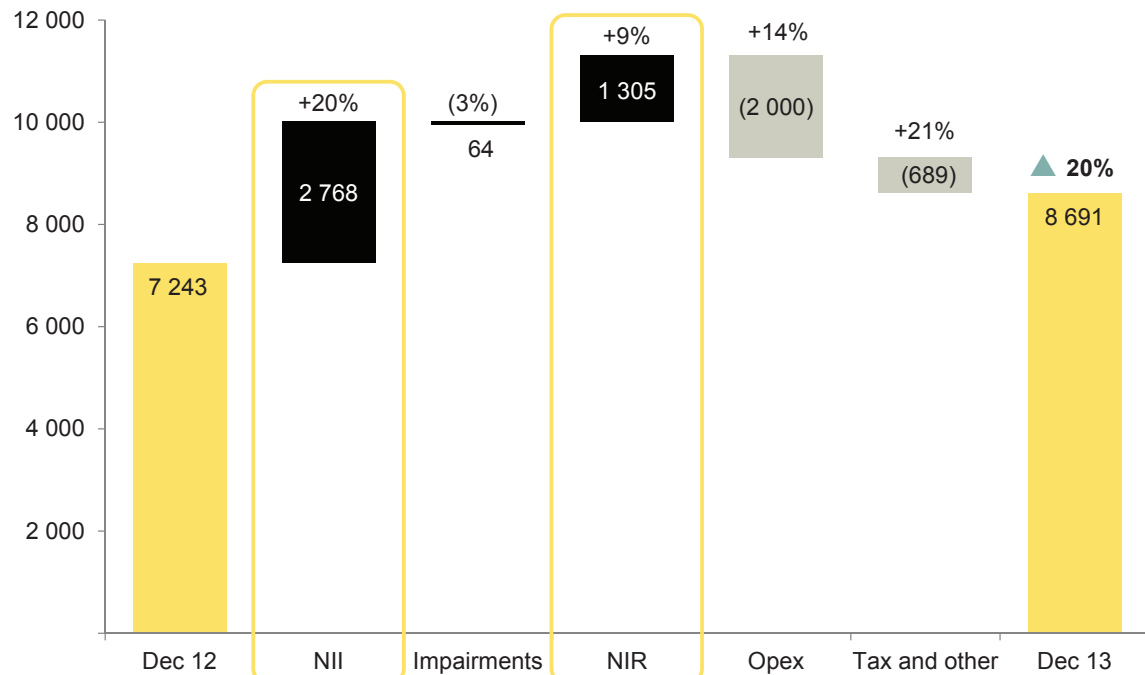
The graph shows each item before taxation and non-controlling interests as a percentage of average assets. ROA reflects normalised earnings after tax and non-controlling interests as a percentage of average assets.

Group strategy reflected in structurally different ROA



Strong topline underpins earnings growth

Normalised earnings (R million)



Consistent strategies are driving performance

Earnings resilience and growth (income statement)		<ul style="list-style-type: none"> • Diversification • Client franchise businesses • Appropriate risk appetite • Positive operating jaws
Balance sheet strength	Asset quality	<ul style="list-style-type: none"> • Appropriate action in new business origination • Grow the deposit franchise and improve liquidity profile • Managing NPLs and coverage ratios • Maintain strong capital position
	Liabilities and equity	
Quality of returns (performance management)		<ul style="list-style-type: none"> • Maintain ROE within target range with focus on ROA, not gearing • Discipline in deployment of capital

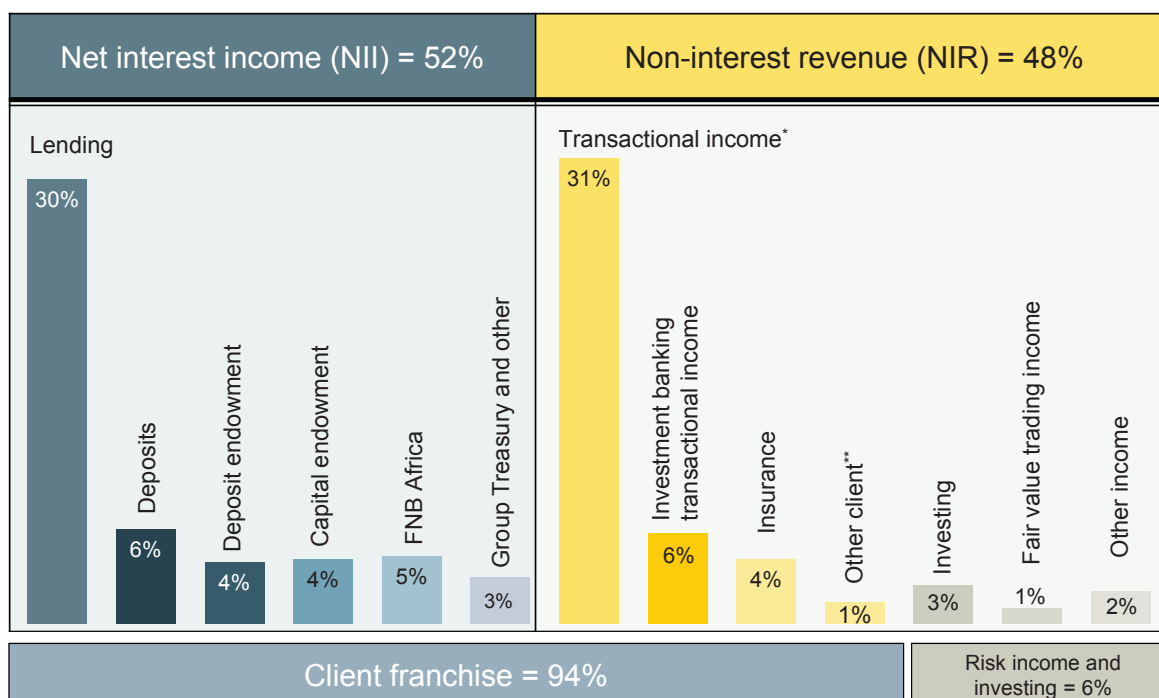


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Client franchise contributes 94% of gross revenue



* From retail, commercial and corporate banking.

** Includes WesBank associates.



Normalised income statement

Normalised (R million)	Dec 13	Dec 12	Movement	% change
Net interest income before impairment of advances	16 397	13 629	2 768	20
Impairment of advances	(2 445)	(2 509)	64	(3)
Net interest income after impairment of advances	13 952	11 120	2 832	25
Non-interest revenue*	15 326	14 021	1 305	9
Income from operations	29 278	25 141	4 137	16
Operating expenses	(16 643)	(14 643)	(2 000)	14
Income before tax	12 635	10 498	2 137	20
Taxation**	(3 356)	(2 744)	(612)	22
Other#	(588)	(511)	(77)	15
Normalised earnings	8 691	7 243	1 448	20

* Includes share of profit from associates and joint ventures after tax.

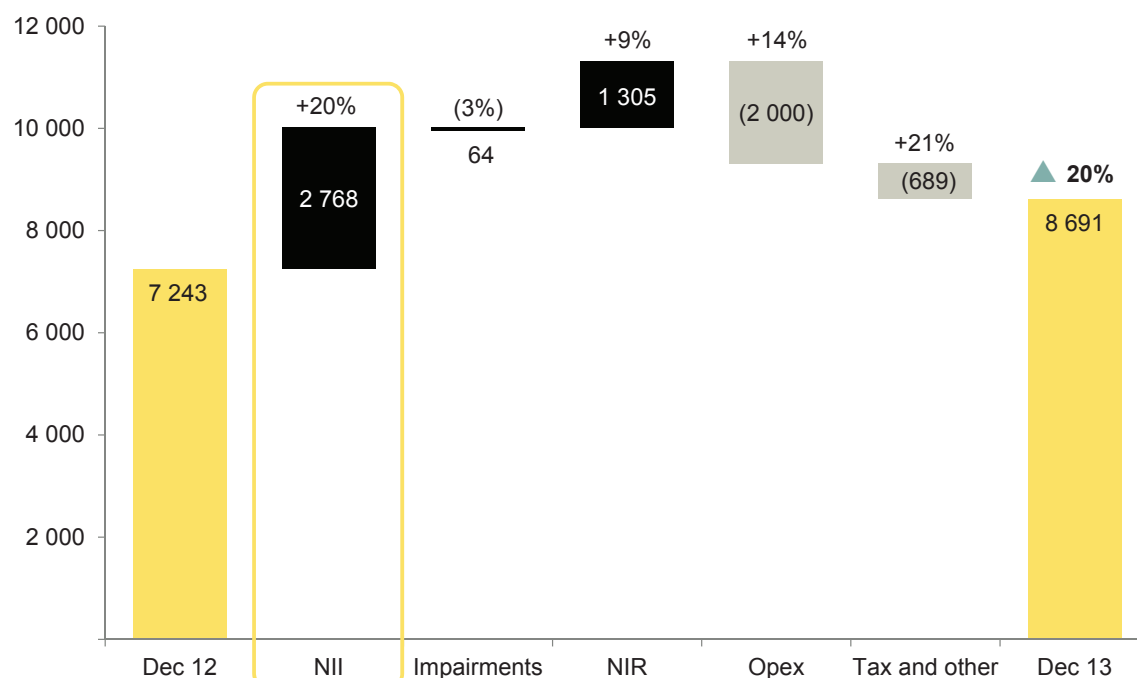
** Includes direct and indirect tax.

Includes NCNR preference shareholders, headline and normalised earnings adjustments and non-controlling interests.



Strong topline underpins earnings growth

Normalised earnings (R million)





Lending and deposit franchises drive net interest income

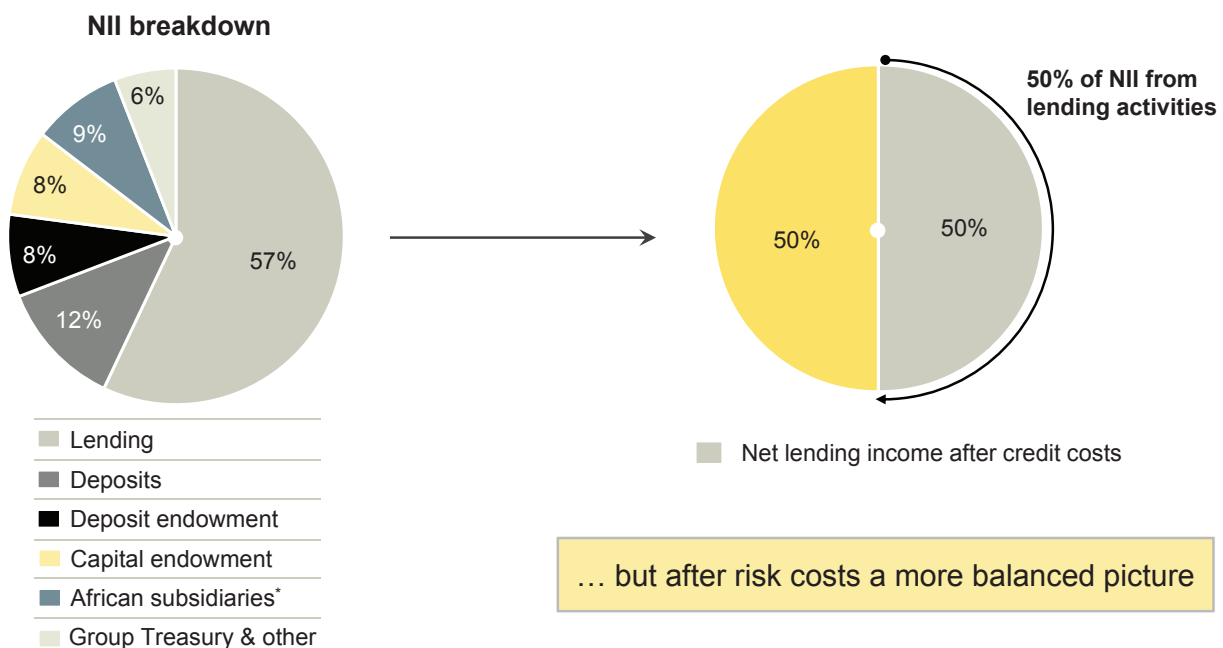
Net interest income* (R million)	Dec 13	Dec 12	Change	% change
Lending	9 283	7 663	1 620	21
Deposits	1 990	1 885	105	6
Deposit endowment	1 299	1 136	163	14
Capital endowment	1 356	1 236	120	10
African subsidiaries**	1 425	1 138	287	25
Group Treasury and other	1 044	571	473	83
Total net interest income	16 397	13 629	2 768	20

* After taking funds transfer pricing into account.

** Reflects legal entity view.

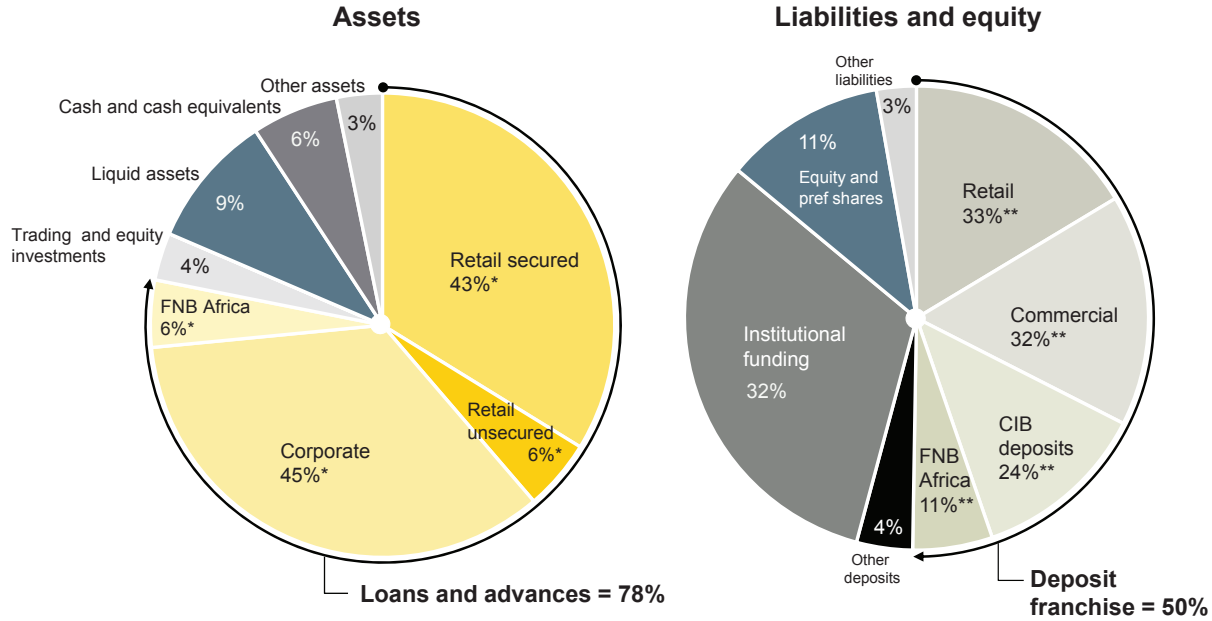


Lending dominates NII



* Reflects legal entity view.

This reflects structural SA Inc and FirstRand balance sheet composition



* As a proportion of loans and advances.

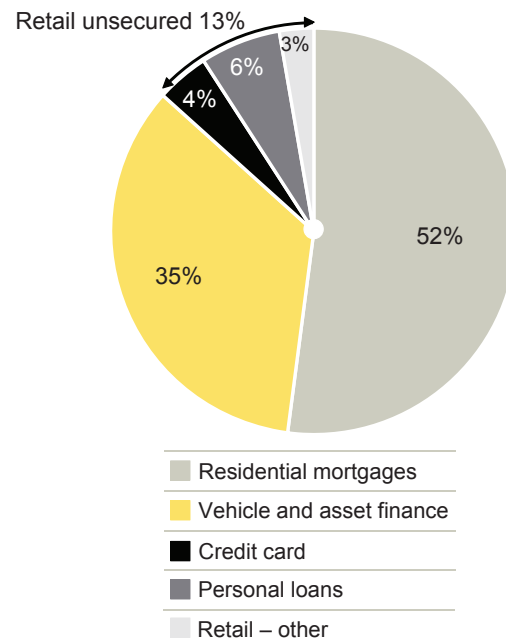
** As a proportion of deposit franchise.

Retail advances growth was robust year-on-year, but...



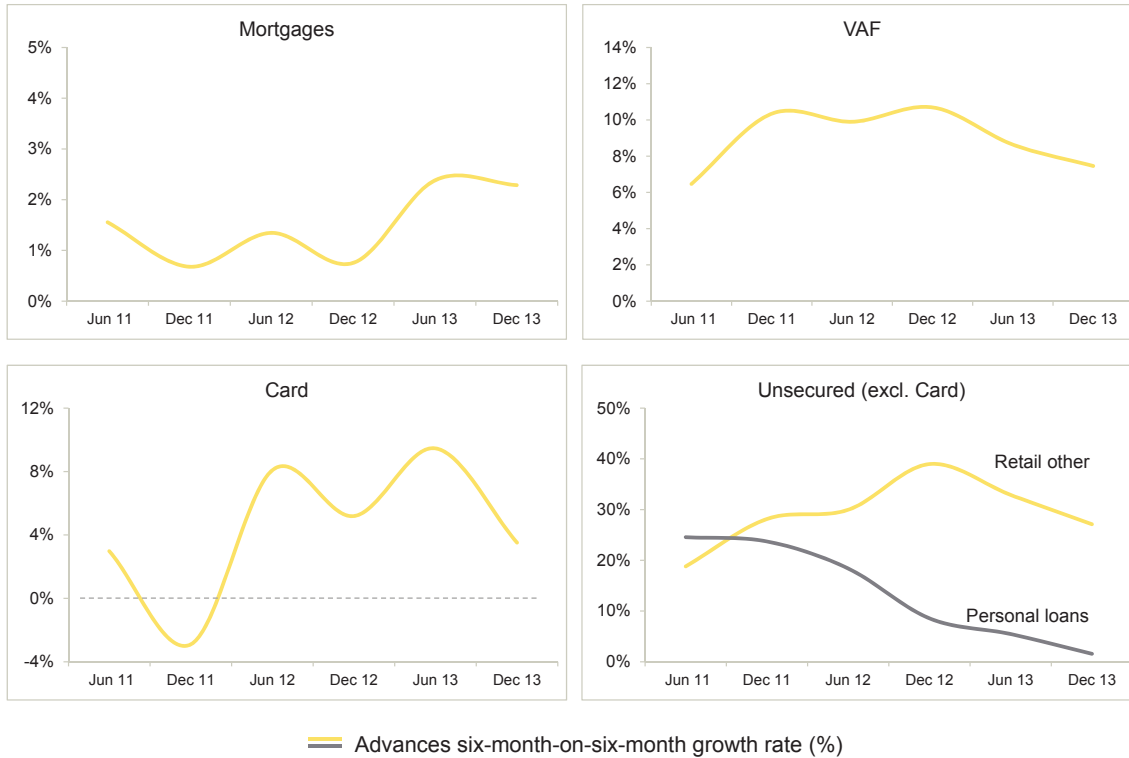
R million	Dec 13	Dec 12	% change
Residential mortgages	166 846	159 324	5
Vehicle and asset finance	110 871	91 237	22
Credit card	13 458	11 877	13
Personal loans	20 501	19 139	7
Retail – other	8 768	5 205	68
Retail advances	320 444	286 782	12

Retail advances breakdown





... risk appetite adjusted to reflect view on macros



Origination risk appetite



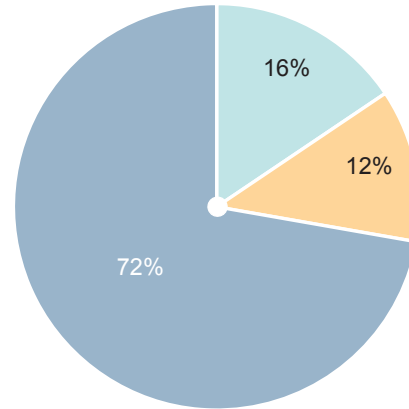
RETAIL				
Mortgages	VAF	Card	Personal loans	Other
Remain conservative with focus on low-risk FNB customers; gradual improvement in demand	Gradual reduction of higher-risk with volumes tracking vehicle sales and coming off a high base	Conservative, but growing FNB base	Cut back risk in 2011 and 2012 and tightened affordability as lower-income highly geared	Risk neutral, strongly targeting FNB base as under-represented



Successful lending strategies in RMB IB and FNB Commercial

R million	Dec 13	Dec 12	% change
FNB Commercial	44 902	39 300	14
WesBank Corporate	35 133	32 279	9
RMB corporate banking	6 425	3 512	83
RMB investment banking	201 899	181 943	11
Core advances	165 300	137 738	20
Repurchase agreements	36 599	44 205	(17)
Corporate advances	288 359	257 034	12

Corporate advances breakdown



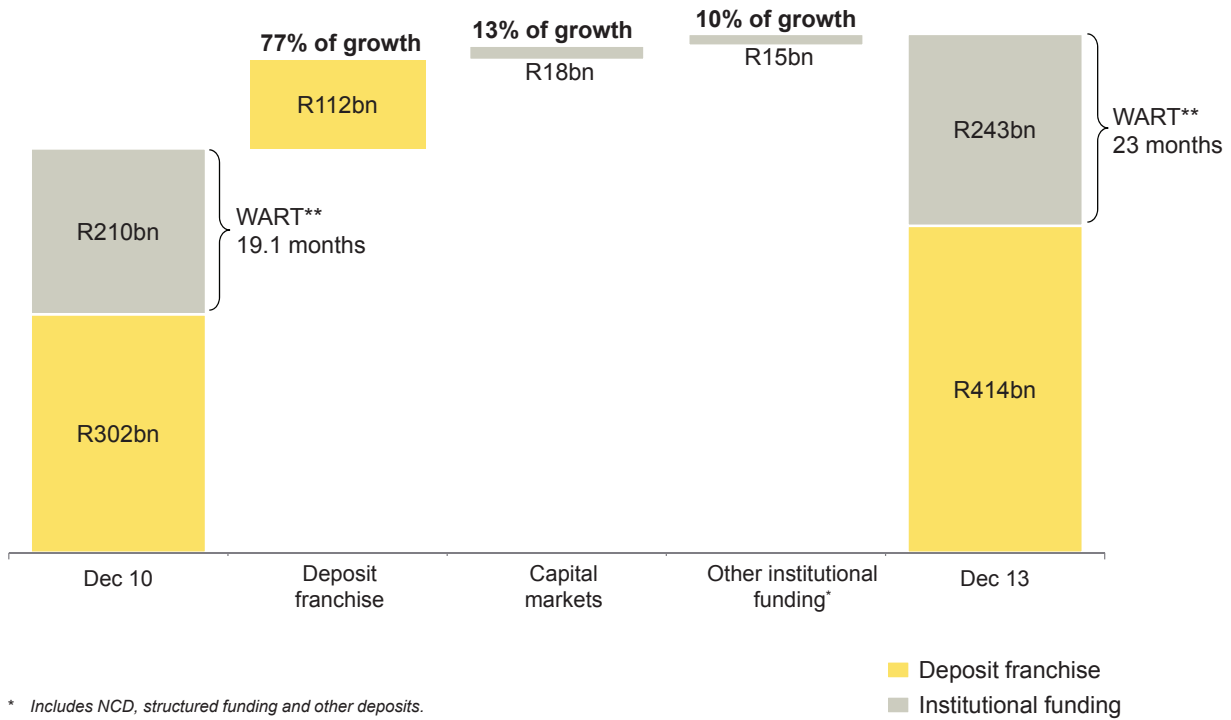
- FNB Commercial
- WesBank Corporate
- RMB corporate and investment banking



Origination risk appetite

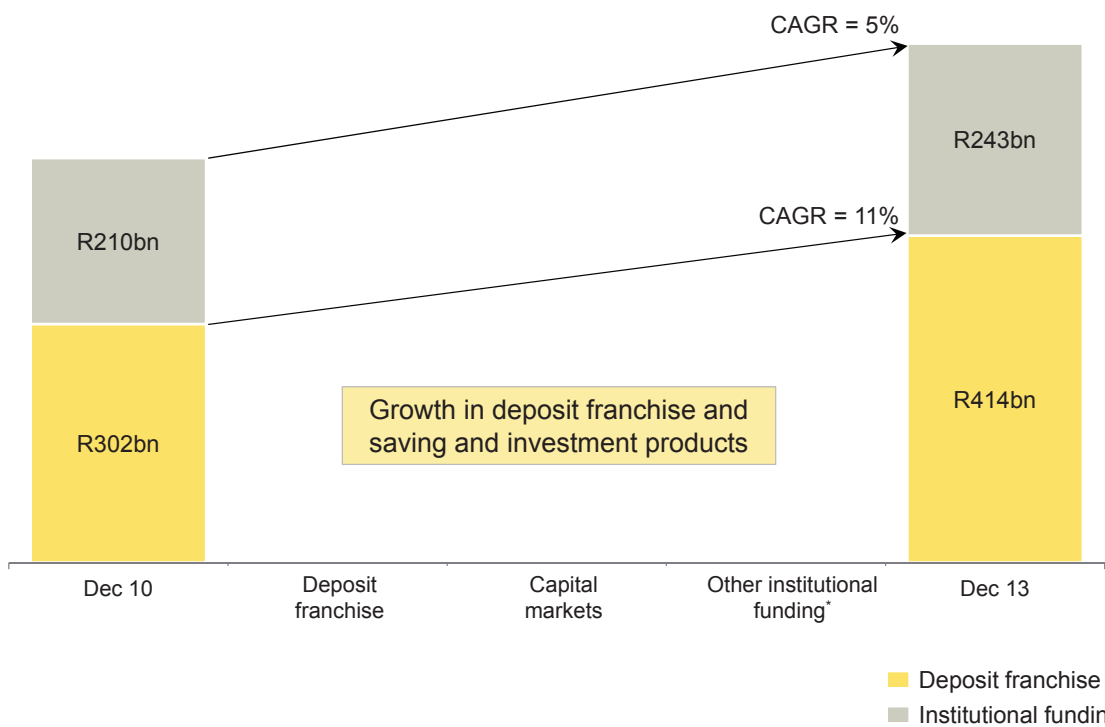
COMMERCIAL			
<p>Commercial property finance</p> <p>➔</p> <p>Growing focus on banked, owner-occupied, remain conservative on higher-risk segments</p>	<p>Agri finance</p> <p>➔</p> <p>Diversifying exposure across commodities and geographically</p>	<p>Asset-backed finance</p> <p>➔</p> <p>Growth focus on banked customers across target asset classes</p>	<p>Rest of Africa</p> <p>↗</p> <p>Leverage growing footprint to target SA-Africa-India corridor clients</p>
CORPORATE			
<p>Working capital finance</p> <p>➔</p> <p>Tracking nominal SA GDP</p>	<p>Infrastructure finance</p> <p>↗</p> <p>SA renewable energy projects with strong drawdown pipeline projected</p>	<p>Cross-border rest of Africa</p> <p>↑</p> <p>Primarily structured financing in hard and soft commodities within strategic African countries</p>	<p>SA corporate</p> <p>↑</p> <p>Lead arranger of the larger acquisition, leveraged finance and listed property transactions for SA debt capital markets</p>

90% of liability growth attributed to better source and term



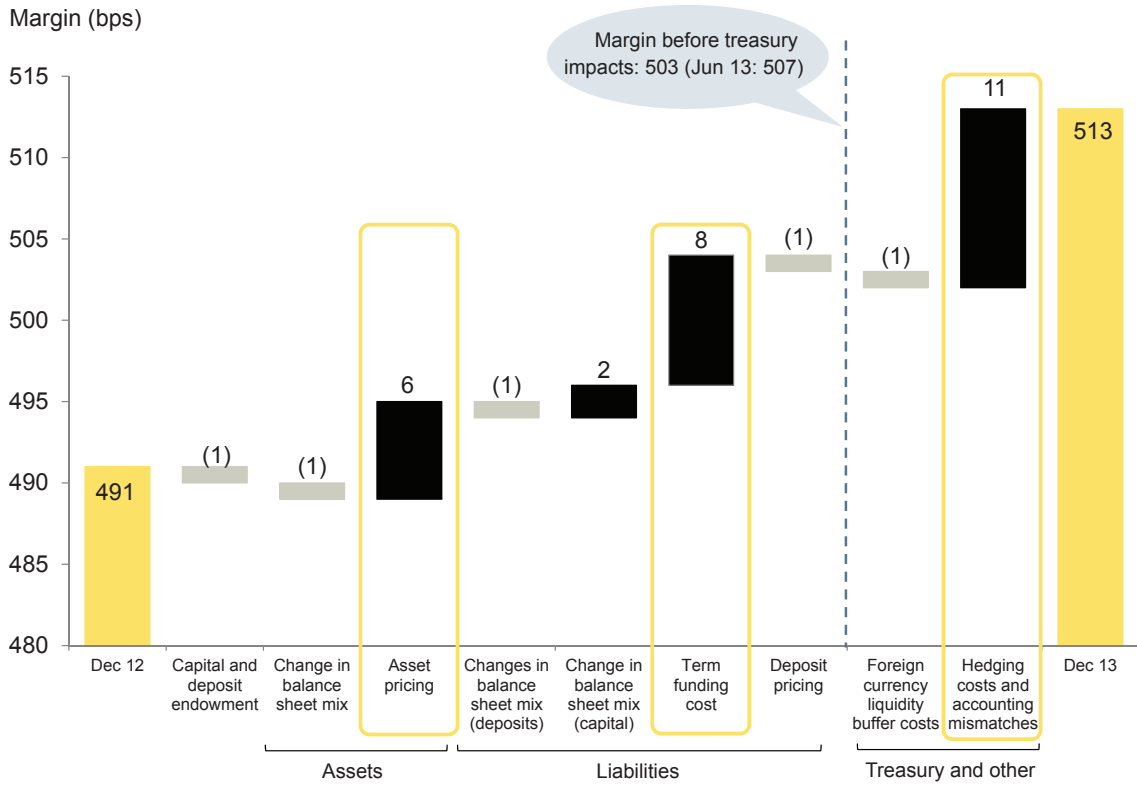
* Includes NCD, structured funding and other deposits.
 ** WART = Weighted average remaining term of institutional funding.

90% of liability growth attributed to better source and term

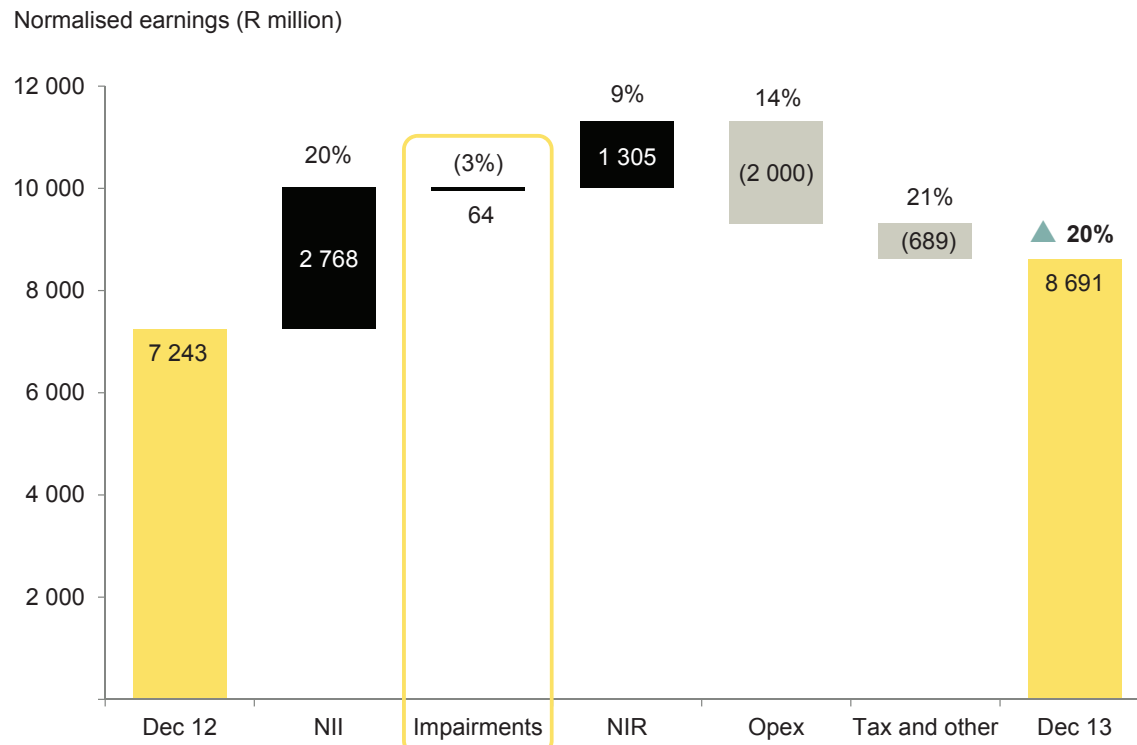


* Includes NCDs, structured funding and other deposits.

Asset pricing and term funding cost improves margin



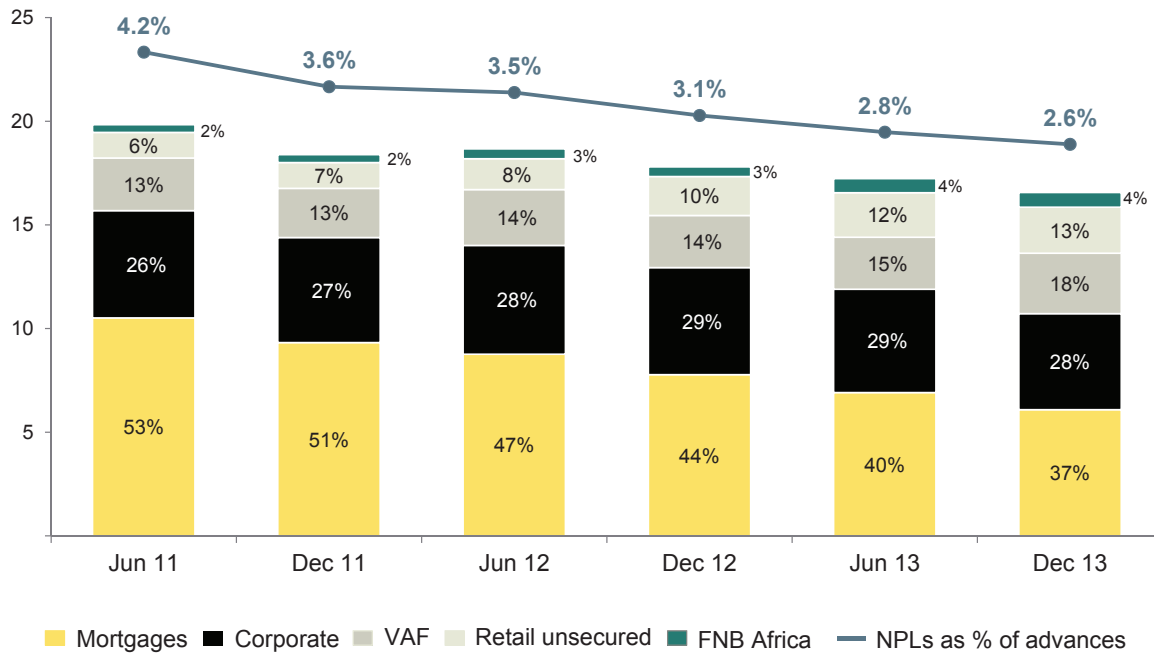
Strong topline underpins earnings growth



NPLs declining



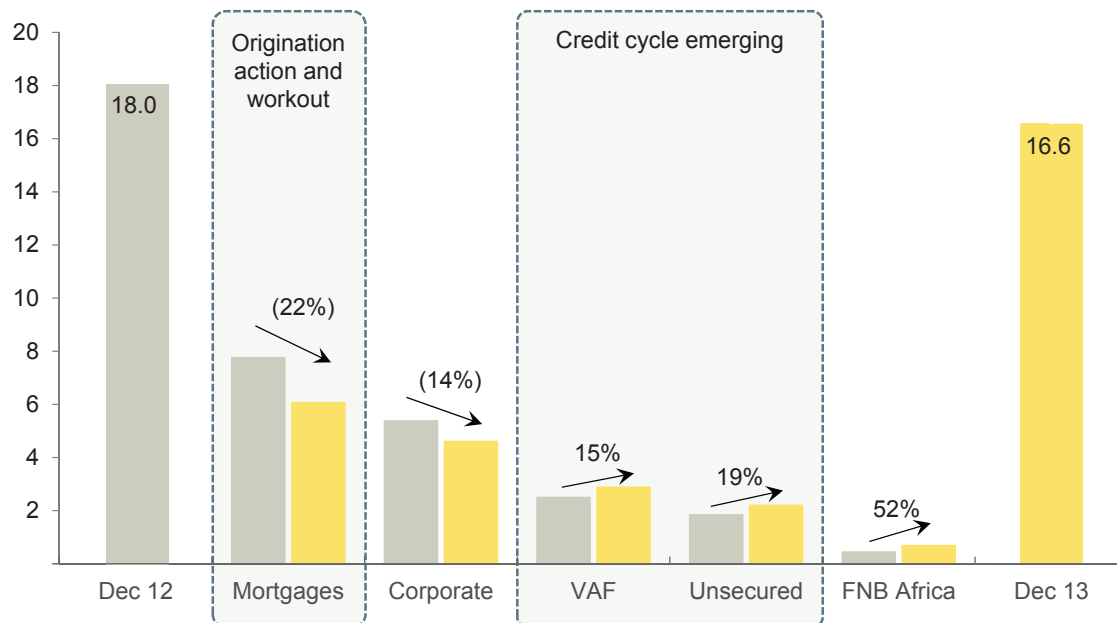
NPLs (R billion)



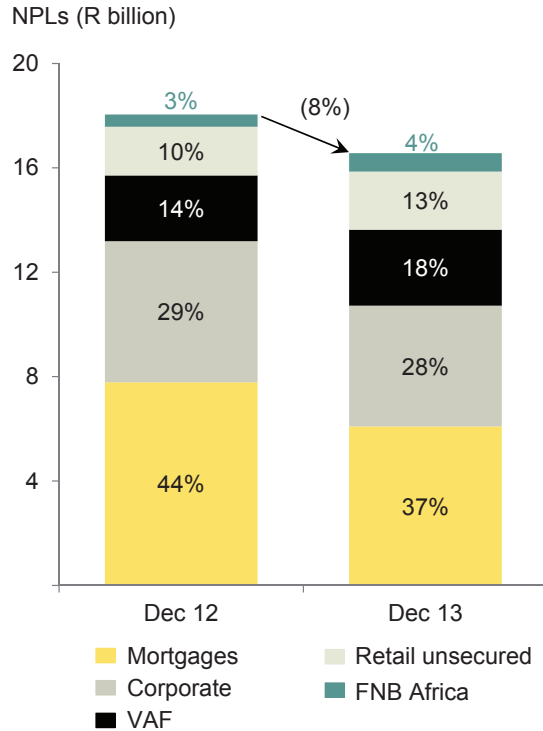
Mortgage NPLs decline offsets new inflows from other portfolios



NPLs (R billion)



Mix and portfolio impairments drive higher coverage ratios, despite lower NPLs

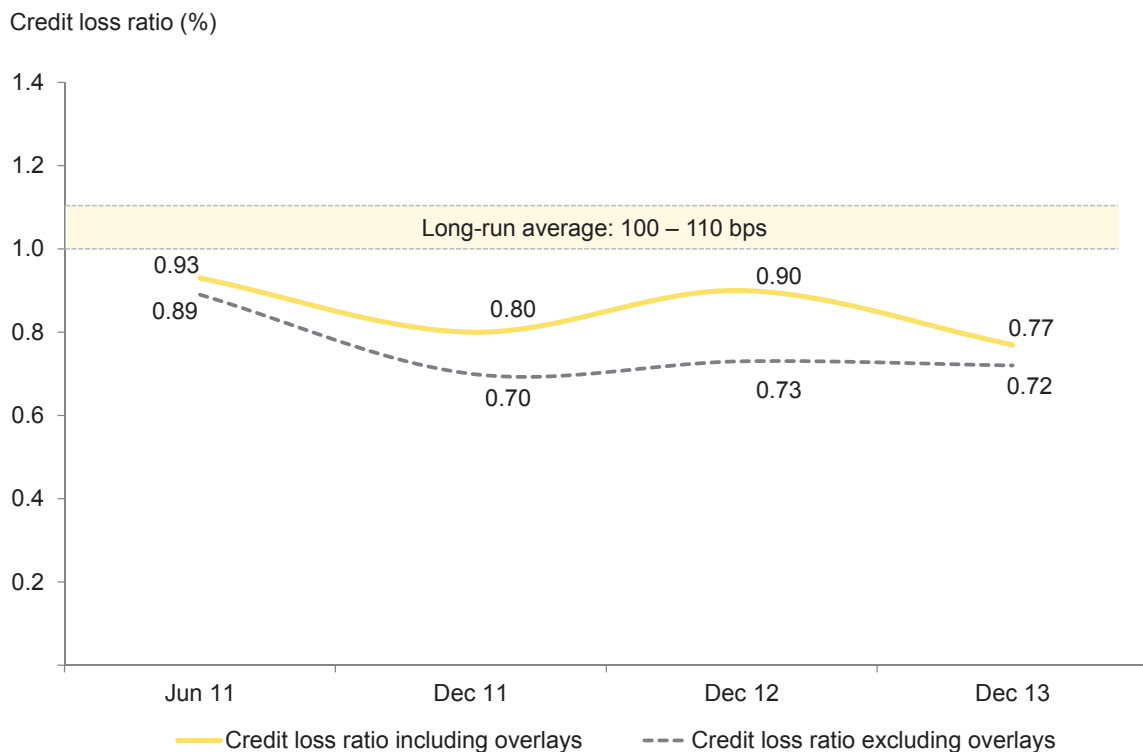


Coverage ratios (%)	Dec 13	Dec 12
Retail – secured	24.5	23.7
Residential mortgages	21.0	20.4
VAF	31.8	33.8
Retail – unsecured	72.7	81.2
Credit card	72.0	70.0
Personal loans*	72.6	80.0
Retail – other	73.6	95.5
Corporate	55.3	44.9
FNB Africa	38.4	35.6
Specific impairments	40.2	36.3
Portfolio impairments**	37.1	29.4
Total coverage ratio	77.3	65.7

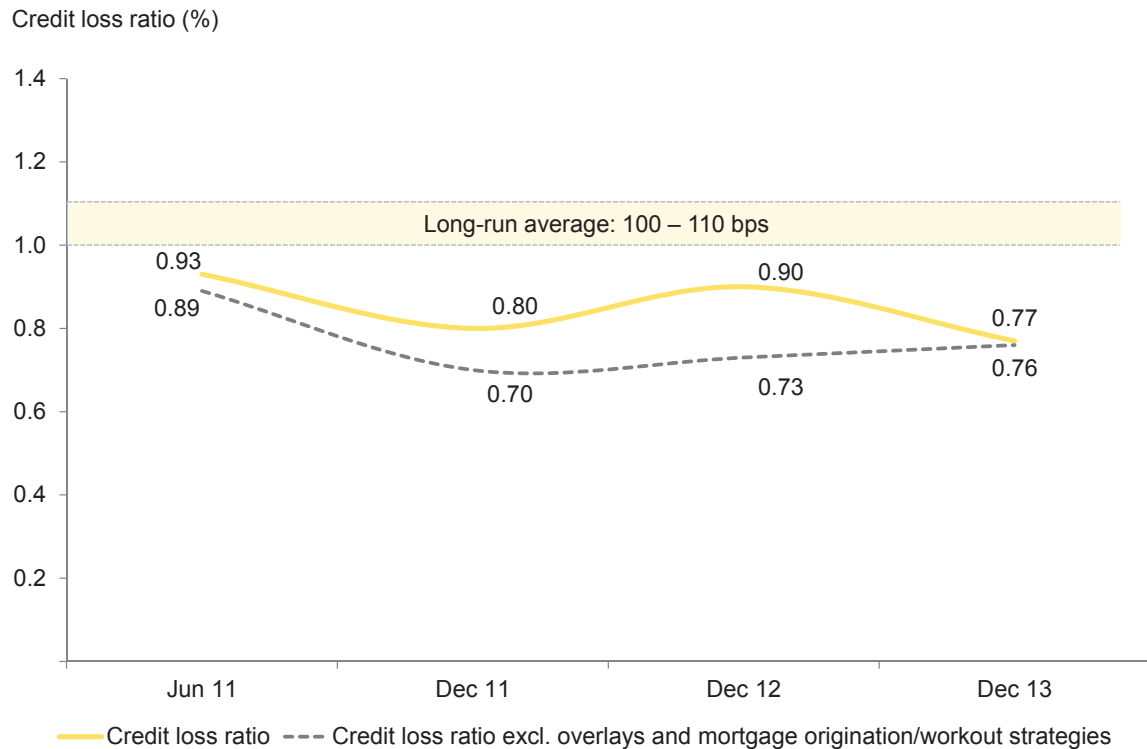
* Includes FNB loans and WesBank loans.

** Includes portfolio overlays.

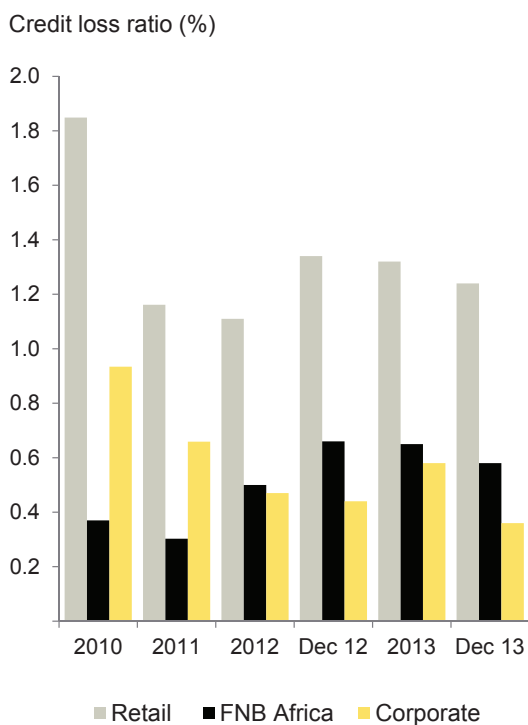
Impairment trend below long-run average, and reflects countercyclical provisioning...



... and residential mortgage origination/workout strategies



Proactive provisioning masks underlying product impairment trend



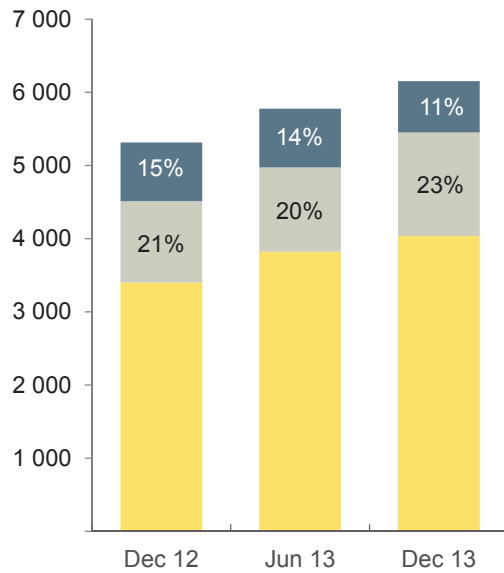
Credit loss ratio (%)	Dec 13	Jun 13	Dec 12
Retail – secured	0.49	0.62	0.60
Residential mortgages	0.10	0.32	0.39
VAF	1.10	1.14	0.98
Retail – unsecured	6.15	6.19	6.62
Credit card	0.15	0.19	(0.03)
Personal loans	8.35	9.67	9.78
Retail – other	10.56	7.47	10.82
Total retail	1.24	1.32	1.34
Corporate	0.36	0.58	0.44
FNB Africa	0.58	0.65	0.66
	0.80	0.95	0.90
Central portfolio overlay	(0.03)	-	-
Total credit loss ratio*	0.77	0.95	0.90

* Excluding the impact of the merchant acquiring event.

Portfolio provisions reflect countercyclical actions



Portfolio impairments (R million)



	Dec 13	Jun 13	Dec 12
Portfolio impairments as % of performing book	0.97%	0.97%	0.95%
Bad debt charge* (%)	0.77%	0.95%	0.90%
Portfolio impairments (R million)	6 152	5 776	5 314

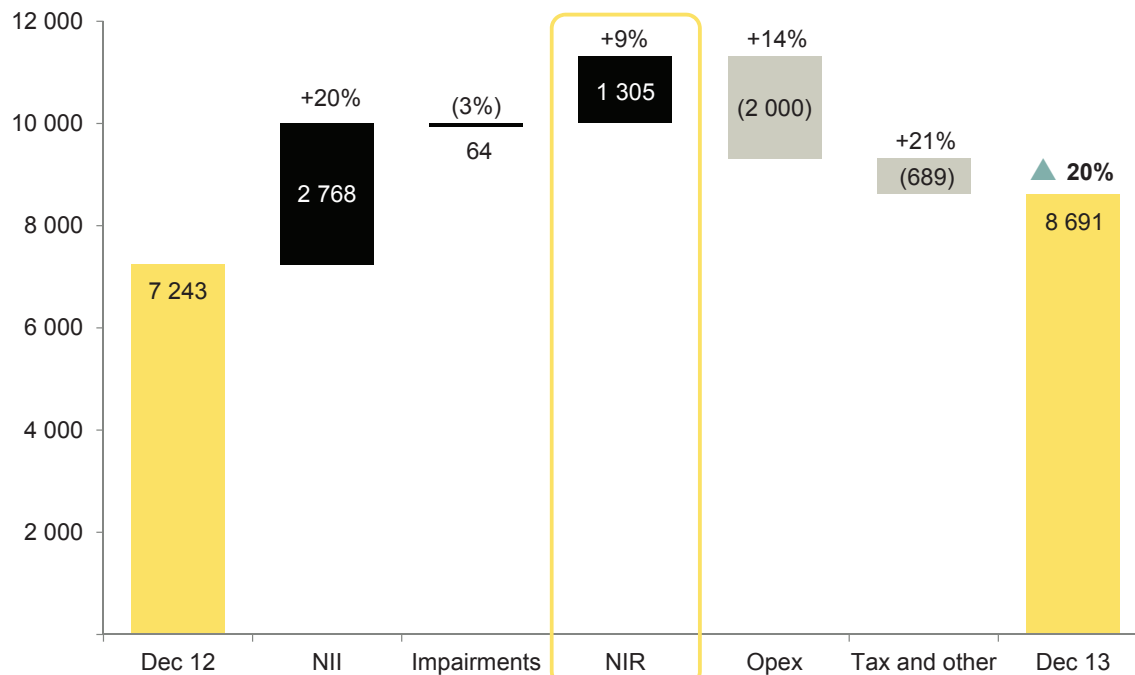
* Excluding the impact of the merchant acquiring event.

■ Franchise IBNR ■ Central overlay ■ Franchise overlay

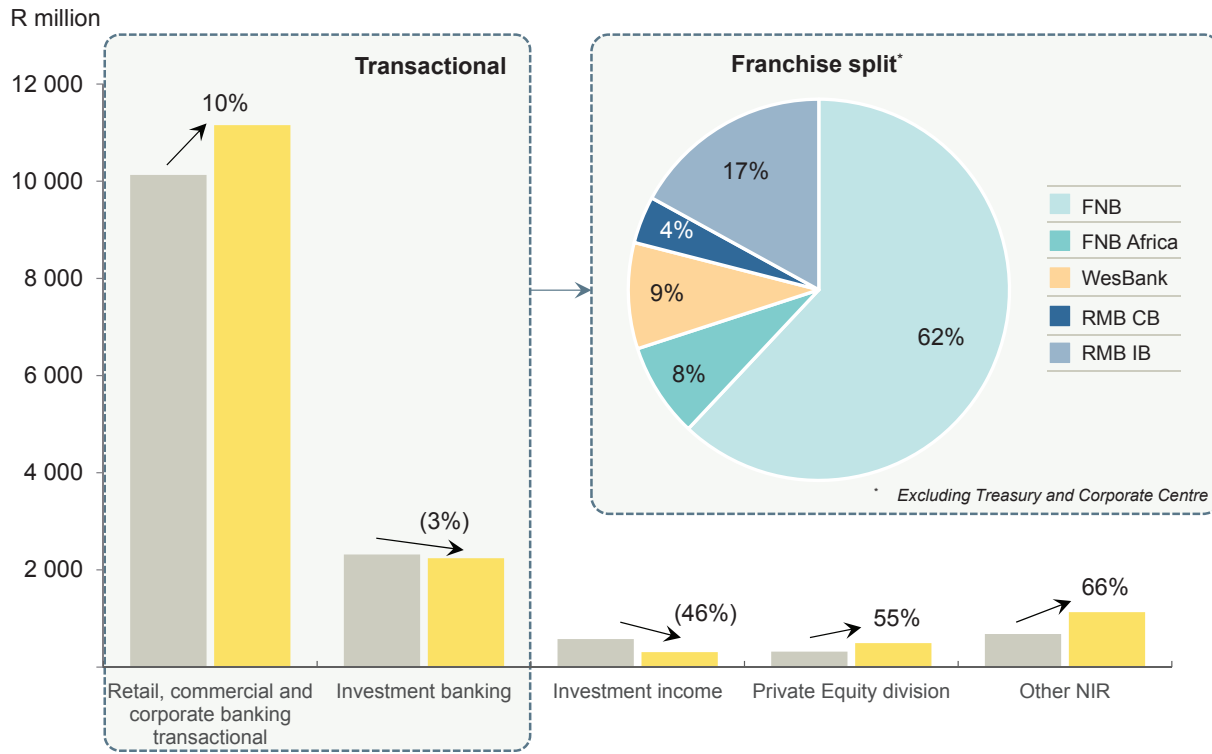
Strong topline underpins earnings growth



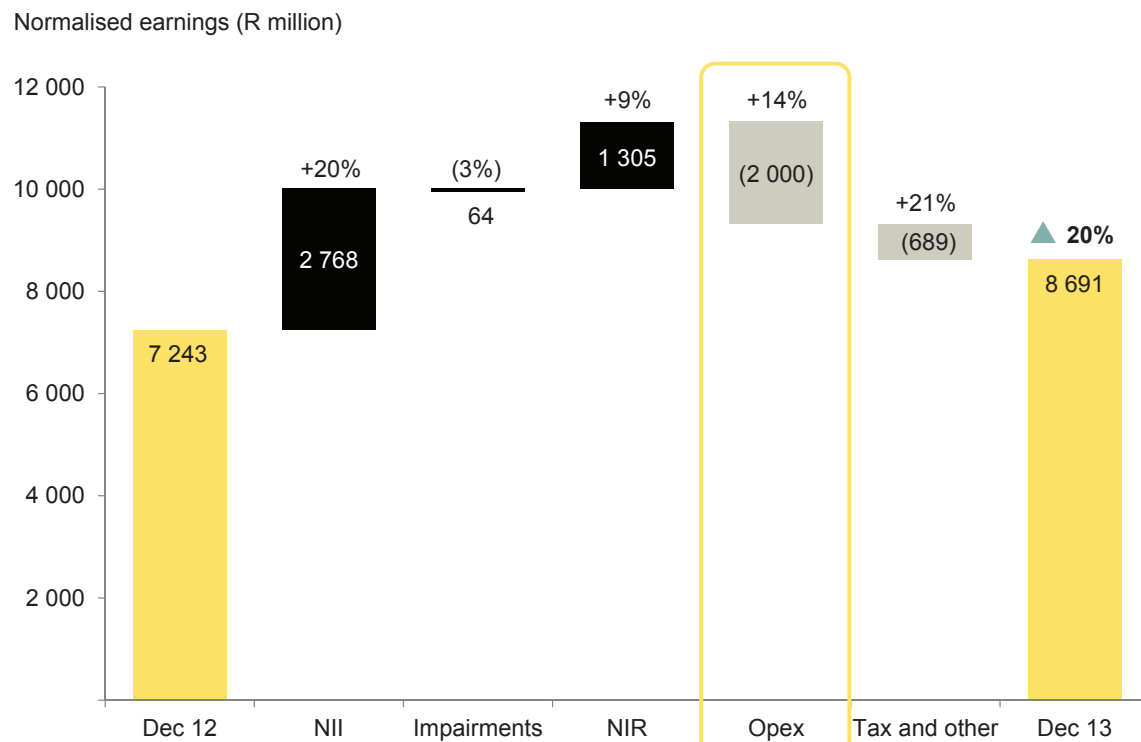
Normalised earnings (R million)



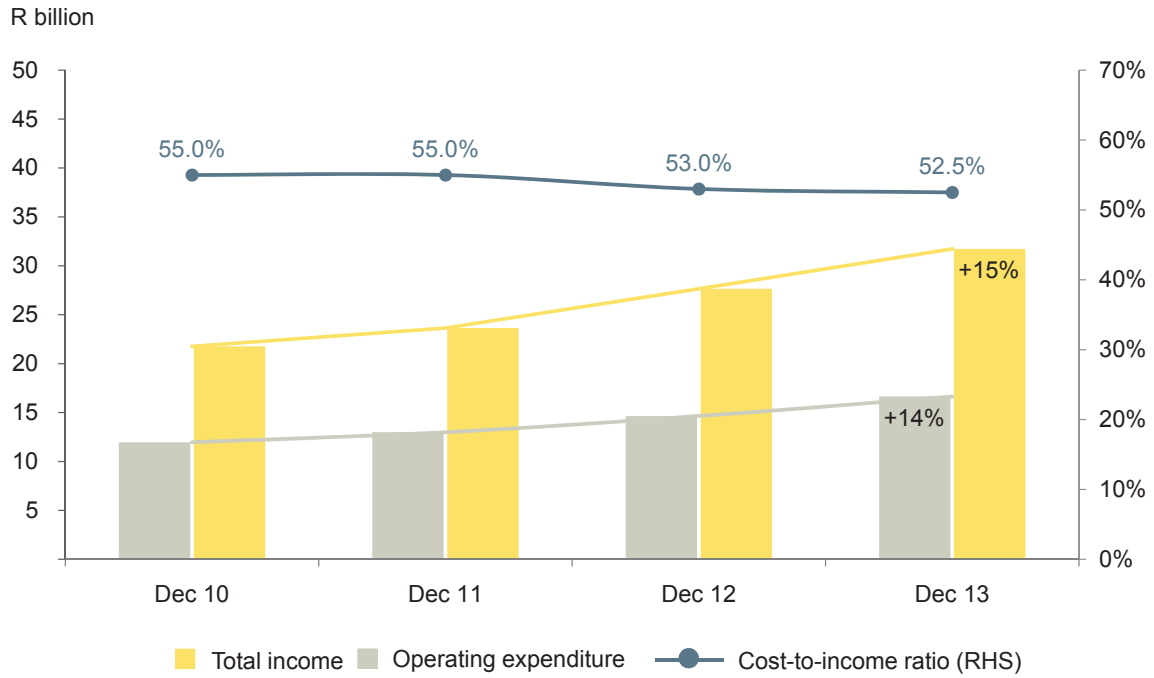
Non-interest revenue driven by client franchise strategies



Strong topline underpins earnings growth

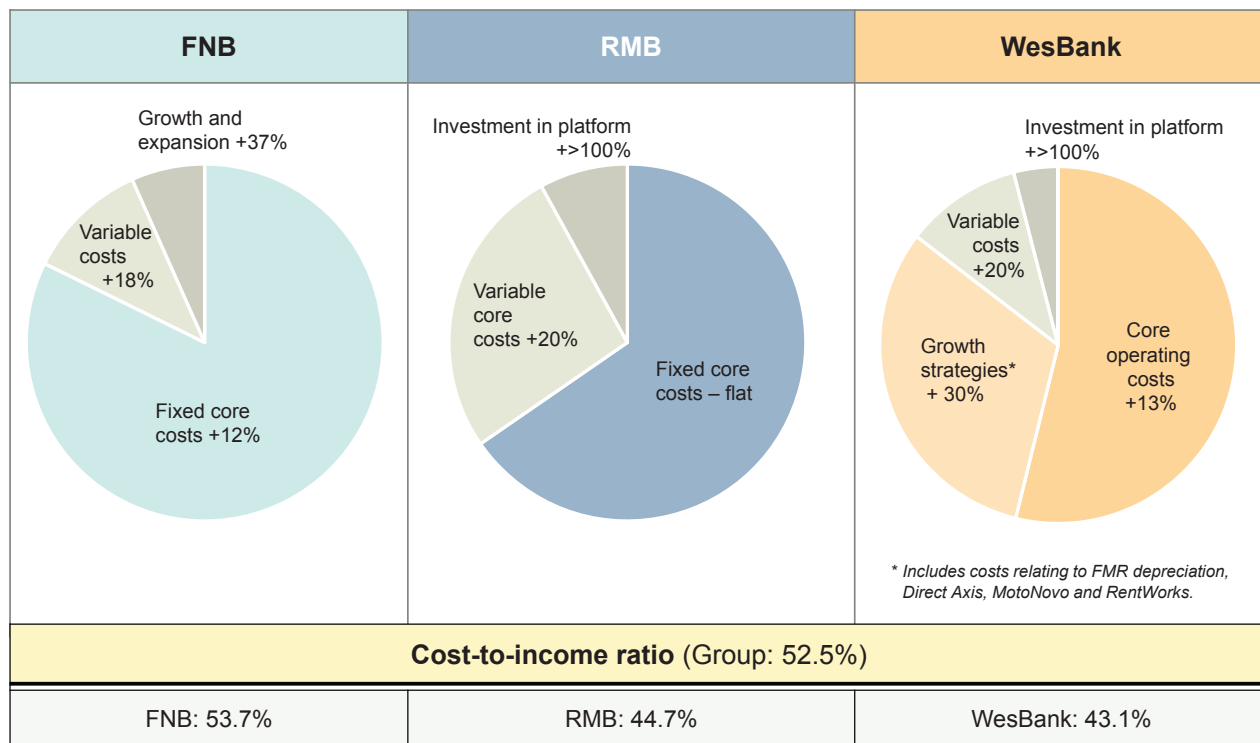


Strong topline drives positive operating jaws



Dec 12 and Dec 13 figures prepared in terms of IFRS 10 and 11, and the restated IAS 19. Dec 10 and Dec 11 figures presented on a continuing normalised basis.

Costs can be flexed if necessary



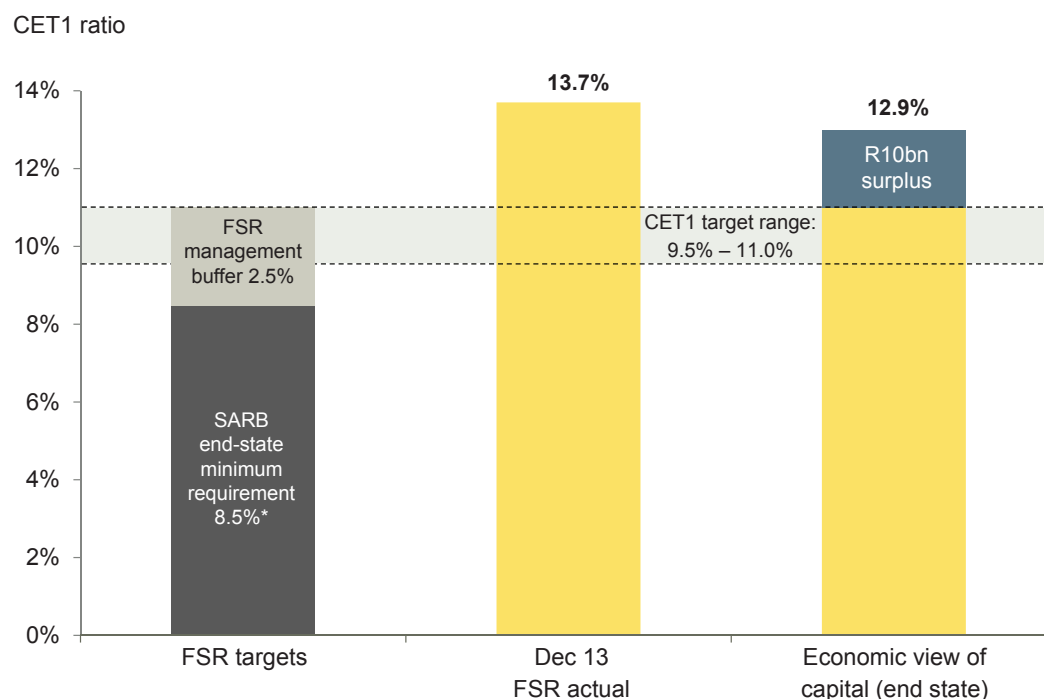


Consistent strategies are driving performance

Earnings resilience and growth (income statement)		<ul style="list-style-type: none"> • Diversification • Client franchise businesses • Appropriate risk appetite • Positive operating jaws
Balance sheet strength	Asset quality	<ul style="list-style-type: none"> • Appropriate action in new business origination • Grow the deposit franchise and improve liquidity profile • Managing NPLs and coverage ratios • Maintain strong capital position
	Liabilities and equity	
Quality of returns (performance management)		<ul style="list-style-type: none"> • Maintain ROE within target range with focus on ROA, not gearing • Discipline in deployment of capital

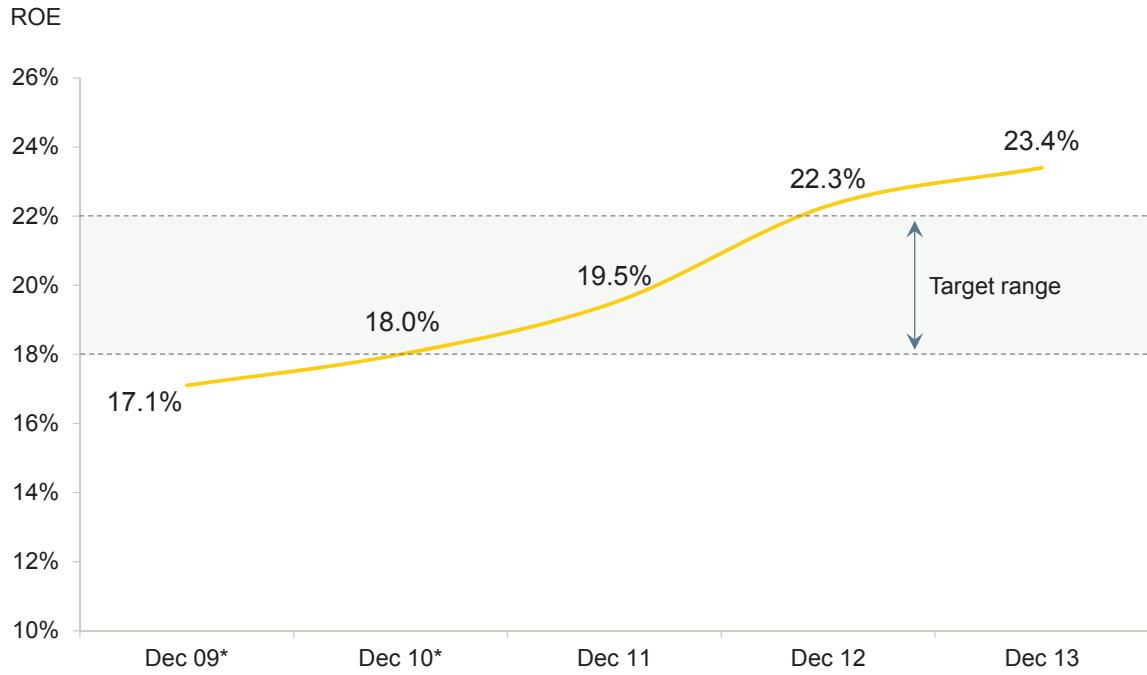


Strong capital position maintained



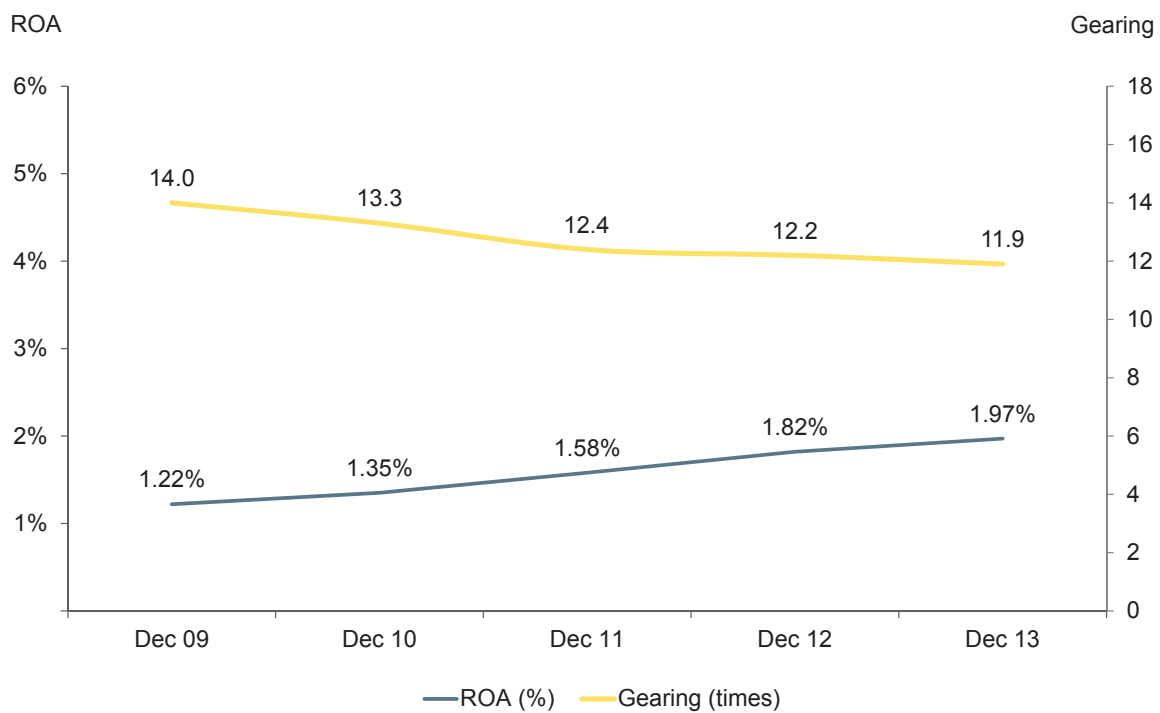
* Assumes maximum add-on for domestic systemically important banks (D-SIB).

ROE remains cyclically high



* Comparatives prior to Dec 11 are for FirstRand Banking Group.

Returns driven by ROA not gearing



* Comparatives prior to Dec 11 are for FirstRand Banking Group.

STRATEGIC OVERVIEW



FIRSTRAND

FirstRand's consistent growth strategy



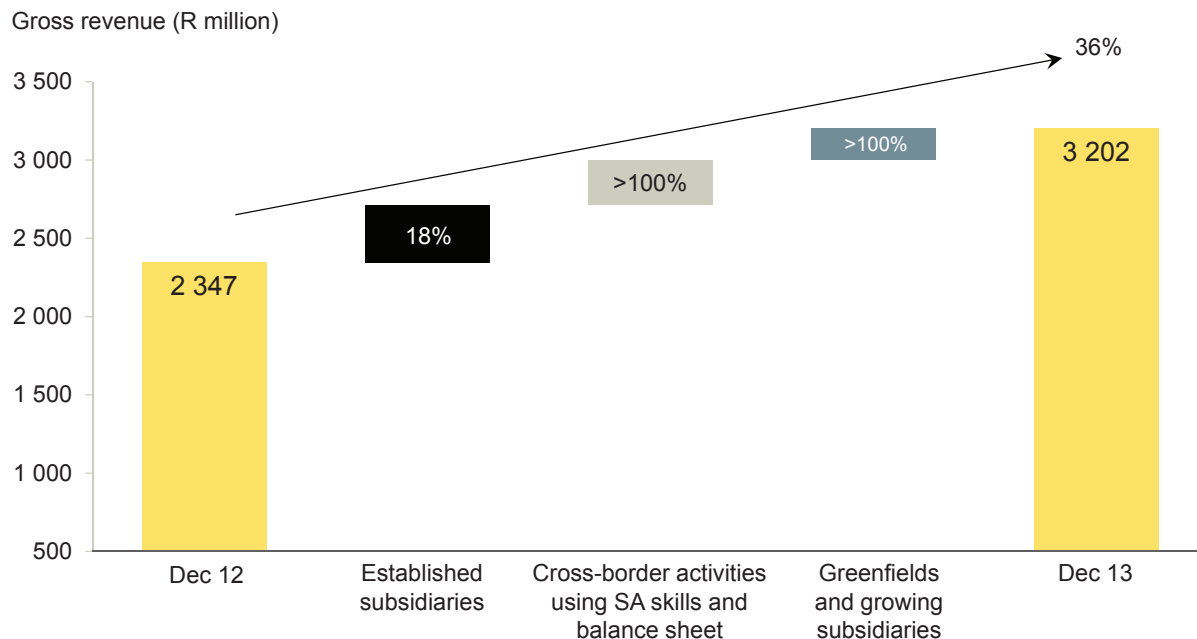
- Objectives
 - Be the African financial services group of choice
 - Create long-term franchise value
 - Deliver superior and sustainable returns within acceptable earnings volatility
 - Maintain balance sheet strength
- ... driven by two growth strategies
 - In South Africa, focus on existing markets and areas currently under-represented
 - Strengthened the relative positioning of franchises
 - Focused on growing client-based revenue
 - Expanded into new profit pools
 - Further grow African franchises in key markets and mine the Africa/Asia corridors



Building good momentum in the rest of Africa and corridors

- Consistent execution through operating franchises matched with disciplined capital deployment
- Country selection focused on main economic hubs of east and west Africa
- Three pillars to strategy
 - **Utilise existing balance sheet, intellectual capital, international platforms and existing operating footprint in the rest of Africa**
 - Effective in territories where a physical presence not yet established
 - Particularly relevant to RMB where high levels of successful cross-border activity is continuing
 - RMB rolling out investment banking in established FNB subsidiaries
 - **Greenfields and growing subsidiaries**
 - FNB – rolling out SA innovations into subsidiaries is a priority, with points of presence preferred to large physical footprint
 - RMB’s licence in Nigeria providing opportunities for corporate and commercial banking
 - **Corporate action where it makes commercial sense**

Revenue growth from execution of strategy in the rest of Africa



Established subsidiaries ROE 32.9%, growing subsidiaries ROE -1.0%

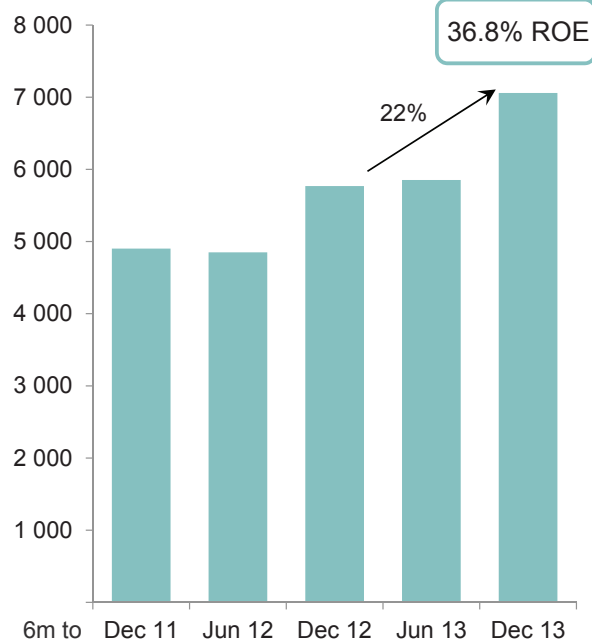
FNB OPERATING REVIEW



FNB franchise continues to outperform macros



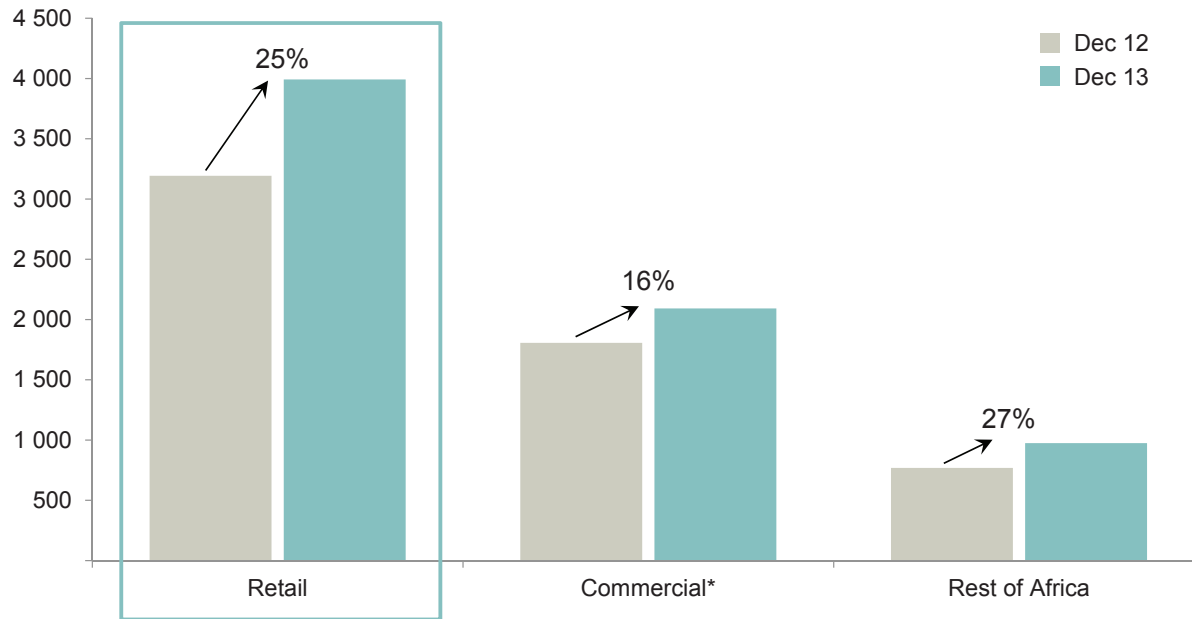
Normalised profit before tax (R million)



- Strong topline growth
 - NII +17%
 - NIR +12%
- Good advances growth
- Origination strategies reflect reduced risk appetite
- Ongoing gains in customers (excl. SASSA accounts) and strong growth in transactional volumes
- Continued improvement in NPLs
- Deposit franchise benefiting from product innovation

Strong growth across all segments

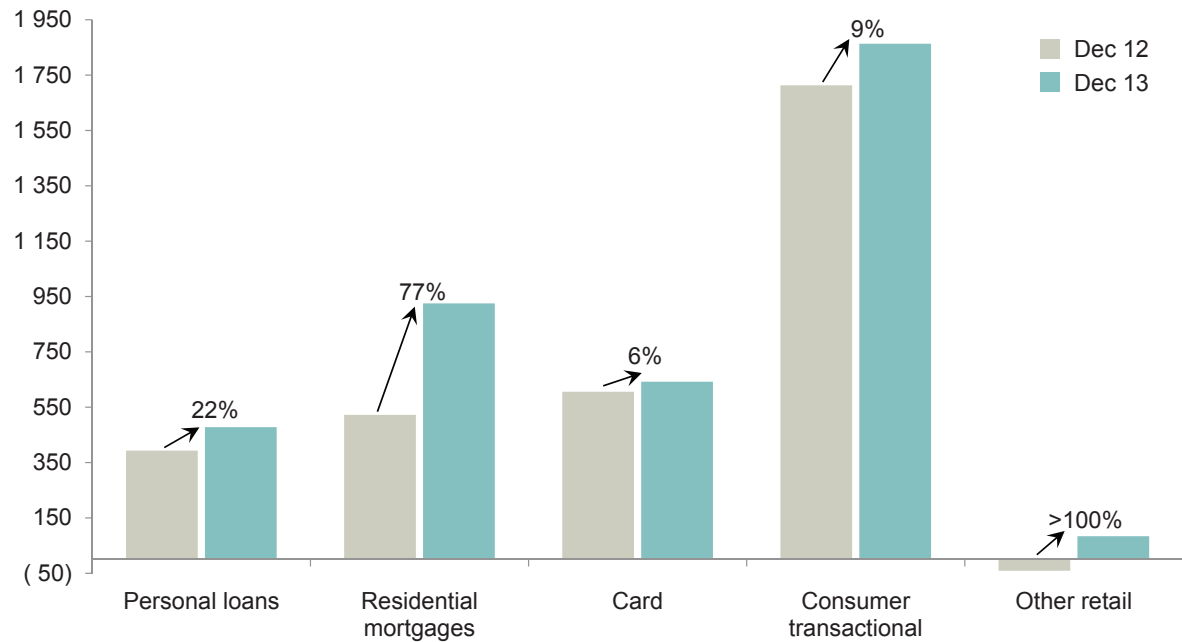
Normalised profit before tax (R million)



* Commercial includes Business Banking, Public Sector and FRB India.

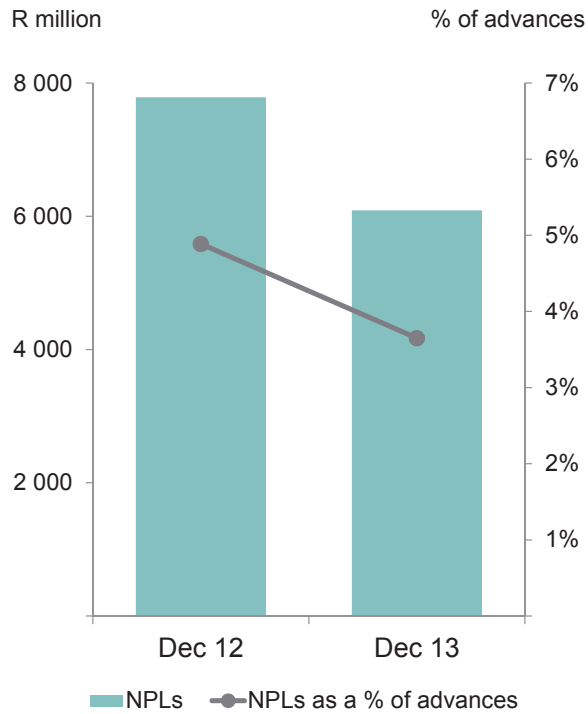
Retail benefits from focus on core client relationships and continued improvement in residential mortgages

Normalised profit before tax (R million)



Retail includes the previous Wealth, Mass and Consumer segments (excludes FNB Africa).

NPLs continue to fall on the back of management actions



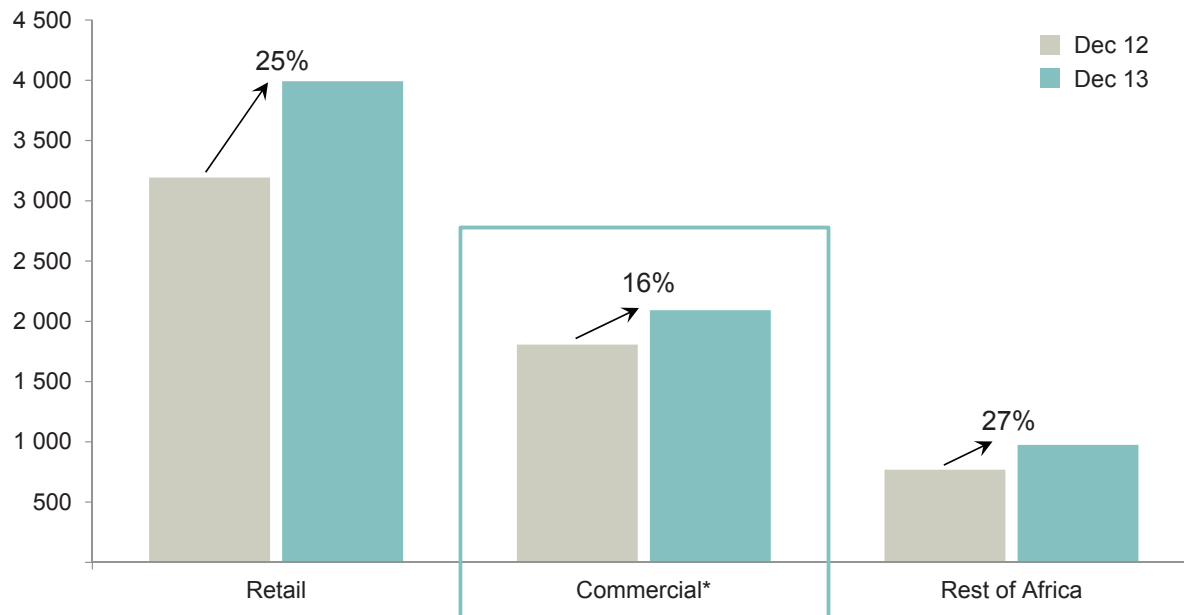
- Residential mortgage NPLs have reduced by R1.7 billion
 - Offered customer solutions
 - QuickSell (>7 330 properties sold to date)
 - QuickFix
 - Restructures still classified as NPLs
 - Approximately half of HomeLoans NPLs paying at least 75% of instalment
- Total PIPs portfolio in SA has been written off, still comprising 221 properties (2012: 391)

Numbers are for FNB SA.

Strong growth across all segments



Normalised profit before tax (R million)

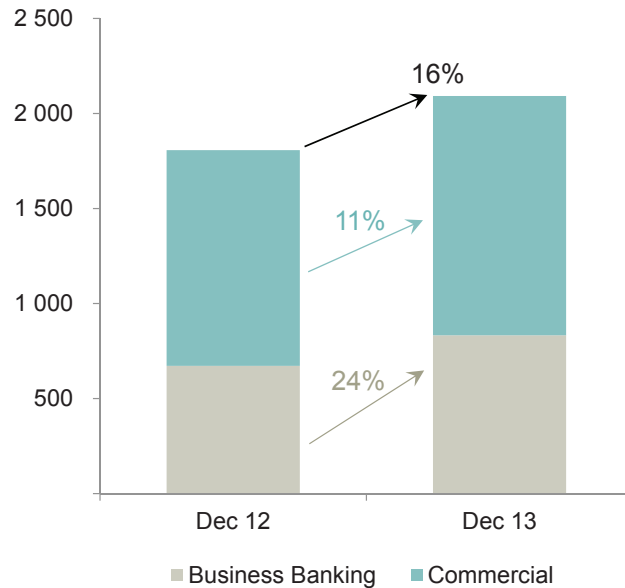


* Commercial includes Business Banking, Public Sector and FRB India.

Platform investment and customer proposition delivering for Commercial



Normalised profit before tax (R million)



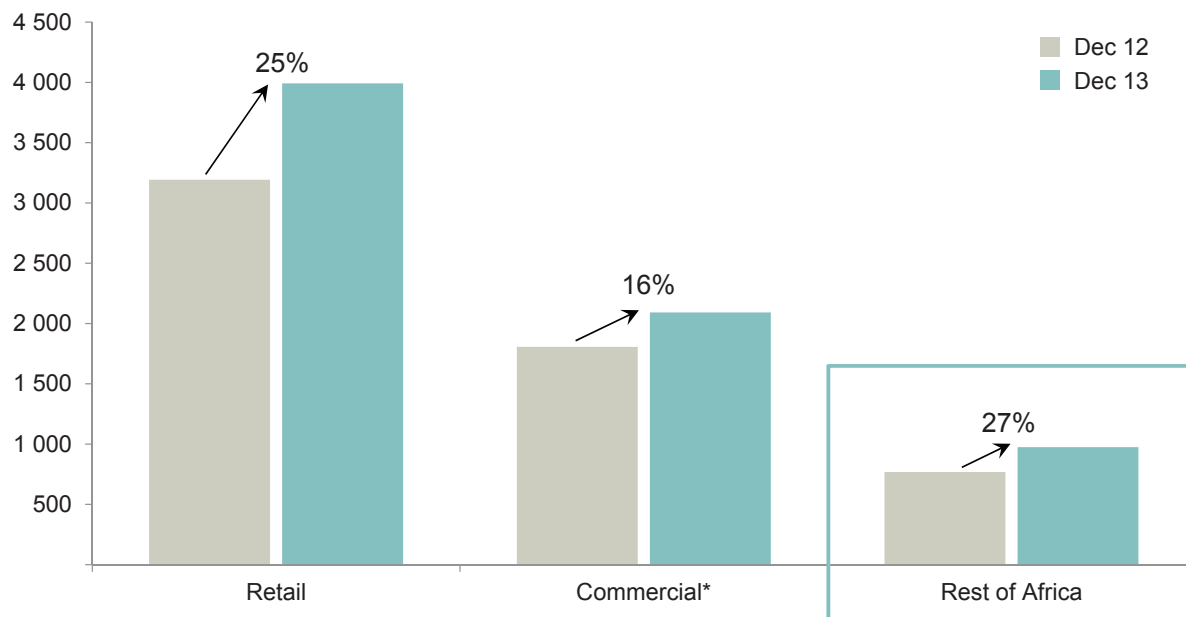
- Good performance from both segments
 - Business +24%
 - Commercial +11%
- Prior period investment driving growth
- Advances growth in target segments
- Good growth in deposits
- Client acquisition success continues
 - Good progress on introducing key elements of retail value proposition in Commercial and Business
 - Servicing customers more efficiently

* Business Banking includes FRB India. Commercial includes Public Sector.

Strong growth across all segments

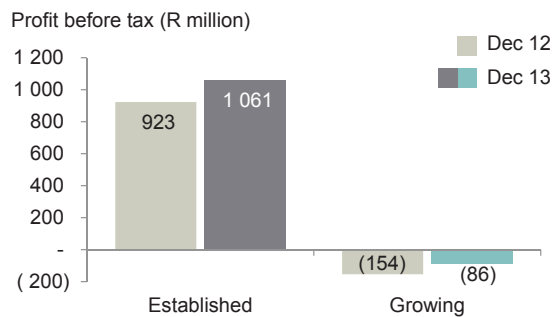


Normalised profit before tax (R million)



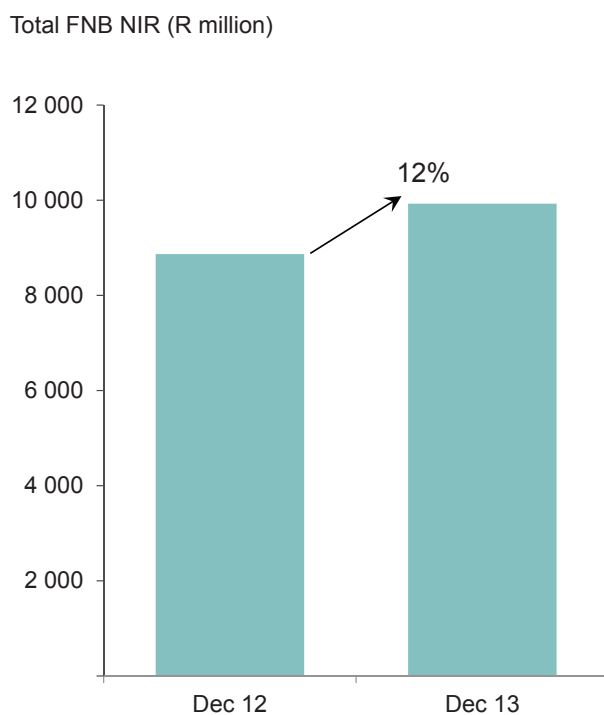
* Commercial includes Business Banking, Public Sector and FRB India.

Rest of Africa remains a key focus area



- Solid growth in established subsidiaries
 - Healthy advances and deposit growth
 - Particularly strong performances from Namibia (PBT +18%) and Swaziland (PBT +32%), growing both NII and NIR
- Growing subsidiaries
 - Excellent NIR growth up >50%
 - Investment in digital channels
 - Growth in operating footprint
 - Customer acquisition up in all jurisdictions, particularly strong take-up on Zambian switching campaign
 - Mozambique turns profitable

FNB NIR driven by new account growth and volumes

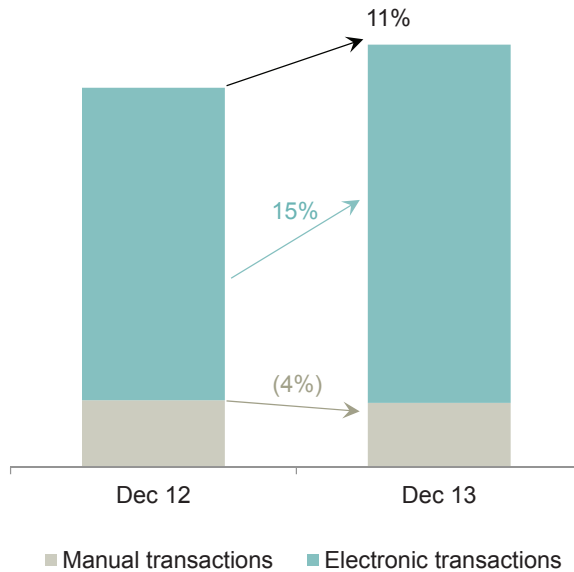


- Retail client proposition being enhanced
 - Strong growth in electronic channels
 - Strong growth in rewards offerings
 - Competitive pricing philosophy
 - Offering focused on client retention
 - Electronic solutions seen as world-class
- Cross-sell, measured by the vertical sales index (VSI) improved to 2.27 (2012: 2.09)



Growth in volumes driven by electronic channels

Transactions processed



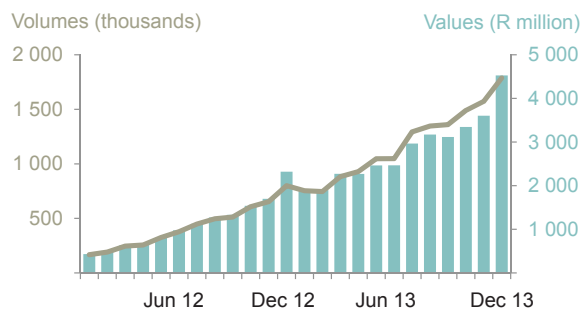
- Continued shift to electronic channels
 - Manual transactions down 4%
 - Electronic transactions up 15%
- Banking app volumes up >100%
- Mobile and internet show sustainable growth as customers leverage e-solutions
- POS transactions up 26%
- ADT deposit transactions up 27%

Manual transactions – cash, cheques, ATMs. Electronic transactions – online, card, mobile, etc.

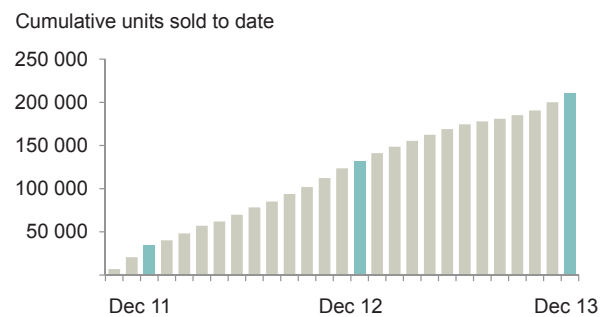
Innovation key to customer and volume growth



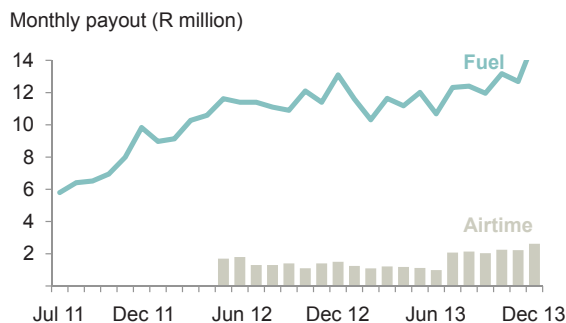
FNB banking app transactions



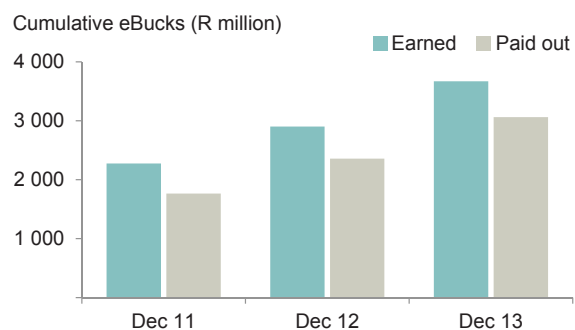
FNB smart device sales



Fuel rewards



eBucks spend

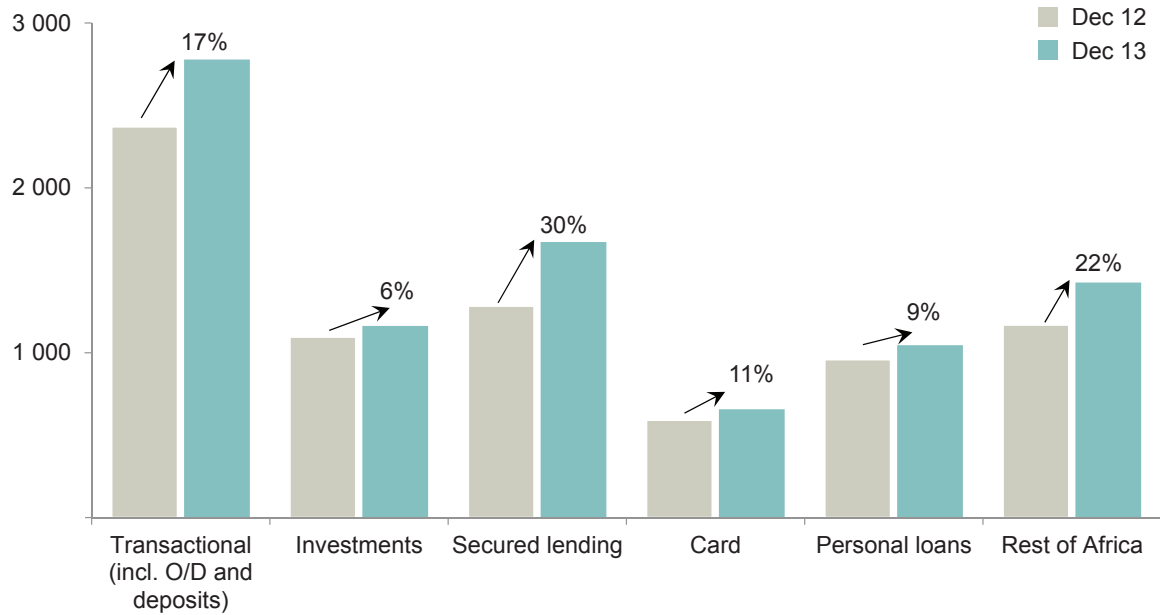


Charts based on FNB SA numbers.

NII growth driven by asset and deposit franchise



Total FNB NII (R million)

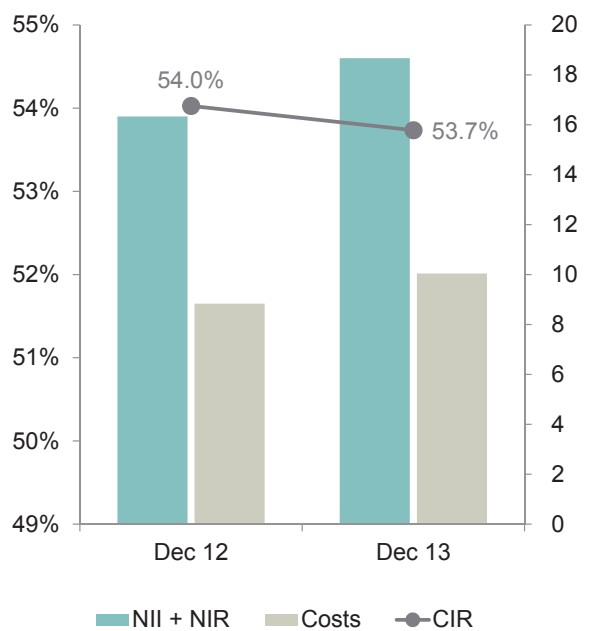


Positive jaws despite continued investment



Cost-to-income ratio

R billion



- Cost-to-income ratio improved
- Core SA costs contained to 10%
- Continued to invest for growth
 - Commercial and Business Banking
 - Electronic channels
 - Core platform
 - Rest of Africa and India



Prospects underpinned by consistent strategies

- Growth will be primarily driven through
 - Driving core transactional account activity and cross-sell
 - Targeted advances and deposit origination strategies emanating from primary banking relationships
- Across all segments, FNB continues to
 - Offer innovative product and channel value propositions supported by robust operational platforms
 - Migrate manual activities onto electronic channels
 - Focus on both cross-selling into existing base as well as acquiring new customers
- Expand segment-based core banking relationship strategies across rest of Africa and FRB India footprint

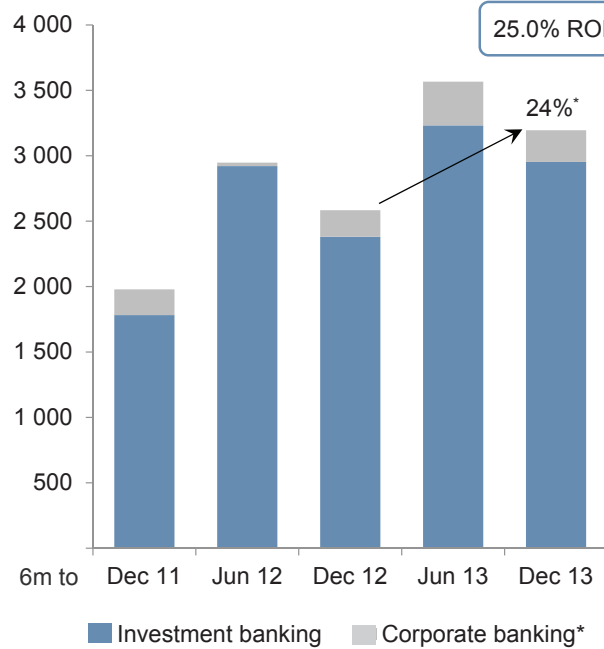
RMB OPERATING REVIEW





Performance reflects strength of domestic and rest of Africa franchises

Normalised profit before tax (R million)



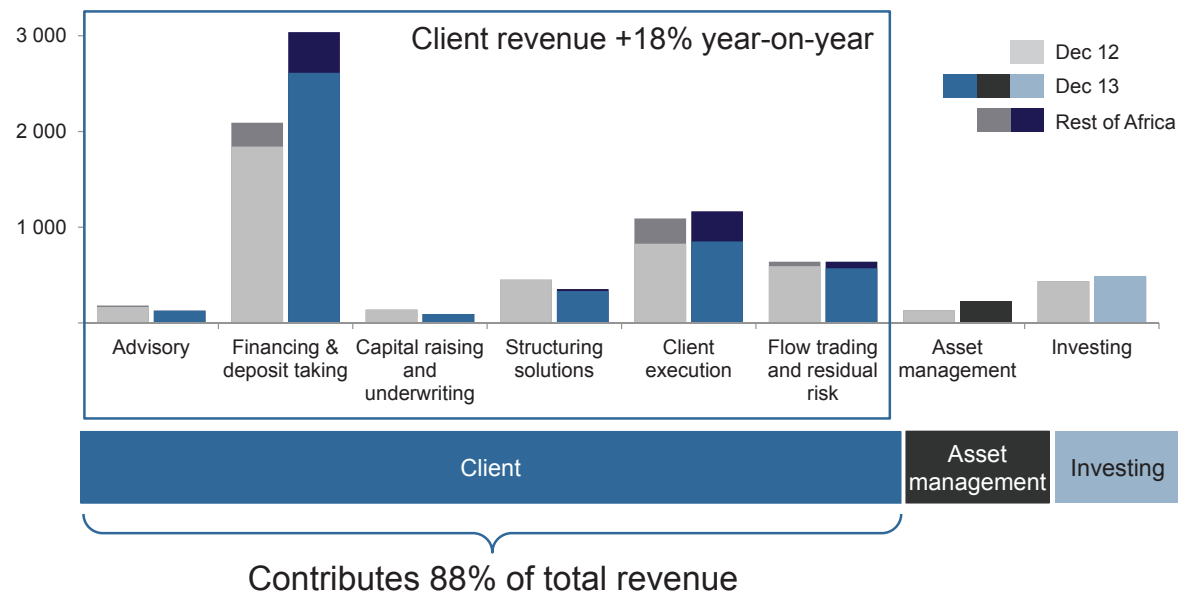
- Growth across all business units, major core activities and rest of Africa
- Strong balance sheet growth
- Further enhanced ROE through tight capital management and improvement in efficiencies
- Positive operating jaws despite investment in platforms and expansion in the rest of Africa
- Good operational performance from Corporate Banking

* Based on operational performance for RMB Corporate Banking – refer to page 8 of the Analysis of financial results booklet.



Largest contribution from client activities

Gross income* (R million)



* Excludes legacy and head office.

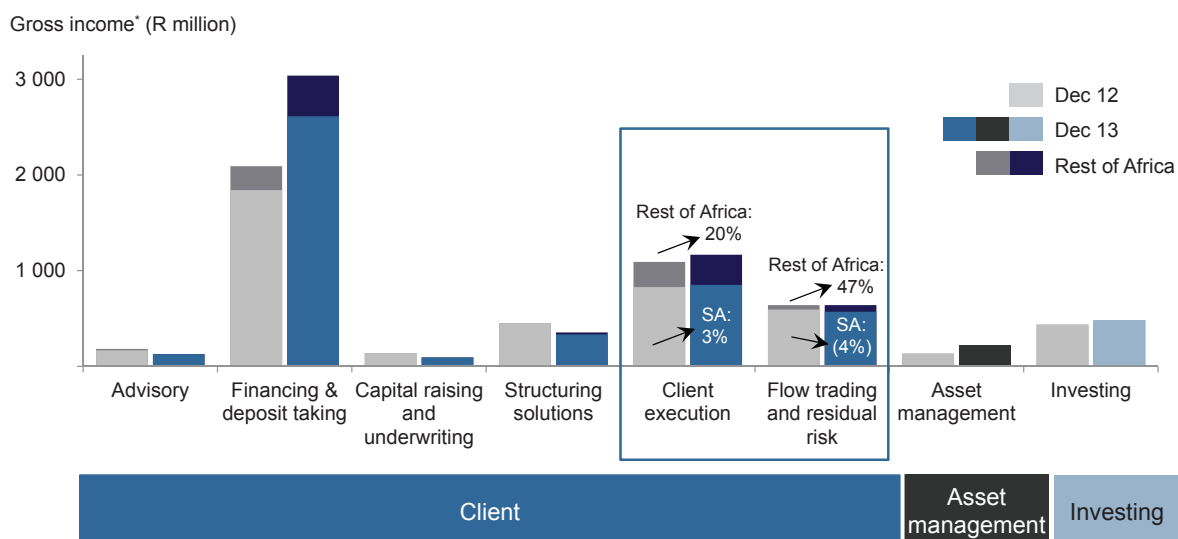
Significant contribution from financing and deposit taking



- Strong core investment banking book growth of 20% – rest of Africa portfolio doubled to R25 billion
- Improvement in lending margins and overall credit portfolio quality (BB- to BB)
- Transactional deposits grew 18%, though there was slight margin compression
- Lower portfolio impairments

* Excludes legacy and head office.

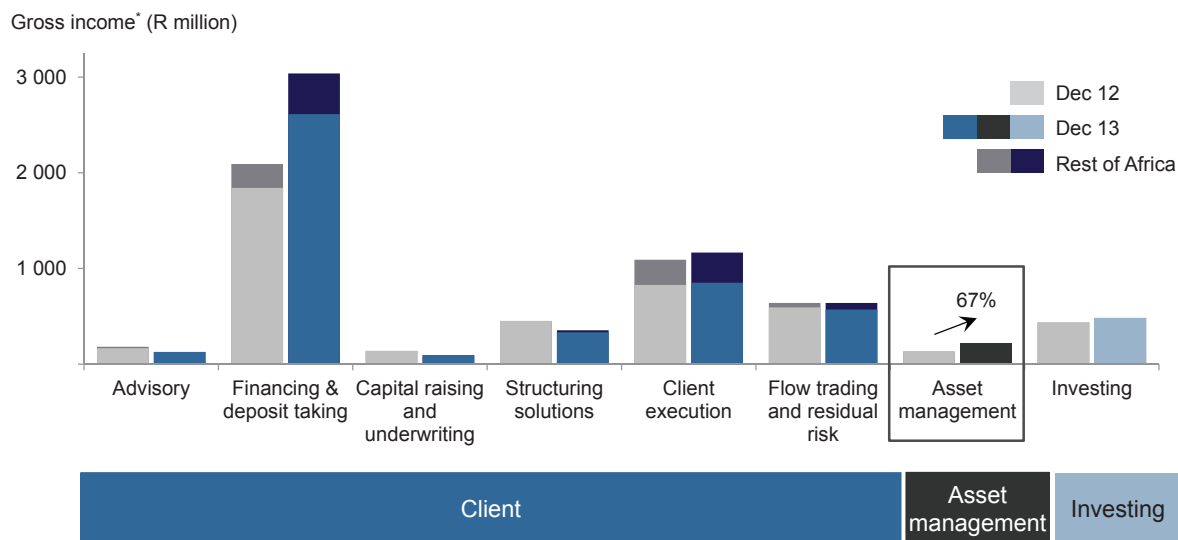
Growing contribution from rest of Africa supports client execution and flow



- Domestic performance pedestrian across asset classes
 - Currencies, commodities and equities fared better than fixed income
- Good growth from the rest of Africa – strong contributions from Botswana, Namibia, Zambia and Mozambique

* Excludes legacy and head office.

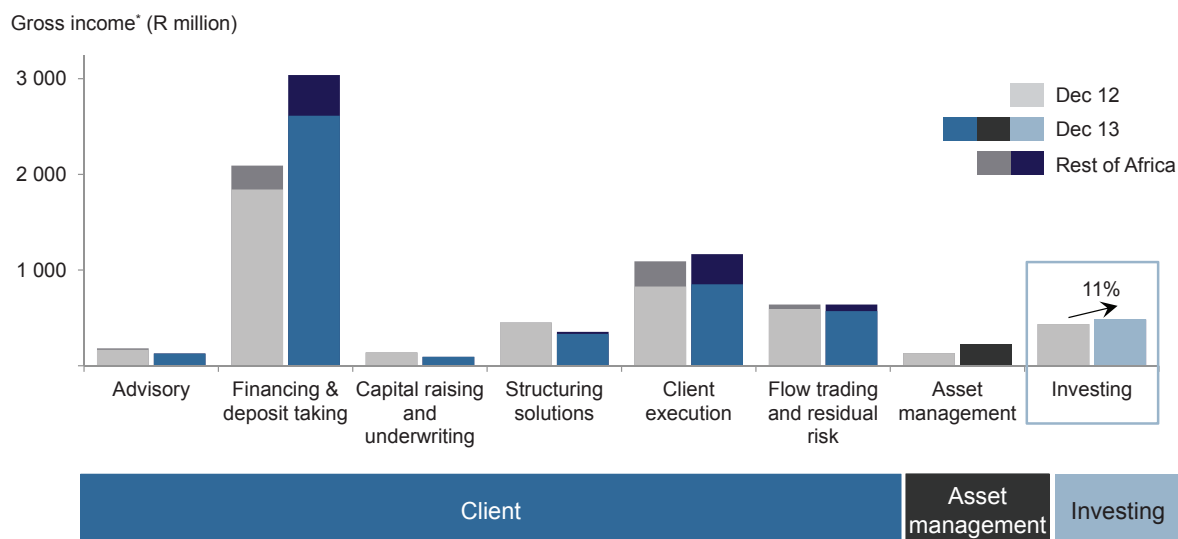
Good growth in asset management activities



- Growth driven by rollout of new products and growth in AUM
- Good leverage and coordination with Ashburton Investments and other Group channels

* Excludes legacy and head office.

Quality of private equity portfolio underpins growth



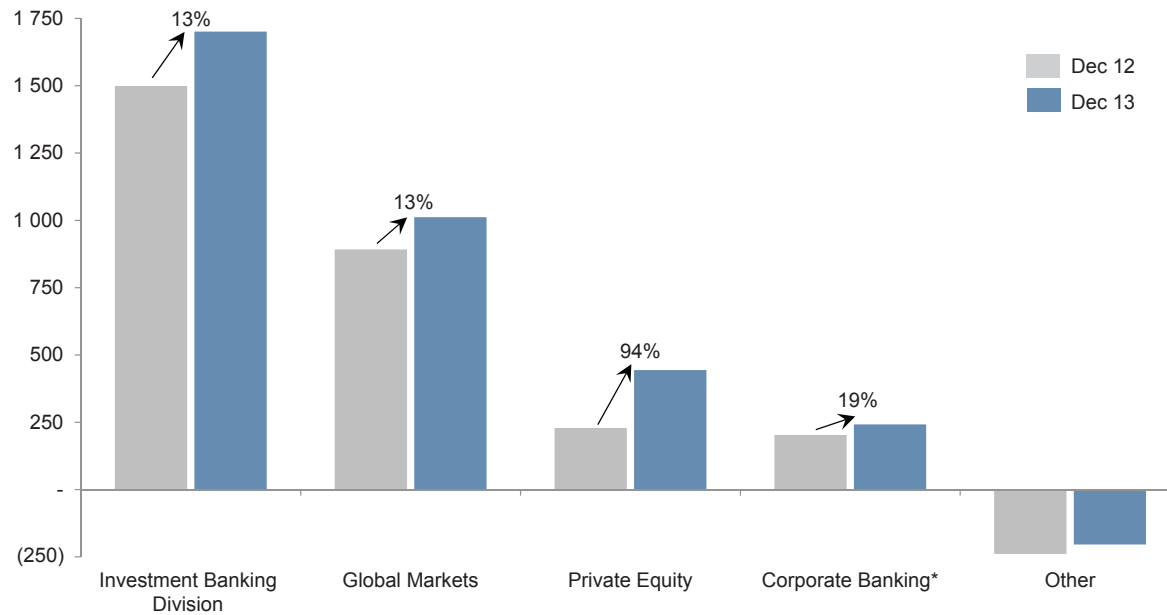
- Small realisations, but strong growth in associate earnings R441m (2012: R266m)
- 78% growth in unrealised portfolio value to R2.96bn (2012: R1.66bn)
- Invested R882m (2012: R700m)
- Improved performance from RMB Resources

* Excludes legacy and head office.

All business units contributed



Normalised profit before tax (R million)



* Graph shows operational performance for RMB Corporate Banking – refer to page 8 of the Analysis of financial results booklet.

Prospects underpinned by consistent strategies



- Sharp focus on client franchise is delivering
 - Strong growth in balance sheet, flows and deposits
 - Credit quality maintained, impairments lower and risks remain well provided for
 - Despite slower economic environment, RMB continued to gain market share in key activities
- New initiatives starting to show rewards
 - Franchises in rest of Africa showing growth and gaining momentum
 - India remains profitable despite tough macros; client and corridor focus continues
 - Good growth from asset management activities
- Investment portfolios healthy, delivering earnings and should contribute meaningfully in future periods
- Continued focus on capital management, costs and efficiencies will remain in place

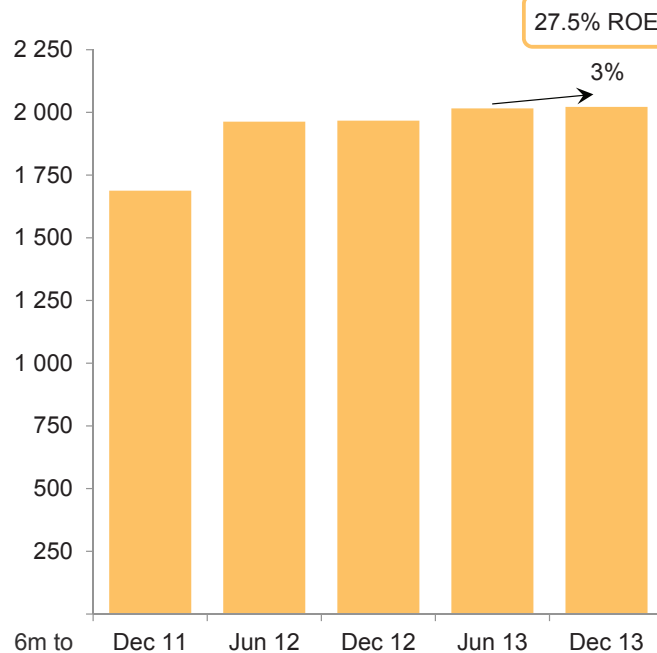
WESBANK OPERATING REVIEW



WesBank's profit growth and return profile resilient



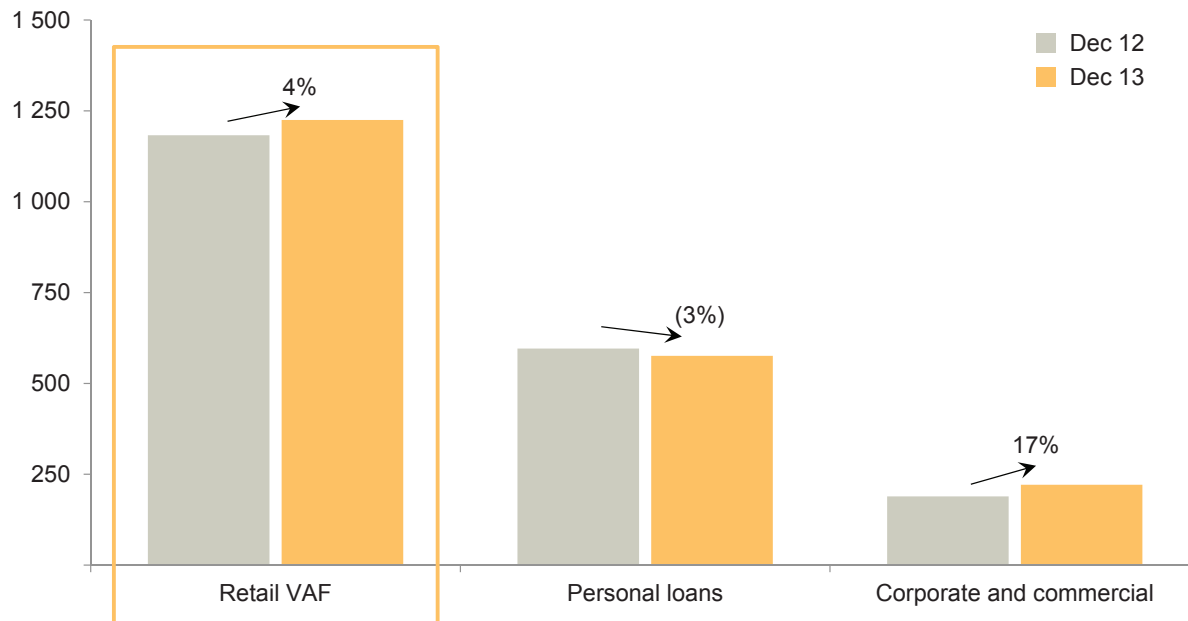
Normalised profit before tax (R million)



- Increases in impairments and NPLs in retail portfolio
- Solid new business origination within desired risk profile
- Strong performance from MotoNovo (UK)
- Solid NIR growth from insurance activities and FMR
- Interest margins steady, but under increasing pressure

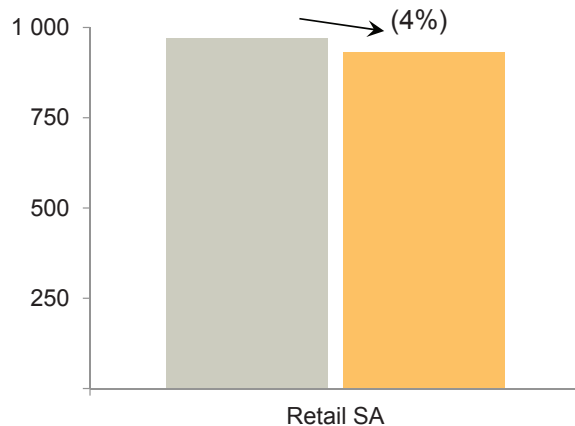
Where the profits came from

Normalised profit before tax (R million)

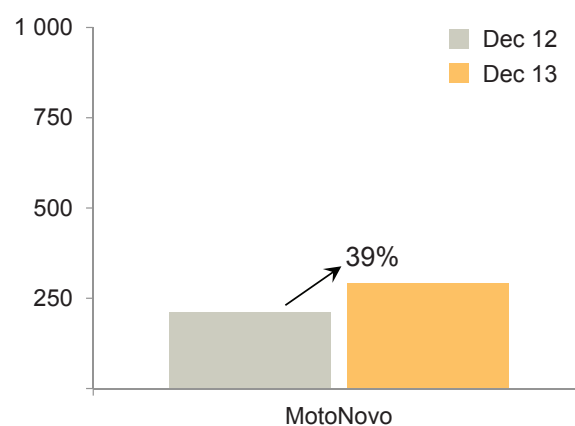


Domestic VAF performance reflecting cycle, good performance from MotoNovo

Normalised profit before tax (R million)

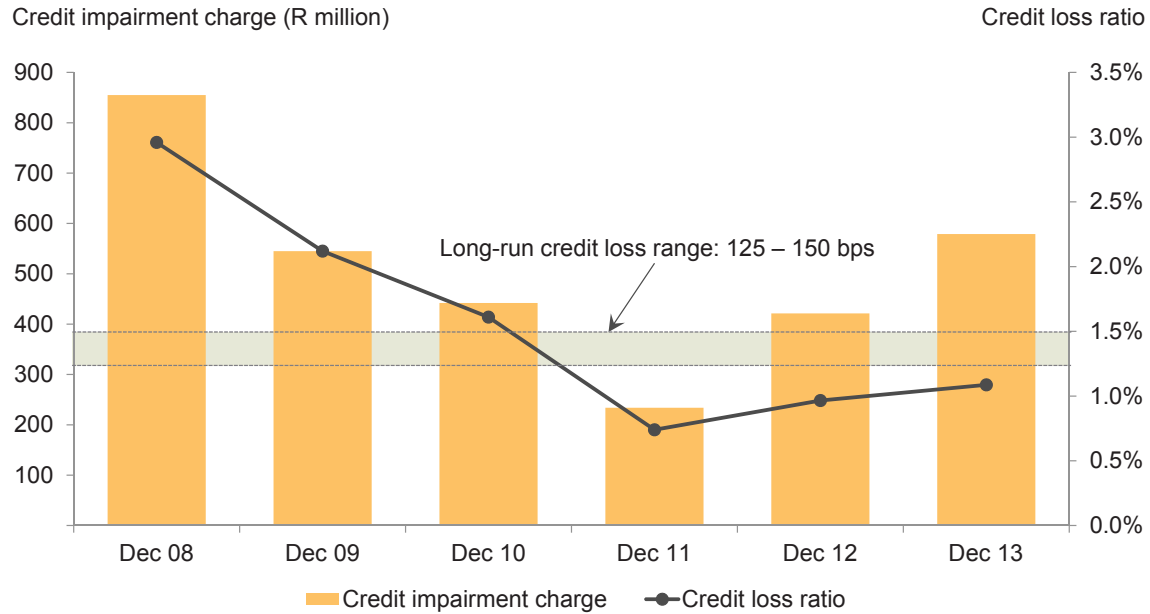


Normalised profit before tax (R million)



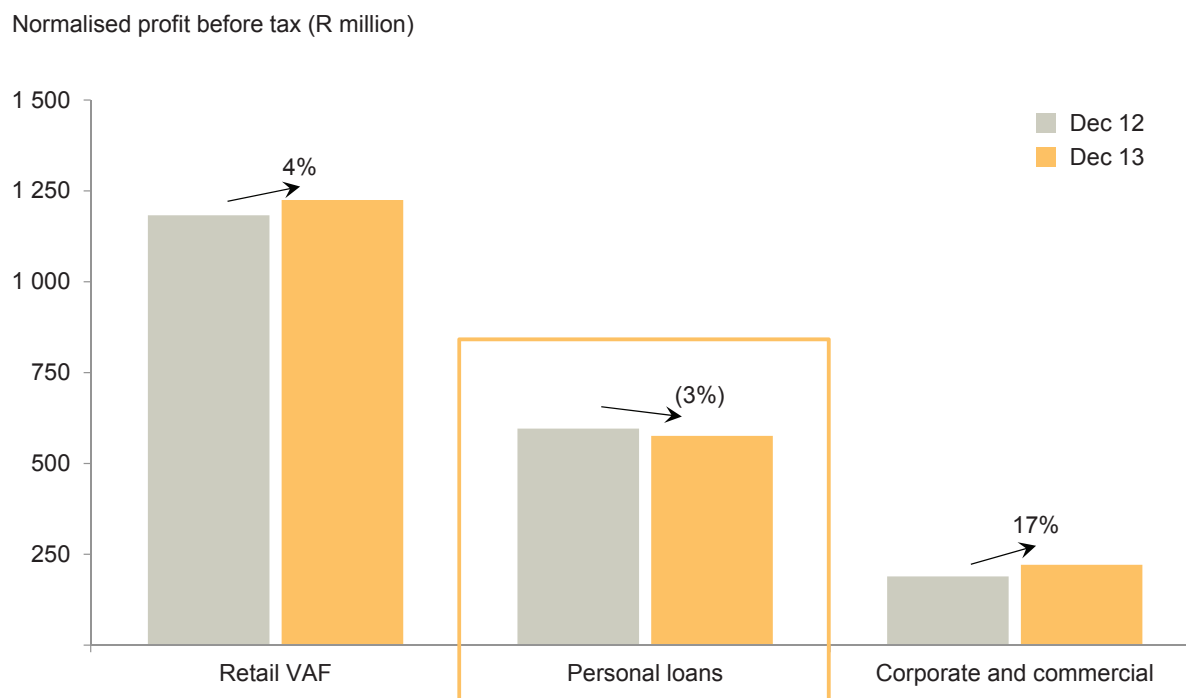
- SA retail lending business generating good advances growth, offset by impairment increases
- Credit experience in line with expectations given cycle
- MotoNovo showing strong operational performance – up 17% in GBP terms

Domestic retail VAF credit performance continues within expectations



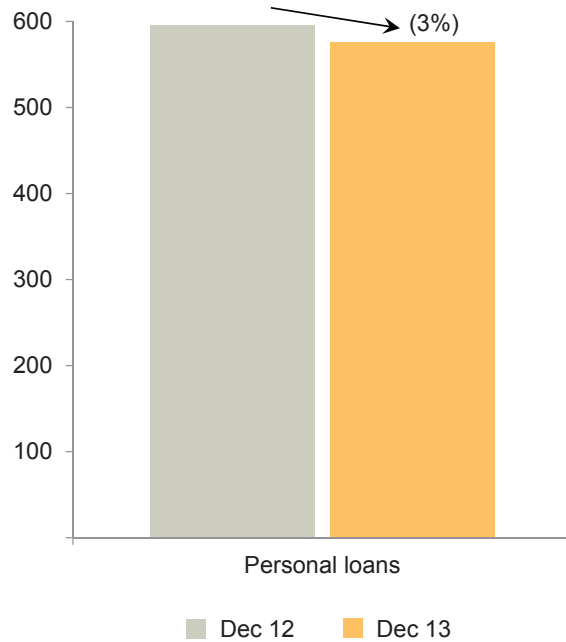
- Bad debt rate of 1.15%, still well within expectations and below long-run average
- Upward pressure on arrears as credit cycle turns

Where the profits came from



Personal loans performing as expected

Normalised profit before tax (R million)

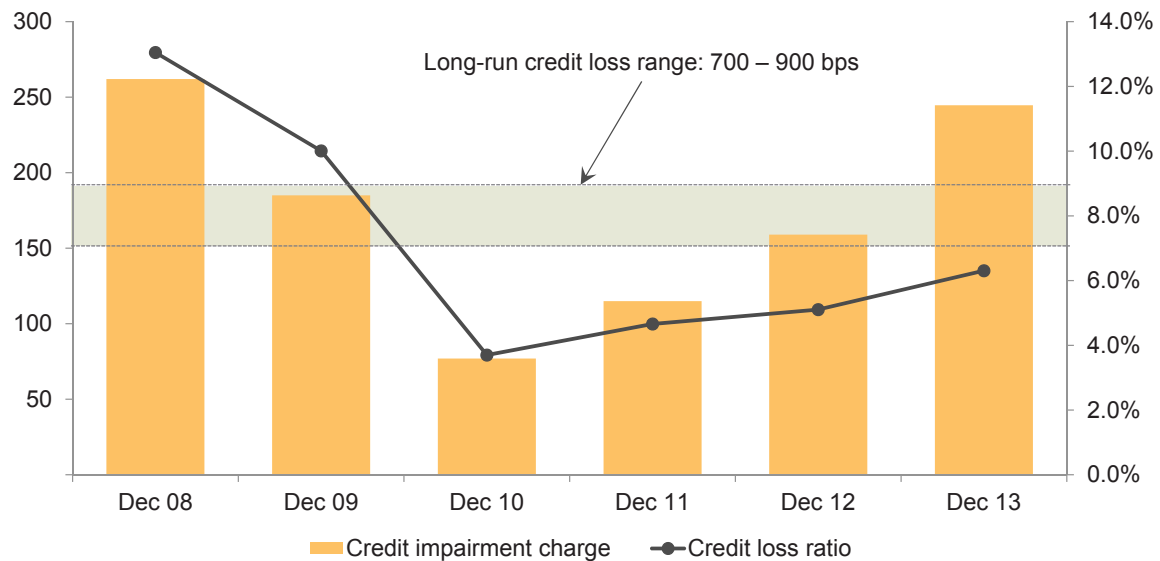


- Strong advances growth driven by new alliances
- Systematic tightening in the scorecard over the past 18 months
- Increase in bad debts reflects turning of credit cycle
- Credit cost remains within pricing and appetite

Personal loans credit performance within appetite and below long-run credit loss range

Credit impairment charge (R million)

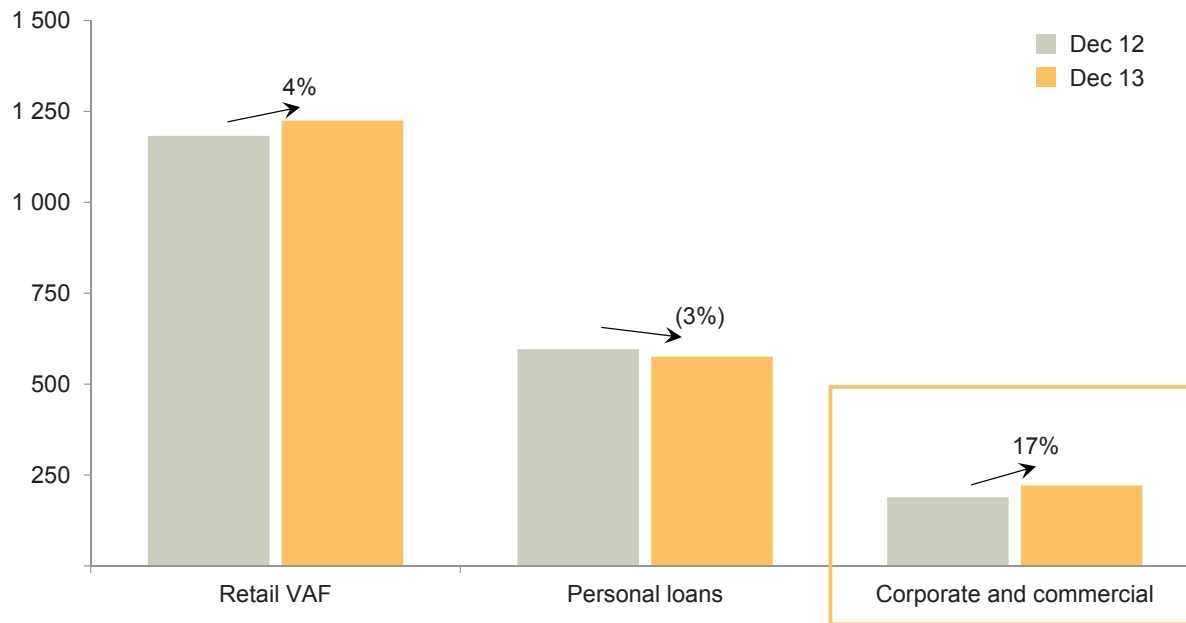
Credit loss ratio



- Arrears trending upwards but still well within expectation
- Likely impact of interest rate increases should see further rises in arrears

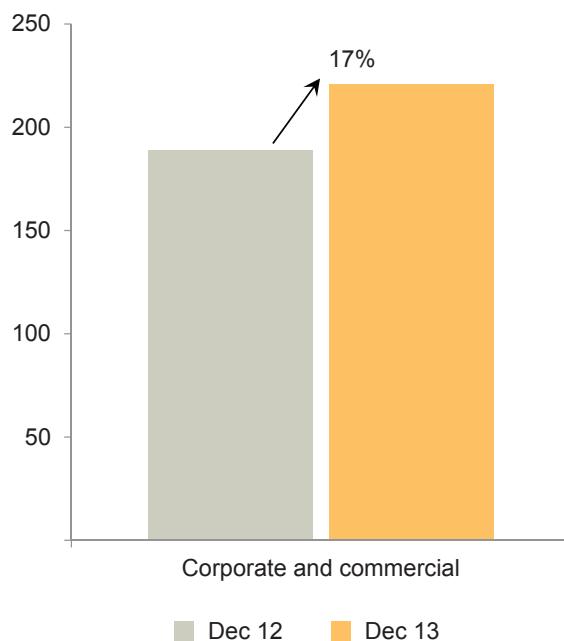
Where the profits came from

Normalised profit before tax (R million)



Corporate and commercial secured lending gaining traction

Normalised profit before tax (R million)



- Impairments still trending downwards – likely not to improve further
- Good growth in FMR and collaboration with FNB/RMB
- Good industry and asset diversification

Cost-to-income ratio reflects investment in future growth initiatives



Prospects driven by economic outlook and consistent strategy

- Continued advances growth, but at reducing rate
- Retail portfolio impairments to increase, but within expectations
- Corporate/Commercial environment relatively benign
- UK environment drives organic growth in MotoNovo, with broader product offerings
- Investment in key strategic initiatives and core business systems balanced with front and back office efficiencies

ASHBURTON INVESTMENTS OPERATING REVIEW



Ashburton organic growth plans on track

A

- Since launch in June 2013, AUM up 10% to R111 billion
- Business benefiting from product origination of RMB and distribution footprint of FNB and RMB Private Bank
- Good growth in retail structured products and single and multi-managed funds
- Rollout of investor platform commenced
- Both traditional and non-traditional fund performance exceeded benchmarks

CONCLUSION



FIRSTRAND

The economy needs to rebalance, so macros will remain challenging and risk is elevated 

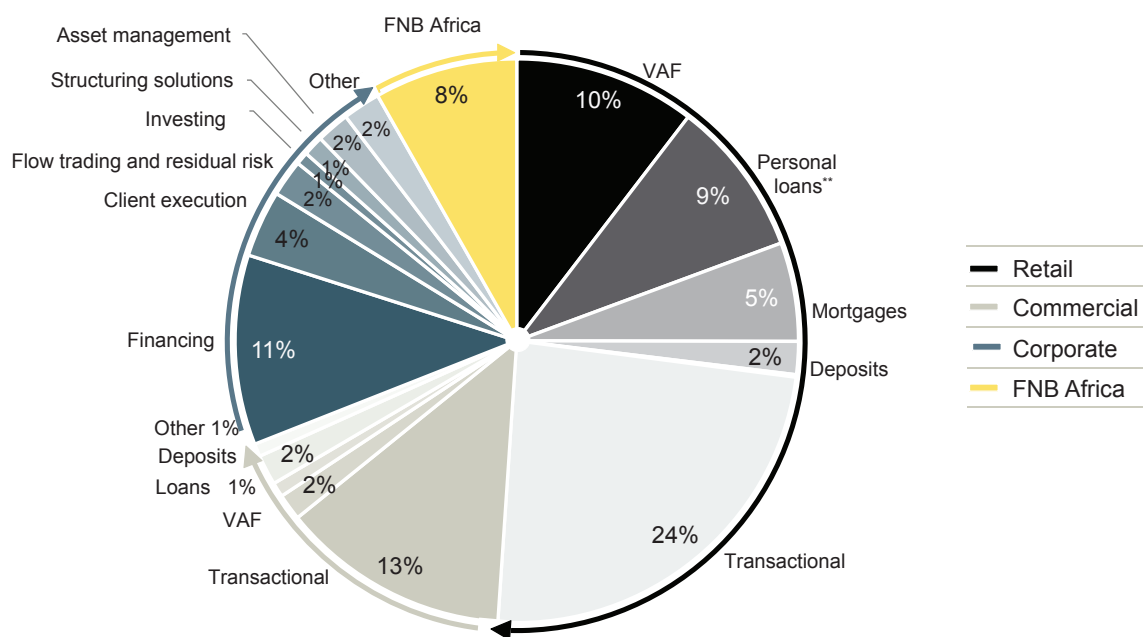
- Wage inflation, consumption and government spending expected to slow, resulting in
 - Ongoing weak GDP growth
 - Increased pressure on disposable income
 - Interest rate hikes will result in lower retail credit extension and higher bad debts
 - However, manufacturing, exports and investments expected to provide some underpin to growth
- FSR's strong balance sheet and strategies executed in the past 18 months should allow the Group to weather what is expected to be a tough domestic credit cycle

APPENDIX



FIRSTRAND

Product diversification underpins quality of earnings



Based on gross revenue, excluding Treasury and Corporate Centre.
* Includes VAF Corporate.
** Includes WesBank personal loans.



Breakdown of NPLs illustrates coverage is appropriate

RESIDENTIAL MORTGAGES

Type	R million	Specific coverage ratio
Property sold	304	27%
Litigation	2 183	24%
Debt review	985	18%
Deceased	338	19%
Non-debt review paying	1 652	15%
Other (new NPLs)	627	18%
Total	6 089	20%



Breakdown of NPLs illustrates coverage is appropriate

VAF

Type	R million	Specific coverage ratio
Other (includes absconded, insurance and alienations)	353	59%
Repossession	201	52%
Legal action for repossession	451	43%
Not restructured debt review	313	40%
Arrears 3+ months	885	31%
Restructured debt review	707	7%
Total	2 910	30%

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