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(FirstRand or the group or the company)

UNAUDITED INTERIM RESULTS AND CASH DIVIDEND DECLARATION

for the six months ended 31 December 2017

FirstRand's portfolio of businesses comprises FNB, RMB, WesBank and Ashburton Investments and provides a universal set of transactional, lending, investment and insurance products and services. The FCC franchise represents group-wide functions.

This announcement covers the unaudited condensed consolidated financial results of FirstRand Limited based on International Financial Reporting Standards (IFRS) for the six months ended 31 December 2017. The primary results and accompanying commentary are presented on a normalised basis as the group believes this most accurately reflects its economic performance. The normalised results have been derived from the IFRS financial results. A detailed description of the difference between normalised and IFRS results is provided on pages 103 to 105 of the Analysis of financial results booklet on www.firstrand.co.za. Commentary is based on normalised results, unless otherwise indicated.

FINANCIAL HIGHLIGHTS

	Six months ended 31 December			Year ended 30 June
R million	2017	2016	% change	2017
Earnings performance				
Basic and diluted normalised earnings per share (cents)	222.1	207.6	7	436.2
Normalised earnings	12 461	11 646	7	24 471
Normalised net asset value per share (cents)	2 014.2	1 843.0	9	1 941.7
Ordinary dividend per share (cents)	130.0	119.0	9	255.0
ROE (%)	22.5	22.9		23.4
Basic and diluted headline earnings per share (cents)	224.2	211.5	6	423.7
Basic and diluted earnings per share (cents) - IFRS	227.3	212.0	7	438.2
Net asset value per share (cents) - IFRS	2 014.1	1 843.6	9	1 941.2

OVERVIEW OF RESULTS

"FirstRand's portfolio of businesses produced a resilient performance, again characterised by quality topline growth, effective cost management and ongoing conservatism in both origination and provisioning strategies."

Johan Burger
CEO

INTRODUCTION

FirstRand is a portfolio of integrated financial services businesses operating in South Africa, certain markets in sub-Saharan Africa, India and the UK. Many of these businesses are market leaders in their respective segments and markets, and represent a universal set of transactional, lending, investment, and insurance products and services.

FirstRand can provide its customers with differentiated and competitive value propositions due to its unique and highly flexible model of leveraging the most appropriate brand, distribution channel, licence and operating platform available within the portfolio. This approach, which is underpinned by the disciplined allocation of financial resources, allows the group to fully optimise the value of its portfolio. This has resulted in a long track record of consistent growth in high quality earnings and superior and sustainable returns for shareholders.

GROUP STRATEGY

FirstRand's strategy accommodates a broad set of growth opportunities across the entire financial services universe from a product, market, segment and geographic perspective.

Currently group earnings are tilted to its domestic market and are generated predominantly by lending and transactional activities, which have resulted in deep and loyal client bases, and the group is focused on protecting and growing these valuable banking businesses. It also believes that through the utilisation of the origination capabilities, operating platforms and distribution networks of these businesses, it can diversify and capture a larger share of profits from providing savings, insurance and investment products.

The growth opportunity is significant given the level of annual flows to other providers from FNB's customer base alone. Through the manufacture and sale of its own insurance, savings and investment products, the group will, over time, offer differentiated value propositions for customers and generate new and potentially meaningful revenue streams.

With regards the group's strategy outside of its domestic market, in the rest of Africa it is growing its presence and offerings in nine markets where it believes it can organically build competitive advantage and scale over time. In the UK, the group is acquiring Aldermore plc and will integrate its existing retail VAF business, MotoNovo, into the Aldermore portfolio. This will result in more diversified lending business in the UK with a sustainable funding franchise.

THE MACROECONOMIC ENVIRONMENT

Whilst the South African economy experienced a mild recovery, persistent elevated risk and ongoing political uncertainty resulted in weak economic performance during the period under review. GDP growth remained low, although agricultural production rebounded, business investment rose and lower inflation increased real income growth. Expenditure also received some support from slightly lower debt service costs after the South African Reserve Bank (SARB) cut the repo rate to 6.75% in July 2017. Business and consumer confidence, however, remained depressed on the back of policy and political uncertainty.

In the rest of Africa, improved rainfall and higher commodity prices created a more supportive macro backdrop which allowed some countries to recover. Countries with links to SA were, however, weighed down by low growth in the region's largest economy, causing activity levels to remain subdued.

Growth in the UK remained surprisingly resilient despite continued uncertainty around Brexit, as its labour market continued to tighten and higher European growth supported demand for imports.

OVERVIEW OF RESULTS

Against this difficult backdrop, FirstRand's portfolio of businesses produced a resilient performance, again characterised by quality topline growth, effective cost management and ongoing conservatism in both origination and provisioning strategies. The group continued to strengthen its balance sheet and protect its return profile. Normalised earnings for the six months to 31 December 2017 increased 7% with a normalised ROE of 22.5%. The table below shows a breakdown of sources of normalised earnings from the portfolio per operating business.

SOURCES OF NORMALISED EARNINGS

	Six months ended 31 December					Year ended 30 June	
R million	2017	% composition	2016	% composition	% change	2017	% composition
FNB	7 160	58	6 409	55	12	12 801	52
- FNB SA	7 093		6 351			12 776	
- FNB Africa	67		58			25	
RMB#	3 139	25	2 821	24	11	6 902	28
WesBank#	1 915	15	1 944	17	(1)	3 996	16
FCC (including Group Treasury) and other*,**	424	3	650	6	(35)	1 128	5
NCNR preference dividend	(177)	(1)	(178)	(2)	(1)	(356)	(1)
Normalised earnings	12 461	100	11 646	100	7	24 471	100

* Includes FirstRand Limited (company).

** Includes capital endowment, the impact of accounting mismatches, interest rate management and foreign currency liquidity management.

\# Includes rest of Africa.

FNB's results reflect another strong operating performance from its domestic business driven by good non-interest revenue (NIR) growth on the back of ongoing customer gains and increased transactional volumes, and high quality net interest income (NII) growth, particularly from deposit generation. FNB's rest of Africa portfolio delivered a modest improvement off a low base.

RMB's portfolio also delivered strong, high quality growth across most of its activities underpinned by disciplined cost management and a significant reduction in the impairment charge due to the conservative proactive provisioning in previous reporting periods.

WesBank's performance showed a mixed picture. The South African VAF business experienced a tough six months on the back of worse than expected arrears and non-performing loans, however, the personal loans and corporate business performed strongly and MotoNovo delivered a solid performance.

At a group level, total NII increased 6%, underpinned by good growth in deposits (+9%) and solid advances growth (+7%). Lending margins remained under pressure from continued elevated term funding and liquidity costs, and competitive pressures. Term lending in RMB and WesBank's corporate businesses remained muted due to ongoing discipline in origination to preserve returns.

Group NIR increased 10% and reflects strong fee and commission income growth of 9%. This was driven mainly by higher volumes across FNB's digital and electronic channels and growth in customer numbers and cross-sell. Private equity realisations in RMB, whilst modest, were higher than the comparative period.

Insurance revenue increased 7%, benefiting from strong volume growth of 11% and 9%, respectively, in funeral and credit life policies in FNB. Fee, commission and insurance income represents 81% (December 2016: 83%) of group operational NIR.

Total cost growth of 8% continues to trend above inflation due to ongoing investment in the new insurance and asset management activities, platforms to extract further efficiencies and building the footprint in the rest of Africa. As a result, operating jaws were marginally negative and the cost-to-income ratio deteriorated slightly to 51.7% (December 2016: 51.3%).

The group's credit impairment ratio of 87 bps remains below the through-the-cycle threshold and well within expectations. Many of the group's lending books are trending in line or better than expected, particularly unsecured and corporate credit, mainly due to the group's early and proactive approach to origination and provisioning.

The impairment charge, however, increased 8% and was driven by the following:

- a deterioration in WesBank's SA VAF charge, mainly due to higher than expected arrears as well as increased levels of conservatism in portfolio impairments;
- a normalisation of the MotoNovo impairment charge, reflecting new business strain given strong book growth over multiple periods and increased conservatism in portfolio impairments;
- an increase in FNB's commercial segment, reflecting new business strain which was expected given the continued growth in new customers, cross-sell and up-sell strategies, and the impact of the ongoing drought in certain areas of South Africa; and
- a further increase in FNB's rest of Africa charge, reflecting the ongoing tough macros in various of the jurisdictions the group operates in.

Portfolio impairments in the retail, commercial and rest of Africa portfolios increased at a franchise level. The group believes this is prudent given that the rebound in the macro environment in the six months to December 2017 was modest.

Corporate impairments decreased period-on-period, reflecting the benefit of proactive provisioning in prior reporting periods.

Overall portfolio provisions increased 5% and remain conservative, resulting in a performing book coverage ratio of 98 bps, which is above the actual charge.

OPERATING REVIEWS

FNB

FNB represents FirstRand's activities in the retail and commercial segments in South Africa and the broader African continent. It is growing its franchise on the back of a compelling customer offering that provides a broad range of innovative financial services products. FNB grew its pre-tax profits 11% to R10.4 billion on the back of a strong performance from its South African business, which grew pre-tax profits 12%, whilst the rest of Africa portfolio remained under pressure, down 5% (up 3% including the impact of a once-off profit in FNB India) compared to a 29% decline in December 2016. Total FNB produced an ROE of 40.6%.

FNB FINANCIAL HIGHLIGHTS

	Six months ended 31 December			Year ended 30 June
R million	2017	2016	% change	2017
Normalised earnings	7 160	6 409	12	12 801
Normalised profit before tax	10 430	9 367	11	18 624
- South Africa	9 864	8 820	12	17 744
- Rest of Africa	566	547	3	880
Total assets	413 097	394 658	5	401 937
Total liabilities	402 329	384 480	5	383 680
NPLs (%)	3.21	3.09		3.24
Credit loss ratio (%)	1.17	1.15		1.20
ROE (%)	40.6	38.1		36.9
ROA (%)	3.52	3.32		3.28
Cost-to-income ratio (%)	53.6	54.0		54.6
Advances margin (%)	3.63	3.61		3.58

SEGMENT RESULTS

	Six months ended 31 December			Year ended 30 June
R million	2017	2016	% change	2017
Normalised PBT				
Retail	5 947	5 347	11	10 658
FNB Africa	566	547	3	880
Commercial	3 917	3 473	13	7 086
Total FNB	10 430	9 367	11	18 624

FNB South Africa's performance reflects the success of its strategy to:

- grow and retain core transactional accounts;
- provide market-leading digital platforms to deliver cost effective and innovative transactional propositions to its customers;
- use its deep customer relationships and sophisticated data analytics to effectively cross-sell and up-sell a broad range of financial services products;
- apply disciplined origination strategies;
- provide innovative savings products to grow its retail deposit franchise; and
- right-size its physical infrastructure to achieve efficiencies.

FNB continued to see growth in customers as shown in the table below.

Customer segment	Period-on-period growth Customer numbers %
Consumer	1
Premium	12
Commercial	7

FNB's rest of Africa portfolio represents a mix of mature businesses with significant scale and market share, such as Namibia and Botswana, combined with newly established and start-up businesses, such as Mozambique, Zambia, Tanzania and Ghana. Whilst the portfolio has shown some recovery in the period under review, these businesses continue to face macro headwinds and regulatory challenges. The continued investment drag on the back of the organic build-out strategies continues to place pressure on current performance.

A breakdown of key performance measures from the South African and rest of Africa businesses is shown below.

%	FNB SA	Rest of Africa
PBT growth	12	3
Cost increase	9	4
Credit loss ratio	1.07	1.88
Advances growth	5	-
NPLs as % of advances	2.88	5.77
Deposit growth	12	5
Cost-to-income ratio	51.5	68.9
Operating jaws	0.5	2.2

Despite the negative endowment impact of the 25 bps decrease in the repo rate in July 2017, total FNB NII increased 7%. Advances growth remained moderate (+5%) with good growth in deposits (+11%). The table below breaks down advances and deposit growth on a segment basis and demonstrates FNB's success in continuing to attract deposits.

SEGMENT ANALYSIS OF ADVANCES AND DEPOSIT GROWTH

	Deposit growth		Advances growth	
Segment	%	R billion	%	R billion
Retail	13	24.7	4	10.7
- Consumer	10	7.4	3	1.1
- Premium	14	17.3	5	9.6
Commercial	11	20.4	8	6.7
FNB Africa	5	1.7	-	0.2
Total FNB	11	46.8	5	17.6

The subdued overall advances growth reflects ongoing prudency in FNB's origination strategies, particularly in the consumer segment where households are still experiencing pressure on disposable income. FNB's focus on cross-selling into its core transactional retail and commercial customer bases continues to be the main driver of both advances and deposit growth in the premium and commercial segments.

The tables below unpack advances, at both a segment and product level, and reflect the targeted nature of FNB's risk appetite and origination strategies. The consumer segment saw good growth in its affordable housing book, but unsecured lending contracted on the back of conservative risk appetite. In the premium segment, mortgages showed muted growth as FNB continued to focus on low risk origination, however, unsecured advances grew strongly on the back of cross-sell and up-sell strategies to the existing customer base.

	Consumer Advances		
R million	2017	2016	% change
Residential mortgages	23 811	21 339	12
Card	9 061	9 192	(1)
Personal loans	6 965	7 926	(12)
Retail other	3 033	3 309	(8)

	Premium Advances		
R million	2017	2016	% change
Residential mortgages	174 893	170 098	3
Card	16 002	13 303	20
Personal loans	7 597	6 505	17
Retail other	12 068	11 049	9

	Commercial		
R million	2017	2016	% change
Advances	87 900	81 173	8

The quality of FNB's transactional franchise is clearly demonstrated in strong NIR growth of 11%, with the premium and commercial segments delivering growth of 16% and 10%, respectively. Premium's NIR reflects the inclusion for the first time of the wealth and investment management (WIM) activities. In addition, the benefits of the actions taken last year are clearly showing up in consumer's NIR growth of 10%.

Overall fee and commission income benefited from transactional volume growth of 10% driven by FNB's digital and electronic channels, as can be seen from the table below.

CHANNEL VOLUMES

Thousands of transactions	2017	2016	% change
ATM/ADT	121 389	115 141	5
Internet	104 024	105 141	(1)
Banking app	73 590	44 400	66
Mobile	22 776	22 161	3
Point-of-sale	659 783	585 418	13

Cost growth continues to trend above inflation at 8%, mainly on the back of investment in diversification strategies and rest of Africa expansion. The domestic cost-to-income ratio improved marginally to 51.5%.

FNB's overall bad debts and NPLs increased period-on-period (NPLs +9%), however, the main driver of this increase was the rest of Africa portfolio which continues to show strain (NPLs +33%). NPLs in the South African retail books are well within expectations at this point in the cycle, increasing 5%. This reflects the quality of new business written, appropriate pricing strategies and the positive effect of cutbacks in higher risk origination buckets. NPL formation in the commercial book is ticking up, but this is not unexpected given previous book growth and some residual pressure in the agricultural sector due to the drought. Overall provisioning levels and overlays have increased.

Insurance revenue increased 19%, benefiting from good volume growth of 11% and 9% in funeral and credit life policies, respectively.

As disclosed previously, from 1 July 2017 the wealth and investment management (WIM) activities were transferred from Ashburton Investments to FNB and progress is promising. On the back of the launch of asset management solutions/funds originated by Ashburton Investments to the FNB customer base (branded FNB Horizon) in July 2016, assets under management (AUM) exceeded R3.6 billion at December 2017, with total WIM assets amounting to R239 billion. A split of WIM assets is provided in the table below. Share trading and stockbroking assets under execution (AUE) increased 1% to R76 billion with good brokerage revenue growth in the second quarter due to increased market volatility.

Assets under administration (AUA) on the linked investment service provider (LISP) platform grew from R14 billion to R17 billion, and customers on the platform increased to 26 133. There was good growth in trust assets under administration from R26 billion to R36 billion and in the philanthropy trust offering. Assets under management grew 16% from R37 billion to R44 billion, including growth in offshore portfolio management. Assets under advice increased from R57 billion to R61 billion.

R million	2017	2016	% change
FNB Horizon Series AUM	3 646	529	>100
Assets under advice	61 131	57 356	7
Assets under administration	17 973	14 618	23
Trust assets under administration	36 945	26 308	40
Assets under management	43 650	37 740	16
Assets under execution	76 098	75 199	1
Total WIM assets	239 443	211 750	13

RMB

RMB represents the group's activities in the corporate and investment banking segments in South Africa, the broader African continent and India. The business strategy leverages a market-leading origination franchise to deliver an integrated corporate and investment banking value proposition to corporate and institutional clients. This, combined with an expanding market-making and distribution product offering and an excellent track record in private equity investments, contributes to a well-diversified and sustainable earnings base. The strategy is underpinned by sound risk management, designed to effectively balance the relationship between profit growth, returns and earnings volatility.

RMB FINANCIAL HIGHLIGHTS

R million	Six months ended 31 December 2017	2016	% change	Year ended 30 June 2017
Normalised earnings	3 139	2 821	11	6 902
Normalised profit before tax	4 450	4 011	11	9 759
- South Africa	3 611	3 327	9	8 444
- Rest of Africa*	839	684	23	1 315
Total assets	460 844	421 350	9	431 920
Total liabilities	451 128	411 523	10	420 950
NPLs (%)	0.35	0.86		0.62
Credit loss ratio (%)	-	0.20		0.20
ROE (%)	22.9	20.8		25.8
ROA (%)	1.40	1.33		1.61
Cost-to-income ratio (%)	46.7	47.0		43.4

* Strategy view, including in-country and cross-border activities.

BREAKDOWN OF PROFIT CONTRIBUTION BY ACTIVITY

R million	Six months ended 31 December 2017	2016	% change	Year ended 30 June 2017
Investment banking and advisory	1 811	1 534	18	3 626
Corporate and transactional banking	961	877	10	1 731
Markets and structuring	736	735	-	1 612
Investing	591	625	(5)	2 841
Investment management	19	5	>100	15
Other	332	235	41	(66)
Total RMB	4 450	4 011	11	9 759

RMB delivered a strong operational performance, with pre-tax profits increasing 11% to R4.5 billion. The ROE of 22.9% demonstrates both the quality and diversification of the portfolio. RMB's balance sheet remains robust, with high quality earnings and solid operational leverage. Cost growth was well below inflation due to the benefits of platform investment and ongoing automation, despite continued spend on regulatory and compliance initiatives.

The rest of Africa portfolio remains key to RMB's strategy and delivered pre-tax profits of R839 million, up 23% on the comparative period. This performance reflects a strong performance from corporate and transactional banking and solid growth in structuring and flow trading income. Results were further bolstered by credit impairment overlay releases given the improvement in the oil and gas sector.

The performance of investment banking and advisory activities was underpinned by good lending income aided by strong advances growth in prior periods, resilient fee income on the back of advisory and capital market mandates, lower credit impairments given historical proactive provisioning and improved operational leverage due to a continued focus on cost management. The macroeconomic environment, however, constrained advances growth in the current period, which also dampened origination and structuring fee income. The business remains disciplined in its financial resource allocation to ensure preservation of returns and maintained its strong credit provisioning levels.

Corporate and transactional banking's focus on leveraging platforms, managing costs and expanding product offerings locally and in the rest of Africa contributed to good profit growth. The business benefited from increased transactional volumes and average deposit balances in the rest of Africa. In addition, increased demand for working capital solutions bolstered the results. The global foreign exchange business, however, continued to be adversely impacted by regulatory changes in certain rest of Africa jurisdictions.

Markets and structuring activities delivered a resilient performance, reflecting good client flow, robust structuring opportunities and an ability to successfully navigate volatile fixed income and foreign exchange markets, both locally and in the rest of Africa. Earnings were, however, constrained by lower equity flows, coupled with weaker performances in the credit trading and hard commodities portfolios.

Investing activities produced satisfactory results, supported by the realisation of certain investments in the Private Equity portfolio. Given the macroeconomic environment and realisations in prior periods, annuity earnings have come under pressure. The quality and diversity of the Ventures and Corvest portfolios is, however, still reflected in the strong unrealised value of the portfolio of R3.4 billion (June 2017: R3.7 billion). The business remains in an investment cycle and during the year, several additional acquisitions were made.

Other activities benefited from the curtailment of losses in the RMB Resources and legacy portfolios, and higher endowment earned on capital invested. This was offset by costs associated with the group's market infrastructure programme which is aimed at driving efficiencies, ensuring regulatory and legislative compliance and improving risk mitigation.

WESBANK

WesBank represents the group's activities in instalment credit and related services in the retail, commercial and corporate segments of South Africa and the rest of Africa (where represented), and through MotoNovo Finance in the UK. Through the Direct Axis brand, WesBank also operates in the unsecured lending market in South Africa. WesBank's leading position in its chosen markets is due to its longstanding alliances with leading motor manufacturers, suppliers and dealer groups, strong point-of-sale presence and innovative channel origination strategies.

WESBANK FINANCIAL HIGHLIGHTS

R million	Six months ended 31 December 2017	2016	% change	Year ended 30 June 2017
Normalised earnings	1 915	1 944	(1)	3 996
Normalised profit before tax	2 705	2 755	(2)	5 612
Total assets	216 648	203 848	6	214 222
Total liabilities	212 567	200 556	6	207 809
NPLs (%)	4.09	3.63		3.80
Credit loss ratio (%)	1.85	1.65		1.68
ROE (%)	18.6	19.9		20.0
ROA (%)	1.74	1.87		1.87
Cost-to-income ratio (%)	41.6	40.6		40.2
Net interest margin (%)	5.01	5.01		4.93

WesBank's profit before tax declined 2%, resulting in an ROE of 18.6% and an ROA of 1.74%. Whilst the local personal loans and corporate lending businesses showed strong operational performances, the local VAF business had a challenging six months. MotoNovo remained resilient despite certain strategic actions taken on origination, which impacted new business volumes and some ongoing investment drag.

The table below shows the relative performance of WesBank's various activities.

BREAKDOWN OF PROFIT CONTRIBUTION BY ACTIVITY

R million	Six months ended 31 December 2017	2016	% change	Year ended 30 June 2017
Normalised PBT				
VAF	1 953	2 108	(7)	4 192
- Retail SA**	1 155	1 351	(15)	2 658
- MotoNovo#	600	588	2	1 190
- Corporate and commercial	198	169	17	344
Personal loans	731	622	18	1 352
Rest of Africa	21	25	(16)	68
Total WesBank	2 705	2 755	(2)	5 612

** Includes MotoVantage.

Normalised PBT for MotoNovo up 3% to GBP34.0 million.

The performance of the SA VAF business was impacted by increased impairment levels, up from 1.42% in the prior period to 1.80%. This was partly due to an increase in the performing loans coverage ratio to 0.92% from 0.83%, but also as a result of an increase in later stage arrears and NPL levels.

Higher than expected NPLs in the self employed and small business segments are a result of operational issues with some scorecards, including third-party data quality. Some of this has been addressed, however, the impact of these issues will continue in the second half of the financial year. Overall NPLs continue to be impacted by lengthening recovery timelines and more customers opting for court orders for repossessions. Similar impairment increases are also evident in the underlying associate companies, further impacting associate earnings for the half year.

NIR growth of 4% has largely tracked book growth in SA retail VAF of 5%, but there is increasing competitive pressure particularly in the dealer value added products and services (VAPS) segment.

Operating expenditure growth of 9% was largely due to increased profit shares payable to alliance partners and investment costs in platforms for both efficiency and regulatory requirements.

WesBank's personal loans business performed well, on the back of strong advances growth of 15% period-on-period. Margins have stabilised post the NCAA rate caps and targeted risk cuts, and the impairment ratio has consistently trended down to 7.54% (December 2016: 8.30%; June 2017: 7.91%) on the back of collection strategies and active management of the debt-review portfolio.

The local corporate business posted a strong operational performance, albeit off a low base. This was mainly driven by resumed growth in new business and the non-repeat of provisions created in the previous reporting period.

MotoNovo delivered GBP profit growth of 3% reflecting ongoing conservatism from an origination and provisioning perspective, resulting in GBP new business production only increasing 0.3% (5.2% down in rand terms). Actions taken include targeted risk cuts and termination of certain origination relationships, which were resulting in higher risk new business. As expected, arrears are tracking up in line with the macroeconomic environment. Provisions continue to increase with a GBP impairment ratio of 1.57% for the period under review (December 2016: 1.43%; June 2017: 1.46%)

SEGMENT ANALYSIS OF NORMALISED EARNINGS

R million	2017	% composition	2016	% composition	% change	2017	% composition
Retail	6 112	49	5 730	49	7	11 421	47
- FNB*	4 340		3 908			7 699	
- WesBank*	1 772		1 822			3 722	
Commercial	2 963	24	2 623	23	13	5 376	22
- FNB	2 820		2 501			5 102	
- WesBank	143		122			274	
Corporate and investment banking	3 139	25	2 821	24	11	6 902	28
- RMB*	3 139		2 821			6 902	
Other	247	2	472	4	(48)	772	3
- FCC (including Group Treasury) and consolidation adjustments**	424		650			1 128	
- FirstRand and dividends paid on NCNR preference shares	(177)		(178)			(356)	
Normalised earnings	12 461	100	11 646	100	7	24 471	100

* Includes rest of Africa.

** Includes the central credit overlay.

UPDATE ON INVESTMENT MANAGEMENT STRATEGY

The group has an organic strategy to grow its asset management and WIM activities. Following the group's decision to move the WIM activities from Ashburton Investments (AI) to FNB, AI represents a pure asset management business and subsequently undertook a review of its operating platforms. This resulted in some rationalisation of the cost base and the group believes the business is now well positioned to deliver on its more focused mandate.

AI focuses on both traditional and alternative funds to be able to deliver on client needs. This includes a traditional range of equity, fixed income and multi asset funds as well as specialist credit, private equity, renewable energy and infrastructure.

AI grew AUM 15% to R101 billion. Of the R13 billion of AUM growth, R6 billion was due to the purchase of the Pointbreak Namibia asset management business and a further R3 billion from taking over the FNB Namibia funds in the previous financial year. There were good flows into traditional funds, due to a strong performance in the fixed income range. The institutional fixed income solutions business continues to deliver flows on the back of winning new mandates.

Despite a tough year for the local financial markets, investment performance continues to show resilience with the majority of funds delivering solid performances relative to peer groups.

STRATEGIC RATIONALE FOR PROPOSED ACQUISITION OF ALDERMORE PLC

On 6 November 2017, FirstRand announced its formal offer for Aldermore plc. The offer, at 313 pence per share, valued Aldermore at approximately GBP1.1 billion (R20 billion) and represented a premium of 22% to Aldermore's closing price on 12 October 2017, being the day before the first transaction announcement. The offer also implied a price to net tangible book value multiple of 1.80 times.

FirstRand's stated strategy is to achieve a more diversified revenue profile across products, segments and geographies. Currently 4% of total group earnings is generated by the group's UK business MotoNovo, one of the largest providers of motor finance for second-hand vehicles in the country. The success of this business, since it was acquired in 2006, can largely be attributed to the introduction of WesBank's operating model. FirstRand, however, believes that MotoNovo is currently undiversified from a product and market perspective and the acquisition of Aldermore will accelerate the diversification process using the strength of Aldermore's position in the SME, mortgage and savings markets.

FirstRand recognises that the existing management team of Aldermore has a deep understanding of the business environment within which Aldermore operates. MotoNovo, which has built a meaningful market share in financing second-hand vehicles and is organically building a more diversified product set, including personal loans and insurance, will be integrated within Aldermore to form a separate pillar. Phillip Monks, Aldermore's CEO will lead the new combined UK business.

Once MotoNovo and Aldermore are integrated, new business will be funded through further scaling Aldermore's deposit and funding platform supported by some securitisations. MotoNovo's back books, which are currently in FirstRand's London branch, will be run down over time. This has the added benefit for FirstRand that hard currency funding capacity currently allocated to MotoNovo from FirstRand's domestic balance sheet can be redeployed into its South African and rest of Africa growth strategies.

FirstRand will work closely with Aldermore's management team to identify growth opportunities that Aldermore can explore under FirstRand's ownership. FirstRand already sees the potential to broaden the business model of the combined platform. FirstRand also believes further UK growth can be unlocked through cross-selling the current product offerings across the MotoNovo and Aldermore customer bases, and, in the longer term, developing further financial services offerings.

Aldermore and MotoNovo are both highly profitable businesses delivering returns above FirstRand group hurdles, and FirstRand believes it can unlock further value in the short to medium term through applying its proven practices in financial resource management. FirstRand defines financial resource management as capital, funding, liquidity and risk capacity, and its approach is a recognised key differentiator and a significant contributor to its outperformance relative to peers.

FirstRand had carefully considered how current and potential macroeconomic future scenarios in the UK could impact the broader business. The group is comfortable that the financial impact of this transaction is supportive of FirstRand's previous guidance to shareholders on growth, returns, capital position and dividend policy.

MANAGEMENT OF FINANCIAL RESOURCES

The management of the group's financial resources, which it defines as capital, funding and liquidity, and risk capacity, is critical and supportive to the achievement of FirstRand's stated growth and return targets and is driven by the group's overall risk appetite. Forecast growth in earnings and balance sheet risk weighted assets is based on the group's macroeconomic outlook and evaluated against available financial resources, considering the requirements of capital providers, regulators and rating agencies. The expected outcomes and constraints are then stress tested and the group sets financial and prudential targets through different business cycles and scenarios to enable FirstRand to deliver on its commitments to stakeholders at a defined confidence level. These stress scenarios include further sovereign downgrades below investment grade on a local currency basis.

The management of the group's financial resources is executed through Group Treasury and is independent of the operating franchises. This ensures the required level of discipline is applied in the allocation of financial resources and pricing of these resources. This also ensures that Group Treasury's mandate is aligned with the portfolio's growth, return and volatility targets to deliver shareholder value. The group continues to monitor and proactively manage a fast-changing regulatory environment and ongoing macroeconomic challenges.

The group adopts a disciplined approach to the management of its foreign currency balance sheet. The framework for the management of external debt takes into account sources of sovereign risk and foreign currency funding capacity, as well as the macroeconomic vulnerabilities of South Africa. The group employs a self-imposed structural borrowing limit and a liquidity risk limit more onerous than required in terms of regulations. This philosophy has translated into a resilient and sustainable foreign currency balance sheet and has limited the impact on the group of the sovereign rating downgrade to sub-investment grade in March 2017 by S&P Global Ratings. Prior to the downgrade, numerous steps to protect and enhance FirstRand's counterparty status in international funding, payments and derivative markets provided the group with enhanced access to international financial market infrastructure and greater liquidity pools.

BALANCE SHEET STRENGTH

CAPITAL AND LEVERAGE POSITION

Current targeted ranges and actual ratios are summarised below.

	December 2017			
		Capital		
%	CET1	Tier 1	Total	Leverage#
Regulatory minimum*	7.3	8.5	10.8	4.0
Targets	10.0 - 11.0	>12.0	>14.0	>5.0
Actual**	14.0	14.6	16.9	8.5

* Excluding the bank-specific capital requirements.

** Includes unappropriated profits.

\# Based on Basel III regulations.

The group has maintained its strong capital position. Capital planning is undertaken on a three-year forward-looking basis, and the level and composition of capital is determined taking into account businesses' organic growth plans, corporate transactions and stress-testing scenario outcomes. In addition, the group considers external issues that could impact capital levels, which include regulatory, accounting and tax changes, macroeconomic conditions and outlook.

The group continues to actively manage its capital composition and, to this end, issued R2.75 billion Basel III-compliant Tier 2 instruments in the domestic market during the period. This resulted in a more efficient capital structure which is closely aligned with the group's internal targets. It remains the group's intention to continue optimising its capital stack by frequently issuing Tier 2 instruments in domestic and/or international markets. This ensures sustainable support for ongoing growth initiatives and compensates for the haircut applied to Tier 2 instruments which are not compliant with Basel III, as well as the maturity of existing Tier 2 instruments.

LIQUIDITY POSITION

Given the liquidity risk introduced by its business activities across various currencies, the group's objective is to optimise its funding profile within structural and regulatory constraints to enable its businesses to operate in an efficient and sustainable manner. Liquidity buffers are actively managed via high quality liquid assets (HQLA) that are available as protection against unexpected events or market disruptions as well as to facilitate the variable liquidity needs of the operating businesses. The quantum and composition of the available sources of liquidity are defined by the behavioural funding liquidity at risk and the market liquidity depth of these resources. In addition, adaptive overlays to liquidity requirements are derived from stress testing and scenario analysis of the cash inflows and outflows related to business activities.

The group exceeds the 80% minimum liquidity coverage ratio (LCR) requirement set out by the Basel Committee for Banking Supervision (BCBS) with the group LCR at 107% at 31 December 2017 (December 2016: 95%). FirstRand Bank's LCR was 101% (December 2016: 104%).

At 31 December 2017, the group's available HQLA sources of liquidity per the LCR amounted to R190 billion, with an additional R13 billion of management liquidity available. FirstRand expects to be fully compliant with the net stable funding ratio (NSFR) requirements once implemented.

ACCOUNTING

IFRS 9 FINANCIAL INSTRUMENTS

The group's IFRS 9 implementation project continues to meet its objective of ensuring a high-quality implementation. The project adheres to strict governance practices.

The group elected not to restate comparative information included in the analysis of financial results or annual financial statements for the year ending 30 June 2019. In the annual financial statements and analysis of financial results for the year ending 30 June 2019, the 2019 financial information will be based on IFRS 9 and the 2018 financial information will be based on IAS 39 Financial instruments: Recognition and Measurement. The amended disclosure requirements of IFRS 7 Financial Instruments: Disclosures will also be prospectively applied by the group.

The group will, however, publish detailed information about the impact of transitioning to IFRS 9 during the fourth quarter of the 2018 calendar year. The external auditors have been involved in the process, within allowed and acceptable practice per auditing regulations. This will facilitate compliance with the SARB's Directive 5/2017, Regulatory treatment of accounting provisions - interim approach and transitional arrangements including disclosure and auditing aspects, which requires the IFRS 9 implementation to be audited within five months of the effective date.

DIVIDEND STRATEGY

Given the group's sustained superior return profile, sound operational performance and strong balance sheet, the board remains comfortable to pay a dividend higher than earnings growth with a 1.7x cover which remains below its stated long-term cover range of 1.8x to 2.2x. This cover range is assessed on an annual basis as part of the year end process.

PROSPECTS

Since the outcome of the ANC elective conference in December 2017, sentiment and markets have staged a material recovery and the outlook for South Africa is more positive than it has been for some time.

FirstRand believes that the government should build on this renewed certainty, provide clear policy direction, appear willing to deal immediately with poor governance at some of the large and systemic SOEs, address corruption and state capture, and strengthen fiscal discipline.

In the medium to longer term, given the market leading positions of its businesses and the growth strategies it is executing on, FirstRand considers itself strategically well positioned to benefit from renewed growth.

Given the structural nature of many of South Africa's challenges, the group believes that the domestic fundamentals will not change quickly, therefore, it expects a similar macro picture for the remainder of its financial year to June 2018. The group remains committed to delivering real growth in earnings and superior returns to shareholders.

EVENTS AFTER REPORTING PERIOD

Since 31 December 2017 the group received final regulatory approval for the Aldermore transaction as disclosed in the SENS announcement of 1 March 2018. The directors are not aware of any other material events that have occurred between the end of the reporting period and the date of this report.

BOARD CHANGES

Benedict James van der Ross retired as an independent non-executive director of FirstRand Limited and FirstRand Bank Limited on 30 November 2017.

Jan Hendrik van Greuning retired as an independent non-executive director of FirstRand Limited and FirstRand Bank Limited on 30 November 2017.

Lauritz Lanser Dippenaar will retire as board chairman and non-executive director of FirstRand Limited and FirstRand Bank Limited on 31 March 2018.

William Rodger Jardine has been appointed board chairman of FirstRand Limited and FirstRand Bank Limited, effective 1 April 2018.

MANAGEMENT CHANGES

On 27 February 2018, FirstRand announced the following changes:

- Johan Petrus Burger will retire as CEO of FirstRand Limited and FirstRand Bank Limited on 31 March 2018. He will remain an executive director of FirstRand Limited and FirstRand Bank Limited until 31 August 2018 and, subject to regulatory approval, become a non-executive director of FirstRand Limited and FirstRand Bank Limited on 1 September 2018.
- Alan Patrick Pullinger, currently deputy CEO, has been appointed CEO of FirstRand Limited and FirstRand Bank Limited, effective 1 April 2018.
- Mary Vilakazi has been appointed as COO and executive director of FirstRand Limited and FirstRand Bank Limited, effective 1 July 2018.

CASH DIVIDEND DECLARATIONS

ORDINARY SHARES

The directors declared a gross cash dividend totalling 130 cents per ordinary share out of income reserves for the six months ended 31 December 2017.

	Six months ended 31 December	
Cents per share	2017	2016
Interim (declared 5 March 2018)	130.0	119.0

The salient dates for the interim ordinary dividend are as follows:

Last day to trade cum-dividend	Monday 26 March 2018
Shares commence trading ex-dividend	Tuesday 27 March 2018
Record date	Thursday 29 March 2018
Payment date	Tuesday 3 April 2018

Share certificates may not be dematerialised or rematerialised between Tuesday 27 March 2018 and Thursday 29 March 2018, both days inclusive.

For shareholders who are subject to dividend withholding tax (DWT), tax will be calculated at 20% (or such lower rate if a double taxation agreement applies for foreign shareholders).

For South African shareholders who are subject to DWT, the net interim dividend after deducting 20% tax will be 104.00000 cents per share.

The issued share capital on the declaration date was 5 609 488 001 ordinary shares and 45 000 000 variable rate NCNR B preference shares.

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

B PREFERENCE SHARES

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

DIVIDENDS DECLARED AND PAID

Cents per share	Preference dividends
Period:	
1 March 2016 - 29 August 2016	394.7
30 August 2016 - 27 February 2017	395.6
28 February 2017 - 28 August 2017	393.6
29 August 2017 - 26 February 2018	386.2

LL Dippenaar	JP Burger	C Low
Chairman	CEO	Company secretary

5 March 2018

STATEMENT OF HEADLINE EARNINGS - IFRS

	Six months ended 31 December			Year ended 30 June
R million	2017	2016	% change	2017
Profit for the period	13 396	12 563	7	26 139
NCNR preference shareholders	(177)	(181)	(2)	(356)
Non-controlling interests	(470)	(493)	(5)	(1 211)
Earnings attributable to ordinary equityholders	12 749	11 889	7	24 572
Adjusted for:	(176)	(30)	>100	(810)
Gain on disposal of investment securities of a capital nature	(31)	-		(3)
Gain on disposal of available-for-sale assets	(22)	(64)		(52)
Loss on disposal of non-private equity associates	-	4		5
Impairment of non-private equity associates	-	-		4
(Gain)/loss on disposal of investments in subsidiaries	(97)	6		(1 817)
Loss on reclassification of non-current assets and disposal groups held for sale which were not sold	-	-		95
(Gain)/loss on disposal of property and equipment	(27)	9		14
Fair value movement on investment properties	(4)	-		-
Impairment of goodwill	-	-		119
Impairment of assets in terms of IAS 36	-	1		370
Other	(30)	(1)		-
Tax effects of adjustments	13	15		26
Non-controlling interests adjustments	22	-		429
Headline earnings	12 573	11 859	6	23 762

RECONCILIATION FROM HEADLINE TO NORMALISED EARNINGS

	Six months ended 31 December			Year ended 30 June
R million	2017	2016	% change	2017
Headline earnings	12 573	11 859	6	23 762
Adjusted for	(112)	(213)	(47)	709
TRS and IFRS 2 liability remeasurement*	(137)	(166)		(63)
Treasury shares**	8	7		(12)
IAS 19 adjustment	(56)	(54)		(117)
Private equity-related#	73	-		901
Normalised earnings	12 461	11 646	7	24 471

* The group uses a TRS with external parties to economically hedge itself against the exposure to changes in the FirstRand share price associated with the group's long-term incentive schemes.

The TRS is accounted for as a derivative in terms of IFRS, with the full fair value change recognised in NIR.

In the current period, FirstRand's share price increased by R20.10 and during the prior period increased by R8.33.

This resulted in a significant mark-to-market fair value profit in the current period being included in the group's IFRS attributable earnings. The normalised results reflect the adjustment to normalise this period-on-period IFRS fair value volatility from the TRS.

** Includes FirstRand shares held for client trading activities.

Realisation of private equity subsidiaries net of private equity-related goodwill and other asset impairments.

PRESENTATION

BASIS OF PRESENTATION

FirstRand prepares its condensed consolidated interim financial statements in accordance with and containing information required by:

- International Financial Reporting Standard, IAS 34 Interim Financial Reporting;
- Financial Reporting Pronouncements as issued by Financial Reporting Standards Council;
- SAICA Financial Reporting Guides as issued by the Accounting Practices Committee; and
- requirements of the Companies Act no 71 of 2008.

The condensed consolidated interim results for the six months ended 31 December 2017 have not been audited or independently reviewed by the group's external auditors.

This announcement does not include information pursuant to paragraph 16 A (j) of IAS 34 as allowed by the JSE Listings Requirements. The full interim report, which includes these disclosures, is available on www.firstrand.co.za, or from the company's registered office and upon request.

The directors take full responsibility and confirm that this information has been correctly extracted from the underlying report.

Jaco van Wyk, (CA(SA), supervised the preparation of the condensed consolidated financial results.

ACCOUNTING POLICIES

The accounting policies applied in the preparation of the condensed consolidated interim financial statements are in terms of IFRS and are consistent with those applied for the year ended 30 June 2017. The condensed consolidated interim financial statements are prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of certain assets and liabilities where required or permitted by IFRS.

The group has made voluntary changes to the presentation of deposits. These changes relate to the presentation of accrued interest on certain deposits and the classification of negotiable notes with specific contractual terms. The changes in presentation have had no impact on the profit or loss or net asset value of the group and only affects the classification of items on the statement of financial position.

Amendments to IAS 7 Statement of Cash Flows (IAS 7) and IAS 12 Income Taxes (IAS 12) became effective in the current year. These amendments have not had an impact on the group's reported earnings, financial position or reserves, or a material impact on the accounting policies.

The amendments to IAS 7 introduce additional disclosures in the statement of cash flows that will enable the users of the financial statements to evaluate changes in liabilities arising from financing activities. This amendment has been applied retrospectively and comparative information has been presented in line with the amended disclosure requirements. The amendment to IAS 12 relates to the recognition of a deferred tax asset for unrealised losses on debt instruments that are measured at fair value for accounting purposes but considered at cost for tax purposes. The group is accounting for deferred tax on these assets in line with the amendments. The adoption of these amendments has no impact on the group.

No other new or amended IFRS became effective for the six months ended 31 December 2017 that impacted the group's reported earnings, financial position or reserves, or the accounting policies.

NORMALISED RESULTS

The group believes normalised earnings more accurately reflect operational performance. Consequently, headline earnings have been adjusted to take into account non-operational and accounting anomalies, which, in terms of the JSE Listings Requirements, constitute pro forma financial information.

This pro forma financial information, which is the responsibility of the group's directors, has been prepared for illustrative purposes to more accurately reflect operational performance and because of its nature may not fairly present in terms of IFRS, the group's financial position, changes in equity, and results of operations or cash flows.

CONDENSED CONSOLIDATED INCOME STATEMENT - IFRS

R million	Six months ended 31 December 2017	Six months ended 31 December 2016	% change	Year ended 30 June 2017
Net interest income before impairment of advances	23 734	22 200	7	44 917
Impairment and fair value of credit of advances	(4 052)	(3 741)	8	(8 054)
Net interest income after impairment of advances	19 682	18 459	7	36 863
Non-interest revenue	21 389	19 514	10	40 922
Income from operations	41 071	37 973	8	77 785
Operating expenses	(23 708)	(21 708)	9	(44 585)
Net income from operations	17 363	16 265	7	33 200
Share of profit of associates after tax	283	340	(17)	757
Share of profit of joint ventures after tax	210	127	65	281
Income before tax	17 856	16 732	7	34 238
Indirect tax	(478)	(573)	(17)	(1 081)
Profit before tax	17 378	16 159	8	33 157
Income tax expense	(3 982)	(3 596)	11	(7 018)
Profit for the period	13 396	12 563	7	26 139
Attributable to				
Ordinary equityholders	12 749	11 889	7	24 572
NCNR preference shareholders	177	181	(2)	356
Equityholders of the group	12 926	12 070	7	24 928
Non-controlling interests	470	493	(5)	1 211
Profit for the period	13 396	12 563	7	26 139
Earnings per share (cents)				
- Basic	227.3	212.0	7	438.2
- Diluted	227.3	212.0	7	438.2
Headline earnings per share (cents)				
- Basic	224.2	211.5	6	423.7
- Diluted	224.2	211.5	6	423.7

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME - IFRS

R million	Six months ended 31 December 2017	Six months ended 31 December 2016	% change	Year ended 30 June 2017
Profit for the period	13 396	12 563	7	26 139
Items that may subsequently be reclassified to profit or loss				
Cash flow hedges	(99)	45	(>100)	(150)
Gains/(losses) arising during the period	139	116	20	(141)
Reclassification adjustments for amounts included in profit or loss	(7)	(53)	(87)	(67)
Deferred income tax	(231)	(18)	>100	58
Available-for-sale financial assets	(86)	(210)	(59)	(282)
Losses arising during the period	(85)	(199)	(57)	(397)
Reclassification adjustments for amounts included in profit or loss	(22)	(64)	(66)	(52)
Deferred income tax	21	53	(60)	167
Exchange differences on translating foreign operations	(856)	(1 437)	(40)	(1 633)
Losses arising during the period	(856)	(1 437)	(40)	(1 633)
Share of other comprehensive income/(loss) of associates and joint ventures after tax and non-controlling interests	54	(60)	(>100)	(157)
Items that may not subsequently be reclassified to profit or loss				
Remeasurements on defined benefit post-employment plans	(43)	(82)	(48)	169
(Losses)/gains arising during the period	(60)	(113)	(47)	241
Deferred income tax	17	31	(45)	(72)
Other comprehensive loss for the period	(1 030)	(1 744)	(41)	(2 053)
Total comprehensive income for the period	12 366	10 819	14	24 086
Attributable to				
Ordinary equityholders	11 729	10 213	15	22 574
NCNR preference shareholders	177	181	(2)	356
Equityholders of the group	11 906	10 394	15	22 930
Non-controlling interests	460	425	8	1 156
Total comprehensive income for the period	12 366	10 819	14	24 086

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - IFRS

R million	As at 31 December 2017	2016*	As at 30 June 2017*
ASSETS			
Cash and cash equivalents	65 805	65 983	68 483
Derivative financial instruments	53 586	35 721	35 459
Commodities	15 489	9 110	14 380
Investment securities	188 840	166 245	167 427
Advances	927 732	864 171	893 106
- Advances to customers	874 476	821 384	848 649
- Marketable advances	53 256	42 787	44 457
Accounts receivable	9 443	9 514	8 878
Current tax asset	356	509	147
Non-current assets and disposal groups held for sale	498	833	580
Reinsurance assets	133	81	89
Investments in associates	5 726	5 173	5 924
Investments in joint ventures	1 946	1 458	1 430
Property and equipment	17 859	17 591	17 512
Intangible assets	1 663	1 689	1 686
Investment properties	675	399	399
Defined benefit post-employment asset	5	8	5
Deferred income tax asset	1 936	2 003	2 202
Total assets	1 291 692	1 180 488	1 217 707
EQUITY AND LIABILITIES			
Liabilities			
Short trading positions	15 266	13 874	15 276
Derivative financial instruments	58 102	45 499	44 403
Creditors, accruals and provisions	16 449	16 739	17 014
Current tax liability	415	536	277
Liabilities directly associated with disposal groups held for sale	-	508	195
Deposits	1 040 042	952 121	983 529
- Deposits from customers	749 388	678 118	699 674
- Debt securities	203 243	172 472	194 542
- Asset-backed securities	36 953	38 382	35 445
- Other	50 458	63 149	53 868
Employee liabilities	8 270	7 316	9 884
Other liabilities	6 511	7 674	6 385
Policyholder liabilities	4 315	3 296	3 795
Tier 2 liabilities	20 048	20 146	18 933
Deferred income tax liability	958	1 005	832
Total liabilities	1 170 376	1 068 714	1 100 523
Equity			
Ordinary shares	56	56	56
Share premium	7 985	8 034	7 960
Reserves	104 912	95 317	100 868
Capital and reserves attributable to ordinary equityholders	112 953	103 407	108 884
NCNR preference shares	4 519	4 519	4 519
Capital and reserves attributable to equityholders of the group	117 472	107 926	113 403
Non-controlling interests	3 844	3 848	3 781
Total equity	121 316	111 774	117 184
Total equities and liabilities	1 291 692	1 180 488	1 217 707

* Restated.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - IFRS

R million	Six months ended 31 December 2017	Six months ended 31 December 2016	Year ended 30 June 2017
Cash generated from operating activities			
Interest and fee commission receipts	58 490	53 326	108 306
Trading and other income	1 410	1 378	2 857
Interest payments	(19 724)	(17 308)	(35 285)
Other operating expenses	(19 182)	(18 183)	(35 106)
Dividends received	2 889	2 441	5 971
Dividends paid	(7 806)	(6 800)	(13 650)
Dividends paid to non-controlling interests	(289)	(480)	(1 099)
Cash generated from operating activities	15 788	14 374	31 994
Movement in operating assets and liabilities			
Liquid assets and trading securities	(21 231)	(23 372)	(24 588)
Advances	(42 808)	(21 869)	(59 143)
Deposits	61 484	37 909	71 085
Creditors (net of debtors)	(1 150)	543	3 262
Employee liabilities	(4 902)	(4 956)	(5 337)
Other net liabilities	(4 947)	4 323	(319)
Taxation paid	(4 113)	(3 891)	(8 237)
Net cash generated from/(utilised by) operating activities	(1 879)	3 061	8 717
Cash flows from investing activities			
Acquisition of investments in associates	(176)	(88)	(98)
Proceeds on disposal of investments in associates	11	1	38
Acquisition of investments in joint ventures	(354)	(44)	(44)
Proceeds on disposal of investments in joint ventures	-	16	17
Acquisition of investments in subsidiaries	-	-	(257)
Proceeds on disposal of investments in subsidiaries	212	-	1 815
Acquisition of property and equipment	(1 934)	(2 585)	(4 581)
Proceeds on disposal of property and equipment	218	198	514
Acquisition of intangible assets and investment properties	(101)	(237)	(434)
Proceeds on disposal of intangible assets and investment properties	-	(8)	-
Proceeds on disposal of non-current assets held for sale	219	246	170
Net cash outflow from investing activities	(1 905)	(2 501)	(2 860)
Cash flows from financing activities			
Issue/(redemption) of other liabilities	656	(232)	(1 675)
Proceeds from the issue of Tier 2 liabilities	1 121	2 153	941
Acquisition of additional interest in subsidiaries from non-controlling interests	(23)	(43)	(162)
Issue of share of additional interest in subsidiaries from non-controlling interests	23	129	-
Net cash inflow from financing activities	1 777	2 007	(896)
Net (decrease)/increase in cash and cash equivalents	(2 007)	2 567	4 961
Cash and cash equivalents at the beginning of the period	68 483	64 303	64 303
Effect of exchange rate changes on cash and cash equivalents	(671)	(767)	(763)
Transfer to non-current assets held for sale	-	(120)	(18)
Cash and cash equivalents at the end of the period	65 805	65 983	68 483
Mandatory reserve balances included above*	25 919	24 048	24 749

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - IFRS
for the six months ended 31 December

	Ordinary share capital and ordinary equityholders' funds													
R million	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	NCNR preference shares	Non-controlling interests	Total equity
Balance as at 1 July 2016	56	7 952	8 008	(930)	308	9	(441)	3 310	374	89 107	91 737	4 519	3 801	108 065
Net proceeds of issue of share capital and premium	-	-	-	-	-	-	-	-	-	-	-	-	129	129
Proceeds from the issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	130	130
Share issue expenses	-	-	-	-	-	-	-	-	-	-	-	-	(1)	(1)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Movement in other reserves	-	-	-	-	-	2	-	-	54	(44)	12	-	(10)	2
Ordinary dividends	-	-	-	-	-	-	-	-	-	(6 619)	(6 619)	-	(480)	(7 099)
Preference dividends	-	-	-	-	-	-	-	-	-	-	-	(181)	-	(181)
Transfer from/(to) general risk reserves	-	-	-	-	-	-	-	-	7	(7)	-	-	-	-
Changes in ownership interest of subsidiaries	-	-	-	-	-	-	-	-	-	(26)	(26)	-	(17)	(43)
Consolidation of treasury shares	-	82	82	-	-	-	-	-	-	-	-	-	-	82
Total comprehensive income for the period	-	-	-	(82)	45	-	(197)	(1 395)	(47)	11 889	10 213	181	425	10 819
Balance as at 31 December 2016	56	8 034	8 090	(1 012)	353	11	(638)	1 915	388	94 300	95 317	4 519	3 848	111 774
Balance as at 1 July 2017	56	7 960	8 016	(761)	158	9	(715)	1 690	462	100 025	100 868	4 519	3 781	117 184
Net proceeds of issue of share capital and premium	-	-	-	-	-	-	-	-	-	-	-	-	23	23
Proceeds from the issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	23	23
Share issue expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(27)	(27)
Movement in other reserves	-	-	-	-	-	-	-	-	238	(180)	58	-	(79)	(21)
Ordinary dividends	-	-	-	-	-	-	-	-	-	(7 629)	(7 629)	-	(289)	(7 918)
Preference dividends	-	-	-	-	-	-	-	-	-	-	-	(177)	-	(177)
Transfer (to)/from general risk reserves	-	-	-	-	-	-	-	-	(8)	8	-	-	-	-
Changes in ownership interest of subsidiaries	-	-	-	-	-	-	-	-	-	(103)	(103)	-	(25)	(128)
Consolidation of treasury shares	-	25	25	-	-	-	-	-	-	(11)	(11)	-	-	14
Total comprehensive income for the period	-	-	-	(43)	(99)	-	(86)	(841)	49	12 749	11 729	177	460	12 366
Balance as at 31 December 2017	56	7 985	8 041	(804)	59	9	(801)	849	741	104 859	104 912	4 519	3 844	121 316

RECONCILIATION OF NORMALISED TO IFRS CONDENSED CONSOLIDATED INCOME STATEMENT
for the six months ended 31 December 2017

R million	Normalised	Private equity expenses	Treasury shares*	Margin related items included in fair value income	IAS 19 adjustment	Private equity subsidiary realisations	Other headline earnings adjustments	TRS and IFRS 2 liability remeasurement	IFRS
Net interest income before impairment of advances	24 565	-	-	(878)	-	-	-	47	23 734
Impairment charge	(4 052)	-	-	-	-	-	-	-	(4 052)
Net interest income after impairment of advances	20 513	-	-	(878)	-	-	-	47	19 682
Total non-interest revenue	20 002	201	(8)	878	-	(97)	211	695	21 882
- Operational non-interest revenue	19 514	201	(13)	878	-	(97)	211	695	21 389
- Share of profit of associates and joint ventures after tax	488	-	5	-	-	-	-	-	493
Income from operations	40 515	201	(8)	-	-	(97)	211	742	41 564
Operating expenses	(23 033)	(201)	-	-	78	-	-	(552)	(23 708)
Income before tax	17 482	-	(8)	-	78	(97)	211	190	17 856
Indirect tax	(478)	-	-	-	-	-	-	-	(478)
Profit before tax	17 004	-	(8)	-	78	(97)	211	190	17 378
Income tax expense	(3 894)	-	-	-	(22)	-	(13)	(53)	(3 982)
Profit for the period	13 110	-	(8)	-	56	(97)	198	137	13 396
Attributable to									
NCNR preference shareholders	(177)	-	-	-	-	-	-	-	(177)
Non-controlling interests	(472)	-	-	-	-	24	(22)	-	(470)
Ordinary equityholders of the group	12 461	-	(8)	-	56	(73)	176	137	12 749
Headline and normalised earnings adjustments	-	-	8		(56)	73	(176)	(137)	(288)
Normalised earnings attributable to ordinary equityholders of the group	12 461	-	-	-	-	-	-	-	12 461

* FirstRand shares held for client trading activities.

RECONCILIATION OF NORMALISED TO IFRS CONDENSED CONSOLIDATED INCOME STATEMENT
for the six months ended 31 December 2016

R million	Normalised	Private equity expenses	Treasury shares*	Margin related items included in fair value income	IAS 19 adjustment	Private equity subsidiary realisations	Other headline earnings adjustments	TRS and IFRS 2 liability remeasurement	IFRS
Net interest income before impairment of advances	23 243	-	-	(1 043)	-	-	-	-	22 200
Impairment charge	(3 741)	-	-	-	-	-	-	-	(3 741)
Net interest income after impairment of advances	19 502	-	-	(1 043)	-	-	-	-	18 459
Total non-interest revenue	18 132	282	(7)	1 043	-	-	46	485	19 981
- Operational non-interest revenue	17 663	282	(8)	1 043	-	-	49	485	19 514
- Share of profit of associates and joint ventures after tax	469	-	1	-	-	-	(3)	-	467
Income from operations	37 634	282	(7)	-	-	-	46	485	38 440
Operating expenses	(21 246)	(282)	-	-	75	-	(1)	(254)	(21 708)
Income before tax	16 388	-	(7)	-	75	-	45	231	16 732
Indirect tax	(573)	-	-	-	-	-	-	-	(573)
Profit before tax	15 815	-	(7)	-	75	-	45	231	16 159
Income tax expense	(3 495)	-	-	-	(21)	-	(15)	(65)	(3 596)
Profit for the period	12 320	-	(7)	-	54	-	30	166	12 563
Attributable to									
NCNR preference shareholders	(181)	-	-	-	-	-	-	-	(181)
Non-controlling interests	(493)	-	-	-	-	-	-	-	(493)
Ordinary equityholders of the group	11 646	-	(7)	-	54	-	30	166	11 889
Headline and normalised earnings adjustments	-	-	7	-	(54)	-	(30)	(166)	(243)
Normalised earnings attributable to ordinary equityholders of the group	11 646	-	-	-	-	-	-	-	11 646

* FirstRand shares held for client trading activities.

RECONCILIATION OF NORMALISED TO IFRS CONDENSED CONSOLIDATED INCOME STATEMENT
for the year ended 30 June 2017

R million	Normalised	Private equity expenses	Treasury shares*	Margin related items included in fair value income	IAS 19 adjustment	Private equity subsidiary realisations	Other headline earnings adjustments	TRS and IFRS 2 liability remeasurement	IFRS
Net interest income before impairment of advances	46 626	-	-	(1 796)	-	-	-	87	44 917
Impairment charge	(8 054)	-	-	-	-	-	-	-	(8 054)
Net interest income after impairment of advances	38 572	-	-	(1 796)	-	-	-	87	36 863
Total non-interest revenue	39 268	745	12	1 796	-	(1 788)	1 849	78	41 960
- Operational non-interest revenue	38 227	745	11	1 796	-	(1 788)	1 853	78	40 922
- Share of profit of associates and joint ventures after tax	1 041	-	1	-	-	-	(4)	-	1 038
Income from operations	77 840	745	12	-	-	(1 788)	1 849	165	78 823
Operating expenses	(43 773)	(314)	-	-	163	-	(584)	(77)	(44 585)
Income before tax	34 067	431	12	-	163	(1 788)	1 265	88	34 238
Indirect tax	(1 081)	-	-	-	-	-	-	-	(1 081)
Profit before tax	32 986	431	12	-	163	(1 788)	1 265	88	33 157
Income tax expense	(6 951)	-	-	-	(46)	30	(26)	(25)	(7 018)
Profit for the year	26 035	431	12	-	117	(1 758)	1 239	63	26 139
Attributable to									
NCNR preference shareholders	(356)	-	-	-	-	-	-	-	(356)
Non-controlling interests	(1 208)	-	-	-	-	426	(429)	-	(1 211)
Ordinary equityholders of the group	24 471	431	12	-	117	(1 332)	810	63	24 572
Headline and normalised earnings adjustments	-	(431)**	(12)	-	(117)	1 332	(810)	(63)	(101)
Normalised earnings attributable to ordinary equityholders of the group	24 471	-	-	-	-	-	-	-	24 471

* FirstRand shares held for client trading activities.

** Private equity-related goodwill and other asset impairments.

RECONCILIATION OF NORMALISED TO IFRS CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2017

R million	Normalised	Treasury shares*	IFRS
ASSETS			
Cash and cash equivalents	65 805	-	65 805
Derivative financial instruments	53 586	-	53 586
Commodities	15 489	-	15 489
Investment securities	188 928	(88)	188 840
Advances	927 732	-	927 732
- Advances to customers	874 476	-	874 476
- Marketable advances	53 256	-	53 256
Accounts receivable	9 443	-	9 443
Current tax asset	356	-	356
Non-current assets and disposal groups held for sale	498	-	498
Reinsurance assets	133	-	133
Investments in associates	5 726	-	5 726
Investments in joint ventures	1 890	56	1 946
Property and equipment	17 859	-	17 859
Intangible assets	1 663	-	1 663
Investment properties	675	-	675
Defined benefit post-employment asset	5	-	5
Deferred income tax asset	1 936	-	1 936
Total assets	1 291 724	(32)	1 291 692
EQUITY AND LIABILITIES			
Liabilities			
Short trading positions	15 266	-	15 266
Derivative financial instruments	58 102	-	58 102
Creditors, accruals and provisions	16 449	-	16 449
Current tax liability	415	-	415
Liabilities directly associated with disposal groups held for sale	-	-	-
Deposits	1 040 042	-	1 040 042
- Deposits from customers	749 388	-	749 388
- Debt securities	203 243	-	203 243
- Asset-backed securities	36 953	-	36 953
- Other	50 458	-	50 458
Employee liabilities	8 270	-	8 270
Other liabilities	6 511	-	6 511
Policyholder liabilities	4 315	-	4 315
Tier 2 liabilities	20 048	-	20 048
Deferred income tax liability	958	-	958
Total liabilities	1 170 376	-	1 170 376
Equity			
Ordinary shares	56	-	56
Share premium	8 056	(71)	7 985
Reserves	104 873	39	104 912
Capital and reserves attributable to ordinary equityholders	112 985	(32)	112 953
NCNR preference shares	4 519	-	4 519
Capital and reserves attributable to equityholders of the group	117 504	(32)	117 472
Non-controlling interests	3 844	-	3 844
Total equity	121 348	(32)	121 316
Total equities and liabilities	1 291 724	(32)	1 291 692

* FirstRand shares held for client trading activities.

RECONCILIATION OF NORMALISED TO IFRS CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2016

R million	Normalised	Treasury shares*	IFRS
ASSETS			
Cash and cash equivalents	65 983	-	65 983
Derivative financial instruments	35 721	-	35 721
Commodities	9 110	-	9 110
Investment securities	166 270	(25)	166 245
Advances	864 171	-	864 171
- Advances to customers	821 384	-	821 384
- Marketable advances	42 787		42 787
Accounts receivable	9 514	-	9 514
Current tax asset	509	-	509
Non-current assets and disposal groups held for sale	833	-	833
Reinsurance assets	81	-	81
Investments in associates	5 173	-	5 173
Investments in joint ventures	1 407	51	1 458
Property and equipment	17 591	-	17 591
Intangible assets	1 689	-	1 689
Investment properties	399	-	399
Defined benefit post-employment asset	8	-	8
Deferred income tax asset	2 003	-	2 003
Total assets	1 180 462	26	1 180 488
EQUITY AND LIABILITIES			
Liabilities			
Short trading positions	13 874	-	13 874
Derivative financial instruments	45 499	-	45 499
Creditors, accruals and provisions**	16 739	-	16 739
Current tax liability	536	-	536
Liabilities directly associated with disposal groups held for sale	508	-	508
Deposits**	952 121	-	952 121
- Deposits from customers	678 118	-	678 118
- Debt securities	172 472	-	172 472
- Asset-backed securities	38 382	-	38 382
- Other	63 149	-	63 149
Employee liabilities	7 316	-	7 316
Other liabilities	7 674	-	7 674
Policyholder liabilities	3 296	-	3 296
Tier 2 liabilities	20 146	-	20 146
Deferred income tax liability	1 005	-	1 005
Total liabilities	1 068 714	-	1 068 714
Equity			
Ordinary shares	56	-	56
Share premium	8 056	(22)	8 034
Reserves	95 269	48	95 317
Capital and reserves attributable to ordinary equityholders	103 381	26	103 407
NCNR preference shares	4 519	-	4 519
Capital and reserves attributable to equityholders of the group	107 900	26	107 926
Non-controlling interests	3 848	-	3 848
Total equity	111 748	26	111 774
Total equities and liabilities	1 180 462	26	1 180 488

* FirstRand shares held for client trading activities.

** Restated.

RECONCILIATION OF NORMALISED TO IFRS CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

R million	Normalised	Treasury shares*	IFRS
ASSETS			
Cash and cash equivalents	68 483	-	68 483
Derivative financial instruments	35 459	-	35 459
Commodities	14 380	-	14 380
Investment securities	167 516	(89)	167 427
Advances	893 106	-	893 106
- Advances to customers	848 649	-	848 649
- Marketable advances	44 457	-	44 457
Accounts receivable	8 878	-	8 878
Current tax asset	147	-	147
Non-current assets and disposal groups held for sale	580	-	580
Reinsurance assets	89	-	89
Investments in associates	5 924	-	5 924
Investments in joint ventures	1 379	51	1 430
Property and equipment	17 512	-	17 512
Intangible assets	1 686	-	1 686
Investment properties	399	-	399
Defined benefit post-employment asset	5	-	5
Deferred income tax asset	2 202	-	2 202
Total assets	1 217 745	(38)	1 217 707
EQUITY AND LIABILITIES			
Liabilities			
Short trading positions	15 276	-	15 276
Derivative financial instruments	44 403	-	44 403
Creditors, accruals and provisions	17 014	-	17 014
Current tax liability	277	-	277
Liabilities directly associated with disposal groups held for sale	195	-	195
Deposits**	983 529	-	983 529
- Deposits from customers	699 674	-	699 674
- Debt securities	194 542	-	194 542
- Asset-backed securities	35 445	-	35 445
- Other	53 868	-	53 868
Employee liabilities	9 884	-	9 884
Other liabilities	6 385	-	6 385
Policyholder liabilities	3 795	-	3 795
Tier 2 liabilities	18 933	-	18 933
Deferred income tax liability	832	-	832
Total liabilities	1 100 523	-	1 100 523
Equity			
Ordinary shares	56	-	56
Share premium	8 056	(96)	7 960
Reserves	100 810	58	100 868
Capital and reserves attributable to ordinary equityholders	108 922	(38)	108 884
NCNR preference shares	4 519	-	4 519
Capital and reserves attributable to equityholders of the group	113 441	(38)	113 403
Non-controlling interests	3 781	-	3 781
Total equity	117 222	(38)	117 184
Total equities and liabilities	1 217 745	(38)	1 217 707

* FirstRand shares held for client trading activities.

** Restated.

RESTATEMENT OF PRIOR YEAR NUMBERS

DESCRIPTION OF RESTATEMENTS

The group made the following changes to the presentation of deposits.

ACCRUED INTEREST ON DEPOSITS

The group previously recognised accrued interest on certain deposits as part of creditors, accruals and provisions in the statement of financial position. During the current financial period, accrued interest was reclassified to deposits. This is more in line with the group's current practice for advances where the accrued interest is recognised as part of the carrying value of the underlying financial instrument.

CLASSIFICATION OF DEBT SECURITIES

The SARB issued guidance clarifying that negotiable notes with an issue price, a redemption/maturity date and redemption price or face value should be classified as debt securities rather than deposits from customers. The group reclassified certain issued notes to align the regulatory and statutory reporting requirements.

These changes in presentation had no impact on the profit or loss or net asset value of the group and only affected the classification of items on the statement of financial position.

RESTATED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - IFRS

	As at 31 December 2016				As at 30 June 2017		
R million	As previously reported	Debt securities	Accrued interest on deposits	Restated	As previously reported	Debt securities	Restated
ASSETS							
Cash and cash equivalents	65 983	-	-	65 983	68 483	-	68 483
Derivative financial instruments	35 721	-	-	35 721	35 459	-	35 459
Commodities	9 110	-	-	9 110	14 380	-	14 380
Investment securities	166 245	-	-	166 245	167 427	-	167 427
Advances	864 171	-	-	864 171	893 106	-	893 106
- Advances to customers	821 384	-	-	821 384	848 649	-	848 649
- Marketable advances	42 787	-	-	42 787	44 457	-	44 457
Accounts receivable	9 514	-	-	9 514	8 878	-	8 878
Current tax asset	509	-	-	509	147	-	147
Non-current assets and disposal groups held for sale	833	-	-	833	580	-	580
Reinsurance assets	81	-	-	81	89	-	89
Investments in associates	5 173	-	-	5 173	5 924	-	5 924
Investments in joint ventures	1 458	-	-	1 458	1 430	-	1 430
Property and equipment	17 591	-	-	17 591	17 512	-	17 512
Intangible assets	1 689	-	-	1 689	1 686	-	1 686
Investment properties	399	-	-	399	399	-	399
Defined benefit post-employment asset	8	-	-	8	5	-	5
Deferred income tax asset	2 003	-	-	2 003	2 202	-	2 202
Total assets	1 180 488	-	-	1 180 488	1 217 707	-	1 217 707
EQUITY AND LIABILITIES							
Liabilities							
Short trading positions	13 874	-	-	13 874	15 276	-	15 276
Derivative financial instruments	45 499	-	-	45 499	44 403	-	44 403
Creditors, accruals and provisions	16 890	-	(151)	16 739	17 014	-	17 014
Current tax liability	536	-	-	536	277	-	277
Liabilities directly associated with disposal groups held for sale	508	-	-	508	195	-	195
- Deposits	951 970	-	151	952 121	983 529	-	983 529
- Deposits from customers	693 053	(14 950)	15	678 118	715 101	(15 427)	699 674
- Debt securities	157 522	14 950	-	172 472	179 115	15 427	194 542
- Asset-backed securities	38 382	-	-	38 382	35 445	-	35 445
- Other	63 013	-	136	63 149	53 868	-	53 868
Employee liabilities	7 316	-	-	7 316	9 884	-	9 884
Other liabilities	7 674	-	-	7 674	6 385	-	6 385
Policyholder liabilities	3 296	-	-	3 296	3 795	-	3 795
Tier 2 liabilities	20 146	-	-	20 146	18 933	-	18 933
Deferred income tax liability	1 005	-	-	1 005	832	-	832
Total liabilities	1 068 714	-	-	1 068 714	1 100 523	-	1 100 523
Equity							
Ordinary shares	56	-	-	56	56	-	56
Share premium	8 034	-	-	8 034	7 960	-	7 960
Reserves	95 317	-	-	95 317	100 868	-	100 868
Capital and reserves attributable to ordinary equityholders	103 407	-	-	103 407	108 884	-	108 884
NCNR preference shares	4 519	-	-	4 519	4 519	-	4 519
Capital and reserves attributable to equityholders of the group	107 926	-	-	107 926	113 403	-	113 403
Non-controlling interests	3 848	-	-	3 848	3 781	-	3 781
Total equity	111 774	-	-	111 774	117 184	-	117 184
Total equities and liabilities	1 180 488	-	-	1 180 488	1 217 707	-	1 217 707

FAIR VALUE HIERARCHY AND MEASUREMENTS

TRANSFERS BETWEEN FAIR VALUE HIERARCHY LEVELS

There were no transfers in or out of the various levels for the financial periods ended 31 December 2016 and 31 December 2017.

The following represents the significant transfers into levels 1, 2 and 3 and the reasons for these transfers for the year ended 30 June 2017. Transfers between levels of the fair value hierarchy are deemed to occur at the beginning of the reporting period.

	As at 30 June 2017		
R million	Transfers in	Transfers out	Reasons for significant transfers in
Level 1	-	-	There were no transfers into level 1.
Level 2	-	(38)	There were no transfers into level 2.
Level 3	38	-	The JSE publishes volatilities of strike prices of options between 70% and 130%. Any volatility above or below this range results in inputs becoming unobservable. During the year ended 30 June 2017, the observability of volatilities used in determining the fair value of certain over the counter options became unobservable and resulted in the transfer of R38 million out of level 2 into level 3 of the fair value hierarchy.
Total transfers	38	(38)	

CONDENSED SEGMENT REPORT - IFRS

	Six months ended 31 December 2017								
	FNB		RMB						
R million	FNB	FNB Africa	Investment banking	Corporate banking	WesBank	FCC (including Group Treasury) and other	FirstRand group normalised	Normalised adjustments	Total
Profit before tax	9 864	566	3 489	961	2 705	(581)	17 004	374	17 378
Total assets	364 073	49 024	405 983	54 861	216 648	201 135	1 291 724	(32)	1 291 692
Total liabilities	353 438	48 891	397 558	53 570	212 567	104 352	1 170 376	-	1 170 376

	Six months ended 31 December 2016								
	FNB		RMB						
R million	FNB	FNB Africa	Investment banking	Corporate banking	WesBank	FCC (including Group Treasury) and other	FirstRand group normalised	Normalised adjustments	Total
Profit before tax	8 820	547	3 134	877	2 755	(318)	15 815	344	16 159
Total assets	345 805	48 853	378 971	42 379	203 848	160 606	1 180 462	26	1 180 488
Total liabilities	336 049	48 431	370 296	41 227	200 556	72 155	1 068 714	-	1 068 714

	Year ended 30 June 2017								
	FNB		RMB						
R million	FNB	FNB Africa	Investment banking	Corporate banking	WesBank	FCC (including Group Treasury) and other	FirstRand group normalised	Normalised adjustments	Total
Profit before tax	17 744	880	8 028	1 731	5 612	(1 009)	32 986	171	33 157
Total assets	351 978	49 959	386 048	45 872	214 222	169 666	1 217 745	(38)	1 217 707
Total liabilities	333 698	49 982	377 316	43 634	207 809	88 084	1 100 523	-	1 100 523

CONTINGENCIES AND COMMITMENTS

	As at 31 December			As at 30 June
R million	2017	2016	% change	2017
Contingencies and commitments				
Guarantees (endorsements and performance guarantees)	35 028	40 317	(13)	34 006
Letters of credit	8 329	6 318	32	6 731
Total contingencies	43 357	46 635	(7)	40 737
Irrevocable commitments	114 604	115 381	(1)	119 325
Committed capital expenditure	2 659	1 736	53	3 936
Operating lease commitments	3 742	4 101	(9)	3 779
Other	222	318	(30)	306
Contingencies and commitments	164 584	168 171	(2)	168 083
Commitments				
Commitments in respect of capital expenditure and long-term investments approved by the directors	2 659	1 736	53	3 936

NUMBER OF ORDINARY SHARES IN ISSUE

	Six months ended 31 December				Year ended 30 June	
	2017		2016		2017	
	IFRS	Normalised	IFRS	Normalised	IFRS	Normalised
Shares in issue						
Opening balance as at 1 July	5 609 488 001	5 609 488 001	5 609 488 001	5 609 488 001	5 609 488 001	5 609 488 001
Less: treasury shares	(1 314 888)	-	(473 626)	-	(311 919)	-
- Shares for client trading*	(1 314 888)	-	(473 626)	-	(311 919)	-
Number of shares in issue (after treasury shares)	5 608 173 113	5 609 488 001	5 609 014 375	5 609 488 001	5 609 176 082	5 609 488 001
Weighted average number of shares						
Weighted average number of shares before treasury shares	5 609 488 001	5 609 488 001	5 609 488 001	5 609 488 001	5 609 488 001	5 609 488 001
Less: treasury shares	(1 656 596)	-	(1 075 586)	-	(1 480 934)	-
- Shares for client trading*	(1 656 596)	-	(1 075 586)	-	(1 480 934)	-
Basic and diluted weighted average number of shares in issue	5 607 831 405	5 609 488 001	5 608 412 415	5 609 488 001	5 608 007 067	5 609 488 001

* For normalised reporting, shares held for client trading activities are treated as externally issued.

COMPANY INFORMATION

DIRECTORS

LL Dippenaar (chairman), JP Burger (chief executive officer), AP Pullinger (deputy chief executive officer), HS Kellan (financial director), MS Bomela, HL Bosman, JJ Durand, GG Gelink, PM Goss, NN Gwagwa, PK Harris, WR Jardine, F Knoetze, RM Loubser, PJ Makosholo, TS Mashego, EG Matenge-Sebesho, AT Nzimande

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