FirstRand Limited
(Incorporated in the Republic of South Africa)
Registration number: 1966/010753/06
JSE ordinary share code: FSR
JSE ordinary share ISIN: ZAE000066304
JSE B preference share code: FSRP
JSE B preference share ISIN: ZAE000060141
NSX ordinary share code: FST
(FirstRand or the group)

UNAUDITED INTERIM RESULTS AND CASH DIVIDEND FINALISATION ANNOUNCEMENT
For the six months ended 31 December 2014

INTRODUCTION

This announcement covers the unaudited condensed financial results of FirstRand Limited (FirstRand or the group) based on International Financial Reporting Standards (IFRS) for the six months to 31 December 2014. 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.

Normalised results include a condensed consolidated income statement, statement of comprehensive income, statement of financial position, statement of cash flows and a statement of changes in equity. A detailed description of the difference between normalised and IFRS results is provided on www.firstrand.co.za. Commentary is based on normalised results, unless indicated otherwise.

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

FINANCIAL HIGHLIGHTS

	Six months ended 31 December		% change	Year ended 30 June
	2014	2013		2014
Normalised earnings (R million)	9 993	8 691	15	18 663
Diluted normalised earnings per share (cents)	177.3	154.2	15	331.0
Normalised net asset value per share (cents)*	1 519.6	1 342.9	13	1 447.2
Dividend per ordinary share (cents)	93.0	77.0	21	174.0
Normalised ROE (%)	24.0	23.4		24.2

* Including reissue of 35 million FirstRand shares.

The group consists of a portfolio of leading financial services franchises: First National Bank (FNB), the retail and commercial bank, Rand Merchant Bank (RMB), the corporate and investment bank, WesBank, the instalment finance business and Ashburton Investments, the group's recently-established investment management business. The FCC franchise represents group-wide functions.

STATEMENT OF HEADLINE EARNINGS - IFRS

	Six months ended 31 December		% change	Year ended 30 June
R million	2014	2013		2014
Profit for the period	11 131	9 430	18	19 786
Non-controlling interests	(674)	(447)	51	(1 058)
NCNR preference shareholders	(153)	(144)	6	(288)
Earnings attributable to ordinary equityholders	10 304	8 839	17	18 440
Adjusted for:	(403)	(32)	>100	231
Loss on disposal of investment securities and other investments of a capital nature	-	1		27
Gain on disposal of available-for-sale assets	(227)	(66)		(69)
Gain on disposal of investments in associates	-	-		(61)
Gain on disposal of investments in subsidiaries	(188)	(12)		(18)
(Gain)/loss on the disposal of property and equipment	(11)	12		32
Impairment of goodwill	-	-		128
Impairment of assets in terms of IAS 36	-	11		151
Other	1	(1)		-
Tax effects of adjustments	-	20		26
Non-controlling interests adjustments	22	3		15
Headline earnings	9 901	8 807	12	18 671

RECONCILIATION FROM HEADLINE TO NORMALISED EARNINGS

	Six months ended 31 December		% change	Year ended 30 June
R million	2014	2013		2014
Headline earnings	9 901	8 807	12	18 671
Adjusted for:	92	(116)	(>100)	(8)
Total return swap and IFRS 2 liability remeasurement	(144)	(146)	(1)	(198)
IFRS 2 share-based payment expense	75	12	>100	182
Treasury shares*	49	63	(22)	97
IAS 19 adjustment	(54)	(53)	2	(104)
Private equity subsidiary realisations	166	8	>100	15
Normalised earnings	9 993	8 691	15	18 663

* Includes FirstRand shares held for client trading activities.

OVERVIEW OF RESULTS

INTRODUCTION

During the period under review the local economy remained subdued with weak global growth, structural constraints and sluggish domestic demand resulting in low levels of economic activity.

Although the US continued to pick up momentum, other major developed and emerging economies struggled and this weakness was reflected in downward pressure on commodity prices and slowing growth in the economies of South Africa's main export partners.

Local industries were unable to take full advantage of exchange rate weakness due to ongoing electricity shortages which have kept production capacity constrained. Domestic demand remains negatively impacted by low levels of business and consumer confidence, weak real disposable income growth, sluggish household credit extension and interest rate tightening.

Low global growth and falling commodity prices have also impacted some of the economies in the sub-Saharan Africa region although the Indian economy continued to pick up momentum.

OVERVIEW OF RESULTS

Against this challenging backdrop, FirstRand produced good results for the six months to 31 December 2014, achieving normalised earnings of R9.99 billion, an increase of 15% on the comparative period and a normalised ROE of 24.0%.

Despite the deteriorating operating environment, all three operating franchises continued to grow profits and produce ROEs significantly above targets.

FNB produced ongoing topline growth and strong profitability on the back of sustained momentum in both non-interest revenue (NIR) and net interest income (NII) with good growth emanating from both advances and deposits. WesBank grew new business volumes despite the subdued local retail credit cycle, with the MotoNovo business in the UK generating excellent profitability in both rand and GBP terms. RMB's solid growth in profits was underpinned by a very strong performance from the private equity portfolio which compensated for the reduced contribution from the investment banking division which as expected, rebased to more normalised levels following a number of years of very strong growth. In addition, RMB strengthened provisions given its current exposures to oil and gas, and mining and metals.

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

SOURCES OF NORMALISED EARNINGS

	Six months ended 31 December				% change	Year ended 30 June	
R million	2014	% composition	2013*	% composition		2014*	% composition
FNB	5 731	58	4 920	57	16	9 819	53
RMB	2 520	25	2 354	27	7	5 507	30
WesBank	1 623	16	1 497	17	8	3 013	16
FCC (including Group Treasury) and other**	272	3	64	1	>100	612	3
NCNR preference dividend	(153)	(2)	(144)	(2)	6	(288)	(2)
Normalised earnings	9 993	100	8 691	100	15	18 663	100

* December 2013 and June 2014 franchise earnings have been restated to include return on capital earned and portion of group costs which were previously disclosed as part of FCC earnings. This restatement is applicable to all segment reporting in the analysis booklet.

** Includes FirstRand Limited (company).

The group's income statement benefited from an increase of 16% in NII. This was driven mainly by ongoing increases in advances, and solid growth from both retail and corporate deposits. Asset margins declined, impacted by mix changes, pricing pressure on certain products and higher liquidity costs.

Total NIR increased 11% year-on-year, with another strong contribution from FNB which grew its NIR 10%. This was driven by the retail and commercial segments and certain of the subsidiaries in the rest of Africa as FNB continued to benefit from specific strategies to grow fee and commission income, drive customers onto electronic platforms, grow the rest of Africa customer base (up 12%) and generate good momentum in cross-sell (up from 2.27 to 2.38).

The group's NIR also benefited from continued growth from RMB's global markets franchise, particularly in the rest of Africa. In addition, RMB's investing activities produced an excellent performance, with good growth from equity-accounted income generated by the private equity portfolio, boosted by a significant realisation profit in excess of R700 million.

WesBank's NIR increased 14%, slightly ahead of new business volumes (up 13%) and once again benefiting from a strong performance in the full maintenance rental book and insurance portfolios.

Overall operating cost growth was 12% for the period, reflecting variable staff costs directly related to higher levels of profitability and continuing investment in infrastructure and operating footprint, particularly in the rest of Africa, and increased regulatory requirements.

NPLs remain a mixed picture. Residential mortgages and FNB personal loans showed significant decreases of 17% and 25% respectively, which continues to reflect the effectiveness of workout strategies and disciplined origination strategies. However continued strong book growth resulted in an increase in NPLs in FNB's business subsegment and the rest of Africa portfolio. Higher NPLs in VAF, WesBank loans and other retail also reflects strong book growth in the current and prior financial periods with corporate NPLs increasing on the back of specific counterparties.

The group's coverage ratios increased year-on-year and the performing book coverage ratios have increased further since June 2014. This reflects a worsening credit environment, the change in NPL mix, higher portfolio overlays and increased specific impairments in RMB's core lending book on the back of mining and metals exposures. The total direct exposures to cross-border oil and gas counters comprise approximately 2% of the RMB corporate and investment banking (CIB) lending book, and less than 1% of FirstRand's advances book. The group has evaluated these exposures as part of its interim credit review processes, and despite no defaults in the portfolio, created overlays given the uncertainty on the outlook for oil prices in the current cycle. Against this analysis, 0.2% of FirstRand's total advances book is considered higher risk and the group is currently comfortable with the provisions against these exposures.

Portfolio impairments were driven by increasing levels of arrears in VAF and WesBank personal loans, as well as strong book growth. The group continues to exercise prudence on the back of deteriorating macroeconomic indicators increasing portfolio overlays across the group. The total performing book coverage ratio increased from 97 bps in the prior year to 107 bps (June 2014: 106 bps).

Other than the increased risk in the corporate lending book, the rest of the group's portfolios are trending in line with expectations.

OVERVIEW OF OPERATING FRANCHISES

The group's vision is to be the African financial services group of choice, create long-term franchise value, deliver superior and sustainable economic returns to shareholders within acceptable levels of volatility and maintain balance sheet strength. FirstRand seeks to achieve this with two parallel growth strategies which are executed through its portfolio of operating franchises within a framework set by the group. The growth strategies are:

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

With regard to expansion into the rest of Africa, there are three pillars to its execution:

- utilise the capabilities of the South African franchise, particularly the domestic balance sheet, intellectual capital, international platforms and the existing operating footprint in the rest of Africa;
- start an in-country franchise and grow organically; and
- acquisitions where it makes commercial sense.

Below is a brief overview of the financial and operational performance of each franchise.

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 strongly in both existing and new markets on the back of innovative products and delivery channels, particularly focusing on electronic and digital platforms.

FNB FINANCIAL HIGHLIGHTS

R million	Six months ended 31 December 2014	2013	% change	Year ended 30 June 2014
Normalised earnings	5 731	4 920	16	9 819
Normalised profit before tax	8 470	7 248	17	14 459
Total assets	332 850	308 439	8	323 114
Total liabilities	324 756	296 634	9	309 154
NPLs (%)	2.82	3.55		3.14
Credit loss ratio (%)	0.87	0.95		0.85
ROE (%)	40.7	37.2		37.6
ROA (%)	3.47	3.25		3.18
Cost-to-income ratio (%)	53.1	53.8		54.8
Advances margin (%)	3.64	3.75		3.68

SEGMENT RESULTS

Normalised PBT R million	Six months ended 31 December 2014	2013	% change	Year ended 30 June 2014
Retail	4 962	4 335	14	8 557
FNB Africa	1 047	838	25	1 629
Commercial	2 461	2 075	19	4 273
Total FNB	8 470	7 248	17	14 459

FNB produced an excellent performance for the period, increasing pre-tax profits 17%, driven by strong growth in both NII and NIR and a decrease in local bad debts, particularly in residential mortgages and personal loans.

This performance reflects FNB's primary strategy to grow and retain core transactional accounts, drive cross-sell into the customer base (up 2% on the comparative period), apply disciplined origination strategies and provide innovative savings products to attract deposits.

FNB's NII increased 15% driven by growth in both advances (+11%) and deposits (+13%). The lending businesses - residential mortgages in particular - performed as expected with slightly above market advances growth and bad debt levels continuing to decline. The bad debt charge for FNB dropped to 0.87% of advances, while preserving overall provisioning levels. Deposit and advances growth came from the following segments.

SEGMENT ANALYSIS OF ADVANCES AND DEPOSIT GROWTH

	Six months ended 31 December 2014			
	Deposit growth		Advances growth	
Segments	%	R billion	%	R billion
Retail	14	18.1	7	15.0
FNB Africa	9	3.6	19	7.0
Commercial	14	17.8	19	8.3

In terms of advances, residential mortgages grew 5% and card increased 22% with particularly good growth coming from the private clients and wealth customer bases. Personal loans grew 4%, reflecting adjustments in appetite and cautious credit extension, especially in the mass segment.

FNB's overall NPLs decreased 12% and continued to benefit from the proactive workout strategies in residential mortgages. Credit card NPLs reduced, with excellent levels of post write-off recoveries continuing. NPLs in the personal loans portfolio also reduced as a consequence of strict origination and focused collections activities. In terms of other retail (e.g. overdraft and revolving credit), NPLs increased following strong book growth in previous periods, credit appetite adjustments were implemented and provisions bolstered. Overall provisioning levels for FNB have remained conservative reflecting appropriate management overlays.

FNB's NIR increased 10% year-on-year with continued strong growth of 12% in overall transactional volumes with electronic transactional volumes up 14%. Customers continue to migrate to electronic channels with ADT deposits increasing 11%, whilst branch-based deposits decreased 18%. The success of FNB's electronic migration strategy is also reflected in exceptionally strong growth in online transactions (up 15%), banking app (up 67%) and mobile (up 27%). FNB's strategy to drive card as a transactional product also resulted in 17% growth in turnover, underpinned by good growth in new active credit card accounts of 8%.

FNB's overall operating expenditure increased 11%, reflecting ongoing investment in its operating footprint, particularly in the rest of Africa (costs up 18%). The business however continues to deliver positive operating jaws.

FNB's African subsidiaries performed well, growing pre-tax profits 25%. Namibia and Swaziland in particular generated significantly higher profits on the back of balance sheet growth, improved margins and increased transactional volumes. Zambia, Mozambique and Tanzania continued to invest in footprint and product rollout.

FNB produced an ROE of 40.7%, which remains well above hurdle rates, despite ongoing investment in platforms and new territories.

RMB

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

RMB FINANCIAL HIGHLIGHTS

R million	Six months ended 31 December 2014	2013	% change	Year ended 30 June 2014
Normalised earnings	2 520	2 354	7	5 507
Normalised profit before tax	3 569	3 313	8	7 688
Total assets	409 505	374 931	9	390 209
Total liabilities	401 435	367 491	9	380 107
ROE (%)	21.2	24.0		25.8
ROA (%)	1.23	1.27		1.45
Credit loss ratio (%)	0.61	0.30		0.21
Cost-to-income ratio (%)	43.1	46.3		45.0

DIVISIONAL PERFORMANCE

Normalised PBT R million	Six months ended 31 December 2014	2013	% change	Year ended 30 June 2014
Investment banking	3 243	3 066	6	7 159
- Global Markets	1 113	1 012	10	1 991
- IBD	1 510	1 701	(11)	4 083
- Private Equity	1 172	444	>100	1 208
- Other RMB	(552)	(91)	>100	(123)
Corporate banking	326	247	32	529
Total RMB	3 569	3 313	8	7 688

RMB corporate and investment banking produced solid results for the period, given the challenging operating environment, growing pre-tax profits 8% to R3.6 billion and generating a satisfactory ROE of 21.2%. This performance was underpinned by an improved contribution from corporate and transactional activities, strong results from the global markets franchise, particularly in the rest of Africa, and excellent profitability from the private equity portfolio. In addition cost management remains a key focus and is reflected in the 4% increase in costs.

The Investment Banking division (IBD) delivered a robust operational performance given the very high base created in previous years. However, provisions against certain oil and gas, and mining and metals exposures in the core lending book impacted the results. This is considered prudent action given the current macro pressures in those sectors. Asset margins were impacted by increased funding and liquidity costs, and competitive pricing.

IBD continued to benefit from growth in bespoke term lending resulting from client balance sheet restructures. Advisory income remained resilient on the back of the franchise's market leadership position.

The Global Markets division delivered a solid performance for the period growing profits 10%. This was achieved in spite of challenging market conditions, lower levels of volatility, a decrease in commodity prices and increased competitive pressures, and was driven by a strong performance from the domestic interest-rate and rest of Africa currency activities. Structuring activities benefited from a number of large-scale deals, although market activity was generally subdued in the wake of ABIL being placed under curatorship.

Private Equity produced excellent growth with profits for the period growing to R1.17 billion. The division continues to benefit from the quality and diversity of its portfolio, reporting strong equity-accounted earnings and solid income from investment subsidiaries. Earnings were positively impacted by a significant realisation, however, despite this realisation the unrealised value of the portfolio increased to R4.3 billion (June 2014: R3.9 billion).

The Corporate and Transactional Banking division achieved profit growth of 32% to R326 million as it begins to see the benefits of strategies put in place to derive value from the transactional banking platform. The business also benefited from targeted coverage initiatives, increased demand for trade and working capital products and higher deposit balances. A particular corporate exposure resulted in an increase in credit impairments.

RMB Resources reported a loss of R353 million for the period with both the equity and debt portfolios under pressure as a result of sharply declining commodity prices and the inability of counterparties to raise further funds to advance projects. The portfolio continues to be closely monitored, however, stress is expected to persist on the back of negative macros in the resources sector.

Also included in Other RMB are losses from the legacy portfolio, which were contained to R44 million, as well as platform investments.

WesBank

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

WESBANK FINANCIAL HIGHLIGHTS

R million	Six months ended 31 December 2014	2013	% change	Year ended 30 June 2014
Normalised earnings	1 623	1 497	8	3 013
Normalised profit before tax	2 282	2 149	6	4 315
Total assets	180 693	157 273	15	170 194
Total liabilities	177 045	155 079	14	166 137
NPLs (%)	3.01	2.67		2.86
Credit loss ratio (%)	1.37	1.25		1.35
ROE (%)	23.7	28.3		26.5
ROA (%)	1.81	1.95		1.88
Cost-to-income ratio (%)	42.6	43.0		43.3
Net interest margin (%)	4.75	5.10		5.05

WesBank delivered a resilient performance despite its sensitivity to the local retail credit cycle. Solid growth in new business volumes underpinned a 6% increase in profits to R2.3 billion; an ROE of 23.7% and an ROA of 1.81%. These results reflect the strength of WesBank's franchise, disciplined credit origination and effective sales channels.

The table below shows the relative performance period-on-period of WesBank's activities.

BREAKDOWN OF PROFIT CONTRIBUTION BY ACTIVITY

Normalised PBT R million	Six months ended 31 December 2014	2013	% change	Year ended 30 June 2014
VAF				
- Local retail	1 012	1 019	(1)	1 876
- International (MotoNovo)	429	293	46	651
- Corporate and commercial	211	254	(17)	619
Personal loans	630	583	8	1 169
Total WesBank	2 282	2 149	6	4 315

Strong new business volumes and profit growth continued in the MotoNovo business and personal loans also performed well within credit expectations at this point in the cycle. New business across all of WesBank's retail portfolios reflects a good risk profile with systemic tightening continuing in credit appetite for higher-risk segments. New business production increased 13% year-on-year with personal loans and MotoNovo origination volumes up 9% and 92%, respectively. Local retail VAF's performance continues to reflect the pressures facing consumers, with advances flat year-on-year (up 10% after adjusting for a new associate). WesBank's rest of Africa new business grew 15% year-on-year (these figures are reported under FNB Africa).

As expected interest margins are trending down mainly due to higher funding and liquidity costs, the mix change between fixed and floating rate business and pricing pressure.

As anticipated, bad debts have trended upward but remain within through-the-cycle thresholds and WesBank remains well provided at this point in the cycle. Credit origination remains within risk tolerances and appetite, and regular scorecard adjustments are made.

NPLs as a percentage of advances are up 13% year-on-year, but remain inflated by the high proportion of restructured debt review accounts, most of which are still paying according to arrangement. This conservative treatment is in line with group practice with 51% of NPLs currently under debt review (compared to 47% in the prior year), a high percentage of which have never defaulted, or reflect balances lower than when they went into debt review. In addition to the increase in retail customers in debt review, corporate NPLs also increased given stress in certain counterparties.

NIR, including income from associates, increased 14% year-on-year, reflective of the growth in the advances book, insurance income and in rental assets.

Total operating costs are up 9% reflecting increases in depreciation and maintenance costs relating to the full maintenance rental assets (these costs are a function of growth of the portfolio and nature of the underlying book) and costs associated with a number of strategic investment initiatives. Core operating costs, however, remained in line with inflation, increasing 5%.

Ashburton Investments

The group's investment management franchise, Ashburton Investments, continues to execute on its organic strategy.

Operationally the business is still in build mode, particularly in terms of platforms, systems and skills. The introduction of the LISP platform to the group's internal channels continued to generate good volumes of customer migration. Cumulative growth in AUM, excluding conduits, has been strong, increasing 30% since inception of the business in June 2013 (year-on-year 14%). Profitability is tracking in line with expectations given the current level of investment.

Ashburton Investments is benefiting from the product generation capabilities of RMB and 26% of assets are now represented by alternative products.

Capital position

Current targeted ranges and actual ratios are summarised below.

%	CET1	Tier 1	Total
Regulatory minimum*	5.5	7.0	10.0
Targets	10.0 - 11.0	>12.0	>14.0
Actual**	13.8	14.7	16.5

* Excludes the bank-specific individual capital requirement.

** Includes unappropriated profits.

The group has maintained its very 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 business unit organic growth plans and stress-testing scenario outcomes. In addition, the group considers external issues that could impact capital levels, which include regulatory changes (particularly Basel III), macroeconomic conditions and future outlook.

Recently the Basel Committee on Banking Supervision (BCBS) issued a number of consultative documents that may impact the capital levels:

- a revised set of standardised approaches for credit and operational risk; and
- a capital floor based on the revised standardised approach for internal ratings-based (IRB) accredited banks.

The capital floor aims to address variability in capital for banks using the IRB approaches and to enhance comparability across jurisdictions. These consultative documents are still under discussion and the impact of the standardised capital floor cannot yet be determined as the BCBS has not yet clarified the proposed calibration and implementation timeline.

In addition, the Financial Stability Board issued for consultation a set of principles on the adequacy of loss-absorbing and recapitalisation capacity of global systemically important banks (G-SIBs) at the end of 2014. These were developed in consultation with the BCBS and will, once finalised, form a new minimum standard for the total loss-absorbing capacity and composition of a bank's capital structure. The group is participating in the quantitative impact study to assess the potential effect of the new standard. It remains uncertain whether this standard will be implemented for South African banks.

The group is of the view that, given its current high levels of capital, it is well positioned to absorb these increased regulatory requirements, however, it is fair to say that the absolute impact on capital levels and composition remains unclear.

DIVIDEND STRATEGY

Given the uncertainty around regulatory changes, the challenging operating environment and expected demand for capital, the group believes its current dividend strategy remains appropriate. As previously stated it considers the level of payout within a range of 1.8 x to 2.2 x and assesses the appropriateness of this on an annual basis. The group has, therefore, decided to keep its interim dividend cover at 1.9 x for the six months to December 2014.

PROSPECTS

In the medium term GDP growth in South Africa is expected to gradually increase, but remain below trend due to both demand weakness and supply side constraints, particularly with regards to power. If the US recovery continues as expected, the SARB may have to increase rates, which will place further pressure on the South African consumer.

Whilst the group currently does not expect rates to move in the second half of its financial year to 30 June 2015, economic headwinds are increasing and growth in the system remains very subdued. High levels of indebtedness remain in certain segments of the consumer market, which means advances growth should stay at current levels and corporate activity is unlikely to pick up significantly. The marked fall in the oil price in recent months, however, could provide impetus for a downtrend in consumer inflation.

The group believes its franchises have the appropriate strategies in place to produce resilient operational performances against this difficult economic backdrop. The strength of its balance sheet and the quality of its diverse income streams should allow FirstRand to continue to deliver sustainable and superior returns to shareholders.

MATURITY OF FIRSTRAND'S BEE TRANSACTION

On 31 December 2014, the staff and director components of FirstRand's 2005 Black Economic Empowerment (BEE) transaction matured. This resulted in participants receiving a net benefit valued at R5.4 billion from the vesting of 107.5 million FirstRand ordinary shares and R560 million from the vesting of 17.8 million MMI Holdings Limited (MMI) shares. The shares were held by the FirstRand Black Employee Trust, the FirstRand Black Non-executive Directors Trust and the Staff Assistance Trust (the trusts) after purchasing the FirstRand shares in the market in 2005 and receiving the MMI shares pursuant to the unbundling of MMI in 2010.

To facilitate the wind-up of the trusts on maturity of the transaction, the group bought back 63 million FirstRand shares from the trusts. The group also obtained 11 million MMI shares held by the trusts (collectively, the share buy-back). The share buy-back enabled the trusts to return capital contributions and the vesting of the net proceeds with the residual beneficiary.

To reinstate the normalised NAV, which was reduced by the share buy-back, the group reissued 35 million ordinary shares on 20 January 2015.

On the same day, the group offered 67 million FirstRand and 24 million MMI ordinary shares on behalf of the beneficiaries to settle tax obligations and to deliver cash value to the beneficiaries who elected to sell their shares. While the group facilitated the sale, the election was made by the beneficiaries and the full proceeds on the sale of these shares were for the account of the beneficiaries.

The offers were made by way of an accelerated bookbuild process to qualifying institutional investors only and were successfully placed. The ordinary shares were delivered and the new shares listed on the JSE on 28 January 2015.

From an economic perspective, the reissue of the 35 million shares formed an integral part of the BEE unwind transaction and, as such, has been included in the group's normalised share capital, and NAV and related ratios at 31 December 2014.

The financial effect of the unwind was a decrease in normalised EPS of 3c per share, largely due to the IAS 19 expense of R158 million relating to the MMI shares held by the staff trusts (included in the R174 million adjustment - refer later in this announcement), and an increase in normalised NAV of R227 million or 11.7c per share. Refer to later in this announcement for more detailed financial information.

BASIS OF PRESENTATION

FirstRand prepares its condensed consolidated financial results in accordance with:

- recognition and measurement requirements of IFRS;
- presentation and disclosure requirements of IAS 34, excluding paragraph 16(A)(j) as permitted by the JSE listing requirements. The full analysis of results for the six months, which includes these disclosures, is available at www.firstrand.co.za or from the company's registered office upon request;
- SAICA Financial Reporting Guide as issued by the Accounting Practices Committee;
- Financial Reporting Pronouncements as issued by Financial Reporting Standards Council; and
- the requirements of the Companies Act 71 of 2008 applicable to summary financial statements.

The results 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 accounting policies applied in the preparation of the condensed interim consolidated financial statements are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements. The following standards and interpretations, which did not have any effect on the group's accounting policies, earnings or financial position, were effective for the first time in the current financial period:

- IAS 19 Employee Benefits Defined Benefit Plans - Employee Contributions (IAS 19);
- IAS 32 Financial Instruments: Presentation - Amendment to Offsetting Financial Assets and Financial Liabilities (IAS 32);
- IAS 39 Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting Amendment (IAS 39);
- IFRS 10 Consolidated Financial Statements - Investment Entities amendment (IFRS 10); and
- IFRIC 21 Levies (IFRIC 21).

The condensed consolidated interim results for the six months ended 31 December 2014 have not been audited or independently reviewed by the group's external auditors.

The group believes normalised earnings more accurately reflect operational performance. Headline earnings are adjusted to take into account non-operational items and accounting anomalies. Details of the nature of these adjustments and the reasons therefore can be found on www.firstrand.co.za.

EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any material events, as defined in IAS 10 Events After the Reporting Period, occurring between 31 December 2014 and the date of authorisation of the results announced.

BOARD CHANGES

Mr Russel Mark Loubser was appointed to the board as an independent non-executive director on 5 September 2014.

Mr Jurie Johannes Human Bester retired at the conclusion of the 2014 annual general meeting and did not offer himself for re-election.

CASH DIVIDEND DECLARATIONS

Ordinary shares

The directors have declared a gross cash dividend of 93 cents per ordinary share out of income reserves for the six months ended 31 December 2014.

Ordinary dividends

	Six months ended 31 December	
Cents per share	2014	2013
Interim (declared 6 March 2015)	93.0	77.0

The salient dates for the interim dividend are as follows:

Last day to trade cum-dividend	Friday 20 March 2015
Shares commence trading ex-dividend	Monday 23 March 2015
Record date	Friday 27 March 2015
Payment date	Monday 30 March 2015

Share certificates may not be dematerialised or re-materialised between Monday 23 March 2015 and Friday 27 March 2015, both days inclusive.

The interim dividend of 93 cents per share carries an STC credit of 4.29048 cents per share. Shareholders who are exempt from Dividend Withholding Tax (DWT) will receive the full 93 cents per share. For shareholders who are subject to DWT, tax will be calculated at 15% (or such lower rate if a double taxation agreement applies for foreign shareholders), after taking in account the STC credit.

For South African shareholders who are subject to DWT, the net interim dividend after deducting 15% tax will be 79.69357 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	B preference shares
Period:	
26 February 2013 - 26 August 2013	320.3
27 August 2013 - 24 February 2014	320.3
25 February 2014 - 25 August 2014	341.1
26 August 2014 - 23 February 2015	348.5

LL Dippenaar	SE Nxasana	C Low
Chairman	CEO	Company secretary

9 March 2015

CONDENSED CONSOLIDATED INCOME STATEMENT - IFRS

R million	Six months ended 31 December 2014	2013	% change	Year ended 30 June 2014
Net interest income before impairment of advances	17 489	14 673	19	29 878
Impairment of advances	(2 704)	(2 294)	18	(5 252)
Net interest income after impairment of advances	14 785	12 379	19	24 626
Non-interest revenue	18 791	17 192	9	36 150
Income from operations	33 576	29 571	14	60 776
Operating expenses	(19 339)	(17 047)	13	(35 448)
Net income from operations	14 237	12 524	14	25 328
Share of profit of associates after tax	405	247	64	670
Share of profit of joint ventures after tax	332	113	>100	257
Income before tax	14 974	12 884	16	26 255
Indirect tax	(491)	(465)	6	(878)
Profit before tax	14 483	12 419	17	25 377
Income tax expense	(3 352)	(2 989)	12	(5 591)
Profit for the period	11 131	9 430	18	19 786
Attributable to				
Ordinary equityholders	10 304	8 839	17	18 440
NCNR preference shareholders	153	144	6	288
Equityholders of the group	10 457	8 983	16	18 728
Non-controlling interests	674	447	51	1 058
Profit for the period	11 131	9 430	18	19 786
Earnings per share (cents)				
- Basic	187.8	161.1	17	336.2
- Diluted	187.8	159.6	18	332.7
Headline earnings per share (cents)				
- Basic	180.5	160.5	12	340.4
- Diluted	180.5	159.1	13	336.8

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - IFRS

R million	Six months ended 31 December 2014	2013	% change	Year ended 30 June 2014
Profit for the period	11 131	9 430	18	19 786
Items that may subsequently be reclassified to profit or loss				
Cash flow hedges	(141)	70	(>100)	363
Losses arising during the period	(368)	(265)	39	(109)
Reclassification adjustments for amounts included in profit or loss	172	364	(53)	613
Deferred income tax	55	(29)	(>100)	(141)
Available-for-sale financial assets	(113)	(40)	>100	(82)
Gains/(losses) arising during the period	170	(19)	(>100)	(82)
Reclassification adjustments for amounts included in profit or loss	(227)	(66)	>100	(69)
Deferred income tax	(56)	45	(>100)	69
Exchange differences on translating foreign operations	378	396	(5)	346
Gains arising during the period	378	396	(5)	346
Share of other comprehensive income of associates and joint ventures after tax and non-controlling interests	(65)	3	(>100)	131
Items that may not subsequently be reclassified to profit or loss				
Remeasurements on defined benefit post-employment plans	(136)	(20)	>100	(82)
Losses arising during the period	(140)	(25)	>100	(157)
Deferred income tax	4	5	(20)	75
Other comprehensive income for the period	(77)	409	(>100)	676
Total comprehensive income for the period	11 054	9 839	12	20 462
Attributable to				
Ordinary equityholders	10 231	9 225	11	19 086
NCNR preference shareholders	153	144	6	288
Equityholders of the group	10 384	9 369	11	19 374
Non-controlling interests	670	470	43	1 088
Total comprehensive income for the period	11 054	9 839	12	20 462

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - IFRS

R million	As at 31 December 2014	2013	As at 30 June 2014
ASSETS			
Cash and cash equivalents	53 507	49 546	60 756
Derivative financial instruments	39 325	44 221	39 038
Commodities	6 271	6 894	7 904
Accounts receivable	7 389	7 349	8 159
Current tax asset	1 042	618	131
Advances	721 529	635 443	685 926
Investment securities and other investments	123 879	127 281	119 107
Investments in associates	5 723	5 295	5 847
Investments in joint ventures	1 536	998	1 205
Property and equipment	15 724	14 300	14 495
Intangible assets	1 110	1 181	1 047
Reinsurance assets	436	396	408
Post-employment benefit asset	5	3	5
Investment properties	432	458	419
Deferred income tax asset	417	432	862
Non-current assets and disposal groups held for sale	223	16	226
Total assets	978 548	894 431	945 535
EQUITY AND LIABILITIES			
Liabilities			
Short trading positions	512	5 532	5 442
Derivative financial instruments	42 959	48 836	41 659
Creditors and accruals	14 630	10 256	13 437
Current tax liability	382	438	369
Deposits	801 698	727 032	768 234
Provisions	767	655	797
Employee liabilities	7 100	4 998	7 441
Other liabilities	7 325	4 591	6 586
Policyholder liabilities under insurance contracts	533	662	540
Deferred income tax liability	893	1 185	796
Tier 2 liabilities	10 380	8 127	11 983
Liabilities directly associated with disposal groups held for sale	-	-	34
Total liabilities	887 179	812 312	857 318
Equity			
Ordinary shares	57	55	55
Share premium	6 407	5 571	5 531
Reserves	77 147	69 115	74 928
Capital and reserves attributable to ordinary equityholders	83 611	74 741	80 514
NCNR preference shares	4 519	4 519	4 519
Capital and reserves attributable to equityholders of the group	88 130	79 260	85 033
Non-controlling interests	3 239	2 859	3 184
Total equity	91 369	82 119	88 217
Total equity and liabilities	978 548	894 431	945 535

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - IFRS

R million	Six months ended 31 December 2014	2013	Year ended 30 June 2014
Cash flows from operating activities			
Cash receipts from customers	42 732	36 774	76 678
Cash paid to customers, suppliers and employees	(25 576)	(22 382)	(46 403)
Dividends received	1 636	1 890	3 734
Dividends paid	(5 660)	(4 588)	(8 957)
Dividends paid to non-controlling interests	(398)	(360)	(630)
Cash generated from operating activities	12 734	11 334	24 422
Increase in income-earning assets	(39 767)	(28 875)	(74 630)
Increase in deposits and other liabilities	25 973	25 987	68 797
Taxation paid	(4 072)	(3 273)	(6 711)
Net cash (utilised by)/generated from operating activities	(5 132)	5 173	11 878
Net cash outflow from investing activities	(1 371)	(3 335)	(4 190)
Net cash (outflow)/inflow from financing activities	(857)	(1 626)	4 343
Net (decrease)/increase in cash and cash equivalents	(7 360)	212	12 031
Cash and cash equivalents at the beginning of the period	60 756	48 565	48 565
Cash and cash equivalents disposed of through disposal of subsidiaries	-	326	(11)
Effect of exchange rate changes on cash and cash equivalents	111	443	179
Transfer to non-current assets held for sale	-	-	(8)
Cash and cash equivalents at the end of the period	53 507	49 546	60 756
Mandatory reserve balances included above*	20 069	17 005	17 322

* 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 2013	55	5 609	5 664	(569)	100	3 173	518	1 999	126	60 607	65 954	4 519	2 896	79 033
Movement in other reserves	-	-	-	-	-	(499)	-	-	(9)	(27)	(535)	-	(28)	(563)
Ordinary dividends	-	-	-	-	-	-	-	-	-	(4 444)	(4 444)	-	(360)	(4 804)
Preference dividends	-	-	-	-	-	-	-	-	-	-	-	(144)	-	(144)
Transfer from/(to) reserves	-	-	-	-	-	-	-	-	11	(11)	-	-	-	-
Changes in ownership interest of subsidiaries	-	-	-	-	-	-	-	-	-	(234)	(234)	-	(119)	(353)
Consolidation of treasury shares	-	(38)	(38)	-	-	-	-	-	-	5	5	-	-	(33)
Total comprehensive income for the period	-	-	-	(20)	70	-	(40)	372	4	8 839	9 225	144	470	9 839
Vesting of share-based payments	-	-	-	-	-	(15)	-	-	-	(841)	(856)	-	-	(856)
Balance as at 31 December 2013	55	5 571	5 626	(589)	170	2 659	478	2 371	132	63 894	69 115	4 519	2 859	82 119
Balance as at 1 July 2014	55	5 531	5 586	(651)	461	2 783	436	2 352	270	69 277	74 928	4 519	3 184	88 217
Share movements relating to the unwind of the staff share trust*	1	873	874	-	-	-	-	-	-	-	-	-	-	874
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(72)	(72)
Movement in other reserves	-	-	-	-	-	(521)	-	-	12	(981)	(1 490)	-	(3)	(1 493)
Ordinary dividends	-	-	-	-	-	-	-	-	-	(5 507)	(5 507)	-	(398)	(5 905)
Preference dividends	-	-	-	-	-	-	-	-	-	-	-	(153)	-	(153)
Transfer (to)/from general risk reserves	-	-	-	-	-	-	-	-	(1)	1	-	-	-	-
Changes in ownership interest of subsidiaries	-	-	-	-	-	-	-	-	-	(23)	(23)	-	(142)	(165)
Consolidation of treasury shares	1	3	4	-	-	-	-	-	-	1	1	-	-	5
Total comprehensive income for the period	-	-	-	(136)	(141)	-	(112)	369	(53)	10 304	10 231	153	670	11 054
Vesting of share-based payments	-	-	-	-	-	(2 207)	-	-	-	1 214	(993)	-	-	(993)
Balance as at 31 December 2014	57	6 407	6 464	(787)	320	55	324	2 721	228	74 286	77 147	4 519	3 239	91 369

* Shares previously treated as treasury shares.

SEGMENT INFORMATION - IFRS
for the six months ended 31 December 2014

	2014								
			RMB						
R million	FNB	FNB Africa**	Investment banking	Corporate banking	WesBank	FCC (including Group Treasury)	Consolidation and IFRS adjustments	Other*	Total
Net interest income before impairment of advances	8 940	1 694	899	392	4 329	1 229	60	(54)	17 489
Impairment of advances	(1 133)	(205)	(280)	(56)	(1 180)	-	150	-	(2 704)
Net interest income after impairment of advances	7 807	1 489	619	336	3 149	1 229	210	(54)	14 785
Non-interest revenue	9 475	1 370	5 009	677	1 736	1 016	748	256	18 791
Net income from operations	17 282	2 859	5 628	1 013	4 885	2 245	(538)	202	33 576
Operating expenses	(9 639)	(1 770)	(3 139)	(708)	(2 758)	(1 797)	391	81	(19 339)
Share of profit of associates after tax	18	-	412	-	160	1	(186)	-	405
Share of profit of joint ventures after tax	-	-	393	-	-	-	(56)	(5)	332
Income before tax	7 661	1 089	3 294	305	2 287	449	(389)	278	14 974
Indirect tax	(242)	(42)	(51)	21	(109)	(59)	-	(9)	(491)
Profit for the period before tax	7 419	1 047	3 243	326	2 178	390	(389)	269	14 483
Income tax expense	(2 078)	(383)	(908)	(91)	(610)	(109)	902	(75)	(3 352)
Profit for the period	5 341	664	2 335	235	1 568	281	513	194	11 131
The income statement includes:									
Depreciation	(564)	(77)	(102)	(2)	(244)	(15)	(1)	-	(1 005)
Amortisation	(3)	(4)	(8)	-	(33)	(2)	-	-	(50)
Impairment charges	(2)	-	(9)	-	(119)	-	96	-	(34)
The statement of financial position includes:									
Investments in associates	259	4	3 831	-	1 633	15	(19)	-	5 723
Investments in joint ventures	-	-	1 550	-	-	-	(14)	-	1 536
Total assets	284 450	48 400	402 408	7 097	180 693	113 729	(117 119)	58 890	978 548
Total liabilities	277 026	47 730	394 804	6 631	177 045	41 853	(58 164)	254	887 179

* Other includes FirstRand Company and related consolidation entries.

** Includes FNB's activities in India.

SEGMENT INFORMATION - IFRS

for the six months ended 31 December 2013

	2013								
			RMB						
						FCC (including Group	Consolidation and		
R million	FNB	FNB Africa**	Investment banking	Corporate banking	WesBank	Treasury)	IFRS adjustments	Other*	Total
Net interest income before impairment of advances	7 861	1 394	880	344	3 975	250	21	(52)	14 673
Impairment of advances	(1 215)	(107)	(140)	(8)	(924)	-	100	-	(2 294)
Net interest income after impairment of advances	6 646	1 287	740	336	3 051	250	121	(52)	12 379
Non-interest revenue	8 748	1 083	4 896	615	1 527	1 866	(1 542)	(1)	17 192
Net income from operations	15 394	2 370	5 636	951	4 578	2 116	(1 421)	(53)	29 571
Operating expenses	(8 777)	(1 505)	(2 918)	(689)	(2 427)	(1 547)	359	457	(17 047)
Share of profit of associates after tax	18	1	254	-	140	-	(166)	-	247
Share of profit of joint ventures after tax	-	-	126	-	-	-	(25)	12	113
Income before tax	6 635	866	3 098	262	2 291	569	(1 253)	416	12 884
Indirect tax	(236)	(27)	(34)	(15)	(142)	(10)	-	(1)	(465)
Profit for the period before tax	6 399	839	3 064	247	2 149	559	(1 253)	415	12 419
Income tax expense	(1 798)	(303)	(858)	(68)	(601)	(154)	909	(116)	(2 989)
Profit for the period before tax	4 601	536	2 206	179	1 548	405	(344)	299	9 430
The income statement includes:									
Depreciation	(559)	(74)	(122)	(4)	(216)	(28)	(2)	-	(1 005)
Amortisation	(11)	(6)	(7)	-	(19)	(1)	-	-	(44)
Impairment charges	(11)	-	(4)	-	-	2	(2)	-	(15)
The statement of financial position includes:									
Investments in associates	249	5	4 123	-	934	1	(17)	-	5 295
Investments in joint ventures	-	-	996	-	-	-	(17)	19	998
Total assets	260 337	48 102	367 619	7 312	157 273	110 696	(112 986)	56 078	894 431
Total liabilities	254 178	42 456	360 591	6 900	155 079	44 699	(52 555)	964	812 312

* Other includes FirstRand Company and related consolidation entries.

** Includes FNB's activities in India.

SEGMENT INFORMATION - IFRS
for the year ended 30 June 2014

	2014								
			RMB						
R million	FNB	FNB Africa**	Investment banking	Corporate banking	WesBank	FCC (including Group Treasury)	Consolidation and IFRS adjustments	Other*	Total
Net interest income before impairment of advances	16 143	2 858	1 558	714	8 213	456	46	(110)	29 878
Impairment of advances	(2 082)	(331)	(177)	(32)	(2 081)	(98)	(451)	-	(5 252)
Net interest income after impairment of advances	14 061	2 527	1 381	682	6 132	358	(405)	(110)	24 626
Non-interest revenue	17 224	2 275	11 321	1 229	3 290	2 942	(2 189)	58	36 150
Net income from operations	31 285	4 802	12 702	1 911	9 422	3 300	(2 594)	(52)	60 776
Operating expenses	(18 021)	(3 070)	(6 694)	(1 358)	(5 072)	(3 149)	1 230	686	(35 448)
Share of profit of associates after tax	29	1	770	-	214	(7)	(337)	-	670
Share of profit of joint ventures after tax	-	-	328	-	-	-	(72)	1	257
Income before tax	13 293	1 733	7 106	553	4 564	144	(1 773)	635	26 255
Indirect tax	(487)	(65)	(69)	(25)	(253)	22	2	(3)	(878)
Profit for the year before tax	12 806	1 668	7 037	528	4 311	166	(1 771)	632	25 377
Income tax expense	(3 586)	(580)	(1 970)	(148)	(1 208)	(59)	2 137	(177)	(5 591)
Profit for the year	9 220	1 088	5 067	380	3 103	107	366	455	19 786
The income statement includes:									
Depreciation	(1 188)	(149)	(216)	(7)	(434)	(47)	(1)	-	(2 042)
Amortisation	(22)	(12)	(15)	-	(44)	(4)	2	-	(95)
Impairment charges	(27)	-	(125)	-	(12)	(42)	(117)	-	(323)
The statement of financial position includes:									
Investments in associates	241	4	4 172	-	1 436	14	(20)	-	5 847
Investments in joint ventures	-	-	1 214	-	-	-	(16)	7	1 205
Total assets	271 372	51 742	383 083	7 126	170 194	124 605	(119 253)	56 666	945 535
Total liabilities	259 882	49 272	373 661	6 446	166 137	60 323	(58 959)	556	857 318

* Other includes FirstRand Company and related consolidation entries.

** Includes FNB's activities in India.

CONTINGENCIES AND COMMITMENTS

	As at 31 December 2014	2013	% change	As at 30 June 2014
Contingencies				
Guarantees	32 314	33 741	(4)	33 114
Letters of credit	9 046	7 703	17	7 588
Total contingencies	41 360	41 444	-	40 702
Capital commitments				
Contracted capital commitments	988	1 653	(40)	1 169
Capital expenditure authorised not yet contracted	1 684	988	70	2 795
Total capital commitments	2 672	2 641	1	3 964
Other commitments				
Irrevocable commitments	77 475	81 411	(5)	78 785
Operating lease and other commitments	3 165	3 099	2	3 166
Total other commitments	80 640	84 510	(5)	81 951
Total contingencies and commitments	124 672	128 595	(3)	126 617

BEE TRANSACTION SUPPLEMENTARY INFORMATION

	For the six months ended 31 December 2014					
	IFRS			Normalised		
	R million	Number of shares†	Cents per share	R million	Number of shares†	Cents per share
Earnings attributable to ordinary equityholders	10 331	5 485 112 941	188.3	10 167	5 637 941 689	180.3
Net profit impact of unwinding the trusts*	(27)			(174)		
Impact of the unwind on WANOS	-	475 692		-	(154 639)	
Earnings attributable to ordinary equityholders after the unwind	10 304	5 485 588 633	187.8	9 993	5 637 787 050	177.3
Net asset value at 31 December 2014	83 922	5 485 117 988	1 530.0	85 014	5 637 941 689	1 507.9
Buy-back of shares from unconsolidated trust#	(233)	(4 762 878)		(233)	(4 762 878)	
Earnings impact of unwinding the trusts*	(27)			(174)		
Impact of unwinding the trusts on reserves**	(51)			518		
Shares issued to participants		92 290 248			-	
Buy-back of shares not allocated to the participants#				(1 513)	(59 110 824)	
Reissue of shares repurchased				1 629	35 420 014	
Net asset value after the reissue of shares	83 611	5 572 645 358	1 500.4	85 241	5 609 488 001	1 519.6

* Comprises the staff costs for the current period, release of available-for-sale reserve on the MMI shares distributed, securities transfer tax paid on share buy backs and a donation made by FirstRand Investment Holdings (Pty) Ltd to the unconsolidated trust. The difference between IFRS and normalised earnings is due to the release of the available-for-sale reserve and share-based payment expenses; both of which are reversed when calculating normalised earnings.

** Relates to share-based payment and available-for-sale reserves. The difference between IFRS and normalised reporting is due to the reversal of the share-based payment expense and the release of the available-for-sale reserve.

\# All shares owned by the consolidated and unconsolidated share trusts were treated as being issued to external parties for normalised purposes.

† When determining the amounts per share all earnings numbers are divided by the weighted average number of shares while all balance sheet values are divided by the actual number of shares in issue.

NUMBER OF ORDINARY SHARES IN ISSUE

	Six months ended 31 December 2014 IFRS	Six months ended 31 December 2014 Normalised	2013 IFRS	Year ended 30 June 2014 IFRS
Shares in issue				
Opening balance as at 1 July	5 637 941 689	5 637 941 689	5 637 941 689	5 637 941 689
Shares issued	-	35 420 014	-	-
Shares bought back*	(4 762 878)	(63 873 702)	-	-
Shares cancelled**	(59 110 824)	-	-	-
Less: treasury shares	(1 422 629)	-	(151 111 993)	(152 823 701)
- BEE staff trusts	-	-	(151 401 072)	(151 401 072)
- Shares for client trading#	(1 422 629)	-	289 079	(1 422 629)
Number of shares in issue (after treasury shares)	5 572 645 358	5 609 488 001	5 486 829 696	5 485 117 988
Weighted average number of shares				
Weighted average number of shares before treasury shares	5 637 941 689	5 637 941 689	5 637 941 689	5 637 941 689
Shares issued	-	192 500	-	-
Shares bought back†	(25 885)	(347 139)	-	-
Shares cancelled†	(321 254)	-	-	-
Less: treasury shares†	(152 005 917)	-	(151 111 993)	(152 688 931)
- BEE staff trusts	(150 578 240)	-	(151 401 072)	(151 401 072)
- Shares for client trading#	(1 427 677)	-	289 079	(1 287 859)
Weighted average number of shares in issue	5 485 588 633	5 637 787 050	5 486 829 696	5 485 252 758
Dilution impact:				
Staff schemes	-	-	111 716	30 121
BEE staff trusts	-	-	49 650 335	57 719 182
Diluted weighted average number of shares in issue	5 485 588 633	5 637 787 050	5 536 591 747	5 543 002 061
Number of shares for normalised earnings per share calculation				
Weighted average and diluted weighted average number of shares for calculation of normalised earnings and diluted earnings per share	n/a	5 637 787 050	5 637 941 689‡	5 637 941 689‡

* For IFRS reporting, only the shares bought back from the unconsolidated trusts resulted in a reduction in shares issued as the shares in the consolidated trusts were historically treated as treasury shares. For normalised reporting, all shares in the consolidated and unconsolidated trusts were treated as externally issued.

** For IFRS reporting, the shares held by the consolidated trusts were treated as treasury shares. For normalised reporting, the shares held by the consolidated trusts were treated as externally issued.

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

† The share transactions have been weighted for one day in the period as all transactions took place on 31 December 2014. Over the next 12 months the full effect of the share transactions will be reflected in weighted average number of shares.

‡ Number of shares calculated on a normalised basis.

COMPANY INFORMATION

Directors

LL Dippenaar (chairman), SE Nxasana (chief executive officer), JP Burger (deputy chief executive officer), HS Kellan (financial director), VW Bartlett, MS Bomela, P Cooper (alternate), L Crouse, JJ Durand, GG Gelink, PM Goss, NN Gwagwa, PK Harris, WR Jardine, RM Loubser, EG Matenge-Sebesho, AT Nzimande, D Premnarayen (India), KB Schoeman, BJ van der Ross, JH van Greuning

Secretary and registered office

C Low
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Simonis Storm Securities (Pty) Ltd
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Transfer secretaries - South Africa

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10 March 2015

Sponsor
Rand Merchant Bank
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