FirstRand

’18 results presentation

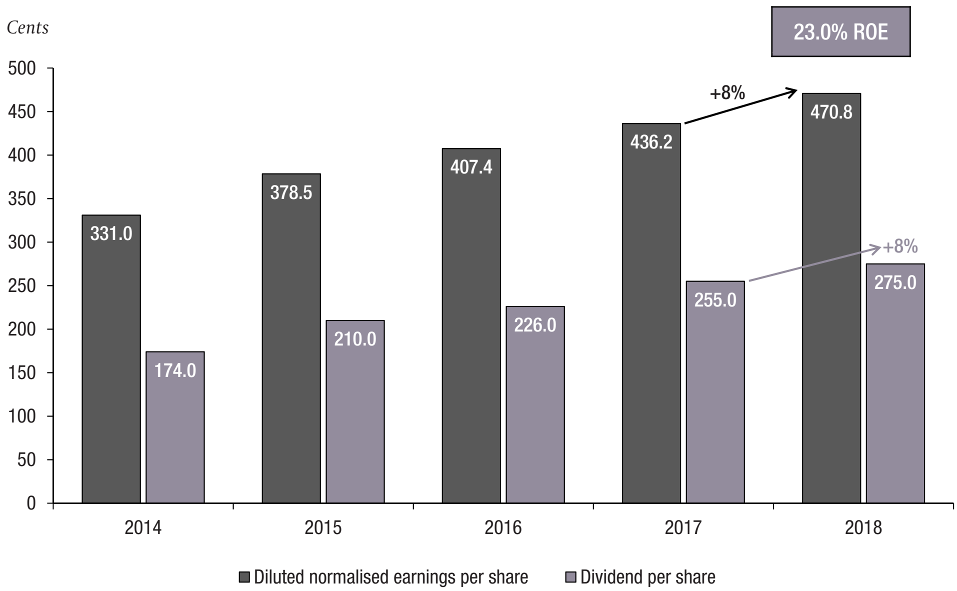
for the year ended 30 June

FirstRand

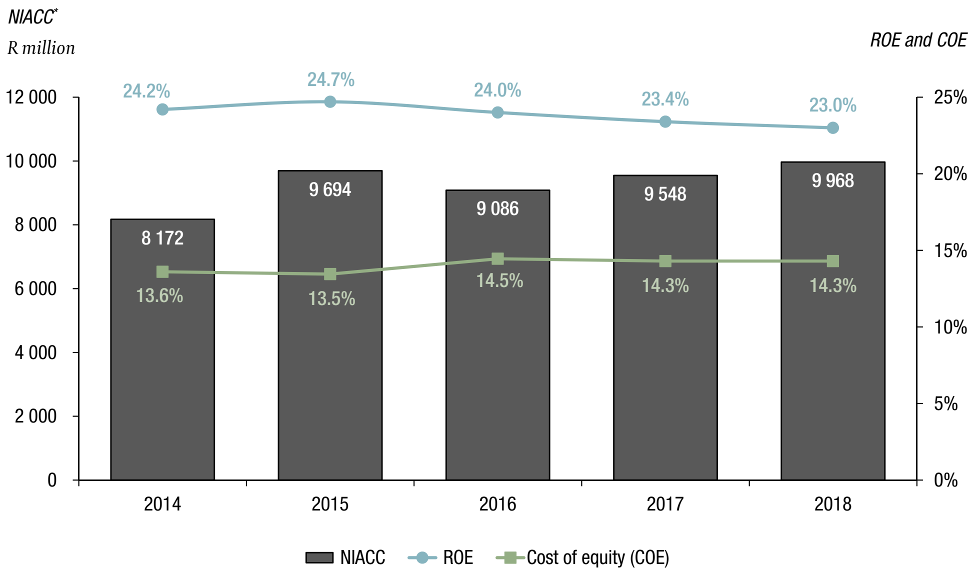
results presentation '18
for the year ended 30 June

Introduction

The group continued to deliver real earnings growth and strong returns



Good growth in NIACC, the group's primary measure of shareholder value creation

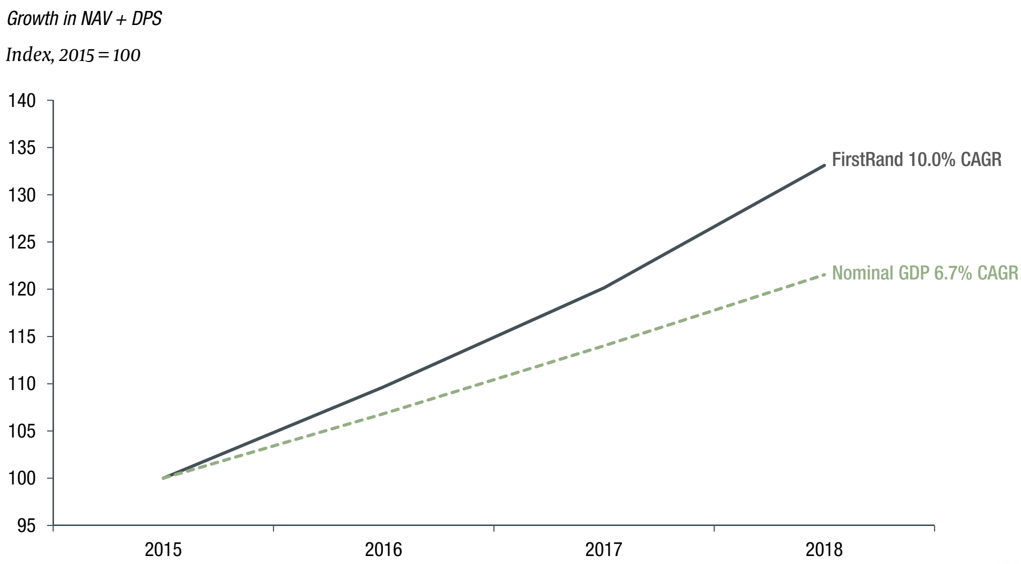


** Net income after cost of capital.*

Performance mapped to mixed and volatile macros

- South Africa – a tale of two halves
  - First half:
    - Policy ambiguity and political uncertainty (pre-ANC electoral conference) weighed on economic activity and sentiment
    - S&P local currency rating downgrade below investment grade
  - Second half:
    - Marked improvement in foreign and domestic confidence in SA
    - Avoided further downgrades
    - New board and management appointments at key SOEs
    - However, meaningful structural reform will be difficult and slow
  - Rest of Africa macro backdrop was more supportive
  - UK growth remained resilient despite Brexit uncertainty

Against this backdrop, FirstRand has continued to deliver above-system growth



Structure of portfolio underpins ROA

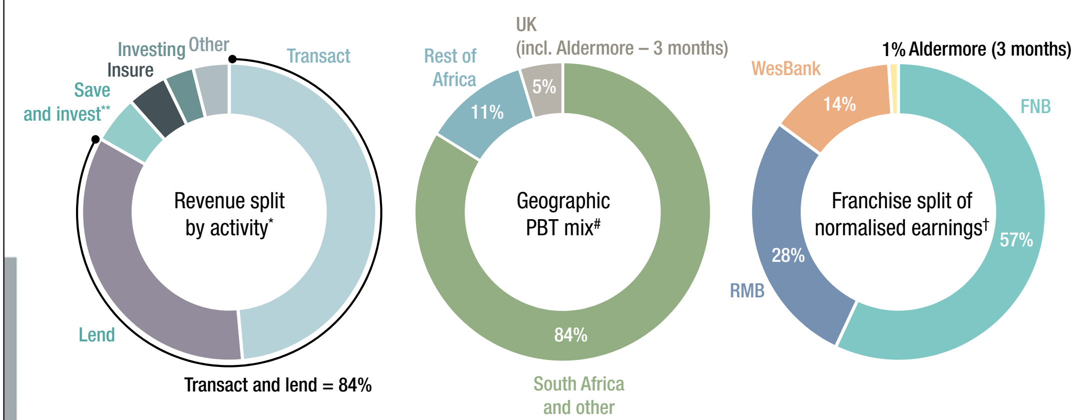
The graph shows each item before taxation and non-controlling interests as a percentage of average assets.
ROA reflects normalised earnings after tax and non-controlling interests as a percentage of average assets.

Strategic actions should underpin future sustainability of ROA

- Relative size of transactional franchise (contributes approximately half of gross revenue*)
- Relative advances mix delivers higher risk-adjusted margins
- Credit underwriting and pricing anchored to preserve return profile
- Disciplined allocation and pricing of capital, funding and liquidity, and risk capacity
- Market-leading private equity franchise has remained consistent generator of high returns, although currently in an investment cycle
- Recognise the need to further diversify NIR
  - Potential disruption from regulatory intervention and new competitors
  - Therefore, strategies to broaden financial services offering (insurance, and save and invest) remain key to maintaining return profile

** Excludes Aldermore.*

Current breakdown of portfolio – activity, geography and franchise



** Based on gross revenue excluding consolidation adjustments. Excludes Aldermore.*

*** Includes deposit taking and investment management.*

 # Includes Group Treasury, excludes remainder of FCC, FirstRand company, consolidation adjustments and NCNR preference dividend.

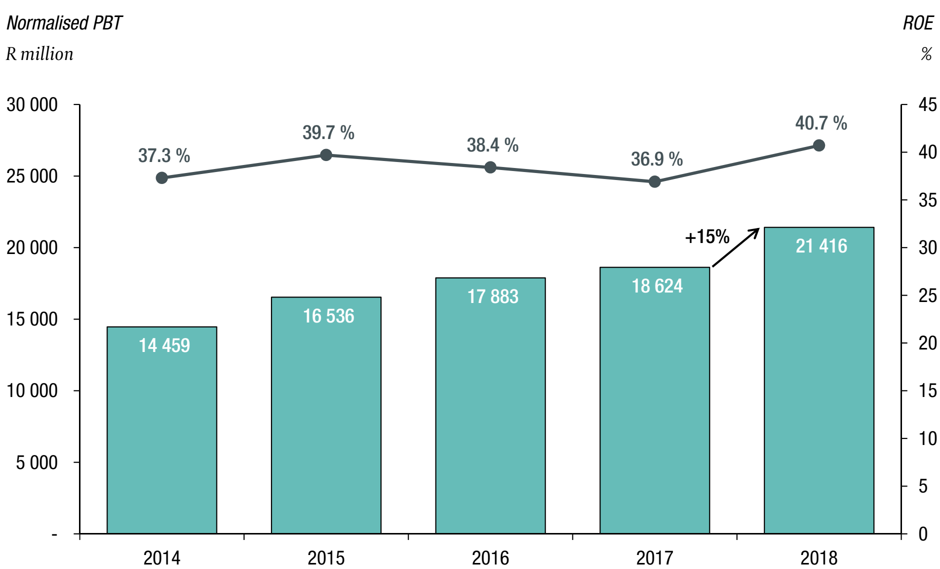
† Excludes FCC (incl. Group Treasury), FirstRand company, consolidation adjustments and NCNR preference dividend.

FNB and RMB performed well, WesBank had a tough year

Normalised earnings *R million*	Contribution*	2018	2017	% change	ROE %
FNB	57%	14 877	12 801	16 ▲	40.7
RMB	28%	7 327	6 918	6 ▲	25.3
WesBank	14%	3 626	3 996	(9) ▼	17.4
Aldermore (3 months)	1%	276	n/a	n/a	12.1**

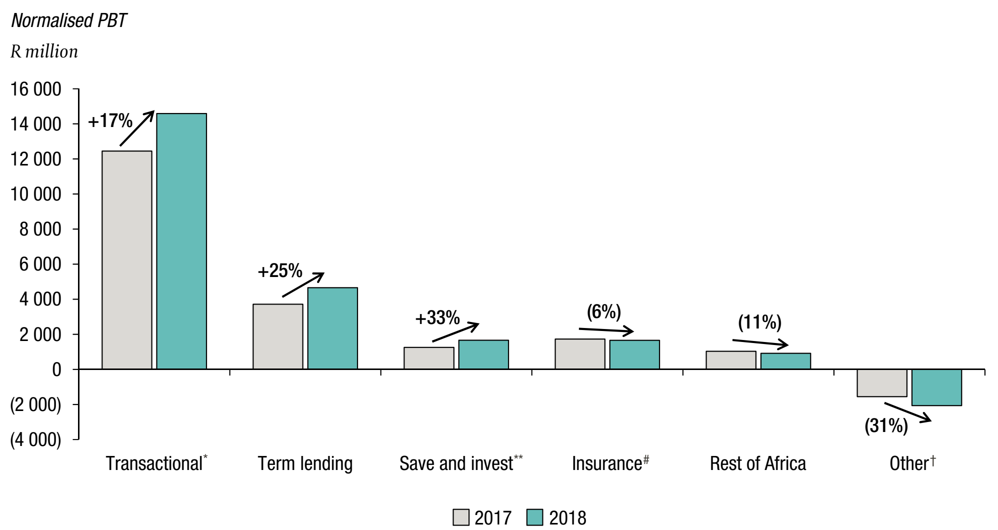
* Excludes FCC (incl. Group Treasury), FirstRand company, consolidation adjustments and NCNR preference dividend.
** 12.9% in pound terms.

FNB – strong growth in pre-tax profits and superior return profile maintained



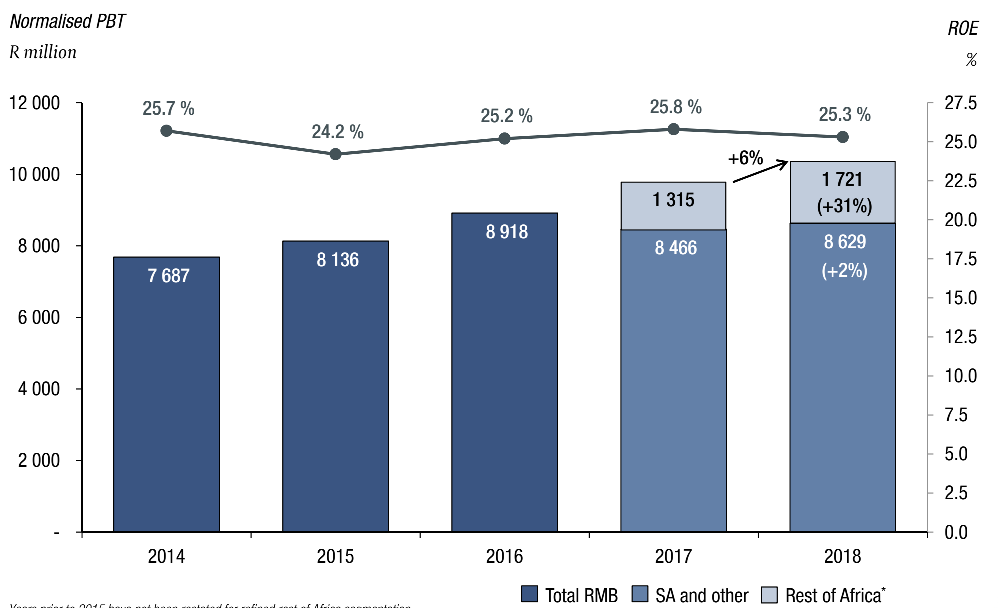
Years prior to 2015 have not been restated for refined rest of Africa segmentation.

Excellent domestic performance, rest of Africa remains under pressure



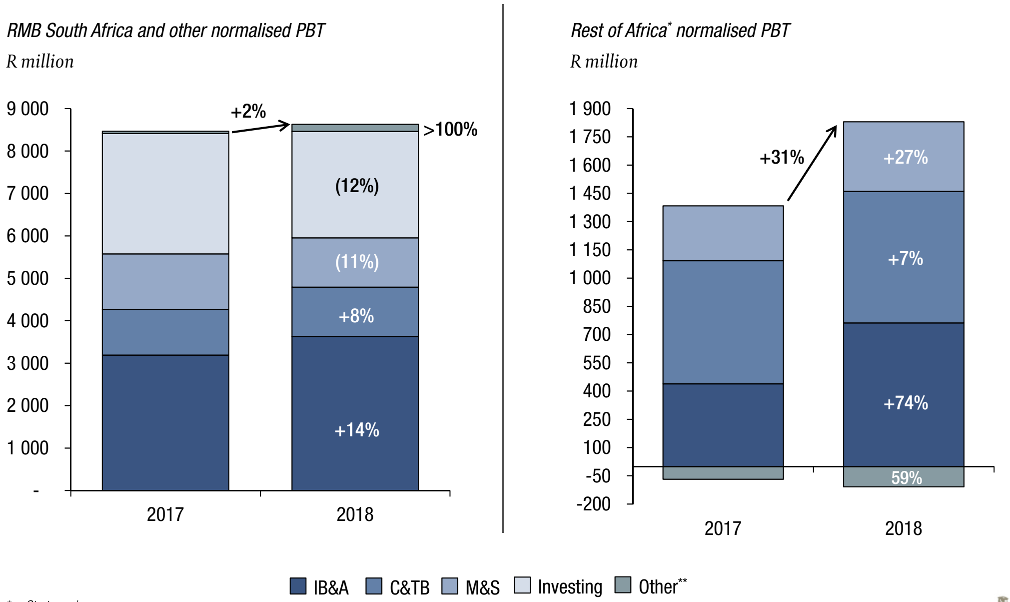
* Transactional includes transactional deposit products and deposit endowment, overdrafts and credit cards.
** Save and invest includes non-transactional deposits.
\# Insurance includes embedded credit protection.
† Includes India (FNB activities in India have been discontinued).

RMB – growth and returns underpinned by quality portfolio



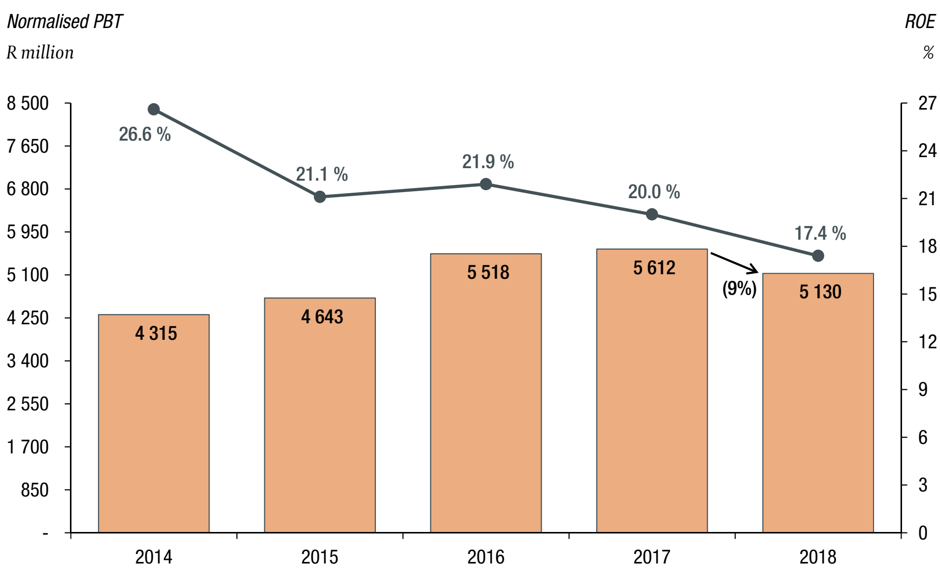
Years prior to 2015 have not been restated for refined rest of Africa segmentation.
* Strategy view.

RMB's portfolio is well diversified

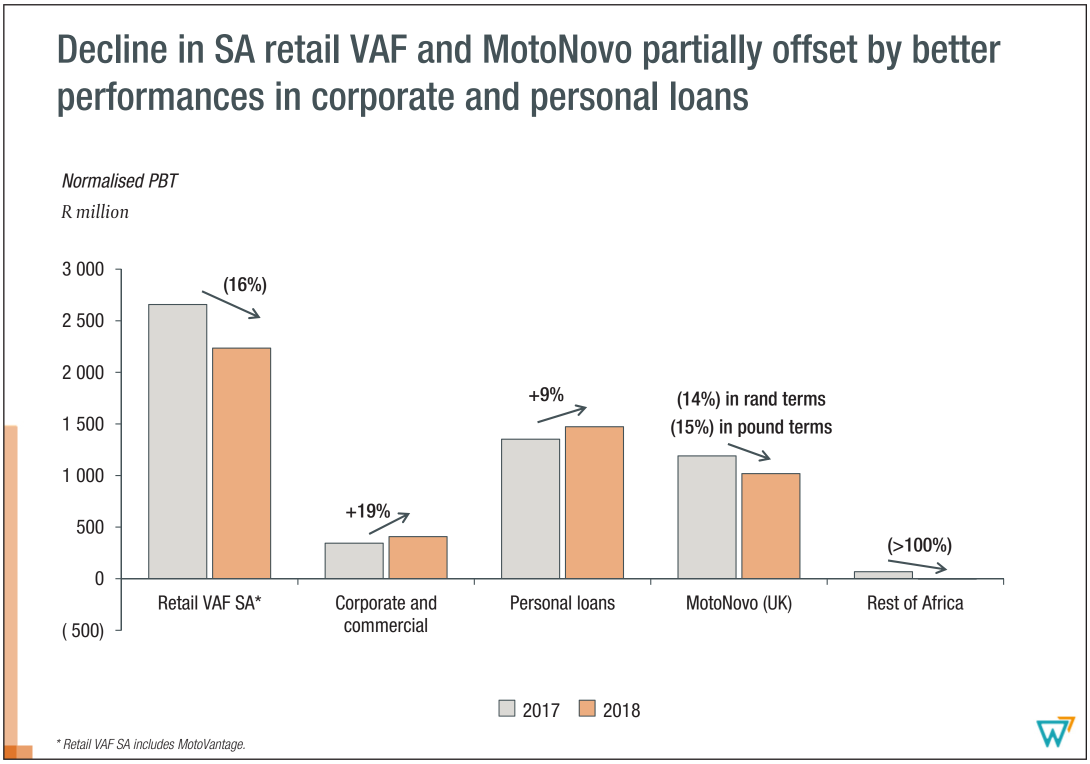


* Strategy view.
** Includes investment management and other central portfolios.

WesBank had a tough year



Years prior to 2015 have not been restated for refined rest of Africa segmentation.


Decline in SA retail VAF and MotoNovo partially offset by better performances in corporate and personal loans
Normalised PBT
R million
3 000
2 500
2 000
1 500
1 000
500
0
(500)
(16%)
+19%
+9%
(14%) in rand terms
(15%) in pound terms
(>100%)
Retail VAF SA*
Corporate and commercial
Personal loans
MotoNovo (UK)
Rest of Africa
2017
2018
* Retail VAF SA includes MotoVantage.


FirstRand
Unpacking performance against strategy
results presentation '18
for the year ended 30 June

Group strategic framework

FirstRand aims to create long-term franchise value, ensure sustainable and superior returns for shareholders within acceptable levels of volatility and maintain balance sheet strength

DELIVERED THROUGH CURRENT STRATEGIES:

Protect and grow banking businesses

Increase diversification – activity and geography

Broaden financial services offering

Portfolio approach to the rest of Africa

Build a sustainable UK business

SOUTH AFRICA

Build a truly integrated financial services business

REST OF AFRICA

Better leverage existing portfolio

UK

Integrate, scale and grow

Underpinned by disciplined management of financial resources

Enabled by disruptive digital and data platforms

Measuring execution on strategic priorities

Protect and grow banking businesses

Broaden financial services offering

Portfolio approach to the rest of Africa

Build a sustainable UK business

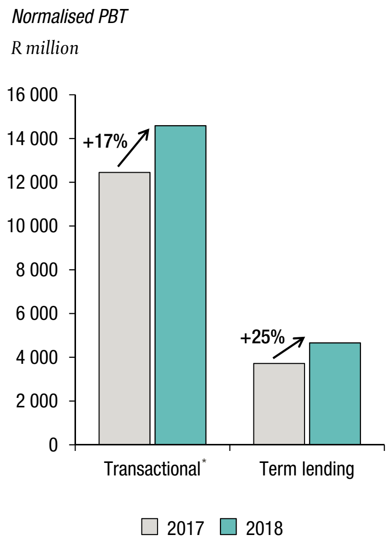
SOUTH AFRICA

REST OF AFRICA

UK

Underpinned by disciplined management of financial resources

FNB's transactional and lending businesses performed particularly well



Underpinned by consistent strategy to:

- Grow and retain core transactional accounts – active base and transactional volumes up strongly
- Use rewards programme, customer relationships and data analytics to cross-sell and up-sell – VSI increased from 2.83 to 2.97
- Lend to main-banked customers
- Leverage digital channels for incremental credit origination
- Provide digital platforms to deliver cost effective and innovative value propositions
- Right-size physical infrastructure to achieve efficiencies

* *Transactional includes transactional deposit products and deposit endowment, overdrafts and credit cards.*

Underpinned by growth in customers and volumes in all segments

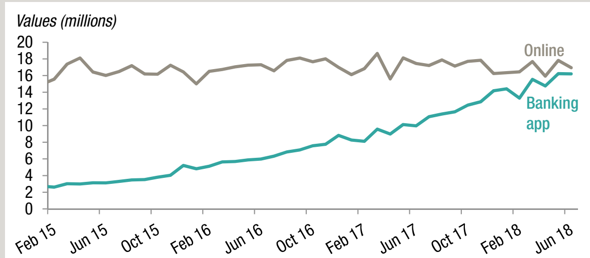
Customer growth = 4%

Segment	% change
Consumer	+3
Premium	+17
Commercial	+2

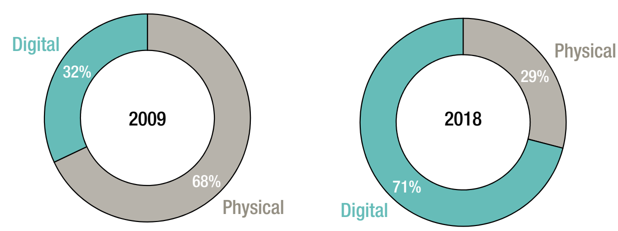
Volume growth

Channel	% change
ATM/ADT	+5
Internet	(4)
Banking app	+65
Mobile	–
Point-of-sale merchants	+16
Card swipes	+12

Digital platforms support volume growth



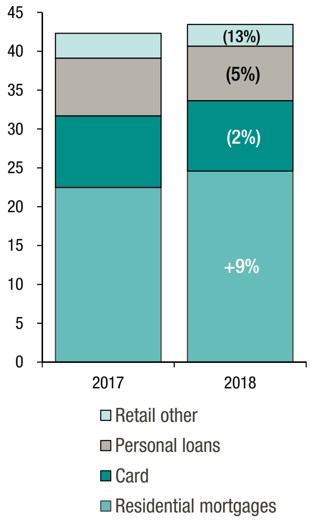
Successful strategy to migrate customers from physical to digital



Advances growth in FNB's consumer segment reflects targeted origination strategies

FNB consumer advances

R billion



Consumer advances up 3%

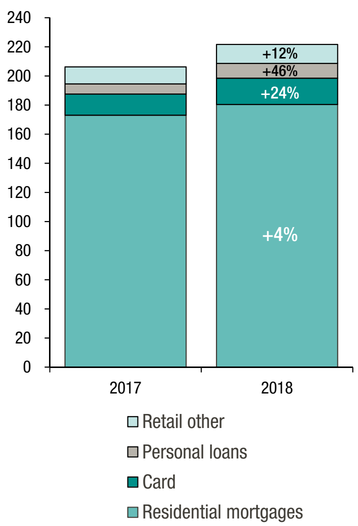
- Mortgage growth driven by ongoing demand for affordable housing
- Growth in card and loans tempered by risk appetite and customer up-sell strategy

Good collections and cautious lending resulted in lower overall retail impairments

Cross-sell into core transactional base drives growth in premium segment advances

FNB premium advances

R billion

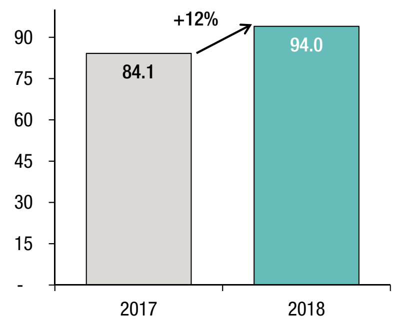


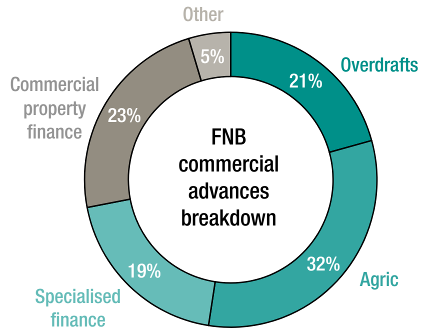
Premium advances up 7%

- Mortgages tracking slowing house price inflation
- Card growth underpinned by:
  - Strong transaction growth
  - Higher levels of cross-selling
  - Focus on limits and utilisation
- Robust growth in personal loans driven by:
  - Customer scoring process enhancements
  - Activation of new digital channels to existing customers

Customer acquisition and cross-sell strategies drive advances in FNB's commercial segment

FNB commercial advances
R billion



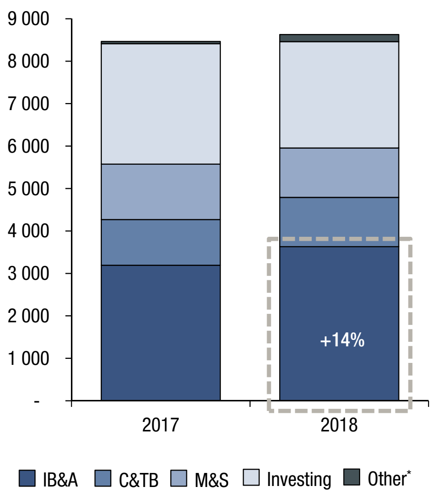


- Reflects targeted cross-selling in the small business segment
- Expanded term lending product offering to existing client base
- Strong growth in agric and property sectors
- Market share gains in key subsegments

2017 advances figure has been restated as a result of segment changes between retail and commercial.

RMB – strong performance from SA investment banking and advisory activities

RMB South Africa and other normalised PBT
R million

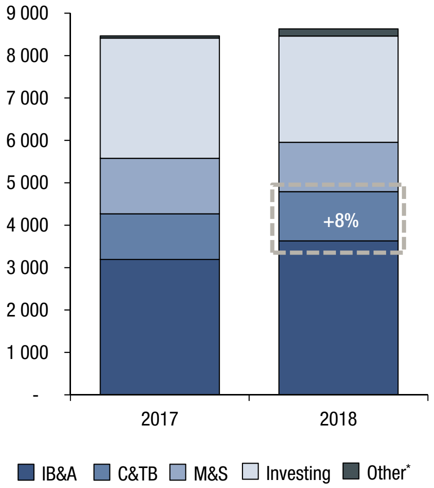


- Challenging macros leading to lower corporate activity
- Multi-year asset growth contributed to good growth in NII
- Returns enhanced by:
  - Disciplined financial resource allocation
  - Distribution of assets to optimise balance sheet
- Proactive provisioning contributed 6% to growth
- Positive operating jaws

* *Includes investment management and other central portfolios.*

RMB – SA corporate and transactional banking performance underpinned by good growth in trade and working capital

RMB South Africa and other normalised PBT
R million

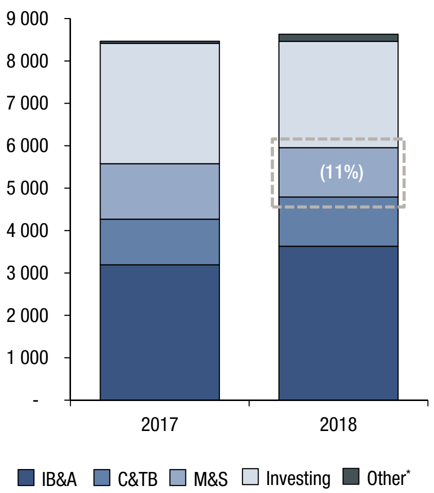


- NII growth of 8% due to:
  - Increased utilisation of working capital facilities by clients
  - Resilient operational deposit growth
- Transactional banking revenue driven by:
  - Robust growth in merchant services
  - Partially offset by flat volumes in EFT and cash
- Fee income benefited from higher letters of credit (LC) market share
- Cost growth maintained at inflation

* *Includes investment management and other central portfolios.*

RMB – SA markets and structuring activities had a challenging year

RMB South Africa and other normalised PBT
R million

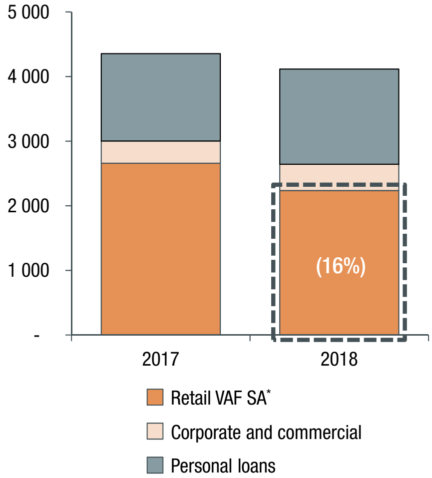


- Less market volatility compared to prior year
- Good progress on execution of digitisation strategies:
  - Digital processing of FX trades – 89% volume of $/R trades since launch
  - LCH – R207 billion ZAR interest rate swaps cleared since January 2018
  - Global markets infrastructure programme on track
- Mixed performance from flow activities:
  - Robust fixed income and FX earnings
  - Subdued performances in credit and commodities
- RMB Morgan Stanley adversely impacted by reduced volumes off a high base
- Lower structuring revenue reflects reduced risk appetite
- Continued good performance from custody and prime broking

* *Includes investment management and other central portfolios.*

WesBank impacted by challenges in retail VAF SA

WesBank South Africa normalised PBT
R million

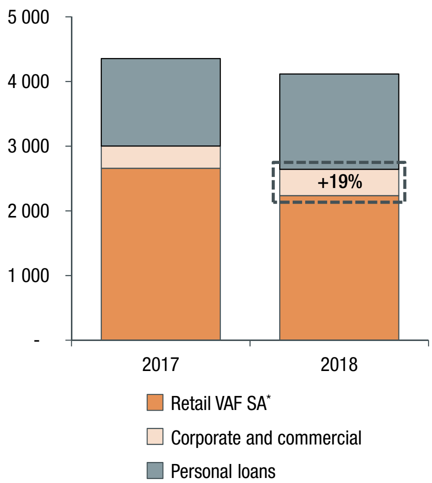


- VAF credit performance reflects specific sector issues
  - Customer behaviour around repossessions
  - Increased competitive pressures/pricing
- But WesBank remained focused on protecting origination franchise and return
  - Disciplined pricing
  - Lower risk appetite
- Resulted in lower new unit volumes
- Operating model strengthened with new relationships

* *Retail VAF SA includes MotoVantage.*

Partially offset by good performance in corporate and commercial

WesBank South Africa normalised PBT
R million

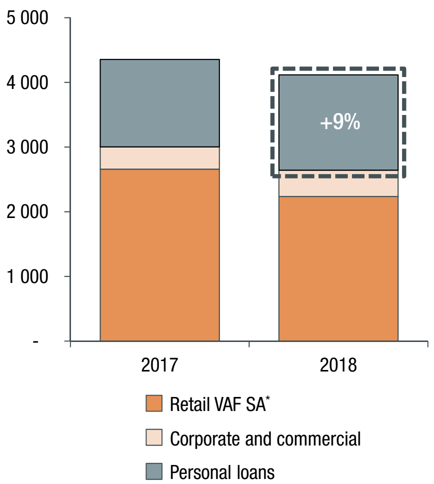


- PBT up 19%
  - Benign impairment levels
  - Good growth in FML portfolio
  - Greater collaboration with FNB commercial
    - Focus on SME and business segments
    - Increased volumes and enhanced return profiles

* *Retail VAF SA includes MotoVantage.*

Personal loans also delivered a resilient performance

WesBank South Africa normalised PBT
R million



- PBT up 9%, driven by:
  - Optimisation in direct marketing channels
  - Streamlined approvals process
  - 10% growth in advances
  - Continued focus on lower risk target market for growth
  - Investments in platforms and systems

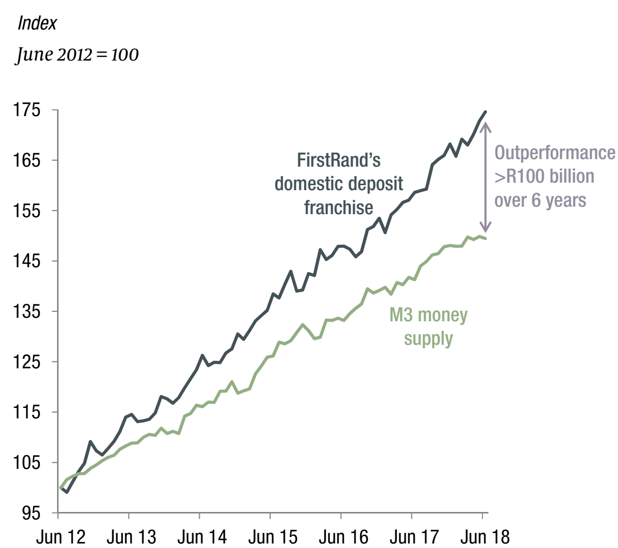
** Retail VAF SA includes MotoVantage.*

Measuring execution on strategic priorities

SOUTH AFRICA		REST OF AFRICA	UK
Protect and grow banking businesses	**Broaden financial services offering**	Portfolio approach to the rest of Africa	Build a sustainable UK business

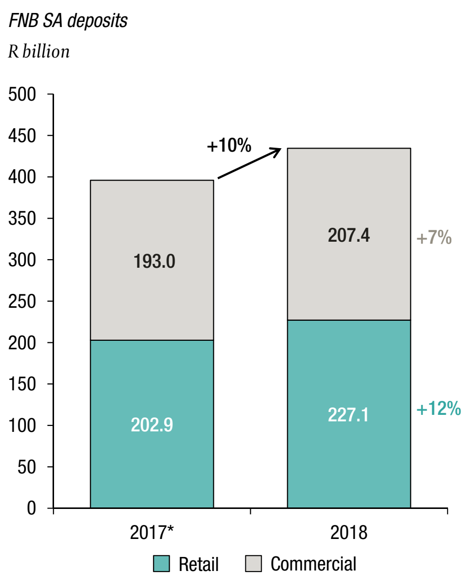
Underpinned by disciplined management of financial resources

Growth of FirstRand's deposit franchise continues to outpace market on the back of save and invest strategy



- Strong growth supported by:
  - Product innovation
  - Improved channel utilisation
  - Cross-sell to existing customer base
  - Financial resource management strategies

FNB deposit growth driven by innovative product set and customer acquisition

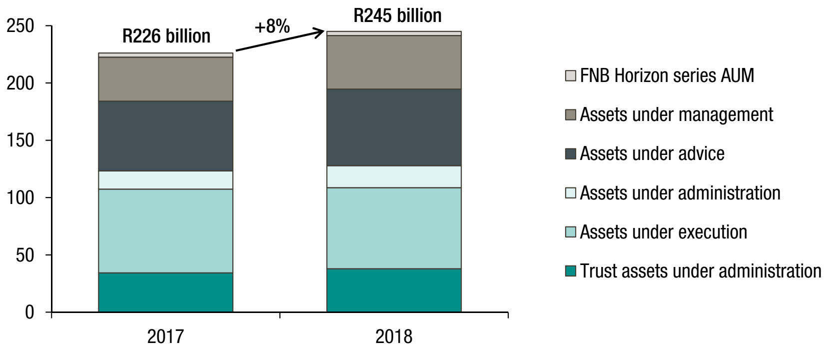


- Strong deposit** growth across all segments
  - Consumer +5%
  - Premium +16%
  - Commercial +7%
- Leading provider of household deposits
- Further traction in acquisition through digital channels
- Cross-sell continues into existing base
- Product innovation supporting growth

* *Prior year figures have been restated for the WIM business.*
** *Includes transactional and other deposits included in FNB's transactional PBT.*

FNB's wealth and investment management (WIM) strategy making progress despite tough market conditions

R billion



- WIM activities moved to FNB from Ashburton Investments on 1 July 2017
- Significant progress made on integration of product set into FNB distribution

FNB Life increasing segment penetration, growing product set and leveraging distribution channels…

Annual premium equivalent (APE)

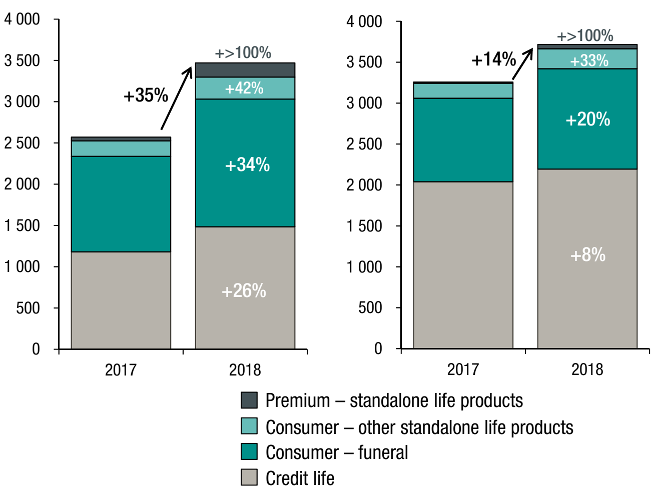
In-force APE on life products

R million

Policies

Number of life policies

Thousands



Sales channels (standalone life)

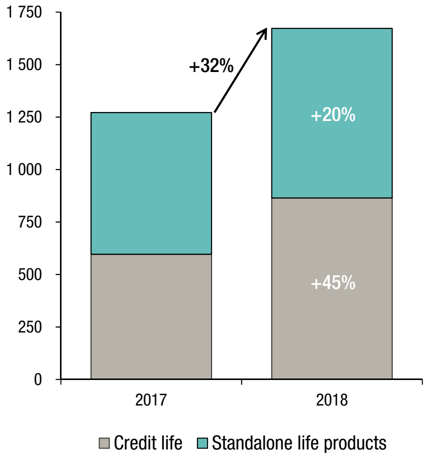
Channel	% of sales
Branch	70
Call centres	24
Digital	6

…resulting in strong value creation

Value of new business

Value of new business – all life products

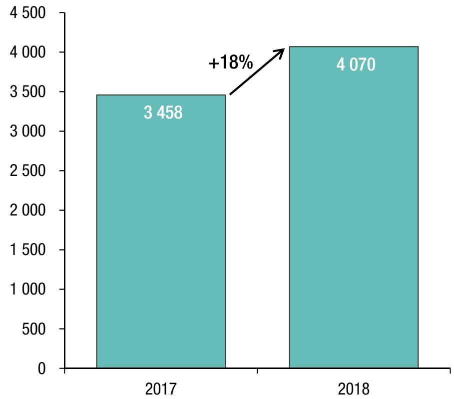
R million



Value creation

Gross embedded value – all life products*

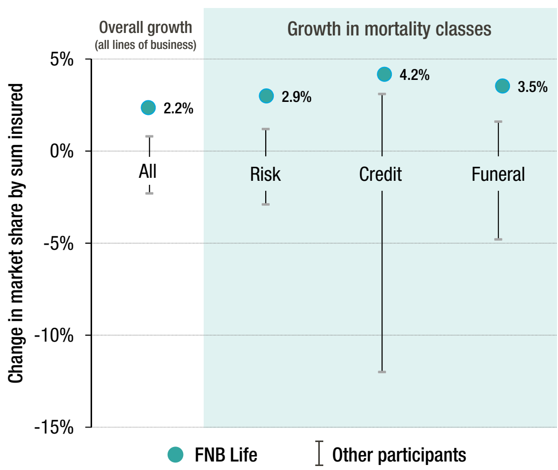
R million



* *FNB Life did a major rework of actuarial valuations in 2018 financial year to allow for more experience and to prepare the business for the introduction of SAM and the upcoming IFRS 17 changes. The new model is more accurate and the basis has been strengthened. If the previous valuation basis was used, the 2018 EV would have increased >30% compared to 2017.*

Industry survey shows FNB Life is scaling fast

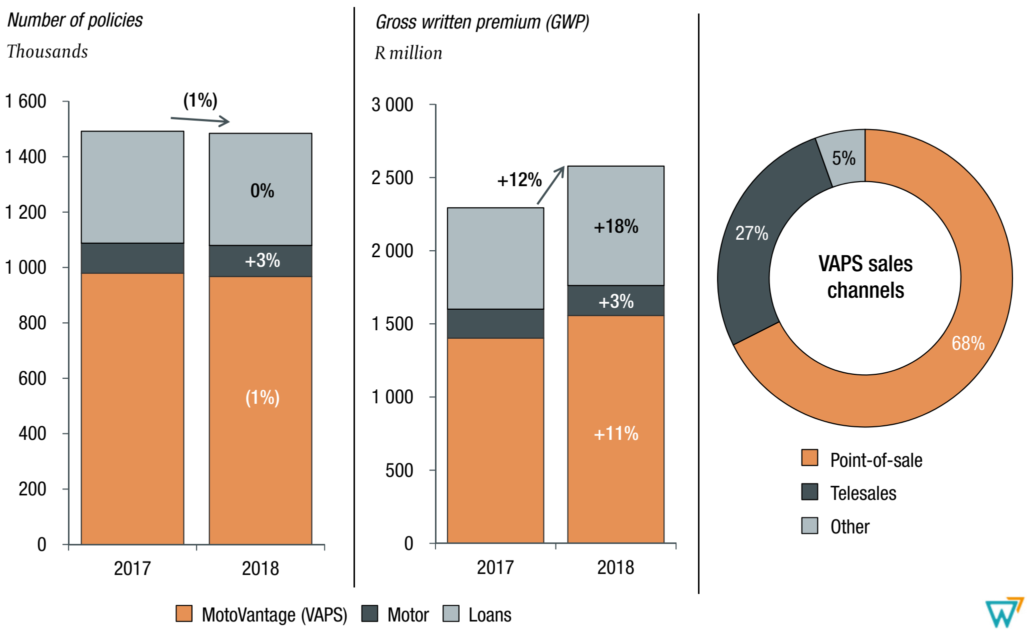
#1 in growth in new business in 2017



- #1 Digital direct market share
- #1 Banks market share
- #1 Growth in overall market share
- #1 Growth in mortality market share for risk products, credit and funeral

Source: Swiss Re Individual Risk Market New Business Volume Survey 2018. Market share and change in market share are by sum assured for the 2017 calendar year.

WesBank's domestic insurance tracking new unit volumes



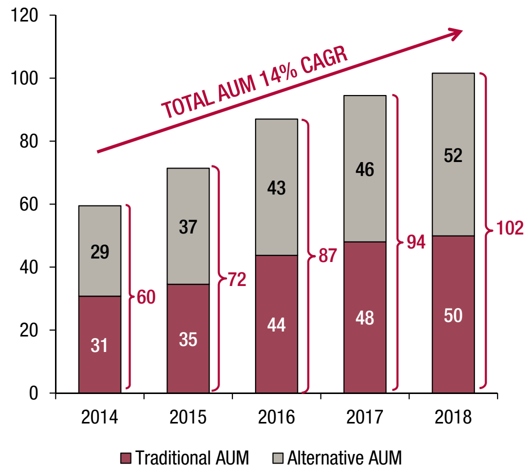
Ashburton – the group's organic asset management business gaining momentum

- Launched as part of group's strategy to access broader financial services profit pools
- Entry strategy looked to disrupt in alternatives
  - Regulatory changes allowed institutions to invest in private market and alternative assets
  - Group's track record in origination and structuring presents investors with private equity, renewables and credit assets
- Portfolio offers traditional range of equity, fixed income and multi-asset funds
- Investment partnership with Fidelity International provides SA investors with access to offshore markets

Ashburton AUM driven by growth in fixed income

*Assets under management**

R billion



- Good new business flows from both traditional and alternative asset classes
  - Benefiting from FNB distribution
  - New mandates in institutional fixed income
  - Offset by restructuring of capital guaranteed products

* *AUM excludes conduits and is shown for pure asset management business. Includes AUM distributed through FNB channels managed by Ashburton Investments.*

Measuring execution on strategic priorities

Protect and grow banking businesses	Broaden financial services offering	Portfolio approach to the rest of Africa	Build a sustainable UK business
SOUTH AFRICA		REST OF AFRICA	UK

Underpinned by disciplined management of financial resources

Contextualising the group's portfolio approach to the rest of Africa

Mature businesses

Botswana, Namibia, Swaziland

- Universal banks, insurance and asset management
- Systemic, therefore, impacted by macros
  - Credit cycle
  - Economic growth
- Long track records of strong returns and dividends

Start-ups

Ghana

- Business model has to be disruptive
- CCIB is the immediate opportunity
- Regulatory challenges

Emerging businesses

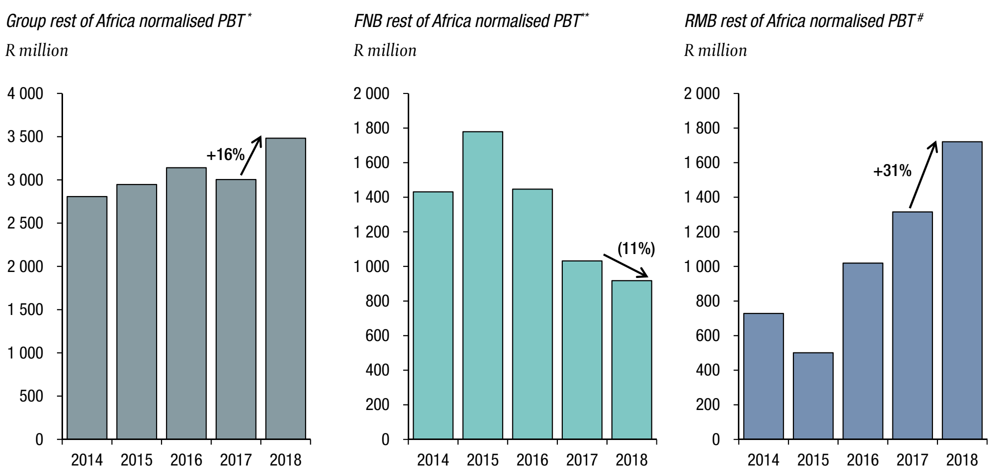
Nigeria

- Focused CIB business
- Profitable
- Ahead of business case
- ROE accretive

Zambia, Mozambique, Lesotho, Tanzania

- Subscale businesses
- Operating in often volatile macro environments
- Need to shift focus to CCIB
- Long-term patience required

Group's rest of Africa performance driven by CIB



All subsidiaries ROE 14.2%, mature subsidiaries ROE 21.5%

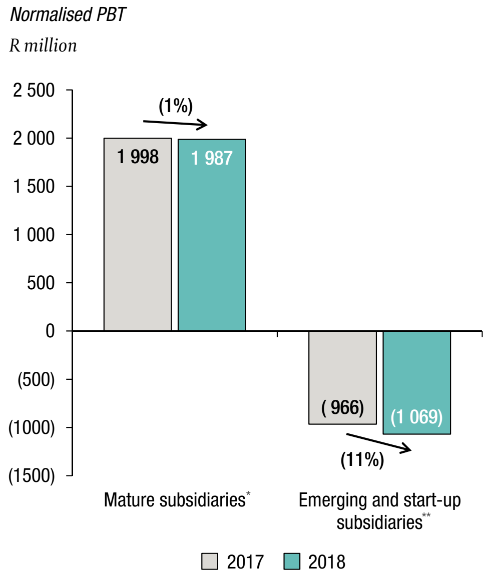
* Strategy view – includes in-country and cross-border activities. Includes GTSY, but excludes FCC, FirstRand company and NCNR preference dividend. Comparatives have been restated to exclude India and to reflect refinements to the GTSY segmentation.

** Excludes India. Comparatives have been restated to exclude India.

\# Strategy view including in-country and cross-border activities.

Note: ROEs based on legal entity (in-country) view.

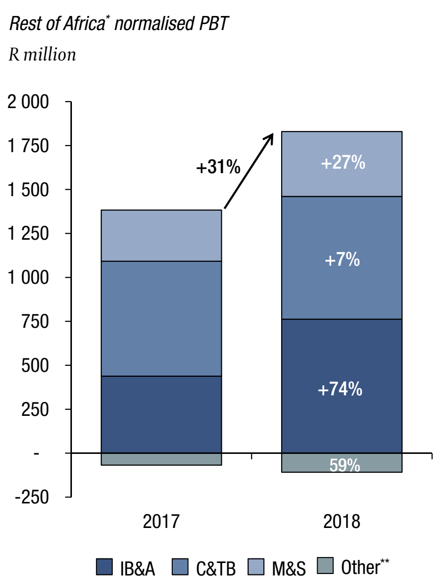
FNB Africa – credit strain due to macro headwinds



- Mature subsidiaries – negatively impacted by credit provisions and macros
  - Namibia earnings down 8%, as NPLs increased in recessionary economy
  - Botswana rebounded from credit stress in the prior year
- Deposits up 7% in mature subsidiaries
- Emerging and start-up subsidiaries
  - Sub-scale Tanzania operation impacted by credit performance
  - Provisions coverage increased
  - Ghana still in build-out phase

* Mature subsidiaries: Botswana, Namibia, Swaziland (gross of minority interests).
** Emerging and start-up subsidiaries: Lesotho, Mozambique, Zambia, Tanzania, Ghana and support (excludes India).

RMB's rest of Africa strategy continues to deliver growth



- Good quality asset growth:
  - Good growth in lending NII
  - Lower provisioning levels due to improved macros and higher oil price
- 110 new client relationships generating good operating liability growth
- Merchant services strategy provides uptick in earnings
- Despite good traction in trade finance business, revenue impacted by deliberate risk reduction in certain markets
- Strong performance by RMB Nigeria and delivery of new platform investments
- Increased market activity in several jurisdictions supported flows

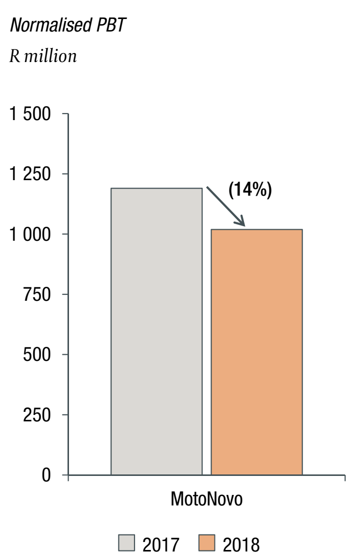
* Strategy view including in-country and cross-border activity.
** Includes central portfolios.

Measuring execution on strategic priorities

Protect and grow banking businesses	Broaden financial services offering	Portfolio approach to the rest of Africa	Build a sustainable UK business
SOUTH AFRICA		REST OF AFRICA	UK

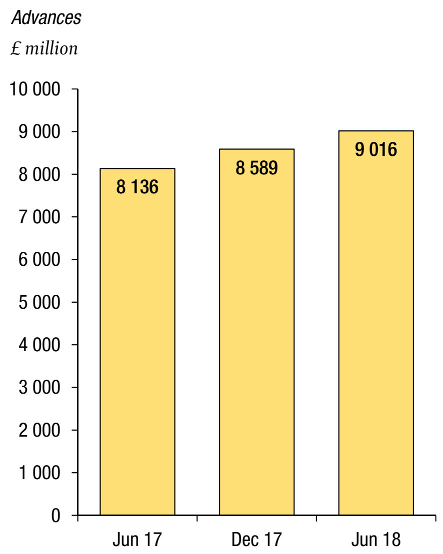
Underpinned by disciplined management of financial resources

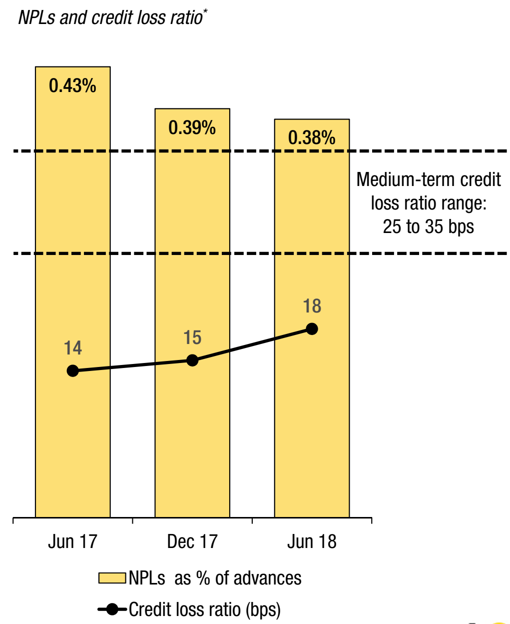
MotoNovo's performance reflects lower volumes, margin pressure and investment drag



- MotoNovo PBT down 15% in pound terms
  - Exited higher risk origination channels which impacted new business volumes
  - Investment drag associated with findandfundmycar.com platform
  - Higher funding costs impacted competitiveness
  - Diversification into personal loans curtailed
- Funding and diversification challenges will be resolved by integration into Aldermore

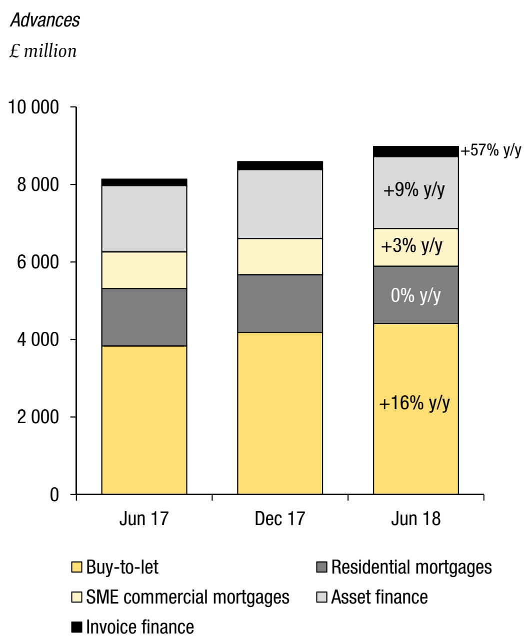
Aldermore advances and credit quality trends as expected





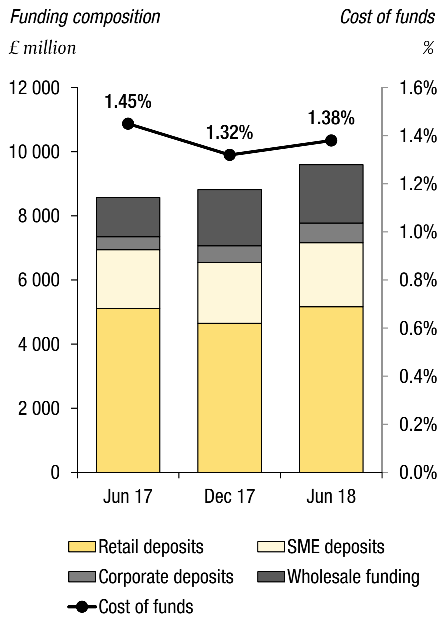
* Credit loss ratios are annualised for the six-month periods to June 2017, December 2017 and June 2018.

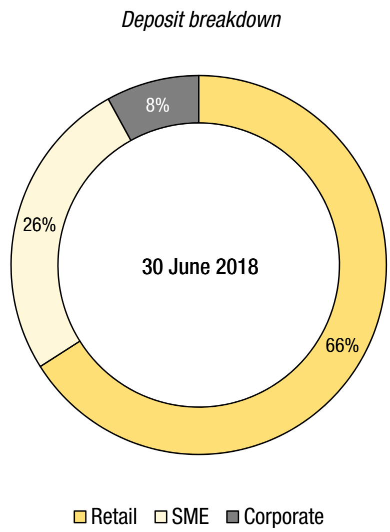
Advances growth reflects targeted asset book strategies



- Increased share of buy-to-let market originations as trend towards professional landlords continues following tax changes
- Residential mortgages flat year-on-year as portfolio rebalanced
- Risk appetite reinstated in SME commercial mortgages following earlier Brexit-related pullback
- Leading position in asset finance broker-distributed market supported by continued success of wholesale channel
- Strong growth in invoice finance driven by specialist finance

Aldermore funding strategy anchored around its deposit franchise





Good progress on integration

- Aldermore integration into the FirstRand group largely completed
- MotoNovo integration into Aldermore at an advanced stage
  - Approvals
    - Still certain regulatory approvals required for go-live date (i.e. MotoNovo origination within Aldermore group) – expected Q1 calendar 2019
  - Legal/contractual set-up
    - Transfer of people, accounting/tax/capitalisation of entities/intercompany agreements for acquisition of MotoNovo by Aldermore – expect to be finalised in H1 calendar 2019
  - Operate
    - Ensure system integration, risk, finance, treasury, technology, testing and cutover plans in place to ensure smooth transition

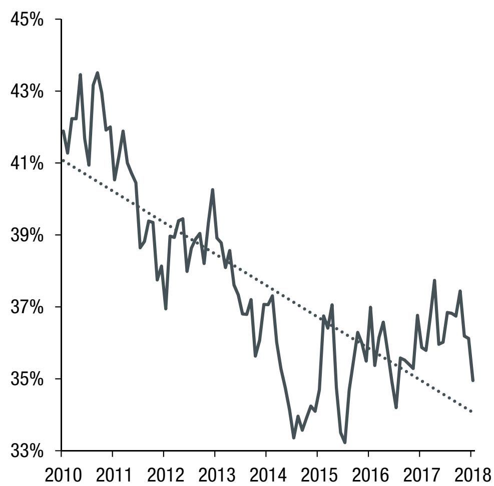
Measuring execution on strategic priorities

Protect and grow banking businesses	Broaden financial services offering	Portfolio approach to the rest of Africa	Build a sustainable UK business
SOUTH AFRICA		REST OF AFRICA	UK

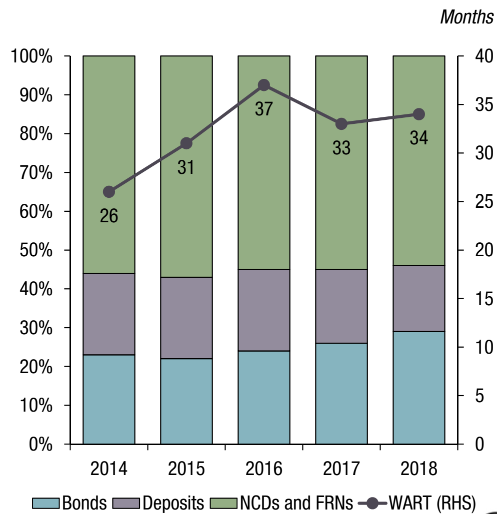
Underpinned by disciplined management of financial resources

Group has reduced reliance on institutional funding and lengthened term profile over time

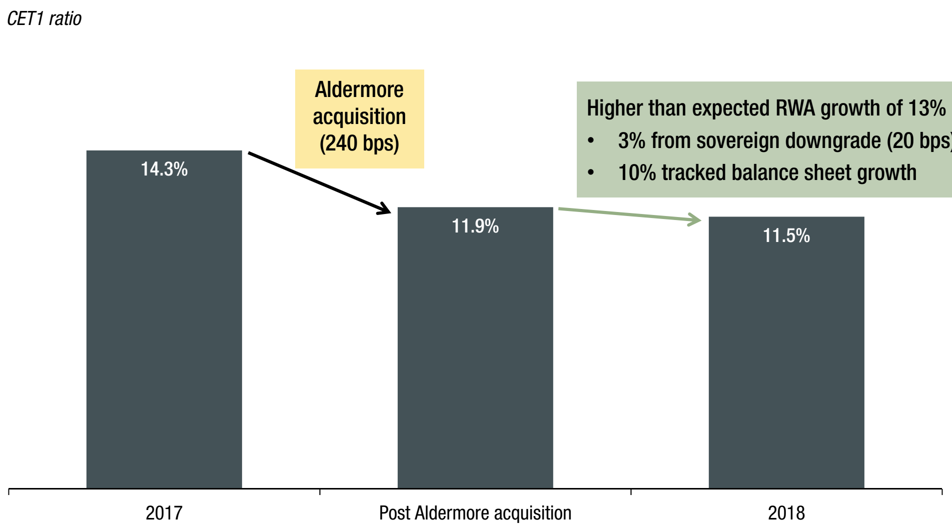
Institutional funding as % of total funding



Diversified institutional funding mix and term profile

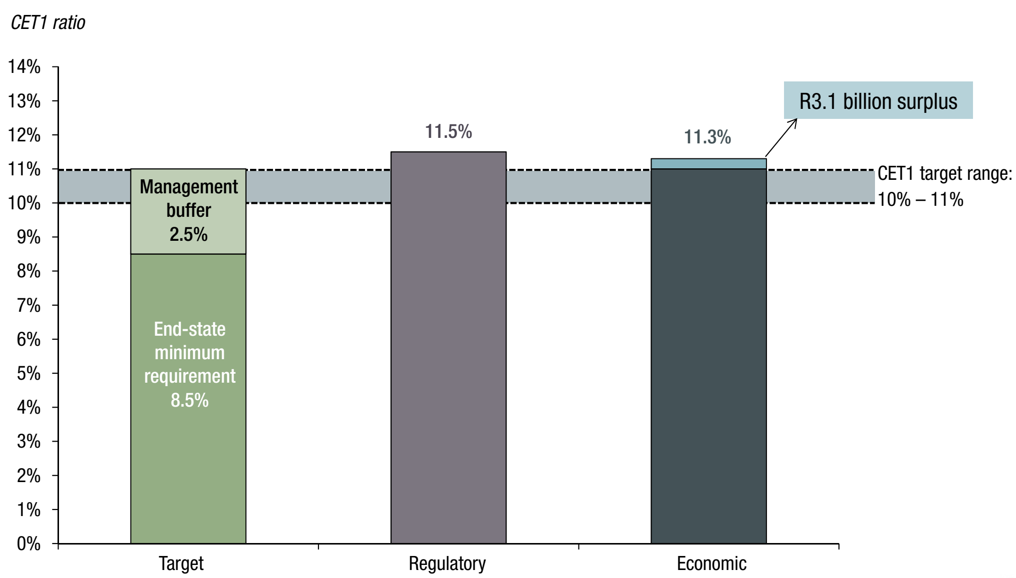


Capital deployment will enhance growth and returns

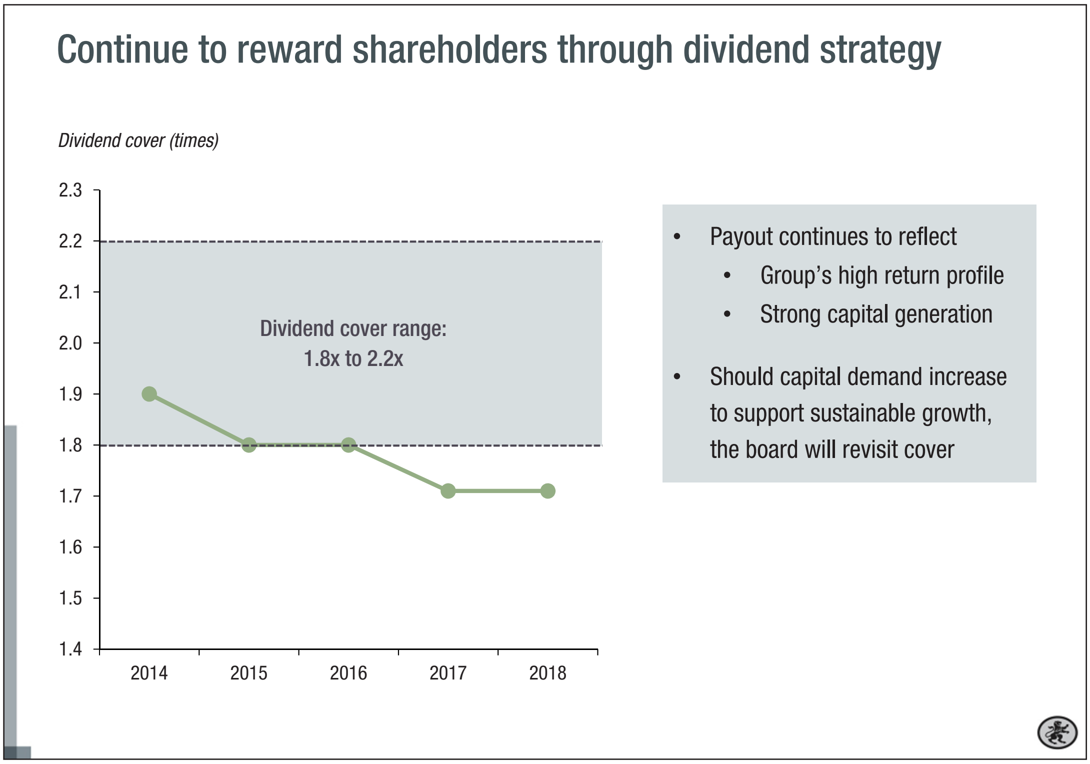


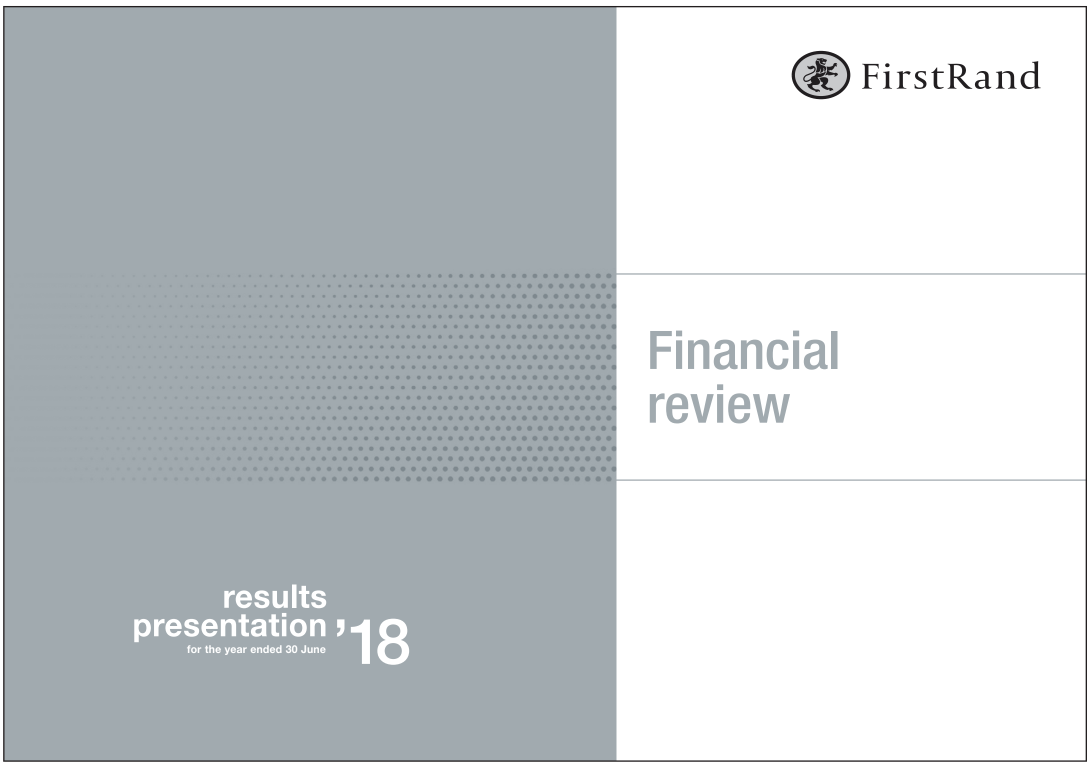
CET1 remains well above internal target range

Surplus CET1 sufficient to support ongoing growth strategies in SA and rest of Africa



Note: Economic position adjusted for volatile reserves and changes in regulation.


Continue to reward shareholders through dividend strategy
Dividend cover (times)
2.3
2.2
2.1
2.0
1.9
1.8
1.7
1.6
1.5
1.4
2014
2015
2016
2017
2018
Dividend cover range:
1.8x to 2.2x
• Payout continues to reflect
• Group's high return profile
• Strong capital generation
• Should capital demand increase to support sustainable growth, the board will revisit cover


FirstRand
Financial review
results presentation '18
for the year ended 30 June

Performance highlights (normalised)

	2018	2017	% change	2018 excl. Aldermore*
Diluted normalised EPS (cents)	470.8	436.2	8 ▲	7 ▲
Dividend per share (cents)	275.0	255.0	8 ▲	
Earnings (R million)	26 411	24 471	8 ▲	7 ▲
NIACC (R million)	9 968	9 548	4 ▲	
Net asset value per share (cents)	2 157.9	1 941.7	11 ▲	
Net interest margin (%)	4.89	5.26	▼	5.30
Credit loss ratio (%)	0.84	0.91	▼	0.90
Cost-to-income ratio (%)	51.2	51.0	▲	51.1
Return on assets (%)	1.92	2.07	▼	2.03
Return on equity (%)	23.0	23.4	▼	22.8
CET1 ratio** (%)	11.5	14.3	▼	

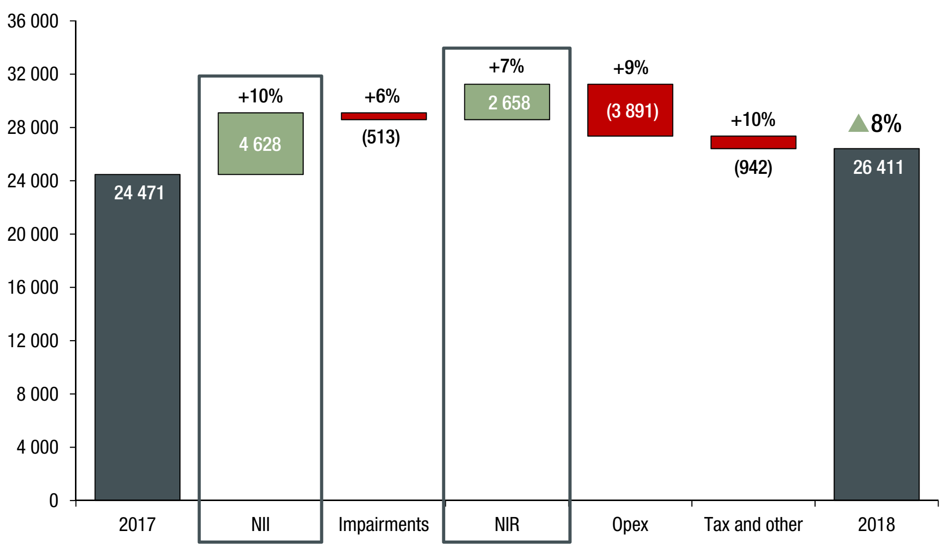
* *Any references to financial information "excluding Aldermore" represents the subtraction of the Aldermore-specific information (on pages 42 and 43 of the Analysis of financial results for the year ended 30 June 2018 booklet) from the group's income statement and statement of financial position (on pages 9 and 11 of the same booklet).*

** *Includes unappropriated profits.*

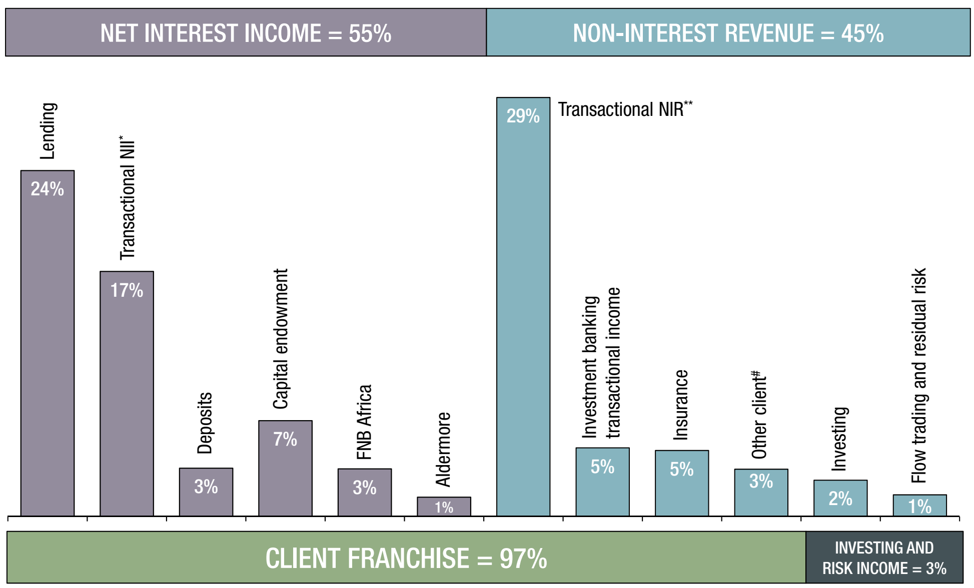
High quality topline growth maintained

Normalised earnings

R million



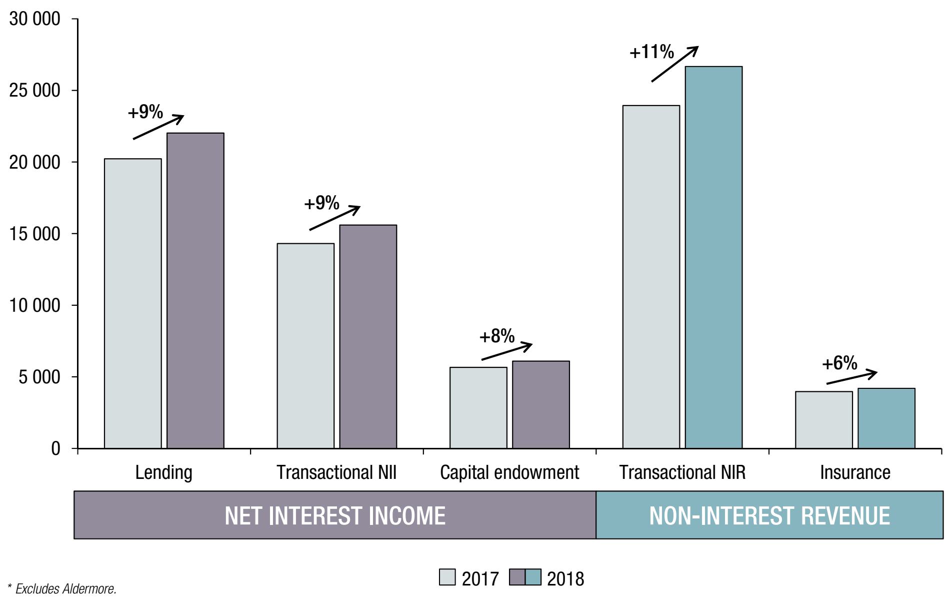
Revenue composition reflects strength of client franchise



* Includes transactional accounts and related deposit endowment, overdrafts and credit card.
** From retail, commercial and corporate banking.
\# Includes WesBank associates.

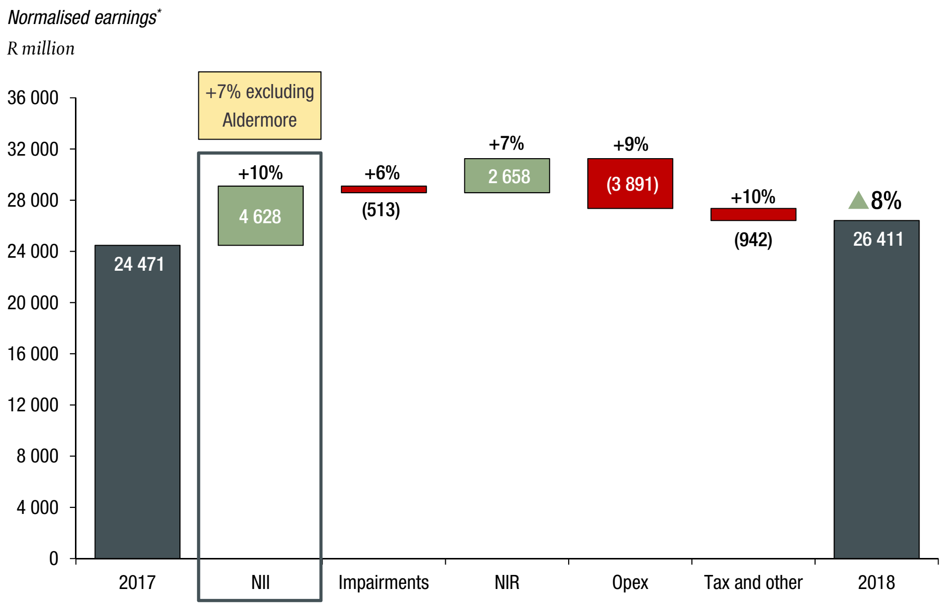
Good growth across all drivers of topline

*Gross revenue**
R million



* Excludes Aldermore.

High quality topline growth maintained



* Includes Aldermore.

NII driven by lending and transactional deposit growth

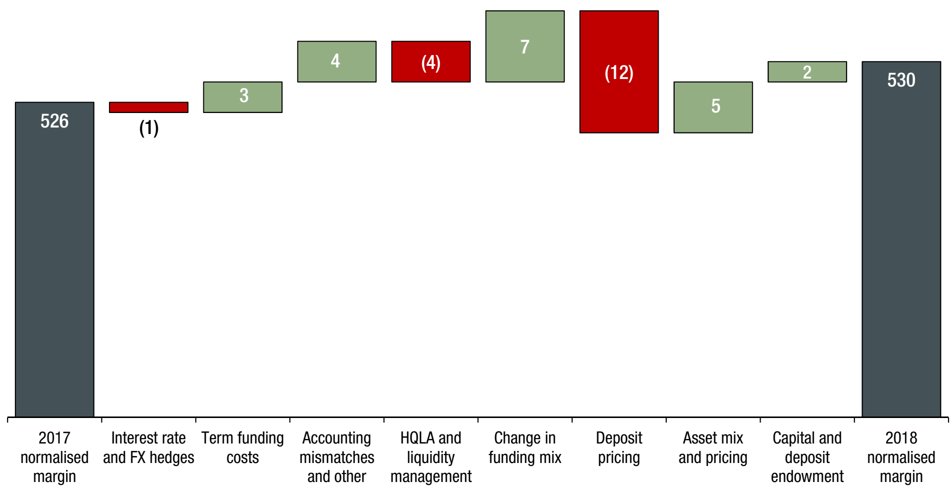
*Net interest income** R million	2018	2017#	% change
Lending	**22 023**	20 227	9
Transactional NII**	**15 600**	14 306	9
Deposits	**3 071**	2 957	4
Capital endowment	**6 097**	5 664	8
Group Treasury	**637**	584	9
FNB Africa	**3 027**	3 178	(5)
Other NII in operating businesses	**(425)**	(290)	(47)
Total NII excluding Aldermore	**50 030**	46 626	7
Aldermore	**1 224**	-	n/a
Total NII including Aldermore	**51 254**	46 626	10

* After taking funds transfer pricing into account.
** Includes NII relating to transactional deposit products and related deposit endowment, overdrafts and credit cards.
\# 2017 figures restated to reflect refined allocation methodology for lending. For transactional and deposit NII there has been a reallocation between segments to better reflect the nature of transactions.

Pressure on deposit pricing offset by benefit of funding mix

Margin excluding Aldermore

Basis points



Structure of Aldermore balance sheet changes the group's overall margin

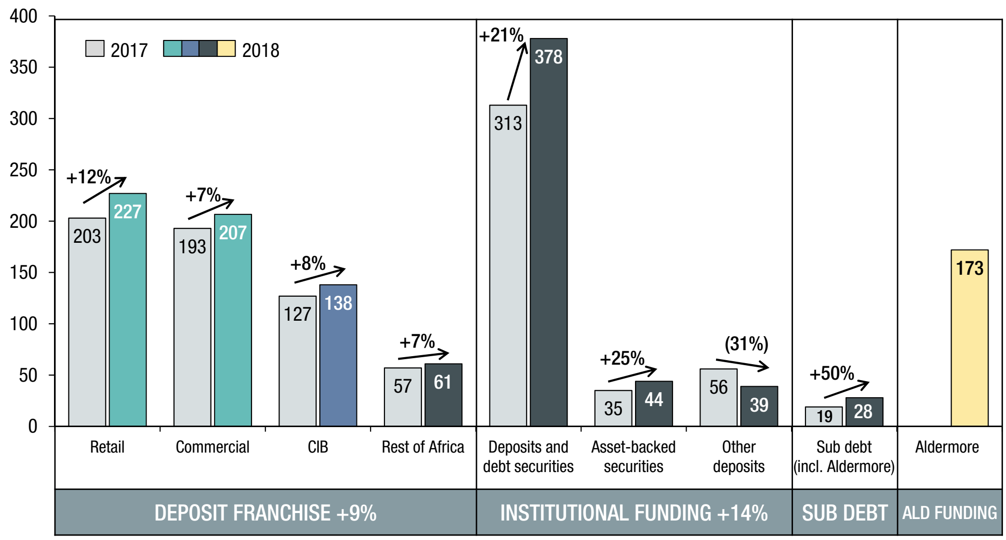
	FirstRand excl. Aldermore	Aldermore
Advances margin	359	315
Deposit margin	236	128
Total margin	530	273
Overall weighting of average assets	84%	16%

Aldermore margin:

- Relatively weighted to advances
  - No transactional NII
  - Deposits are more rate sensitive
- Reflects more secured advances
- Funding margin only, no deposit endowment

Group margin reset to 489 bps, at a better risk-adjusted return

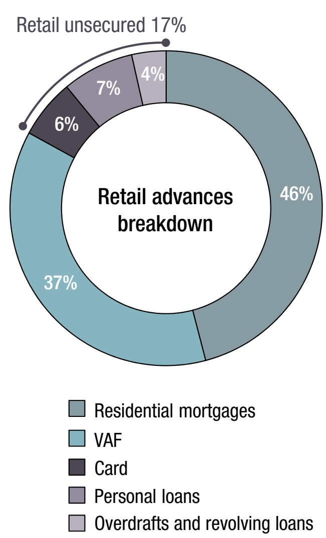
Strong growth in deposit franchise across all segments



Note: Percentage growth is based on actual rather than rounded numbers shown in the bar graphs.

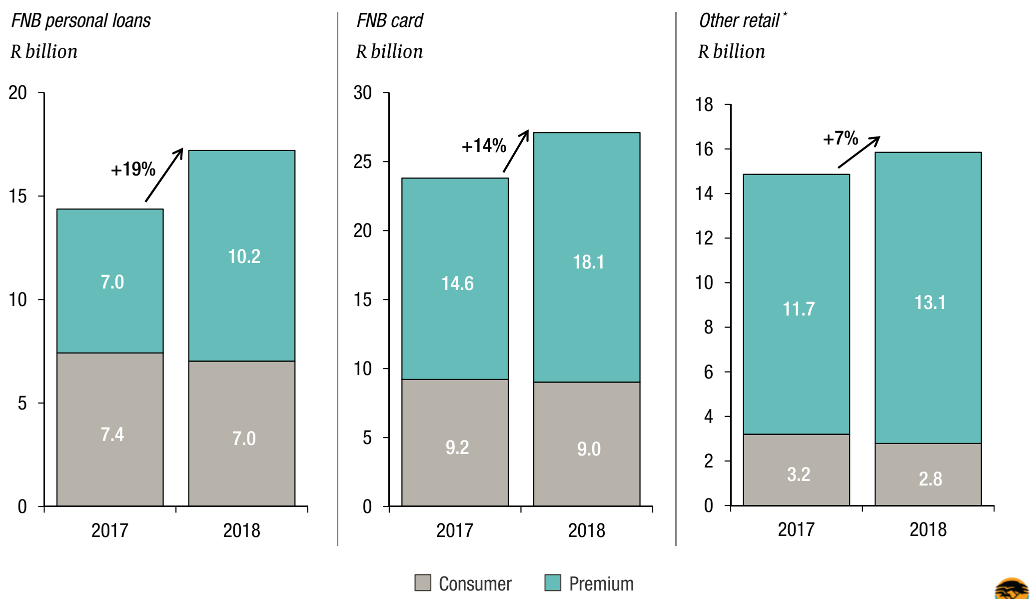
Retail advances growth reflects targeted origination strategies

R million	2018	2017	% change
Residential mortgages	**204 969**	195 498	5
VAF*	**165 214**	155 084	7
– WesBank	**104 864**	102 322	2
– MotoNovo*, **	**60 350**	52 762	14
Card	**27 140**	23 800	14
Personal loans*	**33 181**	28 441	17
– FNB	**17 161**	14 372	19
– WesBank	**14 985**	13 574	10
– MotoNovo*	**1 035**	495	>100
Transactional account-linked overdrafts and revolving term loans#	**15 852**	14 863	7
Retail advances excluding Aldermore#	**446 356**	417 686	7
Aldermore – retail	**107 734**	-	n/a
Retail VAF securitisation notes	**23 674**	19 223	23
FNB and WesBank rest of Africa advances†	**53 094**	52 842	-



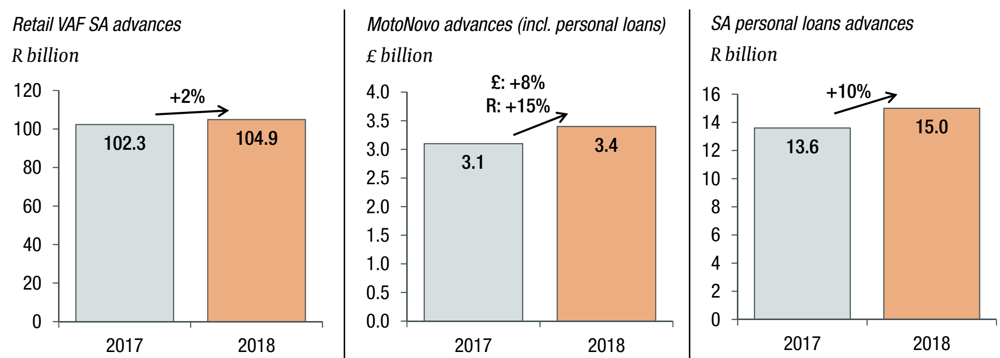
* *Restatement of MotoNovo personal loan book out of VAF.*
** *8% UK VAF advances growth in pound terms.*
\# *Restatement of prior year advances in FNB from retail to commercial based on current client segmentation.*
† *Includes in-country advances of FNB and WesBank.*

FNB unsecured advances growth driven by cross-sell, up-sell and activation of digital strategies



* Transactional account-linked overdrafts and revolving term loans.

WesBank retail advances impacted by disciplined origination



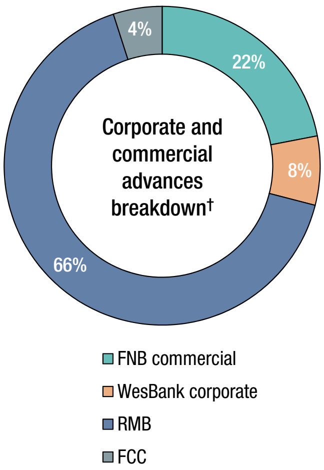
- New business production up 4%, however, not all advances reflected on balance sheet
- NAAMSA new vehicle sales up 3%
- Excluding VW and McCarthy JV rundown, growth was 12%

- Cutbacks in risk appetite moderating growth rates
- New business production down in pound terms (4%)
- Personal loans portfolio growth

- New business production reflects:
  - Focused growth in low-risk buckets
  - Results of diversified marketing channel

RMB corporate and FNB commercial advances growth reflect strength of client franchises

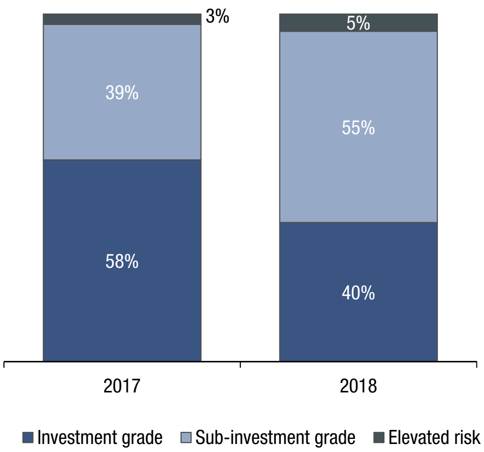
R million	2018	2017	% change
CIB core advances – South Africa	246 906	235 596	5
– Investment banking*	190 146	185 222	3
– HQLA corporate advances	18 629	18 544	-
– Corporate banking	38 131	31 830	20
CIB core advances – rest of Africa**	43 811	36 862	19
CIB total core advances#	290 717	272 458	7
WesBank corporate	32 150	31 365	3
FNB commercial†	93 987	84 146	12
RMB repurchase agreements	23 233	29 047	(20)
Corporate and commercial advances	440 087	417 016	6
Aldermore corporate advances	56 142	-	N/A



* Prior year figure restated to exclude the portion relating to Ashburton Investments, now reported under FCC.
** Includes cross-border and in-country advances.
\# Excludes RMB repurchase agreements.
† Restatement of prior year advances in FNB from retail to commercial based on current client and business segmentation.

CIB rating distribution impacted by sovereign downgrade

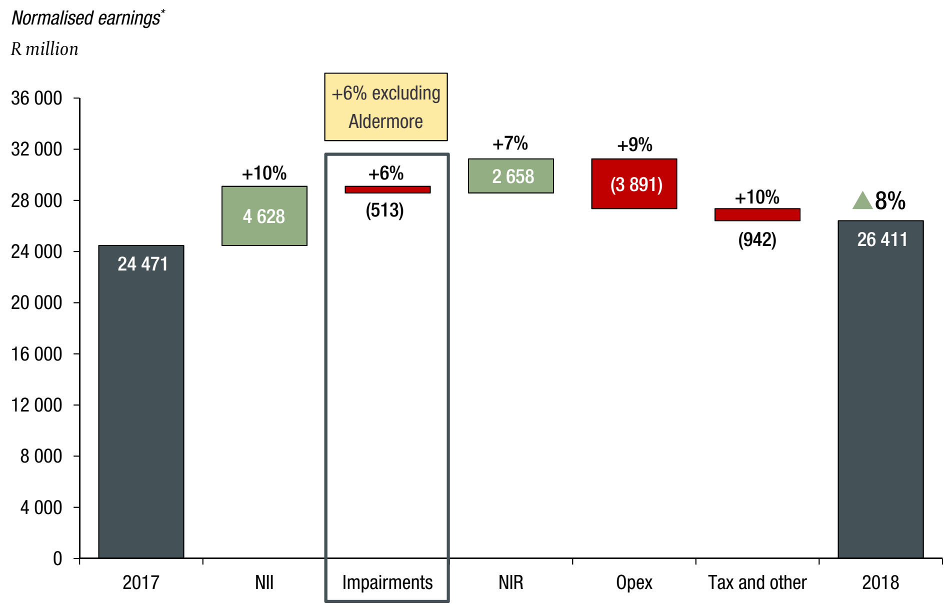
*Wholesale credit performing book**



- SA sovereign rating downgrades impacted counterparty ratings
- Underlying quality of portfolio remains unchanged
- Strong portfolio coverage ratios maintained at 114 bps

* International scale based on EAD.

High quality topline growth maintained



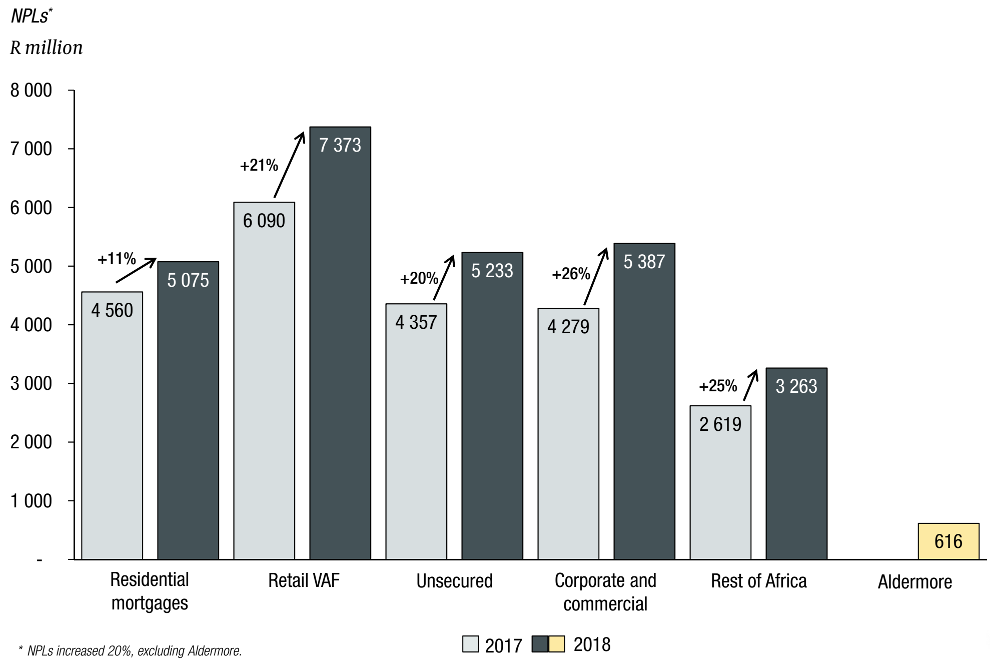
* Includes Aldermore.

Credit charge well below TTC levels, despite NPL increase

- NPLs up 20% year-on-year*
  - More than 60% in secured asset category including mortgages, VAF, FNB agriculture and RMB
  - Required lower coverage = lower bad debt charge increase
- Credit charge up 6%*
  - Benefiting from previous proactive provisions (agriculture, commodities, etc.)
  - Continued high levels of post write-off recoveries
- Portfolio provisions still prudently maintained*
  - Up 6% in absolute terms
  - Coverage similar at 94 bps
  - Still above annual charge
- Specific provisions*
  - Up 16% in absolute terms
  - Coverage marginally decreased to 37 bps, reflecting NPL mix

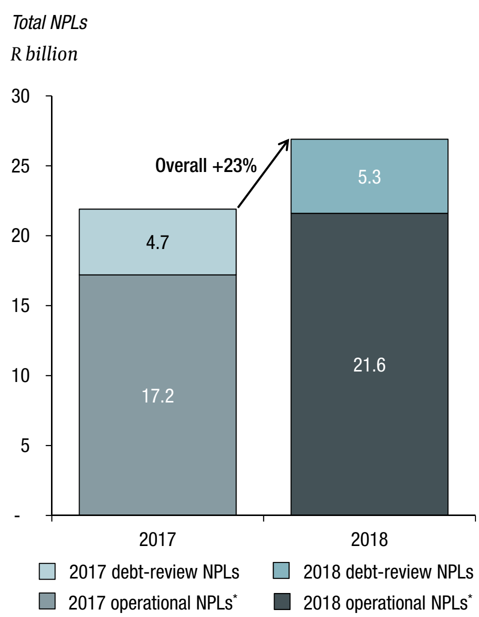
* Excluding Aldermore.

NPL growth as expected given origination strategies



* NPLs increased 20%, excluding Aldermore.

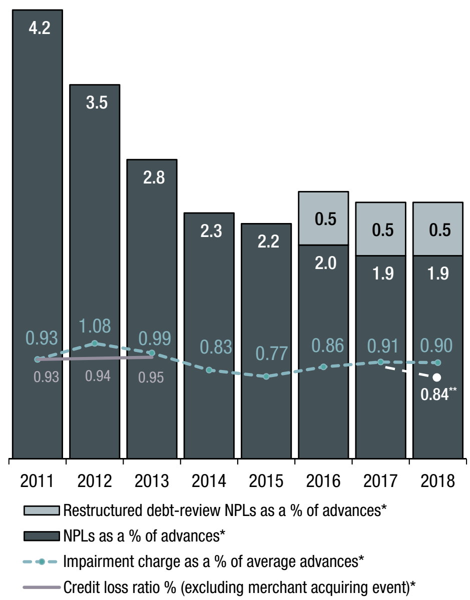
NPL growth as expected given origination strategies



- Normalising residential mortgage NPL growth:
  - Coming off historically low levels
  - Origination strain in affordable housing
- Retail VAF SA NPLs driven by customer behaviour and continued impact of certain operational issues
- MotoNovo NPLs significantly up off a low base on the back of strong book growth in prior years
- Commercial growth driven by agric sector as expected
- RMB NPLs up on specific secured counterparties
- Rest of Africa NPL growth in line with expectations given economic environment

* Operational NPLs include older debt-review accounts that migrated into NPLs prior to May 2016, as well as other types of restructured exposures and special arrangements undertaken by the bank that are non-performing.

Credit performance remains below TTC levels



* Excluding Aldermore.

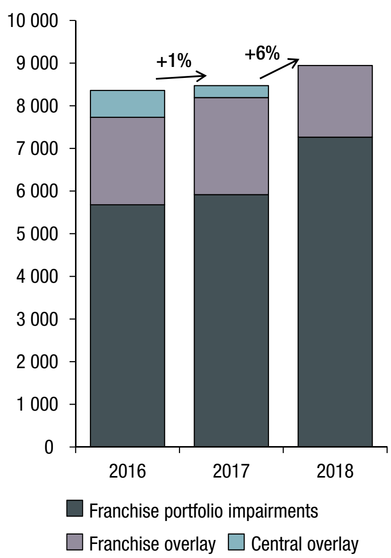
** Credit loss ratio including Adermore.

Credit loss ratio %	2018	2017
Retail – secured	0.81	0.74
Residential mortgages	0.07	0.15
VAF	1.73	1.48
– SA	1.88	1.54
– MotoNovo	1.46	1.36
Retail – unsecured	5.38	5.94
Credit card	2.63	3.05
Personal loans	6.53	7.63
– FNB	5.03	7.43
– WesBank	8.20	7.91
– MotoNovo	6.41	4.85
Retail – other	7.62	7.27
Total retail	1.57	1.56
Corporate and commercial	0.23	0.27
Rest of Africa	1.71	1.60
FCC (incl. Group Treasury)	(0.02)	(0.04)
Total excluding Aldermore	0.90	0.91
Aldermore	0.12	-
Total including Aldermore	0.84	0.91

Portfolio provision coverage remains conservative

*Portfolio impairments**

R million

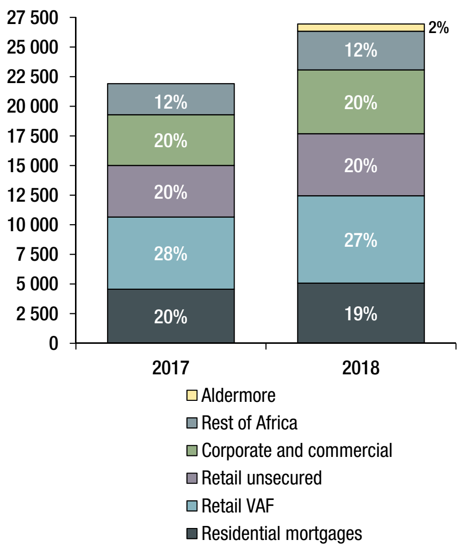


	2018 Including Aldermore	2018 Excluding Aldermore	2017	2016
Portfolio impairments as % of performing book	0.83	0.94	0.95	0.99
Credit loss ratio (%)	0.84	0.90	0.91	0.86
Portfolio impairments (R million)	9 263	8 945	8 471	8 359

* Excludes Aldermore.

Overall coverage remains appropriate

NPLs
R million

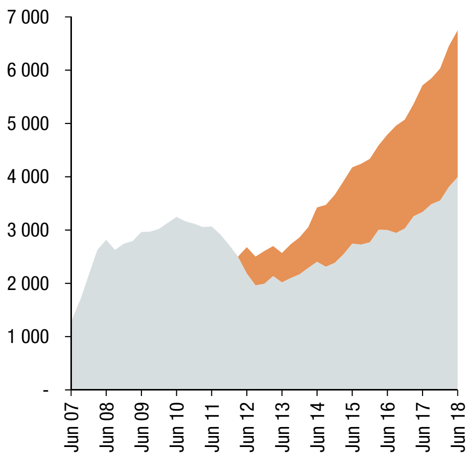


Coverage ratios *%*	2018	2017
Retail – secured	26.0	26.9
Residential mortgages	17.8	21.8
VAF	31.6	30.7
– SA	29.5	29.3
– MotoNovo	57.5	58.4
Retail – unsecured	55.9	56.6
Credit card	66.9	67.0
Personal loans*	47.0	49.4
Retail – other	72.4	67.0
Corporate and commercial	40.4	48.0
Rest of Africa	46.3	42.2
Specific impairments excl. ALD	37.4	38.8
Portfolio impairments excl. ALD**	34.0	38.7
Total excl. Aldermore	**71.4**	**77.4**
Aldermore	22.9	-
Specific impairments incl. ALD	37.1	38.8
Portfolio impairments incl. ALD**	34.4	38.7
Total incl. Aldermore	**71.5**	**77.4**

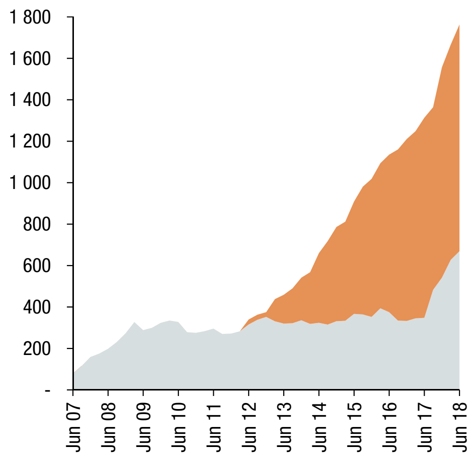
* *Includes FNB and WesBank loans, and MotoNovo personal loans.*
** *Includes portfolio overlays.*

Debt-review NPLs persistent and still increasing

Retail VAF SA NPLs
R million



WesBank personal loans NPLs
R million



NPLs Debt-review restructured NPLs

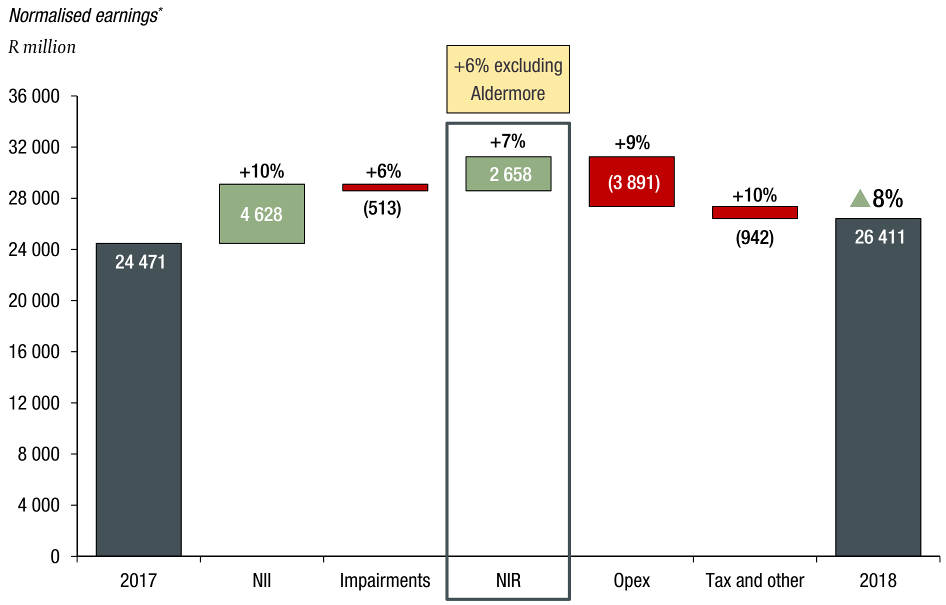
Paying debt-review customers result in lower coverage ratio

Credit metrics in line with risk appetite and origination strategies

PORTFOLIO PROVISION*	+6% to R8.9 billion	Still prudent
SPECIFIC PROVISION*	+16% to R9.9 billion	Appropriate coverage
INCOME STATEMENT CHARGE*	90 bps (still below TTC)	Lower than expected

* Excludes Aldermore.

High quality topline growth maintained

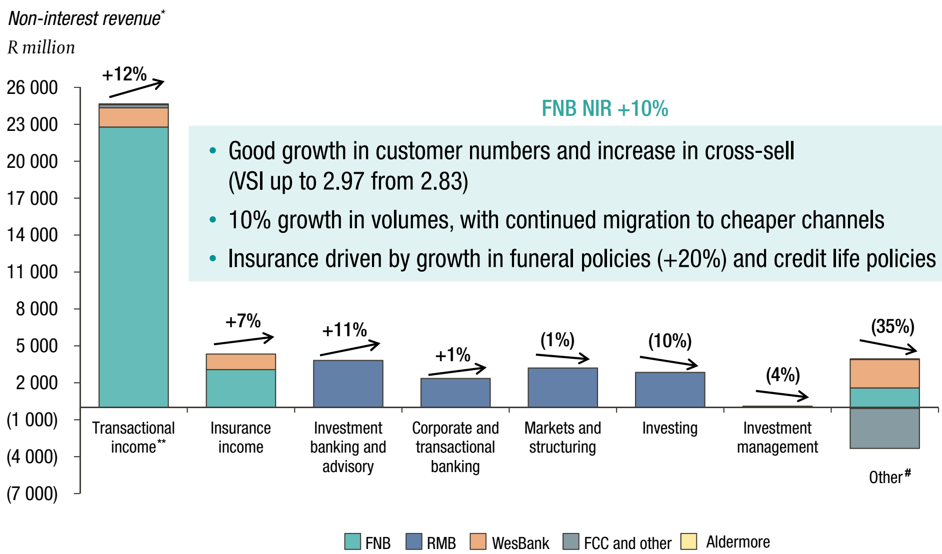


* Includes Aldermore.

FNB's NIR benefited from customer acquisition and volumes

FNB NIR +10%

- Good growth in customer numbers and increase in cross-sell (VSI up to 2.97 from 2.83)
- 10% growth in volumes, with continued migration to cheaper channels
- Insurance driven by growth in funeral policies (+20%) and credit life policies (+8%)

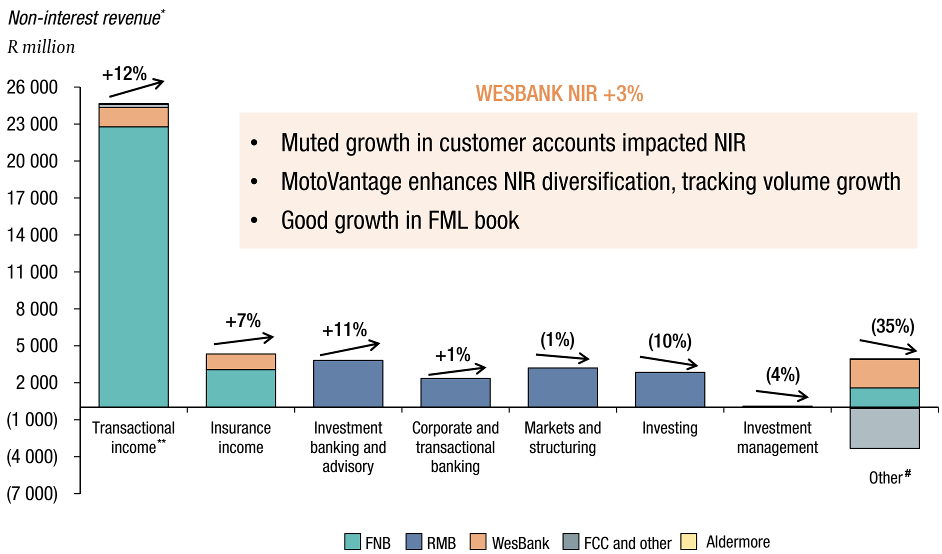


* Excludes consolidation adjustments.
** Excludes RMB transactional income.
\# Other includes FCC (including Group Treasury) and other.

WesBank NIR driven by FML initiatives

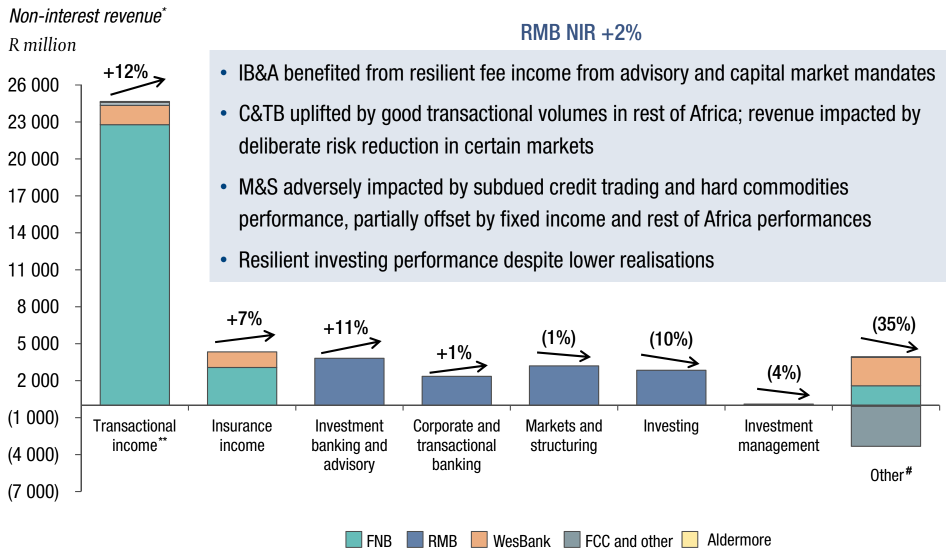
WESBANK NIR +3%

- Muted growth in customer accounts impacted NIR
- MotoVantage enhances NIR diversification, tracking volume growth
- Good growth in FML book



* Excludes consolidation adjustments.
** Excludes RMB transactional income.
\# Other includes FCC (including Group Treasury) and other.

RMB's client franchises delivered solid NIR growth

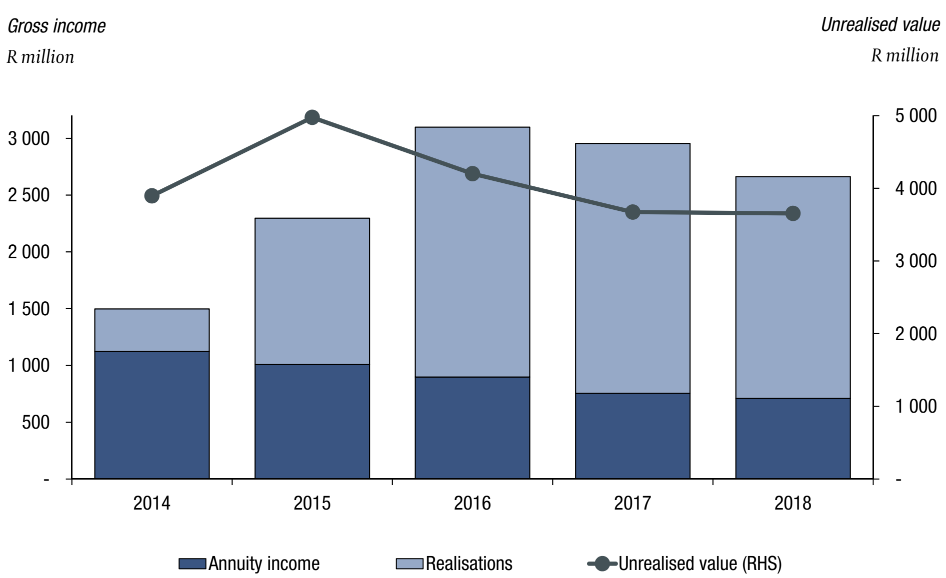


RMB NIR +2%

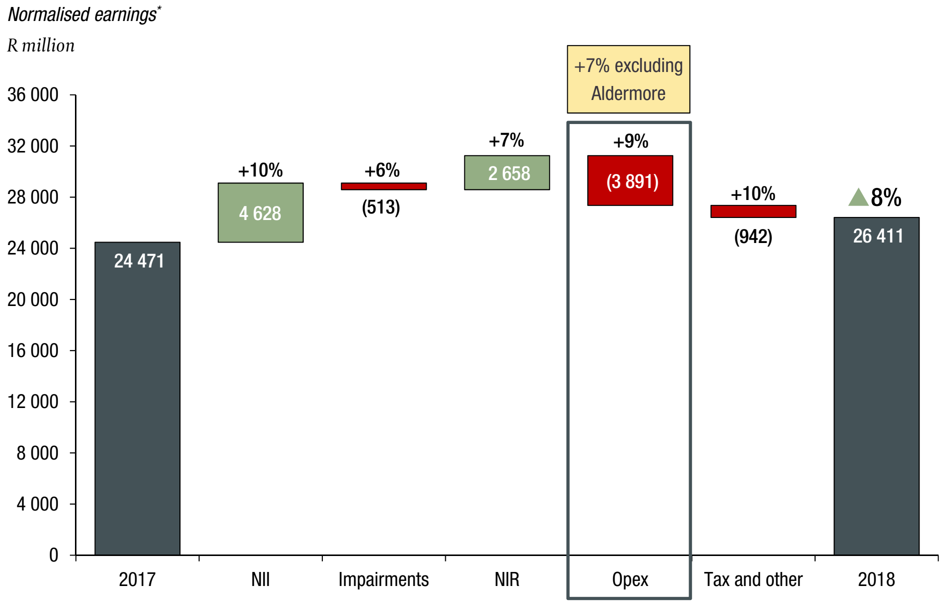
- IB&A benefited from resilient fee income from advisory and capital market mandates
- C&TB uplifted by good transactional volumes in rest of Africa; revenue impacted by deliberate risk reduction in certain markets
- M&S adversely impacted by subdued credit trading and hard commodities performance, partially offset by fixed income and rest of Africa performances
- Resilient investing performance despite lower realisations

* Excludes consolidation adjustments.
** Excludes RMB transactional income.
\# Other includes FCC (including Group Treasury) and other.

Late realisation supported private equity performance – portfolio now in investment cycle

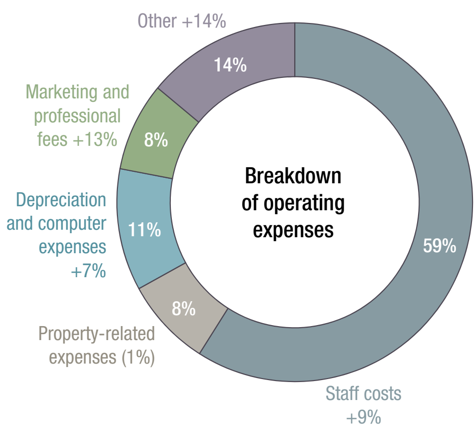


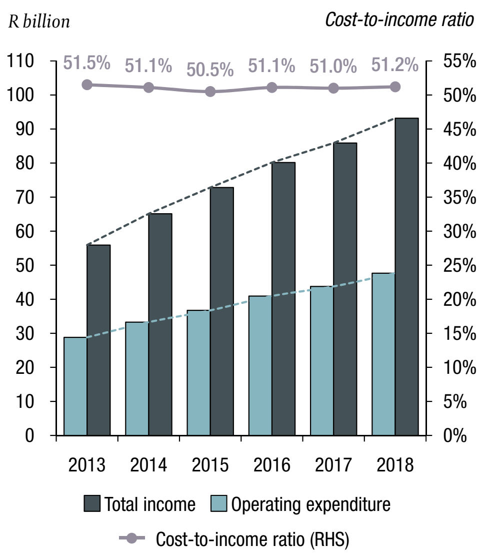
High quality topline growth maintained



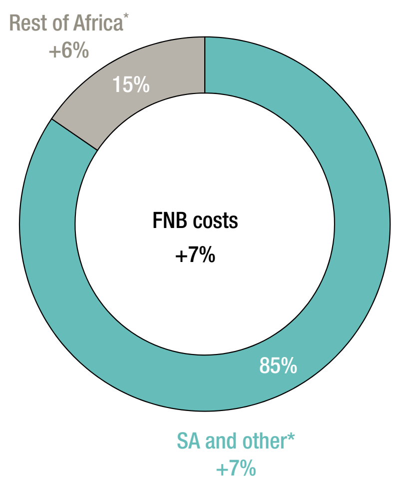
* Includes Aldermore.

Cost containment allows for continued investment spend





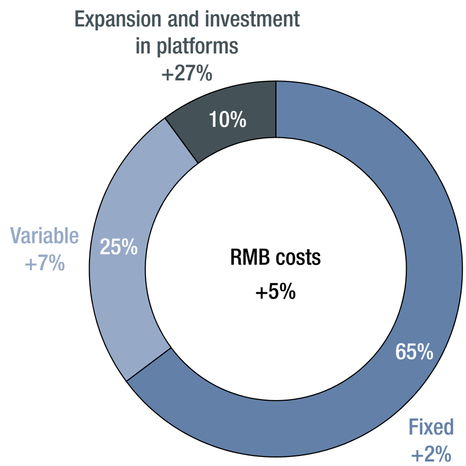
FNB cost trend still impacted by investment in growth initiatives



- Growth initiatives
  - Insurance and WIM build-out
  - Card acquiring (PowerCARD)
  - Branch digitisation
  - Technology infrastructure
- Majority of development costs are expensed
- Cost-to-income ratio down to 53.5% (2017: 54.5%)

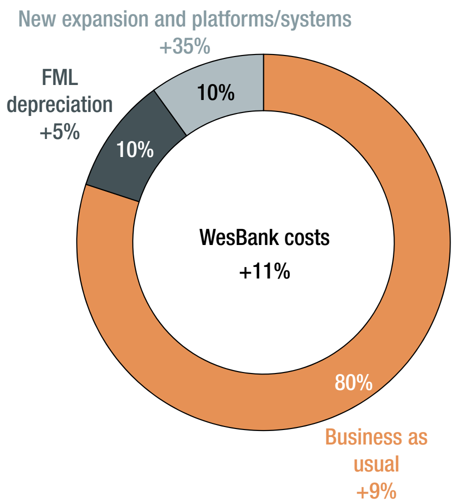
* *Rest of Africa excludes India, which is shown as part of SA and other in the chart. FNB discontinued its activities in India in 2017. The reduction in FNB India opex benefited SA and other cost growth – excluding India, SA costs increased 8%.*

RMB's cost discipline enables continued investment in platforms



- Efficiency gains from:
  - Historical platform investments
  - Ongoing automation initiatives
- Fixed cost growth well contained despite:
  - Ongoing investment in platforms and people in the rest of Africa
  - Continued regulatory and compliance spend
- Cost-to-income ratio increased to 44.0% (2017: 43.4%)

WesBank's costs reflect operational efficiencies in core business, offset by investment in platforms



- Operating expenses +11%
  - Investments in channel and new products
    - MotoNovo digital channels and personal loans
    - DirectAxis digital channel
  - FML depreciation up due to volume growth
- Operating efficiencies achieved locally due to cost containment focus
- Cost-to-income ratio increased to 42.2% (2017: 40.2%)

Summing up

Revenue growth +8.5% (6.9% excl. Aldermore)

- Deposit growth +29% (11% excl. Aldermore)
- Advances growth +25% (7% excl. Aldermore)
- Strong NIR growth benefited from volume and customer growth, despite lower private equity realisations

Bad debts +6.4% (5.8% excl. Aldermore)

- At 84 bps (90 bps excl. Aldermore), better than expected
- Debt-review account growth continues to impact NPLs
- Portfolio provisions maintained
- NPLs up 23% (20% excluding Aldermore)

Opex growth +8.9% (7.3% excl. Aldermore)

- Continued investments
- Marginally negative jaws

Dividend +7.8%

- Year-end dividend cover maintained
- Payout ratio of 58%
- Dividend growth in line with earnings growth

FirstRand

Prospects

results presentation '18
for the year ended 30 June

Prospects

- South Africa
  - Difficult macros expected to continue
  - However:
    - Lending and transactional franchises have good momentum and well positioned for upswing
    - Traction on the group's integrated financial services strategy should drive above-system growth
- Rest of Africa
  - Modest improvement in macros and operating environment should support ongoing turnaround of portfolio

Prospects

- UK
  - Brexit uncertainty continues to weigh on macros
  - Aldermore growth trajectory to slow as expected
    - Margin pressure from competition and tighter funding markets
    - Normalisation of cost of credit
    - Integration costs and platform investments

FirstRand

Appendix

results presentation '18
for the year ended 30 June

Recalibration of branch network continues

INFRASTRUCTURE COST REDUCTION

- Branch costs — Flat
- Branch m^2 — (8%)
- Outcomes-based remuneration paying off
- Modular branch fitment is more cost effective
- Average new branch configuration reduced

INVESTMENT TO TAKE OUT MORE COSTS

- Electronic channels
  - Growth in ADT device cash — +20%
  - Smartbox devices (business cash processing) — +38%
- Digital capabilities in branch activations
  - App: — >+100%
  - Online: — +30%

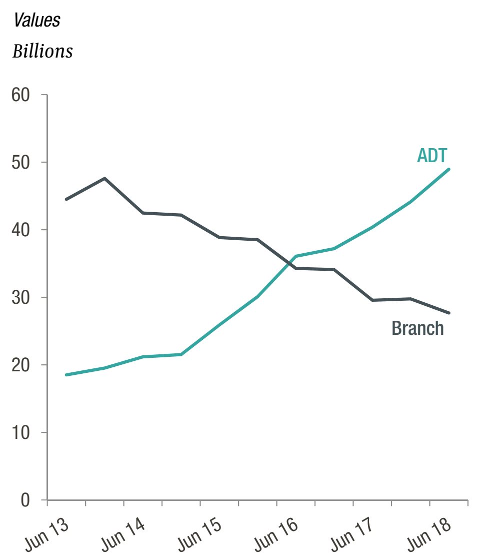
FOCUS ON GROWTH IN LONG-TERM COSTS

- Staff costs — +3%
- Long-term leases — +1%
- Rationalise:
  - Property portfolio
  - Operational process
  - Location

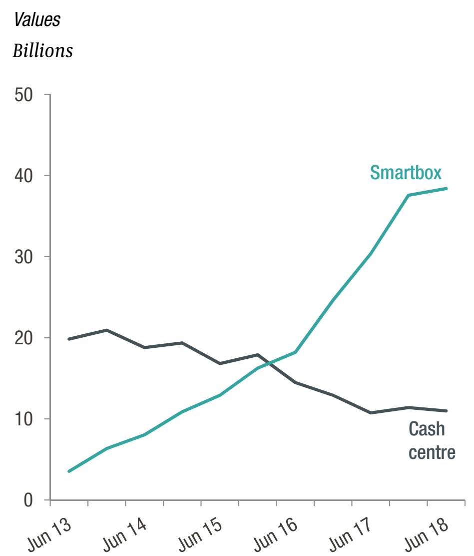
Percentages shown above relate to year-on-year changes for points of presence.

FNB's leading digital platforms driving customer behaviour

Deposit values (excl. cheques) – branches vs ADTs



Deposit values – smartbox vs cash centres

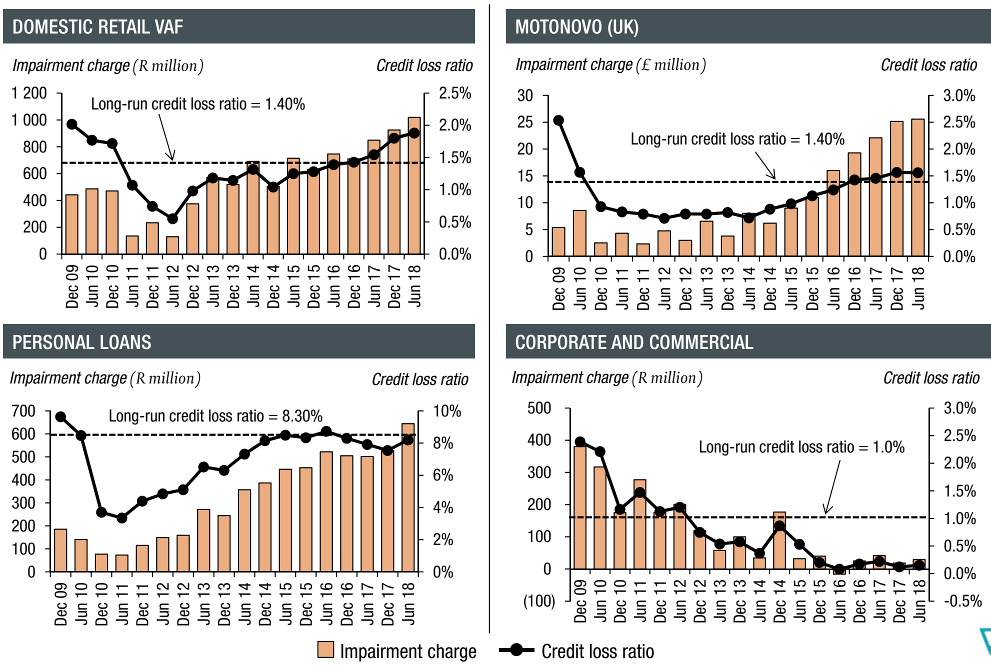


Aldermore 3-month highlights

	June 18 (R million)	June 18 (£ million)
Normalised earnings*	276	16
Normalised PBT	549	32
Total assets	189 867	10 446
Total liabilities	176 089	9 688
Advances margin (%)	3.15	3.15
NPLs (%)	0.38	0.38
ROA (%)	0.80	0.84
ROE (%)	12.1	12.9

* *After the dividend on the contingent convertible securities (AT1) of R115 million.*

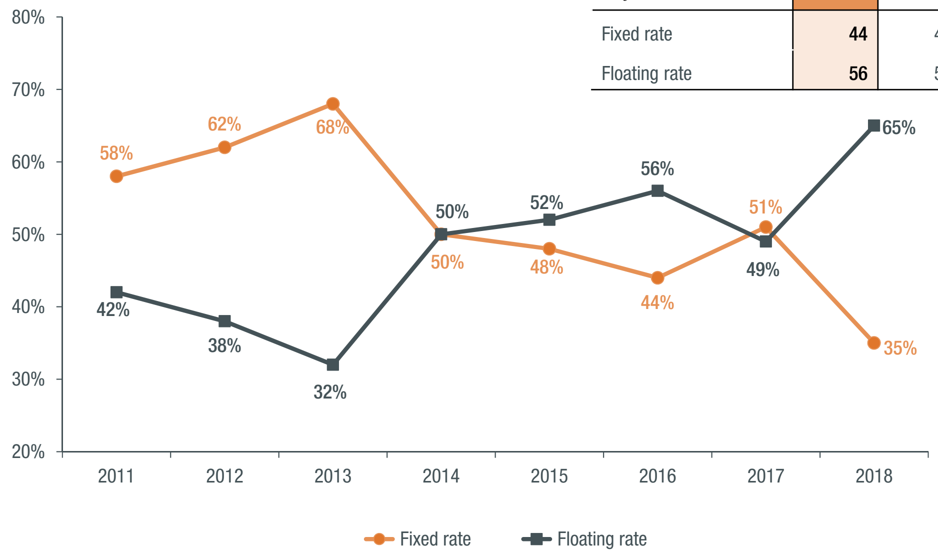
WesBank credit portfolios



Margin pressure from shift in rate mix in WesBank's VAF book

Proportion of retail VAF SA new business

% of total advances	2018	2017
Fixed rate	44	46
Floating rate	56	54



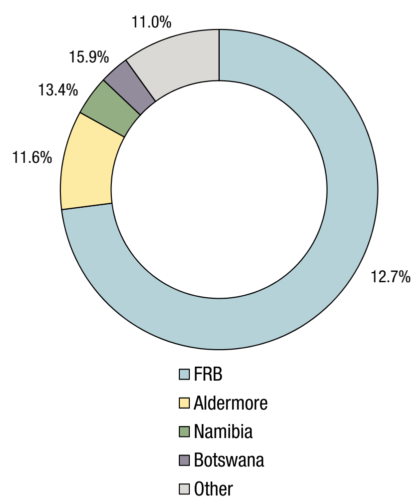
Aldermore impairment does not impact capitalisation in the bank and other regulated entities

Divergence between bank and group CET1 ratios

%	2018	2017
FirstRand Bank CET1	12.7	14.1

%	2018	2017
FirstRand CET1	11.5	14.3
Aldermore intangibles	1.0	
FirstRand CET1 pre-impairment	12.5	

Standalone capitalisation remains solid



Unpacking Group Treasury NII

Endowment benefited from higher capital levels, despite lower rates

- Interest on capital +>R430 million

Group Treasury activities

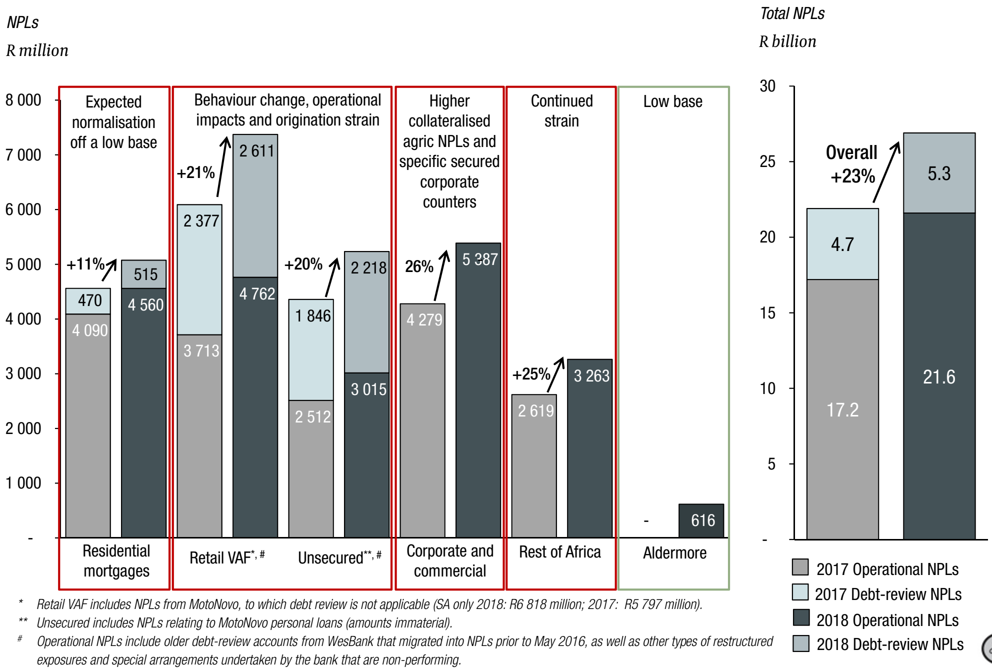
- Interest rate risk management +>R180 million
- Increase in HQLA >(R270 million)
- ALM strategies and FX management >(R280 million)

Accounting volatility in Group Treasury NII

- MTM on fair value of term and structured funding +>R370 million
- Other* +>50 million

* Includes London Branch and other mismatches in Group Treasury.

NPL growth as expected given origination strategies



* Retail VAF includes NPLs from MotoNovo, to which debt review is not applicable (SA only 2018: R6 818 million; 2017: R5 797 million).

** Unsecured includes NPLs relating to MotoNovo personal loans (amounts immaterial).

\# Operational NPLs include older debt-review accounts from WesBank that migrated into NPLs prior to May 2016, as well as other types of restructured exposures and special arrangements undertaken by the bank that are non-performing.

Credit performance reflects origination strategies and prudent provisioning in prior periods

Asset class	Contribution to I/S impairment charge	Credit loss ratio	Specific coverage	Portfolio coverage	Commentary
Residential mortgages	2%	0.07% ▼	⬇	⬇	• Model calibration and changes benefiting charge
VAF SA	23%	1.88% ▲	⬌	⬌	• Increased operational NPLs and prolonged recovery timelines drive increase in charge • Higher than expected NPLs on self-employed and SME segments
MotoNovo (VAF UK)	10%	1.46% ▲	⬇	⬆	• NPL formation in line with historic book growth and impact of risk cuts still flowing through • Portfolio impairments increasing with book growth and increased conservatism

Credit performance reflects origination strategies and prudent provisioning in prior periods

Asset class	Contribution to I/S impairment charge	Credit loss ratio	Specific coverage	Portfolio coverage	Commentary
Card	8%	2.63% ▼	⬌	⬌	• Charge below TTC benefiting from strong collections with balance sheet provisions remaining conservative
Personal loans*	23%	6.53% ▼	⬇	⬆	• Charge down on back of prior year risk appetite cuts • Specific coverage declining (increase in debt review) • Portfolio provisions increased reflecting book growth
Retail other	14%	7.62% ▲	⬆	⬇	• Growth in charge expected given customer acquisition and credit cross-sell • Specific coverage increases in change in mix

* *Includes MotoNovo personal loans.*

Credit performance reflects origination strategies and prudent provisioning in prior periods

Asset class	Contribution to I/S impairment charge	Credit loss ratio	Specific coverage	Portfolio coverage	Commentary
CIB	3%	0.08% ▼	⬇	⬇	• Specific coverage down on write-offs and work-outs and increase in secured NPLs • Portfolio charge benefited from prior year proactive provisioning
Commercial	8%	0.75% ▲	⬇	⬇	• Increase in charge in line with expectation given book growth and benefited by proactive provisions • As expected, NPL growth driven by agric with coverage impacted by mix • Portfolio coverage impacted by migration to NPLs
Rest of Africa	12%	1.71% ▲	⬆	⬆	• Macros in sub-scale subsidiaries driving substantial increase in charge • Portfolio provisions increased reflecting continued stress

Paying debt-review customers require lower coverage

	COVERAGE						
	Operational NPLs		Restructured (DR) NPLs*		Total		
Coverage ratios %	2018	2017	2018	2017	2018	2017	Change yoy
FNB credit card	73.3	74.2	50.5	45.1	66.9	67.0	–
FNB retail other	82.5	75.5	35.2	37.9	72.4	67.0	▲
FNB loans	68.8	69.2	48.7	48.2	59.8	61.9	▼
WesBank loans**	71.8	71.9	14.4	26.3	36.9	38.1	▼
SA retail VAF**	41.9	43.1	9.5	9.4	29.5	29.3	–

Coverage appropriate given higher payment profile of reclassified NPLs

* *Non-performing loans under debt review.*

** *Operational NPLs include older debt-review accounts that migrated into NPLs prior to May 2016, as well as other types of restructured exposures and special arrangements undertaken by the bank that are non-performing.*

Retail advances growth reflects appropriate origination strategies

RETAIL ADVANCES

Mortgages	Affordable housing	SA VAF	UK VAF (MotoNovo)
• Continued focus on origination quality. • Uptick in last quarter. • Tracked industry trend.	• Credit demand and performance remain robust.	• Volumes resilient and appetite reduced for higher-risk customers.	• Market position and performance remain strong. • Risk appetite conservatism.
Card	**Personal loans**	**Rest of Africa**	**Transactional facilities**
• Growth following FNB customer cross-sell strategy and transactional spend growth. • Growth constrained in consumer segment.	• Customer migration and cross-sell driving growth. Growth, mainly in premium segment. • Activation of digital-led origination grew new business volumes.	• Moderating growth and appetite with focus on FNB-banked customers. • Cautious lending given challenging macros.	• Ongoing cross-sell and lending activation. • Moderating in consumer segment, growth mainly in premium segment.

Targeted lending strategies in corporate and commercial

COMMERCIAL ADVANCES

Working capital	Commercial property finance	Agri finance	Asset-backed finance	Small businesses (SMEs)	Rest of Africa
• Organic growth to existing clients with increasing utilisation levels. • Selective acquisition of new clients.	• Remain focused on banked owner-occupied. Selective acquisition of multi-tenanted deals.	• Continue to diversify exposure across commodities and geographically.	• Growth focus on customers across targeted industries. • Cross-sell to banked clients.	• Continue to cross-sell to relationship base with some tightening on new-to-bank and higher risk business.	• Unlocking synergies and renewed focus to grow upper end of mid and large corporate segments.

CORPORATE ADVANCES

Domestic short-term lending	Domestic long-term lending	Acquisition finance	Rest of Africa strategy
• Increase in utilisation of working capital facilities. • Maintained SOE limits.	• Tracking nominal GDP.	• Delivering large multi-product solutions.	• Driven by infrastructure and resource finance in presence jurisdictions.

Commercial includes all advances to commercial clients across FNB and WesBank. Corporate includes advances to corporate and public sector customers across RMB, FNB and WesBank.

Coverage breakdown: residential mortgages

Type	R million	Specific coverage ratio
Sold property awaiting registration	118	16.1%
Deceased	222	14.9%
Debt review – mostly paying per agreement	690	15.9%
Insolvencies and litigation	1 623	21.0%
Non-debt review – payments being made	1 631	15.6%
Other	791	18.6%
Total	5 075	17.8%

Coverage breakdown: retail VAF (SA and UK)

Type	R million	Specific coverage ratio
Other (includes absconded, insurance and alienations)	516	53.4%
Repossession	173	57.4%
Legal action for repossession	1 134	43.3%
Not restructured debt review	460	36.4%
Arrears 3+ months	2 479	41.0%
Restructured debt review	2 611	9.5%
Total	7 373	31.6%

STUDIO 5

www.firstrand.co.za

FirstRand