



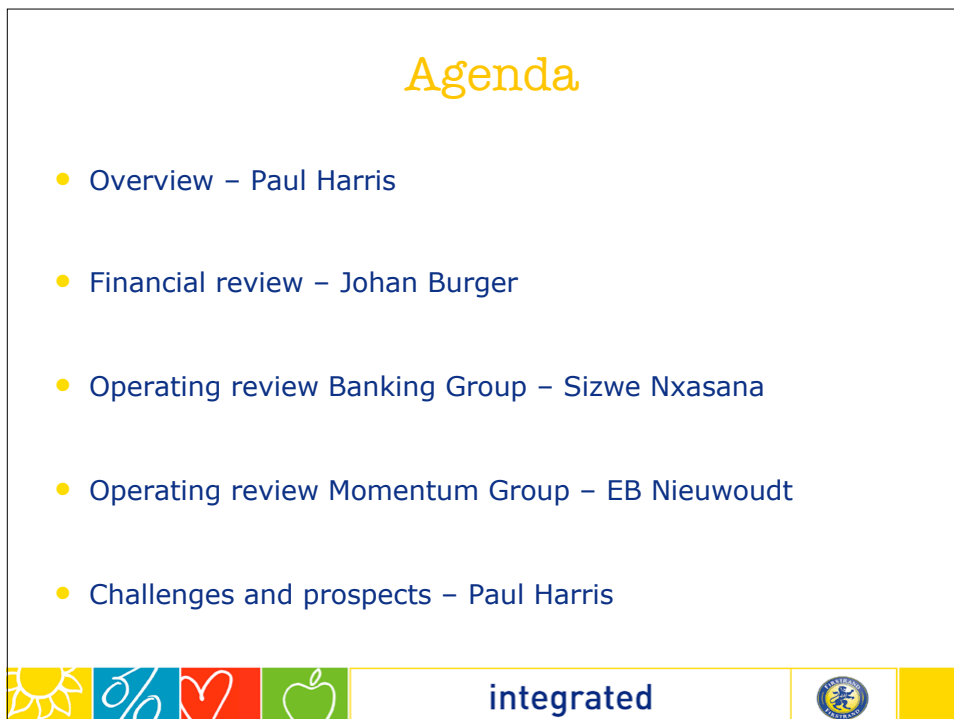
unaudited interim results
for the six months ended
31 December 2006



integrated financial services



FIRSTRAND



The Group delivers to shareholders

| R' bn | Dec '06 | % change |
|-----------------------------|---------|----------|
| Normalised earnings | 5 539 | +26% |
| Dividends per share (cents) | 39.5 | +23% |
| Return on equity (%) | 27.9 | |
| Total assets | 836 | |



integrated



Favourable external environment

- Cycle of rising interest rates, stabilising
- Solid economic growth
- Buoyant equity markets
- Re-leveraging of corporate South Africa
 - BEE
 - Corporate action
- First signs of infrastructure and capacity building



integrated



FirstRand

- Federation of many autonomous, owner managed businesses held together by a common value system and business philosophy
- Diversified into all niches of financial services
- Through alignment and interdependence the whole exceeds the sum of the parts

JUGGERNICHE: Juggernaut with a niche market mentality



The portfolio in different business life cycles

Outstanding

- Industry leader
- Excellent innovative products
- Growing markets
- Fired up management team

Solid

- Mature business
- Annuity income
- Consistent performer
- Excellent management

Pedestrian

- Mature business
- Competitive market
- Need to be innovative
- Solid management



Greenfields and international providing for future growth

Greenfields

- Investing in the future
- Innovative in new and existing markets
- Startup costs and losses
- Passionate management team

International

- Driven by business units
- Incremental capital allocation
- Seek competitive edge
- Leverage off local skills and infrastructure



integrated



Our outstanding performers



Traditional values. Innovative ideas.

Great culture
Passionate
Skilled management

- Diversified portfolio of businesses
- Leveraging of Corporate South Africa
- BEE experts
- New businesses performing
- Investing in the future



integrated



Our outstanding performers



How can we help you?

- Growth in consumer and commercial activity
- Market share gains
- New products, alliances and improved services
- Profit and ROE focus

Strengthening brand
Committed
Established
Innovative management



Our outstanding performers



- Efficiencies in local health
- Blue sky potential in the life market
- Exciting prospect in the UK
- Destiny: light at the end of the tunnel

Intellectual leadership
Entrepreneurial
Skilled management



Solid performers



Dominate market at point of sale
Great corporate culture
Strong management

- Pressure on margins
- Capital intensive
- Market slowing down
- Investing in the future: UK and Australia



Solid performers

momentum

Great distribution model
Committed
Skilled management

- Adapted to new environment
- Improved products and services
- Disappointing performance from asset management
- Generated capital for re-deployment in the Group



Greenfields mean start up costs

- Momentum Short Term Insurance
- Momentum : Health in Africa
- FNB : Aspire with Momentum in new markets
- FNB : New card alliances
- WesBank : Australia /UK
- Discovery: Destiny in the US / PRU Health in UK



Agenda

- Overview – Paul Harris
- Financial review – Johan Burger
- Operating review Banking Group – Sizwe Nxasana
- Operating review Momentum Group – EB Nieuwoudt
- Challenges and prospects – Paul Harris





Strong growth in earnings & returns

| R' mil | Dec '06 | Dec '05 | % change |
|------------------------------------|---------|---------|----------|
| Normalised earnings | 5 539 | 4 407 | 26 |
| Normalised earnings per share | | | |
| - Basic | 98.3 | 78.5 | 25 |
| - Diluted | 98.2 | 78.2 | 26 |
| Headline earnings per share | 4 569 | 3 636 | 26 |
| - Basic | 88.2 | 71.2 | 24 |
| - Diluted | 85.6 | 68.7 | 25 |
| Return on equity (%) | 27.9 | 26.9 | |
| Net asset value per share (cents) | 737 | 588 | 25 |
| Interim dividend per share (cents) | 39.5 | 32 | 23 |



All brands delivered

| R' mil | Dec '06 | Dec '05 | % change |
|-----------------------------------|---------|---------|----------|
| FNB | 2 280 | 1 807 | 26 |
| RMB | 1 572 | 898 | 75 |
| WesBank | 538 | 538 | 0 |
| FNB Africa | 218 | 174 | 25 |
| Momentum | 635 | 544 | 17 |
| Discovery | 220 | 183 | 20 |
| Group Support | 308 | 451 | (32) |
| FirstRand Limited | (69) | (73) | 5 |
| Sub-total | 5 702 | 4 521 | 26 |
| Less: NCNR preference dividends | (163) | (114) | (43) |
| Normalised earnings for the group | 5 539 | 4 407 | 26 |



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Normalised vs headline

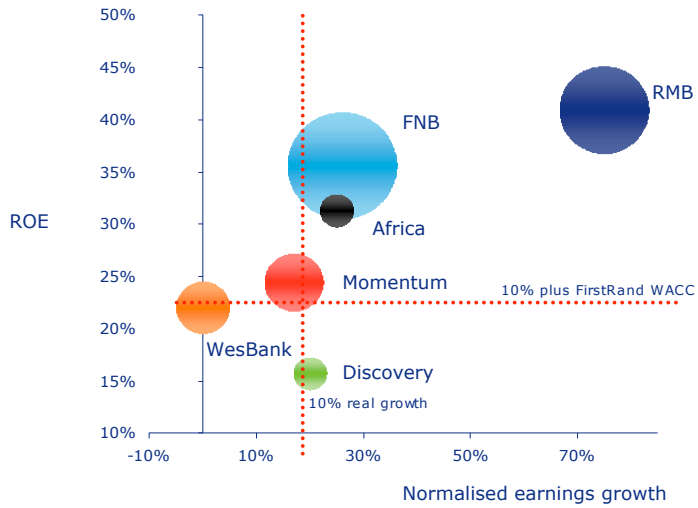
| R' mil | Dec '06 | Dec '05 | % change |
|-----------------------------------|---------|---------|----------|
| Normalised earnings for the group | 5 539 | 4 407 | 26 |
| Adjusted for: | (970) | (771) | |
| - Private equity realisations | (308) | (294) | |
| - National Treasury settlement | - | (27) | |
| - Discovery BEE | (11) | (96) | |
| - IFRS 2: Share based payments | (180) | (37) | |
| - Treasury shares | (342) | (251) | |
| - Listed property adjusted to NAV | (129) | (66) | |
| Headline earnings for the group | 4 569 | 3 636 | 26 |



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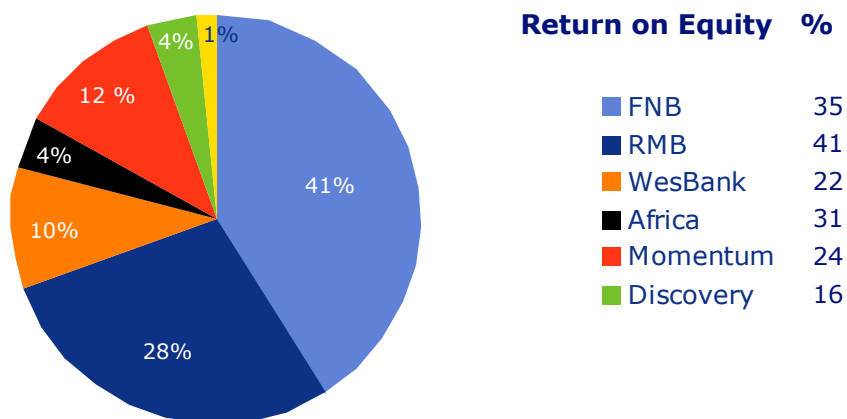
Performance to financial targets



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Superior returns from diversified portfolio of brands



Return on Equity %

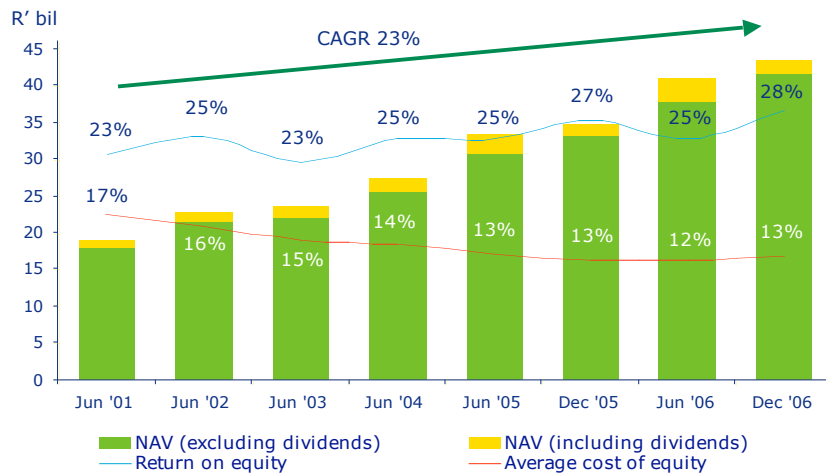
* Based on normalised earnings



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Excess over cost of capital continues



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Capital

- Strategy
- Current position
- Managing capital going forward



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Capital strategy

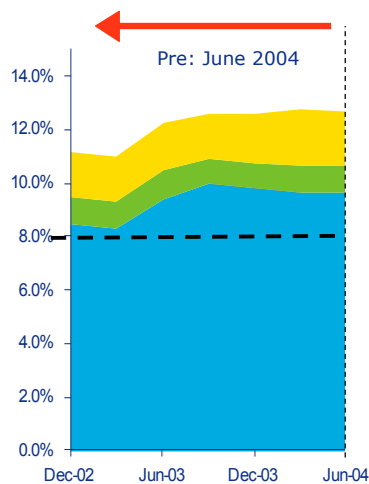
- Higher of economic or regulatory capital
- Optimal level of capital
 - maximise ROE
 - highest credit rating
- Most efficient capital structure
- Surplus capital is not retained
 - for acquisitions or large expansions
- Capital raising assessed as required
 - profitability horizon and benchmark return on equity



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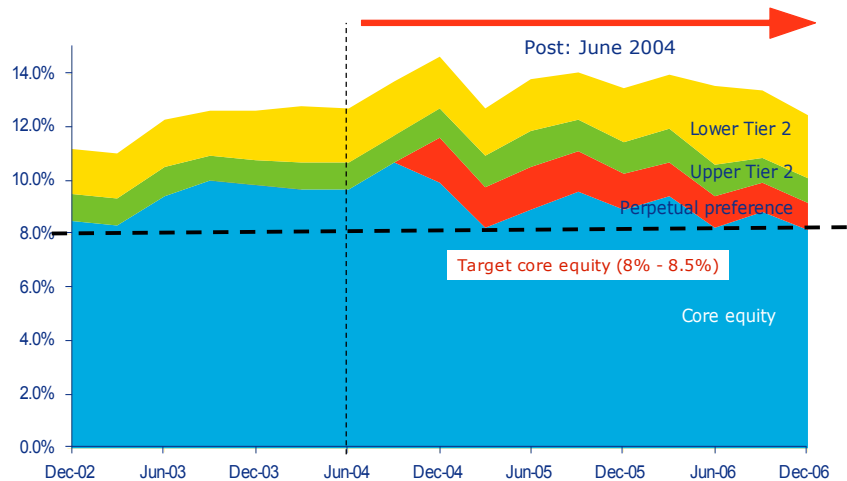
Historically low demand from lending businesses



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Strong organic growth puts core equity under pressure



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Managing the scarcity of capital going forward

- Slow down in retail lending should reduce capital pressure
 - originate and distribute strategy for low margin corporate advances
- Continue to securitise selected asset classes
- Reduce unnecessary regulatory friction costs
- Prioritise allocation
- Momentum continues to generate surplus capital



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Banking financial review



Bank delivers on key measures

| | Dec '06 | Dec '05 | % change |
|------------------------------|---------|---------|----------|
| Normalised earnings (R `mil) | 4 752 | 3 680 | 29 |
| Return on equity (%) | 31 | 29 | |
| Return on assets (%) | 2.04 | 1.80 | |
| Credit loss ratio (%) | 0.73 | 0.48 | |
| Cost to income ratio (%) | 53 | 54 | |



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Portfolio delivers

| R 'mil | Dec '06 | Dec '05 | Growth % |
|----------------------------------|---------|---------|----------|
| FNB* | 2 565 | 2 044 | 25 |
| RMB | 2 054 | 1 174 | 75 |
| WesBank | 711 | 704 | 1 |
| FNB Africa** | 412 | 338 | 22 |
| OUTsurance | 154 | 130 | 18 |
| Banking Group Treasury* | 400 | 317 | 26 |
| Capital centre and group support | 333 | 469 | (29) |
| Profit before direct tax | 6 629 | 5 176 | 28 |

* Aggregated on reports

** Includes Celpay and central FRAEM costs



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Financial highlights

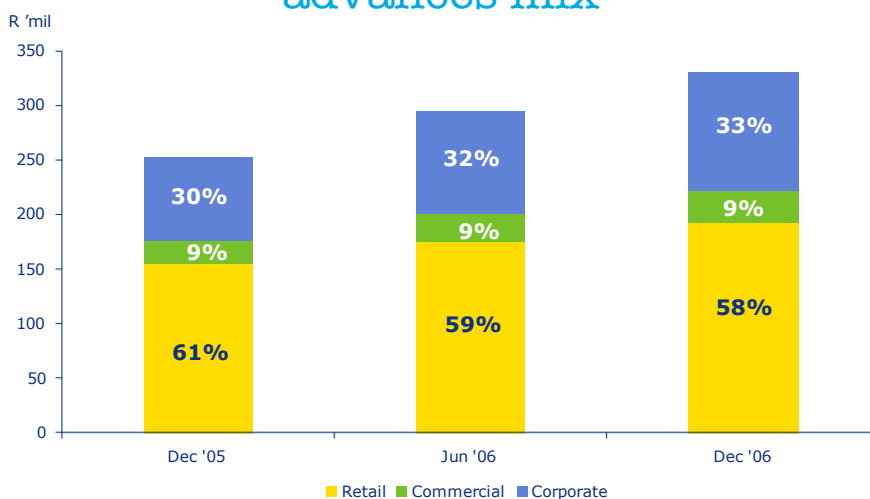
| | | |
|----------------------------|------|---|
| • Net interest income | 32% | ▲ |
| • Credit impairment charge | 100% | ▲ |
| • Non interest revenue | 32% | ▲ |
| • Associate earnings | 13% | ▲ |
| • Operating expenses | 29% | ▲ |



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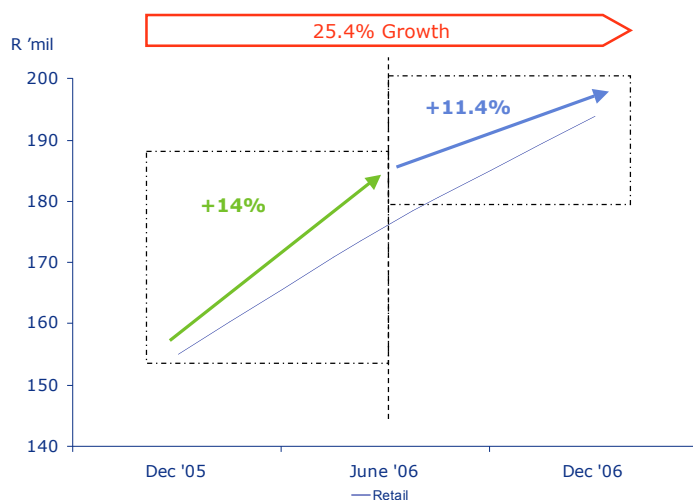
Retail continues to dominate advances mix



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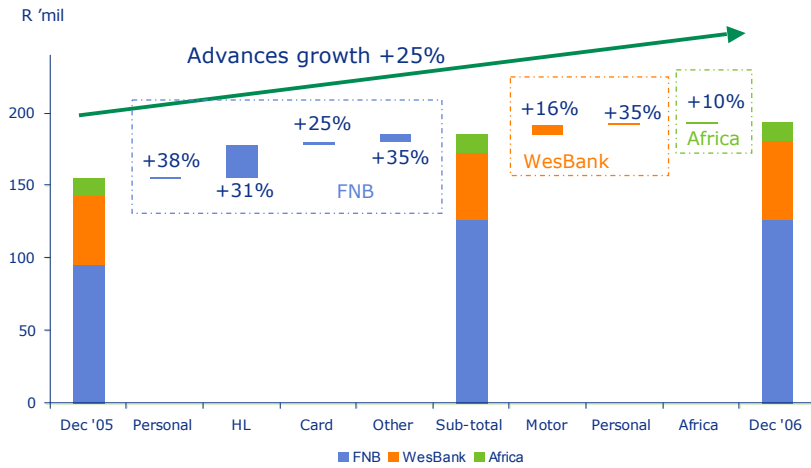
Retail starting to slow down



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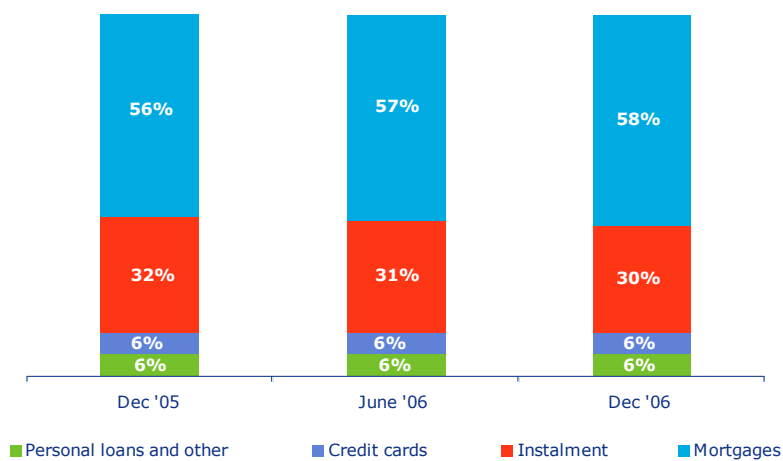
HomeLoans, Card & motor drive retail advances growth



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Asset backed dominates retail

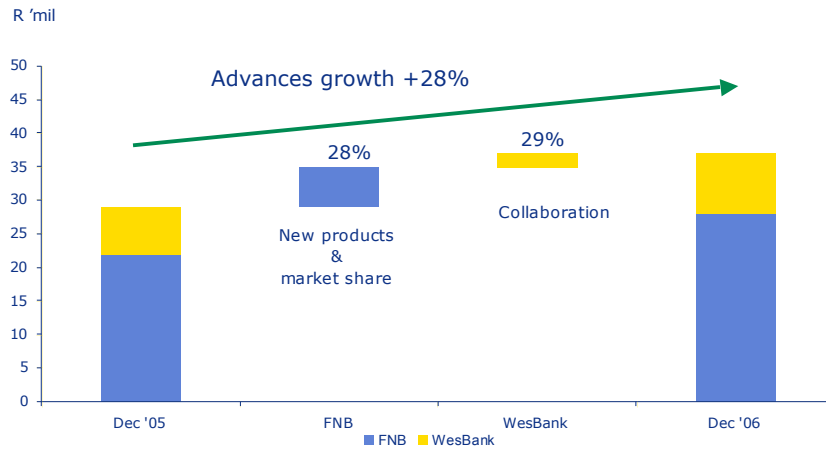


Note: Africa has been excluded above

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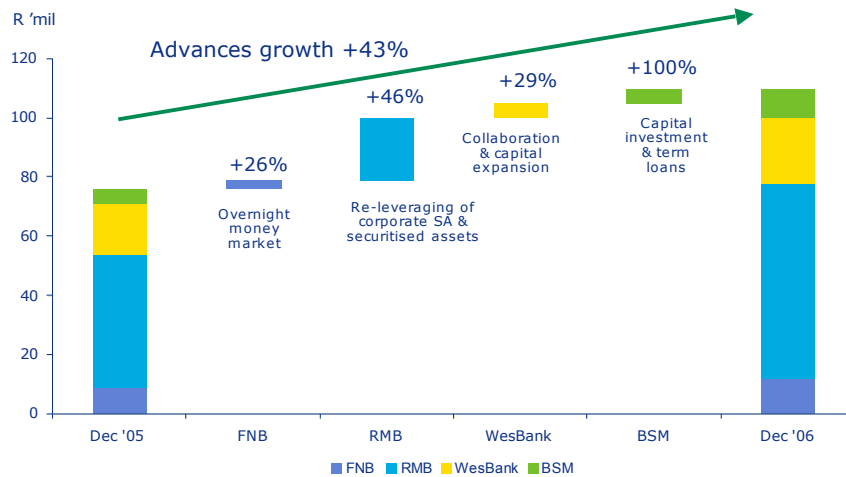
Commercial staying strong



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Focus on profitable corporate growth



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Endowment protects margin

| | Dec '06 |
|-----------------------------------|---------|
| | Bps |
| Margin on interest earning assets | 454 |
| Volume | - |
| Funding | 12 |
| Capital | 19 |
| Hedges | (8) |
| Other (includes IFRS) | (17) |
| Margin on interest earning assets | 460 |



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Asset margins stabilise

| | Weighting % | Dec '06 | June '06 | Dec '05 |
|------------------------------------|----------------|--------------|-------------|--------------|
| Asset backed mortgages | 48 | 2.24 | 2.27 | 2.40 |
| Instalment sales and lease debtors | 30 | 3.55 | 3.53 | 3.56 |
| Card debtors | 4 | 6.53 | 7.03 | 6.95 |
| Overdraft and other loans | 6 | 4.64 | 5.10 | 4.24 |
| Personal loans | 4 | 7.75 | 7.12 | 6.62 |
| Other advances | 8 | 2.23 | 2.31 | 2.67 |
| Total | 100 | 3.39* | 3.42 | 3.47* |

Lending margin down 8 bps

* Based on the twelve month rolling average advances balance




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Liability margins improve through endowment benefit

| | Weighting % | Dec '06 | June '06 | Dec '05 | |
|---------------------|-------------|-------------|-------------|-------------|----------|
| Current and savings | 38 | 4.37 | 4.12 | 4.13 | ▲ |
| Call accounts | 21 | 1.33 | 1.23 | 1.28 | ▲ |
| Notice deposits | 20 | 0.98 | 0.90 | 0.81 | ▲ |
| Fixed deposits | 10 | 0.79 | 0.74 | 0.70 | ▲ |
| Other | 11 | 1.64 | 1.45 | 1.62 | ▲ |
| Total | 100 | 2.68 | 2.30 | 2.49 | ▲ |

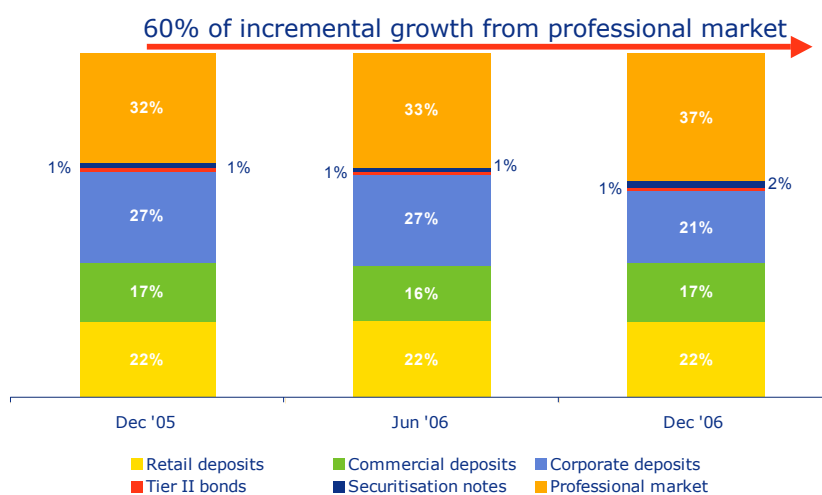

 Funding margin up 19 bps

* Based on the twelve month rolling average balance

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Continued dependence on professional funding



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Funding strategies

- Securitisation of selected classes of assets
- Consumer finance companies to access capital markets
- Capital instruments
- MTN Program



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Financial highlights

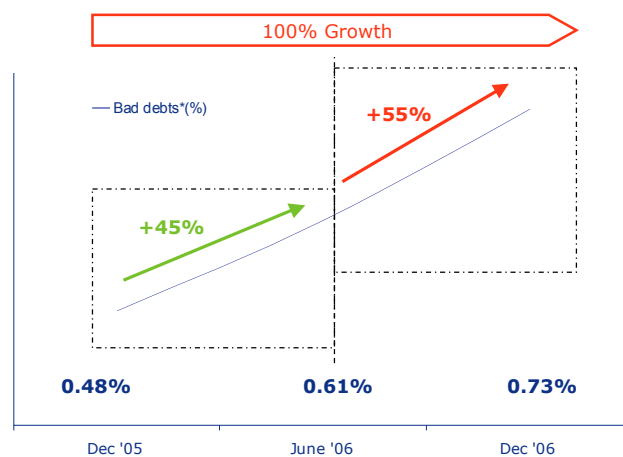
| | | |
|----------------------------|------|---|
| • Net interest income | 32% | ▲ |
| • Credit impairment charge | 100% | ▲ |
| • Non interest revenue | 32% | ▲ |
| • Associate earnings | 13% | ▲ |
| • Operating expenses | 29% | ▲ |



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As expected, impairments picking up



* Calculated as a percentage of average advances for the six months



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Credit themes

- Credit quality remains robust
- Normalisation in arrears, non performing loans and bad debts
- Actual versus expected charge off
- Risk adjusted margins are carefully monitored



financial review



Banking portfolio quality remains robust

Total

| R 'mil | For the six months ended | | |
|----------------|--------------------------|----------|---------|
| | Dec '06 | June '06 | Dec '05 |
| Gross advances | 332 344 | 297 162 | 253 167 |
| NPL | 4 955 | 4 211 | 3 357 |
| I/s charge | 1 151 | 835 | 576 |
| *Bad debt % | 0.73 | 0.61 | 0.48 |

FR rating moved from FR41 to FR43 since June 06

- FR rating for corporate moved from FR32 to FR33
- FR rating for retail moved from FR43 to FR48

* Calculated as a percentage of average advances for the six months



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Bad debts by brand

| | For the six months ended | | |
|----------|--------------------------|----------|---------|
| | Dec '06 | June '06 | Dec '05 |
| FNB | 0.83 | 0.75 | 0.42 |
| WesBank* | 1.04 | 1.07 | 0.65 |
| RMB** | 0.00 | 0.00 | 0.00 |
| Africa | 0.89 | 0.20 | 0.79 |
| Total | 0.73 | 0.61 | 0.48 |

* Includes securitised assets

** Primarily fair value advances with fair value changes offset against the asset values and fair value income



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Credit themes

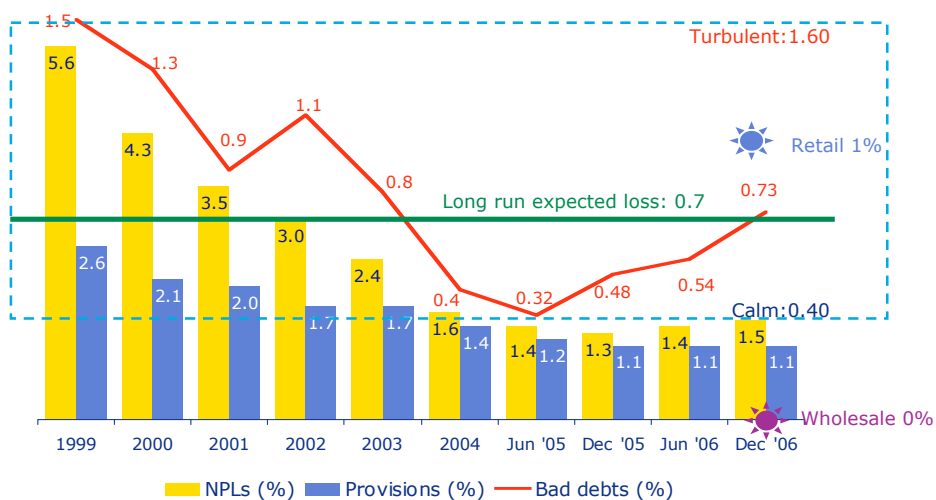
- Credit quality remains robust
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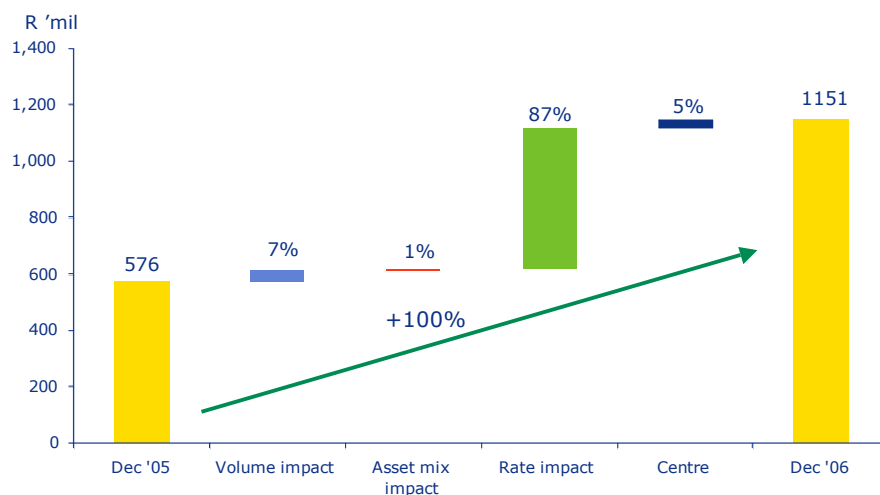
Non performing loans and bad debts



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Normalisation of credit cycle drives bad debt charge



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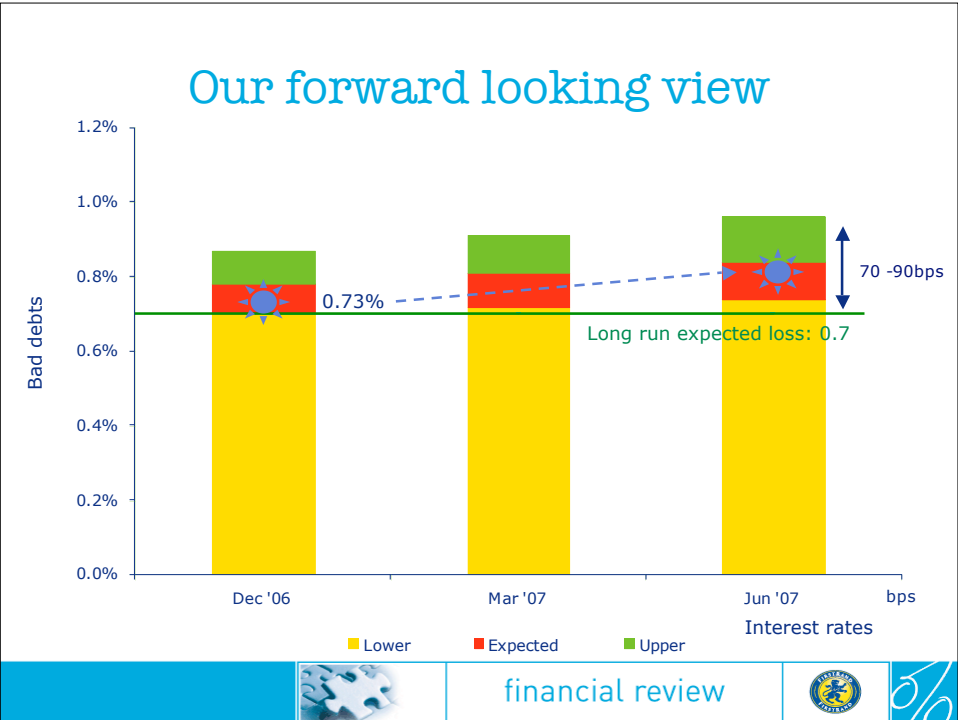
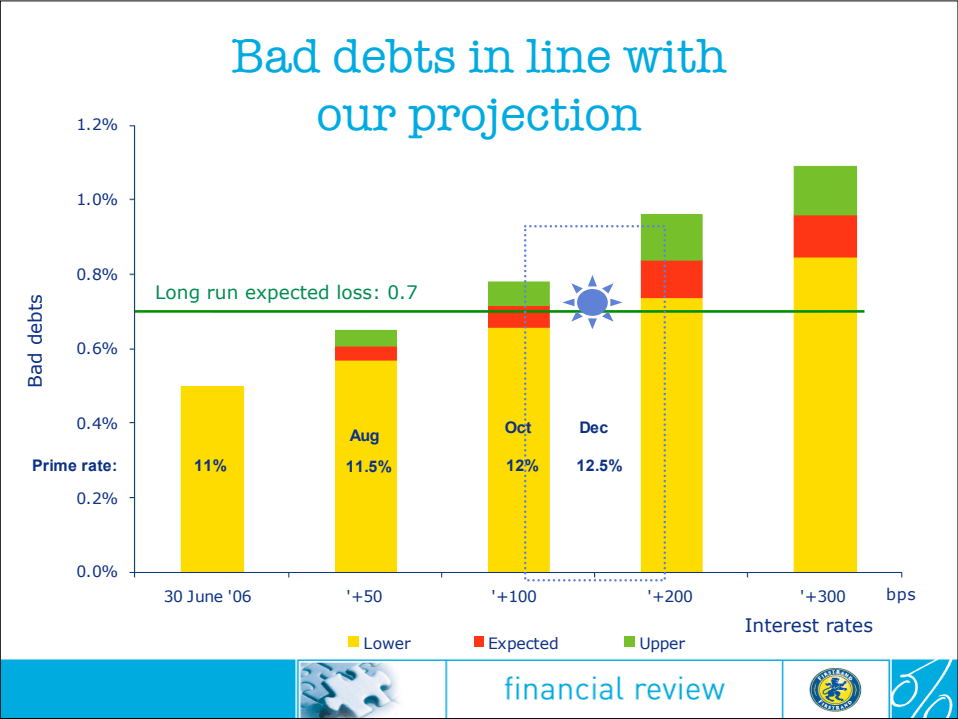
Credit themes

- Credit quality remains robust
- Normalisation in arrears, non performing loans and bad debts
- Actual versus expected charge off
- Risk adjusted margins are carefully monitored



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Credit themes

- Credit quality remains robust
- Normalisation in arrears, non performing loans and bad debts
- Actual versus expected charge off
- Risk adjusted margins are carefully monitored



financial review



It's about risk adjusted margins

| | December '06 | | | |
|------------------------------|---------------------|--------------|---------------------|----------------------------|
| | Average Weighting % | Margin % | Cost of bad debts % | Risk adjusted net margin % |
| Personal loans | 4 | 7.75 | 4.01 | 3.74 |
| Overdraft and other loans | 6 | 4.64 | 1.35 | 3.29 |
| Card debtors | 4 | 6.53 | 3.56 | 2.97 |
| Instalment and lease debtors | 30 | 3.55 | 0.83 | 2.72 |
| Other advances | 8 | 2.23 | 0.09 | 2.14 |
| Asset backed mortgages | 48 | 2.24 | 0.32 | 1.92 |
| Total | 100 | 3.39* | 0.73 | 2.66 |

* Based on the twelve month rolling average advances balance



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Financial highlights

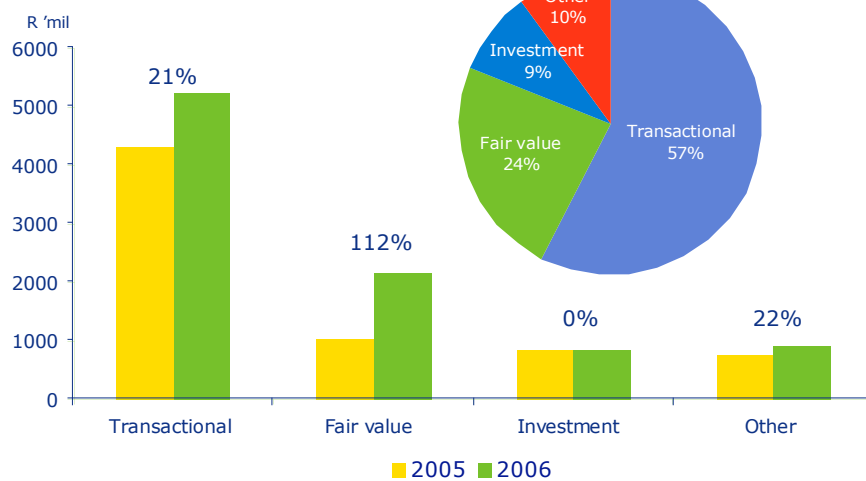
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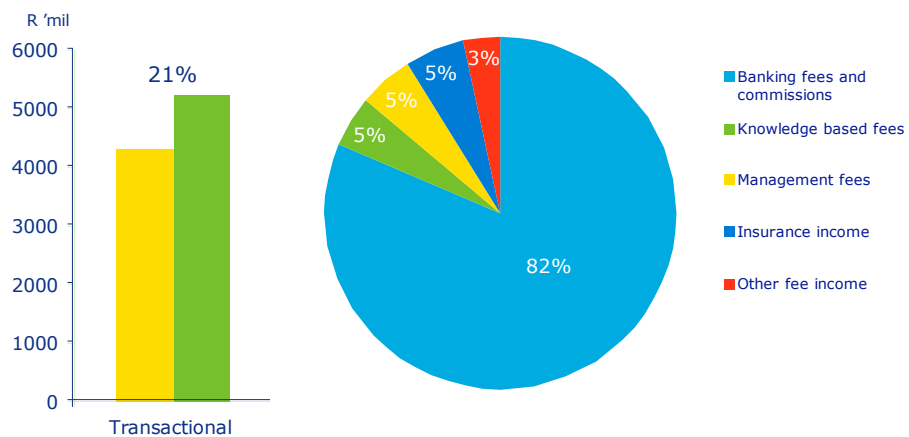
Transactional income dominates NIR



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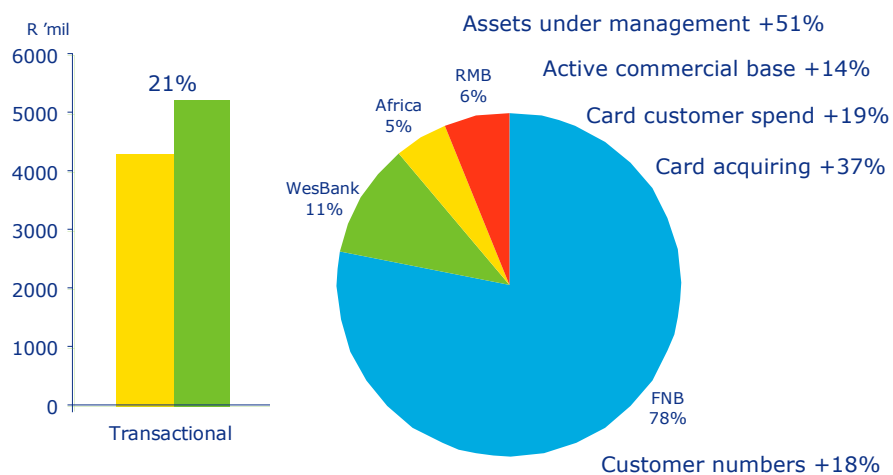
Banking fees comprise 82% of transactional income



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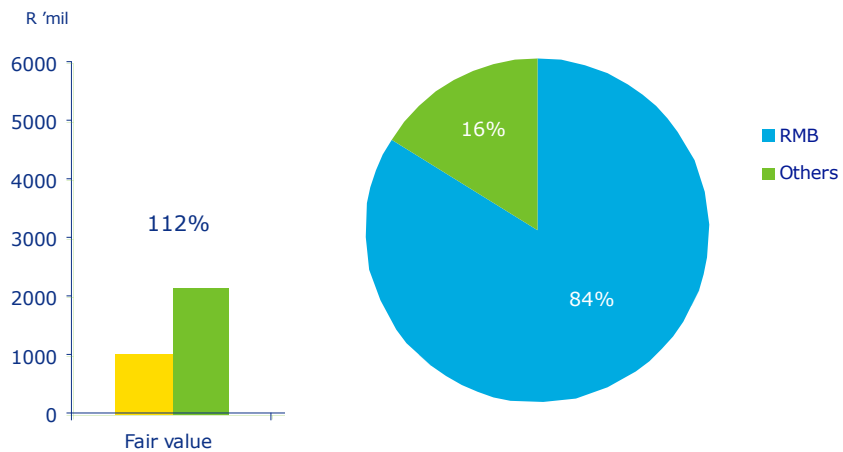
New customers and volumes drive transactional income



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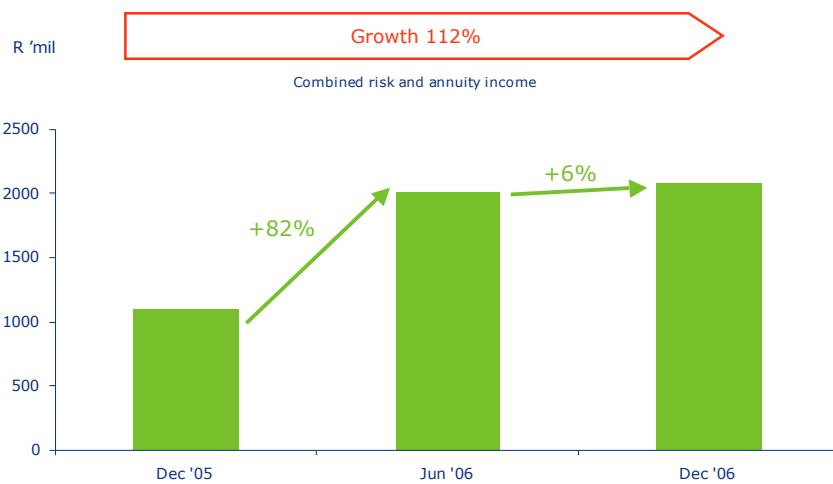
RMB's performance behind fair value growth



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Favourable market continues

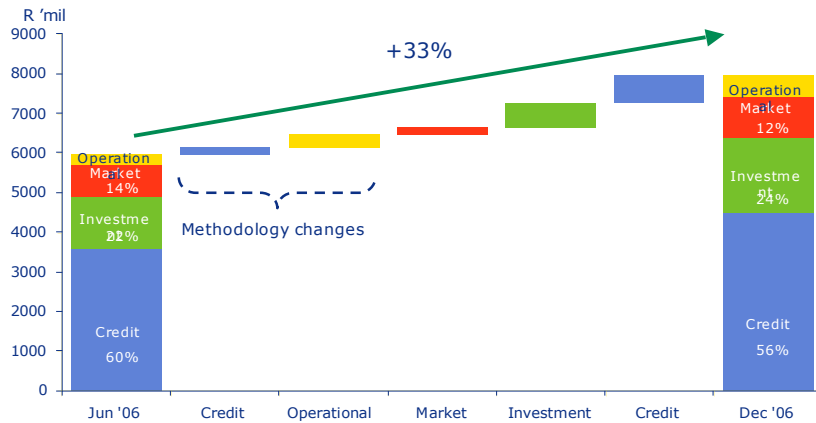


Note: Annuity and risk account for 88% of the growth

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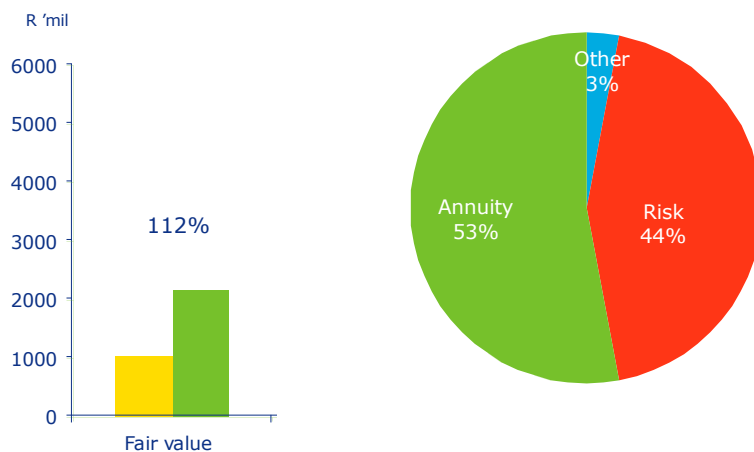
Credit and investment activities comprise 80% of capital at risk



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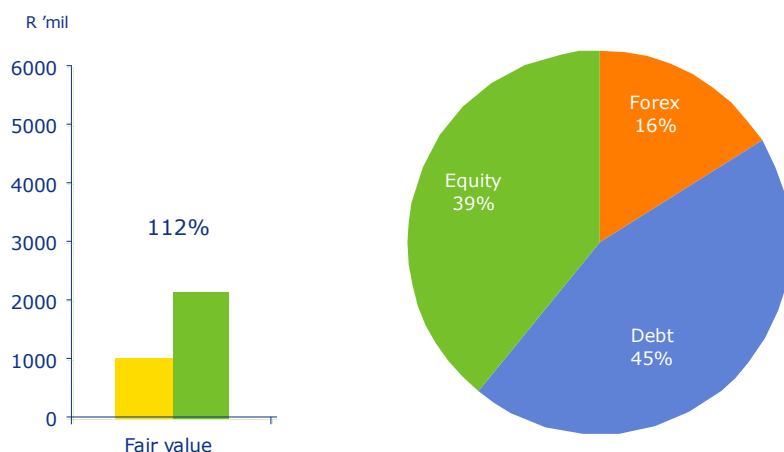
Risk is a core part of investment banking



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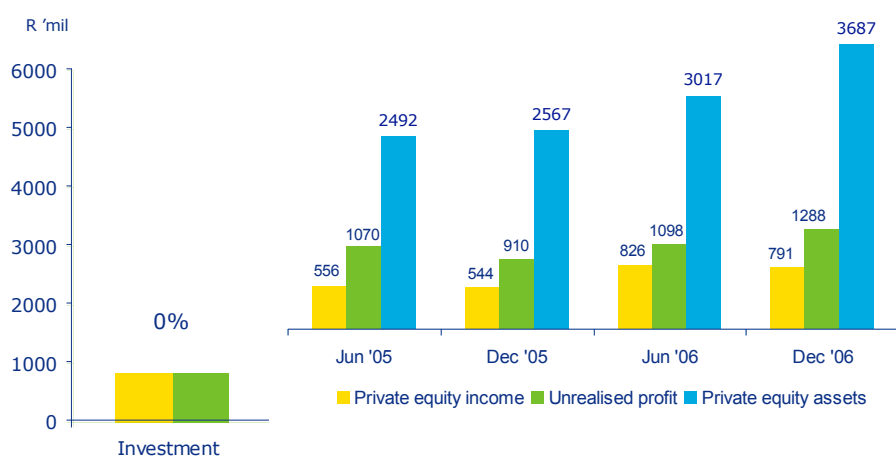
Equity becoming a significant contributor



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Portfolio growing, despite good realisations



Including Private Equity associates, private equity earnings is up 46%

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Financial highlights

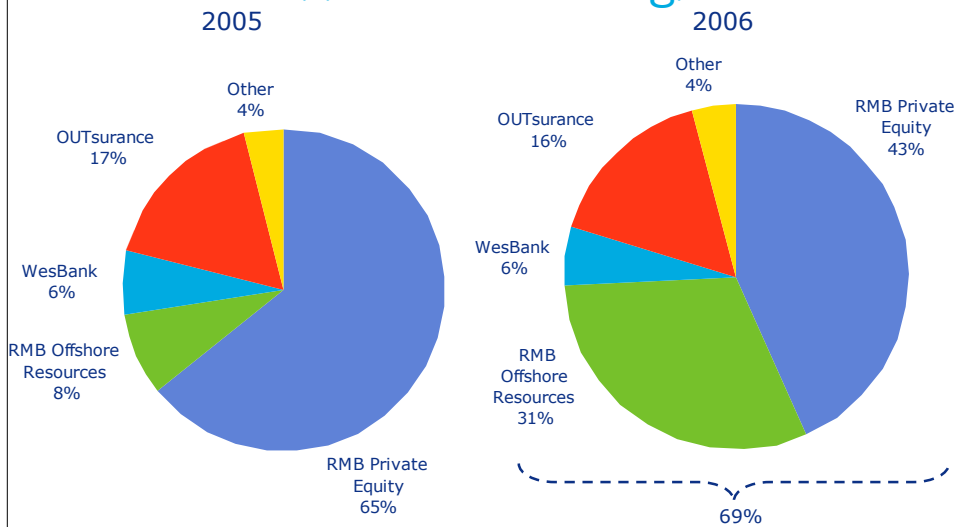
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RMB businesses dominate associate earnings



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Financial highlights

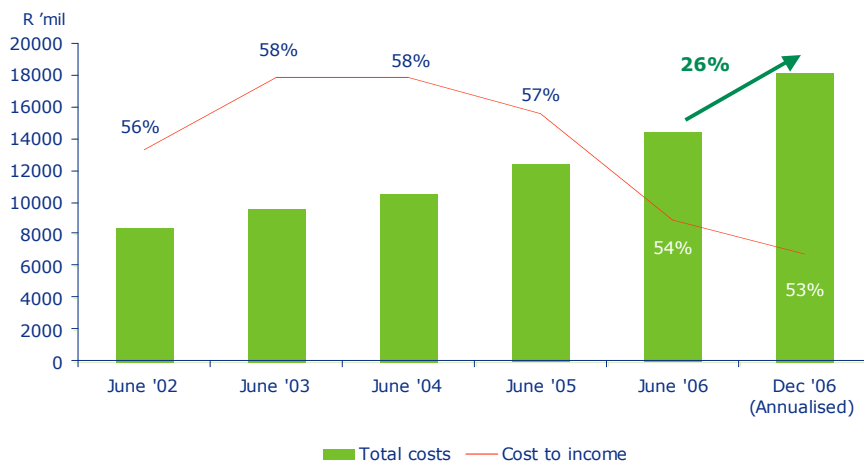
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| • Associate earnings | 13% | ▲ |
| • Operating expenses | 29% | ▲ |



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Top line growth drives operational leverage



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Improving efficiencies is a focus

| R'm | Top line growth % | Cost growth % | Dec '06 Cost to income ratio % | Jun '06 Cost to income ratio % | Dec '05 Cost to income ratio % |
|-------------------------|-------------------|---------------|--------------------------------|--------------------------------|--------------------------------|
| FNB | 23.6 | 16.6 | 59.4 | 62.3 | 62.9 |
| WesBank | 29.8 | 33.5 | 52.3 | 45.5 | 50.9 |
| - Local | 25.0 | 20.8 | 46.9 | 44.0 | 48.5 |
| - Offshore | 102.4 | 141.5 | 102.8 | 98.5 | 86.2 |
| RMB | 58.7 | 39.1 | 39.1 | 37.7 | 44.7 |
| Africa | 21.3 | 16.0 | 43.8 | 45.2 | 45.9 |
| FirstRand Banking Group | 31.0 | 28.7 | 53.0 | 53.8 | 53.8 |



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Spending for top line growth

| R'm | Dec '06 Cost | Dec '05 Cost | % change |
|--------------------------------|--------------|--------------|----------|
| Base Cost | 6 577 | 5 722 | 15 |
| - International expansion | 548 | 325 | 69 |
| - IFRS 2: Share based payments | 123 | - | >100 |
| - Post retirement medical | 223 | 47 | >100 |
| - Revenue related expenses | 1 469 | 907 | 62 |
| - New initiatives | 136 | 24 | >100 |
| FirstRand Banking Group | 9 076 | 7025 | 29 |



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Momentum financial review

momentum

Momentum's performance

| R 'mil | Dec '06 | Dec '05 | % change |
|------------------------------|---------|---------|----------|
| Normalised earnings | 635 | 544 | 17 |
| Insurance operations | 486 | 415 | 18 |
| Asset management operations | 149 | 129 | 16 |
| Return on equity (%) | 24 | 25 | |
| Return on embedded value (%) | 30 | 27 | |



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m



Brand earnings up 17%

| R' mil | Dec '06 | Dec '05 | % |
|--------------------------------|------------|------------|-----------|
| Insurance operations | 486 | 415 | 17 |
| • Momentum | 495 | 418 | 18 |
| • Bancassurance | (9) | (3) | >(100) |
| Asset management operations | 149 | 129 | 16 |
| • Local | 85 | 101 | |
| • Offshore (FRIAM & RMBIAM) | 64 | 28 | >100 |
| Momentum group earnings | 635 | 544 | 17 |

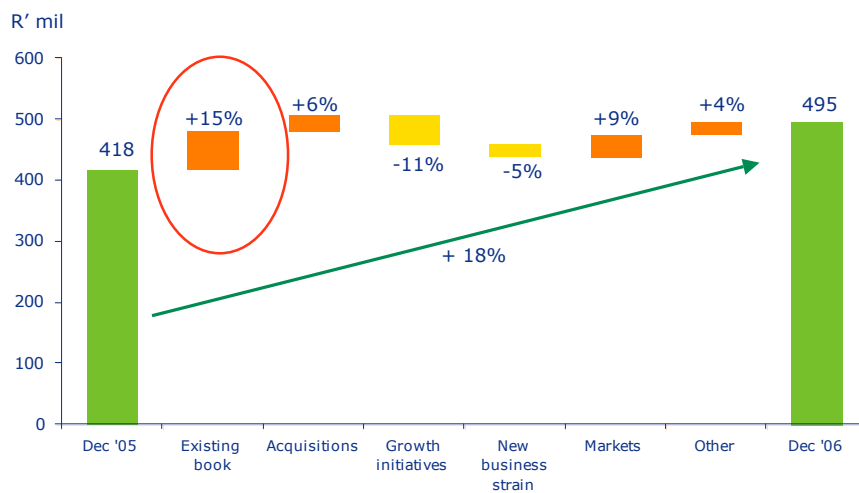


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Existing operations deliver

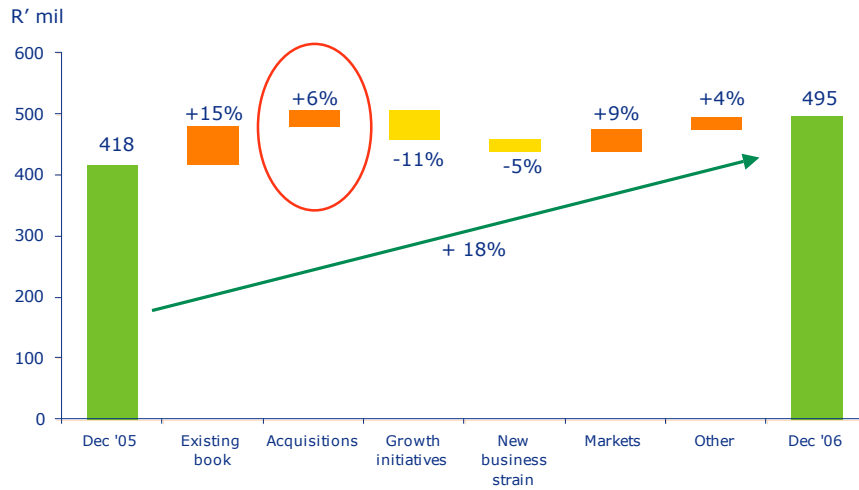


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Acquisitions improve performance

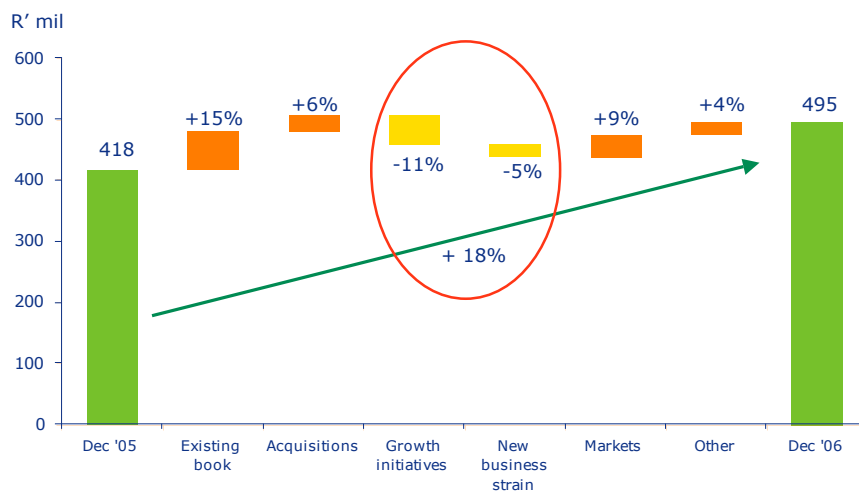


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Investment in new business & growth initiatives

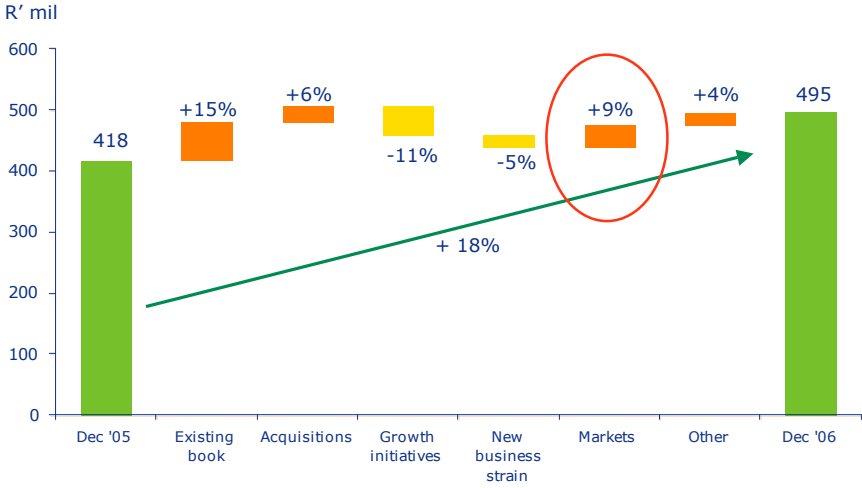


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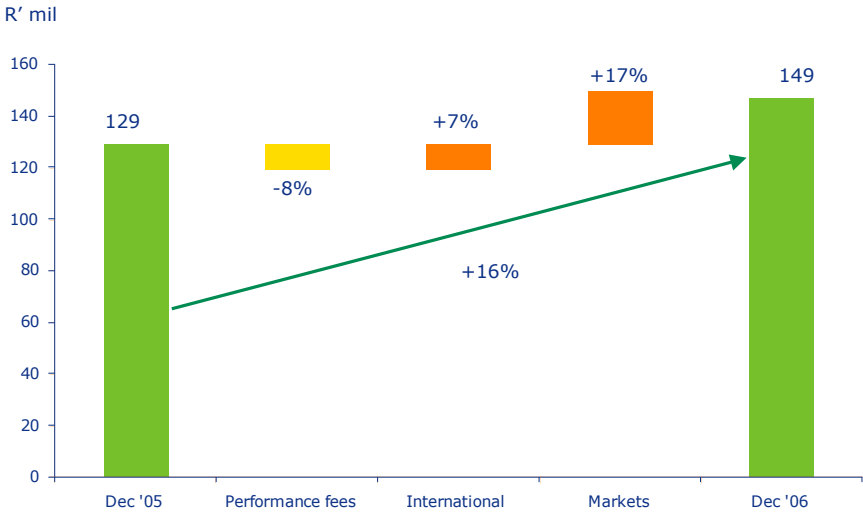
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Good return from markets



Disappointing performance from asset management



Momentum's performance

| R 'mil | % |
|------------------------------|----|
| Return on shareholder assets | 17 |

- Buoyant equity markets
- Revaluation of strategic investments
- Investment income



Momentum's performance

| | % |
|----------------------------------|----|
| Return on shareholder assets | 17 |
| Value of in-force | 13 |
| Total increase in embedded value | 30 |

- Good new business
- Margin pressure
- Strong equity markets
- Lower capital requirement





Discovery financial review



Strong operational performance

| R' mil | Dec '06 | Dec '05 | Growth % |
|---|------------|------------|------------|
| Discovery Health | 342 | 265 | 29 |
| Discovery Life | 318 | 246 | 29 |
| Discovery Vitality | 26 | 16 | 63 |
| Destiny Health | (33) | (80) | 59 |
| PruHealth | (123) | (68) | (81) |
| Operating profit | 530 | 379 | 40% |
| After tax profit, before BEE | 421* | 338 | 25 |
| After tax profit, after BEE | 404 | 194 | 108 |
| *After dilution & normalised earnings adjustments | 220 | 183 | 20 |



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Agenda

- Overview – Paul Harris
- Financial review – Johan Burger
- Operating review Banking Group – Sizwe Nxasana
- Operating review Momentum Group – EB Nieuwoudt
- Challenges and prospects – Paul Harris



Bank's performance driven by RMB and FNB

| R 'mil | Profit before tax | % |
|---------|----------------------|----|
| FNB | 2 981 | 25 |
| RMB | 2 054 | 75 |
| WesBank | 711 | 1 |
| Africa | 437 | 27 |



banking



FNB
First National Bank

How can we help you?



banking



Successful organic growth strategy

| | Dec '06 | Dec '05 | |
|--------------------------------------|---------|---------|-------|
| Net profits before taxation (R' mil) | 2981 | 2361 | ↑ 26% |
| Non-interest revenue (R' mil) | 5125 | 4275 | ↑ 20% |
| Advances growth (R' bn) | 157 | 120 | ↑ 31% |
| Deposit growth (R' bn) | 156 | 131 | ↑ 19% |
| ROE (%) | 35.3 | 35.1 | |
| Cost to income (%) | 59.4 | 62.9 | |



banking



Volumes keep growing

| | Dec '06 | Dec '05 | |
|-------------------|---------|---------|-------|
| 000's | | | |
| Customer base* | 5 555 | 4 654 | ↑ 19% |
| InContact | 4 171 | 2 639 | ↑ 58% |
| eBucks customers | 1 020 | 949 | ↑ 7% |
| Internet bankers | 578 | 456 | ↑ 27% |
| Telephone bankers | 199 | 178 | ↑ 12% |
| Cellphone bankers | 313 | 163 | ↑ 92% |

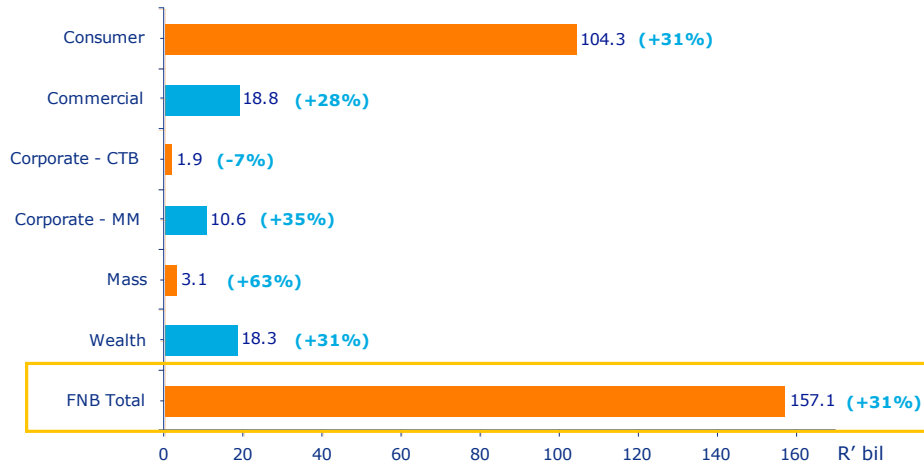
* Including WesBank customers amount to 6.0 million



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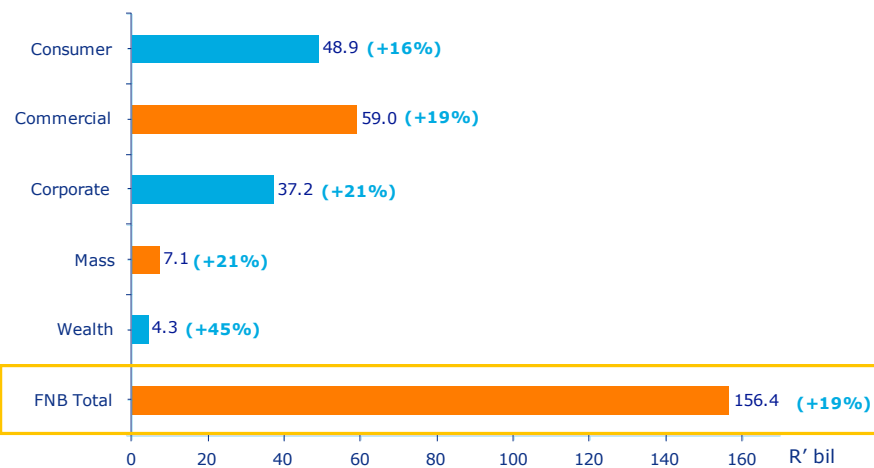
Advances growth continues



banking



Successful liabilities strategy



banking



Successful segment strategy

| | Dec '06 | Dec '05 | Growth |
|--------------------------------------|---------|---------|--------|
| Net profit before indirect tax R`mil | | | |
| Consumer | 1198 | 1039 | ↑ 15% |
| Commercial | 1107 | 839 | ↑ 32% |
| Corporate | 388 | 302 | ↑ 29% |
| FNB Other | 343 | 290 | ↑ 18% |
| Wealth | 83 | 51 | ↑ 65% |
| Total FNB | 3119 | 2521 | ↑ 24% |



banking



Consumer – financial highlights

- Advances growth +31%
 - Deposit growth +16%
-
- Interest income +27%
 - Non interest revenue +18%
-
- Profit before tax +15%



banking



Improved profits from HomeLoans

- Strong profit growth from HomeLoans +26%
 - Good volumes in profitable new business
 - Widening margins
- Non interest revenue +47%
 - Strong transactional volumes from One Account
- Advances +31%
- Deliberate focus on ROE results in loss of new business market share



banking



FNB Card growing and investing

- Card still growing strongly
 - Advances +25%
 - Spend +19%
 - Customers +17%
- Profitability impacted (down 50%)
 - Usury Act
 - Investment in cooperation agreements
 - Expected high levels of bad debts
- Arrear levels continued to improve through intensified collections activities



banking



Commercial – financial highlights

- | | |
|------------------------|------|
| • Advances growth | +28% |
| • Deposit growth | +19% |
| <hr/> | |
| • Interest income | +25% |
| • Non interest revenue | +21% |
| <hr/> | |
| • Profit before tax | +32% |



banking



Customer innovation is key

- Customer centric model
- Value add products drove advances growth
 - Debtors finance
 - Commercial Property finance
 - Agriculture term loans
 - Franchising
 - Leverage finance



banking



Corporate – financial highlights

- | | |
|------------------------|------|
| • Advances growth | +26% |
| • Deposit growth | +21% |
| <hr/> | |
| • Interest income | +21% |
| • Non interest revenue | +14% |
| <hr/> | |
| • Profit before tax | +29% |



banking



Corporate strategy paying off

- Transactional banking strategy vs vanilla lending
- Transaction volumes strong
 - Electronic channel +33%
 - Card acquiring +37%
 - Cash acquiring +27%
- Transactional balances
 - Deposits +21%
 - Loans +26%
- International Banking benefits from market volatility



banking



Private Bank drives Wealth

- Wealth segments growth in profits driven largely by RMB Private Bank
 - Assets under management +51%
 - Advances +31%
 - Interest income +34%
 - Non interest income +27%



banking



MASSive customer growth

- Mass segment delivered an excellent performance, driven by
 - Interest income +34%
 - Non interest income +29%
 - Smart product suite drives 65% growth in advances
- Continue to focus on efficient delivery channels for this market
 - Mini-ATMs
 - Cellphone banking
 - Smart sales centres



banking



Still investing for growth

| | Year on year growth | |
|------------|---------------------|---|
| Investment | +31% | <ul style="list-style-type: none">• People• Platforms• Technology |
| Variable | +32% | <ul style="list-style-type: none">• New business• Volumes |
| Base | +14% | <ul style="list-style-type: none">• Efficiencies |



banking



Organic growth set to continue

- High base created, but organic growth remains strong
- Resilient lending book to withstand interest rate increases
- 2010 FIFA World Cup™ partnerships & opportunities
- NCA bad debt impact provided against
- Co-operation agreements provide growth opportunities



banking





Traditional values. Innovative ideas.

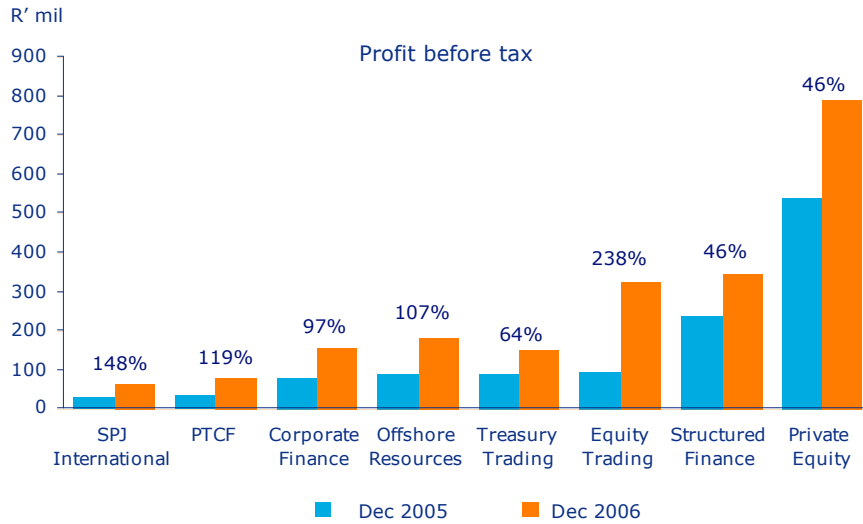


Successful growth strategy

| | Dec '06 | Dec '05 | |
|--------------------------------------|---------|---------|-------|
| Net profits before taxation (R 'mil) | 2054 | 1174 | ↑ 75% |
| ROE (%) | 40.9 | 35.4 | |
| Cost to income (%) | 39.1 | 44.7 | |



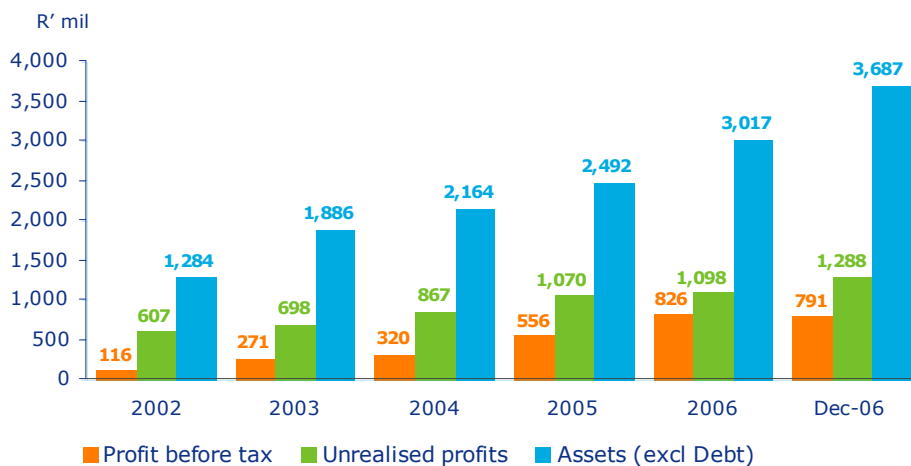
The whole portfolio delivered



banking



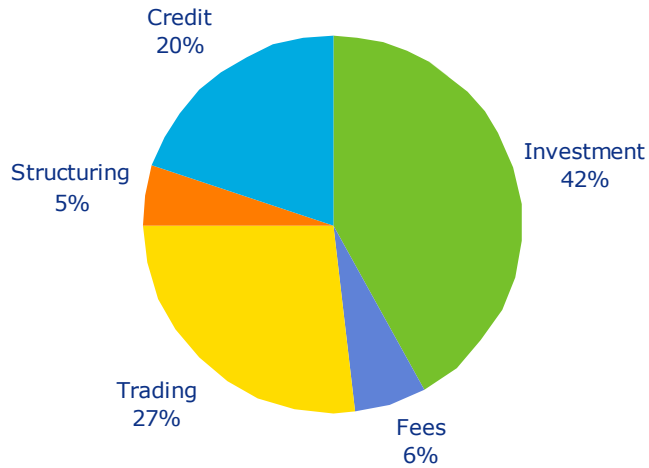
Investment in Private Equity continued



banking



Diverse earnings base



banking



Performance reflects strong franchise

| | BEE | Strong equity and resources markets | Re-leveraging corporate SA |
|--------------------|------------|--|-----------------------------------|
| Private Equity | ✓ | ✓ | |
| Equity Trading | | ✓ | |
| Corporate Finance | ✓ | ✓ | ✓ |
| Structured Finance | ✓ | | ✓ |
| PTCF | | ✓ | ✓ |
| Treasury Trading | ✓ | | |
| SPJ international | | | |
| Offshore resources | | ✓ | |



banking



Portfolio underpins prospects

Investment banking is a reactive business where success is determined by your ability to react to an ever-changing environment

- Top team
 - PWC Peer review
- Favourable environment continues
 - Strong economic growth
 - BEE
 - Infrastructure spend
 - Leveraging of corporate South Africa



banking



WesBank

Put us to the test



banking

WesBank



Profits dampened by investments

| Net profit before taxation (R 'mil) | Dec '06 | Dec '05 | |
|-------------------------------------|---------|---------|---------|
| Local operations | 776 | 687 | ↑ 13% |
| International operations | (65) | 17 | ↓ >100% |
| Total | 711 | 704 | ↑ 1% |



banking

WesBank



Core business shows solid growth

| | Dec '06 | Dec '05 | |
|-----------------------------------|---------|---------|-------|
| Net profits before taxation (R'm) | 776 | 687 | ↑ 13% |
| Non interest income (R'm) | 679 | 463 | ↑ 47% |
| Advances growth (R'nb) | 87.5 | 73.4 | ↑ 19% |
| Cost to income (%) | 59.4 | 48.5 | |



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WesBank



Still growing and still efficient

- WesBank has doubled its account numbers in 3 ½ years
- Cost to income ratio has improved by 3%
- Good production growth in the corporate sector
- Continued market share growth



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WesBank



Absorbing start-up costs in Australia

- WorldMark is an established car care product supplier
 - Six-month turnover R160m and a profitable business
- MotorOne instalment finance operation
 - Still absorbing start up costs
 - Have signed a number of dealers so new business prospects improving
 - Production growing (R900m for the period)
 - Further scale required and expected to achieve profitability in the medium term



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WesBank



Turning around in the UK

- Acquired Carlyle Finance in June 2006, an existing retail and business asset finance operation
- Business currently underperforming from a marketing and efficiency perspective
- Major turnaround potential over short to medium term



banking

WesBank



Despite challenges some good opportunities

- Challenges
 - Manage arrear levels and collections activities
 - Manage the international operations into profitability in the short to medium term
 - National Credit Act
- But good opportunities
 - Corporate and government infrastructure development
 - Good partnership growth prospects
 - International expansion
 - Profitability in local subsidiary operations



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WesBank





How can we help you?



How can we help you?



How can we help you?



How can we help you?



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All subsidiaries performed

| Net profit before taxation (R' mil) | Dec '06 | Dec '05 | | |
|-------------------------------------|---------|---------|---|-----|
| FNB Namibia | 196 | 161 | ↑ | 22% |
| FNB Botswana | 211 | 165 | ↑ | 28% |
| FNB Swaziland | 30 | 19 | ↑ | 58% |
| FNB Lesotho | - | - | | |
| FNB Africa | 437 | 344 | ↑ | 27% |



banking



Africa came through

- Overall profits up 27%
- ROE at 31%
- All the subsidiaries delivered
 - strong top line growth
 - sound cost control
- FNB Swaziland continued strong recovery
- FNB Lesotho profitable



banking



O U T
S U R A N C E



banking



Strong operational performance

| | Dec '06 | Dec '05 | |
|--------------------------------------|---------|---------|-------|
| Net profits before taxation (R' mil) | 328 | 278 | ↑ 18% |
| Gross premiums (R' mil) | 1368 | 1109 | ↑ 23% |
| Expense ratio (%) | 15.2 | 16.1 | |
| Claims and OUTbonus ratio (%) | 57.8 | 57.4 | |



banking

OUT
SURANCE



Agenda

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integrated



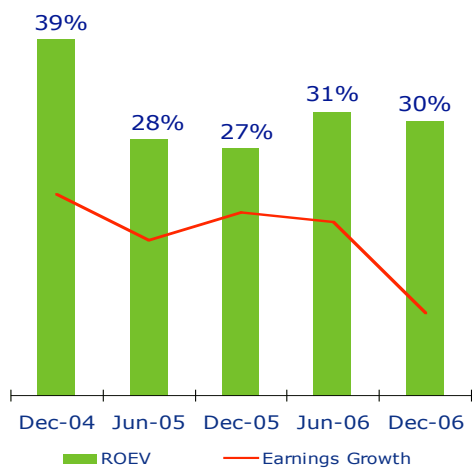


Momentum operational review

momentum

The Momentum Group story...

Consistently excellent ROEV



- Continued sales success
- Margin pressure
- Disappointing contribution from Asset Management
- Investment in new growth initiatives

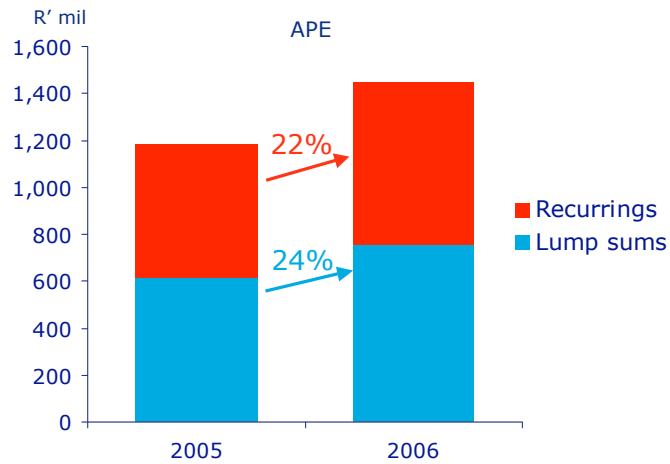


momentum

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Strong insurance new business volumes



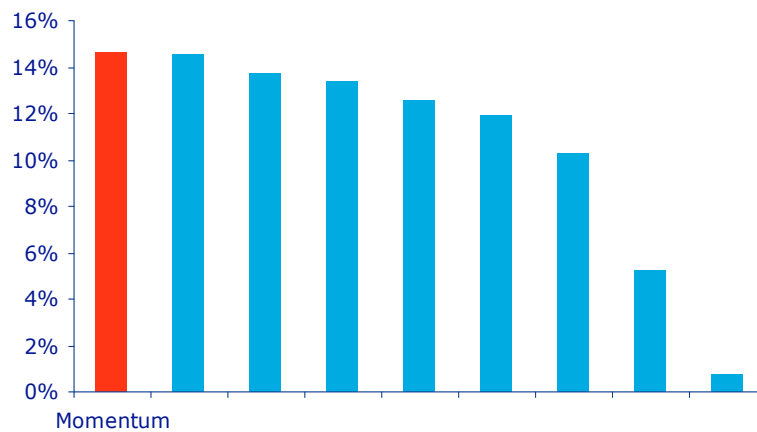
momentum

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Continued market share gains in investment flows

Market share inflows - December 2006



December 2006 LISPA statistics



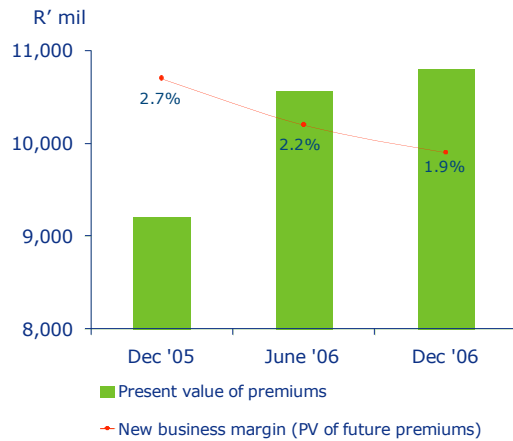
momentum

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Sales success but margin pressure

- Improved customer value proposition
- Change in business mix
- Distribution diversification
- Statement of intent



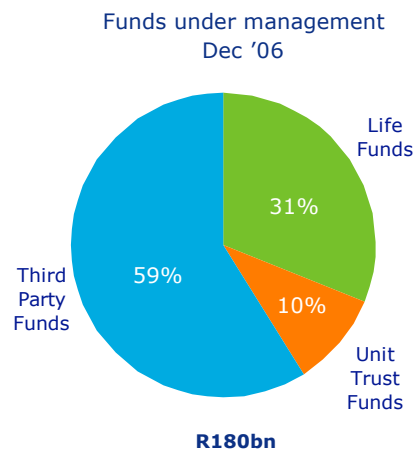
momentum

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Disappointing contribution from local asset management

- Ordinary investment performance
- Lack of performance fees
- Fund disinvestments
- Negative impact on earnings



momentum

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Enhancing the asset management proposition

- Streamlining international offering
- Globalisation of fixed income
- Hedge fund offering
- African opportunities
- Optimise synergies between Momentum and RMBAM

Focus on investment performance



momentum

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Investment in growth initiatives

- Distribution diversification
 - Bancassurance
 - FNB brokers
 - Agency
- Momentum Short-Term insurance
 - Strong premium growth and improving operating result since inception
- Health operations in Africa
 - Exciting pipeline



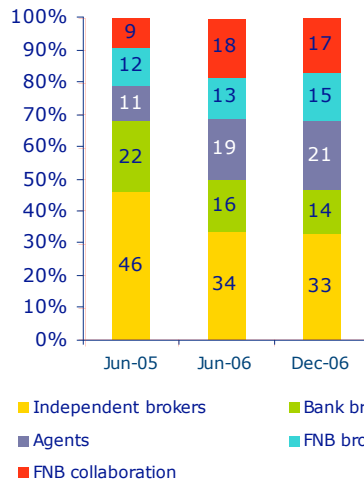
momentum

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Distribution effectively diversified

Retail recurring premiums



- Bancassurance significant
- FNB Brokers now the largest bank broker channel
- Improved contribution from agency force



momentum

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Investment in growth initiatives

- Distribution diversification
 - Bancassurance
 - FNB brokers
 - Agency
- Momentum Short-Term insurance
 - Strong premium growth and improving operating result since inception
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 - Exciting pipeline

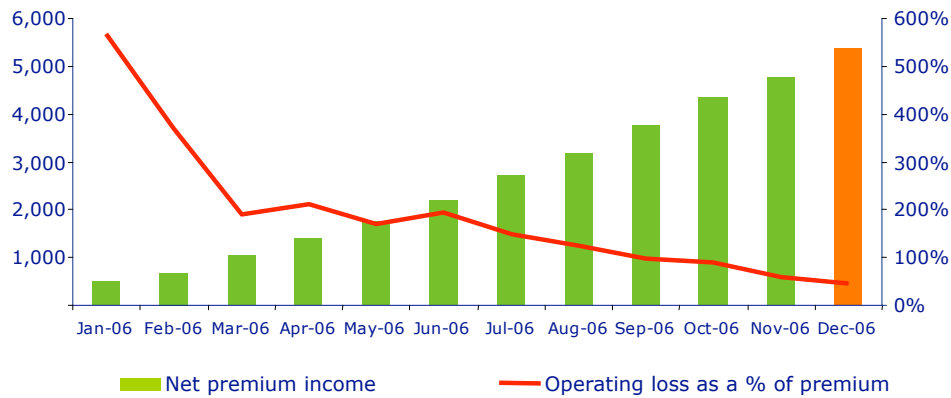


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Momentum Short-Term Insurance in line with expectations



Become cash-flow positive by February 2008



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Investment in growth initiatives

- Distribution diversification
 - Bancassurance
 - FNB brokers
 - Agency
- Momentum Short-Term insurance
 - Strong premium growth and improving operating result since inception
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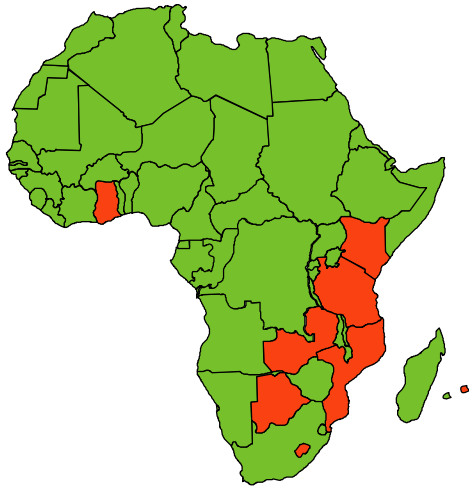


momentum

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Exciting pipeline in Africa



- Footprint in 8 countries (excluding SA)
- Demand for integrated group health products
- Optimistic about government tenders



momentum

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integrated





Challenges & prospects



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Challenges







- Competition Commission and regulation
- Transformation
- Search for greater cost efficiency
- Funding the growth
- Focus on improving ROE



integrated



Well positioned diversified portfolio

| | New Black consumer | Re-leverage Corporate SA | BEE | New Markets |
|---|--------------------|--------------------------|-----|-------------|
|  FNB <small>First National Bank</small> <i>How can we help you?</i> | ✓ | ✓ | ✓ | ✓ |
|  RAND MERCHANT BANK <small>1824</small> | | ✓ | ✓ | ✓ |
|  WesBank <small>A division of FirstRand Bank Ltd</small> | ✓ | ✓ | | ✓ |
|  momentum | ✓ | | | ✓ |
|  OUT SURANCE | ✓ | | | ✓ |
|  Discovery | ✓ | | | ✓ |

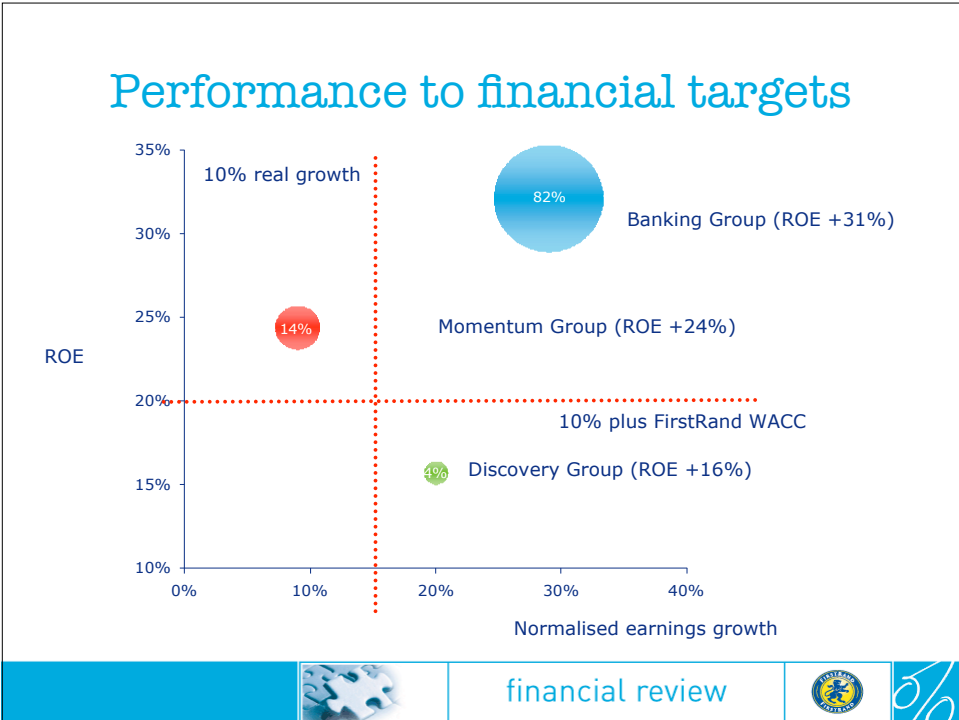


In summary

Investing in future growth
 +
 A well diversified portfolio
 +
 Great franchises
 +
 Great team

Excellent results





Normalised vs Headline

| R 'mil | Dec '06 | Dec '05 | % |
|--|---------|---------|----|
| Banking group headline earnings | 4 321 | 3 364 | 28 |
| Adjusted for: | 431 | 316 | |
| Private equity realisations | 308 | 294 | |
| IFRS 2: Share based payments | 123 | - | |
| Inter-divisional transfer | - | 22 | |
| Banking group normalised headline earnings | 4 752 | 3 680 | 29 |



financial review



Conservative coverage

6 monthly contribution as a % of advances

| | 1 st 6 months (6 month average) | 2 nd 6 months (6 month average) | Total |
|--------------------------------------|---|---|-------|
| NPL as % of advances | 1.42 | 1.49 | 1.49 |
| Provisions as % of average advances* | 0.61 | 0.73 | 0.68 |
| - Portfolio (%) | 0.11 | 0.11 | 0.11 |
| - Specific (%) | 0.50 | 0.62 | 0.57 |
| Coverage ratio (%) | 86 | 82 | 82 |
| Net coverage ratio (%) | 156 | 154 | 154 |

* Excluding fair value revaluations in RMB.



financial review



Banking group portfolio quality remains robust

Total

| R 'mil | For the six months ended | | |
|----------------|--------------------------|----------|---------|
| | Dec '06 | June '06 | Dec '05 |
| Gross advances | 332 344 | 297 162 | 253 167 |
| NPL | 4 955 | 4 211 | 3 357 |
| I/s charge | 1 151 | 835 | 576 |
| *Bad debt (%) | 0.73 | 0.61 | 0.48 |

* Calculated as a percentage of average advances for six months

FR rating moved from FR41 to FR43 over the past six months



financial review



Banking group portfolio quality remains robust

Retail

| R 'mil | For the six months ended | | |
|----------------|--------------------------|----------|---------|
| | Dec '06 | June '06 | Dec '05 |
| Gross advances | 125 701 | 112 058 | 95 552 |
| NPL | 2 238 | 1 683 | 1 119 |
| NPL % | 1.8 | 1.5 | 1.2 |
| I/s charge | 581 | 444 | 232 |
| *Bad debt % | 0.98 | 0.86 | 0.53 |

* Calculated as a percentage of average advances for six months

Higher provisions in all retail portfolios



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Banking group portfolio quality remains robust

Retail continued

| R 'mil | Dec '06 | June '06 | Dec '05 |
|--|---------|----------|---------|
| <u>Home Loans</u> | % | % | % |
| - Arrears | 7.72 | 6.60 | 5.42 |
| - NPL | 1.0 | 0.8 | 0.7 |
| - Loan To Book Value | 77.3 | 77.7 | 77.8 |
| - Loan to Market Value | 56.6 | 53.9 | 50.3 |
| <u>Credit Card</u> | | | |
| - Arrears (including special arrangements) | 9.54 | 10.22 | 10.49 |
| - NPL | 6.6 | 5.5 | 4.4 |



financial review



Banking group portfolio quality remains robust

Commercial

| R 'mil | For the six months ended | | |
|----------------|--------------------------|----------|---------|
| | Dec '06 | June '06 | Dec '05 |
| Gross advances | 18 857 | 17 276 | 14 836 |
| NPL | 471 | 415 | 424 |
| NPL % | 2.5 | 2.4 | 2.9 |
| I/s charge | 60 | 35 | 5 |
| *Bad debt % | 0.66 | 0.43 | 0.07 |

* Calculated as a percentage of average advances for the six months

Increased provisions due to NPL increase and portfolio provision charge



financial review



Banking group portfolio quality remains robust

WesBank

| R 'mil | For the six months ended | | |
|-------------------|--------------------------|----------|---------|
| | Dec '06 | June '06 | Dec '05 |
| ** Gross advances | 93 120 | 81 330 | 72 314 |
| NPL | 1 149 | 945 | 710 |
| NPL % | 1.2 | 1.2 | 1.0 |
| I/s charge | 452 | 411 | 222 |
| *Bad debt % | 1.04 | 1.07 | 0.65 |

* Calculated as a percentage of average advances for the six months

** Includes securitisation advances

Increased NPL and arrears since December 2005



financial review



Banking group portfolio quality remains robust

Corporate

| R 'mil | For the six months ended | | |
|----------------|--------------------------|----------|---------|
| | Dec '06 | June '06 | Dec '05 |
| Gross advances | 78 195 | 68 775 | 54 670 |
| NPL | 725 | 944 | 770 |
| NPL % | 0.9 | 1.4 | 1.4 |
| I/s charge | (24) | 13 | - |
| *Bad debt % | (0.07) | 0.04 | 0.00 |

* Calculated as a percentage of average advances for the six months

52% of the portfolio is investment grade - based on international scale ratings



financial review



Key income statement credit impairment ratios by segment

Percentage of average advances

| | Dec '06 | | | Dec '05 | | |
|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | Portfolio % | Specific % | Total % | Portfolio % | Specific % | Total % |
| FNB | 0.20 | 0.63 | 0.83 | 0.08 | 0.34 | 0.42 |
| WesBank | (0.02) | 1.06 | 1.04 | 0.04 | 0.61 | 0.65 |
| RMB* | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Africa | 0.37 | 0.52 | 0.89 | 0.00 | 0.79 | 0.79 |
| Total | 0.11 | 0.62 | 0.73 | 0.11 | 0.37 | 0.48 |

* Primarily fair value advances with fair value changes offset against the asset values



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Key income statement credit impairment ratios by product

Percentage of average advances

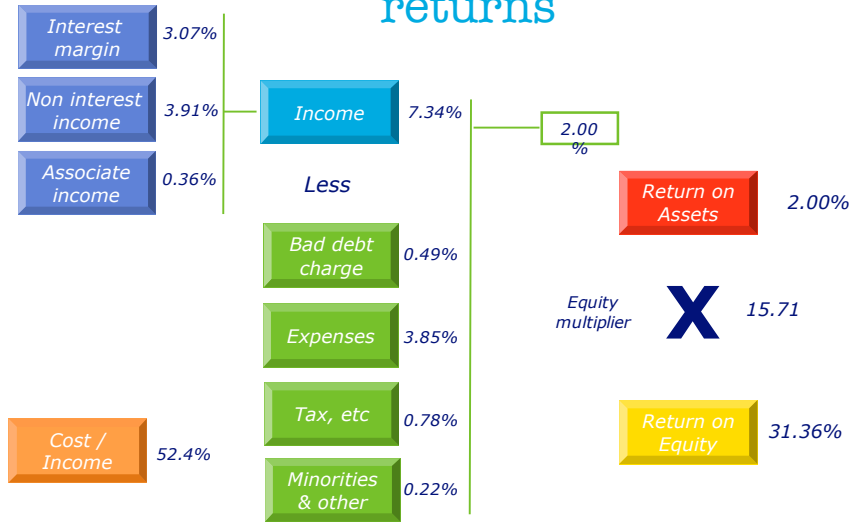
| | Dec '06 | | | Dec '05 | | |
|-----------------|-------------|------------|---------|-------------|------------|---------|
| | Portfolio % | Specific % | Total % | Portfolio % | Specific % | Total % |
| FNB | 0.20 | 0.63 | 0.83 | 0.08 | 0.34 | 0.42 |
| - HomeLoans | 0.04 | 0.33 | 0.37 | (0.01) | 0.14 | 0.13 |
| - Card | 0.18 | 4.41 | 4.59 | 1.09 | 2.42 | 3.51 |
| - Wealth | 0.04 | 0.21 | 0.25 | 0.02 | 0.04 | 0.06 |
| - Personal bank | 0.57 | 3.48 | 4.05 | 0.10 | 2.19 | 2.29 |
| - Other retail | 3.70 | 4.53 | 8.23 | 0.63 | 3.26 | 3.89 |
| - Commercial | 0.31 | 0.35 | 0.66 | 0.00 | 0.07 | 0.07 |
| - Corporate | 0.47 | (0.87) | (0.40) | 0.00 | 0.00 | 0.00 |



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The drivers of bank earnings and returns



FirstRand Du Pont analysis - Normalised income / Average interest bearing advances



financial review



Financial review annexure

momentum

Headline earnings analysis

| R'm | Dec '06 | Dec '05 | % |
|----------------------------------|---------|---------|---|
| Momentum group headline earnings | 652 | 652 | - |
| Adjusted for: | | | |
| - IFRS2: Share based payments | 18 | 8 | |
| - Listed property adjustments | 129 | 66 | |
| - National treasury settlement | - | 27 | |
| Momentum normalised earnings | 799 | 731 | 9 |



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m





FIRSTRAND

www.firstrand.co.za

