FIRSTRAND LIMITED
(Incorporated in the Republic of South Africa)
Registration number: 1966/010753/06
JSE ordinary share code: FSR; ISIN code: ZAE000066304
JSE B preference share code: FSRP; ISIN code: ZAE000060141
NSX ordinary share code: FST
LEI: 529900XYOP8CUZU7R671
(FirstRand or the group)

UNAUDITED INTERIM RESULTS AND CASH DIVIDEND DECLARATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

FirstRand's portfolio of integrated financial services businesses comprises FNB, RMB, WesBank and Aldermore. The group operates in South Africa, certain markets in sub-Saharan Africa and the UK, and offers a universal set of transactional, lending, investment and insurance products and services.

"Since June 2020, earnings have recovered faster than expected driven by a better than anticipated rebound in the economy, which has supported transactional volumes, growth in deposit balances and an improved credit experience. Over the past six months, FirstRand accreted capital and strengthened its balance sheet, enabling the group to declare an interim dividend.

The level and speed of improvement in the group's performance is testament to the quality of FirstRand's portfolio and the strength of its customer franchises."

Alan Pullinger
CEO: FirstRand

FINANCIAL HIGHLIGHTS

	Six months ended 31 December		
R million	2020	2019	% change
Basic and diluted normalised earnings per share (cents)	196.8	249.7	(21)
Normalised earnings	11 042	14 009	(21)
Headline earnings	11 154	13 987	(20)
Normalised net asset value per share (cents)	2 588.3	2 402.2	8
Ordinary dividend per share (cents)	110	146	(24.7)
Normalised ROE (%)	15.6	21.2	
Basic and diluted headline earnings per share (cents)	198.9	249.4	(20)
Basic and diluted earnings per share (cents) - IFRS	198.5	249.3	(20)
Net asset value per share (cents) - IFRS	2 588.8	2 402.4	8
Advances (net of credit impairment)	1 222 120	1 223 764	-
Deposits	1 556 904	1 438 588	8
Credit loss ratio (%)	1.46	0.95	

OVERVIEW OF RESULTS

When assessing the results for the six months to 31 December 2020, it is important to note that the comparative period (the six months to 31 December 2019) was a pre-pandemic operating environment. Given the profound difference in operating environments period-on-period, the group's normalised earnings decreased 21% with the normalised ROE reducing from 21.2% to 15.6%.

Most of this decline was due to the elevated credit impairment charge, driven by forward-looking economic assumptions required under IFRS 9, especially at June 2020, and the continued impact of the weak operating environment on arrears and non-performing loans (NPLs). In addition, due to the effect of the pandemic, underlying customer income and affordability in all segments resulted in lower levels of transactional and credit origination.

When comparing the six months to 31 December 2020 to the preceding six months to June 2020 (a period which included the first three months of the lockdown restrictions introduced in March 2020) there are early indications of a positive rebound in performance, particularly with regard to non-interest revenue (NIR) and impairments. Albeit off a low base, to date the timing and extent of the rebound has positively exceeded the group's initial expectations.

Net income after the cost of capital (NIACC) is the group's key performance measure. Whilst at 30 June 2020 the group delivered negative NIACC, it generated R437 million of economic profit as at 31 December 2020. An ROE above cost of equity is a pleasing performance given the current macro environment.

SOURCES OF NORMALISED EARNINGS

	Six months ended 31 December					Year ended 30 June	
R million	2020	% com-position	2019	% com-position	% change	2020	% com-position
FNB	7 326	66	9 164	66	(20)	12 228	70
- South Africa	7 163		8 798			11 990	
- Rest of Africa	163		366			238	
RMB*	3 184	29	3 406	24	(7)	5 674	33
WesBank	678	6	966	7	(30)	843	5
UK operations**	1 043	10	1 177	8	(11)	865	5
- Aldermore**,#	770		917			1 020	
- MotoNovo**	273		260			(155)	
FirstRand Corporate Centre (FCC) (including Group Treasury)*, **, &, @	(901)	(8)	(238)	(2)	+100	(1 442)	(8)
Ordinary equity instrument holders	(288)	(3)	(466)	(3)	(38)	(903)	(5)
Normalised earnings	11 042	100	14 009	100	(21)	17 265	100

* Ashburton's results are now reflected in RMB, previously reported under FCC. Comparatives have been restated for this change.

** During May 2019, a new legal entity, MotoNovo Finance Limited, was established under the Aldermore group where all new MotoNovo business since May 2019 has been originated (also referred to as the MotoNovo front book). In the UK operations management view, shown in the table above and on pages 52 to 54 of the Analysis of financial results booklet, Aldermore refers to Aldermore excluding MotoNovo front book and MotoNovo refers to the standalone performance of MotoNovo, which includes the front book and back book. This differs from the segment report disclosed on pages 38 to 49 of the Analysis of financial results booklet as MotoNovo (front book) is included under Aldermore and MotoNovo (back book) is included in FCC. The 2019 figures for FCC and Aldermore in the table above have been restated to reflect the management view of total UK operations.

\# After the dividend on the contingent convertible securities of R91 million (December 2019: R32 million and June 2020: R242 million).

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

@ Includes FirstRand Limited (company).

In order to appropriately navigate the economic crisis brought about by the pandemic, the group anchored execution of its strategy to the following financial resource management (FRM) principles:

- Carefully price for financial resources.
- Appropriately provide against lending portfolios.
- Apply strict cost management.
- Further strengthen and appropriately tilt the balance sheet to the macro outlook.
- Accrete capital and net asset value (NAV) - the deployment of capital to reflect the updated cost of equity.
- Emerge from COVID-19 with limited vulnerabilities, with capital for growth.

Adherence to these principles has supported the group over the period under review. Earnings have recovered faster than expected, with NIACC back into positive territory. The group accreted NAV and is in a position to pay an interim dividend at the bottom end of its cover range.

The level of improvement in the group's performance, particularly since June 2020, reflects the quality of FirstRand's portfolio and the strength of its customer franchise.

The following tables provide a rolling six-month view of the group's performance and that of its operating businesses.

FIRSTRAND GROUP FINANCIAL HIGHLIGHTS

	Six months ended			December 2020 vs December 2019	December 2020 vs June 2020
	31 December	30 June	31 December		
R million	2020	2020	2019	% change	% change
NII	32 017	30 958	31 893	-	3
NIR*	22 434	19 871	22 583	(1)	13
Operating expenses	(28 733)	(27 298)	(28 358)	1	5
Impairment charge	(9 414)	(18 449)	(5 934)	59	(49)
Normalised earnings	11 042	3 256	14 009	(21)	+100
Gross advances	1 275 510	1 311 095	1 259 326	1	(3)
Credit loss ratio (%)	1.46	2.87	0.95		
Stage 3/NPLs as a % of advances	4.80	4.37	3.58		

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

SOURCES OF NORMALISED EARNINGS

	Six months ended				
	31 December	30 June	31 December	December 2020 vs December 2019	December 2020 vs June 2020
R million	2020	2020	2019	% change	% change
FNB	7 326	3 064	9 164	(20)	+100
RMB*	3 184	2 268	3 406	(7)	40
WesBank	678	(123)	966	(30)	(+100)
UK operations**	1 043	(312)	1 177	(11)	(+100)
FCC/Group Treasury*, #	(901)	(1 204)	(238)	+100	(25)
Ordinary equity instrument holders	(288)	(437)	(466)	(38)	(34)
FirstRand group	11 042	3 256	14 009	(21)	+100

* Ashburton's results are now reflected in RMB, previously reported in FCC. Comparatives have been restated for this change.

** Including Aldermore and MotoNovo (front and back books).

\# Excluding MotoNovo back book.

PRE-PROVISION OPERATING PROFIT

	Six months ended 31 December			Six months ended 30 June
R million	2020	2019	% change	2020
FNB	16 834	17 484	(4)	14 806
RMB	5 371	4 950	9	6 517
WesBank	2 110	2 232	(5)	2 017
UK operations	2 681	2 308	16	2 537
FCC/Group Treasury	(1 992)	(1 590)	25	(2 960)
Total group pre-provision operating profit	25 004	25 384	(1)	22 917

Pre-provision operating profit showed a marginal decrease of 1%, which demonstrates the resilient operational performances of the underlying businesses despite the significant endowment impact resulting in margin pressure, subdued NIR growth, and depressed new business origination. The group continued to focus on its return profile and strengthening the balance sheet given the continued macroeconomic uncertainties in the markets where it operates.

FNB's pre-provision profit performance reflects the strength of its digital platforms, given that it was able to fulfil origination, account service and liability gathering digitally. Deposits continued to grow strongly and the premium and commercial segments benefited from active customer growth.

RMB delivered a robust operational performance, mainly driven by excellent performances from its domestic markets business and rest of Africa activities. This was underpinned by sustained annuity income growth, strong core deposit growth, a principal investment realisation and improved operating leverage.

WesBank's pre-provision operating profit was affected by lower production levels (new business declined 21%), which resulted in a 6% reduction in advances. The impact of lower advances and higher credit impairments also featured within the associates, thereby further affecting WesBank's performance. The business continued to extract efficiencies resulting in costs decreasing 2%.

The UK operations delivered pre-provision profits of £126 million, up marginally period-on-period (December 2019: £125 million). This was mainly due to growth in the MotoNovo book and excellent deposit growth, which benefited the cost of funding.

REVENUE AND COST OVERVIEW

Total group net interest income (NII) was flat period-on-period due to lack of advances growth and the negative endowment impact arising from significant interest rate cuts, a total of 300 bps since December 2019. This was partially offset by higher capital levels and strong growth in deposit volumes. Through Group Treasury's asset/liability management strategies, this negative endowment impact was mitigated to some extent. Net interest margin (NIM) declined 37 bps to 427 bps, driven by the endowment impact and slower absolute advances growth.

Advances increased 1% (but decreased 1% in constant-currency terms) and deposits grew 8% (7% in constant-currency terms).

Growth in advances and deposits is unpacked by operating business below.

	Growth in advances %	Growth in deposits %
FNB	(1)	19
- Retail	-	14
- Commercial	(1)	24
- Rest of Africa	(5)	16
RMB core advances*	(2)	6
WesBank	(6)	n/a
UK operations**	-	15

* RMB core advances excluding assets under agreements to resell.

** In pound terms. Growth in deposits refers to customer deposits.

FNB's advances contracted during the period, reflecting the business's continued prudent risk appetite and lower demand given the ongoing impact of COVID-19 on its customer base. RMB's core advances growth remained muted due to weak macroeconomic conditions and low levels of business confidence.

Across all segments, deposit growth benefited from strong momentum in savings and investment products, and retail customer balances increasing post lockdown. Commercial customers maintained liquidity to support cash flow demands given the prevailing uncertainty, and large corporate deposit growth was underpinned by clients holding higher current account balances.

Total group operational NIR was down 1% period-on-period, reflecting the impact of COVID-19 which was not in the comparative period.

The decline in NIR was driven by a reduction in gross fee and commission income of 2%, and negative growth in insurance income of 8%. Trading and fair value income increased 2%, which comprises a decline in Group Treasury fair value income and a 13% increase from RMB's markets business.

FNB's NIR reduced 2% due to sluggish activity despite the reopening of the economy post the restrictive lockdowns. There were also zero price increases on most products.

The reduction in insurance income was mainly due to the ongoing economic impact of the pandemic, resulting in lower new business sales and increased credit life and death claims. Mortality provisions increased to reflect expected growth in number of death claims. Despite the significant reduction in new business sales, particularly for credit life policies, the in-force annual premium equivalent (APE) grew 9% and gross premiums increased 10%.

RMB's markets business's strong performance was supported by fixed income and commodities. Transaction volumes in EFT, cash and merchant services came under pressure and trade activities moderated. Knowledge-based fees were muted, with robust fee income generated from advisory mandates, however, structuring revenue remained constrained given slower new deal origination.

Growth in operating expenses was contained at 1%, reflecting the continued focus on cost management and benefiting from lower variable staff expenditure given current performance. This was achieved despite continued investment in:

- life and short-term insurance growth strategies;
- platforms to deliver more efficient digital services;
- the build-out of the group's footprint in the rest of Africa; and
- the process and system modernisation of the UK business.

Additional costs associated with managing employee and customer wellbeing on premises and in branches, and the facilitation of remote working for a significant proportion of employees, continue to be incurred. Overall cost growth benefited from lower travel and related expenses. Despite the level of cost containment, given the degree of pressure on the topline, the group's cost-to-income ratio increased to 52.8%.

CREDIT PERFORMANCE

For the year to June 2020, FirstRand revised its macroeconomic outlook for 2020/21, with material downward revisions to key economic variables affecting the group's activities. In addition, there was a substantial shift in the scenario probability weightings, with the downside likelihood increasing markedly. These revisions were incorporated into the group's credit provision models in line with IFRS 9 requirements, with all segments and portfolios experiencing notable incremental impacts from forward-looking adjustments.

Subsequent to June, given the improving macro environment, the scenario ratings were amended, with the downside weighting decreasing. This resulted in a reduction in performing coverage, however, given ongoing uncertainties, the business has increased judgemental, out-of-model provisions. Given the uptick in balance sheet provisions in June 2020, the commentary that follows tracks performance since June 2020 as well as since December 2019.

Rising arrears (up 39% since December 2019, but down 4% since June 2020) were largely driven by the expiration of debt relief.

This required an increase in performing provisions of R9.6 billion from December 2019 (up R0.7 billion since June 2020 despite advances balances decreasing). Stage 1 impairment provisions increased 3% since June 2020 despite advances balances decreasing. This reflects the impact of the increased COVID-19 coverage on relief provided and specific out-of-model overlays created given the increased uncertainty, with forward-looking information (FLI)-related impairments remaining close to June 2020 levels. Stage 2 impairment provisions increased 66% (3% since June 2020), also due to specific out-of-model overlays created given ongoing uncertainty, migration of extended relief loans and the reinstatement of cures on performing debt-review clients, which carry higher coverage.

ANALYSIS OF IMPAIRMENT CHARGE

	Six months ended 31 December			Six months ended 30 June
R million	2020	2019	% change	2020
Performing book provisions	663	90	+100	8 950
NPL provision	3 347	1 310	+100	4 868
Credit provision increase	4 010	1 400	+100	13 818
Modification	294	494	(40)	513
Write-off and other	6 267	5 417	16	5 115
Post write-off recoveries	(1 157)	(1 377)	(16)	(997)
Total impairment charge	9 414	5 934	59	18 449

Exposures where relief was offered were assessed to determine whether it was expected to be either temporary or permanent in nature, and this determined the staging and whether adjustments were made to increase coverage through the application of COVID-19 scaling factors. In limited instances, customers applied for an extension of relief, which was considered a significant increase in credit risk, and all associated exposures migrated to stage 2 with lifetime credit losses raised.

Group NPLs increased 36% to 4.80% of advances (December 2019: 3.58%), up 7% since June 2020, reflecting expiration of relief periods and the decline in advances. This resulted in provisions of R8.2 billion (R3.3 billion since June 2020), with coverage marginally increasing. All of this, combined with the increase in performing provisions, resulted in a R17.8 billion (50%) increase in provisions period-on-period (R4.0 billion since June 2020). The table on page 20 of the Analysis of financial results booklet unpacks these movements and operational credit losses. It explains the group's materially higher credit impairment charge of R9.4 billion, and the credit loss ratio increase from 95 bps to 146 bps period-on-period (June 2020: 191 bps). The increased loss ratio also reflects contracting advances (denominator effect).

All provisions raised reflect the group's best estimates against available data and scenario analyses (see pages 210 to 215 of the online version of the results booklet for detailed macro forecasts) and are considered appropriately prudent given the prevailing risk in the system.

Even though overall NPLs increased 7% (R4 billion) since June 2020, operational NPLs decreased. This NPL outcome was better than expected.

Retail NPLs as a percentage of advances increased to 9.01% from 6.50% in the comparative period (8.44% at June 2020), driven by:

- A contraction in retail advances (denominator effect).
- Increases in NPL balances across all retail portfolios. NPL formation for the six months to June 2020 was driven by:
  - customers who did not qualify for relief who migrated into NPLs; and
  - certain relief loans that were classified as NPLs as they were considered to be distressed restructures.
- For the six months to December 2020, NPL growth included expired relief rolling into stage 3 and increased technical cures, offset by lower NPL formation in advances that did not receive relief.

SA corporate and commercial NPLs as a percentage of advances increased to 2.44% from 2.18% in December 2019 (June 2020: 2.28%), reflecting:

- specific high-value counters in commercial property and asset-based finance migrating to NPLs;
- higher levels of operational NPLs in the small- and medium-sized enterprises (SME) segment, reflecting the impact of lockdown restrictions and the weak environment, together with the migration of clients who did not receive relief;
- migration of a limited number of loans to private equity investee companies into NPLs due to stress events in their particular industries; offset by
- a decline in investment and corporate bank NPLs due to restructure, partial settlement and write-off of corporate counters.

In the UK operations, NPLs as a percentage of advances increased to 2.89% from 1.41% (June 2020: 2.18%), mainly due to the impact of lockdown restrictions. Aldermore and MotoNovo granted second and third payment holidays to existing clients, with third payment holidays being viewed as a default event with these clients being classified as stage 3/NPL. The ban on collateral repossessions in the UK also contributed to NPL growth.

The table below unpacks all movements in NPLs.

TOTAL GROUP NPLs

	31 December 2020 vs 31 December 2019			31 December 2020 vs 30 June 2020		
	R million	% change	Percentage point contribution to overall NPL increase	R million	% change	Percentage point contribution to overall NPL increase
Operational NPLs*	4 922	15	11	(2 334)	(6)	(4)
Loans under COVID-19 relief	4 801	-	11	2 891	+100	5
Restructured debt review*	588	17	1	(303)	7	(1)
Definition of rehabilitation (technical cures)	1 317	30	3	2 075	57	4
NPLs (excluding UK operations)	11 628	28	26	2 329	5	4
UK operations	4 622	+100	10	1 675	25	3
Total group NPLs	16 250	36	36	4 004	7	7

* IFRS 9 became effective 1 July 2018 and with it the updated write-off policy. The updated write-off policy has been effective for two financial years and is therefore now mature and in the base. The increase in NPLs due to changes to the write-off policy are no longer separately disclosed but included in operational NPLs and paying restructured debt review. Comparative information is presented on the same basis.

UPDATE ON THE COVID-19 RELIEF BOOKS

The table below unpacks the number of customers who utilised COVID-19 relief measures.

Customers remain classified as in relief until they settle the full relief amounts (payment holidays or liquidity facilities). As such, balances are shown on a cumulative basis (i.e. still receiving relief (active) as well as prior (closed)). Because corporate relief was provided largely through covenant waivers, facility increases, or new advances, corporate only reflect counters in active relief.

Extended relief relates to customers who had the terms of their relief extended, i.e. were granted additional facilities or where their payment holiday periods were extended.

	As at 31 December 2020						
	Number of customers (thousands)	Number of accounts (thousands)	Underlying gross advances for which relief was provided (R million)	Portion of extended relief gross advances (R million)	Total portfolio* (gross advances) (R million)	% of portfolio under relief	% of relief portfolio under extended relief
Retail**	212.6	694.8	75 763	9 865	466 335	16	13
Commercial	17.6	32.1	20 824	822	132 699	16	4
Corporate	#	#	31 385	13 478	349 954	9	43
UK operations	85.3	85.3	70 589	6 988	289 069	24	10
- Active relief	8.8	8.8	9 639	6 988	289 069	3	72
- Closed relief	76.5	76.5	60 950	n/a	n/a	21	n/a
Total group	315.5	812.2	198 561	31 153	1 275 510	16	16

* Total group portfolio includes FCC advances.

** Includes FNB rest of Africa core banking customers.

\# Less than 1 000.

	As at 30 June 2020				
	Number of customers (thousands)	Number of accounts (thousands)	Underlying gross advances for which relief was provided (R million)	Total portfolio* (gross advances) (R million)	% of portfolio for which relief was provided
Retail**	203.3	674.3	68 834	473 102	15
Commercial	16.7	31.0	30 832	135 030	23
Corporate	#	#	58 083	359 827	16
UK operations	86.7	86.7	71 889	306 246	23
Total group	306.7	792.0	229 638	1 311 095	18

* Total group portfolio includes FCC advances.

** Includes FNB rest of Africa core banking customers.

\# Less than 1 000.

The bulk of relief arrangements terminated by the end of September 2020. However, in the retail, commercial and corporate segments, some extended relief was provided, but on a cautious basis with regard to certain industries and self-employed customers.

- Retail: The relief book increased 10% to R75.8 billion (June 2020: R65.2 billion), mainly driven by customers who were granted extended relief.
- Commercial: The decrease to R20.8 billion (June 2020: R30.8 billion) was mostly driven by clients repaying as they adapted to the environment. Liquidity increased as clients remained conservatively positioned.
- Corporate: The aggregate gross exposure of all COVID-19 relief clients (including applications for covenant waivers) reduced to R31.4 billion (June 2020: R58.1 billion), or 9% of total advances, of which R8.8 billion related to reapplications. The current relief amount includes several well-rated clients who continue to approach the bank proactively in the management of their liquidity facilities. Certain sectors are still severely impacted by the COVID-19 lockdown (such as private healthcare, real estate, and hotels and leisure).
- UK operations: Active relief consisted only of payment holidays currently outstanding, either in second or third relief requests. Third relief requests are reflected as NPLs. Closed relief refers to those customers whose payment holidays are complete.

At 31 December 2020, of the R198.5 billion balances under relief, only 6% were in stage 3. This reflects an appropriate underwriting approach to relief and the better than expected rebound over the past six months.

DIVIDEND STRATEGY

For the year to 30 June 2020, the group did not declare a final dividend given the prevailing guidance from the PA. This guidance was updated on 19 February 2021, indicating that banks may resume dividend distributions, provided the benefits of temporary regulatory relief measures are not used and the resultant capital position supports both the distribution and anticipated growth in the economy.

The FirstRand board has carefully considered this guidance in its decision to declare an interim dividend for the first six months. In anticipation of the expected rebound in the economy and to support the resultant balance sheet growth, the board decided to bring the dividend cover back into the bottom end of its long-term target range of 1.8 to 2.2 times. The board considers this level of payout to be appropriate and sustainable over the medium term.

PROSPECTS

The first six months of the financial year showed a rebound in economic activity compared to the preceding six months to June 2020, however, the group's operating environment remains challenging, particularly given the risk of a third wave heading into winter and the projected timing of vaccinating the desired 67% of the population.

The economy continues to open up and whilst the group expects origination levels to remain muted, transactional volumes are expected to trend back towards pre-pandemic levels by the fourth quarter of the financial year. The benefits of this improving trend are likely to be dampened by the lag effect of rising arrears and NPLs.

The UK began to benefit from a vaccination-driven recovery, notwithstanding the third wave restrictions currently in place. However, as the government furlough and other support schemes run down, the group expects credit migration and arrears in the UK operations to also increase.

The group previously guided that the absolute level of earnings expected for the year to 30 June 2021 would not match earnings achieved for the year to 30 June 2020. However, with global vaccination programmes and the economic rebound from the depths of June 2020 happening faster than anticipated, the group now expects earnings in the current year to exceed those of 2020.

It's important to note that the absolute level of earnings for the six months to December 2020 will likely not be repeated in the second half. In South Africa, this is mainly due to the lag effects of lockdown restrictions resulting in elevated cost of credit, as well as increased pressure on collections as savings are drawn down and earnings remain constrained. In the UK, the benefits of the government support schemes will eventually taper off, resulting in higher arrears and NPLs.

Further, the group's cost growth for the six months to December 2020 benefited from the lower calibration of remuneration costs compared to the previous period. The full-year cost growth will therefore normalise.

BOARD CHANGES

Changes to the directorate are outlined below.

RETIREMENTS		EFFECTIVE DATE
MS Bomela	Independent non-executive director	2 December 2020
AT Nzimande	Independent non-executive director	2 December 2020

BOARD COMMITTEE CHANGES

		EFFECTIVE DATE
DIRECTORS' AFFAIRS AND GOVERNANCE COMMITTEE		
TS Mashego	Chair	3 December 2020
AT Nzimande	Retired*	2 December 2020
NOMINATIONS COMMITTEE		
TS Mashego	Chair	3 December 2020
AT Nzimande	Retired*	2 December 2020
SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE		
Z Roscherr	Chair	3 December 2020
TS Mashego	Member	3 December 2020
AT Nzimande	Retired*	2 December 2020

* Ms AT Nzimande retired at the annual general meeting with effect from 2 December 2020.

CASH DIVIDEND DECLARATIONS

ORDINARY SHARES

The directors declared a gross cash dividend totalling 110.00 cents per ordinary share out of income reserves for the six months ended 31 December 2020.

DIVIDENDS

ORDINARY SHARES

	Six months ended 31 December	
Cents per share	2020	2019
Interim (declared 3 March 2021)	110.0	146.0

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

Last day to trade cum-dividend	Monday, 29 March 2021
Shares commence trading ex-dividend	Tuesday, 30 March 2021
Record date	Thursday, 1 April 2021
Payment date	Tuesday, 6 April 2021

Share certificates may not be dematerialised or rematerialised between Tuesday, 30 March 2021, and Thursday, 1 April 2021, both days inclusive.

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

For South African shareholders who are subject to DWT, the net interim dividend after deducting 20% tax will be 88.000000 cents per share.

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

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

B PREFERENCE SHARES

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

DIVIDENDS DECLARED AND PAID

Cents per share	Preference dividends
Period:	
26 February 2019 - 26 August 2019	384.2
27 August 2019 - 24 February 2020	374.7
25 February 2020 - 31 August 2020	306.0
1 September 2020 - 22 February 2021	253.6

WR JARDINE	AP PULLINGER	C LOW
Chairman	CEO	Company secretary

3 March 2021

OTHER INFORMATION

This announcement covers the unaudited condensed consolidated financial results of FirstRand Limited for the six months ended 31 December 2020 based on International Financial Reporting Standards. The primary results and accompanying commentary are presented on a normalised basis as the group believes this most accurately reflects its economic performance. The normalised results have been derived from the IFRS financial results. A detailed description of the difference between normalised and IFRS results is provided on pages 172 and 173 of the Analysis of financial results booklet, which constitutes the group's full announcement. It is available at www.firstrand.co.za/investors/financial-results/. Commentary is based on normalised results, unless otherwise indicated.

The content of this announcement is not audited. The directors take responsibility for the preparation of this announcement.

Any forecast financial information contained herein has not been reviewed or reported on by the group's external auditors.

Shareholders are advised that this short form announcement represents a summary of the information contained in the Analysis of financial results booklet (the full announcement) and does not contain full or complete details. Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement as a whole. Shareholders are encouraged to review the full Analysis of financial results booklet, which is available for viewing on the group's website and at https://senspdf.jse.co.za/documents/2021/JSE/ISSE/FSR/FSR1220.pdf

The full Analysis of financial results booklet is available for inspection and/or collection from FirstRand's registered office, 4 Merchant Place, corner Fredman Drive and Rivonia Road, Sandton and at the offices of the sponsor Rand Merchant Bank (a division of FirstRand Bank Limited), at 1 Merchant Place, corner Fredman Drive and Rivonia Road,Sandton. The Analysis of financial results can be inspected by investors and/or shareholders at no charge during normal business hours from today, 4 March 2021.

COMPANY INFORMATION

DIRECTORS
WR Jardine (chairman), AP Pullinger (chief executive officer), HS Kellan (financial director), M Vilakazi (chief operating officer), JP Burger, GG Gelink, F Knoetze, RM Loubser, TS Mashego, Z Roscherr, LL von Zeuner, T Winterboer

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Corporate Finance
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NAMIBIAN SPONSOR

Simonis Storm Securities (Pty) Ltd
4 Koch Street
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TRANSFER SECRETARIES - SOUTH AFRICA

Computershare Investor Services (Pty) Ltd
1st Floor, Rosebank Towers
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Private Bag X9000, Saxonwold, 2132
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