

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

FirstRand Bank Limited
(Incorporated in the Republic of South Africa)
(Registration number 1929/001225/06)
JSE company code interest rate issuer: FRII
JSE company code debt issuer: FRD
JSE company code ETF issuer: FRLE
(FRB or the bank)

PILLAR 3 QUARTERLY DISCLOSURES AS AT 31 MARCH 2018

In accordance with Pillar 3 of the Basel Accord, Regulation 43 of the Regulations relating to Banks requires the group to disclose quarterly information on its capital adequacy. The capital positions (excluding unappropriated profits) for the group and the bank for the quarter ended 31 March 2018 are set out below.

R million	FSR	FRB
Ordinary share capital and premium	8 046	16 808
Other reserves and non-controlling interests	96 233	63 885
Regulatory deductions	(4 223)	(2 145)
Total Common Equity Tier 1 capital	100 056	78 548
Total Additional Tier 1 capital	3 977	1 200
Total Tier 1 capital	104 033	79 748
Tier 2 instruments	19 094	19 092
Other qualifying reserves	1 612	633
Regulatory deductions	(2 602)	(8)
Total Tier 2 capital	18 104	19 717
Total qualifying capital and reserves	122 137	99 465
Minimum capital requirement		
Credit	61 440	53 889
Counterparty credit	2 983	2 897
Operational	13 470	10 684
Market	2 645	2 325
Equity investment	2 773	739
Other assets	5 336	2 473
Threshold items	1 606	411
Total minimum capital requirement	90 253	73 418

Common Equity Tier 1 capital ratio	12.3%	11.9%
Tier 1 capital ratio	12.8%	12.1%
Total capital ratio	15.1%	15.1%

Notes:

- Figures above have not been reviewed or reported on by the group's external auditors.
- FRB includes foreign branches and subsidiaries.
- Available capital excludes unappropriated profits.
- The disclosed minimum capital requirement excludes the confidential bank-specific individual capital requirement and add-on for domestic systemically important banks, and is reported at 11.125%.
- There is currently no requirement for the countercyclical buffer add-on in South Africa. The group is required to calculate the countercyclical buffer requirement on private sector credit exposures in foreign jurisdictions where these buffer requirements are applicable. The current impact on the group is immaterial.
- Whilst the accounting consolidation of the Aldermore transaction was effective 1 April 2018, the group settled the full cash amount for the acquisition on 20 March 2018. The impact of the full consolidation of Aldermore will be reported as part of the group's year end results in September 2018. At 31 December 2017, this cash amount was reported as available cash balances, carrying a 0% risk weighting. For the period ended 31 March 2018, this cash payment was reclassified as a prepayment at a risk weighting of 100%, resulting in an increase in risk weighted assets and a resultant decline in the group capital ratios.

ADDITIONAL DISCLOSURE

Regulation 43 (2) and the BCBS Pillar 3 disclosure requirements require additional quarterly disclosure on capital, risk weighted assets, leverage and liquidity. These disclosures are available on the group's website:

<https://www.firststrand.co.za/InvestorCentre/Pages/commondisclosures.aspx>

Sandton
31 May 2018

Sponsor
RAND MERCHANT BANK (a division of FirstRand Bank Limited)