

FIRSTRAND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1966/010753/06)

JSE ordinary share code: FSR ISIN: ZAE000066304

JSE B preference share code: FSRP ISIN: ZAE000060141

NSX ordinary share code: FST

(FirstRand or the group)

VOLUNTARY TRADING STATEMENT – FINANCIAL IMPACT OF DISCOVERY CARD TRANSACTION

FirstRand and Discovery Bank Limited (Discovery Bank) received final regulatory approval from the South African Prudential Authority and the Competition Commission on 7 November 2018 for the disposal of FirstRand's remaining 25.01% economic interest in the Discovery Card business and the group's remaining shareholding in Discovery Bank (the Discovery Card transaction).

In accordance with the requirement to publish a trading statement as soon as a reasonable degree of certainty exists that the earnings for the next reporting period will differ by at least 20% when compared to the previous corresponding reporting period, FirstRand advises shareholders that the impact of the Discovery Card transaction is expected to bring FirstRand into this range.

FirstRand received the final consideration for the Discovery Card transaction on 21 November 2018, with a resultant profit for the group of approximately R2.3 billion. In terms of International Financial Reporting Standards (IFRS), this profit will be included in FirstRand's consolidated earnings for the six-month period to 31 December 2018.

The earnings impact of the Discovery Card transaction alone is detailed below:

- FirstRand's IFRS earnings and earnings per share will both show an increase of approximately 18% (to approximately R15 049 million and by 41.0 cents per share) compared to the six-month period ended 31 December 2017 (R12 749 million and 227.3 cents per share).
- Given the non-operational nature of the transaction, the profit will be excluded from FirstRand's headline earnings (in terms of the South African Institute of Chartered Accountants Circular 4/2018) and from normalised earnings, which the group believes most accurately reflects its economic performance.

The forecast financial information on which this trading statement is based has not been reviewed or reported on by the group's external auditors.

The group will update shareholders once it has finalised its results for the six-month period to 31 December 2018 incorporating the above impact of the Discovery Card transaction.

Sandton

14 December 2018

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)