



SUMMARISED AUDITED RESULTS
ANNOUNCEMENT
AND CASH DIVIDEND DECLARATION

for the year ended 30 June 2015

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KEY HIGHLIGHTS

NORMALISED EARNINGS

+15%

to 507.0 cents

DIVIDEND

+21%

to 276.0 cents

INTRINSIC VALUE

+31%

to 7 140.1 cents

OUR STRUCTURE

RMH has significant influence over one of South Africa's leading bank and financial services groups



 <p>FNB represents FirstRand's retail and commercial activities in South Africa and the broader African continent.</p>	 <p>WesBank represents FirstRand's activities in vehicle and asset finance in the retail, commercial and corporate segments.</p>
 <p>RMB offers advisory, funding, trading, corporate banking and principal investing solutions.</p>	 <p>Ashburton is the investment management business.</p>

The balance of the group includes its African banking subsidiaries and group treasury.

RMH AT A GLANCE

RMH's sole interest is its 34% investment in separately listed FirstRand Limited (FirstRand), generally regarded as Southern Africa's pre-eminent financial services group.

The FirstRand group comprises a portfolio of leading financial services franchises:

FIRST NATIONAL BANK (FNB)	<ul style="list-style-type: none"> • the retail and commercial bank
RAND MERCHANT BANK (RMB)	<ul style="list-style-type: none"> • the corporate and investment bank
WESBANK	<ul style="list-style-type: none"> • the instalment finance business
ASHBURTON INVESTMENTS	<ul style="list-style-type: none"> • the investment management business
The FCC franchise represents group-wide functions	

RMH was established in 1987 by the founding members GT Ferreira, Laurie Dippenaar and Paul Harris. RMH represents the coming together of Rand Consolidated Investment and Rand Merchant Bank, then run by Johann Rupert. We are proud to say that our founding members still play an important role in the decision-making of RMH. Since its listing in 1993, it has provided shareholders with a vehicle to co-invest with the founders of one of South Africa's most successful financial services groups. RMH remains a founding and influential shareholder of FirstRand and still partners management in strategic dialogue. The group structure further provides benefits such as BEE shareholding, portfolio optimisation and long-term focus.

The group is well known for its entrepreneurship, innovation and value creation. RMH entered the JSE Top 40 in June 2002 and has remained in the Top 40 ever since.

BASIS OF PREPARATION

The primary results and accompanying commentary are presented on a normalised basis as we believe this most accurately reflects underlying economic performance. The normalised earnings have been derived from audited, IFRS financial results. A reconciliation of the adjustments made to derive at normalised earnings is presented in the accompanying schedules.

For the detailed basis of preparation refer to page 19.

Ellen Marais CA (SA) prepared these financial results under the supervision of Herman Bosman LL.M CFA.

OPERATING ENVIRONMENT

South African economic growth faced the following external and internal headwinds during the year:

- Commodity prices remained under pressure, mainly due to the strain in the Chinese economy.
- Emerging markets were negatively impacted by the gradual recovery of the US economy. Capital flows continued to slow down and further currency weakness were being experienced.
- The Eurozone's lacklustre economic recovery provided little support for South African exports.
- Business confidence was negatively impacted by ongoing electricity shortages, weak foreign demand and low prices.
- Household consumption was impacted by higher debt service costs, rising unemployment and moderated levels of income growth. The oil-led drop in inflation did provide some short-term relief.

The central bank implemented a gradual and moderate hiking cycle, but the economy remains vulnerable to a more aggressive hiking cycle. In other sub-Saharan countries the experiences were similar, increased currency weakness, increased inflation, higher policy rates and lower economic growth. Commodity prices are expected to remain low and therefore economic performance will be driven by structural reform.

OVERVIEW OF RESULTS

RMH produced good results for the year ended 30 June 2015, reporting normalised earnings of R7.16 billion (2014: R6.24 billion), an increase of 15%. Normalised earnings per share amounted to 507.0 cents per share (2014: 441.7 cents). FirstRand's brands, FNB, RMB and WesBank all performed well, demonstrating their leading market positions.

The final dividend of 154.0 cents per share (2014: 127.5 cents) resulted in dividends for the year increasing by 21%.

SOURCES OF INCOME

FirstRand's well-diversified income stream is drawn from the full spectrum of banking services and is predominantly sourced from South Africa. RMH's interest in FirstRand's normalised earnings is as follows:

<i>R million</i>	For the year ended 30 June		% change
	2015	2014	
FNB	11 300	9 701	16
RMB	5 888	5 507	7
WesBank	3 309	3 013	10
Other	789	442	78
FIRSTRAND NORMALISED EARNINGS	21 286	18 663	14
Attributable to RMH	7 240	6 325	14
Central costs	(82)	(88)	(7)
RMH NORMALISED EARNINGS	7 158	6 237	15

UNDERLYING INTRINSIC VALUE

Over the year to 30 June 2015, RMH's market capitalisation increased by 30% and at that date amounted to R93.8 billion or 6 645 cents per share (June 2014: R72.4 billion). This represented a 7.4% discount (June 2014: 3.3% discount) to RMH's underlying intrinsic value.

<i>R million</i>	as at 30 June		% change
	2015	2014	
Market value of listed interest (FirstRand)	101 864	77 850	31
Net funding	(1 067)	(1 128)	5
TOTAL INTRINSIC VALUE	100 797	76 722	31
Intrinsic value per share (cents)	7 140.1	5 434.7	31

At 30 June 2015 net borrowings at the centre amounted to R1.07 billion, of which the core element comprised R1.18 billion in fixed rate preference shares due for redemption on 6 December 2017, paying dividends at 7.09% per annum, six monthly in arrears.

FINAL DIVIDEND PAYMENT

RMH follows a stated practice of returning net dividends (after providing for funding and operational costs incurred at the centre) received by it in the ordinary course of business to shareholders. RMH's sole source of dividend income is its investment in FirstRand. FirstRand is of the opinion that a range dividend cover of between 1.8 to 2.2 is appropriate taking into consideration the macroeconomic outlook and uncertainty around potential regulatory and accounting changes.

The board is of the opinion that RMH is adequately capitalised at this stage and that the company will be able to meet its obligations in the foreseeable future after payment of the final dividend.

Having due regard to the final dividend receivable from FirstRand and applying the dividend practice outlined above, the board of RMH has resolved to declare a gross final dividend of 154.0 cents per share (2014: 127.5 cents). Such final dividend, together with the interim dividend of 122.0 cents, brings the total dividend for the year to 30 June 2015 to 276.0 cents per ordinary share (2014: 227.5 cents). The dividend is covered 1.8 times by normalised earnings per share and represents a year-on-year increase of 21%.

MATURITY OF FIRSTRAND'S BEE TRANSACTION

On 31 December 2014, the staff and director components of FirstRand's 2005 Black Economic Empowerment (BEE) transaction matured. This resulted in participants receiving a benefit valued at R5.4 billion from the vesting of 107.5 million FirstRand ordinary shares and R560 million from the vesting of 17.8 million MMI Holdings Limited (MMI) shares. The shares were held by the FirstRand Black Employee Trust, the FirstRand Black Non-executive Directors Trust and the Staff Assistance Trust (the trusts), after purchasing the FirstRand shares in the market in 2005 and receiving the MMI shares in the unbundling of MMI in 2010.

To facilitate the wind-up of the trusts on maturity of the transaction, FirstRand bought back 63 million FirstRand shares from the trusts. FirstRand also obtained 11 million MMI shares held by the trusts (collectively, the share buy-back). The share buy-back enabled the trusts to return capital contributions and the vesting of the net proceeds with the residual beneficiary.

To reinstate the normalised NAV, which was reduced by the share buy-back, FirstRand offered for issue 35 million ordinary shares on 20 January 2015.

On the same day, FirstRand offered 67 million FirstRand ordinary shares and R24 million MMI ordinary shares on behalf of the beneficiaries to settle tax obligations and to deliver cash value to the beneficiaries who elected to sell their shares. While the group facilitated the sale, the election was made by the beneficiaries and full proceeds on the sale of these shares, were for the account of beneficiaries.

The offer was made by way of an accelerated bookbuild process to qualifying institutional investors only. The offer was successfully placed with qualifying institutional investors, the ordinary shares delivered and the new shares listed on the JSE on 28 January 2015. RMH did not participate in the accelerated bookbuild.

The net effect of the transactions resulted in a net profit of R427 million in the current year earnings of RMH. This net profit is excluded for headline and normalised earnings purposes.

OUTLOOK

The year to June 2016 is expected to display more negative characteristics than the year under review:

- GDP will be lower due to both demand weakness and supply side constraints, particularly with regards to power.
- If the US recovery emerges as expected. The SA Reserve Bank may have to increase rates, which will place further pressure on the South African consumer.
- Unemployment is trending upwards, with retrenchments already announced in the mining and construction sectors.

Economic headwinds continue to increase and growth in the system is expected to be subdued. High levels of indebtedness remain in certain consumer segments. This means that advances growth will stay at current levels or decline and corporate activity is unlikely to pick up significantly. Regulatory changes will negatively impact the profitability of certain retail lending and transactional business lines.

RMH is in agreement with FirstRand that its franchises have the appropriate strategies in place to produce resilient operational performances against this difficult economic backdrop. The strength of FirstRand's balance sheet and the resilience of its diverse income streams should allow FirstRand to continue to deliver sustainable and superior returns to shareholders.

For and on behalf of the board

GT Ferreira

Chairman

Sandton

11 September 2015

Herman Bosman

Chief executive officer

FINAL DIVIDEND DECLARATION

Notice is hereby given that a gross final dividend of 154.0 cents per share, payable out of income reserves, was declared on 11 September 2015 in respect of the year ended 30 June 2015.

The dividend will be subject to Dividend Withholding Tax at a rate of 15%, which will result in a net dividend of 130.9 cents per share for those shareholders who are not exempt. The company's tax reference number is 99950/098/71/6. Its issued share capital at the declaration date comprises 1 411 703 218 ordinary shares and 11 800 redeemable preference shares.

Shareholders' attention is drawn to the following important dates:

- Last day to trade in order to participate in this dividend Friday, 2 October 2015
- Shares commence trading "ex dividend" on Monday, 5 October 2015
- The record date for the dividend payment will be Friday, 9 October 2015
- Dividend payment date Monday, 12 October 2015

No de-materialisation or re-materialisation of share certificates may be done between Monday, 5 October 2015 and Friday, 9 October 2015 (both days inclusive).

By order of the board

Ellen Marcis

Company secretary

11 September 2015

FIRSTRAND



FNB

RMB

WESBANK

55%

29%

16%

FirstRand increased normalised earnings to R21.3 billion and delivered a normalised ROE of 24.7%, very good results in the current macroeconomic environment.

OPERATIONAL REVIEW

The operational performance was mainly driven by a strong net interest income (NII) performance. This was on the back of a 12% increase in advances and 13% in deposits. Asset repricing in certain areas, such as cards and retail (other) were off-set by lower margins in vehicle asset finance (VAF), WesBank Corporate and the investment banking book.

Non-interest revenue (NIR), including profits from associates and joint ventures, increased 8%. Another strong performance by FNB in line with its strategy to grow fee and commission income was experienced, increasing NIR by 9%.

Operating cost increased 10% despite further investment in infrastructure. Non-performing loans (NPLs) were varied: The negative commodity price cycle led to specific provisions in RMB, whilst residential mortgages and FNB personal loans decreased due to disciplined origination. Increases were experienced in FNB Card and the business segment.

All three franchises, FNB, RMB and WesBank, delivered strong operational performances and continued to outperform the market. Below is a summary of the performance by franchise:

FNB increased pre-tax profits 16%. The South African franchise posted growth in both NII (+16%) and NIR (+9%). FNB produced an improved ROE of 38.3%, which remains well above hurdle rates, despite ongoing investment in platforms and new territories. This is a reflection of the strength and quality of FNB's transactional franchise, its optimisation of credit risk capital and a growing deposit franchise. FNB's results were further influenced by the following:

- strong growth in both existing and new markets on the back of innovative products and delivery channels;
- a particular focus on electronic and digital platforms, ongoing customer acquisition in target segments and increasing cross-sell (up 23%);
- a continuation of the migration of its customer base onto electronic channels; electronic transactional volumes were up 14%, online transactions (up 15%), banking application (up 69%) and mobile (up 25%);
- the drive for credit card as a transactional product resulted in 13% growth in volumes, underpinned by good growth in new active accounts of 6%;
- the bad debt charge dropped to 0.79% of advances, with NPLs trending down to 2.63%, whilst overall provisioning levels remained conservative with overlays maintained.

FNB's subsidiaries in the rest of Africa performed well, growing pre-tax profits 16%. Namibia, in particular, generated significantly higher profits on the back of balance sheet growth, improved margins and increased transactional volumes. Botswana and Mozambique experienced some cyclical and funding headwinds; Zambia and Tanzania continued to invest in footprint and product roll-out.

RMB produced solid results for the year, with pre-tax profits increasing 8% to R8.3 billion and the business delivering a very satisfactory ROE of 25%. RMB's results were influenced by the following:

- the changed strategy of generating more income from client driven activities, coupled with steady investment return and a growing focus on originating asset management products, delivered a high quality and sustainable earnings and return profile;

- corporate and transactional banking activities performed well, benefiting from focused client coverage initiatives, increased demand for trade and working capital products and higher deposit balances. This was, however, offset by increased credit provisions against specific NPL exposures;
- markets and structuring activities delivered a solid performance, despite challenging market conditions and increased competitive pressures;
- bespoke structuring transactions produced significant earnings growth, as did the operations in the rest of Africa;
- additional benefits from increased local and international price volatility within fixed income currency and commodity markets;
- Private Equity producing excellent growth and continuing to benefit from the quality and diversity of its portfolio, reporting strong equity-accounted earnings and solid income from investment subsidiaries; and
- a significant realisation and, despite this, the unrealised value of the portfolio increasing to R4.9 billion (June 2014: R3.9 billion).

WesBank continues to deliver a resilient performance despite its sensitivity to the local retail credit cycle. Solid growth in new business volumes underpinned a 9% increase in profits to R4.7 billion, an ROE of 23.2% and an ROA of 1.82%. These results reflect the strength of WesBank's franchise, adherence to disciplined credit origination and effective sales channels. WesBank's results were influenced by the following:

- new business volumes increased across all of WesBank's retail portfolios, but remain within appropriate risk parameters;
- overall production was up 9% year-on-year, with personal loans and MotoNovo origination volumes increasing 9% and 44% (in GBP terms) respectively;
- local retail VAF's performance continues to be impacted by the pressures facing consumers, with advances fairly flat year-on-year;
- NPLs as a percentage of advances are up 22% year-on-year, but remain inflated by the high proportion of restructured debt review accounts (39% of NPLs), most of which are still paying according to arrangement;
- NIR, including income from associates, increased 12% mainly as a result of stronger inflows from insurance income in the VAF and personal loans portfolios as well as robust fee income on the back of advances growth; and
- growth in core operating costs remained below inflation, increasing 3%, and WesBank's cost-to-income ratio decreased year-on-year, reflecting excellent cost containment.

WesBank's rest of Africa business grew advances 10% year-on-year. Interest margins are trending down, mainly due to higher funding and liquidity costs and the ongoing shift in mix from fixed rate to floating rate business.

STRATEGIES TO ENSURE SUSTAINABILITY OF GROWTH AND RETURNS

FirstRand's strategy for the last 5 years was to achieve significant market share of profits in traditional banking activities, namely retail and wholesale lending, transactional and related endowment. The high quality of the lending and transactional franchises that reside in FNB, RMB and WesBank are a direct result of this strategy.

This market positioning will stand the domestic franchises in good stead moving into what is expected to be a more difficult operating environment. FirstRand, however, recognises the imperative to continue to protect and grow these franchises. The group believes this can be achieved through executing on disruptive and innovative strategies to deliver differentiated offerings to customers. In addition, the appropriate level of cross-sell available through collaboration across all of the franchises is still not fully realised.

Opportunities which exist:

- 60% of WesBank's customer base is not banked by FNB; and
- the recent acquisition of 100% of Direct Axis, which has a customer base that is also significantly underpenetrated by FNB.

FirstRand believes that an opportunity exists to capture a larger share of profits from the broader financial services markets, including savings, insurance and investment products, currently the domain of asset managers and insurance companies. These activities currently represent only 12% of gross revenue and many of them have become more attractive following changes in regulations. FirstRand is currently investing in a number of initiatives in the insurance space and in March 2015 acquired its own life insurance license. FNB is driving the long-term insurance strategy on behalf of the group and is building an appropriate platform to launch risk products. It is envisaged that the current activities of FNB Life will move onto this platform.

Post the year end, WesBank and Hollard formalised its long-standing relationship by establishing a new holding company of which WesBank will own 81% and Hollard 19%. This entity will consolidate the existing insurance products and include the acquisition of two other entities, Motorite and SMART. The objective of this initiative will be to offer the best value-added motor products in the market. Motorite offers a variety of vehicle warranty and maintenance products, while SMART specialises in body repair cover and offers paint and dent protection products. By combining resources, it is envisaged that, going forward, WesBank will be in a very strong position to provide innovative and competitively priced solutions for vehicle buyers. This initiative is conditional upon receiving approval from the applicable regulatory bodies.

Investment management is another market where FirstRand believes it can build a differentiated offering. Ashburton Investments will play an integral part of the group's investment management strategy. Ashburton Investments offers both traditional and alternative products. It is well positioned to utilise the distribution channels of FNB and RMB's asset origination skills. Ashburton's expanded growth strategy is now achieving traction.

As the group's primary objective is to produce superior returns for its shareholders and its key performance measurement is net income after capital charge (NIACC), the majority of the growth initiatives outlined above are "capital light" and seek to drive growth in NIR and enhance ROE. The group's revenues and earnings are also geographically highly concentrated, with less than 12% of gross revenue generated from outside of its domestic market. Therefore, in parallel with its domestic growth strategy, the group is also actively seeking to establish meaningful banking franchises in those countries in the rest of Africa prioritised as markets expected to show above average economic growth and which are well positioned to benefit from the trade and investment flows between Africa, India and China. These markets are mainly in the SADC region and the west and east African hubs.

FirstRand is not targeting a preferred level of earnings from outside of South Africa, as it believes the ultimate outcome of its strategy must be predicated on a disciplined approach to capital allocation and result in appropriate returns on the cost of that capital for shareholders. The group does, however, believe that certain territories in the rest of Africa offer attractive opportunities with execution currently taking the form of the following three pillars:

1. utilise the capabilities of the South African franchise, particularly the domestic balance sheet, intellectual capital, international platforms and the existing operating footprint in the rest of Africa;
2. start an in-country franchise and grow organically; and
3. acquire small-to medium-sized in-country franchises where it makes commercial sense.

It is anticipated that the deployment of capital going forward will be concentrated on pillars 2 and 3.

CAPITAL

FirstRand has maintained its very strong capital position, FirstRand's total capital requirement is 16.7% exceeding the regulatory minimum requirement of 10%. Capital planning is undertaken on a three-year forward-looking basis and the level and composition take into account organic growth, stress-testing scenario outcomes, regulatory and accounting changes and macroeconomic conditions. FirstRand believes its current levels of capital are appropriate.

For a comprehensive, in-depth review of FirstRand's performance, RMH shareholders are referred to www.firstrand.co.za.

SUMMARISED AUDITED RESULTS

SUMMARISED CONSOLIDATED INCOME STATEMENT (AUDITED)

<i>R million</i>	For the year ended 30 June		% change
	2015	2014	
Share of after-tax profit of associate company	7 388	6 426	15
Fee income	-	15	
Investment income	434	4	
Net fair value gain on financial assets and liabilities	83	18	
Net income	7 905	6 463	22
Administration expenses	(41)	(40)	3
Income from operations	7 864	6 423	22
Finance costs	(86)	(85)	1
Profit before tax	7 778	6 338	23
Income tax expense	(9)	(1)	>100
PROFIT FOR THE YEAR	7 769	6 337	23
Attributable to:			
Equity holders of the company	7 769	6 337	23
PROFIT FOR THE YEAR	7 769	6 337	23

COMPUTATION OF HEADLINE AND NORMALISED EARNINGS (AUDITED)

<i>R million</i>	For the year ended 30 June		% change
	2015	2014	
Earnings attributable to equity holders	7 769	6 337	23
Adjustment for:			
RMH's share of adjustment made by associate:			
Loss on disposal of investment securities and other investments of a capital nature	-	9	
Gain on disposal of available-for-sale assets	(100)	(24)	
Gain on disposal of investments in associates	-	(21)	
Gain on disposal of investment in subsidiaries	(75)	(6)	
Loss on disposal of property and equipment	2	11	
Fair value movement on investment properties	(11)	-	
Impairment of goodwill	-	45	
Impairment of assets in terms of IAS 36	-	53	
Other	3	-	
Tax effects of adjustments	6	9	
Non-controlling interests adjustment	10	5	
RMH's own adjustments:			
Maturing of FirstRand BEE transaction	(427)	-	
HEADLINE EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS	7 177	6 418	12
RMH's share of adjustments made by associates:			
IFRS 2 Share-based payment expenses	26	63	
Treasury shares	9	34	
Total Return Swap adjustment	(12)	(69)	
IAS 19 adjustment	(36)	(36)	
Private equity subsidiary realisations	63	5	
Adjustment for:			
RMH shares held by associate ¹	1	(2)	
Group treasury shares ²	(34)	(176)	
Other ³	(36)	-	
NORMALISED EARNINGS ATTRIBUTABLE TO EQUITY HOLDERS	7 158	6 237	15

¹ RMH shares held for client trading activities by FirstRand.

² Adjustment to reflect earnings impact based on actual RMH shareholding in FirstRand i.e. reflecting treasury shares as if they are non-controlling interests. For the current year the effect of the issue of an additional 35 420 014 issued on 20 January was taken into account on 1 January 2015 as the impact is immaterial on the group results.

³ Adjustment reflects reversal of a once-off hedge break gain realised on the restructuring of the funding facility.

COMPUTATION OF PER SHARE INFORMATION (AUDITED)

<i>R million</i>	For the year ended 30 June		% change
	2015	2014	
Earnings attributable to equity holders	7 769	6 337	23
Headline earnings attributable to equity holders	7 177	6 418	12
Normalised earnings for the year	7 158	6 237	15
Net asset value	35 174	32 220	9
Number of shares in issue (millions)	1 412	1 412	–
Weighted average number of shares in issue (millions)	1 411	1 411	–
Diluted weighted average number of shares in issue (millions)	1 411	1 411	–
Weighted average number of shares in issue (millions) for normalised earnings	1 412	1 412	–
Earnings per share (cents)	550.5	449.0	23
Diluted earnings per share (cents) ¹	550.5	444.2	24
Headline earnings per share (cents)	508.5	454.7	12
Diluted headline earnings per share (cents) ¹	508.5	449.9	13
Normalised earnings per share (cents)	507.0	441.7	15
Diluted normalised earnings per share (cents)	507.0	441.7	15
Net asset value per share (cents)	2 491.1	2 281.9	9
Dividend per share (cents)			
Interim	122.0	100.0	22
Final	154.0	127.5	21
TOTAL	276.0	227.5	21
Dividend cover (relative to headline earnings)	1.8	2.0	
Dividend cover (relative to normalised earnings)	1.8	1.9	

¹ The diluted calculations give cognisance to the impact of the similar calculation within FirstRand. This has no impact on RMH's weighted average number of shares.

**SUMMARISED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME (AUDITED)**

<i>R million</i>	For the year ended 30 June		% change
	2015	2014	
Profit for the year	7 769	6 337	23
Other comprehensive income after tax:			
Items that may be reclassified to profit or loss			
Share of other comprehensive income of associate after tax and non-controlling interests	(144)	254	
Items that may not subsequently be reclassified to profit or loss			
Share of other comprehensive income of associate after tax and non-controlling interests	(48)	(29)	
OTHER COMPREHENSIVE INCOME FOR THE YEAR	(192)	225	
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	7 577	6 562	
Total comprehensive income attributable to:			
Equity holders of the company	7 577	6 562	15
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	7 577	6 562	15

**SUMMARISED CONSOLIDATED STATEMENT
OF FINANCIAL POSITION (AUDITED)**

<i>R million</i>	As at 30 June	
	2015	2014
ASSETS		
Cash and cash equivalents	16	14
Loans and receivables	1	6
Investment securities	229	178
Derivative financial instruments	36	20
Investment in associate	36 241	33 348
TOTAL ASSETS	36 523	33 566
EQUITY		
Share capital and premium	8 815	8 819
Reserves	26 359	23 401
TOTAL EQUITY	35 174	32 220
LIABILITIES		
Financial liabilities	1 221	1 272
Derivative financial instruments	46	17
Trade and other payables	60	46
Receiver of revenue	1	-
Long-term liabilities	18	9
Provisions	3	2
TOTAL LIABILITIES	1 349	1 346
TOTAL EQUITY AND LIABILITIES	36 523	33 566

**SUMMARISED CONSOLIDATED STATEMENT
OF CASH FLOWS (AUDITED)**

<i>R million</i>	For the year ended 30 June	
	2015	2014
Net cash generated from operating activities	3 661	3 007
Dividends paid	(3 522)	(2 887)
Net cash outflow in financing activities	(137)	(118)
Net increase in cash and cash equivalents	2	2
Cash and cash equivalents at the beginning of the year	14	12
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	16	14

**SUMMARISED CONSOLIDATED STATEMENT
OF CHANGES IN EQUITY (AUDITED)**

<i>R million</i>	Share capital and premium	Total reserves	Total equity
Balance as at 1 July 2013	8 822	20 249	29 071
Total comprehensive income for the year	-	6 562	6 562
Dividends paid	-	(2 887)	(2 887)
Change in carrying value of associate due to elimination of treasury shares	-	(21)	(21)
Reserve movements relating to associate	-	(502)	(502)
Movement in treasury shares	(3)	-	(3)
BALANCE AS AT 30 JUNE 2014	8 819	23 401	32 220
Balance as at 1 July 2014	8 819	23 401	32 220
Total comprehensive income for the year	-	7 577	7 577
Dividends paid	-	(3 522)	(3 522)
Share option expense – IFRS 2	-	(1)	(1)
Reserve movements relating to associate	-	(1 097)	(1 097)
Movement in treasury shares	(4)	1	(3)
BALANCE AS AT 30 JUNE 2015	8 815	26 359	35 174

BASIS OF PREPARATION OF RESULTS

The accompanying summarised audited final results for the year ended 30 June 2015 reflect:

- the operations of RMH and its proportionate interest in its associate, FirstRand which has been equity accounted. This does not qualify as a group under the strict definition of IFRS but as an economic entity. In the announcement, where the term group is used, it actually refers to the economic entity.

The announcement is prepared in accordance with:

- International Financial Reporting Standards (IFRS), including IAS 34: Interim Financial Reporting;
- The requirements of the South African Companies Act, Act 71 of 2008;
- SAICA Financial Reporting Guide as issued by the Accounting Practices Committee;
- Financial Reporting Pronouncements as issued by Financial Reporting Standards Council; and
- JSE Listing Requirements.

This entire announcement is not audited but is extracted from audited group financial statements. The independent auditor's report does not necessarily encompass all the information contained in this announcement. Unless the information is specifically stated as audited, it should be assumed that it is unaudited. The auditor has issued a separate opinion on the announcement in terms of ISA 810.

The auditor expressed an unmodified opinion dated 11 September 2015 on the group financial statements from which this announcement was derived. A copy of the auditor's report on the group financial statements and their ISA 810 report are available at RMH's registered office.

The directors take full responsibility for the preparation of this announcement and for correctly extracting the financial information for inclusion in the announcement. The forward looking information provided above is not an earnings forecast and has not been reviewed and reported on by the company's external auditor.

ACCOUNTING POLICIES

The group financial statements, from which this announcement was derived, are prepared in accordance with the going concern principle under the historical cost basis as modified by the fair value accounting of certain assets and liabilities where required or permitted by IFRS.

These results incorporate accounting policies that are consistent with those used in preparing the financial results for the year ended 30 June 2014.

The following standards and interpretations, which did not have any effect on RMH's accounting policies, earnings or financial position, were effective for the current financial year:

- IAS 19 Employee Benefits Defined Benefit Plans – Employee Contributions (IAS 19);
- IAS 32 Financial Instruments: Presentation – Amendment to Offsetting Financial Assets and Financial Liabilities (IAS 32);
- IAS 39 Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting Amendments (IAS 39);
- IFRS 10 Consolidated Financial Statements – Investment Entities Amendment (IFRS 10); and
- IFRIC 21 Levies (IFRIC 21).

NORMALISED RESULTS

RMH believes normalised earnings more accurately reflect operational performance. Headline earnings are adjusted to take into account the following non-operational and accounting anomalies:

1. RMH's portion of normalised adjustments made by its associate, FirstRand, which have a financial impact:
 - Equity settled share-based payments and treasury shares; consolidation of staff share trust;
 - FirstRand shares held for client trading activities;
 - The Total Return Swap, which is an economic hedge against the share-based payment obligation;
 - The consolidation of private equity subsidiaries, which is excluded from the Rule 1 exemption of Circular 2/2013, Headline Earnings per Share; and
 - IAS 19 measurement of plan asset.
2. RMH shares held for client trading activities by FirstRand.
3. Adjustment to reflect the earnings impact based on the actual RMH shareholding in FirstRand.
4. The once-off hedge break gain realised on the restructuring of the preference share facility on 21 August 2014.

OTHER REQUIRED DISCLOSURES

FAIR VALUE MEASUREMENTS (AUDITED)

VALUATION METHODOLOGY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, i.e. an exit price. Fair value is therefore a market-based measurement and, when measuring fair value, RMH uses the assumptions that market participants would use when pricing an asset or liability under current market conditions, including assumptions about risk. When determining fair value, it is presumed that the entity is a going concern and the fair value is therefore not an amount that represents a forced transaction, involuntary liquidation or a distressed sale.

The fair value of publicly traded derivatives is based on quoted bid prices for assets held or liabilities to be issued and current offer prices for assets to be acquired and liabilities held. The fair value of non-traded derivatives is based on discounted cash flow models and option pricing models, as appropriate. The group recognises derivatives as assets when the fair value is positive and as liabilities when the fair value is negative. The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the group recognises profits or losses on day one. Where fair value is determined using valuation techniques whose variables include non-observable market data, the difference between the fair value and the transaction price (the day one profit or loss) is not recognised in the statement of financial position. These differences are, however, monitored for disclosure purposes. If observable market factors that market participants would consider in setting a price subsequently become available, the balance of the deferred day one profit or loss is released to profit or loss.

Fair value measurements are determined on both a recurring and non-recurring basis.

Recurring fair value measurements

Recurring fair value measurements are those for assets and liabilities that IFRS requires or permit to be recognised at fair value and are recognised in the statement of financial position at reporting date. This includes financial assets, financial liabilities and non-financial assets.

FINANCIAL INSTRUMENTS

When determining the fair value of a financial instrument, where the financial instrument has a bid or ask price, RMH uses the bid price for financial assets or the ask/offer price for financial liabilities, where this best represents fair value.

Non-financial assets

When determining the fair value of a non-financial asset, a market participant's ability to generate economic benefits by using the assets in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use, is taken into account. This includes the use of the asset that is physically possible, legally permissible and financially feasible. In determining the fair value of the group's investment properties and commodities, the highest and best use of the assets was their current use.

Non-recurring fair value measurements

Non-recurring fair value measurements are those triggered by particular circumstances and include the classification of assets and liabilities as non-current assets or disposal groups held for sale under IFRS 5, where fair value less costs to sell is the recoverable amount, IFRS 3 business combinations, where assets and liabilities are measured at fair value at acquisition date, and IAS 36 impairments of assets, where fair value less costs to sell is the recoverable amount. These fair value measurements are determined on a case-by-case basis as they occur within each reporting period.

OTHER FAIR VALUE MEASUREMENTS

Other fair value measurements include assets and liabilities not measured at fair value but for which fair value disclosures are required under another IFRS, e.g. financial instruments at amortised cost. The fair value for these items is determined by using observable quoted market prices, where these are available, or in accordance with generally acceptable pricing models such as a discounted cash flow analysis.

FAIR VALUE HIERARCHY AND MEASUREMENTS**Valuations based on observable inputs include:**

- Level 1 – fair value is based on quoted market prices (unadjusted) in active markets for identical instruments as measured on reporting date. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis.
- Level 2 – fair value is determined through valuation techniques based on observable market inputs. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates.

Valuations based on unobservable inputs include:

- Level 3 – fair value is determined through valuation techniques which use significant unobservable inputs.

The table below sets out the valuation techniques applied by RMH for fair value measurements of financial assets and liabilities categorised as level 2 in the fair value hierarchy.

Instrument	Fair value hierarchy level	Valuation technique	Description of valuation technique and main assumptions	Observable inputs
Derivative financial instruments – Equity derivative	Level 2	Industry standard model	The models calculate fair value based on input parameters such as stock prices and interest rates.	Market interest rates and prices
Financial assets and liabilities not measured at fair value but for which fair values are disclosed	Level 2	Discounted cash flows	The future cash flows are discounted using a market related interest rate and curves adjusted for credit inputs.	Market interest rates and curves

<i>R million</i>	Level 1	Level 2	Level 3	Total
Group				
30 June 2015				
<i>Recurring fair value measurements</i>				
Financial asset				
Equity instruments				
- at fair value through profit or loss	229	-	-	229
Derivative financial instruments	-	36	-	36
Investment in associate	101 864	-	-	101 864
FINANCIAL ASSET RECOGNISED AT FAIR VALUE	102 093	36	-	102 129
<i>Recurring fair value measurements</i>				
Financial liabilities	-	1 182	-	1 182
Derivative financial instruments	-	46	-	46
FINANCIAL LIABILITIES RECOGNISED AT FAIR VALUE	-	1 228	-	1 228
30 June 2014				
<i>Recurring fair value measurements</i>				
Financial asset				
Equity instruments				
- at fair value through profit or loss	178	-	-	178
Derivative financial instruments	-	20	-	20
Investment in associate	77 850	-	-	77 850
FINANCIAL ASSET RECOGNISED AT FAIR VALUE	78 028	20	-	78 048
<i>Recurring fair value measurements</i>				
Financial liabilities	-	1 180	-	1 180
Derivative financial instruments	-	17	-	17
FINANCIAL LIABILITIES RECOGNISED AT FAIR VALUE	-	1 197	-	1 197

There were no transfers between level 1 and level 2 during the current and prior year.

SEGMENTAL INFORMATION

<i>R million</i>	For the year ended 30 June		% change
	2015	2014	
FNB	11 300	9 701	16
RMB	5 888	5 507	7
WesBank	3 309	3 013	10
Other	789	442	79
FIRSTRAND NORMALISED EARNINGS	21 286	18 663	14
Attributable to RMH	7 240	6 325	14
Centre costs	(82)	(88)	(7)
RMH NORMALISED EARNINGS	7 158	6 237	15

ADMINISTRATION

RMB HOLDINGS LIMITED

(RMH)

(Incorporated in the Republic of South Africa)

Registration number: 1987/005115/06**JSE Ordinary share code:** RMH **ISIN code:** ZAE000024501**DIRECTORS:**

GT Ferreira (Chairman), Herman Bosman (CEO), Johan Burger, Peter Cooper, Leon Crouse, Sonja De Bruyn-Sebotsa, Laurie Dippenaar, Jan Dreyer, Pat Goss, Paul Harris, Albertina Kekana, Per Lagerström, Murphy Morobe and Khehla Shubane

Alternate directors: Jannie Durand and Obakeng Phetwe**SECRETARY AND REGISTERED OFFICE:**

Ellen Marais BCom(Hons), CA(SA)

Physical address: 3rd Floor, 2 Merchant Place, Corner of Fredman Drive and Rivonia Road, Sandton, 2196**Postal address:** PO Box 786273, Sandton, 2146**Telephone:** +27 11 282 8000**Telefax:** +27 11 282 4210**Web address:** www.rmbh.co.za**SPONSOR:***(in terms of JSE Limited Listings Requirements)***Rand Merchant Bank***(a division of FirstRand Bank Limited)***Physical address:** 1 Merchant Place, corner of Fredman Drive and Rivonia Road, Sandton, 2196**TRANSFER SECRETARIES:**

Computershare Investor Services (Pty) Limited

Physical address: Ground Floor, 70 Marshall Street, Johannesburg, 2001**Postal address:** PO Box 61051, Marshalltown, 2107**Telephone:** +27 11 370 5000**Telefax:** +27 11 688 5221



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