

FRESCO 2

Issuer Report — Calculation Date 7

30 April 2009



Traditional values. Innovative ideas.

ISSUE REPORT — CALCULATION DATE 7

The purpose of this report is for FirstRand Bank Limited ("FRB"), in its capacity as Calculation Agent for FRESCO 2, to fulfil its monitoring and reporting requirements of the notes issued by FRESCO 2 Investments Limited, as stipulated in the FRESCO 2 Offering Circular (dated 02 August 2007).

As at the 5th calculation date (31 October 2008), FRB had issued a Credit Event Notice to FRESCO 2 in respect of Lehman Brothers International (Europe). This exposure contributed R2m to the Credit Default Swap Notional Amount. A Provisional Loss of R1,827,500 was determined by FRB in its capacity as Calculation Agent. This is in line with the final price of 8.625% determined at the auction in respect of Lehman Brothers. FRB in its capacity as Administrator of FRESCO 2 appointed an Independent Auditor in order to determine the Actual Loss, which was deemed to be R1,827,500. This amount was fully covered by the excess spread of R30m per quarter and as such no loss was attributed to the capital structure of FRESCO 2. As at the 7th calculation date, FRB had issued no notice of any further Credit Events with regard to the Reference Portfolio.

OUTSTANDING PRINCIPAL

Class of notes	Note code	Original principal amount	Cumulative net loss	Total provisional loss	Total actual loss	Total amount outstanding	Amount of notes to be cancelled
Class A Floating rate Notes	FRE2A1	650,000,000	-	-	-	650,000,000	-
Class A Fixed rate Notes	FRE2A2	370,000,000	-	-	-	370,000,000	-
Class B Floating rate Notes	FRE2B1	360,000,000	-	-	-	360,000,000	-
Class B Fixed rate Notes	FRE2B2	40,000,000	-	-	-	40,000,000	-
Class C Notes	FRE2C	280,000,000	-	-	-	280,000,000	-
Class D Notes	FRE2D	140,000,000	-	-	-	140,000,000	-
Class E Notes	FRE2E	100,000,000	-	-	-	100,000,000	-
Class F Notes	FRE2F	60,000,000	-	-	-	60,000,000	-
Class G Notes	FRE2G	60,000,000	-	-	-	60,000,000	-
Subordinated Swap		100,000,000	-	-	-	100,000,000	-

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For disclaimer please refer to last page

RMB Debt Capital Markets



COUPONS: PAYMENT DATE 04 MAY 2009

Class of notes	Note code	Original principal amount	Coupon rate	Coupon paid	Coupon withheld	Adjustment amount
Class A Floating Rate Notes	FRE2A1	650,000,000	JIBAR03 + 55bp	18,514,760.27	-	-
Class A Fixed Rate Notes	FRE2A2	370,000,000	10.08%	9,324,000.00	-	-
Class B Floating Rate Notes	FRE2B1	360,000,000	JIBAR03 + 68bp	10,371,008.22	-	-
Class B Fixed Rate Notes	FRE2B2	40,000,000	10.22%	1,022,000.00	-	-
Class C Notes	FRE2C	280,000,000	JIBAR03 + 100bp	8,289,726.03	-	-
Class D Notes	FRE2D	140,000,000	JIBAR03 + 110bp	4,179,767.12	-	-
Class E Notes	FRE2E	100,000,000	JIBAR03 + 215bp	3,247,328.77	-	-
Class F Notes	FRE2F	60,000,000	JIBAR03 + 344bp	2,141,367.12	-	-
Class G Notes	FRE2G	60,000,000	JIBAR03 + 425bp	2,262,534.25	-	-

General reference portfolio characteristics

Reference Portfolio Applicable Notional Amount	20,000,000,000
Number of Reference Entities	194
Largest Reference Entity Applicable Notional Amount	500,000,000
Average Reference Entity Applicable Notional Amount	103,092,783.51

Distribution of reference entities by Fitch equivalent rating

Fitch equivalent rating	Number of reference entities	Total reference entity applicable notional amount (ZAR)	Percentage of total reference entity notional amounts
AAA(zaf)	43	4,290,000,000	21.45%
AA- / A+ (zaf)	35	5,447,000,000	27.24%
A / A- (zaf)	25	3,046,000,000	15.23%
BBB+ / BBB (zaf)	37	3,395,000,000	16.98%
BBB-(zaf)	44	3,355,000,000	16.78%
BB+(zaf)	5	238,000,000	1.19%
BB(zaf)	2	20,000,000	0.10%
BB-(zaf)	1	200,000,000	1.00%
B+(zaf)	2	9,000,000	0.05%
Grand Total	194	20,000,000,000	100%

Distribution of reference entities by country of incorporation

Country of incorporation	Number of reference entities	Total reference entity applicable notional amount (ZAR)	Percentage of total reference entity notional amounts
BELGIUM	1	1,000,000	0.01%
FRANCE	3	90,000,000	0.45%
GERMANY	6	218,000,000	1.09%
IRELAND	1	4,000,000	0.02%
JAPAN	1	178,000,000	0.89%
NETHERLANDS	1	2,000,000	0.01%
SOUTH AFRICA	172	18,939,000,000	94.70%
SWITZERLAND	2	160,000,000	0.80%
UNITED KINGDOM	3	165,000,000	0.83%
UNITED STATES	4	243,000,000	1.22%
Grand total	194	20,000,000,000	100%

Distribution of reference entities by Fitch Industry			
Fitch industry	Number of reference entities	Total reference entity applicable notional amount (ZAR)	Percentage of total reference entity notional amounts
Automobiles	10	836,000,000	4.18%
Banking & Finance	33	2,379,000,000	11.90%
Broadcasting/Media/Cable	4	30,000,000	0.15%
Building & Materials	8	1,129,000,000	5.65%
Chemicals	2	75,000,000	0.38%
Computers & Electronics	4	231,000,000	1.16%
Energy	9	872,000,000	4.36%
Food, Beverage & Tobacco	11	885,000,000	4.43%
Gaming, Leisure & Entertainment	3	849,000,000	4.25%
Health Care & Pharmaceuticals	3	825,000,000	4.13%
Industrial/Manufacturing	7	1,554,000,000	7.77%
Metals & Mining	21	3,849,000,000	19.25%
Paper & Forest Products	2	15,000,000	0.08%
Real Estate	32	1,162,000,000	5.81%
Retail (General)	7	785,000,000	3.93%
Telecommunications	8	948,000,000	4.74%
Textiles & Furniture	1	78,000,000	0.39%
Transportation	6	1,094,000,000	5.47%
Utilities	23	2,404,000,000	12.02%
Grand total	194	20,000,000,000	100.00%

Distribution of reference entities by reference entity notional amount			
Reference entity applicable notional amount (ZAR)	Number of reference entities	Total reference entity applicable notional amount (ZAR)	Percentage of total reference entity notional amounts
1 to 50,000,000	116	2,172,000,000	10.86%
50,000,001 to 100,000,000	26	2,062,000,000	10.31%
100,000,001 to 150,000,000	7	914,000,000	4.57%
150,000,001 to 200,000,000	9	1,663,000,000	8.32%
200,000,001 to 250,000,000	4	950,000,000	4.75%
250,000,001 to 300,000,000	5	1,430,000,000	7.15%
300,000,001 to 350,000,000	3	949,000,000	4.75%
350,000,001 to 400,000,000	20	7,975,000,000	39.88%
400,000,001 to 450,000,000	1	420,000,000	2.10%
450,000,001 to 500,000,000	3	1,465,000,000	7.33%
Grand total	194	20,000,000,000	100%

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Distribution of reference entities by Fitch Industry and Fitch Equivalent Rating

Fitch Industry	AAA(zaf)	AA- / A+ (zaf)	A / A- (zaf)	BBB+ / BBB (zaf)	BBB-(zaf)	BB+(zaf)	BB(zaf)	BB-(zaf)	B+(zaf)	Grand Total
Automobiles	1.50%	2.04%	0.32%	0.21%	0.10%	0.02%	0.01%			4.18%
Banking & Finance	6.80%	2.41%	0.10%	0.07%	2.43%		0.10%			11.90%
Broadcasting/Media/Cable		0.05%		0.04%	0.01%	0.05%				0.15%
Building & Materials	2.33%		1.51%	1.02%	0.03%	0.75%		0.03%		5.65%
Chemicals			0.13%	0.25%						0.38%
Computers & Electronics		0.51%	0.63%						0.02%	1.16%
Energy	0.63%	2.23%	1.04%	0.48%						4.36%
Food, Beverage & Tobacco	0.11%	0.08%	1.48%	1.34%	1.43%					4.43%
Gaming, Leisure & Entertainment				2.00%	2.25%					4.25%
Health Care & Pharmaceuticals	2.50%				1.63%					4.13%
Industrial/Manufacturing	0.99%		2.75%	3.53%	0.50%					7.77%
Metals & Mining		8.78%	4.27%	3.30%	1.90%			1.00%		19.25%
Paper & Forest Products				0.03%	0.05%					0.08%
Real Estate	0.27%	0.13%	0.05%	1.69%	3.31%	0.38%				5.81%
Retail (General)				1.63%	2.30%					3.93%
Telecommunications	0.05%	3.85%	0.44%	0.40%						4.74%
Textiles & Furniture				0.39%						0.39%
Transportation		2.15%	2.00%	0.50%	0.82%					5.47%
Utilities	6.29%	5.03%	0.54%	0.12%	0.04%					12.02%
Grand Total	21.45%	27.24%	15.23%	16.98%	16.78%	1.19%	0.10%	1.00%	0.05%	100.00%

Distribution of count of reference entities by Fitch Industry and Fitch Equivalent Rating

Fitch Industry	AAA(zaf)	AA- / A+ (zaf)	A / A- (zaf)	BBB+ / BBB (zaf)	BBB-(zaf)	BB+(zaf)	BB(zaf)	BB-(zaf)	B+(zaf)	Grand Total
Automobiles	1	2	3	1	1	1	1			10
Banking & Finance	22	4	2	1	3		1			33
Broadcasting/Media/Cable		1		1	1	1				4
Building & Materials	1		1	3	1	1			1	8
Chemicals			1	1						2
Computers & Electronics		2	1						1	4
Energy	1	3	3	2						9
Food, Beverage & Tobacco	2	1	2	4	2					11
Gaming, Leisure & Entertainment				1	2					3
Health Care & Pharmaceuticals	1				2					3
Industrial/Manufacturing	2		2	2	1					7
Metals & Mining		8	4	3	5			1		21
Paper & Forest Products				1	1					2
Real Estate	2	1	1	7	19	2				32
Retail (General)				4	3					7
Telecommunications	1	5	1	1						8
Textiles & Furniture				1						1
Transportation		2	1	1	2					6
Utilities	10	6	3	3	1					23
Grand Total	43	35	25	37	44	5	2	1	2	194

Reference portfolio tests		
Rating-based reference portfolio tests	Portfolio result	Portfolio max / min allowance
Maximum Reference Entity Notional Amount A- and higher	2.50%	2.50%
Maximum Reference Entity Notional Amount BBB+ to BB+	2.00%	2.00%
Maximum Aggregated Amount Rate BB+	16.78%	25%
Maximum Aggregated Amount Rated Lower Than BB+	2.34%	Note 1
Industry-based reference portfolio tests	Portfolio result	Portfolio max / min allowance
Minimum Number Of Fitch Industries	19	15
Maximum Single Fitch Industry Amount	19.245%	20%
Maximum Number of Fitch Industries greater than 10%	3	3
Maximum Sum Of The 3 Largest Fitch Industries	43.16%	50%
Minimum Percentage of Portfolio Secured By Commercial Real Estate	13.57%	5%
Minimum Reference Entity Country Rating (Other than SA)	AA	A
Country-based reference portfolio tests	Portfolio result	Portfolio max / min allowance
USA / UK Incorporated	2.04%	25%
Non RSA / USA or UK Incorporated	3.27%	15%
Portfolio adjustments	Portfolio result	Portfolio max / min allowance
Cumulative Amortisation Adjustments	0.53%	30%
Cumulative Portfolio Adjustments	1.99%	20%

Note:

- 1 The credit ratings of a small proportion of assets within the Fresco 2 portfolio (R467m of R20bn) have migrated into the below BB+ range (International Scale). This migration is expected within our current position in the economic cycle. The nominal amount of assets that are rated below BB+ is now 2.34% of the total FRESCO 2 portfolio. This does not result in any structural action within in the FRESCO 2 portfolio as the ratings of the notes reflect the likelihood of credit migration. When FRB as administrator of Fresco 2 rebalances the portfolio, no assets rated below BB+ are made available or are eligible for selection as a result of credit migration. As such we have included the portfolio test: Maximum Aggregate Amount Rated Below BB+ in this report to monitor these assets going forward.

FRESCO 2 — INTERNATIONAL EXPOSURES

Due to the international credit environment the following section has been included in this report.

Distribution of international reference entities by Fitch equivalent ratings			
Fitch Equivalent Rating International Scale	Number of reference entities	Total reference entity applicable notional amount (ZAR)	Percentage of total reference entity notional amounts
AA	2	55,000,000	5.18%
AA-	8	442,000,000	41.66%
A+	9	369,000,000	34.78%
A	1	67,000,000	6.31%
BBB+	1	50,000,000	4.71%
BBB-	1	78,000,000	7.35%
Grand total	22	1,061,000,000	100.00%

Distribution of reference entities by reference entity notional amount			
Reference entity applicable notional amount (ZAR)	Number of reference entities	Total reference entity applicable notional amount (ZAR)	Percentage of total reference entity notional amounts
1 to 50,000,000	12	178,000,000	16.78%
50,000,001 to 100,000,000	9	705,000,000	66.45%
100,000,001 to 150,000,000	0	0	0
150,000,001 to 200,000,000	1	178,000,000	16.78%
Grand total	22	1,061,000,000	100.00%

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