

Sasfin SENS

Sasfin Holdings Limited
Incorporated in the Republic of South Africa
(Company registration number 1987/002097/06)
("Sasfin" or "the Group" or "the Company")
(Ordinary share code: SFN ISIN: ZAE000006565)
(Preference share code: SFNP ISIN: ZAE000060273)

Summarised Audited Consolidated Group Results and Dividend Declarations for the year ended 30 June 2017 and Change of Independent Sponsor

Down 16.34%
HEADLINE EARNINGS
R194.151m
(2016: R232.080m)

Down 16.34%
HEADLINE EARNINGS PER ORDINARY SHARE
611.76cents
(2016: 731.27cents)

Down 16.34%
DIVIDENDS PER ORDINARY SHARE
240.42cents
(2016: 287.39cents)

Down 402bps
RETURN ON ORDINARY SHAREHOLDERS' AVERAGE EQUITY
13.52%
(2016: 17.54%)

Down 48bps
RETURN ON AVERAGE ASSETS
1.64%
(2016: 2.12%)

Up 14.71%
TOTAL ASSETS
R12.623bn
(2016: R11.004bn)

Up 4.63%
TOTAL EQUITY*
R1.469bn
(2016: R1.404bn)
*excluding preference shares.

Up 4.06%
GROSS LOANS AND ADVANCES
R6.711bn
(2016: R6.449bn)

Up 16bps
CREDIT LOSS RATIO
124bps
(2016: 108bps)

Up 22.95%
FUNDING BASE*
R8.979bn
(2016: R7.303bn)
*including preference shares.

Down 14.81%
FUNDS UNDER ADMINISTRATION AND MANAGEMENT*
R92bn
(2016: R108bn)
*including under advisement.

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Down 264bps
 GROUP TOTAL CAPITAL ADEQUACY RATIO (UNAUDITED)
 16.379%
 (2016: 19.023%)

FINANCIAL HIGHLIGHTS
 for the year ended 30 June 2017

	2017	2016
	Audited	Audited
CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
Total assets (Rm)	12 623	11 004
Total gross loans and advances (Rm)	6 711	6 449
Non-performing loans and advances (Rm)	349	423
INCOME STATEMENT		
Earnings attributable to ordinary shareholders (Rm)	176.6	224.4
Headline earnings (Rm)	194.2	232.1
FINANCIAL PERFORMANCE		
Return on ordinary shareholders' average equity (%)	13.52	17.54
Return on total average assets (%)	1.64	2.12
OPERATING PERFORMANCE		
Non-interest income to total income (%)	62.08	65.91
Cost-to-income ratio		
Group (%)	72.12	68.89
Banking Group (%)	65.20	62.43
Credit loss ratio (bps)	124	108
Non-performing advances to total gross loans and advances (%)	5.20	6.56
SHARE STATISTICS		
Earnings per ordinary share (cents)	556.38	707.13
Headline earnings per ordinary share (cents)	611.76	731.27
Number of ordinary shares in issue at end of the period ('000)	31 737	31 737
Weighted average number of ordinary shares in issue ('000)	31 737	31 737
Dividends per ordinary share relating to profit for the period (cents)	240.42	287.39
Preference share dividend number 1 for the year	436.68	396.28
Preference share dividend number 2 for the year	429.57	424.42
Net asset value per ordinary share (cents)	5 137	4 346
CAPITAL ADEQUACY (PROVISIONAL AND UNAUDITED)		
Capital to risk weighted assets		
Group (%)	16.379	19.023
Banking Group (%)	16.665	19.329

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 at 30 June 2017

2017 2016

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	Audited	Audited
	R'000	R'000
ASSETS		
Cash and negotiable securities	3 525 418	1 910 584
Loans and advances	6 487 022	6 254 891
Trading assets	1 280 093	1 147 227
Other receivables	467 208	772 209
Investment securities	494 213	586 359
Private equity and Property equity investments	447 233	510 479
Strategic investments	46 980	75 880
Property, plant and equipment	103 856	87 229
Non-current assets held for sale	69 500	69 900
Taxation	36 560	31 135
Intangible assets and goodwill	131 778	122 391
Deferred tax asset	26 995	22 135
TOTAL ASSETS	12 622 643	11 004 060
LIABILITIES		
Funding under repurchase agreements and interbank	1 381 240	999 184
Deposits from customers	4 483 350	3 206 527
Debt securities issued	2 496 718	2 470 428
Long-term loans	429 673	433 889
TOTAL FUNDING	8 790 981	7 110 028
Trading liabilities	1 266 745	1 131 942
Other payables	768 957	1 023 354
Taxation	9 569	16 611
Deferred tax liability	127 166	125 576
TOTAL LIABILITIES	10 963 418	9 407 511
EQUITY		
Ordinary share capital and share premium	144 327	144 327
Reserves	1 324 559	1 259 353
Preference share capital and share premium	188 086	192 869
Non-controlling interest	2 253	-
TOTAL EQUITY	1 659 225	1 596 549
TOTAL LIABILITIES AND EQUITY	12 622 643	11 004 060

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2017

	2017	2016
	Audited	Audited
	R'000	R'000
Interest income	1 186 295	999 006
Interest expense	743 759	592 520
NET INTEREST INCOME	442 536	406 486
NON-INTEREST INCOME	724 630	790 357
Non-interest income excluding fair value adjustments to strategic investments	753 826	772 846
Fair value adjustments to strategic investments	(29 196)	17 511
TOTAL INCOME	1 167 166	1 196 843
Impairment charges on loans and advances	81 436	63 912
NET INCOME AFTER IMPAIRMENTS	1 085 730	1 132 931
OPERATING COSTS	840 152	828 316
Staff costs	414 463	434 339
Other operating expenses	411 326	380 888
Goodwill and intangible asset impairments	14 363	13 089
PROFIT FROM OPERATIONS	245 578	304 615
Share of associate (loss)/income	(2 156)	2 383
PROFIT BEFORE INCOME TAX	243 422	306 998
Income tax expense	49 012	68 210
PROFIT FOR THE YEAR	194 410	238 788
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX EFFECTS	(27 544)	14 766
Items that may subsequently be reclassified to profit or loss:		
FOREIGN EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN OPERATIONS	(27 544)	54 395
NET LOSS ON HEDGE OF NET INVESTMENT IN FOREIGN OPERATION	-	(39 629)
Loss on hedge of net investment in foreign operation	-	(55 040)
Income tax effect	-	15 411
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	166 866	253 554
PROFIT ATTRIBUTABLE TO:		
Non-controlling interest	194 410	238 788
Preference shareholders	2 253	-

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	15 580	14 369
Equity holders of the Group	176 577	224 419
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Non-controlling interest	166 866	253 554
Preference shareholders	2 253	-
Equity holders of the Group	15 580	14 369
	149 033	239 185

EARNINGS PER SHARE:
Basic and Diluted Earnings per share (cents)

	556.38	707.13
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HEADLINE EARNINGS RECONCILIATION
for the year ended 30 June 2017

	2017	2016
	Audited	Audited
	R'000	R'000
EARNINGS ARE DETERMINED AS FOLLOWS:		
Earnings attributable to equity holders of the Group	176 577	224 419
HEADLINE ADJUSTABLE ITEMS		
GOODWILL AND INTANGIBLE IMPAIRMENTS	17 574	7 661
Gross	14 363	12 175
Tax impact	14 363	13 089
INVESTMENT PROPERTY FAIR VALUE ADJUSTMENTS	-	(914)
Gross	310	(4 514)
Tax impact	400	(5 818)
IMPAIRMENT OF LEASEHOLD IMPROVEMENTS	(90)	1 304
Gross	4 436	-
Tax impact	4 436	-
PROFIT ON DISPOSAL OF SUBSIDIARY	-	-
Gross	(1 359)	-
Tax impact	(1 359)	-
PROFIT ON DISPOSAL OF ASSETS	-	-
Gross	(176)	-
Tax impact	(244)	-
	68	-
HEADLINE EARNINGS	194 151	232 080
Headline Earnings and Diluted Headline Earnings per ordinary share (cents)	611.76	731.27

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2017

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	2017	2016
	Audited	Audited
	R'000	R'000
Opening total shareholders' equity	1 596 549	1 438 191
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	166 866	253 554
Profit for the year	194 410	238 788
Foreign currency translation reserve	(27 544)	54 395
Hedging reserve	-	(39 629)
TRANSACTIONS WITH OWNERS RECORDED DIRECTLY IN EQUITY		
Preference share buy-back and cancellation	(1 864)	(2 581)
Preference share dividend	(15 580)	(14 369)
Ordinary share dividend	(86 746)	(78 246)
CLOSING BALANCE	1 659 225	1 596 549

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 June 2017

	2017	2016
	Audited	Audited
	R'000	R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from customers	1 850 341	1 679 756
Cash paid to customers, employees and suppliers	(1 593 358)	(1 368 187)
CASH INFLOW FROM OPERATING ACTIVITIES	256 983	311 569
Dividends received	14 753	6 400
Taxation paid	(64 749)	(75 169)
Dividends paid	(102 326)	(92 615)
CASH FLOWS FROM OPERATING ACTIVITIES	104 661	150 185
CHANGES IN OPERATING ASSETS AND LIABILITIES	1 057 502	(1 083 437)
Increase in loans and advances	(313 567)	(1 076 343)
(Increase)/Decrease in trading assets	(132 866)	539 994
Decrease/(Increase) in other receivables	297 512	(39 699)
Increase/(Decrease) in deposits	1 276 823	(69 339)
Increase in long-term funding	22 074	22 079
Increase/(Decrease) in trading liabilities	134 803	(518 847)
(Decrease)/Increase in other payables	(227 277)	58 718
NET CASH FROM OPERATING ACTIVITIES	1 162 163	(933 252)
CASH FLOWS FROM INVESTING ACTIVITIES		

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	64 899	(228 968)
Proceeds from the disposal of property, plant and equipment	11 960	7 519
Proceeds from disposal of subsidiary	7 489	-
Acquisition of property, plant and equipment	(49 680)	(47 031)
Acquisition of intangible assets	(40 973)	(46 356)
Net cash paid on acquisition of subsidiaries	-	(47 541)
Increase/(Decrease) from disposal/(acquisition) of investment securities	136 103	(95 559)
NET CASH FLOWS FROM FINANCING ACTIVITIES	(1 864)	(2 581)
Purchase and cancellation of preference shares	(1 864)	(2 581)
NET INCREASE/(DECREASE) IN CASH AND CASH BALANCES	1 225 198	(1 164 801)
Cash and cash balances at beginning of the year	911 400	2 080 026
Effect of exchange rate fluctuations on cash and cash balances	7 580	(3 825)
CASH AND CASH BALANCES AT END OF THE YEAR	2 144 178	911 400

CONDENSED SEGMENTAL ANALYSIS
for the year ended 30 June 2017

	2017	2016
	Audited	Audited
	R'000	R'000
SEGMENT RESULT		
Business Banking*	164 192	164 513
Transactional Banking and Treasury	23 734	6 559
Wealth	36 746	76 406
Wealth excluding fair value adjustments to strategic investments	59 402	62 817
Fair value adjustments to strategic investments	(22 656)	13 589
Capital	36 845	20 344
Commercial Solutions*	15 707	16 646
Group and inter-segment eliminations	(82 814)	(45 680)
PROFIT FOR THE YEAR	194 410	238 788
SEGMENT REVENUE		
Business Banking*	612 045	602 934
Transactional Banking and Treasury	88 811	63 961
Wealth	256 336	300 917
Wealth excluding fair value adjustments to strategic investments	285 532	283 406
Fair value adjustments to strategic investments	(29 196)	17 511
Capital	89 266	45 750
Commercial Solutions*		

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	100 925	150 475
Group and inter-segment eliminations	19 783	32 806
TOTAL SEGMENT REVENUE	1 167 166	1 196 843

*Sasfin Forex included in Business Banking.

CONDENSED SEGMENTAL ANALYSIS
at 30 June 2017

	2017	2016
	Audited	Audited
	R'000	R'000
SEGMENT ASSETS		
Business Banking		
Transactional Banking and Treasury	7 295 493	6 104 399
Wealth	6 160 948	4 393 773
Capital	1 573 909	1 129 574
Commercial Solutions	863 103	761 418
Group and inter-segment eliminations	570 093	317 725
TOTAL SEGMENT ASSETS	(3 840 903)	(1 702 829)
	12 622 643	11 004 060
SEGMENT LIABILITIES		
Business Banking		
Transactional Banking and Treasury	6 373 781	5 467 456
Wealth	6 147 502	4 264 714
Capital	1 399 736	1 057 747
Commercial Solutions	539 584	384 379
Group and inter-segment eliminations	384 855	166 849
TOTAL SEGMENT LIABILITIES	(3 882 040)	(1 933 634)
	10 963 418	9 407 511

NOTE 1: FINANCIAL INSTRUMENTS: FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Group's financial risk management objectives and policies are consistent with those disclosed in the Consolidated and Separate Annual Financial Statements as at and for the year ended 30 June 2017.

Financial hierarchy

The table below analyses financial instruments carried at fair value by level of fair value hierarchy. The different levels are based on the inputs used in the calculation of fair value of the financial instruments. The levels have been defined as follows:

Level 1 - fair value is based on quoted market prices (unadjusted) in active markets for identical instruments.

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - unobservable inputs for the asset or liability.

30 June 30 June

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		2017	2016	Level 1	Level 1
		Audited	Audited	R'000	
2	Level 3	R'000	R'000		
	Negotiable securities	-	1 395 522	1 395 522	
	Trading assets	-	1 280 093	1 280 093	
	Investment securities	259 446 954	494 213 586 359	-	47
	Other receivables	477	72 477 100 259	-	72
	TOTAL FINANCIAL ASSETS CARRIED AT FAIR VALUE	736 446 954	3 242 305 3 072 112	2 675 615	119
	Trading liabilities	-	1 266 745	1 266 745	
	Other payables	806	66 806 97 474	-	66
	TOTAL FINANCIAL LIABILITIES CARRIED AT FAIR VALUE	806	1 333 551 1 229 416	1 266 745	66

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair values using valuation techniques.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the transfer has occurred. There were no transfers between Level 1, 2 and 3 of the fair value hierarchy during the year ended 30 June 2017.

		30 June 2017	30 June 2016
		Audited	Audited
		R'000	R'000
LEVEL 3 FAIR VALUES - INVESTMENT SECURITIES			
	Opening balance	493 768	398 024
	Total gains in profit	72 649	31 326
	Net (settlements)/investments	(119 463)	64 418
	CLOSING BALANCE	446 954	493 768

The valuation of Level 3 investment securities was based predominantly on detailed discounted cash flow methodologies, which were moderated against implied price/earnings multiples and, where applicable, benchmarked to proxies of listed entities in similar industries. This valuation methodology is allowed per the South African Venture Capital and Private Equity guidelines.

SENSITIVITY ANALYSIS
for the year ended 30 June 2017

SENSITIVITY ANALYSIS OF VALUATIONS USING UNOBSERVABLE INPUTS
As part of the Group's risk management processes, stress tests are applied on the significant unobservable parameters to generate a range of potentially possible alternative valuations. The assets that are most impacted by this sensitivity analysis are Level 3 investment securities. The stress tests are applied independently and do not take into account any

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cross-correlation between separate asset classes that would reduce the overall effect on the valuations.

The following table reflects how the unobservable parameters were changed in order to evaluate the sensitivities of Level 3 financial assets:

Positive/(negative)

variance applied	
Significant unobservable parameter to parameters	Portfolio
Weighted Average Cost of Capital (WACC)	Private equity
100/(100) bps	Private equity
Marketability and minority discounts	Private equity
100/(100) bps	Private equity
Revenue growth	Private equity
100/(100) bps	Private equity
Capitalisation rate	Property equity
50/(50) bps	Property equity

A significant parameter has been deemed to be one which may result in a change to profit or loss, or a change in the fair value of the asset of more than 1%.

This is demonstrated by the following sensitivity analysis, which includes reasonable range of possible outcomes:

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June 2017	30 June 2016	
Potential effect recorded	Potential effect recorded in	in
profit or loss	profit or loss	
favourable/	favourable/	
Financial instrument (unfavourable)	(unfavourable)	Parameter
Investment securities (R2.687m)/R2.762m	(R2.378m)/R2.439m	WACC
Investment securities (R0.606m)/R0.606m	(R0.431m)/R0.431m	Marketability and minority discounts
Investment securities R2.687m/(R2.687m)	R1.130m/(R1.130m)	Revenue growth
Investment securities (R1.095m)/R14.542m	(R12.692m)/(R10.669m)	Capitalisation rate

COMMENTARY

NATURE OF BUSINESS

Sasfin is a bank-controlling company listed on the JSE Limited (JSE). Sasfin and its subsidiaries (the Group) provide a comprehensive range of specialist financial products and services for Business and Wealth clients.

BUSINESS ENVIRONMENT

The weak economy, growing unemployment and the threat of further ratings downgrades are taking their toll on the South African banking industry, which nonetheless remains highly regarded internationally for its strong governance, capital and liquidity levels, service, and financial performance.

GROUP OVERVIEW

Coming off growth in headline earnings in 2016 of 29.03%, Sasfin delivered a disappointing 16.34% decrease in headline earnings to R194.151 million (2016: R232.080 million) and headline earnings per

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share to 611.76 cents (2016: 731.27 cents), due largely to an increase in the credit loss ratio from 108 bps to 124 bps arising from two unusual credit losses, and the impact of a mark-to-market loss on the Group's strategic investment in Efficient Group Limited (Efficient).

During 2016, the Group acquired a 14.32% interest in a strategic investment, Efficient, and recognised a post-tax mark-to-market gain of R13.589 million in profit. This gain has been reversed and a further post-tax write down of R9.067 million has been recognised on this investment. Excluding the impact of Efficient in both years, the Group's headline earnings would have been down 0.77% at R216.807 million (2016: R218.491 million).

The Group deconsolidated and disposed of 70% of its investment in Imperial Sasfin Logistics (Pty) Ltd (ISL) (previously Sasfin Premier Logistics (Pty) Limited) on 1 July 2016.

Total assets grew by 14.71% (2016: 1.27%) to R12.623 billion (2016: R11.004 billion), driven by an 84.52% growth in cash and short-term negotiable securities to R3.525 billion (2016: R1.911 billion).

The tough economic and credit environment resulted in muted growth in gross loans and advances to customers of 4.06% (2016: 20.65%) to R6.711 billion (2016: R6.449 billion).

The Group's funding base grew by 22.95% (2016: 5.96%) to R8.979 billion (2016: R7.303 billion), largely driven by a 39.82% growth (2016: 2.12% decrease) in deposits from customers to R4.483 billion (2016: R3.207 billion).

Excluding the impact of Efficient and the deconsolidation of ISL, total income disappointingly increased by only 6.86%, predominantly as a result of the muted growth in loans and advances in Business Banking and flat revenue in wealth, while operating costs increased by 9.12% (2016: 19.81%) following the Group's continued investment in information technology, risk and compliance.

The Group's cost-to-income ratio increased to 72.12% (70.35% excluding Efficient) from 68.89% (70.09% excluding Efficient) in 2016 while the Group JAWS ratio was a negative 4.54% (positive 0.01% excluding the impact of Efficient) (2016: positive 3.79% (positive 3.47% excluding the impact of Efficient)).

DIVISIONAL OVERVIEW

SASFIN BANK (Business Banking including Sasfin Forex, Transactional Banking and Treasury)

Business Banking was negatively impacted by an increase in credit impairments and slow growth in loans and advances, resulting in a 0.20% decrease in headline earnings to R164.192 million (2016: R164.513 million).

Transactional Banking and Treasury had an excellent performance achieving headline earnings of R23.734 million (2016: R6.559 million).

The Treasury unit performed well, as a result of the increased funding base and improved yields.

Transactional Banking, still in its formative stages, has reduced losses and developed a strong business offering, including being the only bank offering a direct feed into the Xero Accounting package.

Sasfin Forex increased critical mass, and has become a meaningful contributor to profits.

SASFIN WEALTH

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Sasfin wealth's revenue from Collective Investment Scheme management fees and foreign income increased, but was negatively impacted by the weak JSE, the strengthened Rand and increased costs from continued investment in distribution, operational capabilities and technology.

Headline earnings for Sasfin wealth decreased 51.91% to R36.746 million (2016: R76.406 million) largely due to the mark-to-market loss on its investment in Efficient of R22.656 million post-tax (2016: gain of R13.589 million post-tax). Excluding the impact of Efficient in both years, wealth's headline earnings would have decreased 5.44% to R59.402 million (2016: R62.817 million).

Assets Under Management (including Assets Under Advice) decreased from R40.107 billion to R38.297 billion, largely due to lower portfolio values. Assets Under Administration decreased from R67.855 billion to R53.694 billion due to safe custody clients exiting their portfolios.

Sasfin wealth continued to increase its offshore capabilities and offerings, which have been well received by its private clients.

SASFIN CAPITAL (Corporate Finance, Private Equity, Property Equity, Commercial Solutions)

Sasfin Capital continued to perform well, reflecting an increase in headline earnings of 81.11% to R36.845 million (2016: R20.344 million) (excluding Commercial Solutions).

During the year, Sasfin Capital realised in excess of R200 million of its private equity portfolio at carrying value or better.

Commercial Solutions (which, apart from Forex, now forms part of Sasfin Capital) was negatively impacted by the economic downturn and tough trading conditions resulting in flat performances across all business units.

CAPITAL AND LIQUIDITY

With the growth in the funding base, Sasfin's liquidity coverage ratio is at a comfortable level, well in excess of minimum regulatory requirements.

Sasfin's securitisation vehicle, South African Securitisation Programme (RF) Limited continued to deliver consistent performance. Maturing notes of R580 million were refinanced.

The Group's total capital adequacy ratio decreased to 16.379% (provisional and unaudited) (2016 final audited: 19.023%) primarily due to a growth in risk-weighted assets resulting from an increase in the funding base. Tier 1 capital adequacy was 16.099% (provisional and unaudited) (2016 final audited: 18.629%).

Subsequent to year-end, Sasfin Bank Limited concluded a long-term funding facility with the FMO and DEG for US\$30 million, which will further strengthen the tenor, diversity and stability of the Group's funding base.

PROSPECTS

Sasfin continues to focus on its long-term strategy of providing solutions for the banking and financial needs of its Business and wealth clients.

The Group continues to prioritise achieving critical mass to drive strong revenue generation across its businesses, combined with cost containment, where appropriate, together with strategic investment in technology and distribution.

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The Group is finalising a proposed restructure to adopt a more focused approach to its target markets along its core pillars of Banking, Wealth and Capital.

The acquisition of the Absa Technology Financial Solutions (Pty) Ltd rental book, as previously advised, is in process.

Sasfin is expected to benefit from its recently concluded black economic empowerment transaction with Women Investment Portfolio Holdings Limited (WIPHOLD), which is subject to shareholder and regulatory approvals.

BASIS OF PREPARATION AND PRESENTATION OF THE SUMMARISED FINANCIAL STATEMENTS

The Summarised Consolidated Financial Statements have been prepared in accordance with IAS 34 - Interim Financial Reporting, and in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements for preliminary reports, and the requirements of the Companies Act of South Africa, 71 of 2008, as amended (Companies Act) as applicable to summarised financial statements.

The accounting policies applied in the Audited Consolidated Annual Financial Statements from which the Summarised Consolidated Financial Statements were derived are in terms of IFRS and are the same as those applied in the Group's Audited Consolidated and Separate Annual Financial Statements for the year ended 30 June 2016.

There are no material events to report subsequent to 30 June 2017 other than already disclosed.

SUMMARISED FINANCIAL STATEMENTS

The Summarised Audited Consolidated Annual Financial Statements comprise the following:

- Consolidated Statement of Financial Position
- Consolidated Statement of Comprehensive Income
- Consolidated Statement of Changes in Equity
- Consolidated Statement of Cash Flows
- Condensed Segmental Analysis

at and for the year ended 30 June 2017.

ADOPTION OF IAS 1 (AMENDED)

As a consequence of adopting IAS 1 (amended) and to enhance the financial statements, changes to the presentation of the balance sheet (Trading assets and Trading liabilities) and certain disclosures in the financial statements have taken place in the current year. These enhancements had no impact on the underlying disclosed amounts or earnings. To enable the comparability of information, the 2016 comparatives were similarly enhanced.

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Summarised Audited Consolidated Annual Financial Statements for the year ended 30 June 2017 have been prepared under the supervision of Lushendren Pather, CA(SA), Group Financial Director (Acting).

REPORTS OF THE INDEPENDENT JOINT AUDITORS

These Summarised Audited Consolidated Annual Financial Statements for the year ended 30 June 2017 have been audited by the independent joint auditors of the Group, KPMG Inc. and Grant Thornton Johannesburg Partnership, who have expressed an unmodified opinion thereon. The auditors have also expressed an unmodified opinion on the Audited Consolidated and Separate

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Annual Financial Statements from which these Summarised Audited Consolidated Annual Financial Statements have been derived.

A copy of the audit reports on the Summarised Audited Consolidated Annual Financial Statements and the Audited Consolidated and Separate Annual Financial Statements are available for inspection at the Company's registered office, together with the financial statements identified in the respective audit reports.

The audit reports do not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditors' engagements they should obtain a copy of the audit reports together with the accompanying financial information from the issuer's registered office. Any forward looking statement in these results have not been reviewed or reported on by the joint auditors.

PREFERENCE SHARE CASH DIVIDEND

The Directors have declared a gross cash preference dividend number 26 amounting to 429.57 cents per share (343.656 cents per share net of 20% dividend withholding tax) (2016: 424.42 cents per share (360.757 cents per share net of 15% dividend withholding tax) (preference dividend)) for the period 1 January 2017 to 30 June 2017.

Preference dividends have been paid on 1 000 000 (2016: 1 000 000) preference shares issued at R100.00 each (2016: R100.00), and on 797 226 (2016: 820 544) preference shares issued at R110.49 each (2016: R110.49).

The dividends have been declared from income reserves. The preference dividend is payable to holders of preference shares recorded in the register of the Company at the close of business on Friday, 13 October 2017.

The salient dates relating to the preference dividend are as follows:

Last day to trade cum the preference dividend
Tuesday, 10 October 2017
Preference shares commence trading ex the preference dividend
Wednesday, 11 October 2017
Preference dividend record date
Friday, 13 October 2017
Payment date of preference dividend
Monday, 16 October 2017

Preference share certificates may not be dematerialised or rematerialised between Wednesday, 11 October 2017 and Friday, 13 October 2017, both days inclusive.

FINAL ORDINARY SHARE CASH DIVIDEND

The Directors have declared a final ordinary share gross cash dividend for the year ended 30 June 2017 of 160.42 cents (2016: 188.82 cents) per share.

Together with the interim ordinary dividend of 80.004 cents (2016: 98.57 cents) per share declared on 16 March 2017, the total ordinary dividends for the financial year ended 30 June 2017 amount to 240.42 cents (2016: 287.39 cents) per share.

The following further information is provided to shareholders with regard to the final dividend declaration in respect of the new dividends tax:

- The dividend has been declared from income reserves.
- The dividend withholding tax rate is 20% (2016: 15%), and a net dividend of 128.336 cents (2016: 160.497 cents) per share is paid to those shareholders who are not exempt from dividend withholding tax.
- The issued number of ordinary shares as at declaration date is 32 301 441

Sasfin SENS

(2016: 32 301 441).

Sasfin's tax reference number is 9300/204/71/7.

The ordinary dividend is payable to holders of ordinary shares recorded in the register of the Company at the close of business on Friday, 20 October 2017.

The salient dates relating to the ordinary dividend are as follows:

Last day to trade cum the ordinary dividend
Tuesday, 17 October 2017
Ordinary shares commence trading ex the ordinary dividend
Wednesday, 18 October 2017
Ordinary dividend record date
Friday, 20 October 2017
Payment date of ordinary dividend
Monday, 23 October 2017

Ordinary share certificates may not be dematerialised or rematerialised between Wednesday, 18 October 2017 and Friday, 20 October 2017, both days inclusive.

The above dates and times are subject to amendment. Any such amendment will be published on SENS and in the press.

DIRECTORATE AND CHANGES TO THE BOARD

Tyrone Soondarjee retired as Group Financial Director of Sasfin Holdings Limited, Sasfin Bank Limited and other subsidiaries in the Group with effect from 30 June 2017.

Lesego Sennelo and John Moses resigned as Independent Non-Executive Directors of Sasfin Holdings Limited and Sasfin Bank Limited with effect from 28 March 2017 and 28 August 2017 respectively.

Gugu Mtetwa was appointed as an Independent Non-Executive Director of Sasfin Holdings Limited on 28 August 2017.

We take this opportunity to wish our resigning and retiring directors well in their future endeavours and thank them for the significant contribution that each of them made to the Group. As our Group Financial Director, Tyrone added tremendous value over the 10 years that he was with Sasfin.

NOTICE OF ANNUAL GENERAL MEETING AND POSTING OF INTEGRATED REPORT

The Annual General Meeting of Sasfin will be held at 29 Scott Street, Waverley, Johannesburg, on Monday, 27 November 2017 at 14:00.

The last date to trade in order to be eligible to participate in and vote at the Annual General Meeting will be Tuesday, 14 November 2017 and the record date for the purposes of determining which shareholders of the Company are entitled to participate in and vote at the Annual General Meeting is Friday, 17 November 2017.

Sasfin's Integrated Report 2017 is expected to be distributed to shareholders on or about 27 October 2017.

CHANGE OF INDEPENDENT SPONSOR

In compliance with paragraph 2.6A(b) of the JSE Limited Listings Requirements, shareholders are advised that Sasfin has changed its Independent Sponsor from KPMG Services Proprietary Limited to Deloitte & Touche Sponsor Services Proprietary Limited with effect from Tuesday, 19 September 2017.

For and on behalf of the Board:

Roy Andersen

Roland Sassoon

Lushendren Pather

Chair
Director (Acting)
19 September 2017

Sasfin SENS
Chief Executive Officer

Group Financial

CORPORATE DETAILS

Independent Non-Executive Chair
Roy Andersen

Executive Directors
Roland Sassoon (Chief Executive Officer)
Michael Sassoon

Alternate Executive Director
Linda Frohlich

Independent Non-Executive Directors
Linda de Beer
Grant Dunnington
Gugu Mtetwa
Shahied Rylands (Lead)

Group Company Secretary
Howard Brown

Transfer Secretaries
Computershare Investor Services (Pty) Limited
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
PO Box 61051, Marshalltown, 2107

Joint Auditors
KPMG Inc.
Grant Thornton Johannesburg Partnership

Lead Sponsor
Sasfin Capital (a member of the Sasfin Group)

Independent Sponsor
Deloitte & Touche Sponsor Services (Pty) Ltd

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Tel: +27 11 809 7500
Fax: +27 11 887 6167/2489
Company Registration number: 1987/002097/06
Tax reference number: 9300/204/71/7

Website and Email
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This announcement and additional information is available at
www.sasfin.com