SASFIN HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
Registration Number 1987/002097/06)
Ordinary share code: SFN ISIN: ZAE00006565
Preference share code: SFNP ISIN: ZAE000060273
("the Group")

SASFIN HOLDINGS LIMITED / SASFIN BANK LIMITED CAPITAL ADEQUACY – QUARTERLY REPORT 31 December 2017

Sasfin Holdings Limited and Sasfin Bank Limited are required in terms of Regulation 43(1)(e)(ii) of the Banks Act, No 94 of 1990, as amended, of South Africa, and Regulations, to report on their capital management plan, capital strategy, capital structure, capital adequacy and leverage ratio publicly.

The Group's capital management plan and strategy are fully disclosed in the Group's 2017 Integrated Report and the 2017 Audited Annual Financial

Statements which are available at www.sasfin.com or from the Company Secretary.

Sasfin Holdings Limited and Sasfin Bank Limited capital structure, capital adequacy, leverage and liquidity coverage ratios at 31 December 2017 are disclosed below.

		Sasfin Holdings Limited			Sasfin Bank Limited and Subsidiaries			Sasfin Bank Limited		
		R'000 R'000		R'000			R'000	R'000 R'000		R'000
		Risk weighted assets	Risk weighted assets	Minimum capital requirements *	Risk weighted assets	Risk weighted assets	Minimum capital requireme nts *	Risk weighted assets	Risk weighted assets	Minimum capital requirements *
	Risk weighted assets Overview of Risk weighted assets Credit risk (excluding	December 2017 (T)	September 2017 (T-1)	December 2017 (T)	December 2017 (T)	September 2017 (T-1)	December 2017 (T)	December 2017 (T)	September 2017 (T-1)	December 2017 (T)
1	counterparty credit	5 806 734	5 713 985	624 224	5 109 823	4 929 537	549 306	4 482 369	4 284 253	481 855
	Of which standardised									
2	approach (SA) Of which internal rating-based (IRB)	5 806 734	5 713 985	624 224	5 109 823	4 929 537	549 306	4 482 369	4 284 253	481 855
3	approach Counterparty credit	-	-	-	-	-	-		-	-
4	risk Of which standardised approach for counterparty credit risk	175 710	45 126	18 889	175 710	45 126	18 889	175 474	44 037	18 863
5	(SA-CCR) Of which internal	175 710	45 126	18 889	175 710	45 126	18 889	175 474	44 037	18 863
6	model method (IMM) Equity positions in banking book under	-	-	-	-	-	-	-	-	-
7	market-based approach Equity investments in	-	-	-	-	-	-	-	-	-
8	funds - look-through approach Equity investments	-	-	-	-	-	-	-	-	-
9	in funds - mandate- based approach Equity investments in funds - fall back	-	-	-	-	-	-	-	-	
11	approach	-	-	-	-	-	-	-	-	-
	Securitisation exposures in banking									
12	Of which IRB ratings-	608 814	309 511	65 448	608 814	309 511	65 448	608 814	309 511	65 448
13	based approach (RBA) Of which IRB Supervisory Formula	-	-	-	-	-	-	-	-	-
14	Approach (SFA) Of which SA/simplified supervisory formula	-	-	-	-	-	-	-	-	-
15	approach (SSFA)	608 814	309 511	65 448	608 814	309 511	65 448	608 814	309 511	65 448
16	Market risk Of which standardised	5 200	36 410	559	5 200	36 410	559	3 824	3 922	411
17	approach (SA) Of which internal model approaches	5 200	36 410	559	5 200	36 410	559	3 824	3 922	411
18	(IMM)		-	-	-	-	-	-	-	-
19	Operational risk Of which Basic	1 433 563	1 371 421	154 108	910 156	858 963	97 842	704 246	651 421	75 706
20 21	Indicator Approach Of which standardised	1 433 563 -	1 371 421 -	154 108 -	910 156 -	858 963 -	97 842 -	704 246 -	651 421 -	75 706 -

	approach									
	Of which Advanced									
	Measurement									
22	Approach	-	-	-	-	-	-	-	-	-
	Amounts below the									
	thresholds for									
	deduction (subject to									
23	250% risk weight)	455 537	424 240	48 970	323 856	309 860	34 815	-	-	-
24	Floor adjustment	374 795	956 818	40 290	277 666	394 369	29 849	172 877	205 603	18 584
25	Total	8 860 353	8 857 511	952 488	7 411 225	6 883 776	796 708	6 147 604	5 498 747	660 867

^{*} The minimum capital requirement per risk category is 10.750% which comprises the Base minimum (8.000%) plus the Pillar 2A systemic risk Add-on (1.500%) plus the Capital Conservation Buffer (CCB) (1.250%).

	R'000 December 2017 (T)	R'000 September 2017 (T-1)	R'000 December 2017 (T)	R'000 September 2017 (T-1)	R'000 December 2017 (T)	R'000 September 2017 (T-1)
Qualifying capital and	- ()	- (,		- ()	- ()	,
<u>reserves</u>						
Tier 1 capital	1 575 282	1 520 805	1 229 436	1 218 815	969 229	929 470
Common equity tier 1						
capital	1 481 239	1 426 762	1 229 436	1 218 815	969 229	929 470
Share capital and premium Distributable reserves and	160 103	144 327	463 476	463 476	463 476	463 476
other	1 301 379	1 229 443	742 540	717 579	452 207	410 999
Prescribed deductions and						
non-qualifying reserves	19 757	57 038	35 300	50 606	53 546	54 995
Intragroup investments	0	-4 046	-11 880	-12 846	-	-
Additional tier 1 capital Non-redeemable preference						
share capital	94 043	94 043	-	-	-	-
Tier 2 capital	22 498	24 522	25 071	27 550	21 029	23 702
Sub-ordinated debt General allowance for credit	6 422	5 967	8 995	8 995	8 995	8 995
impairment	16 076	18 555	16 076	18 555	12 034	14 707
Total qualifying capital and						
reserves	1 597 780	1 545 327	1 254 507	1 246 365	990 258	953 172
Minimum required capital						
and reserves	952 488	952 182	796 708	740 006	660 867	591 115
Canital adaguage ratios						
Capital adequacy ratios	17 770	17 170	16 500	17 706	15.766	16 003
Tier 1 capital (%)	17.779	17.170	16.589	17.706	15.766	16.903
Common equity tier 1 (%)	16.718	16.108	16.589	17.706	15.766	16.903
Additional tier 1 (%)	1.061	1.062	-	-	-	-
Tier 2 capital (%)	0.254	0.277	0.338	0.400	0.342	0.431
Total capital adequacy ratio						
(%)	18.033	17.447	16.927	18.106	16.108	17.334
Minimum required capital						
adequacy ratio (%)	10.750	10.750	10.750	10.750	10.750	10.750
Leverage and liquidity coverage Total Exposures for						
Leverage disclosure Leverage ratio (Total Tier 1 capital / Total exposures)	13 333 085	13 046 766	11 478 432	10 641 153	7 873 029	7 539 579
(%) Minimum required	11.815	11.657	10.711	11.454	12.311	12.328
Leverage Ratio (%) Liquidity coverage ratio (%)	4.000	4.000	4.000	4.000	4.000 242	4.000 200
Benchmark liquidity coverage ratio (%)					80	80

Risk weighted assets flow statements of credit risk exposures under IRB

Sasfin does not use the internal ratings based, but rather the standardised approach, in the calculation of credit risk-weighted assets. This template is therefore not completed.

Risk weighted assets flow statements of CCR exposures under Internal Model Method (IMM)

Sasfin does not use an internal model method, but rather the standardised approach, in the calculation of counterparty credit risk. This template is therefore not completed.

Risk weighted assets flow statements of market risk exposures under an IMA

Sasfin does not use an internal model approach, but rather the standardised approach, for its market risk exposures. This template is therefore not completed.

The amounts highlighted in yellow cast, however due to the use of the round formula results in a marginal difference when multiplying total risk weighted assets by the regulatory minimum percentage.

Sponsor
Sasfin Capital (a member of the Sasfin group)

Independent Sponsor
Deloitte & Touche Sponsor Services (Pty) Ltd