

Capitec Bank Holdings Limited
 Registration number: 1999/025903/06
 Registered bank controlling company
 Incorporated in the Republic of South Africa
 JSE ordinary share code: CPI ISIN code: ZAE000035861
 JSE preference share code: CPIP ISIN code: ZAE000083838

QUARTERLY DISCLOSURE IN TERMS OF REGULATION 43 OF THE REGULATIONS RELATING TO BANKS

Capitec Bank Holdings Limited and its subsidiaries ("group"), have complied with Regulation 43 of the Regulations relating to banks, which incorporates the requirements of Basel.

In terms of Pillar 3 of the Basel rules, the consolidated group is required to disclose quantitative information on its capital adequacy and liquidity ratios on a quarterly basis.

The group's consolidated capital and liquidity positions at the end of the second quarter for the 28 February 2019 financial year end are set out below:

	2nd Quarter 2019 31 August 2018		1st Quarter 2019 31 May 2018	
	R'000	Capital Adequacy Ratio %	R'000	Capital Adequacy Ratio %
Common Equity Tier 1 capital (CET1)	19 326 895	34.3	18 054 289	35.1
Additional Tier 1 capital (AT1) ⁽¹⁾	103 587	0.2	103 587	0.2
TIER 1 CAPITAL (T1)	19 430 482	34.5	18 157 876	35.3
Total subordinated debt ^{(1) (2)}	89 884		273 589	
Unidentified loan impairments	556 930		515 414	
TIER 2 CAPITAL (T2)	646 814	1.1	789 003	1.5
TOTAL QUALIFYING REGULATORY CAPITAL	20 077 296	35.6	18 946 879	36.8
REQUIRED REGULATORY CAPITAL ⁽³⁾	6 265 516		5 718 121	

⁽¹⁾ Starting 2013, the non-loss absorbent AT1 and T2 capital is subject to a 10% per annum phase-out in terms of Basel 3.

⁽²⁾ Starting 2013, a deemed surplus attributable to T2 capital of subsidiaries issued to outside third parties, is excluded from group qualifying capital in terms of the accelerated adoption of Basel 3. This deduction phases in at 20% per annum.

⁽³⁾ This value is 11.125% (2017: 10.750%) of risk-weighted assets, being the Basel global minimum requirement of 8.000%, the South African country-specific buffer of 1.250% (2017: 1.500%) and the Capital Conservation Buffer of 1.875% (2017: 1.250%), disclosable in terms of SARB November 2016 directive in order to standardise reporting across banks. In terms of the regulations the Individual Capital Requirement (ICR) is excluded.

	2nd Quarter 2019 31 August 2018	1st Quarter 2019 31 May 2018
LIQUIDITY COVERAGE RATIO (LCR)		
High-Quality Liquid Assets	18 696 766	19 066 557
Net Cash Outflows ⁽¹⁾	972 041	998 632
Required LCR Ratio	90%	90%
Actual LCR Ratio	1 923%	1 909%
LEVERAGE RATIO		
Tier 1 Capital	19 430 482	18 157 876
Total Exposures	94 010 321	88 973 287
Leverage Ratio	20.7%	20.4%
NET STABLE FUNDING RATIO (NSFR)		
Total Available Stable Funding (ASF)	85 334 346	81 088 327
Total Required Stable Funding (RSF)	41 709 625	39 107 138
Actual NSFR Ratio ⁽²⁾	204.6%	207.3%

⁽¹⁾ As Capitec has a net cash inflow after applying the run-off weightings, outflows for the purpose of the ratio are deemed to be 25% of gross outflows.

⁽²⁾ A ratio of 100% or more represents compliance. Compliance is required by 2018.

For the complete LCR and leverage ratio calculations refer to our website at www.capitecbank.co.za/investor-relations

By order of the Board
Stellenbosch
26 September 2018
Sponsor - PSG Capital Proprietary Limited