

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
 ("Capitec")

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

Capitec 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 third quarter for the 28 February 2019 financial year end are set out below:

	3rd Quarter 2019 30 November 2018		2nd Quarter 2019 31 August 2018	
	R'000	Capital Adequacy Ratio %	R'000	Capital Adequacy Ratio %
Common Equity Tier 1 capital (CET1)	20 266 512	33.4	19 326 895	34.3
Additional Tier 1 capital (AT1) ⁽¹⁾	95 104	0.1	103 587	0.2
TIER 1 CAPITAL (T1)	20 361 616	33.5	19 430 482	34.5
Total subordinated debt ^{(1) (2)}	91 545		89 884	
Unidentified loan impairments	594 672		556 930	
TIER 2 CAPITAL (T2)	686 217	1.2	646 814	1.1
TOTAL QUALIFYING REGULATORY CAPITAL	21 047 833	34.7	20 077 296	35.6
REQUIRED REGULATORY CAPITAL ⁽³⁾	6 754 061		6 265 516	

⁽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.

	3rd Quarter 2019 30 November 2018	2nd Quarter 2019 31 August 2018
LIQUIDITY COVERAGE RATIO (LCR)		
High-Quality Liquid Assets	17 221 301	18 696 766
Net Cash Outflows ⁽¹⁾	1 075 499	972 041
Required LCR Ratio	90%	90%
Actual LCR Ratio	1 601%	1 923%
LEVERAGE RATIO		
Tier 1 Capital	20 361 616	19 430 482
Total Exposures	99 206 342	94 010 321
Leverage Ratio	20.5%	20.7%
NET STABLE FUNDING RATIO (NSFR)		
Total Available Stable Funding (ASF)	89 937 489	85 334 346
Total Required Stable Funding (RSF)	44 775 231	41 709 625
Actual NSFR Ratio ⁽²⁾	200.9%	204.6%

⁽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, NSFR and leverage ratio calculations refer to the "Banks Act Public Disclosure" section on our website at www.capitecbank.co.za/investor-relations

By order of the Board
Stellenbosch
13 December 2018
Sponsor - PSG Capital Proprietary Limited