

Capitec Bank Holdings Limited

February 2018 (4th quarter)



Key Metrics - KM1

Line#	Available capital (amounts in R'000)	28 Feb 2018	30 Nov 2017	31 Aug 2017	31 May 2017	28 Feb 2017
1	Common Equity Tier 1 (CET1)	17 381 888	16 963 481	16 442 494	15 512 960	14 886 882
1a	Fully loaded ECL accounting model	(1)	(1)	(1)	(1)	(1)
2	Tier 1	17 485 475	17 090 158	16 571 978	15 642 445	15 016 367
2a	Fully loaded ECL accounting model Tier 1	(1)	(1)	(1)	(1)	(1)
3	Total Capital	18 288 143	18 058 648	17 650 519	17 001 035	16 364 369
3a	Fully loaded ECL accounting model total capital	(1)	(1)	(1)	(1)	(1)
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	51 231 465	52 273 473	50 956 649	49 919 816	48 282 190
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	33.9%	32.5%	32.3%	31.1%	30.8%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	(1)	(1)	(1)	(1)	(1)
6	Tier 1 ratio (%)	34.1%	32.7%	32.5%	31.3%	31.1%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	(1)	(1)	(1)	(1)	(1)
7	Total capital ratio (%)	35.7%	34.5%	34.6%	34.1%	33.9%
7a	Fully loaded ECL accounting model total capital ratio (%)	(1)	(1)	(1)	(1)	(1)
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	1.875%	1.25%	1.25%	1.25%	1.25%
9	Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)	-	-	-	-	-
11	"Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)"	1.875%	1.25%	1.25%	1.25%	1.25%
12	CET1 available after meeting the bank's minimum capital requirements (%)	11 682 387	11 344 251	10 964 653	10 146 580	9 696 547
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	84 834 799	87 047 849	80 936 489	74 909 004	73 140 049
14	Basel III leverage ratio (%) (row 2 / row 13) "Fully loaded ECL accounting model Basel III leverage ratio (%)	20.6%	19.6%	20.5%	20.9%	20.5%
14a	(row 2a / row 13)"	(1)	(1)	(1)	(1)	(1)
Liquidity Coverage Ratio						
15	Total HQLA	18 056 043	13 321 307	9 467 151	9 092 130	9 266 216
16	Total net cash outflow ⁽²⁾	961 475	929 190	797 509	871 160	804 385
17	LCR ratio (%)	1 878%	1 434%	1 187%	1 044%	1 152%
Net Stable Funding Ratio						
18	Total available stable funding	76 621 291	79 070 187	74 310 931	69 143 837	66 186 804
19	Total required stable funding	37 205 204	38 590 155	37 408 472	37 236 119	35 336 891
20	NSFR ratio	205.9%	204.9%	198.6%	185.7%	187.3%

⁽¹⁾ As set out in the Basel Committee on Banking Supervision's publication on the regulatory treatment of accounting provisions, the standard requires banks to publicly disclose whether they are applying a transitional arrangement for the impact of expected credit loss accounting on regulatory capital. Template KM1 provides users with information on the impact on the bank's regulatory capital and leverage ratio compared to the bank's "fully loaded" capital and leverage ratio had the transitional arrangement not been applied. Capitec Bank Holdings Limited applies the transitional arrangement for the impact of expected credit loss accounting on regulatory capital as referred to in Directive 5 of 2017 and in the BCBS's publication on the regulatory treatment of accounting provisions. Per Directive 5 of 2017, the Office of the Registrar of Banks deemed it appropriate to introduce a transitional arrangement in order to avoid an immediate capital shock and to allow banks to rebuild capital resources following the initial negative impact arising from the introduction of IFRS 9. The IFRS 9 transitional amount (adjustment amount) and the increase in deferred tax asset as a result of the implementation of IFRS 9 is implemented on 1 March 2018, and the impact of fully loaded ECL accounting model disclosures above will be reported at the first quarterly reporting date after implementation of IFRS 9, which is May 2018 Q1.

⁽²⁾ As Capitec has a net cash inflow after applying the run-off factors, outflows for the purpose of the ratio are deemed to be 25% of gross outflows.