Simplicity is the ultimate sophistication

May 2014 (first quarter)

Capitec Bank Holdings Limited and its subsidiaries ("group"), have complied with the Bank's Act 1990 (as amended), which incorporates the requirements of Basel.

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

The group's consolidated capital position at the end of the first quarter of the 28 February 2015 financial year end is set out below:

Composition of qualifying regulatory capital	R'000	1st Quarter 2015 (31 May 2014) Capital Adequacy Ratio %	R'000	4th Quarter 2014 (28 February 2014) Capital Adequacy Ratio %
Common Equity Tier 1 capital (CET1)	9 330 718	31.0	9 042 668	30.4
Additional Tier 1 capital (AT1) [(1)]	207 175	0.7	207 175	0.7
Tier 1 capital (T1)	9 537 893	31.7	9 249 843	31.1
Subordinated debt [(1)(2)]	2 007 635		2 019 600	
Unidentified impairments	333 253		328 328	
Tier 2 capital (T2)	2 340 888	7.8	2 347 928	7.9
Total qualifying regulatory capital	11 878 781	39.5	11 597 771	39.0
Required regulatory capital [(3)]	3 009 749		2 976 616	

(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 10% of risk-weighted assets, being the Basel global minimum requirement of 8% and a South African country-specific buffer of 2%. In terms of the regulations the Individual Capital Requirement (ICR) is excluded.*

By order of the Board

Stellenbosch
30 June 2014