CAPITEC BANK

Simplicity is the ultimate sophistication

Feb 2015 (fourth quarter)

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 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 second quarter of the 28 February 2015 financial year end is set out below:

Composition of qualifying regulatory capital	4th Quarter 2015 (28 Feb 2015) R’000	4th Quarter 2015 (28 Feb 2015) Capital Adequacy Ratio %	3rd Quarter 2015 (30 Nov 2014) R’000	3rd Quarter 2015 (30 Nov 2014) Capital Adequacy Ratio %
Common Equity Tier 1 capital (CET1)	**10 628 250**	**29.4**	10 463 372	29.9
Additional Tier 1 capital (AT1) [(1)]	**181 278**	**0.5**	207 175	0.6
Tier 1 capital (T1)	**10 809 528**	**29.9**	10 670 547	30.5
Subordinated debt [(1)(2)]	**1 711 213**		2 045 928	
Unidentified impairments	**398 251**		383 457	
Tier 2 capital (T2)	**2 109 464**	**5.8**	2 429 385	7.0
Total qualifying regulatory capital	**12 918 992**	**35.7**	13 099 932	37.5
Required regulatory capital [(3)]	**3 619 641**		3 494 010	

(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
24 March 2015