CAPITEC BANK

Simplicity is the ultimate sophistication

August 2015 (second 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 2016 financial year end is set out below:

Composition of qualifying regulatory capital	R'000	2nd Quarter 2016 (31 Aug 2015) Capital Adequacy Ratio %	R'000	1st Quarter 2016 (31 May 2015) Capital Adequacy Ratio %
Common Equity Tier 1 capital (CET1)	11 736 293	29.5	11 280 204	30.1
Additional Tier 1 capital (AT1) [(1)]	181 278	0.5	181 278	0.5
Tier 1 capital (T1)	11 917 571	30.0	11 461 482	30.6
Subordinated debt [(1)(2)]	1 723 270		1 702 670	
Unidentified impairments	437 506		415 153	
Tier 2 capital (T2)	2 160 776	5.4	2 117 823	5.6
Total qualifying regulatory capital	14 078 347	35.4	13 579 305	36.2
Required regulatory capital [(3)]	3 976 054		3 751 252	

[(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% (2013: 9.5%) of risk-weighted assets, being the Basel global minimum requirement of 8% and a South African country-specific buffer of 2% (2013: 1.5%). In terms of the regulations the Individual Capital Requirement (ICR) is excluded.*

By order of the Board

Stellenbosch
29 September 2015