

For immediate release

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BEGINS

CAPITEC BANK ISSUES TWO NEW BONDS ON THE BOND EXCHANGE OF SOUTH AFRICA (BESA)

Notwithstanding the current economic conditions in the market, Capitec Bank has raised R322 million with a three year tenor at a satisfactory rate.

Capitec Bank announced today that it successfully placed a combination of fixed rate and floating rate bonds totalling R322 million on the Bond Exchange of South Africa (BESA). This follows the successful debut issue in May 2008 and a further tap in June 2008 of fixed and floating bonds with a three year tenor, totalling R490 million. In total, R812 million has been issued on the R2 billion programme to date.

This indicates the confidence the market has in Capitec Bank's business model and the ongoing success as reflected in the bank's financial results recently released for the February 2009 financial year. The bank's conservative approach to gearing, with a capital adequacy ratio of 43%, has helped it weather the present crisis in the financial markets with ease. With its highly attractive savings interest rate and low transaction fees, the bank has increased its active client base by 34% per year for the past 4 years to over 1,8 million clients, attracting about 40 000 new clients a month.

The funds raised will be used to expand the bank's national footprint, opening another 40 branches in 2009 as well as to finance their growing loan book. Capitec Bank actively manages its liquidity in a way to maintain a positive mismatch of assets and liabilities. The issue of the bond will enable them to increase the sales and advances of the three year loan product substantially.

Directors: M S du P le Roux (Chairman) R Stassen (CEO) A P du Plessis (Financial Director)
T D Mahloele Prof M C Mehl Ms N S Mjoli-Mncube P J Mouton C A Otto J G Solms J P van der Merwe
Company Secretary: C G van Schalkwyk

An authorised financial services and credit provider

Reg. No.: 1980/003695/06

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Andre du Plessis, Financial Director of Capitec Bank Limited, commented that, “We are satisfied with the successful placement of these bonds in a capital market that has yet to fully recover from the effects of the global banking crisis. The continued confidence shown and the increased investment by asset managers in Capitec Bank is welcomed.”

ENDS

Issued by the Marketing and Corporate Affairs Division, Capitec Bank Limited

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