CAPITEC BANK

Simplicity is the ultimate sophistication

August 2013 (second quarter)

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

In terms of Pillar 3 of the Basel rules, 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 2014 financial year end is set out below:

		2nd Quarter (31 August 2013)		1st Quarter (31 May 2013)
Composition of qualifying regulatory capital	**R'000**	**Capital Adequacy Ratio %**	**R'000**	**Capital Adequacy Ratio %**
Common Equity Tier 1 capital (CET1)	**8 420 030**	**29.0**	8 035 406	29.3
Additional Tier 1 capital (AT1) [(1)]	**233 072**	**0.8**	233 072	0.8
Tier 1 capital (T1)	**8 653 102**	**29.8**	8 268 478	30.1
Subordinated debt [(1)(2)]	**2 437 690**		2 429 817	
Unidentified impairments	**321 282**		308 676	
Tier 2 capital (T2)	**2 758 972**	**9.5**	2 738 493	10.0
Total qualifying regulatory capital	**11 412 074**	**39.3**	11 006 971	40.1
Required regulatory capital [(3)]	**2 761 853**		2 608 993	

(1) *The non-loss absorbent AT1 and T2 capital has been adjusted for a 10% phase-out in terms of Basel III.*

(2) *An adjustment is made for the deemed surplus T2 capital of subsidiaries issued to outside third parties, which is excluded from group qualifying regulatory capital in terms of the accelerated adoption of Basel III rules.*

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

By order of the Board

Stellenbosch
25 September 2013