CAPITEC BANK

Simplicity is the ultimate sophistication

Aug 2014 (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 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	R'000	2nd Quarter 2015 (31 Aug 2014) Capital Adequacy Ratio %	R'000	1st Quarter 2015 (31 May 2014) Capital Adequacy Ratio %
Common Equity Tier 1 capital (CET1)	**9 869 313**	**29.9**	9 330 718	31.0
Additional Tier 1 capital (AT1) [(1)]	**207 175**	**0.6**	207 175	0.7
Tier 1 capital (T1)	**10 076 488**	**30.5**	9 537 893	31.7
Subordinated debt [(1)(2)]	**2 036 896**		2 007 635	
Unidentified impairments	**362 810**		333 253	
Tier 2 capital (T2)	**2 399 706**	**7.3**	2 340 888	7.8
Total qualifying regulatory capital	**12 476 194**	**37.8**	11 878 781	39.5
Required regulatory capital [(3)]	**3 299 123**		3 009 749	

(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
29 September 2014