



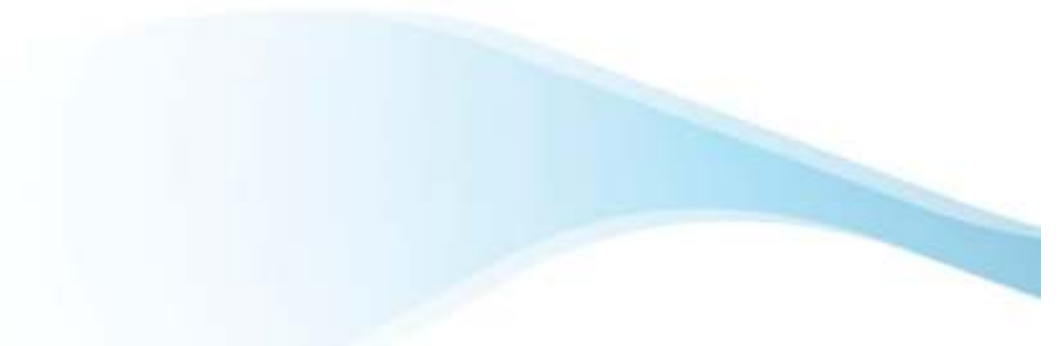
Interim Results 2009



Simplicity is the ultimate
sophistication

Agenda

- Market focus
- Key determinants of performance
- Business model
- Focus areas / drivers
- Operations and results
- The future



Market Focus

Individuals in need of simplified
everyday money management



Key Determinants of Performance

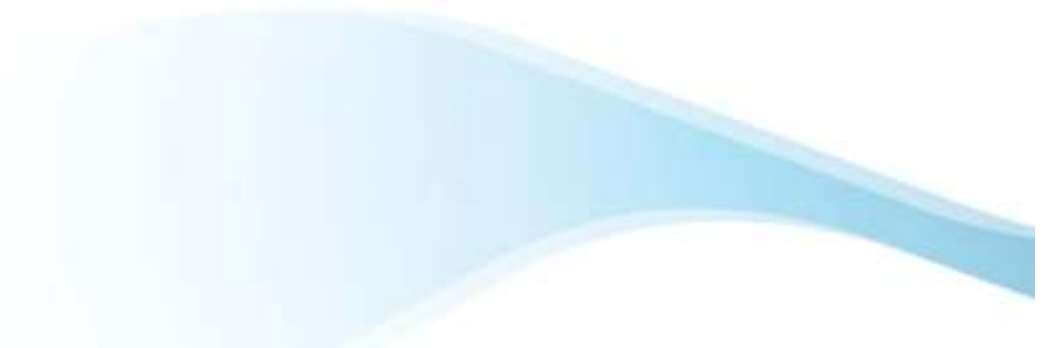
- Market insight
- Relevance of business model



Business Model

Technology drives cost and customer service

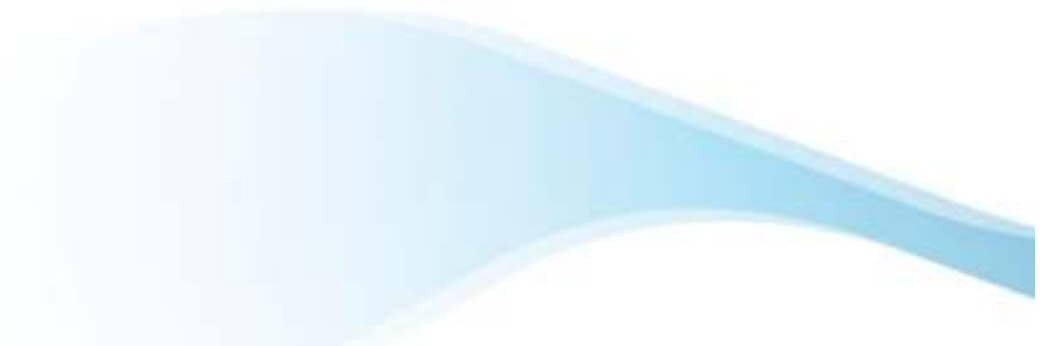
- Real-time delivery
- Process driven
- Centralised control
- Paperless
- Scalable capacity
- Flexible



Business Model

Personality determines the relationship between the customer and the bank

- **Employees**
 - Well trained / skilled
 - Professional
 - Consistent
 - Confidential
 - Hospitable
 - Energetic
- **Communication**
 - To the point / transparent
 - No expectation gap
- **Environment**
 - Accessible, friendly
 - Aspirational



Business Model

Product addresses the client's need

- Simplified single access to daily money management
- Customised
- Real time
- Best value for money
- No expectation gap



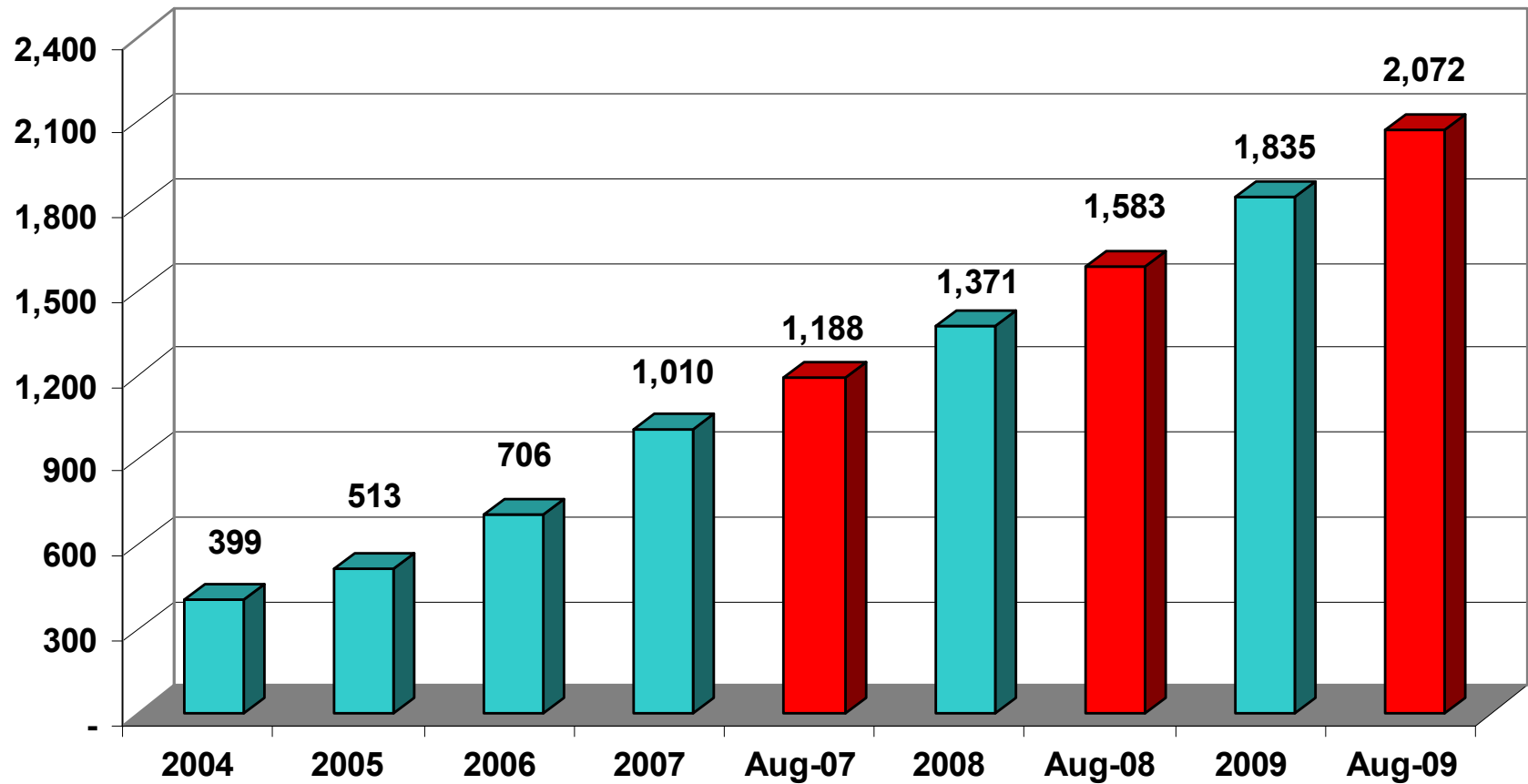
Focus Areas / Drivers

- Client acquisition
- Transaction activities
- Loans advanced
- Bad and doubtful debts
- Efficiency
- Funding



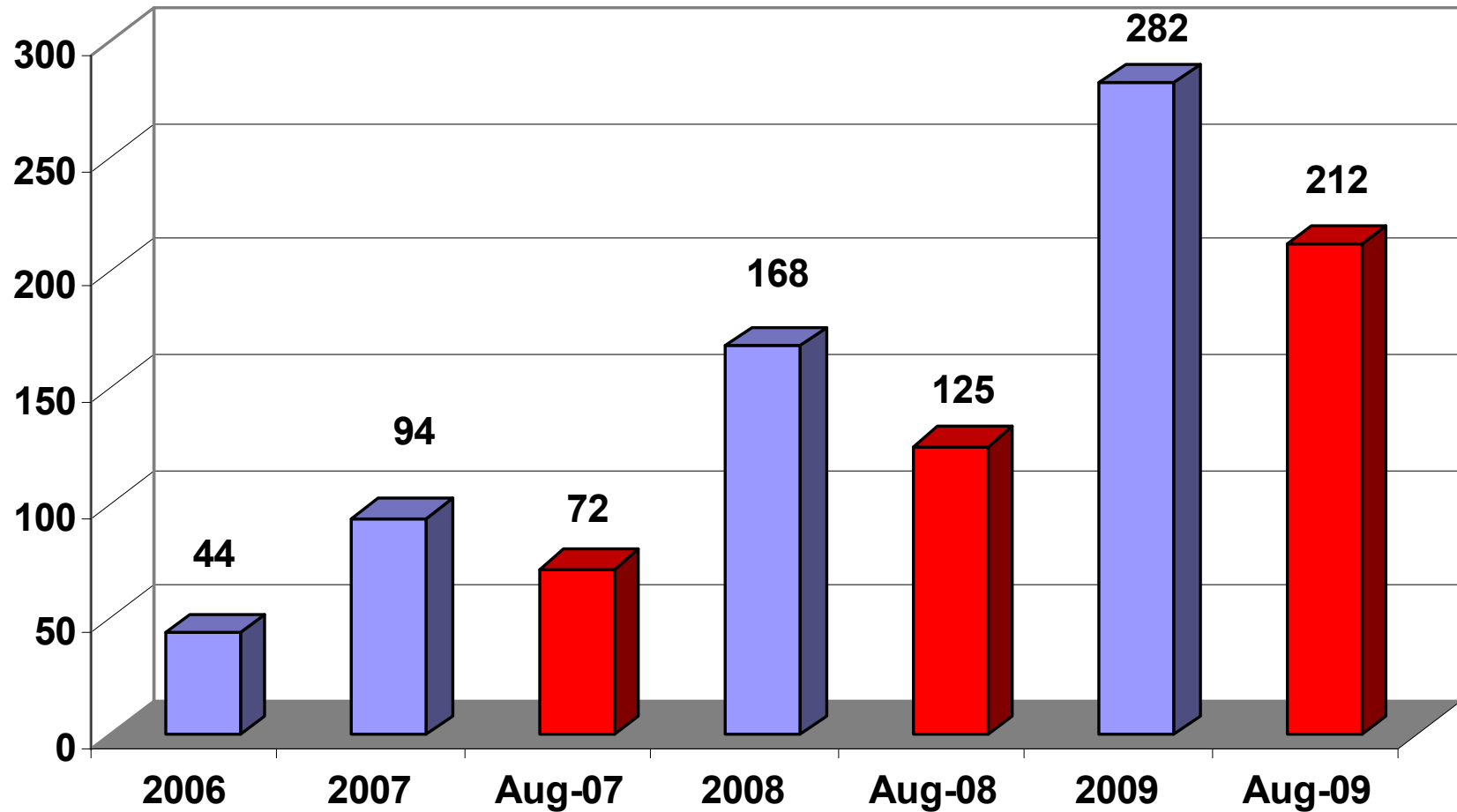
Client Acquisition

Number of Active Clients - '000



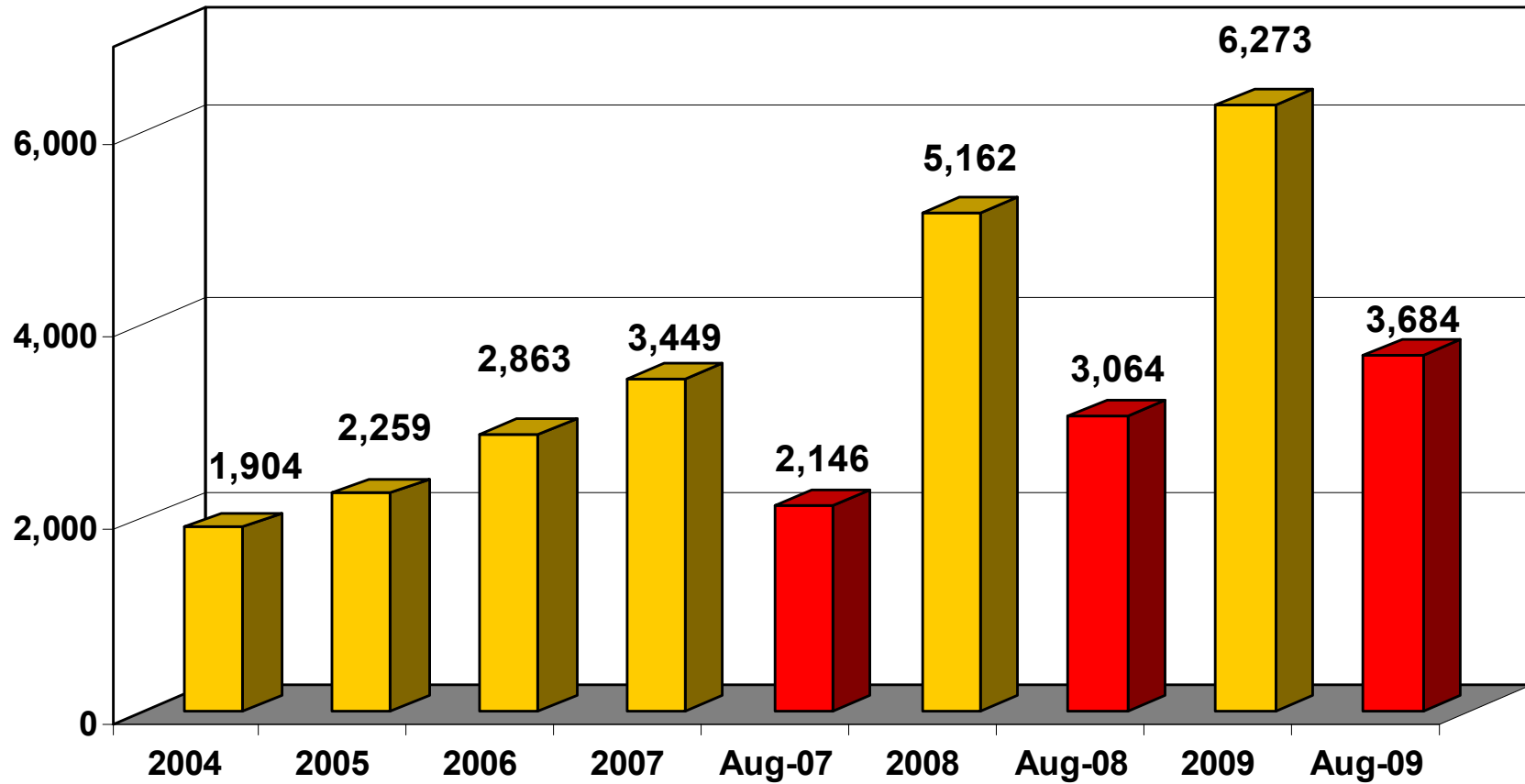
Transaction Activities

Transaction Income - R'millions



Loans Advanced

R'millions



Loans Advanced

Six months to August – R'millions

	2007	2008	2009	% Change
1 Month	834	973	1,076	11
3 Month	347	479	476	(1)
6 Month	148	197	227	16
12 Month	328	473	474	-
18 Month	199	200	253	26
24 Month	290	280	427	52
36 Month	-	462	751	63
Total loans advanced	2,146	3,064	3,684	20

Bad and Doubtful Debts

Balance Sheet

		Feb 2008	Aug 2008	Feb 2009	Aug 2009
Gross loans & advances	Rm	2,192	2,898	3,238	3,958
Loans past due (arrears)	Rm	247	288	341	299
Loans past due to gross loans & advances	%	11.2	9.9	10.5	7.6
Provision for doubtful debts	Rm	173	236	256	278
Provision for doubtful debts to gross loans & advances	%	7.9	8.1	7.9	7.0
Arrears coverage ratio	%	70	82	75	93

Bad and Doubtful Debts

Income Statement

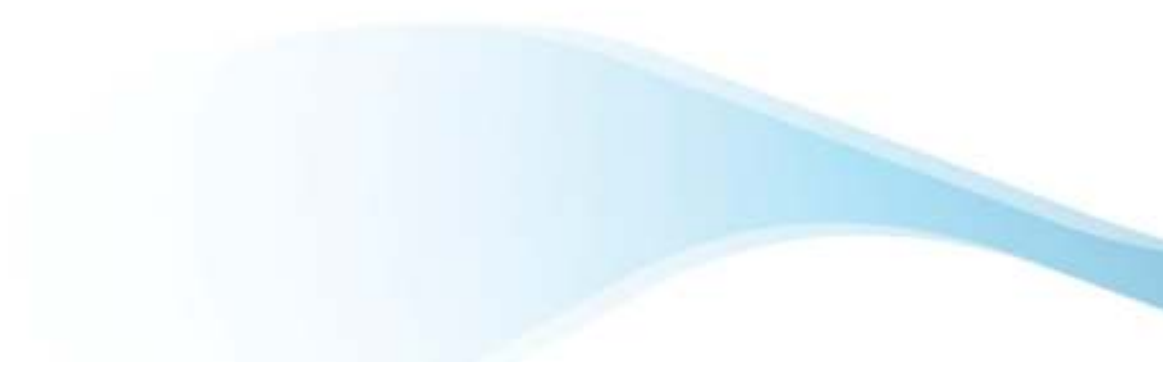
		Feb 2008	Aug 2008	Feb 2009	Aug 2009
Loan revenue	Rm	726	925	1,107	1,175
Loan revenue to gross loans & advances	%	33.1	31.9	34.2	29.7
Net loan impairment expense	Rm	144	228	240	258
Net loan impairment expense to loan revenue	%	19.8	24.7	21.7	22.0
Net loan impairment expense to gross loan book	%	6.6	7.9	7.4	6.5
Net loan impairment expense to repayments	%	5.8	7.5	6.8	7.2

Net loan impairment expense to repayments


	6-months Feb-08	6-months Aug-08	6-months Feb-09	6-months Aug-09
	%	%	%	%
1 Month	1.1	1.5	1.4	1.7
3 Month	4.2	4.5	4.2	3.3
6 Month	5.9	7.6	6.1	6.1
12 Month	13.0	13.6	12.0	11.7
18 Month	9.5	12.2	10.8	12.0
24 Month	14.1	13.6	11.9	12.4
36 Month	29.3	26.7	18.8	19.4
Summary				
Weighted average	6.6	8.2	7.5	8.2
Recoveries	(0.8)	(0.7)	(0.7)	(1.0)
Net	5.8	7.5	6.8	7.2

Efficiency

	Aug-07	Aug-08	Aug-09	% Change
Clients per employee	474	496	545	9.9
Clients per branch	3,870	4,575	5,585	22.1
Loan numbers per branch	5,114	4,986	4,833	(3.0)
Cost to income ratio %	60	55	55	-

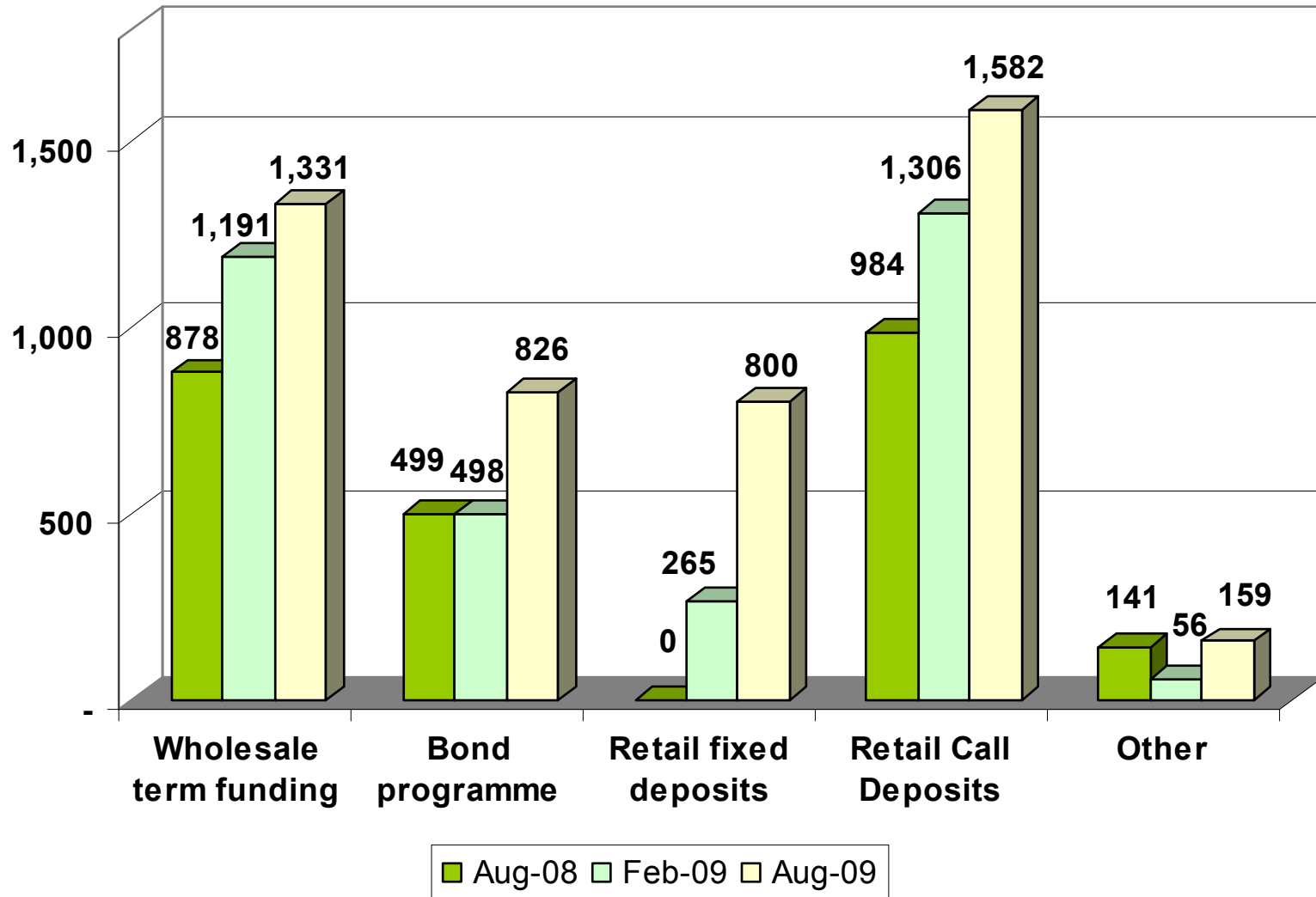


Efficiency – Current Actions

- Biometrics
 - SMS – Multi Loans
 - SMS Update
 - Sales and services system
 - Management Operating System in branches
- 

Funding

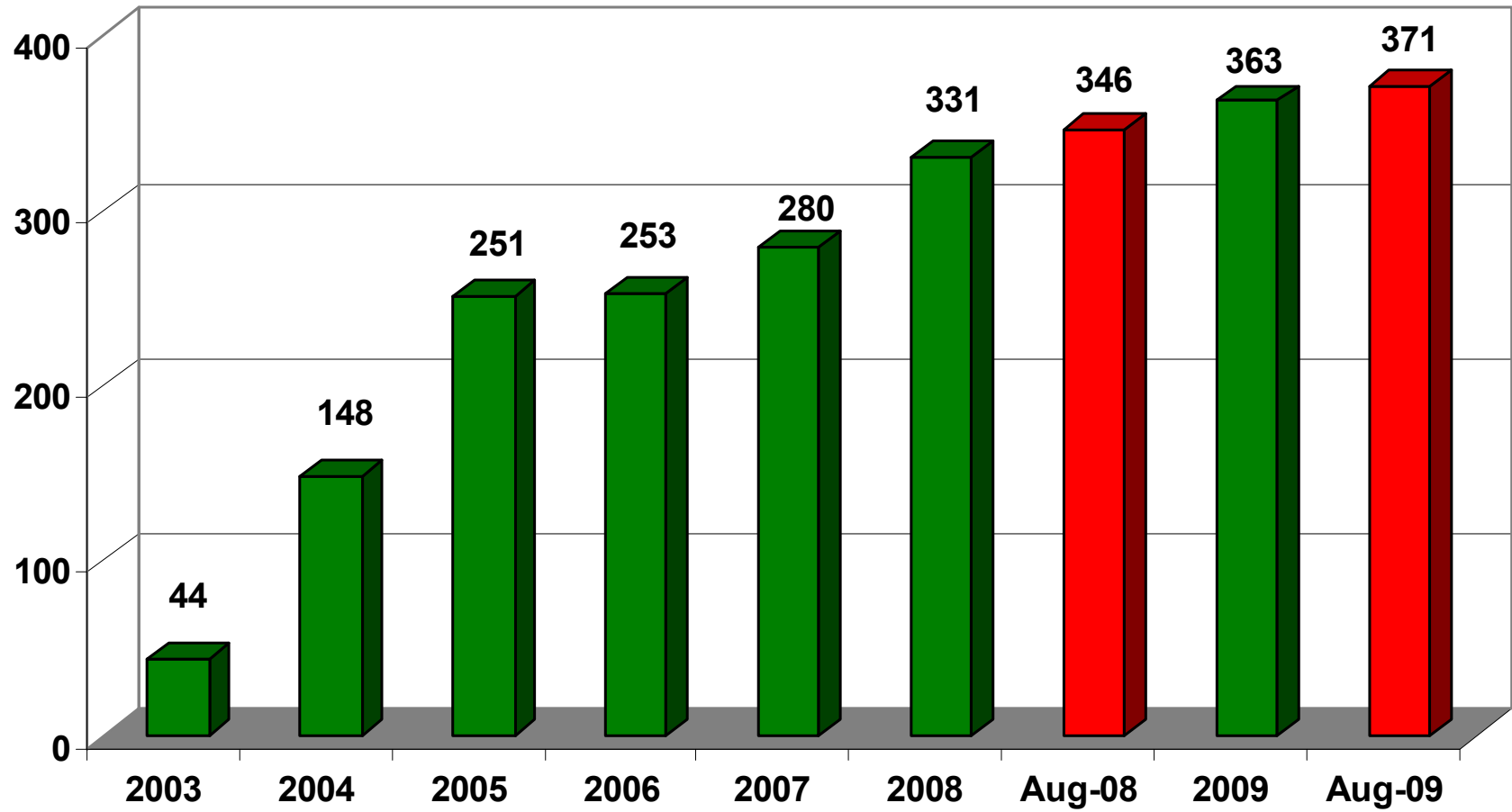
R'millions



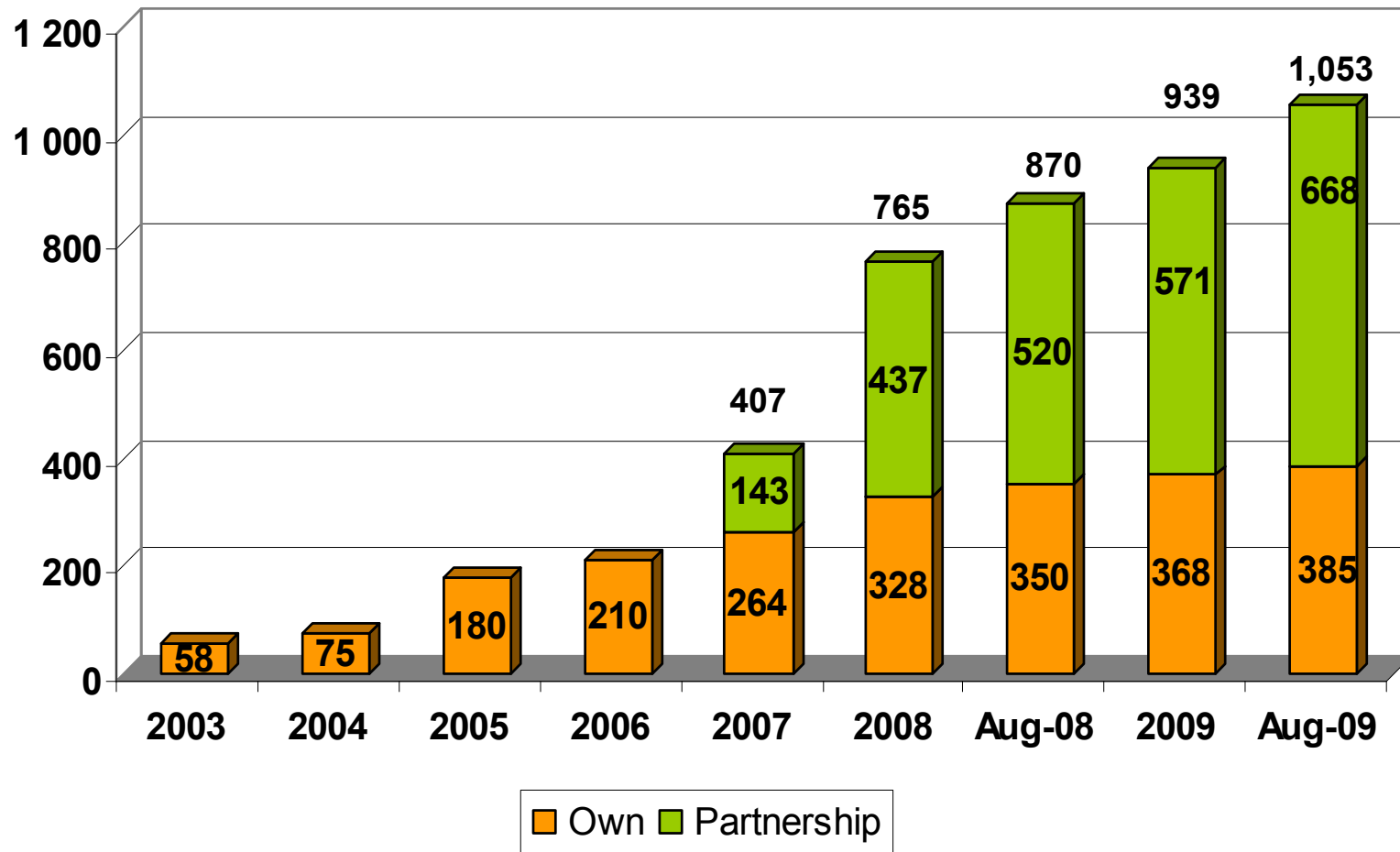
Operations and Results



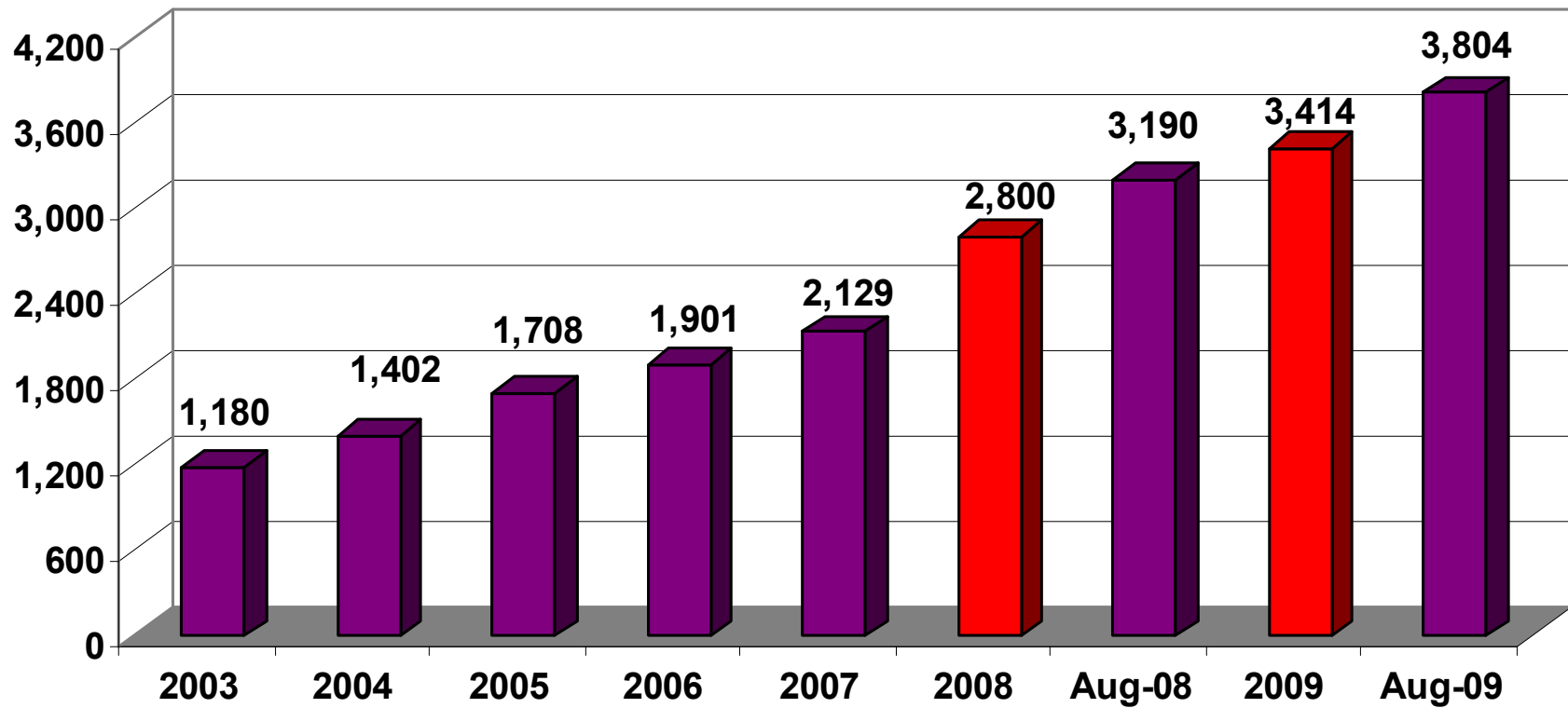
Branches



ATMs

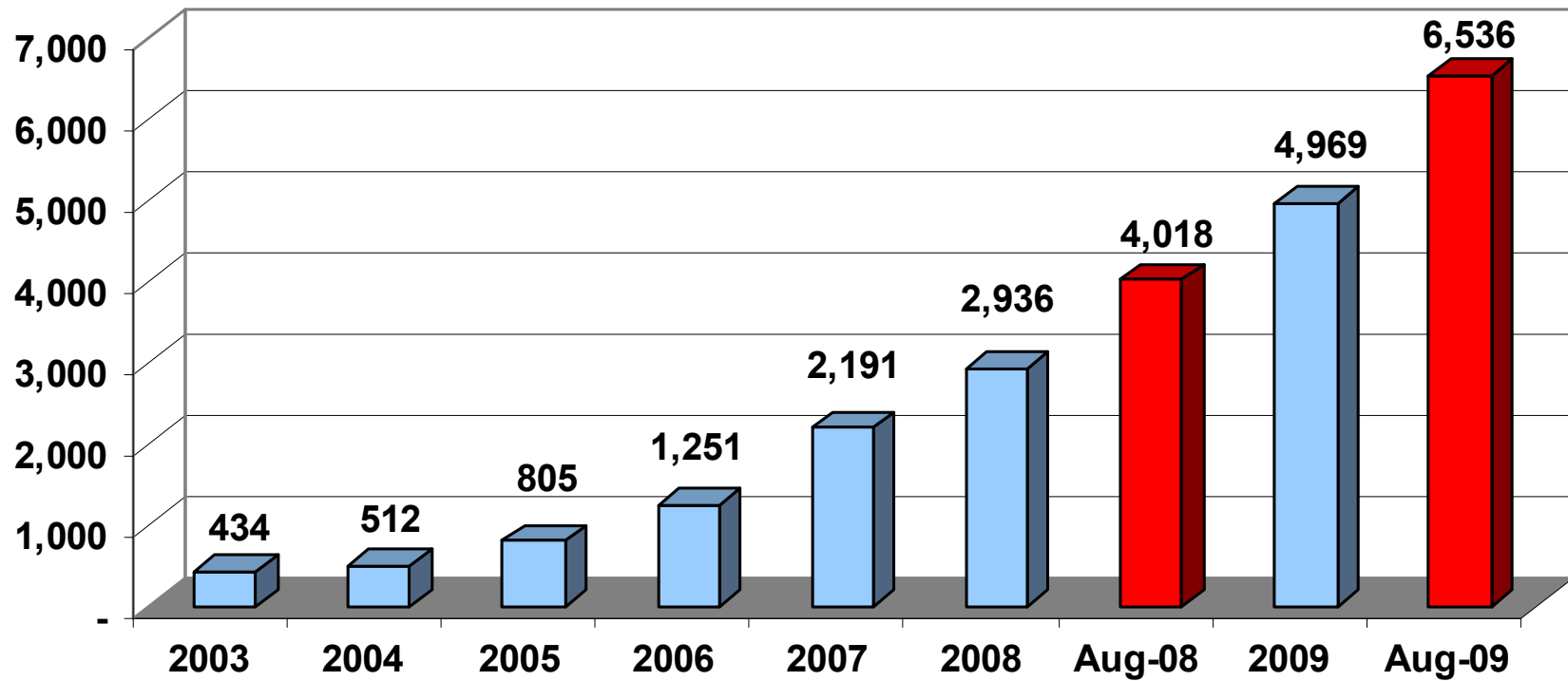


Employees



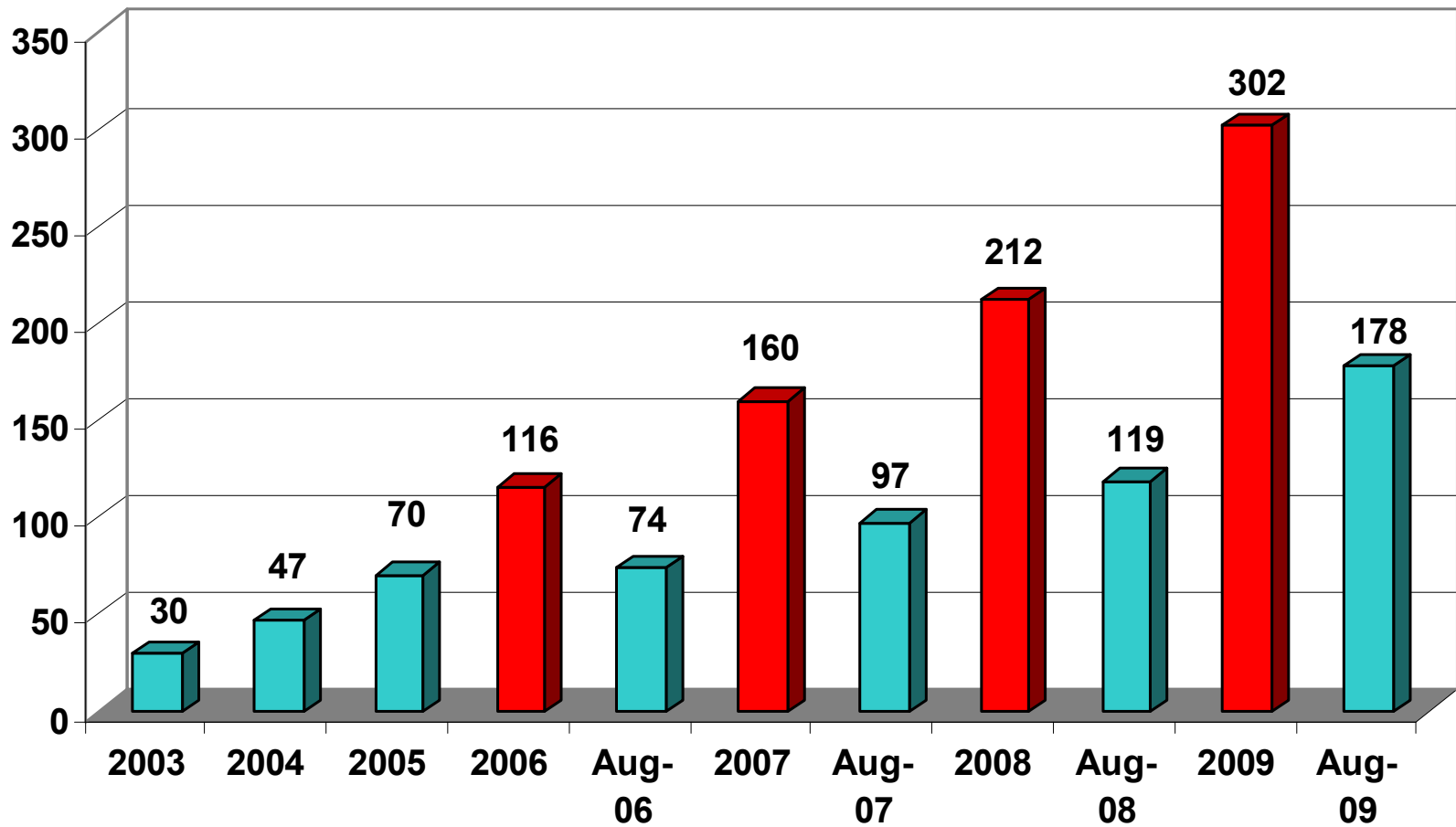
Total Assets

R'millions



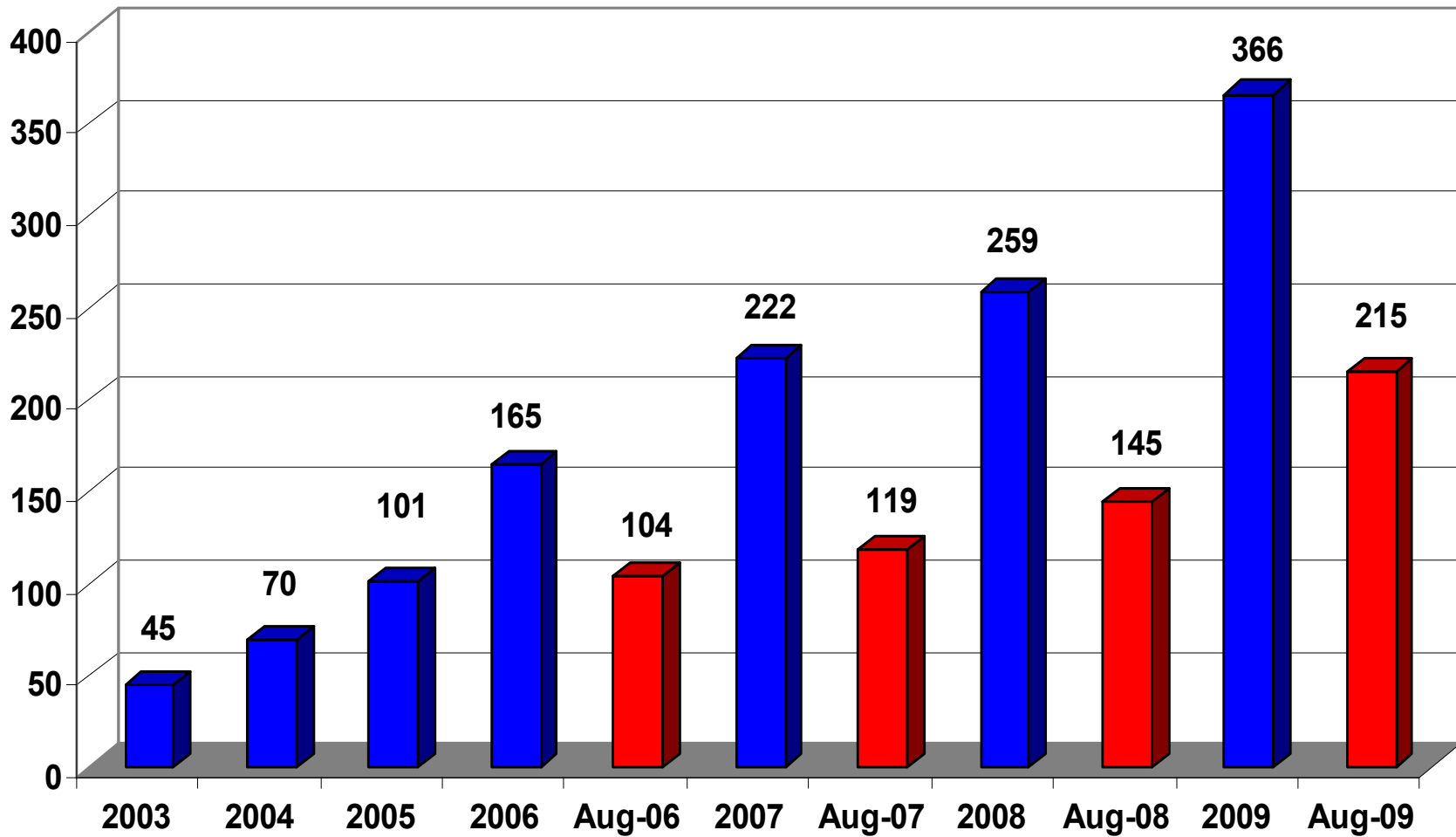
Headline Earnings

R'millions



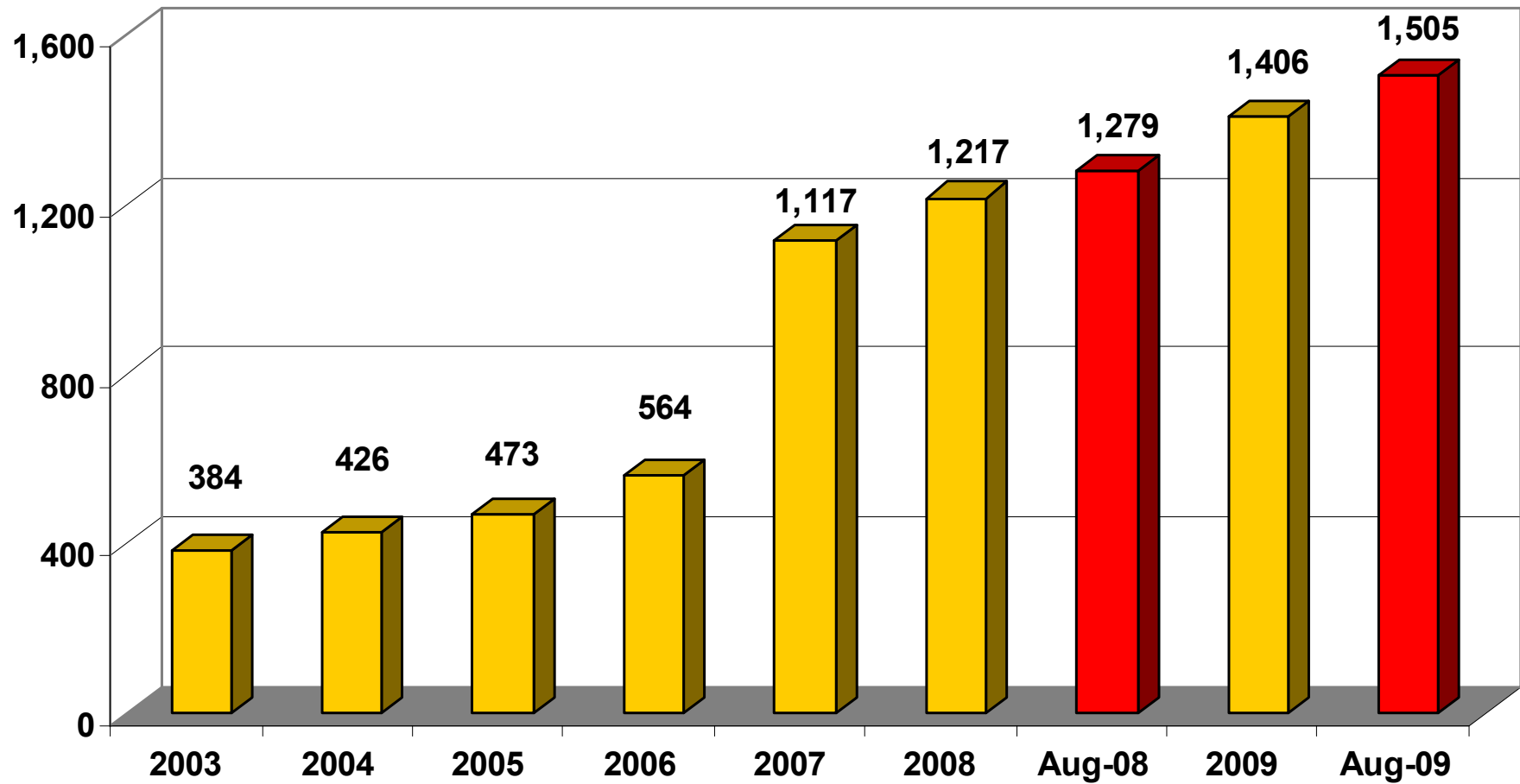
Headline Earnings per share

Cents



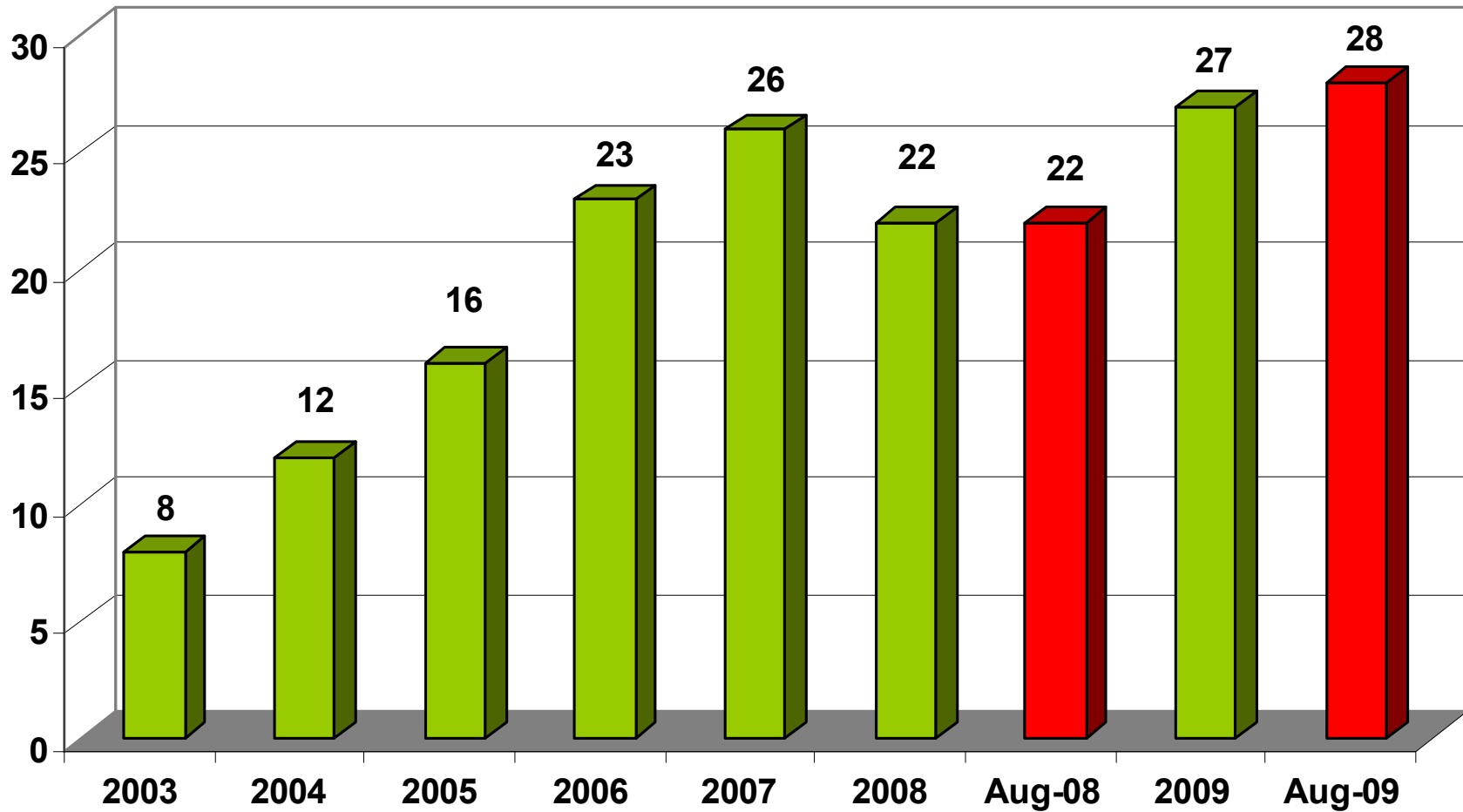
Shareholders' Funds

R'millions



Return on Equity

%



The Future

- Client Growth
 - Advertising
 - Branches
- Product Extension
 - 48 month loans
- Distribution Growth
 - Branches
 - Transaction points
- Efficiency
- Funding





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sophistication

Thank you

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