

## **Capitec Bank Holdings Limited**

## May 2019 (1st 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 1st quarter of the 29 Feb 2020 financial year end is set out below

	1st Quarter 2020			4th Quarter 2019
		(31 May 2019)		(28 Feb 2019)
	R'000	Capital Adequacy	R'000	Capital Adequacy
Composition of qualifying regulatory capital		Ratio %		Ratio %
Common Equity Tier 1 capital (CET1)	21 585 401	31.5	20 911 742	32.8
Additional Tier 1 capital (AT1) (1)	77 691	0.2	77 691	0.1
Tier 1 capital (T1)	21 663 092	31.7	20 989 433	32.9
Unidentified impairments	642 200		624 762	
Tier 2 capital (T2)	642 200	0.9	624 762	1.0
Total qualifying regulatory capital	22 305 292	32.6	21 614 195	33.9
			E 00E 5 40	
Required regulatory capital (2)	7 870 871		7 327 549	

<sup>(1)</sup> Starting 2013, the non loss absorbent AT1 and T2 capital is subject to a 10% per annum phase-out in terms of Basel 3.

In terms of the regulations the Individual Capital Requirement (ICR) is excluded.

By order of the Board

Stellenbosch 26 June 2019

<sup>&</sup>lt;sup>(2)</sup> This value is 11.500% (2018: 11.125%) of risk-weighted assets, being the Basel global minimum requirement of 8.000%, the South African country-specific buffer of 1.000% (2018: 1.250%) and the Capital Conservation Buffer of 2.500% (2018: 1.875%) (disclosable in terms of SARB November 2016 directive in order to standardise reporting across banks).



## Capitec Bank Holdings Limited May 2019 (1st quarter)

		RWA	RWA	Minumum capital requirements
		1st Quarter 2020	4th Quarter 2019	1st Quarter 2020
	OV1: Overview of RWA	(31 May 2019)	(28 February 2019)	(31 May 2019)
1	Credit risk (excluding counterparty credit risk) (CCR)	50 866 885	49 627 669	5 849 691
2	Of which standardised approach (SA)	50 866 885	49 627 669	5 849 691
3	Of which internal rating-based (IRB) approach	-	-	-
4	Of which supervisory slotting approach	-	-	-
5	Of which advanced internal ratings-based (A-IRB) approach	-	-	-
6	Counterparty credit risk	44 253	29 781	5 089
7	Of which standardised approach for counterparty credit risk (SA-CCR)	44 253	29 781	5 089
8	Of which internal model method (IMM)	-	-	-
9	Of which other CCR	-	-	-
10	Credit valuation adjustment	5 885	3 475	677
11	Equity positions in banking book under market-based approach	674 950	446 009	77 619
12	Equity investments in funds – look-through approach	-	-	-
13	Equity investments in funds – mandate-based approach	-	-	-
14	Equity investments in funds – fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in banking book	-	-	-
17	Of which securitisation internal ratings-based approach (Sec-IRBA)	-	-	-
18	Of which securitisation external ratings-based approach (Sec-ERBA), including internal assessment approach (IAA)	-	-	-
19	Of which securitisation standardised approach (SEC-SA)	_	-	-
20	Market risk	-	-	-
21	Of which standardised approach (SA)	-	-	-
22	Of which internal model approaches (IMA)	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	8 213 083	7 646 139	944 505
	Other risk	5 208 718	2 690 423	599 001
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	3 428 588	3 274 328	394 289
26	Floor adjustment	-	-	-
27	Total	68 442 362	63 717 824	7 870 871