

Basel III Common Equity Tier I Disclosure Template

March 2017
Quarter 1



CAPITAL ADEQUACY

Capital Management

"The bank's objectives when managing capital, which is a broader concept than the 'equity' on statement of financial position, are to:

- Comply with the capital requirements set by the regulators of the banking markets the entity operates;
- Safeguard the bank's ability to continue as a going concern so that it can continue to provide returns for the shareholders and benefits for other stakeholders; and
- Maintain a strong capital base to support the development of its business.

Other reserves and portion of general provisions relating to Instalment loans were excluded from capital adequacy ratio calculation."

Common Equity Tier I capital: instruments and reserves			
Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus.	230,000.00	Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions).	-
Retained earnings	76,362	National specific regulatory adjustments	-
Accumulated other comprehensive income (and other reserves)	-	Total regulatory adjustments to Tier II capital	-
Directly issued capital subject to phase out from CET1 CAPITAL (only applicable to non-joint stock companies)	-	Tier II capital (T2)	185,779
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1 CAPITAL)	-	Total capital (TC = T1 + T2)	492,141
Common Equity Tier I capital before regulatory adjustments	306,362	Total risk-weighted assets	3,055,353
Common Equity Tier I capital: regulatory adjustments		Capital ratios and buffers	
Prudential valuation adjustments	-	Common Equity Tier I (as a percentage of risk weighted assets)	10.2%
Goodwill (net of related tax liability)	-	Tier I (as a percentage of risk-weighted assets)	10.2%
Other intangibles other than mortgage-servicing rights (net of related tax liability)	-	Total capital (as a percentage of risk weighted assets)	16.1%
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	Institution specific buffer requirement (minimum CET1 CAPITAL requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets)	
Cash-flow hedge reserve	-	of which: capital conservation buffer requirement	2.5%
Shortfall of provisions to expected losses	-	of which: bank specific countercyclical buffer requirement	
Securitisation gain on sale (as set out in paragraph 562 of Basel II framework)	-	of which: G-SIB buffer requirement	
Gains and losses due to changes in own credit risk on fair valued liabilities	-	Common Equity Tier I available to meet buffers (as a percentage of risk weighted assets)	
Defined-benefit pension fund net assets	-	National Common Equity Tier I minimum ratio (if different from Basel III minimum)	10.0%
Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	-	National Tier I minimum ratio (if different from Basel III minimum)	10.0%
Reciprocal cross-holdings in common equity	-	National total capital minimum ratio (if different from Basel III minimum)	15.0%
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	Amounts below the thresholds for deduction (before risk-weighting)	
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	Non-significant investments in the capital of other financials	-
Mortgage servicing rights (amount above 10% threshold)	-	Significant investments in the common stock of financials	-
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	Mortgage servicing rights (net of related tax liability)	-
Amount exceeding the 15% threshold	-	Deferred tax assets arising from temporary differences (net of related tax liability)	-
of which: significant investments in the common stock of financials	-	Applicable caps on the inclusion of provisions in Tier II	
of which: mortgage servicing rights	-	Provisions eligible for inclusion in Tier II in respect of exposures subject to standardised approach (prior to application of cap)	28,178.00
of which: deferred tax assets arising from temporary differences	-	Cap on inclusion of provisions in Tier II under standardised approach	-
National specific regulatory adjustments	-	Provisions eligible for inclusion in Tier II in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-
Regulatory adjustments applied to Common Equity Tier I due to insufficient Additional Tier I and Tier II to cover deductions	-	Cap for inclusion of provisions in Tier II under internal ratings-based approach	-
Total regulatory adjustments to Common equity Tier I	-	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2015 and 1 Jan 2020)	
Common Equity Tier I capital (CET1 CAPITAL)	306,362	Current cap on CET1 CAPITAL instruments subject to phase out arrangements	30,000.00
Additional Tier I capital: instruments		Amount excluded from CET1 CAPITAL due to cap (excess over cap after redemptions and maturities)	-
Directly issued qualifying Additional Tier I instruments plus related stock surplus	-	Current cap on AT1 instruments subject to phase out arrangements	-
of which: classified as equity under applicable accounting standards	-	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-
of which: classified as liabilities under applicable accounting standards	-	Current cap on T2 instruments subject to phase out arrangements	-
Directly issued capital instruments subject to phase out from Additional Tier I	-	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-
Additional Tier I instruments (and CET1 CAPITAL instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	Qualitative Disclosures	
of which: instruments issued by subsidiaries subject to phase out	-	Capital Management	
Additional Tier I capital before regulatory adjustments	-	Capital Management	
Additional Tier I capital: regulatory adjustments		The bank's objectives when managing capital, which is a broader concept than the 'equity' on statement of financial position, are to:	
Investments in own Additional Tier I instruments	-	• comply with the capital requirements set by the regulators of the banking markets the entity operates;	
Reciprocal cross-holdings in Additional Tier I instruments	-	• Safeguard the bank's ability to continue as a going concern so that it can continue to provide returns for the shareholders and benefits for other stakeholders; and	
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	• Maintain a strong capital base to support the development of its business.	
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	Other reserves and portion of general provisions relating to Instalment loans were excluded from capital adequacy ratio calculation.	
National specific regulatory adjustments	-	Quantitative Disclosures	
Regulatory adjustments applied to Additional Tier I due to insufficient Tier II to cover deductions	-	Capital Requirements for credit risk	
Total regulatory adjustments to Additional Tier I capital		Risk weighted assets	2,894,068
Additional Tier I capital (AT1)	-	Capital required	434,110.20
Tier I capital (T1 = CET1 CAPITAL + AT1)	306,362	Capital Requirements for market risk	
Tier II capital: instruments and provisions		Risk weighted assets	5,063
Directly issued qualifying Tier II instruments plus related stock surplus	100,000	Capital required	759.45
Directly issued capital instruments subject to phase out from Tier II	30,000	Capital Requirements for operational risk	
Tier II instruments (and CET1 CAPITAL and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier II)	-	Risk weighted assets	156,222
of which: instruments issued by subsidiaries subject to phase out	-	Capital required	23,433.30
Unpublished profits	27,601	Total Capital Ratio	
Provisions	28,178	Tier I capital	306,362
Tier II capital before regulatory adjustments	185,779	Tier II capital	185,779
Tier II capital: regulatory adjustments		Total Capital	492,141
Investments in own Tier II instruments	-	Total Risk weighted assets	3,055,353
Reciprocal cross-holdings in Tier II instruments	-	Total Capital Ratio	16.1%
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold).	-	Tier 1 capital Ratio	
		Tier I capital	306,362
		Total Risk weighted assets	3,055,353
		Tier I Capital Ratio	10.0%


S A Coetzee
Managing Director


PCG Collins
Chairman