BAYPORT SECURITISATION (RF) LTD

INVESTOR REPORT

DECEMBER 2015

your future now

BAYPORT
FINANCIAL SERVICES

Monthly Investor Report

Financial statistics for the period ended December 2015

		Dec 15	Nov 15	Oct 15	Sep 15	Aug 15	Jul 15	Jun 15	May 15	Apr 15	Mar 15	Feb 15	Jan 15
Performance ratios *													
Total income as a % of ave gross loans and advances	%	**25.0%**	25.4%	25.3%	25.3%	25.3%	25.5%	25.6%	26.0%	26.2%	26.3%	26.4%	26.5%
Direct and indirect expenses to ave gross loans and advances	%	**7.1%**	8.3%	8.8%	8.7%	8.5%	8.3%	8.1%	8.0%	7.9%	7.8%	7.7%	7.5%
Direct and indirect expenses to total income	%	**28.6%**	32.6%	34.8%	34.2%	33.5%	32.6%	31.8%	30.8%	30.2%	29.8%	29.2%	28.5%
Return on assets**	%	**(0.7%)**	(2.4%)	(2.9%)	(3.0%)	(3.1%)	(3.5%)	(3.9%)	(5.8%)	(5.7%)	(6.1%)	(6.8%)	(7.0%)
Gearing ratio	times	**3.1**	3.4	3.5	3.5	3.5	3.5	3.5	3.5	3.4	3.4	3.3	3.3
Interest margin	%	**14.0%**	14.9%	14.9%	14.8%	14.8%	14.9%	15.0%	15.3%	15.5%	15.5%	15.7%	15.8%
Asset and credit quality ratios													
Gross loans and advances	R '000	**4,889,171**	4,842,086	4,810,352	4,730,631	4,676,739	4,649,955	4,641,364	4,680,271	4,696,404	4,734,663	4,838,514	4,869,275
Non-Performing Loans ("NPLs")	R '000	**1,217,002**	1,190,060	1,189,479	1,205,930	1,211,280	1,118,960	1,024,109	931,155	930,749	937,998	996,626	965,861
Carrying value of written off book	R '000	**479,930**	546,587	565,087	570,087	570,087	579,087	589,790	582,291	585,830	581,542	557,649	550,438
Impairment provision	R '000	**1,922,400**	1,869,895	1,852,055	1,805,874	1,773,232	1,762,670	1,756,094	1,729,147	1,718,578	1,726,438	1,785,477	1,777,308
Net loans and advances	R '000	**3,446,700**	3,518,778	3,523,384	3,494,844	3,473,594	3,466,372	3,475,060	3,533,415	3,563,657	3,589,767	3,610,686	3,642,405
Non-performing loans ratio	%	**24.9%**	24.6%	24.7%	25.5%	25.9%	24.1%	22.1%	19.9%	19.8%	19.8%	20.6%	19.8%
Provision coverage	%	**39.3%**	38.6%	38.5%	38.2%	37.9%	37.9%	37.8%	36.9%	36.6%	36.5%	36.9%	36.5%
Funding and cash reserves													
Interest bearing liabilities	R '000	**5,039,310**	4,600,381	4,760,833	4,605,433	4,846,984	4,813,077	4,831,241	4,766,215	4,764,239	4,779,344	4,831,522	4,833,197
Average cost of borrowings	%	**10.9%**	10.8%	10.8%	10.9%	10.8%	10.9%	10.8%	10.9%	10.8%	10.8%	10.7%	10.7%
Cash and cash equivalents	R '000	**564,001**	139,319	243,077	88,740	401,456	346,557	324,050	286,397	231,948	182,098	259,932	213,390

* 12 months rolling average

** The one off change in the bad and doubtful debt policy has been excluded from the return on assets ratio to ensure that it reflects normal operating performance.

BAYPORT

Monthly Investor Report

Origination

		% change MOM	Dec 15	Nov 15	Oct 15	Sep 15	Aug 15	Jul 15	Jun 15	May 15	Apr 15	Mar 15	Feb 15	Jan 15
Disbursements	R '000	8.0%	**92,880**	85,972	125,943	111,994	93,613	91,449	58,436	68,848	61,519	75,397	69,334	69,812
Number of new loans		(2.0%)	**4,158**	4,242	5,991	5,861	4,977	5,037	3,362	3,460	3,043	3,177	2,919	2,959
Number of loans on book		(0.5%)	**207,949**	208,993	210,442	211,445	210,940	212,476	213,323	215,819	217,842	224,199	227,928	234,908
Average loan value at acquisition	Rand	10.2%	**22,338**	20,267	21,022	19,108	18,809	18,156	17,381	19,898	20,217	23,732	23,753	23,593
Average term at aquisition	Months	5.8%	**32.8**	31.0	30.9	29.2	29.0	28.8	26.1	27.1	30.0	41.5	40.0	39.1

Statistics

Loans and advances by geographic location

Province	**Cellular**	**Payroll**	**Debit order**	**Total**
Eastern Cape	13%	7%	11%	**11%**
Free State	5%	7%	7%	**7%**
Gauteng	34%	51%	35%	**35%**
Kwazulu-Natal	14%	11%	15%	**15%**
Limpopo	5%	3%	7%	**7%**
Mpumulanga	7%	3%	6%	**6%**
Northern Cape	3%	2%	3%	**3%**
North-West	7%	4%	6%	**6%**
Western Cape	12%	12%	11%	**11%**
Grand Total	**100%**	**100%**	**100%**	**100%**

BAYPORT

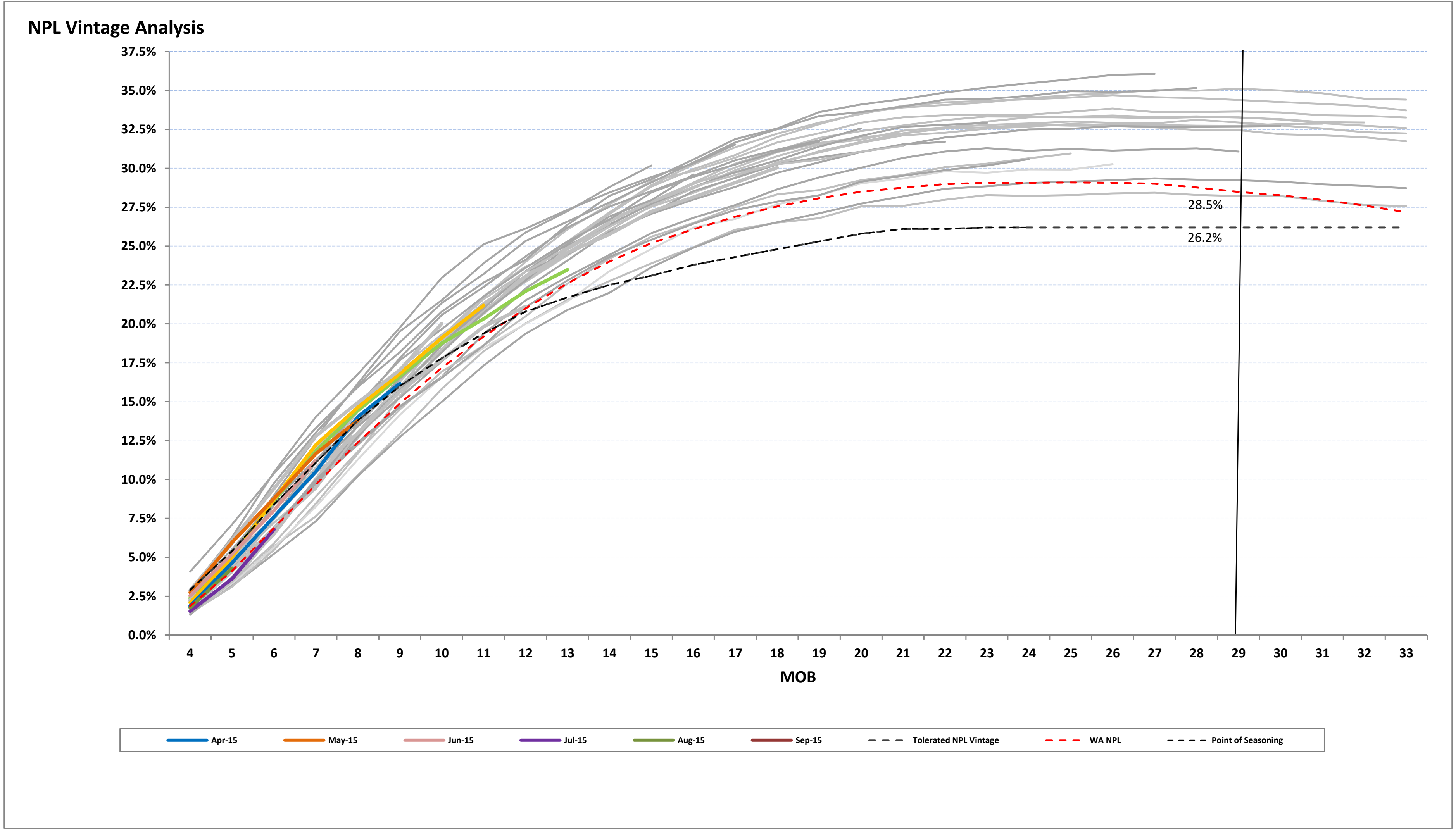
Monthly Investor Report

Asset quality

	% change MOM	**Dec 15 R'000**	Nov 15 R'000	Oct 15 R'000	Sep 15 R'000	Aug 15 R'000	Jul 15 R'000	Jun 15 R'000	May 15 R'000	Apr 15 R'000	Mar 15 R'000	Feb 15 R'000	Jan 15 R'000
Gross loans and advances	1.0%	**4,889,171**	4,842,086	4,810,352	4,730,631	4,676,739	4,649,955	4,641,364	4,680,271	4,696,404	4,734,663	4,838,514	4,869,275
Performing loans	0.6%	**3,672,169**	3,652,026	3,620,873	3,524,701	3,465,459	3,530,995	3,617,255	3,749,116	3,765,655	3,796,665	3,841,888	3,903,414
Non-performing loans	2.3%	**1,217,002**	1,190,060	1,189,479	1,205,930	1,211,280	1,118,960	1,024,109	931,155	930,749	937,998	996,626	965,861
Impairment provision													
Opening balance	1.0%	**1,869,895**	1,852,055	1,805,874	1,773,232	1,762,670	1,756,094	1,729,147	1,718,578	1,726,438	1,785,477	1,777,308	1,761,308
Bad debt written-off	6.2%	**(47,260)**	(44,507)	(46,323)	(42,960)	(49,320)	(49,172)	(56,157)	(45,742)	(66,485)	(135,813)	(45,207)	(65,804)
Provision raised	60.0%	**99,765**	62,347	92,504	75,602	59,882	55,748	83,104	56,311	58,625	76,774	53,376	81,804
Closing balance	2.8%	**1,922,400**	1,869,895	1,852,055	1,805,874	1,773,232	1,762,670	1,756,094	1,729,147	1,718,578	1,726,438	1,785,477	1,777,308

Monthly Investor Report

Asset quality (continued)



BAYPORT

Monthly Investor Report

Asset quality (continued)

Contractual delinquency (CD) loans and advances distribution *	**Dec 15 %**	Nov 15 %	Oct 15 %	Sep 15 %	Aug 15 %	Jul 15 %	Jun 15 %	May 15 %	Apr 15 %	Mar 15 %	Feb 15 %	Jan 15 %
0	**61.3%**	62.2%	62.9%	62.2%	62.2%	63.9%	64.5%	65.8%	65.6%	64.9%	63.6%	64.1%
1	**5.6%**	5.4%	5.2%	5.1%	4.7%	5.1%	5.6%	6.2%	6.2%	6.2%	6.6%	7.3%
2	**4.5%**	4.4%	4.0%	4.0%	3.9%	3.7%	4.3%	4.3%	4.5%	5.0%	5.1%	4.7%
3	**3.7%**	3.4%	3.2%	3.2%	3.3%	3.2%	3.5%	3.8%	3.9%	4.1%	4.1%	4.1%
4 +	**24.9%**	24.6%	24.7%	25.5%	25.9%	24.1%	22.1%	19.9%	19.8%	19.8%	20.6%	19.8%

Monthly loans and advances movement

	Dec 15 R'000	Nov 15 R'000	Oct 15 R'000	Sep 15 R'000	Aug 15 R'000	Jul 15 R'000	Jun 15 R'000	May 15 R'000	Apr 15 R'000	Mar 15 R'000	Feb 15 R'000	Jan 15 R'000
Opening balance	**4,842,086**	4,810,352	4,730,631	4,676,739	4,649,955	4,641,364	4,680,271	4,696,404	4,734,662	4,838,514	4,869,275	4,884,909
Disbursements	**92,880**	85,972	125,943	111,994	93,613	91,449	58,436	68,848	61,519	75,397	69,334	69,812
Interest and other similiar income	**96,029**	91,081	95,690	88,749	87,060	89,055	74,253	86,064	88,137	90,917	80,325	111,851
Non-interest revenue	**52,672**	52,219	57,553	55,226	53,853	57,229	50,872	52,003	50,919	52,980	53,333	56,530
Collections	**(179,120)**	(187,877)	(200,224)	(194,570)	(187,379)	(206,888)	(186,056)	(189,300)	(190,689)	(202,268)	(194,958)	(193,521)
Bad debt write-offs and write-backs	**(15,376)**	(9,661)	759	(7,507)	(20,363)	(22,254)	(36,412)	(33,748)	(48,145)	(120,878)	(38,795)	(60,306)
Closing balance	**4,889,171**	4,842,086	4,810,352	4,730,631	4,676,739	4,649,955	4,641,364	4,680,271	4,696,404	4,734,662	4,838,514	4,869,275

*** Arrears instalments**

Monthly Investor Report

Liquidity and funding

Funding	% change MOM	**Dec 15 R'000**	Nov 15 R'000	Oct 15 R'000	Sep 15 R'000	Aug 15 R'000	Jul 15 R'000	Jun 15 R'000	May 15 R'000	Apr 15 R'000	Mar 15 R'000	Feb 15 R'000	Jan 15 R'000
Class A Notes (senior)	(7.9%)	**1,941,813**	2,108,955	2,108,955	2,108,955	2,426,009	2,426,009	2,426,009	2,608,591	2,543,591	2,543,591	2,751,937	2,751,937
Senior warehouse funding	(36.2%)	**150,000**	235,000	235,000	235,000	235,000	235,000	235,000	85,000	150,000	150,000	-	-
Class B Notes (Mezzanine)	(1.9%)	**350,550**	357,503	357,503	357,503	364,208	364,208	364,208	370,696	370,696	370,696	376,978	376,978
Other subordinated funding	36.8%	**2,596,947**	1,898,923	2,059,375	1,903,975	1,821,766	1,787,860	1,806,024	1,701,928	1,699,951	1,715,057	1,702,607	1,704,282
Total interest bearing liabilities	9.5%	**5,039,310**	4,600,381	4,760,833	4,605,433	4,846,983	4,813,077	4,831,241	4,766,215	4,764,238	4,779,344	4,831,522	4,833,197
Average cost of borrowings	0.1%	**10.9%**	10.8%	10.8%	10.9%	10.8%	10.9%	10.8%	10.9%	10.8%	10.8%	10.7%	10.7%
Cash and cash equivalents	304.8%	**564,001**	139,319	243,077	88,740	401,456	346,557	324,050	286,397	231,948	182,098	259,932	213,390

Monthly Investor Report

Liquidity and funding (continued)

Instrument	Coupon rate	Class	Nominal amount at issue	Month end principal balance	Issue date	Maturity date
BAYA01	12.550%	A	425,000,000	24,708,123	31/03/2010	31/03/2016
BAYA06	3-month JIBAR plus 4.750%	A	550,000,000	99,841,011	30/09/2010	30/09/2016
BAYA08	11.780%	A	50,000,000	50,000,000	15/11/2010	02/01/2018
BAYA11	3-month JIBAR plus 5.000%	A	60,000,000	3,746,334	03/01/2011	31/03/2016
BAYA12	11.005%	A	20,000,000	1,279,210	12/01/2011	31/03/2016
BAYA13	12.070%	A	80,000,000	5,231,731	10/03/2011	31/03/2016
BAYA15	11.530%	A	100,000,000	12,754,111	14/06/2011	30/06/2016
BAYA16	10.380%	A	10,000,000	1,918,450	12/10/2011	30/09/2016
BAYA17	3-month JIBAR plus 4.450%	A	80,000,000	15,251,656	21/10/2011	30/09/2016
BAYA18	3-month JIBAR plus 4.450%	A	100,000,000	19,064,567	30/11/2011	30/09/2016
BAYA19	3-month JIBAR plus 4.450%	A	135,000,000	32,566,618	30/11/2011	31/12/2016
BAYA23	10.510%	A	300,000,000	106,787,997	02/07/2012	30/06/2017
BAYA24	11.090%	A	95,000,000	95,000,000	02/07/2012	30/06/2017
BAYA25	3-month JIBAR plus 4.150%	A	50,000,000	18,179,181	15/08/2012	30/06/2017
BAYA26	10.225%	A	185,000,000	185,000,000	27/09/2012	02/10/2017
BAYA31	3-month JIBAR plus 4.300%	A	60,000,000	60,000,000	14/12/2012	31/12/2018
BAYA32	10.108%	A	75,000,000	75,000,000	28/02/2013	03/04/2018
BAYA33	3-month JIBAR plus 4.000%	A	15,000,000	15,000,000	25/03/2013	03/04/2018
BAYA34	3-month JIBAR plus 4.250%	A	100,000,000	100,000,000	25/03/2013	03/04/2018
BAYA35	3-month JIBAR plus 4.250%	A	50,000,000	50,000,000	25/03/2013	03/04/2018
BAYA36	3-month JIBAR plus 3.880%	A	50,000,000	25,252,622	02/04/2013	31/03/2018
BAYA37	3-month JIBAR plus 3.880%	A	100,000,000	100,000,000	02/04/2013	31/03/2016
BAYA39	3-month JIBAR plus 4.250%	A	320,000,000	320,000,000	30/09/2013	01/10/2018
BAYA41	3-month JIBAR plus 3.900%	A	50,000,000	30,234,978	30/09/2013	30/09/2018
BAYA42	3-month JIBAR plus 4.250%	A	130,000,000	130,000,000	30/09/2013	01/10/2018
BAYA43	3-month JIBAR plus 3.900%	A	150,000,000	62,545,262	24/01/2014	31/03/2017
BAYA44	3-month JIBAR plus 3.900%	A	150,000,000	67,451,640	31/03/2014	31/03/2017
BAYA45	3-month JIBAR plus 4.250%	A	150,000,000	150,000,000	31/03/2014	01/04/2019
BAYA48	3-month JIBAR plus 2.500%	A	20,000,000	20,000,000	31/03/2015	31/03/2016
BYA49U	3-month JIBAR plus 4.000%	A	65,000,000	65,000,000	05/05/2015	02/07/2018
Subtotal Class A notes			**3,725,000,000**	**1,941,813,491**		
BAYB02	15.550%	B	30,000,000	1,873,570	31/03/2010	31/03/2016
BAYB03	15.360%	B	55,000,000	55,000,000	30/11/2011	31/12/2016
BAYB04	14.230%	B	90,000,000	28,676,866	02/04/2012	31/03/2017
BAYB05	3-month JIBAR plus 7.500%	B	50,000,000	50,000,000	15/08/2012	30/06/2019
BAYB06	3-month JIBAR plus 7.500%	B	30,000,000	30,000,000	14/12/2012	31/12/2019
BAYB07	3-month JIBAR plus 7.500%	B	20,000,000	20,000,000	22/02/2013	31/03/2020
BAYB08	3-month JIBAR plus 8.000%	B	50,000,000	50,000,000	25/03/2013	30/09/2020
BAYB09	3-month JIBAR plus 5.750%	B	115,000,000	115,000,000	24/01/2014	01/10/2018
Subtotal Class B notes			**440,000,000**	**350,550,436**		
Total			**4,165,000,000**	**2,292,363,927**		

Monthly Investor Report

Covenant compliance

Financial covenants	Current requirement	Dec 15	Nov 15	Oct 15	Sep 15	Aug 15	Jul 15	Jun 15	May 15	Apr 15	Mar 15	Feb 15	Jan 15
Senior Debt Cash Flow Cover Ratio	≥ 1.50 times	**2.4**	2.4	2.1	1.8	1.7	1.9	1.8	1.8	1.9	1.9	2.0	1.8
Senior Debt Interest Cover Ratio	≥ 3.50 times	**5.3**	6.1	6.0	5.8	5.2	5.3	5.8	6.0	6.3	5.9	3.9	5.0
Senior Debt to Net Qualifying Asset Value	≤ 72.5%	**52.2%**	64.1%	62.2%	65.4%	68.7%	69.8%	70.0%	70.5%	71.0%	71.4%	71.1%	71.4%
Bad and Doubtful Debt Ratio	≤ 17.5%	**9.5%**	8.0%	8.6%	9.2%	9.9%	11.2%	12.4%	12.9%	13.5%	14.4%	15.2%	15.9%
Equity invested in the Company by the Originator	> 20%	**48.6%**	28.6%	32.6%	28.4%	26.2%	25.4%	25.8%	23.0%	23.0%	23.0%	22.5%	22.6%
Cellular Contracts as a % of the Portfolio	≤ 10%	**2.9%**	3.0%	3.2%	3.2%	3.4%	3.6%	3.7%	3.7%	3.8%	3.8%	5.1%	4.5%

Cash reserves	Current requirement	Dec 15	Nov 15	Oct 15	Sep 15	Aug 15	Jul 15	June 15	May 15	Apr 15	Mar 15	Feb 15	Jan 15
Arrears reserve													
Weighted NPLs as a percentage of the portfolio	≤ 26.2%	**28.5%**	28.4%	28.1%	27.8%	27.4%	27.3%	27.3%	27.1%	27.2%	27.3%	27.3%	27.7%
Reserve required (R'000)		**19,660**	19,157	17,175	14,104	10,674	9,502	9,588	7,935	8,716	9,927	10,241	13,775
Asset performance reserve													
Collections Ratio	≥ 80.75%	**110.2%**	111.2%	111.1%	109.9%	110.0%	106.7%	106.1%	105.7%	106.0%	102.8%	105.9%	109.0%
Reserve required (R'000)		**-**	-	-	-	-	-	-	-	-	-	-	-
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Expected collections (6 month average)		**92,225**	91,711	91,638	91,916	92,479	94,393	96,858	99,457	102,105	106,827	108,413	111,538
Actual receipts (6 month average)		**101,610**	101,955	101,817	101,044	101,730	100,755	102,750	105,120	108,242	109,765	114,844	121,602
Capital Redemption reserve		**60,000**	40,000	20,000	-	108,333	86,667	65,000	43,333	21,667	-	41,667	33,333

Monthly Investor Report

Glossary of terms

CD	Contractual delinquency = accumulated arrears / contractual instalments originally due
MOB	Month on book
MoM	Month on month
YTD	Year to date
Non-performing loans	The balance outstanding of loans and advances with a contractual delinquency greater than three months excluding loans and advances with a contractual delinquency greater than three months where three consecutive receipts have been received in the three-month period preceding the measurement date
Non-performing loans ratio	Non-performing loans / Gross loans and advances
Provision coverage	Impairment provision / Gross loans and advances