

BAYPORT SECURITISATION (RF) LTD

INVESTOR REPORT

MAY 2017

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BAYPORT
FINANCIAL SERVICES

Monthly Investor Report

Financial statistics for the period ended May 2017

		May 17	Apr 17	Mar 17	Feb 17	Jan 17	Dec 16	Nov 16	Oct 16	Sep 16	Aug 16	Jul 16	Jun 16
Performance ratios *													
Total income as a % of ave gross loans and advances (excl. dividends)	%	18.2%	18.7%	19.2%	19.7%	20.0%	20.4%	21.2%	21.7%	22.3%	22.8%	23.2%	23.6%
Dividend income as a % of ave gross loans and advances	%	14.5%	14.5%	14.4%	14.2%	14.2%	14.2%	14.2%	14.2%	14.2%	0.0%	0.0%	0.0%
Total income as a % of ave gross loans and advances (incl. dividends)	%	32.7%	33.2%	33.6%	33.9%	34.2%	34.6%	35.3%	35.8%	36.5%	22.8%	23.2%	23.6%
Direct and indirect expenses to ave gross loans and advances	%	6.6%	6.6%	6.5%	6.5%	6.5%	6.5%	5.7%	5.2%	5.3%	5.5%	5.7%	5.9%
Direct and indirect expenses to total income (excl. dividends)	%	36.3%	35.2%	34.0%	33.2%	32.6%	32.0%	26.8%	23.9%	24.0%	24.3%	24.5%	25.2%
Direct and indirect expenses to total income (incl. dividends)	%	20.2%	19.8%	19.4%	19.3%	19.1%	18.9%	16.1%	14.5%	14.7%	24.3%	24.5%	25.2%
Return on assets (excl. dividends)	%	(2.2%)	(1.8%)	(1.3%)	(1.2%)	(1.4%)	(1.2%)	(1.7%)	(1.1%)	(0.9%)	(0.4%)	(0.2%)	0.0%
Return on assets (incl. dividends)	%	14.5%	14.8%	15.3%	15.2%	15.0%	15.2%	14.7%	15.4%	15.7%	(0.4%)	(0.2%)	0.0%
Gearing ratio	times	1.2	1.3	1.3	1.3	1.4	1.4	1.4	1.5	1.5	1.6	1.8	1.9
Interest margin	%	9.5%	10.1%	10.5%	11.0%	11.2%	11.5%	11.7%	12.1%	12.6%	13.0%	13.2%	13.4%
Income statement extract													
Interest income	R '000	61 491	62 542	59 012	61 576	62 267	62 161	68 375	73 127	66 745	72 765	75 348	83 557
Non-interest revenue (excl. dividends)	R '000	5 191	5 313	4 979	6 101	5 594	5 407	5 700	5 826	5 080	6 062	5 996	5 771
Dividend income	R '000	-	-	7 915	-	-	-	-	-	691 252	-	-	-
Total income	R '000	66 682	67 855	71 906	67 677	67 861	67 568	74 075	78 953	763 077	78 827	81 344	89 328
Interest expenses	R '000	(32 131)	(29 573)	(29 080)	(26 510)	(26 473)	(19 891)	(31 128)	(32 788)	(30 226)	(30 622)	(30 575)	(31 073)
Direct and indirect expenses	R '000	(25 852)	(27 540)	(26 291)	(26 324)	(26 612)	(26 236)	(26 494)	(27 656)	(25 802)	(28 571)	(24 846)	(26 129)
Total expenses	R '000	(57 983)	(57 113)	(55 371)	(52 834)	(53 085)	(46 127)	(57 622)	(60 444)	(56 028)	(59 193)	(55 421)	(57 202)

* 12 months rolling average

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Financial statistics for the period ended May 2017 (continued)

		May 17	Apr 17	Mar 17	Feb 17	Jan 17	Dec 16	Nov 16	Oct 16	Sep 16	Aug 16	Jul 16	Jun 16
Asset and credit quality ratios													
Gross loans and advances	R '000	4 757 328	4 769 409	4 740 745	4 803 447	4 831 485	4 815 297	4 873 677	4 960 321	4 744 774	4 729 700	4 813 674	4 913 475
Non-performing loans ("NPLs")	R '000	1 431 990	1 433 090	1 423 653	1 428 303	1 409 583	1 400 833	1 387 155	1 374 507	1 362 235	1 353 021	1 332 568	1 313 395
Carrying value of written off book	R '000	460 930	460 930	460 930	460 930	460 930	460 930	467 930	467 930	467 930	467 930	467 930	467 930
Impairment provision	R '000	2 225 450	2 210 859	2 190 974	2 185 924	2 173 511	2 163 595	2 155 299	2 152 128	2 126 066	2 104 834	2 079 200	2 050 004
Net loans and advances	R '000	2 992 808	3 019 480	3 010 701	3 078 453	3 118 904	3 112 632	3 186 308	3 276 123	3 086 638	3 092 796	3 202 404	3 331 401
Number of loans on book		182 552	184 898	184 121	189 285	188 066	188 170	191 532	195 528	188 751	190 458	196 047	201 987
Non-performing loans ratio	%	30.1%	30.0%	30.0%	29.7%	29.2%	29.1%	28.5%	27.7%	28.7%	28.6%	27.7%	26.7%
Provision coverage	%	46.8%	46.4%	46.2%	45.5%	45.0%	44.9%	44.2%	43.4%	44.8%	44.5%	43.2%	41.7%
Investment in Zenthyme Investments (Proprietary) Limited	R '000	202 127	202 127	222 325	222 325	222 325	222 325	222 325	222 325	222 325	913 577	-	-
Funding and cash reserves													
Interest bearing liabilities	R '000	2 810 657	2 797 602	2 759 883	2 815 246	2 860 494	2 834 818	2 825 270	2 847 650	2 810 939	3 403 738	4 760 399	4 783 758
Average cost of borrowings	%	11.6%	11.5%	11.5%	11.4%	11.3%	11.3%	11.5%	11.4%	11.3%	11.4%	11.3%	11.3%
Cash and cash equivalents	R '000	696 965	644 064	617 793	642 356	633 031	680 509	582 464	497 818	636 981	595 083	534 999	418 256

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Origination

		% change MOM	May 17	Apr 17	Mar 17	Feb 17	Jan 17	Dec 16	Nov 16	Oct 16	Sep 16	Aug 16	Jul 16	Jun 16
Disbursements	R '000	33.9%	123 154	91 961	103 527	98 243	96 377	92 070	122 542	113 194	117 328	88 469	89 652	90 496
Number of new loans		38.6%	5 936	4 284	5 573	5 217	4 814	4 932	5 909	4 933	5 597	4 941	5 950	6 218
Average loan value at acquisition	Rand	(3.4%)	20 747	21 466	18 577	18 831	20 020	18 668	20 738	22 946	20 963	17 905	15 068	14 554
Average term at acquisition	Months	1.5%	27.0	26.6	23.8	23.9	25.3	24.2	26.1	28.0	26.8	22.5	20.4	19.6

Loan claims purchased by Bayport Securitisation (RF) Ltd *

		% change MOM	May 17	Apr 17	Mar 17	Feb 17	Jan 17	Dec 16	Nov 16	Oct 16	Sep 16	Aug 16	Jul 16	Jun 16
Loan claims purchased	R '000	(15.6%)	120 007	142 135	42 409	73 860	96 377	37 137	33 092	300 353	114 245	-	-	17 909
Number of loans purchased		(14.6%)	4 690	5 491	2 290	3 090	4 814	2 185	1 579	13 676	5 411	-	-	1 368
Average loan value purchased	Rand	(1.1%)	25 588	25 885	18 519	23 903	20 020	16 996	20 957	21 962	21 113	-	-	13 091
Average remaining term of loans purchased	Months	(4.8%)	22.0	23.1	24.1	25.6	25.3	23.2	26.3	22.5	27.0	-	-	18.2

* Loans disbursed by the originator that are not sold to Bayport Tutari RF (Ltd) are purchased by the issuer. The claims purchased by Tutari will be sold periodically to the issuer and thus a consolidated view of all originations has been disclosed.

Statistics

Loans and advances by geographic location

Province	Cellular	Payroll	Debit order	Total
Eastern Cape	13%	8%	10%	11%
Free State	6%	5%	6%	6%
Gauteng	35%	54%	38%	38%
Kwazulu-Natal	14%	12%	14%	14%
Limpopo	5%	3%	7%	7%
Mpumulanga	6%	3%	6%	6%
Northern Cape	3%	2%	3%	2%
North-West	6%	5%	5%	5%
Western Cape	12%	8%	11%	11%
Grand Total	100%	100%	100%	100%

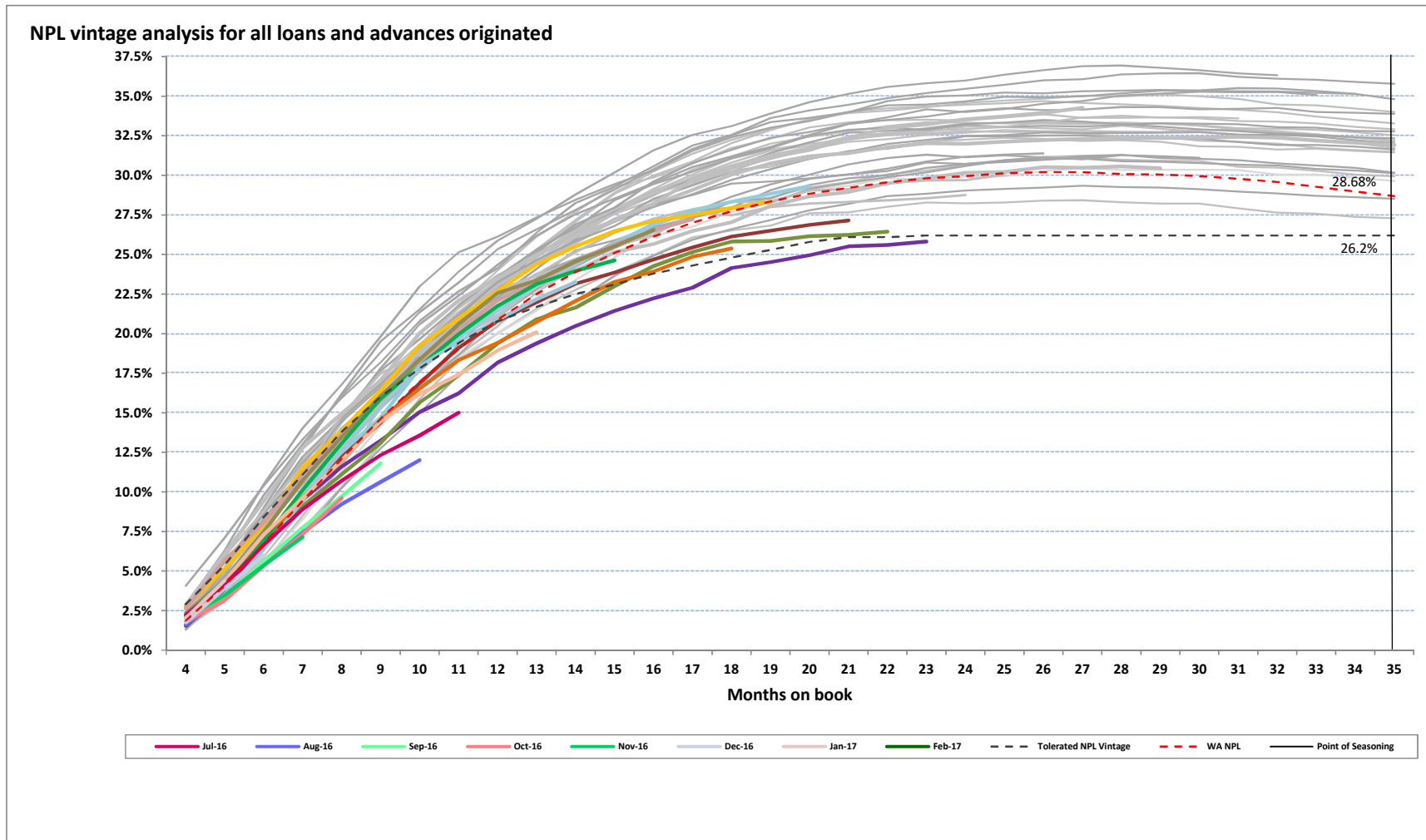
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Asset quality

	% change MOM	May 17 R'000	Apr 17 R'000	Mar 17 R'000	Feb 17 R'000	Jan 17 R'000	Dec 16 R'000	Nov 16 R'000	Oct 16 R'000	Sep 16 R'000	Aug 16 R'000	Jul 16 R'000	Jun 16 R'000
Gross loans and advances	(0.3%)	4 757 328	4 769 409	4 740 745	4 803 447	4 831 485	4 815 297	4 873 677	4 960 321	4 744 774	4 729 700	4 813 674	4 913 475
Performing loans	(0.3%)	3 325 338	3 336 319	3 317 092	3 375 144	3 421 902	3 414 464	3 486 522	3 585 814	3 382 539	3 376 679	3 481 106	3 600 080
Non-performing loans	(0.1%)	1 431 990	1 433 090	1 423 653	1 428 303	1 409 583	1 400 833	1 387 155	1 374 507	1 362 235	1 353 021	1 332 568	1 313 395
Impairment provision													
Opening balance	0.9%	2 210 859	2 190 974	2 185 924	2 173 511	2 163 595	2 155 299	2 152 128	2 126 066	2 104 834	2 079 200	2 050 004	2 033 090
Bad debt written-off	(7.4%)	(42 219)	(45 587)	(38 565)	(40 279)	(38 040)	(58 896)	(42 149)	(39 912)	(40 998)	(37 424)	(36 674)	(39 841)
Provision raised	(13.2%)	56 810	65 472	43 615	52 692	47 956	67 192	45 320	65 974	62 230	63 058	65 870	56 755
Closing balance	0.7%	2 225 450	2 210 859	2 190 974	2 185 924	2 173 511	2 163 595	2 155 299	2 152 128	2 126 066	2 104 834	2 079 200	2 050 004

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Asset quality (continued)



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Asset quality (continued)

Loans and advances distribution by contractual delinquency (CD)

	May 17	Apr 17	Mar 17	Feb 17	Jan 17	Dec 16	Nov 16	Oct 16	Sep 16	Aug 16	Jul 16	Jun 16
	%	%	%	%	%	%	%	%	%	%	%	%
For all loans and advances originated												
0	61.2%	60.8%	60.5%	59.1%	59.3%	59.9%	61.1%	60.9%	62.7%	60.1%	60.4%	61.1%
1	4.3%	4.4%	4.4%	5.3%	5.6%	5.3%	4.7%	4.9%	2.7%	5.2%	5.3%	5.3%
2	3.6%	3.6%	3.9%	4.4%	4.0%	4.0%	3.9%	3.8%	4.1%	4.3%	4.3%	4.0%
3	3.0%	3.2%	3.3%	3.3%	3.4%	3.3%	3.2%	3.3%	3.5%	3.5%	3.4%	3.3%
4 +	27.9%	28.0%	27.9%	27.9%	27.7%	27.5%	27.1%	27.1%	27.0%	26.9%	26.6%	26.3%
For Bayport Securitisation (RF) Ltd												
0	58.5%	58.3%	58.2%	57.0%	57.4%	57.9%	59.4%	60.1%	60.8%	57.9%	58.9%	60.5%
1	4.4%	4.6%	4.4%	5.4%	5.8%	5.5%	4.8%	4.9%	2.6%	5.3%	5.4%	5.3%
2	3.8%	3.8%	4.0%	4.5%	4.1%	4.1%	4.0%	3.9%	4.2%	4.5%	4.4%	4.1%
3	3.2%	3.3%	3.4%	3.4%	3.5%	3.4%	3.3%	3.4%	3.7%	3.7%	3.6%	3.4%
4 +	30.1%	30.0%	30.0%	29.7%	29.2%	29.1%	28.5%	27.7%	28.7%	28.6%	27.7%	26.7%
Monthly loans and advances movement												
	May 17	Apr 17	Mar 17	Feb 17	Jan 17	Dec 16	Nov 16	Oct 16	Sep 16	Aug 16	Jul 16	Jun 16
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	4 769 409	4 740 745	4 803 447	4 831 485	4 815 297	4 873 677	4 960 321	4 744 774	4 729 700	4 813 674	4 913 475	4 992 583
Disbursements	120 007	142 135	42 409	73 860	96 377	37 137	33 092	300 353	114 245	-	-	17 909
Interest and other similar income	57 176	56 434	57 768	57 983	60 225	58 169	65 475	69 310	63 329	69 488	72 883	77 990
Non-interest revenue	4 006	11 580	24 750	30 854	38 469	33 552	10 206	39 405	33 806	19 117	15 611	33 924
Collections	(164 126)	(148 562)	(164 000)	(168 368)	(153 901)	(145 144)	(168 202)	(169 371)	(170 337)	(152 426)	(168 633)	(191 320)
Bad debt write-offs and write-backs	(29 145)	(32 923)	(23 629)	(22 367)	(24 982)	(42 094)	(27 215)	(24 152)	(25 968)	(20 153)	(19 661)	(17 611)
Closing balance	4 757 328	4 769 409	4 740 745	4 803 447	4 831 485	4 815 297	4 873 677	4 960 321	4 744 774	4 729 700	4 813 674	4 913 475

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Liquidity and funding

Funding	% change MOM	May 17 R'000	Apr 17 R'000	Mar 17 R'000	Feb 17 R'000	Jan 17 R'000	Dec 16 R'000	Nov 16 R'000	Oct 16 R'000	Sep 16 R'000	Aug 16 R'000	Jul 16 R'000	Jun 16 R'000
Class A Notes (senior)	0.0%	1 929 814	1 929 814	1 799 814	1 920 133	1 920 133	2 019 850	2 019 850	2 019 850	2 019 850	1 839 971	1 839 971	1 839 971
Senior warehouse funding	0.0%	-	-	-	-	-	-	-	-	-	-	-	-
Class B Notes (Mezzanine)	0.0%	270 000	270 000	270 000	276 154	276 154	337 071	337 071	337 071	337 071	337 796	337 796	337 796
Other subordinated funding	2.2%	610 843	597 788	690 069	618 959	664 207	477 897	468 349	490 729	454 018	1 225 971	2 582 632	2 605 991
Total interest bearing liabilities	0.5%	2 810 657	2 797 602	2 759 883	2 815 246	2 860 494	2 834 818	2 825 270	2 847 650	2 810 939	3 403 738	4 760 399	4 783 758
Average cost of borrowings	0.4%	11.6%	11.5%	11.5%	11.4%	11.3%	11.3%	11.5%	11.4%	11.3%	11.4%	11.3%	11.3%
Cash and cash equivalents	8.2%	696 965	644 064	617 793	642 356	633 031	680 509	582 464	497 818	636 981	595 083	534 999	418 256

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Liquidity and funding (continued)

Instrument	Coupon rate	Class	Nominal amount at issue	Month end principal balance	Issue date	Maturity date
BAYA08	11.780%	A	50 000 000	50 000 000	15/11/2010	02/01/2018
BAYA23	10.510%	A	300 000 000	18 975 356	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	3 205 719	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	11 847 111	02/04/2013	31/03/2018
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	17 406 388	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
BAYA45	3-month JIBAR plus 4.250%	A	150 000 000	150 000 000	31/03/2014	01/04/2019
BYA49U	3-month JIBAR plus 4.000%	A	65 000 000	65 000 000	05/05/2015	02/07/2018
BAYA51	3-month JIBAR plus 5.100%	A	40 000 000	28 191 747	06/04/2016	01/04/2019
BAYA52	3-month JIBAR plus 5.100%	A	225 000 000	158 891 092	31/03/2016	01/04/2019
BAYA53	3-month JIBAR plus 2.500%	A	30 000 000	30 000 000	30/09/2016	02/10/2017
BAYA54	3-month JIBAR plus 5.100%	A	275 500 000	236 296 173	30/09/2016	30/09/2019
BAYA55	3-month JIBAR plus 2.500%	A	50 000 000	50 000 000	03/04/2017	03/04/2018
BAYA56	3-month JIBAR plus 4.500%	A	30 000 000	30 000 000	03/04/2017	03/04/2020
BAYA57	3-month JIBAR plus 5.500%	A	50 000 000	50 000 000	03/04/2017	03/04/2022
Subtotal Class A notes			2 445 500 000	1 929 813 586		
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
BYB10U	3-month JIBAR plus 8.000%	B	5 000 000	5 000 000	30/09/2016	30/09/2021
Subtotal Class B notes			270 000 000	270 000 000		
Total			2 715 500 000	2 199 813 586		

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Covenant compliance

	Current requirement	May 17	Apr 17	Mar 17	Feb 17	Jan 17	Dec 16	Nov 16	Oct 16	Sep 16	Aug 16	Jul 16	Jun 16
Financial covenants													
Senior Debt Cash Flow Cover Ratio	≥ 1.50 times	1.9	1.8	2.2	2.6	2.1	2.3	2.8	2.7	2.5	2.1	2.5	2.8
Senior Debt Interest Cover Ratio	≥ 3.50 times	4.2	4.5	4.1	4.8	5.2	4.5	4.8	4.9	5.5	5.8	5.6	6.0
Senior Debt to Net Qualifying Asset Value*	≤ 70.0%	52.3%	52.7%	49.6%	51.6%	51.2%	53.3%	53.6%	53.5%	54.2%	49.9%	49.2%	49.1%
Bad and Doubtful Debt Ratio	≤ 17.5%	7.0%	7.2%	7.1%	7.4%	7.9%	8.0%	9.8%	9.9%	10.5%	10.2%	9.8%	9.3%
Equity invested in the Company by the Originator*	> 22.5%	55.7%	55.2%	58.8%	56.4%	57.0%	47.5%	46.0%	45.6%	47.6%	50.6%	51.1%	50.1%
Cellular Contracts as a % of the Portfolio	≤ 10.0%	2.3%	2.3%	2.4%	2.3%	2.4%	2.5%	2.5%	2.4%	2.6%	2.6%	2.6%	2.6%
Cash reserves													
Liquidity reserve (R'000)*	≥ 250,000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000
Arrears reserve													
Weighted NPLs as a percentage of the portfolio	≤ 26.2%	28.7%	28.6%	28.6%	28.8%	28.6%	28.6%	28.7%	28.7%	28.6%	28.5%	28.7%	28.6%
Reserve required (R'000)		18 592	18 337	17 867	19 702	18 891	18 391	20 298	20 224	18 244	17 765	19 732	19 924
Asset performance reserve													
Collections ratio	≥ 80.75%	102.4%	103.0%	108.4%	107.9%	107.5%	104.3%	104.1%	102.7%	101.4%	101.3%	101.1%	102.7%
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Reserved cash (R'000)		231 408	231 663	232 133	230 298	231 109	231 609	229 702	229 776	231 756	232 235	230 268	230 076
Expected collections (6 month average) (R'000)		79 049	79 030	79 336	78 213	78 386	82 021	84 477	85 734	87 600	90 815	92 793	93 280
Actual receipts (6 month average) (R'000)		80 924	81 371	85 966	84 405	84 242	85 556	87 907	88 072	88 842	91 976	93 825	95 831
Capital redemption reserve (R'000)		150 833	99 167	47 500	52 500	32 500	187 500	154 167	120 833	87 500	58 333	29 167	20 000

* With effect from February 2016 and in accordance with the approved amendments to the programme memorandum:

- The senior debt to net qualifying asset value was reduced from 72.5% to 70.0%
- The equity invested in the company by the originator was increased from 20.0% to 22.5%.

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Glossary of terms

CD	Contractual delinquency = accumulated arrears / contractual instalment originally due
MOB	Months on book
MoM	Months 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