

BAYPORT SECURITISATION (RF) LTD

# INVESTOR REPORT

August 2014

*your future now*

**BAYPORT**  
FINANCIAL SERVICES

## Monthly Investor Report

### Financial statistics for the period ended August 2014

|  |        | Aug 14           | Jul 14    | Jun 14    | May 14    | Apr 14    | Mar 14    | Feb 14    | Jan 14    | Dec 13    | Nov 13    | Oct 13    | Sep 13    |
|--|--------|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <b>Performance ratios *</b>                                  |        |                  |           |           |           |           |           |           |           |           |           |           |           |
| Total income as a % of ave gross loans and advances          | %      | <b>26.8%</b>     | 27.0%     | 27.3%     | 27.2%     | 27.7%     | 28.2%     | 28.6%     | 29.2%     | 29.8%     | 30.6%     | 31.0%     | 31.5%     |
| Direct and indirect expenses to ave gross loans and advances | %      | <b>6.6%</b>      | 6.6%      | 6.7%      | 6.6%      | 7.0%      | 7.2%      | 7.5%      | 7.7%      | 7.9%      | 8.0%      | 8.1%      | 8.1%      |
| Direct and indirect expenses to total income                 | %      | <b>24.5%</b>     | 24.5%     | 24.6%     | 24.4%     | 25.3%     | 25.5%     | 26.1%     | 26.3%     | 26.6%     | 26.2%     | 26.2%     | 25.7%     |
| Return on assets   | %      | <b>(3.5%)</b>    | (3.1%)    | (2.6%)    | (2.3%)    | (0.1%)    | 0.1%      | 0.8%      | 1.0%      | 1.1%      | 1.4%      | 1.4%      | 1.6%      |
| Gearing ratio  | times  | <b>3.2</b>       | 3.2       | 3.1       | 3.1       | 3.1       | 3.1       | 3.2       | 3.2       | 3.2       | 3.2       | 3.2       | 3.2       |
| Interest margin  | %      | <b>16.0%</b>     | 16.2%     | 16.4%     | 16.2%     | 16.6%     | 16.9%     | 17.1%     | 17.6%     | 18.0%     | 18.5%     | 18.8%     | 19.0%     |
| <b>Asset and credit quality ratios</b>                       |        |                  |           |           |           |           |           |           |           |           |           |           |           |
| Gross loans and advances                                     | R '000 | <b>6 216 787</b> | 6 213 331 | 6 190 526 | 6 177 772 | 6 133 560 | 6 116 658 | 6 113 910 | 6 070 230 | 5 997 431 | 5 939 302 | 5 880 504 | 5 832 281 |
| Non-Performing Loans ("NPLs")                                | R '000 | <b>2 323 214</b> | 2 298 176 | 2 296 387 | 2 291 983 | 2 293 754 | 2 277 423 | 2 291 333 | 2 222 574 | 2 174 668 | 2 106 755 | 2 058 520 | 2 025 955 |
| Carrying value of written off book                           | R '000 | <b>199 067</b>   | 194 035   | 188 854   | 183 147   | 178 357   | 171 523   | 161 528   | 156 281   | 149 879   | 144 237   | 135 124   | 135 124   |
| Impairment provision   | R '000 | <b>1 771 550</b> | 1 733 706 | 1 693 554 | 1 659 536 | 1 478 211 | 1 443 682 | 1 425 126 | 1 395 180 | 1 367 680 | 1 351 590 | 1 321 836 | 1 301 070 |
| Net loans and advances                                       | R '000 | <b>4 644 304</b> | 4 673 660 | 4 685 826 | 4 701 383 | 4 833 706 | 4 844 499 | 4 850 312 | 4 831 331 | 4 779 630 | 4 731 950 | 4 693 792 | 4 666 336 |
| Non-performing loans ratio                                   | %      | <b>37.4%</b>     | 37.0%     | 37.1%     | 37.1%     | 37.4%     | 37.2%     | 37.5%     | 36.6%     | 36.3%     | 35.5%     | 35.0%     | 34.7%     |
| Provision coverage   | %      | <b>28.5%</b>     | 27.9%     | 27.4%     | 26.9%     | 24.1%     | 23.6%     | 23.3%     | 23.0%     | 22.8%     | 22.8%     | 22.5%     | 22.3%     |
| <b>Funding and cash reserves</b>                             |        |                  |           |           |           |           |           |           |           |           |           |           |           |
| Interest bearing liabilities                                 | R '000 | <b>4 910 427</b> | 4 913 552 | 4 922 477 | 4 865 548 | 4 873 465 | 4 879 984 | 4 743 482 | 4 740 628 | 4 650 516 | 4 719 392 | 4 702 583 | 4 669 506 |
| Average cost of borrowings                                   | %      | <b>10.4%</b>     | 10.4%     | 10.3%     | 10.3%     | 10.2%     | 10.2%     | 10.2%     | 10.2%     | 10.2%     | 10.2%     | 10.2%     | 10.3%     |
| Cash and cash equivalents                                    | R '000 | <b>323 178</b>   | 287 746   | 276 783   | 284 943   | 285 532   | 265 237   | 226 748   | 235 086   | 173 526   | 353 673   | 340 101   | 305 647   |

\* 12 months rolling average

## Monthly Investor Report

### Origination

|                                   |        | % change<br>MOM | Aug 14         | Jul 14  | Jun 14  | May 14  | Apr 14  | Mar 14  | Feb 14  | Jan 14  | Dec 13  | Nov 13  | Oct 13  | Sep 13  |
|-----------------------------------|--------|-----------------|----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Disbursements                     | R '000 | (14.2%)         | <b>85 778</b>  | 99 967  | 86 469  | 123 834 | 101 739 | 130 211 | 131 809 | 144 956 | 140 362 | 137 967 | 134 477 | 111 698 |
| Number of new loans               |        | (18.3%)         | <b>4 943</b>   | 6 052   | 5 478   | 7 740   | 6 627   | 8 610   | 8 446   | 9 566   | 9 445   | 9 118   | 9 538   | 9 021   |
| Number of loans on book           |        | (0.8%)          | <b>322 514</b> | 325 263 | 327 497 | 331 037 | 332 442 | 335 320 | 338 348 | 339 639 | 340 295 | 341 295 | 342 398 | 344 547 |
| Average loan value at acquisition | Rand   | 5.1%            | <b>17 353</b>  | 16 518  | 15 785  | 15 999  | 15 352  | 15 123  | 15 606  | 15 153  | 14 861  | 15 131  | 14 099  | 12 382  |
| Average term at acquisition       | Months | (1.5%)          | <b>38.6</b>    | 39.2    | 37.4    | 37.1    | 36.5    | 35.9    | 35.9    | 36.8    | 36.2    | 36.3    | 38.8    | 38.8    |

### Statistics

#### Loans and advances by geographic location

| Province           | Cellular    | Payroll     | Debit<br>order | Total       |
|--------------------|-------------|-------------|----------------|-------------|
| Eastern Cape       | 11%         | 8%          | 12%            | <b>12%</b>  |
| Free State         | 6%          | 7%          | 7%             | <b>7%</b>   |
| Gauteng            | 35%         | 47%         | 32%            | <b>32%</b>  |
| Kwazulu-Natal      | 15%         | 13%         | 15%            | <b>15%</b>  |
| Limpopo            | 5%          | 3%          | 7%             | <b>7%</b>   |
| Mpumulanga         | 6%          | 3%          | 6%             | <b>6%</b>   |
| Northern Cape      | 3%          | 3%          | 3%             | <b>3%</b>   |
| North-West         | 6%          | 4%          | 5%             | <b>5%</b>   |
| Western Cape       | 13%         | 12%         | 13%            | <b>13%</b>  |
| <b>Grand Total</b> | <b>100%</b> | <b>100%</b> | <b>100%</b>    | <b>100%</b> |

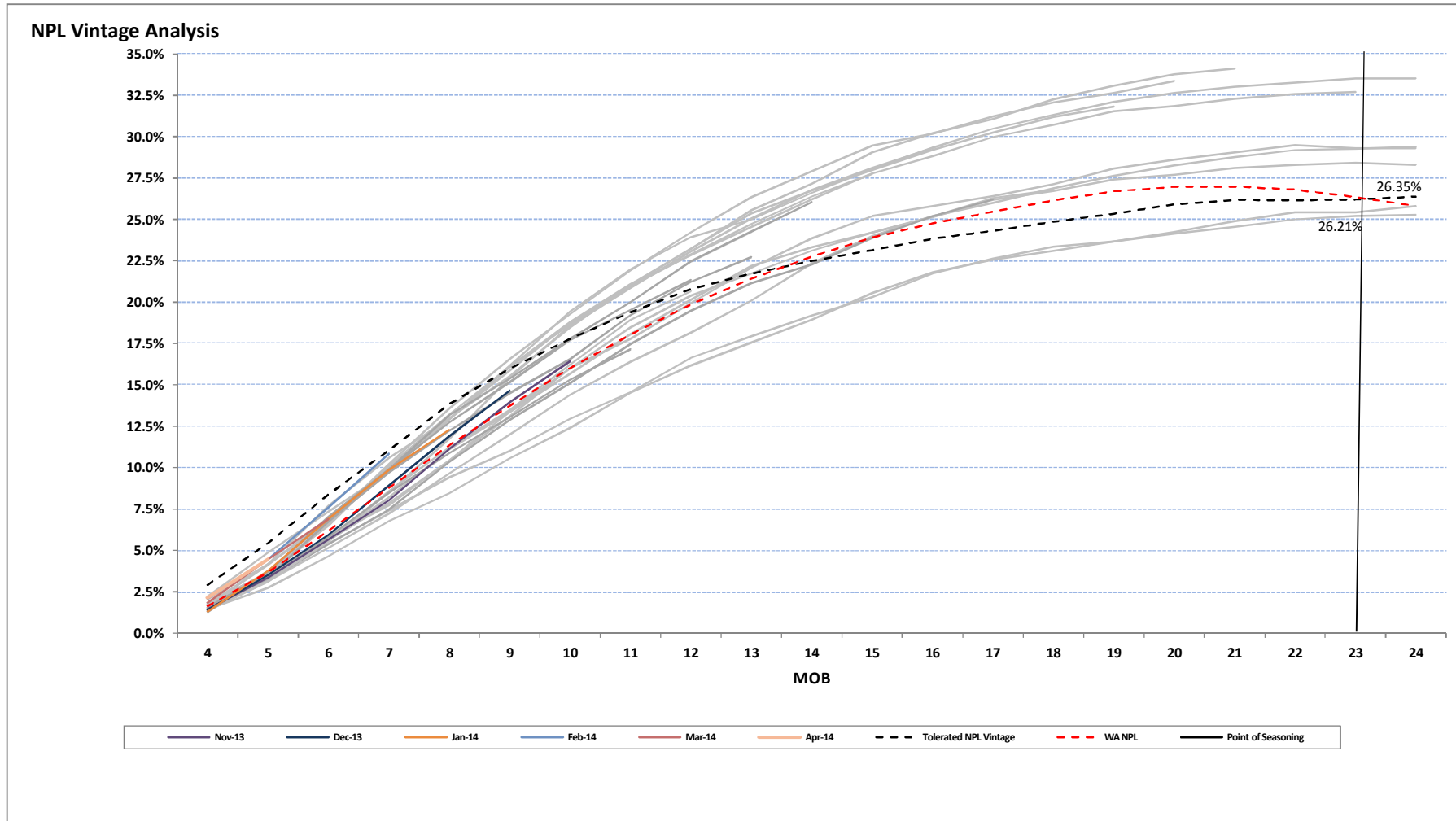
## Monthly Investor Report

### Asset quality

|                                 | % change<br>MOM | <b>Aug 14</b><br><b>R'000</b> | Jul 14<br>R'000 | Jun 14<br>R'000 | May 14<br>R'000 | Apr 14<br>R'000 | Mar 14<br>R'000 | Feb 14<br>R'000 | Jan 14<br>R'000 | Dec 13<br>R'000 | Nov 13<br>R'000 | Oct 13<br>R'000 | Sep 13<br>R'000 |
|---------------------------------|-----------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Gross loans and advances</b> | 0.1%            | <b>6 216 787</b>              | 6 213 331       | 6 190 526       | 6 177 772       | 6 133 560       | 6 116 658       | 6 113 910       | 6 070 230       | 5 997 431       | 5 939 302       | 5 880 504       | 5 832 281       |
| Performing loans                | (0.6%)          | <b>3 893 573</b>              | 3 915 155       | 3 894 139       | 3 885 789       | 3 839 806       | 3 839 235       | 3 822 577       | 3 847 656       | 3 822 763       | 3 832 547       | 3 821 984       | 3 806 326       |
| Non-performing loans            | 1.1%            | <b>2 323 214</b>              | 2 298 176       | 2 296 387       | 2 291 983       | 2 293 754       | 2 277 423       | 2 291 333       | 2 222 574       | 2 174 668       | 2 106 755       | 2 058 520       | 2 025 955       |
| <b>Impairment provision</b>     |                 |                               |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Opening balance                 | 2.4%            | <b>1 733 706</b>              | 1 693 554       | 1 659 536       | 1 478 211       | 1 443 682       | 1 425 126       | 1 395 180       | 1 367 680       | 1 351 590       | 1 321 836       | 1 301 070       | 1 140 155       |
| Bad debt written-off            | 5.9%            | <b>(61 552)</b>               | (58 100)        | (57 146)        | (54 384)        | (58 044)        | (110 500)       | (53 701)        | (49 760)        | (47 654)        | (50 088)        | (49 325)        | (42 834)        |
| Provision raised                | 1.2%            | <b>99 396</b>                 | 98 252          | 91 164          | 235 709         | 92 573          | 129 056         | 83 647          | 77 260          | 63 744          | 79 842          | 70 091          | 203 749         |
| Closing balance                 | 2.2%            | <b>1 771 550</b>              | 1 733 706       | 1 693 554       | 1 659 536       | 1 478 211       | 1 443 682       | 1 425 126       | 1 395 180       | 1 367 680       | 1 351 590       | 1 321 836       | 1 301 070       |

# Monthly Investor Report

## Asset quality (continued)



## Monthly Investor Report

### Asset quality (continued)

| <b>Contractual delinquency (CD) loans and advances distribution *</b> | <b>Aug 14</b>    | Jul 14    | Jun 14    | May 14    | Apr 14    | Mar 14    | Feb 14    | Jan 14    | Dec 13    | Nov 13    | Oct 13    | Sep 13    |
|---|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
|   | <b>%</b>         | %         | %         | %         | %         | %         | %         | %         | %         | %         | %         | %         |
| 0   | <b>52.5%</b>     | 53.3%     | 52.7%     | 52.7%     | 51.6%     | 52.0%     | 51.7%     | 52.3%     | 51.9%     | 52.4%     | 52.8%     | 52.9%     |
| 1   | <b>4.3%</b>      | 3.9%      | 3.9%      | 3.7%      | 4.3%      | 4.3%      | 4.4%      | 4.2%      | 4.6%      | 4.6%      | 4.7%      | 5.1%      |
| 2   | <b>3.0%</b>      | 2.9%      | 3.0%      | 3.3%      | 3.4%      | 3.4%      | 3.2%      | 3.4%      | 3.6%      | 3.9%      | 3.9%      | 3.7%      |
| 3   | <b>2.8%</b>      | 2.9%      | 3.3%      | 3.2%      | 3.3%      | 3.1%      | 3.2%      | 3.5%      | 3.6%      | 3.6%      | 3.6%      | 3.6%      |
| 4 +   | <b>37.4%</b>     | 37.0%     | 37.1%     | 37.1%     | 37.4%     | 37.2%     | 37.5%     | 36.6%     | 36.3%     | 35.5%     | 35.0%     | 34.7%     |
| <b>Monthly loans and advances movement</b>                            |                  |           |           |           |           |           |           |           |           |           |           |           |
|   | <b>R'000</b>     | R'000     | R'000     | R'000     | R'000     | R'000     | R'000     | R'000     | R'000     | R'000     | R'000     | R'000     |
| Opening balance   | <b>6 213 331</b> | 6 190 526 | 6 177 772 | 6 133 560 | 6 116 658 | 6 113 910 | 6 070 230 | 5 997 431 | 5 939 302 | 5 880 504 | 5 832 281 | 5 771 032 |
| Disbursements   | <b>85 778</b>    | 99 967    | 86 469    | 123 834   | 101 739   | 130 211   | 131 809   | 144 956   | 140 362   | 137 967   | 134 477   | 111 698   |
| Interest and other similiar income                                    | <b>122 213</b>   | 119 794   | 120 856   | 121 406   | 115 990   | 122 166   | 105 018   | 120 818   | 115 044   | 118 223   | 123 300   | 126 679   |
| Non-interest revenue  | <b>64 653</b>    | 65 213    | 64 852    | 68 290    | 67 353    | 70 638    | 70 625    | 66 717    | 71 616    | 72 813    | 73 941    | 116 811   |
| Collections   | <b>(215 463)</b> | (211 973) | (210 435) | (222 653) | (217 642) | (217 005) | (216 522) | (216 535) | (231 745) | (235 581) | (244 750) | (259 927) |
| Bad debt write-offs and write-backs                                   | <b>(53 725)</b>  | (50 196)  | (48 988)  | (46 665)  | (50 538)  | (103 262) | (47 250)  | (43 157)  | (37 148)  | (34 624)  | (38 745)  | (34 012)  |
| Closing balance   | <b>6 216 787</b> | 6 213 331 | 6 190 526 | 6 177 772 | 6 133 560 | 6 116 658 | 6 113 910 | 6 070 230 | 5 997 431 | 5 939 302 | 5 880 504 | 5 832 281 |

\* Arrears instalments

## Monthly Investor Report

### Liquidity and funding

|                                    | % change<br>MOM | <b>Aug 14</b><br><b>R'000</b> | Jul 14<br>R'000 | Jun 14<br>R'000 | May 14<br>R'000 | Apr 14<br>R'000 | Mar 14<br>R'000 | Feb 14<br>R'000 | Jan 14<br>R'000 | Dec 13<br>R'000 | Nov 13<br>R'000 | Oct 13<br>R'000 | Sep 13<br>R'000 |
|------------------------------------|-----------------|-------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Funding</b>                     |                 |                               |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Class A Notes (senior)             | 0.0%            | <b>3 179 124</b>              | 3 179 124       | 3 179 124       | 3 359 024       | 3 359 024       | 3 359 024       | 3 375 041       | 3 375 041       | 3 221 384       | 3 371 465       | 3 371 465       | 3 371 465       |
| Senior warehouse funding           | 0.0%            | <b>200 000</b>                | 200 000         | 200 000         | -               | -               | -               | -               | -               | 100 000         | -               | -               | -               |
| Class B Notes (Mezzanine)          | 0.0%            | <b>388 797</b>                | 388 797         | 388 797         | 394 422         | 394 422         | 394 422         | 399 882         | 399 882         | 284 882         | 290 086         | 290 086         | 290 086         |
| Other subordinated funding         | (0.3%)          | <b>1 142 506</b>              | 1 145 631       | 1 154 556       | 1 112 102       | 1 120 019       | 1 126 538       | 968 559         | 965 705         | 1 044 251       | 1 057 841       | 1 041 032       | 1 007 956       |
| Total interest bearing liabilities | (0.1%)          | <b>4 910 427</b>              | 4 913 552       | 4 922 477       | 4 865 548       | 4 873 465       | 4 879 984       | 4 743 482       | 4 740 628       | 4 650 516       | 4 719 392       | 4 702 583       | 4 669 506       |
| Average cost of borrowings         | 0.0%            | <b>10.4%</b>                  | 10.4%           | 10.3%           | 10.3%           | 10.2%           | 10.2%           | 10.2%           | 10.2%           | 10.2%           | 10.2%           | 10.2%           | 10.3%           |
| Cash and cash equivalents          | 12.3%           | <b>323 178</b>                | 287 746         | 276 783         | 284 943         | 285 532         | 265 237         | 226 748         | 235 086         | 173 526         | 353 673         | 340 101         | 305 647         |

## 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             | 157 891 079                 | 2010/03/31 | 2016/03/31    |
| BAYA04                        | 11.480%                   | A     | 20 000 000              | 6 114 954                   | 2010/08/31 | 2015/09/30    |
| BAYA05                        | 11.450%                   | A     | 33 000 000              | 10 080 857                  | 2010/09/27 | 2015/09/30    |
| BAYA06                        | 3-month JIBAR plus 4.750% | A     | 550 000 000             | 277 061 242                 | 2010/09/30 | 2016/09/30    |
| BAYA07                        | 11.360%                   | A     | 34 000 000              | 11 768 193                  | 2010/10/25 | 2015/12/31    |
| BAYA08                        | 11.780%                   | A     | 50 000 000              | 50 000 000                  | 2010/11/15 | 2017/12/31    |
| BAYA09                        | 3-month JIBAR plus 5.000% | A     | 75 000 000              | 25 294 736                  | 2010/12/06 | 2015/12/31    |
| BAYA10                        | 3-month JIBAR plus 5.000% | A     | 40 000 000              | 13 458 276                  | 2010/12/13 | 2015/12/31    |
| BAYA11                        | 3-month JIBAR plus 5.000% | A     | 60 000 000              | 23 765 232                  | 2011/01/03 | 2016/03/31    |
| BAYA12                        | 11.005%                   | A     | 20 000 000              | 8 263 721                   | 2011/01/12 | 2016/03/31    |
| BAYA13                        | 12.070%                   | A     | 80 000 000              | 33 544 698                  | 2011/03/10 | 2016/03/31    |
| BAYA14                        | 11.480%                   | A     | 13 000 000              | 3 974 722                   | 2011/06/06 | 2015/09/30    |
| BAYA15                        | 11.530%                   | A     | 100 000 000             | 46 924 165                  | 2011/06/14 | 2016/06/30    |
| BAYA16                        | 10.380%                   | A     | 10 000 000              | 5 338 397                   | 2011/10/12 | 2016/09/30    |
| BAYA17                        | 3-month JIBAR plus 4.450% | A     | 80 000 000              | 42 545 529                  | 2011/10/21 | 2016/09/30    |
| BAYA18                        | 3-month JIBAR plus 4.450% | A     | 100 000 000             | 53 181 909                  | 2011/11/30 | 2016/09/30    |
| BAYA19                        | 3-month JIBAR plus 4.450% | A     | 135 000 000             | 75 740 980                  | 2011/11/30 | 2016/12/31    |
| BAYA20                        | 3-month JIBAR plus 3.900% | A     | 150 000 000             | 15 276 480                  | 2011/11/30 | 2014/09/30    |
| BAYA22                        | 3-month JIBAR plus 3.800% | A     | 100 000 000             | 42 052 344                  | 2012/04/30 | 2015/09/30    |
| BAYA23                        | 10.510%                   | A     | 300 000 000             | 198 138 026                 | 2012/07/02 | 2017/06/30    |
| BAYA24                        | 11.090%                   | A     | 95 000 000              | 95 000 000                  | 2012/07/02 | 2017/06/30    |
| BAYA25                        | 3-month JIBAR plus 4.150% | A     | 50 000 000              | 34 026 594                  | 2012/08/15 | 2017/06/30    |
| BAYA26                        | 10.225%                   | A     | 185 000 000             | 185 000 000                 | 2012/09/27 | 2017/10/02    |
| BAYA27                        | 3-month JIBAR plus 3.500% | A     | 120 000 000             | 53 714 687                  | 2012/10/01 | 2015/09/30    |
| BAYA29                        | 3-month JIBAR plus 3.500% | A     | 60 000 000              | 29 686 520                  | 2012/10/09 | 2015/12/31    |
| BAYA30                        | 9.280%                    | A     | 150 000 000             | 80 124 421                  | 2012/12/14 | 2015/12/31    |
| BAYA31                        | 3-month JIBAR plus 4.300% | A     | 60 000 000              | 60 000 000                  | 2012/12/14 | 2018/12/31    |
| BAYA32                        | 10.108%                   | A     | 75 000 000              | 75 000 000                  | 2013/02/28 | 2018/04/03    |
| BAYA33                        | 3-month JIBAR plus 4.000% | A     | 15 000 000              | 15 000 000                  | 2013/03/25 | 2018/04/03    |
| BAYA34                        | 3-month JIBAR plus 4.250% | A     | 100 000 000             | 100 000 000                 | 2013/03/25 | 2018/04/03    |
| BAYA35                        | 3-month JIBAR plus 4.250% | A     | 50 000 000              | 50 000 000                  | 2013/03/25 | 2018/04/03    |
| BAYA36                        | 3-month JIBAR plus 3.880% | A     | 50 000 000              | 39 479 110                  | 2013/04/02 | 2018/03/31    |
| BAYA37                        | 3-month JIBAR plus 3.880% | A     | 100 000 000             | 100 000 000                 | 2013/04/02 | 2016/03/31    |
| BAYA39                        | 3-month JIBAR plus 4.250% | A     | 320 000 000             | 320 000 000                 | 2013/09/30 | 2018/10/01    |
| BAYA40                        | 3-month JIBAR plus 1.800% | A     | 200 000 000             | 200 000 000                 | 2013/09/30 | 2014/09/30    |
| BAYA41                        | 3-month JIBAR plus 3.900% | A     | 50 000 000              | 43 838 609                  | 2013/09/30 | 2018/09/30    |
| BAYA42                        | 3-month JIBAR plus 4.250% | A     | 130 000 000             | 130 000 000                 | 2013/09/30 | 2018/10/01    |
| BAYA43                        | 3-month JIBAR plus 3.900% | A     | 150 000 000             | 128 865 008                 | 2014/01/24 | 2017/03/31    |
| BAYA44                        | 3-month JIBAR plus 3.900% | A     | 150 000 000             | 138 973 851                 | 2014/03/31 | 2017/03/31    |
| BAYA45                        | 3-month JIBAR plus 4.250% | A     | 150 000 000             | 150 000 000                 | 2014/03/31 | 2019/04/01    |
| BAYA46                        | 3-month JIBAR plus 1.450% | A     | 50 000 000              | 50 000 000                  | 2014/03/31 | 2015/03/31    |
| <b>Subtotal Class A notes</b> |                           |       | <b>4 685 000 000</b>    | <b>3 179 124 339</b>        |            |               |
| BAYB02                        | 15.550%                   | B     | 30 000 000              | 11 725 879                  | 2010/03/31 | 2016/03/31    |
| BAYB03                        | 15.360%                   | B     | 55 000 000              | 55 000 000                  | 2011/11/30 | 2016/12/31    |
| BAYB04                        | 14.230%                   | B     | 90 000 000              | 57 070 640                  | 2012/04/02 | 2017/03/31    |
| BAYB05                        | 3-month JIBAR plus 7.500% | B     | 50 000 000              | 50 000 000                  | 2012/08/15 | 2019/06/30    |
| BAYB06                        | 3-month JIBAR plus 7.500% | B     | 30 000 000              | 30 000 000                  | 2012/12/14 | 2019/12/31    |
| BAYB07                        | 3-month JIBAR plus 7.500% | B     | 20 000 000              | 20 000 000                  | 2013/02/22 | 2020/03/31    |
| BAYB08                        | 3-month JIBAR plus 8.000% | B     | 50 000 000              | 50 000 000                  | 2013/03/25 | 2020/09/30    |
| BAYB09                        | 3-month JIBAR plus 5.750% | B     | 115 000 000             | 115 000 000                 | 2014/01/24 | 2018/10/01    |
| <b>Subtotal Class B notes</b> |                           |       | <b>440 000 000</b>      | <b>388 796 519</b>          |            |               |
| <b>Total</b>                  |                           |       | <b>5 125 000 000</b>    | <b>3 567 920 858</b>        |            |               |



## Monthly Investor Report

### Covenant compliance

| Financial covenants                              | Current requirement | Aug 14       | Jul 14 | Jun 14 | May 14 | Apr 14 | Mar 14 | Feb 14 | Jan 14 | Dec 13 | Nov 13 | Oct 13 | Sep 13 |
|--|---------------------|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|  |                     |              |        |        |        |        |        |        |        |        |        |        |        |
| Senior Debt Cash Flow Cover Ratio                | ≥ 1.50 times        | <b>2.0</b>   | 2.2    | 2.0    | 2.1    | 2.1    | 2.0    | 2.4    | 2.1    | 2.3    | 2.5    | 2.4    | 4.0    |
| Senior Debt Interest Cover Ratio                 | ≥ 3.50 times        | <b>4.4</b>   | 4.3    | 4.5    | 4.6    | 4.4    | 4.7    | 4.5    | 4.7    | 4.4    | 4.7    | 4.9    | 5.1    |
| Senior Debt to Net Qualifying Asset Value        | ≤ 72.5%             | <b>68.0%</b> | 68.1%  | 68.1%  | 67.4%  | 65.6%  | 65.7%  | 66.5%  | 66.6%  | 67.1%  | 66.3%  | 67.0%  | 67.8%  |
| Bad and Doubtful Debt Ratio                      | ≤ 17.5%             | <b>16.1%</b> | 15.7%  | 15.4%  | 15.0%  | 12.6%  | 12.7%  | 11.9%  | 12.0%  | 12.3%  | 12.6%  | 12.8%  | 12.9%  |
| Equity invested in the Company by the Originator | > 20%               | <b>23.9%</b> | 24.2%  | 24.8%  | 24.0%  | 25.9%  | 26.2%  | 23.6%  | 24.0%  | 25.9%  | 26.5%  | 26.3%  | 25.8%  |
| Cellular Contracts as a % of the Portfolio       | ≤ 10%               | <b>6.3%</b>  | 6.4%   | 6.4%   | 6.5%   | 6.6%   | 6.6%   | 6.6%   | 6.8%   | 6.9%   | 7.1%   | 7.1%   | 6.7%   |

| Cash reserves                                  | Current requirement | Aug 14         | Jul 14  | Jun 14  | May 14  | Apr 14  | Mar 14  | Feb 14  | Jan 14  | Dec 13  | Nov 13  | Oct 13  | Sep 13  |
|--|---------------------|----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|  |                     |                |         |         |         |         |         |         |         |         |         |         |         |
| Arrears reserve                                |                     |                |         |         |         |         |         |         |         |         |         |         |         |
| Weighted NPLs as a percentage of the portfolio | ≤ 26.2%             | <b>26.4%</b>   | 26.2%   | 25.5%   | 25.2%   | 24.7%   | 24.4%   | 24.0%   | 24.2%   | 23.9%   | 23.6%   | 23.2%   | 23.1%   |
| Reserve required (R'000)                       |                     | <b>1 736</b>   | 825     | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Asset performance reserve                      |                     |                |         |         |         |         |         |         |         |         |         |         |         |
| Collections Ratio                              | ≥ 80.75%            | <b>104.1%</b>  | 109.5%  | 109.2%  | 109.7%  | 109.3%  | 109.8%  | 109.9%  | 111.8%  | 113.1%  | 112.4%  | 112.4%  | 111.0%  |
| Reserve required (R'000)                       |                     | <b>-</b>       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
|  |                     | <b>R'000</b>   | 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)         |                     | <b>127 807</b> | 131 290 | 134 803 | 137 420 | 139 688 | 141 507 | 142 629 | 144 192 | 146 099 | 149 920 | 152 974 | 155 932 |
| Actual receipts (6 month average)              |                     | <b>133 012</b> | 143 819 | 147 172 | 150 730 | 152 717 | 155 359 | 156 767 | 161 156 | 165 250 | 168 300 | 171 867 | 173 162 |
| Capital Redemption reserve                     |                     | <b>166 666</b> | 133 333 | 100 000 | 66 667  | 33 333  | -       | 166 666 | 133 333 | 100 000 | 66 667  | 33 333  | -       |

## Monthly Investor Report

### Glossary of terms

|                                   |   |
|-----------------------------------|---|
| <b>CD</b>                         | Contractual delinquency = accumulated arrears / contractual instalments originally due  |
| <b>MOB</b>                        | Month on book   |
| <b>MoM</b>                        | Month on Month  |
| <b>YTD</b>                        | Year to date  |
| <b>Non-performing loans</b>       | 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 |
| <b>Non-performing loans ratio</b> | Non-performing loans / Gross loans and advances   |
| <b>Provision coverage</b>         | Impairment provision / Gross loans and advances   |