

BAYPORT SECURITISATION (RF) LTD

INVESTOR REPORT

APRIL 2016

your future now

BAYPORT
FINANCIAL SERVICES

Monthly Investor Report

Financial statistics for the period ended April 2016

		April 16	Mar 16	Feb 16	Jan 16	Dec 15	Nov 15	Oct 15	Sep 15	Aug 15	Jul 15	Jun 15	May 15
Performance ratios *													
Total income as a % of ave gross loans and advances	%	23.7%	23.8%	24.1%	24.3%	25.0%	25.4%	25.3%	25.3%	25.3%	25.5%	25.6%	26.0%
Direct and indirect expenses to ave gross loans and advances	%	6.3%	6.5%	6.6%	6.9%	7.1%	8.3%	8.8%	8.7%	8.5%	8.3%	8.1%	8.0%
Direct and indirect expenses to total income	%	26.7%	27.1%	27.5%	28.5%	28.6%	32.6%	34.8%	34.2%	33.5%	32.6%	31.8%	30.8%
Return on assets	%	(0.7%)	(0.7%)	(0.6%)	(0.6%)	(0.7%)	(2.4%)	(2.9%)	(3.0%)	(3.1%)	(3.5%)	(3.9%)	(5.8%)
Gearing ratio	times	2.2	2.4	2.6	2.9	3.1	3.4	3.5	3.5	3.5	3.5	3.5	3.5
Interest margin	%	13.2%	13.2%	13.2%	13.5%	14.0%	14.9%	14.9%	14.8%	14.8%	14.9%	15.0%	15.3%
Asset and credit quality ratios													
Gross loans and advances	R '000	4 944 536	4 925 161	4 908 122	4 900 298	4 889 171	4 842 086	4 810 352	4 730 631	4 676 739	4 649 955	4 641 364	4 680 271
Non-Performing Loans ("NPLs")	R '000	1 291 963	1 296 646	1 281 081	1 247 707	1 217 002	1 190 060	1 189 479	1 205 930	1 211 280	1 118 960	1 024 109	931 155
Carrying value of written off book	R '000	479 930	479 930	479 930	479 930	479 930	546 587	565 087	570 087	570 087	579 087	589 790	582 291
Impairment provision	R '000	2 016 294	1 996 028	1 964 949	1 940 447	1 922 400	1 869 895	1 852 055	1 805 874	1 773 232	1 762 670	1 756 094	1 729 147
Net loans and advances	R '000	3 408 172	3 409 062	3 423 102	3 439 781	3 446 700	3 518 778	3 523 384	3 494 844	3 473 594	3 466 372	3 475 060	3 533 415
Non-performing loans ratio	%	26.1%	26.3%	26.1%	25.5%	24.9%	24.6%	24.7%	25.5%	25.9%	24.1%	22.1%	19.9%
Provision coverage	%	40.8%	40.5%	40.0%	39.6%	39.3%	38.6%	38.5%	38.2%	37.9%	37.9%	37.8%	36.9%
Funding and cash reserves													
Interest bearing liabilities	R '000	4 909 309	4 892 132	5 095 479	5 019 116	5 039 310	4 600 381	4 760 833	4 605 433	4 846 984	4 813 077	4 831 241	4 766 215
Average cost of borrowings	%	11.1%	11.1%	11.0%	10.9%	10.9%	10.8%	10.8%	10.9%	10.8%	10.9%	10.8%	10.9%
Cash and cash equivalents	R '000	477 482	423 930	659 283	559 695	564 001	139 319	243 077	88 740	401 456	346 557	324 050	286 397

* 12 months rolling average

Monthly Investor Report

Origination

		% change MOM	Apr 16	Mar 16	Feb 16	Jan 16	Dec 15	Nov 15	Oct 15	Sep 15	Aug 15	Jul 15	Jun 15	May 15
Disbursements	R '000	(4.9%)	82 275	86 479	93 451	76 553	92 880	85 972	125 943	111 994	93 613	91 449	58 436	68 848
Number of new loans		(3.7%)	4 090	4 248	4 422	3 493	4 158	4 242	5 991	5 861	4 977	5 037	3 362	3 460
Number of loans on book		(0.1%)	203 500	203 772	204 901	206 094	207 949	208 993	210 442	211 445	210 940	212 476	213 323	215 819
Average loan value at acquisition	Rand	(1.2%)	20 116	20 358	21 133	21 916	22 338	20 267	21 022	19 108	18 809	18 156	17 381	19 898
Average term at acquisition	Months	(0.7%)	32.0	32.2	33.3	33.2	32.8	31.0	30.9	29.2	29.0	28.8	26.1	27.1

Statistics

Loans and advances by geographic location

Province	Cellular	Payroll	Debit order	Total
Eastern Cape	13%	9%	11%	11%
Free State	5%	6%	7%	7%
Gauteng	34%	52%	35%	36%
Kwazulu-Natal	14%	12%	14%	14%
Limpopo	5%	2%	7%	6%
Mpumulanga	7%	3%	6%	6%
Northern Cape	3%	3%	3%	3%
North-West	7%	4%	6%	6%
Western Cape	12%	9%	11%	11%
Grand Total	100%	100%	100%	100%

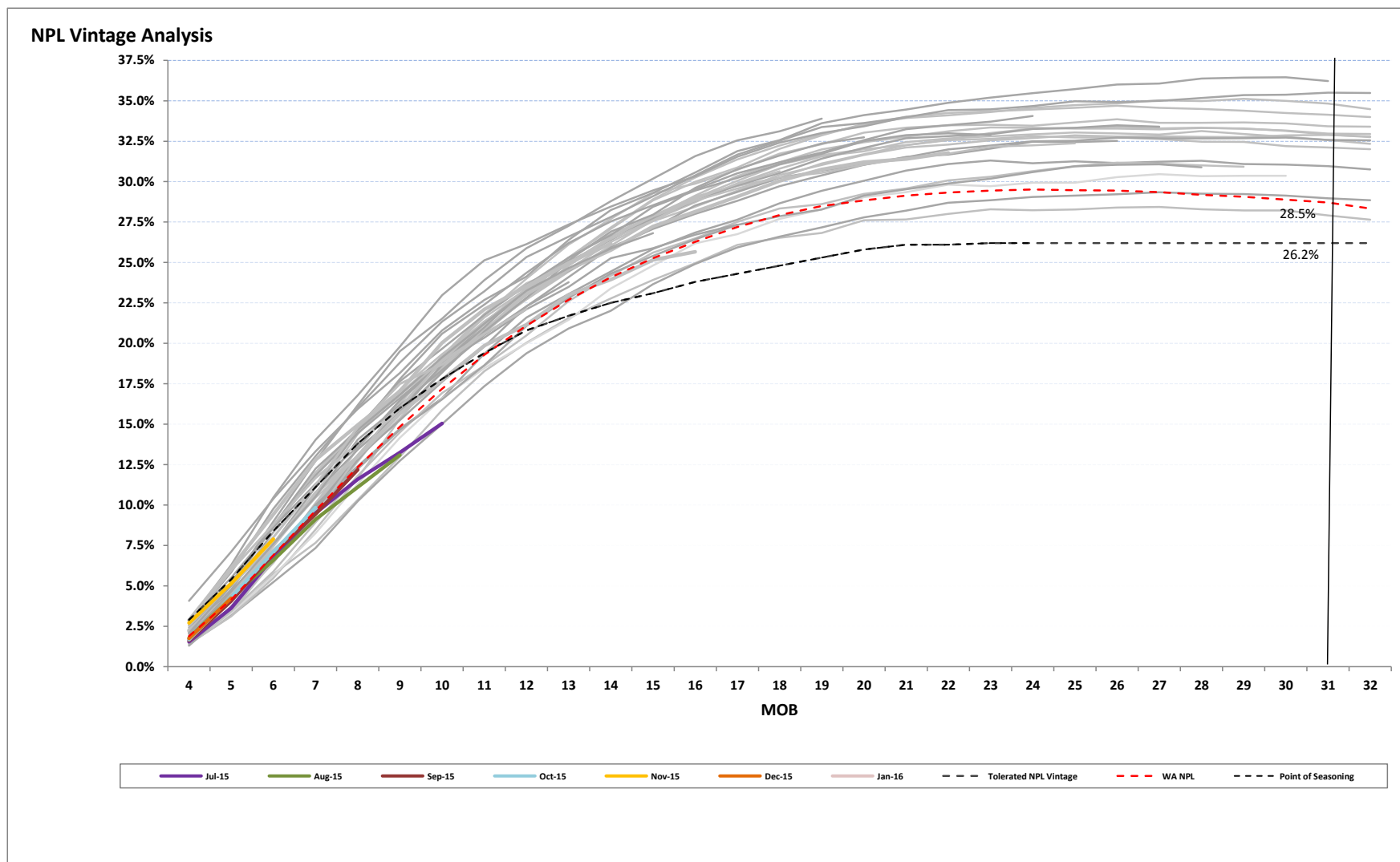
Monthly Investor Report

Asset quality

	% change MOM	Apr 16 R'000	Mar 16 R'000	Feb 16 R'000	Jan 16 R'000	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
Gross loans and advances	0.4%	4 944 536	4 925 161	4 908 122	4 900 298	4 889 171	4 842 086	4 810 352	4 730 631	4 676 739	4 649 955	4 641 364	4 680 271
Performing loans	0.7%	3 652 573	3 628 515	3 627 041	3 652 591	3 672 169	3 652 026	3 620 873	3 524 701	3 465 459	3 530 995	3 617 255	3 749 116
Non-performing loans	(0.4%)	1 291 963	1 296 646	1 281 081	1 247 707	1 217 002	1 190 060	1 189 479	1 205 930	1 211 280	1 118 960	1 024 109	931 155
Impairment provision													
Opening balance	1.6%	1 996 028	1 964 949	1 940 447	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
Bad debt written-off	10.9%	(45 216)	(40 784)	(47 615)	(39 693)	(47 260)	(44 507)	(46 323)	(42 960)	(49 320)	(49 172)	(56 157)	(45 742)
Provision raised	(8.9%)	65 482	71 863	72 117	57 739	99 765	62 347	92 504	75 602	59 882	55 748	83 104	56 311
Closing balance	1.0%	2 016 294	1 996 028	1 964 949	1 940 447	1 922 400	1 869 895	1 852 055	1 805 874	1 773 232	1 762 670	1 756 094	1 729 147

Monthly Investor Report

Asset quality (continued)



Monthly Investor Report

Asset quality (continued)

Contractual delinquency (CD) loans and advances distribution *	Apr 16	Mar 16	Feb 16	Jan 16	Dec 15	Nov 15	Oct 15	Sep 15	Aug 15	Jul 15	Jun 15	May 15
	%	%	%	%	%	%	%	%	%	%	%	%
0	61.0%	59.5%	59.2%	59.6%	61.3%	62.2%	62.9%	62.2%	62.2%	63.9%	64.5%	65.8%
1	4.9%	5.4%	5.9%	6.6%	5.6%	5.4%	5.2%	5.1%	4.7%	5.1%	5.6%	6.2%
2	4.2%	4.9%	5.1%	4.5%	4.5%	4.4%	4.0%	4.0%	3.9%	3.7%	4.3%	4.3%
3	3.8%	3.9%	3.7%	3.8%	3.7%	3.4%	3.2%	3.2%	3.3%	3.2%	3.5%	3.8%
4 +	26.1%	26.3%	26.1%	25.5%	24.9%	24.6%	24.7%	25.5%	25.9%	24.1%	22.1%	19.9%
Monthly loans and advances movement												
	Apr 16	Mar 16	Feb 16	Jan 16	Dec 15	Nov 15	Oct 15	Sep 15	Aug 15	Jul 15	Jun 15	May 15
	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	4 925 161	4 908 122	4 900 298	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
Disbursements	82 275	86 479	93 451	76 553	92 880	85 972	125 943	111 994	93 613	91 449	58 436	68 848
Interest and other similar income	83 775	80 042	76 055	82 704	96 029	91 081	95 690	88 749	87 060	89 055	74 253	86 064
Non-interest revenue	46 287	50 181	47 491	45 421	52 672	52 219	57 553	55 226	53 853	57 229	50 872	52 003
Collections	(178 674)	(183 100)	(179 379)	(170 696)	(179 120)	(187 877)	(200 224)	(194 570)	(187 379)	(206 888)	(186 056)	(189 300)
Bad debt write-offs and write-backs	(14 288)	(16 563)	(29 795)	(22 855)	(15 376)	(9 661)	759	(7 507)	(20 363)	(22 254)	(36 412)	(33 748)
Closing balance	4 944 536	4 925 161	4 908 122	4 900 298	4 889 171	4 842 086	4 810 352	4 730 631	4 676 739	4 649 955	4 641 364	4 680 271

* Arrears instalments

Monthly Investor Report

Liquidity and funding

Funding	% change MOM	Apr 16 R'000	Mar 16 R'000	Feb 16 R'000	Jan 16 R'000	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
Class A Notes (senior)	2.1%	1 969 117	1 929 117	1 941 813	1 941 813	1 941 813	2 108 955	2 108 955	2 108 955	2 426 009	2 426 009	2 426 009	2 608 591
Senior warehouse funding	0.0%	-	-	150 000	150 000	150 000	235 000	235 000	235 000	235 000	235 000	235 000	85 000
Class B Notes (Mezzanine)	0.0%	343 331	343 331	350 550	350 550	350 550	357 503	357 503	357 503	364 208	364 208	364 208	370 696
Other subordinated funding	(0.9%)	2 596 862	2 619 686	2 653 116	2 576 753	2 596 947	1 898 923	2 059 375	1 903 975	1 821 766	1 787 860	1 806 024	1 701 928
Total interest bearing liabilities	0.4%	4 909 309	4 892 132	5 095 479	5 019 116	5 039 310	4 600 381	4 760 833	4 605 433	4 846 983	4 813 077	4 831 241	4 766 215
Average cost of borrowings	0.0%	11.1%	11.1%	11.0%	10.9%	10.9%	10.8%	10.8%	10.9%	10.8%	10.9%	10.8%	10.9%
Cash and cash equivalents	12.6%	477 482	423 930	659 283	559 695	564 001	139 319	243 077	88 740	401 456	346 557	324 050	286 397

Monthly Investor Report

Liquidity and funding (continued)

Instrument	Coupon rate	Class	Nominal amount at issue	Month end principal balance	Issue date	Maturity date
BAYA06	3-month JIBAR plus 4.750%	A	550 000 000	67 435 564	2010-09-30	2016-09-30
BAYA08	11.780%	A	50 000 000	50 000 000	2010-11-15	2018-01-02
BAYA15	11.530%	A	100 000 000	6 467 419	2011-06-14	2016-06-30
BAYA16	10.380%	A	10 000 000	1 295 177	2011-10-12	2016-09-30
BAYA17	3-month JIBAR plus 4.450%	A	80 000 000	10 292 283	2011-10-21	2016-09-30
BAYA18	3-month JIBAR plus 4.450%	A	100 000 000	12 865 351	2011-11-30	2016-09-30
BAYA19	3-month JIBAR plus 4.450%	A	135 000 000	24 720 561	2011-11-30	2016-12-31
BAYA23	10.510%	A	300 000 000	90 113 608	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	15 317 851	2012-08-15	2017-06-30
BAYA26	10.225%	A	185 000 000	185 000 000	2012-09-27	2017-10-02
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	22 687 656	2013-04-02	2018-03-31
BAYA39	3-month JIBAR plus 4.250%	A	320 000 000	320 000 000	2013-09-30	2018-10-01
BAYA41	3-month JIBAR plus 3.900%	A	50 000 000	27 780 615	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	50 586 134	2014-01-24	2017-03-31
BAYA44	3-month JIBAR plus 3.900%	A	150 000 000	54 554 375	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
BYA49U	3-month JIBAR plus 4.000%	A	65 000 000	65 000 000	2015-05-05	2018-07-02
BAYA50	3-month JIBAR plus 2.500%	A	25 000 000	25 000 000	2016-03-31	2017-03-31
BAYA51	3-month JIBAR plus 5.100%	A	40 000 000	40 000 000	2016-04-06	2019-04-01
BAYA52	3-month JIBAR plus 5.100%	A	225 000 000	225 000 000	2016-03-31	2019-04-01
Subtotal Class A notes			3 310 000 000	1 969 116 594		
BAYB03	15.360%	B	55 000 000	55 000 000	2011-11-30	2016-12-31
BAYB04	14.230%	B	90 000 000	23 331 039	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
Subtotal Class B notes			410 000 000	343 331 039		
Total			3 720 000 000	2 312 447 633		

Monthly Investor Report

Covenant compliance

	Current requirement	Apr 16	Mar 16	Feb 16	Jan 16	Dec 15	Nov 15	Oct 15	Sep 15	Aug 15	Jul 15	Jun 15	May 15
Financial covenants													
Senior Debt Cash Flow Cover Ratio	≥ 1.50 times	2.6	2.2	2.3	2.0	2.4	2.4	2.1	1.8	1.7	1.9	1.8	1.8
Senior Debt Interest Cover Ratio	≥ 3.50 times	6.3	5.8	6.5	6.3	5.3	6.1	6.0	5.8	5.2	5.3	5.8	6.0
Senior Debt to Net Qualifying Asset Value	≤ 70.0%	50.7%	50.3%	51.2%	52.3%	52.2%	64.1%	62.2%	65.4%	68.7%	69.8%	70.0%	70.5%
Bad and Doubtful Debt Ratio	≤ 17.5%	9.6%	9.5%	9.3%	9.0%	9.5%	8.0%	8.6%	9.2%	9.9%	11.2%	12.4%	12.9%
Equity invested in the Company by the Originator	> 22.5%	48.5%	48.9%	49.8%	47.8%	48.6%	28.6%	32.6%	28.4%	26.2%	25.4%	25.8%	23.0%
Cellular Contracts as a % of the Portfolio	≤ 10.0%	2.6%	2.6%	2.7%	2.8%	2.9%	3.0%	3.2%	3.2%	3.4%	3.6%	3.7%	3.7%

	Current requirement	Apr 16	Mar 16	Feb 16	Jan 16	Dec 15	Nov 15	Oct 15	Sep 15	Aug 15	Jul 15	June 15	May 15
Cash reserves													
Liquidity reserve (R'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%	28.5%	28.6%	28.4%	28.5%	28.4%	28.1%	27.8%	27.4%	27.3%	27.3%	27.1%
Reserve required (R'000)		21 317	19 411	20 553	18 605	19 660	19 157	17 175	14 104	10 674	9 502	9 588	7 935
Asset performance reserve													
Collections ratio	≥ 80.75%	103.0%	105.9%	107.0%	108.3%	110.2%	111.2%	111.1%	109.9%	110.0%	106.7%	106.1%	105.7%
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Reserved cash (R'000)		228 683	230 589	229 447	231 395	-	-	-	-	-	-	-	-
		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)		94 112	93 699	93 447	92 906	92 225	91 711	91 638	91 916	92 479	94 393	96 858	99 457
Actual receipts (6 month average)		96 907	99 260	100 011	100 631	101 610	101 955	101 817	101 044	101 730	100 755	102 750	105 120
Capital Redemption reserve		-	-	100 000	80 000	60 000	40 000	20 000	-	108 333	86 667	65 000	43 333

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