

## APPLICABLE PRICING SUPPLEMENT



### CAPITEC BANK LIMITED

(incorporated with limited liability under registration number 1980/003695/06 in the Republic of South Africa)

### ZAR8,000,000,000 DOMESTIC MEDIUM TERM NOTE PROGRAMME

#### issue of ZAR500,000,000 11.11% Unsubordinated Fixed Rate Notes due 6 May 2021

This document constitutes the Applicable Pricing Supplement relating to the issue of the Tranche of Unsubordinated Notes described herein ("**Notes**" and "**this Tranche**").

This Applicable Pricing Supplement must be read in conjunction with the Amended and Updated Programme Memorandum, dated 21 April 2016, as amended and/or supplemented from time to time ("**Programme Memorandum**"), prepared by Capitec Bank Limited ("**Issuer**") in connection with the Capitec Bank Limited ZAR8,000,000,000 Domestic Medium Term Note Programme ("**Programme**").

The Programme Memorandum, dated 21 April 2016, was approved by the JSE Limited ("**JSE**") on 21 April 2016.

References to the "**Terms and Conditions**" in this Applicable Pricing Supplement are to the section of the Programme Memorandum headed "**Terms and Conditions**". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Ordinary Conditions.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Terms and Conditions.

This Tranche will be issued on, and subject to, the Terms and Conditions, as replaced, amended and/or supplemented by the terms and conditions of this Tranche set out in this Applicable Pricing Supplement.

To the extent that there is any conflict or inconsistency between the provisions of the Terms and Conditions and the provisions of this Applicable Pricing Supplement, the provisions of this Applicable Pricing Supplement shall prevail.

A. DESCRIPTION OF THE NOTES		
1.	Issuer	Capitec Bank Limited
2.	Tranche number	1
3.	Series number	17
4.	Status of the Notes	Unsubordinated Notes (see Condition 5.1 ( <i>Status of the Unsubordinated Notes</i> ))
5.	Security	Unsecured
6.	Form of the Notes	Registered Notes. The Notes are issued in registered uncertificated form and will be held in the Central Securities Depository.
7.	Type of Notes	Fixed Rate Notes
8.	Issue Date/First Settlement Date	6 May 2016
9.	Issue Price	100%
10.	Interest	Fixed Rate Notes (see Condition 8.1 ( <i>Fixed Rate Notes</i> ))
11.	Redemption/Payment Basis	Redemption at par
12.	Change of interest or redemption payment basis	Not Applicable
13.	Aggregate Principal Amount of this	ZAR500,000,000

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	Tranche	
14.	Specified Currency	ZAR
15.	Specified Denomination (Principal Amount per Note)	ZAR1,000,000
16.	Minimum Specified Denomination of each Note	ZAR1,000,000
17.	Calculation Amount	ZAR1,000,000
18.	Business Day Convention	Following Business Day Convention
19.	Day Count Fraction	Actual/365

#### B. PROGRAMME AMOUNT

1.	Programme Amount as at the Issue Date	ZAR8,000,000,000
2.	Aggregate outstanding Principal Amount of all of the Notes (including Existing Notes) in issue under the Programme as at the Issue Date	ZAR6,167,000,000, excluding the aggregate Principal Amount of this Tranche and any other Tranches of Notes issued on the Issue Date specified in Item A(8) above and Tranches of Notes redeemed on the Issue Date specified in Item A(8) above.
3.	Issuer confirmation as to Programme Amount	The Issuer confirms that the issue of this Tranche will not cause the Issuer to exceed the Programme Amount.

#### C. FIXED RATE NOTES

1.	Fixed Interest Rate	The Notes will bear interest at the Fixed Interest Rate per annum (nominal annual compounded semi-annually) equal to 11.11% for the period from and including the Interest Commencement Date to but excluding the Redemption Date
2.	Interest Commencement Date	6 May 2016
3.	Interest Payment Date/s	Semi-annually in arrear on 6 November and 6 May of each year until the Redemption Date.
4.	First Interest Payment Date	6 November 2016
5.	Interest Periods	The first Interest Period shall commence on (and include) the Interest Commencement Date and end on (but exclude) the first Interest Payment Date.  Thereafter, each successive Interest Period shall commence on (and include) the immediately preceding Interest Payment Date and end on (but exclude) the immediately following Interest Payment Date; provided that the final Interest Period shall end on (but exclude) the Redemption Date.
6.	Fixed Coupon Amount	ZAR111,100.00 per Calculation Amount.
7.	Broken Amount/s	Not Applicable
8.	Default Rate	Fixed Interest Rate specified in Item C(1) above (see Condition 8.6.1 ( <i>Default interest</i> ))
9.	Other terms relating to the method of calculating the Fixed Interest Rate	Not Applicable

#### D. REDEMPTION

1.	Maturity Date	6 May 2021
2.	Final Redemption Amount	The aggregate outstanding Principal Amount of this Tranche (plus accrued interest, if any) to the Maturity Date
3.	Prior approval of the Relevant Authority required for redemption prior to the Maturity Date	No

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|-----|---|--|
| 4.  | <b>Issuer Early Redemption Election:</b>              | Not Applicable   |
| 5.  | <b>Noteholder Early Redemption Election:</b>          | Not Applicable   |
| 6.  | <b>Early redemption following a Tax Event:</b>        | Applicable (see Condition 9.2 ( <i>Redemption for tax reasons</i> ))   |
| (a) | <i>Redemption in whole</i>                            | Applicable   |
| 1.  | Early Redemption Date (Tax)                           | The Interest Payment Date stipulated as the Early Redemption Date (Tax) in the notice of redemption given by the Issuer in terms of Condition 9.2 ( <i>Redemption for tax reasons</i> ). |
| 2.  | Early Redemption Amount (Tax)                         | The aggregate outstanding Principal Amount of this Tranche (plus accrued interest, if any) to the Early Redemption Date (Tax)  |
| (b) | <i>Redemption in part</i>                             | Not Applicable   |
| 8.  | <b>Early redemption following a Regulatory Event:</b> | Not Applicable   |
| 9.  | Other terms applicable on redemption                  | Not Applicable   |

#### **E. AGENTS AND SPECIFIED OFFICES**

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|----|---|---|
| 1. | Calculation Agent                         | Capitec Bank Limited  |
| 2. | Specified Office of the Calculation Agent | 1 Quantum Road, Techno Park, Stellenbosch, 7600, South Africa |
| 3. | Paying Agent                              | Capitec Bank Limited  |
| 4. | Specified Office of the Paying Agent      | 1 Quantum Road, Techno Park, Stellenbosch, 7600, South Africa |
| 5. | Transfer Agent                            | Capitec Bank Limited  |
| 6. | Specified Office of the Transfer Agent    | 1 Quantum Road, Techno Park, Stellenbosch, 7600, South Africa |

#### **F. REGISTER CLOSED**

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|----|------------------------|---|
| 1. | Last Day to Register   | Up until 17h00 (South African time) on 31 October and 30 April of each year until the Redemption Date being, in each instance, the last date on which the Transfer Agent will accept Transfer Forms and record in the Register the transfer of Notes represented by Certificates.   |
| 2. | Register Closed Period | The Register will be closed during the 5 days preceding each Interest Payment Date and the Redemption Date from 17h00 (South African time) on the Last Day to Register until 17h00 (South African time) on the day preceding the Interest Payment Date and the Redemption Date (being from 1 November until 5 November and from 1 May until 5 May), being the period during which the Register is closed for purposes of giving effect to transfers, redemptions or payments in respect of the Notes. |
| 3. | Books Closed Dates     | 1 November and 1 May of each year until the Redemption Date.  |

#### **G. GENERAL**

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|----|---|---|
| 1. | Exchange control approval                 | Not Applicable                                |
| 2. | Additional selling restrictions           | Not Applicable                                |
| 3. | International Securities Numbering (ISIN) | ZAG000136128                                  |
| 4. | Stock Code Number                         | CBL26   |
| 5. | Financial Exchange                        | JSE Limited (Interest Rate Market of the JSE) |
| 6. | Debt Sponsor                              | PSG Capital Proprietary Limited               |




7.	Name of Dealer/s	FirstRand Bank Limited, acting through its Rand Merchant Bank division
8.	Stabilisation Manager	Not Applicable
9.	Method of Distribution	Dutch Auction (sealed bid without feedback)
10.	Bookbuild and Allocation Policy	As set out in the Term Sheet, dated 4 May 2016, prepared by FirstRand Bank Limited, acting through its Rand Merchant Bank division, and sent to potential investors for purposes of placing the Notes
11.	Pricing Methodology	Not Applicable
12.	Governing law	The Notes and the Applicable Terms and Conditions are governed by, and shall be construed in accordance with, the laws of South Africa.
13.	Other Banking Jurisdiction	Not Applicable
14.	Rating (if any) assigned to this Tranche as at the Issue Date, Rating Agency/ies and date on which such Rating is expected to be reviewed	Not Applicable
15.	Rating assigned to the Issuer as at the Issue Date, Rating Agency/ies and date on which such Rating is expected to be reviewed	As at the Issue Date, the Issuer has a domestic long-term credit rating of zaA from Standard & Poor's last reviewed on 13 October 2015 (and expected to be reviewed in October 2016)
16.	Use of proceeds	The Issuer will use the net proceeds from the issue of this Tranche for its general corporate purposes
17.	Other provisions	Not Applicable

The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement, the annual financial statements of the Issuer and any amendments to such annual financial statements and each supplement to the Programme Memorandum published by the Issuer from time to time (except as otherwise stated therein).

The Issuer certifies that, to the best of its knowledge and belief, there are no facts the omission of which would make the Programme Memorandum or any statement contained in the Programme Memorandum false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that the Programme Memorandum contains or incorporates by reference (see the section of the Programme Memorandum headed "*Documents Incorporated by Reference*") all information required by the JSE Debt Listings Requirements and all other Applicable Laws.

Application is hereby made to list Tranche 1 of Series 17 of the Unsubordinated Notes on the Interest Rate Market of the JSE, as from 6 May 2016, pursuant to the Capitec Bank Limited ZAR8,000,000,000 Domestic Medium Term Note Programme.

**CAPITEC BANK LIMITED**

By: \_\_\_\_\_ 

duly authorised

Date: 4 May 2016

Anton Friend  
Financial Management

By: \_\_\_\_\_ 

duly authorised

Date: \_\_\_\_\_ May 2016

**GERRIE FOURIE**  
Chief Executive Officer