



**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 Unsubordinated Floating Rate Notes due 21 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	19
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	Floating Rate Notes
8.	Issue Date/First Settlement Date	21 May 2018
9.	Issue Price	100%
10.	Interest	Floating Rate Notes (see Condition 8.2 ( <i>Floating 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 Tranche	ZAR500,000,000

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	ZAR4,097,000,000, 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. FLOATING RATE NOTES**

1.	Floating Interest Rate	The Notes will bear interest at the Floating Interest Rate per annum (nominal annual compounded quarterly) equal to the sum of the Reference Rate (see Item C(9)(a) below) plus the Margin (see Item C(11) below), determined by the Calculation Agent in accordance with Condition 8.2.6 ( <i>Calculation of Interest Amount</i> ), for the period from and including the Issue Date to but excluding the Redemption Date.
2.	Interest Commencement Date	21 May 2018
3.	Interest Payment Date/s	Quarterly in arrear on 21 August, 21 November, 21 February and 21 May of each year until the Redemption Date.
4.	First Interest Payment Date	21 August 2018
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.	Rate Determination Dates	The first day of each Interest Period; provided that the Rate Determination Date for the first Interest Period shall be 16 May 2018.  If any such date is not a Business Day, the Rate Determination Date will be the first following day that is a Business Day.
7.	Manner in which the Floating Interest Rate is to be determined	Screen Rate Determination
8.	<b>If ISDA Determination applicable:</b>	Not Applicable
9.	<b>If Screen Rate Determination applicable:</b>	Applicable
(a)	Reference Rate	3-month JIBAR (being, subject to Condition 8.2.3 ( <i>Screen Rate Determination</i> )), the average mid-market yield rate per annum for 3-month deposits in Rand which appears on the Relevant Screen Page as the "SFX 3M YIELD" at or about the Relevant Time on the Rate Determination Date, determined by the Calculation

		Agent in accordance with Condition 8.2.6 ( <i>Calculation of Interest Amount</i> )
(b)	Relevant Screen Page	Reuters Screen SAFEY page
(c)	Relevant Time	11h00 (South African time)
(d)	Reference Banks	Absa Bank Limited, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited
<b>10.</b>	<b><i>If Other Determination applicable:</i></b>	Not Applicable
11.	Margin	1.53%
12.	Minimum Floating Interest Rate	Not Applicable
13.	Maximum Floating Interest Rate	Not Applicable
14.	Default Rate	Floating Interest Rate specified in Item C(1) above (see Condition 8.6.1 ( <i>Default interest</i> ))
15.	Fall back provisions, rounding provisions and any other terms relating to the method of calculating the Floating Interest Rate	Not Applicable

<b>D.</b>	<b>REDEMPTION</b>	
1.	Maturity Date	21 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
4.	<b><i>Issuer Early Redemption Election:</i></b>	Not Applicable
5.	<b><i>Noteholder Early Redemption Election:</i></b>	Not Applicable
6.	<b><i>Early redemption following a Tax Event:</i></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
7.	<b><i>Early redemption following a Regulatory Event:</i></b>	Not Applicable
8.	Other terms applicable on redemption	Not Applicable

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

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
7.	Issuer's Participant	FirstRand Bank Limited, acting through its Rand Merchant Bank division
8.	Specified Office of the Issuer's Participant	14 <sup>th</sup> Floor, 1 Merchant Place, Cnr Rivonia Road and Fredman Drive, Sandton, 2196, South Africa

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

1.	Last Day to Register	Up until 17h00 (South African time) on 15 August, 15 November, 15 February and 15 May 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 16 August until 20 August, from 16 November until 20 November, from 16 February until 20 February and from 16 May until 20 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	16 August, 16 November, 16 February and 16 May of each year until the Redemption Date.

#### **G. GENERAL**

1.	Exchange control approval	Not Applicable
2.	Additional selling restrictions	Not Applicable
3.	International Securities Numbering (ISIN)	ZAG000151333
4.	Stock Code Number	CBL28
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 for the Auction held on 16 May 2018, 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 zaAA- from Standard & Poor's Global Ratings last reviewed on 31 January 2018 (and expected to be reviewed from time to time).
16.	Use of proceeds	The Issuer will use the net proceeds from the issue of this Tranche for its general corporate purposes.

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| 17. | Material change            | As at the date of signature of this Applicable Pricing Supplement, the Issuer has no "subsidiaries" as defined in the Companies Act. The Issuer confirms that, as at the date of signature of this Applicable Pricing Supplement, no material change in the financial or trading condition of the Issuer has occurred since 28 February 2018 (being the end of the last financial period for which audited annual financial statements of the Issuer have been published). This statement has not been confirmed or verified or reviewed and reported on by the auditors of the Issuer. |
| 18. | Other relevant information | Not Applicable  |

The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, the annual financial statements of the Issuer, this Applicable Pricing Supplement, the annual report of the Issuer and any amendments or supplements to the aforementioned documents, 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.

The JSE takes no responsibility for the contents of the Programme Memorandum, the annual financial statements of the Issuer, this Applicable Pricing Supplement, the annual report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum, the annual financial statements of the Issuer, this Applicable Pricing Supplement, the annual report of the Issuer and any amendments or supplements to the aforementioned documents, and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

Application is hereby made to list Tranche 1 of Series 19 of the Unsubordinated Notes on the Interest Rate Market of the JSE, as from 21 May 2018, pursuant to the Capitec Bank Limited ZAR8,000,000,000 Domestic Medium Term Note Programme.

**CAPITEC BANK LIMITED**

By: 

Name: ANTON FRIEND

Capacity: TREASURER

*Duly authorised*

Date: 16 May 2018

By: 

Name: André du Plessis

Capacity: CFO

*Duly authorised*

Date: 16 May 2018

