

AFRICAN BANK LIMITED  
(Incorporated in the Republic of South Africa)  
(Registered Bank)  
(Registration No. 2014/176899/06)  
Company code: ABKI  
("the Bank" or "African Bank")

**Release of the quarterly Basel III Pillar 3 report, as at 31 December 2016, as prescribed by the Banks Act**

African Bank is pleased to announce the release of the quarterly Public Pillar III Disclosures as at 31 December 2016 ("the Report"), as prescribed in terms of Regulation 43 of the Banks Act (Act No. 94 of 1990), as amended ("the Banks Act").

The disclosure covers the Bank and its holding company, African Bank Holdings Limited, a registered bank controlling company registered under Section 44(1) of the Banks Act.

The full version of the report can be accessed on the Bank's website via the following url: <https://www.africanbank.co.za/about-us/investors>

The overall balance sheet of the Bank remains strong, with advances well provided for, high capital adequacy and total cash holdings of R 11.03 billion. Liquidity risk, interest rate risk and foreign exchange risk are also conservatively managed.

The overall impact of the strong balance sheet structure, as expressed in a conservative risk appetite, is evidenced in the various sections of the report which, at the Bank level as at 31 December 2016, includes a CET1 ratio of 33.9%, a leverage ratio of 22.3% and a liquidity coverage ratio of 410%.

15 March 2017

Debt Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)