

African Bank Limited press release

4 April 2016

The new African Bank successfully launches

Brian Riley, CEO of African Bank is pleased to announce the launch of African Bank Limited. Nationwide, staff members of just under 400 branches, supported by the Midrand based contact centre are eager to engage new and existing customers.

Brian Riley, who was appointed as CEO designate in May 2015 and today becomes CEO noted: "Today's launch of African Bank Ltd and the end of a successful curatorship, is the culmination of a lot of hard work from our staff and the curatorship team. It is because of the overwhelming support from existing creditors and key financial support from the SARB, Absa Bank Limited, Nedbank Limited, FirstRand Bank Limited, Investec Bank Limited, the Standard Bank of South Africa Limited, Capitec Bank Limited and the Government employees' pension fund that we find ourselves here today".

Riley is supported by a team of nine executives who will be responsible for the delivery of a new strategy. The Bank's new board is led by Louis von Zeuner.

The Bank launches as an independent, private entity on a solid financial footing with an equity base of R10 billion and a cash position of some R24 billion. Approximately two thirds of the issued debt is today listed on the Johannesburg Stock Exchange Ltd, the London Stock Exchange and the Swiss Securities Exchange. The remaining third will be held in the form of unlisted corporate bilateral deposits.

"Our ambition is to offer a broad range of products and services to the consumers of South Africa, extend our reach to a higher LSM target market and increase our existing customer base. Since the launch of our strategy on the 17 March, we have made progress with our initial arrangement with Sanlam and to date two Sanlam advisers are currently operating in each of the Clearwater and Westgate Mall branches," noted Riley.

The Sanlam financial advisers will provide customers with financial advice and solutions. The financial solutions will include risk cover, including life insurance, funeral cover, disability, critical illness cover and income protection as well as retirement solutions and savings products for medium to longer term savings needs. A total of thirteen branches are scheduled to include Sanlam advisers by the end of April.

African Bank will continue to offer personal loans, credit cards and savings and investment products to consumers. Over time, consumers will be offered additional value added products and services, with efforts underway to offer a transactional banking service in the second quarter of 2017.

The African Bank brand will be portrayed through a new purpose, 'Humanity through

banking' which is part and parcel of the determination to place the customer at the centre of everything that African Bank does. The brand purpose will be translated into a new pay off line, "WE ARE YOU", which will be included in all advertising, the first of which is a TV advert scheduled to be flighted on various TV channels from 11 April 2016.

In conclusion Riley noted, "This is a very exciting time for us at the Bank. We have a lot of hard work ahead of us, but are set on our mission to deliver a successful retail bank and over time build a reputation and track record for the Bank, that confirms the decision to restructure and re launch a new African Bank".

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Louise Brugman 083 504 1186; louise@vestor.co.za

On behalf of CEO of African Bank, Brian Riley

Notes to editors

Headquartered in Midrand, South Africa, African Bank Limited "the Bank" is a retail bank whose mission is to provide a wide range of financial products and services to South African consumers. The Bank seeks to provide value through offering customers more than what is expected. The Bank is licensed as a "locally-controlled Bank" by the South African Reserve Bank.

The Bank has a countrywide branch distribution network of just under 400 branches in addition to digital, direct marketing and contact centre sales and service channels.

History

On the 10 August 2014, the predecessor entity also called African Bank Limited, a subsidiary of a Johannesburg Stock Exchange listed bank controlling company African Bank Investments Limited was placed under curatorship in terms of the South African Banks Act, Act 94 of 1990 by the SARB.

The SARB announced a restructuring proposal, which together with the financial support of a number of key financial stakeholders, including a consortium of six South African banks, the SARB and the Public Investment Corporation and the restructuring of capital market liabilities of the predecessor African Bank Limited for the Bank was designed to create a new banking group to acquire the viable portion of the business of predecessor African Bank Limited.

Mr. Thomas Winterboer was appointed as curator to implement the restructuring proposal and manage the affairs of the Bank, subject to the supervision of the Registrar of Banks.

On 2 March 2016, African Bank received the required support from the existing creditors for the Bank's restructuring proposal.

On the 17 March 2016, the Bank published a new mission, set of values and strategy,

backed by a new board and complete executive team.

On the 4 April 2016, the new African Bank Limited opened its doors as the new entity, with the various licences and registrations required by the various regulators in place.