

Bayport Securitisation (RF) Ltd  
Investor Report  
March 2012

## Monthly Investor Report

### Financial statistics for the period ended March 2012

		Mar 12	Feb 12	Jan 12	Dec 11	Nov 11	Oct 11	Sep 11	Aug 11	Jul 11	Jun 11	May 11	Apr 11
<b>Performance ratios *</b>													
Income yield on gross advances	%	<b>37.4%</b>	36.8%	37.2%	37.6%	37.6%	37.6%	37.9%	37.0%	36.9%	38.1%	38.5%	38.5%
Operating expenses to gross advances	%	<b>11.1%</b>	11.0%	10.9%	10.7%	10.4%	10.0%	9.5%	8.8%	8.1%	8.0%	8.0%	7.9%
Operating expenses to income	%	<b>29.9%</b>	29.9%	29.4%	28.5%	27.7%	26.6%	25.1%	23.7%	22.1%	21.0%	20.7%	20.6%
Return on assets	%	<b>3.8%</b>	3.0%	3.3%	3.7%	3.8%	4.0%	4.4%	4.6%	4.8%	5.1%	5.6%	5.2%
Gearing ratio	times	<b>3.8</b>	3.8	3.8	3.8	3.7	3.7	3.7	3.7	3.8	3.8	3.8	3.8
Interest spread	%	<b>18.3%</b>	17.8%	18.2%	18.5%	18.9%	18.7%	18.9%	19.1%	19.0%	19.4%	19.5%	19.5%
<b>Asset and credit quality ratios</b>													
Gross advances	R '000	<b>3 909 388</b>	3 670 663	3 589 566	3 479 013	3 360 009	3 217 859	3 087 287	2 950 291	2 861 894	2 772 130	2 670 880	2 604 357
Non-Performing Loans ("NPLs")	R '000	<b>1 081 954</b>	932 902	902 000	852 284	810 976	767 391	733 989	684 712	660 216	620 000	598 161	559 621
Total impairment provisions	R '000	<b>562 782</b>	475 684	455 734	429 848	412 325	402 732	390 706	357 613	345 117	325 719	312 996	308 505
Net advances	R '000	<b>3 346 606</b>	3 194 979	3 133 832	3 049 165	2 947 684	2 815 127	2 696 581	2 592 678	2 516 777	2 446 411	2 357 884	2 295 852
NPLs to gross advances	%	<b>27.7%</b>	25.4%	25.1%	24.5%	24.1%	23.8%	23.8%	23.2%	23.1%	22.4%	22.4%	21.5%
Impairment provisions to gross advances	%	<b>14.4%</b>	13.0%	12.7%	12.4%	12.3%	12.5%	12.7%	12.1%	12.1%	11.7%	11.7%	11.8%
<b>Funding and cash reserves</b>													
Interest bearing liabilities	R '000	<b>3 192 572</b>	3 052 230	2 936 389	2 991 486	3 143 025	2 711 968	2 580 254	2 412 384	2 354 652	2 384 738	2 304 949	2 304 145
Average cost of funding	%	<b>11.7%</b>	11.6%	11.6%	11.6%	11.4%	11.6%	11.6%	11.8%	11.7%	11.7%	11.8%	11.7%
Cash and statutory assets	R '000	<b>196 047</b>	134 686	60 130	249 570	465 646	141 944	98 488	118 244	96 581	147 921	193 349	207 376

\* 12 months rolling average

## Monthly Investor Report

### Statement of Comprehensive Income (unaudited)

	Six Months Ended 31 Mar 12	Six Months Ended 31 Mar 11
	R'000	R'000
<b>Interest income</b>	<b>516 725</b>	355 103
Interest expense	(140 753)	(114 102)
<b>Net interest income</b>	<b>375 972</b>	241 001
Impairment of loans and advances	(215 196)	(163 332)
<b>Risk adjusted net interest income</b>	<b>160 777</b>	77 669
<b>Non-interest revenue</b>	<b>108 449</b>	79 910
Direct costs	2 258	(312)
<b>Non-interest gross profit</b>	<b>110 708</b>	79 598
Indirect costs	(198 455)	(93 360)
<b>Profit before tax</b>	<b>73 030</b>	63 907
Tax	(20 448)	(17 892)
<b>Profit after tax</b>	<b>52 581</b>	46 015
Dividend paid	-	-
Opening retained income	173 641	107 000
<b>Closing retained income</b>	<b>226 222</b>	153 015

## Monthly Investor Report

### Statement of Financial Position (unaudited)

	As at 31 Mar 12 R'000	As at 31 Mar 11 R'000
<b>Assets</b>		
Gross advances	3 909 388	2 559 481
Impairment of advances	(562 782)	(288 719)
<b>Net advances</b>	<b>3 346 606</b>	<b>2 270 762</b>
Provision for deferred tax	-	14 212
Other receivables	18 707	881
Cash and banking	196 047	201 260
<b>Total assets</b>	<b>3 561 360</b>	<b>2 487 115</b>
<b>Liabilities and equity</b>		
Senior funding	2 401 543	1 703 579
Mezzanine funding	267 031	236 695
Provision for deferred tax	16 898	-
Accounts payable	108 880	2 876
Provision for tax	16 787	35 761
<b>Total liabilities</b>	<b>2 811 139</b>	<b>1 978 911</b>
Share capital	1	1
Retained income	226 222	153 015
Junior funding	523 998	355 188
<b>Total equity</b>	<b>750 221</b>	<b>508 204</b>
<b>Total liabilities and equity</b>	<b>3 561 360</b>	<b>2 487 115</b>

## Monthly Investor Report

### Sales of new loans

		% change MOM	Mar 12	Feb 12	Jan 12	Dec 11	Nov 11	Oct 11	Sep 11	Aug 11	Jul 11	Jun 11	May 11	Apr 11
Disbursements	R '000	11.7%	<b>234 723</b>	210 054	207 276	210 076	252 077	241 500	206 558	165 146	158 479	176 013	138 052	115 198
Number of new loans		16.2%	<b>16 882</b>	14 533	15 622	15 755	18 920	17 484	15 205	14 043	13 354	14 970	12 336	9 409
Number of loans on book		4.8%	<b>296 588</b>	283 038	280 359	275 007	268 683	261 346	257 879	254 288	246 472	242 570	236 319	231 848
Average loan size at acquisition	Rand	(3.8%)	<b>13 904</b>	14 454	13 268	13 334	13 323	13 813	13 585	11 728	11 338	11 922	11 462	11 941
Average acquisition term	Months	(1.4%)	<b>32.1</b>	32.6	31.4	31.6	30.5	31.5	31.6	29.7	29.4	29.9	28.8	29.0

### Statistics

#### Book by geographic location

Province	Cellular	Payroll	Debit order	Total
Eastern Cape	11%	10%	10%	10%
Free State	6%	7%	7%	7%
Gauteng	32%	47%	30%	33%
Kwazulu-Natal	16%	11%	20%	19%
Limpopo	7%	3%	6%	6%
Mpumalanga	8%	3%	5%	5%
Northern Cape	3%	2%	3%	3%
Northwest	7%	5%	5%	5%
Western Cape	10%	12%	14%	12%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Monthly Investor Report

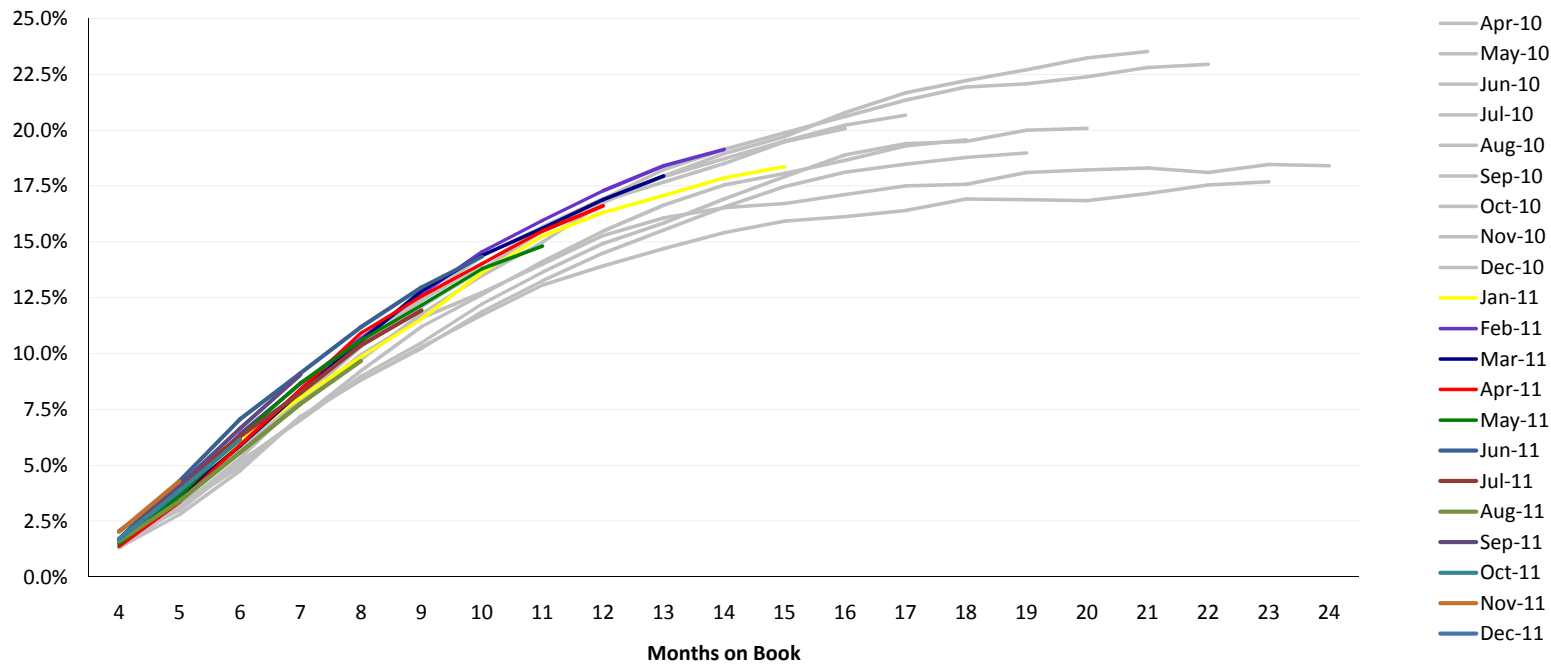
### Asset quality

	% change MOM	Mar 12 R'000	Feb 12 R'000	Jan 12 R'000	Dec 11 R'000	Nov 11 R'000	Oct 11 R'000	Sep 11 R'000	Aug 11 R'000	Jul 11 R'000	Jun 11 R'000	May 11 R'000	Apr 11 R'000
<b>Gross advances</b>	6.5%	<b>3 909 388</b>	3 670 663	3 589 566	3 479 013	3 360 009	3 217 859	3 087 287	2 950 291	2 861 894	2 772 130	2 670 880	2 604 357
Performing	3.3%	<b>2 827 434</b>	2 737 761	2 687 566	2 626 729	2 549 033	2 450 468	2 353 298	2 265 579	2 201 678	2 152 130	2 072 719	2 044 736
Non-performing	16.0%	<b>1 081 954</b>	932 902	902 000	852 284	810 976	767 391	733 989	684 712	660 216	620 000	598 161	559 621
<b>Impairment provision</b>													
Opening balance	4.4%	<b>475 684</b>	455 734	429 848	412 325	402 732	390 706	357 613	345 117	325 719	312 996	308 505	288 719
Bad debt written-off	(39.5%)	<b>(26 404)</b>	(43 661)	(19 114)	(15 345)	(24 086)	(21 995)	(26 949)	(20 598)	(3 761)	(18 987)	(19 624)	(16 203)
Provision raised	78.4%	<b>113 502</b>	63 611	45 000	32 868	33 679	34 021	60 042	33 094	23 159	31 710	24 115	35 989
Total impairment provisions	18.3%	<b>562 782</b>	475 684	455 734	429 848	412 325	402 732	390 706	357 613	345 117	325 719	312 996	308 505

# Monthly Investor Report

## Asset quality (continued)

**NPL Vintage Analysis**



## Monthly Investor Report

### Asset quality (continued)

Contractual delinquency (CD) portfolio distribution *	Mar 12 %	Feb 12 %	Jan 12 %	Dec 11 %	Nov 11 %	Oct 11 %	Sep 11 %	Aug 11 %	Jul 11 %	Jun 11 %	May 11 %	Apr 11 %
0	61%	63%	64%	64%	65%	65%	64%	62%	64%	66%	65%	66%
1	5%	6%	5%	6%	5%	5%	5%	8%	6%	6%	6%	6%
2	3%	3%	3%	3%	3%	3%	4%	4%	4%	3%	4%	4%
3	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
4 +	28%	25%	25%	24%	24%	24%	24%	23%	23%	22%	22%	21%
<b>Monthly debtors movement</b>												
	<b>R'000</b>	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Balance as at the previous month end	3 670 663	3 589 566	3 479 013	3 360 009	3 217 859	3 087 287	2 950 291	2 861 894	2 772 130	2 670 880	2 604 357	2 559 481
Capital value of new loans	234 723	210 054	207 276	210 076	252 077	241 500	206 558	165 146	158 479	176 013	138 052	115 198
Interest revenue	118 904	79 502	81 257	82 452	77 637	78 301	74 416	80 084	78 558	67 745	69 282	66 381
Non-interest revenue	63 259	59 113	55 466	64 493	64 039	60 587	80 218	46 638	39 530	40 390	42 459	38 231
Collections	(237 997)	(226 042)	(216 259)	(225 488)	(229 442)	(233 682)	(207 845)	(190 479)	(188 728)	(166 105)	(167 835)	(160 576)
Bad debt write-offs and write-backs	59 836	(41 530)	(17 187)	(12 529)	(22 161)	(16 134)	(16 351)	(12 992)	1 925	(16 793)	(15 435)	(14 358)
Balance at end of month	3 909 388	3 670 663	3 589 566	3 479 013	3 360 009	3 217 859	3 087 287	2 950 291	2 861 894	2 772 130	2 670 880	2 604 357

\* Arrears instalments



## Monthly Investor Report

### Liquidity and funding

<b>Funding</b>	% change MOM	<b>Mar 12</b> <b>R'000</b>	Feb 12 R'000	Jan 12 R'000	Dec 11 R'000	Nov 11 R'000	Oct 11 R'000	Sep 11 R'000	Aug 11 R'000	Jul 11 R'000	Jun 11 R'000	May 11 R'000	Apr 11 R'000
Class A Notes	0.0%	<b>2 148 572</b>	2 148 572	2 148 572	2 199 711	2 199 711	1 814 711	1 724 711	1 775 599	1 775 599	1 775 599	1 703 579	1 703 579
Senior warehouse funding	47.3%	<b>252 971</b>	171 727	70 527	70 000	220 000	220 000	200 000	35 000	-	-	-	-
Class B Notes	0.0%	<b>168 907</b>	168 907	168 907	169 848	169 848	114 848	114 848	115 783	115 783	115 783	116 695	116 695
Other subordinated funding	10.5%	<b>622 122</b>	563 024	548 383	551 927	553 466	562 409	540 695	486 002	463 270	493 356	484 675	483 871
Total interest bearing liabilities	4.6%	<b>3 192 572</b>	3 052 230	2 936 389	2 991 486	3 143 025	2 711 968	2 580 254	2 412 384	2 354 652	2 384 738	2 304 949	2 304 145
Average cost of funding	0.1%	<b>11.7%</b>	11.6%	11.6%	11.6%	11.4%	11.6%	11.6%	11.8%	11.7%	11.7%	11.8%	11.7%
Total cash reserves	45.6%	<b>196 047</b>	134 686	60 130	249 570	465 646	141 944	98 488	118 244	96 581	147 921	193 349	207 376
Average cash reserves (3 months)	(12.0%)	<b>130 288</b>	148 129	258 449	285 720	235 360	119 559	104 438	120 916	145 950	182 882	200 662	171 182

## Monthly Investor Report

### Liquidity and funding (continued)

#### Listed notes in issue

Instrument	Coupon rate	Class	Nominal amount at issue	Month end principal balance	Issue date	Maturity date
BAYA01	12.550%	A	425 000 000	332 059 373	2010/03/31	2016/03/31
BAYA02	3-month JIBAR plus 4.750%	A	75 000 000	75 000 000	2010/03/31	2013/06/30
BAYA03	3-month JIBAR plus 4.900%	A	300 000 000	300 000 000	2010/06/28	2012/06/30
BAYA04	11.480%	A	20 000 000	16 025 801	2010/08/31	2015/09/30
BAYA05	11.450%	A	33 000 000	26 458 863	2010/09/27	2015/09/30
BAYA06	11.920% *	A	550 000 000	512 837 476	2010/09/30	2016/09/30
BAYA07	11.360%	A	34 000 000	27 445 119	2010/10/25	2015/12/31
BAYA08	11.780%	A	50 000 000	50 000 000	2010/11/15	2017/12/31
BAYA09	3-month JIBAR plus 5.000%	A	75 000 000	59 591 527	2010/12/06	2015/12/31
BAYA10	3-month JIBAR plus 5.000%	A	40 000 000	31 716 278	2010/12/13	2015/12/31
BAYA11	3-month JIBAR plus 5.000%	A	60 000 000	50 958 306	2011/01/03	2016/03/31
BAYA12	11.005%	A	20 000 000	17 667 952	2011/01/12	2016/03/31
BAYA13	12.070%	A	80 000 000	70 906 888	2011/03/10	2016/03/31
BAYA14	11.480%	A	13 000 000	10 416 771	2010/08/31	2015/09/30
BAYA15	11.530%	A	100 000 000	92 488 057	2011/06/14	2016/06/30
BAYA16	10.380%	A	10 000 000	10 000 000	2011/10/12	2016/09/30
BAYA17	3-month JIBAR plus 4.450%	A	80 000 000	80 000 000	2011/10/21	2016/09/30
BAYA18	3-month JIBAR plus 4.450%	A	100 000 000	100 000 000	2011/11/30	2016/09/30
BAYA19	3-month JIBAR plus 4.450%	A	135 000 000	135 000 000	2011/11/30	2016/12/31
BAYA20	3-month JIBAR plus 3.900%	A	150 000 000	150 000 000	2011/11/30	2014/09/30
<b>Subtotal A Class notes</b>			<b>2 350 000 000</b>	<b>2 148 572 411</b>		
BAYB01	3-month JIBAR plus 7.750%	B	90 000 000	90 000 000	2010/02/25	2012/03/31
BAYB02	15.550%	B	30 000 000	23 907 250	2010/03/31	2016/03/31
BAYB03	15.360%	B	55 000 000	55 000 000	2011/11/30	2016/12/31
<b>Subtotal B Class notes</b>			<b>175 000 000</b>	<b>168 907 250</b>		
<b>Total</b>			<b>2 525 000 000</b>	<b>2 317 479 661</b>		

\*To 30 Sep 2012, the greater of (1) 11.920% and (2) 3-month JIBAR plus 4.750% and from 1 Oct 2012, 3-month JIBAR plus 4.750%. Current rate 11.920%.

## Monthly Investor Report

### Covenant compliance

	Current requirement	Mar 12	Feb 12	Jan 12	Dec 11	Nov 11	Oct 11	Sep 11	Aug 11	Jul 11	Jun 11	May 11	Apr 11
<b>Financial covenants</b>													
Senior Debt Cash Flow Cover Ratio	≥ 1.50 times	<b>3.7</b>	4.1	3.7	4.3	5.1	5.3	4.8	4.4	4.6	5.5	5.6	5.5
Senior Debt Interest Cover Ratio	≥ 3.50 times	<b>5.8</b>	4.7	4.8	4.3	4.8	5.0	7.2	5.4	4.8	4.9	5.1	4.9
Senior Debt to Net Qualifying Asset Value	≤ 72.5%	<b>68.5%</b>	69.7%	69.5%	69.7%	70.9%	68.8%	68.9%	66.8%	67.9%	68.4%	66.8%	68.1%
Bad and Doubtful Debt Ratio	≤ 17.5%	<b>14.4%</b>	14.5%	14.4%	14.3%	14.3%	14.4%	14.5%	14.6%	14.5%	14.4%	14.3%	14.1%
Equity invested in the Company by the Originator	> 19%	<b>22.4%</b>	20.6%	19.8%	20.5%	21.0%	22.2%	22.0%	22.0%	21.4%	22.6%	22.8%	22.6%
Cellular Contracts as a % of the Portfolio	≤ 20%	<b>6.5%</b>	6.9%	7.1%	7.1%	7.2%	7.2%	7.3%	8.8%	8.6%	8.6%	8.5%	8.5%

	Current requirement	Mar 12	Feb 12	Jan 12	Dec 11	Nov 11	Oct 11	Sep 11	Aug 11	Jul 11	Jun 11	May 11	Apr 11
<b>Cash reserves</b>													
Arrears reserve													
Weighted NPLs as a percentage of the portfolio*	≤ 26.2%	<b>20.5%</b>	20.9%	20.9%	20.9%	20.8%	20.8%	20.7%	20.6%	20.7%	20.9%	21.1%	N/A
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Asset performance reserve													
Collections Ratio	≥ 80.75%	<b>128.6%</b>	127.4%	125.0%	122.6%	118.2%	113.7%	107.1%	103.0%	101.2%	98.7%	98.6%	97.6%
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
		<b>R'000</b>	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)		<b>158 601</b>	157 797	157 501	156 281	155 894	154 995	154 710	152 801	149 383	145 764	141 575	137 800
Actual receipts (6 month average)		<b>203 908</b>	201 037	196 899	191 525	184 273	176 178	165 705	157 445	151 120	143 906	139 525	134 442
Capital Redemption reserve													

#### \* reserve implemented during May 2011

Ratio and percentage calculated by incorporating the Quarter's principal repayment on senior debt, although payment thereof was made on 2 April 2012 due to the Following Business Day Convention rule. Had these covenants been prepared at the period end on a cash flow basis, the ratios and percentages would appear as follows:

	Mar 12	Feb 12	Jan 12
Senior Debt Cash Flow Cover	8.0	9.1	8.5
Senior Debt to Net Qualifying Asset Value	67.8%	69.7%	69.5%

## Monthly Investor Report

### Glossary of terms

<b>CD</b>	Contractual delinquency = accumulative arrears / contractual installments originally due
<b>MOB</b>	Month on book
<b>MoM</b>	Month on Month
<b>NPL</b>	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
<b>N/A</b>	Not applicable
<b>YTD</b>	Year to date