

Bayport Securitisation (RF) Ltd
Investor Report
October 2012

Monthly Investor Report

Financial statistics for the period ended October 2012

		Oct 12	Sep 12	Aug 12	Jul 12	Jun 12	May 12	Apr 12	Mar 12	Feb 12	Jan 12	Dec 11	Nov 11
Performance ratios *													
Total income as a % of ave gross loans and advances	%	35.2%	35.3%	36.4%	35.5%	36.3%	36.3%	36.9%	37.4%	36.8%	37.2%	37.6%	37.6%
Direct and indirect expenses to ave gross loans and advances	%	10.5%	10.6%	11.3%	11.7%	11.5%	11.4%	11.3%	11.1%	11.0%	10.9%	10.7%	10.4%
Direct and indirect expenses to total income	%	29.7%	29.9%	31.0%	32.8%	32.0%	31.5%	30.6%	29.9%	29.9%	29.4%	28.5%	27.7%
Return on assets	%	3.1%	3.1%	3.1%	2.8%	3.2%	3.2%	3.6%	3.8%	3.0%	3.3%	3.7%	3.8%
Gearing ratio	times	3.1	3.1	3.2	3.4	3.6	3.7	3.8	3.8	3.8	3.8	3.8	3.7
Interest margin	%	21.0%	20.9%	20.8%	20.1%	20.5%	20.7%	20.9%	21.2%	20.5%	20.2%	20.5%	20.7%
Asset and credit quality ratios													
Gross loans and advances	R '000	4 943 524	4 753 538	4 562 000	4 378 319	4 251 633	4 190 887	4 050 117	3 909 388	3 670 663	3 589 566	3 479 013	3 360 009
Non-Performing Loans ("NPLs")	R '000	1 495 211	1 429 099	1 367 012	1 289 822	1 255 961	1 209 977	1 152 165	1 081 954	932 902	902 000	852 284	810 976
Carrying value of written off book**	R '000	20 698	20 698	19 169	19 169	19 169	19 169	19 169	19 169	-	-	-	-
Impairment provision	R '000	809 966	775 674	724 985	676 505	659 025	640 849	619 349	581 951	475 684	455 734	429 848	412 325
Net loans and advances	R '000	4 154 256	3 998 562	3 856 184	3 720 983	3 611 777	3 569 207	3 449 937	3 346 606	3 194 979	3 133 832	3 049 165	2 947 684
Non-performing loans ratio	%	30.2%	30.1%	30.0%	29.5%	29.5%	28.9%	28.4%	27.7%	25.4%	25.1%	24.5%	24.1%
Provision coverage	%	16.4%	16.3%	15.9%	15.5%	15.5%	15.3%	15.3%	14.9%	13.0%	12.7%	12.4%	12.3%
Funding and cash reserves													
Interest bearing liabilities	R '000	3 907 657	3 859 235	3 546 931	3 433 566	3 696 138	3 378 753	3 380 493	3 192 572	3 052 230	2 936 389	2 991 486	3 143 025
Average cost of borrowings	%	11.3%	11.4%	11.4%	11.4%	11.5%	11.4%	11.6%	11.7%	11.6%	11.6%	11.6%	11.4%
Cash and cash equivalents	R '000	78 574	225 352	87 192	68 556	463 492	156 216	242 377	196 047	134 686	60 130	249 570	465 646

* 12 months rolling average

**This amount was previously shown as an offset to the provision for bad debts but will now be reflected as a separate asset on the balance sheet.

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Origination

		% change MOM	Oct 12	Sep 12	Aug 12	Jul 12	Jun 12	May 12	Apr 12	Mar 12	Feb 12	Jan 12	Dec 11	Nov 11
Disbursements	R '000	15.6%	286 932	248 189	234 499	232 898	177 163	244 306	226 452	234 723	210 054	207 276	210 076	252 077
Number of new loans		10.4%	20 683	18 730	19 117	17 892	14 570	17 584	15 681	16 882	14 533	15 622	15 755	18 920
Number of loans on book		2.1%	342 520	335 339	326 315	317 665	310 876	308 009	301 992	296 588	283 038	280 359	275 007	268 683
Average loan value at acquisition	Rand	4.7%	13 873	13 251	12 267	13 017	12 159	13 894	14 441	13 904	14 454	13 268	13 334	13 323
Average term at acquisition	Months	(0.7%)	33.4	33.7	30.2	31.0	30.1	31.9	33.0	32.1	32.6	31.4	31.6	30.5

Statistics

Loans and advances by geographic location

Province	Cellular	Payroll	Debit order	Total
Eastern Cape	10%	10%	10%	10%
Free State	6%	7%	8%	7%
Gauteng	34%	48%	31%	33%
Kwazulu-Natal	16%	10%	19%	18%
Limpopo	6%	3%	6%	6%
Mpumalanga	8%	3%	5%	5%
Northern Cape	3%	2%	3%	3%
Northwest	7%	5%	5%	5%
Western Cape	10%	12%	13%	13%
	100%	100%	100%	100%

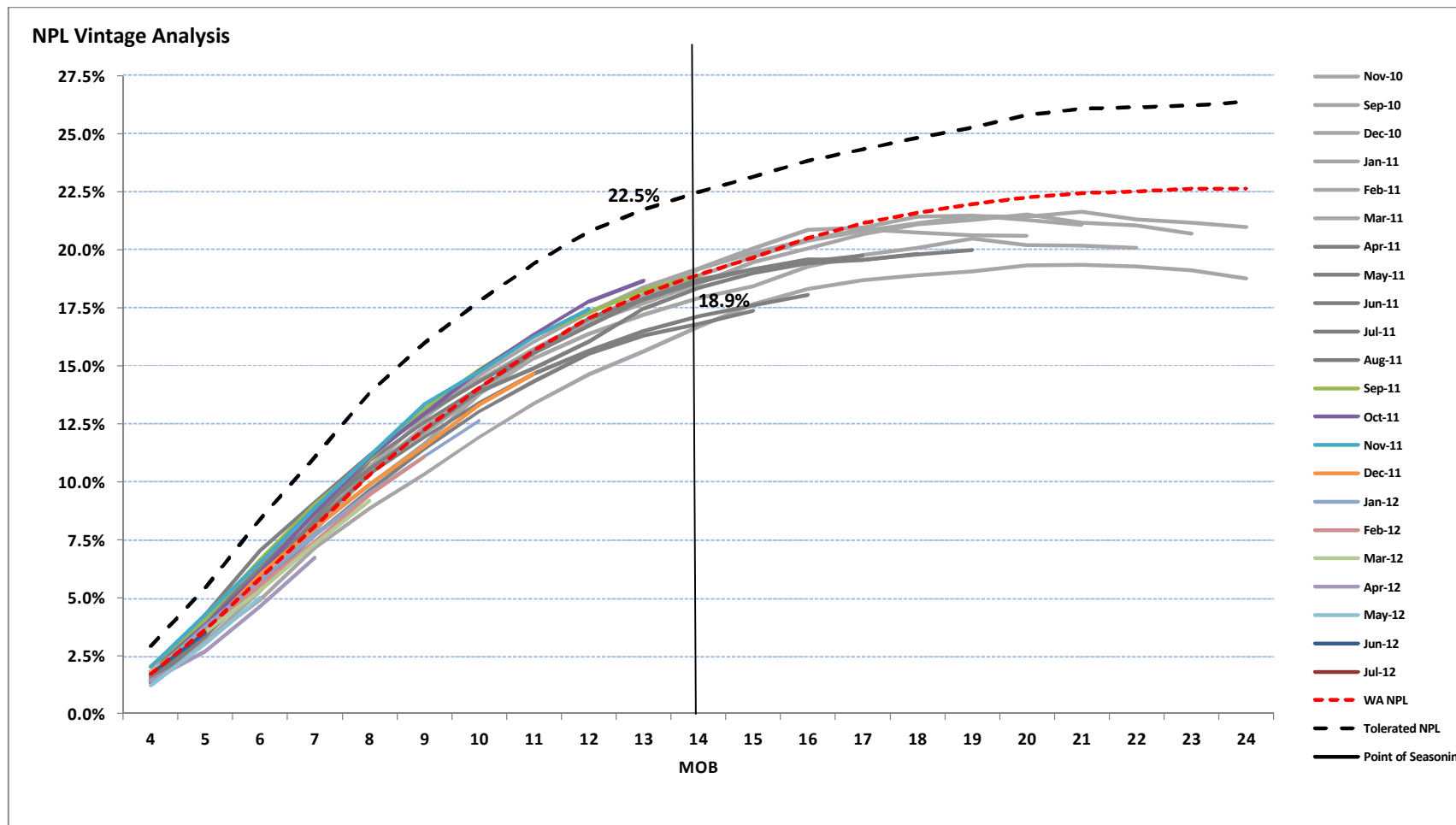
Monthly Investor Report

Asset quality

	% change MOM	Oct 12 R'000	Sep 12 R'000	Aug 12 R'000	Jul 12 R'000	Jun 12 R'000	May 12 R'000	Apr 12 R'000	Mar 12 R'000	Feb 12 R'000	Jan 12 R'000	Dec 11 R'000	Nov 11 R'000
Gross loans and advances	4.0%	4 943 524	4 753 538	4 562 000	4 378 319	4 251 633	4 190 887	4 050 117	3 909 388	3 670 663	3 589 566	3 479 013	3 360 009
Performing loans	3.7%	3 448 313	3 324 439	3 194 988	3 088 497	2 995 672	2 980 910	2 897 952	2 827 434	2 737 761	2 687 566	2 626 729	2 549 033
Non-performing loans	4.6%	1 495 211	1 429 099	1 367 012	1 289 822	1 255 961	1 209 977	1 152 165	1 081 954	932 902	902 000	852 284	810 976
Impairment provision													
Opening balance	7.0%	775 673	724 985	676 505	659 025	640 849	619 349	581 951	475 684	455 734	429 848	412 325	402 732
Bad debt written-off	4.6%	(24 621)	(23 536)	(23 923)	(23 080)	(21 773)	(21 598)	(9 614)	(26 404)	(43 661)	(19 114)	(15 345)	(24 086)
Provision raised	(20.6%)	58 914	74 224	72 403	40 560	39 949	43 098	47 012	132 671	63 611	45 000	32 868	33 679
Closing balance	4.4%	809 966	775 673	724 985	676 505	659 025	640 849	619 349	581 951	475 684	455 734	429 848	412 325

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Asset quality (continued)



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Asset quality (continued)

Contractual delinquency (CD) loans and advances distribution *	Oct 12 %	Sep 12 %	Aug 12 %	Jul 12 %	Jun 12 %	May 12 %	Apr 12 %	Mar 12 %	Feb 12 %	Jan 12 %	Dec 11 %	Nov 11 %
0	59.4%	59.8%	59.8%	59.4%	59.0%	60.4%	60.5%	61.0%	62.7%	63.4%	64.2%	65.3%
1	5.0%	4.6%	4.5%	5.2%	5.6%	4.9%	5.1%	5.3%	6.0%	5.5%	5.6%	5.0%
2	2.8%	2.9%	2.9%	3.2%	3.1%	3.1%	3.1%	3.4%	3.2%	3.3%	3.2%	2.9%
3	2.6%	2.7%	2.8%	2.7%	2.8%	2.7%	2.9%	2.6%	2.7%	2.7%	2.5%	2.7%
4 +	30.2%	30.1%	30.0%	29.5%	29.5%	28.9%	28.4%	27.7%	25.4%	25.1%	24.5%	24.1%
Monthly loans and advances movement												
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	4 753 538	4 562 000	4 378 319	4 251 633	4 190 887	4 050 117	3 909 388	3 670 663	3 589 566	3 479 013	3 360 009	3 217 859
Disbursements	286 932	248 189	234 499	232 898	177 163	244 306	226 452	234 723	210 054	207 276	210 076	252 077
Interest and other similiar income	117 997	107 021	156 115	92 689	95 734	91 323	90 090	118 904	79 502	81 257	82 452	77 637
Non-interest revenue	77 921	89 496	62 960	66 582	53 452	67 166	60 133	63 259	59 113	55 466	64 493	64 039
Collections	(272 327)	(236 970)	(250 281)	(246 577)	(248 800)	(245 235)	(230 157)	(237 997)	(226 042)	(216 259)	(225 488)	(229 442)
Bad debt write-offs and write-backs	(20 537)	(16 198)	(19 613)	(18 905)	(16 803)	(16 790)	(5 789)	59 836	(41 530)	(17 187)	(12 529)	(22 161)
Closing balance	4 943 524	4 753 538	4 562 000	4 378 319	4 251 633	4 190 887	4 050 117	3 909 388	3 670 663	3 589 566	3 479 013	3 360 009

* Arrears instalments

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Liquidity and funding

	% change MOM	Oct 12 R'000	Sep 12 R'000	Aug 12 R'000	Jul 12 R'000	Jun 12 R'000	May 12 R'000	Apr 12 R'000	Mar 12 R'000	Feb 12 R'000	Jan 12 R'000	Dec 11 R'000	Nov 11 R'000
Funding													
Class A Notes (senior)	11.0%	2 794 037	2 516 493	2 331 493	2 281 493	2 268 384	2 268 384	2 268 384	2 148 572	2 148 572	2 148 572	2 199 711	2 199 711
Senior warehouse funding	(100%)	-	50 230	-	-	255 813	253 719	251 584	252 971	171 727	70 527	70 000	220 000
Class B Notes (Mezzanine)	(2.1%)	209 265	213 648	213 648	163 648	167 878	167 878	167 878	168 907	168 907	168 907	169 848	169 848
Other subordinated funding	(16.2%)	904 355	1 078 864	1 001 790	988 425	1 004 063	688 772	692 647	622 122	563 024	548 383	551 927	553 466
Total interest bearing liabilities	1.3%	3 907 657	3 859 235	3 546 931	3 433 566	3 696 138	3 378 753	3 380 493	3 192 572	3 052 230	2 936 389	2 991 486	3 143 025
Average cost of borrowings	(1.0%)	11.3%	11.4%	11.4%	11.4%	11.5%	11.4%	11.6%	11.7%	11.6%	11.6%	11.6%	11.4%
Cash and cash equivalents	(65.1%)	78 574	225 352	87 192	68 556	463 492	156 216	242 377	196 047	134 686	60 130	249 570	465 646
Average cash reserves (3 months)	2.6%	130 373	127 033	206 413	229 421	287 361	198 213	191 037	130 288	148 129	258 449	285 720	235 360

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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	285 232 393	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
BAYA04	11.480%	A	20 000 000	13 336 473	2010/08/31	2015/09/30
BAYA05	11.450%	A	33 000 000	22 013 485	2010/09/27	2015/09/30
BAYA06	3-month JIBAR plus 4.750%	A	550 000 000	451 332 645	2010/09/30	2016/09/30
BAYA07	11.360%	A	34 000 000	23 186 157	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	50 208 054	2010/12/06	2015/12/31
BAYA10	3-month JIBAR plus 5.000%	A	40 000 000	26 720 519	2010/12/13	2015/12/31
BAYA11	3-month JIBAR plus 5.000%	A	60 000 000	43 516 294	2011/01/03	2016/03/31
BAYA12	11.005%	A	20 000 000	15 104 800	2011/01/12	2016/03/31
BAYA13	12.070%	A	80 000 000	60 818 969	2011/03/10	2016/03/31
BAYA14	11.480%	A	13 000 000	8 668 710	2011/06/06	2015/09/30
BAYA15	11.530%	A	100 000 000	80 125 373	2011/06/14	2016/06/30
BAYA16	10.380%	A	10 000 000	8 722 184	2011/10/12	2016/09/30
BAYA17	3-month JIBAR plus 4.450%	A	80 000 000	69 701 121	2011/10/21	2016/09/30
BAYA18	3-month JIBAR plus 4.450%	A	100 000 000	87 126 401	2011/11/30	2016/09/30
BAYA19	3-month JIBAR plus 4.450%	A	135 000 000	118 703 840	2011/11/30	2016/12/31
BAYA20	3-month JIBAR plus 3.900%	A	150 000 000	112 801 334	2011/11/30	2014/09/30
BAYA21	3-month JIBAR plus 1.750%	A	100 000 000	100 000 000	2012/04/30	2013/03/30
BAYA22	3-month JIBAR plus 3.800%	A	100 000 000	93 329 487	2012/04/30	2015/09/30
BAYA23	10.510%	A	300 000 000	288 388 348	2012/07/02	2017/06/30
BAYA24	11.090%	A	95 000 000	95 000 000	2012/07/02	2017/06/30
BAYA25	3-month JIBAR plus 4.150%	A	50 000 000	50 000 000	2012/08/15	2017/06/30
BAYA26	10.225%	A	185 000 000	185 000 000	2012/09/27	2017/10/02
BAYA27	3-month JIBAR plus 3.500%	A	120 000 000	120 000 000	2012/10/01	2015/09/30
BAYA28	3-month JIBAR plus 1.650%	A	200 000 000	200 000 000	2012/10/01	2013/09/30
BAYA29	3-month JIBAR plus 3.500%	A	60 000 000	60 000 000	2012/10/09	2015/12/31
Subtotal Class A notes			3 260 000 000	2 794 036 587		
BAYB02	15.550%	B	30 000 000	20 718 100	2010/03/31	2016/03/31
BAYB03	15.360%	B	55 000 000	55 000 000	2011/11/30	2016/12/31
BAYB04	14.230%	B	90 000 000	83 547 062	2012/04/02	2017/03/31
BAYB05	3-month JIBAR plus 7.500%	B	50 000 000	50 000 000	2012/08/15	2019/06/30
Subtotal Class B notes			225 000 000	209 265 162		
Total			3 485 000 000	3 003 301 749		

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Covenant compliance

Financial covenants	Current requirement	Oct 12	Sep 12	Aug 12	Jul 12	Jun 12	May 12	Apr 12	Mar 12	Feb 12	Jan 12	Dec 11	Nov 11
Senior Debt Cash Flow Cover Ratio	≥ 1.50 times	3.5	3.8	3.6	3.8	4.3	4.4	3.9	3.7	4.1	3.7	4.3	5.1
Senior Debt Interest Cover Ratio	≥ 3.50 times	5.8	6.1	7.8	5.7	4.7	5.6	4.6	5.8	4.7	4.8	4.3	4.8
Senior Debt to Net Qualifying Asset Value	≤ 72.5%	66.0%	60.5%	59.1%	60.2%	67.2%	67.7%	68.2%	68.5%	69.7%	69.5%	69.7%	70.9%
Bad and Doubtful Debt Ratio	≤ 17.5%	14.8%	14.7%	14.6%	14.6%	14.6%	14.3%	14.3%	14.4%	14.5%	14.4%	14.3%	14.3%
Equity invested in the Company by the Originator	> 20%	25.6%	30.6%	30.4%	30.7%	31.8%	23.1%	23.8%	22.4%	20.6%	19.8%	20.5%	21.0%
Cellular Contracts as a % of the Portfolio	≤ 20%	6.9%	6.9%	7.0%	6.9%	7.0%	7.1%	7.1%	6.5%	6.9%	7.1%	7.1%	7.2%

Cash reserves	Current requirement	Oct 12	Sep 12	Aug 12	Jul 12	Jun 12	May 12	Apr 12	Mar 12	Feb 12	Jan 12	Dec 11	Nov 11
Arrears reserve													
Weighted NPLs as a percentage of the portfolio	≤ 26.2%	22.0%	22.0%	22.2%	21.8%	21.8%	21.8%	21.8%	20.5%	20.9%	20.9%	20.9%	20.8%
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Asset performance reserve													
Collections Ratio	≥ 80.75%	117.4%	117.6%	121.5%	122.8%	123.5%	123.8%	125.3%	128.6%	127.4%	125.0%	122.6%	118.2%
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
		R'000	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)		170 266	170 107	168 612	167 472	167 047	164 715	162 525	158 601	157 797	157 501	156 281	155 894
Actual receipts (6 month average)		199 829	200 083	204 862	205 641	206 273	203 998	203 689	203 908	201 037	196 899	191 525	184 273
Capital Redemption reserve		16 667	-	-	-	-	-	-	-	-	-	-	-

Monthly Investor Report

Glossary of terms

CD	Contractual delinquency = accumulated arrears / contractual instalments originally due
MOB	Month on book
MoM	Month on Month
YTD	Year to date
Non-performing loans	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
Non-performing loans ratio	Non-performing loans / Gross loans and advances
Provision coverage	Impairment provision / Gross loans and advances