

Bayport Securitisation (RF) Ltd
Investor Report
December 2013

Monthly Investor Report

Financial statistics for the period ended December 2013

		Dec 13	Nov 13	Oct 13	Sep 13	Aug 13	Jul 13	Jun 13	May 13	Apr 13	Mar 13	Feb 13	Jan 13
Performance ratios *													
Total income as a % of ave gross loans and advances	%	29.8%	30.6%	31.0%	31.5%	31.9%	33.3%	33.4%	34.1%	33.9%	34.1%	34.8%	35.0%
Direct and indirect expenses to ave gross loans and advance	%	7.9%	8.0%	8.1%	8.1%	9.4%	9.6%	9.8%	10.2%	10.1%	10.2%	10.2%	10.3%
Direct and indirect expenses to total income	%	26.6%	26.2%	26.2%	25.7%	29.5%	28.9%	29.3%	29.8%	29.7%	30.0%	29.4%	29.3%
Return on assets	%	1.1%	1.4%	1.4%	1.6%	1.1%	1.4%	1.5%	1.7%	1.9%	2.0%	2.8%	3.0%
Gearing ratio	times	3.2	3.2	3.2	3.2	3.1	3.0	3.0	2.9	2.9	2.9	2.9	2.9
Interest margin	%	18.0%	18.5%	18.8%	19.0%	18.8%	19.7%	19.8%	20.4%	20.2%	20.3%	21.0%	21.4%
Asset and credit quality ratios													
Gross loans and advances	R '000	5 997 431	5 939 302	5 880 504	5 832 281	5 771 032	5 731 143	5 683 441	5 624 940	5 507 614	5 451 491	5 416 540	5 367 156
Non-Performing Loans ("NPLs")	R '000	2 174 668	2 106 755	2 058 520	2 025 955	1 998 950	1 947 865	1 875 668	1 787 098	1 706 973	1 648 335	1 593 977	1 616 592
Carrying value of written off book	R '000	149 879	144 237	135 124	135 124	65 198	59 898	54 598	49 298	43 998	20 698	20 698	20 698
Impairment provision	R '000	1 367 680	1 351 590	1 321 836	1 301 070	1 140 155	1 112 633	1 084 900	1 059 256	998 547	964 812	946 731	915 548
Net loans and advances	R '000	4 779 630	4 731 950	4 693 792	4 666 336	4 696 075	4 678 408	4 653 139	4 614 982	4 553 065	4 507 377	4 490 507	4 472 306
Non-performing loans ratio	%	36.3%	35.5%	35.0%	34.7%	34.6%	34.0%	33.0%	31.8%	31.0%	30.2%	29.4%	30.1%
Provision coverage	%	22.8%	22.8%	22.5%	22.3%	19.8%	19.4%	19.1%	18.8%	18.1%	17.7%	17.5%	17.1%
Funding and cash reserves													
Interest bearing liabilities	R '000	4 650 516	4 719 392	4 702 583	4 669 506	4 539 776	4 530 622	4 735 954	4 482 166	4 516 779	4 638 180	4 342 435	4 240 139
Average cost of borrowings	%	10.2%	10.2%	10.2%	10.3%	10.5%	10.6%	10.5%	10.6%	10.5%	10.8%	10.8%	11.0%
Cash and cash equivalents	R '000	173 526	353 673	340 101	305 647	199 873	174 816	460 580	215 208	281 078	503 664	224 284	123 425

* 12 months rolling average

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Origination

		% change MOM	Dec 13	Nov 13	Oct 13	Sep 13	Aug 13	Jul 13	Jun 13	May 13	Apr 13	Mar 13	Feb 13	Jan 13
Disbursements	R '000	1.7%	140 362	137 967	134 477	111 698	114 762	145 698	161 344	185 840	153 542	124 418	134 242	196 542
Number of new loans		3.6%	9 445	9 118	9 538	9 021	8 794	10 584	11 074	13 070	11 541	9 148	9 141	12 637
Number of loans on book		(0.3%)	340 295	341 295	342 398	344 547	345 115	346 815	347 306	345 753	345 083	345 686	347 479	347 004
Average loan value at acquisition	Rand	(1.8%)	14 861	15 131	14 099	12 382	13 050	13 766	14 570	14 219	13 304	13 601	14 686	15 553
Average term at acquisition	Months	(0.2%)	36.2	36.3	38.8	38.8	36.3	35.5	36.3	36.4	33.8	33.8	38.5	37.2

Statistics

Loans and advances by geographic location

Province	Cellular	Payroll	Debit order	Total
Eastern Cape	10%	8%	12%	11%
Free State	6%	6%	7%	7%
Gauteng	34%	48%	31%	33%
Kwazulu-Natal	14%	15%	16%	16%
Limpopo	6%	2%	6%	6%
Mpumalanga	8%	2%	5%	5%
Northern Cape	3%	2%	3%	3%
North-West	7%	4%	5%	5%
Western Cape	12%	13%	15%	14%
Grand Total	100%	100%	100%	100%

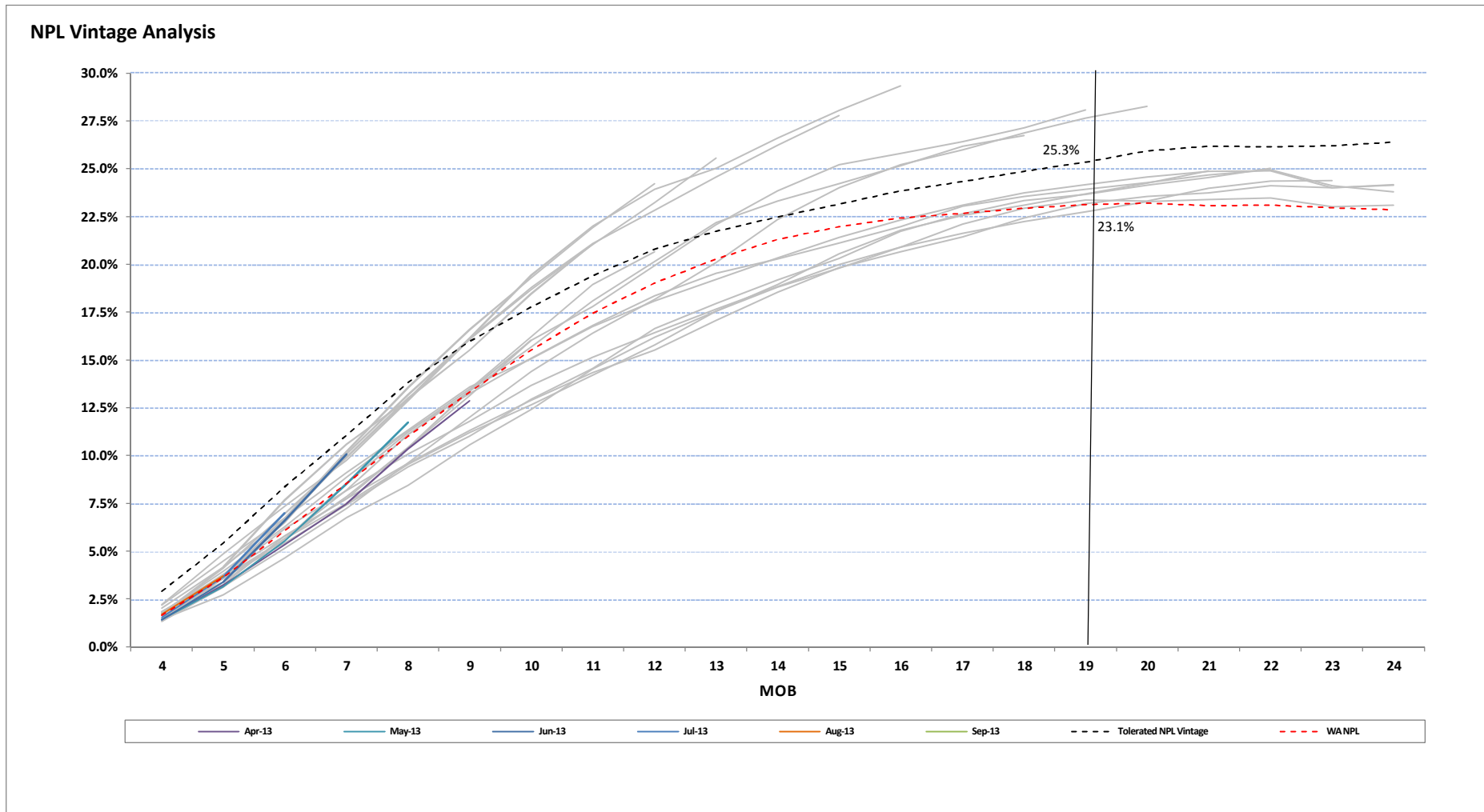
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Asset quality

	% change MOM	Dec 13 R'000	Nov 13 R'000	Oct 13 R'000	Sep 13 R'000	Aug 13 R'000	Jul 13 R'000	Jun 13 R'000	May 13 R'000	Apr 13 R'000	Mar 13 R'000	Feb 13 R'000	Jan 13 R'000
Gross loans and advances	1.0%	5 997 431	5 939 302	5 880 504	5 832 281	5 771 032	5 731 143	5 683 441	5 624 940	5 507 614	5 451 491	5 416 540	5 367 156
Performing loans	(0.3%)	3 822 763	3 832 547	3 821 984	3 806 326	3 772 082	3 783 278	3 807 773	3 837 842	3 800 641	3 803 156	3 822 563	3 750 564
Non-performing loans	3.2%	2 174 668	2 106 755	2 058 520	2 025 955	1 998 950	1 947 865	1 875 668	1 787 098	1 706 973	1 648 335	1 593 977	1 616 592
Impairment provision													
Opening balance	2.3%	1 351 590	1 321 836	1 301 070	1 140 155	1 112 633	1 084 900	1 059 256	998 547	964 812	946 731	915 548	872 031
Bad debt written-off	(4.9%)	(47 654)	(50 088)	(49 325)	(42 834)	(42 340)	(39 444)	(33 445)	(41 988)	(62 874)	(45 283)	(38 438)	(29 830)
Provision raised	(20.2%)	63 744	79 842	70 091	203 749	69 862	67 177	59 089	102 697	96 609	63 364	69 621	73 347
Closing balance	1.2%	1 367 680	1 351 590	1 321 836	1 301 070	1 140 155	1 112 633	1 084 900	1 059 256	998 547	964 812	946 731	915 548

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Asset quality (continued)



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Asset quality (continued)

Contractual delinquency (CD) loans and advances distribution *	Dec 13	Nov 13	Oct 13	Sep 13	Aug 13	Jul 13	Jun 13	May 13	Apr 13	Mar 13	Feb 13	Jan 13
	%	%	%	%	%	%	%	%	%	%	%	%
0	51.9%	52.4%	52.8%	52.9%	53.5%	53.5%	54.1%	55.0%	55.7%	57.2%	58.2%	58.0%
1	4.6%	4.6%	4.7%	5.1%	4.6%	4.8%	5.0%	5.2%	5.4%	5.6%	5.7%	5.3%
2	3.6%	3.9%	3.9%	3.7%	3.7%	3.9%	4.0%	4.1%	4.3%	3.8%	3.4%	3.3%
3	3.6%	3.6%	3.6%	3.6%	3.6%	3.8%	3.9%	3.9%	3.6%	3.2%	3.3%	3.3%
4 +	36.3%	35.5%	35.0%	34.7%	34.6%	34.0%	33.0%	31.8%	31.0%	30.2%	29.4%	30.1%
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	5 939 302	5 880 504	5 832 281	5 771 032	5 731 143	5 683 441	5 624 940	5 507 614	5 451 491	5 416 540	5 367 156	5 229 615
Disbursements	140 362	137 967	134 477	111 698	114 762	145 698	161 344	185 840	153 542	124 418	134 242	196 542
Interest and other similiar income	115 044	118 223	123 300	126 679	121 808	119 639	97 713	134 766	119 444	122 119	117 194	128 847
Non-interest revenue	71 616	72 813	73 941	116 811	94 391	72 337	65 029	79 808	78 533	66 968	73 446	87 226
Collections	(231 745)	(235 581)	(244 750)	(259 927)	(254 135)	(254 090)	(236 408)	(244 825)	(236 408)	(234 912)	(238 692)	(247 104)
Bad debt write-offs and write-backs	(37 148)	(34 624)	(38 745)	(34 012)	(36 937)	(35 881)	(29 177)	(38 263)	(58 988)	(43 642)	(36 806)	(27 970)
Closing balance	5 997 431	5 939 302	5 880 504	5 832 281	5 771 032	5 731 143	5 683 441	5 624 940	5 507 614	5 451 491	5 416 540	5 367 156

* Arrears instalments

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Liquidity and funding

	% change MOM	Dec 13 R'000	Nov 13 R'000	Oct 13 R'000	Sep 13 R'000	Aug 13 R'000	Jul 13 R'000	Jun 13 R'000	May 13 R'000	Apr 13 R'000	Mar 13 R'000	Feb 13 R'000	Jan 13 R'000
Funding													
Class A Notes (senior)	(4.5%)	3 221 384	3 371 465	3 371 465	3 371 465	3 020 252	3 020 252	3 237 140	3 237 140	3 237 140	3 122 316	2 957 316	2 882 316
Senior warehouse funding	0.0%	100 000	-	-	-	200 000	200 000	200 483	-	-	255 599	253 577	251 873
Class B Notes (Mezzanine)	(1.8%)	284 882	290 086	290 086	290 086	295 141	295 141	300 056	300 056	300 056	304 723	254 723	234 723
Other subordinated funding	(1.3%)	1 044 251	1 057 841	1 041 032	1 007 956	1 024 383	1 015 229	998 275	944 970	979 583	955 542	876 819	871 227
Total interest bearing liabilities	(1.5%)	4 650 516	4 719 392	4 702 583	4 669 506	4 539 776	4 530 622	4 735 954	4 482 166	4 516 779	4 638 180	4 342 435	4 240 139
Average cost of borrowings	0.0%	10.2%	10.2%	10.2%	10.3%	10.5%	10.6%	10.5%	10.6%	10.5%	10.8%	10.8%	11.0%
Cash and cash equivalents	(50.9%)	173 526	353 673	340 101	305 647	199 873	174 816	460 580	215 208	281 078	503 664	224 284	123 425

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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	197 188 019	31/03/2010	31/03/2016
BAYA04	11.480%	A	20 000 000	8 328 534	31/08/2010	30/09/2015
BAYA05	11.450%	A	33 000 000	13 737 857	27/09/2010	30/09/2015
BAYA06	3-month JIBAR plus 4.750%	A	550 000 000	330 296 457	30/09/2010	30/09/2016
BAYA07	11.360%	A	34 000 000	15 266 256	25/10/2010	31/12/2015
BAYA08	11.780%	A	50 000 000	50 000 000	15/11/2010	31/12/2017
BAYA09	3-month JIBAR plus 5.000%	A	75 000 000	32 891 009	06/12/2010	31/12/2015
BAYA10	3-month JIBAR plus 5.000%	A	40 000 000	17 501 799	13/12/2010	31/12/2015
BAYA11	3-month JIBAR plus 5.000%	A	60 000 000	29 787 834	03/01/2011	31/03/2016
BAYA12	11.005%	A	20 000 000	10 355 540	12/01/2011	31/03/2016
BAYA13	12.070%	A	80 000 000	41 937 495	10/03/2011	31/03/2016
BAYA14	11.480%	A	13 000 000	5 413 549	06/06/2011	30/09/2015
BAYA15	11.530%	A	100 000 000	57 110 058	14/06/2011	30/06/2016
BAYA16	10.380%	A	10 000 000	6 369 571	12/10/2011	30/09/2016
BAYA17	3-month JIBAR plus 4.450%	A	80 000 000	50 803 183	21/10/2011	30/09/2016
BAYA18	3-month JIBAR plus 4.450%	A	100 000 000	63 503 977	30/11/2011	30/09/2016
BAYA19	3-month JIBAR plus 4.450%	A	135 000 000	88 807 704	30/11/2011	31/12/2016
BAYA20	3-month JIBAR plus 3.900%	A	150 000 000	44 798 959	30/11/2011	30/09/2014
BAYA22	3-month JIBAR plus 3.800%	A	100 000 000	57 576 611	30/04/2012	30/09/2015
BAYA23	10.510%	A	300 000 000	225 678 215	02/07/2012	30/06/2017
BAYA24	11.090%	A	95 000 000	95 000 000	02/07/2012	30/06/2017
BAYA25	3-month JIBAR plus 4.150%	A	50 000 000	38 862 753	15/08/2012	30/06/2017
BAYA26	10.225%	A	185 000 000	185 000 000	27/09/2012	02/10/2017
BAYA27	3-month JIBAR plus 3.500%	A	120 000 000	73 683 524	01/10/2012	30/09/2015
BAYA29	3-month JIBAR plus 3.500%	A	60 000 000	38 786 585	09/10/2012	31/12/2015
BAYA30	9.280%	A	150 000 000	104 517 866	14/12/2012	31/12/2015
BAYA31	3-month JIBAR plus 4.300%	A	60 000 000	60 000 000	14/12/2012	31/12/2018
BAYA32	10.108%	A	75 000 000	75 000 000	28/02/2013	03/04/2018
BAYA33	3-month JIBAR plus 4.000%	A	15 000 000	15 000 000	25/03/2013	03/04/2018
BAYA34	3-month JIBAR plus 4.250%	A	100 000 000	100 000 000	25/03/2013	03/04/2018
BAYA35	3-month JIBAR plus 4.250%	A	50 000 000	50 000 000	25/03/2013	03/04/2018
BAYA36	3-month JIBAR plus 3.880%	A	50 000 000	43 833 985	02/04/2013	31/03/2018
BAYA37	3-month JIBAR plus 3.880%	A	100 000 000	100 000 000	02/04/2013	31/03/2016
BAYA38	3-month JIBAR plus 1.650%	A	200 000 000	200 000 000	02/04/2013	31/03/2014
BAYA39	3-month JIBAR plus 4.250%	A	320 000 000	320 000 000	30/09/2013	01/10/2018
BAYA40	3-month JIBAR plus 0.800%	A	200 000 000	200 000 000	30/09/2013	31/03/2014
BAYA41	3-month JIBAR plus 3.900%	A	50 000 000	48 003 993	30/09/2013	01/10/2018
BAYA42	3-month JIBAR plus 4.250%	A	130 000 000	126 342 702	30/09/2013	01/10/2018
Subtotal Class A notes			4 385 000 000	3 221 384 034		
BAYB02	15.550%	B	30 000 000	14 550 137	31/03/2010	31/03/2016
BAYB03	15.360%	B	55 000 000	55 000 000	30/11/2011	31/12/2016
BAYB04	14.230%	B	90 000 000	65 331 366	02/04/2012	31/03/2017
BAYB05	3-month JIBAR plus 7.500%	B	50 000 000	50 000 000	15/08/2012	30/06/2019
BAYB06	3-month JIBAR plus 7.500%	B	30 000 000	30 000 000	14/12/2012	31/12/2019
BAYB07	3-month JIBAR plus 7.500%	B	20 000 000	20 000 000	22/02/2013	28/02/2020
BAYB08	3-month JIBAR plus 8.000%	B	50 000 000	50 000 000	25/03/2013	30/09/2020
Subtotal Class B notes			325 000 000	284 881 503		
Total			4 710 000 000	3 506 265 537		

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Covenant compliance

Financial covenants	Current requirement	Dec 13	Nov 13	Oct 13	Sep 13	Aug 13	Jul 13	Jun 13	May 13	Apr 13	Mar 13	Feb 13	Jan 13
Senior Debt Cash Flow Cover Ratio	≥ 1.50 times	2.3	2.5	2.4	4.0	2.8	2.9	2.7	2.6	2.7	2.6	2.9	2.9
Senior Debt Interest Cover Ratio	≥ 3.50 times	4.4	4.7	4.9	5.1	4.8	5.2	4.2	5.5	5.5	4.8	5.7	5.5
Senior Debt to Net Qualifying Asset Value	≤ 72.5%	67.1%	66.3%	67.0%	67.8%	65.8%	66.4%	66.3%	67.0%	67.0%	66.5%	68.1%	68.2%
Bad and Doubtful Debt Ratio	≤ 17.5%	12.3%	12.6%	12.8%	12.9%	12.3%	12.6%	12.4%	12.3%	12.1%	11.7%	11.2%	11.2%
Equity invested in the Company by the Originator	> 20%	25.9%	26.5%	26.3%	25.8%	25.6%	25.5%	25.1%	24.1%	25.2%	25.0%	23.4%	23.4%
Cellular Contracts as a % of the Portfolio	≤ 20%	6.9%	7.1%	7.1%	6.7%	6.2%	6.2%	6.2%	6.4%	6.4%	6.6%	6.6%	6.6%

Cash reserves	Current requirement	Dec 13	Nov 13	Oct 13	Sep 13	Aug 13	Jul 13	Jun 13	May 13	Apr 13	Mar 13	Feb 13	Jan 13
Arrears reserve													
Weighted NPLs as a percentage of the portfolio	≤ 26.2%	23.9%	23.6%	23.2%	23.1%	23.1%	23.0%	22.9%	22.7%	22.7%	22.7%	22.5%	22.6%
Reserve required (R'000)		-	-	-	-	-	-	-	-	-	-	-	-
Asset performance reserve													
Collections Ratio	≥ 80.75%	113.1%	112.4%	112.4%	111.0%	110.4%	108.0%	106.7%	106.0%	105.2%	107.5%	107.5%	108.9%
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)		146 099	149 920	152 974	155 932	160 934	164 710	169 408	173 790	178 584	180 236	180 070	179 568
Actual receipts (6 month average)		165 250	168 300	171 867	173 162	177 607	177 842	180 740	184 182	187 851	193 691	193 619	195 587
Capital Redemption reserve		100 000	66 667	33 334	-	-	-	-	-	-	-	-	-

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