

GRINDROD BANK LIMITED
QUARTERLY PUBLIC DISCLOSURE REQUIREMENTS IN TERMS OF REGULATION 43
30 September 2017

	Grindrod Bank Limited	
	R'000	
(A) Tier 1 capital and reserve funds	1,128,934	
Tier 1 Capital Adequacy Ratio	13.24	
(B) Total qualifying capital and reserve funds	1,158,806	
Total Capital Adequacy Ratio	13.59	
(C) Components of Capital		
<i>Capital and reserve funds</i>		
Ordinary share capital and premium	248,579	<i>Common Equity Tier 1 capital</i>
Preference share capital	235,000	<i>Additional Tier 1 capital</i>
Retained earnings (appropriated)	645,367	<i>Common Equity Tier 1 capital</i>
Retained earnings (unappropriated)	13,521	
Total Equity	1,142,467	
Less: Retained earnings (unappropriated)	-13,521	
Prescribed deductions against capital and reserve funds	-12	
Total qualifying tier 1 capital and reserve funds	1,128,934	
<i>Tier 2 capital and unimpaired reserve funds</i>		
General allowance for credit impairment	29,872	<i>Tier 2 capital</i>
Total qualifying capital and reserve funds	1,158,806	
(D) Total required amount of capital and reserve funds	1,023,460	
Credit and counterparty credit risk	895,085	<i>Standardised approach</i>
<i>(including large exposure concentration risk requirement)</i>		
Operational	80,004	<i>Basic indicator approach</i>
Market	-	
Equity	-	<i>Standardised approach</i>
Other	48,371	
Surplus qualifying capital and reserve funds	135,346	
Qualifying vs required capital and reserve funds	1.13	
(E) Risk exposure or other item that is subject to rapid or material change		
No specific items that are subject to rapid or material change have been identified at this stage.		



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Leverage	
Total exposures for the calculation of the leverage ratio	16,371,278 (e)
Total qualifying tier 1 capital and reserve funds	1,128,934 (a)
Leverage ratio at reporting date	% 6.90 (a) / (e)
Specified minimum leverage ratio	% 4.00
Maximum leveraged exposure	28,223,350

Material differences between the bank's total balance sheet assets, as reported in the Bank's financial statements (AFS), and the bank's on-balance sheet exposure measure.

The following are reported net in the AFS but split into an asset and a liability for regulatory reporting:

Deferred taxation

Derivatives

Portfolio credit impairments (deducted from advances in AFS but added back to exposure measure)

Key drivers of material changes

The level of retail deposits fluctuates significantly during a month, due to the timing of the retail pay cycle, impacting corresponding assets (interbank / SARB settlement account) and the leverage ratio denominator. The latter fluctuations are unlikely to result in a regulatory leverage ratio breach as the balance sheet size is significantly lower than the maximum leveraged exposure level possible based on current capital.

Additional disclosure

Additional disclosure can be found in the annual financial statements on the Bank's website, <https://www.grindrodbank.co.za>, under library.

