
2015

TRANSACTION CAPITAL RESULTS

FOR THE YEAR ENDED 30 SEPTEMBER



Transaction Capital

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RESULTS 2015
FOR THE YEAR ENDED 30 SEPTEMBER
PRESENTATION



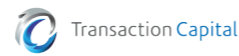
AUDITED 2015 RESULTS

FOR THE YEAR ENDED 30 SEPTEMBER

HIGHLIGHTS 2015

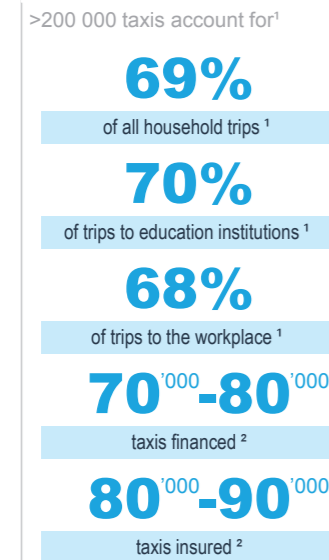
AUDITED RESULTS FOR THE YEAR ENDED 30 SEPTEMBER

SA TAXI PROVIDES BUSINESS SUPPORT TO SMEs

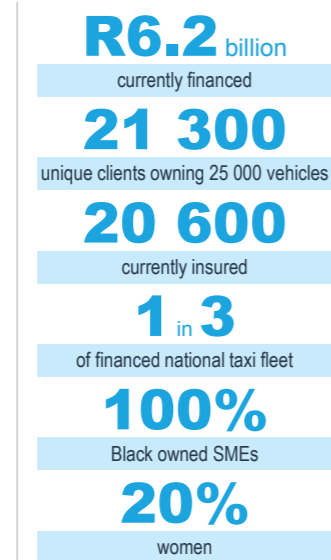


DEEPENING ACCESS TO DEVELOPMENTAL CREDIT, & FINANCING UNDER-SERVED & EMERGING SMEs WHO WOULD OTHERWISE REMAIN OUTSIDE THE FORMAL ECONOMY

IN SOUTH AFRICA



OUR PORTFOLIO

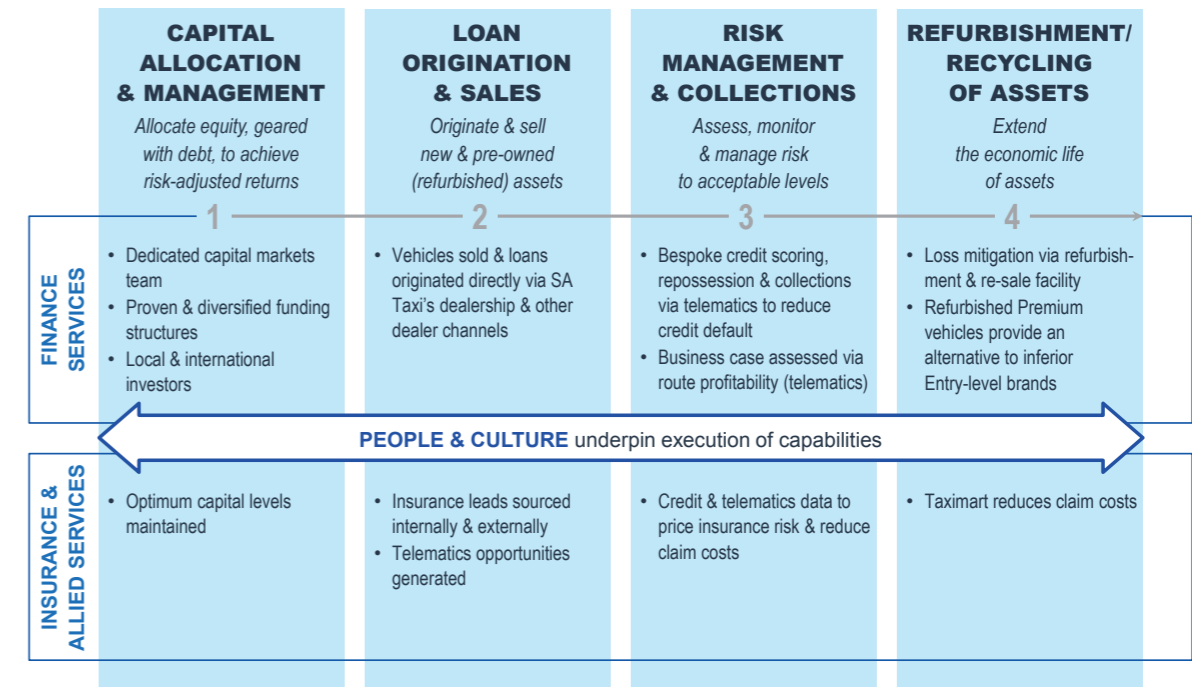


RESULTING IN



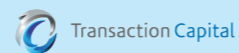
1. National household travel survey 2013
2. SA Taxi's best estimate through our engagement with the industry & extrapolation of internal data

ASSET-BACKED LENDING DISTINCTIVE COMPETENCIES

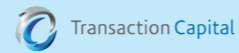


NOTES

TRANSACTION CAPITAL'S ASSET-BACKED LENDING DIVISION



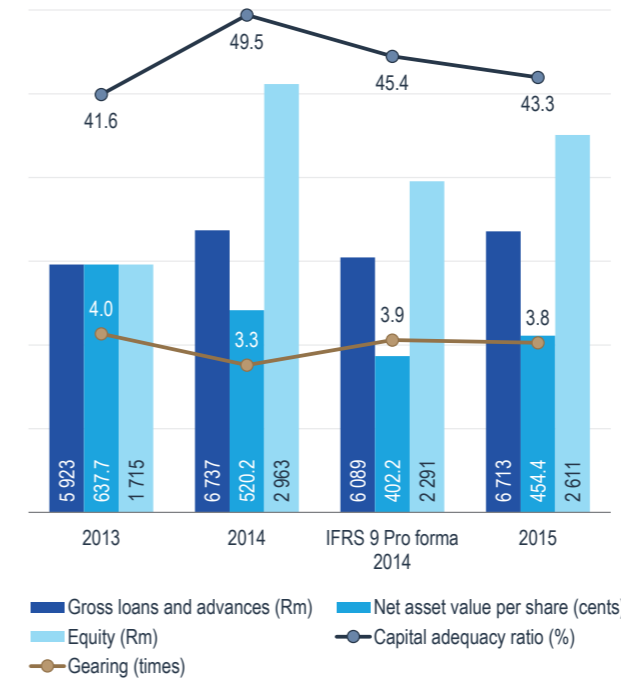
EARLY ADOPTION OF IFRS 9



RATIONALE

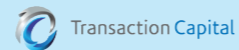
- Accounting policies more closely aligned to the group's operational policies and strategic intentions
- Increased provisions result in lower balance sheet risk
- Removes uncertainty around the future impact on financial results, ratios and the availability of capital
- SA Taxi: Allows the business to accelerate its strategy of operating an exclusive Premium vehicle operation
- MBD: Better alignment of the amortisation profile of purchased book debts with the expected collections profile
- Key changes from IAS 39:**
 - Classification – Entry-level vehicles now classified at fair value through profit and loss
 - Measurement – provisions are now calculated on the expected loss model instead of the incurred loss model

FINANCIAL POSITION GROUP

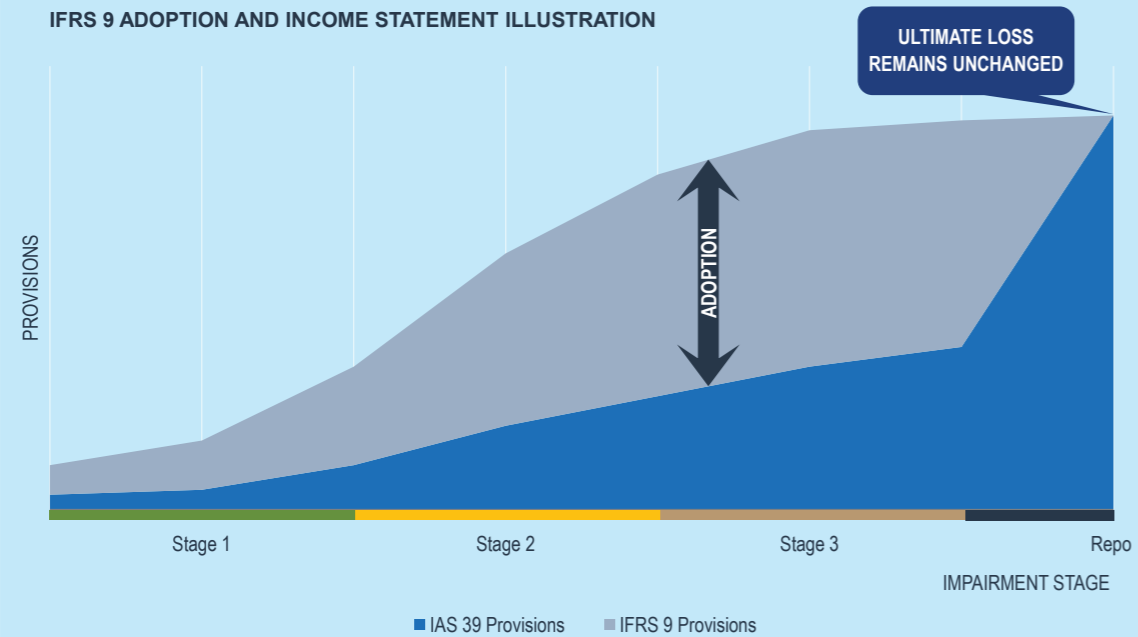


- Conservative growth in gross loans & advances from R6.1bn to R6.7bn ▲10%
 - Origination strategies remained conservative targeting improved credit quality, new product lines including bakkies & Nissan minibus
- Equity R2.6bn ▲14%
 - Group well positioned to absorb one-off equity adjustment of R672m emanating from the adoption of IFRS 9
- NAV per share 454.4 cps ▲13%
- Capital adequacy ▼43.3% from 45.4%
 - 29.0% Equity
 - 14.3% Subordinated debt
 - Will normalise with deployment of excess capital
- Gearing level unchanged

EARLY ADOPTION OF IFRS 9 EXPECTED VS. INCURRED LOSS

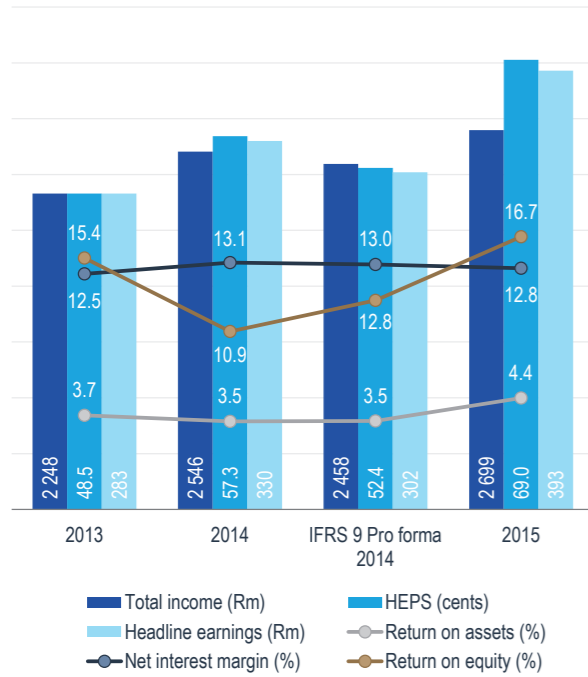
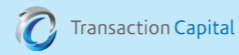


IFRS 9 ADOPTION AND INCOME STATEMENT ILLUSTRATION



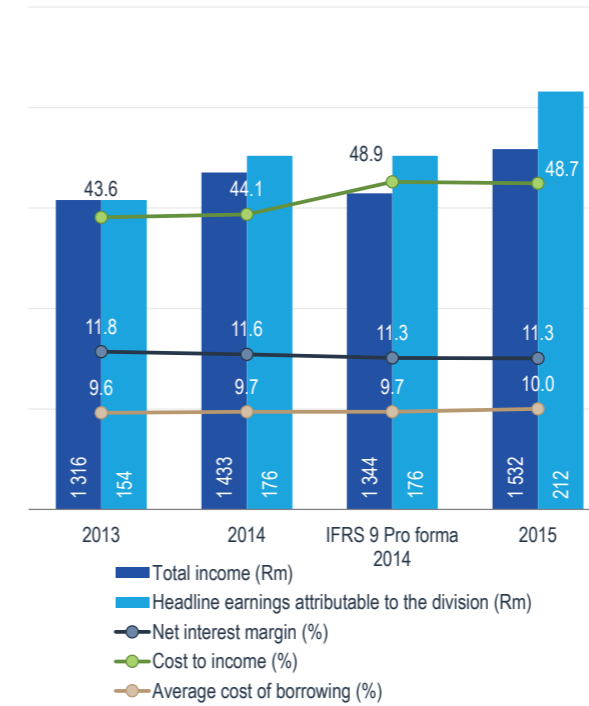
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FINANCIAL PERFORMANCE GROUP



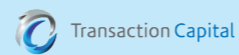
- HEPS* ▲ 20% from 57.3cps to 69.0cps
- Headline earnings* ▲ 19% from R330m to R393m
 - › Net interest income ▲ 13%
 - › Improved credit metrics
 - › 18% ▲ in EBITDA* from services
- Compared to 2014 IFRS 9 pro forma result
 - › Headline earnings ▲ 30%
 - › HEPS ▲ 32% from 52.4cps to 69.0cps
- Return on assets ▲ to 4.4% from 3.5%
- Return on equity ▲ to 16.7% from 12.8%
 - › Increase in earnings
 - › Effective capital deployment
 - › Lower equity base resulting from IFRS 9 adoption
 - › Includes the effect of low returns earned on excess capital
 - › Most appropriate benchmark for group ROE is by looking at the underlying divisional metrics
- Quality of earnings is high

ASSET-BACKED LENDING PERFORMANCE



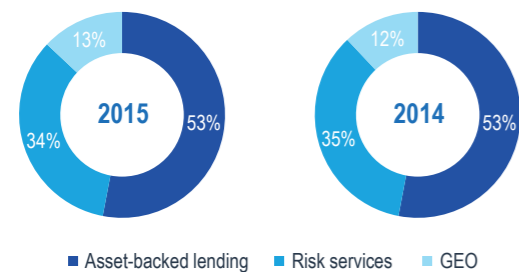
- Headline earnings attributable to the division* ▲ 20% to R212m
- Net interest margin stable at 11.3%
 - › Incorporates the suspension of interest in accordance with IFRS 9
- Credit loss ratio improved from 4.4% to 3.9%
- Cost-to-income ratio stable

PORTFOLIO MIX



Headline earnings	Rm			Growth		Contribution		
	2015	2014	2013	2015	2014	2015	2014	2013
Asset-backed lending ¹	208	176	154	18%*	14%	53%	53%	54%
Risk services	134	116	104	16%*	12%	34%	35%	37%
GEO	51	38	25	34%	52%	13%	12%	9%
Continuing	393	330	283	19%*	17%	100%	100%	100%
Cents per share	69.0	57.3	48.5	20%*	18%			

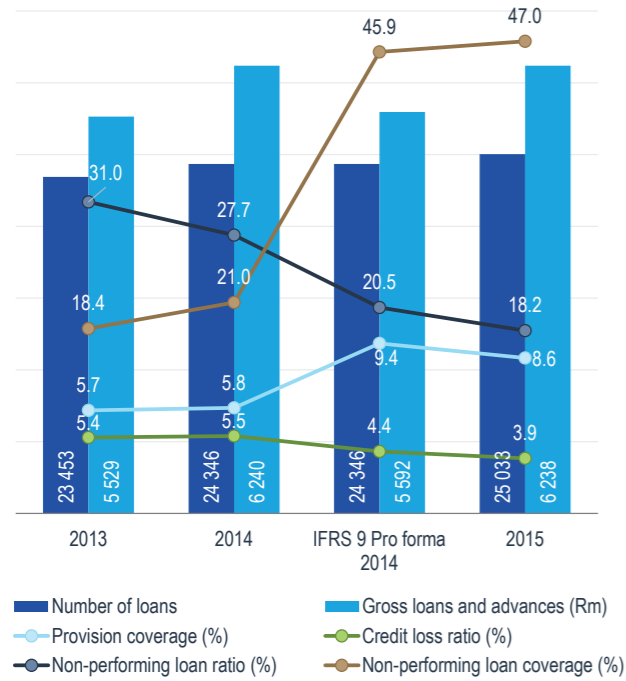
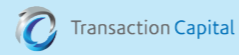
1. Excluding non-controlling interest



- Contribution
 - › Asset-backed lending contribution flat at 53%
 - › Credit services contribution decreased marginally from 35% to 34%
 - › Corporate support contribution on management of un-deployed capital and reduction of costs
- The future portfolio mix will shift as a result of the constitution of the new risk services division & will also be dependent on the nature of any future acquisitions

NOTES

ASSET-BACKED LENDING CREDIT



- Gross loans & advances ▲ 12% to R6.2bn
 - Number of loans ▲ 3%
 - Origination strategies remained conservative
 - Access to new premium vehicles interrupted from March onwards - provided SA Taxi with opportunity to sell more repossessed vehicles
 - Exclusive focus on Premium vehicles
- Non-performing loan ratio improved to 18.2% from 20.5%
 - Improved quality of Taximart vehicles
 - Focused collections performance
 - Entry-level vehicles now only 2% of portfolio
- NPL coverage ▲ to 47.0% from 45.9%. More than double the coverage under IAS 39
- Credit loss ratio improved from 4.4% to 3.9%
 - Improved quality of loans & advances
 - Efficiency of procurement, repair and resale operations of Taximart

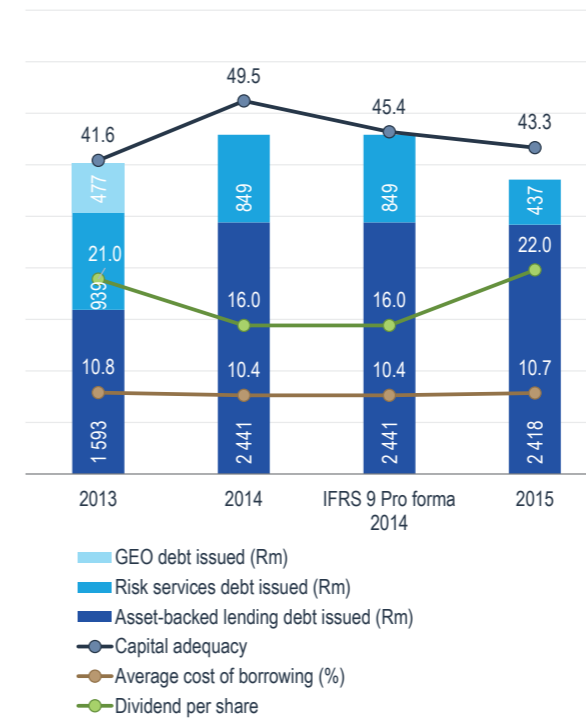
AUDITED RESULTS

FINANCIAL REVIEW

FOR THE YEAR ENDED 30 SEPTEMBER 2015

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CAPITAL MANAGEMENT



- SA Taxi returned to local debt capital markets during April and November via Transsec (RF) Ltd
 - Cumulatively raised almost R1bn
 - Remainder successfully raised via offshore and local unlisted funding sources
 - Strategy remains innovative and continue to pursue multiple tactics to diversify funding base
- 11 institutions invested R2.9bn of debt capital
 - Asset-backed lending: R2.4bn
 - Risk services: R0.4bn
- Cost of borrowing increased from 10.4% to 10.7%
- Capital adequacy ▼ to 43.3% from 45.4%
 - Will normalise with deployment of excess capital
- Total dividend for the year ▲ 38% to 22cps

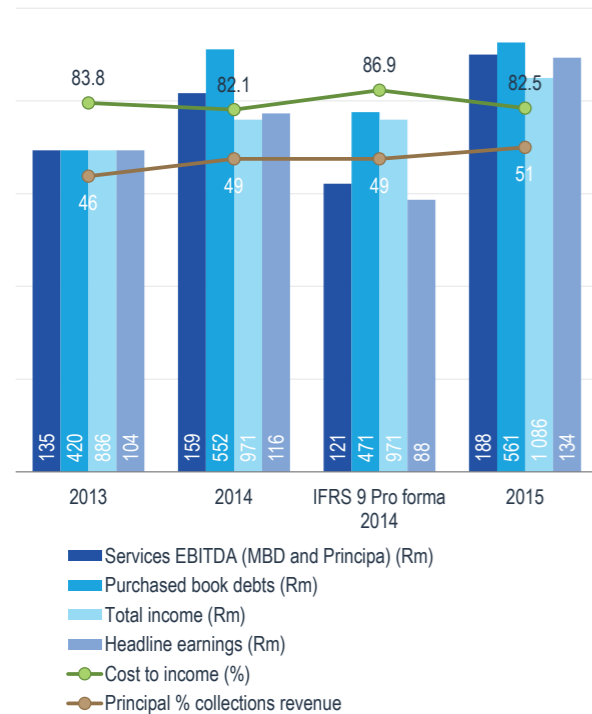
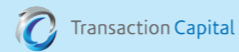
AUDITED RESULTS

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RISK SERVICES



- Headline earnings* ▲ 16% to R134m
 - Earnings growth in MBD & Rand Trust exceeded 30%
 - Agency revenue ▲ 16%
 - Principal revenue ▲ 25%
 - Losses in Principa's Qarar joint venture tempered performance and was sold in September 2015
 - Cost-to-income ratio improved to 82.5% from 86.9%
- Purchased book debts ▲ 19% to R561m
 - R166m acquired
 - 154 purchased books, 7 new books acquired during the year

AUDITED RESULTS

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FOR THE YEAR ENDED 30 SEPTEMBER
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AUDITED RESULTS

COMMENTARY

OVERVIEW

At the core of Transaction Capital's 2015 three year strategy is the reconstitution of its portfolio of assets into two autonomous and decentralised divisions of scale, being the asset-backed lending and risk services divisions. The restructuring of the divisions, together with their leading and defensive market positions has enabled Transaction Capital to prosper despite South Africa's challenging macro- and socio-economic environment. Transaction Capital's financial, credit and operational performance was in line with expectations for the 2015 financial year, growing headline earnings per share organically by 20% to 69.0 cents, whilst continuing to report an improvement in all credit metrics.

ENVIRONMENT

South Africa's economic growth remains constrained, exacerbated by various macro- and socio-economic challenges. Employment levels have remained low for a prolonged period, with little or no real wage growth. Economic pressure has intensified due to recent currency weakness, a 50 basis point increase in the repo interest rate over the last 12 months (with a likelihood of further increases as the US Fed raises rates), and increased electricity and fuel costs. The level of social unrest and protest action continues to increase mainly as a result of the stressed macro- and socio-economic environment. The combined effect of these conditions, in addition to electricity supply constraints, results in pressure on the economy as a whole with both the consumer and the small-to-medium enterprise (SME) sectors remaining at risk.

While both the asset-backed lending and risk services divisions perform better in a positive economic environment, they are also highly defensive businesses intentionally positioned to withstand these difficult economic conditions.

This depressed consumer economy provides Transaction Capital's risk services division with substantial opportunity to take advantage of its strong market position and reputation, as its clients strive to mitigate credit and operational risks associated with their customer base, reduce costs, simplify processes, raise capital and improve working capital cash flow via our credit risk management and capital solutions.

The estimated national fleet of circa 200 000 privately owned minibus taxis remains the primary means of transport for most South African commuters, accounting for an estimated 69% of all household trips. The replacement of ageing minibus taxis continues to create robust demand for the finance, vehicles and related services provided by SA Taxi, intensified by the under-supply of Premium minibus taxis into the South African vehicle market. Furthermore, regardless of the depressed consumer economy, with transport spend being non-discretionary, commuters' use of minibus taxis has remained consistently high.

The regulatory environment remains volatile. Regulatory changes have been proposed or enacted regarding caps on interest rates, fees and related credit insurance premium charges. Legislation containing amendments to the National Credit Act (specifically as regards the prescription of debt) was enacted earlier this year while regulations regarding affordability assessments have also been introduced. Finally, recent court activity regarding the use of emolument attachment orders has been widely publicised and awaits clarification from the Constitutional Court. None of this should have a material financial impact on Transaction Capital's risk services division, as business processes were aligned and amended in anticipation of these changes almost three years ago. Furthermore, these events are largely irrelevant to the asset-backed lending division.

EARLY ADOPTION OF IFRS 9

Shareholders are referred to the SENS announcement released by Transaction Capital on 18 November 2015 for a detailed explanation of the early adoption of IFRS 9, as well as to Annexure 1 to this SENS announcement which further sets out the impact of the adoption and presents pro forma information for the 2014 financial year as if Transaction Capital adopted IFRS 9: Financial Instruments – classification and measurement (IFRS 9) on 1 October 2013. This will enable a like-for-like comparison between current and prior year results.

Excess capital held since the sale of two of its subsidiaries, Bayport Financial Services (Pty) Ltd and Paycorp Holdings (Pty) Ltd in the 2014 financial year, positioned Transaction Capital well to early adopt IFRS 9 and absorb the resulting one-off equity adjustment. In summary, the early adoption of IFRS 9 results in the following benefits to Transaction Capital:

- Accounting policies are more closely aligned to Transaction Capital's operational and risk management policies and strategic intentions;
- Increased provisions result in lower balance sheet risk, an approach favoured by management, especially in challenging economic conditions; and
- Future uncertainty relating to the implementation of IFRS 9 on financial results and ratios has been removed.

In addition to the general benefits explained above, there are two specific benefits of early adoption for our operating divisions:

- **Asset-backed lending:** The compulsory reclassification of Entry-level vehicle loans to fair value under IFRS 9 requires the business to consider all forward looking information and risks in the measurement of the asset class at market related discount rates rather than applying information arising from past events as required by IAS 39. This forward looking methodology results in lower fair values for this category of assets under IFRS 9 than the net carrying value (after provisions) as calculated according to IAS 39. This methodology aligns with management's strategy to accelerate the discontinuance of the Entry-level vehicle loan portfolio, now comprising only 2% of loans and advances, and thus achieving the objective of operating an exclusively Premium vehicle business from a financial perspective.
- **Risk services:** The application of IFRS 9 results in a better alignment of the amortisation profile of purchased book debts with the expected collections profile.

FINANCIAL PERFORMANCE

The financial tables and commentary incorporated in this SENS announcement provide a comparison of the 2015 results prepared in accordance with IFRS 9 with: (i) the 2014 published results prepared in accordance with IAS 39 and (ii) pro forma 2014 results calculated as if IFRS 9 was adopted on 1 October 2013. Throughout this document, all 2014 comparatives are pro forma numbers calculated as if IFRS 9 was adopted on 1 October 2013, unless otherwise indicated with a *. This is to enable comparison on a 'like-for-like' basis. Numbers marked with a * are based on previously published 2014 numbers prepared in terms of IAS 39. The pro forma financial information has been reported on by Deloitte & Touche in terms of International Standard on Assurance Engagements 3420 – Assurance Engagements to Report on the compilation of Pro Forma Financial Information and their Reporting Accountants Report can be inspected at the registered office of the company and the assumptions underlying these numbers are set out in Annexure 1 to this SENS announcement.

TRANSACTION CAPITAL GROUP

	Twelve months ended 30 September			Movement	
	2015	2014	2014	2015 IFRS 9	2015 IFRS 9
	IFRS 9	IFRS 9	IAS 39	v 2014 IFRS 9	v 2014 IAS 39
Consolidated income statement					
Headline earnings from continuing operations	Rm	302	330	30%	19%
Net interest income	Rm	821	814	13%	1%
Consolidated statement of financial position					
Loans and advances	Rm	6 160	6 386	11%	(4%)
Equity	Rm	2 611	2 963	14%	(12%)
Shareholder statistics					
Headline earnings per share from continuing operations	cents	69.0	57.3	32%	20%
Performance indicators					
Gross loans and advances	Rm	6 713	6 737	10%	(0%)
Provision coverage	%	8.2	5.7	(9%)	44%
Non-performing loan ratio	%	17.0	25.7	(10%)	(34%)
Non-performing loan coverage	%	48.6	22.1	2%	120%
Non-performing loans	Rm	1 138	1 731	(1%)	(34%)
Capital adequacy ratio	%	43.3	49.5	(5%)	(13%)
Net interest margin	%	12.8	13.1	(2%)	(2%)
Credit loss ratio	%	3.6	5.2	(14%)	(30%)
Return on average assets (ROA)	%	4.4	3.5	26%	26%
Return on average equity (ROE)	%	16.7	10.9	30%	53%
Final dividend per share	cents	12.0	10.0	20%	20%
Total dividend per share	cents	22.0	16.0	38%	38%
Total dividend cover	times	3.1	3.6	(6%)	(14%)

Transaction Capital's operations delivered pleasing results in line with expectations, despite challenging market conditions. Headline earnings from continuing operations grew by 19% from R330* million to R393 million and continuing headline earnings per share increased by 20% from 57.3* cents per share to 69.0 cents per share. When compared to 2014 IFRS 9 pro forma numbers the headline earnings growth is 30% and headline earnings per share growth is 32%.

Net interest income increased by 13%, driven by a 10% growth in gross loans and advances from R6 089 million to R6 713 million and increases in the prime interest rate offset in part by a higher average cost of borrowings of 10.7% from 10.4% the year before. Non-interest revenue increased by 5% to R1 195 million, mostly driven by MBD's improved agency collections but offset by a more subdued contribution from insurance operations. The cost-to-income ratio has improved to 64.2% from 67.8% last year.

Effective collection strategies, strict credit origination criteria and an improved quality of repossessed vehicles produced by Taximart have continued to promote improved credit metrics. Consequently, the non-performing loan (NPL) ratio showed excellent improvement from 18.8% to 17.0%, the credit loss ratio improved from 4.2% to 3.6%, and NPL coverage strengthened from 47.9% to 48.6%.

Return on average equity increased to 16.7% in the current period driven by the increase in earnings, effective but conservative capital deployment, as well as the lower equity base resulting from the IFRS 9 adoption.

Transaction Capital's equity and debt capital position remains robust, despite the IFRS 9 equity charge, with a capital adequacy level of 43.3% and uninterrupted access to the debt capital markets.

OPERATIONAL HIGHLIGHTS AND STRATEGY

ASSET-BACKED LENDING – SA TAXI

	Twelve months ended 30 September			Movement	
	2015	2014	2014	2015 IFRS 9	2015 IFRS 9
	IFRS 9	IFRS 9	IAS 39	v 2014 IFRS 9	v 2014 IAS 39
Credit performance					
Gross loans and advances	Rm	6 238	6 240	12%	(0%)
Carrying value of written off book	Rm	-	32	0%	(100%)
Impairment provision	Rm	(535)	(364)	2%	47%
Non-performing loan ratio	%	18.2	27.7	(11%)	(34%)
Credit loss ratio	%	3.9	5.5	(11%)	(29%)
Provision coverage	%	8.6	5.8	(9%)	48%
Non-performing loan coverage	%	47.0	21.0	2%	124%
Performance					
Headline earnings	Rm	212	176	20%	20%
Net interest margin	%	11.3	11.6	0%	(3%)
Average cost of borrowing	%	10.0	9.7	3%	3%
Cost-to-income ratio	%	48.7	44.1	0%	10%

COMMENTARY CONTINUED

The asset-backed lending division utilises its proprietary data sets and vertically integrated specialist capabilities to extend developmental credit, insurance, telematics, technology and allied services to the underserved and emerging SME market. Leveraging off its market positioning and strong balance sheet, the asset-backed lending division is:

- the leading provider of financial and allied services to SMEs in the fixed route minibus taxi industry. The division continues to entrench its strong market position encompassing the entire value chain within the fixed route minibus taxi industry, by augmenting its distinctive competencies well beyond credit assessment, collections and capital mobilisation. SA Taxi continues to uplift, diversify and enhance its revenue via the procurement and direct sales of new vehicles, the re-sale of refurbished vehicles and telematics services. Another key component of the value chain from which SA Taxi benefits is its short-term insurance business which continues to grow both its financed and non-financed policy portfolios. New developments include the planned establishment of a dedicated SA Taxi panel repair facility and vehicle dealership, to augment Taximart's refurbishment and direct sales capabilities;
- realising its intention to apply its competencies in adjacent markets where it is able to create defensible positions, such as the financing of income producing vehicles including bakkies used by SMEs and metered and Uber point-to-point taxis.

With moderate growth in gross loans and advances, improving credit metrics and a stable net interest margin and cost-to-income ratio it is evident that SA Taxi's credit, operational and financial performance is robust. The division increased headline earnings by 20% to R212 million from R176 million in the prior year, by way of a 12% increase in gross loans and advances, no change in the impairment expense, and a continued diversification of its revenue streams. The stable impairment charge despite the growth in the loans and advances was driven by improved credit quality and a better construct of its loans and advances with only 2% being Entry-level vehicles.

Credit granting criteria remained conservative and access to new Premium vehicles was interrupted from March 2015 onwards due to the temporary closure by Toyota of its local assembly facility to enable a full plant rebuild. The constrained supply of new Toyota minibus taxis has however, provided SA Taxi with an opportunity to re-finance more of its repossessed and refurbished vehicles as well as the recently launched Nissan minibus taxi.

Credit losses have improved from 4.4% in the prior year to 3.9% due to the improved quality of loans and advances, as well as the efficiency of the procurement, repair and resale operations of Taximart (now one of the largest Toyota repair centres in Southern Africa).

Continued strong collection trends and the improved quality of repossessed vehicles produced by Taximart, have resulted in an improved NPL ratio of 18.2% from 20.5% the year before.

With Entry-level vehicles comprising a minimal proportion of loans and advances, Transaction Capital expects the NPL ratio to remain in the high teens and the credit loss ratio to remain around 4% over the medium term.

The net interest margin has remained stable at a healthy level of 11.3%, while the cost of borrowing increased slightly from 9.7% to 10.0% due to the recent focus on raising offshore funding which is priced more expensively.

SA Taxi's cost-to-income ratio has improved slightly from 48.9% for the comparative period, and remains lean at 48.7%.

RISK SERVICES – RAND TRUST, MBD AND PRINCIPA

		Twelve months ended 30 September			Movement	
		2015	2014	2014	2015 IFRS 9	2015 IFRS 9
		IFRS 9	IFRS 9	IAS 39	v 2014 IFRS 9	v 2014 IAS 39
PERFORMANCE						
Headline earnings	Rm	134	88	116	52%	16%
Non-interest revenue	Rm	953	861	861	11%	11%
Purchased book debts	Rm	561	471	552	19%	2%
Cost-to-income ratio	%	82.5	86.9	82.1	(5%)	0%

The risk services division provides customer management and capital solutions, leveraging its large consumer credit data base, analytical capabilities and technology, thus improving its clients' ability to originate, manage and collect from their customers. The division works with large consumer credit providers across multiple industries, including banking, credit retailer, telecommunications, insurance, specialist lending, the public sector; as well as providing working capital and commercial receivables management solutions to SMEs.

The risk services division will build upon its leading market position, long established relationships, efficient operating platform and highly experienced team to:

- develop industry specialisation and bespoke solutions to go deeper into existing verticals, with specific focus on the credit retail, banking and specialist lending market segments;
- apply its scalable platform and expertise to expand into adjacent verticals; with both the insurance and telecommunications market sectors identified as growth segments, whilst continuing to focus on the public and municipal sectors;
- maximise the combined division's capabilities through a coordinated go-to-market approach;
- provide solutions earlier in the collections cycle and over time expand to offer full BPO solutions; and
- leverage its equity capital with external debt to design and deliver innovative, client specific capital solutions, thus increasing the volume and size of principal portfolios to be acquired.

At the beginning of the financial year, the executive team of the risk services division was restructured and augmented to facilitate the above strategic objectives. The reconstitution of this division has yielded promising results, with headline earnings increasing by 16%* to R134 million. Despite earnings growth in MBD and Rand Trust exceeding 30%, the disappointing performance of Principa, driven mainly by the challenging local consumer credit environment together with losses in its Qarar joint venture, significantly tempered performance. For these reasons, the Qarar joint venture was sold during September 2015 to Simah, Principa's Saudi joint venture partner.

The 11% increase in non-interest revenue from R861 million to R953 million during this period was encouraging, despite the challenging consumer environment. The risk services division continues to make pleasing progress with its existing and newly identified clients, with further benefits being realised from lucrative capital deployment opportunities. The division progresses with caution in the municipal sector as most municipalities are in financial distress.

Principal portfolios acquired this year are performing in line with expectations, with further books being purchased for R166 million in the current financial year. MBD currently owns 154 principal book portfolios.

A continued focus on effective cost management contributed to an improved cost-to-income ratio of 82.5% from 86.9% in the prior year.

GROUP EXECUTIVE OFFICE

The group executive office contributed R51 million to headline earnings in the current year, an increase of 34% from prior year earnings of R38 million, largely driven by cost savings as a result of the simplified group office structure.

FUNDING AND CAPITAL ADEQUACY

The local funding market is characterised by constrained liquidity and issuers paying a premium for access to a reduced funding pool. Although local investors have been more cautious in their approach, Transaction Capital has enjoyed uninterrupted access to both local and international funding pools.

SA Taxi returned to the local listed debt capital markets during April and November 2015 via the issuances of credit rated debt instruments via the asset-backed note programme of Transsec (RF) Ltd, successfully raising slightly less than R1 billion on a cumulative basis. To augment SA Taxi's access to the listed debt capital markets, our funding strategy remains innovative and continuously pursues multiple tactics in order to further diversify SA Taxi's funding base and access new pools of capital. As usual, the remainder of SA Taxi's debt requirement was successfully raised via both offshore and local unlisted funding sources.

PROSPECTS

The reconstitution of Transaction Capital's portfolio of assets under two distinct divisional pillars and the devolvement of authority and responsibility to competent divisional management teams is largely complete. This has enabled the group to focus on deploying its capital and resources to drive organic and acquisitive growth, thus enhancing the scale and entrenching the leading market positions of its divisions.

These divisions operate in market segments of the financial services sector perceived to be of higher risk that require a greater level of specialisation, which the group's businesses have developed and refined over a number of years. Transaction Capital's strategy is to augment and refine its specialised competencies to achieve deep vertical integration within its chosen market segments, as well as to leverage its existing and scalable platforms to create defensible positions within identified adjacent market segments.

Considering the low growth costs in the South African economy and its many challenges coupled with asset values which are at elevated levels, and in light of the attractive risk adjusted returns being achieved organically from Transaction Capital's established businesses, management remains circumspect and conservative in its acquisitive search. Transaction Capital favours a narrow focus on assets whose value can be enhanced by active management within its existing divisions. Transaction Capital thus applies stringent criteria when evaluating potential investments to ensure acquisitions will either enhance its specialist capabilities, enable access to adjacent market segments or diversify risk via international expansion.

In light of Transaction Capital's positioning within this socio-economic context, management believes that it is well positioned to achieve continued growth in the medium term.

DIVIDEND DECLARATION

In line with the stated dividend policy of 3 to 4 times and following the interim dividend of 10 cents per share, the board has declared a final gross cash dividend of 12 cents per share for the six months ended 30 September 2015, to those members recorded in the register of members on the record date appearing below. The dividend is declared out of income reserves. A dividend withholding tax of 15% will be applicable to the dividend to all shareholders that are not exempt from the dividend withholding tax, resulting in a net dividend of 10.20 cents per share. The salient features applicable to the final dividend are as follows:

Issued shares as at declaration date	568 055 166
Declaration date	Tuesday 24 November 2015
Last day to trade cum dividend	Thursday 10 December 2015
First day to trade ex dividend	Friday 11 December 2015
Record date	Friday 18 December 2015
Payment date	Monday 21 December 2015

Share certificates may not be dematerialised or rematerialised between Friday, 11 December 2015 and Friday, 18 December 2015, both dates inclusive.

On Monday, 21 December 2015 the cash dividend will be electronically transferred to the bank accounts of all certificated shareholders where this facility is available. Where electronic fund transfer is not available or desired, cheques dated 21 December 2015 will be posted on that date. Shareholders who have dematerialised their share certificates will have their accounts at their CSDP or broker credited on Monday, 21 December 2015.

BASIS FOR PREPARATION

These summarised financial results have been prepared under the supervision of M D Herskovits (CA)SA. They represent a summary of the audited consolidated financial statements of Transaction Capital Limited approved on 24 November 2015. The complete set of consolidated financial statements is available at Transaction Capital's registered office for inspection.

The summarised consolidated financial statements have been prepared in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, and the requirements of the Companies Act applicable to summary financial statements. The Listings Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IAS 34: Interim Financial Reporting and the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council.

The accounting policies and their application are in terms of IFRS and are consistent, in all material respects, with those detailed in Transaction Capital's prior year annual financial statements, with the exception of the adoption of IFRS 9.

SUBSEQUENT EVENTS

No events which would have a material impact on either the financial position or operating results of Transaction Capital have taken place between 30 September 2015 and the date of the release of this report.

APPROVAL BY THE BOARD OF DIRECTORS

Signed on behalf of the board of directors:

D M Hurwitz
Chief executive officer
24 November 2015

M D Herskovits
Chief financial officer

INDEPENDENT

AUDITOR'S REPORT ON THE SUMMARISED FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF TRANSACTION CAPITAL LIMITED

The summary consolidated financial statements of Transaction Capital Limited, contained in the accompanying abridged report, which comprise the summary consolidated statement of financial position as at 30 September 2015, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Transaction Capital Limited for the year ended 30 September 2015. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 24 November 2015. Our auditor's report on the audited consolidated financial statements contained an Other Matter paragraph "Other reports required by the Companies Act" (refer below).

The summary consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Transaction Capital Limited.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for abridged reports, set out in the basis of preparation note to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements, and for such internal control as the directors determine is necessary to enable the preparation of the summary consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Listings Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34, Interim Financial Reporting.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, Engagements to Report on Summary Financial Statements.

OPINION

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of Transaction Capital Limited for the year ended 30 September 2015 are consistent, in all material respects, with those consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for abridged reports, set out in the basis of preparation note to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

OTHER REPORTS REQUIRED BY THE COMPANIES ACT

The "other reports required by the Companies Act" paragraph in our audit report dated 24 November 2015 states that as part of our audit of the consolidated financial statements for the year ended 30 September 2015, we have read the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated financial statements. These reports are the responsibility of the respective preparers. The paragraph also states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited annual consolidated financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The paragraph does not have an effect on the summary consolidated financial statements or our opinion thereon.

Deloitte & Touche

Per: Ryan Duffy
Partner
24 November 2015

AUDITED RESULTS

SUMMARISED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 SEPTEMBER 2015

	2015 Audited Rm	2014 Audited Rm	Change %
Assets			
Cash and cash equivalents	1 169	1 345	(13)
Tax receivables	27	17	59
Trade and other receivables	621	493	26
Inventories	21	4	425
Loans and advances	6 160	6 386	(4)
Purchased book debts	561	552	2
Other loans receivable	257	293	(12)
Other investments	343	238	44
Equity accounted investments	–	7	(100)
Intangible assets	32	19	68
Property and equipment	60	51	18
Goodwill	197	192	3
Deferred tax assets	255	93	174
Total assets	9 703	9 690	0
Liabilities			
Bank overdrafts	52	101	(49)
Tax payables	13	2	550
Trade and other payables	253	242	5
Provisions	17	18	(6)
Interest-bearing liabilities	6 640	6 178	7
Senior debt	5 446	4 911	11
Subordinated debt	1 194	1 267	(6)
Deferred tax liabilities	117	186	(37)
Total liabilities	7 092	6 727	5
Equity			
Ordinary share capital and premium	468	483	(3)
Other reserves	122	96	27
Retained earnings	1 991	2 384	(16)
Equity attributable to ordinary equity holders of the parent	2 581	2 963	(13)
Non-controlling interests	30	–	100
Total equity	2 611	2 963	(12)
Total equity and liabilities	9 703	9 690	0

SUMMARISED CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2015

	2015 Audited Rm	2014 Audited Rm	Change %
Interest and other similar income	1 504	1 413	6
Interest and other similar expense	(683)	(599)	14
Net interest income	821	814	1
Impairment of loans and advances	(233)	(322)	(28)
Risk adjusted net interest income	588	492	20
Non-interest revenue	1 195	1 133	5
Operating costs	(1 295)	(1 220)	6
Non-operating profit	14	1	1 300
Equity accounted (loss)/earnings	(3)	3	(200)
Profit before tax	499	409	22
Income tax expense	(94)	(79)	19
Profit from continuing operations	405	330	23
Profit from discontinued operations	–	607	(100)
Profit for the year	405	937	(57)
Attributable to non-controlling equity holders	4	–	100
Attributable to ordinary equity holders of the parent	401	937	(57)
Basic earnings per share	70.4	162.7	(57)
Diluted basic earnings per share	69.8	162.3	(57)
Headline earnings per share	69.0	61.0	13
Headline earnings per share – continuing operations	69.0	57.3	20
Headline earnings per share – discontinued operations	–	3.7	(100)

SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2015

	2015 Audited Rm	2014 Audited Rm	Change %
Profit for the year	405	937	(57)
Other comprehensive income	14	(48)	129
Fair value losses arising on the cash flow hedge during the year	(1)	<1	0
Deferred tax	<1	<1	0
Fair value gains/(losses) arising on valuation of assets held at fair value through other comprehensive income	15	(48)	131
Total comprehensive income for the year	419	889	(53)
Attributable to non-controlling equity holders	4	–	100
Attributable to ordinary equity holders of the parent	415	889	(53)

AUDITED RESULTS

SUMMARISED HEADLINE EARNINGS RECONCILIATION

FOR THE YEAR ENDED 30 SEPTEMBER 2015

	2015 Audited Rm	2014 Audited Rm	Change %
Profit attributable to ordinary equity holders of the parent	401	937	(57)
Headline earnings adjustable items			
Profit on sale of joint venture	(8)	–	(100)
Profit on sale of subsidiary companies net of de-grouping tax payable	–	(586)	100
Headline earnings	393	351	12
Less: Headline earnings from discontinued operations	–	(21)	(100)
Headline earnings from continuing operations	393	330	19

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Share capital and premium	Other reserves	Retained earnings	Ordinary shareholders equity	Non- controlling interests	Total equity
Balance at 30 September 2013	1 779	385	1 551	3 715	180	3 895
Total comprehensive income	–	(48)	937	889	–	889
Profit for the year	–	–	937	937	–	937
Other comprehensive income for the year	–	(48)	–	(48)	–	(48)
Dividends paid	–	–	(104)	(104)	–	(104)
Grant of share appreciation rights	–	12	–	12	–	12
Repurchase of treasury shares	(15)	–	–	(15)	–	(15)
Repurchase of shares	(72)	–	–	(72)	–	(72)
Capital distribution	(1 209)	–	–	(1 209)	–	(1 209)
Disposal of subsidiary companies	–	(253)	–	(253)	(180)	(433)
Balance at 30 September 2014	483	96	2 384	2 963	–	2 963
IFRS 9 transitional adjustments	–	–	(672)	(672)	–	(672)
Revised opening balance	483	96	1 712	2 291	–	2 291
Total comprehensive income	–	14	401	415	4	419
Profit for the year	–	–	401	401	4	405
Other comprehensive income for the year	–	14	–	14	–	14
Dividends paid	–	–	(114)	(114)	–	(114)
Grant of share appreciation rights	–	16	–	16	–	16
Share appreciation rights – settlements	–	(4)	(8)	(12)	–	(12)
Issue of shares	12	–	–	12	–	12
Repurchase of shares	(27)	–	–	(27)	–	(27)
Transactions with non-controlling equity holders	–	–	–	–	26	26
Balance at 30 September 2015	468	122	1 991	2 581	30	2 611

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2015

	2015 Audited Rm	2014 Audited Rm	Change %
Net cash utilised by operating activities	(9)	(68)	(87)
Net cash (utilised)/generated by investing activities	(91)	2 385	(104)
Net cash utilised by financing activities	(27)	(1 296)	(98)
Net (decrease)/increase in cash and cash equivalents	(127)	1 021	(112)
Cash and cash equivalents at the beginning of the year	1 244	671	85
Less: Cash and cash equivalents at the beginning of the year relating to discontinued operations	–	(448)	(100)
Cash and cash equivalents at the beginning of the year from continuing operations	1 244	223	458
Cash and cash equivalents at the end of the year relating to continuing operations	1 117	1 244	(10)

SUMMARISED SEGMENT REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Asset-backed lending		Risk services		Group executive office		Group – continuing operations		Discontinued operations		Group	
	2015 Audited Rm	2014 Audited Rm	2015 Audited Rm	2014 Audited Rm	2015 Audited Rm	2014 Audited Rm	2015 Audited Rm	2014 Audited Rm	2015 Audited Rm	2014 Audited Rm	2015 Audited Rm	2014 Audited Rm
Summarised income statement for the year ended 30 September 2015												
Net interest income	672	674	71	57	78	83	821	814	-	-	821	814
Impairment of loans and advances	(233)	(317)	-	(5)	-	-	(233)	(322)	-	-	(233)	(322)
Non-interest revenue	242	250	953	861	-	22	1 195	1 133	-	-	1 195	1 133
Total operating costs	(445)	(408)	(845)	(760)	(5)	(52)	(1 295)	(1 220)	-	-	(1 295)	(1 220)
Non-operating profit	-	-	14	1	-	-	14	1	-	-	14	1
Equity accounted earnings	-	-	(3)	3	-	-	(3)	3	-	-	(3)	3
Profit before tax	236	199	190	157	73	53	499	409	-	-	499	409
Impact of classification to held for sale	-	-	-	-	-	-	-	-	-	11	-	11
Headline earnings from discontinued operations attributable to equity holders of the parent	-	-	-	-	-	-	-	-	-	10	-	10
Headline earnings attributable to equity holders of the parent	208	176	134	116	51	38	393	330	-	-	393	330
Total headline earnings	208	176	134	116	51	38	393	330	-	21	393	351
Summarised statement of financial position at 30 September 2015												
Assets												
Cash and cash equivalents	594	209	57	84	518	1 052	1 169	1 345	-	-	1 169	1 345
Loans and advances	5 703	5 908	457	478	-	-	6 160	6 386	-	-	6 160	6 386
Purchased book debts	-	-	561	552	-	-	561	552	-	-	561	552
Other investments	343	238	-	-	-	-	343	238	-	-	343	238
Other assets and receivables	888	534	299	276	283	359	1 470	1 169	-	-	1 470	1 169
Total assets	7 528	6 889	1 374	1 390	801	1 411	9 703	9 690	-	-	9 703	9 690
Liabilities												
Bank overdrafts	44	100	8	1	-	-	52	101	-	-	52	101
Interest-bearing liabilities	5 429	4 788	467	504	744	886	6 640	6 178	-	-	6 640	6 178
Group	1 019	788	166	172	(1 185)	(960)	-	-	-	-	-	-
Other liabilities and payables	134	195	246	223	20	30	400	448	-	-	400	448
Total liabilities	6 626	5 871	887	900	(421)	(44)	7 092	6 727	-	-	7 092	6 727
Total equity	902	1 018	487	490	1 222	1 455	2 611	2 963	-	-	2 611	2 963

ANNEXURE 1

Pro forma FINANCIAL EFFECTS OF THE ADOPTION OF IFRS 9

The pro forma statement of financial position as at 30 September 2014, income statement and statement of comprehensive income of Transaction Capital Limited (hereafter referred to as 'TCL') for the year ended 30 September 2014 set out below have been prepared to show the impact of the adoption of IFRS 9 on the consolidated financial statements of TCL.

The directors of TCL are responsible for the compilation, contents and preparation of financial information giving effect to the adoption of IFRS 9. Their responsibility includes determining that the pro forma financial information has been properly compiled on the basis stated, the basis is consistent with the accounting policies of TCL and the pro forma adjustments are appropriate for the purposes of the pro forma financial information disclosed pursuant to the Listings Requirements.

The pro forma statement of financial position, pro forma income statement and the pro forma statement of comprehensive income are presented in a manner consistent in all respects with IFRS, the Revised SAICA Guide on Pro forma Financial Information and the basis on which the historical financial information has been prepared in terms of accounting policies of TCL.

The pro forma statement of financial position, income statement and statement of comprehensive income as set out below should be read in conjunction with the Independent Reporting Accountant's unmodified report. Such report is available solely to comply with the requirements of the Listings Requirements and can be inspected at the registered office of the company. The rules and regulations related to the preparation of pro forma financial information in other jurisdictions may vary significantly from the requirements applicable in South Africa.

The pro forma statement of financial position set out below presents the effects of the adoption of IFRS 9 on the financial position of TCL as at 30 September 2014 based on the assumption that the adoption of IFRS 9 was implemented on 30 September 2014.

The pro forma income statement and statement of comprehensive income set out below presents the effects of the adoption of IFRS 9 on the consolidated results of TCL for the twelve months ended 30 September 2014 based on the assumption that the adoption of IFRS 9 was implemented on 1 October 2013.

The pro forma statement of financial position, income statement and statement of comprehensive income have been prepared for illustrative purposes only and because of their nature, may not fairly present TCL's financial position, changes in equity, results of operations or cash flows, nor the effect and impact of the adoption of IFRS 9 going forward.

ANNEXURE 1 Pro forma FINANCIAL EFFECTS OF THE ADOPTION OF IFRS 9

CONSOLIDATED

STATEMENT OF FINANCIAL POSITION

Amounts shown in Rm	2014 – ASSET-BACKED LENDING			Unaudited Pro forma after the adoption of IFRS 9	2014 – RISK SERVICES			Unaudited Pro forma after the adoption of IFRS 9	2014 – GROUP EXECUTIVE OFFICE			2014 – GROUP		
	Before ¹	Adjustments for the adoption of IFRS 9	Notes		Before ¹	Adjustments for the adoption of IFRS 9	Notes		Before ¹	Adjustments for the adoption of IFRS 9	Unaudited Pro forma after the adoption of IFRS 9	Before ¹	Adjustments for the adoption of IFRS 9	Unaudited Pro forma after the adoption of IFRS 9
Assets														
Cash and cash equivalents	209	–		209	84	–		84	1 052	–	1 052	1 345	–	1 345
Taxation receivable	15	–		15	3	–		3	–	–	–	18	–	18
Trade and other receivables	351	(3)	1	348	90	–		90	51	–	51	492	(3)	489
Inventories	3	–		3	1	–		1	–	–	–	4	–	4
Net loans and advances	5 908	(842)		5 066	478	(4)		474	–	–	–	6 386	(846)	5 540
Gross loans and advances	6 240	(842)	2,3	5 398	497	–		497	–	–	–	6 737	(842)	5 895
Written off book	32	(32)	4	–	–	–		–	–	–	–	32	(32)	–
Impairment provision	(364)	(162)	2,5	(526)	(19)	(4)	9	(23)	–	–	–	(383)	(166)	(549)
Loans and advances held at fair value	–	194	6	194	–	–		–	–	–	–	–	194	194
Purchased book debts	–	–		–	552	(81)	10	471	–	–	–	552	(81)	471
Loans receivable	6	–		6	–	–		–	287	–	287	293	–	293
Equity accounted investments	–	–		–	7	–		7	–	–	–	7	–	7
Other investments	238	–		238	–	–		–	–	–	–	238	–	238
Intangible assets	12	–		12	7	–		7	–	–	–	19	–	19
Property and equipment	28	–		28	19	–		19	4	–	4	51	–	51
Goodwill	60	–		60	132	–		132	–	–	–	192	–	192
Deferred taxation	59	185	7	244	17	–		17	17	–	17	93	185	278
Total assets	6 889	(660)		6 229	1 390	(85)		1 305	1 411	–	1 411	9 690	(745)	8 945
Liabilities														
Loans from group companies	787	–		787	173	–		173	(960)	–	(960)	–	–	–
Bank overdrafts	100	–		100	1	–		1	–	–	–	101	–	101
Tax payables	1	–		1	1	–		1	–	–	–	2	–	2
Trade and other payables	146	–		146	84	–		84	30	–	30	260	–	260
Interest bearing liabilities	4 788	–		4 788	504	–		504	886	–	886	6 178	–	6 178
Deferred taxation	49	(49)	7	–	137	(24)	11	113	–	–	–	186	(73)	113
Total liabilities	5 871	(49)		5 822	900	(24)		876	(44)	–	(44)	6 727	(73)	6 654
Equity														
Ordinary share capital	–	–		–	–	–		–	483	–	483	483	–	483
Ordinary share premium	319	–		319	(319)	–		(319)	–	–	–	–	–	–
Other reserves	98	–		98	(16)	–		(16)	14	–	14	96	–	96
Retained earnings	601	(611)	8	(10)	825	(61)	12	764	958	–	958	2 384	(672)	1 712
Total equity attributable to ordinary equity holders of the parent	1 018	(611)		407	490	(61)		429	1 455	–	1 455	2 963	(672)	2 291
Total equity and liabilities	6 889	(660)		6 229	1 390	(85)		1 305	1 411	–	1 411	9 690	(745)	8 945

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *CONTINUED***Notes and assumptions**

The "before" statement of financial position, income statement and statement of other comprehensive income are the audited published consolidated financial results of TCL at 30 September 2014.

1. The adoption of IFRS 9 results in the increase of the provision on trade and other receivables to reflect an expected loss.	
2. This represents gross loans and advances, as well as the related provision which continues to be held at amortised cost in accordance with IFRS 9 given TCL's business model to collect contractual cash flows and includes Premium level vehicles only.	
3. This adjustment to gross loans and advances includes the following:	
Reclassification of Entry-level gross loans and advances to loans and advances held at fair value*	(807)
Reclassification of suspended interest on credit impaired assets (Premium vehicles)**	(35)
	<u>(842)</u>

* Included in this balance of R807 million is repossessed stock of R142 million.

** The gross outstanding balance will increase each month based on the interest accrued for assets considered to be in a credit impaired state. The gross loans and advances and the provision held against these loans will be adjusted to reflect interest that has been suspended.

For more information, refer to note 2 in the consolidated income statement.

4. The adoption of IFRS 9 results in the reversal of the written off book valuation in accordance with paragraph 5.4.4 of IFRS 9 as the effects of past write off recoveries are now considered in the IFRS 9 credit impairment model (R32m).	
5. The provision for doubtful debts after the adoption of IFRS 9 relates to the Premium vehicles. Included in the IFRS 9 adjustment are the following:	
Reclassification of the provision on Entry-level vehicles to 'loans and advances held at fair value'	152
Reclassification of suspended interest on credit impaired assets	35
Measurement impact of the adoption of IFRS 9*	(349)
	<u>(162)</u>

* The expected loss is calculated on the gross loans and advances by applying the following formula:

$Expected\ loss = Gross\ loans\ and\ advances \times Probability\ of\ default\ (PD) \times Loss\ given\ default\ (LGD)$.

This approach is consistent with the methodology applied in the 2015 audited financial results, and all parameters are recalculated based on 2014 information.

The expected loss calculations are performed before the interest in suspense (IIS) adjustments:

	Pre-IIS adjustment	IIS adjustment	As reported
Gross loans and advances	5 433	(35)	5 398
Impairment provision	(561)	35	(526)

The LGD term is calculated explicitly using the appropriate time to default (TTD), exposure at default (EAD), time to repossession (TTR), expected future recovery value and contractual interest rate, as recalculated at 30 September 2014 based on the methodology applied in the 2015 audited financial results.

6. Loans and advances held at fair value include entry level vehicles which have been reclassified to fair value through profit and loss given TCL's business model of managing these assets on a fair value basis in accordance with IFRS 9.

The fair value at 30 September 2014 represents management's expectation of future cash flows, taking account of the anticipated value of the collateral discounted at a market related rate of 25%. This approach is consistent with the methodology applied in the 2015 audited financial results.

7. The adoption of IFRS 9 will result in the creation of, or increase in deferred tax assets based on IAS12, 'Income Tax'. The deferred tax asset has been recognised to the extent that it is probable that future taxable profits will be available against which to utilise deductible temporary differences.

	Deferred taxation asset	Deferred taxation liability
Opening balance – 30 September 2014	59	(49)
Impact of the adoption of IFRS 9	185	49
Revised closing balance – 30 September 2014	<u>244</u>	<u>-</u>

8. The total impact on retained earnings as a result of the adoption of IFRS 9.
9. The expected loss model requires an increase of R4 million to the provision against loans and advances in Rand Trust.
10. Purchased book debts are now carried at the uncapped amortised cost in accordance with IFRS 9 (previously capped amortised cost) based on the Group's business model of activating cash flows from its purchased book debts. The adjustment is calculated as the difference between the purchased book debts carrying value per the prior year audited results and the amount computed by applying the revised expected loss model compliant with IFRS 9. The following assumptions were made in the application of the expected loss model:
- The gross cash flows used as input to the expected loss model remained unchanged;
 - The expected loss model was computed by applying a mathematical curve bringing forward the timing of expected future credit losses in a manner consistent with past experience of their timing;
 - The explanatory contribution of macro-economic factors was tested and found to be insignificant. It was therefore concluded that the timing of future expected credit losses is sufficiently explained by micro-economic factors within the purchased book debts;
11. The adoption of IFRS 9 will result in the decrease in deferred tax liabilities based on IAS12, 'Income Tax'.
12. The total impact on retained earnings as a result of the adoption of IFRS 9.
13. No events which would have a material impact on the financial position of the group have taken place between 30 September 2015 and the date of release of this report.

ANNEXURE 1 Pro forma FINANCIAL EFFECTS OF THE ADOPTION OF IFRS 9

CONSOLIDATED

INCOME STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2015

Amounts shown in Rm	2014 – ASSET-BACKED LENDING			Unaudited Pro forma after the adoption of IFRS 9	2014 – RISK SERVICES			Unaudited Pro forma after the adoption of IFRS 9	2014 – GROUP EXECUTIVE OFFICE			Unaudited Pro forma after the adoption of IFRS 9	2014 – GROUP		
	Before ¹	Adjustments for the adoption of IFRS 9 ⁵	Notes		Before ¹	Adjustments for the adoption of IFRS 9 ⁵	Notes		Before ¹	Adjustments for the adoption of IFRS 9 ⁵	Unaudited Pro forma after the adoption of IFRS 9		Before ¹	Adjustments for the adoption of IFRS 9 ⁵	Unaudited Pro forma after the adoption of IFRS 9
Interest and other similar income	1 183	(89)	1	1 094	110	–		110	120	–	120	1 413	(89)	1 324	
Interest and other similar expense	(509)	–		(509)	(53)	–		(53)	(37)	–	(37)	(599)	–	(599)	
Net interest income	674	(89)		585	57	–		57	83	–	83	814	(89)	725	
Impairment of loans and advances	(317)	88	1,2	(229)	(5)	–		(5)	–	–	–	(322)	88	(234)	
Risk adjusted net interest income	357	(1)		356	52	–		52	83	–	83	492	(1)	491	
Non-interest revenue	250	–		250	861	–		861	22	–	22	1 133	–	1 133	
Non operating profit and equity accounted earnings	–	–		–	4	–		4	–	–	–	4	–	4	
Total operating costs	(408)	–		(408)	(760)	(38)	4	(798)	(52)	–	(52)	(1 220)	(38)	(1 258)	
Profit before tax	199	(1)		198	157	(38)		119	53	–	53	409	(39)	370	
Income tax expense	(23)	–	3	(23)	(41)	11	5	(30)	(15)	–	(15)	(79)	11	(68)	
Profit from continuing operations	176	(1)		175	116	(27)		89	38	–	38	330	(28)	302	

Notes and assumptions

The “before” statement of income statement are the audited published consolidated financial results of TCL at 30 September 2014.

- This interest in suspense is reclassified from interest income to impairment of loans and advances and represents interest suspended for the period 1 October 2013 to 30 September 2014, which under IFRS 9 is not recognised. The interest raised on the gross balance of all credit impaired advances are adjusted to reflect interest on only the net carrying value. The same approach is applied to all loans held at fair value. The calculation is as follows: suspended interest = average rate x average gross outstanding balance – average rate x average net carrying value, where the rate = contractual interest across the average loan book for the respective period.
- This represents the movement on the IFRS 9 provision for the period 1 October 2013 to 30 September 2014 and includes the following components:

Fair value gains and losses on ‘loans and advances held at fair value’*	(22)
Current year measurement impact of the adoption of IFRS 9*	21
Trade and other receivables	1
Gross loans and advances	22
Written off book	(2)
Reclassification of suspended interest on credit impaired assets	89
	88

* The provision and fair value at 30 September 2013 was calculated by applying the restated IFRS 9 coverage ratio as determined at 30 September 2014 to the gross loans balance at 30 September 2013. The movement results in a net R1.1 million increased impairment charge for the year.

- Represents the tax effects of the above IFRS 9 adjustments for the current period. Tax effect of IFRS 9 adjustments (calculated at 28%) – R453 000, therefore less than R1 million and rounded to zero.
- Adjustment to the carrying amount of purchased book debts as relates to the year ended 30 September 2014. The adjustment was calculated by rerunning the new IFRS 9 compliant amortised cost model as at 30 September 2013 and comparing the outcome to the audited results of September 2013. This amount was calculated as R43 million. The difference of R38 million (R81 million – R43 million) is the adjustment relating to September 2014.
- Deferred tax effect of the 2014 year adjustment to the carrying amount of purchased book debts.
- All IFRS 9 adjustments represent adjustments of a continuing nature.

TRANSACTION CAPITAL DATA SHEET

AT 30 SEPTEMBER 2015

		Twelve months ended 30 September			Movement	
		2015	2014	2013	2015	2014
		IFRS 9	IAS 39	IAS 39		
TRANSACTION CAPITAL GROUP						
Consolidated income statement*						
Interest and other similar income	Rm	1 504	1 413	1 225	6%	15%
Interest and other similar expense	Rm	(683)	(599)	(539)	14%	11%
Net interest income	Rm	821	814	686	1%	19%
Impairment of loans and advances	Rm	(233)	(322)	(283)	(28%)	14%
Risk-adjusted net interest income	Rm	588	492	403	20%	22%
Non-interest revenue	Rm	1 195	1 133	1 023	5%	11%
Total operating costs	Rm	(1 295)	(1 220)	(1 071)	6%	14%
Employee expenses	Rm	(671)	(641)	(590)	5%	9%
Cashing, transaction, processing and bank charges	Rm	(30)	(23)	(17)	30%	35%
Cost of sale of goods	Rm	(31)	(20)	(10)	55%	100%
Communication	Rm	(60)	(68)	(77)	(12%)	(12%)
Depreciation and amortisation	Rm	(17)	(17)	(19)	0%	(11%)
Consulting, professional, legal and audit	Rm	(43)	(40)	(48)	8%	(17%)
Commission expense	Rm	(16)	(22)	(32)	(27%)	(31%)
Rentals	Rm	(39)	(35)	(31)	11%	13%
VAT apportionment disallowed	Rm	(29)	(25)	(31)	16%	(19%)
Information technology	Rm	(24)	(24)	(22)	0%	9%
Other	Rm	(335)	(305)	(194)	10%	57%
Operating income	Rm	488	405	355	20%	14%
Non-operating profit	Rm	14	1	-	1 300%	100%
Equity accounted earnings	Rm	(3)	3	4	(200%)	(25%)
Profit before tax	Rm	499	409	359	22%	14%
Income tax expense	Rm	(94)	(79)	(76)	19%	4%
Profit from continuing operations	Rm	405	330	283	23%	17%
Profit from discontinued operations	Rm	-	607	303	(100%)	100%
Profit for the year	Rm	405	937	586	(57%)	60%
Profit for the year from continuing operations attributable to:						
Ordinary equity holders of the parent	Rm	401	330	283	22%	17%
Non-controlling equity holders	Rm	4	-	-	100%	0%
Profit for the year from discontinued operations attributable to:						
Ordinary equity holders of the parent	Rm	-	607	261	(100%)	133%
Non-controlling equity holders	Rm	-	-	42	0%	(100%)

* All Transaction Capital group income statement numbers have been re-presented to show continuing operations.

		Twelve months ended 30 September			Movement	
		2015	2014	2013	2015	2014
		IFRS 9	IAS 39	IAS 39		
TRANSACTION CAPITAL GROUP continued						
Headline earnings						
Profit attributable to ordinary equity holders	Rm	401	937	544	(57%)	72%
Adjustments for:						
Impairment of goodwill	Rm	-	-	1	0%	(100%)
Profit on disposal of joint venture/subsidiaries	Rm	(8)	(659)	-	(99%)	100%
De-grouping tax payable on sale of subsidiary	Rm	-	73	-	(100%)	100%
Headline earnings	Rm	393	351	545	12%	(36%)
Adjustment for:						
Headline earnings from discontinued operations	Rm	-	(21)	(262)	(100%)	(92%)
Headline earnings from continuing operations	Rm	393	330	283	19%	17%
Number of shares	m	568.1	569.6	582.6	(0%)	(2%)
Weighted average number of shares in issue	m	569.3	575.9	583.6	(1%)	(1%)
Consolidated statement of financial position						
Assets						
Loans and advances	Rm	6 160	6 386	10 232	(4%)	(38%)
Purchased book debts	Rm	561	552	420	2%	31%
Property and equipment	Rm	60	51	96	18%	(47%)
Inventories	Rm	21	4	84	425%	(95%)
Goodwill	Rm	197	192	594	3%	(68%)
Intangible assets	Rm	32	19	21	68%	(10%)
Cash and cash equivalents	Rm	1 169	1 345	673	(13%)	100%
Other investments	Rm	343	238	481	44%	(51%)
Non-current assets classified as held for sale	Rm	-	-	769	0%	(100%)
Other assets	Rm	1 160	903	961	28%	(6%)
Total assets	Rm	9 703	9 690	14 331	0%	(32%)
Liabilities						
Interest-bearing liabilities	Rm	6 640	6 178	9 601	7%	(36%)
Senior debt	Rm	5 446	4 911	7 470	11%	(34%)
Subordinated debt	Rm	1 194	1 267	2 131	(6%)	(41%)
Bank overdrafts	Rm	52	101	71	(49%)	42%
Liabilities directly associated with non-current assets classified as held for sale	Rm	-	-	180	0%	(100%)
Other liabilities	Rm	400	448	584	(11%)	(23%)
Total liabilities	Rm	7 092	6 727	10 436	5%	(36%)

UNAUDITED GROUP DATA SHEET

TRANSACTION CAPITAL DATA SHEETS *CONTINUED*

AT 30 SEPTEMBER 2015

		Twelve months ended 30 September			Movement	
		2015	2014	2013	2015	2014
		IFRS 9	IAS 39	IAS 39		
TRANSACTION CAPITAL GROUP continued						
Consolidated statement of financial position continued						
Equity						
Equity attributable to ordinary equity holders of the parent	Rm	2 581	2 963	3 715	(13%)	(20%)
Non-controlling interest	Rm	30	–	180	100%	(100%)
Total equity	Rm	2 611	2 963	3 895	(12%)	(24%)
Total equity and liabilities	Rm	9 703	9 690	14 331	0%	(32%)
Shareholder statistics						
Basic earnings per share from continuing operations	cents	70.4	57.3	48.5	23%	18%
Headline earnings per share from continuing operations	cents	69.0	57.3	48.5	20%	18%
Net asset value per share	cents	454.4	520.2	637.7	(13%)	(18%)
Tangible net asset value per share	cents	414.0	483.1	532.1	(14%)	(9%)
Interim dividend per share	cents	10.0	6.0	9.0	67%	(33%)
Final dividend per share	cents	12.0	10.0	12.0	20%	(17%)
Capital adequacy ratio						
Equity	Rm	2 611	2 963	3 895	(12%)	(24%)
Subordinated debt capital	Rm	1 194	1 267	2 131	(6%)	(41%)
Total capital	Rm	3 805	4 230	6 026	(10%)	(30%)
Less: Goodwill	Rm	(197)	(192)	(594)	3%	(68%)
Total capital less goodwill	Rm	3 608	4 038	5 432	(11%)	(26%)
Total assets less goodwill and cash and cash equivalents	Rm	8 337	8 153	13 064	2%	(38%)
Capital adequacy ratio	%	43.3	49.5	41.6	(13%)	19%
Equity	%	29.0	34.0	25.3	(15%)	34%
Subordinated debt	%	14.3	15.5	16.3	(8%)	(5%)

		Twelve months ended 30 September			Movement	
		2015	2014	2013	2015	2014
		IFRS 9	IAS 39	IAS 39		
TRANSACTION CAPITAL GROUP continued						
Performance indicators*						
Gross loans and advances	Rm	6 713	6 737	5 923	(0%)	14%
Carrying value of written off book	Rm	–	32	30	(100%)	7%
Impairment provision	Rm	(553)	(383)	(329)	44%	16%
Provision coverage	%	8.2	5.7	5.6	44%	2%
Non-performing loan ratio	%	17.0	25.7	29.0	(34%)	(11%)
Non-performing loan coverage	%	48.6	22.1	19.2	120%	15%
Non-performing loans	Rm	1 138	1 731	1 716	(34%)	1%
Capital adequacy ratio	%	43.3	49.5	41.6	(13%)	19%
Average assets	Rm	9 135	9 416	7 563	(3%)	25%
Average tangible assets	Rm	8 830	9 109	7 399	(3%)	23%
Average equity	Rm	2 422	3 038	1 835	(20%)	66%
Average tangible equity	Rm	2 118	2 730	1 672	(22%)	63%
Average gross loans and advances	Rm	6 437	6 220	5 500	3%	13%
Average interest-bearing liabilities	Rm	6 367	5 742	4 992	11%	15%
Total income	Rm	2 699	2 546	2 248	6%	13%
Net interest margin	%	12.8	13.1	12.5	(2%)	5%
Credit loss ratio	%	3.6	5.2	5.1	(31%)	2%
Non-interest revenue as a % of total income	%	44.3	44.5	45.5	(0%)	(2%)
Cost-to-income ratio	%	64.2	62.7	62.7	2%	0%
Effective tax rate	%	18.8	19.3	21.2	(3%)	(9%)
Return on average assets (ROA)	%	4.4	3.5	3.7	26%	(5%)
Return on average tangible assets (ROTA)	%	4.6	3.6	3.8	28%	(5%)
Return on average equity (ROE)	%	16.7	10.9	15.4	53%	(29%)
Return on average tangible equity (ROTE)	%	19.1	12.1	16.9	58%	(28%)
Services: EBITDA	Rm	188	159	135	18%	18%
Gearing	times	3.8	3.3	4.0	15%	(18%)
Debt issued	Rm	2 855	3 290	3 009	(13%)	9%
Gross yield on average assets	%	29.5	27.0	29.7	9%	(9%)
Gross yield on average gross loans and advances	%	41.9	40.9	40.9	2%	0%
Average cost of borrowing	%	10.7	10.4	10.8	3%	(4%)
Employees	Number	3 913	3 719	3 673	5%	1%

* All Transaction Capital group performance indicators are calculated on a continuing operations basis unless otherwise stated.

UNAUDITED GROUP DATA SHEET

TRANSACTION CAPITAL DATA SHEETS *CONTINUED*

AT 30 SEPTEMBER 2015

		Twelve months ended 30 September			Movement	
		2015	2014	2013	2015	2014
		IFRS 9	IAS 39	IAS 39		
ASSET-BACKED LENDING						
Condensed income statement						
Interest and other similar income	Rm	1 290	1 183	1 098	9%	8%
Interest and other similar expense	Rm	(618)	(509)	(488)	21%	4%
Net interest income	Rm	672	674	610	(0%)	10%
Impairment of loans and advances	Rm	(233)	(317)	(280)	(26%)	13%
Non-interest revenue	Rm	242	250	218	(3%)	15%
Total operating costs	Rm	(445)	(408)	(361)	9%	13%
Profit before tax	Rm	236	199	187	19%	6%
Total income	Rm	1 532	1 433	1 316	7%	9%
Profit after tax	Rm	212	176	154	20%	14%
Headline earnings	Rm	212	176	154	20%	14%
Profit and headline earnings for the period attributable to:						
Ordinary equity holders of the parent	Rm	208	176	154	18%	14%
Non-controlling interest	Rm	4	-	-	100%	0%
Other information						
Depreciation	Rm	7	8	6	(13%)	33%
Amortisation of intangible assets	Rm	3	3	1	0%	200%
Statement of financial position						
Assets						
Cash and cash equivalents	Rm	594	209	160	184%	31%
Other investments	Rm	343	238	175	44%	36%
Loans and advances	Rm	5 703	5 908	5 243	(3%)	13%
Property and equipment	Rm	33	28	26	18%	8%
Goodwill and intangibles	Rm	74	72	64	3%	13%
Goodwill	Rm	60	60	60	0%	0%
Intangibles	Rm	14	12	4	17%	200%
Other assets	Rm	781	434	345	80%	26%
Total assets	Rm	7 528	6 889	6 013	9%	15%
Liabilities						
Bank overdrafts	Rm	44	100	71	(56%)	41%
Interest-bearing liabilities	Rm	5 429	4 788	4 113	13%	16%
Senior debt	Rm	5 011	4 452	3 665	13%	21%
Subordinated debt	Rm	418	336	448	24%	(25%)
Group	Rm	1 019	788	774	29%	2%
Other liabilities	Rm	134	195	178	(31%)	10%
Total liabilities	Rm	6 626	5 871	5 348	13%	10%
Segment net assets	Rm	902	1 018	665	(11%)	53%

		Twelve months ended 30 September			Movement	
		2015	2014	2013	2015	2014
		IFRS 9	IAS 39	IAS 39		
ASSET-BACKED LENDING continued						
Capital adequacy						
Equity	Rm	902	1 018	665	(11%)	53%
Group funding	Rm	1 019	795	774	28%	3%
Subordinated debt	Rm	418	336	448	24%	(25%)
Total capital	Rm	2 339	2 149	1 887	9%	14%
Less: Goodwill	Rm	(60)	(60)	(60)	0%	0%
Total capital less goodwill	Rm	2 279	2 089	1 827	9%	14%
Total assets less goodwill and cash and cash equivalents	Rm	6 874	6 620	5 793	4%	14%
Capital adequacy ratio	%	33.2	31.6	31.5	5%	0%
Financial measures						
Net interest margin	%	11.3	11.6	11.8	(3%)	(2%)
Cost-to-income ratio	%	48.7	44.1	43.6	10%	1%
Return on average assets (ROA)	%	3.0	2.7	2.7	11%	0%
Return on average tangible assets (ROTA)	%	3.1	2.7	2.7	15%	0%
Gross yield on average gross loans and advances	%	25.7	24.6	24.2	4%	2%
Return on average equity (ROE)	%	28.4	18.6	30.6	53%	(39%)
Return on average tangible equity (ROTE)	%	36.0	20.0	35.7	80%	(44%)
Average cost of borrowing	%	10.0	9.7	9.6	3%	1%
Debt issued	Rm	2 418	2 441	1 593	(1%)	53%
Average assets	Rm	6 999	6 506	5 989	8%	9%
Average tangible assets	Rm	6 926	6 438	5 916	8%	9%
Average gross loans and advances	Rm	5 958	5 823	5 440	2%	7%
Average equity	Rm	750	947	504	(21%)	88%
Average tangible equity	Rm	592	879	431	(33%)	104%
Average interest-bearing liabilities	Rm	6 173	5 238	5 080	18%	3%
Employees	Number	627	560	484	12%	16%
Operational measures						
SA Taxi						
Status						
Number of loans	Number	25 033	24 346	23 453	3%	4%
Gross loans and advances	Rm	6 238	6 240	5 529	(0%)	13%
Carrying value of written off book	Rm	-	32	30	(100%)	7%
Impairment provision	Rm	(535)	(364)	(315)	47%	16%
Loans and advances	Rm	5 703	5 908	5 243	(3%)	13%
% Leases/Repossessions (Loans and advances, on value)	%	96/4	95/5	93/7	1%	2%
% Premium/entry level (gross loans and advances, on value)	%	98/2	84/16	80/20	17%	5%
Face value of written off book recognised	Rm	-	727	600	(100%)	21%
Originations						
Number of loans originated	Number	6 005	6 116	5 811	(2%)	5%
Value of loans originated	Rm	1 931	1 855	1 560	4%	19%
Average loan term	Months	66	67	66	(1%)	2%
% New/existing client (on value)	%	76/24	75/25	80/20	1%	(6%)
New vehicle originations	Rm	1 375	1 400	1 217	(2%)	15%
% Premium/entry level (new vehicle disbursements, on value)	%	100/0	100/0	97/3	0%	(90%)
Average origination value	R	321 565	303 303	268 479	6%	13%

UNAUDITED GROUP DATA SHEET

TRANSACTION CAPITAL DATA SHEETS *CONTINUED*

FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Twelve months ended 30 September			Movement		
	2015	2014	2013	2015	2014	
	IFRS 9	IAS 39	IAS 39			
ASSET-BACKED LENDING continued						
Operational measures continued						
Credit performance						
Credit loss ratio	%	3.9	5.5	5.4	(29%)	2%
Provision coverage	%	8.6	5.8	5.7	48%	2%
Non-performing loans	Rm	1 138	1 731	1 716	(34%)	1%
Non-performing loan ratio	%	18.2	27.7	31.0	(34%)	(11%)
Non-performing loan coverage	%	47.0	21.0	18.4	124%	14%
Impairment provision % repossessions	%	38.7	34.4	30.7	13%	12%
RISK SERVICES						
Condensed income statement						
Interest and other similar income	Rm	133	110	96	21%	15%
Interest and other similar expense	Rm	(62)	(53)	(40)	17%	33%
Net interest income	Rm	71	57	56	25%	2%
Impairment of loans and advances	Rm	–	(5)	(3)	(100%)	67%
Non-interest revenue	Rm	953	861	790	11%	9%
Total operating costs	Rm	(845)	(760)	(708)	11%	7%
Equity accounted earnings	Rm	(3)	3	4	(200%)	(25%)
Non-operating profit	Rm	14	1	–	1 300%	100%
Profit before tax	Rm	190	157	139	21%	13%
Total income	Rm	1 086	971	886	12%	10%
Profit after tax	Rm	142	116	104	22%	12%
Headline earnings						
Profit attributable to ordinary equity holders	Rm	142	116	104	22%	12%
Adjusted for:						
Profit on disposal of joint venture	Rm	(8)	–	–	100%	0%
Headline earnings	Rm	134	116	104	16%	12%
Services: EBITDA (MBD and Principa)	Rm	188	159	135	18%	18%
Other information						
Depreciation	Rm	8	8	8	0%	0%
Amortisation of intangible assets	Rm	3	3	3	0%	0%
Statement of financial position						
Assets						
Cash and cash equivalents	Rm	57	84	98	(32%)	(14%)
Loans and advances	Rm	457	478	381	(4%)	25%
Gross loans and advances	Rm	475	497	395	(4%)	26%
Impairment provision	Rm	(18)	(19)	(14)	(5%)	36%
Purchased book debts	Rm	561	552	420	2%	31%
Property and equipment	Rm	23	19	21	21%	(10%)
Goodwill and intangibles	Rm	91	78	74	17%	5%
Goodwill	Rm	71	71	71	0%	0%
Intangibles	Rm	20	7	3	186%	133%
Other assets	Rm	185	179	156	3%	15%
Total assets	Rm	1 374	1 390	1 150	(1%)	21%

	Twelve months ended 30 September			Movement		
	2015	2014	2013	2015	2014	
	IFRS 9	IAS 39	IAS 39			
RISK SERVICES continued						
Statement of financial position continued						
Liabilities						
Bank overdrafts	Rm	8	1	–	700%	100%
Interest-bearing liabilities	Rm	467	504	433	(7%)	16%
Group	Rm	166	172	93	(3%)	85%
Other liabilities	Rm	246	223	213	10%	5%
Total liabilities	Rm	887	900	739	(1%)	22%
Segment net assets	Rm	487	490	411	(1%)	19%
Financial measures						
CosHo-income ratio	%	82.5	82.1	83.8	0%	(2%)
Return on average assets (ROA)	%	9.9	9.1	9.6	9%	(5%)
Return on average equity (ROE)	%	27.8	26.7	27.8	4%	(4%)
Capital adequacy ratio	%	46.5	47.9	44.4	(3%)	8%
Average cost of borrowing	%	8.8	8.8	8.1	0%	9%
Return on sales (ROS)	%	13.1	11.9	11.7	10%	2%
Debt issued	Rm	437	849	939	(49%)	(10%)
Average assets	Rm	1 437	1 274	1 085	13%	17%
Average equity	Rm	510	438	374	16%	17%
Average interest-bearing liabilities	Rm	705	614	492	15%	25%
Employees	Number	3 265	3 124	3 119	5%	0%
Operational measures						
MBD						
Number of agency clients	Number	81	68	66	19%	3%
Number of collection agents	Number	2 787	2 695	2 744	3%	(2%)
Call centres	Number	11	10	9	10%	11%
Assets under management	Rb	35.4	31.7	25.8	12%	23%
Agency	Rb	19.4	17.9	14.4	8%	24%
Principal	Rb	16.0	13.8	11.4	16%	21%
Average book value of purchased book debts	Rm	510	528	393	(3%)	34%
Principal revenue as % of average book value of purchased book debts	%	75.7	58.3	65.1	30%	(10%)
Agency/Principal collections revenue split	%	49/51	51/49	54/46	(4%)	(6%)
Employees	Number	3 070	2 960	2 962	4%	(0%)
Principa						
Employees	Number	84	69	77	22%	(10%)
Rand Trust						
Gross loans and advances	Rm	433	450	339	(4%)	33%
Impairment provision	Rm	(11)	(7)	(5)	57%	40%
Loans and advances	Rm	422	443	334	(5%)	33%
Average debtor days outstanding	Days	46	44	44	5%	0%
Employees	Number	111	95	80	17%	19%

UNAUDITED GROUP DATA SHEET

TRANSACTION CAPITAL DATA SHEETS *CONTINUED*

FOR THE YEAR ENDED 30 SEPTEMBER 2015

		Twelve months ended 30 September			Movement	
		2015	2014	2013	2015	2014
		IFRS 9	IAS 39	IAS 39		
GROUP EXECUTIVE OFFICE						
Condensed income statement						
Net interest income	Rm	78	83	20	(6%)	315%
Non-interest revenue	Rm	-	22	15	(100%)	47%
Net operating costs	Rm	(5)	(52)	(2)	(90%)	2 500%
Profit before tax	Rm	73	53	33	38%	61%
Profit after tax	Rm	51	38	25	34%	52%
Headline earnings	Rm	51	38	25	34%	52%
Other information						
Depreciation	Rm	-	-	-	0%	0%
Amortisation of intangible assets	Rm	-	1	2	(100%)	(50%)
Statement of financial position						
Assets						
Cash and cash equivalents	Rm	518	1 052	36	(51%)	2 822%
Property and equipment	Rm	4	4	1	0%	300%
Goodwill and intangibles	Rm	-	-	19	0%	(100%)
Goodwill	Rm	-	-	18	0%	(100%)
Intangibles	Rm	-	-	1	0%	(100%)
Other assets	Rm	279	355	1 049	(21%)	(66%)
Total assets	Rm	801	1 411	1 105	(43%)	28%
Liabilities						
Interest-bearing liabilities	Rm	744	886	922	(16%)	(4%)
Group	Rm	(1 185)	(960)	(1 295)	23%	(26%)
Other liabilities	Rm	20	30	251	(33%)	(88%)
Total liabilities	Rm	(421)	(44)	(122)	857%	(64%)
Segment net assets	Rm	1 222	1 455	1 227	(16%)	19%
Debt issued	Rm	-	-	477	0%	(100%)
Employees	Number	21	35	70	(40%)	(50%)

		Twelve months ended 30 September			Movement	
		2015	2014	2013	2015	2014
		IFRS 9	IAS 39	IAS 39		
ENVIRONMENT						
Estimated minibus taxi market	Vehicles	200 000	200 000	200 000	0%	0%
Estimated minibus taxi market – financed	Vehicles	70 000	65 000	60 000	8%	8%
Consumers with impaired records						
NCR	%	45.0	45.0	48.0	0%	(6%)

PRO FORMA INFORMATION

The following information is presented in order to facilitate the comparison of prior year and current year financial information.

The information presents the effects of the adoption of IFRS 9 for the 12 months ended 30 September 2014, based on the assumption that the adoption of IFRS 9 was implemented on 1 October 2013.

		Twelve months ended 30 September			Movement	
		2015	2014	2014	2015 IFRS 9	2015 IFRS 9
		IFRS 9	IFRS 9	IAS 39	v 2014 IFRS 9	v 2014 IAS 39
TRANSACTION CAPITAL GROUP						
Consolidated income statement						
Headline earnings from continuing operations	Rm	393	302	330	30%	19%
Net interest income	Rm	821	725	814	13%	1%
Consolidated statement of financial position						
Loans and advances	Rm	6 160	5 540	6 386	11%	(4%)
Total assets	Rm	9 703	8 945	9 690	8%	0%
Equity	Rm	2 611	2 291	2 963	14%	(12%)
Shareholder statistics						
Headline earnings per share from continuing operations	cents	69.0	52.4	57.3	32%	20%
Net asset value per share	cents	454.4	402.2	520.2	13%	(13%)
Tangible net asset value per share	cents	414.0	365.2	483.1	13%	(14%)
Performance indicators						
Gross loans and advances	Rm	6 713	6 089	6 737	10%	(0%)
Carrying value of written off book	Rm	-	-	32	0%	(100%)
Impairment provision	Rm	(553)	(549)	(383)	1%	44%
Provision coverage	%	8.2	9.0	5.7	(9%)	44%
Non-performing loan ratio	%	17.0	18.8	25.7	(10%)	(34%)
Non-performing loan coverage	%	48.6	47.9	22.1	2%	120%
Non-performing loans	Rm	1 138	1 145	1 731	(1%)	(34%)
Capital adequacy ratio	%	43.3	45.4	49.5	(5%)	(13%)
Gearing	times	3.8	3.9	3.3	(3%)	15%
Net interest margin	%	12.8	13.0	13.1	(2%)	(2%)
Total income	Rm	2 699	2 458	2 546	10%	6%
Credit loss ratio	%	3.6	4.2	5.2	(14%)	(30%)
Cost-to-income ratio	%	64.2	67.8	62.7	(5%)	2%
Return on average assets (ROA)	%	4.4	3.5	3.5	26%	26%
Return on average tangible assets (ROTA)	%	4.6	3.7	3.6	24%	28%
Return on average equity (ROE)	%	16.7	12.8	10.9	31%	53%
Return on average tangible equity (ROTE)	%	19.1	14.7	12.1	30%	58%
Final dividend per share	cents	12.0	10.0	10.0	20%	20%
Total dividend per share	cents	22.0	16.0	16.0	38%	38%
Total dividend cover	times	3.1	3.3	3.6	(6%)	(14%)

UNAUDITED GROUP DATA SHEET

TRANSACTION CAPITAL DATA SHEETS *CONTINUED*

FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Twelve months ended 30 September			Movement		
	2015	2014	2014	2015 IFRS 9	2015 IFRS 9	
	IFRS 9	IFRS 9	IAS 39	v 2014 IFRS 9	v 2014 IAS 39	
ASSET-BACKED LENDING						
Credit performance						
Gross loans and advances	Rm	6 238	5 592	6 240	12%	(0%)
Carrying value of written off book	Rm	–	–	32	0%	(100%)
Impairment provision	Rm	(535)	(526)	(364)	2%	47%
Non-performing loan ratio	%	18.2	20.5	27.7	(11%)	(34%)
Credit loss ratio	%	3.9	4.4	5.5	(11%)	(29%)
Provision coverage	%	8.6	9.4	5.8	(9%)	48%
Non-performing loan coverage	%	47.0	45.9	21.0	2%	124%
Performance indicators						
Headline earnings	Rm	212	176	176	20%	20%
Net interest margin	%	11.3	11.3	11.6	0%	(3%)
Average cost of borrowing	%	10.0	9.7	9.7	3%	3%
Cost-to-income ratio	%	48.7	48.9	44.1	0%	10%
RISK SERVICES						
Performance indicators						
Headline earnings	Rm	134	88	116	52%	16%
Non-interest revenue	Rm	953	861	861	11%	11%
Purchased book debts	Rm	561	471	552	19%	2%
Cost-to-income ratio	%	82.5	86.9	82.1	(5%)	0%
Services: EBITDA (MBD and Principa)	Rm	188	121	159	55%	18%

FORMULAE AND DEFINITIONS

ITEM	DEFINITION
Average equity attributable to ordinary equity holders of the parent	Sum of equity attributable to ordinary equity holders of the parent at the end of each month from September to September divided by 13
Average gross loans and advances	Sum of gross loans and advances at the end of each month from September to September divided by 13
Average interest-bearing liabilities	Sum of interest-bearing liabilities at the end of each month from September to September divided by 13
Average tangible assets	Sum of tangible assets at the end of each month from September to September divided by 13. Tangible assets excludes investments fair valued through equity for accounting purposes
Average tangible equity attributable to ordinary equity holders of the parent	Sum of equity attributable to ordinary equity holders of the parent less goodwill, intangible assets and fair value movements through equity relating to investments at the end of each month from September to September divided by 13
Average total assets	Sum of total assets at the end of each month from September to September divided by 13
Average cost of borrowing	Interest expense expressed as a percentage of average interest-bearing liabilities
Capital adequacy ratio	Total equity plus subordinated debt capital less goodwill expressed as a percentage of total assets less goodwill and cash and cash equivalents
Cost-to-income ratio	Total operating costs expressed as a percentage of net interest income plus non-interest revenue
Credit loss ratio	Impairment of loans and advances expressed as a percentage of average gross loans and advances
EBITDA	Profit before net interest income, tax, depreciation and amortisation of intangible assets (specifically excluding amortisation of purchased book debts) for MBD and Principa only
Effective tax rate	Income tax expense expressed as a percentage of profit before tax
Entry-level vehicles	Vehicles brands: CAM, CMC, Jinbei, King Long, Polar Sun, Foton, Force Traveller, Peugeot
Gearing	Total assets divided by equity attributable to ordinary equity holders of the parent expressed in times
Gross loans and advances	Gross loans and advances specifically exclude the value of the written-off book brought back on to the balance sheet
Headline earnings	Headline earnings is defined and calculated as per the guidance issued by the South African Institute of Chartered Accountants (SAICA) in Circular 2/2013 of December 2013, currently being basic earnings attributable to ordinary shareholders adjusted for goodwill impairments, capital profits and losses and other non-headline items
Headline earnings from continuing operations	Headline earnings adjusted for non-headline items arising from discontinued operations as defined in SAICA Circular 2/2013
Headline earnings per share	Headline earnings divided by weighted average number of ordinary shares in issue

FORMULAE AND DEFINITIONS *CONTINUED*

ITEM	DEFINITION
Headline earnings per share from continuing operations	Headline earnings from continuing operations divided by weighted average number of ordinary shares in issue
Net asset value per share	Equity attributable to ordinary equity holders of the parent divided by number of ordinary shares in issue
Net interest margin	Net interest income as a percentage of average gross loans and advances
Non-performing loan coverage	Impairment provision expressed as a percentage of non-performing loans
Non-performing loan ratio	Non-performing loans expressed as a percentage of gross loans and advances
Non-performing loans	(a) the balance outstanding of loans and advances with a contractual delinquency greater than three months including repossessed stock on hand (b) reduced by the balance of such outstanding loans and advances for which three cumulative qualifying payments have been received in the three month period preceding the measurement date
Normalised headline earnings	Headline earnings adjusted for non-headline items arising from discontinued operations as defined in SAICA Circular 2/2013 and the cost of listing equity and debt instruments on an exchange
Normalised headline earnings per share	Normalised headline earnings divided by weighted average number of ordinary shares in issue
Premium vehicles	Non-entry level vehicles
Provision coverage	Impairment provision expressed as a percentage of gross loans and advances
Return on average assets	Profit for the year expressed as a percentage of average total assets
Return on average tangible assets	Profit for the year expressed as a percentage of average tangible assets
Return on average equity	Profit for the year attributable to ordinary equity holders of the parent expressed as a percentage of average equity attributable to ordinary equity holders of the parent
Return on average tangible equity	Profit for the year attributable to ordinary equity holders of the parent expressed as a percentage of average tangible equity attributable to ordinary equity holders of the parent
Structurally subordinated debt	Senior debt issued by a holding company within the group
Subordinated debt	Debt subordinated by agreement with the lender plus structurally subordinated debt
Tangible assets	Total assets less goodwill and other intangible assets
Tangible net asset value per share	Equity attributable to ordinary equity holders of the parent less goodwill and other intangible assets divided by number of ordinary shares in issue
Total income	Interest and other similar income plus non-interest revenue
Weighted average number of ordinary shares in issue	The number of ordinary shares in issue at the beginning of the year increased by shares issued during the year, weighted on a time basis for the year during which they have participated in the income of the group excluding treasury shares



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