

## Capital Adequacy Statement

AT 31 MARCH 2002

	Risk Weighting %	Average Assets 2002 R'000	Risk-weighted Assets 2002 R'000	Risk-weighted Assets 2001 R'000
<b>Banking activities</b>				
Cash, off-balance sheet balances and central government transactions	-	1,209,301	-	-
Transactions with other banks and irrevocable Letters of credit > three months	20	140,274	28,055	48,144
Residential mortgage loans and performance related guarantees on behalf of non-banks and unutilised facilities	50	458,755	229,377	173,577
All other assets and off-balance sheet counterparty risk, including impairment on large exposures	100	2,135,289	2,135,289	3,167,051
Large exposure impairment	100	1,315,670	1,315,670	
<b>Total</b>		<b>5,259,289</b>	<b>3,708,391</b>	<b>3,388,772</b>
			Risk-weighted capital requirement at 10% (2001:8%)	370,839
				271,102
<b>Trading activities</b>				
Capital adequacy requirement			400	5,631
<b>Total net qualifying capital</b>			<b>38,547</b>	<b>548,117</b>
Banking book allocation			37,994	503,925
Trading book allocation			553	44,192
Qualifying capital for banking activities as a percentage of risk-weighted assets:				
Primary capital			1,04%	14,87%
Secondary capital			0,51%	13,67%
			0,53%	1,20%

Following the guarantee of R265 million by CGD on a portion of the non-performing book during July 2002, the capital adequacy ratio for the bank has been restored to above the required minimum of 10%.