

**1 October 2007**

## **Press Release from Integer**

### **New Home Loan Provider Launched**

A new home loan provider was launched today with the stated aim of introducing further competition into the South African home loans market which is currently dominated by the big four banks.

The new company, Integer, led by Simon Stockley who founded SA Home Loans in 1999, has as its investors, Investec and Purple Capital, the listed financial services group.

'We are aiming to replicate what has happened in many international markets by challenging the status quo with a product that is flexible, very competitive on price and provides customers with a service that is personal, easy and fast,' said Stockley. 'In a mortgage market characterized by poor service and high costs, we believe that the market is crying out for a fresh option. We are looking for South Africans who are tired of poor service, high interest rate charges and fees.'

The strong points of differentiation for Integer will be service, product, innovation and price. Integer believe that the average South African home buyer has never experienced the fast, professional and personalised service they deserve when committing themselves to probably the largest single investment they will make in their lives.

Craig Beney, Managing Director said, "Integer's offering amounts to a range of service and product offerings, usually only made available to private bank clients, but we are for the first time extending this range of product offerings to the mass retail market. Thanks to our custom built IT platform, customers don't have to adapt and search for features. It comes in a personally tailored package. Our turnaround times will be significantly faster than the current average of 5 to 7 days that characterizes the industry. We aim to achieve a full credit approval, including external valuation, within 48 hours. We will be targeting both new and switch clients."

Integer offers a standard 240 month amortized home loan with two payment variations. Loans will be offered up to 85% of the home value, and up to an amount of R2,5 m. All Integer home loans come with a standard one percent credit facility on a Visa debit card at their home loan rate, and free internet banking.

Financing for Integer's loan book will be provided via securitization in the capital markets, a technique pioneered in South Africa by Stockley and SA Home Loans. The South African securitization market has grown exponentially over the last seven years with total issuances exceeding R86.7 bn in August 2007. Stockley says in countries such as the UK and Australia, the use of securitization has allowed the home loan market to evolve to a point where banks now only account for approximately 54% of the mortgage market in the UK, and approximately 75% in Australia. "With the South African debt markets now rated as the 6th most liquid in the world (source:BIS) and the relaxation of exchange controls allowing offshore funding, there is an opportunity for

