

Confidential

The Land and Agricultural Development Bank of South Africa  
P O Box 375 Pretoria 0001  
Block D Eco Glades 2 Office Park, 420 Witch Hazel Avenue Eco Park  
CENTURION



Tel: +27 (0)12 686 0500  
Fax: +27 (0)12 686 0682  
[www.landbank.co.za](http://www.landbank.co.za)

Registered credit provider: Reg number NCRCP18

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Dear Investor

## **NATIONAL TREASURY PROVIDES R5.7 BILLION GUARANTEE TO LAND BANK**

Following the Moody's report on the Land Bank's downgrade, the Bank has been in discussion with the shareholder (National Treasury) to explore potential levels of support (as per our previous communication), in order to stabilise its funding and liquidity position.

We are pleased to announce that the National Treasury has approved for the Bank to utilise R5.7 billion guarantees.

We also wish to reiterate that only the Global-Scale rating was downgraded to sub-investment grade of Ba1/Not Prime, the Bank's National-Scale Rating (NSR) remains above investment grade at Aa3 which is considered High grade, therefore the Bank still offers investors good value.

We would like to assure you of our commitment to continue driving the Bank on the growth and profitability path as well as development effectiveness in line with our mandate.

Yours Sincerely

Mr Sydney Soundy

Acting Chief Executive Officer

**Directors:** Mr MA Moloto (Chairperson), Ms DR Hlatshwayo (Deputy Chairperson), Mr SCE Soundy (Acting Chief Executive Officer),  
Ms SA Lund, Ms TT Ngcobo, Ms DN Motau, Adv. SJH Coetzee, Ms ME Makgatho, Dr ST Cornelius;  
Mr MS Makgoba and Ms KH Mukhari (Chief Financial Officer).  
Mr MK Mzaidume (Company Secretary)