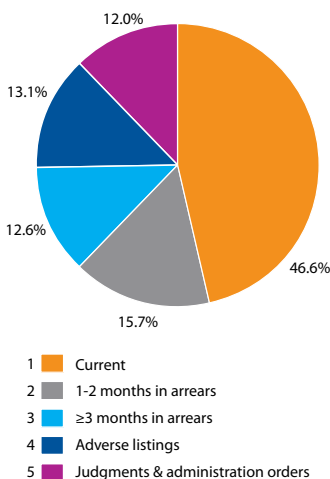


Credit Bureau Monitor - Summary

September 2007 | Quarter 3

Credit standing of consumer:
September 2007



In terms of the National Credit Act (NCA), credit bureaux are required to submit quarterly reports to the National Credit Regulator (NCR) in respect of consumer credit information held by each bureau. This report is the first release of information submitted by credit bureaux and includes data for the quarters ending June 2007 and September 2007.

Summary

The way in which consumers manage their accounts is reflected on the consumers' credit profile. A credit bureau creates the consumer credit profile from information which the bureaux receives from credit providers. Credit providers would normally do an enquiry to the credit bureau and review a consumer's credit record, before approving an application for credit. A consumer, who is generally up to date with his or her accounts, will likely qualify for further credit. However, the credit provider will also assess whether the consumer can afford the repayments, in addition to existing commitments. A consumer who has many unpaid instalments, or judgments or is already highly indebted may be considered as high risk and such a consumer's application may be rejected.

As at September 2007, the credit bureaux had records for 16.9 million credit active consumers.* Of these, the credit records of 10.5 million (62.3%) were "in good standing"*. This means that these consumers are up to date with all their account payments, or have not missed more than two instalments on any account.

There were a total of 50.98 million accounts listed on the credit bureaux, which means that on average each credit active consumer has 3 accounts.

The numbers indicated above are a reflection of consumer profiles after the implementation of the Section 73 Regulations. The Section 73 regulations required that the credit bureaux had to remove the information as specified in the regulations from consumers' credit records. This information included outdated entries, listings of small-amount debts and certain judgments that had been paid up by consumers.

Consumers received significant benefit from the data cleansing regulations. More than 5 million dormant accounts were removed, as well as more than 7 million adverse entries on debts of less than R500 and more than 1.2 million judgments. The data cleansing regulations had a positive impact on the credit records of more than 6 million consumers.

In terms of the National Credit Act, consumers can obtain a free credit report from a credit bureau once per year. From July 2007 to September 2007, the credit bureaux issued 59 169 credit reports to consumers, 84.8% of which were free reports.