

APPLICABLE PRICING SUPPLEMENT (IDCG11) – TAP ISSUE



INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA LIMITED
(established as a body corporate in terms of section 2 of the Industrial Development Corporation Act, 1940)

ZAR40,000,000,000 DOMESTIC MEDIUM TERM NOTE PROGRAMME

issue of ZAR308,000,000 Senior Unsecured 10.80% Fixed Rate Notes due 5 December 2026

The Programme Memorandum, dated 13 May 2015, was approved by the JSE on 13 May 2015.

This document constitutes the Applicable Pricing Supplement relating to the issue of the Tranche of Notes described herein ("**Notes**", "**this Tranche**" and "**this Tranche of Notes**") and must be read in conjunction with the Programme Memorandum.

The issue of this Tranche is a tap issue of the IDCG11 Notes, and all references to "**Notes**", "**this Tranche**" and "**this Tranche of Notes**" must, where appropriate, be construed accordingly.

References in this Applicable Pricing Supplement to the "**Terms and Conditions**" are to the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*". References to any Condition are to that Condition of the Terms and Conditions. Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Terms and Conditions.

To the extent that there is any conflict or inconsistency between the provisions of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

A. GENERAL DESCRIPTION OF THE NOTES

1.	Issuer	Industrial Development Corporation of South Africa Limited
2.	Tranche number	2
3.	Series number	11
4.	Status of the Notes	Senior Notes (see Condition 5 (<i>Status</i>)).
5.	Security	Unsecured
6.	Form of the Notes	The Notes are issued in uncertificated form and held by the Central Securities Depository.
7.	Type of Notes	Fixed Rate Notes
8.	Issue Date/Settlement Date	12 November 2018
9.	Aggregate Principal Amount of this Tranche	ZAR308,000,000
10.	Issue Price	106.63647% of the aggregate Principal Amount.
11.	Redemption/Payment Basis	Redemption at par
12.	Change of Interest or Redemption/Payment Basis	Not Applicable
13.	Specified Currency	ZAR
14.	Specified Denomination (Principal Amount per Note)	ZAR1,000,000

15. Minimum Specified Denomination of each Note ZAR1,000,000
16. Business Day Convention Following Business Day
17. Day Count Fraction Actual/365
- B. PROGRAMME AMOUNT**
1. Programme Amount as at the Issue Date ZAR40,000,000,000
2. Aggregate outstanding Principal Amount of all of the Notes in issue under the Programme (including Existing Tranches of Notes) as at the Issue Date ZAR18,956,000,000, excluding the aggregate Principal Amount of this Tranche of Notes and any other Tranche(s) of Notes Issued on the Issue Date specified in Item A(8) above.
3. Issuer confirmation as to Programme Amount The Issuer confirms that the issue of this Tranche of Notes will not cause the Issuer to exceed the Programme Amount
- C. FIXED RATE NOTES**
1. Fixed Interest Rate 10.80% per annum NACS payable semi-annually in arrear for the period from and including the Interest Commencement Date to but excluding the Applicable Redemption Date.
2. Interest Commencement Date 5 June 2018
3. Interest Payment Dates Semi-annually in arrear on 5 December and 5 June of each year until the Applicable Redemption Date or, if any such date is not a Business Day, the date determined in accordance with the Following Business Day Convention (see Item A(16) above).
4. First Interest Payment Date 5 December 2018
5. Interest Periods Each successive period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date (5 June 2018) and end on (but exclude) the First Interest Payment Date (5 December 2018) and the final Interest Period shall end on (but exclude) the Applicable Redemption Date, it being recorded, for the avoidance of doubt, that if any such date is not a Business Day, the date will be determined in accordance with the Following Business Day Convention (see Item C(3) above).
6. Initial Broken Amount Not Applicable
7. Final Broken Amount Not Applicable
8. Default Rate Not Applicable
9. Other terms relating to the method of calculating the Fixed Interest Rate Not Applicable
- D. REDEMPTION**
1. Final Redemption Date 5 December 2026
2. Final Redemption Amount The aggregate outstanding Principal Amount of this Tranche of Notes plus Interest (if any) accrued to the Final Redemption Date.
3. *Call Option:* Not Applicable

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4. **Optional early redemption by the Issuer following a Tax Event and/or a Change in Law and/or illegality:** Applicable (see Condition 8.3 (Optional early redemption by the Issuer following a Tax Event and/or a Change in Law and/or illegality))
- (a) Redemption in whole: Applicable
- (b) Redemption in part: Not Applicable
- (c) Early Redemption Date: The Interest Payment Date stipulated as the date for redemption of this Tranche of Notes in the notice of redemption given by the Issuer in terms of Condition 8.3 (Optional early redemption by the Issuer following a Tax Event and/or a Change in Law and/or illegality).
- (d) Early Redemption Amount: The aggregate outstanding Principal Amount of this Tranche of Notes plus interest (if any) accrued to the Early Redemption Date specified in Item D(4)(c) above.
5. **Put Option:** Not Applicable
6. **Optional early redemption by the Noteholders following a Change of Control Event:** Applicable (see Condition 8.5 (Optional early redemption by the Noteholders following a Change of Control Event))
- (a) Redemption in whole: Applicable
- (b) Redemption in part: Not Applicable
- (c) Noteholder notice: Any Noteholder of any Notes in this Tranche in respect of which a Change of Control Event has occurred may, by written notice to the Issuer effective upon the date of receipt thereof by the Issuer, declare any or all of those Notes ("Accelerated Notes") to be immediately due and payable, whereupon the Accelerated Notes (whether or not due for payment) shall become immediately due and payable, and the Issuer shall forthwith redeem the Accelerated Notes, at the Early Termination Amount.
- (d) Early Termination Amount: The Early Termination Amount, in relation to each Accelerated Note is the Outstanding Principal Amount of that Accelerated Note plus interest accrued (if any) to the Actual Redemption Date
7. Minimum Redemption Amount: Not Applicable
8. Maximum Redemption Amount: Not Applicable
9. **Early Termination Amount following an Event of Default:** See Condition 11.2 (Action following an Event of Default)
The Early Termination Amount, in relation to each Accelerated Note is the Outstanding Principal Amount of that Accelerated Note plus interest accrued (if any) to the Actual Redemption Date.
10. Section 4.22(gg) of the JSE Debt Listings Requirements (as amended): The Notes will not be "automatically redeemed on the occurrence of a trigger event" as contemplated in Section 4.22(gg) of the JSE Debt Listings Requirements (as amended).
11. Other terms: Not Applicable
- E. AGENTS AND SPECIFIED OFFICES**
1. Calculation/Issuer Agent: Industrial Development Corporation of South Africa Limited
2. Specified Office of the Calculation/Issuer Agent: 19 Fredman Drive, Sandown, Sandton 2196 South Africa

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| 3. | Settling Bank | Standard Chartered Bank (Johannesburg Branch) |
| 4. | Specified Office of the Settling Bank | 4, Sandown Valley, Sandown Valley Crescent, Sandton, 2196, South Africa |
| 5. | Transfer Agent | Industrial Development Corporation of South Africa Limited |
| 6. | Specified Office of the Transfer Agent | 19 Fredman Drive, Sandown, Sandton, 2196, South Africa |
| 7. | Issuer's Participant/Settlement Agent | Standard Chartered Bank (Johannesburg Branch) |
| 8. | Specified Office of the Issuer's Participant/Settlement Agent | 4, Sandown Valley, Sandown Valley Crescent, Sandton, 2196, South Africa |
- F. REGISTER CLOSED**
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| 1. | Last Day to Register | Up until 17h00 (South African time) on 30 May and 29 November of each year until the Applicable Redemption Date, being, in each instance, the last date on which the Transfer Agent will accept Transfer Forms and record in the Register the transfer of Notes represented by Individual Certificates. |
| 2. | Register Closed Period | The Register will be closed during the 5 (five) days preceding each Interest Payment Date and the Applicable Redemption Date from 17h00 (South African time) on the Last Day to Register until 17h00 (South African time) on the day preceding each Interest Payment Date and the Applicable Redemption Date, being the period during which the Register is closed for purposes of giving effect to transfers, redemptions or payments in respect of the Notes. |
| 3. | Books Closed Dates | 31 May and 30 November of each year until the Applicable Redemption Date. |
- G. GENERAL**
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| 1. | Exchange Control Approval | Not Applicable |
| 2. | Additional selling restrictions | Not Applicable |
| 3. | International Security Identification Number | ZAG000141037 |
| 4. | Stock Code Number | IDCG11 |
| 5. | Financial Exchange | JSE (Interest Rate Market of the JSE) |
| 6. | Debt Sponsor | The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division |
| 7. | Names of Dealers | FirstRand Bank Limited, acting through its Rand Merchant Bank division
Basis Points Capital Proprietary Limited |
| 8. | Stabilisation Manager (if applicable) | Not Applicable |
| 9. | Method of Distribution | Dutch Auction (sealed bid without feedback) |
| 10. | Bookbuild and Allocation Policy | As set out under "Auction and Allocation Methodology" in the "Term Sheet", dated 7 November 2018", prepared by the Dealers for purposes of placing the Notes. |
| 11. | Pricing Methodology | Not Applicable |

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| 12. | Governing law | The Notes and the Applicable Terms and Conditions are governed by, and shall be construed in accordance with, the laws of South Africa |
| 13. | Business centre | Johannesburg |
| 14. | Rating assigned to the Issuer as at the Issue Date, Rating Agency(ies) and date on which such Rating is expected to be reviewed | As at the Issue Date, the Issuer has a domestic long-term credit rating of (I) Baa3 from Moody's Investors Service South Africa Proprietary Limited last reviewed on 11 September 2018 (and expected to be reviewed from time to time) and (II) AA+(ZA) from Global Credit Rating Co. Proprietary Limited last reviewed in July 2018 (and expected to be reviewed from time to time). |
| 15. | Rating (if any) assigned to the Programme as at the Issue Date, Rating Agency(ies) and date on which such Rating is expected to be reviewed | Not Applicable |
| 16. | Rating (if any) assigned to this Tranche of Notes as at the Issue Date, Rating Agency(ies) and date on which such Rating is expected to be reviewed | Not Applicable |
| 17. | Use of proceeds | The Issuer will use the net proceeds from the issue of this Tranche of Notes for its general corporate purposes. |
| 18. | Material change | The Issuer confirms that, as at the date of signature of this Applicable Pricing Supplement, no material change in the financial or trading condition of the Issuer or any "subsidiary" (as defined in the Companies Act) of the Issuer has occurred since 31 March 2018 (being the end of the last financial period for which audited annual financial statements of the Issuer have been published). This statement has been confirmed by the auditors of the Issuer in the comfort letter, addressed to the Issuer and the Dealers, dated on or about the Issue Date. |
| 19. | Other relevant information | Not Applicable |

The Issuer certifies that, to the best of its knowledge and belief, there are no facts the omission of which would make any statement contained in this Applicable Pricing Supplement false or misleading, that all reasonable enquiries to ascertain such facts have been made, and that this Applicable Pricing Supplement contains all information required by the JSE Debt Listings Requirements (and all other Applicable Laws) to appear in this Applicable Pricing Supplement.

The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement, the annual financial statements of the Issuer, the annual report of the Issuer and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Programme Memorandum, this Applicable Pricing Supplement, the annual financial statements of the Issuer, the annual report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum, the annual financial statements of the Issuer, this Applicable Pricing Supplement, the annual report of the Issuer and any amendments or supplements to the aforementioned documents, and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

Application is hereby made to list Tranche 2 of Series 11 of the Notes on the Interest Rate Market of JSE Limited, as from 12 November 2018, pursuant to the Industrial Development Corporation of South Africa Limited ZAR40,000,000,000 Domestic Medium Term Note Programme.

For: **INDUSTRIAL DEVELOPMENT CORPORATION OF SOUTH AFRICA LIMITED**

By: 

duly authorised

Name of signatory: Paulus Bassy Makwane

Capacity: General Counsel

Date: 8 November 2018

By: 

duly authorised

Name of signatory: Nonkululeko Dlamini

Capacity: Chief Financial Officer

Date: 8 November 2018