

The Directors hereby present the results of Botswana Insurance Holdings Limited (BIHL) for the year ended 31 December 2014

Group Consolidated Income Statement

	Year to 31 Dec 2014 P'000	Year to 31 Dec 2013 P'000 Restated	
CONTINUING OPERATIONS			
Revenue			
Net premiums	1,986,683	1,878,026	6%
Gross premiums - recurring	990,628	929,846	7%
- single	1,018,374	959,680	6%
Premiums ceded to reinsurers	(22,319)	(11,500)	
Other income	950,092	3,036,022	(69%)
Fee income	110,915	98,039	13%
Investment income	972,569	594,856	63%
Loss on sale of subsidiary	(14,946)	-	
Net gains on financial assets held at fair value through profit or loss and investment properties	(118,446)	2,343,127	(105%)
Total revenue	2,936,775	4,914,048	(40%)
Net insurance and investment contract benefits and claims	(1,944,801)	(3,995,068)	(51%)
Gross benefits and claims paid	(1,202,383)	(1,058,207)	14%
Claims ceded to reinsurers	9,988	3,680	
Change in liabilities under investment contracts	(205,052)	(1,719,987)	
Change in policyholder liabilities under insurance contracts	(547,354)	(1,220,554)	
Expenses	(575,135)	(524,857)	10%
Selling expenses	(258,899)	(244,410)	
Administration expenses	(316,236)	(280,447)	
Profit before share of profit of associates and joint ventures	416,839	394,123	6%
Share of profit of associates and joint ventures	211,051	189,202	12%
Profit before tax from continuing operations	627,890	583,325	8%
Tax	(107,495)	(84,621)	27%
Current tax	(102,810)	(75,880)	
Deferred tax	(2,459)	(6,011)	
Capital gains tax	(2,226)	(2,730)	
Profit from continuing operations	520,395	498,704	4%
DISCONTINUED OPERATIONS			
Loss after tax for the year from discontinued operations	(14,750)	(3,931)	
Profit for the year	505,645	494,773	2%
Profit attributable to:			
- Equity holders of the parent from continuing operations	514,287	496,431	
- Equity holders of the parent from discontinued operations	(14,750)	(3,931)	
- Non-controlling interests from continuing operations	6,108	2,273	
	505,645	494,773	2%
Earnings per share (thebe) (attributable to ordinary equity holders of the parent)			
- Basic	183	181	1%
- Diluted	181	180	1%
Earnings per share (thebe) for continuing operations			
- Basic	188	183	3%
- Diluted	186	181	3%
Number of shares for calculating earnings per share			
Number of shares in issue	281,070,652	281,070,652	
Less shares in share scheme and treasury shares	(8,024,547)	(11,291,300)	
Shares used for calculating basic earnings per share	273,046,105	269,779,352	
Weighted number of dilutive options	3,511,777	2,140,098	
Shares used for calculating diluted earnings per share	276,557,882	271,919,450	

Group Consolidated Statement of Comprehensive Income

	Year to 31 Dec 2014 P'000	Year to 31 Dec 2013 P'000 Restated
Profit for the year	505,645	494,773
Other comprehensive income		
Exchange differences on translating foreign operations	(3,195)	21,944
Total comprehensive income for the year	502,450	516,717
Total comprehensive income attributable to:		
- Equity holders of the parent from continuing operations	511,092	518,375
- Equity holders of the parent from discontinued operations	(14,750)	(3,931)
- Non-controlling interests from continuing operations	6,108	2,273
	502,450	516,717

Restatement note

The Consolidated Income Statement and the Consolidated Statement of Comprehensive Income for the prior year has been restated to reflect the results of the discontinued operations.

Group Consolidated Statement of Financial Position

	At 31 Dec 2014 P'000	At 31 Dec 2013 P'000
ASSETS		
Property and equipment	20,138	20,828
Intangible assets	122,410	150,898
Long term reinsurance assets	3,728	6,123
Investment property	227,858	300,681
Investments in associates and joint ventures	1,647,451	1,439,221
Financial assets at fair value through profit or loss	11,973,414	11,293,287
- Bonds (Government, public authority, listed and unlisted corporates)	5,427,365	4,956,571
- Equity investments (Local and foreign)	6,013,540	5,711,195
- Policy loans and other loan advances	421,518	482,259
- Money market instruments	110,991	143,262
Deferred tax asset	495	2,344
Short term insurance receivables	1,788	23,063
Trade and other receivables	197,741	223,650
Tax receivable	1,498	26,973
Cash, deposits and similar securities	658,468	580,674
Total assets	14,854,989	14,067,742
EQUITY AND LIABILITIES		
Equity attributable to equity holders of parent		
Stated capital	130,821	130,821
Non distributable reserves	547,772	745,694
Retained earnings	2,007,474	1,528,886
Total equity attributable to equity holders of parent	2,686,067	2,405,401
Non-controlling interests	18,569	34,912
Total equity	2,704,636	2,440,313
Liabilities		
Policyholder liabilities under:	11,641,698	11,123,239
- Insurance contracts	7,350,937	6,809,709
- Investment contracts	4,290,761	4,313,530
Deferred tax liability	33,209	23,790
Short term insurance payables and provisions	6,983	24,159
Tax payable	18,403	1,222
Related party balances	4	3,041
Trade and other payables	450,056	451,978
Total equity and liabilities	14,854,989	14,067,742

Group Consolidated Statement of Changes in Equity

	Stated capital P'000	Non distributable reserves P'000	Retained earnings P'000	Total Equity attributable to equity holders of parent P'000	Non- controlling interests P'000	Total Equity P'000
For the year ended 31 December 2014						
Opening balances	130,821	745,694	1,528,886	2,405,401	34,912	2,440,313
Profit for the year	-	-	499,537	499,537	6,108	505,645
Foreign currency translation reserve movement	-	(596)	-	(596)	(2,599)	(3,195)
Dividend paid	-	-	(216,425)	(216,425)	(1,983)	(218,408)
Sale of minority interest	-	-	-	-	(17,869)	(17,869)
Transfers to retained earnings from non-distributable reserves	-	(209,795)	209,795	-	-	-
Other movements in reserves	-	12,469	(14,319)	(1,850)	-	(1,850)
Balances at 31 December 2014	130,821	547,772	2,007,474	2,686,067	18,569	2,704,636
For the year ended 31 December 2013						
Opening balances	130,821	583,724	1,230,416	1,944,961	33,651	1,978,612
Profit for the year	-	-	492,500	492,500	2,273	494,773
Foreign currency translation reserve movement	-	21,944	-	21,944	-	21,944
Dividend paid	-	-	(98,375)	(98,375)	(1,012)	(99,387)
Transfers from retained earnings to non-distributable reserves	-	93,177	(93,177)	-	-	-
Other movements in reserves	-	46,849	(2,478)	44,371	-	44,371
Balances at 31 December 2013	130,821	745,694	1,528,886	2,405,401	34,912	2,440,313

HIGHLIGHTS

REVENUE

↑ Net premium income **increased** by **6%** to

P1.99 billion

↑ Fee income **increased** by **13%** to

P111 million

↑ Value of new business **increased** by **35%** to

P148.2 million

EARNINGS

↑ Operating profit **increased** by **4%** to

P287.2 million

↑ Core earnings **increased** by **3%** to

P319.6 million

↑ Profit attributable to equity holders **increased** by **1%** to

P499.5 million

ASSETS UNDER MANAGEMENT

↑ Assets under management **increased** by **7%** to

P28.9 billion

EMBEDDED VALUE

↑ Embedded value **increased** by **17%** to

P3.8 billion

Return on Group Embedded value is **24%**

DIVIDENDS

↑ **P 216.4 million** paid as dividends during the year (2013: P98.4million)

↑ Final normal dividend proposed of **P 126.5 million** (gross of tax)

SOLVENCY

↑ Business is well capitalized, required capital for the life business covered **11.29 times** (December 2013: 9.5 times)

Group Consolidated Statement of Cash Flows

	Year to 31 Dec 2014 P'000	Year to 31 Dec 2013 P'000
Cash flows from /(utilised in) operating activities	915,426	(3,971,630)
Cash flows (utilised in)/from investing activities	(837,632)	3,791,765
Net increase/(decrease) in cash and cash equivalents	77,794	(179,865)
Cash and cash equivalents at the beginning of the year	580,674	760,539
Cash and cash equivalents at the end of the year	658,468	580,674
Represented by:		
Cash deposits and similar securities	101,391	119,937
Funds on deposit	557,077	460,737
	658,468	580,674

Group Embedded Value

The Embedded Value represents an estimate of the value of the Group, excluding the value attributable to minority interests and goodwill attributable to future new business. The embedded value comprises:

- > the value of the shareholders' net assets; and
- > the value of the in-force business adjusted for the cost of required capital to support this business.

The value of the in-force is the present value of future after-tax profits arising from business in force at the calculation date.

	Year to 31 Dec 2014 P'000	Year to 31 Dec 2013 P'000
Embedded value results		
Shareholders' net assets after fair value adjustments	2,848,931	2,489,393
Shareholders' net assets, excluding goodwill	2,601,978	2,313,929
Fair value adjustments	246,953	175,464
Value of in-force	974,758	770,768
Value before cost of capital	1,137,117	957,625
Fair value adjustments	(83,211)	(58,178)
Cost of capital	(79,148)	(128,679)
Embedded value at end of year	3,823,689	3,260,161
Embedded value per share (Pula)	14.00	11.94
Embedded value earnings	3,823,689	3,260,161
Embedded value at beginning of year	3,260,161	2,700,868
Change in embedded value	563,528	559,293
Dividends paid	216,425	98,375
Embedded value earnings	779,953	657,668
Return on embedded value	24%	24%

Group Embedded Value (continued)

	Year to 31 Dec 2014 P'000	Year to 31 Dec 2013 P'000
These earnings can be analysed as follows:		
Expected return on life business in force	451	74,697
Value of new business	148,249	109,711
Value at point of sale	142,405	101,558
Expected return to end of year	5,844	8,153
Operating experience variances	95,947	12,015
Mortality/Morbidity	82,597	59,911
Persistency	2,562	(5,543)
Expenses	(5,310)	(14,115)
Other	16,098	71,762
Operating assumption changes	96,487	29,129
Mortality/morbidity	(14,029)	33,780
Persistency	50,816	(3,470)
Expenses	(8,343)	(5,528)
Other	68,043	4,347
Embedded value earnings from operations	422,134	325,552
Investment variances	26,708	96,997
Economic assumption changes	22,822	27,330
Inflation	4,501	6,090
Risk discount rate	18,321	21,240
Embedded value earnings from covered business	471,664	449,879
Return on shareholders assets	257,822	312,714
Investment Returns	125,330	129,854
Net profit non-life operations	132,492	182,860
Change in shareholders' fund adjustments	50,467	(104,925)
Changes in treasury share adjustments	4,011	49,215
Movement in fair value of incentive scheme shares	1,940	19,093
Movement in present value of holding company expenses	(25,033)	4,849
Movement in other net worth adjustments	69,549	(178,082)
Embedded value earnings	779,953	657,668
a) Value of new business		
Value of new business at calculation date	148 253	109 711
Value before cost of capital	156 452	121 885
Recurring premium	64 536	44 897
Single premium	91 916	76 988
Cost of capital	(14 047)	(20 327)
Expected return to end of year	5 844	8 153
b) Fair value adjustments		
Staff share scheme	6 120	4 180
Non-life operations write-up to fair value	172 055	108 819
Group holding expenses	(83 211)	(58 178)
Reversal of cross holding adjustment	68 778	62 465
Total	163 742	117 286
Consisting of:		
Net Asset Value adjustments	246 953	175 464
Value of In Force adjustments	(83 211)	(58 178)
c) Assumptions		
The main assumptions used are as follows:		
1. Economic assumptions	% p.a	% p.a
Risk discount rate	11.00	11.50
Overall investment return (before taxation)	8.58	9.09
Expense inflation rate	4.50	5.00

2. Other assumptions

The assumptions for future mortality, persistency and premium escalation were based on recent experience adjusted for anticipated future trends.

Commentary

ECONOMIC ENVIRONMENT

Global economic growth remains fragile. Monetary policy will continue to be accommodative in major economies, still providing liquidity and fostering resilience of the financial sector to support economic expansion. Growth in advanced economies is forecast at 2.4 percent by the IMF, with the USA expected to grow by 3.6 percent, while growth in Europe is projected at 1.2 percent. Growth in emerging markets and developing countries is expected at 4.3 percent in 2015 and 4.7 percent in 2016.

In Europe, the threat of deflation makes reducing rates less risky and the European Central Bank (ECB) adopted a less conventional monetary policy of quantitative easing (QE) in January 2015.

While the outlook of Africa is positive in terms of investment destination, uncertainties in some oil rich countries such as Nigeria are a concern as low oil prices put considerable pressure on those countries' public finance. With the threat of Ebola subsiding, some West African countries (Guinea Conakry, Sierra Leone and Liberia) could see a revival of growth in 2015 as we will see a freer flow of capital both human and financial from and to those affected areas.

Botswana growth rate is estimated at around 5.0 percent. Inflation is well within Bank of Botswana's target range of 3 to 6 percent.

The inflation outlook looks positive on account of worldwide oil price decreases, weak outlook for the European economy and weaker demand worldwide.

Accounting policies and presentation

The accounting policies adopted for the period comply in all material respects with International Financial Reporting Standards (IFRS) and are presented in the manner required by the Botswana Insurance Industry Act (Cap 46:01) and the Companies Act of Botswana (Companies Act, 2003).

These policies are consistent with those applied for the year ended 31 December 2013.

FINANCIAL OVERVIEW

	Year to 31 Dec 2014 P'000	Year to 31 Dec 2013 P'000	% Change
Analysis of shareholders' earnings			
Operating profit	287 199	277 273	4%
Investment income on shareholders' assets	32 448	32 807	(1%)
Core Earnings	319 647	310 080	3%
Fair value adjustments on sale of subsidiary	(15 878)	-	-
Profit on sale of short-term insurance division	932	-	-
Share of profit of associates net of tax	211 051	189 202	12%
Investment surpluses on shareholders' assets	97 388	80 112	22%
Profit before tax	613 140	579 394	6%
Tax	(107 495)	(84 621)	27%
Profit after tax	505 645	494 773	2%
Minority shareholders' interest	(6 108)	(2 273)	
Profit attributable to ordinary shareholders	499 537	492 500	1%
Operating profit by business			
Life	317 469	275 698	15%
Asset management	49 153	43 926	12%
General insurance	(27 925)	(11 709)	(138%)
Group expenses	(21 416)	(17 041)	26%
Impairment of goodwill	(20 160)	-	-
Other	(9 922)	(13 601)	(27%)
Total	287 199	277 273	4%

Operating profit for the life business increased by 15% due to good operational earnings from all the business lines. The asset management results have been positively affected by the growth in assets under management due to good investment returns and clients' net contributions during the year. The short term insurance result has been adversely affected by restructuring costs incurred as a result of the sale of the general lines business during the year. Other expenses relate to the Unit Trusts business and CSI trust that experienced increased activities.

Investment income on shareholder assets which comprise dividend income and interest income remained flat due to the prevailing low interest rate environment. Investment surpluses for shareholders increased due to satisfactory capital gains, this income line remains susceptible to market volatilities.

The tax expense ratio increased compared to prior year due to general lines losses and impairment of goodwill which were not tax deductible.

Embedded value

The Group's embedded value has increased by an impressive 17% to P3.8 billion. The embedded value was positively affected by good operating earnings, especially the life business, and improved market value for the non-life operations. The embedded value allows for P216.4 million dividends paid during the year.

Value of new life business

The value of new life business (VNB) grew significantly by 35% to P148.2 million as a result of significant growth in most of the business lines and changes in mortality assumptions. Improved persistency levels have also contributed to the positive earnings. The changing economic environment resulted in a change in the risk discount rate which impacted positively on the VNB.

OVERVIEW OF OPERATIONS

For management purposes, the group is organised into three principal business areas based on their products and services and these make up the three reportable operating segments as follows:

- > The life insurance segment which provides life insurance services to its customers through Botswana Life Insurance Limited, a subsidiary of the Group
 - > The asset management segment which provides asset management services to its customers through Botswana Insurance Fund Management Limited, a subsidiary of the Group
 - > The general insurance segment which provides legal insurance to its customers through BIHL Insurance Company Limited, a subsidiary of the Group
 - > Inter-segment transactions that occurred during 2014 and 2013 between business segments are set on an arm's length basis in a manner similar to transaction with third parties. Segmental income, segment expense and segment results will then include those transfers between business segments, which will then be eliminated on consolidation.
 - > Other segments
- The source of revenue for segments included in other segments is Unit Trust business, Holding Company and the Corporate Social Investment Trust.

SEGMENT RESULTS

For the year ended 31 December 2014	Life Business P'000	Asset Management P'000	General Insurance P'000	Inter Other P'000	Consolidated Segmental P'000	Total P'000
CONTINUING OPERATIONS						
Premium revenue	1,948,073	-	38,610	-	-	1,986,683
Fee revenue						
- Internal	-	5,548	-	-	(5,548)	-
- External	-	107,062	697	3,156	-	110,915
Investment income	452,176	535,799	769	462,598	(478,773)	972,569
Profit on sale of short-term insurance division	-	-	932	-	-	932
Fair value losses on sale of subsidiary	-	(15,878)	-	-	-	(15,878)
Fair value gains and losses	150,298	(268,744)	-	-	-	(118,446)
Total net income	2,550,547	363,787	41,008	465,754	(484,321)	2,936,775
Policyholder benefits paid	(1,173,806)	-	(18,589)	-	-	(1,192,395)
Change in liabilities under investment contracts	-	(205,052)	-	-	-	(205,052)
Change in policyholder liabilities under insurance contracts	(547,354)	-	-	-	-	(547,354)
Impairment of goodwill	-	-	-	-	(20,160)	(20,160)
Administration expenses	(171,278)	(63,458)	(32,396)	(94,987)	66,042	(296,076)
Selling expenses	(257,735)	-	(1,164)	-	-	(258,899)
Profit(loss) before share of associates and joint ventures	400,374	95,277	(11,141)	370,767	(438,439)	416,839
Share of profit of associate net of tax	-	20,104	-	190,947	-	211,051
Income tax expense	(84,000)	(23,660)	878	(16,945)	16,232	(107,495)
Profit after tax from continuing operations	316,374	91,721	(10,263)	544,769	(422,207)	520,395
Loss from discontinued operations	-	-	(14,750)	-	-	(14,750)
Profit/(loss) for the year	316,374	91,721	(25,013)	544,769	(422,207)	505,645

For the year ended 31 December 2013	Life Business P'000	Asset Management P'000	General Insurance P'000	Inter Other P'000	Consolidated Segmental P'000	Total P'000
CONTINUING OPERATIONS (RESTATE)						
Premium revenue	1,844,243	-	33,783	-	-	1,878,026
Fee revenue						
- Internal	-	5,271	-	-	(5,271)	-
- External	-	94,414	1,031	2,594	-	98,039
Investment income	419,799	194,319	369	115,428	(135,059)	594,856
Fair value gains and losses	793,155	1,553,294	-	(3,322)	-	2,343,127
Total net income	3,057,197	1,847,298	35,183	114,700	(140,330)	4,914,048
Policyholder benefits paid	(1,038,326)	-	(16,201)	-	-	(1,054,527)
Change in liabilities under investment contracts	-	(1,719,987)	-	-	-	(1,719,987)
Change in policyholder liabilities under insurance contracts	(1,220,554)	-	-	-	-	(1,220,554)
Administration expenses	(171,626)	(55,759)	(25,097)	(61,720)	33,755	(280,447)
Selling expenses	(243,372)	-	(1,038)	-	-	(244,410)
Profit(loss) before share of associates and joint ventures	383,319	71,552	(7,154)	52,980	(106,575)	394,123
Share of profit of associate net of tax	-	43,198	-	146,004	-	189,202
Income tax expense	(68,918)	(17,073)	677	(6,685)	7,378	(84,621)
Profit after tax from continuing operations	314,401	97,677	(6,477)	192,299	(99,197)	498,704
Loss from discontinued operations	-	-	(3,931)	-	-	(3,931)
Profit/(loss) loss for the year	314,401	97,677	(10,408)	192,299	(99,197)	494,773

Life insurance business

Premium income grew by 6% over prior year from P1.84 billion to P1.95 billion with all lines contributing to the positive movement. Individual Life New Business Annual Premium Equivalent (APE) grew 16% which is an outstanding performance.

Operating Profit grew 15% year on year to P 317.5 million from P275.7 million. The value of new business which represents the present value of future profits from new business premiums written during the year also grew by an excellent 40% year on year. Unit acquisition costs reduced by 13% compared to last year due to improved new business volumes and disciplined expenditure. Unit maintenance costs grew 1% over prior year in line with operating expenses.

The use of the Life Rewards card by our clients as a convenient way to receive their benefits has gained popularity with the uptake doubling since June 2014, inching close to 34,000 cards in issue. The highlight of this innovation is that it enables clients to enjoy quick turnaround times in accessing benefits and provides the previously unbanked an opportunity to access banking services. Following the conclusion of the Sekgantshwane 2014 strategy, management crafted a five year strategy which is focused on steering the company towards greater growth. Management firmly believes that the implementation of this new strategy will focus the company on achieving real growth on all its key performance indicators despite growing competition and muted economic growth.

Asset management business

BIFM Group achieved very satisfactory results for the year 2014 that was as a result of continued growth of assets under management well supported by positive net client contributions. Year on year operating profit and profit before tax and minorities increased by 12% respectively. BIFM Group incurred an adverse fair value adjustment of P15.9 million that was as a result of the sale of its controlling interest in a Zambian property investment company; this once off event is not expected to reoccur in similar transactions in

2015. Subsequent to year end, assets under management reduced by 30% as a result of a mandate withdrawal. Group Embedded Value calculations at 31 December 2014 have taken this decrease into consideration. The business commenced with realignment processes that will ensure that it is optimally structured for the decreased volume of operational activities.

Short term insurance business

The BIHL Sure business comprised of two distinct business lines; the general lines that provided conventional short term insurance solutions and Legal Guard, the leading legal expenses cover product in the country.

As reported at half year, although the company had high hopes for this business since starting in 2012, continued market challenges including strong price competition and slower than anticipated penetration of the commercial lines market resulted in the business taking a view to discontinue offering short term insurance by mid-2014. The short term book was sold to Botswana Insurance Company effective 31 August 2014.

For Legal Guard, 2014 marked the 10th anniversary of the introduction of Botswana's first ever legal assistance solutions. Following the decision to withdraw from the general insurance market, the business has refocused on the Legal Guard Division. We are pleased to report that the optimization of Legal Guard has begun to bear fruit both in terms of growth in customer base and improved financial performance. The process will continue into 2015 building on the successes achieved thus far by re-aligning our products to meet current market requirements and improving the customer experience of Legal Guard.

CAPITAL MANAGEMENT AND SOLVENCY

The Group still remains in a very strong position with respect to capital adequacy. The continued strong position was taken into consideration by the board when resolving an interim dividend that was significantly higher than the comparative interim dividend of previous years. The board has consequently adopted an approach in terms of which future dividends will be paid at a level where the Group's capital position will remain strong but more aligned with future capital requirements across the Group and sustained levels of Return on Group Equity Value.

SOCIAL RESPONSIBILITY

BIHL Group remains aware of the social responsibility it has in the communities it operates in and thus the establishment of the BIHL Trust. Established in 2007, the BIHL Trust has an independent board which is governed by a Deed of Trust.

The BIHL Group had been committed to contribute 1% of post tax profit to the BIHL Trust, with the aim to pioneer and support development initiatives across Botswana for Batswana. The Trust's areas of interest include: poverty alleviation; economic empowerment projects; development of human resources through education and training; social welfare services, including youth development; public health; public recreation including sports; rural development and conservation of the environment.

Through its commitment to create better communities, BIHL Trust has granted over P10 million to worthy causes. BIHL Trust remains committed to aiding Batswana and making meaningful contributions to the country and people who have helped make the business what it is today. For more information, visit www.bihl.co.bw

LOOKING AHEAD

2015 marks a significant milestone for the BIHL Group as we celebrate 40 years of contributing to the financial services industry as well as the development of our country. Throughout the years we have been providing innovative insurance and investment solutions to our clients which we are proud of, proven by our successful track record, coupled with consistent honouring of our promises to clients.

We will focus on defending our market share as we continue to offer our clients and customers the highest level of service. Following the significant reduction in the assets under management, the business will have to restructure in response to this. We will focus on diversifying the profit sources through acquisitions in financial services. The continued uncertainty in the global markets is expected to continue to affect the results, but despite this, we expect to achieve continued growth for our shareholders. We would like to thank all our Clients, Brokers, Agents, Staff and other Stakeholders for the on-going partnership and support and look forward to serving them in the future.

CHANGES IN DIRECTORSHIPS

There were no changes in directorships since we reported in August 2014.

DIVIDEND DECLARATION

The Directors have resolved to award a final dividend for the year of 45 thebe per share (gross of tax).

The important dates pertaining to the dividends are:

Declaration date	11 February 2015
Last day to register for dividend	27 March 2015
Payment of dividend	17 April 2015

For and on behalf of the Board

B Dambe-Groth (Chairman)
03 March 2015

G Hassam (Group CEO)

The report of the auditor is available for inspection at the company's registered office.