

BOTSWANA INSURANCE HOLDINGS LIMITED (BIHL)
(Incorporated in Botswana on 21 November 1990)
(Registration number 90/1818)

Share code: BIHL and ISIN BW 000 000 0033
("BIHL" or "the Company" or "the Group")

PRESS STATEMENT

BIHL Reissues the 2017 Financial Results

Gaborone, Friday 23rd March 2018 – Shareholders are referred to the Group's 2017 full year consolidated results which were published at the Botswana Stock Exchange on the 2nd of March 2018 and discussed with the stakeholders on the 6th of March 2018 at Avani hotel.

Botswana Insurance Holdings Limited has a significant shareholding of 26.17 % in Letshego Holdings Limited (LHL), a listed entity on the Botswana Stock Exchange. On the 12 March 2018, LHL reissued its results following advice relating to uncertain tax treatment for the 2015-2017 financial years. The Botswana Insurance Holdings Limited Board had an opportunity to review the impact of the Letshego Holdings Limited consolidated financial results for the year ended 31 December 2017.

Following careful consideration of the impact of the changes in the company's published results, the Board resolved that though the changes relate to non-core operations, the financial impact to BIHL's result is material and therefore requires that the shareholders and potential investors be kept abreast of this development. The Board has thus authorised the reissuance of the 2017 financial results, and they can be accessed at www.bihl.co.bw.

The impact of changes on some of the Group's key measures are follows:

	Reissued on 23rd March 2018	Published on 2nd March 2018	Difference
	P'000	P'000	P'000
Operating profit	333,142	333,142	-
Core earnings	346,408	346,408	-
Profit attributable to equity holders	349,057	395,286	(46,229)
Share of profit of associates and joint ventures	72,927	119,156	(46,229)
Total equity attributable to equity holders of the parent	2,896,507	2,983,788	(87,281)
Return on embedded value (%)	7.0%	10.1%	(3.1%)
Required Capital Cover	5.3X	5.5X	(2X)

The core earnings of the Group remain unchanged at P346 million. However, the review of the results required a P25.9 million increase in impairment due to the change in valuation arising out of the increase in the effective tax rate, which is a key input in our internal valuation process.

Despite the profit attributable to equity holders coming down by P46 million there will be no change to the year-end normal dividend of 67 thebe per share (gross of tax) and special dividend of 35 thebe per share (gross of tax) as the normal dividend is paid out from core earnings and special dividend is paid from proceeds received from the sale of non-core operations.

The BIHL Board and Management remain committed to delivering value to our shareholders.

By order of the Board

Company Secretary

Haig Ndzinge

Date: 23 March 2018

www.bihl.co.bw