

# MMI delivers strong operating performance while pursuing growth

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MMI Holdings Limited (MMI) today announced its interim results for the six months to 31 December 2013, delivering a solid performance and impressive annualised return on embedded value of 20% for shareholders.

- Comparable VALUE of NEW BUSINESS up 23% to R378 million
- Annualised RETURN on EMBEDDED VALUE OF 20%
- Profits from OPERATING DIVISIONS UP 24%
- Diluted CORE HEADLINE EARNINGS UP 13% TO R1.7 billion
- Interim DIVIDEND UP 12% TO 57 CENTS PER SHARE

MMI Holdings Limited (MMI) today announced its interim results for the six months to 31 December 2013, delivering a solid performance and impressive annualised return on embedded value of 20% for shareholders. Core headline earnings grew by 13% to R1 656 million, while the group declared an interim dividend of 57 cents per share, representing a 12% increase when compared to the same period of last year.

MMI remains firmly focused on delivering consistent strong operating performance. The group reported a 24% increase in profits from operating divisions, which was helped by strong double

digit growth across most divisions for the six months under review. In addition, strategic growth initiatives within each division, combined with plans and processes to identify and optimise business opportunities, position the group well for future success.

All divisions focused on acquiring high quality new business. MMI's value of new business increased by 23% to R378 million, with very strong growth in the value of new business of the Momentum Retail and Momentum Employee Benefits divisions.

"While conditions have remained economically challenging and highly competitive, we have delivered against our strategic commitments. MMI's strong growth of 23% in the value of new business makes us confident that we have identified the right strategies in unlocking value for our shareholders," said Nicolaas Kruger, MMI CEO.

MMI recently announced the acquisition of a majority stake in Kenyan insurer, Cannon Assurance Limited. The Cannon deal, which is still subject to some conditions, will enable Metropolitan International to broaden its product offering to include short-term insurance and asset management in Africa. "GDP growth in the rest of Africa remains resilient and the group is strongly positioned to deliver client-centric products and services that meet the increased appetite for insurance and savings among consumers," said Kruger.

The acquisition of Guardrisk was finalised in February 2014, with the approval of the Financial Services Board and the competition authorities.

The latest acquisitions, together with organic growth initiatives, demonstrate the group's strategic intent to expand its business through diversification; as it pursues growth both locally and outside of South Africa.

"We are focusing on growth, excellence and being client-centric to achieve our strategic aspirations," concludes Kruger.