

## **FITCH AFFIRMS MMI GROUP & GUARDRISK AT IFS 'AA+(ZAF)'; WITHDRAWS RATINGS**

Fitch Ratings-London-08 June 2016: Fitch Ratings has affirmed MMI Group Limited's (MMI Group), Guardrisk Insurance Company Limited's (Guardrisk Insurance) and Guardrisk Life Limited's (Guardrisk Life) National Insurer Financial Strength (IFS) ratings at 'AA+(zaf)'. Fitch has also affirmed Mauritius-based Guardrisk International Limited PCC's (GIL) IFS rating at 'BBB'. The Outlooks are Stable.

The companies are subsidiaries of MMI Holdings (MMI). The agency has simultaneously withdrawn all ratings for commercial reasons.

A full list of rating actions is available at the end of this commentary.

### **KEY RATING DRIVERS**

The affirmation reflects MMI's strong capital position, well-diversified domestic franchise, and sound profitability. Offsetting these key rating drivers is the group's exposure to the weak South African operating environment, and the risk of earnings volatility stemming from the group's exposure to investment markets.

Fitch views group capital adequacy, both on the agency's internal metrics and on a statutory solvency basis, as strong for the ratings. Capital has remained broadly stable, with the MMI group's Prism Factor-based model score remaining 'Very Strong' for the financial year ended June 2015.

### **RATING SENSITIVITIES**

Not applicable

### **FULL LIST OF RATING ACTIONS**

#### **MMI Group Ltd**

- National IFS rating affirmed and withdrawn at 'AA+(zaf)'; Outlook Stable
- National Long-Term rating affirmed and withdrawn at 'AA(zaf)'; Outlook Stable
- Subordinated debt affirmed and withdrawn at 'A+(zaf)'

#### **MMI Holdings Ltd**

- National Long-Term rating affirmed and withdrawn at 'AA-(zaf)'; Outlook Stable

#### **Guardrisk Insurance Company Limited**

- National IFS rating affirmed and withdrawn at 'AA+(zaf)'; Outlook Stable

#### **Guardrisk Life Limited**

- National IFS rating affirmed and withdrawn at 'AA+(zaf)'; Outlook Stable

#### **Guardrisk International Limited PCC**

- IFS rating affirmed and withdrawn at 'BBB'; Outlook Stable

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#### Applicable Criteria

Insurance Rating Methodology (pub. 17 May 2016)

[https://www.fitchratings.com/creditdesk/reports/report\\_frame.cfm?rpt\\_id=881564](https://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=881564)

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