

Summarised,  
**audited results**  
announcement and  
cash dividend declaration

for the year ended 30 June 2013

## KEY HIGHLIGHTS

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Normalised earnings

**+7%**  
to 169.9 cents

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Ordinary dividend

**+19%**  
to 95 cents

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Market value

**+45%**  
to 2 520 cents

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## Economic environment

The macro-economic environment remained challenging over the financial year ended 30 June 2013 with global growth as a whole remaining uncertain and below the long-term trend throughout the period.

However, during 2013 activity in the United States (US) started to improve to such a degree that its central bank authorities contemplated the possible unwinding of current US monetary policy stimulus. This development negatively impacted emerging market flows, which had benefited from low US interest rates. Emerging economies have gradually lost growth momentum, even though they are still outperforming the developed world.

For South Africa this resulted in some currency weakness. Amidst an atmosphere of diminished investor confidence arising from increasing social and labour instability, South Africa's economic performance and prospects have also dimmed meaningfully over the past year.

## Overview of results

For all our investments, operating conditions remained challenging and highly competitive. Local equity markets remained high while interest rate and currency volatility continued. Overall consumer confidence remained fragile.

Particularly violent hailstorms in Gauteng during the last quarter of 2012 resulted in our short-term insurance businesses experiencing the most severe weather related catastrophes in their history.

Notwithstanding such a challenging background, all of the businesses in which Rand Merchant Insurance Holdings Limited (RMI) is invested produced satisfying results, with strong growth in normalised earnings being recorded by Discovery, driven largely by the performance of its United Kingdom operations:

## Normalised earnings

R million	For the year ended 30 June		
	2013 Audited	2012 Audited	% change
Discovery	2 787	2 316	20
MMI	3 241	2 955	10
OUTsurance	1 161	1 157	–
RMBSI	89	96	(7)

As a result, the earnings derived by RMI from its investments in these companies were as follows:

R million	For the year ended 30 June		
	2013 Audited	2012 Audited	% change
<b>Normalised earnings from:</b>			
– Discovery	699	579	21
– MMI	803	746	8
– OUTsurance	990	1 010	(2)
– RMBSI	70	74	(5)
	2 562	2 409	6
Funding and holding company costs	(37)	(39)	5
<b>Normalised earnings</b>	2 525	2 370	7
<b>Normalised earnings per share (cents)</b>	169.9	159.5	7

RMI regards normalised earnings as the appropriate basis to evaluate business performance as it eliminates the impact of non-recurring items and accounting anomalies.

A reconciliation of the adjustments made to derive normalised earnings is presented in the accompanying schedules.

### Market value of investments

On the back of strong financial performance, Discovery and MMI, the group's two listed associates, benefited from a significant market re-rating during the financial year. Discovery's market capitalisation on the JSE increased by 62% while that of MMI rose by 23%.

Over the course of the year, RMI's market capitalisation increased by 45%:

- as a result of the above-mentioned re-rating of our listed investments; as well as
- an implied market revaluation of our unlisted investments.

On a "look-through" basis, the market value attributed to RMI's interest in OUTsurance (83.4%) and RMBSI (76.4%) increased by 51% to R16.3 billion, reflecting in part, market recognition of the progress made in building out OUTsurance's Australian initiative, Youi.

R million	As at 30 June		
	2013	2012	% change
<b>Market value of interest in:</b>			
– Discovery	12 445	7 699	62
– MMI	8 701	7 050	23
Market value of listed investments	21 146	14 749	43
Implied market value of unlisted investments	16 337	10 843	51
Gross market value of portfolio	37 483	25 592	46
Net (liabilities)/assets of holding company	(44)	214	>(100)
<b>RMI market capitalisation</b>	37 439	25 806	45
RMI closing share price (cents)	2 520	1 737	45

## Dividend payment

The board is of the opinion that RMI is adequately capitalised at this stage and that the company will be able to meet its obligations in the foreseeable future after payment of the final dividend declared below. The board is also of the view that at present the level of borrowings that the group carries at the center is appropriate.

We have continued with our stated practice of paying out to shareholders dividends received from our underlying investments, after servicing any funding commitments that RMI may have at the center.

Consequently, the board resolved to declare a final dividend of 55.0 cents per ordinary share.

Such final dividend, together with the interim dividend of 40.0 cents per ordinary share, brings the total dividends for the year ended 30 June 2013 to 95.0 cents per ordinary share (2012: 80.0 cents per ordinary share, excluding the special dividend of 55.0 cents per ordinary share), a year-on-year increase of 19%. Such dividend is covered 1.8 times by the normalised earnings of 169.9 cents per share. The apparent divergence in the growth in dividends relative to the growth in underlying earnings can be ascribed to OUTsurance (having accessed the cash earnings generated relative to its re-investment requirements) paying out a larger than normal dividend.

Shareholders are referred to the cash dividend declaration forming part of this announcement regarding the applicability of Dividend Withholding Tax to the ordinary dividend.

## Outlook for the coming year

The difficult economic environment is expected to continue in the current financial year. Growth in insurance new business volumes will remain largely dependent upon the economic environment, including a recovery in employment and stronger disposable income levels. All of the groups in which RMI is invested face both opportunities and threats posed by the highly regulated environment in which they operate, including evolving capital regimes as well as social security reform proposals.

Notwithstanding these challenges, RMI expects to produce good organic growth during the coming year. In particular:

- the progress made by Discovery over the past financial year positions it strongly for continued growth and profitability in the future; while
- MMI's strategic focus has shifted from integration to outward looking growth initiatives with innovative strategies to unlock value; and
- OUTsurance expects its life insurance offering to gain further traction in South Africa and it is excited about the growth prospects of Youi.

For and on behalf of the board



**GT Ferreira**  
Chairman



**P Cooper**  
Chief executive officer

Sandton

12 September 2013

### Cash dividend declaration

Notice is hereby given that a gross final dividend of 55.0 cents per ordinary share payable out of income reserves was declared on 12 September 2013 in respect of the financial year ended 30 June 2013.

RMI has utilised Secondary Tax on Companies credits amounting to 1.97593 cents per ordinary share. The balance of the dividend will be subject to Dividend Withholding Tax at a rate of 15%, which will result in a net dividend of 47.04639 cents per ordinary share for those shareholders who are not exempt. The company's tax reference number is 9469/826/16/9. Its issued share capital at the declaration date is 1 485 688 346 ordinary shares and 848 501 redeemable preference shares.

Shareholders' attention is drawn to the following important dates:

Last day to trade in order to participate in these dividends	Friday, 4 October 2013
Shares commence trading "ex dividend" on	Monday, 7 October 2013
The record date for the dividend payment will be	Friday, 11 October 2013
Dividend payment date	Monday, 14 October 2013

No dematerialisation or rematerialisation of share certificates may be done between Monday, 7 October 2013 and Friday, 11 October 2013 (both days inclusive).

By order of the board



**JS Human**

Company secretary

12 September 2013

## REVIEW OF INVESTMENT PERFORMANCE

### Discovery

Discovery services the healthcare funding and insurance markets in South Africa, the United Kingdom, United States and China. It is a pre-eminent developer of integrated financial services products and operates under the **Discovery Health, Discovery Life, Discovery Insure, Discovery Invest, DiscoveryCard, Vitality, PruHealth, PruProtect and Ping An** brand names.

The year under review to 30 June 2013 was a pleasing one for Discovery, with solid performance across the group. The year saw growth in:

- new business by 15% to R10.8 billion;
- normalised profit before tax from operations by 18% to R4.1 billion;
- normalised headline earnings by 20% to R2.8 billion; and
- embedded value by 18% to R35.7 billion.

The year under review saw significant investment (some 12% of earnings) in new business initiatives, a substantial portion of which was in Discovery Insure, which showed pleasing growth, and in AIA Vitality, the strategic pan Asian joint venture launched in Singapore.

The South African operations demonstrated strong performance and generally ended the year ahead of expectation.

- The performance of Discovery Health and the Discovery Health Medical Scheme saw continued strong growth, with 13% growth in new business to R4.8 billion, while lives under management grew to 2.76 million.
- Discovery Life's performance is particularly pleasing with operating profit increasing by 16 % to R2.1 billion.
- Discovery Invest's outcome was excellent, with operating profit growing by 46% to R221 million.
- Discovery Insure increased new business by 53% to R366 million.

The performance from PruHealth and PruProtect (Discovery's United Kingdom operations) was exceptional, with new business growing by 48% to R1.6 billion, resulting in a 57% profit growth to R472 million.

RMI included R699 million of Discovery's earnings in its normalised earnings (2012: R579 million).

For an in-depth review of Discovery's performance, RMI's shareholders are referred to [www.discovery.co.za](http://www.discovery.co.za).

### MMI Holdings

South Africa's third largest insurer, MMI, was formed from the merger of Momentum and Metropolitan. The core businesses of MMI are long-term insurance, asset management, investment, healthcare administration and employee benefits. Product solutions are provided to all market segments. MMI operates in 12 countries outside of South Africa. It provides for the insurance needs of individuals in the lower, middle and upper income markets, principally under the **Momentum** and **Metropolitan** brand names.

- Value of new business grew by 19% to R711 million.
- Profits from operating divisions increased strongly by 19% to R2.5 billion, contributing to a 10% increase to R3.2 billion in diluted core headline earnings for the year ended 30 June 2013.
- The merger integration is progressing well and expense savings of R346 million were achieved to date. Total targeted expense savings of R500 million remain on track.
- Total net cashflow from policyholders/clients amounted to R27.3 billion for the year while total assets under management at year-end was R558.9 billion.
- 17% return on embedded value of R35.1 billion was achieved.

RMI included R803 million of MMI's earnings in its normalised earnings (2012: R746 million).

For an in-depth review of MMI's performance, RMI's shareholders are referred to [www.mmiholdings.com](http://www.mmiholdings.com).

## OUTsurance

**OUTsurance** is a direct personal lines and small business short-term insurer. Pioneers of the OUTbonus concept, it has grown rapidly by applying a scientific approach to risk selection, product design and claims management. Its South African direct life insurance business has gained significant traction during the year.

**Youi**, the group's direct personal lines initiative in Australia, achieved the necessary scale to run profitably and produced a profit for the second half of the financial year.

The OUTsurance group produced a satisfying financial performance for the year. The core SA personal lines business started off a prior year base of record and unsustainably low claims ratios. Such outcome was used to pass on below inflationary premium increases to its client base.

In the second and third quarters of the financial year, the group sustained the most severe weather related natural catastrophes in its history. Notwithstanding a well-structured, conservative reinsurance program that absorbed the bulk of the losses, the group incurred a net loss from these storms of R108 million (2012: R21 million).

Despite these catastrophes, the SA business produced a solid operational performance. This, coupled with the scale achieved by Youi, gave rise to the following outcome:

- normalised gross written premium increased by 23% to R8.3 billion. Of this 29% was written in Australia;
- the claims ratio of 51.5% (2012: 47.5%) is still within the group's target range and significantly below that of its peer group;
- normalised earnings increased by 0.3% to R1.2 billion;
- return on equity amounted to 38%; and
- having accessed the cash earnings generated relative to its re-investment requirements OUTsurance increased its dividend payout by 21%.

RMI included R990 million of OUTsurance's earnings in its normalised earnings (2012: R1 010 million).

For an in-depth review of OUTsurance's performance, RMI's shareholders are referred to [www.outsurance.co.za](http://www.outsurance.co.za).

## RMB Structured Insurance

RMBSI holds both short-term and life insurance licences. It creates bespoke insurance and financial risk solutions for South Africa's large corporations by using sophisticated risk techniques and innovative financial structures. In addition, it partly owns a portfolio of underwriting management agencies.

RMBSI continues to focus on a diversified business strategy to bolster its retainer base income on the back of the more traditional insurance business. This continues to bear fruit and the business mix is trending in the right direction.

Shareholder profit after tax for the year to June 2013 amounted to R89 million (2012: R96 million).

RMI included R70 million of RMBSI's earnings in its normalised earnings (2012: R74 million).



## BASIS OF PREPARATION OF RESULTS

The accompanying summarised financial results for the year ended 30 June 2013 reflect:

- the consolidation of the operations of Rand Merchant Insurance Holdings Limited (RMI) and its subsidiaries, including OUTsurance Holdings Limited (OUTsurance) and RMB-SI Investments Proprietary Limited (RMBSI); and
- RMI's proportionate interest in its associates, Discovery Limited (Discovery) and MMI Holdings Limited (MMI), which have been equity accounted.

The annual financial statements for the year ended 30 June 2013, to which this summarised results announcement relates, were prepared in accordance with:

- International Financial Reporting Standards (IFRS), including IAS 34: Interim financial reporting;
- the requirements of the South African Companies Act, Act 71 of 2008, as amended; and
- the Listings Requirements of the JSE Limited.

Schalk Human CA(SA) prepared these consolidated financial results under the supervision of Peter Cooper CA(SA). The results were audited by PricewaterhouseCoopers Inc. A copy of their unmodified audit opinion is available for inspection at RMI's registered office.

The accounting policies applied in the preparation of the annual financial statements for the year ended 30 June 2013 are consistent with those applied in the previous financial year.

The board of directors takes full responsibility for the preparation of this announcement and that the financial information has been correctly extracted from the underlying audited annual financial statements. The independent auditors' report does not necessarily encompass all the information contained in this announcement. Unless the financial information is specifically stated as audited, it should be assumed that it is unaudited. The complete annual financial statements were audited by PricewaterhouseCoopers Inc. and their unmodified audit opinion is dated 12 September 2013. Shareholders are advised that for a full understanding of the nature of the auditors' engagement they should obtain a copy of the auditors' unmodified report, together with the complete annual financial statements from RMI's registered office, 3rd Floor, 2 Merchant Place, corner Fredman Drive and Rivonia Road, Sandton.

RMI's effective interest in the group entities is different from the actual holdings as a result of the following consolidation adjustments:

- treasury shares held by the group entities;
- shares held by consolidated share incentive trusts;
- "deemed" treasury shares arising from BEE transactions entered into; and
- "deemed" treasury shares held by policyholders and mutual funds managed by them.

At 30 June 2013 the effective interest held by RMI can be compared to the actual interest in the statutory issued share capital of the companies as follows:

	30 June 2013		30 June 2012	
	Effective Audited	Actual Audited	Effective Audited	Actual Audited
Discovery	26.7%	25.0%	26.7%	25.0%
MMI	25.2%	25.0%	25.1%	24.9%
OUTsurance	85.3%	83.4%	85.6%	83.4%
RMBSI	79.1%	76.4%	80.5%	76.4%

## SUMMARISED CONSOLIDATED INCOME STATEMENT

R million	For the year ended 30 June		
	2013 Audited	2012 Audited	% change
Earned premiums net of reinsurance	7 869	6 661	18
Fee income	146	119	23
Investment income	631	569	11
Profit on sale of subsidiary	38	—	—
Net fair value gains on financial assets	560	209	>100
Income	9 244	7 558	22
Net claims paid	(3 873)	(2 581)	50
Fair value adjustment to investment contracts and insurance contract provisions	(1 027)	(677)	52
Fair value adjustment to financial liabilities	(201)	(220)	(9)
Acquisition, marketing and administration expenses	(2 418)	(1 971)	23
Profit before finance costs, share of after tax results of associates and taxation	1 725	2 109	(18)
Net finance costs	(125)	(138)	(9)
Share of after tax results of associates	1 179	975	21
Profit before taxation	2 779	2 946	(6)
Taxation	(371)	(517)	(28)
<b>Profit for the year</b>	<b>2 408</b>	<b>2 429</b>	<b>(1)</b>
Attributable to:			
Equity holders of RMI	2 214	2 248	(2)
Non-controlling interests	194	181	7
<b>Profit for the year</b>	<b>2 408</b>	<b>2 429</b>	<b>(1)</b>

## COMPUTATION OF HEADLINE EARNINGS

R million	For the year ended 30 June		
	2013 Audited	2012 Audited	% change
<b>Earnings attributable to equity holders</b>	<b>2 214</b>	<b>2 248</b>	<b>(2)</b>
Adjustment for: <sup>(1)</sup>			
Profit on sale of subsidiary	(24)	(1)	
Loss on dilution of shareholding	11	208	
Goodwill and other impairments	1	17	
Realised profit on sale of available-for-sale financial assets	(1)	(15)	
Profit on step-up of associate	—	(54)	
Impairment of available-for-sale reserve	—	7	
<b>Headline earnings attributable to equity holders</b>	<b>2 201</b>	<b>2 410</b>	<b>(9)</b>

(1) Adjustments are net of taxation and non-controlling interest and include RMI's share of adjustments made by associates.

## SOURCES OF HEADLINE EARNINGS

R million	For the year ended 30 June		
	2013 Audited	2012 Audited	% change
Headline earnings from:			
– Discovery	551	569	(3)
– MMI	628	550	14
– OUTsurance	990	1 261	(21)
– RMBSI	69	76	(9)
	2 238	2 456	(9)
Funding and holding company costs	(37)	(46)	20
<b>Headline earnings</b>	<b>2 201</b>	<b>2 410</b>	<b>(9)</b>

## COMPUTATION OF EARNINGS PER SHARE

R million	For the year ended 30 June		
	2013 Audited	2012 Audited	% change
Earnings attributable to equity holders	2 214	2 248	(2)
Headline earnings attributable to equity holders	2 201	2 410	(9)
Number of shares in issue (millions)	1 486	1 486	–
Weighted average number of shares in issue (millions)	1 483	1 481	–
Earnings per share (cents)	149.2	151.8	(2)
Diluted earnings per share (cents)	148.2	150.7	(2)
Headline earnings per share (cents)	148.4	162.8	(9)
Diluted headline earnings per share (cents)	147.4	161.8	(9)
<b>Dividend per share (cents)</b>			
Interim dividend	40.0	30.0	33
Final dividend	55.0	50.0	10
Special dividend	–	55.0	(100)
Total dividend	95.0	135.0	(30)
Less: Special dividend	–	(55.0)	100
<b>Total normal dividend</b>	<b>95.0</b>	<b>80.0</b>	<b>19</b>

## SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

R million	For the year ended 30 June		
	2013 Audited	2012 Audited	
<b>Profit for the year</b>	2 408	2 429	(1)
<b>Other comprehensive income for the year</b>			
Items that may subsequently be reclassified to income, before and after taxation			
Currency translation differences	62	77	(19)
Fair value movement on available-for-sale financial assets	19	7	>100
Share of other comprehensive income of associates	173	134	29
Items that may subsequently be reclassified to income, after taxation	173	120	44
Items that will not be reclassified to income, after taxation	–	14	(100)
<b>Other comprehensive income for the year</b>	254	218	17
<b>Total comprehensive income for the year</b>	2 662	2 647	1
<b>Total comprehensive income attributable to:</b>			
Equity holders of RMI	2 457	2 459	–
Non-controlling interests	205	188	9
<b>Total comprehensive income for the year</b>	2 662	2 647	1

**SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

R million	As at 30 June	
	2013 Audited	2012 Audited
<b>Assets</b>		
Property and equipment	460	413
Goodwill and other intangible assets	43	50
Investments in associates	10 442	9 864
Financial assets	7 781	7 603
Loans and receivables including insurance receivables	1 668	998
Deferred acquisition cost	38	32
Reinsurance contracts	275	273
Deferred taxation	414	441
Disposal group held for sale	–	211
Cash and cash equivalents	2 664	2 462
<b>Total assets</b>	<b>23 785</b>	<b>22 347</b>
<b>Equity</b>		
Share capital and premium	13 632	13 614
Reserves	(67)	(430)
Capital and reserves attributable to equity holders of the company	13 565	13 184
Non-controlling interests	586	626
<b>Total equity</b>	<b>14 151</b>	<b>13 810</b>
<b>Liabilities</b>		
Insurance contracts	4 855	3 710
Share-based payment liability	50	–
Financial liabilities	3 601	3 730
Payables and provisions	913	700
Deferred taxation	176	324
Taxation	39	14
Disposal group held for sale	–	59
<b>Total liabilities</b>	<b>9 634</b>	<b>8 537</b>
<b>Total equity and liabilities</b>	<b>23 785</b>	<b>22 347</b>

## STATEMENT OF CHANGES IN EQUITY

R million	Audited						Total equity
	Share capital and premium	Equity accounted reserves	Transactions with non-controlling interests	Other reserves	Retained earnings	Non-controlling interests	
<b>Balance as at 30 June 2011</b>	<b>13 571</b>	<b>(117)</b>	<b>(2 352)</b>	<b>23</b>	<b>219</b>	<b>310</b>	<b>11 654</b>
Total comprehensive income for the year	–	134	–	77	2 248	188	2 647
Dividends paid	–	–	–	–	(946)	(86)	(1 032)
Income of associates retained	–	408	–	–	(408)	–	–
Movement in treasury shares	43	2	–	–	–	–	45
Transactions with non-controlling interests	–	(8)	–	–	–	–	(8)
Sale of shares in subsidiary	–	–	281	–	–	210	491
Transfer from contingency reserve	–	–	–	(20)	20	–	–
Share-based payment reserve	–	1	–	8	–	1	10
Change in reserves due to a change in holding	–	–	–	–	–	3	3
<b>Balance as at 30 June 2012</b>	<b>13 614</b>	<b>420</b>	<b>(2 071)</b>	<b>88</b>	<b>1 133</b>	<b>626</b>	<b>13 810</b>
Total comprehensive income for the year	–	173	–	70	2 214	205	2 662
Dividends paid	–	–	–	–	(2 154)	(189)	(2 343)
Income of associates retained	–	271	–	–	(271)	–	–
Movement in treasury shares	18	21	–	–	–	–	39
Transactions with non-controlling interests	–	22	–	–	–	–	22
Profit on preference share buy-back	–	28	–	–	–	–	28
Sale of subsidiary	–	–	–	(1)	–	(75)	(76)
Share-based payment reserve	–	–	–	1	–	–	1
Change from equity-settled to cash-settled scheme	–	–	–	(9)	(2)	(2)	(13)
Change in reserves due to a change in holding	–	–	–	13	(13)	21	21
<b>Balance as at 30 June 2013</b>	<b>13 632</b>	<b>935</b>	<b>(2 071)</b>	<b>162</b>	<b>907</b>	<b>586</b>	<b>14 151</b>

## SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

R million	For the year ended 30 June	
	2013 Audited	2012 Audited
Cash available from operating activities	3 076	1 957
Dividends paid	(2 154)	(946)
Investment activities	351	(936)
Financing activities	(1 164)	(205)
Net increase/(decrease) in cash and cash equivalents	109	(130)
Unrealised foreign currency translation adjustments	93	143
Cash and cash equivalents included under disposal group held for sale	—	(7)
Cash and cash equivalents at the beginning of the year	2 462	2 456
<b>Cash and cash equivalents at the end of the year</b>	<b>2 664</b>	<b>2 462</b>

## COMPUTATION OF NORMALISED EARNINGS

R million	For the year ended 30 June		
	2013 Audited	2012 Audited	% change
<b>Headline earnings attributable to equity holders</b>	<b>2 201</b>	<b>2 410</b>	<b>(9)</b>
RMI's share of normalised adjustments made by associates:	341	230	
Amortisation of intangible assets relating to business combinations	171	152	
Basis and other changes and investment variances	92	76	
Recapture of reinsurance	84	—	
Finance costs raised on puttable non-controlling interest financial liability	41	38	
Once-off costs	15	—	
Net realised and fair value gains on shareholders' assets	(85)	(65)	
STC	—	37	
Other	23	(8)	
Group treasury shares	(17)	(53)	
Recognition of deferred tax asset on assessed losses	—	(214)	
Earnings of disposal group held for sale	—	(10)	
STC	—	7	
<b>Normalised earnings attributable to equity holders</b>	<b>2 525</b>	<b>2 370</b>	<b>7</b>

COMPUTATION OF NORMALISED EARNINGS PER SHARE

	For the year ended 30 June		
	2013 Audited	2012 Audited	% change
Weighted average number of shares in issue (millions)	1 486	1 486	—
Normalised earnings per share (cents)	169.9	159.5	7
Diluted normalised earnings per share (cents)	168.6	157.8	7
Dividend cover (normal dividend relative to normalised earnings)	1.8	2.0	



## SEGMENT REPORT

The segmental analysis is based on the management accounts prepared for the group.

R million	Discovery Audited	MMI Audited	OUTsurance Audited	RMBSI Audited	Other <sup>(1)</sup> Audited	Group Audited
<b>Year ended 30 June 2013</b>						
Operating profit/(loss)	–	–	1 746	(36)	15	1 725
Finance costs	–	–	(1)	(20)	(104)	(125)
Share of after tax results of associates	542	628	10	(1)	–	1 179
<b>Profit/(loss) before taxation</b>	<b>542</b>	<b>628</b>	<b>1 755</b>	<b>(57)</b>	<b>(89)</b>	<b>2 779</b>
Taxation	–	–	(515)	146	(2)	(371)
<b>Profit/(loss) for the year</b>	<b>542</b>	<b>628</b>	<b>1 240</b>	<b>89</b>	<b>(91)</b>	<b>2 408</b>
<b>Normalised earnings</b>	<b>699</b>	<b>803</b>	<b>1 161</b>	<b>89</b>	<b>(227)</b>	<b>2 525</b>
Assets	–	–	7 554	5 111	635	13 300
Associates	4 456	5 935	23	28	–	10 442
Intangible assets	–	–	39	1	3	43
<b>Total assets</b>	<b>4 456</b>	<b>5 935</b>	<b>7 616</b>	<b>5 140</b>	<b>638</b>	<b>23 785</b>
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>4 023</b>	<b>4 722</b>	<b>889</b>	<b>9 634</b>
<b>Year ended 30 June 2012</b>						
Operating profit	–	–	1 845	263	1	2 109
Finance costs	–	–	(1)	(44)	(93)	(138)
Share of after tax results of associates	571	397	8	(1)	–	975
<b>Profit/(loss) before taxation</b>	<b>571</b>	<b>397</b>	<b>1 852</b>	<b>218</b>	<b>(92)</b>	<b>2 946</b>
Taxation	–	–	(383)	(122)	(12)	(517)
<b>Profit/(loss) for the year</b>	<b>571</b>	<b>397</b>	<b>1 469</b>	<b>96</b>	<b>(104)</b>	<b>2 429</b>
<b>Normalised earnings</b>	<b>579</b>	<b>746</b>	<b>1 157</b>	<b>96</b>	<b>(208)</b>	<b>2 370</b>
Assets	–	–	7 170	4 369	894	12 433
Associates	3 927	5 914	18	5	–	9 864
Intangible assets	–	–	47	1	2	50
<b>Total assets</b>	<b>3 927</b>	<b>5 914</b>	<b>7 235</b>	<b>4 375</b>	<b>896</b>	<b>22 347</b>
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>3 078</b>	<b>3 974</b>	<b>1 485</b>	<b>8 537</b>

(1) "Other" includes RMI Holdings Limited, Firness International Proprietary Limited, consolidation of treasury shares and other consolidation entries.

## GEOGRAPHICAL SEGMENTS

R million	South Africa Audited	Australia Audited	Total Audited
<b>Year ended 30 June 2013</b>			
Profit/(loss) before taxation	2 870	(91)	2 779
Taxation	(429)	58	(371)
<b>Profit/(loss) for the year</b>	<b>2 441</b>	<b>(33)</b>	<b>2 408</b>
<b>Total assets</b>	<b>20 946</b>	<b>2 839</b>	<b>23 785</b>
<b>Total liabilities</b>	<b>7 624</b>	<b>2 010</b>	<b>9 634</b>
<b>Year ended 30 June 2012</b>			
Profit/(loss) before taxation	3 067	(121)	2 946
Taxation	(789)	272	(517)
<b>Profit for the year</b>	<b>2 278</b>	<b>151</b>	<b>2 429</b>
<b>Total assets</b>	<b>20 288</b>	<b>2 059</b>	<b>22 347</b>
<b>Total liabilities</b>	<b>7 382</b>	<b>1 155</b>	<b>8 537</b>

## ADMINISTRATION

### **RAND MERCHANT INSURANCE HOLDINGS LIMITED**

("RMI")

**Registration number:** 2010/005770/06

**JSE ordinary share code:** RMI

**ISIN code:** ZAE000153102

### **Directors**

GT Ferreira (Chairman), P Cooper (CEO), L Crouse (appointed 17 September 2012), LL Dippenaar, JW Dreyer, JJ Durand, PM Goss, PK Harris, TV Mokgatlha, O Phetwe (appointed 6 February 2013), (Ms) SEN Sebotsa and KC Shubane.

### **Alternates**

NDJ Carroll (resigned 31 October 2012) and (Ms) A Kekana (appointed 6 February 2013).

### **Secretary and registered office**

JS Human

**Physical address:** 3rd Floor, 2 Merchant Place, corner of Fredman Drive and Rivonia Road, Sandton, 2196

**Postal address:** PO Box 786273, Sandton, 2146

**Telephone:** +27 11 282 8166

**Telefax:** +27 11 282 4210

**Web address:** [www.rminsurance.co.za](http://www.rminsurance.co.za)

### **Sponsor**

*(in terms of JSE Limited Listings Requirements)*

### **Rand Merchant Bank**

*(a division of FirstRand Bank Limited)*

**Physical address:** 1 Merchant Place, corner of Fredman Drive and Rivonia Road, Sandton, 2196

### **Transfer secretaries**

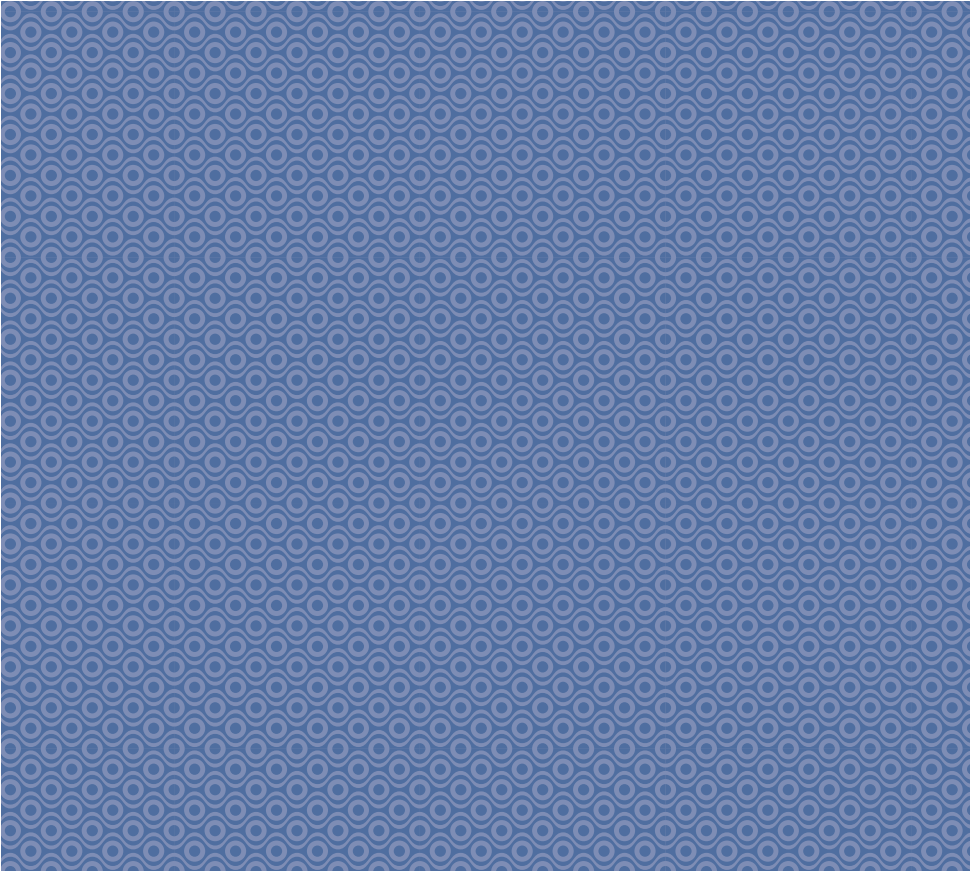
#### **Computershare Investor Services 2004 Proprietary Limited**

**Physical address:** Ground floor, 70 Marshall Street, Johannesburg, 2001

**Postal address:** PO Box 61051, Marshalltown, 2107

**Telephone:** +27 11 370 5000

**Telefax:** +27 11 688 5221



[www.rminsurace.co.za](http://www.rminsurace.co.za)

