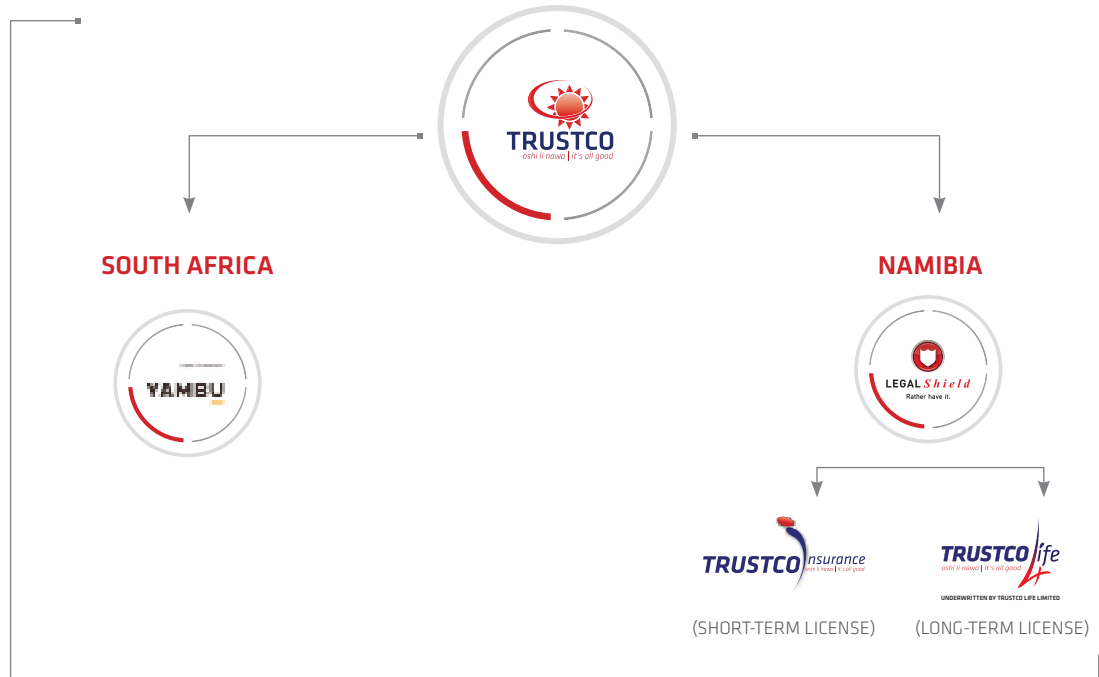


INSURANCE

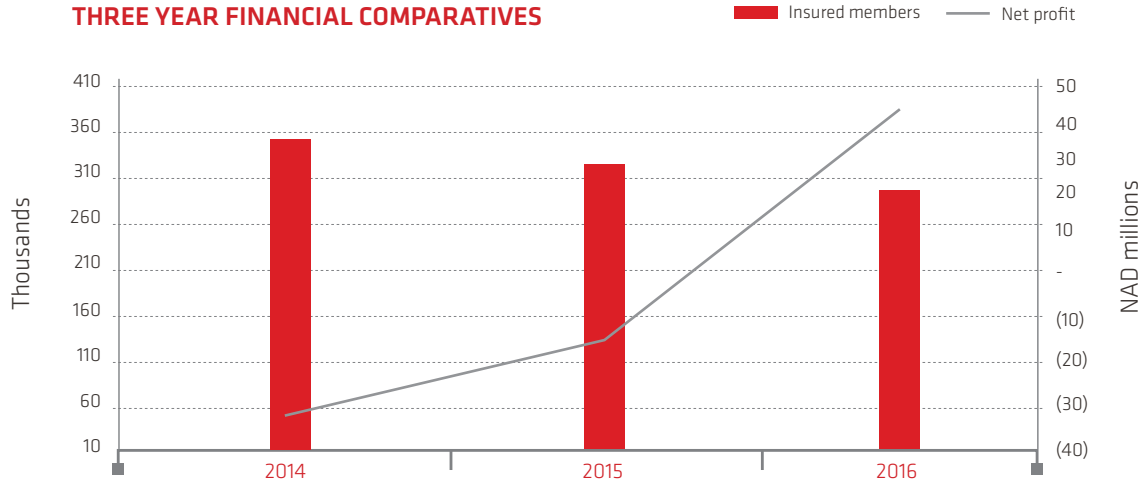


The Namibian insurance segment comprises both long- and short-term insurers. The short-term insurer is the leading legal insurer in Namibia. It provides legal cover to over 60 000 policy holders and 110 000 insured members. Legal Shield is a quality legal insurance product at an affordable premium, ensuring that all Namibians can afford to access their constitutional right to legal representation. The insurer further provides a diversified range of insurance products to individuals previously excluded from traditional insurance. The long- and short-term insurer combined provide cover to over 120 000 policy holders and 310 000

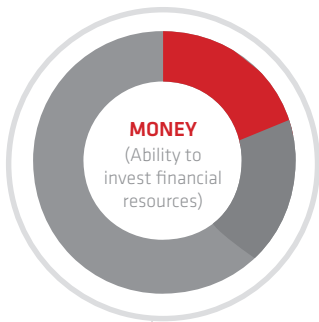
insured members with the risks underwritten, including funeral costs, life cover, dread disease, hospitalisation and income protection cover. All product offerings are done through direct channels, making use of state-of-the-art technology, which is designed, tested and implemented in-house. No external intermediaries are used, resulting in less external costs which ensures that premiums are not inflated. The performance of the insurance activities is based on gross written premium as a measure of growth with net underwriting results and net insurance results as measures of profitability.



THREE YEAR FINANCIAL COMPARATIVES

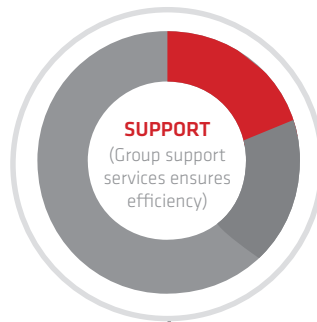


INSURANCE VALUE PROPOSITION



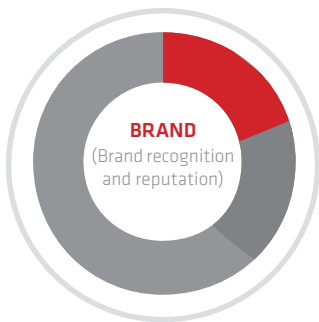
Stable monthly recurring cash flow

Investments in other segments ensure maximum returns on insurance assets in line with the group strategy



- Tailor made state-of-the-art systems with in-house support
- In-house marketing division

- Competitive advantage in the market
- Reduced turnaround time on roll out of products
- Marketing campaigns and activities are focused and in line with the group targets and goals



Extensive marketing, quality service delivery and customer satisfaction

- Well established, trusted and recognised brand
- Loyal customers
- New market penetration



- Being a diverse group, varied and extensive skills and experience are available
- In-house legal department with qualified employees
- Appointment of skilled service providers

- Ensures effective management and decision making
- Ability to provide professional services to members
- Assistance to group on legal and labour related issues

INSURANCE

CONTINUED

The insurance department has streamlined its products with a view to provide tailor made insurance to the public. With the Next Generation Legal Shield as the core product, numerous optional additional benefits can be added. The customer can now hand-pick their ideal product to suit individual insurance needs. A further innovation is the introduction of a "Nawa Bonus" on this product - a paid up bonus available even in the event that members submit claims, a first for Namibia. It is expected that new product offerings in the savings and investment fields will further increase sustainable revenue and broaden the client base.

A stable client base allows the segment to provide a regular source of income for the group. Investment in other segments in the group supports the group's strategy of leveraging existing skills and resources. Having both long- and short-term licenses allow the segment to use its underwriting expertise and ensure that risks in other business units are covered, thereby increasing revenue within the group and strengthening the symbiotic relationships.

Non-executive board members, in both Trustco Insurance and Trustco Life, supported by the group managing director, ensure financial, industry knowledge and experience is brought to the table. Regular board meetings ensure a balance between performance, risk and sustainability, all in line with the group's goals and strategic objectives. The segment maintains a good relationship with the external regulator, Namfisa, with regular meetings to ensure compliance with all statutory and regulatory requirements. ARC and Remco provide an internal mechanism to ensure compliance and good governance.

INSURANCE SOUTH AFRICA

The Trustco group of companies that operate in South Africa function under the auspices of Trustco Group International (TGI) in South Africa, with the managerial entity being Trustco Financial Services (TFS).

The SA operations focus predominantly on the provision of long- and short-term insurance products through its

registered financial services providers. These operations are conducted within a cell captive arrangement secured with Guardrisk Limited and non-mandated intermediary binders concluded with Constantia Life and Health Assurance Limited. Insurance products are offered to customers under the Yambu product offerings.

Yambu offers a short-term legal protection policy and an innovative new long-term policy catering exclusively for domestic workers which was recently launched as Yambu Domestic Care. Further expansion of the Yambu product range is pursued with the launch of further product initiatives aimed at specific customer groups. In alignment with the Trustco philosophy, the objective is to allow entry to financial services for customers who traditionally had difficulty in affording exceptional benefits at affordable premiums. Yambu is gradually gaining awareness in the SA market and with its dedicated focus on service excellence, it is destined for success.

The opportunities presented through Trustco's patented free mobile insurance model are still pursued and the strong technological support and business acumen within the Trustco group allow for the venturing into new exciting business opportunities.

At present there is an increased focus on client care within the financial services sector, especially brought about by the introduction of the principles of Treating Customers Fairly ("TCF"). Various external regulatory audits confirmed solid corporate governance within the South African operation as well as full legal compliance.

The SA employee component reduced from 38 employees to the present 27 employees. The operational restructures deployed aimed at streamlining the business and concluding the termination of all legacy- and non-profitable operations. This resulted in the successful closure of 55 branches.

In line with the entrepreneurial approach of Trustco, various new business opportunities are explored and organic growth within business will be dependent on the creation of viable and sustainable revenue streams going forward.



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