



TRUSTCO GROUP HOLDINGS LIMITED
Incorporated in the Republic of Namibia
(Registration number 2003/058)
NSX share code: TUC
JSE share code: TTO
ISIN Number: NA000A0RF067
("the Group")

UPDATE FOR THE THIRD QUARTER ENDED 31 DECEMBER 2013

The Board of directors of Trustco is pleased to update the Group's shareholders in respect of the financial quarter ending 31 December 2013.

Total Group revenue for the 9 months ended 31 December 2013 was NAD475 million, December 2012: N\$432 million, representing an increase of 9.88%. Revenue of NAD160.6 million was generated for the third quarter ended 31 December 2013, compared to NAD135.5 million for the comparative 2013 period, representing an increase of 18.5%.

Gross profit margin for the quarter increased to 76.4%, compared to 63.6% for the comparative period, representing a 20% increase in margins.

Total Net Profit after Tax for 9 months ended 31 December 2013 was NAD96.1 million, December 2012: NAD52.6 million, representing growth of 82.7%. The Group generated NAD31.1 million Net Profit after Tax for the third quarter of the 2014 financial year, 2013: NAD2.2 million, this is a 14 times growth in profits when compared to the comparative quarter in 2013.

Total Headline earnings for the 9 months ended 31 December 2013 was NAD96.1 million, December 2012: NAD52.6 million, representing growth of 82.7%.

Headline earnings for the quarter ended 31 December 2013 grew by NAD 28.9 million to NAD31.1 million (2013: NAD2.2 million), resulting in headline earnings per share ("HEPS") of 4.10 cents and basic earnings per share ("EPS") of 4.10 cents for the quarter. The 2013 comparative quarter generated HEPS of 0.17 cents and EPS of 0.17 cents.

SEGMENTAL COMMENTARY

MICRO INSURANCE

The insurance operations in Namibia contributed 4.81 cents per share to HEPS, which represents a 207% growth on the comparative quarter (2013 1.57 cents per share). The increase is attributed to a combination of organic growth and innovative new offerings.

Insurance operations in the rest of Africa contributed a loss of 3.00 cents per share to HEPS (2013: loss of 1.82 cents per share). The majority of the loss is due to the on-going operational cost of the insurance business in South Africa and the cost associated in establishing the business model in the rest of Africa. Sales of insurance policies in South Africa are continuing at a rate expected by management via the Group's national branch network.

SUBSEQUENT EVENT

Arbitration on the dispute in place between Econet Wireless (Pvt) Ltd and Trustco Mobile (Pty) Ltd, a 100% owned subsidiary, took place during December 2013.

The outcome of the dispute was that the arbitrator found in favour of Econet Wireless (Pvt) Ltd and held Econet not liable for any further payments to Trustco. The arbitrator's award was made on the 15th January 2014.

As disclosed in the Audited Financial Statements of the Group as at 31 March 2013, the carrying value of the receivable from Econet was NAD 42.1 million. This amount will be impaired and the impairment charge will be recognised in the fourth quarter of the 2014 financial year.

MICRO-FINANCE AND EDUCATION

The Micro finance and educational segment contributed 2.00 cents per share to HEPS representing a growth of 2.14 cents per share on the comparative quarter (2013 loss of 0.14 cents per share). The education loan book has maintained its growth as a result of the continued demand for the current educational courses offered. The gross educational loan book grew to NAD596 million from the balance at 31 December 2013, representing an annual growth of 94%. Non-performing loans as a percentage of gross loans as at 31 December 2013 was 3.6% (31 December 2012: 5.3%) demonstrating a 32% improvement in asset quality.

PROPERTIES

The properties segment contributed 0.29 cents per share to HEPS (2013 0.57 cents per share). The profit generated in this segment

relates to the completion of sales on Phase I of the LaFrenz 'Landbank'; a very large portion of land in Windhoek, currently being monetised in phases by the Group. Sales of Phase II has commenced and given the increasing demand for property and serviced land in Windhoek the Group expects this to contribute meaningfully to profits in the medium term.

On the 23rd January 2014, Trustco announced on SENS the acquisition of all the shares of Elisenheim Property Development Company (Pty) Ltd ('EPDC') subject to the fulfilment of conditions precedent. The demand for serviced land in the Windhoek basin is a well discussed topic and the soaring property prices in Namibia, contributed to by the lack of available land, has been discussed in both local and international publications.

At the time of reporting, one Namibian Dollar ('NAD') was equivalent to one South African Rand ('ZAR').

The financial information on which this quarterly update is based has not been reviewed or reported on by the Group's auditors.

By order of the board
D J Steyn
Company Secretary

29 January 2014
Johannesburg

JSE Sponsor
Sasfin Capital
(a division of Sasfin Bank Limited)

NSX Sponsor
IJG (Pty) Limited