

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
("Trustco" or "the Company")

RENAISSANCE AFRICA MASTER FUND - SPECIFIC REPURCHASE

1. Introduction

Shareholders are referred to the Trustco circular posted to shareholders on 15 December 2011, relating to an agreement with Renaissance Africa Master Fund ("Rencap") dated 21 October 2011 ("the Rencap agreement"), in terms whereof, *inter alia*, Trustco was granted a call option to acquire Rencap's entire shareholding in Trustco, being 74 331 920 Trustco shares at a strike price of 110 cents per Trustco share upon written notice to Rencap ("Rencap repurchase").

A circular to Trustco shareholders, containing full details of the Rencap agreement, was posted on 15 December 2011 and at a special general meeting of the Company, held on 19 January 2012, the Rencap agreement and the potential Rencap repurchase envisaged in terms of the call option contained therein, was approved by the requisite majority of Trustco shareholders.

2. Exercise of the call option and amendment of strike price

In a letter dated 13 November 2013 Trustco gave Rencap notice that it would exercise the call option, however Rencap and Trustco have agreed that the strike price of 110 cents will be reduced to 91 cents, subject to the approval of Trustco shareholders in general meeting as required in terms of the Listings Requirements of the JSE Limited ("the Rencap amendment"). The closing share price of Trustco shares on the JSE on 14 November 2013 was 96 cents per share.

The Rencap amendment represents an opportunity for the Company to acquire its shares at a discount to market price, to increase its net asset value and to create value for its existing shareholders and will result in a substantial saving for the Company.

In terms of the Rencap repurchase 74 331 920 Trustco shares will be repurchased and will be held as treasury shares by subsidiaries of the Company to the extent allowed in terms of the Namibian Companies Act 2004, Act 28 of 2004 ("the Act"). This will result in the Trustco group holding not more than 10% of its shares in issue through subsidiary companies as treasury shares, the maximum extent permissible in terms of the Act.

3. Financial effects

The *pro forma* financial effects of the Rencap amendment are set out below, are based on the unaudited, unreviewed, published results of Trustco for the six months ended 30 September 2013, are the responsibility of the directors, are presented in a manner consistent with the basis on which the historical financial information has been prepared and in terms of Trustco's accounting policies and have been prepared for illustrative purposes only and, because of its nature, may not fairly present Trustco's financial position, changes in equity, results of operations or cash flows.

| | Published financial information - 30 September 2013 | Pro forma adjustments - exercise of call option @ 91 cents | Pro forma financial information after exercise of call option @ 91 cents | % change |
|---|--|---|---|-----------------|
| EPS (cents) ^(ii, iii, iv, vi) | 8.59 | 0.77 | 9.36 | 8.96% |
| Diluted EPS (cents) ^(ii, iii, iv, vi) | 8.53 | 0.76 | 9.29 | 8.91% |
| HEPS (cents) ^(ii, iii, iv, vi) | 3.02 | 0.16 | 3.18 | 5.30% |
| Diluted HEPS (cents) ^(ii, iii, iv, vi) | 3.00 | 0.16 | 3.16 | 5.33% |
| NAV per share (cents) ^(v, vii) | 138.13 | 12.50 | 150.63 | 9.05% |
| TNAV per share (cents) ^(v, vii) | 97.44 | 8.16 | 105.60 | 8.37% |
| Ordinary shares in issue ('000) | 772 142 090 | - | 772 142 090 | 0.00% |
| Ordinary shares in issue ('000) (excl. treasury shares) ^(iv, v) | 771 095 918 | (74 331 920) | 696 763 998 | -9.64% |
| Weighted average number of ordinary shares in issue ('000) (excl. treasury shares) ^(iv, v) | 757 559 000 | (74 331 920) | 683 227 080 | -9.81% |
| Diluted weighted average number of ordinary shares in issue ('000) (excl. treasury shares) ^(iv, v) | 762 481 000 | (74 331 920) | 688 149 080 | -9.75% |

Notes:

- i. The "Before" financial information has been extracted without adjustment from the unaudited, unreviewed, published results of Trustco for the six months ended 30 September 2013.
- ii. Interest income foregone (calculated using an interest rate of 5% per annum) on the cash utilised to settle the Rencap call option purchase consideration of N\$67 642 047.20, this adjustment will not have a continuing effect;
- iii. Reduction in taxation paid as a result of note ii above (calculated using a corporate tax rate of 34%), this adjustment will not have a continuing effect;
- iv. Repurchase of 74 331 920 Trustco shares from Rencap, this adjustment will have a continuing effect;
- v. Payment of N\$67 642 047 in cash for the repurchase of 74 331 920 Trustco shares at 91 cents each from Rencap;
- vi. The Basic earnings, Diluted earnings, Headline earnings and Diluted headline earnings per share were calculated based on the assumption that the Rencap Repurchase took place on 1 April 2013; and
- vii. The NAV and TNAV per share were calculated as if the Rencap Repurchase took place on 30 September 2013.

The terms of the Rencap amendment are included in a circular which was posted to shareholders today and will be submitted for shareholder approval at a general meeting convened to be held at Trustco's registered office, 2 Keller Street, Windhoek, at 10am on 28 February 2014 in terms of such circular.

By order of the Board.

DJ Steyn

Company Secretary

Windhoek,
31 January 2013

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

NSX Sponsor
IJG Securities (Pty) Limited