



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")

ACQUISITION OF FIDES BANK NAMIBIA LIMITED

1. INTRODUCTION

Shareholders are referred to the shareholder update published on SENS on 22 April 2014 advising that Trustco had entered into negotiations for the acquisition of 100% of the issued share capital of a Namibian incorporated authorised banking institution which holds a permanent banking licence under the Namibian Banking Institutions Act, 1998.

Shareholders are herewith advised that Trustco has concluded a Sale of Shares Agreement with the Shareholders of FIDES Bank Namibia Limited ("FIDES" or "the Bank") on 21 May 2014 in terms of which Trustco will acquire the entire shareholding in FIDES ("the FIDES acquisition").

2. INFORMATION ON FIDES

The Bank owns five branches in Namibia. Its loan portfolio consists of 14,000 group lending borrowers and 357 SME borrowers. FIDES's savings portfolio amounts to approximately 40,000 clients. Over the short-to medium term Trustco intends to grow the Bank's footprint and grow its client base. Key to the distribution expansion strategy will be the use of technology. The use of mobile banking and alternative service channels to traditional infrastructure will be central to the distribution strategy and roll out. Furthermore Trustco plans to enhance the Bank's product offering and diversify its geographical points of presence. Client growth will be achieved by pursuing a client acquisition strategy and by leveraging Trustco's existing client base in Namibia.

3. RATIONALE FOR THE ACQUISITION

The FIDES acquisition represents a natural progression of the Group's stated business model. The Bank offers a best fit strategic opportunity to compliment the current student lending, mortgage lending and insurance businesses of Trustco. The student lending business is of sufficient economic size to anchor the Banks' balance sheet.

4. CATEGORISATION OF THE ACQUISITION

Shareholders are advised that this acquisition is not categorised as a category 1 or 2 transaction in terms of the Listings Requirements of the JSE Limited or NSX. Shareholder approval is thus not required. The transaction requires Namibian Competition Board and Bank of Namibia approval. Confirmation of the required approvals will be communicated to Shareholders on SENS.

DJ Steyn

Company Secretary
Windhoek,
22 May 2014

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

NSX Sponsor
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