



TRUSTCO GROUP HOLDINGS LIMITED

Incorporated in the Republic of Namibia

(Registration number 2003/058)

NSX Share code: TUC

JSE share code: TTO

ISIN Number: NA 000A0RF067

("the Group")

ABRIDGED AUDITED GROUP RESULTS FOR THE YEAR ENDED 31 MARCH 2016, NOTICE OF AGM
AND FINAL DIVIDEND DECLARATION

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 MARCH 2016

	Notes	31 March 2016 NAD'000	31 March 2015 NAD'000
ASSETS			
Cash and cash equivalents		99 835	118 700
Advances	4	1 184 063	806 965
Trade and other receivables		765 949	574 390
Current income tax assets		7 496	12 982
Inventories	5	327 619	323 917
Property, plant and equipment	6	459 335	269 329
Investment property	7	816 180	708 835
Intangible assets	8	209 849	197 623
Deferred income tax assets		143 675	146 359
Total assets		4 014 001	3 159 100
EQUITY AND LIABILITIES			
Liabilities			
Bank overdraft		17 249	15 020
Borrowings		1 104 695	1 045 641
Trade and other payables		215 806	78 891
Current income tax liabilities		10 257	7 945
Other liabilities		72 406	93 277
Deferred income tax liabilities		329 159	304 441
Insurance provisions		75 365	63 719
Total liabilities		1 824 937	1 608 934
Capital and reserves			
Share capital		177 595	177 595
Share premium		46 300	46 300
Deemed treasury shares		-	(57 043)
Other reserves		87 282	63 373
Retained earnings		1 877 887	1 319 941
Total capital and reserves		2 189 064	1 550 166
Total equity and liabilities		4 014 001	3 159 100

SUMMARISED CONSOLIDATED INCOME STATEMENT

	For the year ended	For the year ended
	31 Mar 2016	31 Mar 2015
	NAD'000	NAD'000
Revenue	1 150 286	1 017 073
Investment income	153 167	136 127
Income from operations	1 303 453	1 153 200
Insurance benefits and claims	(45 895)	(42 616)
Operating expenses	(673 405)	(608 693)
Finance costs	(134 279)	(105 496)
Profit before taxation	449 874	396 395
Taxation	(30 076)	(93 157)
Profit for the year	419 798	303 238
Other comprehensive income, net of tax	24 115	18 540
Items that will not be reclassified to profit or loss		
Revaluation of PPE	25 814	22 401
Items that will be reclassified to profit or loss		
Exchange difference on translation of foreign operations	(1 699)	(3 861)
Total comprehensive income	443 913	321 778

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2016

	Share Capital NAD'0000	Share premium NAD'000	Deemed treasury shares NAD'000	Other reserves NAD'000	Distributable reserves NAD'000	Total NAD'000
Balance at 1 April 2014	177 595	46 300	(69 026)	46 525	1 022 961	1 224 355
Transfer between reserves	-	-	-	(1692)	1692	-
Deemed treasury shares purchased	-	-	(1 861)	-	-	(1 861)
Deemed treasury shares sold	-	-	13 844	-	32 867	46 711
Total comprehensive income for the period	-	-	-	18 540	303 238	321 778
Dividends for the period	-	-	-	-	(40 817)	(40 817)
Balance at 31 March 2015	177 595	46 300	(57 043)	63 373	1 319 941	1 550 166
Balance at 1 April 2015	177 595	46 300	(57 043)	63 373	1 319 941	1 550 166
Transfer between reserves	-	-	-	(206)	206	-
Deemed treasury shares sold	-	-	57 043	-	187 342	244 385
Total comprehensive income for the period	-	-	-	24 115	419 798	443 913
Dividends for the period	-	-	-	-	(49 400)	(49 400)
Balance at 31 March 2016	177 595	46 300	-	87 282	1 877 887	2 189 064

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the year ended 31 Mar 2016 NAD'000	For the year ended 31 Mar 2015 NAD'000
Cash flow from operating activities		
Cash generated by operations	446 182	177 555
Finance costs	(134 279)	(105 496)
Net loans advanced	(375 622)	(98 215)
Proceeds from funding liabilities for student advances	76 252	220 000
Taxation paid	(7 810)	(25 014)
Net cash flow from operating activities	4 723	168 830
Cash flow from investing activities		
Net cash flow from investing activities	(140 733)	(7 988)
Cash flow from financing activities		
Sale of deemed treasury shares	244 384	47 611
Net proceeds from /(repayments to) lenders and related parties	1 547	(75 863)
Dividends paid	(49 400)	(40 817)
Repayment of other liabilities	(81 615)	(119 699)
Net cash flow from financing activities	144 916	(188 768)
Net change in cash and cash equivalents	(21 094)	(27 926)
Cash and cash equivalents at beginning of year	103 680	131 606
Cash and cash equivalents at end of year	82 586	103 680

CONDENSED SEGMENTAL ANALYSIS

	Total NAD'000	Banking and finance NAD'000	Investments NAD'000	Insurance NAD'000
2016				
Revenue	1 150 286	221 493	727 507	201 286
Profit for the year	419 798	57 326	317 439	45 033
Segment total assets	4 014 001	1 507 636	2 180 726	325 639
2015				
Revenue	1 017 073	173 114	660 434	183 525
Profit for the year	303 238	52 528	266 161	(15 451)
Segment total assets	3 159 100	1 521 863	1 214 626	422 611

NOTES TO THE AUDITED ABRIDGED ANNUAL FINANCIAL STATEMENTS AS AT 31 MARCH 2016

1. Basis of preparation

The abridged annual group financial statements, which comprise the abridged group statement of financial position as at 31 March 2016, and the abridged group statement of comprehensive income, changes in equity, cash flow statement for the year ended 31 March 2016, and related notes are derived from the audited financial statements of Trustco Group Holdings Ltd for the year ended 31 March 2016 which have been audited by the group's independent auditors, BDO. This abridged report is therefore extracted from the audited information, but is itself not audited. The directors take full responsibility for this abridged report and that the financial information has been correctly extracted from the underlying annual financial statements.

The auditor's unmodified report is available for inspection at Trustco's registered offices. The group's audited financial statements are available for inspection at the company's registered office. Electronic copies of the integrated report and the financial statements will be available on the company's website(www.tgh.na), on 24 June 2016. The abridged group financial statements have been prepared in accordance with the framework concepts and measurement and recognition criteria of International Financial Reporting Standards (IFRS) and comply with IAS 34 Interim Financial Reporting and are in accordance with the SAICA Financial Reporting Guides, and the Namibian Companies' Act. no.28 of 2004 (as amended) and JSE Listings Requirements. The accounting policies are consistent with the previous annual financial statements. The abridged consolidated financial information was compiled under the supervision of the Group Financial Director, Ryan McDougall, CA(SA), CA(Namibia).

2. Headline Earnings Reconciliation

	For the year ended 31 March 2016 NAD '000	For the year ended 31 March 2015 NAD '000
Profit attributable to ordinary shareholders	419 798	303 238
Adjustments:	(366)	(27 494)
Profit/Loss on disposals of property, plant and equipment	(221)	2 098
Fair value adjustments on investment properties	(300)	400
Gain on bargain purchase	-	(29 244)
Loss on disposal of intangible assets		
Tax effect	155	(748)
Headline earnings	419 432	275 744

3. Per Share Information

	For the year ended 31 March 2016	For the year ended 31 March 2015
Earnings per share (cents)	55.37	43.59
Diluted earnings per share (cents)	55.02	43.29
Headline earnings per share (cents)	55.32	39.64
Diluted headline earnings per share (cents)	54.97	39.36
Dividends declared per share (cents)	8.40	7.00
Dividends paid per share (cents)	7.40	5.75

WANOS 758million (2015: 696 million)

Diluted WANOS 763 million (2015: 701 million)

Shares in issue 772 million (2015: 772 million)

4. Advances	31 March 2016 NAD '000	31 March 2015 NAD '000
Property advances	420 963	125 287
Student advances	721 810	630 805
Other loans advanced	41 290	50 873
 Net Advances	 1 184 063	 806 965
 Current assets	 199 102	 199 062
Non-current assets	984 961	607 903
Consisting of:		
Advances at end of the year	1 220 056	851 879
Impairment of loans at end of the year	(35 993)	(44 914)

5. Inventories

During the year the group's acquired inventories relating to real estate were carried at a cost of NAD 320 m (2015: NAD 316.1 m) and inventories relating to finished goods at a cost of NAD 7.4 m (2015: NAD 7.8 m) No inventories are required to be written down to net realisable value.

6. Property, plant and equipment

During the year the group acquired property, plant & equipment at a cost of NAD 157.7 m (2015: NAD 68.2 m) and recognised a revaluation gain of NAD 35 m (2015: NAD 23.5 m). The carrying value of property, plant & equipment as at 31 March 2016 was NAD 459 m (2015: NAD 269.3 m). Disposals at carrying value of NAD 7.9 m (2015: NAD 12.2 m) were made.

7. Investment property

During the year the group acquired investment property at a cost of NAD 0.5 m (2015: NAD 13.3 m) and recognised a revaluation gain of NAD 132 m (2015: NAD 103.2 m). The fair value of investment property as at 31 March 2016 was NAD 816 m (2015: NAD 708.8 m). Disposals at carrying value of NAD 3.5 m (2014: NAD 2.2 m) were made.

8. Intangible assets

During the year the group acquired intangible assets at a cost of NAD 15.7 m (2015: NAD 11.7 m). The carrying value of intangible assets as at 31 March 2016 was NAD 209.8 m (2015: NAD 197.6 m). Disposals at carrying value of NAD 2.9 (2015: NAD 0.02 m) were made.

9. Profit Before Taxation

Operating profit (loss) for the year is stated after accounting for the following:

	For the year ended 31 March 2016 NAD '000	For the year ended 31 March 2016 NAD '000
Employee costs	145 672	136 480
Profit on foreign exchange differences	6 978	8 640
Fair value gains on investment property	131 305	103 200
Depreciation - Property, plant and equipment -	22 541	22 241
Amortisation - Intangible assets -	23 840	26 939
Auditors' remuneration	5 652	2 283
(Profit)/Loss on disposal of property, plant and equipment	(221)	2 098
Impairment of loans and receivables and bad debts written off	7 445	25 828
(Decrease)/Increase in provision for doubtful debts relating to student advances	(8 921)	9 274
Gain on bargain purchase - Fides Bank Namibia Ltd	-	11 203
Gain on bargain purchase - Farm Herboth's (Pty) Ltd	-	18 041

10. Related party transactions

Charter income received from/(fees paid to) related parties

Next Investments (Pty) Ltd	498	202
Northern Namibia Development Company (Pty) Ltd	842	1 278
Management fees paid to related parties		
Next Investments (Pty) Ltd	(28 287)	(22 036)
Facility fees paid to related parties		
Next Investments (Pty) Ltd	(18 641)	(11 130)

Q van Rooyen is a common director of the group, Next Investments and Northern Namibia Development Company.

11. Fair Value Hierarchy

	Level 1 NAD '000	Level 2 NAD '000	Level 3 NAD '000	Total NAD '000
2016				
Group: Assets				
- Land and buildings	-	117 617	-	117 617
- Aircraft	-	109 268	-	109 268
- Investment property	-	816 180	-	816 180
- Advances	-	-	1 184 063	1 184 063
- Trade and other receivables	-	-	765 949	765 949
- Cash and cash equivalents	-	-	99 835	99 835
	-	1 043 065	2 049 874	3 092 912
2016				
Group: Liabilities				
- Insurance contract liabilities	-	-	75 365	75 365
- Bank overdraft	-	-	17 249	17 249
- Trade and other payables	-	-	215 806	215 806
- Other liabilities	-	-	42 038	42 038
- Borrowings	-	-	1 104 695	1 104 695
	-	-	1 455 153	1 455 153

12. Business combinations

On 30 June 2015 the group acquired 100% of the voting equity interest of Watermeyer Mining and Construction (Pty) Ltd ("WMC") which resulted in the Group obtaining control thereof. WMC is a construction company specializing in construction projects. The assets and resources acquired include staff and office buildings related to the operations. The Group has taken over the management of the operations of the entity. This expansion will augment the existing investment and property development operations of the Group and reduce the foreseeable development timetable.

Goodwill of NAD9.5 million arising from the acquisition is attributable to the expected savings to be made by the Group relating to the reduced cost of bulk servicing via WMC rather than external vendors. Goodwill is not deductible for income tax purposes.

WMC's acquisition is to be settled in cash in 2 instalments. The first instalment of NAD15.0 million was paid in July 2015, with the second instalment of NAD15.0 due in July 2016.

Fair value of assets acquired and liabilities assumed	NAD '000
Property, plant and equipment	24 000
Current tax assets	38
Trade and other receivables	17 499
Cash and cash equivalents	2 769
Borrowings	(11 097)
Deferred tax liabilities	(4 004)
Current tax liabilities	(44)
Trade and other payables	(10 345)
Total identifiable net assets	18 816
Goodwill	9 497
Total	28 313
Acquisition date fair value of consideration paid	
Cash	(15 000)
Deferred consideration	(13 313)
	(28 313)

Revenue of NAD16.7 million and a loss of NAD11.0 million of WMC have been included in the Group's results since the date of acquisition.

DIRECTORATE

Jan Jones, deputy CEO and alternate director to Quinton van Rooyen resigned on 16 March 2016. On 16 March 2016, QZ van Rooyen and SW Pienaar were appointed as alternate directors to Quinton van Rooyen and Ryan McDougall respectively. On 15 June 2016, SW Pienaar resigned.

DIVIDEND DECLARATION

During the year under review dividends of 7.40 cents per share (2015: 5.75 cents) amounting to a total of NAD49.40 million (2015: NAD45.18 million) were declared and paid by the Group. The directors of Trustco (the board) are pleased to announce that the board passed a resolution on 22 June 2016 to pay a dividend of 5 cents per share for the financial year ended 31 March 2016.

The following information is provided to shareholders in respect of dividend tax:

- The dividend has been declared from income reserves;
- Shareholders are advised that Namibian non-resident shareholders' tax (NRST) of 20% on the declared dividend will be applicable to all shareholders with addresses outside Namibia (unless any specific rules relating to double tax treaties apply), which will result in a net dividend of 4 cents per share;
- The NRST rate for South African residents is 15% resulting in a net dividend of 4.25 cents per share (South African dividend withholding tax is not applicable to Namibian dividends);
- Trustco Group Holdings Ltd's Namibian income tax reference number is 3356338-01-1;
- The number of shares in issue at the date of declaration is 772 142 090.

The salient dates for the payment of this dividend are set out below:

- Last day to trade cum dividend (Namibian register) Friday, 22 July 2016
- Last day to trade cum dividend (South African register) Tuesday, 26 July 2016
- Trading ex dividend (Namibian register) Monday, 25 July 2016
- Trading ex dividend (South African register) Wednesday, 27 July 2016
- Record Date (Namibian and South African register) Friday, 29 July 2016
- Payment Date (Namibian and South African register) Monday, 22 August 2016

Share certificates may not be dematerialised or rematerialised between Wednesday, 17 July 2016 and Friday, 19 August 2016 both days included. The dividend is declared in Namibia Dollars and payable in currencies of the Republics of South Africa and Namibia which are pegged 1:1.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of the company in respect of the year ended 31 March 2016 will be held at Trustco House, 2 Keller Street, Windhoek, on Thursday, 22 September 2016 at 10H00 ("AGM"), to deal with such business as may lawfully be dealt with at the AGM in the manner required by the Namibian Companies Act as amended, as read with the Listings Requirements of the JSE Limited and the provisions of the company's articles of association. The AGM is to be participated in and voted at by the shareholders recorded in the company's security register on the record date of Friday, 16 September 2016.

Shareholders are advised of the following applicable dates:

Last date to trade to be eligible to vote:	Tuesday, 13 September 2016
Last date for lodging forms of proxy for South African shareholders:	Tuesday, 20 September 2016
Last date for lodging forms of proxy for all other shareholders:	Monday, 19 September 2016

The full integrated report including the notice of AGM will be uploaded to the company's website and posted to the shareholders of the company who were recorded as such in the company's securities register on Friday, 24 June 2016.

By order of the board

A Bruyns

Company Secretary

27 June 2016

JSE Sponsor

Sasfin Capital

(a division of Sasfin Bank Limited)

NSX Sponsor

IJG (Pty) Limited