

Trading statement in terms of the JSE Listings Requirements

Published: Feb 29, 2012 8:00:00 AM South Africa Standard Time

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Shareholders are advised that the group's diluted core headline earnings will be between 78 and 83 cents per share, an increase on the restated prior period comparative of 77 cents per share (as per the segmental information). The segmental information assumes that the merger took place on 1 July 2009 and as such the two interim reporting periods are comparable.

Core headline earnings are a measure of performance used by MMI in addition to earnings and headline earnings. Core headline earnings are regarded by the directors of MMI as an appropriate measure of longer-term operational performance, given that items of both a once-off and an inherently volatile nature are eliminated. These include changes to the valuation basis, investment variances, fair value movements on shareholder assets, secondary

tax on companies and the amortisation of any intangible assets recognised due to business combinations.

The statutory diluted earnings per share and diluted headline earnings per share are expected to be between 50 and 60 cents per share for the six month period. This is after taking into account a R257 million amortisation charge for the intangibles created during the merger and a transfer to actuarial reserves as a result of changes in the economic assumptions used in the financial soundness valuation. The comparative statutory figures for 2010 comprise six months' results from Momentum and one month's results from Metropolitan, while the current period includes six months from all operations. The comparative statutory figures therefore do not provide meaningful comparisons.

New business written by the group during the six month period, measured on both the annual premium equivalent and the present value of premiums basis, ended marginally below the comparative levels recorded during 2010, reflecting the difficult operating conditions experienced by the group.

The financial information on which this trading statement is based has not been reviewed and reported on by MMI's external auditors.

Centurion

29 February 2012

Sponsor

Merrill Lynch South Africa (Pty) Ltd

