TRADING STATEMENT 2012 YEAR END RESULTS

BOTSWANA INSURANCE HOLDINGS LIMITED (BIHL)
(Incorporated in Botswana on 21 November 1990)
(Registration number 90/1818)
(“BIHL” or “the Company” or “the Group”)

The Listings Requirements of the Botswana Stock Exchange (BSE) require BIHL to announce through the BSE and the press any circumstances or events that have, or are likely to have, a material effect on the financial results of the company for the period to be reported upon next.

The Board of BIHL hereby announces that the Group’s results for the year ended 31 December 2012 will be lower than those reported for the year ended on 31 December 2011. As communicated at half year end, 30 June 2012, the decrease is partly as a result of the concluded sale of a 21% stake in the Zambia business in April 2011 in line with regulatory requirements in that country. The sale of this business resulted in a profit of P33 million reported last year which will not be repeated this year. In addition, the continued economic pressure on individual households is affecting their savings ability. Volatility in financial markets has also resulted in unrealized investment losses which have had a net negative effect of approximately P42 million, compared to the previous year. However, the board is pleased to note that results for the core businesses continue to be satisfactory and that due to an increased stake in an associate, results from associates are significantly higher than for the same period last year.

In view of these matters, shareholders and investors are advised to continue to exercise caution when trading in the Company’s securities until such time as a detailed announcement is made. Detailed results to 31 December 2012, are expected to be released on or about 05 March 2013.

The information in this trading update has not been reviewed or reported on by BIHL’s independent auditors.

By order of the Board

15 February 2013