

## PPS NAMIBIA ALLOCATES OVER N\$132 MILLION IN PROFITS TO MEMBERS

23 April 2015: PPS Namibia, the Namibian financial services company focused exclusively on graduate professionals, has announced that total profit share allocations to members\* for the 2014 financial year amounted to more than N\$132 million.

The company, which is the largest company in Namibia operating under a mutual model - meaning a business that is owned by its members and therefore returns profits to its members rather than shareholders - confirmed a 17,2% increase in total assets to N\$879.4 million.

Adri Vermeulen, Chief Executive of PPS Namibia, says members have benefited hugely from their ability to share in the profits of the company in recent years. "Over the last 10 years, PPS Namibia has allocated more than N\$690 million to its members\*, making it by far the largest and most successful mutual company in Namibia."

"Our members have a unique value proposition by belonging to PPS, as they receive all the profits of the company. Upon retirement, they qualify for a lump sum pay-out of all the accumulated profits," says Vermeulen.

Since the onset of the financial crisis global mutual and cooperative insurers have grown their premium income by 28% between 2007 and 2013, whilst the total insurance market only increased by 11% during the same period.

According to Shaun Tarbuck, CEO at the International Cooperative and Mutual Insurance Federation (ICMIF), greater levels of trust and customer satisfaction associated with mutual and cooperative insurers has given them a competitive advantage against shareholder-owned insurers. "Our analytical research says that the mutual and cooperative sector has been the fastest-growing part of the global insurance industry since 2007. We are at the cutting edge of the insurance industry - and certainly the recent growth in market share of the sector suggests that the public is beginning to recognise this as well."

In addition to the profit allocation, Vermeulen says gross premium revenue rose 8,0% to N\$109.7 million, while total gross benefits paid to members, including life, dread disease and disability claims amounted to N\$47.9 million in 2014, an increase of 34,6% on the previous year.

"We are extremely pleased with the performance of PPS Namibia during the last year. These results demonstrate the strength of members belonging to a mutual financial services company. As the PPS Namibia business continues to grow, our members\* benefit by receiving all of the profits of the company."

*\* PPS members with qualifying products*

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**Additional information:**

PPS boasts in excess of 200,000 members who enjoy access to a comprehensive suite of financial and healthcare products that are specifically tailored to meet the needs of graduate professionals.

PPS is the largest Namibian company of its kind that still embraces an ethos of mutuality, which means that it exists solely for the benefit of its members. Thus, members who are policyholders can exclusively share in the profits of PPS Insurance.