

Seven Year Review

Income Statements

for the year ended 30 June

N\$ thousand	2007	2006	2005	2004	2003	2002	2001
Interest and similar income	1 211 692	925 620	814 872	779 817	607 592	471 495	419 534
Interest expenses and similar charges	(600 653)	(441 675)	(392 117)	(382 937)	(300 031)	(201 943)	(173 807)
Net interest income before impairment of advances	611 039	483 945	422 755	396 880	307 561	269 552	245 727
Impairment losses on loans and advances	(67 767)	(29 278)	(22 835)	(22 957)	(11 597)	(5 106)	(3 334)
Net interest income after impairment of advances	543 272	454 667	399 920	373 923	295 964	264 446	242 393
Non-Interest Income	378 793	343 760	280 754	218 376	184 353	158 414	131 329
Net insurance premium income	120 231	108 169	88 630	78 159			
Net claims and benefits paid	(44 041)	(42 451)	(30 259)	(27 137)			
Transfer to policyholder liabilities under insurance contracts	(38 148)	(36 913)	(29 384)	(16 727)			
Fair value adjustment to policyholder liabilities under investment contracts	(83)	1 750	(1 807)				
Fair value adjustment to financial liabilities	8 432						
Income from operations	968 456	828 982	707 854	626 594	480 317	422 860	373 722
Operating expenses	(521 088)	(454 490)	(399 517)	(379 730)	(225 990)	(188 193)	(176 247)
Share of (loss)/profit of associated companies	(229)	(2 500)	1 129	98			
Operating profit before income tax	447 139	371 992	309 466	246 962	254 327	234 667	197 475
Indirect tax	(12 579)	(12 992)	(2 845)	(3 844)	(6 627)	(5 701)	(2 261)
Profit before tax	434 560	359 000	306 621	243 118	247 700	228 966	195 214
Direct tax	(130 212)	(102 029)	(90 717)	(78 004)	(6 824)	(72 655)	(63 150)
Profit for the year	304 348	256 971	215 904	165 114	240 876	156 311	132 064
Attributable to:							
Preference shareholders	1 107	1 331	5 025				
Equityholders of the group	303 241	255 640	210 879	165 114	240 876	156 311	132 064
Reconciliation of earnings attributable to equityholders and headline earnings							
Earnings attributable to ordinary equityholders	303 241	255 640	210 879	165 114	240 876	156 311	132 064
Less: profit on sale of property and equipment	(427)	(858)	(6 292)	(826)	(1 586)		
Less: profit on revaluation of investment property		(678)	(1 063)	(63)			
Less: impairment on property and equipment		(251)					
Less: realised income from available for sale financial assets	(3 845)	(2 789)					
Headline earnings	298 969	251 064	203 524	164 225	239 290	156 311	132 064
Reconciliation of headline earnings and core operational earnings							
Headline earnings	298 969	251 064	203 524	164 225	239 290	156 311	132 064
Plus: Merger expenses				10 082			
Less: Once-off tax asset created on restructuring					(80 119)		
Core operational earnings	298 969	251 064	203 524	174 307	159 171	156 311	132 064

Seven Year Review

Balance Sheets

as at 30 June

N\$ thousand	IFRS 2007	IFRS 2006	IFRS 2005	Namibian GAAP 2004	Namibian GAAP 2003	Namibian GAAP 2002	Namibian GAAP 2001
Assets							
Cash and short-term funds	226 173	208 174	202 479	280 023	452 498	703 221	305 391
Due from banks and other financial institutions	115 755	170 125					
Derivatives financial instruments	22 307	39 420	5 028				
Advances classified as loans and receivables	8 726 203	7 861 541	6 709 475	5 826 669	3 554 728	2 932 209	2 632 703
Investment securities and other investments	1 152 013	966 544	839 163	636 758	350 399	276 660	222 599
Accounts receivable	154 722	102 453	182 149	97 253	249 758	98 706	57 953
Policy loans originated on investment contracts	2 630	996	119				
Reinsurance assets	7 902	8 175	3 377				
Investment in associate companies	263	253	6 385	2 824	2 835		
Current tax			8 241	41 293			
Deferred tax assets	33 803	39 178	34 868	45 699	40 244	1 630	2 077
Property and equipment	164 457	157 938	151 845	141 997	81 442	59 304	55 543
Investment property	6 000	6 000	11 878	18 271			
Intangible assets	61 544	70 813	78 559	109 236			
Total assets	10 673 772	9 631 610	8 233 566	7 200 023	4 731 904	4 071 730	3 276 266
Liabilities and equity							
Liabilities							
Deposit and current accounts	7 817 107	7 811 924	6 706 319	5 884 555	3 950 480	3 270 850	2 627 544
Due to banks and other financial institutions	830 762	124 224					
Derivative financial instruments	33 019	40 281	4 634	16 710			
Creditors and accruals	152 413	114 341	133 054	102 164	161 971	135 265	64 504
Gross outstanding claims	444	6 526	2 585	2 546			
Gross unearned premium	20 045	16 482	10 242	15 013			
Provision for unexpired claims	1 854	1 806	1 828	1 678			
Policyholder liabilities	188 215	147 306	109 395	76 964			
Post-retirement medical liability	33 883	30 225	27 665	25 685	21 694	20 660	20 390
Tax liability	104 151	982	16 795	377			
Deferred taxation liability	17	35 007	45 766	36 217		50 518	41 702
Long-term liability	251 424						
Total liabilities	9 433 334	8 329 104	7 058 283	6 161 909	4 134 145	3 477 293	2 754 140
Equity							
Share capital	1 321	1 321	1 321	1 431	1 009	1 000	1 000
Share premium	263 913	266 082	266 557	301 636	17 772	10 981	10 981
Non-distributable reserves	3 825	13 069	27 634	19 909	35 605		
Distributable reserves	971 379	1 022 034	879 771	715 138	543 373	582 456	510 145
Total equity	1 240 438	1 302 506	1 175 283	1 038 114	597 759	594 437	522 126
Total equity and liabilities	10 673 772	9 631 610	8 233 566	7 200 023	4 731 904	4 071 730	3 276 266

Seven Year Review

Ratios and Selected Financial Information

as at 30 June

	2007	2006	2005	2004	2003	2002	2001
Number of ordinary shares in issue ('000)	267 593	267 593	267 593	260 771	201 700	200 000	200 000
Number of ordinary shares in issue with share trust eliminated ('000)	264 323	264 347	264 347	259 071	200 000	200 000	200 000
Weighted number of ordinary shares in issue ('000)	264 331	264 347	258 496	259 071	200 000	200 000	200 000
Number of preference shares in issue	2	2	2	27 187 566			
Number of preference shares expected to convert				14 534 208			
Earnings per ordinary share (cents)	114.7	96.7	81.6	63.7	120.4	78.2	66.0
Headline earnings per share (cents)	113.1	95.0	78.7	63.4	119.6	78.2	66.0
Diluted earnings per share (cents)	114.7	96.7	81.6	60.4	120.4	78.2	66.0
Core operational earnings per share (cents)	113.1	95.0	78.7	67.3	79.6	78.2	66.0
Diluted core operational earnings per share (cents)	113.1	95.0	78.7	63.7	79.6	78.2	66.0
Return on assets (earnings on average assets) (%)	3.0	2.9	2.7	2.8	5.5	4.3	4.2
Return on equity (earnings on average equity) (%)	23.8	20.6	19.1	20.2	40.4	28.0	28.2
Core operational earnings on average assets (%)	2.9	2.8	2.6	2.9	3.6	4.3	4.2
Core operational earnings on average equity (%)	23.5	20.3	18.4	21.3	26.7	28.0	28.2
Cost to income ratio (%)	48.0	49.0	49.8	52.2	45.9	44.0	46.7
Critical mass (%) (excluding merger expenses in 2004)	4.9	4.7	4.9	5.3	4.8	4.6	5.4
Net asset value per share (cents)	469.3	492.7	444.6	400.7	298.9	297.2	261.1
Market capitalisation	2 119.3	1 873.2	1 605.6	1 199.5	899.6	790.0	672.0
Price to Book	1.7	1.4	1.4	1.2	1.5	1.3	1.3
Dividend information:							
Dividends per share - ordinary dividend declared (cents) *	47.0	40.0	32.0	25.0	25.0	42.0	33.0
* based on current year profits							
Dividends per share - ordinary dividend paid (cents) **	44.0	34.0	28.5	11.5	25.0	42.0	33.0
** based on dividends paid within financial year							
Dividend per share - special dividend (cents)	93.0				95.0		
Dividend yield - ordinary dividend (%)	5.9	5.7	5.3	5.4	5.6	10.6	9.8
Dividend yield - special dividend (%)	11.7				21.3		
Dividend cover (times) based on total dividends	0.8	2.4	2.5	2.5	1.0	1.9	2.0
Earnings yield (%)	14.5	13.8	13.6	13.9	27.0	19.8	19.7
Share price - ordinary (cents)	792.0	700.0	600.0	460.0	446.0	395.0	336.0
Price/Earnings ratio	6.9	7.2	7.4	7.2	3.7	5.1	5.1
Impairment charge of average advances (%)	0.8	0.4	0.4	0.5	0.4	0.2	0.1
Specific impairment charge of average advances (%)	0.5	0.2	0.0	0.2	0.2	0.2	0.1
Capital adequacy: Tier 1	14.4	18.7	17.0	19.9	18.7	23.2	21.6
Tier 1 & Tier 2	19.8	20.3	18.4	21.2	19.9	24.4	22.8