

# INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2016

|  | 2016<br>Rm    | 2015<br>Rm | Notes |
|--|---------------|------------|-------|
| Insurance premiums   | 38 589        | 35 297     |       |
| Insurance premiums ceded to reinsurers                             | (9 618)       | (7 901)    |       |
| <b>Net insurance premiums</b>                                      | <b>28 971</b> | 27 396     | 26    |
| Fee income   | 7 679         | 7 355      | 27    |
| Investment contracts   | 2 471         | 2 225      |       |
| Trust and fiduciary services                                       | 1 892         | 1 842      |       |
| Health administration  | 1 945         | 2 053      |       |
| Other fee income   | 1 371         | 1 235      |       |
| Investment income  | 17 522        | 15 559     | 28    |
| Net realised and fair value gains                                  | 11 824        | 16 248     | 29    |
| <b>Net income</b>  | <b>65 996</b> | 66 558     |       |
| Insurance benefits and claims                                      | 32 532        | 28 636     |       |
| Insurance claims recovered from reinsurers                         | (5 923)       | (4 026)    |       |
| <b>Net insurance benefits and claims</b>                           | <b>26 609</b> | 24 610     | 30    |
| Change in actuarial liabilities and related reinsurance            | (674)         | (869)      |       |
| Change in long-term insurance contract liabilities                 | 354           | (2 069)    | 15.1  |
| Change in short-term insurance contract liabilities                | (71)          | (139)      | 15.2  |
| Change in investment contracts with DPF liabilities                | (940)         | 728        | 16.1  |
| Change in reinsurance assets                                       | (331)         | 154        | 8     |
| Change in reinsurance liabilities                                  | 314           | 457        | 20    |
| Fair value adjustments on investment contract liabilities          | 16 205        | 16 039     | 16.2  |
| Fair value adjustments on collective investment scheme liabilities | (153)         | 2 457      |       |
| Depreciation, amortisation and impairment expenses                 | 1 408         | 1 326      | 31    |
| Employee benefit expenses  | 5 341         | 5 922      | 32    |
| Sales remuneration   | 5 304         | 5 071      | 33    |
| Other expenses   | 6 695         | 5 806      | 34    |
| <b>Expenses</b>  | <b>60 735</b> | 60 362     |       |
| <b>Results of operations</b>                                       | <b>5 261</b>  | 6 196      |       |
| Share of profit of associates                                      | 18            | 4          | 5     |
| Finance costs  | (937)         | (792)      | 35    |
| <b>Profit before tax</b>   | <b>4 342</b>  | 5 408      |       |
| Income tax expense   | (2 164)       | (2 431)    | 25.2  |
| <b>Earnings for year</b>   | <b>2 178</b>  | 2 977      |       |
| <b>Attributable to:</b>  |               |            |       |
| Owners of the parent   | 2 142         | 2 857      | 36    |
| Non-controlling interests  | 36            | 120        |       |
|  | <b>2 178</b>  | 2 977      |       |
| Basic earnings per ordinary share (cents)                          | 137.6         | 183.5      | 36    |
| Diluted earnings per ordinary share (cents)                        | 135.9         | 180.5      | 36    |

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