

AVBOB REWARDS POLICYHOLDERS WITH R 1,5 BILLION



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Since 1918

AVBOB Mutual Assurance Society announced on 19 November 2014 that following the declaration of R 1,0 billion at the end of the 2012/2013 financial year, a further R 1,5 billion has been reserved to increase policyholder value in the form of special bonuses and improved free funeral benefits.

This announcement was made during **AVBOB's** Annual General Meeting following the Society's exceptional financial results for the 2013/2014 financial year. Mr Frik Rademan, the Group CEO announced a net income of R 2,2 billion before tax and the improvement of policyholder benefits.

Rademan once again accentuated the Society's mutual status which enables it to distribute all profits to policyholders. "**AVBOB** has no external shareholders and the more than 3,8 million lives insured benefit directly from our successes," he said.

According to him, **AVBOB** has consistently distributed profits to its policyholders in the form of special bonuses and improved **FREE** funeral benefits in recent years. "The latest allocation now brings the aggregate over the past seven years to R 4,0 billion. It is important that our policyholders know that their policies continue to appreciate in value and when we say we regard them as family and family comes first, always, we are sincere. Our mission is to offer a professional one-stop service and great value for money. We have done this for almost a hundred years and will continue doing so with the support of all South Africans."

The enhanced funeral benefits, for funeral policies which have been in force for two years or longer, includes a **FREE** basic funeral whilst policies younger than two years qualify for a discount of up to R 4 000 on a funeral. The benefit of the **FREE** transportation of the deceased to anywhere within the borders of South Africa applies to all policies regardless of tenure. These benefits only apply if **AVBOB** Funeral Service conducts the funeral.



FRIK RADEMAN
(GROUP CEO)

SOME HIGHLIGHTS FROM THE 2013/2014 FINANCIAL YEAR

- A return of 51,8% on capital was achieved.
- Total assets increased by 25,3% to R 11,1 billion.
- Total revenue, including investment income, increased to R 4,1 billion.
- The Group's net income before tax and transfers amounted to an all-time record of R 2,2 billion.
- Net new business grew by 23,7%.
- AVBOB is adequately capitalised and even after reserving for increased policyholder value, has a capital adequacy ratio of 4,8 times.
- The surplus reserved for the improvement of policyholder benefits amounted to R 1,5 billion.
- The number of policies in force and insured lives increased by 6,9% to 1,4 million and 10% to 3,8 million respectively.
- The Group improved its B-BBEE rating from level 3 to level 2.

AVBOB is a MUTUAL, a FAMILY, and FAMILY comes first. *Always.*