

AVBOB REWARDS POLICYHOLDERS AGAIN WITH R 1,0 BILLION



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Since 1918

AVBOB Mutual Assurance Society announced on 19 November 2015 that following the declaration of R 1,0 billion on 1 May 2014, a further R 1,0 billion has been reserved to be declared to policyholders on 1 May 2016 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 2014/2015 financial year. Mr Frik Rademan, the Group CEO, announced a net income of R 1,2 billion before tax and the improvement of policyholder benefits was achieved.

Rademan accentuated the Society's mutual status which enables it to distribute all profits to policyholders. "AVBOB has no external shareholders and the 4,3 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. "The latest allocation now brings the aggregate over the past eight years to R 4,6 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."

AVBOB's current FREE funeral benefits include, *over and above* the value of the policy:

- A FREE basic funeral (burial or cremation) for funeral policies which have been in force for two years or longer whilst policies younger than two years qualify for a discount of up to R 4 000 on a funeral (burial or cremation).
- FREE transportation of the deceased to anywhere within the borders of South Africa applies to all policies regardless of the period in force.

These benefits only apply if AVBOB Funeral Service conducts the funeral.

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Terms and conditions apply. AVBOB is an authorised Financial Services Provider. FSP 20656. Funeral benefits only apply if AVBOB Funeral Service conducts the funeral.



FRIK RADEMAN
(GROUP CEO)

SOME HIGHLIGHTS FROM THE 2014/2015 FINANCIAL YEAR

- Net new insurance business increased by 30.6%.
- Premium income increased by 16.8% to R 2,3 billion.
- A return of 25.8% on capital, before the improvement of policyholder benefits.
- The Society has successfully maintained its Capital Adequacy Ratio (CAR) cover at more than four times (30 June 2015 a CAR of 4.6) over the past 8 years despite the allocation of R 4,6 billion to the improvement of policyholder benefits.
- The number of in-force policies and insured lives increased to 1, 5 million and 4, 3 million respectively.
- The Group created jobs for 500 people, thus increasing the workforce by 10.1% to 5 600 people.
- The Group retained its level 2 B-BBEE rating for the most recent review in accordance with the Financial Services Sector Code.

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