

|PRESS RELEASE|

11th September 2015

Letshego Advances Near P6bn; Growth Trajectory Continues

- *Earnings per share of 6%*
- *16% increase in advances*
- *8% increase in profit after tax to P402 million*

GABORONE – A testament to the realisation of a Botswana business succeeding on home soil and across the continent, Letshego Holdings Limited Group has defied a tough trading environment across Africa to once again produce robust financial results and pleasing performance for stakeholders. The Group on 11th September 2015 presented consolidated financial results for the six months ended 30th June 2015, demonstrative of the strong growth trajectory as per the Group's strategic objectives.

The pan-African financial services Group, servicing over 260,000 customers across Africa and 37,500 in Botswana alone, has almost hit the P6 billion mark in customer advances for the six month period under review. This speaks to a 16% increase in advances compared to the corresponding period in the previous year. The quality of the advances book was within target levels with an impairment charge on the net portfolio at 2.5%.

Similarly, interest income increased by 10% to P791 million and profit before tax increased by 3% to P522 million. Profit after tax also saw an increase, of 8%, to P402 million. Moreover, earnings-per-share increased by 6% at 18.5 thebe (basic). The annualised dividend yield is 6% and is consistent with the prior period's dividend policy. Overall, returns and profitability have been robust. The Group remains well capitalised with a capital adequacy ratio of over 60% and cash resources of over P283 million.

Said Group Managing Director, Chris Low, "We are pleased to share that the growth trajectory of Letshego continues to see tremendous progress, with a number of initiatives underway to facilitate this. Amongst these is Letshego's decision to acquire a 100% shareholding in a micro-finance, deposit taking financial institution in Nigeria." The transaction is subject to relevant regulatory approvals. Once completed, the acquisition will provide Letshego a national deposit-taking and micro finance licence in Nigeria – Letshego's fourth after Mozambique, Namibia (provisional) and Rwanda. It will also add 28 customer access points and 80,000 customers and will provide a strong platform to grow Letshego in Nigeria, amongst the microfinance, agency banking and government payroll segments.

In Tanzania, Letshego has moved to become a 75% shareholder of a deposit taking financial institution that specialises in micro finance by way of subscription for new shares, subject to final regulatory approval. Once all other conditions precedent have been completed, this will add a further deposit taking entity to the Letshego Group adding 5 customer access points and over 20,000 customers. More importantly, this institutions brings with it agency and mobile banking capability to push forward Letshego's financial inclusion growth. This, when combined with Letshego's existing business in Tanzania, will position Letshego to be one of the leading financial services organisations in Tanzania over time.

"We continue to diversify in terms of geographic, customer and solution mix as well as through introducing new capabilities. This was progressed during the period by way of good growth in all of our markets, in particular Botswana and Kenya, and a number of new products are being launched or enhancements being made to existing solutions. Further supporting this, we continue to seek deposit-taking licences and this will facilitate our financial inclusion agenda to ensure enhanced delivery of simple, appropriate and affordable financial services. Financial inclusion across Africa is, we believe, fundamental to Africa's success."

Low further noted a highly promising outlook for the Group. "We look forward to continuing to add value to the lives of all of our stakeholders, and indeed to continue to manage a strong, sustainable business model that appropriately rewards shareholders."

The Board has resolved to award an interim dividend of P196 million, at 9 thebe per share (gross of tax).

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For more information, please contact
Mrs. Mythri SambasivanGeorge – Head of Corporate Affairs,
Letshego Holdings Limited on mythris@letshego.com or 3643041.
Alternatively, visit www.letshego.com for more information.

