



## MEDIA STATEMENT

*Media release: 16 September 2015*

### **Ugandan general insurer NIKO rebrands to Sanlam General Insurance**

Kampala, 17 September 2015: Ugandan general insurer NIKO Insurance last night announced that it has rebranded to Sanlam General Insurance. Sanlam, the South Africa-based financial services group, is the majority shareholder in NIKO.

The Kampala event was attended by the South African High Commissioner to Uganda, His Excellency Professor Major General (Rtd) Lekoa Solly Mollo; the Chief Executive Officer of the Insurance Regulatory Authority in Uganda, Hon Alhaj Kaddunabi Ibrahim Lubega; the Minister of State for Privatization, Hon Aston Kajara; the Ugandan Investment Authority Executive Director, Mr Patrick Bitature; Mr Ian Kirk, Group Chief Executive of Sanlam and Mrs Margaret Dawes, Chief Executive Officer: Rest of Africa at Sanlam Emerging Markets.

Sanlam General Insurance in Uganda started operations as NIKO in 2004 and offers a broad range of general insurance products for both personal and corporate clients. For clients, shareholders, brokers and employees, the rebranding will enhance the existing benefits of the company's partnership with Sanlam, giving access to the larger group's financial strength, technical expertise and brand equity. It will also enable the insurer to offer more innovative and accessible products to additional segments of the Ugandan population.

According to Mr Gary Corbit, Chief Executive of Sanlam General Insurance, the rebranding will give clients the added comfort and security of doing business with a company that is well known in many African markets as a leader in general insurance, wealth creation, management and protection. Sanlam is a respected financial services group with a footprint in 12 African countries outside of South Africa, as well as in India, Malaysia, the USA, the UK and Australia.

"We look forward to using this opportunity to strengthen our business relationship with our clients, partners and associates and to further entrench the Sanlam way of doing business to a wider range of clients," he said.

Sanlam holds an 84% stake in NIKO Insurance (79% direct and 5% indirect via NICO Holdings) through its subsidiary, Sanlam Emerging Markets (SEM) which is responsible for Sanlam's financial business services in emerging markets outside South Africa.

The rebranding is in-line with the Sanlam Group's focus on strengthening its identity and expanding its visibility on the continent in general and in East Africa in particular. In neighbouring Tanzania, leading life assurer Sanlam Life Insurance, formerly African Life, launched its new Sanlam branding in August. Sanlam also has businesses in Kenya and Rwanda.

Mr Kirk said Uganda is an attractive market as it is a key player in the East Africa region. "More importantly, Sanlam will contribute to the local financial services industry in the country by providing access to world-class products and services. With our 97 year history, we believe that we have the expertise and experience to create sustainable value for the Ugandan people."

"Our geographical diversification strategy focuses on investing in smaller, bolt-on deals and partnerships with established businesses in emerging markets, as well as one of our most valuable assets, our brand," Mr Kirk

said.

“The Sanlam brand is expressed through our pay-off line, Wealthsmiths™, which is a simple description of what we do and what we believe in. It represents our roll-up-your-sleeves, pragmatic approach to doing things, it is our ethos, and our appreciation for the raw materials with which we work – our clients’ money. We have a deep understanding that wealth does not come easy – it comes from hard work and dedication and we take our role in this process extremely seriously,” Mr Kirk said.

Sanlam Life Insurance in Uganda has also announced that it will undergo a brand refresh, including a rejuvenated logo to align with the mother brand and its sister company Sanlam General Insurance. Sanlam Life Insurance started operations in Uganda in 2010 and is wholly owned by Sanlam.

Mrs Dawes added that the refresh of the Sanlam Life Insurance brand – the fastest growing life insurer in Uganda – would help to create one strong Sanlam identity in Uganda. “A robust brand contributes to stronger business performance which ultimately benefits employees, clients and shareholders.”

Sanlam Life Insurance holds 16.7% market share of life business in Uganda, with the largest individual life book in the industry in terms of lives assured (over 18 000 lives) and tens of thousands under group, credit life and medical schemes. Gross premiums in the last financial year totalled over US\$4.95 million (UGX12.4 million) and the company has won several awards, including Best Informed Insurer in 2015, and Life Agent of the Year in 2014.

The Sanlam Group is a diversified financial services business with assets under management of more than \$65.83 billion by Sanlam Investments and an international footprint. The Group’s business has expanded and diversified over many years. The Group currently has a presence in Southern Africa through Botswana, Malawi, Mozambique, Namibia and Zambia; East Africa through Kenya, Tanzania, Rwanda and Uganda; West Africa via Nigeria and Ghana and finally in India and Malaysia with plans to expand into additional African countries and other emerging markets over time.

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## **Fact sheet**

### **About Sanlam**

Sanlam is a leading financial services group listed on the JSE Limited and the Namibian Stock Exchange. Established in 1918 as a life insurance company, the South Africa-based Sanlam Group has transformed into a diversified financial services business. Through its four business clusters – Sanlam Personal Finance, Sanlam Emerging Markets, Sanlam Investments and Santam – the Group provides comprehensive and tailored financial solutions to individual and institutional clients across all market segments.

The Group’s areas of expertise include insurance, financial planning, retirement, trusts, wills, short-term insurance, asset management, risk management and capital market activities, investment and wealth. The Group operates in South Africa, Namibia, Botswana, Swaziland, Malawi, Zambia, Tanzania, Rwanda, Uganda, Kenya, Ghana, Nigeria, Mozambique, India, Malaysia and the United Kingdom and has business interests in the USA, Australia and the Philippines. It has a stake in leading global micro-insurance specialists, UK-based Micro-Ensure Holdings Limited, which has a footprint across Africa and India servicing more than 10 million enrolled clients.

### **What we do**

We offer individual, group and short-term insurance, personal financial services such as estate planning, trusts, wills, personal loans, health management, savings and linked products, business fitness assessment, asset management, stock broking, employee benefits, risk management and capital market activities.

ATMOSPHERE

Our approach to the way we conduct business is ensconced in a traditional set of values grounded in an unparalleled work ethic which has worked for us and our clients and business partners over the last 97 years.

### Sanlam at a glance (2015 Interim Results)

The extent of our business

- Sanlam Investments assets under management = US \$65.83 billion (30 June 2015)
- Operating profit before tax = US \$490 million
- Total new business volumes = US \$8.39 billion
- Net fund flows = US \$570 million
- Market capitalisation = about \$10.75 billion (4 September 2015)
- Staff = 13 982 in Sanlam, and ±45 000 in associates
- Shareholders = 485 813

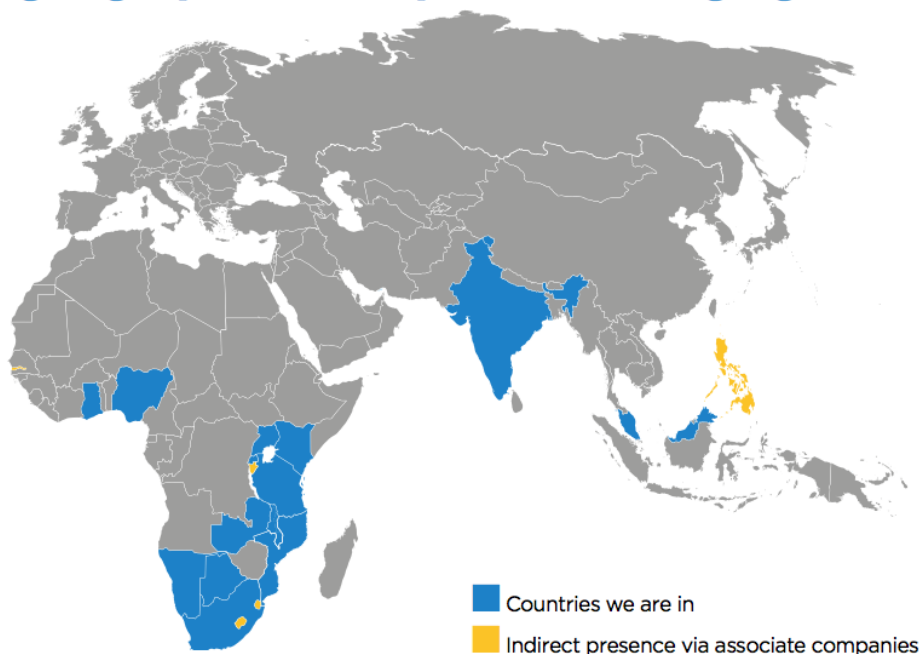
The Corporate Office of the Sanlam Group is responsible for centralised functions that include strategic direction, financial and risk management, marketing and communications, human resources and information technology, sustainability management, corporate social investment and general services.

### Sanlam Emerging Markets

The Sanlam Emerging Markets (SEM) cluster is responsible for Sanlam's financial business services (life assurance, general insurance, banking, credit, health, bancassurance and asset management) in emerging markets outside South Africa with the aim of ensuring sustainable delivery and growth across the various businesses that make up this cluster. As part of the Group's vision, it strives to lead wealth creation in those markets. SEM has businesses in Southern Africa through Botswana, Malawi, Mozambique, Namibia and Zambia; East Africa through Kenya, Tanzania, Rwanda and Uganda; West Africa via Nigeria and Ghana and in India and Malaysia. It has an indirect presence via associate companies in Burundi, The Gambia, Lesotho, Swaziland and the Philippines.

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## Our geographical footprint in emerging markets



## **An overview of Uganda**

### **The country\***

- Uganda has an estimated GDP of just over \$26bn (2014).
- The country is expected to record an average real GDP growth rate of 5.5% p.a. over the 2014-16 period.
- Population: 35.9 million (est. July 2014).
- Unemployment: 3.8%
- While previously it was the primary source of economic activity, the agricultural sector now only accounts for around a quarter of the country's output, but still engages nearly three-quarters of the country's population.
- The transport, telecommunications, and financial services sub-sectors have shown strong growth in recent years.

### **The insurance industry\*\***

- The industry recorded a CAGR of 18.8% during 2009–2013, valuing UGX402.6 billion (US\$154.9 million) in 2013.
- Insurance penetration increased from 0.601% (2009) to 0.675% (2013), and is expected to reach 0.731% in 2018.
- Government and the insurance regulator are expected to enact legislation on the insurance distribution model e.g. inclusion of banc assurance to enhance the industry's transparency and overall effectiveness.
- Uganda has one of the world's lowest life expectancies, which is likely to impact the life insurance segment.
- Competitor landscape
  - The Ugandan insurance industry has 23 operational firms, of which 22 are insurers and one is a reinsurer.
  - The life insurance segment is highly concentrated, with the top three companies accounting for 72.1% of the total gross written premium (2012).
  - The non-life and personal accident and health insurance segments are competitive and moderately concentrated, with the top three companies accounting for 51.3% of the gross written premium in 2012.
  - The size and significance of the insurance industry increased substantially between 2008 and 2011 following the entry of new service providers.
  - In 2013, non-life insurance accounted for 64.2% of the total insurance industry's written premium, followed by personal accident and health and life segments (24.6% and 11.2% shares respectively).

### **Sanlam in Uganda**

Sanlam wholly owns Sanlam Life Insurance (Uganda) and holds an 84% stake (79% direct and 5% indirect via NICO Holdings) in NIKO Insurance Company Uganda.

### **Sanlam General Insurance (previously NIKO General Insurance)**

The company started operations in 2004 and currently holds a 2.7% market share. It offers a broad range of general insurance products for both personal and corporate clients.

Its personal product offering covers home, health, life, motor vehicle, travel, all risk, and golf insurance. Their corporate products include fire and burglary, fidelity guarantee, life insurance, agri-business, industrial all risk, business interruption, marine/ goods in transit, motor vehicle, group personal accident and work's compensation.

### **Gary Corbit**

Chief Executive Officer: Sanlam General Insurance in Uganda

**Address:** Plot 2, Parklane Road, Lower Kololo, Kampala

**Tel:** +256 312 264 724

**Email:** [gary.corbit@sanlam.co.ug](mailto:gary.corbit@sanlam.co.ug)

### **Sanlam Life Insurance**

Sanlam Life Uganda started business operations in June 2010 and has seven branches countrywide. It provides individual and group life products as well as medical insurance and was the first insurer in the country to introduce a combined staff package, bringing together group life assurance and group personal accident cover. Its product categories for insurable and poolable benefits include: accident, disability, life, medical and pension. The company has also recently been named the Best Informed Insurer for 2015.

The company is the fastest growing life insurer in the country and holds a 16.7% market share (2014) of life business with the largest individual life book in the industry in terms of lives assured (over 18 000 lives) and tens of thousands of lives assured under their group, credit life and medical schemes. Sanlam Life Insurance's market segments banks, insurers, microfinance institutions energy and mining companies, pension funds, parastatals, NGOs, the armed forces, central government and municipal staff. Gross premiums in the last financial year totalled over US \$4.95 million.

### **Contact:**

#### **John Lintari**

Chief Executive Officer: Sanlam Life Insurance in Uganda

**Address:** Plot 3, Nakasero Hill Road, PO Box 25495, Kampala

**Tel:** +256 417 726 526

**Email:** [john.lintari@sanlam.co.ug](mailto:john.lintari@sanlam.co.ug)

\*NKC Uganda Country Profile (April 2015)

\*\*TiMetric: The Insurance Industry in Uganda, Key Trends and Opportunities to 2018 (August 2014)