



Equity Assurance Plc Stakeholders Forum

HYBRID OFFER

- OFFER FOR SUBSCRIPTION of 1,500,000,000 Ordinary Shares of 50 kobo each at N3.50 per share
- RIGHTS ISSUE of 770,788,260 Ordinary Shares of 50 kobo each at N3.00 per share

2008

EQUITY assurance plc
RC 65443

Outline

- Mission & Vision
- Corporate History
- Performance Dashboard
 - Current
 - Projections
- Strategic Initiatives
- Future Plan
- Strengths
- Why invest in Equity Assurance Plc?

Presentation Objective

- Demonstrate the value in investing in Equity Assurance Plc as it rolls out its Hybrid Offer of:
 - Offer for Subscription
 - 1,500,000,000 Ordinary Shares of 50 kobo each at N3.50 per share, and
 - Rights Issue of
 - 770,788,260 Ordinary Shares of 50 kobo each at N3.00 per share

Mission & Vision

- **Our Mission** “ *to establish an insurance company that would be a reference point in excellent claim services. This would be achieved through motivated workforce, cutting edge technology and good business ethics*”
- **Our Vision** “ *to be a leading African Insurance Group*”

Corporate History

- Equity Assurance Plc is a product of a seamless merger of Equity Indemnity Insurance Ltd (a second generation insurance company) and First Assurance Plc (a first generation insurance company)
- The company was re- registered by National Insurance Commission (NAICOM) on February 22, 2007 (after the consolidation exercise) as an insurer to carry on general insurance business.
- The shares of the company was re-listed on the Nigerian Stock Exchange (NSE) in July 2007 with a paid up capital of N3.5 billion.

Corporate History

- Equity Assurance is fully owned and managed by Nigerians with an authorized share capital of 14,000,000,000 ordinary shares at 50kobo each and an issued and fully paid capital of 7,707,882,600 ordinary shares at 50kobo each.
- The present shareholding structure of the company showing holdings over 5% are as follows:

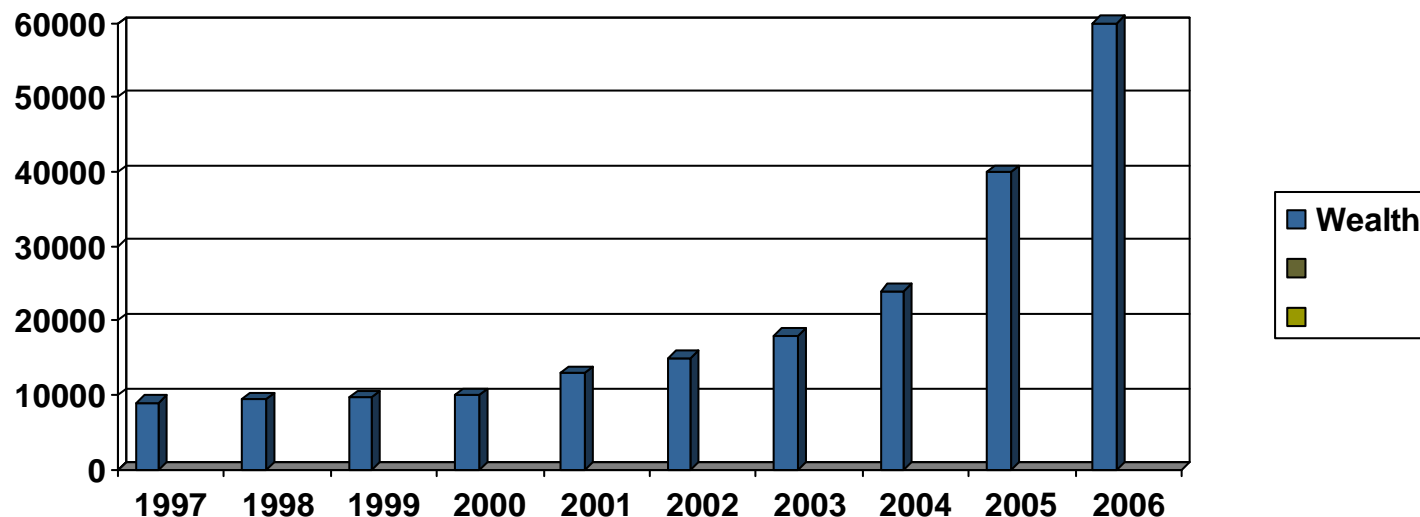
S/N	Shareholders in excess of 5%	Percentage Holding
1	Gateway Holding Limited	16.40%
2	KYT Investments Limited	6.50%
3	I.A. Balogun	6.08%
4	Life Care Ventures Limited	5.11%
5	Other Nigerians	65.91%

Corporate History

- Equity Assurance has a subsidiary health insurance company – Managed Healthcare Services Limited (MHS) that operates as a National Health Maintenance Organization (HMO) under the National Health Insurance Scheme
 - MHS is HMO to some Parastatals of the Federal Government and the Cross River State Government
- The company also has a full fledged non – life subsidiary in Accra, Ghana (Equity Assurance Limited, Ghana) as well as 11% equity holding in Equity Life Insurance Limited (Now Crystal Life).

Corporate History – Pre - Consolidation

- The company has a history of posting positive returns on shareholders' investments
 - Investment in shares of Equity Indemnity grew over 2145% since inception in 1992 (that is, an investment of N120,000 in 1992 grew to N3,600,000 in 2006)
 - Similarly, the same investment earned cumulative dividend of N2,196,600 at end of 2006.

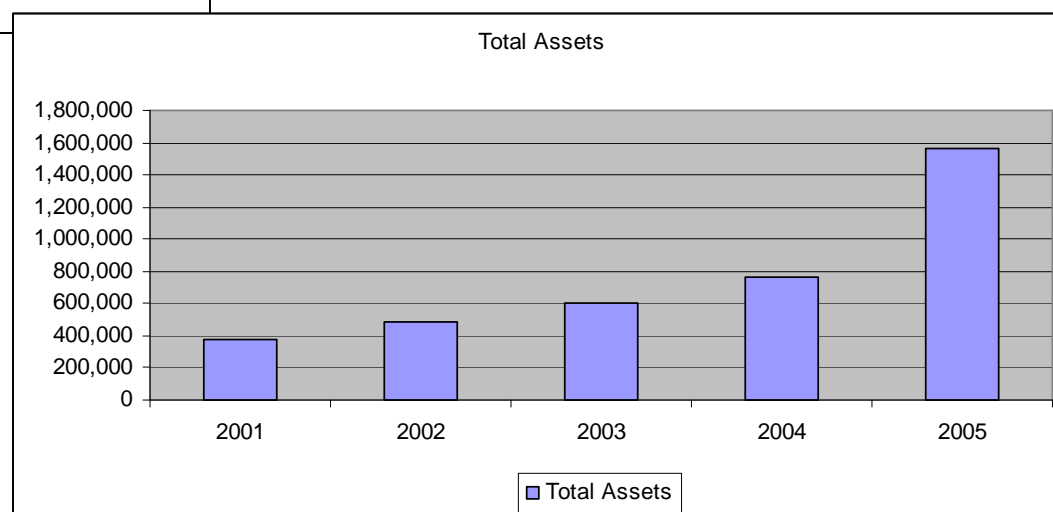
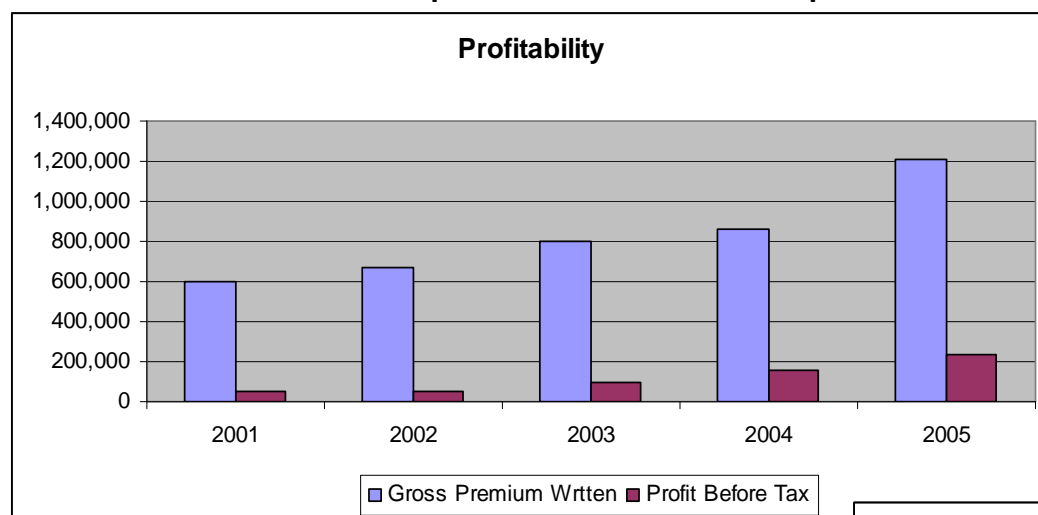


Corporate History – Post Consolidation

- During the last private placement that came out in the wake of merger with First Assurance Plc, subscribers enjoyed significant share appreciation and multiplication.
 - Shares bought at 80kobo was exchanged at 5units for every 2 units owned and was listed at N1.50k
 - The share price rose as high as N5.40k per share early this year.
- A shareholder that bought 1million units at 80kobo (N800,000) automatically enjoyed a share increase of 1.5million units to 2.5million on conversion.
 - Given the N1.50k on listing, that translates to N3.75m. An IMMEDIATE capital gain of about N3m
 - At N5.40 the same investment was worth N13.5 million, an appreciation of 1588% within a year
- This represents significant share appreciation or capital gain for investors
- Would be investors also stand to reap immediate benefits on their investments as the Offer is coming at a discount at N3.50k
 - The current share price is N5.06k

Performance History

- An overview of pre-consolidation performance of Equity Indemnity



Current Performance Dashboard -

- The company has experienced significant growth (post consolidation) in terms of broad financial performance
- As at December 31, 2007, total assets stood at N6.22 billion compared to N485.4m in 2006 while Shareholders Funds unimpaired by losses was N5.26billion as against N332.28 million In 2006.
- Gross Premium for 2007 was N1.52 billion (2006:N212m) and Profit Before Tax was N498.71 million (2006:N55.87m).
- Underwriting profits for the period was N293.4million (2006:N48.23m).

	2006	2007	%
	N	N	
Gross Direct Premium	212.98	1,511.23	609.56
Gross Written Premium	225.63	1,516.37	572.06
Net Written Premium	223.60	1,293.02	478.27
Commissions Received	0.04	0.64	1,500.00
Direct Claims Paid	4.83	400.78	8,197.72
Underwriting Profit	48.23	293.36	508.25
Profit Before Tax	55.87	498.71	792.63
Taxation	-1.74	-53.66	2,983.91
Profit After Tax	54.13	445.04	722.17
Total Assets	485.40	6,218.19	1,181.04
Shareholders Funds	332.28	5,256.40	1,481.92

Current Performance Dashboard...half year (June 30, 2008)

- We have further consolidated on our December 31, 2007 performance as reflected in the half year performance for the current financial year.
 - We recorded significant growth in key broad performance parameters
 - We are confident that this trend will be sustained

	30-Jun-07	30-Jun-08	%
	Nm	Nm	
Gross Direct Premium	1,051.51	1,233.44	17.30
Gross Written Premium	1,051.51	1,239.96	17.92
Net Written Premium	835.67	1,124.56	34.57
Net Claims Paid	174.66	194.36	11.28
Underwriting Profit	154.55	383.15	147.91
Profit Before Tax	212.04	568.83	168.27
Taxation	23.32	64.57	176.89
Profit After Tax	188.71	504.26	167.21
Total Assets	6,200.92	6,945.28	12.00
Shareholders Funds	5,282.27	5,778.81	9.40

Our projections for 2008 - 2013

- Based on our current performance and the opportunities opened by Government reform programs and coupled with our growth objectives, we are confident of delivering on our set targets.

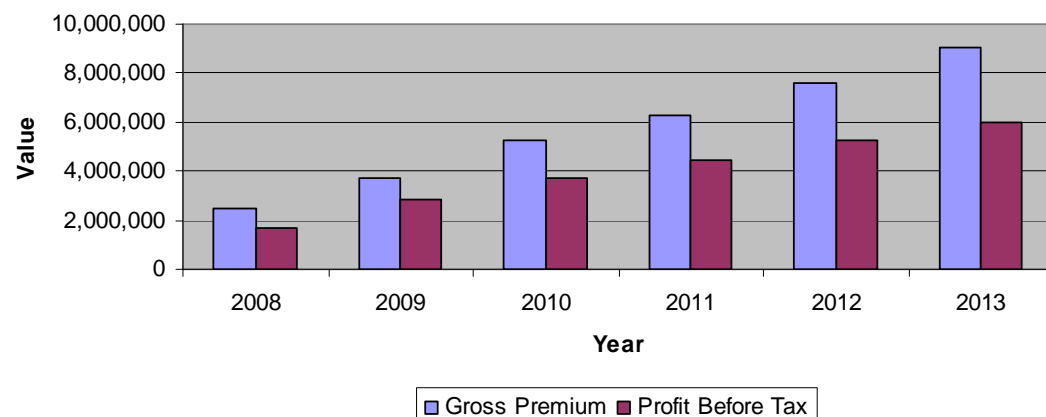
Year ending 31 December	2008	2009	2010	2011	2012	2013
Gross Earnings	2,495,011	3,742,517	5,250,750	6,300,900	7,566,199	9,086,094
Profit Before Tax	1,713,340	2,881,969	3,718,708	4,457,360	5,285,757	5,972,526
Taxation	-205,601	-345,836	-446,245	-534,883	-612,387	-716,703
Profit After Tax	1,507,739	2,536,133	3,272,463	3,922,477	4,673,370	5,255,823
Dividend	997,867	1,247,334	1,496,801	1,746,267	1,995,734	1,995,734
EPS (Fully Diluted - Kobo)	13.00	22.00	27.00	39.00	46.83	52.67
Dividend Per Share (Kobo)	7.00	10.00	15.00	17.00	20	20
Forecast P/E Offer Price (Fully Diluted)	26.92	15.91	12.96	10.81	11	10

Note: Earnings Per Share (Fully Diluted) are based on 9,978,670,860 Ordinary Shares of 50kobo each in issue for year ending December 31, 2008, 2009, 2010, 2011, 2012 & 2013. Dividend Per Share is based 9,978,670,860 ordinary shares for 2008, 2009, 2010, 2011, 2012 & 2013.

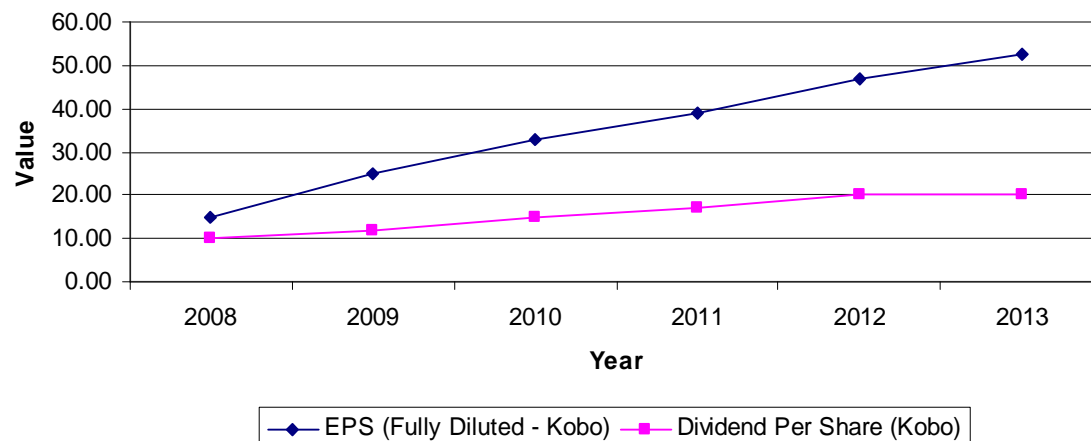
Our Projections for 2008 - 2013

- Given the company's current performance and strategic imperatives for the future, we are confident of delivering beyond these projections

Profitability



Dividend/Earnings Per Share



Corporate History

- Successfully carved a niche for itself in the insurance market and established good working relationships with major insurance brokers.
- This successful transition has been made possible by a stable and focused Board & Management of Equity Indemnity which took over the reign of leadership after the consolidation. They are made up of the following:
 - Board of Directors

– Olufemi Somolu	Chairman
– Ibidolapo Balogun	Group Managing Director
– Pius Olarewaju	Managing Director (Equity Assurance Plc)
– Ayodele Talabi	Executive Director
– Bello Dan Bappa	Director
– Olayemi Cardoso	Director
– Olufemi Oni (Dr.)	Director
– Adegboyega Isiaka	Director
– Francis Ogunbanjo	Director
– Ola Adeola (Mrs.)	Director
– Baba Othman Tofa (Alhaji)	Director

Strategic Initiatives

- Equity Assurance Limited, Ghana, a non – life insurance company was officially opened on July 2nd 2008
- The Company is also exploring opportunities to acquire operating licenses for general and life businesses in the following countries
 - Ghana (Life)
 - Sierra Leone
 - Cote D'ivoire
- Managed Health Services Limited, a wholly owned subsidiary has been appointed HMO to 30 Federal Government Parastatals, Commission, Agencies and the Cross River State Government
- In talk with a global health provider in South Africa to act as strategic partners to Managed Health Services (MHS) Limited
- MHS is already in discussions with other State Governments to provide Health Insurance Coverage for the Civil Servants.

Strategic Initiatives

- Equity Assurance has initiated the following changes to ensure operational & marketing effectiveness:
 - Upgrade of Information Communication Technology
 - New software package is being installed
 - Upgrading our Website to ensure that it is more functional and interactive
 - Our processes are presently and continuously being redesigned to ensure exceptional service delivery
 - A robust performance management mechanism is already being developed to ensure effective resource management
 - Professionals with relevant experience and exposure are being integrated into the system

Strategic Initiatives

- Developed and obtained approval from NAICOM for niche products that will be launched in before the end of the year
 - Equity Emergency Personal Accident Insurance
 - Equity Motor Tracking Policy
 - Small Offices & Medium Enterprises Policy
- Marketing activities have been strengthened and segmented to ensure better coverage and effectiveness
 - Markets divided across sectors in the economy and specific products have been designed for each
 - We have also developed an American – modeled direct sales agency system to further strengthen our market penetration initiatives
- These strategic initiatives have started impacting positively on our operating results.
- We are quite confident that this positive trend will be sustained

Summary Strengths

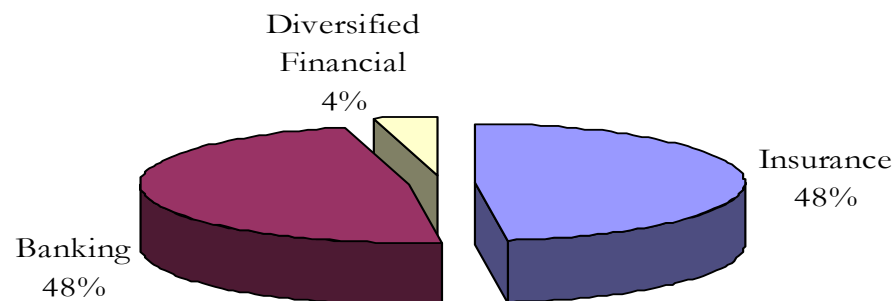
- Equity Assurance Plc was rated 'A' by Global Credit Rating Agency (GCR) in 2008
 - A testimony of the significant improvements in broad performance parameters
- Consistent growth in premium income
- Consistent growth in balance sheet size though opportunity abound for further significant growth
 - Oil & Gas, telecommunications, aviation, marine and agriculture
- A growing customer base
- Branches are located in high economic regions with huge market potentials
 - Ikeja, Abuja, Port Harcourt, Kano, Kaduna etc
- Good brand equity in an industry (insurance) little noticed by the public
- Very liquid business
 - We have very sound relationships with most of the top bracket brokers renowned for prompt premium payment.

Globally, insurance is big business – 7 of the 10 largest Financial Services Groups are Insurance companies and they are all diversified financial services providers...a basis for our long term strategic objective...

Top 10 Financial Services Firms By Revenue

Rank	Company	Revenues 'million	Profits	Country	Industry
1	General Electric	\$152,866	\$16,819	U.S.	Diversified financial
2	AXA	121,606	3,133	France	Insurance
3	Allianz	118,937	2,735	Germany	Insurance
4	Citigroup	108,276	17,046	U.S.	Banking
5	ING Group	105,886	7,423	Netherlands	Insurance
6	American International Group	97,987	9,731	U.S.	Insurance
7	Assicurazioni Generali	83,268	1,635	Italy	Insurance
8	Fortis	75,518	4,177	Belgium/ Netherlands	Banking
9	Berkshire Hathaway	74,382	7,308	U.S.	Insurance
10	Aviva	73,025	1,937	U.K.	Insurance

25 Worlds Largest Financial Services Firms By Revenue (2004)



Future Plan

- At the beginning of the financial year, we set out to achieve the following strategic objectives:
 - Focus Management time on growing our core business
 - General
 - Life
 - Health
 - Embark on regional expansion for the core business
 - Explore alternate investment opportunities in non-core areas to stimulate further growth in our core business areas: (more of creating the demand for our products)
 - Properties & Real Estate
 - Financial Services
 - Leasing
 - Consumer Finance
 - Asset Management

Our Hybrid Offer

- It is an Hybrid Offer of:
 - Offer for Subscription
 - 1,500,000,000 Ordinary Shares of 50 kobo each at N3.50 per share, and
 - Rights Issue of
 - 770,788,260 Ordinary Shares of 50 kobo each at N3.00 per share
- The offer starts Monday August 25, 2008 and ends Tuesday September 30, 2008
- The Offer is a further step in the Company's drive towards achieving its strategic objective of becoming a one stop non-banking financial services provider.
- The net proceeds of the Offer shall be used for the implementation of the following:
 - Strategic Investments
 - Regional Expansion
 - Branch Network Expansion
 - IT Upgrade
 - Working Capital

Why Invest in us?

- We are one of the fastest growing insurance company in Nigeria
 - One of the leading non-aligned insurance company
 - We have grown this far without the benefits of leveraging a bank though we are exploring a bancassurance model to expand our market coverage and presence
 - Good brand equity
 - Focused and stable management
 - Track record of good performance
 - Consistent growth in all performance indices
 - Consistent claims payment.
- Consistent returns on investment

Thank You



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