

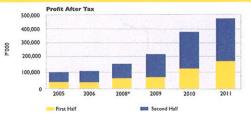
PRELIMINARY REPORT

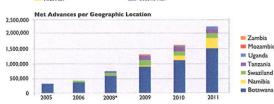
The Directors have pleasure in announcing the audited summarised financial results of the Letshego Holdings Group for the year ended 31 January 2011

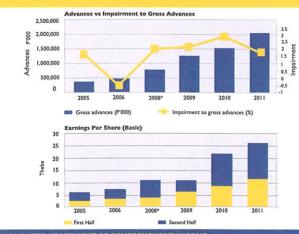
FINANCIAL HIGHLIGHTS

YEAR ENDED 31 JANUARY

* Profit before tax up 35% * Advances up 37% * Non Botswana Profit before tax at 34% * Earnings per share up 22% * Impairment of advances down 22% * Total assets up 27% * Cost to income ratio 19%







2010

AT 31 JANUARY	(Audited)	2010 (Audited) P'000	Change	
ASSETS				
Cash and cash equivalents	51,848	104,462	U. 5 V - 12/1	
Advances to customers	2,298,880	1,682,257	37	
Other receivables	9,152	74,520		
Short term investments	12,593			
Long term receivables	10,007	8,387		
Plant and equipment	7,045	6,610		
Intangible assets	306	553		
Goodwill	27,824	25,760		
Deferred taxation	12,575	12,872		
Total assets	2,430,230	1,915,421	27	
Liabilities Trade and other payables	109,200	129,698		
Income tax Borrowings	28,100 505,174	38,769 377,638	34	
			34	
Borrowings	505,174 642,47 4	377,638	34	
Borrowings Total liabilities	505,174	377,638 546,105 396,019	34	
Borrowings Total Habilities Shareholders' equity	505,174 642,474 412,814 (9,774)	377,638 546,105 396,019 827	34	
Borrowings Total liabilities Shareholders' equity Stated capital	505,174 642,474 412,814 (9,774) 12,545	377,638 546,105 396,019 827 18,287	34	
Borrowings Total Ilabilities Shareholders' equity Stated capital Foreign currency translation reserve Share based payment reserve Retained earnings	505,174 642,474 412,814 (9,774)	377,638 546,105 396,019 827	34	
Borrowings Total liabilities Shareholders' equity Sated capital Foreign currency translation reserve Share based payment reserve	505,174 642,474 412,814 (9,774) 12,545	377,638 546,105 396,019 827 18,287	34	
Borrowings Total liabilities Shareholders' equity Stated capital Foreign currency translation reserve Share based payment reserve Retained earnings Total equity attributable to equity holders of the	\$05,174 642,474 412,814 (9,774) 12,545 1,334,016	377,638 546,105 396,019 827 18,287 932,365		
Borrowings Total liabilities Shareholders' equity Stated capital Foreign currency translation reserve Share based payment reserve Retained earnings Total equity attributable to equity holders of the parent company	\$05,174 642,474 412,814 (9,774) 12,545 1,334,016	377,638 546,105 396,019 827 18,287 932,365		

YEAR ENDED 31 JANUARY	(Audited) P'000	(Audited) P'000
Operating activities		
Profit before taxation	626,716	505,206
Add : Amortisation and depreciation	3,210	3,733
: Impairment of advances	(6,449)	7,370
: Loss/(Profit) on disposal of non current assets including subsidiaries	235	(42,520)
Movement in working capital	(566,829)	(375,594)
Cash generated from operations	56,883	98,195
Taxation paid	(169,501)	(91,945)
Net cash used in / (received from) operating activities Investing activities	(112,618)	6,250
Net cash used in / (received from) investing activities - capital expenditure and acquisitions	(18,402)	53,232
Financing activities		
Dividends paid (net of withholding taxation)	(49,130)	(48,949)
Net receipts/ (net repayments) on borrowings	127,536	(264,848)
Net cash raised from 'Offer for Subscription'		353,612
Net cash from financing activities	78,406	39,815
Net movement in cash and cash equivalents	(52,614)	99,297
Cash and cash equivalents at the beginning of the period	104,462	5,165
Cash and cash equivalent at the end of the period	51,848	104,462

TEAR ENDED 31 JANUART	(Audited) P'000	(Audited) P'000	Change %
Interest income	721,900	588,836	23
Interest expense	(42,959)	(50,935)	(16)
Net Interest Income	678,941	537,901	26
Premium income	30,696		
Insurance fees	(2,358)		
Net interest and insurance income	707,279	537,901	
Fee and commission income	109,643	118,444	
Other operating income	6,234	4,267	
Operating income	823,156	660,612	25
Employee benefits	(73,051)	(80,266)	(9)
Other operating expenses	(73,538)	(67,517)	9
Claims expense	(8,069)		
Insurance claim mitigation reserve	(2,825)		
Net income before impairment and taxation	665,673	512,829	30
Impairment of advances	(38,957)	(50,191)	(22
Profit before taxation for the year before once off			
item	626,716	462,638	35
Profit from sale of subsidiaries		42,568	
Income tax	(153,379)	(125,206)	23
Profit for the year	473,337	380,000	25
Attributable to : Equity holders of the parent company Minority interest Profit for the year	456,893 16,444 473,337	370,160 9,840 380,000	
Other comprehensive income, net of tax foreign currency translation differences arising from foreign operations	(10,708)	3,953	
Total comprehensive income for the year	462,629	383,953	
Attributable to :			
Equity holders of the parent company	446,291	376,388	
Minority interest	16,338	7,565	
Total comprehensive income for the year	462,629	383,953	
Weighted average number of shares in issue during the period			
(millions)	1,837	1,792 *	
Dilution effect - number of shares (millions)	192	47 *	
Number of shares in issue at the end of the period (millions)	1,841	1,792 *	
Basic earnings per share (thebe)	25.8	21.2*	22
Diluted earnings per share (thebe)	23.3	20.3 *	15
* adjusted for 10 to 1 share split approved by shareholders on 12 April 20	10		
NOTE: The diluted EPS has been calculated based on shares that may and a convertible loan in issue.	vest in terms of the Grou	ps long term staff incenti	ve scheme

and a convertible loan in issue.		
RATIOS		
Annualised Return on average assets (%)	21.8	22.9
Annualised Return on average equity (%)	29.5	37.7
Cost to income ratio (%)	19.1	22.4
Debt to equity (%)	28.9	28.0

STATEMENT OF CHANGES IN EQUITY	Stated capital	Retained earnings	Shared based payments reserve	exchange translation reserve	Minority interest	Total
	P'000	P'000	P'000	P'000	P'000	P'000
Balance at I February 2009	35,092	616,948	10,588	4,439	4,413	671,480
Total comprehensive income for the period					(****	
Profit for the period		370,160	-		9,840	380,000
Other comprehensive income, net of income tax				(3,612)	7,565	3,953
Foreign currency translation reserve Transactions with owners, recorded directly in equity	-	-	•	(3,612)	7,363	3,753
New shares issued	353,612	2				353,612
New shares issued from long term incentive scheme	7,315		(7,315)			333,012
Allocation to share based payment reserve			15,014			15,014
Dividends to equity holders		(54,743)				(54,743)
Balance at 31 January 2010	396,019	932,365	18,287	827	21,818	1,369,316
Total comprehensive income for the period						
Profit for the period		456,893			16,444	473,337
Other comprehensive income, net of income tax						
Foreign currency translation reserve	•	•		(10,601)	(107)	(10,708)
Transactions with owners, recorded directly in equity						
New shares issued from long term incentive scheme	16,795	•	(16,795)	•		
Allocation to share based payment reserve		(77.040)	11,053			11,053
Dividends to equity holders	•	(55,242)	•	•	•	(55,242)
Balance at 31 January 2011	412,814	1,334,016	12,545	(9,774)	38,155	1,787,756

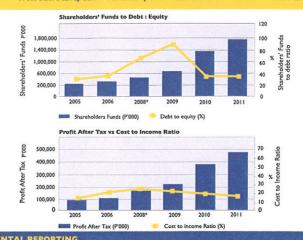


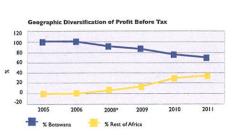
PRELIMINARY REPORT (continued)

The Directors have pleasure in announcing the audited summarised financial results of the Letshego Holdings Group for the year ended 31 January 2011

FINANCIAL HIGHLIGHTS

* Profit before tax up 35% * Advances up 37% * Non Botswana Profit before tax at 34% * Earnings per share up 22% * Impairment of advances down 22% * Total assets up 27% * Cost to income ratio 19%





* 2008 - 15 month period

SEGMENTAL REPOR	TING																			
Geographical segments																				
Botswana -	Holding Co	mpany	Botswana-	Operations	Swa	ziland	Tan	zania	Ugs	inda	Za	mbla	Nam	Ibla	Moz	ambique		Eliminations		Consolidated
	2011 P'000	2010 P'000	2011 P'000	2010 P'000	2011 P'000	2010 P'000	2011 P'000	2010 P'000	2011 P'000	2010 P'000	2011 P'000	2010 P'000	2011 P'000	2010 P'000	2011 P'000	2010 P'000	2011 P'000	2010 P'000	2011 P'000	2010 P'000
Net income from lending	104,833	112,533	423,715	316,438	52,394	57,798	64,899	60,199	28,917	13,389	11,757	16,141	102,069	57,460	-	90			788,584	634,047
Income from insurance		22,298	-	-	-		-	-	-			-							28,338	22,298
Other operating income	1,615	860		1,934	700		5		2,517	580	158	60	442	834	797				6,234	4,267
Total segment revenue	106,448	135,691	423,715	318,371	53,094	57,798	64,904	60,199	31,434	13,969	11,915	16,201	130,849	58,293	797	90			823,156	660,612
Employee benefits	(28,108)	(37,632)			(2,453)	(2,526)	(9,252)	(8,860)	(6,729)	(4,981)	(1,885)	(1,687)	(8,706)	(7,987)	(76)				(73,051)	(80,266
Other operating expenses	(21,365)	(24,488)			(4,227)	(2,062)	(10,977)	(9,857)	(5,757)	(4,888)	(2,465)	(2,904)	(27,078)	(12,526)	(2,319)	(2,667)		-	(84,432)	(67,517
Impairment of advances			(23,388)	(24,880)	(3,399)	(5,212)	(6,678)	(3,726)	(3,342)	(2,893)	(4,177)	(5,044)	2,028	(8,437)					(38,957)	(50,191
Segment result	56,975	73,571	374,240	268,773	43,015	47,998	37,997	37,756	15,606	1,207	3,388	6,566	97,093	29,344	(1,598)	(2,577)			626,716	462,638
Profit on sale of subsidiary													10000000	100						42,568
Taxation																			(153,379)	(125,206
Profit for the year																			473,337	380,000
Gross advances to customers	Na	Na	1.551.298	1,154,467	172,269	148,974	149,691	144,402	98,922	64,454	11,587	37,034	339,231	163,572	79		1000000		2,323,077	1,712,903
	Na Na	Na Na	1,331,298	19,892	1,449	1,719	1.617	3,367	1,313	1.754	1,758	1.488	1.314	2,426	19		*		24.197	30,646
Impairment provisions		Na Na		1.134.575	170,820	147,255	148,074	141,035	97,609						70	-		•	2.298.880	1,682,257
Net advances	Na	1.301.348	1,534,552		176,087	160,443	154,487	144,303		62,700	9,829	35,546	337,917	161,146	79 5.930				2,430,230	1,915,421
Total segment assets	1,431,700	1,301,348	1,537,406	1,141,326	176,087	160,443	154,487	144,303	103,979	63,583	32,200	38,809	365,903	216,443	5,930	2,533	(1,377,462)	(1,153,367)	2,430,230	1,915,421
Borrowings	283,006	150,254	102,897	106,148	36,494	44,330	30,170	33,599	43,156	30,331	9,451	12,976							505,174	377,638
Total segment liabilities	303.322	211,307	1,094,796	966,468	102,402	115,937	122,801	121,434	96,950	62,482	28.543	35,171	258.922	181,289	12.200	5,384	(1.377.462)	(1,153,367)	642,474	546,105
RATIO ANALYSIS ON GEOG	RAPHIC	SEGMEN	тs																	
Impairment charge to advances	Na	Na	1.7%	2.4%	2.1%	3.0%	4.5%	2.7%	4.1%	5.9%	17.2%	14.9%	-0.8%	8.2%	0.0%	0.0%			1.9%	3.3%
Advances to total assets	0.0%	0.0%		99.4%	97.0%	91.8%	95.8%	97.7%	93.9%	98.6%	30.5%	91.6%	92.4%	74.5%	1.3%	0.0%			94.6%	87.8%
Collection rates	Na	N ₂		98.0%	99.0%	99.0%	100.0%	100.0%	98.0%	116.0%	94.0%	114.0%	100.0%	100.0%	0.0%	0.0%			98.0%	99.0%
% of book on deduction code mode		Na		99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%	0.0%			99.0%	99.0%
Customers employed by govt (%) Customers employed by	Na	Na	95.0%	95.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	95.0%	97.0%	97.0%	0.0%	0.0%			96.0%	96.0%
parastatal or private sector (%)	Na	N ₂		5.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	3.0%	3.0%	0.0%	0.0%			4.0%	4.0%
Debt to equity (%)	25.1%	13.8%	23.2%	60.7%	49.5%	99.6%	96.1%	146.9%	431.5%	2757.4%	263.3%	356.6%	0.0%	0.0%	0.0%	0.0%			28.9%	28.0%
Cost to income ratio (%)	46.5%	45.8%	6.2%	7.8%	12.6%	7.9%	31.2%	31.1%	39.7%	70.7%	36.5%	28.3%	27.3%	35.2%	>100%	>100%			19.1%	22.4%

Business segments									
	Holding	Company	Lend	ling	Insur	ance	Consolidated		
	2011	2010	2011	2010	2011	2010	2011	2010	
	P'000	P.000	P.000	P'000	P'000	P'000	P'000	P'000	
Net income from lending	104,833	134,831	683,751	499,216			788,584	634,047	
Income from insurance	-		-	-	28,338	22,298	28,338	22,298	
Other operating income	1,615	860	4,177	3,407	442		6,234	4,267	
Total segment revenue	106,448	135,691	687,928	502,623	28,780	22,298	823,156	660,612	
Employee benefits	(28,108)	(37,632)	(44,943)	(40,320)		(2,314)	(73,051)	(80,266	
Other operating expenses	(21,365)	(24,488)	(52,173)	(37,733)	(10,894)	(5,296)	(84,432)	(67,517)	
Impairment of advances			(38,957)	(50,191)			(38,957)	(50,191	
Profit before tax	56,975	73,571	551,855	374,378	17,886	14,689	626,716	462,638	
Gross advances to customers	Na	N ₂	2,323,077	1,712,903	Na	Na	2,323,077	1,712,903	
Impairment provisions	Na	Na	24,197	30,646	Na	Na	24,197	30,646	
Net advances to customers	Na	Na	2,298,880	1,682,257	Na	Na	2,298,880	1,682,257	
Segment assets	1,431,700	1,301,348	984,030	614,073	14,500		2,430,230	1,915,421	
Borrowings	283,006	150,254	222,168	227,384			505,174	377,638	
Segment liabilities	303,322	211,307	325,327	334,798	13,825	-	642,474	546,105	

Insurance segment in 2010 comprised short term insurance agency (Legal Guard) which was disposed of on 31 January 2010. In the current financial year ended 31 January 2011, the insurance segment comprises results of Hollard Life Namibia Limited (HLNL).

HLNL has been invested in to provide insurance cover to Letshego Namibia clients.

COMMENTARY

Highlights
The Board of Directors of Letshego Holdings Limited are pleased to present the consolidated audited financial results for the year ended 31 January 2011. The highlights for the financial reporting period include:

- Advances to customers increased 37% during the year to P2.3 billion
 Profits before tax increased 24% to P626.7 million which represents a 35% increase if the once off gain on the disposal of a subsidiary during 2010 is taken into account
 Earnings per share increased 22%
 Cost to income ratio of 19% down from 21% in 2010 and below the group target 25%
 The advances book performed well with impairment charges falling 22% during the period. The impairment charge fell at 1.9% of the average loan book is in line with group target of 2%
 The balknotes sheet is strong with low gearing and a debt-to-equity ratio of 28%
 34% of profits before tax (2010: 29%) generated outside of Botswana

- Main events during the year include

 Approval by Shareholders of a 10 for 1 share split during April 2010

 Commencement of operations in Mozambique in January 2011

 Rebranding and relicensing of operations in Swaziland

 Introduction of a comprehensive credit insurance

Financial Performance
Overall the Directors are pleased with the financial performance of the Group during the year.

Botswana remains the most significant market for Letshego, at 67% of the period end advances book (2010: 67%) and 66% of the group's profit before tax (2010: 71%). Operations outside of Botswana continue to gain critical mass and contributed P195.5 million to group profit before tax (2010: P117.7 million). The overall performance of regional operations has been excellent with the exception of Zambia.

Overall, the Group recorded an increase in operating income of 25%, an increase in expenses of only 8% and a reduction in impairment expense of 22% for the same period. These elements translated into the overall increase of 35% in the Group profit before tax.

- Areas of focus for the year ahead include:

 Continue to explore new funding opportunities

 Continue to grow quality loan books in the territories where we currently operate

 Explore new countries to extend the group's footprint

 Utilise the existing staff complement, branch network and technology platform to drive efficiencies and new opportunities

 Introduce comprehensive credit insurance in other countries

 Continue to promote regulatory developments and industry best practice

Post year end developments
On 11 April 2011 Shareholders approved a non-elective scrip dividend of P250 million and a change to the borrowing powers of Directors. Full details of the resolutions that were considered and approved by Shareholders at the EGM will be published on 15 April 2011.

Post year end developments - related party transaction
The Group finalised a transaction on I April 20 I to sell 15% of its interest in Micro Provident Uganda Limited to a Ugandan citizen. This is in line with the group practice of having local participation in regional operating subsidiaries.
The terms of the transaction are a sale consideration of BWP2,590,000 which will be settled by way of a loan from Letshego Holdings
Limited with related commercial terms and conditions. This is in line with similar transactions that the group has undertaken in the past which the directors believe will assist in the overall achievement of the group's objectives and goals.

Future outlook Given prevailing economic conditions, the Directors expect continued growth in the loan book during the financial year to 2012, and continued profitability.

Dividend
As noted above, the shareholders have approved a non-elective scrip (paid by issue of shares, not cash) dividend of P250 000 000 for the financial year ended 31 January 2011. This compares favourably against the first and final cash dividend of P55,2 million that was paid in respect of the 2010 financial year.

The Directors do not propose a cash dividend for year ended 31 January 2011 in order to retain funds for further growth opportunities

The dividend policy will be reviewed at each reporting date

For and on behalf of the Board of Directors.



GARORONE, 11 April 2011

Walesse

Botswana, Mozambique, Namibia, Swaziland, Tanzania, Uganda, Zambia

NON EXECUTIVE DIRECTORS : C M Lekaukau (Chairman) (Botswana), J A Burbidge (GB), M Dawes (RSA), G Hassam (Malawi), I M Mohammed (USA), L E Serema (Botswana), R N Alam (USA) (Alternate to I M Mohammed)

EXECUTIVE DIRECTORS: I A Claassen (Managing Director) (RSA), D Ndebele (Director; Risk and Compliance) (Botswana)

TRANSFER SECRETARIES: PricewaterhouseCoopers (Pty) Limited, Plot 50371, Fairground Office Park, Gaborone. Botswana

REGISTERED OFFICE: Plot 50371, Fairground Office Park, Gaborone, Botswana

www.letshego.com