

Press Statement
For Immediate Release
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Pursuing excellence, evolving and embracing change

Sasria SOC Limited, the only short-term insurance company offering special risk cover in South Africa, achieved positive financial results in the past year in spite of the difficult and changing socio-economic and political climate. Special risks which fall under the Sasria cover include riots, labour unrests, service delivery protests and terrorism. Finance Minister Nhlanhla Nene tabled the state-owned company's 2017/2018 Integrated Report in Parliament last week.

The integrated report, dedicated to the memory of the late Nelson Mandela and Albertina Sisulu, on this their birth centenary, is themed: "Pursuing excellence, evolving, and embracing change".

Excellence and evolution are interwoven throughout the report revealing a tapestry of commitment, determination and purpose within the organisation, despite a challenging backdrop.

Sasria recorded underwriting profit of R580 million an increase of 62.2 % when compared to the previous financial year. The Net Profit before tax increased by 83.7% to R1.37 billion. The positive results can be attributed to the following:

- Sasria showed positive growth on its gross written insurance premiums which increased by 8.2% to R1.994 billion.
- Net insurance claims were down by 13.5% to R663 million. Despite this drop in claims, the number of new claims driven by service delivery protest incidents increased by 32.4%.
- Investment income was up by 96.4% to R812 million.
- In addition, assets under management increased to R7.6 billion.

These were the figures shared in parliament by the Minister of Finance, who is also Sasria's shareholder representative. Sasria has a distinctive role to play in protecting the nation's assets and contributing to financial inclusivity through product relevance, Nene says.

"Sasria has achieved full financial sustainability with its assets, able to withstand very high demands in terms of the special risks it covers," he reported.

"Despite the difficult economic landscape, Sasria has consistently delivered sterling financial results compared to the insurance industry over the years, safeguarding and growing its financial assets beyond CPI (the consumer price index), generating positive cash flows whilst being profitable," says Nene.

According to Nene: “Over the current 2014-2019 strategy cycle, Sasria has continued to achieve an unqualified audit report as a demonstration of its pursuit of excellence and commitment to upholding high levels of governance and compliance in conducting its business”.

While continuing to work towards excellence and the goals outlined in the National Development Plan to eradicate poverty and reduce inequality within the next decade, Sasria spent R25-million on corporate social investment.

Sasria’s Managing Director, Cedric Masondo, says: “I am pleased to say that Sasria remains well-governed and profitable, with a healthy balance sheet and adequate reinsurance programme that is capable of meeting its current and future liabilities”.

“The positive results achieved in 2017/2018 helped us to cope with the influx of claims that we have received in the first five months of the current financial year. We have received more than R1 billion worth of new claims and mainly as the result of service delivery protests. The socio-economic challenges in our country are driving these protest,” says Masondo.

Looking ahead, the 2019-2024 strategy will be developed with excellence still set as an achievable priority. This will be done with an aim to ensure customer-centric approaches, sustained organisational and financial health are at the core.

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