

MMI Group Limited issues R750 subordinated debt

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MMI Group Limited (a registered long-term insurance company and fully-owned subsidiary of MMI Holdings Limited), yesterday (26 November 2014) issued a five-and-half-year floating rate, R750 million bond at a three-month Johannesburg Interbank Agreed Rate (JIBAR) plus 2.3%.

The issuance was 1.2 times subscribed and due to the significant volume of bids received, no underwriting was required.

MMI Holdings Limited group CEO, Nicolaas Kruger, says "We are very pleased with the success of this issuance, given the recent difficult conditions in South African capital markets. The interest in the bond demonstrates investors' confidence in the financial strength and stability of MMI Group Limited".

"The issuance of the bond will further diversify MMI Group Limited's capital base and reduce its cost of capital," concludes Kruger.

MMI Group Limited will be redeeming R500 million of subordinated debt issued in December 2006, in line with the original timeline and intention during December 2014.

