

MMI Holdings acquires stock broking firm Imara SP Reid

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MMI Holdings Limited (MMI) and Imara Holdings Limited (Imara) announced today the acquisition of stock broking firm Imara SP Reid by MMI for R120 million. The acquisition is subject to regulatory and Imara shareholder approval.

Originally established in 1938, Imara SP Reid comprises the South African stockbroking business of Imara and is a well-established mid-sized stockbroking company. The firm provides a full range of broking services for individuals and institutions in local, African and the international markets.

MMI recently commissioned a report to understand the investment allocation of high net worth investors in South Africa. The report showed that more than R1 trillion of retail assets in the upper affluent South African market is invested in direct shares with nearly R100 billion of new flows being directed to share portfolios in 2013.

With MMI's client centric strategy, the ability to meet affluent South African clients' requirements in a meaningful and considered manner informed the group's decision to investigate possible acquisitions. Imara SP Reid's superior reputation and heritage of

over 70 years will enhance MMI's value proposition for this chosen target market.

The current client base of Imara SP Reid is approximately 14 000 clients, made up of both retail and institutional clients with a total of R14 billion funds administered locally.

Imara SP Reid's coverage of not only the domestic market, but also over 100 stocks through the African continent is highly complementary to MMI's growing African footprint. They are recognised as being one of the leaders of intuitive and insightful research into both South African stocks and sectors, as well as through the continent.

Imara SP Reid will form part of the products and investments business within the newly structured MMI client-centric model and will retain its current management team and structures.