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Media Release

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GIPF POSITION ON ACQUISITION OF MTC SHARES

The Government Institutions Pension Fund (GIPF) has been following with interest the recent reports and developments surrounding the MTC Shares in the local media and wishes to provide some clarity on this matter especially as it relates to the Fund's involvement in the purchasing of these shares.

From the onset, we wish to indicate that as a pension fund GIPF has an obligation to ensure that there are sufficient funds to cover member benefits as they become due. As such, the Fund continuously strives to invest in various instruments which have income generating properties as well as good prospects for growth.

As one of the largest local investors, GIPF is committed to invest in Namibian assets that meet both our regulatory and financial criteria. This is in line with proposed changes which require pension funds to invest a minimum of 45% of their assets in Namibia as announced by the Ministry of Finance.

We further wish to clarify and correct the misrepresentation in the media that GIPF will partly finance or pay for other parties to acquire the MTC shares. GIPF does not operate as a banking institution which provides financing, however as a pension fund we are allowed by law to make investments which yield returns.

Likewise, it is also important to note that we are not aiding government, as the media has been depicting; however we are in talks with the relevant stakeholders that could see GIPF acquiring a substantial shareholding in MTC. This process will follow a due diligence to determine if we want to buy the shares which will be based on merit.

Furthermore as indicated, GIPF is required under Pension Fund Regulations to invest locally, and a potential investment in MTC could help us in fulfilling that objective. We are also of the opinion that should the due diligence find the MTC shares feasible it would be a good investment which will be done in our own name and not on behalf of any other entity.

GIPF will always strive to look for opportunities to invest in high quality Namibian assets, at a good price offering with market related returns on behalf of our members and beneficiaries. Our current total assets have shown constant growth which is a clear indication that our investment strategy is on the right track and our beneficiaries stand to benefit greatly.

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