

LIBERTY GROUP LIMITED
Incorporated in the Republic of South Africa
Registration number 1957/002788/06
("Liberty Life")
Alpha Code LGL
Issuer Code LIBU
ISIN Code ZAE000057360

LIBERTY HOLDINGS LIMITED
Incorporated in the Republic of South Africa
Registration number 1968/002095/06
("Liberty Holdings")
Alpha Code LBH
ISIN Code ZAE000004032

ANNUAL GENERAL MEETING

Liberty Life and Liberty Holdings are pleased to announce that all the resolutions set out in the Notices of the Annual General Meeting dated 1 March 2005 were passed by the requisite number of shareholders at the Annual General Meeting held today.

Chief Executive, Myles Ruck, made the following comments regarding the group's operational performance for the first three months of the 2005 financial year at Liberty Life's annual general meeting:

"The operating environment remained challenging for the industry in the first quarter although Liberty Life's new business sales continued along the trend experienced towards the latter stages of 2004.

Growth in individual new business remained firm, driven mainly by the positive contribution of single premiums. New recurring investment business remained difficult, but was compensated for to some extent by sales of the Lifestyle Protector risk product. The individual recurring premium growth comparison has been affected by the fact that new business sales of the popular Medical Lifestyle product were discontinued at the end of the first quarter of 2004.

The Corporate Benefits new business environment remained tough, although April has shown a positive improvement in recurring premiums. New business margins were in line with those of the first quarter of 2004, but slightly lower than that reported at year-end.

Net cash flows of the life business continued to show improvement, as did those at Ermitage and Stanlib. Management expenses remain tightly controlled and growth in recurring expenditure was in line with actuarial assumptions.

The Capital Alliance acquisition was finalised during April. Integration activities are progressing in line with expectations, and further information on the progress will be communicated to the market in due course.

The group has already communicated to the market its intention to raise subordinated debt. This capital will be utilised for working capital purposes of the business and to enhance the group's weighted average cost of capital. The group has received an AA rating from Fitch, which we believe should support a favourable acceptance of the bond in the market."

Johannesburg
23 May 2005

Sponsor
Merrill Lynch South Africa (Pty) Limited