

13 May 2019

Arig reported its financial results for three months ended 31st March 2019

Bahrain: Arig recorded consolidated net profits of US\$ 1.8 million attributable to shareholders for the first quarter 2019 (Q1 2018: US\$ 0.5 million). The improved result was mainly due to higher consolidated investment income of US\$ 10.4 million (Q1 2018: US\$ 5.1 million) as a result of positive global markets. The gains were partly offset by losses reported on Lloyd's accounts which generated a technical loss of US\$ 4.6 million (Q1 2018: loss US\$ 7.3 million) mainly due to high prudent initial year reserving.

Arig's comprehensive income attributable to shareholders for the three months of the year 2019 was US\$ 8.4 million (Q1 2018: loss of US\$ 3.0 million).

Arig's technical result was a loss of US\$ 3.7 million for the three months 2019 (Q1 2018: profit of US\$ 0.7 million). While Arig's traditional reinsurance portfolio produced a technical profit of US\$ 0.9 million (Q1 2018: US\$ 8.0 million) representing a reduction of 89%, Lloyd's accounts incurred a technical loss of US\$ 4.6 million (Q1 2018: a loss of US\$ 7.3 million) a reduction of 37%.

Arig's underwriting result stood at US\$ 0.5 million for the three months 2019 (Q1 2018: US\$ 0.03 million).

The consolidated investment income for the three months period in 2019 amounted to US\$ 10.4 million (Q1 2018: US\$ 5.1 million), an increase of 104%.

Gross premiums written during the three months 2019 reached US\$ 173.1 million for the Group (Q1 2018: US\$ 169.1 million), an increase of 2.4% compared to the same period in the previous year. Upward premium adjustments of the Lloyd's portfolio were offset by a 12% decrease in the traditional reinsurance portfolio.

Earnings per share as at 31 March 2019 was US cents 0.9 compared to US cents 0.3 as at 31 March 2018.

Arig's shareholders' equity stood at US\$ 204.7 million at 31 March 2019 (end of 2018: US\$ 196.4 million). The book value per share was US\$ 1.03 at the end of the same period (end of 2018: US\$ 0.99).

The total assets at 31 March 2019 was US\$ 1,181.2 million compared to US\$ 1,186.2 million in the previous year for the same period.

The full set financial statements and the notes are available on Arig's website, Bahrain Bourse's and Dubai Financial Markets websites.

Financial Highlights as at 31 March 2019 (in US\$ million)

	As at 31 March		Full Year
	2019	2018	2018
Gross premiums written	173.1	169.1	262.8
Net premiums written	134.1	133.4	198.4
Technical result	(3.7)	0.7	(19.4)
Underwriting result	0.5	0.03	(26.7)
Combined ratio	111.7%	105.2%	115.2%
Investment income	10.4	5.1	10.0
Operating expenses	4.3	5.7	22.5
Net profit (loss)	1.8	0.5	(55.3)
Investment assets	627.3	662.8	613.9
Net technical provisions	662.9	655.9	573.9
Shareholders' equity	204.7	253.9	196.4
Total assets	1,181.2	1,186.2	1,052.6
Book value per share (US\$)	1.03	1.28	0.99

About Arig

Arig is one of the largest Arab-owned, professional reinsurance providers in the Middle East and Africa and its shares are listed on the stock exchanges in Bahrain and Dubai and offers a wide range of reinsurance products and services. Arig's subsidiaries include Takaful Re (Dubai) – currently in run-off, Gulf Warranties W.L.L. (Bahrain) (under voluntary liquidation), Arig Capital Ltd. (UK). Additional information about Arig can be obtained at www.arig.net

Arab Insurance Group (B.S.C.) is a reinsurance firm regulated by the Central Bank of Bahrain.