

Immediate Release

Gulf Insurance Group announces KD 12 million (US\$ 41 million) in net profit of 2014 with EPS fils 66.42

BOD recommends 33% cash Dividend

**'Growth in net profit, gross written premiums and shareholders' equity'
says company's Chairman**

Kuwait City, 11 Feb, 2015: Gulf Insurance Group (GIG) announced today that it has achieved a net profit of KD 12 million (US\$ 41 million), or 66.42 fils per share for the financial year ended December 31, 2014. The results represent a growth of 17.6 per cent with amount of KD 1.8 million (US\$ 6.1 million) compared to KD 10.2 million (US\$ 34.8 million) achieved in 2013. .

The Board of Directors has recommended the distribution of 33% cash dividend (33 fils per share) for the financial year ended 31 December, 2014, subject to the approval of GIG's General Assembly and other concerned regulatory authorities.

GIG's book value per share has increased to 469.3 fils per share compared to 428.4 fils reported in 2013.

GIG increased its shareholder's equity by KD 5.7 million (US\$ 19.4 million) to reach KD 84.2 million (US\$ 287.4 million), representing a 7.2 per cent growth rate as at December 31, 2014 compared with KD 78.5 million (US\$ 268 million) in 2013.

Gross written premiums grew 11 per cent compared to last year, with an increase of KD 16.6 million (US\$ 56.5 million) to reach KD 173.6 million (US\$ 592.7 million) as at December 31, 2014.

Net cash and investment portfolio reached KD 190.9 million (US\$ 651.9 million) as at December 31, 2014, with a 12.6 per cent growth amounting in KD 21.4 million (US\$ 73.2 million) compared to 2013.

Net investment and other income reached KD 11.6 million (US\$ 39.6 million) as at December 31, 2014, with a 37.5 per cent growth amounting to KD 3.16 million (US\$ 10.8 million) compared to 2013.

GIG's net technical reserves were raised from KD 97.9 million (US\$ 334.1 million) as at December 31, 2013 to reach KD 106.8 million (US\$ 364.6 million) as at December 31, 2014. This increase of KD 8.9 million (US\$ 30.5 million) represents a growth of 9.1 per cent, and aims to sustain the Group's operational activities, as well as protecting policy holders' rights, to ultimately strengthen GIG's ability to cover emergencies and risks that may rise in the future.

Total assets increased by KD 26.8 million (US\$ 91.5 million) to reach KD 347.2 million (US\$ 1.2 billion) as at December 31, 2014, representing a growth of 8.4 percent compared to the same period in 2013.

Mr. Farqad Al-Sane, GIG's Chairman, said:

"Our results for the year 2014 reflect the growth we have achieved and the strengthening of our ability to preserve stakeholders' benefits and protect their rights. This is also in line with our constant endeavor to provide the best insurance services to our valued customers in all markets we operate in, supported by our proven strategy which aims at expanding our distribution networks, and our regional expansion plan to acquire greater market share locally and regionally. During 2014, gig established Algerian Gulf Life Insurance Company (AGLIC) in Algeria with capital of DZD 1 billion (approximately equivalent to US\$ 12.7 million) wherein gig's share is 42.5% and is expected to launch its operations during the first half of 2015."

He added:

“We thank our clients for these achievements, as well as the unlimited support from our shareholders, especially KIPCO – Kuwait Projects Company (Holding) – and Fairfax Middle East Ltd. I would also like to express my sincere appreciation to our dedicated employees for their efforts and all the concerned regulatory authorities in Kuwait.”

- Ends -

Notes to Editors:

Gulf Insurance Group is the largest insurance Group in Kuwait in terms of written and retained premiums, with operations in both life and non-life insurance. Gulf Insurance has become one of the largest insurance networks in the Middle East and North Africa, with companies in Saudi Arabia, Jordan, Lebanon, Syria, Egypt, Iraq and Bahrain, Emirates and Kuwait. Its reported consolidated assets stand at US\$ 1.2 billion as at 31 December, 2014.

KIPCO – Kuwait Projects Company – is Gulf Insurance’s largest shareholder, followed by the Canadian-based Fairfax Financial Holding Ltd.

Gulf Insurance holds a Financial Strength Rating of “A-” with Stable Outlook from Standard & Poor’s. A.M. Best Europe – Rating Services Limited has also assigned a financial strength rating of A- (Excellent) and issuer credit rating of “A-” to Gulf Insurance with a positive outlook.

Further information:

Khalid Al Sanousi Corporate Communications & IR Manager
T: +965 2296 1825
khalids@gig.com.kw

Philemon Rajan Investor Relations Officer
T: +965 2296 1820
prajan@gig.com.kw