



Gulf Insurance Group achieves net profit of KD 12 million with 66.42 fils per share and distribution of 33% cash dividend

The Group strengthens regional presence with Algerian insurance market access

Kuwait city, March 31st, 2015 – Gulf Insurance Group (GIG), the leading insurance provider in Kuwait and the Middle East held its 53rd ordinary general assembly meeting. The group announced that it achieved a net profit KD 12 million (US\$ 41 million), equivalent to 66.42 fils per share for the year ended in 12/31/2014 reflecting a double digit growth rise of 17.6% compared with profit KD 10.2 million (US\$ 34.8 million) for the same period last year. The Group was successful in establishing a new Life Insurance Company in Algeria with a 42.5 per cent share.

During its Shafafiyah forum, the Group presented a review for 2014 results and outlook for 2015 to shareholders, financial analysts and investors.

The forum was held after the Group's ordinary general assembly meeting which approved to distribute 33% cash dividend (33 fils per share) for the year ended December 31st, 2014.

Commenting on the group results during 2014, GIG's Group Chief Executive Officer Mr Khaled Al Hasan Said,

"GIG continues to maintain its strong and leading position across the local and regional markets for the 14th consecutive year in terms of gross written premiums. The Group is rated with A-/Stable outlook from Standard & Poor's and A-/Positive outlook from AMBest."

"Regionally, GIG occupies an advanced position in terms of gross premiums written and technical profits. The Group maintained its leadership position in the Bahraini market through our subsidiary Bahrain Kuwait Insurance Company, in Jordan through Arab Orient Insurance Company in terms of gross premiums written, and in Egypt in terms of technical profit through Arab Misr Insurance Group (AMIG). Furthermore our subsidiaries have maintained their ratings obtained from AM Best."

He added:

"During 2014, GIG was successful in restructuring our subsidiary in Kuwait, Gulf Life Insurance Company, to operate as composite insurer and successfully changed the company's name to be "Gulf Insurance and Reinsurance Company". Moreover, it renewed the combined reinsurance program for the parent and subsidiaries. We have also increased our stake in Arab Orient Insurance Company in Jordan to reach 90.2%, while also increasing our stake in Syrian Kuwaiti Insurance Company to reach 54.3% and in our associated company Egyptian Takaful Property and Liability to reach 25%."

"The Group has achieved an outstanding growth and remarkable results despite the exceptional circumstances and political situations in some Arab countries. The Group has achieved double-digit growth in the total investment portfolio which grew by 12% with amount of KD 22.6 million (US\$ 77.1 million). The total investment portfolio reached KD 212.5 million (US\$ 725.4 million) at the end of 2014, Moreover; both of the net investment return grew by 14.7% to reach KD 11.8 million (US\$ 40.5 million), compared with KD 10.3 million (US\$ 35.3 million) last year and gross written premiums grew by 11% to reach KD 173.6 million (US\$ 592.7 million), increased by KD 16.6 million (US\$ 56.5 million)".

"The Group's net technical reserves increased by KD 8.9 million (US\$ 30.5 million) with growth of 9.1% to reach KD 106.8 million (US\$ 364.6 million) at the end of 2014 compared with KD 97.9 million (US\$ 334.1 million) at December 31st, 2013, which aims to sustain the group's operational activities, as well as to protect the policyholders' rights to ultimately strengthen GIG's ability to cover emergencies and risks that may rise in the future".

Commenting on group outlook for 2015, Mr Al Hasan also said:

"The Group is working intensity to meet customers' needs and requirements, exceed their expectations, and maintain our leadership position in key markets we operate in. We continue, through perseverance and commitment to excel, to work towards improving our position across the Arab insurance sector, while achieving strong growth rates in the coming years and preserve the interests of our shareholders, customers, and our employees."

He also added:

"GIG will continue to seek the best investment opportunities to widen its expansion regionally by the support of KIPCO Projects Company and Fairfax Financial Holding Ltd.

Which I would like to thank all of them for their permanent support and cooperation. Moreover; the group will continue the extensive work to improve career path plans for the employees to strengthen their technical capabilities and experiences. We also aim at developing marketing plans and campaigns and promote distribution channels and sales with an overall objective of improving the credit rating of our companies.”

“On this occasion, I would like to thank all our respectable customers, shareholders, employees, brokers and reinsurers for their trust and continuous support.”

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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.

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