

## **Gulf Insurance Group successfully entered the Turkish insurance market and achieved net profit of KD 12.00 million with 67.02 fils per share and distribution of 40% cash dividend.**

**Kuwait City, April 2 2017-** Today, Gulf Insurance Group held its Fifty-fifth ordinary general assembly ,the group announced achieving net profit of KD 12.00 million (US\$ 39.3 million), equivalent to 67.02 fils per share for the financial year ended December 31<sup>st</sup>, 2016. With a decline of 14.8 percent compared with a profit of KD 14.09 million (US\$ 46.1 million) from last year, The results impacted by the decline of some Arabian currencies against the Kuwaiti dinar, especially the devaluation of the Egyptian pound as a result from the floating of currency in Egypt which occurred in November 2016.

During the general assembly, group's shareholders approved a cash dividend of 40 per cent (40 fils per share) for the year ended December 31<sup>st</sup>, 2016. Cash dividends shall be distributed to the company's registered shareholders in the day of general assembly.

Following the completion of the general assembly, the group held its shafafiyah forum, which presents an overview on the group's performance during 2016, objectives and expectations for 2017.

**Commenting on the group results, Group CEO Mr. Khalid Al-Hassan said,** "2016 is the year of challenges, while the group was successfully being able to achieve positive results which reflects the strength of the group to confront and accommodate risks. And mentioned that the group successfully won the health insurance contract for retirees with the Ministry of Health in Kuwait and the group is boasts to serve the retired citizens in this contract. GIG has provided all of its human and technological capabilities in order to provide the desired health services with smooth and simple manner. The group also succeeded to achieve growth in premiums and technical profits and be able to maintain its leading position in the insurance markets of Kuwait, Bahrain, Jordan and Egypt. "

**He added:**

"During 2016, the group launched Management Development Program 4 (MDP4). The project is the fourth successful project from management development programs which started after the completion of previous three development programs occurred during the past years. GIG believes that there are tremendous opportunities to the Kuwaiti youth who has a professional & educational qualifications, whether obtained locally or abroad, and personal characteristics that qualify them to become successful future leaders in the insurance industry. Generally or in GIG. The program is affirming the faith of the group to support the Kuwaiti talent to provide rewarding employment opportunities in the local market.

Also, gig group obtained trio ratings from three international rating agencies , the group obtained financial strength rating of A Excellent with stable outlook from AM Best, BBB+ with stable outlook from Standard & Poor's and obtained A3 with stable outlook from Moody's, thus GIG becomes the first insurance company in Kuwait to get trio ratings from an accredited and independent rating agencies.

**He also added:**

"Continuation for our expansion plan, the group successfully finalized all the necessary arrangements and obtained the approval and acquired a significant stake in "Turins Sigorta" and we have changed its name to become "Gulf Sigorta", thus; GIG has succeeded in entering the Turkish insurance market, the company's results will be reflected in the Group's operations during 2017. This achievement has been done by the support from our major shareholders, Kuwait Projects Company and Fairfax Financial Holdings. Which I would like to thank all of them for their permanent support and cooperation."

**Commenting on the future outlook of the Group in 2017, Mr. Al-Hassan said:**

"The Group is working extensively to meet customers' needs and requirements, exceed their expectations, and maintain our leadership position in the key markets we operate in. We will continue, through perseverance and commitment to excel & work towards improving our position across the Arab insurance sector, achieve solid & persistent growth rates in the coming years and preserve the interests of our shareholders, customers, and our employees. Moreover; GIG will continue to seek the best investment opportunities to widen its expansion regionally, invest in the human resources to enhance and refine the technical and administrative expertise of the group's staff. Develop marketing plans & campaigns and promote distribution channels and sales with an overall objective of improving the good standing, brand and reputation of the group, maximize the shareholders' value and protect the policyholders rights and improve the credit rating for the group. We will continue to implement and develop systems of corporate governance & transparency and to respect the principles of moral work, legislation and control regimes in all of the group companies as well as we will continue to improve our internal and external network and use the modern and latest technology In marketing and developing our services and products to our valued customers "

"I take this occasion to extend my sincere thanks to all of our clients, shareholders, employees, reinsurers and insurance brokers and the official regulators on the continued trust and cooperation with the group. Asking Allah to perpetuate Kuwait with the blessing of security, safety and prosperity under the wisdom of Kuwait's leaders."

-Ended-

***Gulf Insurance Group Boilerplate:***

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, Algeria, Iraq, Bahrain, Emirates, Turkey and Kuwait. Its reported consolidated assets stand at US\$ 1.23 billion as at 31 December 2016.

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

Gulf Insurance Group enjoys the privilege of being the first triple-rated insurance group in Kuwait. The group holds a Financial Strength Rating of 'A' (Excellent) and issuer credit rating of 'a' with stable outlook from A.M. Best Europe – Rating Services Limited, a Financial Strength Rating of BBB+ with stable outlook from Standard & Poor's and an Insurance Financial Strength Rating (IFSR) of 'A3' from Moody's Investors Service carrying a stable outlook.

**Further information:**

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