



Gulf Insurance Group reinforces its regional presence & successfully expands in the Turkish insurance market

Achieved a net profit of KD 10.3 million at 57.48 fils per share, with 30% cash dividend distribution

Kuwait City, March 29, 2018 - Gulf Insurance Group held its 56th Ordinary General Assembly Meeting, during which shareholders approved the Board of Director's recommendation to distribute a cash dividend of 30% (30 fils per share) for the year ended December 31, 2017.

The Group had achieved a net profit of KD 10.3 million (US\$ 34.1 million), or 57.48 fils per share, for the financial year ended December 31, 2017 with a decline of 14.3% compared with a profit of KD 12 million (US\$ 39.8 million) the previous year. The results were impacted by a reduction in some of Group subsidiaries' profits. The Group achieved a remarkable growth in GPW by 42.9% compared to last year, with an increase of KD 91.6 million (US\$ 303.4 million) to reach KD 304.8 million (US\$ 1 billion) at the end of 2017. Furthermore, Takaful GPW reached KD 19.6 million (US\$ 65.1 million).

Following the General Assembly, Gulf Insurance Group held its 'Shafafiyah' Transparency Investors Forum, to present an overview of the Group's performance during 2017 and its objectives and expectations for 2018.

Speaking on this occasion, Group CEO Mr. Khalid Al-Hasan said, "The year 2017 was challenging and it impacted the Group's net profit, but did not hinder our expansion and growth. The Group successfully completed the acquisition of AIG Turkey, which has been merged, with Gulf Sigorta under the 'gig – Turkey' brand. The Group also completed the acquisition of a majority stake in Takaful International in Bahrain through its subsidiary gig – Bahrain, making the newly acquired company a subsidiary of gig – Bahrain. The Group was able to achieve these accomplishments with the support of its major shareholders - KIPCO and Fairfax Financial Holding Canada – and the Board of Directors, to whom I extend the greatest appreciation for their continuous support and cooperation."

He added:

"During 2017, the Group successfully finalized the fourth Management Development Program (MDP4) for Kuwaiti graduates, and they joined various departments of the Group and gig – Kuwait. The group believes that there are tremendous career and development opportunities for Kuwaiti youth who possess professional and educational qualifications, and the personal characteristics that qualify them to become successful future leaders in the insurance industry in general, and particularly within the Group. The program asserts the Group's commitment to support Kuwaiti talents through providing rewarding employment opportunities in the local market.

Moreover, gig rating has been upgraded by S&P to A- / stable outlook; in addition, the group maintained AM best rating of A (excellent) / stable outlook and A3 / stable outlook from Moody's. Thus, gig is the first insurance company in Kuwait obtained trio ratings from accredited and independent rating agencies."

Commenting on the outlook for 2018, Mr. Al-Hasan said:

"The Group is working extensively to meet customers' needs and requirements, exceed their expectations, and maintain leadership position in the key markets in which we operate. We will continue through perseverance and commitment to excel and work towards improving our position across the Arab insurance sector, achieve solid and sustainable growth 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, while investing in human resources to enhance and refine the technical and administrative expertise of the Group's staff. We will continue to enhance corporate governance and transparency across the Group, and business ethics, legislations and compliance regulations. We will also continue to improve our internal and external network and use the latest technology in marketing and developing our services and products to our valued customers."

He added:

"I would like to extend my sincere thanks to all of our clients, shareholders, employees, reinsurers and insurance brokers and the official regulators for the continued trust and cooperation with the Group. We pray that Kuwait continues to be blessed with security, safety and prosperity under the wise rule of its leaders."

- Ends -

Gulf Insurance Group Boilerplate:

Gulf Insurance Group is the largest insurance Group in Kuwait in terms of written and retained premiums, with operations in life and non-life as well as Takaful insurance. Gulf Insurance has become one of the largest insurance networks in the Middle East and North Africa with companies in Kuwait, Jordan, Bahrain, Egypt, Turkey, Algeria, Syria, Iraq, Lebanon, Saudi Arabia and Emirates. Its reported consolidated assets stand at US\$ 1.64 billion as at 31 December 2017.

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 A- 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.

For Further information:

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