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ARIG MAKES GAINS WITH REINSURANCE

Marked an increase from US\$ 2.8 to 3.5 million

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The Arig Group, providers of reinsurance in the Middle East and Africa, posted a consolidated net profit of US\$ 3.5 million for the first quarter 2015, an increase from US\$ 2.8 million in 2014. The group was helped by the jump in earnings from its conventional reinsurance book, which contributed US\$ 7.4 million compared to US\$ 3.7 million recorded in the same period in 2014.

Takaful Re, the Group's Islamic subsidiary, widened its loss to US\$ 3.8 million in the first quarter of 2015, from the loss of US\$ 0.8 million posted in the first three months of 2014.

Yassir Albaharna, CEO of Arig, said: "In a highly challenging business



Yassir Albaharna

environment, Arig has markedly grown its underwriting profit from the conventional reinsurance portfolio, a pleasing

'In a highly challenging business environment, Arig has markedly grown its underwriting profit from the conventional reinsurance portfolio, a pleasing development that was flanked by good investment returns'

development that was flanked by good investment returns. The losses from the underperforming Re-Takaful book are being addressed with the clear target of achieving a

lasting solution so that the full earnings potential of the Group can be realized."

Consolidated investment income of US\$ 6.3 million was generated in the first quarter of 2015, slightly down from US\$ 6.8 million recorded in the first quarter of 2014. Gross written premiums decreased to US\$166 million for the group over the quarter, down from US\$ 207.4 million posted in the comparable period last year. The shifts in Arig's Lloyd's portfolio, voluntary premium reductions by Takaful Re and the influence of exchange rate developments negatively affected the company revenue.

The book-value per share of Arig was at US\$ 1.32 in the first three months of 2015 compared to US\$ 1.34 at the end of last quarter of 2014.