

Publication Name: Daily Tribune
Country: Bahrain
Frequency: Daily
Language: English
Date: Aug 13, 2015 – Page 25

Thursday, August 13, 2015

BUSINESS DT 25

ARIG RAISES HALF-YEAR PROFIT

DT News Network
Manama

Improved underwriting performance and higher investment returns supported a 32 per cent increase in the Arig Group's half-year net profit of US\$6.2 million (half-year 2014: US\$ 4.7m).

Earnings from the conventional reinsurance book contributed with a net income of US\$9.2m (half-year 2014: US\$7.4m), whereas Takaful Re, the Group's Islamic subsidiary, produced a loss of US\$2.7m over the period (half-year 2014: a loss of US\$2.6m). Results include exchange rate effects and an impairment provision of US\$4.9m taken over the office property held by Takaful Re.

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The Group's net result for the second quarter alone was US\$2.7m (Q2 2014: US\$1.9m).

Gross premiums written during the first half-year decreased by 21pc to US\$186.1m for the Group (half-

year 2014: US\$236.8m), reflecting Arig's selective underwriting policy in a soft market environment, shifts in its Lloyd's portfolio and exchange rate effects.

The Group's combined ratio was

90.2pc after the second quarter (half-year 2014: 90.8pc).

Yassir Albaharna, CEO of Arig, commented: "Arig significantly improved its half-year result despite losses from the Nepal earthquake and the Far East, an increase in our technical provisions and a one-off impairment taken on our subsidiary's property holding. I am pleased to say that the Group continues to operate on very solid financials."

Arig's shareholders' equity stood at US\$262.1m on June 30, 2015 (end of 2014: US\$264.5m) after the distribution of dividend US\$0.05 per share. Book value per share was US\$1.32 at the end of the second financial quarter 2015 (end of 2014: US\$1.34).



Yassir Albaharna