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arig

Arig posts gains

MANAMA: Bahrain-based re-insurer Arig recorded a net profit of $8.8 million for the first six months of this year.

That was down on the $11.4m earned in the first half of last year.

The company's reinsurance underwriting result, which includes investment income on insurance funds and related operating expenses, was up 67 per cent against the same period last year, producing $6.2m.

In line with recovery trends in the global financial markets, investment results turned the corner during the second quarter of the year producing overall earnings of $15.4m for the six-month period against $15.3m last time.

Life and non-life classes continued to perform at a robust combined ratio of 94.31pc compared with 94.26pc.

The group's reinsurance portfolio reached $163m, slightly down on last year's start of $184m.

The drop in gross premiums is the result of lower trading volumes in the cyclical lines of business that should recover in tandem with the economies of the emerging markets, which form Arig's core business area.

Personal line classes, especially medical business, performed strongly, reflecting increased demand for such classes in the regional insurance markets, a company spokesman said.

Shareholders' equity amounted to $250.3m against $239.6m at the year end.

Book value per share stood at $1.18, up from $1.13 six months ago. Arig is one of the largest Arab-owned, professional reinsurance providers in the Middle East and North Africa and is listed on the stock exchanges in Bahrain, Dubai and Kuwait.