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Arig Posts Positive 1st Quarter Results in 2017



Targeting an increased profitability: Yassir Albaharna, CEO of Arig, Chairman of Arig Capital Ltd.

Financial Highlights as at 31 March 2017 (in US\$ million)

	As at 31 March		Full Year
	2017	2016	2016
Gross premiums written	172.8	202.7	245.4
Net premiums written	151.0	173.2	208.4
Technical result	1.7	3.4	14.7
Underwriting result	0.7	1.5	8.3
Combined ratio	77.6%	74.9%	96.8%
Investment income	6.3	4.5	19.3
Operating expenses	7.3	6.0	25.6
Net profit	0.5	0.8	9.2
Investment assets	717.0	738.4	737.4
Net technical provisions	698.0	737.9	589.9
Shareholders' equity	251.4	248.7	256.6
Total assets	1,226.3	1,240.3	1,114.4
Book value per share (US\$)	1.27	1.26	1.30

Arig Group recorded consolidated net profits of US\$ 0.5 million for the first quarter 2017 (Q1 2016: US\$ 0.8 million). The consolidated investment income went up by 40% to reach US\$ 6.3 million (Q1 2016: US\$ 4.5 million). While Arig's traditional reinsurance portfolio produced an improved technical result of US\$ 5.6 million (Q1 2016: US\$ 3.6 million) representing an increase of 56%, Lloyd's accounts generated a technical loss of US\$ 3.9 million (Q1 2016: loss US\$ 0.2 million) mainly due to higher natural catastrophe claims.

Gross premiums written during the first quarter decreased to US\$ 172.8 million for the Group (Q1 2016: US\$ 202.7 million), reflecting negative influence of exchange rate movements coupled with voluntary premium reductions in some under-performing accounts, mainly in the MENA region.

Yassir Albaharna, CEO of Arig, commented: "The challenging business environment and the effect of Brexit on the value of the British Pound have affected the Group's first quarter results. Although, we have seen improvements in important business segments, our ultimate aim remains the achievement of an increased profitability". Arig's shareholders' equity reduced to US\$ 251.4 million at 31 March 2017 (end of 2016: US\$ 256.6 million) after payment of dividend of US\$ 9.9 million. The book value per share was US\$ 1.27 for the same period (end of 2016: US\$ 1.30).