

7 August 2019

Arig reported its financial results for half year ended 30th June 2019

Bahrain: Arig recorded consolidated net profit of US\$ 9.2 million attributable to shareholders for the first half of year 2019 (half year 2018: loss US\$ 22.4 million). Consolidated investment income for the half year was higher at US\$ 17.3 million (half year 2018: US\$ 8.8 million), an increase of 97% as a result of positive global markets. Reinsurance business also reported higher technical profit of US\$ 7.0 million for the period (half year 2018: profit US\$ 2.7 million) mainly due to loss reduction in the Lloyd's accounts. Arig's underwriting result stood at US\$ 12.5 million for the half year 2019 (half year 2018: US\$ 0.7 million), an increase of 1686%. Arig's underwriting profit for the second quarter 2019 was US\$ 12.0 million compared to US\$ 0.7 million for second quarter 2018, an increase of 1614%.

Gross premiums written during the half year 2019 reached US\$ 171.7 million for the Group (half year 2018: US\$ 187.5 million), a decrease of 8% compared to the same period in the previous year primarily due to decrease in the non-Lloyds portfolio.

Arig's net profit for the second quarter alone was US\$ 7.4 million (Q2 2018: net loss of US\$ 22.9 million). Arig also recorded negative gross premiums of US\$ 1.4 million against gross premium of US\$ 18.4 million for the same period in 2018.

Earnings per share as at 30 June 2019 was US cents 4.6 compared to a loss of US cents 11.3 as at 30 June 2018. Earnings per share for the second quarter 2019 was US cents 3.8 compared to a loss of US cents 11.6 for the same period in 2018.

Arig's comprehensive income attributable to shareholders for the half year 2019 was a profit of US\$ 20.5 million (half year 2018: loss of US\$ 28.4 million). Comprehensive income attributable to shareholders for the second quarter was a profit of US\$ 12.2 million (half year 2018: loss of US\$ 25.4 million).

Arig's shareholders' equity stood at US\$ 216.9 million at 30 June 2019 (end of 2018: US\$ 196.4 million) an increase of 10%. The book value per share was US\$ 1.10 at the end of the same period (end of 2018: US\$ 0.99).

The total assets at 30 June 2019 was US\$ 1,122.7 million compared to US\$ 1,130.3 million in the previous year for the same period.

The full set financial statements and the notes are available on Arig's website, Bahrain Bourse's and Dubai Financial Markets websites.

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Financial Highlights as at 30 June 2019 (in US\$ million)

	As at 30 June		Full Year
	2019	2018	2018
Gross premiums written	171.7	187.5	262.8
Net premiums written	126.1	140.0	198.4
Technical result	7.0	2.7	(19.4)
Underwriting result	12.5	0.7	(26.7)
Combined ratio	99.4%	104.0%	115.2%
Investment income	17.3	8.8	10.0
Operating expenses	9.7	11.2	22.5
Net profit (loss)	9.2	(22.4)	(55.3)
Investment assets	621.9	649.2	613.9
Net technical provisions	587.8	596.5	573.9
Shareholders' equity	216.9	228.5	196.4
Total assets	1,122.7	1,130.3	1,052.6
Book value per share (US\$)	1.10	1.15	0.99

About Arig

Arig is one of the largest Arab-owned, professional reinsurance providers in the Middle East and Africa and its shares are listed on the stock exchanges in Bahrain and Dubai and offers a wide range of reinsurance products and services. Arig's subsidiaries include Takaful Re (Dubai) – currently in run-off, Gulf Warranties W.L.L. (Bahrain) (under voluntary liquidation), Arig Capital Ltd. (UK). Additional information about Arig can be obtained at www.arig.net

Arab Insurance Group (B.S.C.) is a reinsurance firm regulated by the Central Bank of Bahrain.

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