

13 November 2019

Arig reported its financial results for nine months ended 30th September 2019

Bahrain: Arig recorded a consolidated net profit of US\$ 3.6 million, attributable to shareholders, for the third quarter of 2019 (Q3 2018: net profit of US\$ 0.3 million), an increase of 1100% mainly due to higher underwriting results and lower operating expenses. Arig's consolidated net profit attributable to shareholders for the nine months of year 2019 was of US\$ 12.8 million (nine months 2018: loss US\$ 22.2 million). Earnings per share for the third quarter 2019 was US cents 1.8 compared to US cents 0.1 for the same period in 2018. Earnings per share for the nine months of 2019 was US cents 6.5 compared to a loss of US cents 11.2 for the same period in 2018.

Gross premiums written for the third quarter of 2019 declined by 93% to US\$ 3.7 million (Q3 2018: US\$ 52.4 million). Gross premiums written during the nine months of 2019 declined by 27% to US\$ 175.4 million for the Group (nine months 2018: US\$ 239.9 million), due to decrease in the non-Lloyds portfolio.

Consolidated investment income attributable to shareholders and insurance funds for the third quarter of 2019 was US\$ 3.3 million (Q3 2018: US\$ 4.5 million), a decrease of 27%. Consolidated investment income attributable to shareholders and insurance funds for the nine months was higher at US\$ 20.7 million (nine months 2018: US\$ 13.3 million), an increase of 55% as a result of positive global markets.

Arig's underwriting profit for the third quarter of 2019 was US\$ 3.5 million compared to US\$ 1.8 million for third quarter 2018, an increase of 94%. Arig's underwriting profit stood at US\$ 16.1 million for the nine months 2019 (nine months 2018: US\$ 2.5 million), an increase of 544%.

Comprehensive income attributable to shareholders for the third quarter of 2019 was a profit of US\$ 5.5 million (Q3 2018: profit of US\$ 1.0 million), an increase of 450%. Comprehensive income attributable to shareholders for the nine months 2019 was a profit of US\$ 26.0 million (nine months 2018: loss of US\$ 27.4 million).

Arig's shareholders' equity stood at US\$ 222.4 million at 30 September 2019 (end of 2018: US\$ 196.4 million) an increase of 13%. The book value per share was US\$ 1.12 at the end of the same period (end of 2018: US\$ 0.99).

The total assets at 30 September 2019 was US\$ 1,048.8 million compared to US\$ 1,052.6 million at the end of December 2018.

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

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

	As at 30 September		Full Year
	2019	2018	2018
Gross premiums written	175.4	239.9	262.8
Net premiums written	129.2	179.8	198.4
Underwriting result	16.1	2.5	(26.7)
Combined ratio	98.7%	103.1%	115.2%
Investment income attributable to shareholders and insurance funds	20.7	13.3	10.0
Operating expenses	13.2	16.6	22.5
Net profit (loss)	12.8	(22.2)	(55.3)
Net technical provisions	531.5	587.3	573.9
Shareholders' equity	222.4	229.6	196.4
Total assets	1,048.8	1,102.5	1,052.6
Book value per share (US\$)	1.12	1.16	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.