

13 February 2020

Arig reported its financial results for year ended 31st December 2019

Bahrain: Arig recorded a consolidated net profit of US\$ 4.7 million, attributable to shareholders, for the fourth quarter of 2019 (Q4 2018: net loss of US\$ 33.1 million), mainly due to higher investment income and absence of catastrophic losses. Earnings per share for the fourth quarter 2019 was US cents 2.4 compared to a loss of US cents 16.7 for the same quarter in 2018. Comprehensive income attributable to shareholders for the fourth quarter of 2019 was a profit of US\$ 6.0 million (Q4 2018: loss of US\$ 33.2 million).

For the year 2019, consolidated net profit attributable to shareholders was US\$ 17.5 million (2018: net loss of US\$ 55.3 million), mainly due to higher investment income, absence of catastrophic losses and lower operating expenses. Earnings per share for the year 2019 was US cents 8.9 compared to a loss of US cents 27.9 for the year 2018. Comprehensive income attributable to shareholders for the year 2019 was a profit of US\$ 32.0 million (2018: loss of US\$ 60.6 million).

Arig's shareholders' equity stood at US\$ 228.4 million at 31 December 2019 (end of 2018: US\$ 196.4 million) an increase of 16%. Accumulated losses of the Company stood at US\$ 28.5 million at the year-end (end of 2018: US\$ 44.5 million), representing 13% of paid-up capital. The total assets at 31 December 2019 was US\$ 1,035.8 million compared to US\$ 1,052.6 million at the end of December 2018, a reduction of 2%.

There is no proposal to distribute dividends.

The book value per share was US\$ 1.15 at the end of the year (end of 2018: US\$ 0.99).

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 31 December 2019 (in US\$ million)

	As at 31 December	
	2019	2018
Gross premiums written	194.6	262.8
Net premiums written	142.5	198.4
Underwriting result	22.5	(26.7)
Combined ratio	97.2%	115.2%
Investment income attributable to shareholders and insurance funds	26.3	10.0
Operating expenses	16.5	22.5
Net profit (loss)	17.5	(55.3)
Investment assets	629.0	613.9
Net technical provisions	503.1	573.9
Shareholders' equity	228.4	196.4
Total assets	1,035.8	1,052.6
Book value per share (US\$)	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 (trading code 'ARIG') 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) and 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.