

PRESS RELEASE

Continental Reinsurance Plc releases first half 2017 results

Lagos, 3rd August 2017: As at the end of June 2017, Continental Reinsurance Plc is once again confirming its growth momentum. Gross premium income at NGN 15.20 billion is 27% higher than NGN 11.90 billion reported in 2016. The Group's underwriting profitability increased by 158% from NGN 808 million to NGN 2.10 billion. The results were buoyed by a 100% increase in investment and other income to NGN 1.30 billion from NGN 653 million in the previous year, overall strengthening the balance sheet.

Profit before tax remained marginally flat at NGN 3.10 billion compared to NGN 3.12 billion reported during the previous period owing to an increase in operating expense and the effect of foreign exchange movement. The claims impact of NGN 3.50 billion was a 33% drop in relation to the same period in 2016.

"A well balanced pan-African footprint sustained our growth momentum during the first half. This reinforces our confidence in the Group's ability to achieve its full year targets and, as a result, record another year of growth in premium income and profit," said Dr Femi Oyetunji, the Group Managing Director/CEO.

Summary of results

Income Statement:

- Gross premium income: NGN 15.20 billion, up from NGN 11.90 billion in Q2 2016, a 27% growth.
- Claims expenses: NGN 3.50 billion in 2017 compared to NGN 5.30 billion in 2016, a decrease of 33%.
- Underwriting profit: NGN 2.10 billion in 2017, up from NGN 808 million in 2016, a 158% increase.
- Investment and other income: NGN 1.30 billion, a 100% growth compared to NGN 653 million in same period in 2016, partially representing unrealized gains.
- Profit before tax: NGN 3.10 billion, essentially flat in comparison to NGN 3.12 billion in Q2 2016.
- Profit after tax: NGN 2.30 billion, marginally flat in relation to NGN 2.40 billion in Q2 2016.

Statement of Financial Position:

- Total assets: NGN 40.20 billion, essentially flat compared to NGN 40.30 billion in 2016.
- Investment portfolio: NGN 20.80 billion, marginally comparable to NGN 21.40 billion in Q2 2016.
- Reinsurance reserves: NGN 15.60 billion, up by 14% from NGN 13.70 billion in Q2 2016.
- Shareholders' fund: NGN 20.30 billion, marginally comparable to NGN 19.70 billion in Q2 2016.

With 30 years on the continent, and in line with its core values, the Company continues to consolidate its role as a trusted partner in the African insurance industry through responsive service delivery, diverse product offerings, and capacity building across local markets underpinned by the security and strength of its pan-African operations.

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About Continental Reinsurance:

Continental Reinsurance is a composite reinsurer, writing business in more than 50 countries across the African continent.

Established in 1985, and listed on the Nigerian Stock Exchange (NSE) in 2007, Continental Reinsurance provides support to over 200 insurance companies in Africa with its main offices in Nigeria, Cameroon, Kenya, Côte d'Ivoire, Tunisia and Botswana. It also has a specialist subsidiary – Continental Property and Engineering Risk Services (CPERS) – registered in South Africa.