

PRESS RELEASE
Continental Reinsurance reports Q1 2020 results and affirms support to fight against Covid-19 pandemic

Lagos, 11 May 2020: Despite unprecedented challenges across Africa resulting from the COVID-19 pandemic, Continental Reinsurance has posted a 29% increase in gross premium income for the first quarter of 2020.

As the group reports an overall increase in gross premium income to NGN 11,560 million for the period, and with contributions from across its six locations remaining strong and steadily growing, Dr Femi Oyetunji, Group Managing Director, cautioned “The pandemic has alerted us to expect variations in key performance metrics, which are highly likely to impact our annual objectives.

“COVID-19 has caused extreme personal distress and challenged business sustainability across the world. However, it has also created an environment for greater collaboration, innovation and digital transformation, particularly within the insurance industry. As insurers, we should be demonstrating our value more effectively as lubricants of the economy to create greater cohesion with other sectors of our economies. As we do with the UN–Principles of Sustainable Insurance, steadfastly integrate our global efforts to proactively prevent and manage climate related catastrophes and pandemics.

“Certainly, as insurance leaders, we are focusing attention to the crisis on the continent by working with industry players to contribute towards resolving this challenge. We are closely monitoring developments in our markets. We have instituted internal protocols to protect our staff while supporting our clients uninterruptedly and have the right strategies to trigger a return to normal – health concerns and government permitting.

“As the pandemic continues, we have also prioritized financial donations through industry bodies in our various jurisdictions to be used sustainably and equitably for the benefit of the citizens.”

Underwriting profit at NGN 1,565 million for Q1 of 2020 represents a 622% increase in comparison to the same quarter previous year (NGN 217 million) demonstrating increased emphasis on underwriting discipline and cost control.

Profit before tax at NGN 2,479 million was a 446% increase over the same period last year.

A 14% increase in claims incurred amounting to NGN 4,675 million, represents Continental Re’s continuing commitment to meet its obligations in support of its clients.

Investment and other income stood at NGN 555 million; a 6% decline owing to a low-interest regimen and bearish markets.

Summary of performance (NGN Millions)

Income statement			
	Q1 2020	Q1 2019	% Change
Gross Premium Income	11,560	8,992	29%
Claims Incurred	4,675	4,103	14%
Underwriting Profit	1,565	217	622%
Investment & Other Income	555	588	(6%)
Profit Before Tax	2,479	454	446%



Profit After Tax	1,882	362	420%
Statement of financial position			
	Q1 2020	Q1 2019	% Change
Total Assets	68,102	66,762	2%
Investment Portfolio	26,407	26,254	1%
Reinsurance Reserves	30,575	30,554	0.1%
Shareholders' Funds	30,535	30,186	1%

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About Continental Reinsurance

Continental Reinsurance is a private pan-African reinsurance company that has been on the continent for over 30 years. It writes business in more than 50 African countries, which are serviced from six client service centres in Nigeria, Botswana, Cameroon, Côte d'Ivoire, Kenya and Tunisia. It also has an inhouse technical 'referral competence', Continental Property and Engineering Risk Services (CPERS), that services all its clients across Africa. With a diversified and profitable portfolio, it offers its clients a product of indisputable value underpinned by uncompromising service and technical capability.

Press contact:

Elsie Mbera: embera@continental-re.com / +254733780420