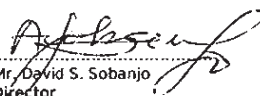


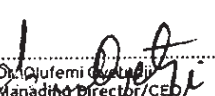
**CONTINENTAL REINSURANCE PLC** RC: 73956

**STATEMENT TO THE NIGERIAN STOCK EXCHANGE AND SHAREHOLDERS ON THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2015**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2015**

	Group 2015 N'000	Group 2014 N'000	Company 2015 N'000	Company 2014 N'000
<b>Assets</b>				
Cash and cash equivalents	7,702,575	4,844,323	5,792,358	3,303,155
Financial assets				
- Financial asset designated as fair value through profit or loss	1,224,258	1,227,512	104,247	171,524
- Loans and other receivables	364,041	234,910	302,083	207,802
- Available-for-sale investments	2,194,682	2,406,037	2,150,894	2,356,882
- Held to maturity investments	3,894,558	4,878,062	3,438,340	4,372,487
Reinsurance receivables	7,258,399	6,743,336	5,793,094	5,274,202
Retrocession assets	727,581	477,628	396,648	335,935
Deferred acquisition costs	1,458,436	1,759,685	1,107,837	1,383,416
Other assets	31,056	981,264	1,062,703	1,214,437
Investment in subsidiaries	-	-	1,649,571	1,722,633
Investment properties	2,685,646	2,926,956	2,685,646	2,926,956
Intangible assets	-	1,214	-	1,214
Property, plant and equipment	1,127,498	726,717	1,048,051	613,858
Statutory deposits	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total assets</b>	<b>29,668,730</b>	<b>28,207,644</b>	<b>26,531,472</b>	<b>24,884,501</b>
<b>Liabilities</b>				
Insurance contract liabilities	11,081,953	10,784,693	9,153,563	9,004,306
Reinsurance creditors	884,117	1,404,170	847,009	1,175,735
Other liabilities	1,092,154	535,096	1,318,129	457,106
Retirement benefit obligations	278,372	184,379	278,372	184,379
Current income tax payable	722,035	458,813	648,999	391,277
Deferred tax liabilities	72,908	64,113	68,777	45,039
<b>Total liabilities</b>	<b>14,131,539</b>	<b>13,431,264</b>	<b>12,314,849</b>	<b>11,257,842</b>
<b>Equity</b>				
Share capital	5,186,372	5,186,372	5,186,372	5,186,372
Share premium	3,915,451	3,915,451	3,915,451	3,915,451
Contingency reserve	3,414,608	2,785,131	3,250,484	2,705,666
Retained earnings	1,820,765	1,714,433	1,681,345	1,526,328
Available-for-sale reserve	182,183	297,704	182,971	292,842
Foreign currency translation reserve	(116,756)	(101,723)	-	-
Equity attributable to holders of parent	14,402,623	13,797,368	14,216,623	13,626,659
Non-controlling interest	1,134,568	979,012	-	-
<b>Total equity</b>	<b>15,537,191</b>	<b>14,776,380</b>	<b>14,216,623</b>	<b>13,626,659</b>
<b>Total liabilities and equity</b>	<b>29,668,730</b>	<b>28,207,644</b>	<b>26,531,472</b>	<b>24,884,501</b>

  
Mr. David S. Sobanjo  
Director  
FRC/2013/CIN/00000002149

  
Mr. Olufermi O. Oduye  
Managing Director/CEO  
FRC/2013/NSA/00000000685

  
Mr. Musa Kolo  
Chief Financial Officer  
FRC/2012/ICAN/00000000473

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Group 2015 N'000	Group 2014 N'000	Company 2015 N'000	Company 2014 N'000
<b>Gross premium written</b>	<b>19,738,040</b>	<b>16,436,778</b>	<b>15,366,113</b>	<b>13,176,217</b>
Insurance premium revenue	20,679,772	16,153,740	16,092,925	13,069,529
Insurance premium ceded to retrocessionaires	(2,484,413)	(1,959,233)	(1,754,804)	(1,644,607)
<b>Net insurance premium revenue</b>	<b>18,195,359</b>	<b>14,194,507</b>	<b>14,338,121</b>	<b>11,424,922</b>
<b>Insurance benefits</b>				
Insurance claims and loss adjustment expenses	9,043,010	7,369,473	7,069,971	6,013,823
Insurance claims and loss adjustment expenses recoverable from retrocessionaires	(289,960)	(489,306)	(156,042)	(485,414)
Net insurance benefits and claims	8,753,050	6,880,167	6,913,929	5,528,409
Underwriting expenses	7,386,606	5,947,275	6,061,365	4,938,265
<b>Insurance benefits and underwriting expenses</b>	<b>16,139,656</b>	<b>12,827,442</b>	<b>12,975,294</b>	<b>10,466,674</b>
<b>Underwriting profit</b>	<b>2,055,703</b>	<b>1,367,065</b>	<b>1,362,827</b>	<b>958,248</b>
Interest income	1,120,218	940,442	902,941	838,546
Net fair value gains/(loss) on financial assets designated at fair value through profit or loss	11,651	48,437	8,691	(7,467)
Fair value gains on investment properties	147,107	83,559	147,107	83,559
Other income	598,891	353,462	521,232	351,913
Foreign exchange gain/(loss)	467,981	(391,497)	431,038	(460,617)
Administrative expenses	(993,903)	(572,385)	(437,198)	(280,864)
Impairment of financial assets	(492,055)	(241,114)	(396,394)	203,324
<b>Profit before income tax expense</b>	<b>2,915,593</b>	<b>1,587,969</b>	<b>2,540,244</b>	<b>1,279,994</b>
Income tax expense	(772,805)	(732,325)	(605,857)	(618,471)
<b>Profit for the year</b>	<b>2,142,788</b>	<b>855,644</b>	<b>1,934,387</b>	<b>661,523</b>
<b>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:</b>				
Remeasurement (loss)/gains on available for sale financial assets	(111,192)	75,972	(102,499)	74,498
Reclassification adjustment to gains on available for sale financial assets included in profit or loss	(7,372)	(54,841)	(7,372)	(54,841)
Exchange difference on translation of foreign operation	(15,033)	(69,329)	-	-
<b>Other comprehensive (loss)/gain not to be reclassified to profit or loss in subsequent periods:</b>				
Actuarial loss on defined benefit plans	(153,397)	(86,935)	(133,642)	(86,935)
<b>Income tax relating to component of other comprehensive income</b>	<b>46,019</b>	<b>26,081</b>	<b>40,092</b>	<b>26,081</b>
<b>Other comprehensive loss for the year, net of tax</b>	<b>(240,975)</b>	<b>(109,052)</b>	<b>(203,421)</b>	<b>(41,197)</b>
<b>Total comprehensive income for the year</b>	<b>1,901,813</b>	<b>746,592</b>	<b>1,730,966</b>	<b>620,326</b>
<b>Profit attributable to:</b>				
Equity holders of the parent	2,002,631	820,382	1,934,387	661,523
Non-controlling interests	140,157	35,262	-	-
	<b>2,142,788</b>	<b>855,644</b>	<b>1,934,387</b>	<b>661,523</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the parent	1,764,699	711,109	1,730,966	620,326
Non-controlling interests	137,114	35,483	-	-
	<b>1,901,813</b>	<b>746,592</b>	<b>1,730,966</b>	<b>620,326</b>
<b>Earnings per share</b>				
Basic (kobo)	19	8	19	6
Diluted (kobo)	19	8	19	6

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONTINENTAL REINSURANCE PLC**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Continental Reinsurance Plc ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**Directors' Responsibility for the Consolidated Financial Statements**

The Directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, CAP C20 Laws of Federation of Nigeria 2004, the Insurance Act 2003, the Financial Reporting Council of Nigeria Act No. 6, 2011 and for such internal control as the Directors determine necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the procedures that are the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.


**Opinion**

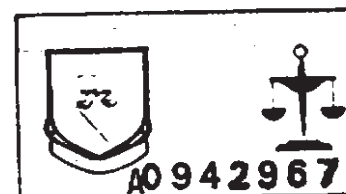
In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2015 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and the Financial Reporting Council of Nigeria Act No. 6, 2011.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirement of Schedule 6 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, we confirm that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books;
- The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account;
- In our opinion, the consolidated financial statements have been properly prepared in accordance with the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 so as to present fairly the statement of financial position and statement of profit or loss and other comprehensive income of the Company and its subsidiaries.

  
Kayode Famutimi, FCA  
FRC/2012/ICAN/0000000155  
For: Ernst & Young  
Lagos, Nigeria  
15 March 2016



**CONTINENTAL REINSURANCE PLC RC: 73956**

**STATEMENT TO THE NIGERIAN STOCK EXCHANGE AND SHAREHOLDERS ON THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER, 2014**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014**

	GROUP 2014 N=000	GROUP 2013 N=000	COMPANY 2014 N=000	COMPANY 2013 N=000
<b>Assets</b>				
Cash and cash equivalents	4,844,323	5,673,748	3,303,155	5,605,227
<b>Financial assets</b>				
- Financial asset designated as fair value through profit or loss	1,227,512	170,285	171,524	170,285
- Loans and other receivables	234,910	379,174	207,802	378,833
- Available-for-sale investments	2,406,037	2,259,534	2,356,882	2,213,919
- Held to maturity investments	4,878,062	5,830,270	4,372,487	4,732,522
Reinsurance receivables	6,743,336	6,292,066	5,274,202	5,613,677
Retrosession assets	477,628	358,106	335,935	279,247
Deferred acquisition costs	1,759,685	1,428,293	1,383,416	1,213,441
Other assets	981,264	365,839	1,214,437	546,073
Investment in subsidiaries	-	-	1,722,633	987,405
Investments properties	2,926,956	1,746,800	2,926,956	1,746,800
Intangible assets	1,214	9,667	1,214	9,667
Property, plant and equipment	726,717	611,628	613,858	553,290
Statutory deposits	1,000,000	1,000,000	1,000,000	1,000,000
<b>Total assets</b>	<b>28,207,644</b>	<b>26,125,410</b>	<b>24,854,501</b>	<b>25,042,296</b>
<b>Liabilities</b>				
Insurance contract liabilities	10,784,693	9,873,379	9,004,306	8,961,159
Reinsurance creditors	1,404,170	1,169,024	1,175,735	1,169,024
Other liabilities	535,096	311,142	457,106	288,057
Retirement benefit obligations	184,379	45,900	184,379	45,900
Current income tax payable	458,813	391,381	391,277	388,875
Deferred tax liabilities	64,113	49,891	45,039	41,546
<b>Total liabilities</b>	<b>13,431,264</b>	<b>11,839,917</b>	<b>11,257,842</b>	<b>10,894,561</b>
<b>Equity</b>				
Share capital	5,186,372	5,186,372	5,186,372	5,186,372
Share premium	3,915,451	3,915,451	3,915,451	3,915,451
Contingency reserve	2,785,131	2,420,096	2,705,666	2,349,131
Retained earnings	1,714,433	2,519,174	1,526,328	2,423,196
Available-for-sale reserve	297,704	276,794	292,842	273,185
Foreign currency translation reserve	(101,723)	(32,394)	-	-
Equity attributable to holders of parent	13,797,368	14,285,493	13,626,659	14,147,335
Non-controlling interest	979,012	-	-	-
<b>Total equity</b>	<b>14,776,380</b>	<b>14,285,493</b>	<b>13,626,659</b>	<b>14,147,335</b>
<b>Total liabilities and equity</b>	<b>28,207,644</b>	<b>26,125,410</b>	<b>24,854,501</b>	<b>25,042,296</b>

*Signature*  
Mr. S. S. S. S.  
Director

*Signature*  
Mr. S. S. S. S.  
Managing Director/CEO

*Signature*  
Mr. S. S. S. S.  
Chief Financial Officer

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2014**

	GROUP 2014 N=000	GROUP 2013 N=000	COMPANY 2014 N=000	COMPANY 2013 N=000
Insurance premium revenue	16,153,740	15,836,812	13,069,529	13,848,129
Insurance premium ceded to retrocessionaires	(1,959,233)	(1,685,799)	(1,444,807)	(1,390,406)
<b>Net insurance premium revenue</b>	<b>14,194,507</b>	<b>14,151,013</b>	<b>11,624,722</b>	<b>12,457,723</b>
Insurance benefits	7,369,473	6,376,258	6,013,823	5,912,103
Insurance claims and loss adjustment expenses	(489,306)	(114,213)	(485,414)	(183,537)
Insurance claims and loss adjustment expenses recoverable from retrocessionaires	6,880,161	6,262,045	5,528,409	5,808,566
<b>Net insurance benefits and Claims</b>	<b>5,961,222</b>	<b>5,411,826</b>	<b>4,828,285</b>	<b>4,798,351</b>
Underwriting expenses	(12,827,442)	(11,873,081)	(10,466,674)	(10,606,917)
Insurance benefits and underwriting expenses	1,387,965	1,877,822	958,248	1,650,806
Underwriting profit	940,442	1,001,601	638,546	762,620
Interest income	48,437	38,591	(7,467)	37,344
Net fair value gains(loss) on financial assets designated at fair value through profit or loss	83,559	71,112	83,559	71,112
Fair value gains on investment properties	353,462	291,930	351,913	291,339
Other income	(391,487)	202,813	(400,617)	202,813
Foreign exchange (loss)/gain	(572,385)	(376,372)	(280,864)	(240,521)
Administrative expenses	(241,114)	(873,303)	(203,326)	(873,303)
Impairment of financial assets	1,587,969	2,233,394	1,279,994	2,001,410
Profit before income tax	(732,325)	(479,994)	(618,471)	(414,953)
Income tax expense	855,644	1,753,400	661,523	1,586,457
<b>Profit for the year</b>	<b>123,319</b>	<b>1,273,406</b>	<b>43,052</b>	<b>1,171,504</b>
Other comprehensive income				
Other comprehensive income(loss) to be reclassified to profit or loss in subsequent periods:				
Reclassification adjustments to gains on available for sale financial assets	75,972	448,875	74,498	445,066
Reclassification adjustments to gains on available for sale financial assets included in profit or loss	(54,841)	(87,519)	(54,841)	(87,519)
Exchange difference on translation of foreign operation	(89,329)	(32,394)	-	-
Other comprehensive income(loss) not to be reclassified to profit or loss in subsequent periods:				
Actuarial (loss)/gain on defined benefit plans	(86,935)	7,444	(86,935)	7,444
Income tax relating to component of other comprehensive income	26,081	(2,232)	26,081	(2,232)
<b>Other comprehensive (loss)/income for the year</b>	<b>(109,952)</b>	<b>333,873</b>	<b>(41,937)</b>	<b>362,758</b>
<b>Total comprehensive income for the year</b>	<b>13,329</b>	<b>1,607,279</b>	<b>1,390,515</b>	<b>1,534,262</b>
Profit attributable to:				
Equity holders of the parent	820,382	1,753,406	661,523	1,586,457
Non-controlling interests	35,262	-	-	-
<b>Total comprehensive income attributable to:</b>	<b>855,644</b>	<b>1,753,406</b>	<b>661,523</b>	<b>1,586,457</b>
Equity holders of the parent	711,109	2,087,373	620,326	1,949,215
Non-controlling interests	35,483	-	-	-
<b>Total comprehensive income attributable to:</b>	<b>746,592</b>	<b>2,087,373</b>	<b>620,326</b>	<b>1,949,215</b>
Earnings per share:				
Basic (kobo)	8	17	6	15
Diluted (kobo)	8	17	6	15

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONTINENTAL REINSURANCE PLC**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Continental Reinsurance Plc (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2014, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

**Director's Responsibility for the Consolidated Financial Statements**

The Directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003, the Financial Reporting Council of Nigeria Act No. 6, 2011 and for such internal control as the Directors determine necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2014 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, the Insurance Act 2003 and the Financial Reporting Council of Nigeria Act No. 6, 2011.

**Report on Other Legal and Regulatory Requirements**

In accordance with the requirement of Schedule 6 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, we confirm that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of these books;
- iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account;
- iv. In our opinion, the consolidated financial statements have been properly prepared in accordance with the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 so as to present fairly the state of affairs and profit or loss of the Company and its subsidiaries.

*Signature*  
Karende Fawehinmi, FCA, FRIC/2013/CAN/00000000155  
For: Ernst & Young  
Lagos Nigeria  
27th April, 2015

*Signature*  
Mr. S. S. S. S.  
Chief Financial Officer

