



2011 Financial Results Investors Briefing

Tuesday, April 24, 2012
Hilton Hotel, Nairobi

CONTENTS

1. Summary 2011 Financial Results

2. Key Priorities & Strategies

3. Questions & Answers

1. Summary - 2011 Financial Results

Gross premium written

33%



Investment Income

(14)%



Total Income

25%



Net Claims Incurred

44%



Operating & Other exp.

11%



Profit Before Tax (PBT)

23%



Profit After Tax (PAT)

24%



Earnings Per Share (EPS)
















24%



Statement of Comprehensive Income

	2011 Kshs.Millions	2010 Kshs.Millions	Change %
INCOME			
Gross written premium	6,614	4,981	33
Net Earned Premium	5,735	4,274	34
Fair value gain – investment property	684	378	81
Investment income	1,454	1,683	(14)
Share of profit in associate	154	79	94
Other income	99	94	5
Total income	8,126	6,508	25
OUTGO			
Net claims & policyholders benefits	(2,940)	(2,047)	44
Commission payable	(1,730)	(1,277)	35
Operating and other expenses	(773)	(698)	11
Provision for asset held for sale	0	(350)	100
Provision for doubtful debts	(647)	(476)	36
Total outgo	(6,089)	(4,848)	26
Profit before taxation	2,037	1,660	23
Taxation charge	(122)	(119)	3
Profit for the year	1,915	1,541	24
Other comprehensive Income/loss	(751)	232	(424)
Total comprehensive income	1,162	1,773	(34)

Statement of Financial Position

	2011	2010	Change	
	Kshs.Millions	Kshs.Millions	%	
TOTAL SHAREHOLDERS FUND	11,526	10,574	9	
ASSETS				
Investment property	5,365	4,617	16	
Investment in associate	1,133	953	19	
Receivables - reinsurance arrangement	1,249	1,228	2	
Government securities	3,358	2,777	21	
Quoted equity shares	2,009	2,568	-22	
Mortgage loans	320	363	-12	
Fixed deposits & cash	3,857	2,942	31	
Other assets	1,805	1,793	1	
Total assets	19,096	17,241	11	
LIABILITIES				
Reinsurance Contracts	4,660	4,363	7	
Unearned Premiums	2,157	1,643	31	
Other Liabilities	753	661	14	
Total liabilities	7,570	6,667	14	
NET ASSETS	11,526	10,574	9	

A. REINSURANCE

- Aggressive Marketing
- Market Diversification
- New Products
- Prudent Underwriting
- Domestication of Life Business
- Organic Growth

B. INVESTMENTS

- Increased Rental Income
- Higher Occupancy in our Buildings
- Improved Interest Rates Environment
- Investment Portfolio Reallocation
- Revaluation Gains on Investment Properties
- Depressed Stock Market

A. REINSURANCE

- Aggressive marketing to tap new markets.
- Focused Customer Service
- Market Diversification
- Prudent Underwriting
- Efficient Claims Management
- Prudent Management of Receivables

B. INVESTMENTS

- Enhanced Quality of Our Buildings
- Superior Customer Service to Our Tenants
- Rationalization of Property Portfolio
- Prudent Investment Portfolio Reallocation
- Grow Mortgage Portfolio

C. OTHER STRATEGIES

- Process Improvements & Embracing of ICT
- Finalise Rebranding
- Focused CSR Initiatives
- Entrench Good Corporate Governance
- Embed Risk Management
- Staff Skills Development & Retention

The Board recommends;

- Cash Dividend of Kshs 0.35 per share
- Bonus Share issue of one (1) share for every six (6) shares held

Record Dates;

- AGM will be held on 8th June 2012.
- Books Closure on 11th June 2012.
- Dividend Payment Date Around 13th July 2012

QUESTIONS & ANSWERS

THANK YOU