



Takaful Emarat agrees to acquire Al Hilal Bank's takaful unit

- Creates largest Islamic insurance group in the UAE, with proforma 2016 gross written contributions of over AED 900 million
- Highly complementary businesses bringing together UAE-wide customer base

Dubai, UAE; December 19, 2017: Takaful Emarat has agreed to acquire Al Hilal Takaful from Al Hilal Bank in an all cash transaction that will create the largest takaful group in the United Arab Emirates (UAE) based on 2016 gross written contributions.

The transaction, which has received initial approval from the UAE's Insurance Authority, brings together two highly complementary takaful (Islamic insurance) businesses. Takaful Emarat provides life and health takaful insurance for customers, mostly in Dubai and the Northern Emirates. Al Hilal Takaful operates with a general license, offering a wide range of cover for individual and corporate customers, primarily in the emirate of Abu Dhabi.

The deal enables the combined group to offer comprehensive takaful products and services throughout the UAE giving consumers greater choice and expertise across an expanded distribution network. The two companies wrote over AED 900 million in combined gross written contributions in 2016.

Mohammad Al Hawari, Executive Board Member and Managing Director of Takaful Emarat, said, "This is a transformational deal for Takaful Emarat that will drive growth for the group through a wider range of takaful services and a larger customer base. In parallel, we are making strong progress in developing our digital platform, which will mean a highly efficient and cost effective service for our customers. Al Hilal Takaful, a well-established and complementary business, is a very good fit for us."

Alex Coelho, Chief Executive Officer of Al Hilal Bank, said, "Al Hilal Bank will continue to focus on developing its core business as a progressive Islamic bank. Takaful Emarat is a specialist takaful provider and is therefore the most appropriate acquirer for our insurance business. We are working closely together to ensure a smooth transition for all our insurance customers."

Takaful Emarat's planned acquisition of Al Hilal Takaful is subject to full regulatory approvals and is scheduled to be completed in the first quarter of 2018. The transfer of Al Hilal Takaful's ownership to Takaful Emarat will have no impact on current takaful policies, contracts, claims settlements or the writing of new insurance business. Al Hilal Bank was advised by KPMG Deal Advisory and Allen & Overy. Takaful Emarat was advised by Milliman and Herbert Smith Freehills.

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About Al Hilal Takaful

Al Hilal Takaful is licensed to conduct general Takaful. The company operates from its headquarters in Abu Dhabi, contributing to the UAE's national growth. The company employs world-class procedures and methods in all its operations, from underwriting and risk inspection surveys, to loss prevention and loss management.



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About Takaful Emarat

Takaful Emarat Insurance PSC, established in 2008, is a leading Sharia-compliant life and health takaful provider in UAE. Takaful Emarat markets a wide range of individual and corporate life and health takaful products including protection, savings and investment plans through variety of distribution channels. Takaful Emarat is also a participating insurer providing basic mandatory health insurance in the Emirate of Dubai.

About Al Hilal Bank

Al Hilal Bank is one of the fastest growing, government-owned banks in the GCC. Al Hilal Bank is rated A2 by Moody's and A+ by Fitch, the highest ratings awarded to an Islamic Bank in the UAE and is recognized as the Safest Islamic Financial Institution in the GCC by Global Finance in 2016 and 2017. Al Hilal Bank was founded in 2008 by the Abu Dhabi Investment Council, an investment arm of the Abu Dhabi Government, with the mission of delivering innovative and fresh banking services adhering to core Islamic values with an authorized capital of AED 4 billion.