Press Release

12 May 2013

Arig Returns Profitable 1st Quarter Result on Single-Digit Portfolio Growth

Bahrain: Arig reported reduced net profits of US$ 2.7 million for the first quarter of 2013 (Q1 2012: US$ 5.5 million) on gross premiums of US$ 164.9 million (Q1 2012: US$ 159.9 million), an increase of 3%. Arig's non-life combined ratio reached 79.7% for the first quarter (Q1 2012: 75.2%).

The underwriting result was lower at US$ 1.6 million against the previous year's quarter (Q1 2012: US$ 3.5). Investments returned US$ 6.4 million (Q1 2012: US$ 10.5 million) following uplift in the global equity markets.

Yassir Albaharna, CEO of Arig, commented: "Following our practice of prudent reserving we have catered for some potential claims as a precaution. This has lowered the underwriting result even though it is too early in the year to say if this would have a lasting effect on our overall performance in 2013."

Arig's shareholders' equity increased to US$ 249.6 million on 31st of March, 2013 (end of 2012: US$ 247.1 million), with a book value per share of US$ 1.26 for the same period (end of 2012: US$ 1.25).

Financial Highlights as at 31 March 2013 (in US$ million)

	As at 31 March		Full Year
	2013	2012	2012
Gross premiums written	164.9	159.9	238.6
Technical result	2.4	3.3	27.0
Underwriting result	1.6	3.5	19.9
Non-life combined ratio	79.7%	75.2%	96.9%
Investment income	6.4	10.5	21.4
Operating expenses	6.8	7.7	28.4
Net profit	2.7	5.5	15.3
Investment assets	628.9	643.0	652.9
Net technical provisions	649.9	668.0	543.7
Shareholders' equity	249.6	235.3	247.1
Total assets	1,092.7	1,120.0	999.4
Book value per share (US$)	1.26	1.19	1.25

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About Arig

Arig is one of the largest Arab-owned, professional reinsurance providers in the Middle East and North Africa. Arig is listed on the stock exchanges in Bahrain and Dubai and offers a wide range of reinsurance products and services. Arig's subsidiaries include Takaful Re (Dubai), Gulf Warranties (Bahrain), ARIMA Insurance Software (Bahrain) and Arig Capital Ltd, (UK). Arig is also an equal partner in the joint venture Hardy Arig Insurance Management HAIM (Bahrain). Additional information about Arig can be obtained at www.arig.net

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