

PRESS RELEASE



Jubilee Holdings posts impressive 13% growth in 2017 full year pre-tax profit

Nairobi, 13th April 2018 - East Africa's largest insurance group, Jubilee Holdings has recorded a 13% growth in its pre-tax profit for the year ended December 31st 2017 to Kshs. 5.16 Billion up from Kshs. 4.56 Billion during the same period in 2016. Total income recorded a 25.2% jump to Kshs. 31.27 Billion from Kshs. 24.98 Billion as a result of increased net earned premiums, higher investment income and fair value gains on investments.

During 2017, Jubilee Holdings pursued parallel strategies for growth, increase insurance penetration while focusing on building sustainable profitability based on more disciplined pricing in an increasingly competitive business environment and slower economic growth in the region.

Consequently, the overall Gross Written Premium and Contributions grew marginally from Kshs. 33.81 Billion to Kshs. 33.94 Billion, while the short term business underwriting results grew by 83% to stand at Kshs. 1.41 Billion. The earnings per share rose to Kshs. 54.26 from Kshs. 45.49 in the previous year, an increase of 19%.

"2017 was a challenging year for the insurance industry across the region. Adverse weather conditions, uncertainty as a result of the prolonged electioneering period in Kenya amongst others are some of the hurdles we faced as a business. We have however demonstrated our business resilience and agility to adapt to the market forces and tough times by overcoming these challenges and this is evidenced by the impressive results that we have released today" said Mr. Nizar Juma – Chairman, Jubilee Holdings.

These strong results place Jubilee Insurance once again as the most stable insurer in the region, resilient and able to protect clients against the different risks they face. Mr. Juma attributed the results to the constant pursuit of excellence by staff, trust and loyalty of our customers, continuous engagement with them and offering insurance solutions that meet their needs.

"We continue to monitor our portfolio closely and as a result we have put plans in place to detect early distress and address any challenges across our entire value chain. Fraud mitigation, effective cost management and tightening controls are some of the measures that have been enhanced across the Group and I am pleased that the efforts are bearing fruit" added Mr. Juma.

Jubilee Holdings cemented its position as East Africa's largest insurer with a 15.9% increase in total assets which now stand at over \$1 Billion (Kshs. 104.96 Billion) from Kshs. 90.56 Billion in the prior year.

"Our balance sheet clearly demonstrates our financial strength and our ability to protect the interests of those we insure. By leveraging on this strength, we will continue to provide innovative insurance solutions as we seek to grow our existing and new business in the region" said Dr. Julius Kipng'etich – Regional Chief Executive Officer, Jubilee Holdings.

Jubilee Holdings long term business posted a sturdy performance growing by 22.4% from Kshs. 11.19 Billion to Kshs. 13.7 Billion, and the overall insurance result grew marginally to Kshs. 1.23 Billion from Kshs. 1.2 Billion in 2016 despite the drop in the yield curve and the unexpected issuance of new guidelines that necessitated an increase in the risk margin assumption. Continued development of our products and distribution channels coupled with pricing efficiency were key contributors to this growth.

Fraud remains one of the growing concerns across the insurance industry and we continue investing to strengthen our systems, processes and controls to ensure that we facilitate fraud prevention, detection and effective action in the event that it happens.

"Our systems are now enabled to link a specific patient to a claim and this ensures that we monitor and track medical services rendered, quality of service received and in some cases how long it took to receive the services. With this view, it makes it more difficult for fraudsters to falsify claims" commented Dr. Kipng'etich.

Jubilee Holdings has also embarked on cost reduction measures for medical insurance by championing the use of quality branded generic drugs which are just as effective but cost a fraction of the cost of branded drugs. Developed countries like the USA have adopted an 80-20 mix for all the medical prescriptions in favour of branded generic drugs and this is what we look forward to seeing in Kenya as a national priority in order to lower the cost of healthcare and increase accessibility to those who could not previously afford good quality healthcare.

Technology and innovation remains a key priority for Jubilee Holdings and we have rolled out different tech based products to enhance our customer service, one of them being our chatbot "Julie" – Jubilee Insurance Live Intelligent Expert. "Julie" is the first bot or AI-powered chat assistant of her kind in the insurance industry in East Africa and she assists with everyday insurance queries just like a customer care representative.

On the regional front, the Bancassurance Act in Uganda was passed and the regulations on how the Act will be implemented have been rolled out. We are well positioned to take advantage of this development by leveraging on our relations with some of the strongest banks in the region and on our experience and success so far in Bancassurance in Kenya.

The outlook for 2018 is positive as we anticipate an improvement in the regional economies, a settled political environment, recovery in agriculture and improved viability in the timing of investments in the oil sector and major infrastructure projects.

Jubilee Holdings Board has declared a final dividend of Kshs. 8 for a combined interim and final dividend of Kshs 9 per share, for a total dividend payout of Kshs. 652.3 million.

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Note to the editors:**About Jubilee Holdings:**

Jubilee Holdings is the only ISO certified insurance group listed on the three East Africa stock exchanges – The Nairobi Securities Exchange (NSE), Dar es Salaam Stock Exchange and Uganda Securities Exchange.

It has a network of offices in five countries - Kenya, Uganda, Tanzania, Burundi and Mauritius which are highly rated on leadership, quality and risk management and have been awarded an AA- in Kenya and Uganda, and an A+ in Tanzania.

Jubilee Insurance is the largest and the number one insurer in East Africa with over 500,000 clients. Jubilee Insurance is also the largest provider of medical insurance in Kenya, Uganda and Tanzania which includes many of the region's blue chip companies.

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