



General Accident Insurance Company Limited (GENAC)
For the year ended December 2016:-

- GENAC reported Gross premium written of \$5.65 billion, 8% lower than the \$6.11 billion reported for 2015. Gross premium written for the 4 quarter ended December 2016 was \$417.67 million down 37% compared to \$663.67 million for the same period of 2015. According to the company this result was due to “difficult market conditions.” Reinsurance ceded amounted to \$4.33 billion compared to \$4.83 billion, a decline of 10% year over year. Excess of loss reinsurance also ticked up by 8% to \$96.78 million (2015: \$89.25 million). As a result net premium written only increased by 3% from \$1.19 billion in 2015 to \$1.22 billion for 2016.
- Net change in unearned premiums was a loss totaling \$84.49 million in 2016, 20% higher than the \$70.9 million recorded in 2015. Consequently, net premiums earned grew by 1% to a total of \$1.14 billion in 2016 compared to \$1.12 billion for the same period of 2015.
- Commission income declined by 3%, year over year, from \$361.89 million in 2015 to \$350.75 million in 2016, while commission expenses decreased by 13% from \$224.44 million in FY2015 to \$194.94 million in FY2016.
- Claims expenses saw an increase of 7%, closing the period at \$746.07 million (2015: \$696.48 million) while management expenses climbed by 12% to total \$500.39 million compared to the 2015 total of \$446.36 million.
- Underwriting profit for the 2016 financial year totaled of \$45.61 million, compared to \$114.66 million in 2015, a 60% reduction year over year.
- Investment Income closed at \$326.76 million, up 86% when compared with last year’s \$175.65 million, while other income totaled \$56.32 million, an increase of 24% relative to the \$45.39 million reported for the same period last year. Other operating expenses fell 24% to \$24.44 million versus \$32.25 million in 2015.
- Profit before taxes totaled \$404.24 million for the period, an increase of 33% compared to the \$303.45 million reported in 2015. The company incurred tax charges of \$17.36 million resulting in net profit for the financial year climbing 27% to



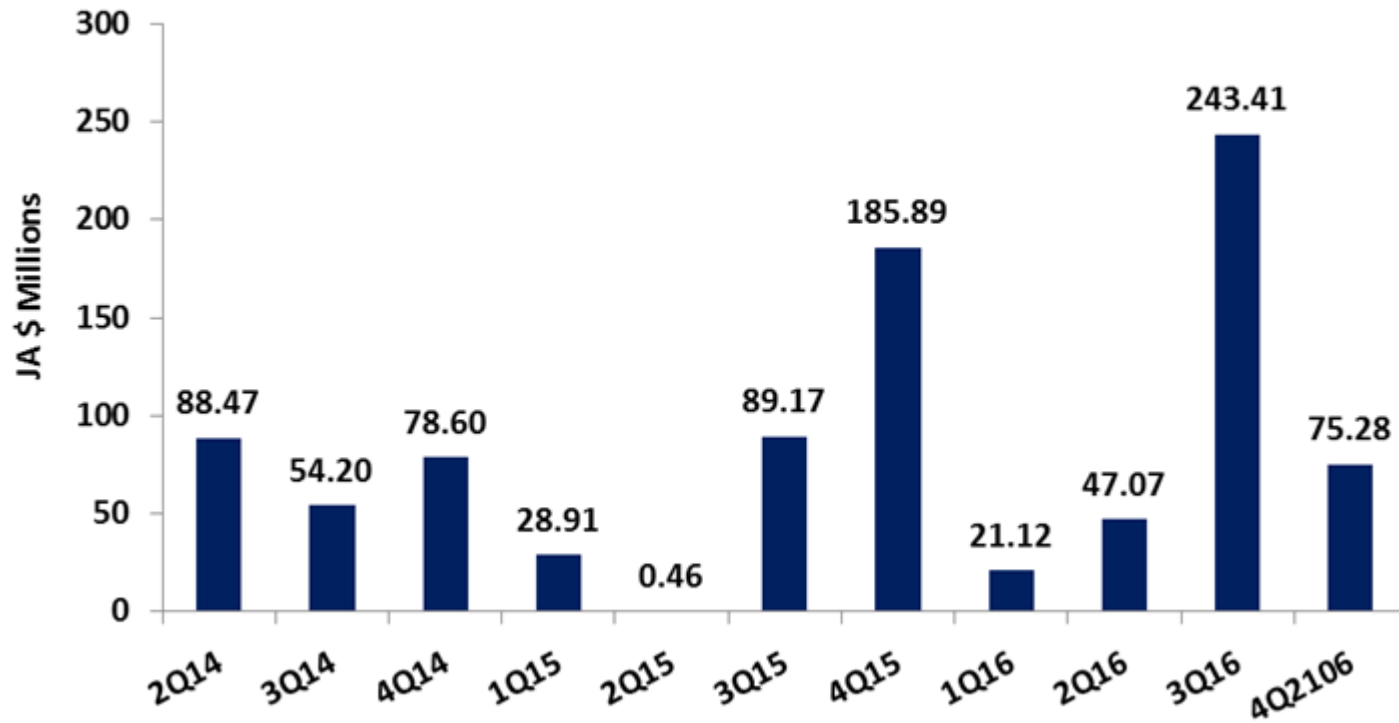
\$386.88 million (2015: \$304.42 million); while for the quarter net profit was \$75.28 million a decline of 59.5% for the same period last year which had net profits of \$185.88 million.

- As such, Earning per share for the FY2016 amounted to \$0.375 (2015: \$0.30) while EPS for the quarter amounted to \$0.07 compared to \$0.18 in 2015. The number of shares used in our calculations amounted to 1,031,250,000 units.

Balance Sheet at a glance:-

- Total Assets increased by 12% to \$4.94 billion as at December 2016 from \$4.42 billion in 2015. The main contributors to the increase in total assets were investment securities which closed at \$1.62 billion (2015: \$1.4 billion), and cash & short term investments which closed at \$1.08 billion (2015: \$1 billion).
- Shareholder's Equity as at December 31, 2016 stood at \$1.95 billion (2015: \$1.78 billion) resulting in book value per share of \$1.90 (2015: \$1.72).

GENAC Quarterly Profit Movement





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