

Jubilee

HOLDINGS

30th August 2016

The Chief Executives:

Capital Markets Authority/Nairobi Securities Exchange
Capital Markets Authority/Uganda Securities Exchange
Capital Markets and Securities Authority/Dar es Salaam Stock Exchange

Dear Sirs,

RE: 2016 UNAUDITED CONSOLIDATED HALF-YEAR RESULTS

We are pleased to enclose herewith our unaudited consolidated interim financial statements for the six months ended 30th June 2016. The results were approved by the Board of Directors at a meeting held today.

Also enclosed is the press announcement that will appear in print media tomorrow.

Yours faithfully,


Margaret Muhuni-Kipchumba
COMPANY SECRETARY

Jubilee Holdings Limited
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Directors: Nizar Juma – Chairman, Sultan Allana (Pakistani), Ramadhani Dau (Tanzanian), Shabir Abji (Tanzanian), Lutfat Kassam, Sultan Khimji, Juma Kisaame (Ugandan), John Metcalf (British), Jane Mwangi, Moez Jamal (British), Zul Abdul

JUBILEE HOLDINGS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income			
For the six months ended 30th June 2016:			
	Jun-16	Jun-15	Dec-15
	Kshs'000	Kshs'000	Kshs'000
			Audited
Gross earned premium	13,624,931	12,094,921	23,029,932
Reinsurance	(5,269,488)	(4,674,688)	(8,153,775)
Net earned premium	8,355,443	7,420,233	14,876,157
Claims and policy holder's benefits payable	(7,484,882)	(6,167,019)	(11,565,275)
Commission paid	(1,670,716)	(1,623,381)	(3,134,107)
Commission earned	995,822	744,199	1,837,783
Management expenses	(1,911,607)	(1,667,013)	(3,870,544)
Net fair value loss through profit or loss	(364,908)	(124,651)	(1,109,494)
Investment Income	3,451,855	2,651,368	6,093,468
Operating profit	1,371,007	1,233,736	3,127,988
Net finance cost	-	(27,148)	(34,861)
Share of results of associates	601,767	582,990	1,052,012
Group profit before income tax	1,972,774	1,789,578	4,145,139
Income tax expense	(394,039)	(320,940)	(1,024,046)
Net profit	1,578,735	1,468,638	3,121,093
Non-controlling interest	185,452	140,562	307,037
Profit attributable to shareholders	1,393,283	1,328,076	2,814,056
Other Comprehensive Income			
Change in fair value of financial assets at fair value through other comprehensive income	(146,765)	(147,230)	(362,297)
Loss on disposal of assets	-	(35,507)	-
Net translation (loss)/gain	(214,682)	(260,612)	242,776
Associate share of other comprehensive income	-	-	(27,085)
Deferred income tax relating to other comprehensive income	6,758	(6,236)	(7,963)
Total other comprehensive income	(354,689)	(449,585)	(154,569)
Total comprehensive income	1,224,046	1,019,053	2,966,524
Non-controlling interest	174,845	67,574	242,752
Profit attributable to shareholders	1,049,201	951,479	2,723,772
Earnings per share (Kshs)-basic and diluted	21.2	20.2	43
Dividends:			
Dividend proposed	65,885	65,885	494,133

JUBILEE HOLDINGS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Unaudited Consolidated Statement of Financial Position as at 30th June 2016			
	Jun-16	Jun-15	Dec-15
	Kshs'000	Kshs'000	Kshs'000
			Audited
CAPITAL AND RESERVES			
Share capital	329,423	299,475	329,423
Fair value reserves	390,846	748,835	528,488
General reserves	70,000	70,000	70,000
Contingency reserves	905,031	823,574	829,413
Translation reserves	(446,889)	(736,752)	(240,449)
Statutory Reserve	3,444,794	2,143,234	3,327,844
Retained earnings	15,010,969	12,713,681	13,759,189
Proposed dividends	65,885	65,885	494,133
Equity attributable to owners of the company	19,770,059	16,127,932	19,098,041
Non-controlling interest	1,458,011	1,107,988	1,283,166
Total equity	21,228,070	17,235,920	20,381,207
ASSETS			
Intangible asset	33,856	45,828	64,950
Property and equipment	201,945	195,342	226,341
Investment properties	5,578,170	5,127,330	5,535,330
Investment in associates	9,251,838	8,074,048	8,735,980
Deferred income tax asset	127,876	163,339	73,331
Unquoted equity investments at fair value through profit or loss	2,673,009	2,344,997	2,675,147
Unquoted equity investments at fair value through other comprehensive income	101,207	93,966	104,445
Quoted equity investments at fair value through profit or loss	6,060,304	7,755,601	6,446,523
Quoted equity investments at fair value through other comprehensive income	1,227,996	1,613,380	1,377,303
Mortgage loans	74,924	43,184	67,524
Loans on life insurance policies	631,364	385,393	495,153
Government securities at amortized cost	33,481,145	24,084,789	29,604,698
Commercial bonds	1,641,559	2,237,638	1,859,070
Receivables arising out of direct insurance arrangements	5,768,962	4,350,412	4,214,950
Receivables arising out of reinsurance arrangements	2,169,360	1,977,177	2,179,849
Reinsurers' share of insurance contract liabilities	7,063,207	7,420,086	6,641,579
Deferred acquisition costs	595,421	481,884	264,081
Other receivables	1,168,648	1,355,246	1,035,593
Current income tax recoverable	162,647	45,343	45,840
Deposits with financial institutions	8,822,735	12,381,657	10,029,209
Cash and bank balances	731,279	846,515	701,114
Total assets	87,567,452	81,023,155	82,378,010
LIABILITIES			
Deferred income tax liability	122,206	120,370	196,841
Insurance contract liabilities	18,715,702	20,738,250	18,709,163
Payable under deposit administration contracts	33,152,501	29,096,738	30,958,100
Unearned premium reserve	9,722,789	8,402,898	7,760,661
Creditors arising out of direct insurance arrangements	55,332	114,477	137,591
Creditors arising out of reinsurance arrangements	1,258,394	1,193,541	1,449,481
Other payables	2,484,552	1,801,668	2,287,144
Dividends payable	756,134	667,684	269,627
Borrowings	-	1,508,864	-
Current income tax payable	71,772	142,745	228,195
Total liabilities	66,339,382	63,787,235	61,996,803
Net assets	21,228,070	17,235,920	20,381,207

**JUBILEE HOLDINGS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Unaudited Consolidated Statement of Changes in Equity for the six months ended 30th June 2016:											
	Share Capital Kshs'000	Fair Value Reserves Kshs'000	General Reserves Kshs'000	Translation Reserves Kshs'000	Contingency Reserves Kshs'000	Statutory Reserves Kshs'000	Retained Earnings Kshs'000	Proposed Dividends Kshs'000	Equity Attributable to Owners Kshs'000	Non-Controlling Interest Kshs'000	Total Equity Kshs'000
Six months ended 30 June 2016											
At start of year (1/1/2016)	329,423	528,488	70,000	(240,449)	829,413	3,327,844	13,759,189	494,133	19,098,041	1,283,166	20,381,207
Profit for the period	-	-	-	-	-	3,327,844	1,393,283	-	1,393,283	185,452	1,578,735
Other comprehensive Income											
Change in fair value of FVTOCI	-	(143,386)	-	-	-	-	-	-	(143,386)	(3,379)	(146,765)
Net translation loss	-	-	-	(206,440)	-	-	-	-	(206,440)	(8,242)	(214,682)
Deferred income tax relating OCI	-	5,744	-	-	-	-	-	-	5,744	1,014	6,758
Transfer to contingency reserves	-	-	-	-	75,618	-	(75,618)	-	-	-	-
Total comprehensive income for the period	-	(137,642)	-	(206,440)	75,618	3,327,844	(75,618)	-	(344,082)	(10,607)	(354,689)
Transactions with owners:											
Dividends: - Final for 2015 paid	-	-	-	-	-	-	(65,885)	(494,133)	(494,133)	-	(494,133)
Interim for 2016 proposed	-	-	-	-	-	-	(65,885)	65,885	-	-	-
Total transactions with owners:	-	-	-	-	-	-	(65,885)	(428,248)	(494,133)	-	(494,133)
Transfer from life fund	-	-	-	-	-	116,950	-	-	116,950	-	116,950
At end of the period	329,423	390,846	70,000	(446,889)	905,031	3,444,794	15,010,969	65,885	19,770,059	1,458,011	21,228,070
Six months ended 30 June 2015											
At start of year (1/1/2015)	299,475	974,878	70,000	(550,691)	752,532	1,958,336	11,484,875	449,212	15,438,617	1,040,414	16,479,031
Profit for the period	-	-	-	-	-	1,328,076	1,328,076	-	1,328,076	140,562	1,468,638
Other comprehensive Income											
Change in fair value of FVTOCI	-	(184,970)	-	-	-	-	-	-	(184,970)	2,233	(182,737)
Loss on disposal of assets FVTPL	-	(35,507)	-	-	-	-	35,507	-	-	-	-
Net translation loss	-	-	-	(186,061)	-	-	-	-	(186,061)	(74,551)	(260,612)
Deferred income tax relating OCI	-	(5,566)	-	-	-	-	-	-	(5,566)	(670)	(6,236)
Transfer to contingency reserves	-	-	-	-	68,892	-	(68,892)	-	-	-	-
Total comprehensive income for the period	-	(226,043)	-	(186,061)	68,892	-	(33,385)	-	(376,597)	(72,988)	(449,585)
Transactions with owners:											
Dividends: - Final for 2014 paid	-	-	-	-	-	-	-	(449,212)	(449,212)	-	(449,212)
Interim for 2015 proposed	-	-	-	-	-	-	(65,885)	65,885	-	-	-
Total transactions with owners:	-	-	-	-	-	-	(65,885)	(383,327)	(449,212)	-	(449,212)
Transfer from life fund	-	-	-	-	2,150	184,898	-	-	187,048	-	187,048
At end of the period	299,475	748,835	70,000	(736,752)	823,574	2,143,234	12,713,681	65,885	16,127,932	1,107,988	17,235,920

JUBILEE HOLDINGS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Unaudited Consolidated Cash flow Statement for the six months ended 30th June 2016:			
	Jun-16 Kshs'000	Jun-15 Kshs'000	Dec-15 Kshs'000 Audited
Cash flow from operating activities			
Profit before income tax	1,972,774	1,789,578	4,145,139
Adjustments for: -			
Depreciation	81,907	76,998	116,081
Impairment of Insurance receivables	781	-	138,583
Fair value loss on equity investments at fair value through profit or loss	364,908	124,651	1,109,494
Change in deposit administration contracts	2,194,401	2,232,388	4,334,110
Change in insurance contract liabilities and reserves	1,968,667	3,143,588	1,215,181
Investment income	(3,451,855)	(2,651,368)	(6,093,468)
Share of result of associates after income tax	(601,767)	(582,990)	(1,052,012)
Operating profit before working capital changes	2,529,816	4,132,845	3,913,108
Change in premium, reinsurance and other receivables	(2,429,546)	(2,535,312)	(1,286,558)
Change in reinsurance and other payables	410,570	728,587	956,177
Cash generated from operations	510,840	2,326,120	3,582,727
Income tax paid	(591,552)	(406,699)	(888,044)
Net cash inflow from operating activities	(80,712)	1,919,421	2,694,683
Cash flow from investing activities			
Rent, interest and dividend received	3,259,473	2,376,878	5,247,934
Dividends received from associates	35,284	241,985	740,889
Proceeds from sale of quoted shares	460,730	169,879	368,332
Proceeds from disposal of property and equipment	1,644	-	812
Proceeds from part redemption of shares in associate	-	-	(108,932)
Purchase of property and equipment	(28,933)	(112,287)	(205,984)
Additions of investment properties	(42,840)	(12,682)	(84,699)
Purchase of quoted shares	(438,092)	(140,957)	(330,745)
Purchase of unquoted shares	-	-	(11,784)
Mortgage loans (advanced)/redeemed	(7,400)	918	(25,809)
Loans on life insurance policies advanced	(136,211)	(23,412)	(133,500)
Purchase of government securities	(3,876,447)	(2,161,560)	(7,665,194)
Redemption/(purchase) of commercial bonds	217,511	(541,119)	(163,269)
Net cash (outflow)/inflow from investing activities	(555,281)	(202,357)	(2,371,949)
Cash flow from financing activities			
Settlement of borrowings	-	-	(1,373,680)
Dividends paid	(494,133)	(449,212)	(515,097)
Net cash outflow from financing activities	(494,133)	(449,212)	(1,888,777)
(Decrease)/increase in cash and cash equivalents	(1,130,126)	1,267,852	(1,566,043)
Cash and cash equivalents at start of year	10,890,580	12,146,381	12,146,381
Exchange (loss)/gain on translation	(206,440)	(186,061)	310,242
Cash and cash equivalents at end of the period	9,554,014	13,228,172	10,890,580

**UNAUDITED CONSOLIDATED INTERIM RESULTS
FOR THE HALF YEAR ENDED 30TH JUNE 2016**

The Board of Directors of Jubilee Holdings Limited is pleased to announce the following unaudited consolidated results for the six months ended 30th June 2016

	6 Months 2016 Kshs Million	6 Months 2015 Kshs Million	Growth %
GROSS PREMIUM AND CONTRIBUTIONS (TOTAL BUSINESS)	17,184.0	16,089.7	6.8
Medical Gross Premium	5,866.3	5,529.6	6.1
General Gross Premium	6,077.7	5,630.0	8.0
Life Gross Premium	2,425.4	1,898.1	27.8
Deposit Administration Inflows	2,814.6	3,032.0	-7.2
TOTAL INSURANCE RESULTS	863.1	704.6	22.5
GROUP PROFIT BEFORE TAX	1,972.8	1,789.6	10.2
GROUP PROFIT AFTER TAX	1,578.7	1,468.6	7.5
NON - CONTROLLING INTEREST	185.4	140.5	
PROFIT ATTRIBUTABLE TO SHAREHOLDERS	1,393.3	1,328.1	4.9
INTERIM DIVIDEND	65.9	65.9	
EARNINGS PER SHARE (KSHS)	21.1	20.2	4.9

The Directors recommended the payment of an interim dividend of 20% or Kshs. 1.00 per share (2015: 20% or Kshs. 1.00 per share), subject to withholding tax where applicable. The dividend will be paid on or about 7th October 2016 to members on the register at the close of business on 16th September 2016.

To facilitate payment of the dividend, the register of members will be closed from 19th September 2016 to 2nd October 2016, both days inclusive.

By Order of the Board

Nizar Juma
Chairman

Margaret Muhuni-Kipchumba
Company Secretary

30th August 2016

CONGRATULATIONS JUBILEE INSURANCE, YOU'VE DONE IT AGAIN!

Live Free!

THINK INSURANCE, THINK JUBILEE...
12 AWARDS AT THE THINK BUSINESS INSURANCE AWARDS 2016

- General Insurer of the Year
- Medical Underwriter of the Year
- Claims Settlement General Insurance
- Major Loss Award
- Fraud Detection and Prevention Award
- Risk Management Award
- Marketing Initiative of the Year
- Life Insurer of the Year
- Claims Settlement Life Insurance
- Customer Service Award
- Training Awards
- The ICT Award

COMPANY OF THE YEAR 2015

