

# Jubilee

HOLDINGS

Tuesday, 24 March 2015

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: JUBILEE HOLDINGS LIMITED - 2014 CONSOLIDATED AUDITED RESULTS**

Enclosed herewith, kindly find the Company's Consolidated Statement of Financial Position, Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equities and Consolidated Statement of Cash Flow for the financial year ended 31<sup>st</sup> December, 2014.

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

Yours faithfully,



Margaret Muhuni-Kipchumba  
**COMPANY SECRETARY**

Jubilee Holdings Limited

Jubilee Insurance House, Wabera Street, Nairobi, P. O. Box 30376 - 00100 Nairobi, Kenya  
Tel: + 254 (0) 20 328 1000, Fax: + 254 (0) 20 328 1150, Email: [jic@jubileekenya.com](mailto:jic@jubileekenya.com), [www.jubileeinsurance.com](http://www.jubileeinsurance.com)

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**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2014**

	2014	2013
	Kshs '000	Kshs '000
<b>ASSETS</b>		
Property and equipment	184,548	163,329
Intangible Assets	23,082	-
Investment properties	5,073,192	4,445,591
Investment in associates	7,733,043	6,465,583
Deferred income tax asset	76,149	90,753
Unquoted shares at fair value through profit or loss	2,344,997	2,071,259
Unquoted shares at fair value through other comprehensive income	96,868	90,584
Quoted shares at fair value through profit or loss	8,002,989	5,910,179
Quoted shares at fair value through other comprehensive income	1,721,076	1,463,256
Mortgage loans	44,102	29,067
Loans on life insurance policies	361,981	512,945
Government securities at amortised cost	21,923,229	19,067,633
Commercial bonds	1,696,519	887,417
Receivables arising out of direct insurance arrangements	3,653,899	3,563,752
Receivables arising out of reinsurance arrangements	1,713,259	1,889,223
Reinsurers' share of insurance contract liabilities	6,833,940	6,913,943
Deferred acquisition costs	189,248	109,341
Other receivables	659,147	572,250
Current income tax recoverable	27,725	176,522
Deposits with financial institutions	11,022,305	6,161,262
Cash and bank balances	1,124,076	575,296
<b>Total assets</b>	<b>74,505,374</b>	<b>61,159,185</b>
<b>LIABILITIES</b>		
Deferred income tax liability	158,618	172,978
Insurance contract liabilities	19,644,653	15,112,757
Payable under deposit administration contracts	26,864,350	21,026,848
Unearned premium reserve	6,608,846	6,355,840
Creditors arising out of direct insurance arrangements	130,325	69,846
Creditors arising out of reinsurance arrangements	1,186,822	1,901,454
Trade and other payables	1,600,892	1,525,667
Dividends payable	265,928	194,004
Borrowings	1,373,680	1,305,953
Current income tax payable	192,229	153,083
<b>Total liabilities</b>	<b>58,026,343</b>	<b>47,818,430</b>
<b>EQUITY</b>		
Share capital	299,475	299,475
Reserves	3,205,055	2,560,600
Retained earnings	11,484,875	9,212,032
Proposed dividends	449,212	359,370
<b>Equity attributable to owners of the company</b>	<b>15,438,617</b>	<b>12,431,477</b>
Non-controlling interest	1,040,414	909,278
<b>Total equity</b>	<b>16,479,031</b>	<b>13,340,755</b>
<b>Total liabilities and equity</b>	<b>74,505,374</b>	<b>61,159,185</b>

**JUBILEE HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>GROUP</b>	
	<b>2014</b>	<b>2013</b>
	<b>Kshs '000</b>	<b>Kshs '000</b>
Gross earned premium revenue	24,782,043	18,087,946
Outward reinsurance	(8,450,822)	(7,314,561)
<b>Net insurance premium revenue</b>	<b>16,331,221</b>	<b>10,773,385</b>
Investment and other income	4,833,582	3,697,032
Net fair value gains on financial assets at fair value through profit or loss	1,234,767	1,887,877
Commission earned	1,976,315	1,684,345
<b>Total income</b>	<b>24,375,885</b>	<b>18,042,639</b>
Claims and policy holders benefits payable	(20,482,024)	(16,636,045)
Claims recoverable from re-insurers	4,611,545	5,650,491
<b>Net insurance benefits and claims</b>	<b>(15,870,479)</b>	<b>(10,985,554)</b>
Operating and other expenses	(3,106,716)	(2,483,628)
Commission payable	(2,881,228)	(2,345,153)
<b>Total expenses and commissions</b>	<b>(5,987,944)</b>	<b>(4,828,781)</b>
<b>Result of operating activities</b>	<b>2,517,462</b>	<b>2,228,304</b>
Finance costs	(49,745)	(47,629)
Share of result of associates	1,481,568	970,513
<b>Group profit before income tax</b>	<b>3,949,285</b>	<b>3,151,188</b>
Income tax expense	(845,632)	(648,371)
<b>Profit for the year</b>	<b>3,103,653</b>	<b>2,502,817</b>
<b>Attributable to:</b>		
Equityholders of the company	2,879,572	2,254,689
Non-controlling interest	224,081	248,128
<b>Total</b>	<b>3,103,653</b>	<b>2,502,817</b>
Earnings Per Share (Kshs)		
Basic and diluted	48	38

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>2014</b>	<b>2013</b>
	<b>Kshs '000</b>	<b>Kshs '000</b>
<b>Profit for the year</b>	3,103,653	2,502,817
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss</i>		
Other fair value gains	-	-
Net fair value gains on financial assets	225,399	564,325
Net translation (loss)/gain	(503,913)	252,016
Associate share of other comprehensive income	515,239	-
<b>Total other comprehensive income, net of tax</b>	<b>236,725</b>	<b>816,341</b>
<b>Total comprehensive income for the year</b>	<b>3,340,378</b>	<b>3,319,158</b>
<b>Attributable to:</b>		
Equityholders of the Company	3,209,242	3,089,936
Non-controlling interest	131,136	229,222
<b>Total comprehensive income for the year</b>	<b>3,340,378</b>	<b>3,319,158</b>

**JUBILEE HOLDINGS LIMITED  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	GROUP										
	Share Capital Kshs '000	Reserves			Statutory Reserve Kshs '000	Retained Earnings Kshs '000	Proposed Dividends Kshs '000	Equity		Non- Controlling Interest Kshs '000	Total Equity Kshs '000
		Fair Value Reserves Kshs '000	General Reserves Kshs '000	Translation Reserves Kshs '000				Contingency Reserves Kshs '000	Attributable to Owners Kshs '000		
<b>Year ended 31 December 2013</b>	299,475	(329,005)	70,000	(411,491)	1,213,394	7,480,077	359,370	9,233,027	680,056	9,913,083	
At start of year	-	-	-	-	551,207	2,254,689	-	2,254,689	248,128	2,502,817	
<b>Profit for the year</b>	-	-	-	-	-	-	-	-	-	-	
<b>Other comprehensive income</b>	-	-	-	-	-	-	-	-	-	-	
Other fair value gains	-	560,627	-	-	-	-	-	560,627	3,698	564,325	
Change in fair value of financial assets through OCI	-	(186)	-	-	-	186	-	-	-	-	
Transfer to retained earnings on disposal	-	-	-	274,620	-	-	-	274,620	(22,604)	252,016	
Net translation gain/(loss)	-	-	-	-	-	(103,655)	-	-	-	-	
Transfer to contingency reserves	-	-	-	-	103,655	-	-	-	-	-	
<b>Total comprehensive income for the year</b>	-	560,441	-	274,620	103,655	2,151,220	-	3,089,936	229,222	3,319,158	
Transfer from Life Fund	-	-	-	-	527,779	-	-	527,779	-	527,779	
<b>Transactions with owners:</b>	-	-	-	-	-	-	-	-	-	-	
Dividends: Final for 2012 paid	-	-	-	-	-	-	(359,370)	(359,370)	-	(359,370)	
Interim for 2013 paid	-	-	-	-	-	(59,895)	-	(59,895)	-	(59,895)	
Final for 2013 proposed	-	-	-	-	-	(359,370)	359,370	-	-	-	
<b>Total transactions with owners</b>	-	-	-	-	527,779	(419,265)	-	(419,265)	-	(419,265)	
<b>At end of year</b>	299,475	231,436	70,000	(136,871)	654,862	9,212,032	359,370	12,431,477	909,278	13,340,755	
<b>Year ended 31 December 2014</b>	299,475	231,436	70,000	(136,871)	654,862	9,212,032	359,370	12,431,477	909,278	13,340,755	
At start of year	-	-	-	-	-	2,879,572	-	2,879,572	224,081	3,103,653	
<b>Profit for the year</b>	-	-	-	-	-	-	-	-	-	-	
<b>Other comprehensive income</b>	-	515,239	-	-	-	-	-	515,239	-	515,239	
Other fair value gains on share of Associates through OCI	-	-	-	-	-	-	-	-	-	-	
Deferred Tax on other comprehensive income	-	228,251	-	-	-	48	-	228,251	(2,852)	225,399	
Change in fair value of financial assets through OCI	-	(48)	-	-	-	-	-	-	-	-	
Transfer to retained earnings on disposal	-	-	-	(413,820)	-	-	-	(413,820)	(90,093)	(503,913)	
Net translation loss	-	-	-	-	97,670	(97,670)	-	-	-	-	
Transfer to contingency reserves	-	-	-	-	97,670	-	-	-	-	-	
<b>Total comprehensive income for the year</b>	-	743,442	-	(413,820)	97,670	2,781,950	-	3,209,242	131,136	3,340,378	
Transfer from Life Fund	-	-	-	-	217,163	-	-	217,163	-	217,163	
<b>Transactions with owners:</b>	-	-	-	-	-	-	(359,370)	(359,370)	-	(359,370)	
Dividends: Final for 2013 paid	-	-	-	-	-	(59,895)	-	(59,895)	-	(59,895)	
Interim for 2014 paid	-	-	-	-	-	(449,212)	449,212	-	-	-	
Final for 2014 proposed	-	-	-	-	217,163	(509,107)	89,842	(419,265)	-	(419,265)	
<b>Total transactions with owners</b>	-	-	-	-	217,163	(509,107)	89,842	(419,265)	-	(419,265)	
<b>At end of year</b>	299,475	974,878	70,000	(550,691)	752,532	11,484,875	449,212	15,438,617	1,040,414	16,479,031	

**JUBILEE HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>GROUP</b>	
	<b>2014</b>	<b>2013</b>
	<b>Kshs '000</b>	<b>Kshs '000</b>
<b>Cash flow from operating activities</b>		
Profit before income tax	3,949,285	3,151,188
Adjustments for: -		
Depreciation	84,701	67,428
Impairment of insurance receivables	125,113	-
Fair value (gains)/losses on equity investments at fair value through profit and loss	(1,234,767)	(1,887,877)
Investment income	(4,833,582)	(3,697,032)
Share of result of associates after income tax	(1,481,568)	(970,513)
Operating profit before changes to receivables and payables	(3,390,818)	(3,336,806)
Change in deposit administration contracts	6,362,350	6,120,610
Change in insurance contract liabilities and reserves	4,488,552	4,104,587
Change in premium, reinsurance and other receivables	(1,281)	(3,831,231)
Change in reinsurance and other payables	(578,667)	870,045
Cash generated from operations	6,880,136	3,927,205
Income tax paid	(657,450)	(611,288)
<b>Net cash inflow from operating activities</b>	<b>6,222,686</b>	<b>3,315,917</b>
<b>Cash flow from investing activities</b>		
Rent, interest and dividend received	4,234,493	3,288,533
Dividends received from associates	213,445	194,667
Proceeds from sale of quoted shares	151,465	884,678
Proceeds from disposal of property and equipment	8,732	3,855
Proceeds from part redemption of shares in associate	492,016	506,851
Purchase of property and equipment	(141,759)	(96,042)
Net additions of investment properties	(106,031)	(480,388)
Purchase of quoted shares	(1,297,005)	(452,772)
Purchase of unquoted shares	(6,862)	(338,717)
Mortgage loans advanced	(117,281)	(26,832)
Mortgage loans repaid	268,087	13,708
Loans on life insurance policies advanced	(26,011)	(176,470)
Loans on life insurance policies repaid	11,630	62,361
Net purchase of government securities	(2,855,596)	(5,959,050)
Net proceeds/(purchase) of commercial bonds	(809,101)	122,622
<b>Net cash inflow/(outflow) from investing activities</b>	<b>20,222</b>	<b>(2,452,996)</b>
<b>Cash flow from financing activities</b>		
Dividends paid	(419,265)	(419,265)
<b>Net cash outflow from financing activities</b>	<b>(419,265)</b>	<b>(419,265)</b>
Increase in cash and cash equivalents	5,823,643	443,656
Cash and cash equivalents at start of year	6,736,558	6,018,282
Exchange (loss)/gain on translation of cash and cash equivalents in foreign currencies	(413,820)	274,620
<b>Cash and cash equivalents at end of year</b>	<b>12,146,381</b>	<b>6,736,558</b>



The Board of Directors of Jubilee Holdings Limited are pleased to announce the following audited consolidated results for the year ended 31 December, 2014

### Condensed Statement of Comprehensive Income

	2013	2014	Growth
	Amounts in '000 (Kshs)		
Gross written premium	23,415,280	30,350,453	30%
Gross earned premiums	18,087,946	24,782,043	37%
Net insurance premium revenue	10,773,385	16,331,221	52%
Other revenue	7,269,254	8,044,664	11%
<b>Total income</b>	<b>18,042,639</b>	<b>24,375,885</b>	<b>35%</b>
Net insurance benefits and claims	10,985,554	15,870,479	
Total expenses and commission	(4,828,781)	(5,987,944)	
<b>Result of operating activities</b>	<b>2,228,304</b>	<b>2,517,462</b>	
Net finance cost	(47,629)	(49,745)	
Share of results of associates	970,513	1,481,568	53%
<b>Group profit before tax</b>	<b>3,151,188</b>	<b>3,949,285</b>	<b>25%</b>
Taxation	(648,371)	(845,632)	
<b>Net profit</b>	<b>2,502,817</b>	<b>3,103,653</b>	<b>24%</b>
Other comprehensive income for the year	816,341	236,725	
<b>Total comprehensive income</b>	<b>3,319,158</b>	<b>3,340,378</b>	
Earnings per share (shs)	38	48	26%
Dividends:			
Interim - paid	59,895	59,895	
Final - proposed	359,370	449,212	25%

## AUDITED CONSOLIDATED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

- Profits before tax Kshs 3.95 Billion up by 25%
- Gross Revenue up by 37%
- Gross written premium up by 30% - Kshs 30.35 Billion
- Long term business up 60%
- Total income Kshs 24.4 Billion up by 35%
- Medical business up 21%

### Annual General Meeting

The 77th ANNUAL GENERAL MEETING of the Shareholders of the Company will be held at the Nairobi Serena, Kenyatta Avenue, on Monday 8th June 2015 at 11.00 a.m.

The full set of financial statements (including the Agenda for the AGM and Proxy forms therefore) will be available on the Company's website [www.jubileeinsurance.com](http://www.jubileeinsurance.com) from 15th May 2015. Copies of the Financial Statements will be available to Shareholders on request to the Shares Registry Jubilee Insurance House 5th Floor Wabera Street Nairobi from 15th May 2015.

### Dividend

The Directors recommend, for approval at the next Annual General Meeting, a bonus share issue of 1 share for every 10 shares held and the payment of a final dividend of Kshs. 7.50 per share, subject to withholding tax where applicable making a total of Kshs. 8.50 per share or 170% for the year. The dividend will be paid on or about 24th July 2015 to members on the Register of Members at the close of business on 8th June 2015, subject to approval at the Annual General Meeting. To facilitate payment of the dividend, the Register of Members will be closed from 9th June 2015 to 12th June 2015, both days inclusive.

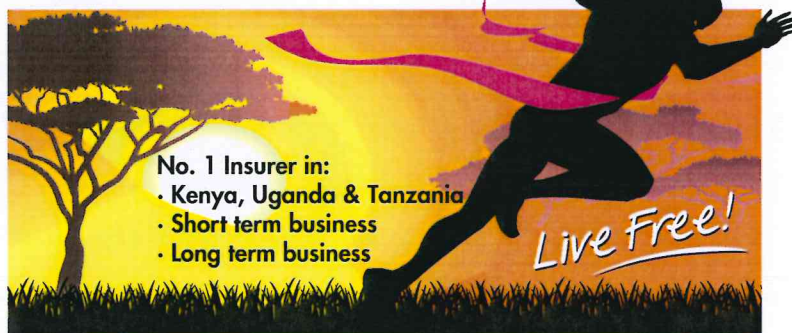
### Condensed Statement of Financial Position

	2013	2014	Change %
	Amounts in '000 (Kshs)		
Share capital	299,475	299,475	
Other reserves	2,560,600	3,205,055	
Retained earnings	9,212,032	11,484,875	
Proposed dividends	359,370	449,212	
Non controlling interest	909,278	1,040,414	
<b>Total equity</b>	<b>13,340,755</b>	<b>16,479,031</b>	<b>24%</b>
Represented by:			
Fixed assets	163,329	207,630	
Investment assets	40,430,569	48,636,015	
Insurance assets	12,989,204	12,752,327	
Other assets	839,525	763,021	
Cash and cash equivalents	6,736,558	12,146,381	
<b>Total assets</b>	<b>61,159,185</b>	<b>74,505,374</b>	<b>22%</b>
Liabilities			
Insurance liabilities	44,466,745	54,434,996	
Other liabilities	3,351,685	3,591,347	
<b>Total liabilities</b>	<b>47,818,430</b>	<b>58,026,343</b>	<b>21%</b>
<b>Net assets</b>	<b>13,340,755</b>	<b>16,479,031</b>	<b>24%</b>

By Order of the Board

Nizar Juma  
Chairman  
24th March 2015

John Metcalf  
Director



### 18 awards in 2014 include;

- Think Business Insurance Awards
- Claim Settlement Life Award
  - Socially Responsible Corporate Award
  - Fraud Detection and Protection Award
- COYA Awards
- Financial Management Award
  - Human Resource Management Award
- Think Business & Investment Awards
- Individual Pension Scheme of the Year Award

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