

# Jubilee

## HOLDINGS

31 March 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: JUBILEE HOLDINGS LIMITED – 2015 CONSOLIDATED AUDITED RESULTS**

We are pleased to announce the Company's consolidated audited results for the financial year ended 31st December, 2015. Enclosed herewith kindly find the following:

- a. Consolidated Statement of Profit or Loss and Other Comprehensive Income;
- b. Consolidated Statement of Financial Position;
- c. Consolidated Statement of Changes in Equity; and
- d. Consolidated Statement of Cashflows.

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

Yours faithfully,

  
**Margaret Muhuni-Kipchumba**  
**GROUP 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.jubileeinurance.com](http://www.jubileeinurance.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 PROFIT OR LOSS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

		2015	2014
	Note	Kshs '000	Kshs '000
Gross earned premium revenue	6	23,029,932	24,782,043
Outward reinsurance	6	(8,153,775)	(8,450,822)
<b>Net insurance premium revenue</b>		<b>14,876,157</b>	<b>16,331,221</b>
Investment and other income	7	6,093,468	4,833,582
Net fair value (losses)/gains on financial assets at fair value through profit or loss	19 & 20	(1,109,494)	1,234,767
Commission earned	8	1,837,783	1,976,315
<b>Total income</b>		<b>21,697,914</b>	<b>24,375,885</b>
Claims and policy holders benefits payable	9	(16,355,448)	(20,482,024)
Claims recoverable from re-insurers	9	4,790,173	4,611,545
<b>Net insurance benefits and claims</b>		<b>(11,565,275)</b>	<b>(15,870,479)</b>
Operating and other expenses	10	(3,870,544)	(3,106,716)
Commission payable	8	(3,134,107)	(2,881,228)
<b>Total expenses and commissions</b>		<b>(7,004,651)</b>	<b>(5,987,944)</b>
<b>Result of operating activities</b>		<b>3,127,988</b>	<b>2,517,462</b>
Finance costs	32	(34,861)	(49,745)
Share of result of associates	18 (i)	1,052,012	1,481,568
<b>Group profit before income tax</b>		<b>4,145,139</b>	<b>3,949,285</b>
Income tax expense	11	(1,024,046)	(845,632)
<b>Profit for the year</b>		<b>3,121,093</b>	<b>3,103,653</b>
<b>Attributable to:</b>			
Equityholders of the company		2,814,056	2,879,572
Non-controlling interest		307,037	224,081
<b>Total</b>		<b>3,121,093</b>	<b>3,103,653</b>
Earnings Per Share (Shs)			
Basic and diluted	12	42.7	43.7

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

		2015	2014
	Note	Kshs '000	Kshs '000
<b>Profit for the year</b>		<b>3,121,093</b>	<b>3,103,653</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Other fair value gains		-	-
Net fair value gains on financial assets	19 & 20	(362,297)	225,399
Net translation (loss)/gain	14(c)	242,776	(503,913)
Deffered Tax on other comprehensive income		(7,963)	-
<i>Items that may be reclassified to profit or loss</i>			
Associate share of other comprehensive income	18(i)	(27,085)	515,239
<b>Total other comprehensive income, net of tax</b>		<b>(154,569)</b>	<b>236,725</b>
<b>Total comprehensive income for the year</b>		<b>2,966,524</b>	<b>3,340,378</b>
<b>Attributable to:</b>			
Equityholders of the Company		2,723,772	3,209,242
Non-controlling interest	18(iii)	242,752	131,136
<b>Total comprehensive income for the year</b>		<b>2,966,524</b>	<b>3,340,378</b>

**JUBILEE HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

		2015	2014
	Note	Kshs '000	Kshs '000
<b>ASSETS</b>			
Property and equipment	16(i)	226,341	184,548
Intangible assets	16(ii)	64,950	23,082
Investment properties	17	5,535,330	5,073,192
Investment in associates	18 (i)	8,735,980	7,733,043
Deferred tax asset	28	73,331	76,149
Unquoted equity investments at fair value through profit or loss	19	2,675,147	2,344,998
Unquoted equity investments at fair value through other	19	104,445	96,868
Quoted equity investments at fair value through profit or loss	20	6,446,523	8,002,990
Quoted equity investments at fair value through other comprehensive	20	1,377,303	1,721,076
Mortgage loans receivables	21 (i)	67,524	44,102
Loans on life insurance policies	21 (ii)	495,153	361,981
Government securities at amortised cost	22	29,604,698	21,923,229
Commercial bonds at amortised cost	23	1,859,070	1,696,519
Deferred acquisition costs	24	264,081	189,248
Current tax recoverable	11	45,840	27,725
Receivables arising out of direct insurance arrangements	4(c)	4,214,950	3,653,899
Receivables arising out of reinsurance arrangements	4(c)	2,179,849	1,713,259
Reinsurers' share of insurance contract liabilities	25	6,641,579	6,833,940
Other receivables	26	1,035,593	659,145
Deposits with financial institutions	27	10,029,209	11,022,305
Cash and bank balances	27	701,114	1,124,076
<b>Total assets</b>		<b>82,378,010</b>	<b>74,505,374</b>
<b>LIABILITIES</b>			
Deferred tax liability	28	196,841	158,618
Insurance contract liabilities	29	18,709,163	19,644,653
Payable under deposit administration contracts	30	30,958,100	26,864,350
Unearned premium reserve	31	7,760,661	6,608,846
Dividends payable		269,627	265,928
Borrowings	32	-	1,373,680
Other payables	33	2,287,144	1,600,892
Current tax payable	11	228,195	192,229
Creditors arising out of direct insurance arrangements		137,591	130,325
Creditors arising out of reinsurance arrangements		1,449,481	1,186,822
<b>Total liabilities</b>		<b>61,996,803</b>	<b>58,026,343</b>
<b>EQUITY</b>			
Share capital	13	329,423	299,475
Reserves	14	4,515,296	3,205,055
Retained earnings		13,759,189	11,484,875
Proposed dividends	15	494,133	449,212
<b>Equity attributable to owners of the company</b>		<b>19,098,041</b>	<b>15,438,617</b>
Non-controlling interest	18 (iii)	1,283,166	1,040,414
<b>Total equity</b>		<b>20,381,207</b>	<b>16,479,031</b>
<b>Total liabilities and equity</b>		<b>82,378,010</b>	<b>74,505,374</b>

**JUBILEE HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	GROUP											Total Equity Kshs '000												
	Share Capital Kshs '000	Reserves			Retained Earnings Kshs '000	Proposed Dividends Kshs '000	Equity Attributable to Owners Kshs '000	Non-Controlling Interest Kshs '000	Reserves															
		Fair Value Reserves Kshs '000	General Reserves Kshs '000	Translation Reserves Kshs '000					Contingency Reserves Kshs '000	Statutory Reserve Kshs '000														
<b>Year ended 31 December 2014</b>																								
At start of year:	299,475	231,436	70,000	(136,871)	654,862	1,741,173	9,212,032	359,370	12,431,477	909,278	13,340,755													
Profit for the year	-	-	-	-	-	-	2,879,572	-	2,879,572	224,081	3,103,653													
<b>Other comprehensive income</b>																								
Other fair value gains on share of associates through OCI	-	515,239	-	-	-	-	-	-	515,239	(2,852)	515,239													
Change in fair value of financial assets through OCI	-	228,251	-	-	-	-	-	-	228,251	-	228,251													
Transfer to retained earnings on disposal	-	(48)	-	-	-	-	48	-	-	-	-													
Net translation loss	-	-	-	(413,820)	-	-	-	-	(413,820)	(90,093)	(503,913)													
Transfer to contingency reserves	-	-	-	-	97,670	-	(97,670)	-	-	-	-													
<b>Total comprehensive income for the year</b>	-	<b>743,442</b>	-	<b>(413,820)</b>	<b>97,670</b>	-	<b>2,781,950</b>	-	<b>3,209,242</b>	<b>131,136</b>	<b>3,340,378</b>													
<b>Transactions with owners:</b>																								
Dividends: Final for 2013 paid	15	-	-	-	-	-	-	(359,370)	(359,370)	-	(359,370)													
Interim for 2014 paid	15	-	-	-	-	-	(59,895)	-	(59,895)	-	(59,895)													
Final for 2014 proposed	15	-	-	-	-	-	(449,212)	449,212	-	-	-													
<b>Total transactions with owners</b>							<b>(509,107)</b>	<b>89,842</b>	<b>(419,265)</b>		<b>(419,265)</b>													
Transfer from life fund	14 (c)	-	-	-	-	217,163	-	-	217,163	-	217,163													
<b>At end of year</b>																								
<b>Year ended 31 December 2015</b>																								
At start of year:	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 year	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													
<b>Other comprehensive income</b>																								
Other fair value gains on share of associates through OCI	18 (i)	-	(27,085)	-	-	-	-	-	(27,085)	-	(27,085)													
Change in fair value of financial assets through OCI	14 (a)	-	(370,474)	-	-	-	-	-	(370,474)	8,177	(362,297)													
Deferred Tax on other comprehensive income	28	-	(2,967)	-	-	-	-	-	(2,967)	(4,996)	(7,963)													
Transfer to retained earnings on disposal	14 (a)	-	(45,864)	-	-	-	45,864	-	-	-	-													
Net translation loss	14 (c)	-	-	310,242	-	-	-	-	310,242	(67,466)	242,776													
Transfer to contingency reserves	14 (d)	-	-	-	76,881	-	(76,881)	-	-	-	-													
<b>Total comprehensive income for the year</b>																								
<b>Transactions with owners:</b>																								
Bonus issue	29,948	-	-	-	-	-	(29,948)	-	-	-	-													
Dividends: Final for 2014 paid	15	-	-	-	-	-	(449,212)	-	(449,212)	-	(449,212)													
Interim for 2015 paid	15	-	-	-	-	-	(65,885)	-	(65,885)	-	(65,885)													
Final for 2015 proposed	15	-	-	-	-	-	(494,133)	494,133	-	-	-													
<b>Total transactions with owners</b>							<b>(589,966)</b>	<b>44,921</b>	<b>(515,097)</b>		<b>(515,097)</b>													
Transfer from life fund	14 (c)	-	-	-	-	1,369,508	-	-	1,369,508	-	1,369,508													
Transfer from subsidiary group life							81,241	-	81,241	-	81,241													
<b>At end of year</b>																								
	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													

**JUBILEE HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	GROUP	
		2015	2014
		Kshs '000	Kshs '000
<b>Cash flow from operating activities</b>			
Profit before income tax		4,145,139	3,949,285
Adjustments for: -			
Depreciation and amortisation	16	116,081	84,701
Impairment of insurance receivables	4 (c)	138,583	123,247
Fair value gains on equity investments at fair value through profit and loss	19 & 20	1,109,494	(1,234,767)
Investment income and other income	7	(6,093,468)	(4,833,582)
Share of result of associates after income tax	18 (i)	(1,052,012)	(1,481,568)
Operating profit before changes to receivables and payables		(1,636,183)	(3,392,684)
Change in deposit administration contracts	30 & 14(e)	4,334,110	6,362,350
Change in insurance contract liabilities and reserves	29, 31 & 14(e)	1,215,181	4,488,552
Change in premium, reinsurance and other receivables		(1,286,558)	(982)
Change in reinsurance and other payables		956,177	(578,928)
Cash generated from operations		3,582,727	6,878,308
Income tax paid	11	(888,044)	(657,445)
<b>Net cash inflow from operating activities</b>		<b>2,694,683</b>	<b>6,220,863</b>
<b>Cash flow from investing activities</b>			
Rent, interest and dividend received		5,247,934	4,234,650
Dividends received from associates	18 (i)	740,889	213,445
Proceeds from sale of quoted shares		368,332	151,465
Proceeds from disposal of property and equipment		812	3,204
Proceeds from part redemption of shares in associate	18 (i)	(108,932)	492,016
Purchase of property and equipment	16	(205,984)	(134,564)
Net additions of investment properties	17	(84,699)	(106,031)
Purchase of quoted shares	20	(330,745)	(1,297,005)
Purchase of unquoted shares	19	(11,784)	(6,862)
Mortgage loans advanced	21 (i)	(34,307)	(26,011)
Mortgage loans repaid	21 (i)	8,498	11,630
Loans on life insurance policies advanced	21 (ii)	(232,528)	(117,281)
Loans on life insurance policies repaid	21 (ii)	99,028	268,087
Net purchase of government securities	22	(7,665,194)	(2,855,596)
Net purchase of commercial bonds	23	(163,269)	(809,102)
<b>Net cash inflow/(outflow) from investing activities</b>		<b>(2,371,949)</b>	<b>22,045</b>
<b>Cash flow from financing activities</b>			
Settlement of borrowings	32	(1,373,680)	-
Dividends paid		(515,097)	(419,265)
<b>Net cash outflow from financing activities</b>		<b>(1,888,777)</b>	<b>(419,265)</b>
Increase in cash and cash equivalents		(1,566,043)	5,823,643
Cash and cash equivalents at start of year	27	12,146,381	6,736,558
Exchange gain/(loss) on translation of cash and cash equivalents in foreign currencies	14(c)	310,242	(413,820)
<b>Cash and cash equivalents at end of year</b>	<b>27</b>	<b>10,890,580</b>	<b>12,146,381</b>

## AUDITED CONSOLIDATED RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2015

- Profits before tax Kshs 4.15 Billion up by 5%
- Short term business up 15%
- Medical business up 32%
- Gross premium Kshs 30.16 Billion
- Individual Life business up 14%

The Board of Directors of Jubilee Holdings Limited is pleased to announce the following audited consolidated results for the year ended 31 December 2015

### Condensed Statement of Comprehensive Income

	2014 Kshs '000	2015 Kshs '000	Growth %
Gross written premium	29,469,000	30,158,675	
Gross earned premiums	24,782,043	23,029,932	
Net insurance premium revenue	16,331,221	14,876,157	
Other revenue	8,044,664	6,821,757	
<b>TOTAL INCOME</b>	<b>24,375,885</b>	<b>21,697,914</b>	
Net insurance benefits and claims	(15,870,479)	(11,565,275)	
Total expenses and commission	(5,987,944)	(7,004,651)	
<b>RESULT OF OPERATING ACTIVITIES</b>	<b>2,517,462</b>	<b>3,127,988</b>	<b>24%</b>
Net finance cost	(49,745)	(34,861)	
Share results of associates	1,481,568	1,052,012	
<b>GROUP PROFIT BEFORE TAX</b>	<b>3,949,285</b>	<b>4,145,139</b>	<b>5%</b>
Taxation	(845,632)	(1,024,046)	
<b>NET PROFIT</b>	<b>3,103,653</b>	<b>3,121,093</b>	
Other comprehensive income for the year	236,725	(154,569)	
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>3,340,378</b>	<b>2,966,524</b>	
Earnings per share (shs)	43.7	42.7	
Dividends:			
Interim - paid	59,895	65,885	
Final - proposed	449,212	494,133	

### Condensed Statement of Financial Position

	2014 Kshs '000	2015 Kshs '000	Growth %
Share capital	299,475	329,423	
Other reserves	3,205,055	4,515,296	
Retained earnings	11,484,875	13,759,189	
Proposed dividends	449,212	494,133	
Non controlling interest	1,040,414	1,283,166	
<b>TOTAL EQUITY</b>	<b>16,479,031</b>	<b>20,381,207</b>	<b>24%</b>
Represented by:			
Fixed assets	207,630	291,291	
Investment assets	48,636,015	56,245,763	
Insurance assets	12,752,327	13,795,612	
Other assets	763,021	1,154,764	
Cash and cash equivalent	12,146,381	10,890,580	
<b>TOTAL ASSETS</b>	<b>74,505,374</b>	<b>82,378,010</b>	<b>11%</b>
Liabilities			
Insurance liabilities	54,434,996	59,014,996	
Other liabilities	3,591,347	2,981,807	
<b>TOTAL LIABILITIES</b>	<b>58,026,343</b>	<b>61,996,803</b>	<b>7%</b>
<b>NET ASSETS</b>	<b>16,479,031</b>	<b>20,381,207</b>	<b>24%</b>

### Annual General Meeting

The 78th Annual General Meeting of the Shareholders will be held at the Nairobi Serena, Kenyatta Avenue on Monday 27th June 2016 at 11 am.

The full set of financial statements (including the Agenda for the AGM and Proxy forms) will be available on the Company's website [www.jubileeinsurance.com](http://www.jubileeinsurance.com) from 22nd April 2016. Copies of the Financial Statements will be available to Shareholders on request. Requests can be sent to the Shares Registry, Jubilee Insurance House 5th Floor, Wabera Street Nairobi or to the Shares Registry, P.O. Box 30376 00100 Nairobi or to [info@jubileekeny.com](mailto:info@jubileekeny.com)

### Dividend

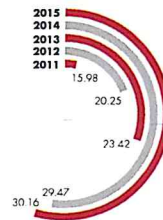
The Directors recommend, for approval at the Annual General Meeting, the

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 25th July 2016 to Members on the Register of Members at the close of business on 27th June 2016, subject to approval at the Annual General Meeting. To facilitate payment of the dividend, the Register of Members will be closed from 28th June 2016 to 8th July 2016, both days inclusive.

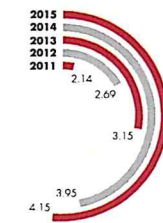
By Order of the Board

Nizar Juma  
Chairman  
31st March 2016

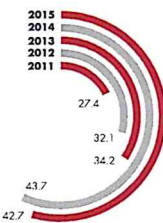
John Metcalf  
Director



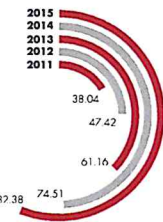
Gross Written Premium (Kshs Billions)



Profit Before Tax (Kshs Billions)



Earnings Per Share (Kshs Per Share)



Total Assets (Kshs Billion)

### Company of the Year 2015



[www.jubileeinsurance.com](http://www.jubileeinsurance.com)

### AWARDS IN 2015 INCLUDE:

#### AKI AGENTS AWARDS 2015 KENYA

- Most Improved Company Award
- Innovation Award

#### COYA AWARDS KENYA 2015

- Financial Management
- Innovation, Information Technology and Knowledge Management
- Corporate Citizenship and Environment Focus
- Overall Company of the Year

#### TAXPAYERS APPRECIATION AWARDS 2014/2015 UGANDA

- Excel Award Winner 2014/2015 Non Individual

Listed on Nairobi Securities Exchange, Uganda Securities Exchange & Dar es Salaam Stock Exchange

