



شركة أبوظبي الوطنية للتأمين
ABU DHABI NATIONAL INSURANCE COMPANY

YOUR RELIABLE INSURER

Management Discussion & Analysis
for the second quarter ended 30th June 2019

Executive Summary



- Gross written premiums up 29.5% to AED 2.35 billion
- Net technical profit is AED 40.7 million
- Net profit is AED 118.6 million for the six-month period ended 30th June 2019
- Net profit grew by 19.1% during the three-month period ended 30th June 2019

ADNIC has delivered 29.5% growth in gross written premium during the first half of 2019 and 19.1% growth in net profit during the period April to June 2019. This performance is testament to the strength of our customer service proposition, technical excellence, product and service innovation and commitment to the community.

As we move into the second half of 2019, the company will remain firmly focused on maintaining robust foundations to drive long-term sustainable growth and maximise value for shareholders, while increasing customer satisfaction and retention.

Alaa Fares
Executive Vice President - Finance



Ahmad Idris
Chief Executive Officer

2019 Financial results



Highlights

For the six-month period ended 30th June 2019, ADNIC's gross written premiums increased by 29.5% to AED 2.35 billion, compared to AED 1.81 billion for the same period in 2018.

Net technical profit for the six-month period ended 30th June 2019 is AED 40.7 million, against AED 81.5 million for the same period in 2018.

For the six-month period ended 30th June 2019, net profit is AED 118.6 million, compared to AED 150.5 million for the same period in 2018. For the three-month period ended 30th June 2019, net profit grew by 19.1% to reach AED 66.0 million, compared to AED 55.4 million for the same period in 2018.

Total assets increased by 11.3% to AED 8.07 billion as of 30th June 2019, compared to AED 7.25 billion as of 31st December 2018.

Total investments including cash in time deposits, bank accounts and investment properties stood at AED 3.75 billion as of 30th June 2019, compared to AED 3.56 billion as of 31st March 2019, and to AED 3.75 billion as of 31st December 2018.

The shareholders' equity position is AED 2.14 billion as of 30th June 2019, compared to AED 2.10 billion as of 31st December 2018.

Key Performance Indicators

AED Million	2019	2018	Increase / (Decrease)
Gross written premium	2,347.9	1,812.8	29.5%
Net earned premium	642.9	710.7	(9.5%)
Net underwriting income	165.4	193.1	(14.3%)
Technical results	40.7	81.5	(50.1%)
Investment Income	79.1	69.7	13.5%
Net profit	118.6	150.5	(21.2%)
Premium retention ratio	32.6%	53.2%	(20.6%)
Net loss ratio	77.9%	71.3%	6.6%
Combined ratio	93.7%	88.5%	5.2%

AED Million	30-Jun-19	31-Dec-18	Increase / (Decrease)
Total assets	8,067.4	7,250.3	11.3%
Total investment assets	3,747.3	3,745.1	0.1%
Gross technical reserves	4,500.6	3,958.1	13.7%
Shareholders' equity	2,138.9	2,101.7	1.8%

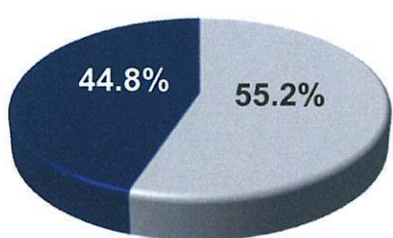
Insurance Performance



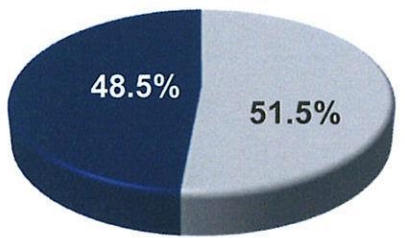
Gross Written Premium

Net Underwriting income

AED 2,347.9m AED 1,812.8m



2019

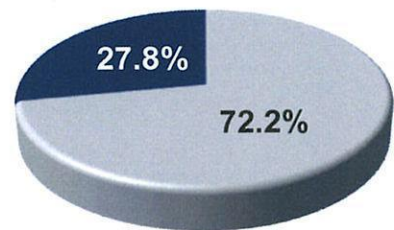


2018

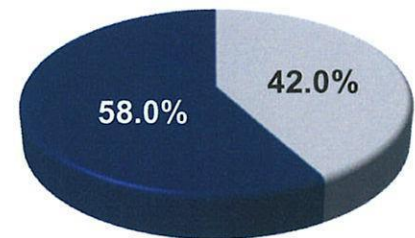
Consumer Line
 Commercial Line

AED 165.4m

AED 193.1m



2019



2018

Consumer Line
 Commercial Line

Insurance Performance by Segment

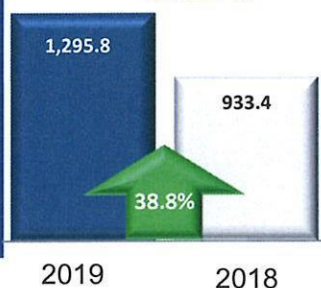


Highlights

Key Performance Indicators

Commercial

Gross Written Premium
in AED m



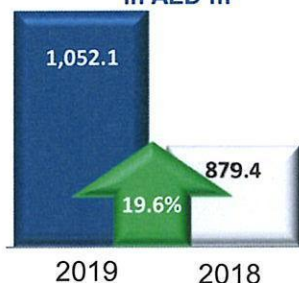
Net Underwriting results
in AED m



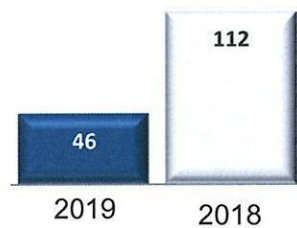
AED Million	2019	2018	Increase / (Decrease)
Gross written premium	1,295.8	933.4	38.8%
Net earned premium	172.1	187.0	(8.0%)
Net claims incurred	(74.0)	(106.1)	(30.3%)
Net commission and other underwriting expense	21.3	0.2	10550.0%
Underwriting income	119.4	81.1	47.2%
Premium retention ratio	16.1%	23.2%	(7.1%)

Consumer

Gross Written Premium
in AED m



Net Underwriting results
in AED m

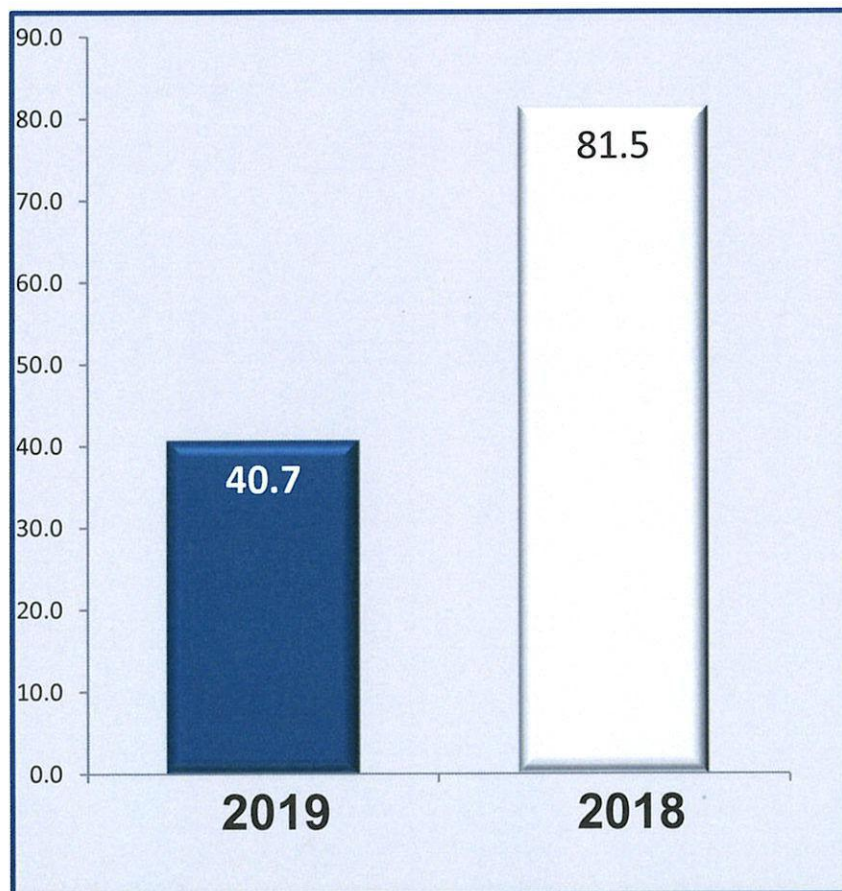


AED Million	2019	2018	Increase / (Decrease)
Gross written premium	1,052.1	879.4	19.6%
Net earned premium	470.8	523.7	(10.1%)
Net claims incurred	(426.6)	(400.9)	6.4%
Net commission and other underwriting expense	1.8	(10.8)	(116.7%)
Underwriting income	46.0	112.0	(58.9%)
Premium retention ratio	52.8%	85.1%	(32.3%)

Net Insurance Results



Net Technical Profit in AED m



Investment Income

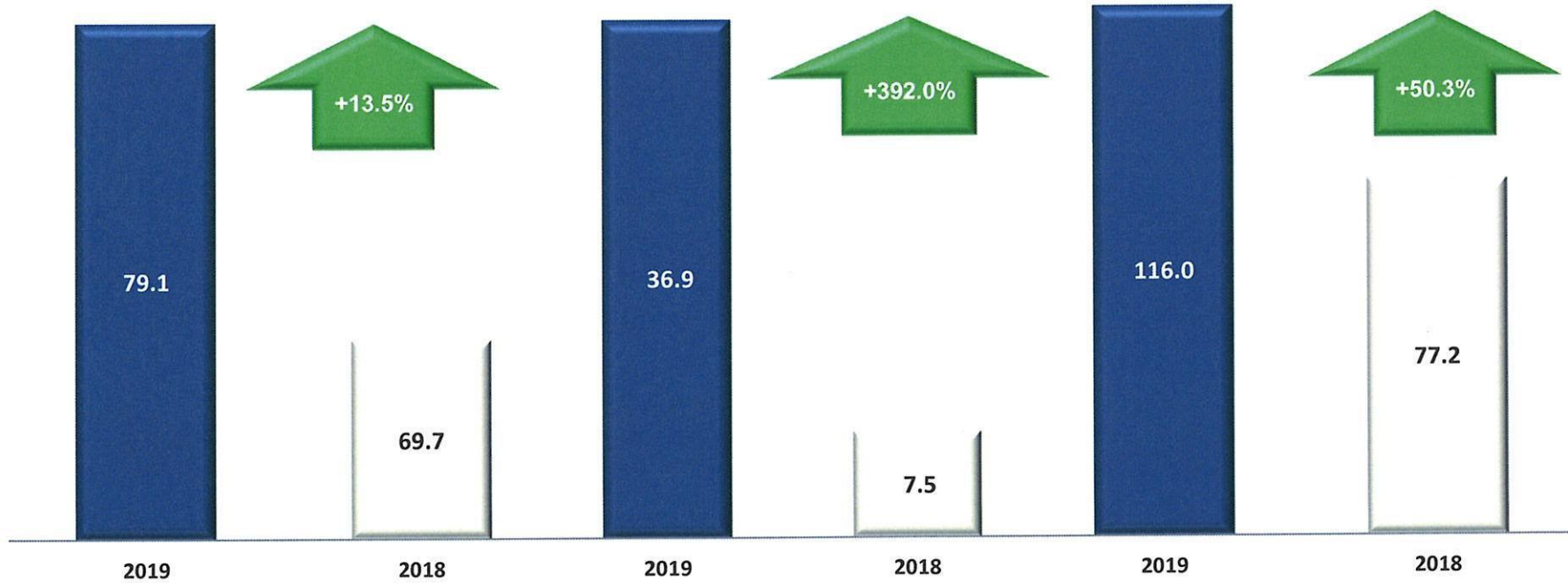


Investment Income in AED m

Investment Income through Profit and Loss Account

Investment Income through Other Comprehensive Income

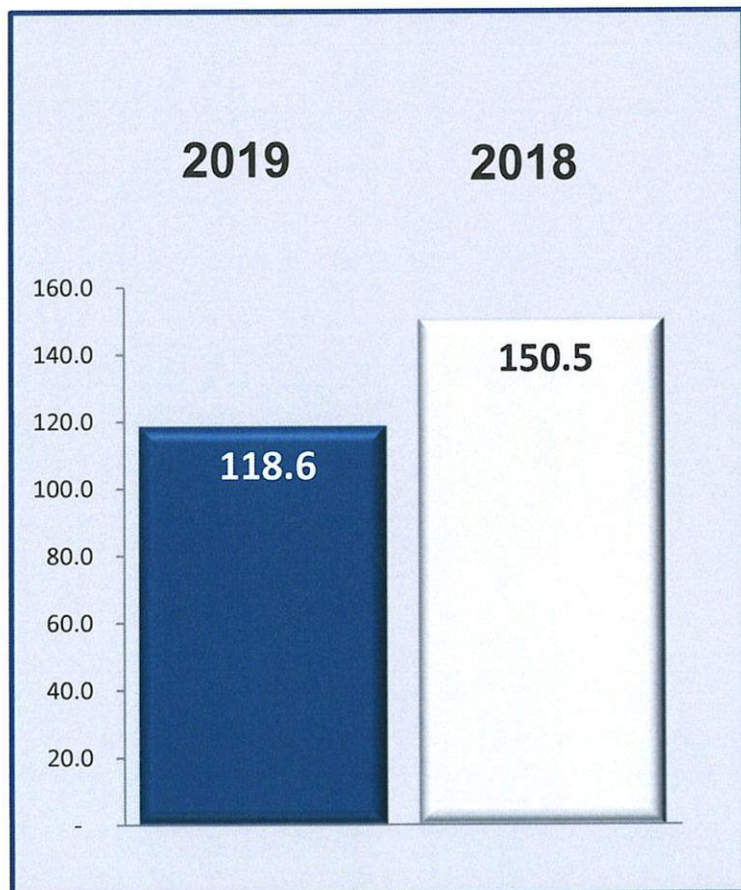
Total Investment Income



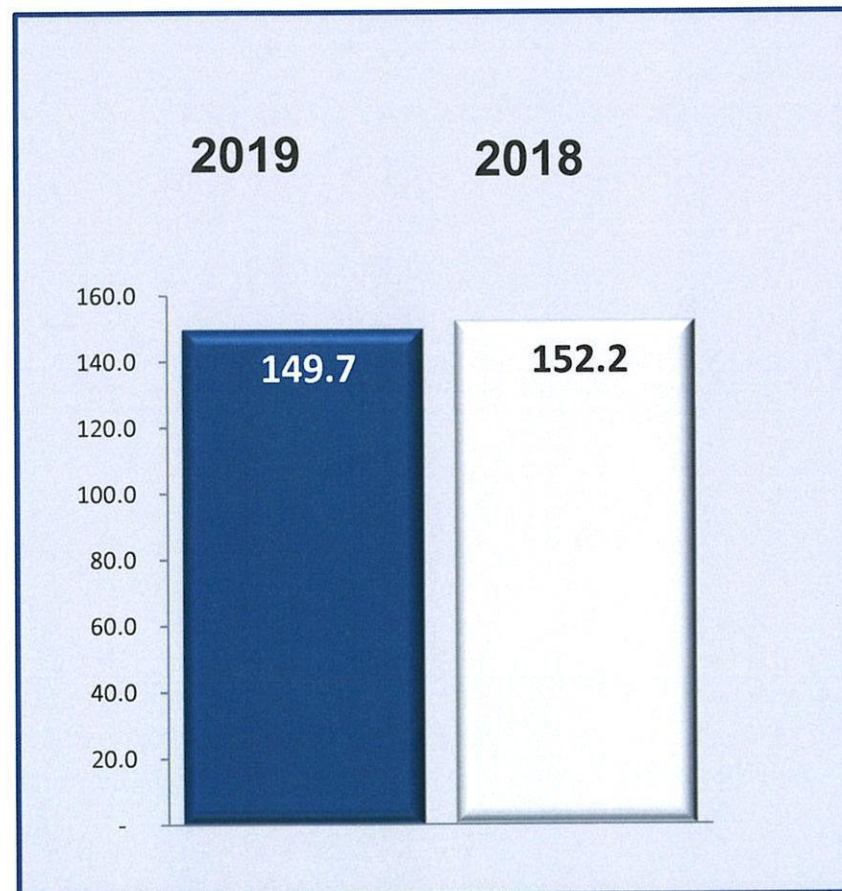
Profit for the period



Net Profit (AED m)



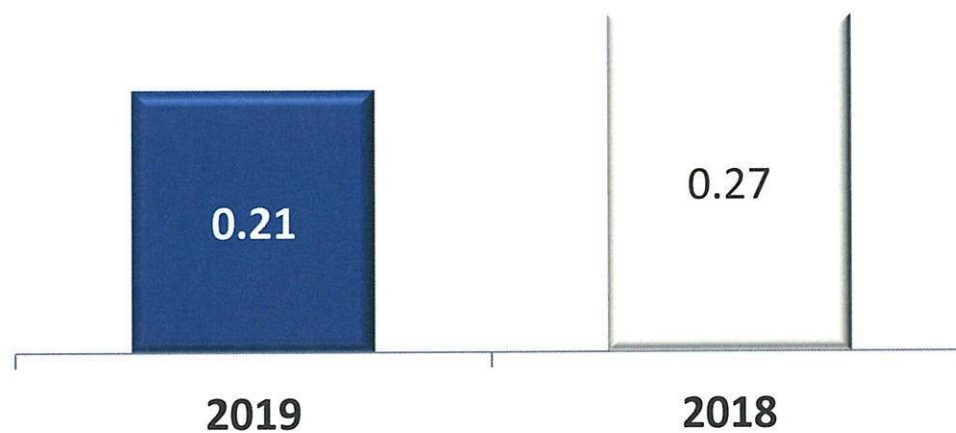
Total Comprehensive Income (AED m)



Earnings Per Share



EPS (AED)

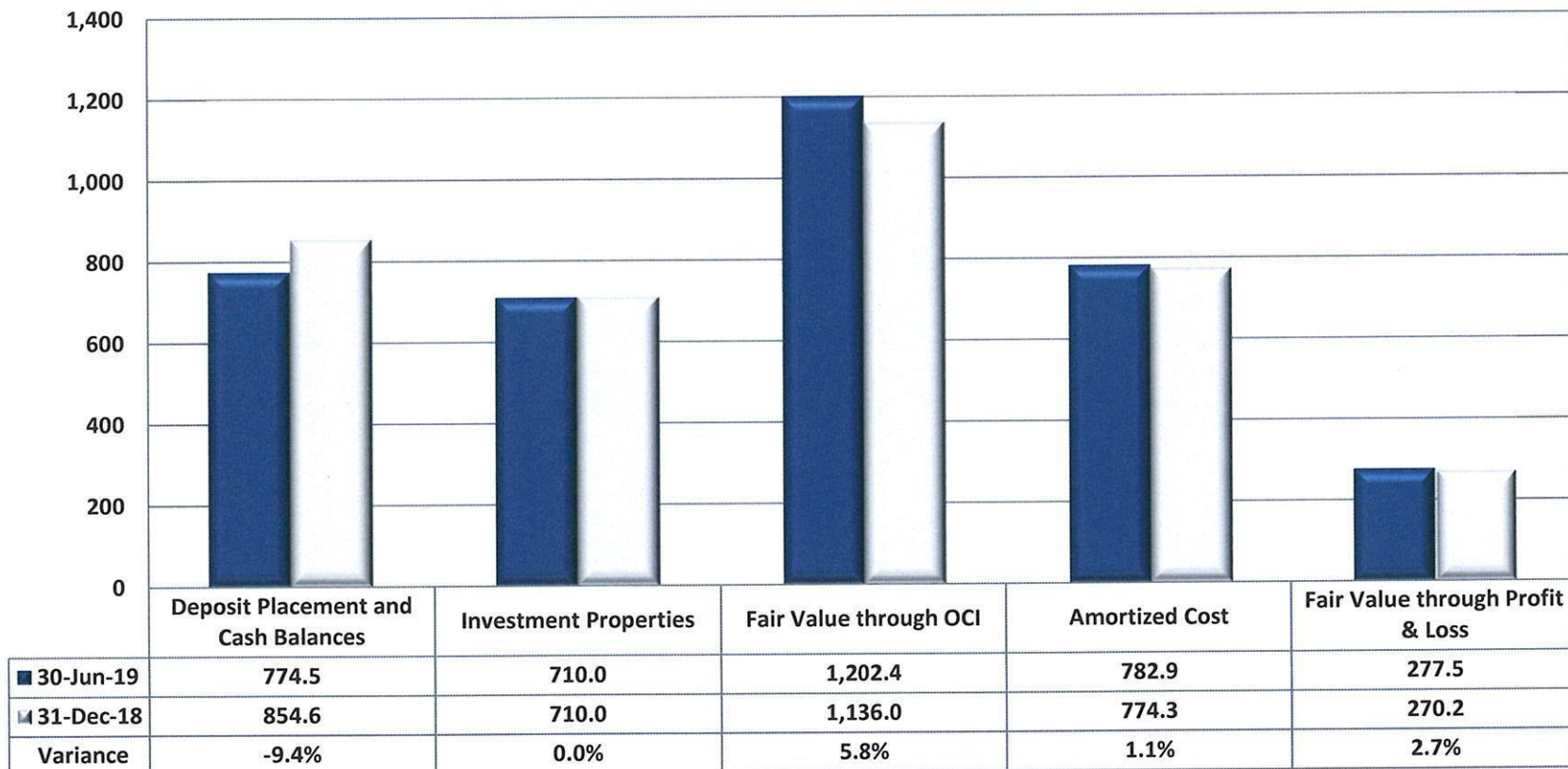


Prudent Investment Strategy



Investment Assets in AED m

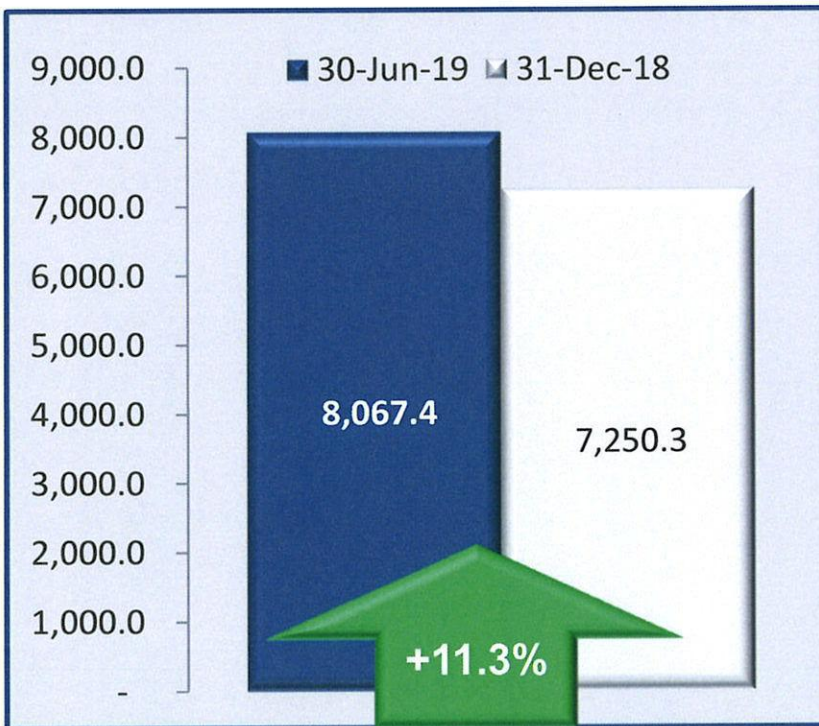
30 Jun 2019 AED 3,747.3 m
31 Dec 2018 AED 3,745.1 m



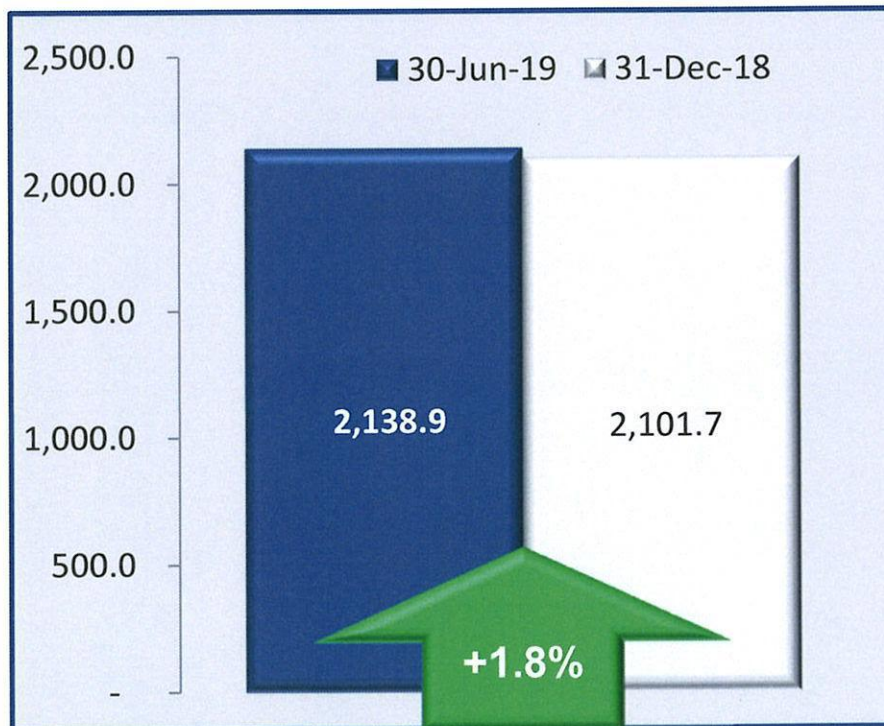
Financial Strength and Capitalization



Assets in AED m



Equity in AED m



Important Information



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There are several factors which could cause actual results to differ materially from those expressed or implied in forward looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

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