NEWS RELEASE

JUBILEE DECLARES 110% DIVIDEND AND BONUS SHARE OF ONE IN TEN

Jubilee profits up to Kshs 2.143 billion

Nairobi, March 29 – Jubilee Holdings, East Africa’s largest insurance group, celebrating its 75th birthday this year, announced an increase in pre-tax profit for the full year period ended December 31, 2011, to Kshs2.144 billion in 2011.

The Directors have recommended a total dividend of 110% which equates to Kshs5/50 per share. To commemorate this continued impressive growth, Jubilee also declared a bonus share issue in the ratio of 1:10 for the third consecutive year, to mark its 75th birthday approaching on 3rd August 2012.

The results saw Jubilee strengthen its number one position in Kenya, Uganda, and overall in East Africa and also become the market leader in Tanzania. Jubilee Holdings Chairman, Mr. Nizar Juma, said “We are extremely pleased with our continued strong performance in 2011, despite a substantial drop in the equity market last year. This has proved the validity of our policy to diversify our investments into nontraditional areas.”

Mr. Juma continued, “Jubilee has reinforced its market leadership in East Africa and in Kenya, Uganda and now also in Tanzania. We are particularly pleased with an increase in underwriting profits to Kshs 540 million in 2011. We consider it very important that our core insurance business contributes effectively to our group results and to enhance this, Jubilee is making significant investments in new operating systems and customer service capabilities. We are also pleased with a strong increase in our medical underwriting profits, a result of improved case management and claims service efficiency.”

East Africa’s largest insurer crossed the Kshs15 billion gross premium level with an impressive 39% increase over 2010. At Group level, life insurance business recorded a 35% growth, and short term business increased by 43%, which incorporates a 49% growth in the general insurance business of Jubilee Kenya. Jubilee’s successful medical business recorded a 49% growth with Jubilee Tanzania growing by an exceptional 341% growth over 2010.

Jubilee also enhanced its focus on its core business activity and as a result of first class risk management and selection practices achieved a substantial increase in underwriting profits to Kshs 540 million in 2011 from Kshs 476 million in 2010.

Jubilee Kenya consolidated its market leadership with a robust 49% growth in general business, 32% in medical business, 25% in pensions business and 35% in life business.

The award winning Jubilee Kenya grew by an overall 35% consolidating its leadership position in the Kenyan market. In 2011, Jubilee Kenya was honored with 12 insurance awards. At the BIMA awards 2012, the Association of Insurance Brokers of Kenya (AIBK) presented Jubilee the ‘Best Claims Settlement Award, a clear demonstration of the company’s commitment to honoring its insurance contracts.
Long term business grew by an overall 30% in 2011, with Life insurance recording a growth of 35%, due to increasing success of its customer focused education and asset building products, as well as introduction of a product targeted for the youth, particularly university students. Dubbed 'Baada Ya Campo', the product helps university students save money for use after graduation and during the time they are sourcing for employment. Jubilee’s strong performance marks the success of the company’s initiative to increase market penetration in the region. Assets also grew from Kshs 31.7 billion in 2010 to Kshs 39 billion in 2011.

In 2010 Jubilee took advantage of the strong economic growth in the East African region, and initiated a phased regional expansion campaign. It launched subsidiaries in Burundi and Mauritius in 2010, and will be entering into new markets each year from now. By the year 2014, Jubilee expects to be in 12 markets in Africa.

The regional expansion program is complimented by the strengthening of the branch network within existing markets. In 2011, 12 agency offices were opened in major townships in Kenya, and the same continues in all the countries. The product development drive in short term and long term business continues with further strengthening of crop and livestock insurance, SME targeted products; political violence, terrorism and sabotage covers; retail medical products tailored for young families and retirement and education-based life insurance policies. Jubilee also plans to diversify channels of distribution, including strengthening its banc assurance platform.

The introduction of these successful business lines has been well received in the region, generating a 40% growth in medical business in Uganda, and a 16% growth in life business and 28% increase in general business in Tanzania.

Increased market confidence in Jubilee’s Balance Sheet strength and financial stability and its 74 year experience, resulted in a 27% growth in deposit administration inflows, indicating the company’s ability to safeguard funds and offer consistent returns year on year. The Group’s impressive end year results translate into a 4.4% increase in the profit attributable to shareholders, with the earnings per share increasing to Kshs 33.10 from Kshs 32.25.

About Jubilee Holdings
From humble beginnings in 1937, Jubilee Insurance has spread its sphere of influence throughout the region to become the largest multi-line insurer in East Africa, handling both long-term and short-term insurance. Today, Jubilee is the number one insurer in East Africa with over 300,000 clients.

Jubilee Insurance is also the largest provider of medical insurance across East Africa that includes many of the region’s blue chip companies. Jubilee Insurance has a network of offices spanning Kenya, Uganda, Tanzania, Burundi and Mauritius. It is the only ISO certified insurance group listed on the three East Africa stock exchanges – The Nairobi Stock Exchange (NSE), Dar es Salaam Stock Exchange and Uganda Securities Exchange. Its regional offices are highly rated on leadership, quality and risk management and have been awarded an AA- in Kenya and Uganda, and an A+ in Tanzania.

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