

Bahrain National Holding Company

urance operations emiums received net of acquisition costs ments to insurance and reinsurance companies ims recovered from reinsurers and salvane recover

Cash flows from insurance operations

Cash flows from insurance operations Investment operations Dividends and interest received Proceeds from sale and redemptions of financial investments Bank deposits with maturities of more than three months Redemption proceeds from bank deposits Acquisition of subsidiary, net of cash acquired Payments for investment in equity accounted investees Dividends received from equity accounted investees Rent received

Rent received Cash flows from investment operations

Cash flows used in financing activities

Total net cash flows during the year Cash and cash equivalents at 1 January

Cash and cash equivalents at 31 Decem

Expenses paid
Cash flows from operating activities
INVESTMENT ACTIVITIES
Purchase of property, equipment and intangible assets
Cash flows used in investment activities
FINANCING ACTIVITIES
Proceeds from bank borrowings
Repayment of bank borrowings
Finance costs paid
Dividends paid to non-controlling interest
Dividends paid to shareholders
Donations paid

CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 December 2015 (In thousands of Bahraini Dinars)

2015

2014

OPERATING AC TIVITIES

ASSETS ASSETS Cash and balances with banks Insurance and other receivables Financial investments Equity accounted investees Reinsurers' share of insurance to Deferred acquisition cost Investment properties Intangible assets Property and equipment Statutory deposits Total assets 10,938 9,216 6,995 33,672 13,415 17,379 853 29,865 13,806 12,537 610 3,261 319 3,631 125 853 2,969 330 2,721 125 Fotal assets 83,022 87,675 LIABILITIES Insurance technical reserves 26,772 31,835 Insurance payables 2,792 3,785 202 500 Borrowings Other liabilities Total liabilities 5,536 **35,302** 3,712 39,832 Total net assets 47,720 47,843 Total net assets EQUITY Share capital Treasury shares Share premium Statutory reserve General reserve Investment fair value reserve Detained operations of the serve 11,350 (1,868) 3,990 5,675 13,585 2,543 11.350 (1,868) 3,990 5,675 13,585 4,512 Retained earnings Equity attributable to shareholder the parent Company ined e . 10,169 8,315 45 444 45 559 Non-controlling interest 2,276 2,284 47,843 Total equity 47,720

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2015 (In thousands of Bahraini Dinars)

ers and salvage recoveries

27,450 (14,930) (20,163) 11,387

290

(2,444

2015

5,896

1,403

16,850 (13,985)

(6,973) 3,846 (479) (328)

1,844

(309

(309)

47 (713) (27) (120) (2,094) (33) (2,940)

(1,405)

3,965

CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the year ended 31 December 2015 (In thousands of Bahraini Dinars)

2014 2015 2014 insurers' share of gross insurance premiums tained premiums (12,958) 12,357) 13,373 Net change in reserve for unearned premiums (617) 319 13,692 3,744 Net premiums earned 14,826 Gross claims paid Claims recoveries Outstanding claims adjustment - gross Outstanding claims adjustment - reinsurance Net claims (20,705) 11,862 (1,462) (22,925) 13,580 4,947 1,333 17,109 (16,054) 844 (8,461) (3,846) 6,786 (8,459) 6,367 5,231 Gross underwriting profit (406) Life assurance actuarial reserve release Net commission and fee (expense) / income General and administration expenses 98 (53) (4,093) 178 362 (3,369) Net underwriting profit 2.319 2.402 4,431 2,432 2,092 (253) (253) Share of profit of equity accounted investees 1,549 1,012 Corporate expenses (1,756) (2,022) Profit for the year 4,204 3,824 (500) (32) Profit attributable to: (1,895) 4.049 3.606 Parent company Non-controlling interest , 155 218 4,204 3,824 1,734 3,636 Basic earnings per share (100 fils each) 37.8 fils 33.6 fils 5,370

For the year ended 31 December 2015 (In thousands of Bahraini Dinars)		
	2015	2014
Profit for the year	4,204	3,824
Other comprehensive (loss)/income:		
Items that may be reclassified to profit or loss:		
Available-for-sale securities:		
 Change in fair value during the year 	(490)	1,608
 Transfer to statement of profit or loss on 		
impairment of securities	111	187
- Transfer to statement of profit or loss on		
disposal of securities	(1,364)	(1,338)
Share of other comprehensive income of		

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

uisposal of securities	(1,504)	(1,550)
Share of other comprehensive income of equity accounted investees	(269)	286
Other comprehensive (loss)/income for the year	(2,012)	743
Total comprehensive income for the year	2,192	4,567
Total comprehensive income attributable to:		
Parent company	2,080	4,371
Non-controlling interest	112	196
	2,192	4.567

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2015

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2015	Share capital		Statutory	Share premium	General	fair value reserve	Retained		Non-controlling Interest	Total Equity
Balance at 1 January 2015	11,350	(1,868)	5,675	3,990	13,585	4,512	8,315	45,559	2,284	47,843
Profit for the year	-	-	-	-	-	-	4,049	4,049	155	4,204
Other comprehensive loss for the year	-	-	-	-	-	(1,969)	-	(1,969)	(43)	(2,012)
Total comprehensive										
income for the year	-	-	-	-	-	(1,969)	4,049	2,080	112	2,192
Dividends declared for 2014	-	-	-	-	-	-	(2,145)	(2,145)	(120)	(2,265)
Donations for 2014	-	-	-	-	-	-	(50)	(50)	-	(50)
Appropriations approved by shareholders	5 -	-	-	-	-	-	(2,195)	(2,195)	(120)	(2,315)
Balance at 31 December 2015	11,350	(1,868)	5,675	3,990	13,585	2,543	10,169	45,444	2,276	47,720

		Attributable to the shareholders of the parent company								
2014	Share capital	Treasury shares	Statutory reserve	Share premium	General reserve	Investment fair value reserve	Retained earnings	Total	Non-controlling Interest	Tota Equit
Balance at 1 January 2014	11,350	(1,868)	5,675	3,990	13,585	3,747	6,689	43,168	2,088	45,25
Profit for the year	-	-	-	-	-	-	3,606	3,606	218	3,824
Other comprehensive income for the year	-	-	-	-	-	765	-	765	(22)	74
Total comprehensive										
ncome for the year	-	-	-	-	-	765	3,606	4,371	196	4,567
Dividends declared for 2013	-	-	-	-	-	-	(1,930)	(1,930)	-	(1,930
Donations for 2013	-	-	-	-	-	-	(50)	(50)	-	(50
Appropriations approved by shareholders	-	-	-	-	-	-	(1,980)	(1,980)	-	(1,980
Balance at 31 December 2014	11,350	(1,868)	5,675	3,990	13,585	4,512	8,315	45,559	2,284	47,843

Audited by KPMG Fakhro

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Bahrain National Insurance

STATEMENT OF FINANCIAL POSITION

As at 31 December 2015
(In thousands of Bahraini Dinars)

(
	2015	2014
ASSETS		
Cash and balances with banks	8,539	6,327
Insurance and other receivables	6,744	6,080
Reinsurers' share of insurance		
technical reserves	11,153	15,697
Deferred acquisition cost	466	788
Financial investments	21,104	25,556
Intangible assets	151	170
Property and equipment	311	310
Statutory deposits	75	75
Total assets	48,543	55,003
LIABILITIES		
Insurance technical reserves	21,241	26,325
Insurance payables	2,308	2,814
Other liabilities	2,852	2,270
Total liabilities	26,401	31,409
Total net assets	22,142	23,594
EQUITY		
Share capital	6,500	6,500
Statutory reserve	3,250	3,250
General reserve	4,155	4,155
Investment fair value reserve	3,653	5,217
Retained earnings	4,584	4,472
Total equity	22.142	23,594

STATEMENT OF CASH FLOWS

for the year ended 31 December 2015

(In thousands of Bahraini Dinars)		
	2015	2014
OPERATING ACTIVITIES		
Premiums received, net of acquisition costs	22,646	23,294
Payments to insurance and reinsurance		
companies	(10,040)	(12,365)
Claims paid to policyholders	(19,249)	(16,305)
Claims recovered from reinsurers and		
salvage recovered	10,896	8,680
Payments made for other operating expenses	(3,558)	(3,004)
Cash flows from operating activities	695	300
INVESTMENT ACTIVITIES		
Dividends and interest received	1,164	930
Proceeds from sale and redemption of securiti	es 13,092	9,971
Payments for purchase of securities	(9,351)	(10,498)
Payments for purchase of property &		
equipment and intangible assets	(209)	(189)
Bank deposits with maturities of more than		
three months when acquired	(6,247)	(3,209)
Proceeds from redemption of bank deposits		
with maturities of more than three months	3,209	6,671
Cash flows from investment activities	1,658	3,676
FINANCING ACTIVITIES		
Dividend paid	(3,170)	(3,334)
Donations paid	(9)	-
Cash flows used in financing activities	(3,179)	(3,334)
Net change in cash and cash equivalents		
during the year	(826)	642
Cash and cash equivalents at 1 January	3,118	2,476
Cash and cash equivalents at 31 Decembe	r 2,292	3,118

KPMG Fakhro

Abdul-Hussain Khalil Dawani

Farouk Yusuf Almoayyed - Chairman STATEMENT OF PROFIT OR LOSS for the year ended 31 December 2015

	2015	2014
Gross insurance premiums	22,495	21,935
Reinsurers' share of gross insurance premiums	(9,763)	(10,258)
Retained premiums	12,732	11,677
Net change in reserve for unearned premiums	(439)	(199)
Net Premiums Earned	12,293	11,478
Gross claims paid	(19,482)	(16,472)
Claims recoveries	10,965	9,116
Outstanding claims adjustment - Gross	5,307	(1,545)
Outstanding claims adjustment - Reinsurance	(4,437)	1,764
Net Claims	(7,647)	(7,137)
Gross underwriting profit	4,646	4,341
Net commission and fee income	362	437
General and administration expenses	(3,741)	(3,371)
Net underwriting profit	1,267	1,407
Net Investment Income	2,035	1,920
Profit for the year	3,302	3,327
Earnings per share	50.8 Fils	51.2 Fil:

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2015

	2015	2014
Profit for the year	3,302	3,327
Other comprehensive income/ (loss): Items that may be reclassified to profit or loss:		
Available-for-sale securities:		
- Change in fair value	(423)	1,450
- Impairment transferred to statement of profit or loss	124	162
- Transfer to statement of profit or loss on disposal of securities	(1,265)	(1,069
Other comprehensive (loss)/income for the year	(1,564)	543
Total comprehensive income for the year	1,738	3,870

STATEMENT OF CHANGES IN EQU	UITY
for the year ended 31 December 20	15
(In thousands of Bahraini dinars)	

Ghassan Qassim Fakhroo

Vice Chairman

thousands of Bahraini dinars) Investment						
2015	Share capital	Statutory reserve	General reserve		Retaine earning	
Balance at 1 January 2015	6,500	3,250	4,155	5,217	4,472	23,594
Profit for the year	-	-	-	-	3,302	3,302
Other comprehensive loss for the year	-	-	-	(1,564)	-	(1,564)
Dividends declared for 2014	-	-	-	-	(3,170)	(3,170)
Donations for 2014	-	-	-	-	(20)	(20)
Balance at 31 December 2015	6,500	3,250	4,155	3,653	4,584	22,142
2014 Release to 1 January 2014	6 500	2.250	4 155	4.674	4.470	22.050
Balance at 1 January 2014	6,500	3,250	4,155		, .	23,058
Profit for the year	-	-	-	-	3,327	3,327
Other comprehensive income for the year	-	-	-	543	-	543
Dividends declared for 2013	-	-	-	-	(3,334)	(3,334)
Balance at 31 December 2014	6,500	3,250	4,155	5,217	4,472	23,594

General Manage

bni 🥥		for the year ended 31 December 2015 (In thousands of Bahraini Dinars)						
	STATEMENT OF PROFIT OR LOSS							
C •								
l-Hussain Khalil Dawani - Vice Chairman			Samee	r Al Wazza	n - <i>Chi</i> e	ef Executive	<u>;</u>	
lance at 31 December 2014 11,350 (1,868)	5,675	3,990	13,385	4,512	8,315	45,559	2	
lance at 31 December 2014 11,350 (1,868)	5,675	3.990	13.585	4.512	8.315	45.559	2	
propriations approved by shareholders	-	-			(1,980)	(1,980)		
nations for 2013	-	-	-	-	(50)	(50)		
ridends declared for 2013	-	-	-	-	(1,930)	(1,930)		
ome for the year	-	-	-	705	5,000	4,571		

Bahrain National Life Assurance

STATEMENT OF FINANCIAL POSITION

2015

2,077 1,062

1,383 143 11,379 81

16,186

5,567

484 1,040

7.091

9,095

5,000

553

11 168 ,363

9,095

2015

5,529

(3,328) (3,743) 2,782

(653)

482

(480) (480)

(575) 1,927

1,352

1,927

11 50

2014

2,563 841

15,935

5,510

970 320

6.800

9,135

5,000

491

338 3,295

9,135

2014

4,156

As at 31 December 2015

ASSETS Cash and balances with banks Insurance and other receivables Reinsurers' share of insurance technical reserves Deferred acquisition costs

chnical reserves

ASSETS

Intangible assets Equipment Statutory deposits

Total assets

LIABILITIES

Insurance tech Insurance paya Other liabilities

Total liabilities

Total net assets

Total equity

Share capital Statutory reserve General reserve Investment fair value reserve Retained earnings

OPERATING ACTIVITIES Premiums received net of acquisition costs Payments to insurance and reinsurance

Claims recovered from reinsurers Payments made for general and

INVESTMENT ACTIVITIES

FINANCING ACTIVITIES

Dividends and interest received Proceeds from sales and redemptions of

Proceeds from redemption of bank deposits with maturities of more than three months

Dividends paid Cash flows used in financing activities Net change in cash and cash equivalents during the year Cash and cash equivalents at 1 January

Cash and cash equivalents at 31 December

KPMG Fakhro

STATEMENT OF CASH FLOWS

es ers and claims paid to policyholders

Cash flows from / (used in) operating activities 587

for the year ended 31 December 2015 (In thousands of Bahraini Dinars)

EQUITY are capital

OR LOSS for the year ended 31 December 2015

Earnings per share	12.4 Fils	17.4 Fils
Profit for the year	620	871
Net investment income	311	668
Underwriting profit	309	203
General and administration expenses	(650)	(791
Life assurance actuarial reserve release	98	178
Net commission expenses	(416)	(75
Gross underwriting profit	1,277	891
Net claims	(795)	(1,323
Outstanding claims adjustment - Reinsurance	375	80
Outstanding claims adjustment - Gross	(395)	84
Reinsurance recoveries	2,616	2,746
Gross claims paid	(3,391)	(4,233)
Net premiums earned	2,072	2,214
Net change in reserves for unearned premiums	(179)	518
Retained premiums	2,251	1,696
Reinsurers' share of gross insurance premiums	(3,194)	(2,099)
Gross insurance premiums	5,445	3,795
	2015	2014

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2015

(In thousands of Bahraini dinars)

2015 2014 Profit for the year Other comprehensive income/(loss): Items that are or may be reclassified to profit or loss: Available/for-sale securities: - Change in fair value during the year - Transfer to statement of profit or loss on impairment of securitie - Transfer to statement of profit or loss on disposal of securities Profit for the year 620 871 (128) 57 (99) 157 25 (269) (87) Other comprehensive loss for the year (170) Total comprehensive income for the year 450 784

STATEMENT OF CHANGES IN EOUITY

(2,573) (3,858) 2,715 for the year ended 31 December 2015 (In thousands of Bahraini Dinars) (691 nt fair Ret Share Statutory General Investment fair Retained capital reserve reserve value reserve earnings Total (251) 2015 Balance at 1 January 2015 5,000 491 11 338 9,135 467 3,295 620 Profit for the year Other comprehensive loss for the year Transfer to statutory reserve Dividends declared for 2014 Donations for 2014 620 (170) (170) 7,137 62 (62) (480) (10) (5,556) (480) (10) (22) Balance at 31 December 2015 5,000 553 11 168 3,363 9,095 (636) 1,505 2014 Balance at 1 January 2014 5,000 404 425 2,511 8,351 11 Profit for the year 871 871 Other comprehensive loss for the year 87 - (87) 1,254 673 (87) Transfer to statutory reserve (87) Balance at 31 December 2014 338 3,295 9,135

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Sahar Al Ajjawi General Manage