



PRESS RELEASE

African Reinsurance Corporation
Société Africaine de Réassurance

The 40th Annual Ordinary Meeting of Africa Re

The African Reinsurance Corporation (Africa Re) is an international financial institution comprising 41 member States of the African Union (AU), the African Development Bank (AfDB), international financial institutions and over 100 insurance and reinsurance companies from all over Africa. Africa Re held its 40th Annual Ordinary Meeting of the General Assembly on 21 June 2018 in Conakry, Republic of Guinea.

1. Opening Ceremony

The opening ceremony was chaired by Mr Mamadi Camara, Minister of Economy and Finance of the Republic of Guinea. Four speeches were made during the opening ceremony by the following: Mr Louncény NABE, Governor of the Central Bank of the Republic of Guinea; Mr Ibrahima Camara, Chairman of the Professional Association of Insurers of Guinea (APAG); Mr Hassan Boubrik, Chairman of the Board of Directors and the General Assembly of Africa Re and Mr Mamadi Camara, Minister of Finance and Economy of the Republic of Guinea.

In his welcome address, the Governor of the Central Bank of the Republic of Guinea expressed gratitude to the shareholders and Management of Africa Re for accepting the invitation of the Republic of Guinea to host the 40th Annual Ordinary Meeting of the General Assembly in Conakry. He recalled that the General Assembly of Africa Re was taking place in Conakry against the backdrop of stronger economic growth in Africa. He also dwelt on the developments in the insurance market of Guinea in recent years, with regard to the number of players in the market, premium income and regulation. The Governor of the Central Bank ended his address by giving a brief overview of the challenges faced by the insurance market of Guinea, especially the setting up of a national reinsurance company and an agriculture insurance company. He then invited Africa Re and the community of African and international insurers to support Guinea's efforts.

The Chairman of APAG, in turn, expressed gratitude to Africa Re for having accepted to hold the 40th General Assembly in Guinea. He expressed the wish that such meetings should take place often in Conakry, to give the young insurance market of Guinea the opportunity to tap into the experience of insurers from across the continent and beyond. Mr Ibrahima Camara then referred to the role played by APAG in the development of the insurance market of Guinea. Finally, he mentioned some problems confronting the Guinean market and called on the community of African and international insurers to help in resolving these issues.

The Chairman of the Board of Directors and the General Assembly of Africa Re expressed the sincere gratitude of the Corporation to the authorities, market and people of Guinea for their warm welcome to the delegates and for the measures taken to ensure the success of the 40th Annual Ordinary Meeting of the General Assembly. He highlighted the unique position occupied by Guinea in the ancient and recent history of the continent and the world as well as economic progress made by the country in recent years, particularly in the domain of insurance.

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Mr Boubrik briefly presented the results of the Corporation in 2017. He stated that the quality of the Corporation's results was acknowledged by Standard & Poor's and A.M. Best international rating agencies. Standard & Poor's reaffirmed the "A-" rating with stable outlook and A.M. Best reaffirmed the "A" rating with stable outlook.

The Chairman of the Board of Directors and the General Assembly presented some key decisions of the Corporation in 2017, especially in the areas of insurance awareness on the continent, corporate social responsibility, capacity building in risk management and pricing, streamlining of investment policy and human resource management.

Mr Mamadi Camara, Minister of Economy and Finance of the Republic of Guinea took the floor after Mr Hassan Boubrik. He welcomed participants and wished them a pleasant stay in Guinea and commended the choice of his country as host of the 40th Annual Ordinary Meeting of the General Assembly of Africa Re. He declared that the economy of Guinea has considerably improved over the past few years and that the country has regained growth. The Minister of Economy and Finance made reference to the courageous reforms made by the country and expressed the hope to see the insurance sector benefit from these positive factors. Mr Mamadi Camara praised the progress made by Africa Re since inception, hailed Africa Re as a good example of a success story and encouraged Management to keep the momentum for more brilliant results. He assured the Board of Directors and Management of the total support of the Government of Guinea and declared open the proceedings of the 40th Annual Ordinary Meeting of the General Assembly of Africa Re.

2. Deliberations of the General Assembly

The shareholders considered and adopted the summary record of the 39th Meeting, which was held in June 2017 in Abidjan, Côte d'Ivoire as well as the report on the implementation of the resolutions of the 39th Meeting and previous meetings. They approved especially, the annual report & accounts as at 31 December 2017, which confirm the Corporation's strength, reliability as well as ability to fulfil its obligations to cedants. The report of the Board of Directors on the special procedure to amend the Agreement establishing Africa Re and the report on the exit of IRB-Brasil Re and entry of Allianz SE were also presented. The General Assembly finally appointed an external auditor to audit the accounts of the Corporation for the 2018 financial year, elected Board Members and set the date and venue of the next annual ordinary meeting.

2.1 Appropriation of Results

The General Assembly approved the final accounts for the year ended 31 December 2017. Gross written premium stood at US\$746.83 million, representing 16.3% higher than US\$642.024 million recorded in 2016, while the net profit amounted to US\$87.982 million compared to US\$100.2 million in 2016.

Conscious of the need to strengthen the Corporation's financial base, whilst ensuring returns on shareholders' investment, the General Assembly decided to distribute the net results as follows:

- US\$43,991,082 to the general reserve in accordance with Resolution no. 4/1992;
- US\$22,811,240 to be paid as dividend at the rate of US\$ 8.0 (2016: US\$6.0) per subscribed and paid-up share of US\$100 par value;
- US\$8,000,000 to be transferred to the reserve for loss fluctuation;
- US\$879,822 to be transferred to the corporate social responsibility fund; and
- The balance of US\$12,300,021 to be added to retained earnings.

The General Assembly maintained the current dividend distribution policy to significantly improve return on investment for shareholders, without compromising international prudential ratios.

2.2 Report on the Special Procedure to Amend the Corporation's Establishment Agreement

The Chairman informed the General Assembly that the special procedure to amend the Agreement establishing Africa Re, which started in 2017 to address the concerns of A.M. Best on the permanence of the capital of Africa Re, was a huge success. He revealed that shareholders representing 87.97% of the total voting power, voted in favour of the proposed amendment of Article 40 of the Agreement establishing Africa Re regarding the put option. Henceforth, the amended Article 40 strengthens the stability and permanence of the capital of Africa Re. A.M. Best was therefore convinced and reinstated the Corporation's financial strength rating of " A " (Excellent) with a stable outlook. The General Assembly took note of this development and congratulated the Board.

2.3 Report on the exit of IRB-Brasil Re from the Corporation's capital and the entry of Allianz SE

The General Assembly took note of the exit of IRB-Brasil Re from the Corporation's capital and the entry of Allianz SE and congratulated Management for this double success.

2.4 Implementation of Resolutions of the 39th Meeting

The General Assembly noted with satisfaction the implementation of the resolutions of the 39th Annual Ordinary Meeting held in June 2017 in Sofitel Hôtel Ivoire in Abidjan, Côte d'Ivoire, especially the resolution on the final accounts of the Corporation and payment of dividends.

2.5 Appointment of an External Auditor

The General Assembly appointed the accounting firm Deloitte Côte d'Ivoire as the Corporation's auditor for the fifth and last year. Therefore, Deloitte Côte d'Ivoire will audit the accounts of the Corporation for the year ending 31 December 2018 and will present a report to the 41st Annual Ordinary Meeting of the General Assembly on the financial situation of the Corporation as at that date.

2.6 By-Election of Directors

The General Assembly elected the following Directors for a term of three years:

1. Mr Kamel MARAMI, Algerian, representing Algeria (State and company);
2. Mr Boubacar BAH, Guinean, representing French-speaking West and Central Africa (States and companies);
3. Dr Mohamed MAAIT, Egyptian, representing Egypt (State and companies);
4. Mr Hafedh GHARBI, Tunisian, representing Libya, Mauritania and Tunisia (States and companies);
5. Mr Hassan El SHABRAWISHI, Egyptian, representing AXA;
6. Mr Jean CLOUTIER, Canadian, representing FAIRFAX ;
7. Mr Coenraad VROLIJK, Dutch, representing Allianz ;and
8. Mr Mohamed KARI, Nigerian, representing Nigeria (State and companies).

2.7 Date and Venue of the 41st Annual Ordinary Meeting

The 41st Annual Ordinary Meeting of the General Assembly of the African Reinsurance Corporation will be held in June 2019 in Tunisia at a date to be advised later.

Done in Conakry on 21 June 2018.


Séré Mady KABA
Corporation Secretary

