

## GIC Raises its ratings to ( A-)

**Standard & Poor's: GIC tops the insurance companies in the region**



The Managing Director and CEO of Gulf Insurance company "GIC" Mr. Khalid Al-Hassan confirmed that GIC has received an A- rating on strengthened risk controls and capitalization; outlook stable from Standard and Poor's.

With the value of GIC's assets reaching KD 283.9 million (US\$ 1.01 Billion) at the beginning of 2012, there has been an increase of KD 17.1 million or 6% from the end of 2011.

“The added value and rapid increase indicates that growth was achieved due to the continuous support from shareholders and clients, along with faith in our management and our employees' dedication to the company for whom we are truly thankful,” added Mr. Al-Hassan.

On the 4<sup>th</sup> of May, Standard & Poor's explained in their issued report about GIC that GIC's ratings have been raised to 'A-' from 'BBB+', making remarkable progress in the list of the top regional insurance companies. With noticeable improvement in its operating performance, it has been predicted that GIC will maintain its strong financial and business profiles supported by strong risk-based capital.

Additionally, Standard & Poor's stated in its report that GIC's strong underwriting performance reflects the significant steps it has taken to strengthen its investment risk controls and risk appetite, thus materially reducing its still-high equity holdings, improving capitalization to strong and reducing the potential volatility of its capital.

Standard & Poor's also added that raising GIC's ratings went through many stages, starting with ensuring that GIC has taken significant steps to strengthen its investment risk controls and risk appetite. The steps consisted of distinguished management performance through expanding its client base and enhancing its market share, strong underwriting performance, which led to a strong competitive position, and finally by its competitive attitude by strengthening its capitalization.

The report was supported by the company's performance and statistics that confirm that GIC holds an advanced position among its peers in the Gulf Region after achieving a gross premium income of Kuwaiti dinar (KWD) 134 million in 2011 (\$478 million). Of this, 52% of total premium comes from Kuwait, 19% from Jordan, 13% from Bahrain, and 10% from Egypt. By gross premium income, the group is the leading life insurer in Kuwait and the leading non-life insurer in Kuwait, and through its subsidiaries in Bahrain, and Jordan. This reflects its broad product offerings and good service and distribution.

Despite the increase in competition within key markets, S&P expects the group of GIC to maintain its strong competitive position and to continue enhancing its regional presence through acquisitions.

“This a great achievement that reflects the continuous growth of the company to provide the best insurance services to its clients in all its markets through its strategy that aims at further regional expansion and to increase its market share locally and regionally.. ” stated Mr. Al Hassan.

Concluding, GIC is the only insurance company in Kuwait that has a double Global Credit rating of (A-) from two of the top rating agencies, Standard & Poor's as well as A.M. Best.