مجموعة قطر للتأمين
QATAR INSURANCE GROUP

Domestic dominance

Regional leadership

Global ambitions

December 2015

At a glance

QIC - KEY FACTS AND FIGURES – DECEMBER 2015

Solid foundation	✧ QIC steadily evolved from a domestic player to a regional leader on to global ambitions over 50 years
Strong financials	✧ GWP: QAR 8.35 billion ✧ Net profit: QAR 1,064 million ✧ RoE: 18.1% ✧ Market Capitalization: QAR 15 billion
Five pillar strategy	✧ Direct insurance ✧ Specialty insurance ✧ Reinsurance ✧ Life and Medical ✧ Asset Management
Stable sources of income	✧ Consistent underwriting performance over 50 years ✧ Outstanding investment contribution
Strong security	✧ 'A' (Excellent) AM Best financial strength rating ✧ 'A' / Stable outlook, Standard & Poor's financial strength rating
Risks contained	✧ Best in class Enterprise Risk Management practices

51 YEARS OF OPERATIONAL EXCELLENCE

En route to establishing a global footprint based on domestic dominance and regional leadership

Source: S&P CAPITAL IQ

MENA: QIC No 1 of 116 companies

Asia Pacific: QIC No 10 of 264 – excl. L&H

World: QIC No 109 of 375 companies

- **1964**: QIC established
- **1968**: Dubai branch established
- **1986**: Current Senior Management appointed
- **2002**: Abu Dhabi branch established
- **2004**: KQIC (Kuwait) and OQIC (Oman) established
- **2006**: QIC International established
- **2009**: Qatar Re established
- **2011**: Q-Life & Medical established
- **2014**: 50th Anniversary and acquisition of Antares; QIC Europe Ltd established in Malta
- **2015**: Qatar Re re-domiciled to Bermuda and established branch in Dubai; Antares established Antares Asia in Singapore

SUSTAINED GROWTH FROM DIVERSIFIED SOURCES

	Net profit (attributable to parent) in QAR million	Return on Equity in %	Earnings per share in QAR	Market Capitalization in QAR million
2015	1,044	18.1	5.65	15,139
2014	1,001	18.4	5.43	14,545
2013	753	17.1	4.08	8,541
2012	610	17.5	3.31	6,056
2011	592	17.7	3.21	5,782

QIC Group: Well diversified multi-pillar business set-up

Direct Insurance

QIC

Specialty Insurance

Antares

Life & Medical

Qatar Life & Medical

Reinsurance

Qatar Re

Asset Management

QIC Asset Management

Real Estate

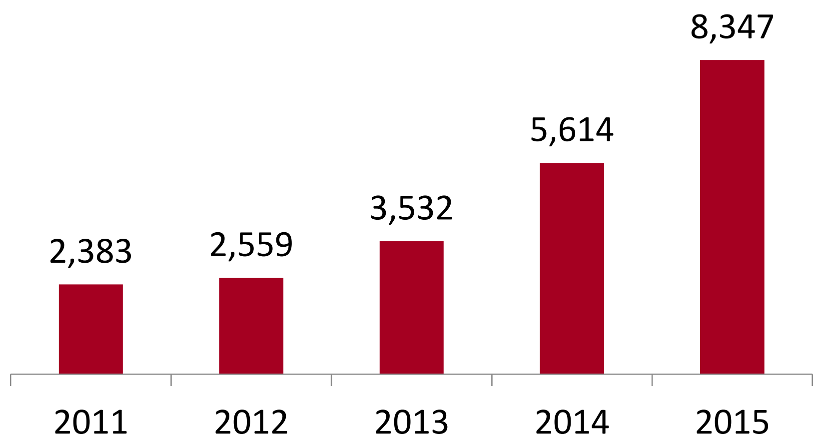
QIC Real Estate

August 2015: Financial strength rating 'A' (strong), outlook stable www.standardandpoors.com

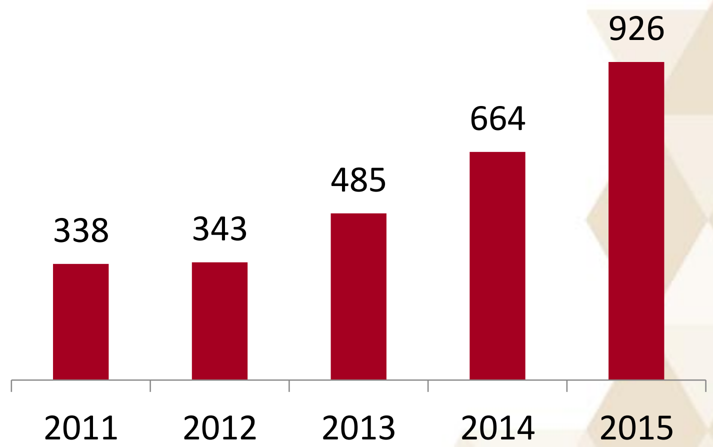
Dec 2015: Financial strength rating of 'A' (excellent) www.ambest.com

A SET OF RECORD FINANCIAL PERFORMANCE FIGURES

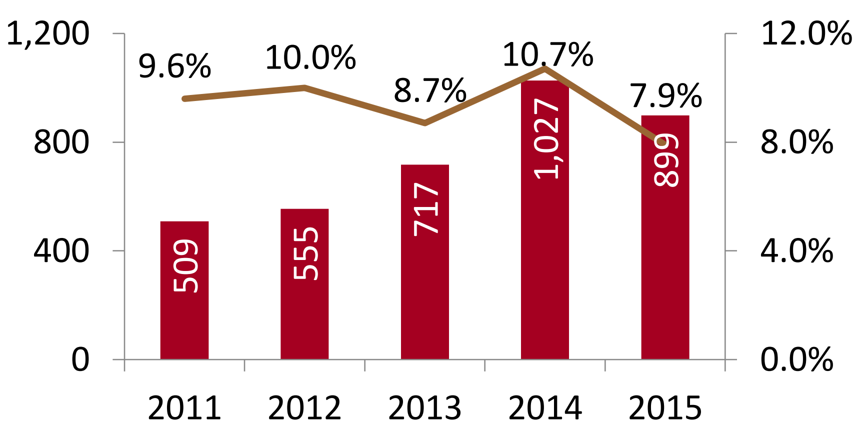
Gross written premiums
in QAR million



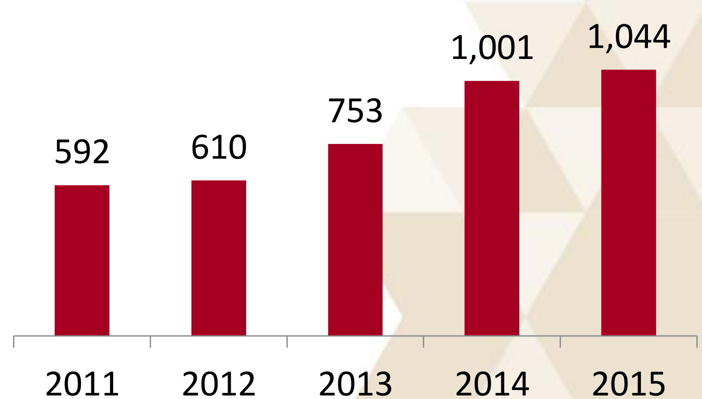
Underwriting results
in QAR million



Investment results and yield
in QAR million



Net profit – Attributable to parent
in QAR million



Strategy

EXPANDING GLOBALLY AND CONSOLIDATING REGIONAL LEADERSHIP

Bermuda

- Antares Re
- Qatar Re US & NatCat
- Qatar Re HQ

London

- Antares Lloyd's 1274 Syndicate
- Qatar Re Rep. Office

Zurich

- Qatar Re Continental Europe and global operations

Malta

- QIC Europe Ltd

Singapore

- Qatar Re Rep. Office for Asia
- Antares Asia

Doha

- QIC Group's HQ and domestic operations

Dubai

- QIC direct insurance operations (UAE)

Abu Dhabi

- QIC direct insurance operations (UAE)

Muscat

- Oman Qatar Insurance Company

Kuwait

- Kuwait Qatar Insurance Company

BROAD SPECTRUM OF CAPABILITIES

QIC Domestic

- Personal lines
  - Motor
  - Home
  - Travel
- Commercial lines
  - Energy
  - Marine & Aviation
  - Medical
  - Motor
  - Property & Commercial

Reinsurance

- Agriculture
- Credit & Surety
- Energy
- Engineering
- Facultative
- Marine & Aviation
- Motor
- Property
- Structured Finance

Specialty

- Aviation
- Financial Institutions
- Marine
- Political and Financial Risk
- Professional indemnity
- Property Excess of Loss
- Terrorism

Life & Medical

- Group Life
- Credit Life
- Mortgage Life
- Group Medical

Asset Management

Asset Management

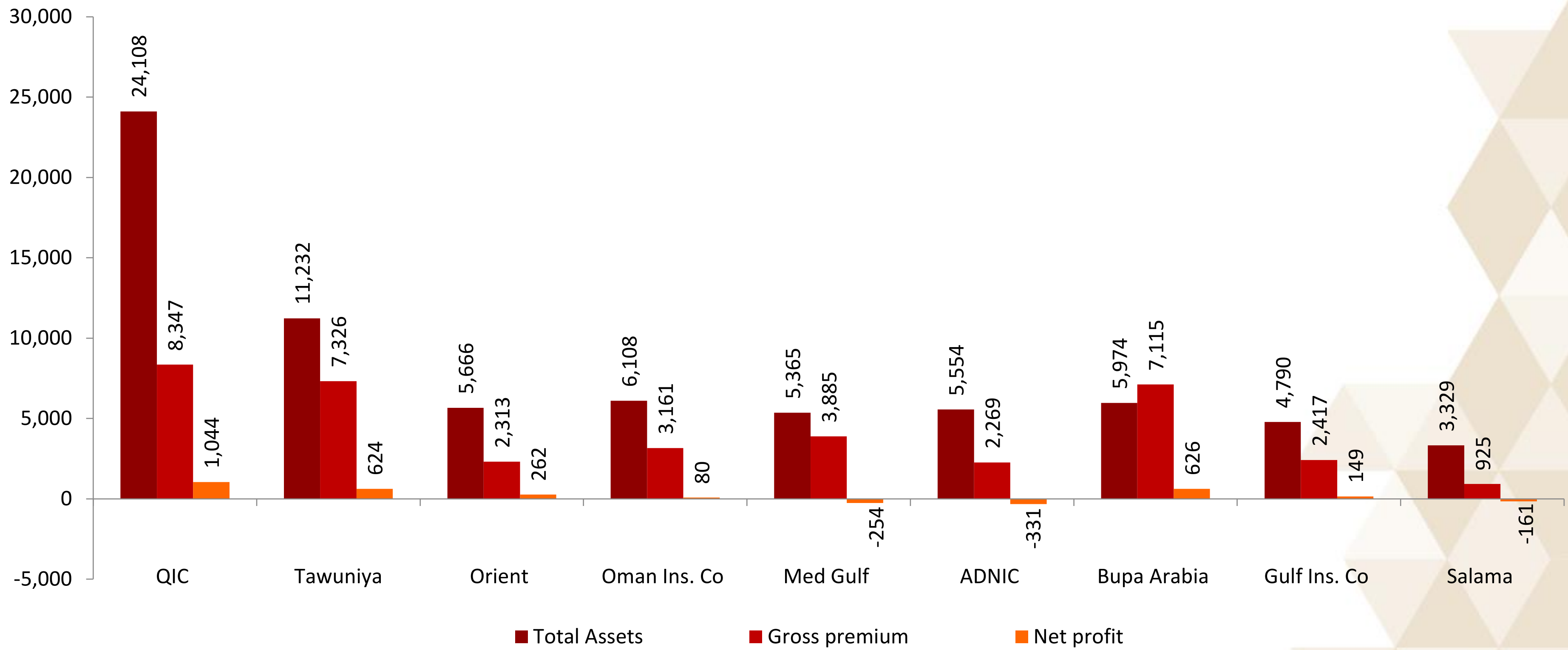
- Proprietary asset management
- Third party asset management
- Collateralized reinsurance (CATCO)

Competitive Position

DOMINANT POSITION IN THE MENA REGION

Regional comparison (FY 2015)

in QAR million



- QIC consistently outperforms major regional insurance and reinsurance groups due to its focus on
  - Technical excellence in underwriting and asset management
  - Diversified growth across business segments and geographies

SIGNIFICANT POTENTIAL FOR GLOBAL AND REGIONAL GROWTH

QIC Domestic and regional

- Dominant market share in Qatar and ahead of its peers in MENA
- Significant further growth potential in rapidly growing MENA insurance markets

QIC domestic/regional GWP: USD 766 million → **MENA Life & Non-Life**: USD 50 billion

Qatar Re

- Already among top 50 reinsurers worldwide
- Aspires to become a Top 10 reinsurer by 2025
- Continues to expand geographically and by line of business

Qatar Re GWP: USD 1.15 billion → **GWP Top 10 reinsurer**: USD 6 billion

Antares

- Established as independent Managing Agent at Lloyd's, the world's global insurance and reinsurance market of choice
- Ranks no. 34 within Lloyd's by GWP
- Synergies with QIC have potential to enhance growth

Antares GWP: USD 381 million → **GWP Lloyd's**: USD 40 billion

QIC Group

- Aspires to become a Top 50 international composite insurance group
- Well diversified by geography, lines of business and sectors
- No. 109 worldwide by market cap

QIC Group GWP: USD 2.29 billion → **Global Non-Life GWP**: USD 1.4 trillion

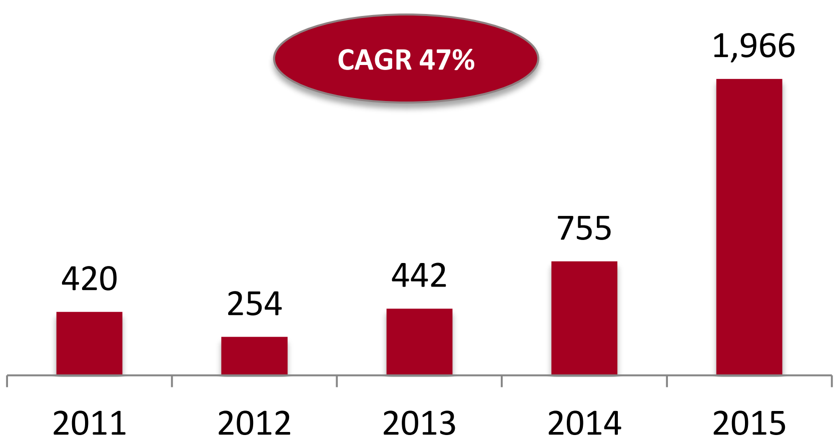
Performance

STRONG TRACK RECORD OF TOP AND BOTTOM-LINE GROWTH..

Key Highlights (QAR million)	2011	2012	2013	2014	2015
Gross premium	2,383	2,559	3,532	5,614	8,347
Underwriting results	338	343	485	664	926
Net profit	592	610	753	1,001	1,044
Investment and other income	509	555	717	1,027	899
Earnings per share (restated)	3.21	3.31	4.08	5.43	5.65
Cash dividend per share	4	2.5	2.5	2.5	2.5
Bonus share	20%	20%	25%	15%	10%
Share price at 31 December	77.8	67.9	66.5	90.6	82

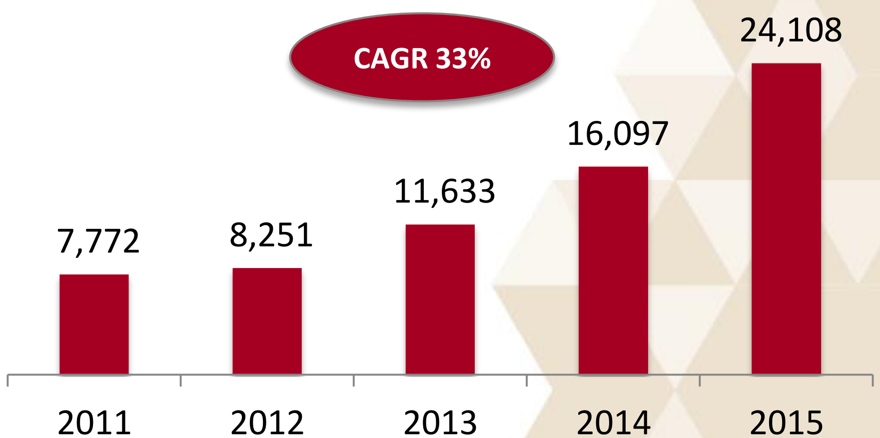
Operating Free Cash Flow growth

in QAR million



Total Assets

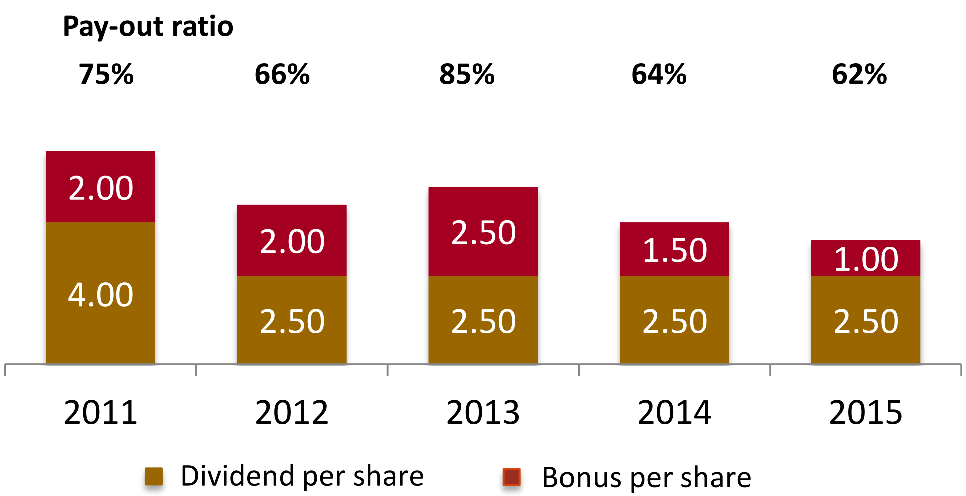
in QAR million



…AND SHAREHOLDER VALUE CREATION

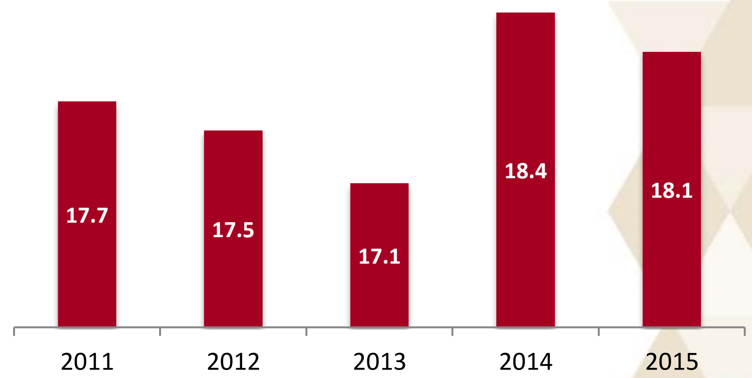
Dividends

in QAR

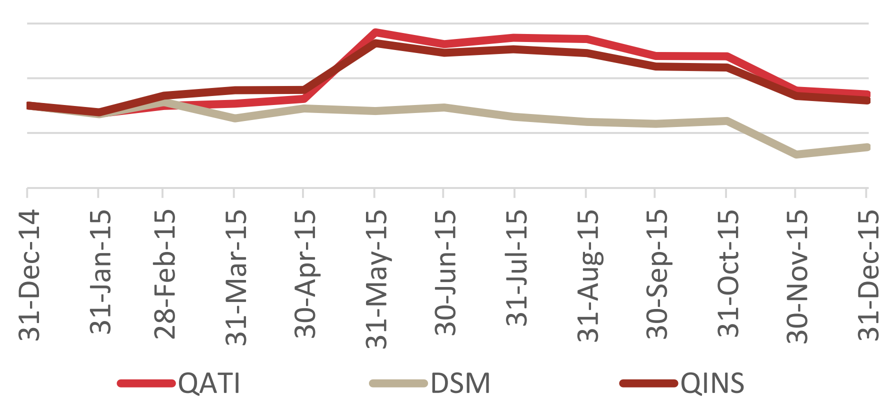


Return on Equity

%

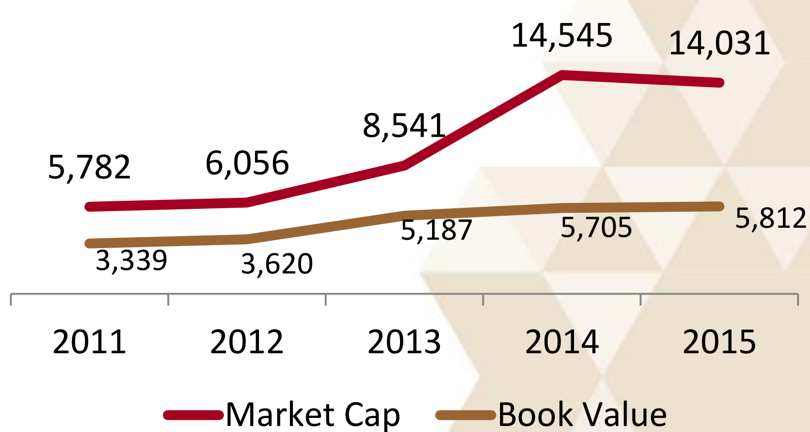


QIC shares outperformed QE Index and QE Insurance index



Market Value

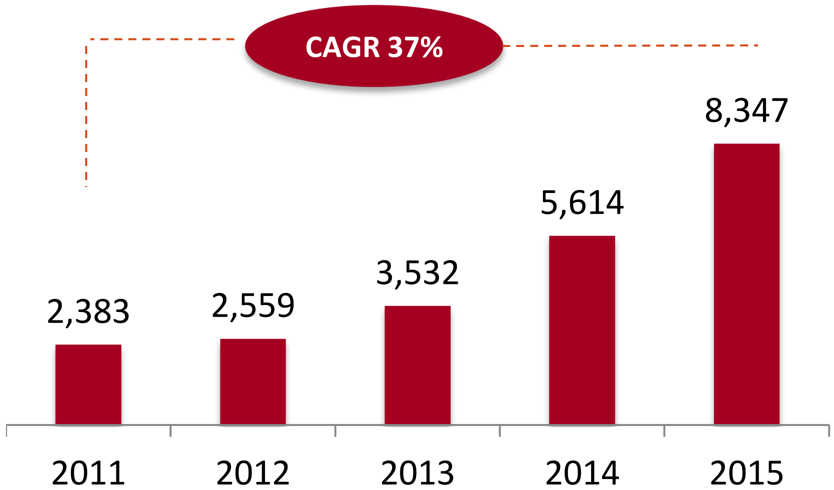
in QAR million



CONSISTENT UNDERWRITING PERFORMANCE

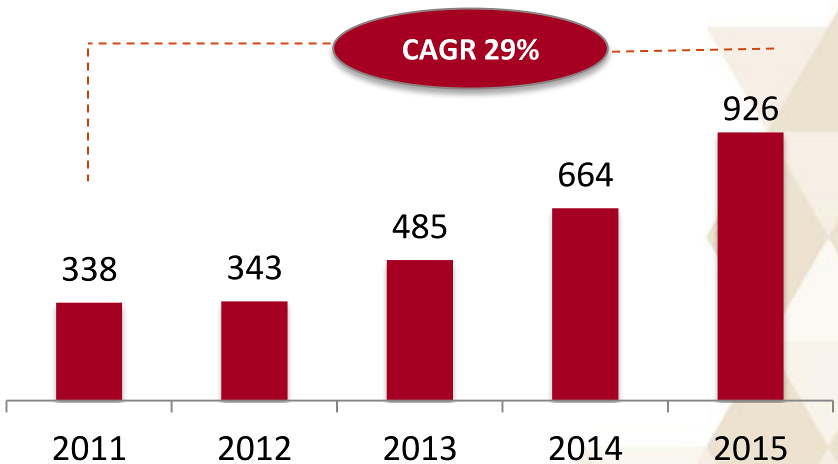
Gross Premiums

In QAR million

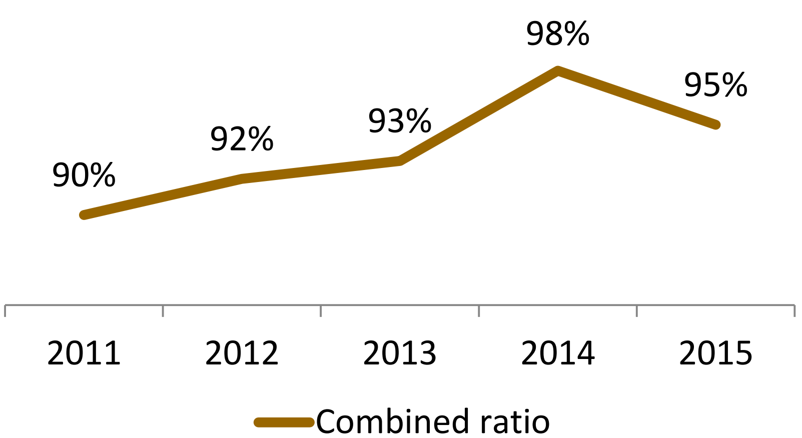


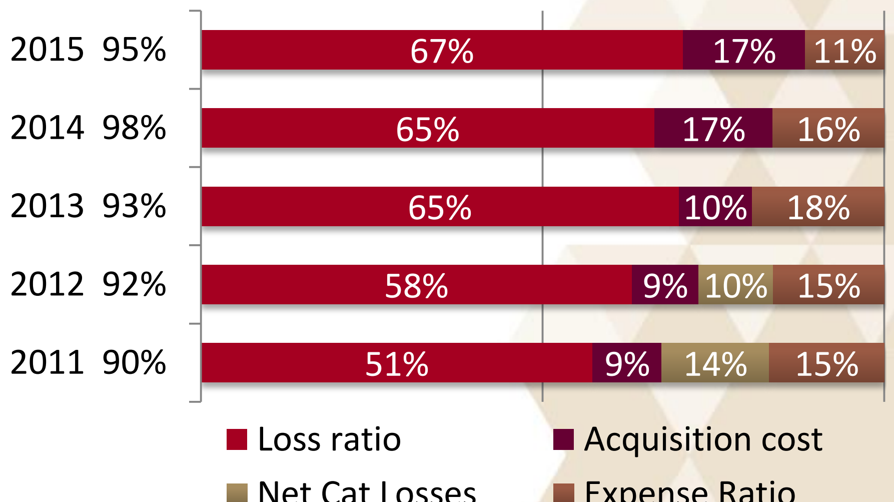
Net Underwriting Results

In QAR million



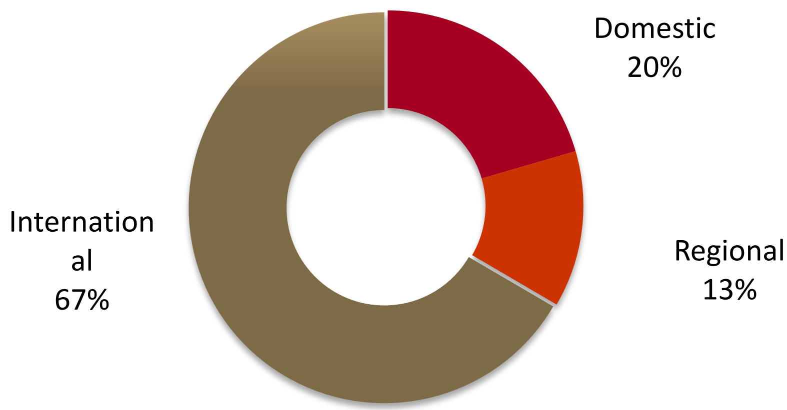
Combined ratio



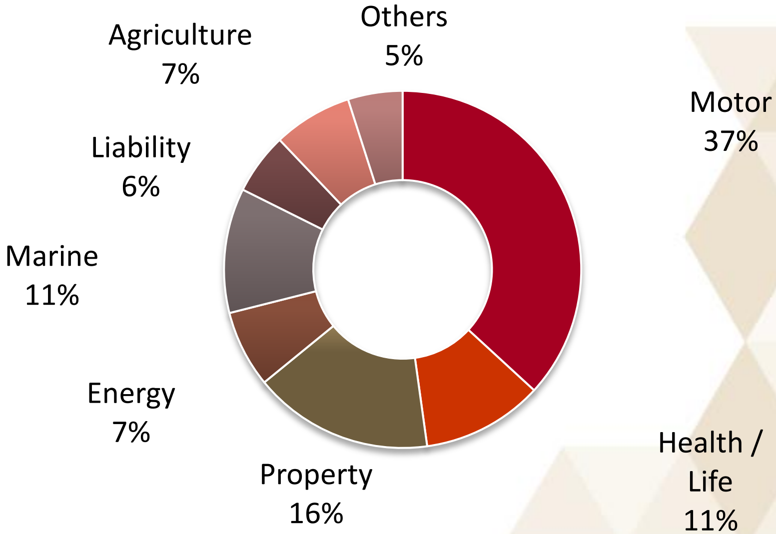


WELL DIVERSIFIED PORTFOLIO ENHANCES CAPITAL EFFICIENCY

Gross premiums, split by region 2015



Gross premiums, split by line of business 2015

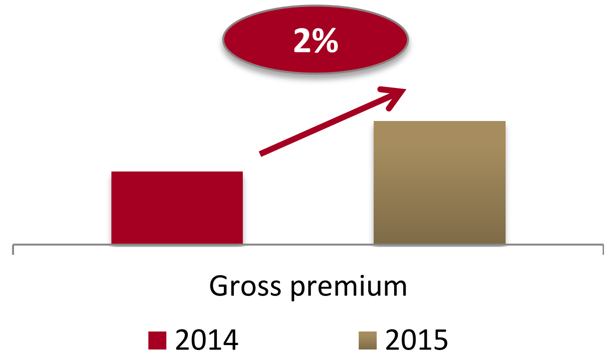


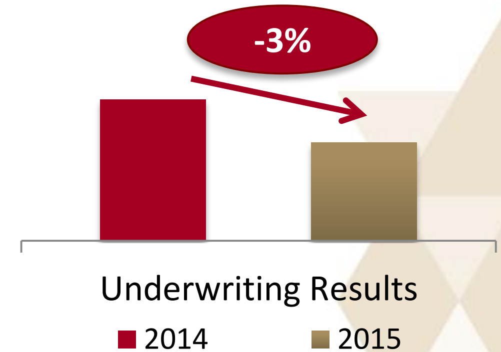
- Superior geographical and product diversification translates into high capital efficiency
- QIC is the only MENA composite insurer with a sizeable international footprint: Qatar Re, Antares and QIC Europe account for 67% of QIC's total GWP IN 2015
- Motor business generates 37% of the total GWP
- European and Asian business poised for particularly strong growth (based on newly established QIC Europe and Singapore offices of Qatar Re and Antares)

STRONG TECHNICAL PERFORMANCE IN A HIGHLY COMPETITIVE ENVIRONMENT

in QAR million

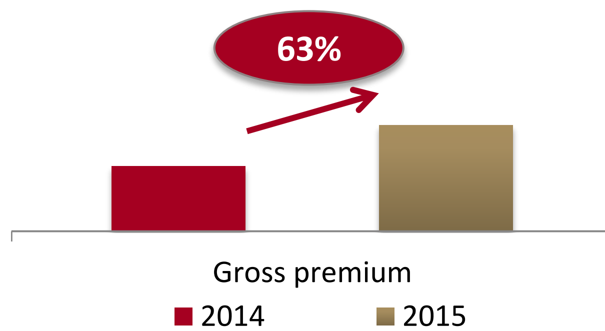
Marine and Aviation	2014	2015
Gross premium	925	943
Underwriting Results	145	140
Loss ratio	54%	62%
Operating profit	15.6%	14.9%

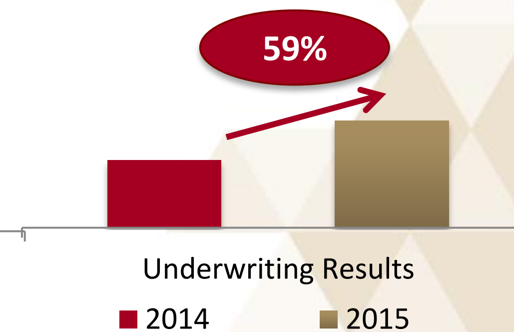




in QAR million

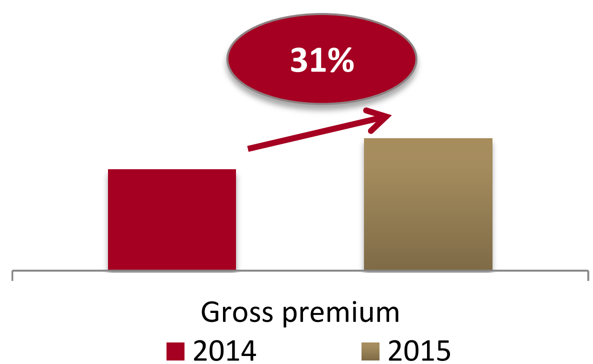
Property & Casualty	2014	2015
Gross premium	3,988	6,489
Underwriting Results	436	694
Loss ratio	64%	65%
Operating profit	10.9%	10.7%

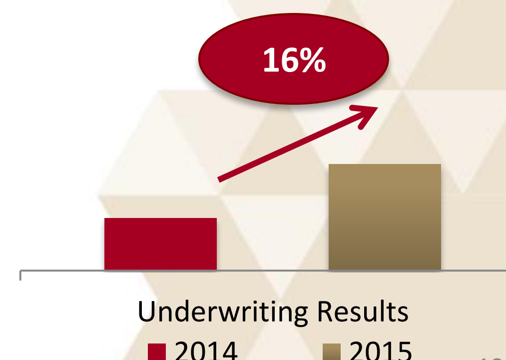




in QAR million

Life & Medical	2014	2015
Gross premium	701	915
Underwriting Results	71	82
Loss ratio	79%	79%
Operating profit	10%	9%

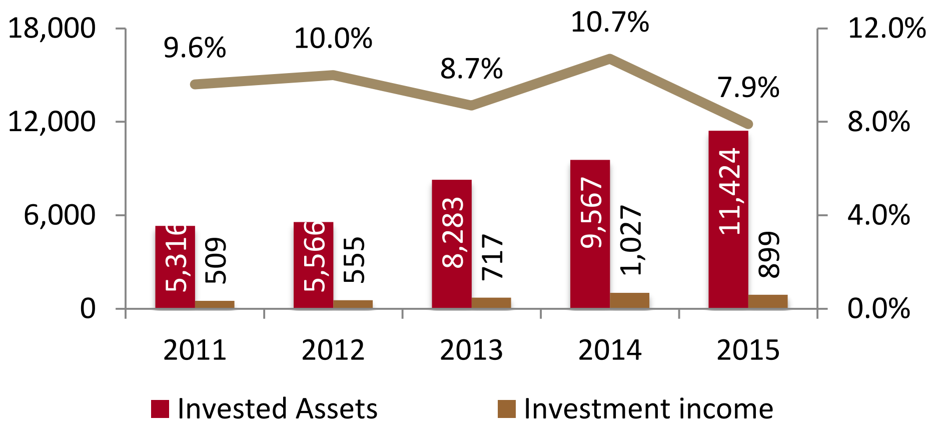




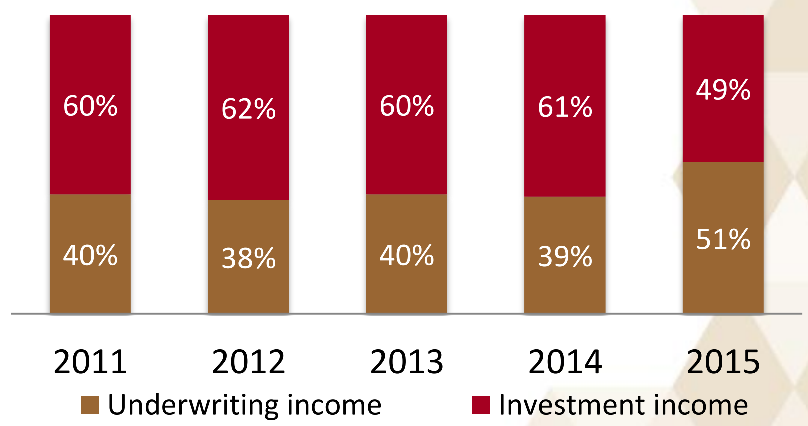
STRONG INVESTMENT YIELD DESPITE LOW INTEREST RATE ENVIRONMENT

Return on Investments

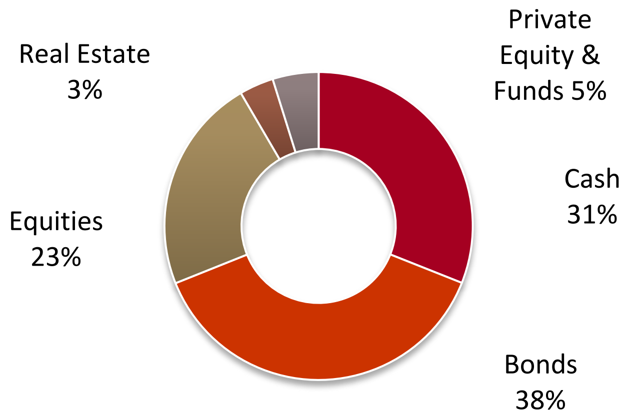
in QAR million



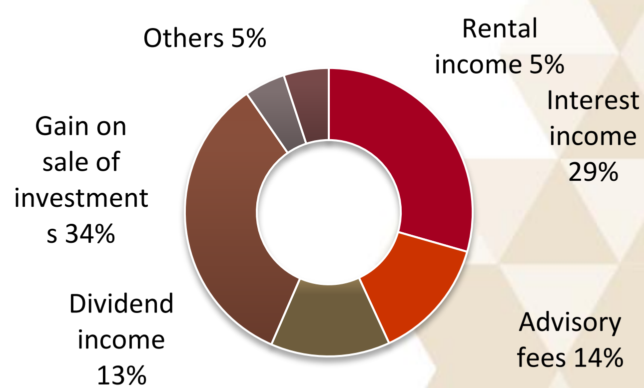
Investment versus underwriting income



Investment portfolio composition 2015

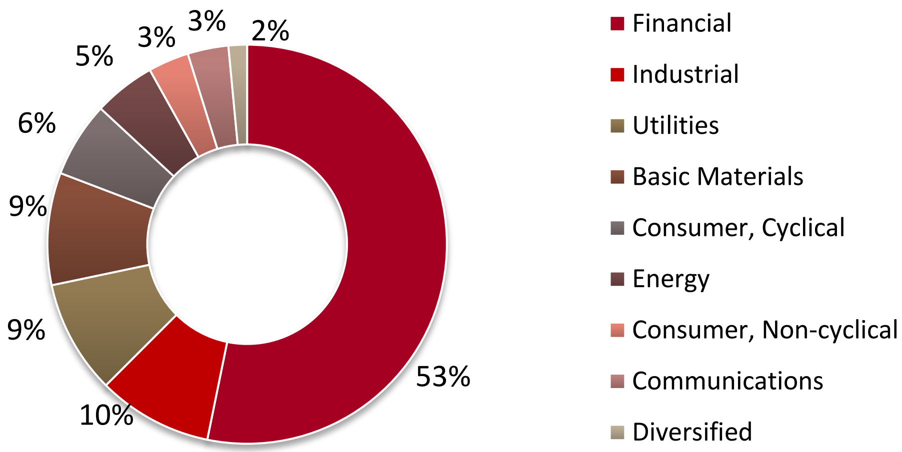


Investment income composition 2015

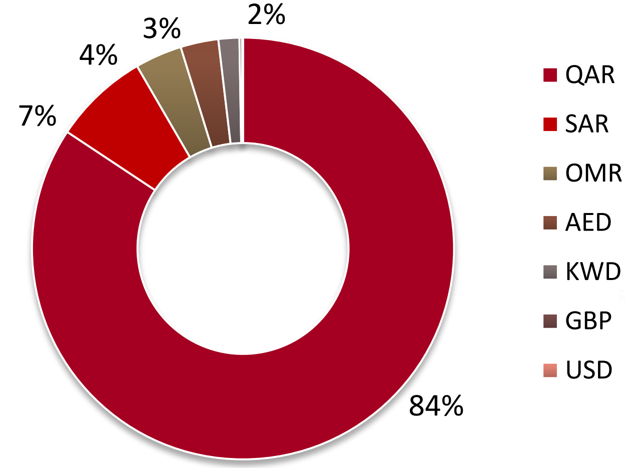


FOCUS ON SECTOR BALANCE AND SECURITY OF INVESTMENTS

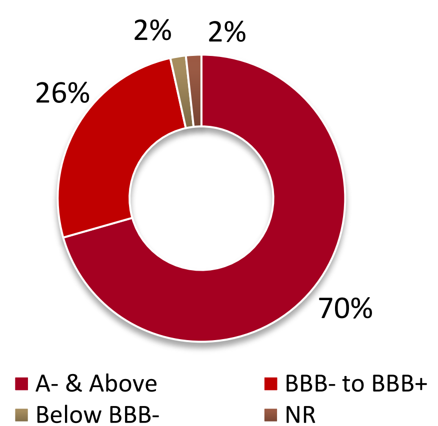
Equity: Industry exposure



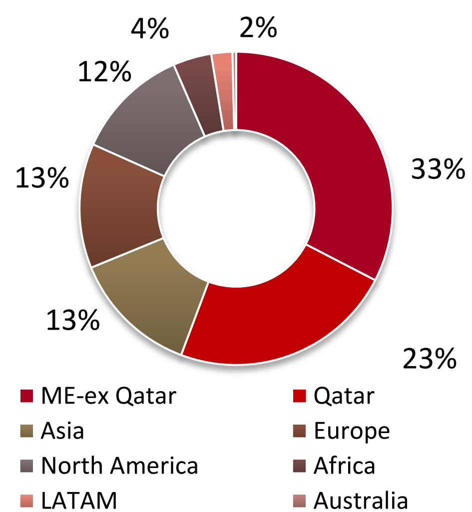
Equity: Currency exposure



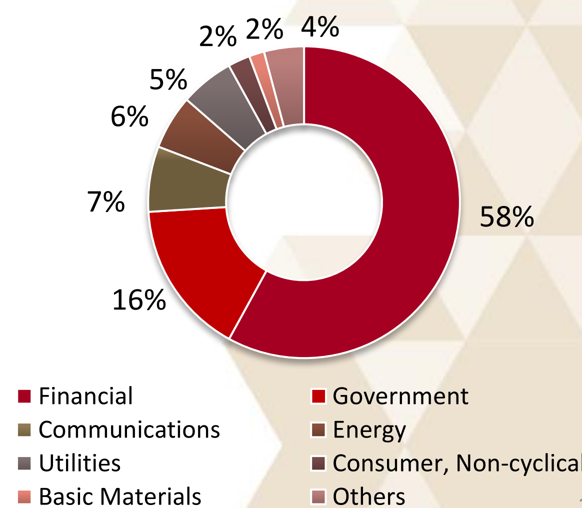
Fixed income: Rating



Fixed income: Geographic mix



Fixed income: Mix by sector

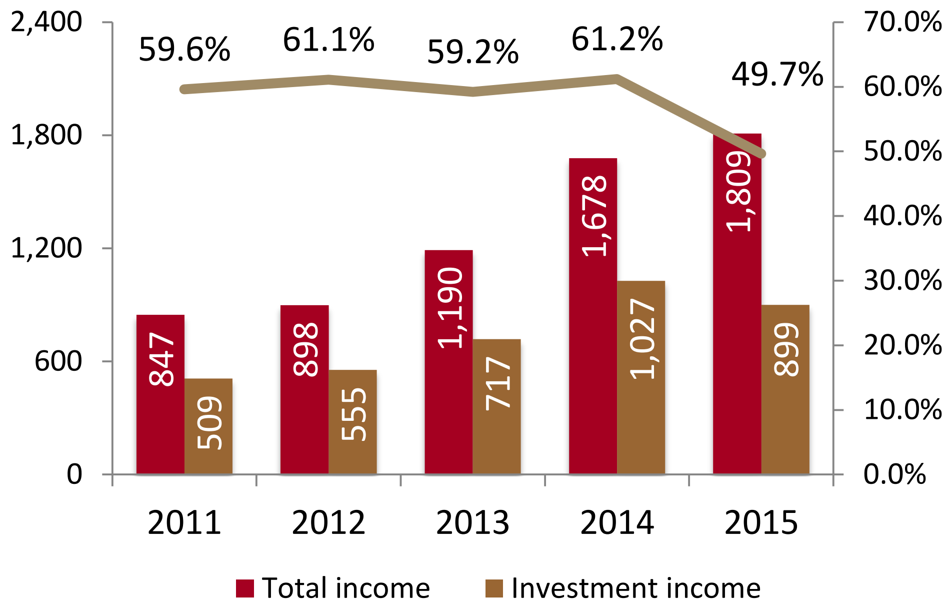


HEALTHY INCOME CONTRIBUTION FROM QIC ASSET MANAGEMENT

Asset Management

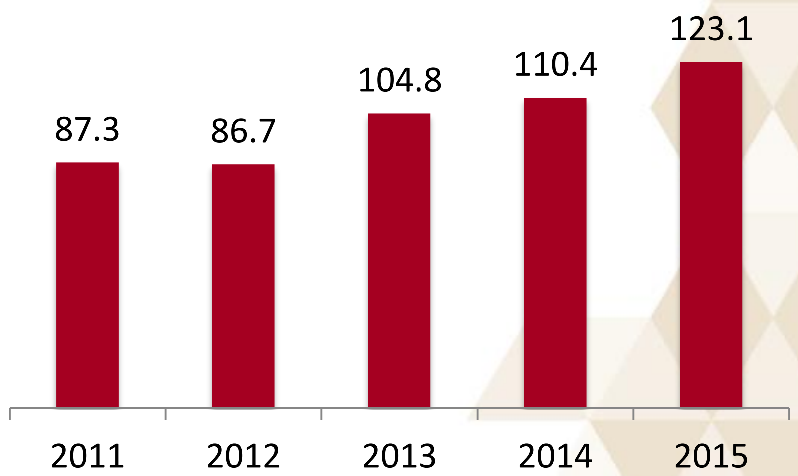
Contribution of investment income

in % and QAR million



Advisory fee income

in QAR million



- QIC Asset Management consistently contributes about 50% to the Group’s total income
- Third party asset management has become a growing and sizable source of income
- Efficient treasury function managing the liquidity and balance sheet assets and liabilities
- Function provides efficient asset and risk diversification to the Group’s balance sheet

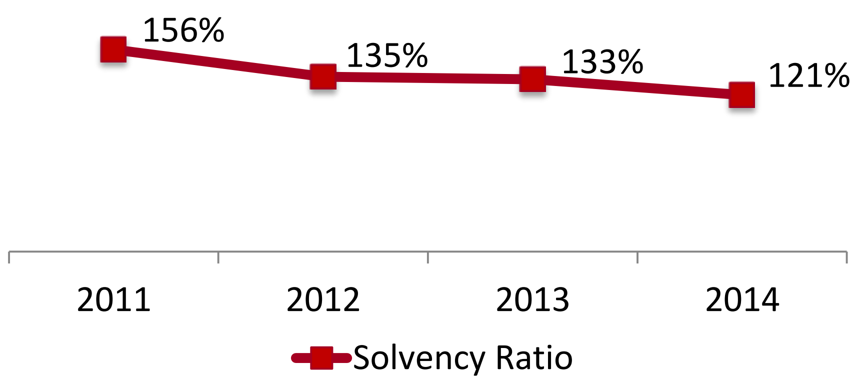
EXCELLENT FINANCIAL STRENGTH RATIOS

Assets

%	2012	2013	2014	2015
Invested assets to total assets	67%	71%	59%	47%
Invested assets to net technical reserves	329%	339%	188%	119%
Cash and bank deposits to net technical reserves	126%	137%	52%	37%

Solvency: Increased capital utilization, ratio remains strong

	2011	2012	2013	2014
Eligible Capital	3,479	4,015	5,688	6,071
Solvency Ratio	156%	135%	133%	121%



STRONG FINANCIAL STRENGTH RATINGS

Financial strength rating for QIC

Rating: 'A' / Stable stable

Outlook:

- "We view QIC as an increasingly diversified insurance group with relatively mature operations in the still-growing Gulf Cooperation Council region, and with rapidly expanding reinsurance operations in Europe."

Rating: 'A'/ (Excellent) stable

Outlook:

- "The ratings for Qatar Insurance Company S.A.Q. (QIC) reflect its very strong risk-adjusted capitalisation, robust underwriting performance and global business diversification."

QIC Group equity

in QAR million

	2013	2014	2015
Share capital	1,284.32	1,605.40	1,846.21
Legal reserve	1,304.29	1,408.18	1,514.14
General reserve	287.00	287.00	287.00
Catastrophe special reserve	189.61	227.25	277.34
Fair value reserve	750.87	601.00	139.20
Retained earnings	1,371.36	1,575.95	1,748.39
Equity attributable to parent	5,187.45	5,704.78	5,812.28
Non-controlling interest	194.23	218.72	181.79
Total equity	5,381.68	5,923.50	5,994.07

Organisation

STRONG GEOGRAPHIC AND SECTOR DIVERSIFICATION

Group level	QIC Qatar Insurance Group				
Operations	QIC شركة قطر للتأمين Qatar Insurance Company	QatarRe	antares	QLM Q Life & Medical	QIC Qatar Insurance Group Asset Management
Sector	**Direct Insurance:** • Personal Lines • Commercial Lines	**Reinsurance:** • Property & Casualty • Facultative Lines	**Specialty Re/insurance:** • Commercial Lines	**Direct Insurance:** • Medical Lines • Life Lines	**Direct Insurance:** • Asset Management
Geography	Qatar GCC Europe	Global	Global	Qatar GCC	Global

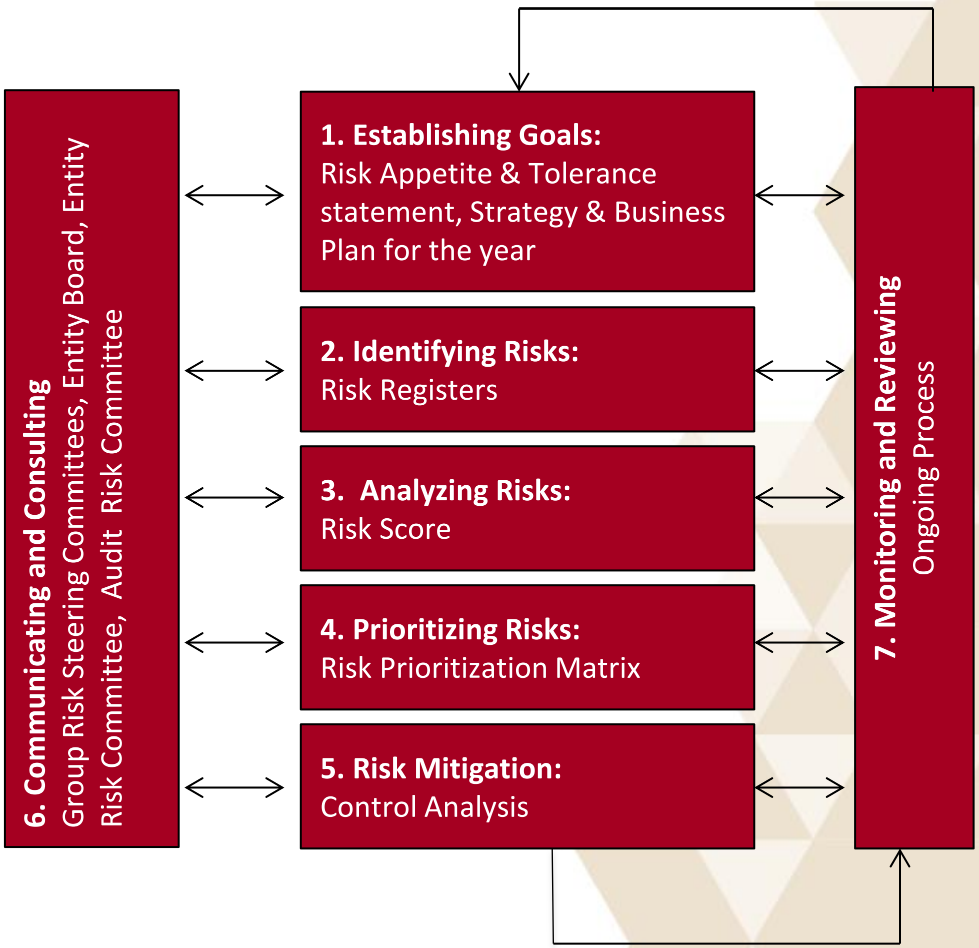
Risk Management

STRICT ADHERANCE TO CLEARLY DEFINED ERM PROCEDURES

Risk Management at QIC

- ERM is broken down into Risk Management, Capital Management and Exposure monitoring
- Governance structure follows the three lines of defence model with dedicated Risk Committees in each entity of the company
- Each entity committee reports into the group's risk steering committee, which reports to the Group's Board and Audit committee
- Risks are monitored and maintained according to risk categories such as insurance, market, credit, operational and group
- Each risk is assessed for impact and probability along with the controls in place to mitigate
- Risk are reviewed quarterly
- QIC has in place a full-blown stress and scenario testing framework
- QIC conducts analysis into emerging risks
- Risk appetite and tolerance set at the group and entity level with the position against these metrics being monitored on an on-going basis

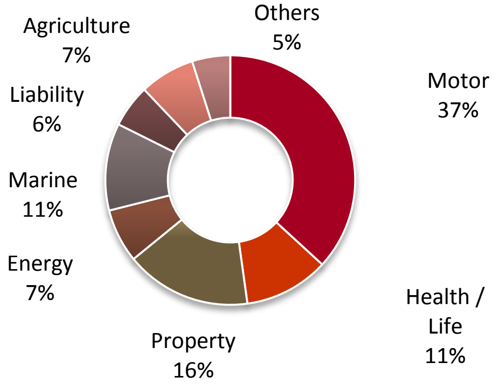
Enterprise risk management cycle



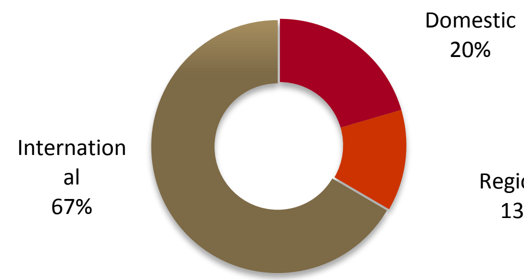
Outlook

ASPIRING TO BECOME A GLOBAL TOP 50 COMPOSITE INSURER

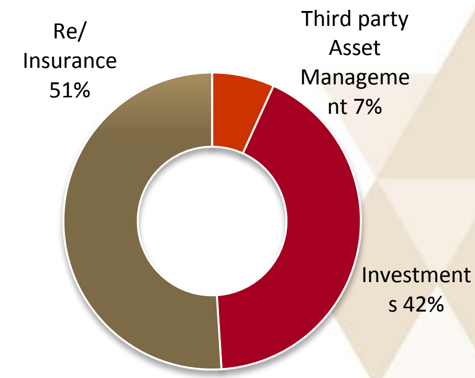
Well-diversified business mix



Balanced geographical mix



Distinct sources of income



A portfolio of powerful franchises

- Continue to capitalize on transactional opportunities
- Grow QIC Europe
- Expand into Asia / Pacific on the back of Qatar and Antares
- Further grow medical and life lines in the domestic and regional market

- QIC Europe Ltd: Become a common platform for QIC's entrée into the European insurance markets
- Use synergies with Qatar Re in reinsurance and Antares in specialty insurance
- Qatar Re: Leverage acknowledged market and product expertise to expand on a global scale, broaden product offering
- Antares: Capitalize on Lloyd's expansion and leverage synergies with Qatar Re

Asset Management

- Further build 3rd party investment capabilities
- Continue to generate investment income above index and peers

Appendix

PROFIT AND LOSS ACCOUNTS, 2011 – 2015

Income Statements (QAR '000)	2011	2012	2013	2014	2015	Growth (YOY)	CAGR
Gross Written Premium	2,383,050	2,558,597	3,531,707	5,613,767	8,347,210	49%	37%
Net earned premium	1,320,898	1,494,639	1,974,085	3,678,344	5,787,173	57%	45%
Net claims incurred	(859,397)	(1,021,337)	(1,280,266)	(2,394,403)	(3,862,113)	61%	46%
Net commission	(123,072)	(130,079)	(211,301)	(620,093)	(999,317)	61%	69%
Net underwriting income	338,429	343,223	482,518	663,848	925,743	39%	29%
Investment and Other Income	508,541	555,367	719,622	1,027,488	898,596	-13%	15%
G&A Expenses	(243,91)	(278,935)	(423,783)	(665,926)	(760,350)	14%	33%
Net profit	**603,053**	**619,655**	**778,357**	**1,025,410**	**1,063,989**	**4%**	**15%**

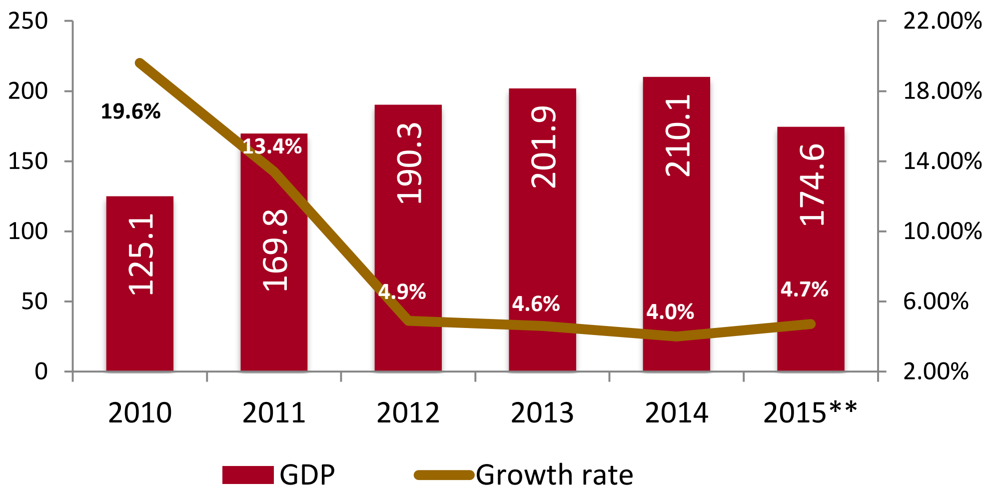
BALANCE SHEETS, 2011 – 2015

Balance Sheets (QAR '000)	2011	2012	2013	2014	2015
ASSETS					
Cash and cash equivalents	2,080,719	2,123,876	3,351,905	2,646,907	3,518,760
Insurance and other receivables	629,738	703,395	1,164,615	2,820,028	6,617,197
Reinsurance contract assets	1,805,429	1,950,278	2,151,318	3,251,457	5,606,574
Investments	2,781,968	3,003,506	4,543,881	6,545,147	7,497,505
Investment properties	453,224	438,636	387,197	375,070	407,988
Property and equipment	26,142	31,890	33,592	38,665	41,406
Intangible assets	--	--	--	274,895	273,449
Goodwill	--	--	--	145,111	145,111
TOTAL ASSETS	**7,777,220**	**8,251,581**	**11,632,508**	**16,097,280**	**24,107,990**
Liabilities					
Short term borrowings	182,000	--	746,200	182,000	364,000
Insurance contract liabilities	3,259,700	3,640,986	4,594,615	8,331,014	15,246,247
Provisions, reinsurance and other payables	806,657	817,982	910,005	1,660,759	2,503,670
Total liabilities	**4,248,357**	**4,458,968**	**6,250,820**	**10,173,773**	**18,113,917**
Equity					
Share capital	743,244	891,891	1,284,323	1,605,404	1,846,214
Reserves & Surplus	2,596,117	2,728,463	3,903,131	4,099,379	3,966,074
Minority interest	189,502	172,259	194,234	218,724	181,785
Total equity	3,528,864	3,792,613	5,381,688	5,923,507	5,994,073
TOTAL LIABILITIES & EQUITY	**7,777,220**	**8,251,581**	**11,632,508**	**16,097,280**	**24,107,990**

QATAR: A THRIVING ECONOMY

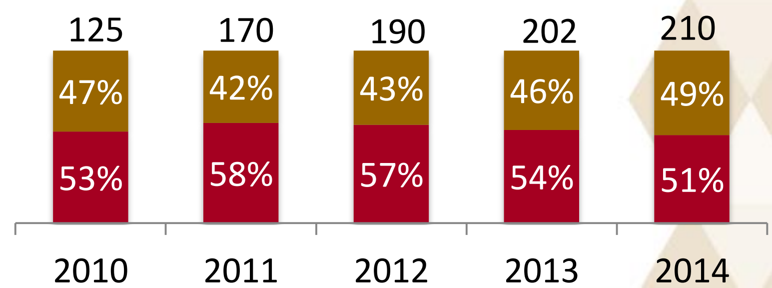
GDP and real GDP growth

in USD billion*



*Source: IMF 2015, ** Projections

Hydrocarbon vs. Non-hydrocarbon sectors in GDP*



*Source: QNB Qatar Economic Insight, 2015

Strong fundamentals

➢ **Budget surplus**	9.1% per annum over the past 5 years
➢ **Highest credit rating in the GCC**	S&P: AA; Fitch: AA; Moody's: Aa2
➢ **Strong population growth**	Tripled since 2003, 2.8 million by 2020
➢ **World's highest GDP per capita**	USD 145,000 in 2014

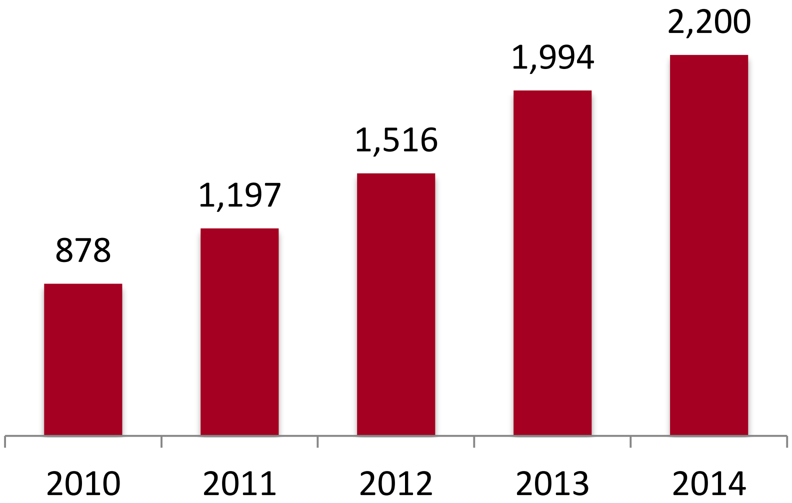
Diversifying the economy

➢ **Hydrocarbon reserves**	≈ USD 25 trillion
➢ **World largest exporter of LNG**	77 million tonnes per annum
➢ **Investments into infrastructure**	≈ USD 150 billion by 2020
➢ **National Rail Project**	≈ USD 40 billion

QATAR'S GROWING INSURANCE SECTOR

Total premiums

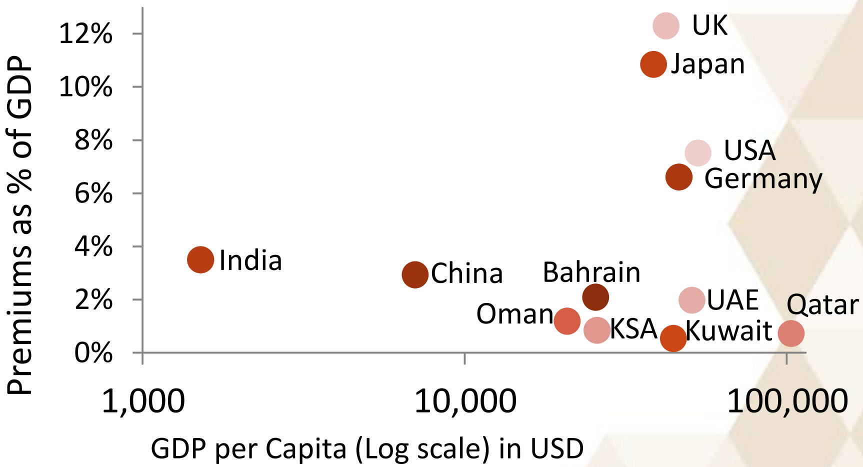
in USD million*



*Source: Swiss Re SIGMA

Insurance Penetration

2014



Source: Swiss Re, Central Bank of Bahrain, EIU Country Data via BVDep

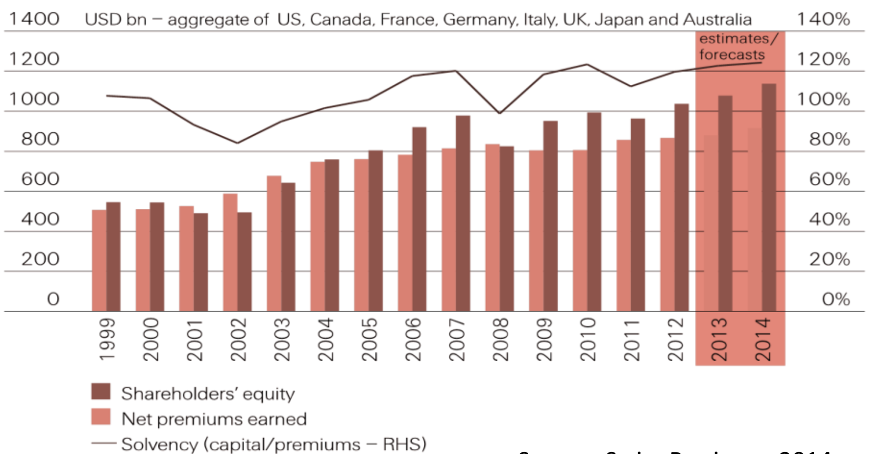
Insurance regulation

- Qatar Central Bank (QCB) is the single financial regulator for financial institutions in Qatar
- QCB has responsibility for the design and implementation of policies relating to the regulation, control and supervision of financial services and financial markets in Qatar
- QCB pursues a consistent risk-based micro-prudential framework in line with global regulatory standards under development
- QIC International and QLM are regulated by the Qatar Financial Centre Regulatory Authority, which is in charge of the insurance sector regulation, reporting to the QCB

GLOBAL INSURANCE: POTENTIAL INTACT, THOUGH SUBDUED GROWTH

Global Insurers solvency change

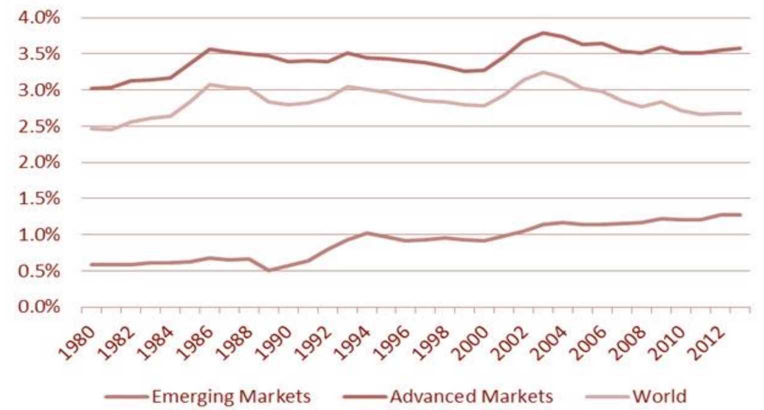
in %



Source: Swiss Re sigma, 2014

Insurance Penetration

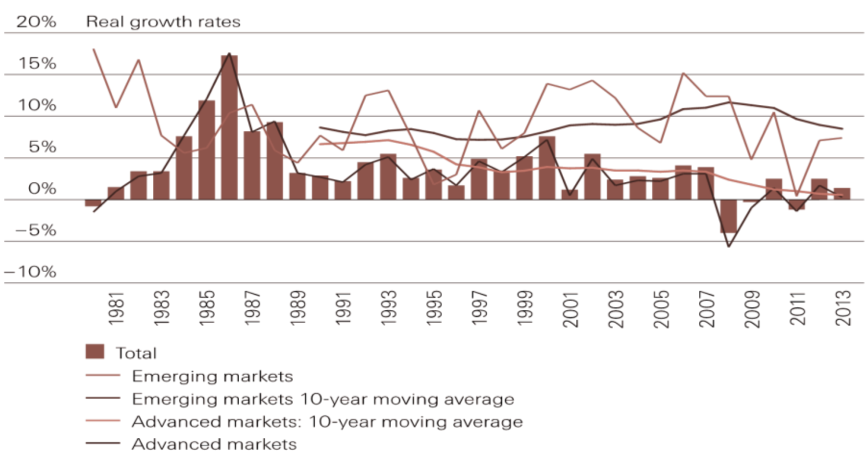
in%



Source: Swiss Re sigma, 2014

Premium growth

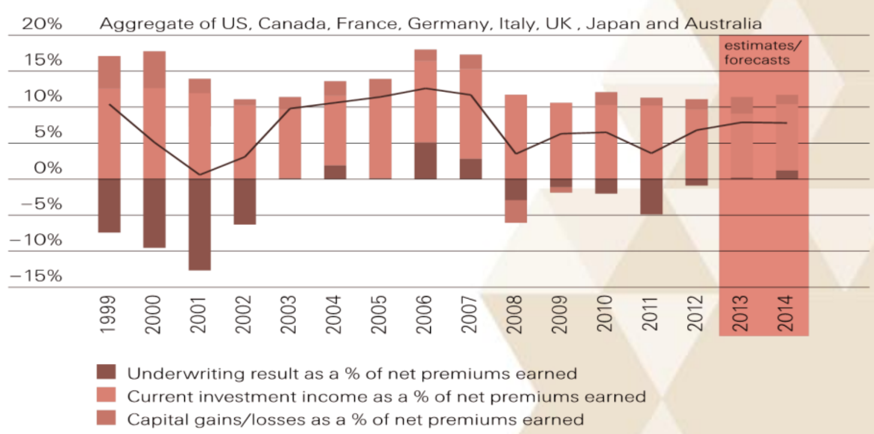
in %



Source: Swiss Re sigma, 2014

Insurers' underwriting results and RoE

in%



Source: Swiss Re sigma, 2014

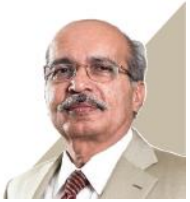
THE QIC MANAGEMENT TEAM

Khalifa A. Al Subaey
Group President & CEO

Ali Saleh Al Fadala
Sr. Deputy Group President
& CEO

Salem Al-Mannai
Deputy Group President & CEO-Mena
Region

Ahmed El Tabbakh
SVP Group Finance and Advisor to
the Group President & CEO



Sunil Talwar
Group CEO - International

P.E. Alexander
Advisor to the Group President & CEO

Varghese David
Group Chief Financial Officer & EVP

Sandeep Nanda
Group Chief Investment Officer & EVP

Stephen Redmond
Managing Director-Antares

Gunther Saacke
CEO - Qatar Re

Mark Graham
Group Chief Risk Officer & EVP

Ewen McRobbie
CEO-OQIC

KG Venkat
CEO-UAE Operations

Hassan H. Al Jaidah
CEO-KQIC

Andy Ross
CEO-QEL

THE QIC BOARD OF DIRECTORS AND MAJOR SHAREHOLDERS

Sheikh Khalid bin Mohammed bin Ali Al-Thani
Chairman & Managing Director

Abdullah bin Khalifa Al-Attiya
Deputy Chairman

Hussain Ibrahim Al-Fardan
Board Member

Jassim Mohammed Al-Jaidah
Board Member

Sheikh Hamad bin Faisal bin Thani Al Thani
Board Member

Khalaf Ahmed Al-Mannal
Board Member

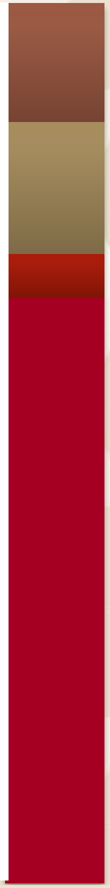
Sheikh Jassim bin Hamad bin Jassim bin Jabor Al Thani
Board Member

Sheikh Faisal bin Thani bin Faisal Al-Thani
Board Member

Sheikh Saoud bin Khalid bin Hamad Al Thani
Board Member

Khalifa A. Al Subaey
Group President & CEO

QIC shareholders	in %
Government of Qatar	13.7%
Qatari Royal Family and Associates	10-15%
Foreign Institutional Investors	7%
Free Float	Remainder



THANK YOU

QATAR INSURANCE GROUP