



مجموعة قطر للتأمين
QATAR INSURANCE GROUP

Domestic dominance

Regional leadership

Global ambitions

June 2019



Founded in 1964, Qatar Insurance Company (QIC) is the largest insurance powerhouse in the MENA region

QIC - KEY FACTS AND FIGURES – H1 2019



Solid foundation

- ✧ QIC steadily evolved from a domestic player to a regional leader on to global ambitions over 50 years

Strong financials

- ✧ GWP: QAR 6.4 billion
- ✧ Net profit: QAR 419 million
- ✧ Expected ROE: 11% - 12%
- ✧ Market Capitalization: QAR 11.8 billion

Five pillar strategy

- ✧ Direct insurance
- ✧ Lloyds insurance
- ✧ Reinsurance
- ✧ Life and Medical
- ✧ Asset Management

Stable sources of income

- ✧ Consistent underwriting performance over 50 years
- ✧ Outstanding investment contribution

Strong financial strength

- ✧ 'A' (Excellent) AM Best financial strength rating
- ✧ 'A' / Stable outlook, Standard & Poor's financial strength rating

High risk maturity

- ✧ Best in class Enterprise Risk Management practices

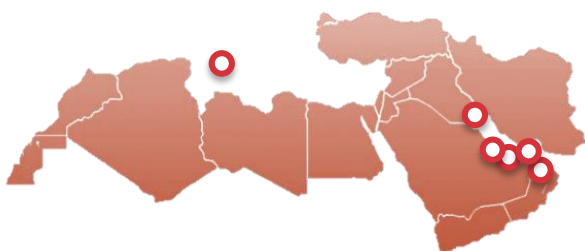
55 YEARS OF OPERATIONAL EXCELLENCE



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

QIC
establishedCurrent Senior
Management
appointedKQIC (Kuwait)
and OQIC (Oman)
establishedQ-Life &
Medical
established50th Anniversary
and acquisition of
AntaresQatar Re re-
domiciled to
Bermuda and opened
a branch in DubaiQatar Re placed USD 450mn
perpetual non-call 5.5
subordinated 2 Tier notes

1964

1968

1986

2002

2004

2009

2011

2014

2015

2017

2018

Dubai
branch
establishedAbu Dhabi
branch
establishedQatar Re
establishedQIC Europe Ltd
established in
MaltaAntares established
Antares Asia in
SingaporeOQIC IPO
oversubscribed
1.4 timesAcquisition of Markerstudy,
Qatar Re ranked 27th amongst
top 50 global reinsurers

SUSTAINED GROWTH FROM DIVERSIFIED SOURCES



Net profit

in QAR million

2019 H1	419
2018	664
2017	424
2016	1,052
2015	1,064

Earnings per share

(restated) in QAR

0.114
0.174
0.109
0.317
0.320

Market Capitalization

in QAR million

11,758
11,449
14,423
20,449
15,139

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



Direct
Insurance

QIC



Lloyds
Insurance

Antares



Life &
Medical
Qatar Life &
Medical



Reinsurance

Qatar Re



Asset
Management
QIC Asset
Management



Real Estate

QIC Real
Estate



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



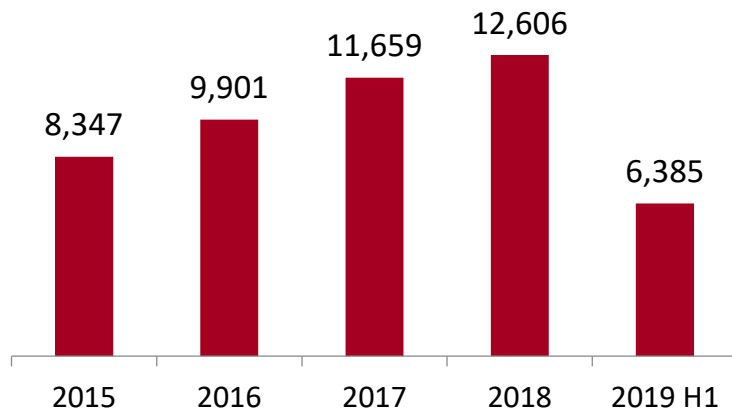
Financial strength rating of 'A' (excellent)
www.ambest.com

ROBUST FINANCIAL PERFORMANCE



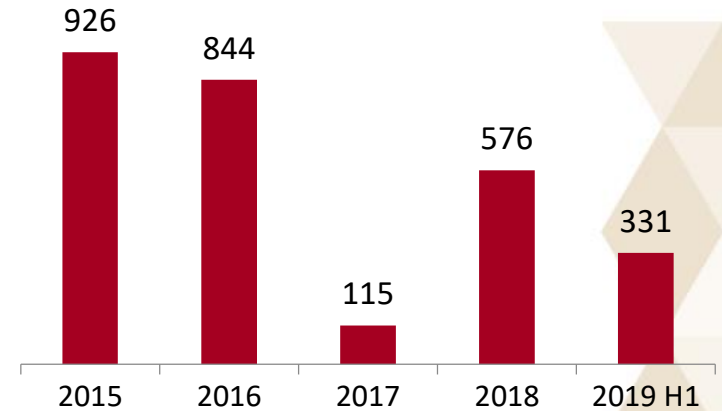
Gross written premiums

in QAR million



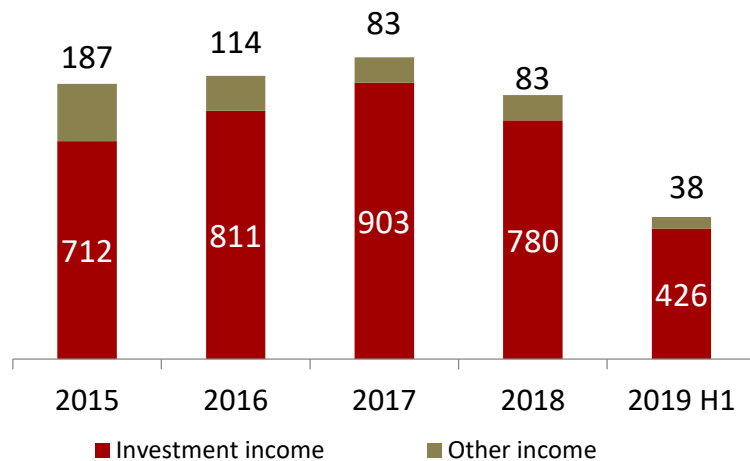
Underwriting results

in QAR million



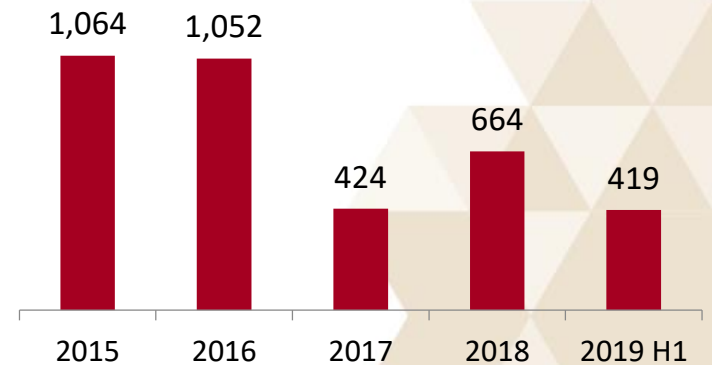
Investment and other income

in QAR million



Net profit

in QAR million



Strategy



At a Glance	Strategy	Competitive Position	Performance	Organisation	Risk Management	Outlook	Appendix
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EXPANDING GLOBALLY AND CONSOLIDATING REGIONAL LEADERSHIP



Bermuda



- Qatar Re US & NatCat
- Qatar Re HQ

London



- Antares Group Holdings
- Antares Lloyds 1274 Syndicate
- Qatar Re branch
- QIC Europe branch

Zurich



- Qatar Re Continental Europe and global operations

Malta



- QIC Europe Ltd

Singapore



- Antares Asia

Gibraltar



- Markerstudy Insurance Companies

Doha



- QIC Group's HQ and domestic operations
- QIC Capital

UAE



- QIC direct insurance operations (UAE)

Muscat



- Oman Qatar Insurance Company

Kuwait








- Kuwait Qatar Insurance Company

Shanghai



- Antares Lloyds China 1274 Syndicate

BROAD SPECTRUM OF CAPABILITIES

QIC Domestic	Reinsurance	Lloyds	Life & Medical	Asset Management
 شركة قطر للتأمين Qatar Insurance Company			 Q Life & Medical Insurance Company	 Qatar Economic Advisors القطرية للاستشارات الاقتصادية
<ul style="list-style-type: none"> • Personal lines <ul style="list-style-type: none"> ○ Motor ○ Home ○ Travel ○ PAB • Commercial lines <ul style="list-style-type: none"> ○ Energy ○ Marine & Aviation ○ Medical ○ Motor ○ Property & Commercial 	<ul style="list-style-type: none"> • Agriculture • Credit & Surety • Energy • Engineering • Facultative • Marine & Aviation • Motor • Property • Structured Finance 	<ul style="list-style-type: none"> • Aviation • Financial Institutions • Marine • Political and Financial Risk • Professional indemnity • Property Excess of Loss • Terrorism 	<ul style="list-style-type: none"> • Group Life • Credit Life • Mortgage Life • Group Medical 	<ul style="list-style-type: none"> • Proprietary asset management • Third party asset management

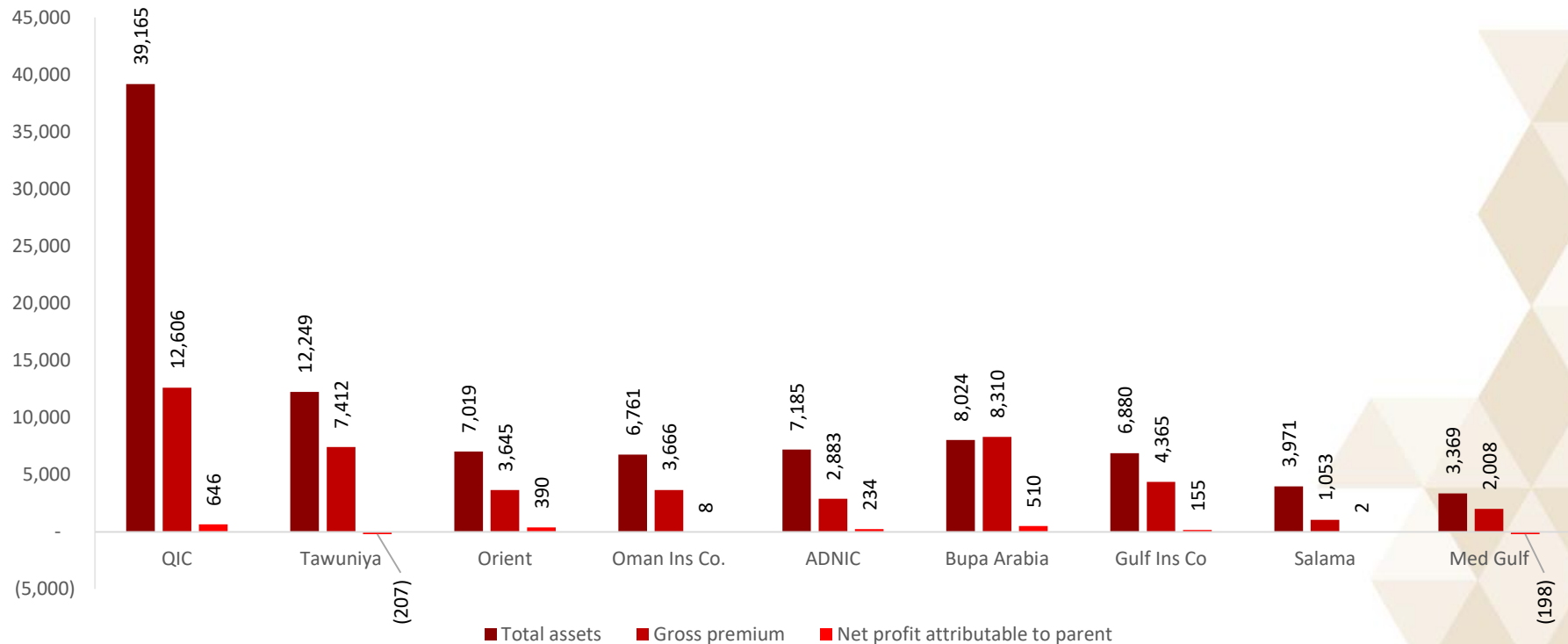
Competitive Position



DOMINANT POSITION IN THE MENA REGION

Regional comparison (FY 2018)

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 growth potential in rapidly growing MENA insurance markets

QIC domestic/regional GWP

USD 796 million

MENA Life & Non-Life

USD 50 billion

**Qatar Re**

- Ranked 27th amongst top 50 global reinsurers
- Aspires to become a Top 10 reinsurer by 2025
- Continues to expand geographically and by line of business

Qatar Re GWP

USD 2.1 billion

GWP Top 10 reinsurers

USD 184 billion

**Antares**

- Established as independent Managing Agent at Lloyd's, the world's global insurance and reinsurance market of choice
- Ranks no. 28 within Lloyd's by GWP
- Synergies with QIC have potential to enhance growth

Antares GWP

USD 586 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
- Ranked 109 worldwide by market cap

QIC Group GWP

USD 3.5 billion

Global Non-Life GWP

USD 1.4 trillion

Performance



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

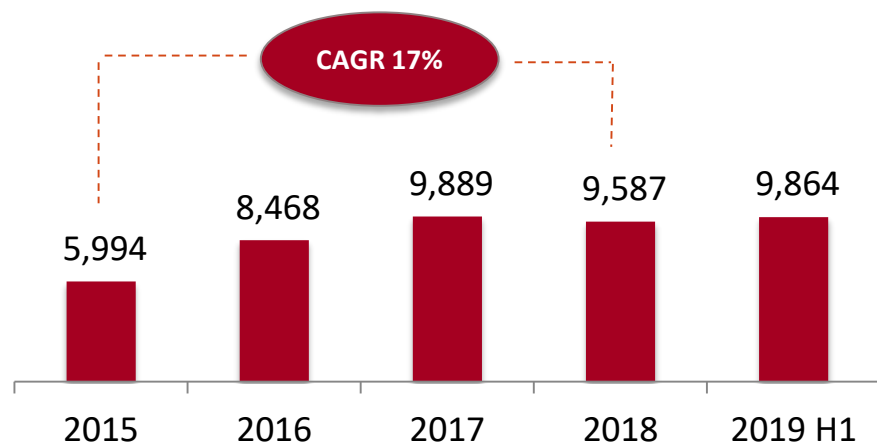


Key Highlights (QAR million)	2015	2016	2017	2018	2019 H1
Gross premium	8,347	9,901	11,659	12,606	6,385
Underwriting results	926	844	115	576	331
Net profit	1,064	1,052	424	664	419
Investment and other income	899	925	986	863	464
Earnings per share (restated)	0.320	0.317	0.109	0.174	0.114
Cash dividend per share	2.5	1.5	1.5	1.5	--
Bonus share	10%	15%	15%	--	--
Share price*	82	85	52	36	3.6

* Par value of the ordinary share was reduced from Qar 10 to Qar 1 effective 27 June 2019.

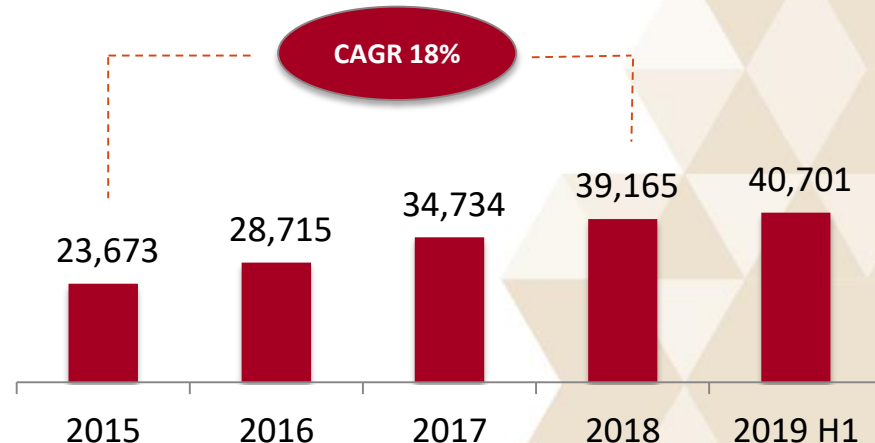
Total Equity

in QAR million



Total Assets

in QAR million



...AND SHAREHOLDER VALUE CREATION

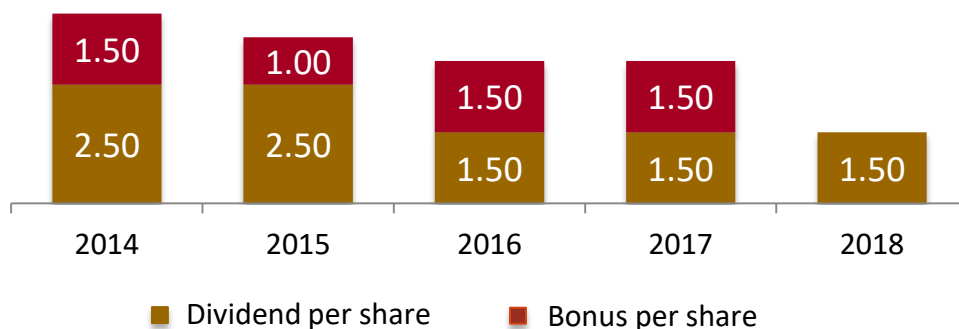


Dividends

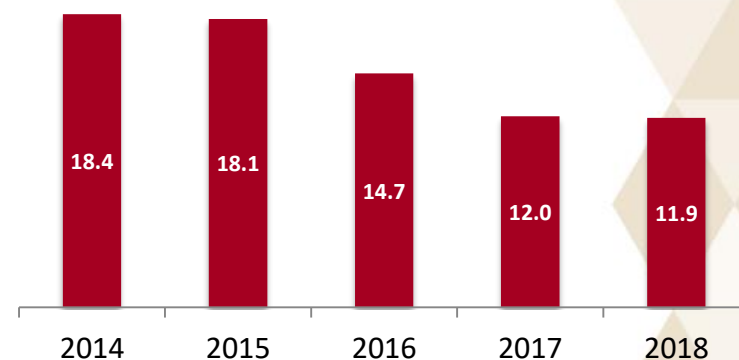
in QAR

Pay-out ratio

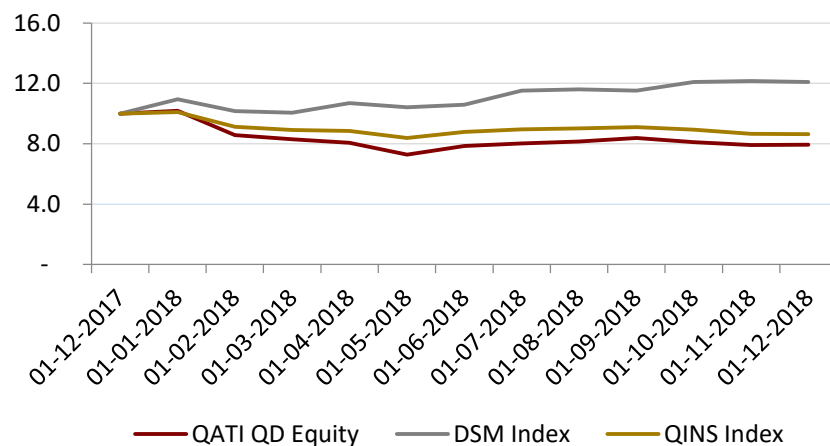
64% 62% 70% 234% 84%



Return on Equity (Normalised)

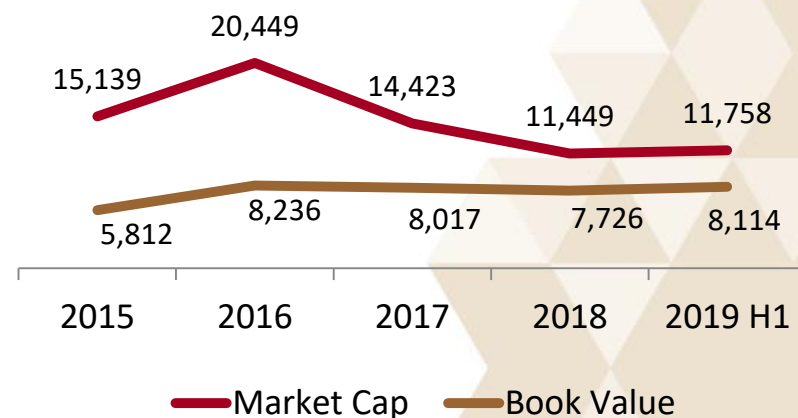


QIC shares with QE Index and QE Insurance index



Market Value

in QAR million

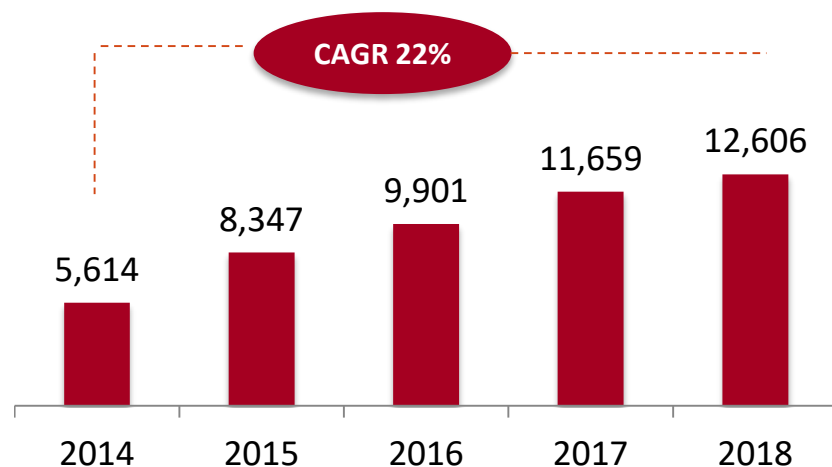


UNDERWRITING PERFORMANCE



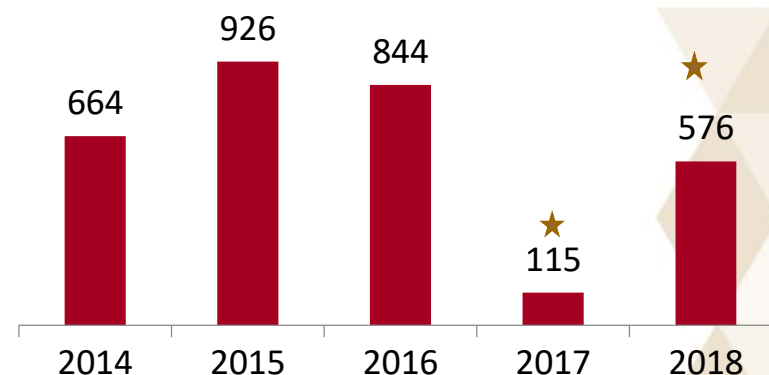
Gross Premiums

In QAR million



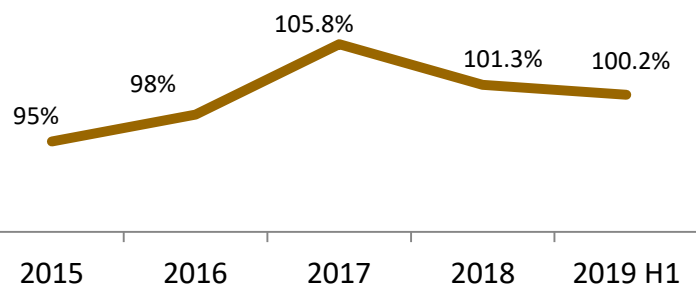
Net Underwriting Results

In QAR million



For the global insurance industry, 2017 and 2018 were the costliest back-to-back years on record. Insurers and reinsurers had to digest catastrophe losses of close to USD 230 billion. Net underwriting result of 2018 affected due to series of CAT losses including hurricane Michael & Florence, Typhoon Jebi & Trami and Californian wildfires. 2017 reflects impact of insured natural catastrophes of hurricanes Harvey, Irma and Maria in the third quarter of 2017.

Combined ratio



2019 H1 100.2%

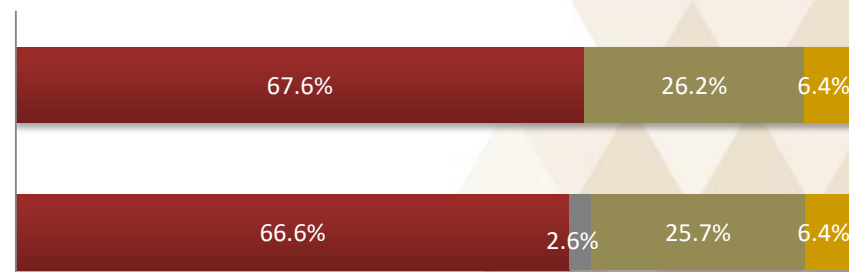
2018 101.3%

■ Loss Ratio

■ CAT/large losses

■ Acquisition cost

■ Expense ratio

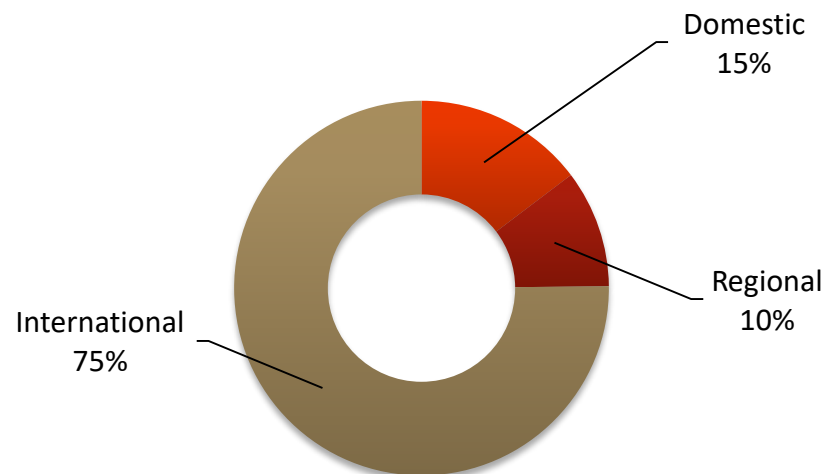


WELL DIVERSIFIED PORTFOLIO ENHANCES CAPITAL EFFICIENCY

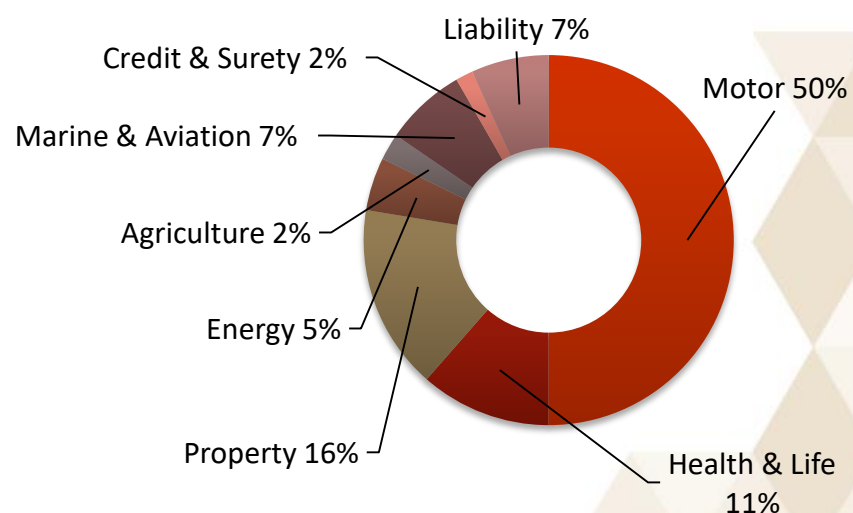


Gross premiums, split by region

2019 H1



Gross premiums, split by line of business 2019 H1

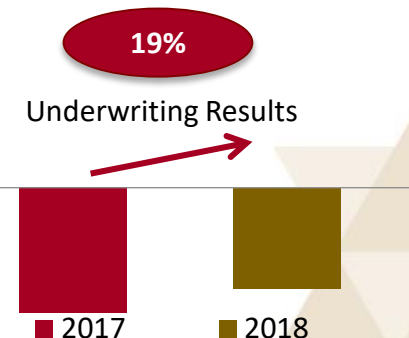
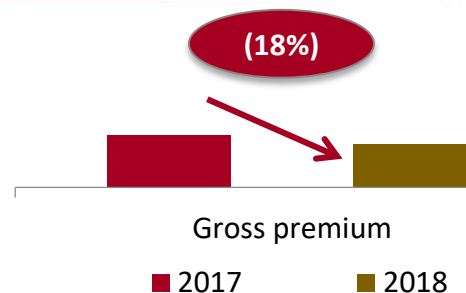


- Superior geographical and product diversification translates into high capital efficiency
- QIC is the only MENA composite insurer with a sizeable international footprint: Qatar Re, Antares and QIC Europe represents 75% of QIC's total GWP in 2019 H1
- Motor business contributes 50% of the total GWP
- European and Asian business poised for particularly strong growth (through QIC Europe and Singapore office of Antares)

STRONG TECHNICAL PERFORMANCE IN A HIGHLY COMPETITIVE ENVIRONMENT

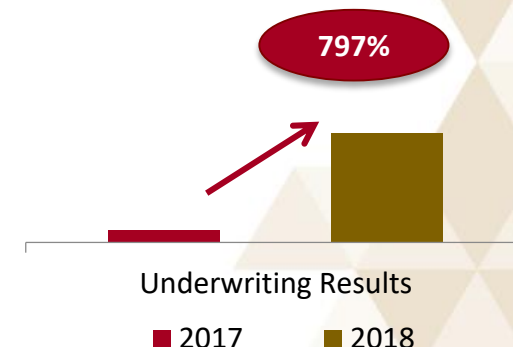
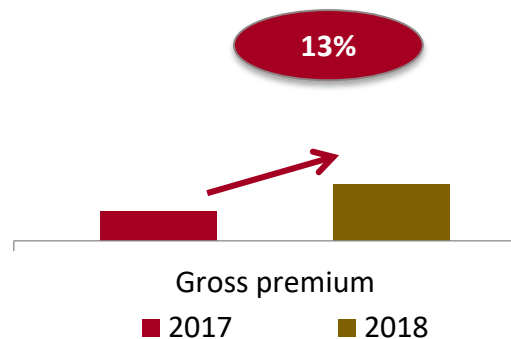
in QAR million

Marine and Aviation	2017	2018
Gross premium	1,060	874
Underwriting Results	(72)	(58)
Loss ratio	90%	85%
Insurance margin	(9)%	(7.6)%



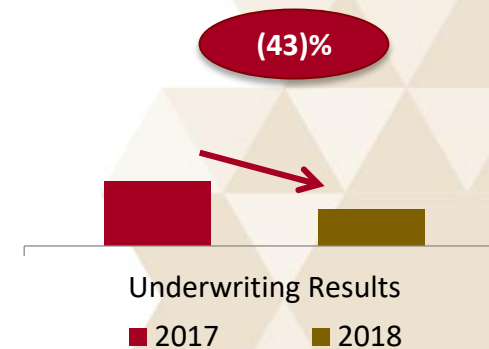
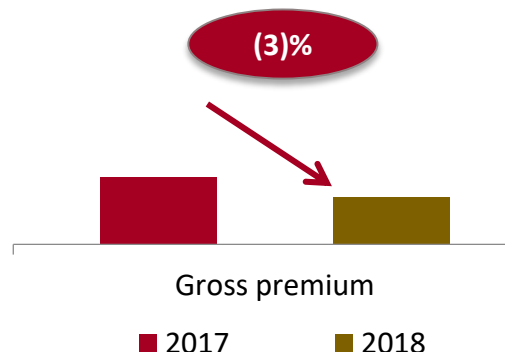
in QAR million

Property & Casualty	2017	2018
Gross premium	9,249	10,426
Underwriting Results	63	564
Loss ratio	77%	65%
Insurance margin	0.9%	6.0%



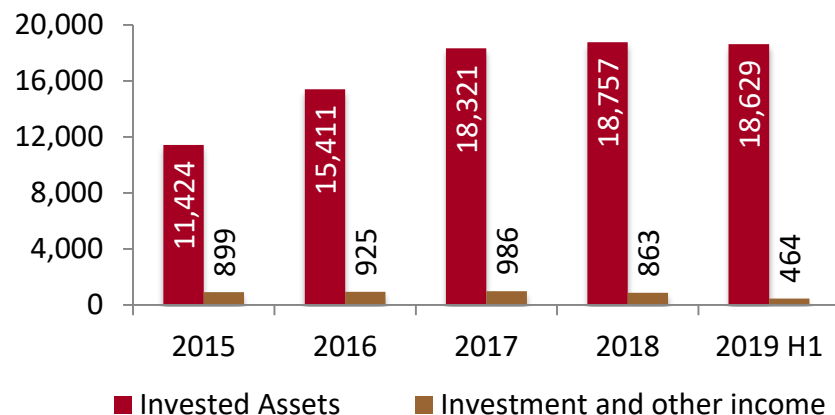
in QAR million

Life & Medical	2017	2018
Gross premium	1,350	1,306
Underwriting Results	111	63
Loss ratio	85%	89%
Insurance margin	9%	5%

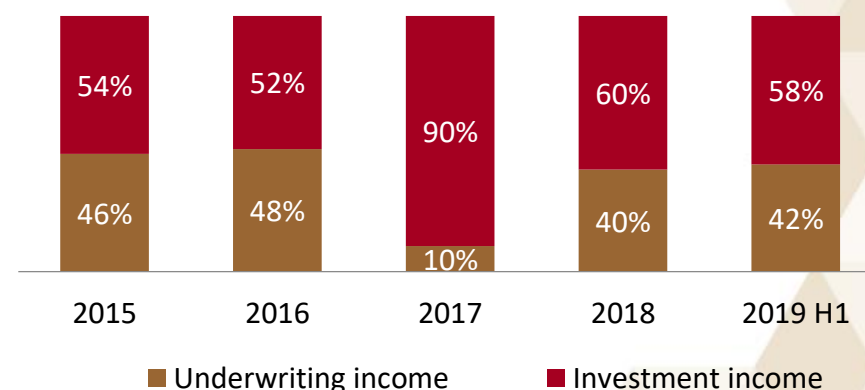


STRONG INVESTMENT YIELD DESPITE LOW INTEREST RATE ENVIRONMENT

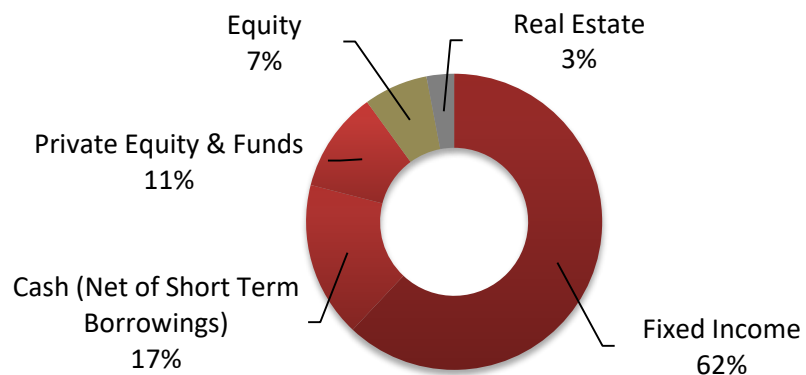
Invested Assets vs investment and other income in QAR million



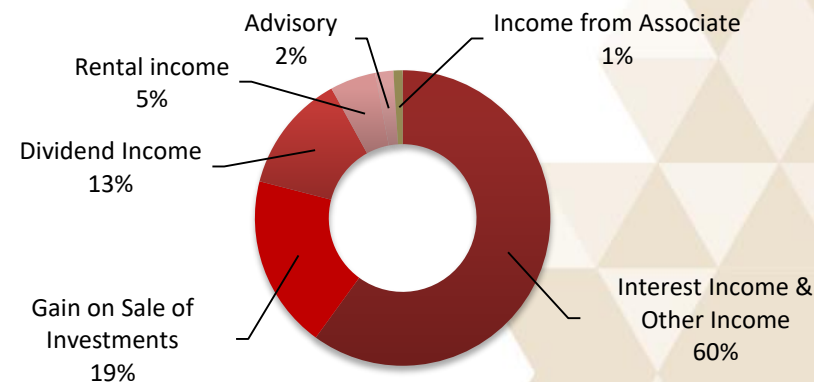
Investment versus underwriting income



Investment portfolio composition H1 2019



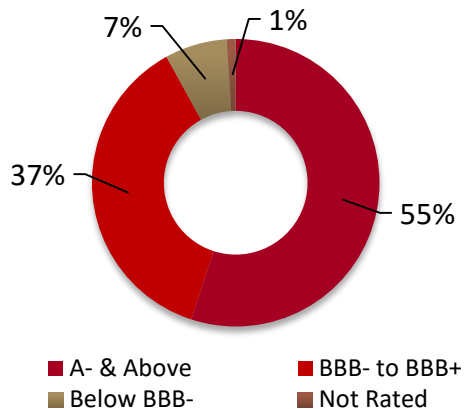
Investment and other income composition H1 2019



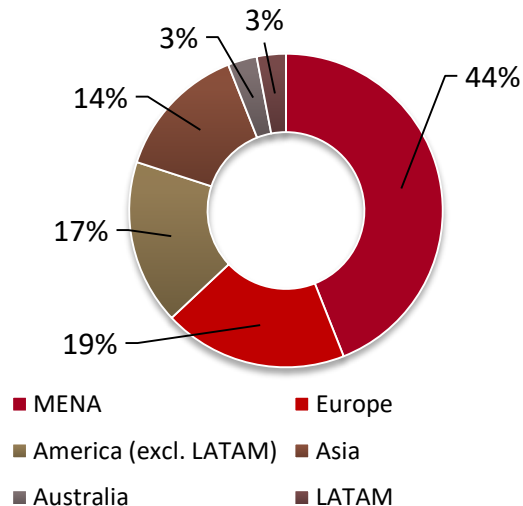


FOCUS ON SECTOR BALANCE AND SECURITY OF INVESTMENTS

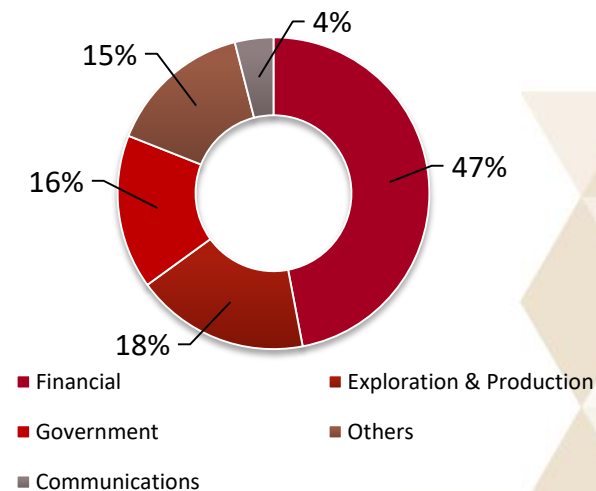
Fixed income: Rating



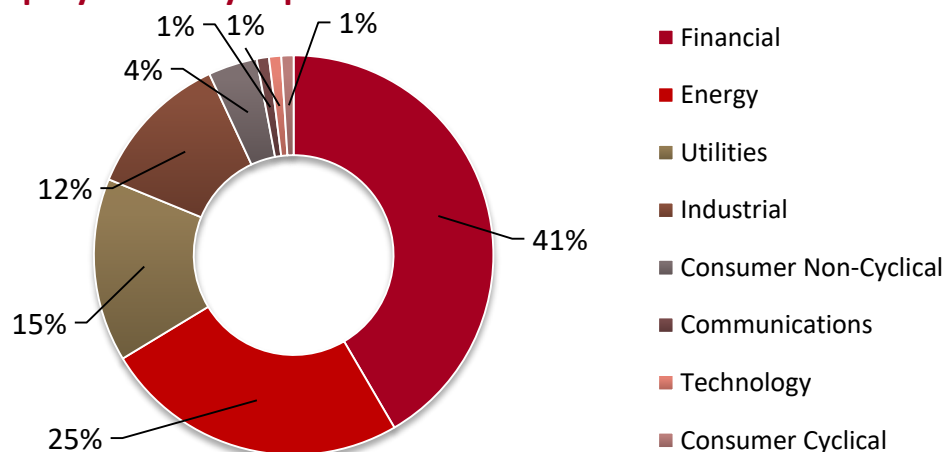
Fixed income: Geographic mix



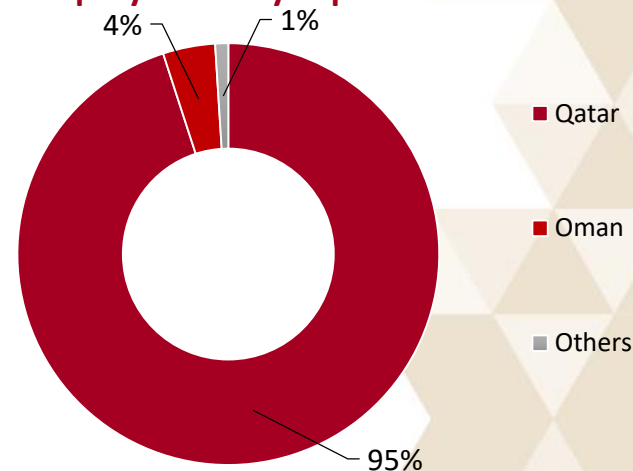
Fixed income: Mix by sector



Equity: Industry exposure



Equity: Country exposure



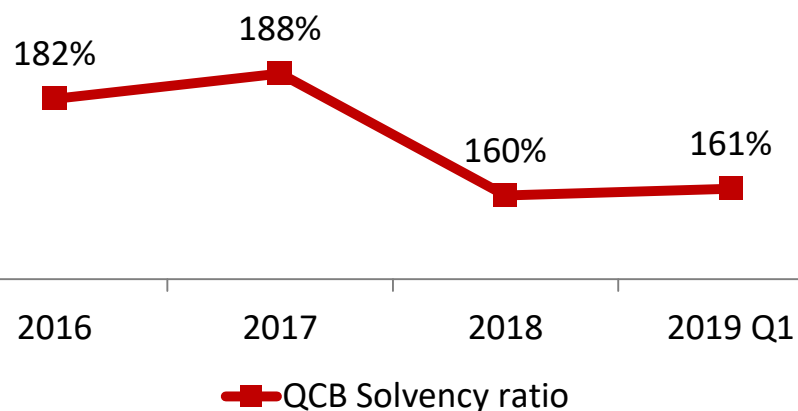
EXCELLENT FINANCIAL STRENGTH RATIOS

Assets

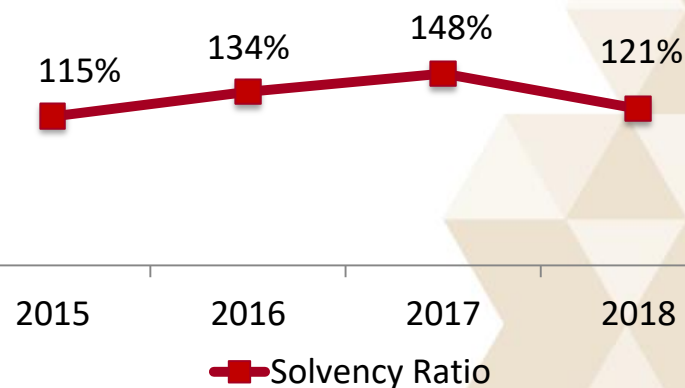
%	2014	2015	2016	2017	2018
Invested assets to total assets	59%	62%	67%	53%	48%
Invested assets to net technical reserves	188%	119%	139%	131%	125%
Cash and bank deposits to net technical reserves	52%	37%	63%	57%	54%

Solvency: Increased capital utilization, ratio remains strong

As per QCB	2016	2017	2018	2019 Q1
Eligible Capital	7,018	8,377	7,524	7,791
Solvency Ratio	182%	188%	160%	161%



As per S&P	2015	2016	2017	2018
Eligible Capital	7,217	8,066	9,454	9,042
Solvency Ratio	115%	134%	148%	121%



STRONG FINANCIAL STRENGTH



Financial strength rating for QIC



Rating: **'A' / Stable**
Outlook: **Stable**

- "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)**
Outlook: **Stable**

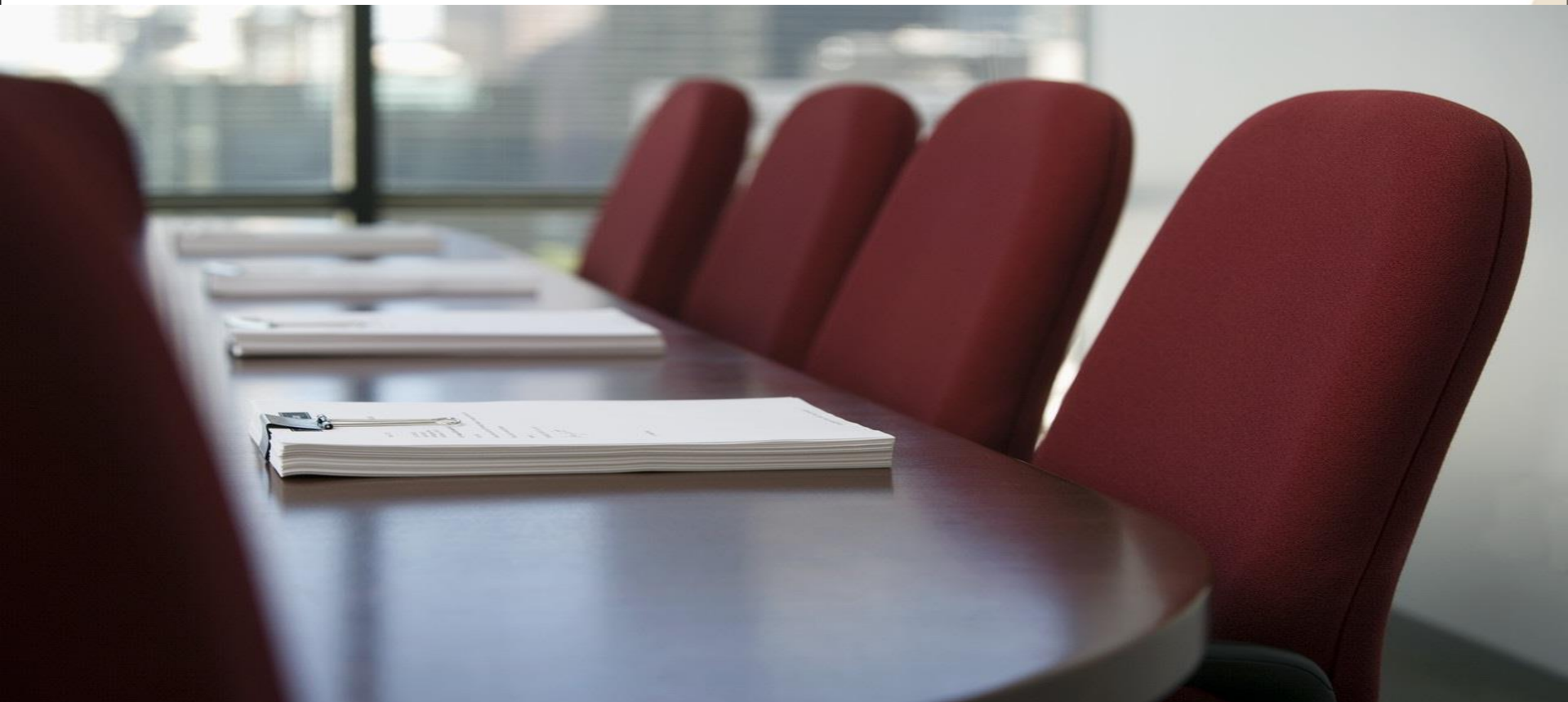
- "The ratings for Qatar Insurance Company S.A.Q. (QIC) reflect its very strong risk-adjusted capitalisation, robust underwriting performance and global business diversification."

QIC Group equity

in QAR million

	2017	2018	2019 H1
Share capital	2,773.10	3,189.06	3,266.10
Share premium	2,554.49	2,554.49	2759.19
Legal reserve	701.32	634.57	634.57
General reserve	287.00	287.00	287.00
Fair value (loss) reserve	(92.41)	(313.85)	49.24
Catastrophe special reserve	381.23	32.02	32.02
Other components of equity	74.40	60.01	(76.53)
Retained earnings	1,338.13	1,282.52	1,162.63
Equity attributable to parent	8,017.26	7,725.82	8,114.22
Non-controlling interest	256.33	245.82	134.26
Subordinated perpetual debt	1,615.60	1,615.60	1,615.60
Total equity	9,889.19	9,587.24	9,864.08

Organisation



STRONG GEOGRAPHIC AND SECTOR DIVERSIFICATION



Group level



Operations



Sector

Direct Insurance:

- Personal Lines
- Commercial Lines

Reinsurance:

- Property & Casualty
- Facultative Lines

Lloyds Re/insurance:

Commercial Lines

Life and Medical:

- Medical Lines
- Life Lines

Asset management:

Proprietary and TP asset management

Geography

Qatar
GCC
Europe

Global

Global

Qatar
GCC

Global

Risk Management

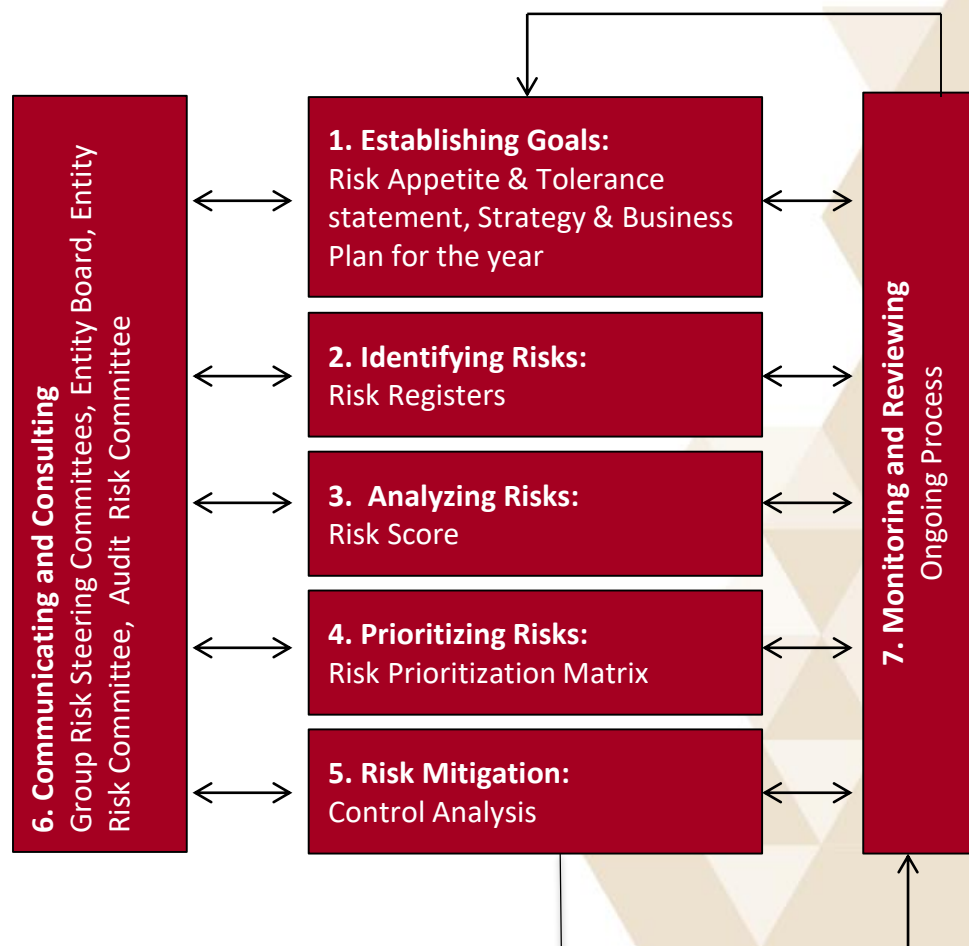


STRICT ADHERENCE TO CLEARLY DEFINED ERM PROCEDURES

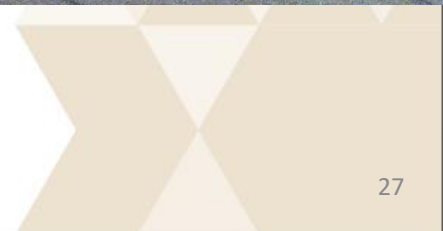
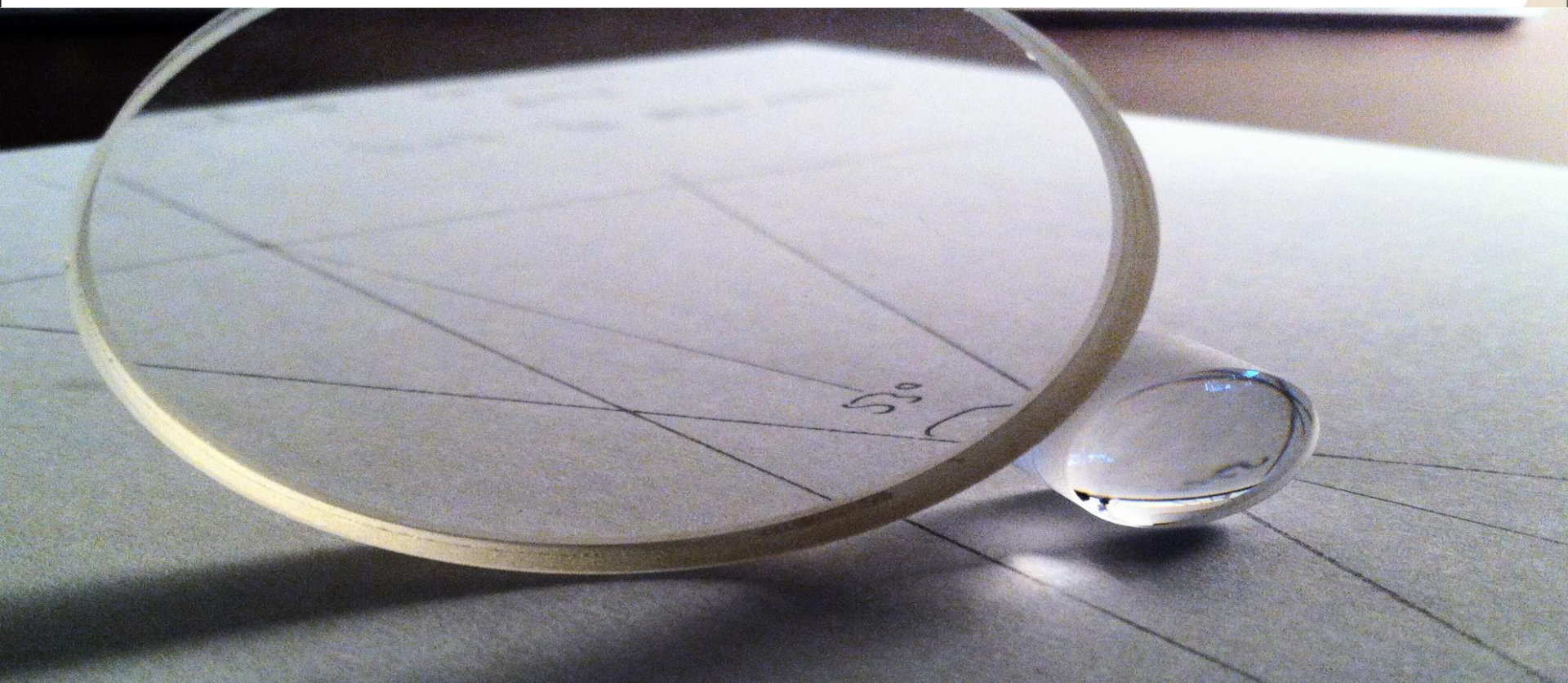
Risk Management at QIC

- ERM is broken down into Risk Management, Capital Management and Exposure Management
- 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 Risk 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 controls are reviewed quarterly
- QIC has in place an extensive 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 monitored on an on-going basis

Enterprise risk management cycle

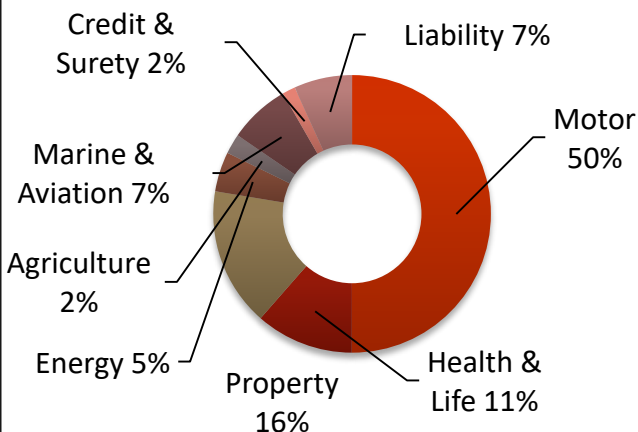


Outlook



ASPIRING TO BECOME A GLOBAL TOP 50 COMPOSITE INSURER

Well-diversified business mix

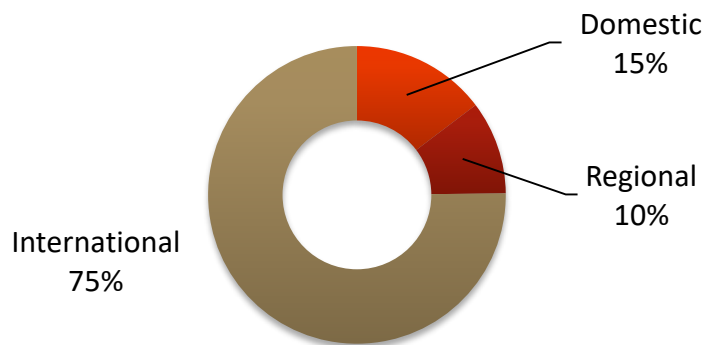


A portfolio of powerful franchises



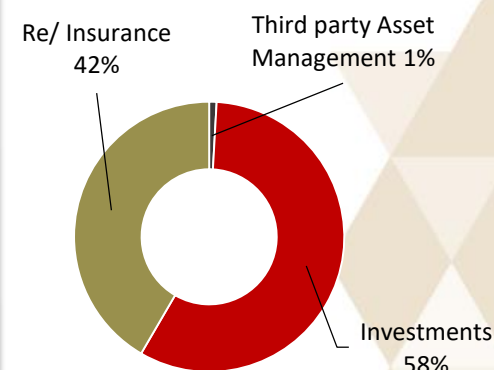
- Continue to capitalize on transactional opportunities
- Grow QIC Europe
- Expand into Asia / Pacific on the back of Qatar and Antares
- Further grow medical and life lines in the domestic and regional market

Balanced geographical mix



- QIC Europe Ltd: Became a common platform for QIC's entry into Europe
- 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

Distinct sources of income



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

APPENDIX

At a Glance	Strategy	Competitive Position	Performance	Organisation	Risk Management	Outlook	Appendix
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PROFIT AND LOSS ACCOUNT, 2015 – 2019 H1



Income Statement (QAR '000)	2015	2016	2017	2018	Growth (YOY)	CAGR	2019 H1
Gross written premium	8,347,210	9,901,394	11,658,697	12,605,835	8%	15%	6,385,248
Net earned premium	5,787,173	8,359,887	8,928,623	11,345,969	27%	25%	5,329,499
Net claims incurred	(3,862,113)	(5,761,487)	(7,061,988)	(7,858,307)	11%	27%	(3,599,909)
Net commission	(999,317)	(1,754,717)	(1,751,670)	(2,911,354)	66%	43%	(1,398,988)
Net underwriting income	925,743	843,683	114,964	576,308	401%	(15%)	330,602
Investment and other income	898,596	924,851	986,023	862,654	(13%)	(1%)	464,137
G&A expenses	(760,350)	(716,956)	(677,380)	(774,794)	14%	1%	(375,577)
Net profit	1,063,989	1,051,578	423,607	664,168	57%	(15%)	419,162
Attributable to:							
Net profit – Owners of parent	1,043,636	1,034,018	417,593	645,942	55%	(15%)	409,918
Net profit – Non controlling interests	20,353	17,560	6,014	18,226	203%	(4%)	9,244

At a Glance	Strategy	Competitive Position	Performance	Organisation	Risk Management	Outlook	Appendix
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BALANCE SHEET, 2015 – 2019 H1

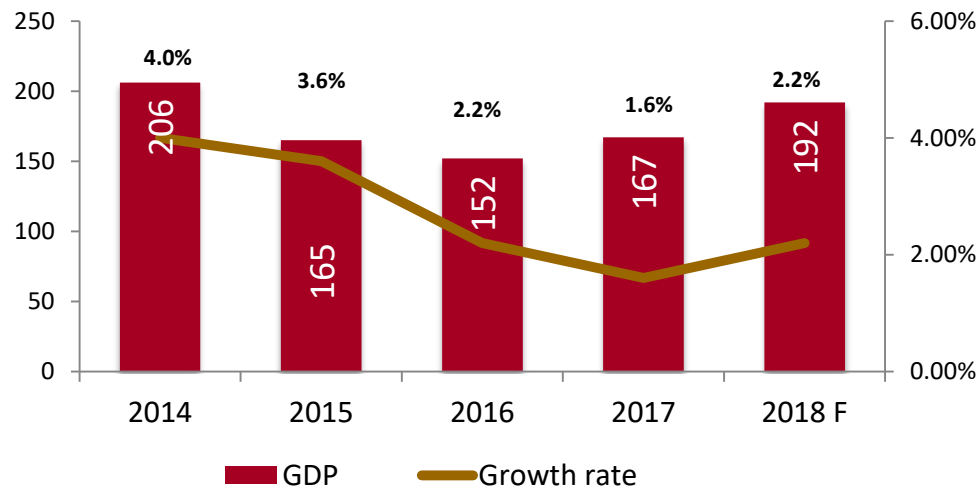


Balance Sheet (QAR '000)	2015	2016	2017	2018	2019 H1
ASSETS					
Cash and cash equivalents	3,518,760	6,962,310	7,914,054	8,011,163	7,693,891
Insurance and other receivables	6,481,460	6,652,577	8,194,344	9,345,951	10,006,205
Reinsurance contract assets	2,128,405	2,493,439	3,774,868	5,467,185	6,789,578
Investments	10,676,748	11,573,906	13,797,023	15,021,431	14,835,231
Investment properties	407,988	575,818	585,789	606,372	598,911
Property and equipment	41,406	40,300	52,538	52,033	128,372
Goodwill and intangible assets	418,560	417,114	415,668	660,488	648,736
TOTAL ASSETS	23,673,327	28,715,464	34,734,284	39,164,623	40,700,924
Liabilities					
Short term borrowings	3,543,243	4,065,311	3,975,446	4,881,821	4,499,159
Insurance contract liabilities	11,768,077	13,583,283	17,717,987	20,420,997	21,718,511
Provisions, reinsurance and other payables	2,367,934	2,471,451	3,012,867	4,142,016	4,445,874
Long term borrowings	--	127,196	138,795	132,554	173,301
Total liabilities	17,679,254	20,247,241	24,845,095	29,577,388	30,836,845
Equity					
Share capital	1,846,214	2,411,387	2,773,095	3,189,059	3,266,101
Reserves & surplus	3,966,074	5,824,719	5,244,162	4,536,764	4,848,122
Non controlling interests	181,785	232,117	256,336	245,816	134,260
Subordinated perpetual debt			1,615,596	1,615,596	1,615,596
Total equity	5,994,073	8,468,223	9,889,189	9,587,235	9,864,079
TOTAL LIABILITIES & EQUITY	23,673,327	28,715,464	34,734,284	39,164,623	40,700,924

QATAR: A THRIVING ECONOMY

GDP and real GDP growth*

in USD billion

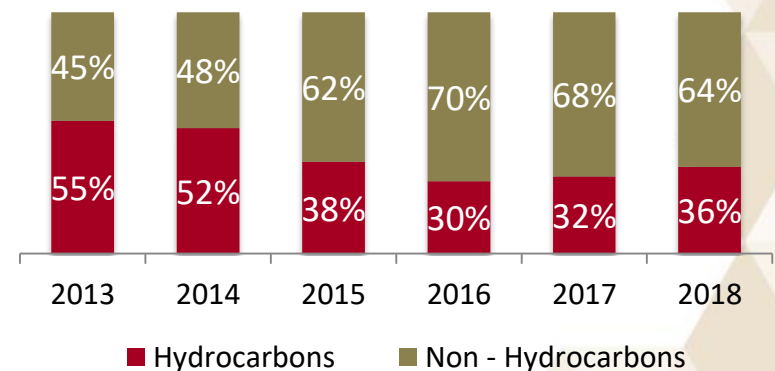


*Source: IMF

Strong fundamentals

- **Strong credit rating in the GCC** S&P: AA- ; Fitch: Aa3; Moody's: Aa3
- **Strong population growth** Tripled since 2003, 2.7 million in 2018, 2.8 million by 2020
- **World's highest per capita** USD 130,000 2018E

Hydrocarbon vs. Non-hydrocarbon sectors in GDP*



*Source: MDPS

Diversifying the economy

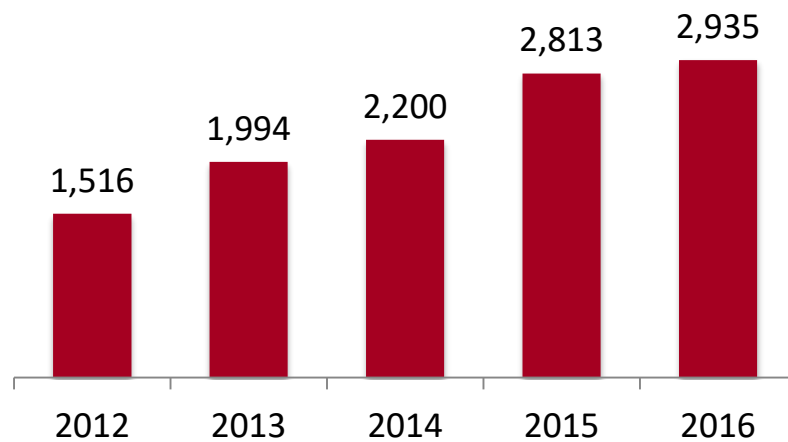
- **Hydrocarbon reserves** ≈ USD 25 trillion
- **World largest exporter of LNG** 77 million tonnes per annum; 2024E 110 mtpa
- **Investments into infrastructure** ≈ USD 150 billion by 2020
- **National Rail Project** ≈ USD 40 billion



QATAR'S GROWING INSURANCE SECTOR

Total premiums

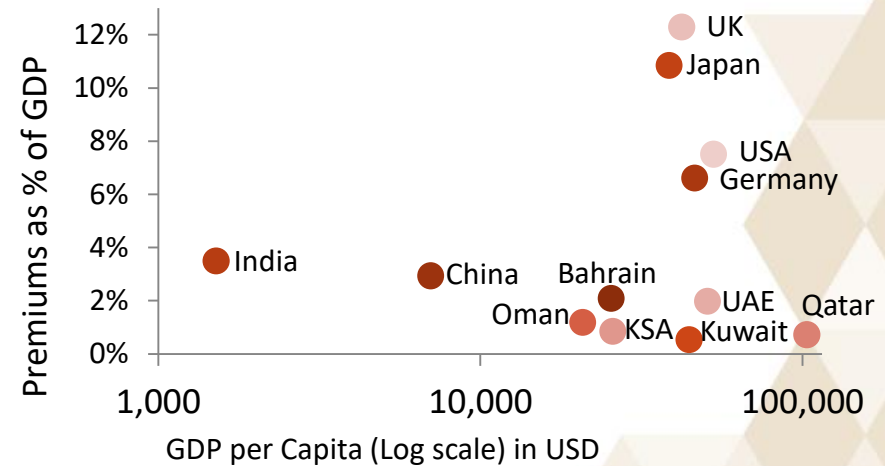
in USD million*



*Source: Swiss Re SIGMA

Insurance Penetration

2016



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

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-Mannai
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



Ali Youssef Hussein Ali Kamal
Board Member



Sheikh Abdulrahman bin Saud bin Fahad Al Thani
Board Member



Khalifa A. Al Subaey
Group President & CEO

QIC shareholders

in %

- **Government of Qatar** 13.79%
- **Qatari Royal Family and Associates** 11.11%
- **Board of Directors** 13.07%
- **Foreign Institutional Investors** 10.86%
- **Free Float** Remainder



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QATAR INSURANCE GROUP