



الشركة الأهلية للتأمين ش.م.ك.  
AL AHLEIA INSURANCE CO. S.A.K.

رأس المال المصرح به والمدفوع 20,000,000/000 د.ك.  
Authorised & Paid Up Capital K.D 20,000,000/000

Your Ref. \_\_\_\_\_ إشارتكم Our Ref. \_\_\_\_\_ إشارتنا Kuwait \_\_\_\_\_ الكويت في


**2015-12-14**

السادة / سوق الكويت للأوراق المالية المحترمين

بالإشارة إلى تعليمات هيئة أسواق المال رقم ( ه.أ.م.ق.ر.أ.م. / 2/2012 ) بشأن الإفصاح عن المعلومات الجوهرية وألية الإعلان عنها وبالإشارة إلى كتابنا المؤرخ في 09-08-2015 والمرفق منه صورة بخصوص الرد على ما نشر في إحدى الصحف المحلية بتاريخ 06-08-2015 تحت عنوان تصنيف الأهلية للتأمين ضمن الرقابة السلبية وتطبيقاً لنفس المبدأ بشأن الإفصاح والتزاماً منا باطلاعكم على أية مستجدات في هذا الشأن فإننا نود أن نوضح بأن وكالة التصنيف الائتماني العالمية ( ستاندرد أند بورز ) قد أعادت التصنيف الحالي للشركة إلى ( A - ) مستقر في مؤشر الرقابة الائتمانية بعد إزالة التأثيرات السلبية التي كان أشير إليها سابقاً .

نأمل أن يكون كتابنا هذا قد استوفى متطلبات الإفصاح .

وتفضلوا بقبول وافر الاحترام والتقدير ،،

  
الشركة الأهلية للتأمين ش.م.ك.

رئيس مجلس الإدارة

سليمان حمد الدلالي



المرفقات :

صورة من الكتاب المؤرخ بتاريخ 09-08-2015

صورة من التصنيف الائتماني الجديد للشركة الأهلية للتأمين

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2015-08-09

السادة / سوق الكويت للأوراق المالية المحترمين

بالإشارة إلى تعليمات هيئة أسواق المال رقم ( ه.أ.م.ق.ر.أ.م./2/2012 ) بشأن الإفصاح عن المعلومات الجوهرية وآلية الإعلان عنها وبخصوص ما نشر في إحدى الصحف المحلية بتاريخ 2015-08-06 تحت عنوان ( تصنيف الأهلية للتأمين ضمن الرقابة السلبية ) تود الشركة الأهلية للتأمين أن توضح بأن وكالة التصنيف الائتماني العالمية ( ستاندرد آند بورز ) قد وضعت تصنيفها الحالي للشركة ( A- ) في مؤشر الرقابة الائتمانية ( CREDIT WATCH ) مع وجود تأثيرات سلبية وذلك بشكل مؤقت إلى حيث إنتهاء عملية الاستحواذ على شركة إعادة التأمين الكويتية وجمع وتقييم باقي المعلومات الخاصة بالصفقة حيث تقوم الوكالة حالياً وبالتنسيق مع الشركة بتقييم تأثير عملية الاستحواذ على أرباح ورأس مال المجموعة المندمجة وأضافت الوكالة أنها ستحل موضوع قائمة الرقابة الائتمانية بعد الانتهاء من عملية التقييم والدراسة والتي قد تستغرق حوالي 90 يوم .

هذا وسوف يتم موافاتكم بأي مستجدات بهذا الخصوص .

الشركة الأهلية للتأمين ش.م.ك.ع.

سليمان حمد الدلالي



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## Research Update:

# Kuwait-Based Al-Ahleia Insurance 'A-' Ratings Affirmed Following Acquisition Of Kuwait Re; Off Watch Neg; Outlook Stable

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## Research Update:

# Kuwait-Based Al-Ahleia Insurance 'A-' Ratings Affirmed Following Acquisition Of Kuwait Re; Off Watch Neg; Outlook Stable

## Overview

- Following Kuwait-based Al-Ahleia Insurance Co. S.A.K.'s (Al-Ahleia) acquisition of an additional 62% of Kuwait Reinsurance Co. K.S.C. (Kuwait Re; not rated), Al-Ahleia's capital adequacy remains extremely strong as per our risk-based capital model.
- We are affirming our ratings on Al-Ahleia and removing them from CreditWatch negative.
- The stable outlook reflects our view that Al-Ahleia will maintain its extremely strong capital adequacy through internal earnings generation and the liquidation of some equity investments, easing capital requirements.

## Rating Action

On Dec. 14, 2015, Standard & Poor's Ratings Services affirmed its 'A-' counterparty credit and insurer financial strength ratings on Kuwait-based Al-Ahleia Insurance Co. S.A.K. (Al-Ahleia) and removed them from CreditWatch with negative implications. The outlook is stable.

## Rationale

Al-Ahleia now owns 92% of Kuwait Re, increasing its stake by about 62%, for which it paid cash of Kuwaiti dinar (KWD) 18.4 million. Our insurance risk-based capital model shows that Al-Ahleia's capital adequacy remains at extremely strong levels. This comes despite an increase in underwriting risk charges driven by Kuwait Re's larger operational base.

Subsequent to consolidating Kuwait Re, we expect the group's operating performance to reflect a combined (loss and expense) ratio of about 85%--still better than the Kuwaiti market average. We expect Al-Ahleia's stand-alone operating performance to continue to reflect the five-year net combined ratio of 56%, whereas Kuwait Re's average is 101%.

This acquisition has constrained our assessment of the group's liquidity, which we now view as strong. We view the liabilities of the combined operation as prudently provided, but the costs of the transaction, as well as the additional liabilities stemming from the reinsurance operations, reduce the new group's combined liquidity surpluses.

*Research Update: Kuwait-Based Al-Ahleia Insurance 'A-' Ratings Affirmed Following Acquisition Of Kuwait Re;  
Off Watch Neg; Outlook Stable*

The acquisition of Kuwait Re brings geographical diversification to Al-Ahleia's portfolio and effectively doubles the premium base. Al-Ahleia wrote KWD31.5 million of gross premiums in 2014, while Kuwait Re wrote KWD35.5 million. Kuwait Re mainly offers treaty reinsurance contracts through a stable niche position in the Middle East, Africa, and Asia. Although this could complement Al-Ahleia's domestic business of 73% non-life and 27% life, we don't expect any material uplift in the group's business risk profile until we see the successful integration of the two businesses.

## Outlook

The stable outlook reflects our view that Al-Ahleia will maintain its extremely strong capital adequacy through internal earnings generation and the liquidation of some equity investments, easing capital requirements.

### Downside scenario

We could lower the ratings on Al-Ahleia if the group fails to maintain capital adequacy at extremely strong levels. This could happen if:

- Al-Ahleia fails to reduce capital adequacy charges deriving from its equity investment holdings.
- Earnings are lower than we expect as a result of any adverse impact from the acquisition of Kuwait Re.

### Upside scenario

We are unlikely to raise the ratings on Al-Ahleia over the outlook horizon.

## Ratings Score Snapshot

	To	From
Financial Strength Rating	A-/Stable	A-/Watch Neg
Anchor	a-	a-
Business Risk Profile	Satisfactory	Satisfactory
IICRA*	Intermediate	Intermediate
Competitive Position	Adequate	Adequate
Financial Risk Profile	Strong	Strong
Capital & Earnings	Very Strong	Very Strong
Risk Position	Moderate Risk	Moderate Risk
Financial Flexibility	Adequate	Adequate
Modifiers	0	0
ERM and Management	0	0
Enterprise Risk Management	Adequate	Adequate
Management & Governance	Fair	Fair

*Research Update: Kuwait-Based Al-Ahleia Insurance 'A-' Ratings Affirmed Following Acquisition Of Kuwait Re;  
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Holistic Analysis	0	0
Liquidity	Strong	Exceptional
Support	0	0
Group Support	0	0
Government Support	0	0

\*Insurance Industry and Country Risk Assessment.

## Related Criteria And Research

### Related Criteria

- Group Rating Methodology, Nov. 19, 2013
- Insurers: Rating Methodology, May 7, 2013
- Enterprise Risk Management, May 7, 2013
- Management And Governance Credit Factors For Corporate Entities And Insurers, Nov. 13, 2012
- Refined Methodology And Assumptions For Analyzing Insurer Capital Adequacy Using The Risk-Based Insurance Capital Model, June 7, 2010
- Use Of CreditWatch And Outlooks, Sept. 14, 2009

### Related Research

- Kuwaiti Property/Casualty Insurance Sector Carries An Intermediate Industry And Country Risk Assessment, Oct. 22, 2014

## Ratings List

Ratings Affirmed; CreditWatch/Outlook Action

	To	From
Al-Ahleia Insurance Co. S.A.K.		
Counterparty Credit Rating	A-/Stable/--	A-/Watch Neg/--
Financial Strength Rating	A-/Stable/--	A-/Watch Neg/--

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