

JUBILEE HOLDINGS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income			
For the six months ended 30th June 2018:			
	Jun-18	Jun-17	Dec-17
	KShs'000	KShs'000	KShs'000
			Audited
Gross earned premium	14,191,236	15,600,726	28,328,848
Outward reinsurance	(5,311,719)	(5,408,010)	(9,134,984)
Net earned premium	8,879,517	10,192,716	19,193,864
Claims and policy holder's benefits payable	(9,840,372)	(10,381,180)	(19,653,897)
Commission paid	(1,705,678)	(1,736,179)	(3,400,893)
Commission earned	1,002,245	1,068,387	1,803,453
Management expenses	(2,114,244)	(2,076,358)	(4,240,091)
Net fair value gain through profit or loss	1,425,777	1,297,633	2,700,471
Investment Income	4,303,896	3,396,164	7,575,360
Operating profit	1,951,141	1,761,183	3,978,267
Share of results of associates	470,596	578,772	1,182,702
Group profit before income tax	2,421,737	2,339,955	5,160,969
Income tax expense	(562,126)	(463,797)	(930,660)
Net profit	1,859,611	1,876,158	4,230,309
Other Comprehensive Income			
Change in fair value of financial assets at fair value through other comprehensive income	(9,913)	131,989	292,898
Net translation loss/(gain)	(678,373)	170,890	(468)
Associate share of other comprehensive income	-	-	47,219
Deferred income tax relating to other comprehensive income	2,974	549	(87,589)
Total other comprehensive income	(685,312)	303,428	252,060
Total comprehensive income	1,174,299	2,179,586	4,482,369
Non-controlling interest	91,443	201,417	309,706
Profit attributable to shareholders	1,082,856	1,978,169	4,172,663
Earnings per share (KShs)-basic and diluted	23.38	23.68	54.26
Dividends:			
Dividend proposed	72,473	72,473	579,784

JUBILEE HOLDINGS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Unaudited Consolidated Statement of Financial Position as at 30th June 2018:			
	Jun-18 KShs'000	Jun-17 KShs'000	Dec-17 KShs'000 Audited
CAPITAL AND RESERVES			
Share capital	362,365	329,423	362,365
Fair value reserves	328,296	237,266	337,751
General reserves	70,000	70,000	70,000
Contingency reserves	1,055,785	991,904	1,050,993
Translation reserves	(1,148,965)	(424,822)	(546,820)
Statutory Reserve	2,641,109	3,047,003	2,185,073
Retained earnings	21,130,169	17,968,598	19,512,980
Proposed dividends	72,473	72,473	579,784
Equity attributable to owners of the company	24,511,232	22,291,845	23,552,126
Non-controlling interest	1,703,970	1,677,206	1,678,524
Total equity	26,215,202	23,969,051	25,230,650
ASSETS			
Intangible asset	135,055	115,682	158,341
Property and equipment	343,873	245,373	281,187
Investment properties	6,221,454	6,047,348	6,270,940
Investment in associates	9,819,501	9,843,687	9,579,327
Deferred income tax asset	192,051	238,761	191,273
Unquoted equity investments at fair value through profit or loss	3,157,632	2,772,007	3,157,632
Unquoted equity investments at fair value through other comprehensive income	347,455	104,707	200,371
Quoted equity investments at fair value through profit or loss	7,905,556	5,950,869	6,853,603
Quoted equity investments at fair value through other comprehensive income	240,548	1,149,486	1,276,692
Mortgage loans	60,021	109,100	109,098
Loans on life insurance policies	833,267	738,374	788,958
Government securities	54,944,239	43,236,596	47,195,222
Commercial bonds	893,952	1,431,256	904,007
Receivables arising out of direct insurance arrangements	5,058,876	5,915,317	4,204,795
Receivables arising out of reinsurance arrangements	2,508,049	2,301,075	3,071,800
Reinsurers' share of insurance contract liabilities	7,657,833	8,423,335	7,250,563
Deferred acquisition costs	216,510	479,481	147,132
Other receivables	2,435,862	1,842,592	1,080,642
Current income tax recoverable	133,242	290,787	142,478
Deposits with financial institutions	7,160,035	8,622,680	10,585,597
Cash and bank balances	2,764,611	1,249,899	1,517,872
Total assets	113,029,622	101,108,412	104,967,530
LIABILITIES			
Deferred income tax liability	152,243	84,548	199,550
Insurance contract liabilities	24,962,527	23,396,742	24,983,504
Payable under deposit administration contracts	46,161,548	38,034,072	42,214,336
Unearned premium reserve	9,285,575	9,989,983	7,571,212
Creditors arising out of direct insurance arrangements	143,753	412,970	2,006,921
Creditors arising out of reinsurance arrangements	1,228,614	1,812,725	325,730
Other payables	3,844,632	2,423,877	1,995,468
Dividends payable	940,647	790,981	369,176
Current income tax payable	94,881	193,463	70,983
Total liabilities	86,814,420	77,139,361	79,736,880
Net assets	26,215,202	23,969,051	25,230,650

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Unaudited Consolidated Statement of Changes in Equity for the six months ended 30th June 2018:

	Share Capital KShs'000	Fair Value Reserves KShs'000	General Reserves KShs'000	Translation Reserves KShs'000	Contingency Reserves KShs'000	Statutory Reserves KShs'000	Retained Earnings KShs'000	Proposed Dividends KShs'000	Equity Attributable to Owners KShs'000	Non-Controlling Interest KShs'000	Total Equity KShs'000
Six months ended 30 June 2018											
At start of year (01/01/2018)	362,365	337,751	70,000	(546,820)	1,050,993	2,185,073	19,512,980	579,784	23,552,126	1,678,524	25,230,650
Profit for the period	-	-	-	-	-	-	1,694,454	-	1,694,454	165,157	1,859,611
Other comprehensive income											
Change in fair value of FVTOCI	-	(13,507)	-	-	-	-	-	-	(13,507)	3,593	(9,914)
Net translation gain	-	-	-	(602,145)	-	-	-	-	(602,145)	(76,228)	(678,373)
Deferred income tax relating OCI	-	4,052	-	-	4,792	-	-	-	4,052	(1,078)	2,974
Transfer to contingency reserves	-	-	-	-	4,792	-	(4,792)	-	-	-	-
Total comprehensive income for the period	-	(9,455)	-	(602,145)	4,792	-	(4,792)	-	(611,600)	(73,713)	(685,313)
Transactions with owners:											
Dividends: - Final for 2017 paid	-	-	-	-	-	-	-	(579,784)	(579,784)	(65,998)	(645,782)
Interim for 2018 proposed	-	-	-	-	-	-	(72,473)	72,473	-	-	-
Total transactions with owners:	-	-	-	-	-	-	(507,311)	(507,311)	(579,784)	(65,998)	(645,782)
Transfer from life fund	-	-	-	-	-	456,036	-	-	456,036	-	456,036
At end of the period	362,365	328,296	70,000	(1,148,965)	1,055,785	2,641,109	21,130,169	72,473	24,511,232	1,703,970	26,215,202
Six months ended 30 June 2017											
At start of year (01/01/2017)	329,423	104,458	70,000	(554,086)	964,042	2,185,073	16,352,839	494,133	19,945,882	1,475,787	21,421,669
Profit for the period	-	-	-	-	-	-	1,716,094	-	1,716,094	160,064	1,876,158
Other comprehensive income											
Change in fair value of FVTOCI	-	132,376	-	-	-	-	-	-	132,376	(388)	131,988
Net translation gain	-	-	-	129,264	-	-	-	-	129,264	41,626	170,890
Deferred income tax relating OCI	-	432	-	-	-	-	-	-	432	117	549
Transfer to contingency reserves	-	-	-	-	27,862	-	(27,862)	-	-	-	-
Total comprehensive income for the period	-	132,808	-	129,264	27,862	-	(27,862)	-	262,072	41,355	303,427
Transactions with owners:											
Dividends: - Final for 2016 paid	-	-	-	-	-	-	-	(494,133)	(494,133)	-	(494,133)
Interim for 2017 proposed	-	-	-	-	-	-	(72,473)	72,473	-	-	-
Total transactions with owners:	-	-	-	-	-	-	(72,473)	(72,473)	(421,660)	(494,133)	(494,133)
Transfer from life fund	-	-	-	-	-	861,930	-	-	861,930	-	861,930
At end of the period	329,423	237,266	70,000	(424,822)	991,904	3,047,003	17,968,598	72,473	22,291,845	1,677,206	23,969,051

JUBILEE HOLDINGS LIMITED
UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Unaudited Consolidated Statement of Cash Flows for the six months ended 30th June 2018:			
	Jun-18 KShs'000	Jun-17 KShs'000	Dec-17 KShs'000 Audited
Cash flow from operating activities			
Profit before income tax	2,421,737	2,339,955	5,160,970
Adjustments for: -			
Depreciation	72,992	107,984	145,186
Fair value gains on equity investments at fair value through profit or loss	(1,517,425)	(1,280,902)	(2,700,471)
Change in deposit administration contracts	2,512,293	2,907,648	6,225,984
Change in insurance contract liabilities and reserves	1,693,386	4,396,865	3,564,856
Gain on sale of OCI shares	-	-	1,756
Investment income	(4,303,896)	(3,396,164)	(7,163,764)
Share of result of associates after income tax	(470,596)	(578,772)	(1,182,702)
Operating profit before working capital changes	408,491	4,496,614	4,051,815
Change in premium, reinsurance and other receivables	(2,122,199)	(2,990,385)	216,477
Change in reinsurance and other payables	1,460,353	1,575,016	788,096
Cash generated from operations	(253,355)	3,081,245	5,056,388
Income tax paid	(528,992)	(576,240)	(1,041,320)
Net cash (outflow)/inflow from operating activities	(782,347)	2,505,005	4,015,068
Cash flow from investing activities			
Rent, interest and dividend received	4,089,880	3,212,012	6,884,867
Dividends received from associates	134,275	-	338,091
Proceeds from sale of quoted shares	114,547	-	113,438
Proceeds from disposal of property and equipment	638	2,138	412
Proceeds from part redemption of shares in associate	-	-	580,554
Purchase of property and equipment	(211,083)	(90,099)	(203,956)
Net additions of investment properties	49,486	(35,467)	(28,341)
Proceeds from disposal of investment properties	-	(2,917)	-
Purchase of quoted shares	-	(50,774)	(106,810)
Mortgage loans advanced/(redeemed)	49,077	(29,231)	(30,444)
Loans on life insurance policies redeemed	(44,309)	(22,007)	(72,667)
Purchase of government securities	(7,749,017)	(3,570,484)	(4,980,609)
Redemption of commercial bonds	10,055	(7,578)	519,671
Net cash (outflow)/inflow from investing activities	(3,556,451)	(594,407)	3,014,206
Cash flow from financing activities			
Dividends paid	(579,784)	(494,133)	(566,606)
Net cash outflow from financing activities	(579,784)	(494,133)	(566,606)
(Decrease)/increase in cash and cash equivalents	(4,918,582)	1,416,465	6,462,668
Cash and cash equivalents at start of year	14,796,784	8,326,849	8,326,849
Exchange gain/(loss) on translation	46,444	129,264	7,267
Cash and cash equivalents at end of the period	9,924,646	9,872,578	14,796,784

JUBILEE HOLDINGS LIMITED

UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Notes to the Unaudited Consolidated Interim Financial Statements

1. General Information

Jubilee Holdings Limited is a limited liability company incorporated and domiciled in Kenya. The address of its registered office is: Jubilee Insurance House, Wabera Street, Nairobi, Kenya. The Company has a primary listing on the Nairobi Securities Exchange and is cross-listed on the Uganda Securities Exchange and Dar es Salaam Stock Exchange.

The Company through its subsidiaries and associates (together forming the Group) underwrites Life and non-life insurance risks, such as those associated with death, disability, health, property and liability. The Group also issues a diversified portfolio of investment contracts to provide its customers with asset management solutions for their savings and retirement needs. It has operations in Kenya, Uganda, Tanzania, Burundi and Mauritius.

2. Basis of Preparation

The measurement basis applied is the historical cost basis, except where accounting policies state otherwise. The financial statements are presented in Kenya Shillings (KShs), rounded to the nearest thousand, unless otherwise indicated.

3. Earnings Per share

Earnings per ordinary share is calculated by dividing the net profit attributable to Shareholders by the number of shares outstanding at the end of the year.

	Jun-18	Jun-17
Net profit attributable to Shareholder (KShs'000)	1,694,455	1,716,095
Number of ordinary shares in issue	72,472,950	72,472,950
Earnings per share (KShs)-Basic and diluted	23.38	23.68

There were no potentially dilutive shares in issue on 30 June 2018 and 30 June 2017. Diluted earnings per share are therefore the same as basic earnings per share.

4. Dividend

The Directors recommended the payment of an interim dividend of 20% or KShs 1.00 per share (2017: 20% or KShs 1.00 per share), subject to withholding tax where applicable.



UNAUDITED CONSOLIDATED INTERIM RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2018

THE BOARD OF DIRECTORS OF JUBILEE HOLDINGS LIMITED IS PLEASED TO ANNOUNCE THE FOLLOWING UNAUDITED CONSOLIDATED RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2018

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	June-18 Kshs '000	June-17 Kshs '000
Gross written premium and contributions	18,693,672	18,602,358
Gross earned premiums	14,191,236	15,600,726
Outward reinsurance	(5,311,719)	(5,408,010)
Net insurance premium revenue	8,879,517	10,192,716
Other revenue	5,729,673	4,693,797
Total income	14,609,190	14,886,513
Net insurance benefits and claims	(9,840,372)	(10,381,180)
Total expenses and commission	(2,817,677)	(2,744,150)
Result of operating activities	1,951,141	1,761,183
Share of results of associates	470,596	578,772
Group profit before tax	2,421,737	2,339,955
Taxation	(562,126)	(463,797)
Net profit	1,859,611	1,876,158
Other comprehensive income for the year	(685,312)	303,428
Total comprehensive income	1,174,299	2,179,586
Earnings per share (Kshs)	23.38	23.68

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	June-18 Kshs '000	December-17 Kshs '000
Share capital	362,365	362,365
Other reserves	2,946,225	3,096,997
Retained earnings	21,130,169	19,512,980
Proposed dividends	72,473	579,784
Non controlling interest	1,703,970	1,678,524
Total equity	26,215,202	25,230,650
Represented by:		
Assets		
Fixed assets	478,928	439,528
Government securities	54,944,239	44,501,907
Investment assets	28,646,119	28,351,670
Insurance assets	16,274,535	15,463,249
Other assets	2,761,155	1,414,392
Cash and cash equivalents	9,924,646	14,796,784
Total assets	113,029,622	104,967,530
Liabilities		
Insurance liabilities	35,620,469	34,887,367
Deposit administration	46,161,548	42,214,336
Other liabilities	5,032,403	2,635,177
Total liabilities	86,814,420	79,736,880
Net assets	26,215,202	25,230,650

The Directors recommend the payment of an interim dividend of 20% or Kshs. 1.00 per share (2017: 20% or Kshs. 1.00 per share), subject to withholding tax where applicable. The dividend will be paid on or about 5 October 2018 to members on the register at the close of business on 14 September 2018. To facilitate payment of the dividend, the register of members will be closed from 17 September 2018 to 1 October 2018, both days inclusive.

By Order of the Board

Nizar Juma
Chairman
30 August 2018

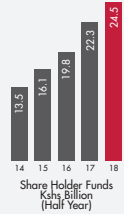
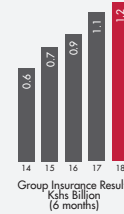
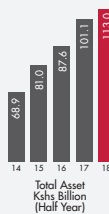
Margaret Muhuni - Kipchumba
Company Secretary

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital Kshs '000	Retained Earnings Kshs '000	Other Kshs '000	Total Equity Kshs '000
Six months ended 30 June 2018				
At start of period	362,365	19,512,980	5,355,305	25,230,650
Profit for the six months	-	1,694,454	165,157	1,859,611
Transfer to reserves	-	(4,792)	(290,483)	(295,275)
Net dividends	-	(72,473)	(507,311)	(579,784)
At end of six months	362,365	21,130,169	4,722,668	26,215,202

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	June-18 Kshs '000	December-17 Kshs '000
Cash flows (used in)/from operating activities	(782,347)	4,015,068
Cash flows (used in)/from investing activities	(3,556,451)	3,014,206
Cash flows used in financing activities	(579,784)	(566,606)
(Decrease)/Increase in cash and cash equivalents	(4,918,582)	6,462,668
Cash and cash equivalents at start of year	14,796,784	8,326,849
Exchange gain on translation of cash and cash equivalents in foreign currencies	46,444	7,267
Cash and cash equivalents at end of year	9,924,646	14,796,784



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