



NIC HOLDINGS LIMITED

UNAUDITED RESULTS FOR THE HALF YEAR TO 30 JUNE 2017

The Board of Directors of NIC Holdings Limited is pleased to announce the following unaudited results for the six months period ended 30 June 2017

1. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Un-audited 30 June 2017 Ushs.'000	Un-audited 30 June 2016 Ushs.'000
Gross Premium	7,836,102	5,998,764
Underwriting profit	5,605,209	4,995,344
Investment and other income	1,253,348	2,220,829
Management expenses	(2,410,422)	(2,154,105)
Profit Before Taxation	4,448,136	5,062,068
Provision for Taxation	(630,866)	(771,792)
Profit After Taxation	3,817,270	4,290,276
Other comprehensive income (net of tax)		
Fair value gain/(loss) on available for sale assets	(9,441)	2,251.83
	(9,441)	2,252
Total comprehensive income for the period	3,807,829	4,292,528
Basic earnings per share	2.7	3.0

2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2017	31 December 2016
Equity	39,196,398	35,382,158
Non Current Liabilities	25,747,993	25,932,369
Non Current Assets	67,076,914	67,071,769
Current Assets	29,748,029	31,309,668
Current Liabilities	31,880,552	37,066,910
Net Current assets	(2,132,522)	(5,757,242)

3. CONSOLIDATED STATEMENT OF CASH FLOW

	30 June 2017	31 December 2016
Operating activities		
Net Cash flows generated from / (used in) operating activities	1,681,332	(439,854)
Investing activities		
Net Cash flows (used in) / generated from investing activities	(65,947)	1,130,678
Financing activities		
Net cash flow used in financing activities	(549,593)	(579,576)
Net increase in cash and cash equivalent	1,065,792	111,248
Movement in cash and cash equivalent		
At start of the period	654,445	543,196
Net increase / (decrease) in cash and cash equivalent	1,065,792	111,248
At the end of the period	1,720,237	654,444

4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital Ushs.'000	Share Premium Ushs.'000	Revenue Reserve Ushs.'000	Fair Value & Revaluation Reserves Ushs.'000	Capital Reserve Ushs.'000	Contingency Reserves Ushs.'000	Total Ushs.'000
At 31 December 2016	7,078,899	3,606,866	15,946,714	1,452,786	1,960,558	5,336,335	35,382,158
Profit for the year			3,817,270				3,817,270
To capital reserve			(178,125)		178,125		-
To contingency reserve			(532,958)		-	532,958	-
To contingency reserve- Life Fund						6,411	6,411
Other Comprehensive Income				(9,441)			(9,441)
At the end of the period	7,078,899	3,606,866	19,052,901	1,443,345	2,138,683	5,875,704	39,196,398

The unaudited results for the six months period ended 30 June 2016 was approved by the Board on 19th September 2017.

Martin Aliker

DR. MARTIN ALIKER
CHAIRMAN

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ELIAS EDU
AG. MANAGING DIRECTOR

PERFORMANCE REVIEW

The group has been able to sustain its growth trajectory in the current period. New frontiers of partnership, re-invigoration of the group's sales force, as well as other initiatives of management resulted in the growth of gross premium income by 31%. Significant reduction of 44% in investment and other income accounted for the 12% drop in profit before tax and 11% decrease in profit after tax for the period. However, Shareholders equity grew by 11% from Ushs 35,382 billion as at 31 December 2016 to Ushs 39,196 billion as at 30th June 2017. The net current assets of the group also improved by 63% (2016: 39.2%)

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Our corporate social responsibility ("CSR") initiatives are our biggest asset and we are grateful for the huge public endorsements of the initiatives. Inspired by the huge public appreciation, we have continued to support sports development in Uganda with the sponsorship of the Uganda National Football team, the Uganda Cranes; NIC is the official insurer of the Uganda Cranes! In addition, we strengthened our support for Uganda's Netball ambassadors, the NIC Netball team as well as sponsored the nation's female Netball team, the She Cranes. We also expanded the scope of our social interventions to other areas. In this regard, we provided support to the Lira Golf Club and collaborated with a not for profit initiative to provide safe drinking water points in twenty-five referral hospitals in Uganda. In 2016, NIC led the insurance industry with 42% share of conversation in the insurance sector showing that our CSR interventions are recognized and appreciated by a broad spectrum of the community in which we operate.

FUTURE OUTLOOK

The introduction of risk based insurance supervision has given additional impetus to the Board's prescient decision on assets restructuring, which is necessary to optimize investment returns and create needed liquidity for insurance business growth. The completion of this initiative will ensure that the group's investments play their part in driving income growth. The complementary business process improvements and IT infrastructure upgrade will ensure that our virile insurance subsidiaries, NIC Life Assurance Company Limited and NIC General Insurance Company Limited continue to operate as insurance companies of first choice in both life and non-life insurance business segments. The NIC group will continue to leverage on areas of strength being the most widely spread insurance group in Uganda to support the drive for financial inclusion and micro insurance. Furthermore, the group is being positioned to play leading role in the energy sector, where NIC has comparable advantage with huge underwriting capacities and rich history of special risks underwriting in Uganda.

INTERIM DIVIDEND

Having duly considered the half year (January –June, 2017) un-audited financial statements, the Board of Directors has approved an interim dividend of Ushs 1/- (One Shilling) for every ordinary share held at the close of register on **10th November, 2017** subject to withholding tax at the appropriate rate. The dividend warrants will be posted by **1st December, 2017** to those Members whose names appear in the Company's Register of Members at the close of register.

A copy of the detailed financial statements can be obtained at the following addresses: Office of the Company Secretary, NIC Holdings Ltd, Plot 3, Pilkington Road, P O Box 7134, Kampala, Uganda or at www.nic.co.ug