



April 29, 2019

The Chief Executives:

- ✓ Capital Markets Authority - Kenya / ✓ Nairobi Securities Exchange
- Capital Markets Authority - Uganda / Uganda Securities Exchange
- Capital Markets and Securities Authority - Tanzania / Dar es Salaam Stock Exchange

Dear Sirs,

**RE: JUBILEE HOLDINGS LIMITED
2018 AUDITED CONSOLIDATED FINANCIAL RESULTS**

We are pleased to announce the Company's audited consolidated financial results for the year ended 31st December, 2018. Enclosed herewith kindly find the following:

- a. Consolidated Statement of Profit or Loss and Other Comprehensive Income;
- b. Consolidated Statement of Financial Position;
- c. Consolidated Statement of Changes in Equity; and
- d. Consolidated Statement of Cash Flows.

Also enclosed is the public announcement that will appear in print media tomorrow.

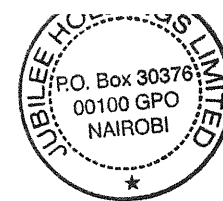
Yours faithfully,


Margaret Muhuni-Kipchumba
Company Secretary

Jubilee Holdings Limited
Jubilee Insurance Centre, Wabera Street, Nairobi, P. O. Box 30376 - 00100 Nairobi, Kenya
Tel: + 254 20 328 1000, Email: jic@jubileekenya.com, Website: www.jubileeinsurance.com

Directors: Nizar Juma – Chairman, Sultan Allana (Pakistani), Lutf Kassam,
Juma Kisaame (Ugandan), John Metcalf (British), Shabir Abji (Tanzanian), Jane Mwangi, Zul Abdul, Ashif Kassam

JUBILEE HOLDINGS LIMITED
AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2018

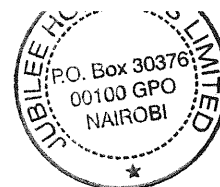


	Note	2018 KShs '000	2017 KShs '000
Gross Written Premium		26,898,470	26,940,991
Gross earned premium revenue	6	26,706,654	28,328,848
Outward reinsurance	6	(9,385,170)	(9,134,984)
Net insurance premium revenue		17,321,484	19,193,864
Investment and other income	7	8,720,734	7,575,360
Net fair value (loss)/gain on financial assets at fair value through profit or loss	8	(374,945)	2,700,471
Commission income	9	2,344,571	1,803,453
Total income		28,011,844	31,273,148
Claims and policy holders benefits expense	10	(20,693,302)	(25,127,276)
Claims recoverable from re-insurers	10	4,763,392	5,473,380
Net insurance benefits and claims		(15,929,910)	(19,653,896)
Operating and other expenses	11 (i)	(4,682,646)	(4,240,091)
Commission expense	9	(3,328,793)	(3,400,893)
Total expenses and commissions		(8,011,439)	(7,640,984)
Result of operating activities		4,070,495	3,978,268
Share of associates profit	15 (i)	1,339,513	1,182,702
Group profit before income tax		5,410,008	5,160,970
Income tax expense	16 (i)	(1,233,057)	(930,660)
Profit for the year		4,176,951	4,230,310
Attributable to:			
Equityholders of the company		3,806,450	3,932,142
Non-controlling interest	15 (iii)	370,501	298,168
Total		4,176,951	4,230,310
Earnings Per Share (KShs)			
Basic and diluted	12	52.52	54.26

AUDITED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 KShs '000	2017 KShs '000
Profit for the year		4,176,951	4,230,310
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Net fair value (loss)/gain on financial assets	8(ii)	(344,374)	292,898
Deferred tax on other comprehensive income	16	76,425	(87,589)
Other comprehensive income		(34)	186
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Net translation loss	31 (c) & 15 (iii)	(493,426)	(468)
Associate share of other comprehensive income	15 (i)	195,071	47,219
Total other comprehensive income, net of tax		(566,338)	252,246
Total comprehensive income for the year		3,610,613	4,482,556
Attributable to:			
Equityholders of the Company		3,336,160	4,172,850
Non-controlling interest	15 (iii)	274,453	309,706
Total comprehensive income for the year		3,610,613	4,482,556

JUBILEE HOLDINGS LIMITED
AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

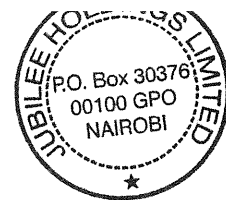


	Note	2018 KShs '000	2017 KShs '000
ASSETS			
Property and equipment	13 (i)	318,021	281,187
Intangible assets	13 (ii)	148,560	158,341
Investment properties	14	6,394,015	6,270,940
Investment in associates	15 (i)	9,995,813	9,579,327
Deferred tax asset	16 (iii)	218,099	191,273
Unquoted equity investments at fair value through profit or loss	17	4,344,211	3,157,632
Unquoted equity investments at fair value through other comprehensive income	17	194,613	200,371
Government securities at amortised cost	18	44,975,816	47,195,222
Government securities at fair value through profit or loss	18	10,264,809	-
Commercial bonds at amortised cost	19	841,399	904,007
Mortgage loans	20 (i)	66,101	109,098
Loans on life insurance policies	20 (ii)	931,713	788,958
Quoted equity investments at fair value through profit or loss	21	4,945,579	6,853,603
Quoted equity investments at fair value through other comprehensive income	21	1,617,728	1,276,692
Receivables arising out of direct insurance arrangements	4(c)	4,052,902	4,204,795
Receivables arising out of reinsurance arrangements	4(c)	3,193,166	3,071,800
Reinsurers' share of insurance contract liabilities	22	6,004,434	7,250,563
Deferred acquisition costs	23	186,290	147,132
Other receivables	24	1,396,233	1,080,642
Current income tax asset	16 (ii)	174,269	142,478
Deposits with financial institutions	25 (i)	11,315,417	10,585,597
Cash and bank balances	25 (ii)	2,588,451	1,517,872
Total assets		114,167,639	104,967,530
LIABILITIES			
Deferred tax liability	16 (iii)	89,841	199,550
Insurance contract liabilities	26	25,539,077	24,983,504
Payable under deposit administration contracts	27	47,739,002	42,214,336
Unearned premium revenue	28	7,625,596	7,571,212
Dividends payable	33 (ii)	431,293	369,176
Other payables	29	2,539,644	1,995,468
Current income tax liability	16 (ii)	104,455	70,983
Creditors arising out of direct insurance arrangements		201,501	325,730
Creditors arising out of reinsurance arrangements		1,825,863	2,006,921
Total liabilities		86,096,272	79,736,880
EQUITY			
Share capital	30	362,365	362,365
Reserves	31	4,172,826	3,096,997
Retained earnings	32	21,649,197	20,092,764
Equity attributable to owners of the company		26,184,388	23,552,126
Non-controlling interest	15 (iii)	1,886,979	1,678,524
Total equity		28,071,367	25,230,650
Total liabilities and equity		114,167,639	104,967,530

JUBILEE HOLDINGS LIMITED
AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018



	Share Capital KShs '000	Reserves					Retained Earnings KShs '000	Equity Attributable to Owners KShs '000	Non-Controlling Interest KShs '000	Total Equity KShs '000
		Fair Value Reserves KShs '000	General Reserves KShs '000	Translation Reserves KShs '000	Contingency Reserves KShs '000	Statutory Reserve KShs '000				
Year ended 31 December 2017										
At start of year	329,423	104,458	70,000	(554,086)	964,042	2,185,073	16,846,972	19,945,882	1,475,787	21,421,669
Profit for the year	-	-	-	-	-	-	3,932,142	3,932,142	298,168	4,230,310
Other comprehensive income										
Net translation loss	-	-	-	7,266	-	-	-	7,266	(7,734)	(468)
Transfer to contingency reserves	-	-	-	-	86,951	-	(86,951)	-	-	-
Other comprehensive income	-	233,293	-	-	-	-	149	233,442	19,272	252,714
Total comprehensive income for the year	-	233,293	-	7,266	86,951	-	3,845,340	4,172,850	309,706	4,482,556
Transactions with owners:										
Bonus issue	32,942	-	-	-	-	-	(32,942)	-	-	-
Dividends: Final for 2016 paid	-	-	-	-	-	-	(494,133)	(494,133)	-	(494,133)
Final for 2016 paid to Non Controlling Interest	-	-	-	-	-	-	(106,969)	(106,969)	(106,969)	(106,969)
Interim for 2017 paid	-	-	-	-	-	-	(72,473)	(72,473)	-	(72,473)
Total transactions with owners	32,942	-	-	-	-	-	(599,548)	(566,606)	(106,969)	(673,575)
At end of year	362,365	337,751	70,000	(546,820)	1,050,993	2,185,073	20,092,764	23,552,126	1,678,524	25,230,650
Year ended 31 December 2018										
At start of year	362,365	337,751	70,000	(546,820)	1,050,993	2,185,073	20,092,764	23,552,126	1,678,524	25,230,650
IFRS 9 initial adoption	-	-	-	-	-	35,765	(87,406)	(51,641)	-	(51,641)
Profit for the year	-	-	-	-	-	-	3,806,450	3,806,450	370,501	4,176,951
Other comprehensive income										
Transfer to retained earnings on reclassification	-	(29,829)	-	-	-	-	29,829	-	-	-
Net translation loss	-	-	-	(396,904)	-	-	-	(396,904)	(96,522)	(493,426)
Transfer to contingency reserves	-	-	-	-	182,284	-	(182,284)	-	-	-
Other comprehensive income	-	(92,955)	-	-	-	-	19,569	(73,386)	474	(72,912)
Total comprehensive income for the year	-	(122,784)	-	(396,904)	182,284	35,765	3,586,158	3,284,519	274,453	3,558,972
Transactions with owners:										
Transfer to Statutory reserves	-	-	-	-	-	1,377,468	(1,377,468)	-	-	-
Dividends: Final for 2017 paid	-	-	-	-	-	-	(579,784)	(579,784)	-	(579,784)
Final for 2017 paid to non-controlling interest	-	-	-	-	-	-	-	-	(65,998)	(65,998)
Interim for 2018 paid	-	-	-	-	-	-	(72,473)	(72,473)	-	(72,473)
Total transactions with owners	-	-	-	-	-	-	(2,029,725)	(652,257)	(65,998)	(718,255)
At end of year	362,365	214,967	70,000	(943,724)	1,233,277	3,598,306	21,649,197	26,184,388	1,886,979	28,071,367



JUBILEE HOLDINGS LIMITED
AUDITED CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

		2018	2017
	Note	KShs '000	KShs '000
Cash flow from operating activities			
Cash generated from operations	25 (iii)	3,224,246	5,056,388
Income tax paid	16 (ii)	(1,214,282)	(1,041,320)
Net cash inflow from operating activities		2,009,964	4,015,068
Cash flow from investing activities			
Rent, interest and dividend received		8,069,615	6,884,867
Dividends received from associates	15 (i)	421,805	338,091
Proceeds from sale of quoted shares		178,545	113,438
Proceeds from disposal of property and equipment		151	412
Proceeds from part redemptions of shares in associate	15 (i)	581,211	580,554
Purchase of property and equipment and intangible assets	13	(200,632)	(203,956)
Net additions of investment properties	14	(19,546)	(28,341)
Purchase of quoted equity investments	21	(182,973)	(106,810)
Purchase of unquoted equity investments	17	(305,790)	-
Mortgage loans advanced	20 (i)	(26,672)	(83,175)
Mortgage loans repaid	20 (i)	68,540	52,731
Loans on life insurance policies advanced	20 (ii)	(231,139)	(218,670)
Loans on life insurance policies repaid	20 (ii)	86,169	146,003
Net purchase of government securities	18	(7,401,200)	(4,980,609)
Net (purchase)/proceeds of commercial bonds	19	60,389	519,671
Net cash inflow/(outflow) from investing activities		1,098,473	3,014,206
Cash flow from financing activities			
Dividends paid		(652,257)	(566,606)
Net cash outflow from financing activities		(652,257)	(566,606)
Increase in cash and cash equivalents		2,456,180	6,462,668
Cash and cash equivalents at start of year	25 (ii)	14,796,784	8,326,849
Exchange (loss)/gain on translation of cash and cash equivalents	31 (c)	(64,995)	7,267
Cash and cash equivalents at end of year	25 (ii)	17,187,969	14,796,784

JUBILEE HOLDINGS LIMITED

AUDITED CONSOLIDATED RESULTS FOR THE YEAR ENDED
31 DECEMBER 2018

Jubilee
HOLDINGS

AUDITED SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2018 KShs '000	2017 KShs '000
Gross earned premiums	26,706,654	28,328,848
Outward reinsurance	(9,385,170)	(9,134,984)
Net insurance premium revenue	17,321,484	19,193,864
Other revenue	10,690,360	12,079,284
Total income	28,011,844	31,273,148
Net insurance benefits and claims	(15,929,910)	(19,653,896)
Total expenses and commission	(8,011,439)	(7,640,984)
Result of operating activities	4,070,495	3,978,268
Share of results of associates	1,339,513	—
Group profit before tax	5,410,008	5,160,970
Tax expense	(1,233,057)	(930,660)
Group profit after tax	4,176,951	4,230,310
Other comprehensive income for the year	(566,338)	252,246
Total comprehensive income	3,610,613	4,482,556
Earnings per share (KShs)	52.5	54.3

AUDITED SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2018 KShs '000	2017 KShs '000
Equity		
Share capital	362,365	362,365
Other reserves	4,172,826	3,096,997
Retained earnings	21,069,413	19,512,980
Proposed dividends	579,784	579,784
Non controlling interest	1,886,979	1,678,524
Total equity	28,071,367	25,230,650
Assets		
Fixed assets	466,581	439,528
Investment assets	80,355,983	72,853,577
Insurance assets	14,368,505	15,463,249
Other assets	1,788,601	1,414,392
Cash and cash equivalents	17,187,969	14,796,784
Total assets	114,167,639	104,967,530
Liabilities		
Insurance liabilities	82,931,039	77,101,703
Other liabilities	3,165,233	2,635,177
Total liabilities	86,096,272	79,736,880
Net assets	28,071,367	25,230,650

AUDITED SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital KShs '000	Retained Earnings KShs '000	Other KShs '000	Total Equity KShs '000
Year ended 31 December 2017				
At start of year	329,423	16,352,839	4,739,407	21,421,669
Profit for the year	-	3,932,142	298,168	4,230,310
Bonus issue	32,942	(32,942)	-	-
Transfer from reserves	-	(86,802)	(262,054)	(348,856)
Net dividend	-	(652,257)	579,784	(72,473)
At end of year	362,365	19,512,980	5,355,305	25,230,650
Year ended 31 December 2018				
At start of year	362,365	19,512,980	5,355,305	25,230,650
Profit for the year	-	3,806,450	370,501	4,176,951
IFRS 9 initial adoption	-	(87,406)	35,765	(51,641)
Transfer to reserves	-	(1,510,354)	298,234	(1,212,120)
Net dividend	-	(652,257)	579,784	(72,473)
At end of year	362,365	21,069,413	6,639,589	28,071,367

AUDITED SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	2018 KShs '000	2017 KShs '000
Cash flows generated from operating activities	2,009,964	4,015,068
Cash flows used in investing activities	1,098,473	3,014,206
Cash flows used in financing activities	(652,257)	(566,606)
Increase in cash and cash equivalents	2,456,180	6,562,668
Cash and cash equivalents at start of year	14,796,784	8,326,849
Exchange (loss)/gain on translation of cash and cash equivalents in foreign currencies	(64,995)	7,267
Cash and cash equivalents at end of year	17,187,969	14,796,784

SUMMARY OF DIRECTORS' REMUNERATION REPORT

During the year, Jubilee Holdings Limited paid KShs 3.42 million (2017: KShs 3.75 million) as Directors' emoluments.

NO. 1 INSURER IN EAST AFRICA	GWP 34.8 BILLION UP BY 810 M	PROFIT BEFORE TAX 5.4 BILLION UP BY 250 M	NO. 1 INSURER IN UGANDA 30% PBT GROWTH	NO. 1 INSURER IN TANZANIA 12% GWP GROWTH	INSURANCE RESULT 2.9 BILLION UP BY 9%
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INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF JUBILEE HOLDINGS LIMITED

Opinion
We have audited the summary financial statements of Jubilee Holdings Limited, which comprise the summary consolidated statement of financial position at 31 December 2018 and the summary consolidated income statement, summary consolidated statements of other comprehensive income, changes in equity and cash flows for the year then ended which are derived from the audited financial statements of Jubilee Holdings Limited and its subsidiaries (together, the "Group") for the year ended 31 December 2018.

In our opinion the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements of the Group which are prepared in accordance with International Financial Reporting Standards (IFRS) and the Kenyan Companies Act, 2015.

The summary directors' remuneration report is derived from the directors' remuneration report for the year ended 31 December 2018.

Summary financial statements and directors' remuneration report

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards and in the manner required by the Kenyan Companies Act, 2015. In addition, the summary directors' remuneration report does not contain all the disclosures required by the Companies (General) (Amendment) (No. 2) Regulations, 2017.

Reading the summary financial statements, the summary directors' remuneration report and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements, the directors' remuneration report and the auditor's report thereon. The summary financial statements, the summary directors' remuneration report and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our audit report dated 30 April 2019 and also confirmed that the auditable part of the directors' remuneration report was prepared in accordance with the Kenyan Companies Act, 2015. That audit report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Directors' responsibility for the summary financial statements

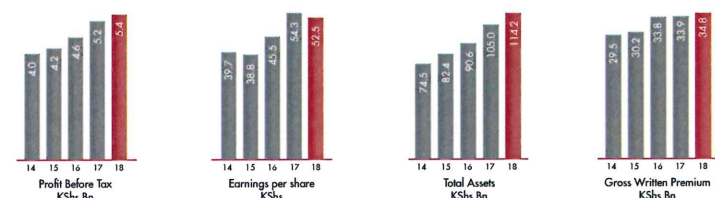
The directors are responsible for the preparation of the summary financial statements and the summary directors' remuneration report in accordance with the International Financial Reporting Standards and Kenyan Companies Act 2015.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements and the summary directors' remuneration report are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to report on summary financial statements.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Bernice Kimacio - Practising Certificate Number 1457.

PricewaterhouseCoopers Certified Public Accountants



Dividend

The Directors recommend, for approval at the next Annual General Meeting, the payment of a final dividend of KShs. 8.00 per share, subject to withholding tax where applicable making a total dividend for the year of KShs. 9.00 per share or 180% (2017: 180%). The dividend will be paid on or about 25 July 2019 to members on the Register of Members at the close of business on 25 June 2019, subject to approval at the Annual General Meeting.

Annual General Meeting

The 81st Annual General Meeting of the Shareholders will be held at the Nairobi Serena, Kenyatta Avenue on Tuesday 25 June 2019 at 11.00 a.m. Notice of the AGM will be issued in due course.

The full set of financial statements (including the Agenda for the AGM and Proxy form) will be available on the Company's website in due course. Copies of the financial statements will be emailed to Shareholders on request. Requests can be sent to the Shares Registry, Jubilee Insurance House 5th Floor, Wabera Street Nairobi or to the Shares Registry, P.O. Box 30376 00100 Nairobi or to info@jubileekeny.com.

By order of the Board

Nizar Juma
Chairman
29 April 2019

Margaret Muhuni-Kipchumba
Company Secretary

Jubilee
INSURANCE

**LIVING FREE IS...
HAVING PEACE
OF MIND**
JUBILEE INSURANCE SINCE 1937