



Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002

## PROFIT WARNING ANNOUNCEMENT

The board of directors of **CIC Insurance Group Limited** (the “Company”) make this announcement pursuant to Paragraph G.05 (1) (f) and (2) of the Fifth Schedule of the Capital Markets (Securities) (Public Offers, Listing and Disclosures) Regulations, 2002 and for the information of investors and the general public.

The board wishes to announce that the earnings for the 2016 financial year are expected to be lower by more than 25% of the earnings reported for the same period in 2015. This announcement is based on the indicative financials of the Company with regard to the year ending 31 December 2016.

The company has registered strong topline growth with improved quality of business in most of the lines of business. However, because of the prevailing market conditions, the valuation of our shares portfolio at the Nairobi Securities Exchange has significantly dropped. Some lines in our general business had adverse claims experience while a reserving policy change in our life business resulted in significant increase negatively impacting overall business performance.

With the completion of the rebranding exercise, investment in administration systems for medical and pension business lines as well as continued enhancement of management of claims costs, the board is confident that this will see improved future performance by the Company.

**Group Chairman**

**Group Chief Executive Officer**

### CIC INSURANCE GROUP LTD.

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