

AIICO INSURANCE PLC

GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2012

Group Statements of Financial Position

		Group			Parent		
		31 Dec. 2012	31 Dec. 2011	1 Jan. 2011	31 Dec. 2012	31 Dec. 2011	1 Jan. 2011
	Notes	N'000	N'000	N'000	N'000	N'000	N'000
Assets							
Cash and Cash Equivalents	4	9,721,659	6,899,851	7,120,181	8,584,780	6,807,936	7,007,094
Trade Receivable	5	2,184,434	2,050,888	1,153,217	2,184,434	2,050,888	1,153,217
Reinsurance Assets	6	689,735	204,467	145,718	689,735	204,467	145,718
Deferred acquisition cost	7	508,137	563,341	390,927	508,137	563,341	390,927
Financial Assets:							
Available For Sale Financial Assets	8a	9,465,000	6,543,565	9,300,445	9,448,439	6,526,794	9,279,169
Loans and Receivables	8b	1,191,337	2,344,049	1,518,124	1,297,113	2,344,049	1,518,124
Held To Maturity Financial Assets	8c	1,787,288	1,367,695	1,190,685	1,787,288	1,593,609	1,430,685
Investment in Associate	9	-	23,386	18,988	-	20,770	20,201
Deferred Tax Asset	10c	1,502,062	1,413,756	1,293,689	1,305,111	1,214,499	1,066,398
Investment In Subsidiaries	11	-	-	-	1,557,945	464,769	464,769
Investment Properties	12	760,000	718,000	733,364	760,000	718,000	733,364
Property and Equipment	13	4,745,310	4,188,629	3,444,381	4,582,294	4,151,305	3,402,626
Other Receivables and Prepayments	14	1,055,714	670,899	319,720	776,376	543,231	219,373
Statutory Deposit	15	500,000	500,000	500,000	500,000	500,000	500,000
Goodwill and Other Intangible Assets	16	894,005	855,788	859,346	886,436	851,204	855,571
Total Assets		35,004,680	28,344,314	27,988,784	34,868,088	28,554,864	28,187,236
Liabilities and Equity							
Liabilities							
Trade Payables	17	387,047	211,049	425,635	308,620	211,049	387,779
Other Payables and Accruals	18	969,394	1,146,511	1,388,538	905,894	1,105,809	1,388,538
Book-Bank Overdraft	19	187,177	412,760	212,921	187,177	412,760	212,921
Current Tax Payable	10a	648,089	482,357	572,817	623,542	478,148	570,362
Dividend Payable	20	10,041	10,041	10,053	10,041	10,041	10,053
Deferred Tax Liability		34,957	23,917	52,233	31,917	23,917	52,233
Retirement Benefit Obligations	21	695,303	376,942	305,634	695,303	376,942	305,634
Investment Contract Liabilities	22	4,983,089	4,217,560	3,603,369	4,983,089	4,217,560	3,603,369
Insurance Contract Liabilities	23	15,576,898	11,773,918	7,116,312	15,532,629	11,773,918	7,116,312
Total liabilities		23,491,995	18,655,054	13,687,512	23,278,212	18,610,144	13,647,201
Equity							
Issued Share Capital	24	3,465,102	3,465,102	4,400,102	3,465,102	3,465,102	4,400,102
Share Premium	25	2,824,389	2,824,389	5,764,506	2,824,389	2,824,389	5,764,506
Revaluation Reserves	26	1,029,009	1,029,009	1,029,009	1,029,009	1,029,009	1,029,009
Available-For-Sale Reserve	27	1,461,683	475,506	800,519	1,459,645	475,506	800,519
Contingency Reserve	28	2,065,726	1,665,923	1,312,930	2,065,726	1,665,923	1,312,930
Retained Earnings	29	528,387	146,011	903,775	746,005	484,791	1,232,969
Total equity shareholders of the Group		11,374,297	9,605,940	14,210,841	11,589,876	9,944,720	14,540,035
Minority Interest	11 d	138,387	83,320	90,431	-	-	-
Total liabilities and equity		35,004,680	28,344,314	27,988,784	34,868,088	28,554,864	28,187,236

These Financial Statements were approved by the Board on and signed on its behalf by:

Chief Dele Fajemirokun
Chairman
FRC/2013/ODN/00000003604

Mr. S.D.A Sobanjo
Group MD/CEO
FRC/2013/CIIN/00000002149

Mr. O. O. Otusanya
Group CFO
FRC/2012/CAN/00000000342

The accounting policies on pages 16 to 50 and the accompanying notes on pages 58 to 115 form an integral part of these Financial Statements.

AIICO INSURANCE PLC
GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2012

Group Statement of Comprehensive Income

	Notes	Group		Parent	
		31 Dec. 2012 N'000	31 Dec. 2011 N'000	31 Dec. 2012 N'000	31 Dec. 2011 N'000
Gross Premium Written	29	21,273,100	18,444,704	20,716,780	18,444,704
Gross Premium Income	30a	17,054,342	14,699,104	16,498,022	14,699,104
Reinsurance Expenses	30b	(4,986,323)	(2,315,744)	(4,986,323)	(2,315,744)
Net Premium Income	30b	12,068,019	12,383,360	11,511,699	12,383,360
Fees and Commission Income					
Insurance contract	31	983,493	617,973	522,755	254,500
Net Underwriting Income		13,051,512	13,001,333	12,034,454	12,637,860
Claims Expenses:					
Claims expenses (Gross)	32	7,053,259	6,686,957	7,053,259	6,686,957
Claims expenses recovered from reinsurer	32b	(2,114,668)	(420,232)	(2,114,668)	(420,232)
Claims expenses (Net)	32b	4,938,591	6,266,725	4,938,591	6,266,725
Underwriting Expenses	33	3,758,083	3,451,481	3,507,263	3,451,481
Total underwriting expenses		8,696,674	9,718,206	8,445,854	9,718,206
Underwriting Profit		4,354,839	3,283,127	3,588,600	2,919,654
Investment Income	34	1,899,677	1,392,228	1,815,635	1,379,778
Net Realised Gains/(Losses)	35	1,201,487	48,691	1,200,800	48,441
Net Fair Value Gains/(Losses) on Financial Assets		52,000	30,500	52,000	30,500
Other Operating Income	36	538,501	55,663	531,899	55,663
Depreciation and Amortisation	37	(361,925)	(336,719)	(325,197)	(318,149)
Management Expenses	38	(3,900,013)	(2,951,623)	(3,225,061)	(2,620,958)
Finance cost		(28,822)	(26,690)	-	-
Impairment Loss on Investments		(394,617)	(799,655)	(383,884)	(790,151)
Impairment Provision on Trade & Reinsurance Receivables		(1,277,039)	(264,699)	(1,277,039)	(264,699)
Profit/(Loss) Before share of associate profit		2,084,087	430,823	1,977,754	440,079
Share of associate profit		-	2,267	-	-
Profit/(Loss) Before Taxation		2,084,087	433,090	1,977,754	440,079
Income Taxes	39a	(763,424)	(461,470)	(729,791)	(451,764)
Profit/(Loss) After Taxation		1,320,663	(28,381)	1,247,963	(11,684)
Attributable to Shareholders		1,305,625	(21,270)	1,247,963	(11,684)
Attributable to Non-Controlling Interest		15,038	(7,111)	-	-
		1,320,663	(28,381)	1,247,963	(11,684)
Other Comprehensive Income, Net of Tax					
Items within OCI that may be reclassified to the P&L					
* Net gain/(loss) on available-for-sale asset	42	987,653	(325,013)	984,139	(325,013)
* Actuarial loss on defined benefit plan	42	(244,476)	(52,845)	(244,476)	(52,845)
* Income tax relating to other comprehensive	39b	73,343	15,854	73,343	15,854
Total Other Comprehensive Income	42	816,520	(362,004)	813,006	(362,004)
Total Comprehensive Income/(Loss) for the year		2,137,183	(390,385)	2,060,969	(373,688)
Attributable to Shareholders		2,122,145	(383,274)	2,060,969	(373,688)
Attributable to Non-Controlling Interest		15,038	(7,111)	-	-
		2,137,183	(390,385)	2,060,969	(373,688)
Earnings per share					
Basic Earnings Per Share (Kobo)	41	19.06	(0.41)	18.0	(0.17)
Diluted Earnings Per Share (Kobo)	41	19.06	(0.41)	18.0	(0.17)

The accounting policies on pages 16 to 50 and the accompanying notes on pages 58 to 115 form an integral part of these Financial Statements.

AIICO INSURANCE PLC
GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2012

Group Statement of Changes in Equity

For the year ended 31 December 2012	Issued Share Capital	Share Premium	Retained Earnings	Contingency Reserve	Available-for-Sale Reserve	Revaluation Reserve	Minority Interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At January 1 2012	3,465,102	2,824,389	146,011	1,665,923	475,506	1,029,009	83,320	9,689,260
Additions:Multishield Limited	-	-	-	-	-	-	38,553	38,553
Profit for the year	-	-	1,305,625	-	-	-	15,038	1,320,663
Negative Goodwill on consolidation	-	-	63,500	-	-	-	-	63,500
Other comprehensive income	-	-	(171,133)	-	986,177	-	1,476	816,520
Total Comprehensive Income for the year	-	-	1,197,992	-	986,177	-	55,067	2,239,236
Transfer	-	-	(399,803)	399,803	-	-	-	-
Dividend paid	-	-	(415,812)	-	-	-	-	(415,812)
At December 31 2012	3,465,102	2,824,389	528,387	2,065,726	1,461,683	1,029,009	138,387	11,512,685

For the year ended 31 December 2011	Issued Share Capital	Share Premium	Retained Earnings	Contingency Reserve	Available-for-Sale Reserve	Revaluation Reserve	Minority Interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
At January 1 2011	4,400,102	5,764,506	903,775	1,312,930	800,519	1,029,009	90,431	14,301,272
Profit for the year	-	-	(21,270)	-	-	-	(7,111)	28,381
Other comprehensive income	-	-	(36,991)	-	(325,013)	-	-	(362,004)
Total comprehensive income	-	-	(58,261)	-	(325,013)	-	(7,111)	(390,385)
Transfer	-	-	(352,993)	352,993	-	-	-	-
Effect of rearrangement	(935,000)	(2,940,117)	-	-	-	-	-	(3,875,117)
Dividend paid	-	-	(346,510)	-	-	-	-	(346,510)
At December 31 2011	3,465,102	2,824,389	146,011	1,665,923	475,506	1,029,009	83,320	9,689,260

AIICO INSURANCE PLC
GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2012

Group Statements of Cash Flows

		Group		Parent	
		31 Dec. 2012	31 Dec. 2011	31 Dec. 2012	31 Dec. 2011
		N'000	N'000	N'000	N'000
Operating activities:					
Premium received on insurance contract	30a	19,337,932	16,836,489	18,781,612	16,836,489
Premium received on Investment contract	30a	619,226	445,845	619,226	445,845
Total premium received		19,957,158	17,282,334	19,400,838	17,282,334
Commission received		983,493	617,973	522,755	254,500
Commission paid		(3,089,790)	(2,955,965)	(2,838,969)	(2,955,965)
Reinsurance premium paid		(5,568,234)	(2,374,493)	(5,568,234)	(2,374,493)
Gross benefits and claim paid net of recoveries		(3,991,769)	(4,908,575)	(3,991,768)	(4,908,576)
Payments to employees		(1,617,050)	(1,162,922)	(1,231,141)	(997,486)
Other operating cash payments		(2,972,888)	(4,707,122)	(2,758,289)	(4,501,002)
Other income received		538,501	55,663	531,900	55,663
Tax paid		(587,920)	(706,997)	(584,461)	(704,542)
Cashflow from operating activities	44	3,651,501	1,139,896	3,482,631	1,150,433
Investing activities:					
Investment income received		1,899,677	1,392,228	1,802,062	1,332,964
Purchase of property and equipment		(1,052,053)	(1,080,328)	(891,535)	(1,067,375)
Proceed from sale of property and equipment		6,143	7,769	2,941	5,672
Purchase of investments		(3,175,721)	(1,847,877)	(3,078,281)	(1,788,265)
Disposals of investments in associates				-	(569)
Purchase of Investments in Subsidiaries				(1,072,406)	-
Proceed from sale of investments		2,133,655	268,802	2,172,826	268,802
Proceed from sale of investment property		-	45,864	-	45,864
Net cash flows from investing activities		(188,299)	(1,213,542)	(1,064,393)	(1,202,907)
Financing activities:					
Dividend paid to equity holders		(415,812)	(346,522)	(415,812)	(346,522)
Net cash flows from financing activities		(415,812)	(346,522)	(415,812)	(346,522)
Net increase/(decrease)in cash and cash equivalents					
		3,047,390	(420,169)	2,002,427	(398,997)
Cash and cash equivalents at 1 January		6,487,091	6,907,260	6,395,176	6,794,173
Cash and cash equivalents at 31 December		9,534,481	6,487,091	8,397,603	6,395,176

The accounting policies on pages 16 to 50 and the accompanying notes on pages 58 to 115 form an integral part of these Financial Statements.

Summary of Cash and Cash Equivalent	Group		Company	
	31 Dec. 2012 N'000	31 Dec. 2011 N'000	31 Dec. 2012 N'000	31 Dec. 2011 N'000
Cash and Cash Equivalent as per Financial Position	9,721,659	6,899,851	8,584,780	6,807,936
Less: Book Overdraft as per Financial Position	(187,177)	(412,760)	(187,177)	(412,760)
	9,534,481	6,487,091	8,397,603	6,395,176