

Wapic Insurance Plc.

Q1 2015 Financial Results Presentation to Investors & Analysts

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Agenda

- ▲ Macroeconomic Review
- ▲ Industry Review
- ▲ Q1 2015 Financial Performance
- ▲ Q2 2015 Outlook

Macroeconomic Review



-Q1 2015

- ▲ Interest rates remained relatively flat at an average of 12% -15% p.a.
- ▲ Crude oil prices average was \$55.11 per barrel in Q1 2015
- ▲ Naira appreciated by 13% to N197/\$ due to relative stability following the general elections
- ▲ Ghana Cedi deteriorated to N52/GhC impacting relative Group value of our Ghanaian business
- ▲ Weaker consumer and government demand resulting from 30% revenue decline.
- ▲ Inflation increased to 8.4% in March 2015 from 8.0% in December 2014.
- ▲ MPR remained unchanged at 13%; CRR for private sector and public sector also remained at 20% and 75% respectively.

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Insurance Industry Overview

-Q1 2015

- ▲ The CBN's regulations restricting the practice of Bancassurance in Nigeria was lifted in March 2015.
- ▲ NAICOM and industry operators further developed the key initiatives from the National Insurance Summit
- ▲ Ghana's NIC released the risk based capital requirements for all insurance licenses in Ghana.

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Financial Highlights Q1 2015



Highlights of Comprehensive Income	Q1 2015	Q1 2014	% Change
	N'mn	N'mn	
Gross Premiums written	2,716	2,626	3%
Net Underwriting Income	1,004	940	7%
Net Claims	186	199	-7%
Total Underwriting Expenses	296	284	-4%
Underwriting Profit	521	457	14%
Net Inv. & Other Income	503	390	29%
Expenses & Provisions	583	337	73%
Profit after Tax	110	147	-25%

Highlights of Financial Position	Q1 2015	Q4 2014	% Change
	N'mn	N'mn	
Financial Assets	13,814	8,786	57%
Reinsurance Assets	1,013	667	52%
Total Assets	23,780	22,059	8%
Total Liabilities	8,714	7,858	11%
Shareholders' funds	15,066	14,201	6%

- ▲ GWP grew by 3% in Q1 2015
- ▲ Investment & other income grew as a result of conservative revaluation gains on unquoted investment and improved yields on T-bills.
- ▲ Net claims and total underwriting expenses reduced as a result of better underwriting and improved risk selection capability.
- ▲ Operating expenses increased as a result of strengthening capacity; ensuring operational alignment and advertising expenses for launch of our innovative Moov product.
- ▲ Financial assets grew as a result of greater investment in T-bills and quoted equities as well as increased premium written.

Financial Highlights Q1 2015



- Financial Ratios

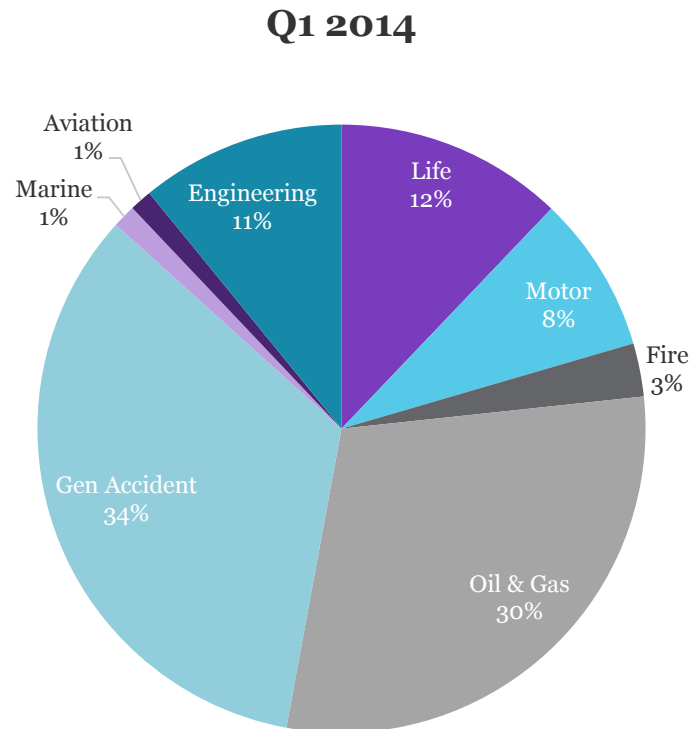
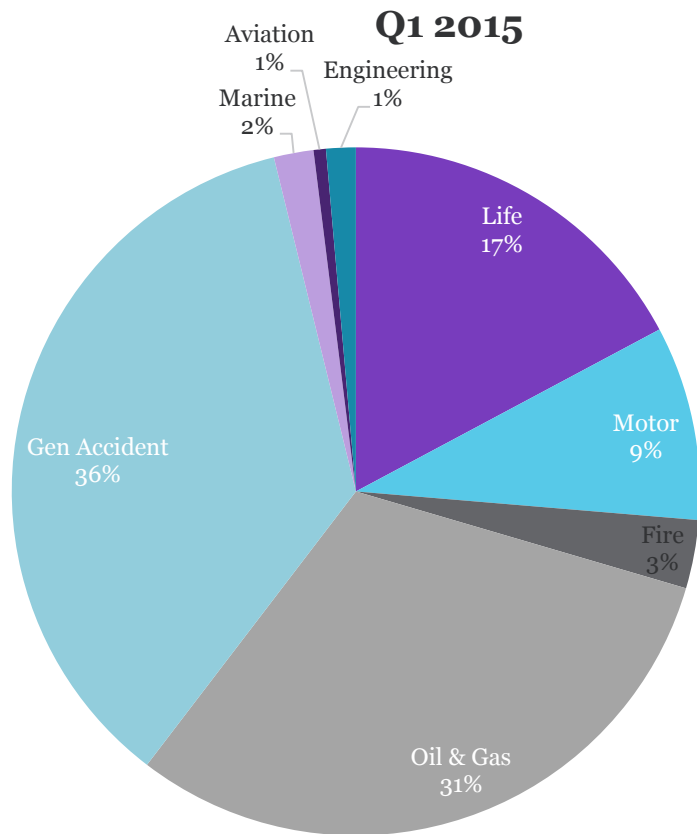
Performance Ratios	Q1 2015	Q4 2014	% Change
Cost to Income Ratio	77%	74%	4%
Solvency Ratio	175%	171%	2%
Gross Claims Ratio	21%	34%	-38%
Underwriting Expense Ratio	29%	30%	2%
Return on Equity	0.73%	1.04%	-30%

Highlights:

- ▲ Claims ratio reduced to 21% in Q1 2015 compared with 34% in Q4 2014.
- ▲ Solvency ratio in Q1 2015 was 175% well above the minimum of 100%

GWP Analysis

-Product Mix

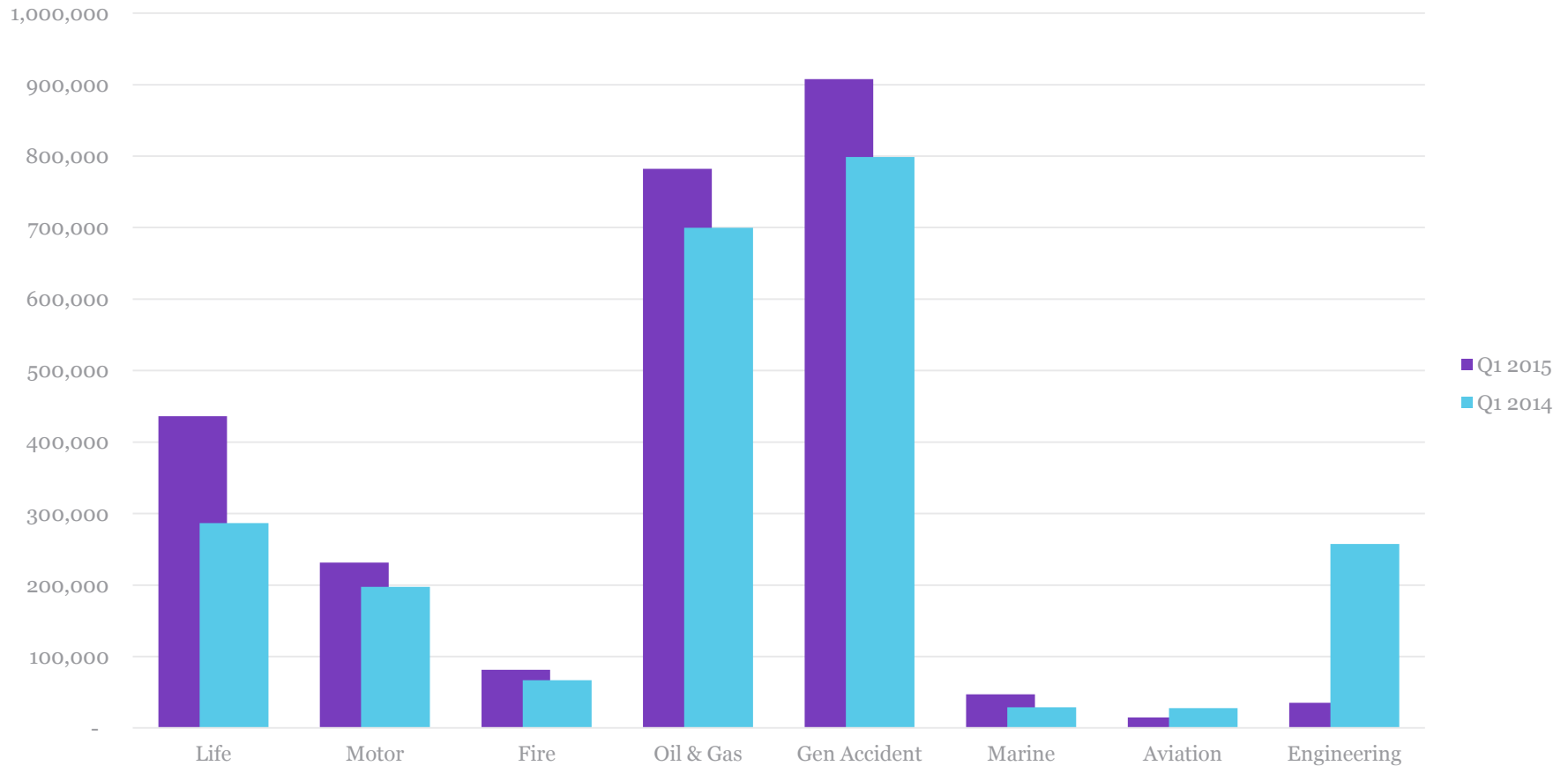


- ▲ General Accident and Oil & Gas saw the highest contribution to Group revenues at 67% of total GWP.
- ▲ Despite a reduced reliance on government sponsored insurance schemes in 2014, life business increased to 17% in Q1 2015 from 12% in Q1 2014.
- ▲ The product mix continues to focus on growth opportunities in Motor, Oil & Gas and General Accident

GWP Analysis

-Product Growth

GWP (N'ooo)

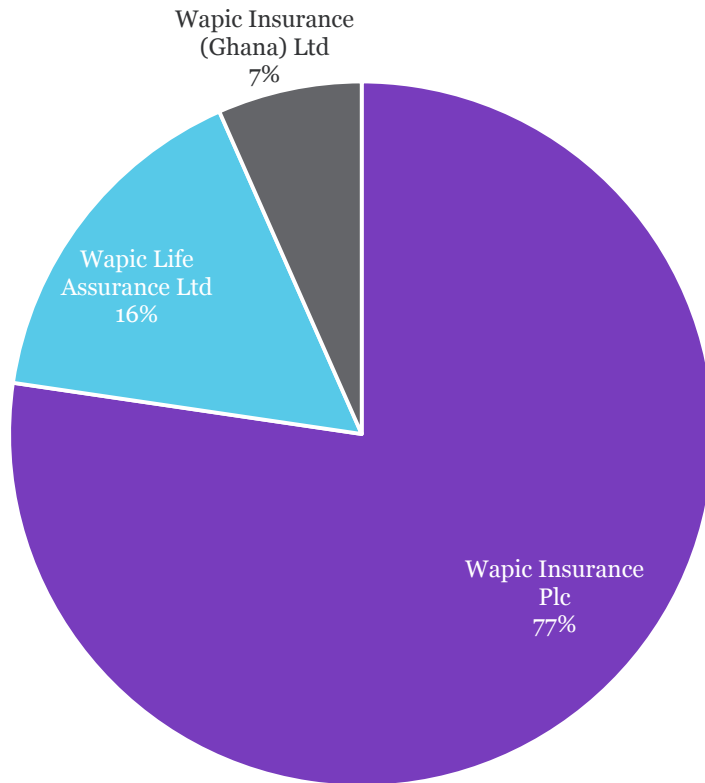


▲ Revenue growth across the board for all product lines with the exception of Engineering and Aviation

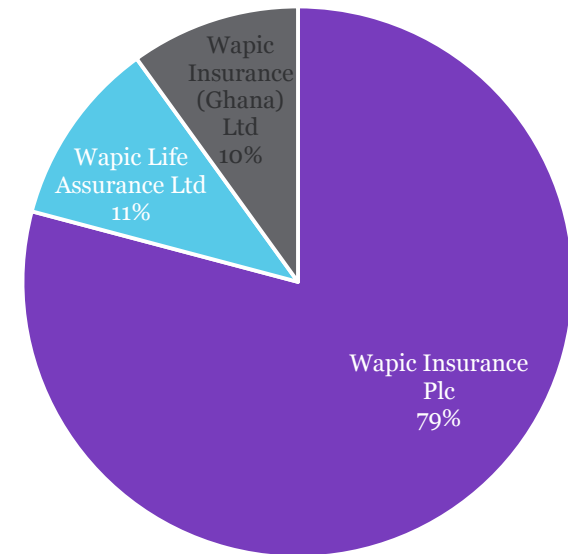
GWP Analysis

-Subsidiary Contribution

Q1 2015



Q1 2014

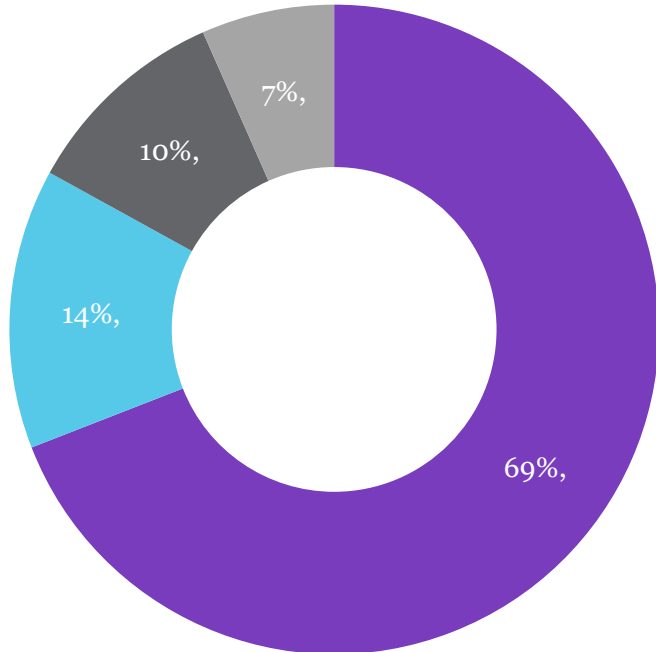


- ▲ Wapic Life GWP position increased to 16% of group GWP in Q1 2015 from 11% in Q1 2014.
- ▲ Wapic Ghana's contribution to group GWP dipped to 7% as a result of the depreciation of the Ghanaian Cedi against the Nigerian Naira in Q1 2015. In reality, Wapic Ghana's GWP increased in Cedi values in Q1 2015 compared with Q1 2014.

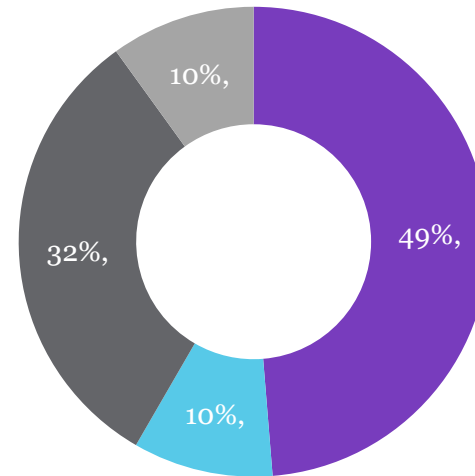
GWP Analysis

-Division Mix

Q1 2015



Q1 2014



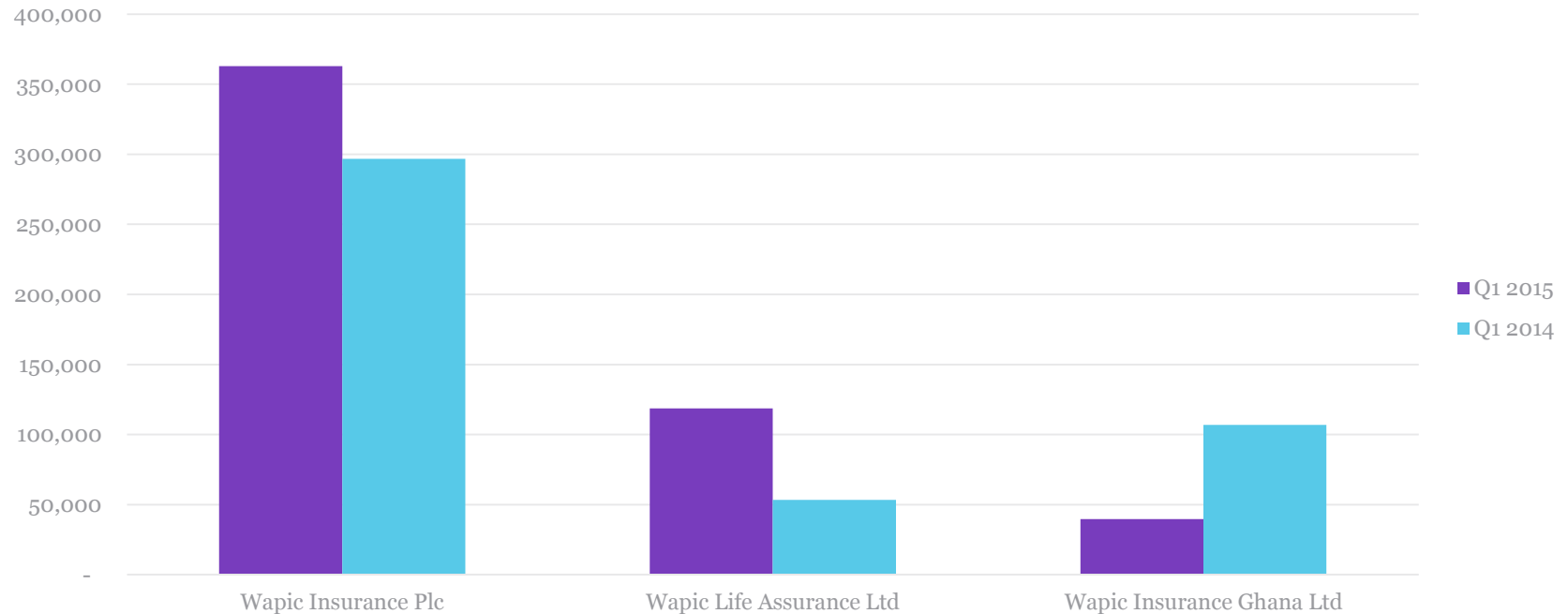
- Institutional Clients
- Commercial & Government Clients
- Individual & Bancassurance
- Ghana

- ▲ Institutional Clients Division maintained the lead contributing 69% of the Group's GWP. This is a direct result of our increased focus on relationship management.
- ▲ Regulatory constraints in 2014 had an adverse effect on Individual & Bancassurance Division, contributing 10% in Q1 2015 compared with 32% in the corresponding quarter of 2014.

Underwriting Profit

-Subsidiary Contribution

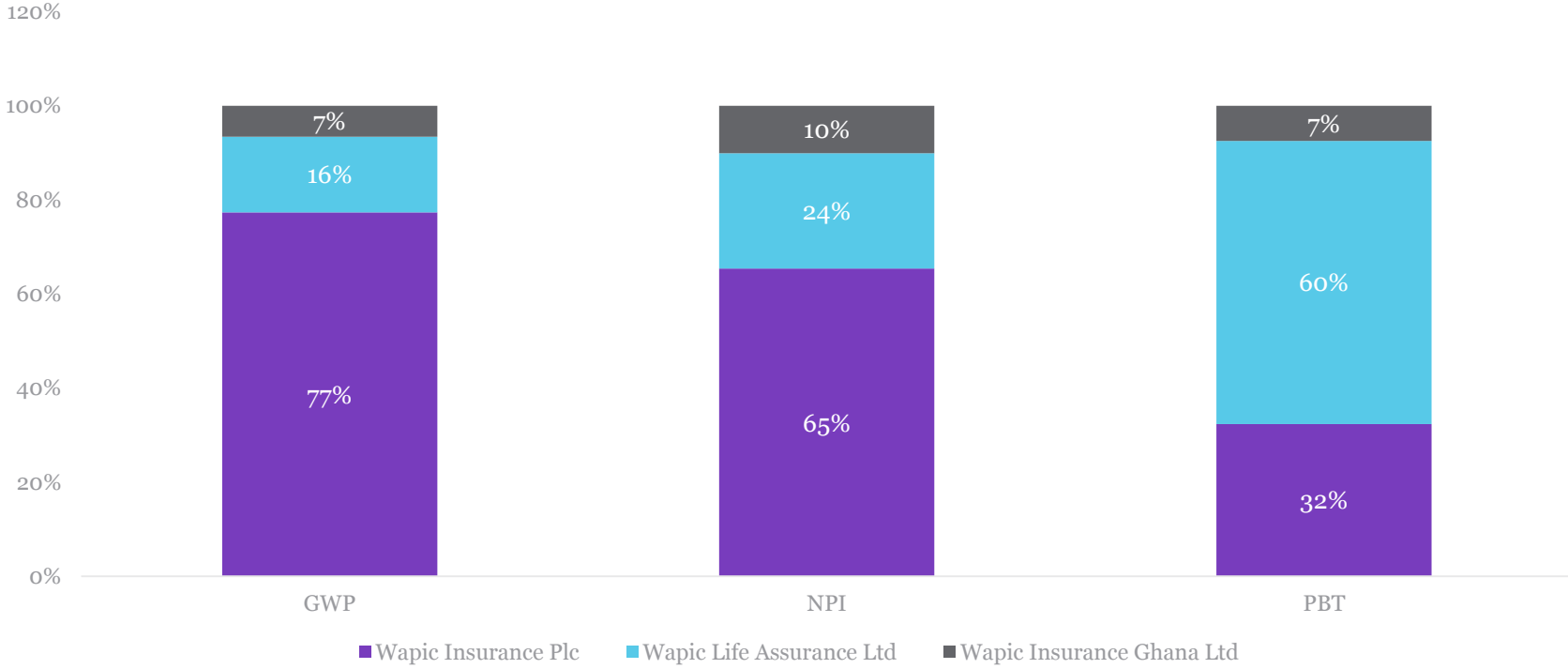
Underwriting Profit (N'000)



- ▲ Core underwriting profits improved across the Group with the exception of Wapic Ghana.
- ▲ Underwriting profits improved as a result of stronger risk selection.
- ▲ Wapic Insurance Plc. remains the highest contributor to Group underwriting profit.

Group Contribution to GWP, NPI & PBT

-Q1 2015



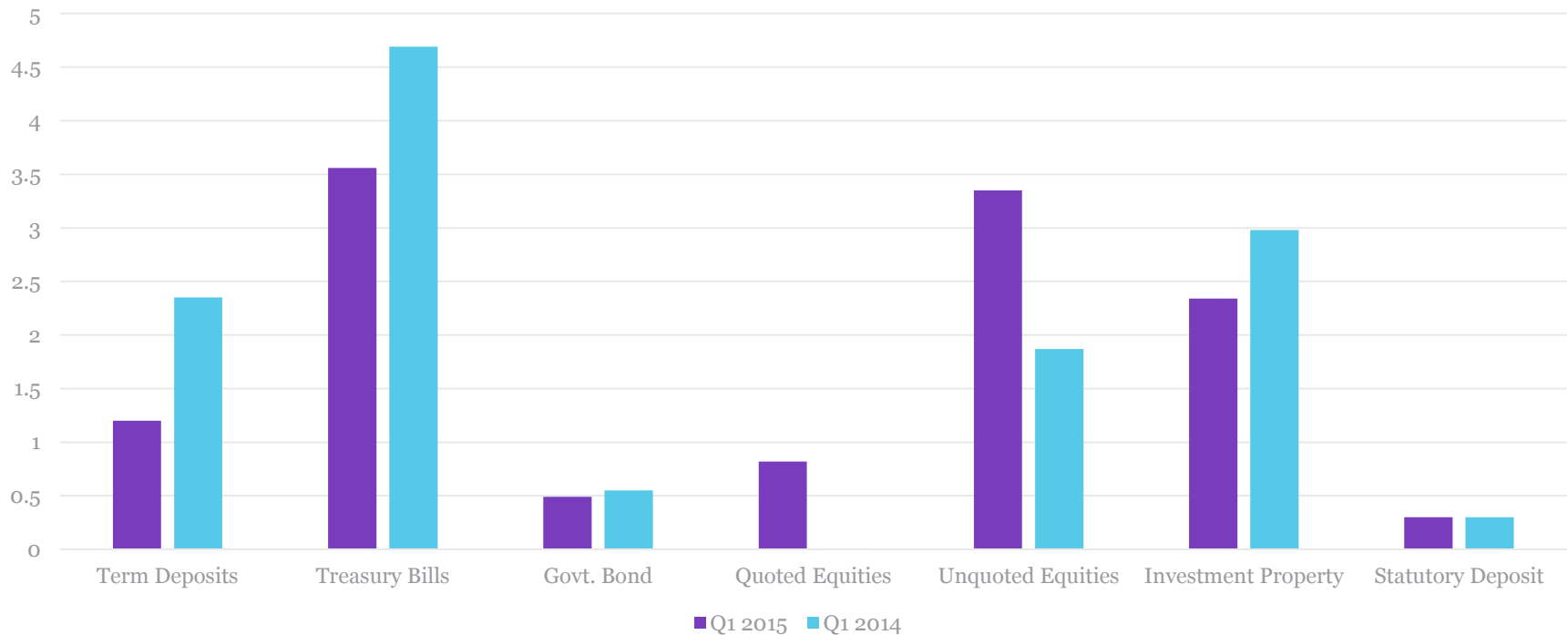
▲ Wapic Life contributed 60% of the Group's PBT in Q1 2015

Group Investment Income

-Asset Under Management



Asset Under Management (N'bn)



- ▲ The company enhanced its investment strategy to achieve:
 - A more appropriate matching of the company's liability to asset
 - The defined hurdle rates
 - Disposal of poor performing legacy investments
- ▲ Liquid assets reduced, partly as a result of funds deployed to meet construction of Wapic head office.
- ▲ Migration from low yield fixed deposit to higher yield instrument such as T-bills and unquoted investments.
- ▲ Sale of our legacy properties and strategic property acquisition to improve branding and customer awareness

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Q2 Outlook



- ▲ Launch of Motor Product (MOOV) slated for May 2015
- ▲ Launching of approved Bancassurance scheme with Access Bank
- ▲ Head Office to progress to 80% completion by end of Q2 – expected completion in September 2015
- ▲ Automation of core customer servicing processes to enhance service delivery
- ▲ Build Business Development and Technical talent pool
- ▲ Graduate next batch of entry level employees from Wapic Academy
- ▲ New CEO for Wapic Ghana. Expectation of a revitalized business and deeper market penetration. Prospects of increased contribution to Group with proposed increase in Motor insurance tariff by the regulator
- ▲ Wapic Brand launch in Ghana to enhance visibility and awareness
- ▲ Launch compulsory products initiatives in Ghana

Wapic will transform the insurance market in Nigeria and beyond. A new paradigm. A unique proposition.



Thank you

Parent Company	<ul style="list-style-type: none">▪ Wapic Insurance Plc is licensed by the National Insurance Commission (NAICOM) to write general insurance business. The Company writes life insurance business through its wholly owned subsidiary Wapic Life Assurance Limited
Presence	<ul style="list-style-type: none">▪ Nigeria and Ghana
Number of Employees	<ul style="list-style-type: none">▪ 183 Professional Staff
Branches	<ul style="list-style-type: none">▪ 6 Regional Offices (Abuja, Benin, Enugu, Ibadan, Kano, Port Harcourt)
Total Equity	<ul style="list-style-type: none">▪ 13.4 billion Ordinary Shares of 50 kobo each in issue
Listings	<ul style="list-style-type: none">▪ Nigerian Stock Exchange
Actuaries	<ul style="list-style-type: none">▪ HR Nigeria Limited▪ Alexander Forbes Consulting Actuaries Nigeria Limited
Re-insurers	<ul style="list-style-type: none">▪ African Reinsurance Corporation▪ Continental Reinsurance Plc▪ Munich Reinsurance Company Limited▪ Nigerian Reinsurance Corporation▪ Ghana Reinsurance Company Limited▪ Waica Reinsurance Corporation
Auditors	<ul style="list-style-type: none">▪ KPMG Professional Services

Evolution Since 1958



Became a publicly quoted company

Expanded presence to Ghana by establishing Wapic Insurance (Ghana) Limited

Merged with Intercontinental Properties Limited and became a top 5 Insurance Company in Nigeria by Shareholders' Fund and Assets and across other key performance indicators

- Awarded A.M. Best financial strength rating (FSR) of B- and an issuer credit rating (ICR) of bb- making Wapic one of only three insurance companies in Nigeria to have an A.M. Best rating.
- Recorded a 214% growth in PAT in 2014

1958

1990

2006

2008

2011

2012

2013

2014

- Established in 1958 as a subsidiary of Provincial Insurance Company, United Kingdom
- Incorporated as West African Provincial Insurance Company

Expanded scope of operations to Life Assurance by establishing Wapic Life Assurance Limited

Became a subsidiary of Access Bank Plc.

- Concluded capital raising exercise and emerge top 5 insurance company by SHF
- Divestment of Access Bank and enlargement of shareholder base to over 850,000