

## **Amāna Takaful sustains profit momentum into 2013**

Composite insurer Amāna Takaful PLC (ATPLC) posted modest growth in all aspects of the business in Q1 2013. Releasing their interim results, the company reported that consolidated Revenue of Rs 463.4Mn grew by 15% over Q1/2012 with profit before tax of Rs. 22.9Mn, an increase of 55% in the same comparison.

Amidst many challenges, Non-Life business kept pace with the industry and grew by 10% to Rs.357Mn in which all classes delivered product-line profitability, notably Motor. Prudent and speedy management of motor claims and its supply chain continue to impact positively among all stakeholders. Consequently the combined ratio too improved substantially to 86% from 98% a year ago.

Gross Written Premium of the Life segment improved significantly to 105.8Mn or 34% over the corresponding period in 2012, over-performing industry growth performance of 7% (Source IASL). New Business performance on Regular products and Prosper - the Wealth Management offer, took a major share of this increase.

Lackluster performance in the white-listed equities coupled with volatility in bullion virtually halved investment income to Rs. 22Mn compared to the corresponding quarter in 2012. Importantly, a 46% improvement in the Under-writing result at Rs. 134.7Mn helped to mitigate the under-performance in investment income.

*“The start to 2013 was extremely volatile and highly charged due to un-warranted and extraneous influences that adversely impacted our client base and trading partners. This was exacerbated by intense price cutting. Nonetheless, we stayed the course and weathered the storm, growing on par with industry while defending our market share”* said CEO Fazal Ghaffoor, commenting on the first quarter performance. *“It is heartening that our strategy to deliver sustainable growth in our people’s performance, our quest for a balanced portfolio and real achievements on the productivity front while delivering real value to our customers, is well on track to achieve the desired outcomes,”* he concluded.

Meanwhile, Amāna Takaful Group which also includes Amāna Takaful Maldives reported first Quarter profit of Rs. 41.3Mn. *“The Groups first quarter results are a good start to the year, despite the challenging trading environment more particularly here at home. The operation in the Maldives is progressing steadily on all fronts”*, commented Chairman Tyeab Akbarally. *“While great and real opportunities are yet to be fully optimised with prudent risk management and innovative product offers in our pipeline, I remain optimistic of our growth momentum. For sure, the industry has to get its act together in responsible tariff management practices”* the Chairman concluded.

The company’s re-fashioned strategic route map to build sustainable balanced growth and profits has begun to deliver results. The plan took flight last year and reached grass root levels in the organisation together with the establishment of new branches, refurbishment of existing locations and leveraging information communication technology to boost service at customer touch-points. One of a few ISO certified insurance operators in Sri Lanka, Amāna Takaful now operates in 22 locations with plans of

expanding its footprint further. ATPLC also operates 3 key strategic business units that specialise in Life, General and Medical Takaful, which is unique in its approach to serve the respective developing customer segments. Furthermore, by keeping to its tenet of mutuality, the company also offers financial protection through the Takaful concept to the needy of the Sri Lankan populace by providing Navodhaya - ATPLC's Micro-Takaful (insurance) solution.

The current Board of Amāna Takaful PLC includes, M/S. Tyeab Akbarally (Chairman), Ehsan Zaheed (Executive Director), Non-Executive Directors- Osman Kassim, Dr. A.A.M. Haroon, Dr. T. Senthilvel, Dr. Ifthikar Ismail and Non-Executive Independent Directors M.H.M. Rafiq, Dato' Fadzli Yusof, A.S.M. Muzzamil, Ali Sabry and, R. Gopinath.