

Listing: Unlisted

Corporate Office: Kuwait

Year Established: 2008

Industry: Retakaful (Islamic Reinsurance)

Background:

- Established in January 2008 with a capital of KD50million (USD185mn).
- The first Islamic reinsurance company in Kuwait and one of the first in the GCC region. One of the largest retakaful companies in the World in terms of paid up capital.
- Strong parentage - 51% owned by Dubai Islamic Investment Group, a member of Dubai Group.
- Al Fajer Re provides Sharia' compliant reinsurance protection, predominantly on a treaty basis, to non-life risks with a projected business income of KD 10million (USD38million) in March 2009, which is expected to grow to approximately KD28million (USD104million) by 2011.

Financials Performance-consolidated statements (in KD '000)

Particulars	September 30, 2008
Gross Written Contributions	4,422
Profit for the period	2,093
Total Net Assets	55,149
Share capital	50,000
Total Shareholders' Funds	55,149

Source: Company; The company's first financial year ends on March 31, 2009

Financial Highlights:

- In its first year of operations, Al Fajer Re has performed creditably. Upto September 30, 2008, the company generated Gross Written Contributions of KD4.42mn and Net written contributions of KD4.4mn. The profits earned were KD2.1mn for the corresponding period.

Major Developments:

- Al Fajer Re's management team is led by the CEO, Jan Davis. Jan has 30 years experience in insurance and reinsurance underwriting and has formed during these years long-standing relationships with brokers as well as ceding companies worldwide, particularly in

Middle East, Indian sub-continent, Far East and Europe. He was earlier Director & Chief Operating Officer at Alliance Re, Cyprus. He has hand-picked the team of key management personnel for Al Fajer Re.

- Al Fajer Re has a well experienced management team with proven management skills. A highly experienced team of underwriters has been recruited from European & Middle Eastern markets. The current employee strength is 30.
- A.M. Best, a leading credit rating organisation for insurance & reinsurance companies, assigned a financial strength rating (FSR) of A- (Excellent) and an issuer credit rating (ICR) of "a-" to Al Fajer Re in June 2008. A.M. Best, in its rating press release said that "The ratings reflect the company's excellent projected risk-adjusted capitalization on a combined basis and the well capitalized retakaful fund, in addition to the regionally experienced management team. Partially offsetting factors are the execution risk of the business plan associated with a start-up company and the competition levels in the Middle East and South East Asia." A good rating is very important for getting quality business in the reinsurance industry. The A- rating is a major achievement for Al Fajer Re and is expected to significantly help in writing business, going forward.
- The company's target Business split across geographies by year 2011 would be 52% in MENA region, 26% in Asia and remaining 22% in other geographies including Europe.
- Al Fajer Re is committed to high standards of Corporate Governance and the Board of Directors believes that this is a key element in order to deliver value to the shareholders. The company has accordingly established four committees as follows: Audit committee, Investment committee, Risk committee and Remuneration & Nomination committee. These committees meet regularly once a quarter and report their findings to the Board of Directors.
- The company has recently launched its website - www.alfajerre.com