African Reinsurance Corporation
Société Africaine de Réassurance

Press Release

African Reinsurance Corporation Reports Robust Q3 2025 Financial Results

14 November 2025, Lagos, Nigeria

African Reinsurance Corporation ("Africa Re") has announced its financial results for the third quarter ended 30 September 2025, highlighting strong growth in premium income, solid investment returns, and improved profitability, despite a backdrop of global economic uncertainty and large loss events.

Key IFRS 4 Financial Highlights

- **Gross Written Premium**: US$976.17 million, an 11.05% increase year-on-year
- **Underwriting Profit**: US$72.62 million, remained strong despite large loss events
- **Investment & Other Income**: US$79.30 million (+10.53% YoY), continues its rally
- **Net Profit After Tax**: US$142.65 million (+8.54% YoY), a historical record
- **Total Comprehensive Income**: US$175.19 million (+40.81% YoY), an all time high
- **Combined Ratio**: 90.34%, reflecting disciplined underwriting and risk management

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Business and Market Commentary

Africa Re recorded a Gross Written Premium of US$976.17 million for the third quarter of 2025, representing an 11.05% increase compared to the same period in 2024. Under IFRS 17, Gross Reinsurance Revenue increased by 6.93% to US$ 932.67 million (Q3 2024: US$ 872.20 million). This notable growth in premium income was primarily fueled by robust performances across several key markets, underpinned by the acquisition of new facultative accounts, enhanced renewal retention rates, and favourable foreign exchange movements, which itself contributed an additional US$19.41 million to overall premium growth.

Operating in a challenging claims environment during the period, the Corporation achieved an Underwriting Profit of US$72.62 million under IFRS 4, reflecting its continued focus on disciplined risk selection, improving portfolio diversification, and effective portfolio management. However, this figure marks an 8.68% decrease from Q3 2024, mainly due to increased claims activity for the quarter.

Africa Re continues to deepen its presence in strategic markets, leveraging its regional offices and subsidiaries to deliver tailored reinsurance solutions and strengthen client relationships.

Investment Performance

Africa Re's investment portfolio delivered US$79.30 million in Income, up 10.53% from Q3 2024. This was driven by strong interest income from deposits and bonds, and capital gains from bonds and equities. The Average Investment Yield on assets stood at 3.82%, slightly down from 3.85% in 2024, reflecting broader market trends.

Net Income

The Corporation reported a robust Net Profit After Tax of US$142.65 million, marking an 8.54% year-on-year increase. This strong performance was driven by a significant reduction in foreign exchange losses, which dropped by 65.54% to US$6.83 million from US$19.82 million in Q3 2024, disciplined cost management that kept expenses 6.52% below budget, and impressive investment returns, all of which collectively contributed to the Corporation's solid profitability during the period.

Financial Position

As of 30 September 2025, Africa Re maintained a strong financial position, underscored by significant year-to-date growth since 2023 across key metrics. Total assets stood at US$2.69 billion, marking a substantial increase of 14.11% from the beginning of the year. This growth reflects the Corporation's robust financial management and effective investment strategies. Shareholders' equity reached US$1.30 billion, representing a year-to-date rise of 12.91%. This increase highlights Africa Re's commitment to enhancing shareholder value and maintaining a solid capital base.

Dr. Corneille Karekezi, Group MD/CEO of Africa Re, commented on these results, saying, "*Our Q3 2025 results reflect the strength of our diversified portfolio and disciplined execution of our defined strategy. Despite large loss events and market volatility, we delivered strong premium growth, improved profitability, and enhanced shareholder value. Our investment strategy and cost discipline continue to yield positive results.*"

The Group MD/CEO further added that: "*Looking ahead, we remain confident in our ability to navigate emerging risks and seize opportunities across Africa and beyond. Our focus remains on underwriting discipline, operational efficiency, and delivering sustainable value to our stakeholders.*"

***END ***

Additional Information

Africa Re continues to publish its accounts under the new industry accounting and reporting standards of IFRS 17 (*Insurance Contracts*) and IFRS 9 (*Financial Instruments*). For information and comparison, the Corporation will also continue to include annual accounts under the old industry accounting and reporting standard IFRS 4 (Insurance Contracts) and IAS 39 (*Financial Instruments*).

IFRS 17: Unaudited Q3 2025 Key Financial Information

Item (US$'000)	Q3 2025
Gross Reinsurance Revenue	932,673
Net Reinsurance Revenue	783,553
Net Reinsurance Service Expenses	-657,662
Net Reinsurance Service Result	125,891
Net Reinsurance Finance Result	-38,183
Non-Attributable Expenses	-19,598
Net Reinsurance Result	68,110
Net Investment Income	71,402
Finance Cost & Exchange Losses / Gains	-6,830
Income Tax	-2,438
Net Profit After Tax	**130,244**

IFRS 4: Unaudited Q3 2025 Key Financial Information

Item (US$'000)	Q3 2025
Gross Written Premium	976,165
Gross Earned Premium	932,673
Net Earned Premium	751,589
Net Technical Expenses	-630,222
Management Expenses	-48,749
Net Underwriting Result	72,618
Investment and Other Income	79,298
Finance Cost & Exchange Losses / Gains	-6,830
Income Tax	-2,438
Net Profit After Tax	**142,648**

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About Africa Re

The African Reinsurance Corporation (Africa Re) is a leading reinsurance company headquartered in Lagos (Nigeria). As a premier reinsurer of the African continent, it boasts one of the top highest premium income volumes and the strongest financial strength ratings.

Africa Re mission is to foster the development of the insurance and reinsurance industry in Africa, to promote the growth of national, regional, and sub-regional insurance risk underwriting and retention capacities, and to support African economic development.

Africa Re, as the leading reinsurance company in Africa and the Middle East, offers a unique value proposition to its cedant insurance companies across Africa and in selected markets of the Middle East, Asia, and Brazil, backed by a diverse pool of talent and expertise, unique market knowledge, proximity to clients, strong financial ratings (A / Stable by AM Best and A - / Positive by S&P), privileged access to African markets, and excellent customer service.

Established in 1976 and headquartered in Lagos (Nigeria), Africa Re is a pan African financial institution with a broad-based shareholding split between African (75%) and non-African (25%) investors. African shareholding comprises 42 African member States, the African Development Bank (AfDB), 112 African insurance/reinsurance companies from the 42 African member countries. The other investors are 3 global leading insurance and reinsurance groups with headquarters in France, Germany and Canada.

Africa Re’s core market coverage is achieved through offices located in key cities: 6 regional offices (Lagos, Casablanca, Abidjan, Nairobi, Ebène -Mauritius-, Cairo), 3 representative offices (Addis Ababa, Khartoum, and Kampala), and 3 fully owned subsidiaries in Johannesburg (Africa Re South Africa), Cairo (Africa Retakaful Company) and Dubai (DIFC Underwriting Management Agency).