



PRESS RELEASE

PR. No 132/2014

**ENTERPRISE GROUP LIMITED (EGL) -
FIRST QUARTER RESULTS
FOR THE PERIOD ENDING MARCH 2014**

EGL has released its unaudited Financial Statements for the first quarter ending March 31, 2014 as per the attached.

Issued in Accra, this 12th
day of May, 2014

- E N D -

att'd.

Distribution:

1. All LDMs
2. General Public
3. Company Secretary, EGL
4. NTHC Registrar, (Registrars for EGL shares)
5. SEC
6. GSE Securities Depository
7. GSE Council Members
8. GSE Notice Board

For enquiries, contact:

General Manager/Head of Listings, GSE on 669908, 669914, 669935

*HBM

UN-AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2014

NOTES

1. Adverse economic conditions, namely pressure on disposable incomes; cost inflation and currency depreciation impacted negatively on the Group's performance on Q1.
2. Both our underlying core Life and General Insurance businesses continued to grow, delivering Gross premium growth rates of 21% and 17% respectively. Total net insurance premiums grew by 24% versus prior year.
3. Investment and other income for the quarter was GHS 13.2m versus 29.7m achieved in the same prior year period, represented a decline of 55.7%. This decline was attributable to significant "one off" investment asset disposals and the appreciation of equities held on the GSE in the comparable prior year period.
4. Total Group Income of GHS 58.7m for 2014 against GHS 66.3m in 2013 therefore represented a decline of 11.4%
5. Net Group expenses increased against prior year by 27.7%, reflecting similar growth rates in claims, distribution and operating expenses.
6. Group profit after tax was GHS 1.2m versus GHS 21.5m, the reduction in profitability being directly attributable to the fall in investment income and cost push pressures on claims and operating expenses.
7. We expect some recovery in Q2 in profitability as we improve sales and collections as well as improving the management of costs.

UN-AUDITED INCOME STATEMENT

FOR THE THREE MONTHS ENDED MARCH 31, 2014

THE GROUP

	2014	2013
	Ghc'000	Ghc'000
Investment Income	12,457	5,629
Fair value (loss)/gains on investment	693	20,694
Net Investment income	13,150	26,323
Gross insurance premium revenue	55,281	46,655
Insurance Premium ceded to Reinsurers	(8,056)	(8,230)
Net Premium Written	47,225	38,425
Unearned Premiums	(1,650)	(1,800)
Net insurance premiums revenue	45,575	36,625
Other Income	-	3,367
Net income	58,725	66,315
Insurance Claims Incurred	(18,900)	(11,425)
Insurance claims recoveries from reinsurers	412	973
Change in insurance contract liabilities - Life fund	(16,796)	(17,868)
Net benefits and claims	(35,284)	(28,320)
Operating expenses	(13,162)	(9,629)
Commission expense	(7,860)	(6,156)
Net expenses	(56,306)	(44,105)
Profit before national fiscal stabilisation levy and income tax	2,420	22,210
Income tax credit / (expense)	(1,184)	(750)
Profit for the year	1,236	21,460
Attributable to:		
Owners of the parent	(1,516)	16,776
Non-Controlling Interest	2,752	4,684
	1,236	21,460
Earnings per share for the profit attributable to equity holders of the Company during the year	(0.012)	0.128

UN-AUDITED STATEMENT OF FINANCIAL POSITION

FOR THE THREE MONTHS ENDED MARCH 31, 2014

	2014	2013
	Ghc'000	Ghc'000
Assets		
Property & Equipment	17,705	20,393
Intangible Assets	21	65
Investment Properties	25,743	13,006
Investment securities	231,412	180,402
Loans and Receivables	33,859	18,084
Due from Re-insurers	3,154	3,527
Deferred Income Tax Asset	3,308	2,836
Cash and Cash equivalents	45,439	32,867
Total Assets	360,641	271,180

EQUITY AND LIABILITIES

Capital and reserve		
Stated Capital	31,887	31,599
Contingency Reserve	14,461	12,355
Other reserves	9,749	8,964
Income surplus account	56,967	46,221
Non-Controlling Interest	23,493	25,110
Total Equity	136,556	124,249
Liabilities		
Life Fund-insurance contract liabilities	165,630	100,598
Unearned Premiums and unexpired risk provision	19,147	13,879
Outstanding Claims	5,285	2,394
Trade and other Payables	13,476	9,799
Due to Re-insurers	9,075	8,833
Due to related parties	330	5,476
Deferred tax liability	9,696	-
Current Income Tax liability	1,446	5,952
Total Liabilities	224,085	146,931
Total Equity and Liabilities	360,641	271,180

UN-AUDITED STATEMENT OF CHANGES IN EQUITY

	2014	2013
	GH c'000	Ghc'000
At 1 January 2014	135,152	106,535
Profit for the year	1,236	21,460
Other Comprehensive Income	-	6,414
Total Comprehensive Income	1,236	27,874
Transactions with owners		
Employee Share option scheme	-	(545)
Additions to non controlling interest in subsidiary	-	(9,615)
Additions to Stated Capital	168	-
Total transactions with owners	168	(10,160)
At March 31, 2014	136,556	124,249

UN-AUDITED CONSOLIDATED STATEMENT OF CASH FLOW


FOR THE THREE MONTHS ENDED MARCH 31, 2014

THE GROUP

	2014	2013
	GH c'000	Ghc'000
Cash flows from Operating activities		
Cash (used in)/generated from operations	(19,909)	8,689
Investment income received	14,595	3,899
Income Tax paid	(1,189)	(347)
Net Cash generated from operating Activities	(6,503)	12,241
Cash flow from Investing Activities		
Purchase of Property and Equipment	(697)	(1,072)
Net cash used in investing activities	(697)	(1,072)
Cash flow from Financing Activities		
Dividends Paid	-	(4,640)
Proceeds from issue of ordinary shares	169	-
Net Cash used in financing Activities	169	(4,640)
Net increase / (decrease) in cash and cash equivalents	(7,031)	6,529
Cash and cash equivalents at beginning of year	52,470	26,338
Cash and cash equivalents at end of year	45,439	32,867

To the best of our knowledge, the consolidated financial statements do not contain untrue statements or misleading facts or omission of material facts.


George Otoo
CHIEF EXECUTIVE OFFICER


Martin Eson Benjamin
DIRECTOR