

# Annual Report 2016



Beni Abbès, Bechar



El Mechouar Palace, Tlemcen



Mountains of Djurdjura, Kabylia



Oasis in the Sahara, Biskra





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Îlot 135, N°2, Cité Administrative Plateau. Ouled Fayet. Alger 16035

Tel : +213 0 21 38 25 08

Fax : +213 0 21 38 26 16

E-mail : [contact@ccr.dz](mailto:contact@ccr.dz)

Website : [www.ccr.dz](http://www.ccr.dz)

# Annual Report

# 2016

# Summary

<b>KEY FIGURES 2016</b> .....	29
<b>COMMERCIAL ACTIVITY</b> .....	29
1. COMMERCIAL ACTIONS FOR THE NATIONAL MARKET.....	31
2. COMMERCIAL ACTIONS FOR THE INTERNATIONAL MARKET.....	32
<b>ENTERPRISE RISK MANAGEMENT</b> .....	29
1. CCR' RISK MANAGEMENT POLICY .....	37
2- ORGANIZATION OF THE ERM FUNCTION .....	37
<b>HUMAN RESOURCES AND TRAINING</b> .....	29
1. HUMAN RESOURCES.....	39
2. TRAINING.....	39
<b>TECHNICAL ACTIVITY</b> .....	29
1. GLOBAL ANALYSIS OF PREMIUM INCOME .....	40
2. NATIONAL ACCEPTANCES .....	41
3. INTERNATIONAL ACCEPTANCES (INWARD BUSINESS) .....	42
4. PAID CLAIMS .....	43
5. RETROCESSION .....	44
6. RETENTION .....	46
<b>FINANCIAL ACTIVITY &amp; ACCOUNTING</b> .....	29
1. INVESTMENTS SEURITIES .....	45
2. FINANCIAL INVESTMENTS .....	46
<b>GENERAL MANAGEMENT</b> .....	29
1. MANAGEMENT EXPENSES.....	48
2. RESULTS OF THE YEAR .....	48
<b>FINANCIAL STATEMENTS</b> .....	29
1. ASSETS .....	48
2. LIABILITIES .....	48
3. PROFIT & LOSS STATEMENT .....	48
4. STATEMENT OF CASH-FLOW .....	48
5. STATEMENT OF SHAREHOLDERS EQUITY VARIATIONS .....	48

# CHAIRMAN'S MESSAGE

The global reinsurance industry achieved positive results in 2016, despite a 50% increase in insured losses from natural disasters. These results, coupled with a continuing abundance of traditional reinsurance's capacity and financial markets instruments, helped to maintain the situation of Soft Market in the Reinsurance market.

In Algeria, the total premium income of the insurance market at the end of 2016 is nearly DZD 131 billion against DZD 128 billion in 2015, i.e. 2% growth. This is nearly the same progress level registered in 2015 over 2014. This pace of growth reflects the current context of the national economy, affected by the fall of oil prices and, consequently, foreign revenues of the country.

In terms of reinsurance, the ceded premiums of the overall Algerian market, estimated for 2016, is up by 6% compared to 2015, passing from DZD 34.7 billion in 2015 to DZD 36.7 billion in 2016. Despite a 7.37% growth of its gross written premiums, CCR's market share fell by one point, from 67% in 2015 to 66% in 2016.

CCR premiums' growth in 2016 is mainly due to an increase in its company's domestic acceptances, which remain predominant with a share of 89.4% of its total premium income, but also due to a continuing progress of the international acceptances, which represents a share of 10.6%. The share of international acceptances rose by 2.2 points, compared to 2015 (8.4%).

Besides, the share of compulsory cession in the overall premium income of CCR passed from 65% in 2015 to 61% in 2016, and consequently, the non-compulsory cession grew from 35% in 2015 to 39% in 2016.

As part of its commercial activity, CCR continued to support its clients and partners by offering them reinsurance solutions that fitted their needs, and by enhancing the quality of services provided. Therefore, CCR continued to implement a training and technical assistance program for its ceding companies.

In terms of financial activity, the overall financial investments and equity investments increased by 3.5% in 2016, generating an increase of 25% in financial income. It should be mentioned that CCR subscribed for DZD 4 billion to the bonds for Economic Growth issued by the government in 2016.

As a consequence, the premium income growth combined with a prudent and controlled underwriting policy, boosted by a prudent investment strategy, pooled with optimized operating costs, has enabled CCR to improve its net profit for the year

Lastly, CCR managed to maintain for the year 2016 its rating at B+ with a stable outlook, attributed by the rating agency AM Best, reflecting its financial strength and its technical performance.



**Hadj Mohamed SEBA**  
Chairman and Chief Executive Officer

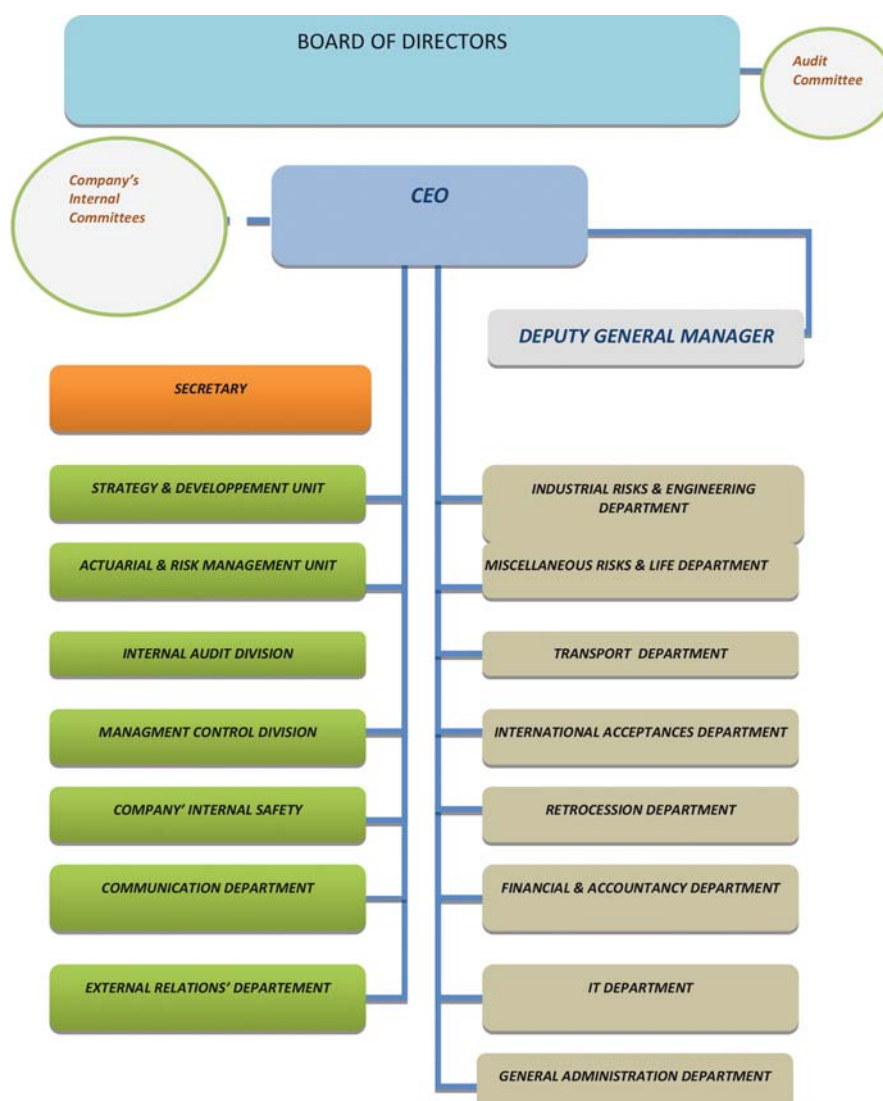


# 2016 KEY FIGURES

Millions DZD

DESIGNATION	2015	2016	VARIATION (%)
GROSS PREMIUMS WRITTEN	25 333	27 201	7,37
NET PREMIUMS WRITTEN	14 660	16 422	12,02
GROSS CLAIMS PAID	10 514	11 270	7,19
NET CLAIMS	6 801	8 430	23,95
FINANCIAL INVESTMENT INCOME	1 177	1 475	25,34
OPERATING EXPENSES	832	843	1,43
PROFIT OF THE YEAR	2 876	3 060	6,40
INVESTMENTS SECURITIES	3 699	3 845	3,94
SHAREHOLDER'S EQUITY	25 695	27 399	6,63
TECHNICAL RESERVES	29 905	29 645	-0,87
TOTAL BALANCE SHEET	69 303	73 388	5,89
SHARE CAPITAL	19 000	22 000	15,79
STAFF	91	90	-1

## ORGANIZATIONAL CHART



## ORGANIZATIONAL CHART

BOARD DIRECTORS	
CHAIRMAN	Hadj Mohamed SEBA
BOARD MEMBERS	Salima BEDRANI
	Abdelmalik DJEMIAI
	Kamel MARAMI
	Khaled MOUZAIA
	Mustapha TAMELGHAGHET

GENERAL MANAGEMENT		
GENERAL MANAGER	Hadj Mohamed SEBA	
MANAGERS	Sofiane AZZOUG	DIRECTEUR DES ACCEPTATIONS INTERNATIONALES
	Abdellah BENSEIDI	DIRECTEUR TRANSPORT
	Wided BELHOUCHE	DIRECTRICE DE LA RETROCESSION
	Sid Ahmed RACHEDI	DIRECTEUR DE LA COMPTABILITE ET DES FINANCES
	Abdelmadjid OULMANE	DIRECTEUR DES RISQUES DIVERS ET ASSURANCE DE PERSONNE
	Karima MALEK	DIRECTRICE DE L'INFORMATIQUE
	Yacine LARIBI	DIRECTEUR DES RISQUES INDUSTRIELS ET ENGINEERING
	Makhlouf LATROUS	DIRECTEUR DE L'ADMINISTRATION GENERALE
ADVISORS	Ismail GHERBI	RESPONSABLE DE LA CELLULE STRATEGIE ET DEVELOPPEMENT
	Ahmed SID	RESPONSABLE DE LA CELLULE ACTUARIAT ET RISQUES MANAGEMENT





Une rue d'Alger



## COMMERCIAL ACTIVITY

CCR's commercial actions are in line with its strategic vision and are based on a preliminary analysis of the structure of its activity and the potentials for its development.

Indeed, given that CCR's activity is largely dominated by its national portfolio, which accounts for an average of 90% of its premiums income, the local market is vital for CCR. This explains the predominance of commercial actions intended to the local market, in order to seize the business opportunities that would result.

The other part of CCR's business: international acceptances, accounts for about 10% of its gross premiums written, but is the main source of growth in the medium and long term. The company projects in its business plans to implement a commercial strategy that allows continuous growth of international business. Quality of service, commercial proximity, prospecting new markets, and Rating consolidation are the main area of work for CCR's commercial strategy in order to develop its international acceptances.

Thus, and as per the previous years, commercial activity during the year 2016 was intense, with the organization of a large number of events, both for the benefit of the domestic insurance market and for international markets targeted by CCR.

### 1 - COMMERCIAL ACTIONS FOR THE NATIONAL MARKET

The commercial efforts deployed by CCR to the national market are part of the overall development of the company's business. To this end, CCR has made significant efforts to train national ceding company personnel.

In addition, CCR is committed to develop actions to support the creation of new insurance products by the Algerian insurance companies and to offer automatic reinsurance supports, notably in the life and health insurance sectors, Business insurance, agricultural and credit insurance.

In this context, the year of 2016 saw the organization by CCR of eight (8) workshops dealing

with various subjects, which benefited more than 170 participants from the Algerian insurance companies and an international Seminar on the topic "Emerging Risks & Insurance". In addition, CCR launched in 2016, a new Marine product which is P&I contract for small and medium size boats.

### 2 - COMMERCIAL ACTIONS FOR THE INTERNATIONAL MARKET

The main objective of CCR's international commercial activity is to enable it to maintain its presence and contacts with its clients and to prospect new markets which present development opportunities for CCR.

As part of these international commercial activities, senior executives of the company attended several international events in 2016 to discuss the company's commercial strategy and capacities that can be offered to the potential new partners. Indeed, CCR participated to the following events :

- 40th FANAF GAM: Abidjan - Ivory Coast: from 13 to 19 February 2016;
- African Insurance Organization (AIO) - 43rd Conference in Marrakech - Morocco: from 06 to 12 May 2016;
- GAIF - Beirut - Lebanon: from 23 to 27 May 2016;
- Monté Carlo Annual Rendez-vous: from 10 to 15 September 2016;
- African Reinsurance Forum (AIO Forum) - Dakar - Senegal: from 02 to 05 October 2016.

In addition, visits have been made to several markets, including Saudi Arabia, Mauritania, Tunisia, and Turkey. Several other target markets are on CCR's agenda for the future.

The objective of the participation in these events and market visits is to make market prospection, to establish new business relationships with foreign partners that meet the requirements of CCR, and to consolidate the company's share in its target markets.



# ENTERPRISE RISK MANAGEMENT

The strategic actions of CCR are supported by a safe operational & organizational framework. Indeed, the company has put in place tools to protect its resources from the operational, human and environmental risks, to which it may be exposed, primarily through the ERM function (Enterprise Risk Management).

The implementation of a continuous process for the identification and mitigation of risk promotes good practices in risk management. This process is essentially based on the procedures for the assessment and risk control in order to limit their possible impact to acceptable levels by the company.

## 1 - CCR' RISK MANAGEMENT POLICY

The Risk Management at CCR involves all decision-making levels of the company. It starts by defining the overall risk tolerance and the tolerances for each risk category, then, it is integrated by the

management, audit and risk control structures to oversee all operational processes.

The tolerances by category and risk are approved by the Board of Directors.

## 2 - ORGANIZATION OF THE ERM FUNCTION

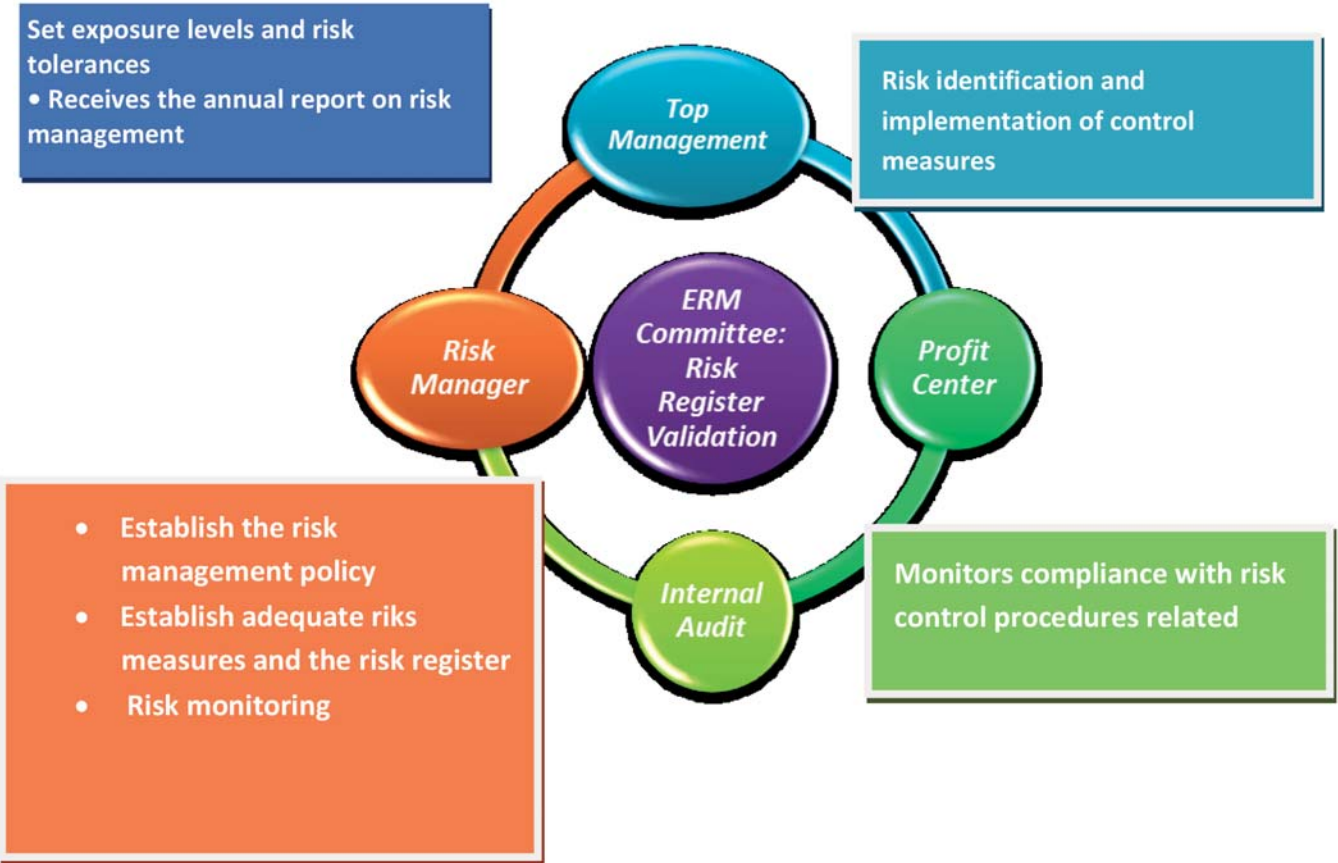
The Risk Management function within CCR aims to control all the risks the company faces in order to promote the conditions for achieving its strategic goals and to ensure the security of its own resources.

The implementation of the Risk Management function

within CCR is built around an organization involving all functional centers within the company, under the direct supervision of the General Management, but is concerns mainly the Risk Management and the internal audit teams in addition to the different operational centers of the company.

CCR's risk management practice should be enhanced after the acquisition of a new modeling tool in 2016.









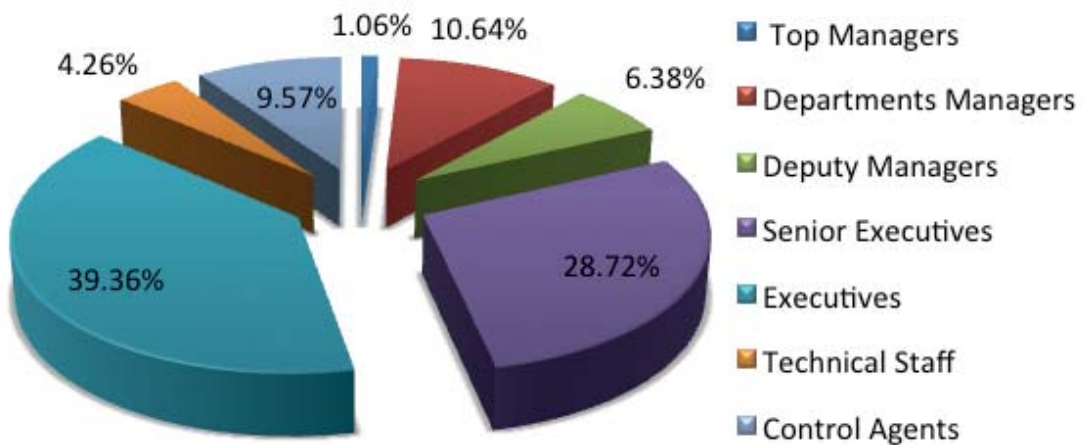
Bou Saâda, 1905

# HUMAN RESOURCES AND TRAINING

## 1 - HUMAN RESOURCES

At the end of 2016, CCR Staff is composed of 94 qualified employees, against 92 employees in 2015.

CCR EMPLOYEES BY CATEGORY IN 2016



## 2 - TRAINING

The quality of CCR' services of depends on the training and competence of its human resources. This is why, during 2016, 244 training sessions took place, including 05 long-term courses, 27 short-term courses, 02 computer courses, 14 traineeships

including 02 Abroad, 90 attendances at seminars and workshops and 106 in-house trainings. Compared to 2016 training budget (234 actions), the level of achievement is 104%. The total cost of these training courses represents 4.93% of the payroll in 2016 (i.e. more than two times the minimum imposed by the Algerian regulations on this subject, which is 2%).





Le café sur les terrasses à Alger



# TECHNICAL ACTIVITY

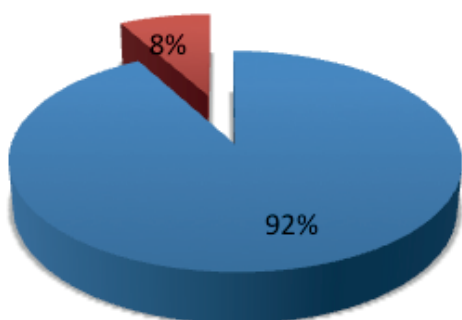
## 1 - GLOBAL ANALYSIS OF PREMIUM INCOME

In 2016, the technical activity of CCR has shown an increase of the total gross written premiums by 7.37%. This increase concerned both the national and international acceptances, with respectively, + 4.82% and + 35.16%.

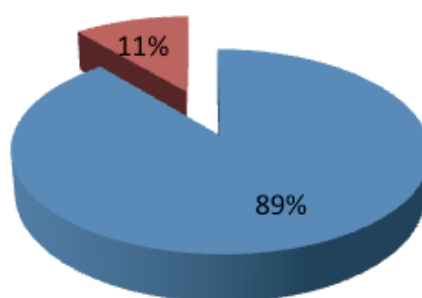
The total premium income of CCR remains dominated by national acceptances with 89%, i.e. DZD 24 317 millions, against 92% in 2015. Besides, the share of the compulsory cession felled from 65% in 2015 to 61% in 2016.

International acceptances represent 11%, i.e. DZD 2 884 million, against 8% in 2015, thus gaining 3 points in the structure of the gross written premiums in 2016.

SHARE OF NATIONAL AND INTERNATIONAL ACCEPTANCES 2015



SHARE OF NATIONAL AND INTERNATIONAL ACCEPTANCES 2016



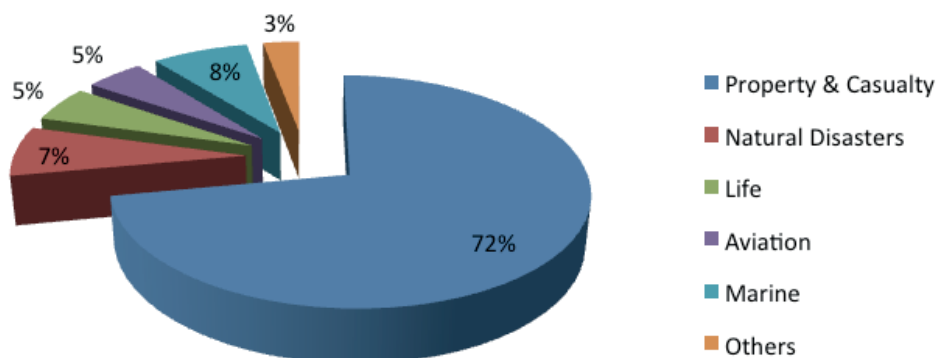
■ National Acceptances ■ International Acceptances ■ National Acceptances ■ International Acceptances

By class of business, the gross premiums written by CCR are as follows:

### INTERNATIONALE ACCEPTANCES 2016

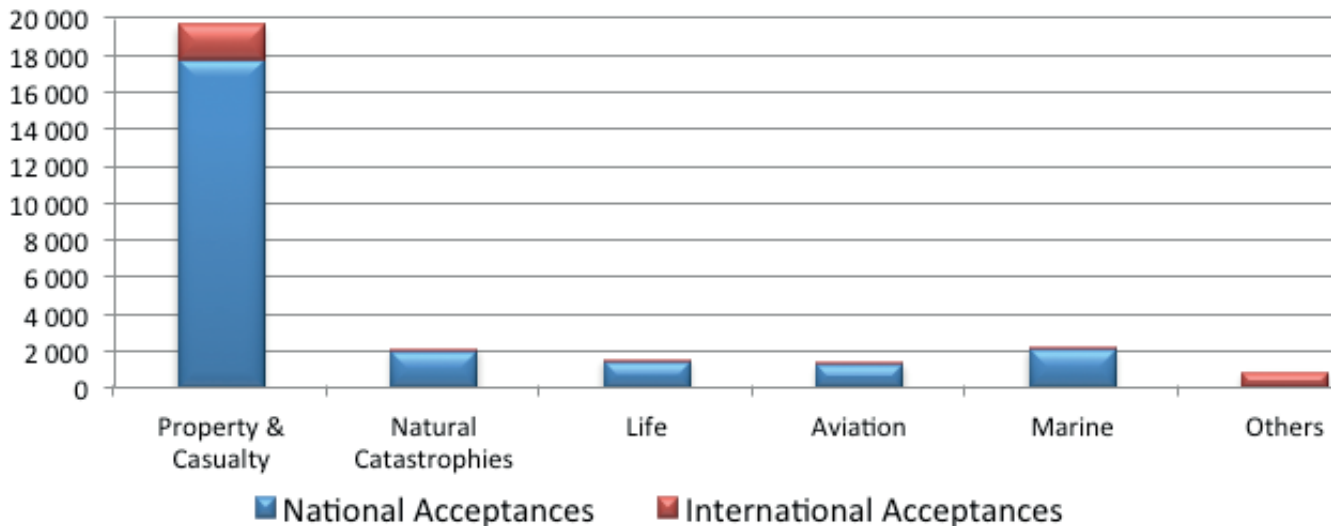
Classes	2015		2016		Variation	
	Montant	%	Montant	%	Montant	%
Property & Casualty	17 878	70,6	19 610	72	1 732	9,69
Natural Disasters	1 679	6,6	1 959	7,2	280	16,67
Life	1 600	6,3	1 416	5,2	-183	-11,47
Aviation	1 394	5,5	1 286	4,7	-108	-7,77
Marine	2 239	8,8	2 129	7,8	-110	-4,91
Others	543	2,1	801	2,9	257	47,37
<b>TOTAL</b>	<b>25 333</b>	<b>100</b>	<b>27 201</b>	<b>100</b>	<b>1 868</b>	<b>7,37</b>

### CCR GLOBAL ACCEPTANCES BY CLASS OF BUSINESS IN 2016





ACCEPTANCES BY CLASS OF BUSINESS IN 2016



2 - NATIONAL ACCEPTANCES

The total premium income of national acceptances in 2016 is DZD 24 317 million against DZD 23 199 million in 2015, that is an increase of 4.82% (+DZD 1 118 million).

2.1. NON MARINE CLASSES

The premium income of non marine classes in 2016 is DZD 21 068 million. It has shown an increase of 6.39%, i.e. +DZD 1 265 million compared to 2015 (DZD 19 803 million). The 2016 non-marine classes represent 87% of national business of CCR and 77% of its total premium income.

A/ -PROPERTY & CASUALTY LINES (P&C)

The P&C class of business (Fire, accident and miscellaneous risk) including Engineering and Decennial Liability, recorded in 2016, a premium income of DZD 17 508 million against DZD 16 548 million in 2015 (+5.81%).

B/ - NATURAL DISASTERS

The Natural Disasters Insurance premium income in 2016 amounted to DZD 1 947 million, which mark a progress of 17.54% (DZD +290 million) compared to the last financial year with DZD 1 656 million.

C/ - LIFE

The life insurance classes recorded until December 31, 2016, a premium volume of DZD 1 414 million

against DZD 1 599 million in December 31, 2015, marking a decline of 11.58% (-DZD 185 million). The premiums written in 2016 are divided between Life Insurance Products (52.4%) and Travel Assistance Products (47.6%).

2.2. TRANSPORT CLASSES

Transport classes (Aviation, Marine Hull and Marine Cargo) reached in 2016 DZD 3 249 millions premium income against DZD 3 396 millions in 2015, marking a decline of 4.34% (DZD -147 million).

A/ -AVIATION

The aviation class has recorded 2016, a premium volume of DZD 1 220 million against DZD 1 239 million in 2015, thus a decline of 1.60%.

It's worth noting that the decrease, expressed in original currency (USD), is -14%. However, the effect of the depreciation of the Algerian Dinar against the US Dollar, the currency in which the aviation premiums were expressed originally, offset a little bit this counter-performance.

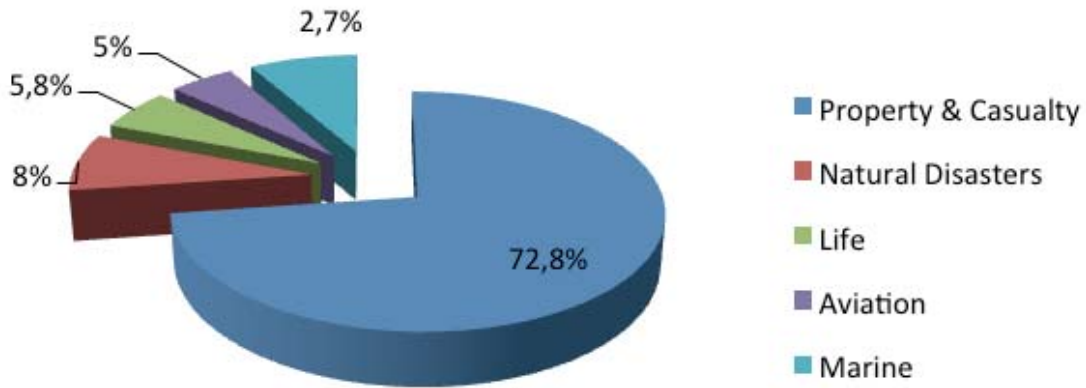
B/ -MARINE

The Marine premium written (Cargo and Hull) amounted to DZD 2 030 million in 2016, recording therefore a decline of 5.89% compared to 2015 (DZD 2 157 million). This situation is explained by the depreciation of the Algerian Dinar against the US Dollar and, in the other side, by the economic situation of the country marked by the drop of the volume of importations in 2016.

EVOLUTION OF NATIONAL ACCEPTANCES 2016

Classes	2015		2016		Variation	
	Amount	%	Amount	%	Amount	%
Property & Casualty	16 548	71.3	17 708	72.8	1 160	7.01
Natural Disasters	1 656	7.1	1 947	8	290	17.54
Life	1 599	6.9	1 414	5.8	-185	-11.58
Aviation	1 239	5.3	1 220	5	-20	-1.6
Marine	2157	9.3	2030	8.4	-127	-5.89
Others	23 199	100	24 317	100	1 118	4,82
<b>TOTAL</b>	<b>25 333</b>	<b>100</b>	<b>27 201</b>	<b>100</b>	<b>1 868</b>	<b>7,37</b>

NATIONAL ACCEPTANCES IN 2016



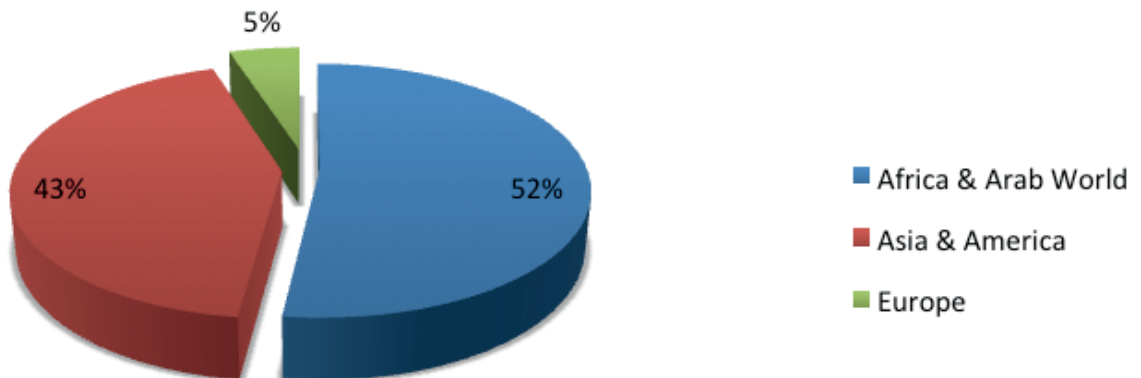
3-INTERNATIONALACCEPTANCES

In 2016, total premiums written by the international acceptances department of CCR is DZD 2 884 million against DZD 2 133 million in 2015. This important increase of + DZD 750 million (more than 35%), is due to a number of new business written in 2016, in addition to increased CCR's participation in some existing accounts, and the improvement of premium rates. The growth of international inward business concerns both treaties and facultative business.

3.1. GEOGRAPHICAL DISTRIBUTION OF INTERNATIONAL ACCEPTANCES

The analysis of the 2016 international income by geographic zone shows that the Africa & Arab World zone continues to be the first zone for CCR international activity with a market share of 51.58%. It is followed by Asia & America, which remains the second underwriting zone, with a share of 43.18%, and lastly, we find the European zone with a share of 5.24%.

INTERNATIONAL ACCEPTANCES BY ZONE IN 2016





## INTERNATIONAL ACCEPTANCES BY CLASSES IN 2016

Classes	2015		2016		Variation	
	Amount	%	Amount	%	Amount	%
P & C	1330	62,31	1 902	65,94	572	43,01
Natural Disasters	23	1,07	12	0,43	-11	-46,23
Life	1	0,04	2	0,09	2	199,56
Aviation	155	7,26	66	2,3	-88	-57,12
Marine	81	3,84	100	1,23	-6	-14,48
Others	543	25,47	801	3,48	258	47,51
<b>TOTAL</b>	<b>2 133</b>	<b>100</b>	<b>2 884</b>	<b>100</b>	<b>750</b>	<b>35,16</b>

### 3.2. INTERNATIONAL ACCEPTANCES BY CLASSES OF BUSINESS

The analysis of international premium income by class of business highlights the importance

of the Property & Casualty classes of business which dominate the international portfolio, with a premium volume of DZD 1 902 million, they represent 65.94% of the international premiums written in 2016 against 62.3 % in 2015.

## 4. CLAIMS

The accounting year 2016 was characterized by

an increase in paid claims by CCR. Indeed, gross paid claims for the year increase by 1%, from DZD 11 080 million in 2015 to DZD 11 161 million in 2016.

### CLAIMS PAID IN 2016

Classes	2016		2015		Variation (%)	
	Gross Claim	Net CCR	Gross Claim	Net CCR	Net CCR	Gross Claim
P & C	8 492	5 104	8 321	4 473	2%	14%
Natural Disasters	2	2	2	2	-10%	7%
Aviation	1 620	71	582	-33	178%	-316%
Marine	-21	-76	919	465	-102%	-116%
Others	651	199	907	865	-28%	-77%
Life	417	436	349	349	20%	25%
<b>TOTAL</b>	<b>11 161</b>	<b>5 736</b>	<b>11 080</b>	<b>6 122</b>	<b>1%</b>	<b>-6%</b>

## 5 - RETROCESSION

The volume of retrocession premiums in 2016, has known a slight increase of 1% (DZD +106 million), from DZD 10 673 million in 2015 to DZD 10 778 million IN 2016.

Reported to total gross premiums written in 2016 (DZD 27 201 million), the retrocession premiums represent 39.63% against 42.13% in 2015.

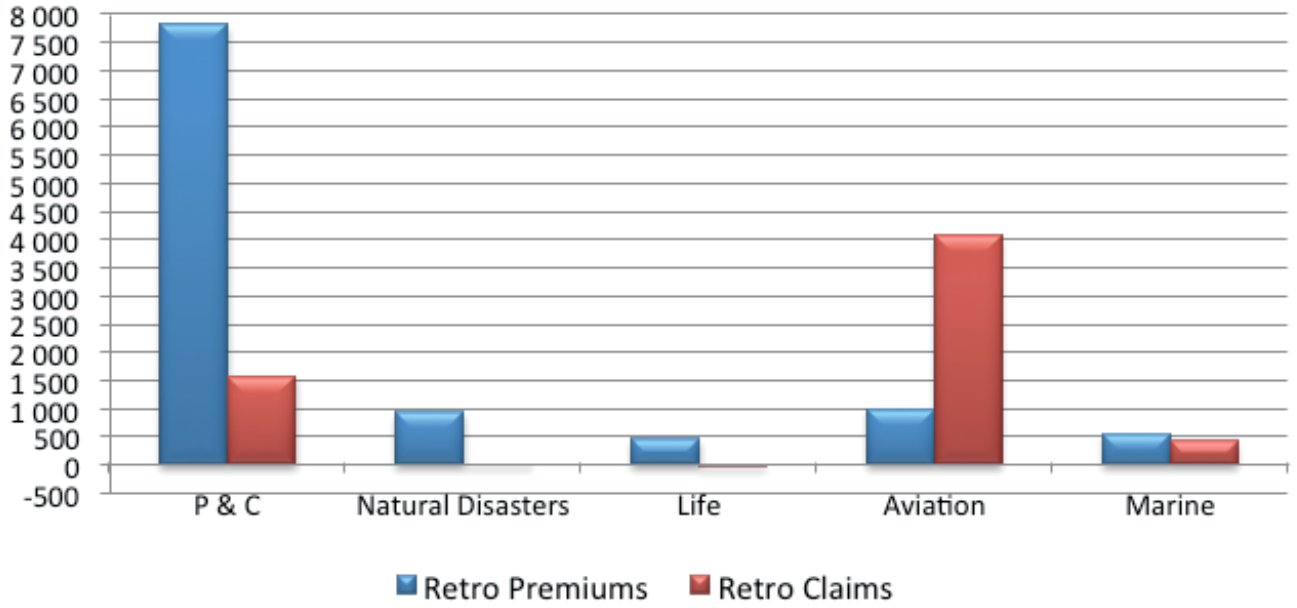
The claims collection from reinsurers registered a positive variation of 22.53% passing from DZD 4 959 million in 2015 to DZD 6 076 million.

Compared to the total gross claims payments, borne by the CCR for the 2016 financial year (DZD 11 812 million), the claims collected represent 51.44% against 44.75% in 2015.

The above performances of CCR Retrocession are the result of a retrocession policy based on first-class partners whose financial strength and technical skills have resulted in a stable and profitable relationship for both parties.

Finally, it is important to note that almost 92% of CCR retrocession programs have been placed with securities with financial strength rated A or higher.

RETROCESSION IN 2016

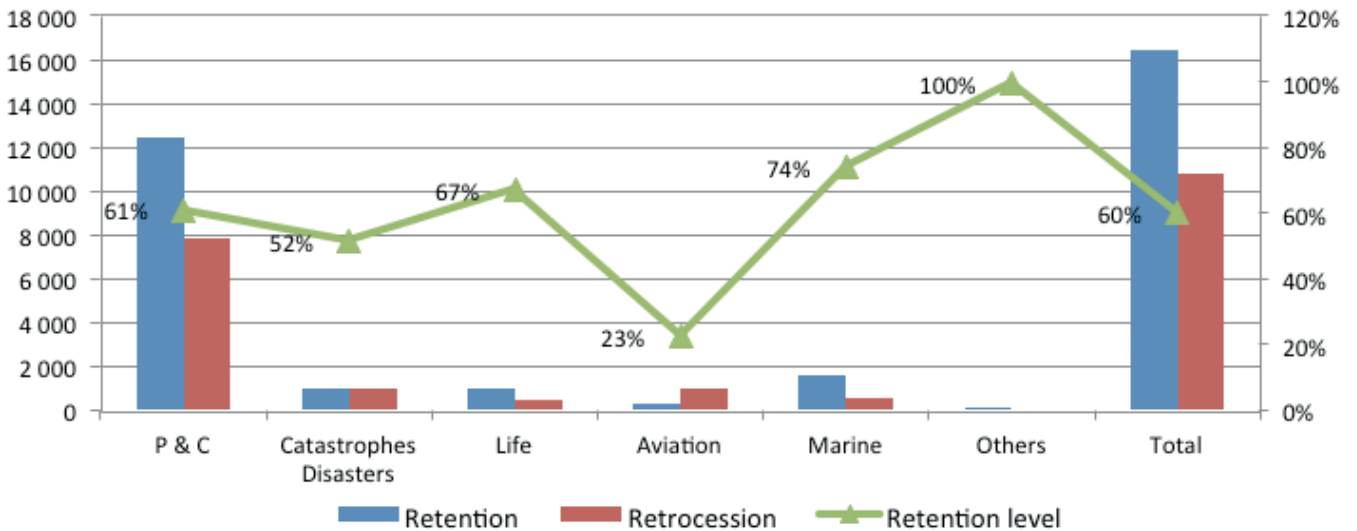


6 - RETENTION

The volume of premiums retained by the CCR in 2016, reached an amount of DZD 16 442 million against DZD 14 660 million in 2015, increasing therefore by 12% (DZD +1 762 million). Compared to the total Premiums Written, CCR retention represents 60% in 2016 against 58%

in 2015, up by 02 points. In terms of claims, the amount of net claims paid by CCR in 2016 was DZD 5 736 million, compared with DZD 6 122 million in 2015, a decrease of 6.30%. Reported to total gross claims, CCR retention represents a 49% in 2016, against 55% in 2015 (-06 points).

RETENTION RATES - 2016







Biskra, 1896



## FINANCIAL ACTIVITY

The assets generating financial revenues have reached DZD 52 941 million at the end of 2016, against DZD 51 160 million in 2015 (+3.48%).

The financial incomes of these investments in 2016 reached DZD 1 475 million against DZD 1 177 million in 2015, corresponding to an increase of DZD 298 million (+25.34%).

The financial revenues represent 5.42% of 2016 total premiums written in 2016, thus a bit more than in 2015 (4.64%). They cover 175% of operating costs against 141% in 2015, and also 681% of the payroll against 496% in 2015.

These assets can be grouped into two broad categories :

- Investments Securities (Equity);
- Other financial investments : primarily composed of Treasury Bonds, deposits at banks, deposits with ceding companies, real estate and bonds issued by the economic sector companies.

### 1 - INVESTMENTS SECURITIES

CCR holds shares in the capital of many national and international companies, in the insurance sector and in other sectors. These participations of CCR in the capital of national and international companies totalize at December 31, 2016, an

amount of DZD 3 845 million against DZD 3 699 million in 2015, marking an increase of DZD 146 million. This increase is mainly explained by the rate of exchange' fluctuations.

### 2 - FINANCIAL INVESTMENTS

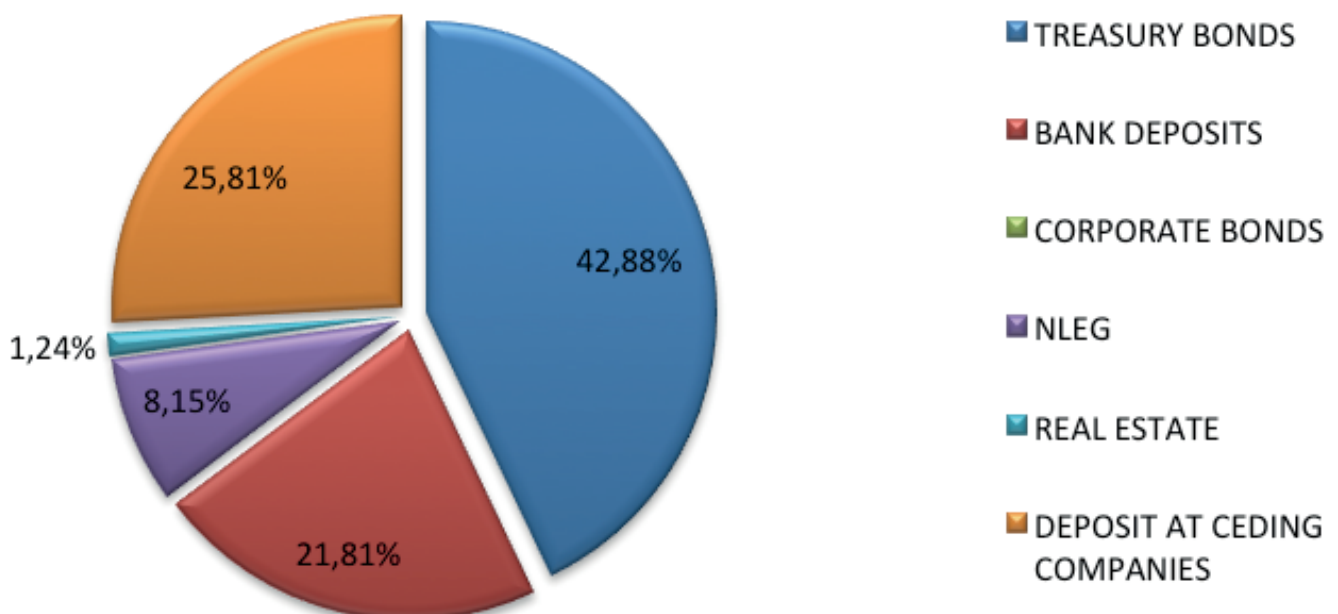
The financial investments excluding equity investments, reached DZD 49 095 million at the end 2016, compared to DZD 47 460 million in 2015 (+3.44%).

The Bank Deposits have been dethroned by Treasury Bonds in 2016, which occupy the first place of CCR's financial investments, with a volume of DZD 21 054 million, representing 42.88% of total financial investments, followed by Deposits with Ceding companies with a volume of DZD 12 673 million, representing a share of 21.81% of total financial investments (against 37.27% in 2015).

The other significant change in the financial investments structure excluding equity investments is the placement of DZD 4 000 million in the National Loan for Economic Growth (NLEG), which represent 8.15% of these investments in 2016.

The Real Estate investment, whose value has remained the same as in the financial year 2015, represents 1.24% of the total financial investments excluding equity investments.

STRUCTURE OF FINANCIAL INVESTMENT IN 2016







Femmes de Aït Hachem,  
dans la Kabylie, 1913



# GENERAL MANAGEMENT

## 1 - MANAGEMENT EXPENSES

The operating expenses incurred by the company in 2016, reached a volume of DZD 843 million against DZD 831 million in 2015, thus an increase of 1.43% (+DZD 12 million), due mainly to increase in the item "tax and duties".

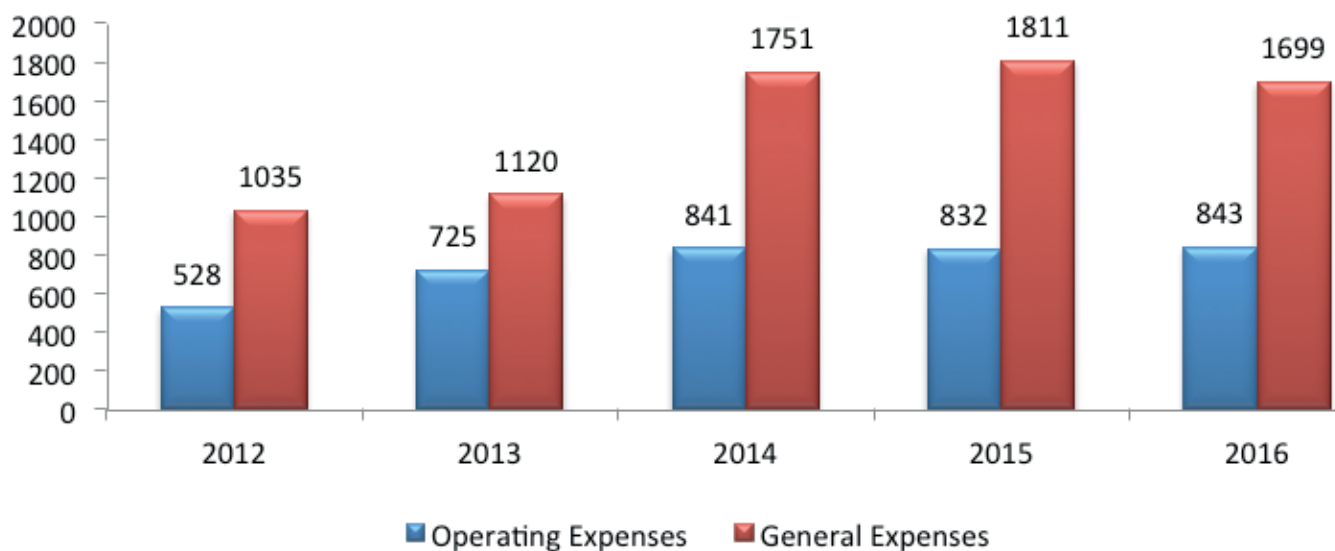
With regard to General expenses (depreciations & provisions included), the amount was DZD 1 699 million, so DZD 112 million (or - 6.18%) less than in 2015 (DZD 1 811 million).

### GENERAL EXPENSES

Million DZD

Rubriques	Figures for 2015	Forecasts for 2016	Figures for 2016
External services	23,4	26,8	27,5
Other External Services	229,7	234,0	195,0
Staff costs	237,0	219,5	216,5
Taxes & duties/assimilated payments	224,8	270,6	254,7
Other Operational Expenses	116,6	38,4	149,7
<b>Total operating expenses</b>	<b>831,6</b>	<b>789,2</b>	<b>843,4</b>
Accounting depreciations & provisions	979,6	789,2	855,7
<b>Overheads Total</b>	<b>1 811,1</b>	<b>1 053,3</b>	<b>1 699,2</b>

### EVOLUTION OF MANAGEMENT EXPENSES 2012-2016 (MILLION DZD)





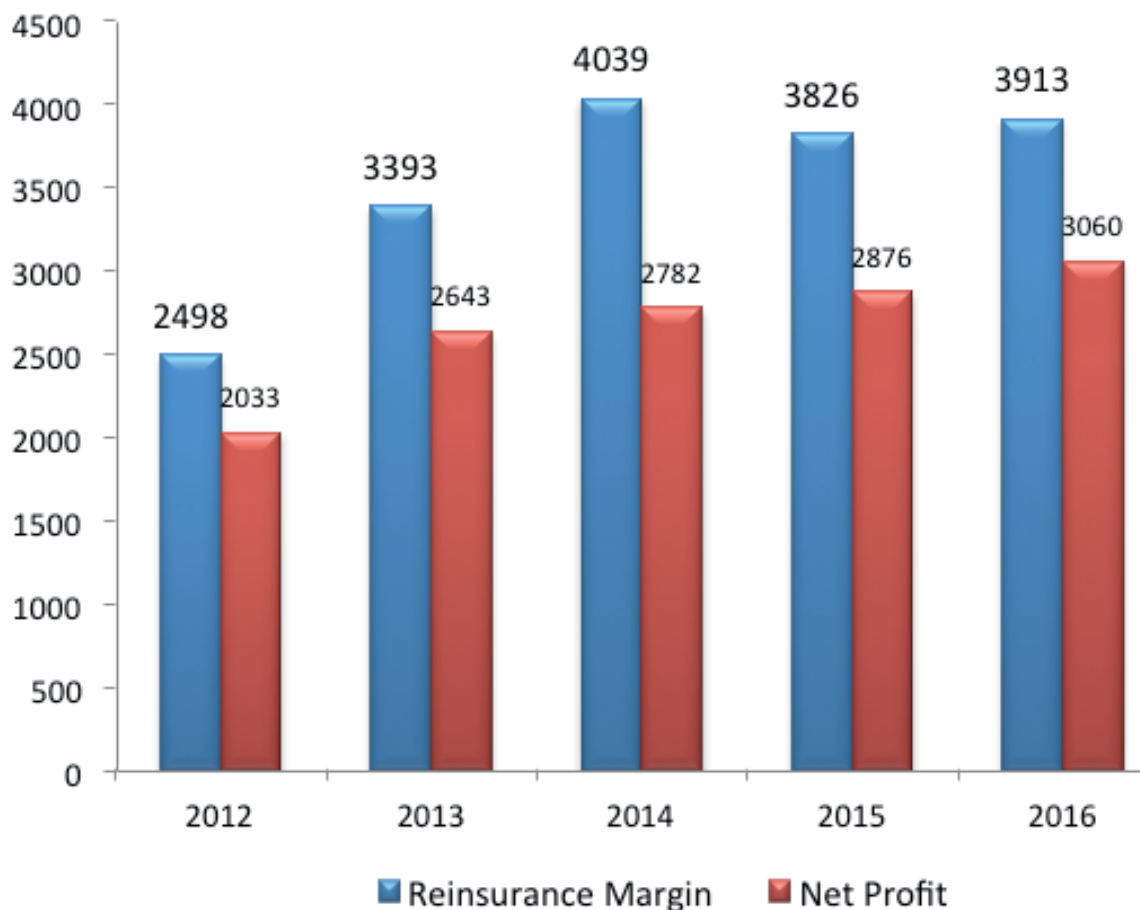
## 2 - RESULTS

The different results generated in 2016 are as follows :

Million DZD

Items	2015	2016	Amount	Variation %
Reinsurance margin	3 826	3 913	87	2,28
Operational technical results	2 305	2 399	94	4,09
Financial income	1 403	1 447	44	3,14
Ordinary profit before taxation	3 708	3 846	138	3,73
Net profit of ordinary activities	2 876	3 060	184	6,40
Net profit / capital	15,14%	13,91%	-1,23 pt	
Net profit / shareholders equity	11,19%	11,17%	-0,02 pt	

EVOLUTION OF RESULT 2012-2016



## 2 - SOLVENCY MARGIN

The amount of shareholder equity in 2016, amounted to DZD 27 399 million against DZD 25 695 million in 2015.

The amount of the solvency margin, registered by the end of 2016, amounted at DZD 26 504 million. It's more than the first threshold which is of 20%, (DZD 5 440 million) of written premium

net of cancellations (DZD 27 201 million), and it also exceeds the second minimum threshold of 15%, (DZD 4 447 million) of technical provisions constituting. CCR solvency margin comply with the two regulatory methods.

In addition, this solvency margin represents 97.44% of the net written premiums and 89.40% of the technical provisions.

## 3 - KEY RATIOS

RATIOS	2015 (%)	2016 (%)
<b>FINANCIAL STRUCTURE RATIOS</b>		
Shareholders Equity/Liabilities	37,08	37,33
Reserves/Shareholders Equity	10,50	4,28
<b>DEBT RATIOS</b>		
Total Debt / Total Liabilities	58,98	58,13
<b>TECHNICAL BALANCE</b>		
Tech. Pro+ Tech. Debt / Invest. Debt + Cash & Assimilated	63,04	56,87
<b>MANAGEMENT RATIOS</b>		
Operating Expenses / Gross Premiums Written	3,28	3,10
Staff Costs/ Gross Premiums Written	0,94	0,80
Payroll / Gross Premiums Written	0,75	0,63
Financial Income / Operating Expenses	141,55	186,95
Financial Income / Staff Costs	496,63	681,44
<b>PROFITABILITY RATIOS</b>		
Reinsurance Margin/ Gross Premiums Written	15,10	14,3 <sub>9</sub>
Net Profit/Capital	15,14	13,91
Net Profit/ Gross Premiums Written	11,35	11,25
Net Profit /Shareholders Equity	11,19	11,17
<b>TECHNICAL RATIOS</b>		
Combined Ratio (Net Claims + Oper. Exp. / Net Premiums Written)	79,31	81,41
LOSS RATIO (Net Claims / Net Premiums Written)	46,99	51,07
<b>PRODUCTIVITY</b>		
Gross Premiums Written / Agents	<b>278,38 MDA</b>	<b>302,23 MDA</b>
Net Profit/ Agents	<b>31,60 MDA</b>	<b>34,00 MDA</b>





L'Opéra d'Alger, 1926



## FINANCIAL STATEMENTS

## ASSETS AT 31/12/2016

Million DZD

ASSETS	GROSS AMOUNT 2016	DEPR - PROV 2016	NET AMOUNT 2016	NET AMOUNT 2015
<b>NON CURRENT ASSETS</b>				
Goodwill	-	-	-	-
Intangible fixed assets	32 982	25 420	7 562	5 912
<b>TOTAL INTANGIBLE FIXED</b>	<b>32 982</b>	<b>25 420</b>	<b>7 562</b>	<b>5 912</b>
<b>Tangible fixed assets</b>				
- Lands	79 483	-	79 483	79 483
- Buildings	1 389 422	283 692	1 105 730	1 137 538
- Tangible fixed assets	105 942	68 909	032 37	146 27
- Fixed assets in concession	-	-	-	-
<b>TOTAL TANGIBLE FIXED ASSETS</b>	<b>1 574 847</b>	<b>352 602</b>	<b>1 222 245</b>	<b>1 244 167</b>
<b>Current fixed assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL CURRENT FIXED SSETS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial fixed assets</b>				
- Securities put in equivalence	-	-	-	-
- Other participations' related debts	3 845 384	1 246 925	2 598 460	2 452 575
- Other fixed securities	29 589 356	281 356	29 308 000	27 568 000
- Loans & other non-current Financial assets	14 197	-	14 197	15 233
- Active deferred taxes	42 100	-	42 100	27 633
- Funds or value depos. with ceding comp.	12 672 780	-	12 672 780	12 513 746
<b>Total of financial fixed assets</b>	<b>46 163 818</b>	<b>1 528 281</b>	<b>44 635 537</b>	<b>42 577 186</b>
<b>TOTAL OF NON-CURRENT ASSETS</b>	<b>47 771 647</b>	<b>1 906 303</b>	<b>45 865 344</b>	<b>43 827 265</b>
<b>CURRENT ASSETS</b>				
<b>Insurance technical provisions</b>				
- Share of ceded coassurance	-	-	-	-
- Share of ceded reinsurance	9 286 405	-	9 286 405	12 154 366
<b>TOTAL OF INSURANCE TECHNICAL PROVISIONS</b>	<b>9 286 405</b>	<b>-</b>	<b>9 286 405</b>	<b>12 154 366</b>
<b>Debts and assimilated</b>				
- Debtors holders & ceding companies	-	-	-	-
- Insures, insured intermed. & related account	6 145 663	1 046 007	5 099 656	4 314 842
- Other debtors	308 038	5 760	302 278	376 031
- Taxes & assimilated duties	34 837	-	34 837	-
- Other debts & assimilated posts	-	-	-	-
<b>Total debts &amp; assimilated</b>	<b>6 488 538</b>	<b>1 051 767</b>	<b>5 436 771</b>	<b>4 690 872</b>
<b>Cash &amp; assimilated</b>				
- Investments & other current financial assets	6 222 759	-	6 222 759	6 471 892
- Cash	6 576 572	-	6 576 572	2 158 675
<b>TOTAL CURRENT ASSETS</b>	<b>12 799 331</b>	<b>-</b>	<b>12 799 331</b>	<b>8 630 567</b>
<b>TOTAL ASSETS</b>	<b>28 574 274</b>	<b>1 051 767</b>	<b>27 522 508</b>	<b>25 475 806</b>
<b>TOTAL ACTIF</b>	<b>76 345 921</b>	<b>2 958 070</b>	<b>73 387 851</b>	<b>69 303 071</b>



## LIABILITIES AT 31/12/2016

Million DZD

LIABILITIES	NET AMOUNT 2016	NET AMOUNT 2015
<b>SHAREHOLDERS EQUITY</b>		
<b>Issued capital</b>	22 000 000	19 000 000
Non paid-up capital		-
Capital : premiums and reserves	1 172 637	2 696 963
Valuation gap	1 166 755	1 122 106
Revaluation gap		-
Equivalence gap		-
Net profit/loss	3 059 605	2 875 674
Other equity – retained earnings		-
Shares of the funding company		-
Shares of minorities		-
<b>TOTAL SHAREHOLDERS EQUITY</b>	<b>27 398 997</b>	<b>25 694 743</b>
<b>NON-CURRENT LIABILITIES</b>		
Loans and financial debts		-
Taxes		-
Other non-current debts		-
Controlled Provision	3 331 785	2 733 305
Provisions and income earned in advance	161 922	106 282
Funds or values received from reinsurers	3 410 544	3 424 340
<b>TOTAL OF NON-CURRENT LIABILITIES</b>	<b>6 904 251</b>	<b>6 263 927</b>
<b>CURRENT LIABILITIES</b>		
<b>Insurance technical provisions</b>		
- Direct operations	291 140	182 585
- Acceptances	29 354 344	29 722 745
<b>Debts &amp; related resources</b>		
- Holders, ceding companies & related account	8 240 209	7 119 563
- Insured, insurances intermediaries		-
Payable taxes	25 568	109 778
Other debts	1 173 342	209 729
Cash liabilities		-
<b>TOTAL CURRENT LIABILITES</b>	<b>39 084 603</b>	<b>37 344 400</b>
<b>TOTAL LIABILITIES</b>	<b>73 387 851</b>	<b>69 303 071</b>

## PROFIT &amp; LOSS STATEMENT AS AT 31/12/2016

Million DZD

Accounts Description	Gross operations 2016	Cessions & Retrocession 2016	Net operations 2016	Net operations 2015
Accepted premiums	27 200 695	10 778 347	16 422 348	14 659 896
Accepted premiums brought forward	-282 255	-367 998	85 743	-184 749
<b>EARNED PREMIUM</b>	<b>26 918 441</b>	<b>10 410 350</b>	<b>16 508 091</b>	<b>14 475 147</b>
Acceptance benefit	11 269 619	2 839 686	8 429 933	6 801 173
<b>FINANCIAL YEAR ALLOWANCES</b>	<b>11 269 619</b>	<b>2 839 686</b>	<b>8 429 933</b>	<b>6 801 173</b>
Reinsurance commissions received		1 165 553		
Reinsurance commissions paid	5 330 675			
<b>REINSURANCE COMMISSIONS</b>			<b>4 165 122</b>	<b>3 848 222</b>
<b>NET REINSURANCE MARGIN</b>	<b>10 318 147</b>	<b>6 405 111</b>	<b>3 913 036</b>	<b>3 825 752</b>
Immobilized production	-		-	-
External services & other wasting	222 470		222 470	253 134
Staff cost	216 511		216 511	237 021
Duties taxes & assimilated payments	254 725		254 725	224 850
Other operation income	36 718		36 718	36 402
Other operation expenses	59 364		59 364	76 821
Depreciation	855 729		855 729	979 561
Provisions & loss value				
Upturn on loss value & provision	57 987		57 987	213 910
<b>OPERATIONAL TECHNICAL RESULT</b>	<b>8 804 053</b>	<b>6 405 111</b>	<b>2 398 942</b>	<b>2 304 679</b>
Financial income	1 537 459		1 537 459	1 442 824
Financial expenses	90 373		90 373	39 738
<b>FINANCIAL RESULT</b>	<b>1 447 086</b>		<b>1 447 086</b>	<b>1 403 086</b>
<b>COMMON RESULT BEFORE TAXATION</b>	<b>10 251 139</b>	<b>6 405 111</b>	<b>3 846 028</b>	<b>3 707 764</b>
Payable taxes on common result	800 890		800 890	836 867
Deferred taxes on ordinary result	-14 466		-14 466	-4 777
<b>TOTAL ORDINARY INCOME</b>	<b>5 545 200</b>		<b>5 545 200</b>	<b>5 518 887</b>
<b>TOTAL ORDINARY EXPENSES</b>	<b>2 485 595</b>		<b>2 485 595</b>	<b>2 643 213</b>
<b>NET RESULT OF COMMON ACTIVITIES</b>	<b>9 464 716</b>	<b>6 405 111</b>	<b>3 059 605</b>	<b>2 875 674</b>
Exceptional income (specify)		-	-	-
Exceptional expenses (specify)		-	-	-
<b>EXCEPTIONAL RESULT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FINANCIAL NET RESULT</b>	<b>9 464 716</b>	<b>6 405 111</b>	<b>3 059 605</b>	<b>2 875 674 432</b>



# STATEMENT OF CASH-FLOW

Million DZD

ITEMS	AU 31/12/2015	AU 31/12/2014
<b>Cash-flow from operational activities</b>		
Collection received from insurance/reinsurance activities	17 622 597	15 178 741
Amounts paid to suppliers staff	-10 645 054	-9 113 206
Payment to suppliers & employees	-396 139	-381 289
Interest & other paid financial expenses	-27 821	-32 208
Taxes on paid profits	-1 174 765	-874 035
<b>Cash-flow before exceptional elements</b>	<b>5 378 819</b>	<b>4 778 002</b>
Cash-flow from investments activities		-
<b>Net cash-flow from operational activities</b>	<b>5 378 819</b>	<b>4 778 002</b>
<b>Cash-flow from investment activities</b>		
Disbursement on tangible or intangible fixed assets acquisitions	-26 055	-15 166
Collection of tangible or intangible fixed transfers	226	-
Disbursement on financial fixed assets	-12 031 930	-9 233 982
Collection of financial assets transfers	10 487 490	4 964 883
Interest cashed on financial investments	1 439 093	755 047
Dividends and quota share of received result	84 560	112 890
<b>Cash-flow from investment activities</b>	<b>-46 616</b>	<b>-3 416 327</b>
<b>Cash-flow from financial activities</b>		
Collection following sharing issuing		-
Dividends & other allocations		
Collection from loans		-
Repayment loans or other <b>assimilated</b> debts		-
<b>Net cash-flow from financial activities</b>	<b>-1 400 000</b>	<b>-1 000 000</b>
Incidences of exchange rate variations on liquid assets	887	3 857
<b>Net period cash variations</b>	<b>3 933 090</b>	<b>365 532</b>
Cash at the beginning of the financial year	413 591	48 060
Cash at the end of the financial year	4 346 681	413 591
<b>Period cash variations</b>	<b>3 933 090</b>	<b>365 532</b>

## STATEMENT OF SHAREHOLDERS EQUITY VARIATIONS

Million DZD

ITEM	CAPITAL SHARE	ISSUING PREMIUM	VALUATION GAP	REVALUATION GAP	RESERVES AND RESULT
<b>Balance at December 31, 2015</b>	<b>16 000 000</b>		<b>872 538</b>	<b>-</b>	<b>6 696 963</b>
Change of accounting method					
Significant errors corrections					
Fixed assets revaluation					
Non entered profits or losses			249 569		-
Paid dividends					-1 000 000
Capital increase	3 000 000				-3 000 000
Financial year result					2 875 674
<b>Balance at December 31, 2016</b>	<b>19 000 000</b>		<b>1 122 106</b>	<b>-</b>	<b>5 572 637</b>
Change of accounting method					
Significant errors corrections					
Fixed assets revaluation					
Non entered profits or losses			44 648		
Paid dividends					-1 400 000
Capital increase	3 000 000				-3 000 000
Financial year result					3 059 605
<b>Balance at December 31, 2016</b>	<b>22 000 000</b>		<b>1 166 755</b>	<b>-</b>	<b>4 232 243</b>



## **AUDITOR'S REPORT**

**2016 Financial Year**

**BENHABILES Zoheir**  
**Chartered Accountant**  
**Legal Auditor**

**To the chairman,  
Membres of the Ordinary  
General Assembly of the  
Compagnie Centrale  
de Réassurance (CCR)**

In accordance with the provision of article 751 twice 4 of the commercial law, we give a report on our opinion in respect of the CCR's accounts for the year ended December 31<sup>st</sup>, 2016.

We examined and checked the accounting and financial operations as well as the financial statements produced by the Compagnie Centrale de Réassurance under the 2016 year.

Our audit, carried out according to the commonly accepted diligence, rules and proceedings governing the auditors profession, consisted to make sure that the IAS and IFRS standards, as decreed by the accounting financial system, have been respected.

Notwithstanding the various remarks and observations expressed in our detailed report, we certify that the CCR's financial statements are sincere and regular as far as the standards and rules commonly accepted are concerned and reflect the effective financial and patrimonial statement of the of the firm.

**The Legal Auditor**  
**BENHABILES Zoheir**

**Thursday may 09, 2017**







Les jardins du Palais du Dey à Alger, 1840