



African Reinsurance Corporation
Société Africaine de Réassurance

Press Release

Africa Re Announces Record-Breaking Financial Performance for the Year Ended 31 December 2025

21 April 2026, Lagos, Nigeria

The African Reinsurance Corporation (herein "Africa Re" or "Corporation") today announced its management accounts for the financial year ended 31 December 2025, delivering robust premium growth, improved underwriting profitability, and record investment income, culminating in a significant rise in net profit and total comprehensive income.

Key IFRS 4 Financial Highlights

- **Gross Written Premium (GWP): US\$ 1.34 billion**, a 10.18% increase year-on-year (YoY)
- **Underwriting Profit: US\$ 96 million**, up 9.58% YoY, supported by higher premium volume and a marginally lower loss ratio.
- **Investment & Other Income: US\$ 114 million** (+27.38% YoY), led by higher interest income and capital gains.
- **Net Profit After Tax: US\$ 199 million** (+50.6% YoY), reflecting stronger underwriting performance, record investment return, and lower foreign exchange losses.
- **Total Comprehensive Income: US\$ 248 million** (+122.25% YoY), buoyed by translation gains from the appreciation of African operating currencies against the US dollar (reporting currency).
- **Combined Ratio: 90.73%**, driven by improved net incurred loss ratio.

Business and Market Commentary

Africa Re recorded broad and sustained premium growth in 2025, with Gross Written Premium (GWP) reaching US\$ 1.34 billion, a 10.18% year-on-year increase. Under IFRS 17, Gross Reinsurance Revenue increased by 6.22% to US\$ 1.27 billion (FY 2024: US\$ 1.20 billion). This robust topline performance was driven by stronger renewal patterns, increased facultative placements, and expanding demand across major business lines, including property, engineering, motor, life, and specialty risks. Growth was further reinforced by improved pricing conditions in some property and motor markets following recent global loss events, as well as favorable foreign-exchange movements that boosted reported premium volumes.

Underwriting performance remained resilient despite higher paid claims, with the overall net incurred loss ratio benefiting from improved development in outstanding claims and more effective portfolio management. Expense levels rose broadly in line with business growth, maintaining operational efficiency.

The Corporation also continued to strengthen risk diversification through a balanced mix of business sources, enhancing resilience against localized volatility.

Combined with disciplined risk selection, the above factors contributed to a stable underwriting environment and positioned Africa Re for continued growth in 2026.

Investment Performance

Investment results reached a record high, driven by strong interest income and favorable market movements. Total investment and other income rose to US\$114 million, lifting the portfolio yield to 5.51%, up from 4.94% in the prior year. This performance reflects the effectiveness of Africa Re's investment strategy, strategic asset allocation, and proactive market positioning.

Net Income

The Corporation reported a strong Net Profit After Tax of US\$ 199 million, reflecting a 50.62% year-on-year increase, driven by substantial improvements in key performance areas.

Profitability was boosted by a sharp reduction in foreign exchange losses, which fell 87.09% to US\$ 5.4 million, driven by favorable currency movements across several operating markets.

The result was further supported by record investment income and other income of US\$ 114 million, up 27.28% from the prior year, driven by higher interest income and positive market movements.

Strengthened underwriting performance and disciplined operating cost management also contributed to the overall improvement, resulting in a significantly enhanced bottom line for the year.

Financial Position

As of 31 December 2025, Africa Re maintained a strong financial position, supported by continued growth across major balance sheet components.

Total assets increased to US\$ 2.69 billion, up 14.05% from the prior year, driven by growth in financial assets and higher cash, term deposits, and fixed-income holdings.

Shareholders' equity grew to US\$ 1.37 billion, a 18.99% year-on-year increase, reflecting strong retained earnings and favorable translation adjustments from appreciating operating currencies.

This overall improvement underscores the Corporation's ongoing commitment to maintaining a resilient capital base and delivering sustainable value to its shareholders.

Executive Management Comments

Dr. Corneille Karekezi, Group MD/CEO of Africa Re, commented on these results, saying, *"Our 2025 results underscore the strength of Africa Re's diversified portfolio and disciplined strategy execution, which is also a testimony to our recent S&P upgrade to full "A" financial and credit rating. Despite elevated loss activity in some markets, we combined underwriting discipline with strong investment performance to deliver double-digit premium growth and a 51% rise in net profit. We enter 2026 with a resilient balance sheet, robust liquidity and clear strategic priorities for sustainable value creation. Looking ahead, we will continue to deepen client partnerships across Africa and selected international markets, tighten risk selection, and optimise asset allocation, while maintaining strict cost discipline".*

*******END*******

Additional Information

Since the publication of its 2023 financial year, Africa Re has reported its accounts under the new industry accounting and reporting standards, IFRS 17 (*Insurance Contracts*) and IFRS 9 (*Financial Instruments*).

However, for information, comparison, and performance management, the Corporation continues to include financial accounts internally under the old industry accounting and reporting standards IFRS 4 (*Insurance Contracts*) and IAS 39 (*Financial Instruments*).

Below are the Key Financial Information of the Management Accounts under the two standards.

IFRS 17 - FY 2025 Key Financial Information of the Profit & Loss Account

Figures are in US\$ '000 (thousands) unless otherwise stated

Item (US\$'000)	FY 2025	FY 2024
Gross Reinsurance Revenue	1,274,989	1,200,346
Net Reinsurance Revenue	1,074,284	995,845
Net Reinsurance Service Expenses	-876,623	-810,426
Net Reinsurance Service Result	197,661	185,419
Net Reinsurance Finance Result	-48,760	-70,408
Non-Attributable Expenses	-31,687	-27,011
Net Reinsurance Result	117,214	88,000
Net Investment Income	111,409	89,248
Finance Cost & Exchange Losses / Gains	-5,385	-41,726
Income Tax	-4,650	-2,580
Net Profit After Tax	218,588	132,942

IFRS 4: FY 2025 Key Financial Information of the Profit & Loss Account

Figures are in US\$ '000 (thousands) unless otherwise stated

Item (US\$'000)	FY 2025	FY 2024
Gross Written Premium	1,337,744	1,214,098
Gross Earned Premium	1,274,989	1,200,346
Net Earned Premium	1,032,894	958,971
Net Technical Expenses	-863,324	-805,221
Management Expenses	-73,862	-66,407
Net Underwriting Result	95,708	87,343
Investment and Other Income	113,694	89,326
Finance Cost & Exchange Losses / Gains	-5,385	-41,726
Income Tax	-4,650	-2,580
Net Profit After Tax	199,367	132,363

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About Africa Re

The African Reinsurance Corporation (Africa Re) is a leading reinsurance company and the premier reinsurer for the African continent, boasting the 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 since and A / Stable 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), and 112 African insurance/reinsurance companies from those 42 member States. The other investors are 3 leading global insurance and reinsurance groups whose parent companies are based in France, South Africa, 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 4 fully owned subsidiaries in Johannesburg (Africa Re South Africa), Cairo (Africa Retakaful Company), Dubai (DIFC Underwriting Management Agency), and recently India (Africa Re Gujarat GIFT City).