

National Insurance Corporation lists 1.4 billion shares on USE

By Vision Reporter

National Insurance Corporation (NIC), a leading provider of insurance and risk management, has currently listed sh1.4b shares on the Uganda Securities Exchange. Trading at sh5 per share, the market capitalisation is about sh21b.

About NIC

NIC is the oldest insurance group on the Ugandan insurance landscape. The corporation was established as a Government entity by the National Insurance Corporation Act of 1964. In 2005, NIC was privatised but the Government retained 40% shares which were downloaded using the IPO process in 2010. This is when NIC became the only Ugandan insurance body listed on the Uganda Securities Exchange.

But, with the new Insurance Act in 2014, which required composite insurance companies to separate their insurance businesses under two different entities for general and long term businesses, the company transformed into a dynamic insurance group with life and non-life wholly subsidiaries delivering world class



NIC director Edu

insurance services to the increasing number of clients.

The two subsidiaries, NIC General Insurance Company Limited (NIC General) and NIC Life Assurance Company Limited (NIC Life) were licensed to transact the respective general and long term insurance businesses previously transacted by NIC.

The name of the company was changed to NIC Holdings Limited in October 2014 to reflect its new status as a holding company.

The main office is located on Plot 3, Pilkington Road, Kampala, with several branches countrywide in the towns of Arua, Busia, Fort Portal,

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Gulu, Jinja, Kapchorwa, Kasese, Lira, Mbarara, Malaba, Masaka, Masindi and Mbale.

Services rendered

NIC has exceptional services in both life and non-life insurance.

"We have unparalleled experience in the Ugandan insurance market being the first insurance organisation established in Uganda," says the acting managing director, NIC, Elias Edu.

According to Edu, the two subsidiaries NIC Life Assurance Company Ltd and NIC General Insurance Company Ltd offer a wide range of life and non-life insurance services to meet the clients' needs, such as school fees products and education endowment.

"We continuously review our services and products to ensure that we are meeting our clients' needs,"

Edu says.

NIC claims payment history

NIC has settled countless claims, thereby endearing the group to the financially literate public that understands the ideals of prompt claims settlement. For example, in 2006, NIC paid sh13b to the Government of Uganda for the loss of the crashed MI-172 presidential helicopter and as compensation to the beneficiaries of the deceased crew plus passengers in the helicopter.

This has so far been the largest claim in Uganda's insurance industry history.

In 2010, NIC also paid over sh8b in compensation of the Uganda Police helicopter which crashed in Bugiri. The company also followed up with the payment of sh10b to Makerere University in part settlement of Makerere University Deposit Administration Plan (DAP).

Achievements

NIC was listed as one of the entities with the highest dividend payout ratio in March 5, 2010 and according to Edu, the company has since maintained a consistent dividend payment history. "NIC's net asset has continued to grow, from sh26b in 2012 to sh35b in 2016. The high dividend payout is consistent with the group's mission statement, 'to create, preserve and protect wealth,' over the years we have demonstrated our strong commitment towards creating value for our shareholders," Edu says. Our long standing partnership with the Uganda Cranes paid off in 2017 with the team qualifying for AFCON after almost 40 years," he says. "Perhaps our biggest achievement would be the satisfaction we have brought to our long list of corporate, individual and Government bodies who have utilised our insurance services.



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