

# Gadget ban will not affect Gulf Air: CEO



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## Manama

The recent US and British restrictions, banning certain electronic devices onboard flights originating from Middle Eastern and North African countries, will not affect the national carrier, said Gulf Air CEO Maher Al Musallam yesterday.

"The restrictions do not apply to flights originating from the Kingdom," Al Musallam told *DT News*, adding that the national carrier operates two daily direct flights to the UK, but no direct flights to the US.

"The current rules being implemented by authorities in the UK and the US do not allow electronic goods in passenger cabins on some inbound flights from Middle Eastern and North African nations but the rules do not apply to flights originating from the Kingdom of Bahrain," Al Musallam reassured.

"Gulf Air operates two daily (morning and evening) direct flights to and from London Heathrow T4 operating an A330 service that affords our premium passengers with distinctive comforts including fully-flat bed seats and optimum onboard entertainment along with the airline's award winning Gulf Air Sky Chef and Sky Nanny services. En-route to London Heathrow, Gulf Air's economy class passengers can also enjoy the very latest in comfort, technology and extensive in-flight entertainment options," Al Musallam said, confirming that Gulf Air passengers are not prohibited from carrying laptops and tablets onboard flights to London.

"Bahrain's national carrier does not currently



Maher Al Musallam

operate a direct service to any destinations in the USA. However, passengers can take advantage of the airline's codeshare agreement with American Airlines to travel from Bahrain via its twice daily London Heathrow service, daily Paris service or daily Frankfurt service to seven different American cities. The destinations include New York, Boston, Miami, Chicago, Dallas/Fort Worth, Los Angeles, Raleigh-Durham and vice-versa," The CEO explained.

## US operations not hit

"At present, Gulf Air's direct London operations have not been impacted, yet we are ready for any eventuality. Our primary focus continues to be the safety and security of our passengers, crew and fleet, and on ensuring convenient, comfortable and seamless travel solutions for all," Al Musallam said.

"Gulf Air passengers can continue avail the airline's convenient double daily

service to and from London Heathrow T4 and its codeshare agreement with American Airlines in order to travel to/from 7 American cities via London, Paris or Frankfurt, all with their electronic devices with them onboard their flight," he reassured.

Anyhow, the CEO mentioned that the newly announced restrictions will affect international aviation.

Elaborating further, Al Musallam said, "These new security measures will impact the aviation market globally as passengers, especially

premium travelers, who are used to being connected 24/7 and for whom travel has never disrupted their connectivity or access to various smart devices may alter their routes globally with regards to transatlantic flights. That's not all, it is distinctly challenging to implement these security measures in the short time span that was given to airlines to comply with them. The potential business impact of these new measures will also be considerable, affecting airlines beyond the region with some airlines witnessing an uptake while others see a decrease in passengers on their transatlantic routes."

"Passengers are aware of the updated security measures on flights operating certain routes to the US and the UK, Gulf Air passengers can continue to travel with ease at this time, with their electronic goods onboard across any of our network of 42 destinations in 25 countries. The airline's premium offering makes travelling with a laptop and other smart devices easier, with various opportunities both onboard and in the airline's dedicated Gulf Air Falcon Gold Lounges in all of Bahrain International Airport, Dubai International Airport and London Heathrow T4, to charge their devices, connect to the internet and access their devices - on the ground and in the air," he added.

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## Saudi Arabian Insurance Company B.S.C.(c)

Financial Statement for the year ended 31 December 2016

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2016 BD	2015 BD
Gross premiums written	100,047,019	87,288,156
Reinsurance premiums ceded	(72,080,610)	(67,629,031)
Excess of loss premiums	(529,415)	(447,315)
<b>Net premiums written</b>	<b>27,436,994</b>	<b>19,211,810</b>
Movement in provision for unearned premiums	(505,366)	(1,023,285)
<b>Net premiums earned</b>	<b>26,931,628</b>	<b>18,188,525</b>
Gross claims paid	(66,222,879)	(54,267,112)
Reinsurance share of claims paid	47,999,124	43,326,172
Net movement in outstanding claims	(1,326,852)	(1,618,213)
<b>Net claims incurred</b>	<b>(19,550,607)</b>	<b>(12,559,153)</b>
Reinsurance commission and fees	3,628,966	3,100,516
Policy acquisition costs	(3,630,780)	(2,762,856)
Profit commission	(46,452)	490,570
<b>Net underwriting result</b>	<b>7,332,755</b>	<b>6,457,602</b>
Interest income	1,727,243	1,665,326
Share of profit in an associate	1,533,324	823,822
Impairment of available-for-sale investments	-	(29,982)
Dividend income	89,652	76,908
Other income	162,971	1,179,534
<b>Other income</b>	<b>3,513,190</b>	<b>3,715,608</b>
<b>Expenses</b>		
Operational and technical expenses	(4,408,240)	(3,529,085)
<b>Profit for the year</b>	<b>6,437,705</b>	<b>6,644,125</b>
Taxation	(54,137)	(85,133)
<b>Net profit for the year</b>	<b>6,383,568</b>	<b>6,558,992</b>
<b>Other comprehensive income</b>		
Items that may be reclassified to profit or loss subsequently		
Net change in fair value of available-for-sale investments	(459,213)	(7,315)
Recycling to profit or loss on impairment	-	29,982
<b>Other comprehensive income for the year</b>	<b>(459,213)</b>	<b>22,667</b>
<b>Total comprehensive income for the year</b>	<b>5,924,355</b>	<b>6,581,659</b>

### STATEMENT OF FINANCIAL POSITION

	2016 BD	2015 BD
<b>Assets:</b>		
Bank balances and cash	18,786,076	24,123,929
Guarantee deposits	7,438,949	4,595,378
Investment in an associate	8,989,724	7,456,400
Available-for-sale investments	1,100,190	1,559,403
Premiums and reinsurance receivables	5,980,747	5,884,137
Due from related parties	2,799,277	2,299,927
Reinsurers' share of unearned premiums	877,475	953,043
Reinsurers' share of outstanding claims	18,129,901	15,200,404
Deferred policy acquisition costs	325,606	280,473
Other receivables and prepayments	974,662	550,546
Group treasury account	29,027,642	22,182,668
Property and equipment	602,964	690,511
<b>Total assets</b>	<b>95,033,213</b>	<b>85,776,819</b>
<b>Liabilities and Equity:</b>		
<b>Liabilities</b>		
Gross unearned premiums	5,531,467	5,101,669
Gross outstanding claims	26,828,425	22,572,076
Deferred commission income	173,098	173,291
Reinsurance payable	11,684,129	10,310,378
Taxes payable	218,988	192,892
Due to related parties	409,190	464,925
Accounts payable and accruals	2,311,660	1,830,972
Employees' terminal benefits	1,112,204	1,011,423
<b>Total Liabilities</b>	<b>48,269,161</b>	<b>41,657,626</b>
<b>Equity</b>		
Share capital	20,000,000	20,000,000
Statutory reserve	4,426,509	3,788,152
Investment revaluation reserve	(234,577)	224,636
Retained earnings	22,572,120	20,106,405
<b>Total equity</b>	<b>46,764,052</b>	<b>44,119,193</b>
<b>Total liabilities and equity</b>	<b>95,033,213</b>	<b>85,776,819</b>

This summary of financial information has been extracted from the audited financial statements on which Deloitte & Touche-Middle East has issued an unqualified audit opinion. Interested parties may obtain a copy of the full annual reports at the office of the company at P.O. Box 60139, Building 852, Road 3618, Al Seef District, Manama 436, Kingdom of Bahrain.