

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
 As at 30 September 2015

| (In thousands of Bahraini Dinars)                   | 30 September 2015 (reviewed) | 31 December 2014 (audited) |
|---|------------------------------|----------------------------|
| <b>ASSETS</b>                                       |                              |                            |
| Cash and cash equivalents                           | 5,789                        | 5,370                      |
| Placements with banks                               | 3,045                        | 3,846                      |
| Receivables   | 8,453                        | 6,995                      |
| Investment securities                               | 31,477                       | 33,672                     |
| Equity accounted investees                          | 13,607                       | 13,415                     |
| Reinsurers' share of insurance technical reserves   | 11,913                       | 17,379                     |
| Deferred acquisition cost                           | 745                          | 853                        |
| Investment properties                               | 3,302                        | 2,969                      |
| Intangible assets                                   | 351                          | 330                        |
| Property and equipment                              | 3,667                        | 2,721                      |
| Statutory deposits                                  | 125                          | 125                        |
| <b>Total assets</b>                                 | <b>82,474</b>                | <b>87,675</b>              |
| <b>LIABILITIES</b>                                  |                              |                            |
| Insurance technical reserves                        | 26,659                       | 31,835                     |
| Insurance payables                                  | 3,068                        | 3,785                      |
| Borrowings  | 323                          | 500                        |
| Other liabilities                                   | 4,937                        | 3,712                      |
| <b>Total liabilities</b>                            | <b>34,987</b>                | <b>39,832</b>              |
| <b>Total net assets</b>                             | <b>47,487</b>                | <b>47,843</b>              |
| <b>EQUITY</b>                                       |                              |                            |
| Share capital                                       | 11,350                       | 11,350                     |
| Treasury shares                                     | (1,868)                      | (1,868)                    |
| Statutory reserve                                   | 5,675                        | 5,675                      |
| Share premium                                       | 3,990                        | 3,990                      |
| General reserve                                     | 13,585                       | 13,585                     |
| Investment fair value reserve                       | 2,988                        | 4,512                      |
| Retained earnings                                   | 9,533                        | 8,315                      |
| <b>Equity attributable to owners of the company</b> | <b>45,253</b>                | <b>45,559</b>              |
| Non-controlling interest                            | 2,234                        | 2,284                      |
| <b>Total equity</b>                                 | <b>47,487</b>                | <b>47,843</b>              |

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
 for the nine months ended 30 September 2015

| (In thousands of Bahraini Dinars)                           | 30 September 2015 (reviewed) | 30 September 2014 (reviewed) |
|---|------------------------------|------------------------------|
| <b>OPERATING ACTIVITIES</b>                                 |                              |                              |
| <b>Insurance operations</b>                                 |                              |                              |
| Premiums and commissions received net of acquisition costs  | 21,817                       | 22,074                       |
| Payments to insurance and reinsurance companies             | (10,808)                     | (12,900)                     |
| Claims paid to policyholders                                | (18,170)                     | (15,553)                     |
| Claims recovered from reinsurers and salvage recoveries     | 11,314                       | 8,817                        |
| <b>Cash flows from insurance operations</b>                 | <b>4,153</b>                 | <b>2,438</b>                 |
| <b>Investment operations</b>                                |                              |                              |
| Dividends and interests received                            | 1,183                        | 1,091                        |
| Proceeds from sale and redemptions of investment securities | 11,378                       | 13,573                       |
| Advance for purchases of investment securities              | (131)                        | -                            |
| Payments for purchases of investment securities             | (9,899)                      | (11,803)                     |
| Placements with banks                                       | (2,537)                      | (1,922)                      |
| Proceeds from redemptions of placements with banks          | 3,337                        | 5,539                        |
| Acquisition of subsidiary, net of cash acquired             | (475)                        | -                            |
| Investment in equity accounted investees                    | (194)                        | (406)                        |
| Dividends received from equity accounted investees          | 535                          | 290                          |
| Rents received  | 120                          | 242                          |
| <b>Cash flows from investment operations</b>                | <b>3,317</b>                 | <b>6,604</b>                 |
| Other operating expenses paid                               | (4,250)                      | (3,690)                      |
| <b>Cash flows from operating activities</b>                 | <b>3,220</b>                 | <b>5,352</b>                 |
| <b>INVESTMENT ACTIVITIES</b>                                |                              |                              |
| Purchase of property and equipment                          | (195)                        | (171)                        |
| Purchase of intangible assets                               | (43)                         | (67)                         |
| <b>Cash flows used in investment activities</b>             | <b>(238)</b>                 | <b>(238)</b>                 |
| <b>FINANCING ACTIVITIES</b>                                 |                              |                              |
| Proceeds from bank borrowings                               | 100                          | -                            |
| Repayment of bank loan                                      | (545)                        | (375)                        |
| Finance costs paid  | (15)                         | (26)                         |
| Dividends paid to non-controlling interest                  | (120)                        | -                            |
| Dividends paid to shareholders                              | (1,962)                      | (1,785)                      |
| Donations paid  | (21)                         | (12)                         |
| <b>Cash flows used in financing activities</b>              | <b>(2,563)</b>               | <b>(2,198)</b>               |
| <b>Net increase in cash and cash equivalents</b>            | <b>419</b>                   | <b>2,916</b>                 |
| Cash and cash equivalents at 1 January                      | 5,370                        | 3,636                        |
| <b>Cash and cash equivalents at 30 September</b>            | <b>5,789</b>                 | <b>6,552</b>                 |

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
 for the nine months ended 30 September 2015

| (In thousands of Bahraini Dinars)                  | Nine months ended 30 September 2015 (reviewed) | Nine months ended 30 September 2014 (reviewed) | Three months ended 30 September 2015 (reviewed) | Three months ended 30 September 2014 (reviewed) |
|--|--|--|---|---|
| Gross premiums                                     | 22,436   | 20,267   | 6,285   | 6,112   |
| Reinsurance ceded                                  | (10,589)                                       | (10,094)                                       | (3,055)   | (2,833)   |
| Retained premiums                                  | 11,847   | 10,173   | 3,230   | 3,279   |
| Net unearned premiums adjustment                   | (859)  | 130  | 450   | 105   |
| <b>Net premium earned</b>                          | <b>10,988</b>                                  | <b>10,303</b>                                  | <b>3,680</b>                                    | <b>3,384</b>                                    |
| Gross claims paid                                  | (17,965)                                       | (15,659)                                       | (5,038)   | (4,394)   |
| Reinsurance recoveries                             | 11,268   | 9,223  | 2,740   | 2,120   |
| Net outstanding claims adjustment                  | 638  | 171  | 532   | 556   |
| <b>Net claims incurred</b>                         | <b>(6,059)</b>                                 | <b>(6,265)</b>                                 | <b>(1,764)</b>                                  | <b>(1,718)</b>                                  |
| <b>Gross underwriting profit for the period</b>    | <b>4,929</b>                                   | <b>4,038</b>                                   | <b>1,916</b>                                    | <b>1,666</b>                                    |
| Other operating expenses                           | (3,142)  | (2,353)  | (943)   | (788)   |
| Net commission income / (expense)                  | 38   | 377  | (24)  | 39  |
| <b>Net Underwriting profit for the period</b>      | <b>1,825</b>                                   | <b>2,062</b>                                   | <b>947</b>                                      | <b>917</b>                                      |
| Net investment income                              | 1,981  | 2,677  | 271   | 806   |
| Policyholder's share of investment (income) / loss | (36)   | (268)  | 85  | (71)  |
| Share of profit of equity accounted investees      | 1,091  | 689  | 216   | 187   |
| Net loss from investment properties                | (38)   | (79)   | (14)  | (24)  |
| Corporate and financial expenses                   | (1,274)  | (1,450)  | (418)   | (525)   |
| <b>Profit for the period</b>                       | <b>3,549</b>                                   | <b>3,631</b>                                   | <b>1,087</b>                                    | <b>1,290</b>                                    |
| Profit attributable to:                            |  |  |   |   |
| Owners of the company                              | 3,413  | 3,448  | 1,066   | 1,225   |
| Non-controlling interest                           | 136  | 183  | 21  | 65  |
| <b>Profit for the period</b>                       | <b>3,549</b>                                   | <b>3,631</b>                                   | <b>1,087</b>                                    | <b>1,290</b>                                    |
| Basic Earnings per share (100 fils) each           | <b>31.8 fils</b>                               | <b>32.2 fils</b>                               | <b>9.9 fils</b>                                 | <b>11.4 fils</b>                                |

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
 for the nine months ended 30 September 2015

| (In thousands of Bahraini Dinars)  | Nine months ended 30 September 2015 (reviewed) | Nine months ended 30 September 2014 (reviewed) | Three months ended 30 September 2015 (reviewed) | Three months ended 30 September 2014 (reviewed) |
|--|--|--|---|---|
| <b>Profit for the period</b>   | <b>3,549</b>                                   | <b>3,631</b>                                   | <b>1,087</b>                                    | <b>1,290</b>                                    |
| <b>Other comprehensive income</b>  |  |  |   |   |
| <b>Items that are or may be reclassified subsequently to profit or loss:</b> |  |  |   |   |
| Available-for-sale securities:   |  |  |   |   |
| - Net change in fair value   | (625)  | 2,102  | (1,081)   | 857   |
| - Impairment transferred to statement of profit or loss                      | 43   | 75   | 43  | 31  |
| - Transfer to statement of profit or loss on disposal of securities          | (852)  | (1,004)  | (466)   | (447)   |
| Share of other comprehensive income of equity accounted investee             | (156)  | 306  | (85)  | 75  |
| <b>Other comprehensive income for the period</b>                             | <b>(1,590)</b>                                 | <b>1,479</b>                                   | <b>(1,589)</b>                                  | <b>516</b>                                      |
| <b>Total comprehensive income for the period</b>                             | <b>1,959</b>                                   | <b>5,110</b>                                   | <b>(502)</b>                                    | <b>1,806</b>                                    |
| <b>Total comprehensive income attributable to:</b>                           |  |  |   |   |
| Owners of the company  | 1,889  | 4,898  | (443)   | 1,730   |
| Non-controlling interest   | 70   | 212  | (59)  | 76  |
| <b>Total comprehensive income for the period</b>                             | <b>1,959</b>                                   | <b>5,110</b>                                   | <b>(502)</b>                                    | <b>1,806</b>                                    |

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

for the nine months ended 30 September 2015

(In thousands of Bahraini Dinars)

| 2015  | Attributable to the owners of the company |                 |                   |               |                 |                               |                   |                | Non-controlling interest | Total Equity   |
|---|---|-----------------|-------------------|---------------|-----------------|-------------------------------|-------------------|----------------|--------------------------|----------------|
|   | Share capital                             | Treasury shares | Statutory reserve | Share premium | General reserve | Investment fair value reserve | Retained earnings | Total          |                          |                |
| Balance at 1 January 2015   | 11,350                                    | (1,868)         | 5,675             | 3,990         | 13,585          | 4,512                         | 8,315             | 45,559         | 2,284                    | 47,843         |
| <b>Net profit for the period</b>                                    | -   | -               | -                 | -             | -               | -                             | <b>3,413</b>      | <b>3,413</b>   | <b>136</b>               | <b>3,549</b>   |
| <b>Other comprehensive income:</b>                                  |   |                 |                   |               |                 |                               |                   |                |                          |                |
| Available for sale securities:                                      |   |                 |                   |               |                 |                               |                   |                |                          |                |
| - Change in fair value  | -   | -               | -                 | -             | -               | (566)                         | -                 | (566)          | (59)                     | (625)          |
| - Impairment transferred to statement of profit or loss             | -   | -               | -                 | -             | -               | 35                            | -                 | 35             | 8                        | 43             |
| - Transfer to statement of profit or loss on disposal of Securities | -   | -               | -                 | -             | -               | (837)                         | -                 | (837)          | (15)                     | (852)          |
| Share of other comprehensive income of equity accounted investees   | -   | -               | -                 | -             | -               | (156)                         | -                 | (156)          | -                        | (156)          |
| <b>Other comprehensive income</b>                                   | -   | -               | -                 | -             | -               | <b>(1,524)</b>                | -                 | <b>(1,524)</b> | <b>(66)</b>              | <b>(1,590)</b> |
| <b>Total comprehensive income for the period</b>                    | -   | -               | -                 | -             | -               | <b>(1,524)</b>                | <b>3,413</b>      | <b>1,889</b>   | <b>70</b>                | <b>1,959</b>   |
| Dividends declared for 2014   | -   | -               | -                 | -             | -               | -                             | (2,145)           | (2,145)        | (120)                    | (2,265)        |
| Donations for 2014  | -   | -               | -                 | -             | -               | -                             | (50)              | (50)           | -                        | (50)           |
| <b>Appropriations approved by shareholders</b>                      | -   | -               | -                 | -             | -               | -                             | <b>(2,195)</b>    | <b>(2,195)</b> | <b>(120)</b>             | <b>(2,315)</b> |
| <b>Balance at 30 September 2015</b>                                 | <b>11,350</b>                             | <b>(1,868)</b>  | <b>5,675</b>      | <b>3,990</b>  | <b>13,585</b>   | <b>2,988</b>                  | <b>9,533</b>      | <b>45,253</b>  | <b>2,234</b>             | <b>47,487</b>  |

| 2014  | Attributable to the owners of the company |                 |                   |               |                 |                               |                   |                | Non-controlling interest | Total Equity   |
|---|---|-----------------|-------------------|---------------|-----------------|-------------------------------|-------------------|----------------|--------------------------|----------------|
|   | Share capital                             | Treasury shares | Statutory reserve | Share premium | General reserve | Investment fair value reserve | Retained earnings | Total          |                          |                |
| Balance at 1 January 2014   | 11,350                                    | (1,868)         | 5,675             | 3,990         | 13,585          | 3,747                         | 6,689             | 43,168         | 2,088                    | 45,256         |
| <b>Net profit for the period</b>                                    | -   | -               | -                 | -             | -               | -                             | <b>3,448</b>      | <b>3,448</b>   | <b>183</b>               | <b>3,631</b>   |
| <b>Other comprehensive income:</b>                                  |   |                 |                   |               |                 |                               |                   |                |                          |                |
| Available for sale securities:                                      |   |                 |                   |               |                 |                               |                   |                |                          |                |
| - Change in fair value  | -   | -               | -                 | -             | -               | 2,020                         | -                 | 2,020          | 82                       | 2,102          |
| - Impairment transferred to statement of profit or loss             | -   | -               | -                 | -             | -               | 75                            | -                 | 75             | -                        | 75             |
| - Transfer to statement of profit or loss on disposal of Securities | -   | -               | -                 | -             | -               | (951)                         | -                 | (951)          | (53)                     | (1,004)        |
| Share of other comprehensive income of associate                    | -   | -               | -                 | -             | -               | 306                           | -                 | 306            | -                        | 306            |
| <b>Other comprehensive income</b>                                   | -   | -               | -                 | -             | -               | <b>1,450</b>                  | -                 | <b>1,450</b>   | <b>29</b>                | <b>1,479</b>   |
| <b>Total comprehensive income for the period</b>                    | -   | -               | -                 | -             | -               | <b>1,450</b>                  | <b>3,448</b>      | <b>4,898</b>   | <b>212</b>               | <b>5,110</b>   |
| Dividends declared for 2013   | -   | -               | -                 | -             | -               | -                             | (1,931)           | (1,931)        | -                        | (1,931)        |
| Donations for 2013  | -   | -               | -                 | -             | -               | -                             | (50)              | (50)           | -                        | (50)           |
| <b>Appropriations approved by shareholders</b>                      | -   | -               | -                 | -             | -               | -                             | <b>(1,981)</b>    | <b>(1,981)</b> | -                        | <b>(1,981)</b> |
| <b>Balance at 30 September 2014</b>                                 | <b>11,350</b>                             | <b>(1,868)</b>  | <b>5,675</b>      | <b>3,990</b>  | <b>13,585</b>   | <b>5,197</b>                  | <b>8,156</b>      | <b>46,085</b>  | <b>2,300</b>             | <b>48,385</b>  |