

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

(In thousands of Bahraini Dinars)	30 June 2016 (reviewed)	31 December 2015 (audited)
ASSETS		
Cash and cash equivalents	4,227	3,965
Placements with banks	7,423	6,973
Insurance and other receivables	9,029	7,930
Financial investments	27,610	29,865
Equity accounted investees	14,578	13,806
Reinsurers' share of insurance technical reserves	12,318	12,537
Deferred acquisition cost	658	610
Investment properties	3,180	3,261
Intangible assets	292	319
Property and equipment	3,558	3,631
Statutory deposits	125	125
Total assets	82,998	83,022
LIABILITIES		
Insurance technical reserves	26,982	26,772
Insurance payables	3,781	2,792
Borrowings	42	202
Other liabilities	5,357	5,536
Total liabilities	36,162	35,302
Total net assets	46,836	47,720
EQUITY		
Share capital	11,350	11,350
Treasury shares	(1,868)	(1,868)
Share premium	3,990	3,990
Statutory reserve	5,675	5,675
General reserve	13,585	13,585
Investment fair value reserve	1,895	2,543
Retained earnings	10,048	10,169
Equity attributable to owners of the company	44,675	45,444
Non-controlling interest	2,161	2,276
Total equity	46,836	47,720

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2016

(In thousands of Bahraini Dinars)	Six months ended 30 June 2016 (reviewed)	Six months ended 30 June 2015 (reviewed)
OPERATING ACTIVITIES		
Insurance operations		
Premiums and commissions received net of acquisition costs	14,168	14,902
Payments to insurance and reinsurance companies	(5,598)	(5,630)
Claims paid to policyholders	(11,045)	(13,069)
Claims recovered from reinsurers and salvage recoveries	5,737	7,590
Cash flows from insurance operations	3,262	3,793
Investment operations		
Dividends and interests received	653	874
Proceeds from sale and redemptions of financial investments	8,008	5,932
Advance for purchases of financial investments	(6,063)	(6,138)
Payments for purchases of financial investments	(7,196)	(2,223)
Proceeds from redemptions of placements with banks	6,747	3,337
Acquisition of subsidiary, net of cash acquired	-	(475)
Investment in equity accounted investees	(160)	-
Dividends received from equity accounted investees	469	535
Rents received	138	105
Cash flows from investment operations	2,596	1,585
Financing operations		
Expenses paid	(3,370)	(3,491)
Cash flows from operating activities	2,488	1,887
INVESTMENT ACTIVITIES		
Purchase of property and equipment	(166)	(106)
Purchase of intangible assets	(4)	(26)
Cash flows used in investment activities	(170)	(132)
FINANCING ACTIVITIES		
Proceeds from bank borrowings	-	8
Repayment of bank loan	(150)	(378)
Finance costs paid	(10)	(14)
Dividends paid to non-controlling interest	(97)	(120)
Dividends paid to shareholders	(1,778)	(1,896)
Donations paid	(21)	(17)
Cash flows used in financing activities	(2,056)	(2,417)
Net increase / (decrease) in cash and cash equivalents	262	(662)
Cash and cash equivalents at 1 January	3,965	5,370
Cash and cash equivalents at 30 June	4,227	4,708

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2016

(In thousands of Bahraini Dinars)	Six months ended 30 June 2016 (reviewed)	Six months ended 30 June 2015 (reviewed and restated)	Three months ended 30 June 2016 (reviewed)	Three months ended 30 June 2015 (reviewed and restated)
Gross insurance premiums	14,987	15,690	7,861	6,972
Reinsurers' share of gross insurance premiums	(6,658)	(7,534)	(3,389)	(3,175)
Retained premiums	8,329	8,156	4,472	3,797
Net change in reserve for unearned premiums	(745)	(1,056)	(649)	(216)
Net premium earned	7,584	7,100	3,823	3,581
Gross claims paid	(10,906)	(12,832)	(5,103)	(6,716)
Reinsurance recoveries	5,806	8,433	2,532	4,677
Outstanding claims adjustment - Gross	1,321	5,103	270	2,824
Outstanding claims adjustment - Reinsurance	(1,062)	(4,997)	(334)	(3,374)
Net claims	(4,841)	(4,293)	(2,635)	(2,589)
Gross underwriting profit for the period	2,743	2,807	1,188	992
Net commission income	228	62	172	102
General and administration expenses	(2,060)	(2,199)	(1,045)	(1,099)
Net underwriting profit for the period	911	670	315	(5)
Net investment income	943	1,565	371	585
Share of profit of equity accounted investees	1,095	875	426	466
Corporate expenses	(859)	(856)	(441)	(425)
Profit for the period	2,090	2,254	671	621
Profit attributable to:				
Owners of the company	2,074	2,190	644	631
Non-controlling interest	16	64	27	(10)
Profit for the period	2,090	2,254	671	621
Basic earnings per share (100 fils) each	19.3 fils	20.4 fils	6.0 fils	5.9 fils

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2016

(In thousands of Bahraini Dinars)	Six months ended 30 June 2016 (reviewed)	Six months ended 30 June 2015 (reviewed and restated)	Three months ended 30 June 2016 (reviewed)	Three months ended 30 June 2015 (reviewed and restated)
Profit for the period	2,090	2,254	671	621
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Available-for-sale securities:				
- Net change in fair value	(305)	456	187	(55)
- Impairment transferred to profit or loss	100	-	97	-
- Transfer to statement of profit or loss on disposal of securities	(463)	(386)	(176)	10
Share of other comprehensive income of equity accounted investee	(14)	(71)	(25)	(18)
Other comprehensive income for the period (682)	(1)	(1)	83	(63)
Total comprehensive income for the period	1,408	2,253	754	558
Total comprehensive income attributable to:				
Owners of the parent company	1,426	2,176	726	562
Non-controlling interest	(18)	77	28	(4)
Total comprehensive income for the period	1,408	2,253	754	558

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2016

(In thousands of Bahraini Dinars)

2016 (reviewed)	Attributable to the owners of the parent company							Non-controlling Interest	Total Equity	
	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Investment fair value reserve	Retained earnings			
Balance at 1 January 2016	11,350	(1,868)	3,990	5,675	13,585	2,543	10,169	45,444	2,276	47,720
Profit for the period	-	-	-	-	-	-	2,074	2,074	16	2,090
Other comprehensive income for the period	-	-	-	-	-	(648)	-	(648)	(34)	(682)
Total comprehensive income for the period	-	-	-	-	-	(648)	2,074	1,426	(18)	1,408
Dividends declared for 2015	-	-	-	-	-	-	(2,145)	(2,145)	(97)	(2,242)
Donations for 2015	-	-	-	-	-	-	(50)	(50)	-	(50)
Appropriations approved by shareholders	-	-	-	-	-	-	(2,195)	(2,195)	(97)	(2,292)
Balance at 30 June 2016	11,350	(1,868)	3,990	5,675	13,585	1,895	10,048	44,675	2,161	46,836

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2015

(In thousands of Bahraini Dinars)

2015 (reviewed and restated)	Attributable to the owners of the parent company							Non-controlling Interest	Total Equity	
	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve	Investment fair value reserve	Retained earnings			
Balance at 1 January 2015	11,350	(1,868)	3,990	5,675	13,585	2,543	10,169	45,559	2,284	47,843
Profit for the period	-	-	-	-	-	-	2,190	2,190	64	2,254
Other comprehensive income for the period	-	-	-	-	-	(14)	-	(14)	13	(1)
Total comprehensive income for the period	-	-	-	-	-	(14)	2,190	2,176	77	2,253
Dividends declared for 2014	-	-	-	-	-	-	(2,145)	(2,145)	(120)	(2,265)
Donations for 2014	-	-	-	-	-	-	(50)	(50)	-	(50)
Appropriations approved by shareholders	-	-	-	-	-	-	(2,195)	(2,195)	(120)	(2,315)
Balance at 30 June 2015	11,350	(1,868)	3,990	5,675	13,585	1,895	10,048	44,675	2,161	46,836

Reviewed by KPMG Fakhro

Abdul Hussain Khalil Dawani - Vice Chairman

Redha Abdulla Faraj - Director

Sameer Al Wazzan - Chief Executive


CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

(In thousands of Bahraini Dinars)	30 June 2016 (reviewed)	31 December 2015 (audited)
ASSETS		
Cash and cash equivalents	1,754	2,292
Placements with banks	6,094	6,247
Insurance and other receivables	8,021	6,744
Financial investments	19,802	21,104
Reinsurers' share of insurance technical reserves	10,672	11,153
Deferred acquisition cost	526	466
Intangible assets	134	151
Property and equipment	350	311
Statutory deposits	75	75
Total assets	47,428	48,543
LIABILITIES		
Insurance technical reserves	21,423	21,241
Insurance payables	3,363	2,308
Other liabilities	2,678	2,852
Total liabilities	27,464	26,401
Total net assets	19,964	22,142
EQUITY		
Share capital	6,500	6,500
Statutory reserve	3,250	3,250
General reserve	4,155	4,155
Investment fair value reserve	3,105	3,653
Retained earnings	2,954	4,584
Total equity	19,964	22,142

CONDENSED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2016

(In thousands of Bahraini Dinars)	Six months ended 30 June 2016 (reviewed)	Six months ended 30 June 2015 (reviewed)
OPERATING ACTIVITIES		
Premiums and commissions received net of acquisition costs	12,157	11,536
Payments to insurance and reinsurance companies	(4,210)	(3,637)
Claims paid to policyholders	(9,101)	(11,054)
Claims recovered from reinsurers and salvage recoveries	4,061	6,030
Payment made for other operating expenses	(2,080)	(2,112)
Cash flows from operating activities	827	763
INVESTMENT ACTIVITIES		
Dividends and interest received	609	763
Proceeds from sale and redemptions of financial investments	4,650	4,624
Advance for purchase of financial investments	-	(241)
Payments for purchase of financial investments	(3,571)	(4,455)
Payment for purchase of property and equipment	(114)	(85)
Payment for purchase of intangible assets	(3)	(17)
Placements with banks	(5,868)	(1,400)
Proceeds from redemption of placements with banks	6,021	2,702
Cash flows from investment activities	1,724	1,891
FINANCING ACTIVITIES		
Dividends paid	(3,080)	(3,170)
Donations paid	(9)	-
Cash flows used in financing activities	(3,089)	(3,170)
Net decrease in cash and cash equivalents	(538)	(516)
Cash and cash equivalents at 1 January	2,292	3,118
Cash and cash equivalents at 30 June	1,754	2,602

Reviewed by:

Abdul Hussain Khalil Dawani

KPMG Fakhro

Chairman

Ghassan Qassim Fakhroo

Vice Chairman

Joseph Rizzo

General Manager


CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

(In thousands of Bahraini Dinars)	30 June 2016 (reviewed)	31 December 2015 (audited)
ASSETS		
Cash and cash equivalents	1,302	1,352
Placements with banks	1,029	725
Insurance and other receivables	828	1,062
Financial investments	10,422	11,379
Reinsurers' share of insurance technical reserves	1,646	1,383
Deferred acquisition costs	132	143
Intangible assets	59	81
Equipment	15	11
Statutory deposits	50	50
Total assets	15,483	16,186
LIABILITIES		
Insurance technical reserves	5,592	5,567
Insurance payables	419	484
Other liabilities	845	1,040
Total liabilities	6,856	7,091
Total net assets	8,627	9,095
EQUITY		
Share capital	5,000	