

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2017

(In thousands of Bahraini Dinars)	30 June 2017 (reviewed)	31 December 2016 (audited)
ASSETS		
Cash and cash equivalents	3,449	5,048
Placements with banks	10,506	8,996
Insurance and other receivables	10,634	9,185
Reinsurers' share of insurance technical reserves	12,770	10,523
Deferred acquisition cost	581	628
Financial investments	28,126	26,379
Equity accounted investees	15,745	15,670
Investment properties	3,023	3,099
Intangible assets	243	282
Property and equipment	3,289	3,429
Statutory deposits	125	125
Total assets	88,491	83,364
LIABILITIES		
Insurance technical reserves	27,413	24,522
Insurance payables	4,817	3,492
Other liabilities	5,781	6,272
Total liabilities	38,011	34,286
Total net assets	50,480	49,078
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	2,900	2,900
Retained earnings	12,481	11,854
Equity attributable to owners of the company	48,113	46,849
Non-controlling interest	2,367	2,229
Total equity	50,480	49,078

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the six months ended 30 June 2017

(In thousands of Bahraini Dinars)	30 June 2017 (reviewed)	30 June 2016 (reviewed)
OPERATING ACTIVITIES		
Insurance operations		
Premiums and commissions received, net of acquisition costs	13,653	14,168
Payments to insurance and reinsurance companies	(5,411)	(5,598)
Claims paid to policyholders	(10,699)	(11,045)
Claims recovered from reinsurers and salvage recoveries	5,378	5,737
Cash flows from insurance operations	2,921	3,262
Investment operations		
Dividends and interests received	574	653
Proceeds from sale and redemptions of financial investments	3,707	8,008
Payments for purchases of financial investments	(4,040)	(6,063)
Placements with banks	(9,835)	(7,196)
Proceeds from redemption of placements with banks	8,325	6,747
Proceeds from partial sale of an equity accounted investee	343	-
Investment in equity accounted investees	-	(160)
Dividends received from equity accounted investees	1,353	469
Investments in investment property	(8)	-
Rents received	138	138
Cash flows from investment operations	610	2,596
Expenses paid	(3,100)	(3,370)
Cash flows from operating activities	431	2,488
INVESTMENT ACTIVITIES		
Purchase of property and equipment and intangible assets	(78)	(170)
Cash flows used in investment activities	(78)	(170)
FINANCING ACTIVITIES		
Repayment of bank loan	(2)	(150)
Finance costs paid	-	(10)
Dividends paid to non-controlling interest	(97)	(97)
Dividends paid to shareholders	(1,929)	(1,778)
Donations paid	(21)	(21)
Cash flows used in financing activities	(1,952)	(2,056)
Net (decrease) / increase in cash and cash equivalents	(1,599)	262
Cash and cash equivalents at 1 January	5,048	3,965
Cash and cash equivalents at 30 June	3,449	4,227

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the six months ended 30 June 2017

(In thousands of Bahraini Dinars)	Six months ended 30 June 2017 (reviewed)	Six months ended 30 June 2016 (reviewed)	Three months ended 30 June 2017 (reviewed)	Three months ended 30 June 2016 (reviewed)
Gross insurance premiums	15,368	14,987	7,537	7,861
Reinsurers' share of gross insurance premiums	(6,785)	(6,658)	(3,067)	(3,389)
Retained premiums	8,583	8,329	4,470	4,472
Net change in reserve for unearned premiums	(490)	(745)	(370)	(649)
Net premium earned	8,093	7,584	4,100	3,823
Gross claims paid	(10,515)	(10,906)	(4,687)	(5,103)
Reinsurance recoveries	5,217	5,806	2,349	2,532
Outstanding claims adjustment - Gross	(1,632)	1,321	(1,040)	270
Outstanding claims adjustment - Reinsurance	1,873	(1,062)	686	(334)
Net claims incurred	(5,057)	(4,841)	(2,692)	(2,635)
Gross underwriting profit for the period	3,036	2,743	1,408	1,188
Net commission income	28	228	(11)	172
General and administration expenses	(2,150)	(2,060)	(1,058)	(1,045)
Net underwriting profit for the period	914	911	339	315
Net investment income	1,464	1,043	546	462
Impairment on investments	(207)	(100)	(95)	(97)
Share of profit of equity accounted investees	1,595	1,095	536	426
Corporate expenses	(859)	(859)	(462)	(441)
Profit for the period	2,907	2,090	864	671
Profit attributable to:				
Owners of the company	2,822	2,074	816	644
Non-controlling interest	85	16	48	27
Profit for the period	2,907	2,090	864	671
Basic earnings per share (100 fils) each	26.3 fils	19.3 fils	7.6 fils	6.0 fils

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six months ended 30 June 2017

(In thousands of Bahraini Dinars)	Six months ended 30 June 2017 (reviewed)	Six months ended 30 June 2016 (reviewed)	Three months ended 30 June 2017 (reviewed)	Three months ended 30 June 2016 (reviewed)
Profit for the period	2,907	2,090	864	671
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Available-for-sale securities:				
- Net change in fair value	777	(305)	124	187
- Transfer to profit or loss on impairment of securities	207	100	95	97
- Transfer to profit or loss on disposal of securities	(356)	(463)	(106)	(176)
Share of other comprehensive income of equity accounted investee	62	(14)	17	(25)
Other comprehensive income for the period	690	(682)	130	83
Total comprehensive income for the period	3,597	1,408	994	754
Total comprehensive income attributable to:				
Shareholders of the parent company	3,459	1,426	926	726
Non-controlling interest	138	(18)	68	28
Total comprehensive income for the period	3,597	1,408	994	754

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2017

(In thousands of Bahraini Dinars)

2017 (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 2017	11,350	(1,868)	3,990	5,675	13,585	2,263	11,854	46,849	2,229	49,078
Profit for the period	-	-	-	-	-	-	2,822	2,822	85	2,907
Other comprehensive income for the period	-	-	-	-	-	637	-	637	53	690
Total comprehensive income for the period	-	-	-	-	-	637	2,822	3,459	138	3,597
Dividends declared for 2016	-	-	-	-	-	-	(2,145)	(2,145)	-	(2,145)
Donations for 2016	-	-	-	-	-	-	(50)	(50)	-	(50)
Appropriations approved by shareholders	-	-	-	-	-	-	(2,195)	(2,195)	-	(2,195)
Balance at 30 June 2017	11,350	(1,868)	3,990	5,675	13,585	2,900	12,481	48,113	2,367	50,480

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

Reviewed by KPMG Fakhro

Abdul Hussain Khalil Dawani - Vice Chairman

Ghassan Qasim Fakhro - Director

Sameer Al Wazzan - Chief Executive



CONDENSED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2017

(In thousands of Bahraini Dinars)

	30 June 2017 (reviewed)	30 June 2016 (reviewed)
Gross insurance premiums	12,390	12,503
Reinsurers' share of gross insurance premiums	(5,034)	(5,325)
Retained premiums	7,356	7,178
Net change in reserve for unearned premiums	(509)	(742)
Net premium earned	6,847	6,436
Gross claims paid	(8,322)	(8,970)
Claims recoveries	3,486	4,267
Outstanding claims adjustment - Gross	(1,362)	1,545
Outstanding claims adjustment - Reinsurance	1,650	(1,217)
Net claims incurred	(4,548)	(4,375)
Gross underwriting profit for the period	2,299	2,061
Net commission income	174	378
General and administration expenses	(2,009)	(1,912)
Net underwriting profit for the period	464	527
Net investment income	1,429	1,001
Impairment on investments	(162)	(58)
Profit for the period	1,731	1,470
Basic earnings per share (100 fils) each	26.6 fils	22.6 fils

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2017

(In thousands of Bahraini dinars)

	30 June 2017 (reviewed)	30 June 2016 (reviewed)
Profit for the period	1,731	1,470
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Available-for-sale securities:		
- Net Change in fair value	516	(242)
- Impairment transferred to statement of profit or loss	162	58
- Transfer to statement of profit or loss on disposal of securities	(390)	(364)
Other comprehensive income for the period	288	(548)
Total comprehensive income for the period	2,019	922

STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2017

(In thousands of Bahraini dinars)

	Share capital	Statutory reserve	General reserve	Investment fair value reserve	Retained earnings	Total
2017						
Balance at 1 January 2017	6,500	3,250	4,155	3,362	4,191	21,458
Profit for the period	-	-	-	-	1,731	1,731
Other comprehensive income	-	-	-	288	-	288
Dividends declared for 2016	-	-	-	-	(2,470)	(2,470)
Donations declared for 2016	-	-	-	-	(20)	(20)
Balance at 30 June 2017	6,500	3,250	4,155	3,650	3,432	20,987
2016						
Balance at 1 January 2016	6,500	3,250	4,155	3,653	4,584	22,142
Profit for the period	-	-	-	-	1,470	1,470
Other comprehensive income	-	-	-	(548)	-	(548)
Dividends declared for 2015	-	-	-	-	(3,080)	(3,080)
Donations declared for 2015	-	-	-	-	(20)	(20)
Balance at 30 June 2016	6,500	3,250	4,155	3,105	2,954	19,964



CONDENSED STATEMENT OF PROFIT OR LOSS

for the six months ended 30 June 2017

(In thousands of Bahraini Dinars)

	30 June 2017 (reviewed)	31 December 2016 (audited)
Gross insurance premiums	2,691	2,212
Reinsurers' share of gross insurance premiums	(1,750)	(1,333)
Retained premiums	941	879
Net change in reserve for unearned premiums	18	(4)
Net premium earned	959	875
Gross claims paid	(2,182)	(1,965)
Reinsurance recoveries	1,730	1,539
Outstanding claims adjustment - Gross	(273)	(222)
Outstanding claims adjustment - Reinsurance	223	156
Net claims	(502)	(492)
Gross underwriting profit for the period	457	383
General and administration expenses	(281)	(307)
Net commission expense		