

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013		
(In thousands of Bahraini Dinars)	2013	2012
ASSETS		
Cash and cash equivalents	10,422	11,787
Receivables	6,934	6,400
Investment securities	32,779	28,454
Investment in associates and joint-venture	12,001	11,610
Reinsurers' share of insurance technical reserves	14,296	11,534
Net deferred acquisition cost	145	52
Investment properties	3,505	3,602
Property and equipment	2,982	3,226
Statutory deposits	125	125
Total assets	83,189	76,790
LIABILITIES		
Insurance technical reserves	28,893	25,746
Insurance payables	4,503	3,299
Bank loan	1.000	1,160
Other liabilities	3,537	3,722
Total liabilities	37,933	33,927
Total net assets	45.256	42,863
Total fiet assets	45,250	42,003
EQUITY		
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	3,747	2,673
Retained earnings	6,689	5,365
Equity attributable to shareholders of the		
parent company	43,168	40,770
Non-controlling interest	2,088	2,093
Total equity	45,256	42,863

CONSOLIDATED STATEMENT OF CASH FLOWS

CONSOLIDATED STATEMENT OF CASE	1 FLOWS	
For the year ended 31 December 201	13	
(In thousands of Bahraini Dinars)	2013	2012
OPERATING ACTIVITIES		
Insurance operations (including life assurance)		
Premiums received net of acquisition cost	26,760	22,936
Payments to insurance and reinsurance companies	(10,271)	(8,906)
Claims paid to policyholders	(17,139)	(16,691)
Claims recovered from reinsurers and salvage recoveries	7,384	8,284
Cash flows from insurance operations	6,734	5,623
Investment operations	_	
Dividends and interest received	1,512	1,273
Proceeds from sale and redemptions	9,544	8,085
Payments for purchases .	(11,884)	(8,666)
Investment in associates and joint-venture	(144)	(226)
Proceeds from voluntary liquidation of associate	142	2,940
Dividends received from associates	413	450
Payments for development of investment property	(83)	(209)
Rents received	395	282
Cash flows (used in) / from investment operations	(105)	3,929
Other operating expenses paid	(5,660)	(4,708)
Cash flows from operating activities	969	4,844
INVESTMENT ACTIVITIES		
Purchase of property and equipment	(310)	(141)
Cash flows used in investment activities	(310)	(141)
FINANCING ACTIVITIES		
Proceeds from bank loan	340	1,160
Repayment of bank loan	(500)	-
Finance costs paid	(52)	-
Dividends paid to non-controlling interest	(106)	-
Dividends paid to shareholders	(1,659)	(2,089)
Donations paid	(47)	(31)
Cash flows from financing activities	(2,024)	(960)
TOTAL NET CASH FLOWS DURING THE YEAR	(1,365)	(3,743)
	11,787	8,044
Cash and cash equivalents at 1 January		
	10,422	11,787
Cash and cash equivalents at 1 January Cash and cash equivalents at 31 December CASH AND CASH EQUIVALENTS at 31 December	10,422	11,787
Cash and cash equivalents at 31 December	10,422 3,636	
Cash and cash equivalents at 31 December CASH AND CASH EQUIVALENTS at 31 December		11,787 2,237 9,550

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

In thousands of Bahraini Dinars)	2013	2012
GROSS PREMIUMS	24,920	23,308
Reinsurance ceded	(10,642)	(8,704
Retained premiums	14,278	14,604
Net unearned premiums adjustment	55	(235
Net premiums earned	14,333	14,369
	(47.272)	(47.47)
Gross claims paid	(17,273)	(17,172
Claims recoveries	8,090	8,314
Net outstanding claims adjustment	176	(218
Net claims incurred	(9,007)	(9,076
Gross underwriting profit for the year	5,326	5,293
Other operating expenses	(4,376)	(4,531
Net commission income	494	479
Charge) / release from life assurance actuarial reserve	(178)	244
let underwriting profit for the year	1,266	1,485
Net investment income from portfolio	2,494	1,486
olicy holders' share of investment income	(279)	(181
share of profit of associates and joint venture	677	762
Net income from investment properties	128	134
Corporate and financial expenses	(1,264)	(1,361
Profit for the year	3,022	2,325
profit attributable to:		
Parent company	2,983	2,158
Non-controlling interest	39	167
Profit for the year	3,022	2,325

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2013		
(In thousands of Bahraini Dinars)	2013	2012
NET PROFIT FOR THE YEAR	3,022	2,325
Other comprehensive income: Items that are or may be reclassified subsequently to profit or loss:		
Available-for-sale securities: - Change in fair value - Impairment transferred to income statement - Transfer to income statement on disposal of securities Share of other comprehensive income of associate	1,591 154 (734) 125	673 25 (189) 3
Other comprehensive income for the year	1,136	512
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	4,158	2,837
Total comprehensive income attributable to:		
Parent company	4,057	2,661
Non-controlling interest	101	176
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	4,158	2,837

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 Decembal (In thousands of Bahraini Dinars))C1 20	13 4	Attributable	to the sha	reholders	of the parent cor	npany			
2013	Share capital	Treasury shares	Statutory reserve	Share premium	General reserve	Investment fair value reserve			Non-controlling Interest	Total Equity
Balance at 1 January 2013	11,350	(1,868)	5,675	3,990	13,585	2,673	5,365	40,770	2,093	42,863
Net profit for the year	-	-	-	-	-	-	2,983	2,983	39	3,022
Other comprehensive income:										
Available for sale securities:										
- Change in fair value	-	-	-	-	-	1,501	-	1,501	90	1,591
- Impairment transferred to income statement	-	-	-	-	-	152	-	152	2	154
- Transfer to income statement on disposal of										
Securities	-	-	-	-	-	(704)	-	(704)	(30)	(734)
Share of other comprehensive income of association	ciate					125	-	125	-	125
Total other comprehensive income	-	-	-	-	-	1,074	-	1,074	62	1,136
Total comprehensive income for the year	-	-	-	-	-	1,074	2,983	4,057	101	4,158
Dividends declared for 2012 for shareholders	-	-	-	-	-	-	(1,609)	(1,609)	-	(1,609)
Dividends declared to non-controlling interest	-	-	-	-	-	-	-	-	(106)	(106)
Donations for 2012	-	-	-	-	-	-	(50)	(50)	-	(50)
Balance at 31 December 2013	11,350	(1,868)	5,675	3,990	13,585	3,747	6,689	43,168	2,088	45,256

		1	Attributable	to the sharel	nolders of	the parent compa	ny			
2012	Share capital	Treasury shares	Statutory reserve	Share premium	General reserve	Investment fair value reserve	Retained earnings	Total	Non-controlling Interest	Tota Equity
Balance at 1 January 2012	11,350	(1,868)	5,675	3,990	13,585	2,170	5,402	40,304	1,917	42,22
Net profit for the year	-	-	-	-	-	-	2,158	2,158	167	2,32
Other comprehensive income:										
Available for sale securities:										
- Change in fair value	-	-	-	-	-	650	-	650	23	67
- Impairment transferred to income statement	-	-	-	-	-	24	-	24	1	2
 Transfer to income statement on disposal of Securities 	-	-	-	-	-	(174)	-	(174)	(15)	(189
Share of other comprehensive income of association	iate					3	-	3	-	
Total other comprehensive income	-	-	-	-	-	503	-	503	9	51.
Total comprehensive income for the year	-	-	-	-	-	503	2,158	2,661	176	2,83
Dividends declared for 2011	-	-	-	-	-	-	(2,145)	(2,145)	-	(2,145
Donations for 2011	-	-	-	-	-	-	(50)	(50)	-	(50
Balance at 31 December 2012	11,350	(1,868)	5,675	3,990	13,585	2,673	5,365	40,770	2,093	42,86

27.8 Fils 20.1 Fils

Audited by KPMG Fakhro

Farouk Yousif Almoayyed - Chairman

Basic earnings per share (100 Fils each)

Sameer Al Wazzan - Chief Executive



STATEMENT OF FINANCIAL POSITION

As at 31 December 2013 ands of Pahraini Dinard

(In thousands of Banraini Dinars)	2013	2012
ASSETS		
Cash and cash equivalents	9,147	9,232
Receivables	5,627	4,593
Investment securities	23,422	21,497
Reinsurers' share of insurance		
technical reserves	12,755	10,918
Net deferred acquisition cost	156	64
Property and equipment	498	407
Statutory deposits	75	75
Total assets	51,680	46,786
LIABILITIES		
Insurance technical reserves	22,942	20,770
Insurance payables	3,497	2,767
Other liabilities	2,183	2,162
Total liabilities	28,622	25,699
Total net assets	23,058	21,087
EQUITY		
Share capital	6,500	6,500
Statutory reserve	3,250	3,250
General reserve	4,155	4,155
Investment fair value reserve	4,674	3,919
Retained earnings	4,479	3,263
Total equity	23.058	21.087

STATEMENT OF CASH FLO	ows	
For the year ended 31 D	ecembe	er 2013
(In thousands of Bahraini Dinars)	2013	2012
OPERATING ACTIVITIES		
Premiums received net of		
acquisition costs	19,110	17,410
Payments to insurance and		
reinsurance companies	(6,675)	(6,982)
Claims paid to policyholders	(12,229)	(12,705)
Claims recovered from reinsurers		
and salvage recovered	5,328	7,042
Payments made for other	(0.000)	(0.000)
operating expenses	(3,763)	(2,802)
Cash flows from operating activities	s 1,771	1,963
INVESTMENT ACTIVITIES		
Dividends and interests received	1,042	1,059
Proceeds from sale and redemption		
of securities	6,592	4,585
Payments for purchase of securities	(6,963)	(4,936)
Payments for purchase of property		
and equipment	(272)	(75)
Cash flows from investment activiti	es 399	633
FINANCING ACTIVITIES		
Net proceeds from group companies	-	3,870
Dividend paid to shareholders	(2,255)	(2,695)
Cash flows from financing activities		1,175
(Decrease) / Increase in cash and		
cash equivalents during the year	r (85)	3,771
Cash and cash equivalents at 1 Janua		5,461
Cash and cash equivalents	, , , ,	
at 31 December	9,147	9,232
Cash and bank balances	2,476	1.051
Short-term deposits	6,671	8,181

STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2013 2013 (In thousands of Bahraini Dinars) GROSS PREMILIMS 18,441 17,154 (6,778) 10,376 Reinsurance ceded Retained premiums (7,305) 11,136 Net unearned premiums adjustment
Net Premiums Earned (442) **10,694** (109) 10,267 (12,470) 6,114 Gross claims paid (13,039) Reinsurance recove 7,072 Net outstanding claims adjustment
Net Claims Incurred Net Claims Incurred
Gross underwriting profit for the year
Net commission income (3,386) **1.611** Other operating expenses
Underwriting profit for the year Net Investment Income Profit For The Year 1,860 3,471 1,092 2,255 53.4 Fils Earnings per share 34.7 Fils

STATEMENT OF COMPREHENSIVE INCOME		
For the year ended 31 December 2013		
(In thousands of Bahraini dinars)	2013	2012
PROFIT FOR THE YEAR	3,471	2,255
Other comprehensive income: Items that are or may be reclassified subsequently to profit or loss: Available-for-sale securities:		
- Change in fair value	1,228	551
- Impairment transferred to income statement	148	20
- Transfer to income statement on disposal of securities	(621)	(127)
Other comprehensive income for the year	755	444
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	4,226	2,699

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2013

(In thousands of Bahraini dinars) Share Statutory General fair value Retained capital reserve reserve reserve earnings Total 2013 Balance at 1 January 2013
Net profit
Other comprehensive income:
Available-for-sale securities:
- Change in fair value
- Impairment transferred to income 6,500 3,250 4,155 3,919 3,263 21,087 - **3,471 3,471** 1,228 148 148 (621) - (621) 755 - 755 755 3,471 4,226 on disposal of securities

Total other comprehensive income

Total comprehensive income for the year Dividends declared for 2012

Balance at 31 December 2013 6,500 3,250 4,155 4,674 4,479 23,058 2012 Balance at 1 January 2012 6,500 3,250 4,155 3,475 Balance as 1.—
Net profit
Other comprehensive income:
Available-for-sale securities:
- Change in fair value
- Impairment transferred to income 551 - Impairment transferred to income statement
- Transfer to income statement on disposal of securities 20 - 20



STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

(In thousands of Bahraini Dinars)	2013	2012
ASSETS		
Cash and cash equivalents	788	2,081
Receivables	1,117	1,742
Investment securities	11,829	9,427
Reinsurers' share of insurance		
technical reserves	1,541	616
Property and equipment	218	284
Statutory deposits	50	50
Total assets	15,553	14,200
LIABILITIES		
Insurance technical reserves	5,962	4,988
Insurance payables	1,006	532
Other liabilities	234	307
Total liabilities	7,202	5,827
Total net assets	8,351	8,373
EQUITY		
Share capital	5,000	5,000
Statutory reserve	404	388
General reserve	11	11
Investment fair value reserve	425	180
Retained earnings	2,511	2,794
Total equity	8,351	8,373

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Retained earnings	2,511	2,794
Total equity	8,351	8,373
STATEMENT OF CASH FLO	OWS	
For the year ended 31 De	ecembe	r 2013
(In thousands of Bahraini Dinars)	2013	2012
OPERATING ACTIVITIES		
Premiums received net of acquisition		
costs	7,166	5,529
Payments to insurance and		
reinsurance companies	(2,758)	(1,932)
Surrenders and claims paid to		
policyholders	(4,910)	(3,987)
Claims recovered from reinsurers	2,057	1,250
Payment made for other operating		
expenses	(1,033)	(840)
Cash flows from operating activities	522	20
INVESTMENT ACTIVITIES		
Dividends and interest received	573	389
Proceeds from sales and redemptions	2/2	505
of investment securities	2.953	3.164
Payments for purchases of	2,555	3,104
investment securities	(4,901)	(3,724)
Purchase of property, plant and	(-//	(-//
equipment	(17)	(44)
Cash flows used in investment activities	(1,392)	(215)
	(.,)	(= : =)
FINANCING ACTIVITIES		
Dividend paid to shareholders	(423)	-
Net proceeds from group companies	-	6
Cash flows from financing activities	(423)	6
Decrease in cash and		
cash equivalents during the year	(4.202)	(100)
Cash and cash equivalents	(1,293)	(189)
at 1 January	2,081	2,270
	2,001	2,270
Cash and cash equivalents at 31 December	700	2.001
at 31 December	788	2,081

STATEMENT OF PROFIT OF LOSS

STATEMENT OF PROFIT OR LOSS		
For the year ended 31 December 2013		
(In thousands of Bahraini Dinars)	2013	2012
GROSS PREMIUMS	6,479	6,154
Reinsurance ceded	(3,337)	(1,925)
Retained premiums	3,142	4,229
Net unearned premiums adjustment	497	(127)
NET PREMIUMS EARNED	3,639	4,102
Gross claims paid	(4,804)	(4,133)
Reinsurance recoveries	1,976	1,242
Net outstanding claims adjustment	68	(28)
Net claims incurred	(2,760)	(2,919)
Gross underwriting profit for the year	879	1,183
Net commission expenses	(59)	(141)
Other operating expenses	(988)	(964)
(Charge) / release from life assurance actuarial reserve	(178)	244
Underwriting profit for the year	(346)	322
Net investment income	781	526
Policyholder's share of investment income	(279)	(181)
Profit for the year	156	667
Earnings per share	3.1 Fils	13.3 Fils

STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 December 2013 (In thousands of Bahraini Dinars) 2013 2012 PROFIT FOR THE YEAR 667 156 Other comprehensive income: Items that are or may be reclassified subsequently to profit or loss: Available-for-sale securities: - Change in fair value - Impairment transferred to income statement - Transfer to income statement on disposal of securities Other comprehensive income for the year (122) **245** TOTAL COMPREHENSIVE INCOME FOR THE YEAR 401 703

STATEMENT OF CHANGES IN EQUITY

(In thousands of Bahraini Dinars)						
2013	Share capital		General reserve	Investment fair value reserve		Total
Balance at 1 January 2013 Net profit	5,000	388	11	180	2,794 156	8,373 156
Other comprehensive income: Available-for-sale securities:						
- Change in fair value				361		361
- Impairment transferred to income	-	_	-	301	_	301
Statement	-	-	-	6	-	6
- Transfer to income statement						
on disposal of securities	-	-	-	(122)	-	(122)
Total other comprehensive income	-		-	245		245
Total comprehensive income for the	year -		-	245	156	401
Dividends declared for 2012	-	-	-	-	(423)	423
Transfer to statutory reserve	-	16	-	-	(16)	
Balance at 31 December 2013	5,000	404	11	425	2,511	8,351
2012						
Balance at 1 January 2012 Net profit	5,000	321	11	144	2,194 667	7,670 667
Other comprehensive income: Available-for-sale securities:						
Change in fair value Impairment transferred to income	-	-	-	92	-	92
statement	-	-	-	5	-	5
 Transfer to income statement on disposal of securities 	-		-	(61)		(61)
Total other comprehensive income	-	-	-	36	-	36
Total comprehensive income for the ye	ear -	-	-	36	667	703
Transfer to statutory reserve	-	67	-	-	(67)	-
Balance at 31 December 2012	5,000	388	11	180	2,794	8,373

Audited by: KPMG Fakhro

Cash and cash equivalents as per statement of financial position

Abdul-Hussain Khalil Dawani

9,232

9,147

Total other comprehensive income
Total comprehensive income for the year
Dividends declared for 2011
Balance at 31 December 2012

6,500 3,250 4,155

General Manager

444

3,919

- (127)

Audited by: Abdulrahman Mohamed Juma KPMG Fakhro

Cash and bank balances

Cash and cash equivale statement of financial