

**Al Khaleej Insurance & Reinsurance Company
Q.S.C.
(Formerly Al Khaleej Insurance Company
Q.S.C.)
UNAUDITED INTERIM CONDENSED
FINANCIAL STATEMENTS
30 SEPTEMBER 2006**

Al Khaleej Insurance & Reinsurance Q.S.C.
UNAUDITED BALANCE SHEET
30 September 2006

	30 September 2006	(Audited) (Restated) 31 December 2005
	QR	QR
ASSETS		
Cash and investments		
Cash and bank balance	60,663,400	48,321,454
Demand deposits	6,129,836	6,129,797
Investment securities	521,153,530	792,448,510
Accounts receivable	41,965,018	28,369,261
Reinsurance balance receivable	6,261,409	12,900,159
Reinsurance share of outstanding claims	18,978,400	17,350,581
Other receivable and prepayments	4,313,820	3,320,252
Investment properties	13,229,210	13,351,200
Property and equipment	<u>32,060,356</u>	<u>9,655,109</u>
TOTAL ASSETS	<u>704,754,979</u>	<u>931,846,323</u>
EQUITY AND LIABILITIES		
Capital and reserves :		
Share Capital	101,640,000	50,820,000
Statutory reserve	22,847,172	22,847,172
Proposed issu of bonus shares	----	50,820,000
General reserve	24,000,000	24,000,000
Retained earnings	61,973,242	30,392,120
Cumulative changes in fair values	<u>380,438,690</u>	<u>668,584,257</u>
Total equity	<u>590,899,104</u>	<u>847,463,549</u>
LIABILITIES		
Insurance funds :		
Reserve for unexpired risks	28,706,232	22,947,184
Net outstanding claims	42,675,708	31,173,369
Technical reserve	<u>5,894,351</u>	<u>3,351,530</u>
	<u>77,276,291</u>	<u>57,472,083</u>
Net Surplus attributable to Takaful Policyholders	<u>1,472,034</u>	<u>930,105</u>
Account Payable and other liabilities	28,558,990	15,751,360
Reinsurance balance Payable	4,888,944	8,624,335
Provision for employees end of services benefits	<u>1,659,616</u>	<u>1,604,891</u>
	<u>35,107,550</u>	<u>25,980,586</u>
Total Liabilities	<u>113,855,875</u>	<u>84,382,774</u>
TOTAL EQUITY AND LIABILITIES	<u>704,754,979</u>	<u>931,846,323</u>

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Abdulla Bin Mohammed Jaber Al Thani
Chairman

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Abdulla Bin Ahmed Al Thani
Deputy Chairman

.....
Karam Ahmed Mahmoud
Asst. General Manager

Al Khaleej Insurance & Reinsurance Q.S.C.
INCOME STATEMENT
30 September 2006

	30 September 2006 QR	(Restated) 30 September 2005 QR
Gross written premium	161,953,845	125,629,120
Reinsurance ceded	<u>(101,659,611)</u>	<u>(82,817,852)</u>
Net Premium earned	60,294,234	42,811,268
Commission earned	<u>12,717,423</u>	<u>8,318,073</u>
	<u>73,011,657</u>	<u>51,129,341</u>
Net claim	35,005,594	20,719,558
Commission Paid	1,887,680	1,667,319
Movement in insurance funds	<u>18,336,061</u>	<u>10,214,311</u>
	<u>55,229,335</u>	<u>32,601,188</u>
NET INSURANCE REVENUE	<u>17,782,322</u>	<u>18,528,153</u>
Interest income	447,404	372,178
Investment income	38,767,784	38,598,778
Rental income	2,919,967	1,134,000
Other income	<u>910,779</u>	<u>260,060</u>
Total investment and other income	<u>43,045,934</u>	<u>40,365,016</u>
OTHER EXPENSES		
General and administration	13,764,125	10,361,444
Impairment of investments	12,771,408	---
Provision for doubtful debts	---	4,935
Depreciation of property and equipment	<u>969,567</u>	<u>903,692</u>
	<u>27,505,100</u>	<u>11,270,071</u>
PROFIT ATTRIBUTABLE TO SHARHOLDERS	33,333,156	47,623,098
Net surplus attributable to Takaful policyholders	<u>(1,472,034)</u>	<u>(1,060,392)</u>
PROFIT ATTRIBUTABLE TO SHAREHOLDERS	<u>31,851,122</u>	<u>46,562,706</u>
EARNINGS PER SHARE	<u>3,13</u>	<u>4,58</u>