

**Allianz Saudi Fransi Cooperative  
Insurance Company  
(A Saudi Joint Stock Company)**

**INTERIM CONDENSED FINANCIAL STATEMENTS  
(UNAUDITED) AND INDEPENDENT AUDITORS' LIMITED  
REVIEW REPORT**

**FOR THE THREE AND NINE MONTH PERIODS ENDED 30  
SEPTEMBER 2013**

**Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)**  
**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) AND**  
**INDEPENDENT AUDITORS' LIMITED REVIEW REPORT**  
**For the three and nine month periods ended 30 September 2013**

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**LIMITED REVIEW REPORT TO THE SHAREHOLDERS OF  
ALLIANZ SAUDI FRANSI COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)****SCOPE OF REVIEW:**

We have reviewed the accompanying interim statement of financial position of Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company) (the "Company") as at 30 September 2013 and the related interim statements of income of insurance operations and shareholders' operations and comprehensive income of shareholders' operations for the three and nine month periods then ended and the interim statements of changes in shareholders' equity and cash flows of insurance operations and shareholders' operations for the nine month period then ended and the related notes which form an integral part of these interim condensed financial statements. These interim condensed financial statements are the responsibility of the Company's management and have been prepared by them in accordance with International Accounting Standard - 34 "Interim Financial Reporting" (IAS 34) and submitted to us together with all the information and explanations which we required. We conducted our limited review in accordance with the Standard on Review of Interim Financial Reporting issued by the Saudi Organization for Certified Public Accountants ("SOCPA"). A limited review consists principally of applying analytical procedures to financial data and information and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

**CONCLUSION:**

Based on our limited review, we are not aware of any material modifications that should be made to the accompanying interim condensed financial statements for them to be in conformity with IAS 34.

**EMPHASIS OF A MATTER:**

We draw attention to the fact that these interim condensed financial statements are prepared in accordance with IAS 34 and not in accordance with the Standard on Interim Financial Reporting issued by SOCPA.

**Ernst & Young**  
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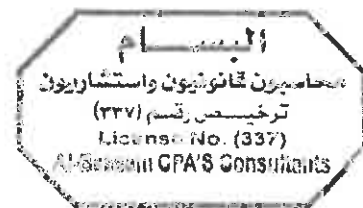
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17 Dhul-Hijjah 1434H  
(22 October 2013)



Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

INTERIM STATEMENT OF FINANCIAL POSITION

	Note	30 September 2013 (Unaudited) SR	31 December 2012 (Audited) SR
<b>INSURANCE OPERATIONS' ASSETS</b>			
Office equipment and furniture		2,897,102	3,795,087
Reinsurers' share of outstanding claims	6	193,297,883	96,951,123
Reinsurers' share of unearned premiums		95,302,338	85,464,353
Deferred policy acquisition costs		16,623,385	12,328,124
Unit linked investments	10	561,624,858	533,238,604
Available for sale investments	9	39,921,814	29,881,185
Premiums receivable, net	7	164,204,016	128,717,315
Reinsurance balances receivable		35,450,012	23,900,534
Prepayments and other assets		5,825,248	2,070,710
Cash and cash equivalents		43,338,959	32,987,354
<b>TOTAL INSURANCE OPERATIONS' ASSETS</b>		<b>1,158,485,615</b>	<b>949,334,389</b>
<b>SHAREHOLDERS' ASSETS</b>			
Statutory deposit	8	20,076,025	20,076,025
Available for sale investments	9	142,389,965	145,447,419
Due from insurance operations		9,263,597	1,686,645
Prepayments and other assets		1,552,616	3,857,360
Cash and cash equivalents		5,437,747	341,510
<b>TOTAL SHAREHOLDERS' ASSETS</b>		<b>178,719,950</b>	<b>171,408,959</b>
<b>TOTAL ASSETS</b>		<b>1,337,205,565</b>	<b>1,120,743,348</b>

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

Xavier Denys

Abdulrahman Jawa

Abdullah Mansury

Chief Executive Officer

BOD Member

Chief Financial Officer

**Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)**

**INTERIM STATEMENT OF FINANCIAL POSITION**

	30 September 2013 (Unaudited) SR	31 December 2012 (Audited) SR
	Note	
<b>INSURANCE OPERATIONS' LIABILITIES AND SURPLUS</b>		
Employees' end of service benefits	7,793,998	6,589,383
Unearned premiums	201,601,660	151,699,129
Mathematical reserve	562,488,519	534,437,849
Outstanding claims	6 245,501,176	146,860,735
Premium deficiency reserves	969,953	-
Unearned commission income	11,558,342	13,340,083
Due to shareholders operations	9,263,597	1,686,645
Reinsurance balances payable	110,650,919	82,367,514
Accrued expenses and other liabilities	9,108,619	11,791,166
<b>TOTAL INSURANCE OPERATIONS' LIABILITIES</b>	<b>1,158,936,783</b>	<b>948,772,504</b>
<b>INSURANCE OPERATIONS' SURPLUS</b>		
Accumulated surplus	1,456,833	614,950
Unrealized loss on available for sale investments	9 (1,908,001)	(53,065)
<b>TOTAL INSURANCE OPERATIONS' LIABILITIES AND SURPLUS</b>	<b>1,158,485,615</b>	<b>949,334,389</b>
<b>SHAREHOLDERS' LIABILITIES AND EQUITY</b>		
<b>SHAREHOLDERS' LIABILITIES</b>		
Provision for zakat and income tax	6,446,431	4,420,173
Accrued expenses and other liabilities	123,222	91,625
<b>TOTAL SHAREHOLDERS' LIABILITIES</b>	<b>6,569,653</b>	<b>4,511,798</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	11 200,000,000	200,000,000
Share premium	22,711,315	22,711,315
Accumulated deficit	(50,172,831)	(58,382,671)
Unrealized (loss)/gain on available for sale investments	9 (388,187)	2,568,517
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>172,150,297</b>	<b>166,897,161</b>
<b>TOTAL SHAREHOLDERS' LIABILITIES AND EQUITY</b>	<b>178,719,950</b>	<b>171,408,959</b>
<b>TOTAL INSURANCE OPERATIONS' LIABILITIES AND SURPLUS AND SHAREHOLDERS' LIABILITIES AND EQUITY</b>	<b>1,337,205,565</b>	<b>1,120,743,348</b>

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

Xavier Denys

Abdulrahman Jawa

Abdullah Mansury

Chief Executive Officer

BOD Member

Chief Financial Officer

**Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)**  
**INTERIM STATEMENT OF INCOME OF INSURANCE OPERATIONS (UNAUDITED)**

	<i>Note</i>	<i>For the three month period ended 30 September 2013 SR</i>	<i>For the three month period ended 30 September 2012 SR</i>	<i>For the nine month period ended 30 September 2013 SR</i>	<i>For the nine month period ended 30 September 2012 SR</i>
Gross written premiums		140,729,870	155,852,015	513,678,751	484,042,674
Reinsurance premiums ceded		(43,703,462)	(69,193,432)	(212,474,159)	(215,116,568)
<b>Net written premiums</b>	<b>5</b>	<b>97,026,408</b>	<b>86,658,583</b>	<b>301,204,592</b>	<b>268,926,106</b>
Changes in unearned premium		16,858,873	(4,936,779)	(49,902,531)	17,132,450
Reinsurance share of unearned premium		(22,011,732)	1,671,428	9,837,985	(20,584,914)
<b>Net change in unearned premium</b>	<b>5</b>	<b>(5,152,859)</b>	<b>(3,265,351)</b>	<b>(40,064,546)</b>	<b>(3,452,464)</b>
<b>Net premiums earned</b>	<b>5</b>	<b>91,873,549</b>	<b>83,393,232</b>	<b>261,140,046</b>	<b>265,473,642</b>
Commission earned during the period		6,155,943	7,789,546	21,049,662	22,951,381
Unrealized gain on unit linked investments		4,337,636	1,884,106	10,081,012	5,767,252
Other income		216,822	187,856	1,003,692	773,913
<b>Total revenues</b>		<b>102,583,950</b>	<b>93,254,740</b>	<b>293,274,412</b>	<b>294,966,188</b>
Gross claims paid		(68,945,442)	(114,375,764)	(259,856,924)	(284,005,901)
Reinsurance share of claims paid		19,961,757	72,892,325	90,106,291	127,392,127
<b>Net claims paid</b>		<b>(48,983,685)</b>	<b>(41,483,439)</b>	<b>(169,750,633)</b>	<b>(156,613,774)</b>
Changes in gross outstanding claims		(62,005,503)	2,879,459	(98,640,441)	(17,734,762)
Changes in reinsurance share of outstanding claims		49,315,886	(7,120,904)	96,346,760	15,206,356
<b>Net outstanding claims</b>		<b>(12,689,617)</b>	<b>(4,241,445)</b>	<b>(2,293,681)</b>	<b>(2,528,406)</b>
<b>Net claims incurred</b>		<b>(61,673,302)</b>	<b>(45,724,884)</b>	<b>(172,044,314)</b>	<b>(159,142,180)</b>
Change in premium deficiency reserves		4,427	564,953	(969,953)	-
Change in mathematical reserves		(8,137,151)	(18,276,086)	(28,050,670)	(45,377,475)
Commission expenses		(9,796,831)	(10,393,179)	(28,808,186)	(29,800,675)
Inspection and supervision fees		(703,650)	(779,260)	(2,568,394)	(2,420,213)
General and administrative expenses		(19,171,736)	(17,223,675)	(52,414,060)	(54,110,844)
<b>Total claims and expenses</b>		<b>(99,478,243)</b>	<b>(91,832,131)</b>	<b>(284,855,577)</b>	<b>(290,851,387)</b>
<b>Net surplus for the period</b>		<b>3,105,707</b>	<b>1,422,609</b>	<b>8,418,835</b>	<b>4,114,801</b>
Net surplus transferred to statement of shareholders' operations		(2,795,137)	(1,280,348)	(7,576,952)	(3,703,321)
<b>Net insurance operations surplus after shareholders' appropriation for the period</b>		<b>310,570</b>	<b>142,261</b>	<b>841,883</b>	<b>411,480</b>

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

Xavier Denys

Abdulrahman Jawa

Abdullah Mansury

Chief Executive Officer

BOD Member

Chief Financial Officer

Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

INTERIM STATEMENT OF INCOME OF SHAREHOLDERS' OPERATIONS

(UNAUDITED)

	<i>For the three month period ended 30 September 2013 SR</i>	<i>For the three month period ended 30 September 2012 SR</i>	<i>For the nine month period ended 30 September 2013 SR</i>	<i>For the nine month period ended 30 September 2012 SR</i>
Special commission income	1,663,141	1,173,122	4,343,143	3,104,988
Realised (loss)/gain on available for sale investment	(100,750)	72,500	(100,750)	703,387
<b>Total revenues</b>	<b>1,562,391</b>	<b>1,245,622</b>	<b>4,242,393</b>	<b>3,808,375</b>
Net surplus transferred from statement of insurance operations	2,795,137	1,280,348	7,576,952	3,703,321
General and administrative expenses	(309,897)	(146,380)	(598,364)	(487,471)
<b>Net income for the period</b>	<b>4,047,631</b>	<b>2,379,590</b>	<b>11,220,981</b>	<b>7,024,225</b>
<b>Basic and diluted earnings per share (Note 15)</b>	<b>0.20</b>	<b>0.12</b>	<b>0.56</b>	<b>0.35</b>

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

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Abdullah Mansury

Chief Executive Officer

BOD Member

Chief Financial Officer

Alianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)  
 INTERIM STATEMENT OF COMPREHENSIVE INCOME OF SHAREHOLDERS'  
 OPERATIONS (UNAUDITED)

	<i>For the three month period ended 30 September 2013 SR</i>	<i>For the three month period ended 30 September 2012 SR</i>	<i>For the nine month period ended 30 September 2013 SR</i>	<i>For the nine month period ended 30 September 2012 SR</i>
Net income for the period	4,047,631	2,379,590	11,220,981	7,024,225
<i>Other comprehensive income not to be reclassified subsequently to the statement of income</i>				
Provision for zakat & income tax	(1,260,107)	(518,820)	(3,011,141)	(1,778,353)
<i>Other comprehensive income to be reclassified subsequently to the statement of income</i>				
Fair value change in available for sale investments	(234,328)	993,413	(3,057,454)	2,219,682
Transferred to realized loss/(gain) from available for sale investments disposal	100,750	(72,500)	100,750	(703,387)
<b>Total comprehensive income for the period</b>	<b>2,653,946</b>	<b>2,781,683</b>	<b>5,253,136</b>	<b>6,762,167</b>

The accompanying notes | to 17 form part of these interim condensed financial statements.

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Abdullah Mansury

Chief Executive Officer

BOD Member

Chief Financial Officer



**Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)**  
**INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)**

	<i>Share capital</i> <b>SR</b>	<i>Share premium</i> <b>SR</b>	<i>Accumulated losses</i> <b>SR</b>	<i>Unrealized gain / (loss) on available for sale investments</i> <b>SR</b>	<i>Total</i> <b>SR</b>
Balance as at 1 January 2012	200,000,000	22,711,315	(65,642,250)	925,378	157,994,443
Net income for the period	-	-	7,024,225	-	7,024,225
<i>Other Comprehensive income:</i>					
- Provision for zakat & income tax	-	-	(1,778,353)	-	(1,778,353)
- Fair value change in available for sale investment	-	-	-	2,219,682	2,219,682
- Transferred to statement of income of shareholders' operations	-	-	-	(703,387)	(703,387)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>5,245,872</b>	<b>1,516,295</b>	<b>6,762,167</b>
<b>Balance as at 30 September 2012</b>	<b>200,000,000</b>	<b>22,711,315</b>	<b>(60,396,378)</b>	<b>2,441,673</b>	<b>164,756,610</b>
Balance as at 1 January 2013	200,000,000	22,711,315	(58,382,671)	2,568,517	166,897,161
Net income for the period	-	-	11,220,981	-	11,220,981
<i>Other Comprehensive income:</i>					
- Provision for zakat & income tax	-	-	(3,011,141)	-	(3,011,141)
- Fair value change in available for sale investment	-	-	-	(3,057,454)	(3,057,454)
- Transferred to statement of income of shareholders' operations	-	-	-	100,750	100,750
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>8,209,840</b>	<b>(2,956,704)</b>	<b>5,253,136</b>
<b>Balance as at 30 September 2013</b>	<b>200,000,000</b>	<b>22,711,315</b>	<b>(50,172,831)</b>	<b>(388,187)</b>	<b>172,150,297</b>

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

Xavier Denys

Abdulrahman Jawa

Abdullah Mansury

Chief Executive Officer

BOD Member

Chief Financial Officer

**Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)**

**INTERIM STATEMENT OF CASH FLOWS OF INSURANCE OPERATIONS**

**(UNAUDITED)**

	<b>For the nine month period ended</b>	
	<b>30 September 2013 SR</b>	<b>30 September 2012 SR</b>
<b>OPERATING ACTIVITIES</b>		
Insurance operations' surplus after shareholders' appropriation	841,883	411,480
Adjustments for:		
Employees' end of service benefits	1,840,184	543,700
Depreciation	1,068,702	1,228,169
Gain on disposal of investment	(47,200)	-
Unrealized gains on investments held at fair value through income statement	(10,081,012)	(5,767,252)
Shareholders' appropriation from insurance operations' surplus	7,576,952	3,703,321
	<hr/>	<hr/>
Operating profit before changes in operating assets and liabilities	1,199,509	119,418
<b>Changes in operating assets and liabilities:</b>		
Deferred policy acquisition costs	(4,295,261)	737,536
Unit linked investments	(18,305,242)	(35,619,802)
Premiums receivable, net	(35,486,701)	2,937,596
Prepayments and others assets	(3,754,538)	(1,526,293)
Unearned premiums, net	40,064,546	2,721,377
Mathematical reserve	28,050,670	45,377,474
Outstanding claims, net	2,293,681	2,528,406
Premium deficiency reserves	969,953	-
Unearned commission income	(1,781,741)	(1,422,170)
Reinsurance balances payable, net	16,733,927	(1,163,660)
Accrued expenses and other liabilities	(2,682,547)	(10,263,225)
	<hr/>	<hr/>
Cash from operations	23,006,256	4,426,657
Employees' end of service benefits paid	(635,569)	(723,613)
	<hr/>	<hr/>
<b>Net cash from operating activities</b>	<b>22,370,687</b>	<b>3,703,044</b>
	<hr/>	<hr/>
<b>INVESTING ACTIVITIES</b>		
Purchase of office equipment and furniture	(170,717)	(404,956)
Proceeds from sale of available for sale investments	10,009,635	-
Purchases of available for sale investments	(21,858,000)	(15,000,000)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(12,019,082)</b>	<b>(15,404,956)</b>
	<hr/>	<hr/>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>10,351,605</b>	<b>(11,701,912)</b>
	<hr/>	<hr/>
Cash and cash equivalents at the beginning of the period	32,987,354	61,900,990
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>43,338,959</b>	<b>50,199,078</b>
	<hr/>	<hr/>
<b>Non-cash supplemental information:</b>		
Net changes in fair value of available for sale investments	(1,854,936)	33,720
	<hr/>	<hr/>

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

Xavier Denys

Abdulrahman Jawa

Abdullah Mansury

Chief Executive Officer

BOD Member

Chief Financial Officer

Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)  
**INTERIM STATEMENT OF CASH FLOWS OF SHAREHOLDERS' OPERATIONS**  
 (UNAUDITED)

	<b>For the nine month period ended</b>	
	<b>30 September 2013 SR</b>	<b>30 September 2012 SR</b>
<b>OPERATING ACTIVITIES</b>		
Net income for the period	11,220,981	7,024,225
Adjustments for:		
Realized loss (gain) on available for sale investments	100,750	(703,387)
Shareholders' appropriation from insurance operations' surplus	(7,576,952)	(3,703,321)
Operating surplus before changes in operating assets and liabilities	3,744,779	2,617,517
<b>Changes in operating assets and liabilities:</b>		
Prepayments and other assets	2,304,744	(1,872,665)
Accrued expenses and other liabilities	31,597	(16,000)
Cash from operations	6,081,120	728,852
Income tax paid	(984,883)	(424,550)
<b>Net cash from operating activities</b>	<b>5,096,237</b>	<b>304,302</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of available for sale investment	(10,000,000)	(66,068,078)
Proceeds from sale of available for sale investments	10,000,000	53,403,813
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(12,664,265)</b>
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>5,096,237</b>	<b>(12,359,963)</b>
Cash and cash equivalents at the beginning of the period	341,510	12,670,275
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>5,437,747</b>	<b>310,312</b>
<b><u>Non-cash supplemental information:</u></b>		
Net changes in fair value of available for sale investments	(3,057,454)	2,219,682

The accompanying notes 1 to 17 form part of these interim condensed financial statements.

Xavier Denys

Abdulrahman Jawa

Abdullah Mansury

Chief Executive Officer

BOD Member

Chief Financial Officer

# Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

At 30 September 2013

### 1. ORGANIZATION AND PRINCIPAL ACTIVITIES

Allianz Saudi Fransi Cooperative Insurance Company (the "Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under commercial registration number 1010235601 dated 26 Jumada Thani 1428H corresponding to 12 July 2007. The Company operates through its 5 branches (2012: 5) in the Kingdom of Saudi Arabia as of 30 September 2013. The registered office of the Company is located at Al Safwa Commercial Building, P O Box 3540, Riyadh 11481, Kingdom of Saudi Arabia.

The objectives of the Company are to transact cooperative insurance operations and related activities in the Kingdom of Saudi Arabia. The Company was listed on the Saudi stock exchange on 9 Rajab 1428H, corresponding to 23 July 2007.

### 2. COMMERCIAL OPERATIONS

The Company has been licensed to conduct insurance business in the Kingdom of Saudi Arabia under cooperative principles in accordance with Royal Decree number 60/M dated 18 Ramadan 1427H (corresponding to 11 October 2006), pursuant to Council of Ministers resolution number 233 dated 16 Ramadan 1427H (corresponding to 9 October 2006).

Following the completion of the public offering on 26 March 2007, an application was submitted to His Excellency the Minister of Commerce and Industry (MOCI) in the Kingdom of Saudi Arabia, requesting the announcement of the incorporation of the Company. On 8 Jumada Thani 1428H corresponding to 24 June 2007, MOCI issued a resolution declaring the incorporation of the Company.

During March 2008, Saudi Arabian Monetary Agency (SAMA) granted the Company an authorisation to commence operations. The Company renewed its operating license on 30 Safar 1432H corresponding to 3 February 2011.

### 3. BASIS OF PREPARATION

The interim condensed financial statements for the three and nine month periods ended 30 September 2013 have been prepared in accordance with International Accounting Standard (IAS 34) – "Interim Financial Reporting".

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and therefore should be read in conjunction with the Company's annual financial statements as at 31 December 2012.

The Company's interim results may not be indicative of its annual results.

### 4. NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS

The accounting and risk management policies used in the preparation of these interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2012 except for the adoption of the following new standards and other amendments to existing standards mentioned below:

#### IAS 1 Presentation of Items of Other Comprehensive Income – Amendments to IAS 1

The amendments to IAS 1 introduce a grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or recycled) to profit or loss at a future point in time (e.g., net gain on hedge of net investment, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) now have to be presented separately from items that will never be reclassified (e.g., actuarial gains and losses on defined benefit plans and revaluation of land and buildings). The amendment affected presentation only and had no impact on the Company's financial position or performance.

**4. NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS (continued)**

**IAS 1 Clarification of the requirement for comparative information (Amendment) (continued)**

The amendment to IAS 1 clarifies the difference between voluntary additional comparative information and the minimum required comparative information. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the minimum required comparative period. The additional voluntarily comparative information does not need to be presented in a complete set of financial statements. An opening statement of financial position (known as the 'third balance sheet') must be presented when an entity applies an accounting policy retrospectively, makes retrospective restatements, or reclassifies items in its financial statements, provided any of those changes has a material effect on the statement of financial position at the beginning of the preceding period. The amendment clarifies that a third balance sheet does not have to be accompanied by comparative information in the related notes. Under IAS 34, the minimum items required for interim condensed financial statements do not include a third balance sheet.

**IAS 34 Interim financial reporting and segment information for total assets and liabilities (Amendment)**

The amendment clarifies the requirements in IAS 34 relating to segment information for total assets and liabilities for each reportable segment to enhance consistency with the requirements in IFRS 8 Operating Segments. Total assets and liabilities for a reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker and there has been a material change in the total amount disclosed in the entity's previous annual financial statements for that reportable segment.

The Company provides this disclosure as total segment assets were reported to the chief operating decision maker.

**IFRS 7 Financial Instruments: Disclosures Offsetting Financial Assets and Financial Liabilities - Amendments to IFRS 7**

The amendment requires an entity to disclose information about rights to set-off financial instruments and related arrangements (e.g., collateral agreements). The disclosures would provide users with information that is useful in evaluating the effect of netting arrangements on an entity's financial position. The new disclosures are required for all recognised financial instruments that are set off in accordance with IAS 32. The disclosures also apply to recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether the financial instruments are set off in accordance with IAS 32. As the Company is not setting off financial instruments in accordance with IAS 32 and does not have relevant offsetting arrangements, the amendment does not have an impact on the Company.

**IFRS 13 Fair Value Measurement**

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The application of IFRS 13 has not materially impacted the fair value measurements carried out by the Company.

IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 Financial Instruments: Disclosures. Some of these disclosures are specifically required for financial instruments by IAS 34.16A (j), thereby affecting the interim condensed financial statements period. The Company provides these disclosures in Note 7.

Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

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At 30 September 2013

4 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS (continued)

New amendments and standards issued but not yet effective:

The Company has chosen not to early adopt the following new standard and amendments to the International Financial Reporting Standards

*IFRS 9 Financial Instruments: Classification and Measurement*

IFRS 9, as issued, reflects the first phase of the IASB's work on the replacement of IAS 39 and applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The standard was initially effective for annual periods beginning on or after 1 January 2013, but Amendments to IFRS 9 Mandatory Effective Date of IFRS 9 and Transition Disclosures, issued in December 2011, has been deferred for an indefinite period of time by the IASB. In subsequent phases, the IASB will address hedge accounting and impairment of financial assets. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of the Company's financial assets, but will not have an impact on classification and measurements of financial liabilities. The Company will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

*IAS 32 Offsetting Financial Assets and Financial Liabilities — Amendments to IAS 32*

These amendments clarify the meaning of "currently has a legally enforceable right to set-off". The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. These amendments are not expected to impact the Company's financial position or performance and become effective for annual periods beginning on or after 1 January 2014.

5 PREMIUMS

*Nine months ended 30 September 2013 - Unaudited (SR)*

	<i>Gross</i>	<i>Reinsurers' share</i>	<i>Net</i>
General insurance	376,299,086	(203,901,687)	172,397,399
Protection & saving insurance	137,379,665	(8,572,472)	128,807,193
<b>Written premiums</b>	<b>513,678,751</b>	<b>(212,474,159)</b>	<b>301,204,592</b>
Change in unearned premium	(49,902,531)	9,837,985	(40,064,546)
<b>Premiums earned</b>	<b>463,776,220</b>	<b>(202,636,174)</b>	<b>261,140,046</b>

*Nine months ended 30 September 2012 - Unaudited (SR)*

	<i>Gross</i>	<i>Reinsurers' share</i>	<i>Net</i>
General insurance	326,903,363	(194,615,215)	132,288,148
Protection & saving insurance	157,139,311	(20,501,353)	136,637,958
<b>Written premiums</b>	<b>484,042,674</b>	<b>(215,116,568)</b>	<b>268,926,106</b>
Change in unearned premium reserve	17,132,450	(20,584,914)	(3,452,464)
<b>Premiums earned</b>	<b>501,175,124</b>	<b>(235,701,482)</b>	<b>265,473,642</b>

**Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

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At 30 September 2013

**6 OUTSTANDING CLAIMS, NET**

	<i>As at 30 September 2013 - Unaudited (SR)</i>		
	<i>Gross</i>	<i>Reinsurers' share</i>	<i>Net</i>
General insurance	238,405,604	(190,252,083)	<b>48,153,521</b>
Protection & saving insurance	7,095,572	(3,045,800)	<b>4,049,772</b>
<b>Total insurance outstanding claims</b>	<b>245,501,176</b>	<b>(193,297,883)</b>	<b>52,203,293</b>

	<i>As at 31 December 2012 - Audited (SR)</i>		
	<i>Gross</i>	<i>Reinsurers' share</i>	<i>Net</i>
General insurance	136,762,068	(90,740,098)	46,021,970
Protection & saving insurance	10,098,667	(6,211,025)	3,887,642
<b>Total insurance outstanding claims</b>	<b>146,860,735</b>	<b>(96,951,123)</b>	<b>49,909,612</b>

**7 PREMIUMS RECEIVABLE, NET**

30 September 2013 Unaudited	Total	Neither past due nor impaired	<i>Past due not impaired</i>	<i>Past due and impaired</i>	
			Up to 90 days	Less than 180 days	More than 180 days
<i>Amount in SR</i>					
Premiums receivable	197,306,239	-	81,995,561	48,727,588	66,583,090
Provision for doubtful debts	(33,102,223)	-	-	(7,309,138)	(25,793,085)
<b>Premiums receivable, net</b>	<b>164,204,016</b>	<b>-</b>	<b>81,995,561</b>	<b>41,418,450</b>	<b>40,790,005</b>

31 December 2012 Audited	Total	Neither past due nor impaired	<i>Past due not impaired</i>	<i>Past due and impaired</i>	
			Up to 90 days	Less than 180 days	More than 180 days
<i>Amount in SR</i>					
Premiums receivable	159,199,776	-	67,712,687	34,574,483	56,912,606
Provision for doubtful debts	(30,482,461)	-	-	(5,186,172)	(25,296,289)
<b>Premiums receivable, net</b>	<b>128,717,315</b>	<b>-</b>	<b>67,712,687</b>	<b>29,388,311</b>	<b>31,616,317</b>

Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(continued)

At 30 September 2013

7 PREMIUMS RECEIVABLE, NET (continued)

*Movement in respect of provision for doubtful debts is as follows:*

	<i>For the nine month period ended 30 September 2013 (Unaudited) SR</i>	<i>For the nine month period ended 30 September 2012 (Unaudited) SR</i>
Balance at the beginning of the period	30,482,461	30,112,276
Provided for the period	2,619,762	5,901,768
Premium receivable written off during the period	-	(5,517,422)
Balance at the end of the period	<u>33,102,223</u>	<u>30,496,622</u>

8 STATUTORY DEPOSIT

As required by Saudi Arabian Insurance Regulations, the Company has deposited 10% of its paid up capital, amounting to SR 20,000,000 in a bank designated by SAMA. This deposit and initially recognised commission thereon cannot be withdrawn without SAMA's approval. The statutory deposit is maintained with Banque Saudi Fransi, an affiliate of the Company.

9 AVAILABLE FOR SALE INVESTMENTS

*Insurance operations' available for sale investments:*

	<i>As at 30 September 2013 (Unaudited) SR</i>	<i>As at 31 December 2012 (Audited) SR</i>
Bonds-quoted	24,906,143	4,848,750
Funds-quoted	15,015,671	25,032,435
<b>Total</b>	<u>39,921,814</u>	<u>29,881,185</u>

The cumulative unrealised loss in fair value of available for sale investments amounting to SR 1,908,001(31 December 2012: SR 53,065) is presented within the insurance operation' surplus in the interim statement of financial position.

*Shareholders' available for sale investments:*

	<i>30 September 2013 - Unaudited (SR)</i>		
	<i>Quoted</i>	<i>Unquoted</i>	<i>Total</i>
Bonds	89,947,152	-	89,947,152
Sukuk	41,105,000	-	41,105,000
Funds	8,114,735	-	8,114,735
Equities	-	3,223,078	3,223,078
<b>Total</b>	<u>139,166,887</u>	<u>3,223,078</u>	<u>142,389,965</u>



Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(continued)

At 30 September 2013

9 AVAILABLE FOR SALE INVESTMENTS (continued)

	31 December 2012 - Audited (SR)		
	Quoted	Unquoted	Total
Bonds	93,084,505	-	93,084,505
Sukuk	46,100,500	-	46,100,500
Funds	3,039,336	-	3,039,336
Equities	-	3,223,078	3,223,078
<b>Total</b>	<b>142,224,341</b>	<b>3,223,078</b>	<b>145,447,419</b>

The cumulative (loss)/gain in fair value of available for sale investments amounting to SR (388,187) (31 December 2012: SR 2,568,517) is presented within the shareholders' equity in the interim statement of financial position.

*Determination of fair value and fair values hierarchy*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or the most advantageous) market between market participants at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

The fair values of recognised financial instruments are not significantly different from the carrying values included in the interim condensed financial statements

The Company uses the following hierarchy method for determining and disclosing the fair value of financial instruments at the reporting period end.

Level 1: quoted prices in active markets for the same instrument (i.e., without modification or repackaging).

Level 2: quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data.

Level 3: Valuation techniques for which any significant input is not based on observable market data.

.As at 30 September 2013 and 31 December 2012, the financial instruments under insurance and shareholder operations are measured at fair value using level 1 hierarchy for bonds, level 2 for sukuk & funds and level 3 for equities. The following table shows an analysis of financial instruments under shareholders' operations measured at fair value by level of the fair value hierarchy;

	30 September 2013 – Unaudited (SR)			
	Level 1	Level 2	Level 3	Total
Bonds	89,947,152	-	-	89,947,152
Sukuk	-	41,105,000	-	41,105,000
Funds	-	8,114,735	-	8,114,735
Equities	-	-	3,223,078	3,223,078
<b>Total</b>	<b>89,947,152</b>	<b>49,219,735</b>	<b>3,223,078</b>	<b>142,389,965</b>

	31 December 2012 – Audited (SR)			
	Level 1	Level 2	Level 3	Total
Bonds	93,084,505	-	-	93,084,505
Sukuk	-	46,100,500	-	46,100,500
Funds	-	3,039,336	-	3,039,336
Equities	-	-	3,223,078	3,223,078
<b>Total</b>	<b>93,084,505</b>	<b>49,139,836</b>	<b>3,223,078</b>	<b>145,447,419</b>

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements during the period 30 September 2013 and year ended 31 December 2012.

# Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

(continued)

At 30 September 2013

### 10 UNIT LINKED INVESTMENTS

Following represents fair value through income statement investments for unit-linked investments:

	<i>30 September 2013 (Unaudited) SR</i>	<i>31 December 2012 (Audited) SR</i>
Local funds	547,861,593	520,015,719
Foreign funds	13,763,265	13,222,885
	<u>561,624,858</u>	<u>533,238,604</u>

### 11 SHARE CAPITAL

The authorized and issued share capital of the Company is SR 200,000,000 as at 30 September 2013 & 31 December 2012 consisting of 20,000,000 shares of SR 10 par value.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and right shares are recognised as a deduction from equity.

### 12 STATUTORY RESERVE

In accordance with the by-laws of the Company, the Company shall allocate 20% of its net income for each period after accumulated losses to the statutory reserve until it has built up a reserve equal to the capital. The Company has not transferred any amount to statutory reserve due to the fact the Company has accumulated losses as at 30 September 2013.

### 13 CONTINGENCIES

The Company operates in the insurance industry and is subject to legal proceedings in the normal course of business relating to policyholders' insurance claims. While it is not practicable to forecast or determine the final results of all pending or threatened legal proceedings, management does not believe that such proceedings (including litigations) will have a material effect on its results and financial position.

**Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

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At 30 September 2013

**14 RELATED PARTY TRANSACTIONS AND BALANCES**

Following are the details of major related party transactions during the period ended 30 September 2013 and 30 September 2012 and the related affiliate's balances as at 30 September 2013 and 31 December 2012:

Related party	Nature of transaction	<i>Unaudited</i> <i>9 months ended</i> <i>30 September 2013</i>	<i>Unaudited</i> <i>9 months ended</i> <i>30 September 2012</i>	
		<i>SR</i>	<i>SR</i>	
Entities controlled, jointly controlled or significantly influenced by related parties.	- Insurance premium written	<b>15,037,424</b>	26,973,490	
	- Insurance premium ceded	<b>23,559,537</b>	19,733,093	
	- Gross claims paid	<b>13,033,768</b>	4,088,674	
	- Reinsurance share of claims paid	<b>12,573,343</b>	2,960,548	
	- Commission expense	<b>4,394,090</b>	5,300,541	
	- Commission income	<b>1,499,340</b>	2,178,785	
	Other expenses			
	- Third party administrator (TPA) fees	<b>2,126,959</b>	1,852,968	
	Key management personnel	Remuneration and related expenses	<b>4,287,601</b>	4,485,162
	Board members	Fees and related expenses	<b>232,497</b>	174,999

Key management personnel are persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly and comprise top management executives including the Chief Executive Officer, Deputy Chief Executive Officer and the Chief Financial Officer of the Company. All Unit Linked investments and certain significant available for sale investments are managed by an affiliate, Saudi Fransi Capital.

Cash and cash equivalents include bank accounts, majority of which are maintained with the shareholder of the company, Banque Saudi Fransi.

**Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

(continued)

At 30 September 2013

**14 RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

The significant transactions with the related parties are included in the following balances as at the financial position date:

	<i>30 September 2013 (Unaudited) SR</i>	<i>31 December 2012 (Audited) SR</i>
Entities controlled, jointly controlled or significantly influenced by related parties. - Accrued expenses	<u>1,019,552</u>	<u>2,788,153</u>
- Premium receivable, net	<u>3,692,076</u>	<u>13,306,896</u>
-Reinsurance balance payable	<u>11,817,906</u>	<u>15,426,074</u>
- Outstanding Claims	<u>2,336,967</u>	<u>4,112,802</u>

Related parties include Allianz SNA, Allianz Mena Holding Bermuda, Allianz Risk Transfer A.G. Dubai, Allianz France, Allianz Global Corporate and Speciality AG, Allianz World Wide Care, Allianz Global risks U.S Insurance, Allianz Belgium, Euler Hermes, Allianz SE Zurich, Allianz Insurance Hong Kong, Allianz Global Risks Netherland, Allianz Insurance Singapore, Allianz Insurance New Zealand, Saudi Fransi Insurance Agency, Banque Saudi Fransi, Saudi Fransi Leasing Company, Saudi Next Care, Saudi Fransi Capital.

**15 BASIC AND DILUTED EARNINGS PER SHARE**

	<i>For the three months ended 30 September 2013</i>	<i>For the three months ended 30 September 2012</i>	<i>For the nine months ended 30 September 2013</i>	<i>For the nine months ended 30 September 2012</i>
Net income for the period (SR)	<u>4,047,631</u>	<u>2,379,590</u>	<u>11,220,981</u>	<u>7,024,225</u>
Weighted average number of ordinary shares	<u>20,000,000</u>	<u>20,000,000</u>	<u>20,000,000</u>	<u>20,000,000</u>
<b>Basic and diluted earnings per share – (SR)</b>	<u><b>0.20</b></u>	<u><b>0.12</b></u>	<u><b>0.56</b></u>	<u><b>0.35</b></u>

**Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)**

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

(continued)

At 30 September 2013

**16 SEGMENT INFORMATION**

(a) Consistent with the Company's internal reporting process, business segments have been approved by Management in respect of the Company's activities, assets and liabilities. Information disclosed in the note is based on current reporting to the chief operating decision maker.

Segment assets do not include insurance operations' cash and cash equivalents, prepaid expenses, due from shareholders' operations and property and equipment. Accordingly they are included in unallocated assets.

Segment liabilities do not include reinsurers' balances payable, employees' end of service benefits, accrued expenses and other liabilities. Accordingly they are included in unallocated liabilities.

The unallocated assets and unallocated liabilities are reported to chief operating decision maker on the cumulative basis and not reported under the related segments.

**Operating segments**

Following are the operating segments identified for segment reporting purposes;

Motor	:	Motor corporate and motor individual
Engineering	:	Construction
Medical	:	Medical
Property	:	Fire, Burglary and Money
Other general	:	Liability and Marine
Protection & Saving	:	Group Retirement & Individual Protection & Saving

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (continued)

At 30 SEPTEMBER 2013

16 SEGMENT INFORMATION (continued)

Unaudited	<i>Motor</i>	<i>Engineering</i>	<i>Medical</i>	<i>Property</i>	<i>Other General</i>	<i>Protection &amp; Saving</i>	<i>Shareholders' Fund</i>	<i>Total</i>
<b>For the three months ended</b>								
<b>30 September 2013</b>								
	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>
Gross written premiums	38,527,506	18,487,979	14,285,145	16,358,101	8,982,307	44,088,832	-	140,729,870
Reinsurance premium ceded	(1,263,967)	(15,189,908)	(6,711,402)	(14,027,122)	(4,355,674)	(2,155,389)	-	(43,703,462)
Net written premium	37,263,539	3,298,071	7,573,743	2,330,979	4,626,633	41,933,443	-	97,026,408
Net premiums earned	28,971,338	3,021,508	7,871,517	4,195,662	6,069,519	41,744,005	-	91,873,549
Unrealized gain on unit linked investments	-	-	-	-	-	4,337,636	-	4,337,636
Net claims incurred	(19,955,840)	(260,897)	(6,883,229)	(2,479,791)	(3,679,120)	(28,414,425)	-	(61,673,302)
Change in premium deficiency reserves	-	-	4,427	-	-	-	-	4,427
Change in mathematical reserves	-	-	-	-	-	(8,137,151)	-	(8,137,151)
Commission (expenses)/income, net	(3,221,473)	1,105,595	(543,711)	770,719	419,811	(2,171,829)	-	(3,640,888)
Other underwriting expenses	(192,638)	(92,440)	(71,426)	(81,791)	(44,911)	(220,444)	-	(703,650)
Net underwriting results	5,601,387	3,773,766	377,578	2,404,799	2,765,299	7,137,792	-	22,060,621
Unallocated income	-	-	-	-	-	-	-	216,822
Unallocated expenses	-	-	-	-	-	-	-	(19,171,736)
Surplus from insurance operations	-	-	-	-	-	-	-	3,105,707
Retained in Insurance operations	-	-	-	-	-	-	-	(310,570)
Shareholders' total revenue	-	-	-	-	-	-	1,562,391	1,562,391
General & administrative expenses	-	-	-	-	-	-	(309,897)	(309,897)
Net income for the period	-	-	-	-	-	-	-	4,047,631

Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (continued)

At 30 SEPTEMBER 2013

16 SEGMENT INFORMATION (continued)

Unaudited	<i>Motor</i>	<i>Engineering</i>	<i>Medical</i>	<i>Property</i>	<i>Other General</i>	<i>Protection &amp; Saving</i>	<i>Shareholders' Fund</i>	<i>Total</i>
<b>For the nine months ended 30 September 2013</b>								
	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>
Gross written premiums	109,997,700	59,441,652	46,495,402	99,252,138	61,112,194	137,379,665	-	513,678,751
Reinsurance premium ceded	(2,447,113)	(49,008,067)	(23,412,008)	(85,506,022)	(43,528,478)	(8,572,471)	-	(212,474,159)
Net written premium	107,550,587	10,433,585	23,083,394	13,746,116	17,583,716	128,807,194	-	301,204,592
Net premiums earned	70,315,456	8,859,167	23,260,650	12,122,805	17,659,142	128,922,826	-	261,140,046
Unrealized gain on unit linked investments	-	-	-	-	-	10,081,012	-	10,081,012
Net claims incurred	(50,202,125)	(1,389,143)	(22,250,464)	(6,955,823)	(4,961,383)	(86,285,376)	-	(172,044,314)
Change in premium deficiency reserves	-	-	(969,953)	-	-	-	-	(969,953)
Change in mathematical reserves	-	-	-	-	-	(28,050,670)	-	(28,050,670)
Commission (expenses)/income, net	(7,925,854)	2,793,372	(1,797,621)	4,262,825	1,487,359	(6,578,605)	-	(7,758,524)
Other underwriting expenses	(549,989)	(297,208)	(232,477)	(496,261)	(305,561)	(686,898)	-	(2,568,394)
Net underwriting results	11,637,488	9,966,188	(1,989,865)	8,933,546	13,879,557	17,402,289	-	59,829,203
Unallocated income	-	-	-	-	-	-	-	1,003,692
Unallocated expenses	-	-	-	-	-	-	-	(52,414,060)
<b>Surplus from insurance operations</b>	-	-	-	-	-	-	-	<b>8,418,835</b>
<b>Retained in Insurance operations</b>	-	-	-	-	-	-	-	<b>(841,883)</b>
Shareholders' total revenue	-	-	-	-	-	-	4,242,393	4,242,393
General & administrative expenses	-	-	-	-	-	-	(598,364)	(598,364)
<b>Net income for the period</b>								<b>11,220,981</b>

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (continued)

At 30 SEPTEMBER 2013

16 SEGMENT INFORMATION (continued)

Unaudited As at 30 September 2013	<i>Motor</i>	<i>Engineering</i>	<i>Medical</i>	<i>Property</i>	<i>Other General</i>	<i>Protection &amp; Saving</i>	<i>Shareholders' Fund</i>	<i>Total</i>
	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>
<b>Insurance Operations' Assets</b>								
Reinsurers' share of unearned premiums	78,017	33,450,528	6,350,341	41,476,272	12,362,631	1,584,549	-	95,302,338
Reinsurers' share of outstanding claims	5,155,487	52,281,936	-	102,636,984	30,177,676	3,045,800	-	193,297,883
Deferred policy acquisition costs	7,665,825	3,564,089	481,375	2,759,612	1,145,286	1,007,198	-	16,623,385
Premium Receivable, gross	61,204,129	39,607,798	12,444,542	28,198,886	49,796,880	6,054,004	-	197,306,239
Provision for doubtful debts (unallocated)	-	-	-	-	-	-	-	(33,102,223)
Unit linked investments	-	-	-	-	-	561,624,858	-	561,624,858
Unallocated assets	-	-	-	-	-	-	-	127,433,135
<b>Shareholders' assets</b>	-	-	-	-	-	-	178,719,950	178,719,950
<b>Total assets</b>								<b>1,337,205,565</b>
<b>Insurance Operations' Liabilities</b>								
Unearned premiums	75,297,675	42,028,615	13,019,205	48,868,638	19,964,037	2,423,490	-	201,601,660
Outstanding claims	20,838,694	55,129,582	6,769,380	113,515,321	42,152,627	7,095,572	-	245,501,176
Unearned commission income	6,798	5,391,732	-	5,023,637	1,071,845	64,330	-	11,558,342
Premium deficiency reserves	-	-	969,953	-	-	-	-	969,953
Mathematical reserves	-	-	-	-	-	562,488,519	-	562,488,519
Unallocated liabilities	-	-	-	-	-	-	-	136,365,965
<b>Shareholders' liabilities &amp; equity</b>	-	-	-	-	-	-	178,719,950	178,719,950
<b>Total Insurance Operations liabilities, surplus and Shareholders' liabilities and equity</b>								<b>1,337,205,565</b>



Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (continued)

At 30 SEPTEMBER 2013

16 SEGMENT INFORMATION (continued)

Unaudited For the three months ended 30 September 2012	<i>Motor</i>	<i>Engineering</i>	<i>Medical</i>	<i>Property</i>	<i>Other General</i>	<i>Protection &amp; Saving</i>	<i>Shareholders' Fund</i>	<i>Total</i>
	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>
Gross written premiums	26,283,207	26,049,036	13,292,438	24,572,740	15,536,842	50,117,752	-	155,852,015
Reinsurance premium ceded	(14,588)	(24,270,794)	(6,142,880)	(21,127,688)	(11,318,400)	(6,319,082)	-	(69,193,432)
Net written premium	26,268,619	1,778,242	7,149,558	3,445,052	4,218,442	43,798,670	-	86,658,583
Net premiums earned	21,046,515	1,327,768	9,686,203	3,447,244	4,264,803	43,620,699	-	83,393,232
Unrealized gain on unit linked investments	-	-	-	-	-	1,884,106	-	1,884,106
Net claims incurred	(14,563,126)	(661,411)	(7,706,890)	(573,983)	(2,320,855)	(19,898,619)	-	(45,724,884)
Change in premium deficiency reserves	564,953	-	-	-	-	-	-	564,953
Change in mathematical reserves	-	-	-	-	-	(18,276,086)	-	(18,276,086)
Commission (expenses)/income, net	(3,229,347)	1,489,355	(871,649)	1,887,489	650,858	(2,530,339)	-	(2,603,633)
Other underwriting expenses	(131,416)	(130,245)	(66,462)	(122,863)	(77,685)	(250,589)	-	(779,260)
Net underwriting results	3,687,579	2,025,467	1,041,202	4,637,887	2,517,121	4,549,172	-	18,458,428
Unallocated income	-	-	-	-	-	-	-	187,856
Unallocated expenses	-	-	-	-	-	-	-	(17,223,675)
Surplus from insurance operations	-	-	-	-	-	-	-	1,422,609
Retained in Insurance operations	-	-	-	-	-	-	-	(142,261)
Shareholders' total revenue	-	-	-	-	-	-	1,245,622	1,245,622
General & administrative expenses	-	-	-	-	-	-	(146,380)	(146,380)
Net income for the period								2,379,590

Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (continued)

At 30 SEPTEMBER 2013

16 SEGMENT INFORMATION (continued)

Unaudited	<i>Motor</i>	<i>Engineering</i>	<i>Medical</i>	<i>Property</i>	<i>Other General</i>	<i>Protection &amp; Saving</i>	<i>Shareholders' Fund</i>	<i>Total</i>
For the nine months ended 30 September 2012								
	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>
Gross written premiums	66,194,821	55,302,645	66,943,836	81,032,473	57,429,588	157,139,311	-	484,042,674
Reinsurance premium ceded	(1,828,810)	(48,231,748)	(31,110,325)	(70,304,352)	(43,139,980)	(20,501,353)	-	(215,116,568)
Net written premium	64,366,011	7,070,897	35,833,511	10,728,121	14,289,608	136,637,958	-	268,926,106
Net premiums earned	60,410,595	6,772,270	38,156,241	10,754,710	13,741,354	135,638,472	-	265,473,642
Unrealized gain on unit linked investments	-	-	-	-	-	5,767,252	-	5,767,252
Net claims incurred	(48,742,055)	(1,144,270)	(31,977,039)	(2,424,425)	(3,571,943)	(71,282,448)	-	(159,142,180)
Change in mathematical reserves	-	-	-	-	-	(45,377,475)	-	(45,377,475)
Commission (expenses)/income, net	(7,652,089)	3,233,879	(3,172,500)	4,879,014	3,465,332	(7,602,930)	-	(6,849,294)
Other underwriting expenses	(330,974)	(276,513)	(334,719)	(405,162)	(287,148)	(785,697)	-	(2,420,213)
Net underwriting results	3,685,477	8,585,366	2,671,983	12,804,137	13,347,595	16,357,174	-	57,451,732
Unallocated income	-	-	-	-	-	-	-	773,913
Unallocated expenses	-	-	-	-	-	-	-	(54,110,844)
Surplus from insurance operations	-	-	-	-	-	-	-	4,114,801
Retained in Insurance operations	-	-	-	-	-	-	-	(411,480)
Shareholders' total revenue	-	-	-	-	-	-	3,808,375	3,808,375
General & administrative expenses	-	-	-	-	-	-	(487,471)	(487,471)
Net income for the period								7,024,225

Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (continued)

At 30 SEPTEMBER 2013

16 SEGMENT INFORMATION (continued)

Audited	<i>Motor</i>	<i>Engineering</i>	<i>Medical</i>	<i>Property</i>	<i>Other General</i>	<i>Protection &amp; Saving</i>	<i>Shareholders' Fund</i>	<i>Total</i>
As at 31 December 2012	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>	<u>SR</u>
<b>Insurance Operations' Assets</b>								
Reinsurers' share of unearned premiums	54,910	34,986,457	5,138,741	26,341,268	14,667,441	4,275,536	-	85,464,353
Reinsurers' share of outstanding claims	3,603,456	38,557,390	-	35,213,906	13,365,346	6,211,025	-	96,951,123
Deferred policy acquisition costs	4,107,081	3,189,323	557,768	1,992,841	1,529,889	951,222	-	12,328,124
Premium Receivable, gross	39,471,340	34,981,461	12,012,533	26,457,443	37,897,309	8,379,690	-	159,199,776
Provision for doubtful debts (unallocated)	-	-	-	-	-	-	-	(30,482,461)
Unit linked investments	-	-	-	-	-	533,238,604	-	533,238,604
Unallocated assets	-	-	-	-	-	-	-	92,634,870
<b>Shareholders' assets</b>	-	-	-	-	-	-	171,408,959	171,408,959
<b>Total assets</b>								<u>1,120,743,348</u>
<b>Insurance Operations' Liabilities</b>								
Unearned premiums	38,039,437	41,990,126	11,984,862	32,110,323	22,344,272	5,230,109	-	151,699,129
Outstanding claims	23,839,419	40,225,715	8,000,781	40,717,207	23,978,946	10,098,667	-	146,860,735
Unearned commission income	7,138	6,270,019	-	4,703,587	2,222,882	136,457	-	13,340,083
Mathematical reserves	-	-	-	-	-	534,437,849	-	534,437,849
Unallocated liabilities	-	-	-	-	-	-	-	102,996,593
<b>Shareholders' liabilities &amp; equity</b>	-	-	-	-	-	-	171,408,959	171,408,959
<b>Total Insurance Operations liabilities, surplus and Shareholders' liabilities and equity</b>								<u>1,120,743,348</u>

**16 SEGMENT INFORMATION (continued)**

**b) Geographical segments**

The Company during the period ended 30 September 2013, operated only in the Kingdom of Saudi Arabia

**17 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS**

These interim condensed financial statements have been approved by the management on 17 Dhul-Hijjah 1434H, corresponding to 22 October, 2013.