

**ALLIANZ SAUDI FRANSI COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS  
TOGETHER WITH THE AUDITORS' REVIEW REPORT**

**FOR THE THREE MONTHS AND SIX MONTHS PERIODS  
ENDED 30 JUNE 2012**

**INDEPENDENT AUDITORS' REVIEW REPORT ON INTERIM CONDENSED FINANCIAL STATEMENTS****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 June 2012, and the related interim statements of insurance operations, shareholders' operations and shareholder's comprehensive income for the three and six month periods then ended and the statements of changes in shareholders' equity, insurance operations' cash flows and shareholders' cash flows for the six month period then ended and the attached notes 1 to 18 which form 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 review in accordance with the Standard on Review of Interim Financial Reporting issued by the Saudi Organization for Certified Public Accountants (SOCPA). A 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 in Kingdom of Saudi Arabia, 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 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.

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26 Shaban 1433H  
16 July 2012

Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)  
 INTERIM STATEMENT OF FINANCIAL POSITION

	Note	Unaudited As at 30 June 2012 SR	Audited As at 31 December 2011 SR
<b>INSURANCE OPERATIONS' ASSETS</b>			
Office equipment and furniture		3,842,502	4,323,829
Reinsurers' share of outstanding claims	6	105,557,710	83,230,450
Reinsurers' share of unearned premiums		103,001,755	125,258,097
Deferred policy acquisition costs		13,910,129	14,221,856
Due from shareholders' operations		1,424,936	3,847,909
Unit linked investments	11	498,461,816	471,146,684
Premiums receivable, net	7	134,768,423	126,937,494
Reinsurance balances receivable		39,967,490	18,116,160
Prepayments and other assets		3,894,333	2,060,725
Cash and cash equivalents		77,343,969	61,900,990
<b>TOTAL INSURANCE OPERATIONS' ASSETS</b>		<b>982,173,063</b>	<b>911,044,194</b>
<b>SHAREHOLDERS' ASSETS</b>			
Statutory deposit	8	20,076,025	20,076,025
Available for sale investments	9	142,129,130	130,238,596
Prepayments and other assets		1,499,966	797,934
Cash and cash equivalents		2,446,203	12,670,275
<b>TOTAL SHAREHOLDERS' ASSETS</b>		<b>166,151,324</b>	<b>163,782,830</b>
<b>TOTAL SHAREHOLDERS AND INSURANCE OPERATIONS' ASSETS</b>		<b>1,148,324,387</b>	<b>1,074,827,024</b>



The accompanying notes 1 to 18 form part of these financial statements.

Antoine Issa

Abdulrahman Jawa

Abdullah Mansury

Chief Executive Officer

BOD Member

Senior Finance Manager

Allianz Saudi Fransi Cooperative Insurance Company (A Saudi Joint Stock Company)  
 INTERIM STATEMENT OF FINANCIAL POSITION

	Note	<i>Unaudited As at 30 June 2012 SR</i>	<i>Audited As at 31 December 2011 SR</i>
<b>INSURANCE OPERATIONS' LIABILITIES</b>			
Employees' end of service benefits		5,849,518	6,029,510
Unearned premiums		169,589,444	191,658,673
Mathematical reserve		499,698,321	472,596,932
Outstanding claims	6	151,051,976	130,437,755
Premium deficiency reserves		564,953	-
Unearned commission income		14,378,527	15,096,686
Reinsurance balances payable		129,366,246	70,306,255
Accrued expenses and other liabilities		11,404,859	24,918,383
Accumulated surplus distribution		269,219	-
<b>TOTAL INSURANCE OPERATIONS' LIABILITIES</b>		<b>982,173,063</b>	<b>911,044,194</b>
<b>SHAREHOLDERS' LIABILITIES AND EQUITY</b>			
Due to insurance operations		1,424,936	3,847,909
Accrued expenses and other liabilities		92,025	116,025
Zakat payable		2,659,436	1,824,453
<b>TOTAL SHAREHOLDERS' LIABILITIES</b>		<b>4,176,397</b>	<b>5,788,387</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	12	200,000,000	200,000,000
Share premium		22,711,315	22,711,315
Accumulated losses		(62,257,148)	(65,642,250)
Unrealized gain on available for sale investments	9	1,520,760	925,378
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>161,974,927</b>	<b>157,994,443</b>
<b>TOTAL SHAREHOLDERS' LIABILITIES AND EQUITY</b>		<b>166,151,324</b>	<b>163,782,830</b>
<b>TOTAL INSURANCE OPERATIONS LIABILITIES, SHAREHOLDERS' LIABILITIES AND EQUITY</b>		<b>1,148,324,387</b>	<b>1,074,827,024</b>



The accompanying notes 1 to 18 form part of these financial statements.

Antoine Issa

Abdulrahman Jawa

Abdullah Mansury

Chief Executive Officer

BOD Member

Senior Finance Manager



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

	Note	Unaudited 3 months ended 30 June 2012 SR	Unaudited 3 months ended 30 June 2011 SR	Unaudited 6 months ended 30 June 2012 SR	Unaudited 6 months ended 30 June 2011 SR
Gross written premiums	5	145,415,383	188,896,771	328,190,659	361,050,664
Reinsurance premiums ceded		(58,987,835)	(96,799,201)	(145,923,136)	(176,094,122)
<b>Net written premiums</b>		<b>86,427,548</b>	<b>92,097,570</b>	<b>182,267,523</b>	<b>184,956,542</b>
Changes in unearned premiums	5	32,501,970	(13,486,996)	22,069,229	(24,252,804)
Reinsurance share of unearned premiums		(27,877,485)	13,902,436	(22,256,342)	20,232,008
<b>Net change in unearned premiums</b>		<b>4,624,485</b>	<b>415,440</b>	<b>(187,113)</b>	<b>(4,020,796)</b>
<b>Net premiums earned</b>		<b>91,052,033</b>	<b>92,513,010</b>	<b>182,080,410</b>	<b>180,935,746</b>
Commission earned during the period		7,676,491	7,013,863	15,161,835	11,719,598
Unrealized (loss)/gain on unit linked investments		(2,245,497)	(561,612)	3,883,146	1,511,141
Other income		225,837	664,001	586,057	812,774
<b>Total revenues</b>		<b>96,708,864</b>	<b>99,629,262</b>	<b>201,711,448</b>	<b>194,979,259</b>
Gross claims paid		(90,867,552)	(105,791,475)	(169,630,137)	(194,440,947)
Reinsurance share of claims paid		30,990,144	57,198,419	54,499,802	96,351,453
<b>Net claims paid</b>		<b>(59,877,408)</b>	<b>(48,593,056)</b>	<b>(115,130,335)</b>	<b>(98,089,494)</b>
Changes in gross outstanding claims		(14,668,889)	16,731,789	(20,614,221)	(56,294,443)
Changes in reinsurance share of outstanding claims		11,932,761	(18,833,808)	22,327,260	51,025,397
<b>Net outstanding claims</b>		<b>(2,736,128)</b>	<b>(2,102,019)</b>	<b>1,713,039</b>	<b>(5,269,046)</b>
<b>Net claims incurred</b>		<b>(62,613,536)</b>	<b>(50,695,075)</b>	<b>(113,417,296)</b>	<b>(103,358,540)</b>
Change in premium deficiency reserves		(125,080)	-	(564,953)	-
Change in mathematical reserves		(4,948,990)	(21,740,206)	(27,101,389)	(36,204,070)
Commission expenses		(9,816,700)	(10,127,794)	(19,407,496)	(20,299,531)
Inspection and supervision fees		(727,077)	(944,484)	(1,640,953)	(1,805,253)
General and administrative expenses		(17,481,906)	(14,925,724)	(36,887,169)	(35,868,820)
<b>Total claims and expenses</b>		<b>(95,713,289)</b>	<b>(98,433,283)</b>	<b>(199,019,256)</b>	<b>(197,536,214)</b>
<b>Net surplus/(deficit) for the period</b>		<b>995,575</b>	<b>1,195,979</b>	<b>2,692,192</b>	<b>(2,556,955)</b>
Net (surplus)/deficit transferred to statement of shareholders' operations		(896,018)	(1,195,979)	(2,422,973)	2,556,955
<b>Net insurance operations surplus after shareholders' appropriation for the period</b>		<b>99,557</b>	<b>-</b>	<b>269,219</b>	<b>-</b>

The accompanying notes 1 to 18 form part of these financial statements.

Antoine Issa

Abdulrahman Jawa

Abdullah Mansury

Chief Executive Officer

BOD Member

Senior Finance Manager

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

	<i>Unaudited 3 months ended 30 June 2012 SR</i>	<i>Unaudited 3 months ended 30 June 2011 SR</i>	<i>Unaudited 6 months ended 30 June 2012 SR</i>	<i>Unaudited 6 months ended 30 June 2011 SR</i>
Special commission income	1,066,506	360,686	1,931,866	804,017
Realised gain on available for sale investment	368,094	-	630,887	-
<b>Total revenues</b>	<b>1,434,600</b>	<b>360,686</b>	<b>2,562,753</b>	<b>804,017</b>
Net surplus/(deficit) transferred from statement of insurance operations	896,018	1,195,979	2,422,973	(2,556,955)
General and administrative expenses	(194,573)	(16,339)	(341,091)	(113,969)
<b>Net income / (loss) for the period</b>	<b>2,136,045</b>	<b>1,540,326</b>	<b>4,644,635</b>	<b>(1,866,907)</b>
<b>Basic and diluted earnings/(loss) per share- Note 13</b>	<b>0.11</b>	<b>0.08</b>	<b>0.23</b>	<b>(0.09)</b>



The accompanying notes 1 to 18 form part of these financial statements.

Antoine Issa

Abdulrahman Jawa

Abdullah Mansury

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BOD Member

Senior Finance Manager

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

	<i>Unaudited 3 months ended 30 June 2012 SR</i>	<i>Unaudited 3 months ended 30 June 2011 SR</i>	<i>Unaudited 6 months ended 30 June 2012 SR</i>	<i>Unaudited 6 months ended 30 June 2011 SR</i>
Net profit /(loss) for the period	2,136,045	1,540,326	4,644,635	(1,866,907)
Provision for zakat & tax	(819,571)	(45,000)	(1,259,533)	(88,027)
Fair value change in available for sale investments	1,060,170	1,779,789	1,226,269	1,299,617
Transferred to realized gain from available for sale investments disposal	(368,094)	-	(630,887)	-
<b>Total comprehensive income/(loss) for the period</b>	<b><u>2,008,550</u></b>	<b><u>3,275,115</u></b>	<b><u>3,980,484</u></b>	<b><u>(655,317)</u></b>



The accompanying notes 1 to 18 form part of these financial statements.

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Abdullah Mansury

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BOD Member

Senior Finance Manager

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

	<i>Share capital SR</i>	<i>Share premium SR</i>	<i>Accumulated losses SR</i>	<i>Unrealized gain / (loss) on available for sale investments SR</i>	<i>Total SR</i>
Balance as at 1 January 2011 (Audited)	200,000,000	22,711,315	(65,287,134)	945,815	158,369,996
Loss for the period	-	-	(1,866,907)	-	(1,866,907)
<i>Other Comprehensive income:</i>					
- Provision for zakat	-	-	(88,027)	-	(88,027)
- Fair value change in available for sale investment	-	-	-	1,299,617	1,299,617
Total comprehensive loss for the period					<b>(655,317)</b>
<b>Balance as at 30 June 2011 (Unaudited)</b>	<b>200,000,000</b>	<b>22,711,315</b>	<b>(67,242,068)</b>	<b>2,245,432</b>	<b>157,714,679</b>
Balance as at 1 January 2012 (Audited)	200,000,000	22,711,315	(65,642,250)	925,378	157,994,443
Profit for the period	-	-	4,644,635	-	4,644,635
<i>Other Comprehensive income:</i>					
- Provision for zakat & tax	-	-	(1,259,533)	-	(1,259,533)
- Fair value change in available for sale investment	-	-	-	1,226,269	1,226,269
- Transferred to realized gain				(630,887)	(630,887)
Total comprehensive income for the period					<b>3,980,484</b>
<b>Balance as at 30 June 2012 (Unaudited)</b>	<b>200,000,000</b>	<b>22,711,315</b>	<b>(62,257,148)</b>	<b>1,520,760</b>	<b>161,974,927</b>



The accompanying notes 1 to 18 form part of these financial statements.

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

	<i>Unaudited 6 months ended 30 June 2012 SR</i>	<i>Unaudited 6 months ended 30 June 2011 SR</i>
<b>OPERATING ACTIVITIES</b>		
Insurance operations surplus after shareholders' appropriation	269,219	-
<i>Adjustments to reconcile net surplus/deficit to net cash from operating activities</i>		
Appropriation of surplus/(deficit) to shareholders' operations	2,422,973	(2,556,955)
Depreciation	847,325	668,984
Employees' end of service benefits	543,621	683,539
Unrealized gain on unit linked investments	(3,883,146)	(1,511,141)
	<b>(201,058)</b>	<b>(2,715,573)</b>
<i>Changes in operating assets and liabilities:</i>		
Deferred policy acquisition costs	311,727	(3,609,384)
Premiums receivable, net	(7,830,929)	2,725,311
Prepayments and others assets	(1,833,608)	(566,960)
Employees' end of service benefits paid	(723,613)	-
Unearned premiums, net	187,113	4,020,796
Mathematical reserve	27,101,389	36,204,071
Unit linked investments	(23,431,986)	(34,204,032)
Outstanding claims, net	(1,713,039)	5,269,046
Premium deficiency reserves	564,953	-
Unearned commission income	(718,159)	5,595,997
Reinsurance balances payable, net	37,208,661	41,760,241
Accrued expenses and other liabilities	(13,513,524)	(989,765)
<b>Net cash from operating activities</b>	<b>15,808,977</b>	<b>53,489,748</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of office equipment and furniture	(365,998)	(135,074)
<b>Net cash used in investing activities</b>	<b>(365,998)</b>	<b>(135,074)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD</b>	<b>15,442,979</b>	<b>53,354,674</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>61,900,990</b>	<b>2,655,673</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>77,343,969</b>	<b>56,010,347</b>

The accompanying notes 1 to 18 form part of these financial statements.

Antoine Issa

Abdulrahman Jawa

Abdullah Mansury

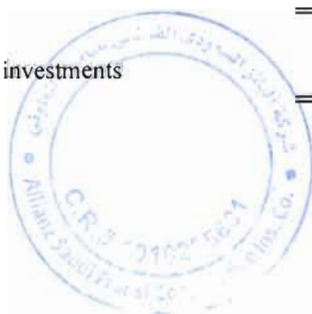
Chief Executive Officer

BOD Member

Senior Finance Manager

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

	<i>Unaudited</i> 6 months ended 30 June 2012 SR	<i>Unaudited</i> 6 months ended 30 June 2011 SR
<b>OPERATING ACTIVITIES</b>		
Net income/(loss) for the period	4,644,635	(1,866,907)
<i>Adjustments to reconcile net income/(loss) to net cash from/</i> <i>(used in) operating activities:</i>		
Appropriation of (surplus)/deficit from insurance operations	(2,422,973)	2,556,955
Realized gain on available for sale investments	(630,887)	-
	<u>1,590,775</u>	<u>690,048</u>
<i>Changes in operating assets and liabilities:</i>		
Prepayments and other assets	(702,032)	(804,001)
Accrued expenses and other liabilities	(24,000)	22,769
	<u>864,743</u>	<u>(91,184)</u>
<b>Cash from/(used in) operations</b>	<b>864,743</b>	<b>(91,184)</b>
Zakat paid during the period	(424,550)	(97,896)
<b>Net cash from/(used in) operating activities</b>	<b>440,193</b>	<b>(189,080)</b>
<b>INVESTING ACTIVITIES</b>		
Purchases of available for sale investments	(56,068,078)	(16,250,000)
Sale of available for sale investments	45,403,813	-
<b>Net cash used in investing activities</b>	<b>(10,664,265)</b>	<b>(16,250,000)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD</b>	<b>(10,224,072)</b>	<b>(16,439,080)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>12,670,275</b>	<b>39,642,047</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>2,446,203</b>	<b>23,202,967</b>
<b><u>Non-cash supplemental information:</u></b>		
Net changes in fair value of available for sale investments	<u>1,226,269</u>	<u>1,299,617</u>



The accompanying notes 1 to 18 form part of these financial statements.

Antoine Issa

Abdulrahman Jawa

Abdullah Mansury

Chief Executive Officer

BOD Member

Senior Finance Manager

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the period ended 30 June 2012

Unaudited

**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 7 branches (2011: 7) in the Kingdom of Saudi Arabia as of 30 June 2012. 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, SAMA granted the Company an authorisation to commence operations as soon as product approval and related formalities were completed. 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 months and six months periods ended 30 June 2012 have been prepared in accordance with 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 should be read in conjunction with the Company's audited financial statements for the year ended 31 December 2011.

The interim condensed financial statements are prepared under the historical cost convention except for the measurement at fair value of unit linked investments and available for sale investments.

The interim condensed financial statements are presented in Saudi Riyals, being the functional currency of the Company.

In management's opinion, the interim condensed financial statements reflect all adjustments (which include normal recurring adjustments) necessary to present fairly the results of operations for the interim period presented. The Company's interim results may not be indicative of its annual results.

The Company's Articles of Association require that separate accounts be maintained for Insurance and Shareholders' operations. Income and expenses clearly attributable to either activity are recorded in the respective accounts. The basis of allocation of expenses from joint operations is determined by management and the Board of Directors.

In accordance with the Saudi Arabian Insurance Regulations, the Company is required to distribute 10% of the net annual surplus from the insurance operations to the policyholders and remaining 90% of the surplus to be transfer to the shareholders' operations.

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the period ended 30 June 2012

Unaudited

**3 BASIS OF PREPARATION (continued)****Critical accounting judgments, estimates and assumptions**

The preparation of the interim condensed financial statements requires the use of estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim condensed financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates and judgments are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimate and judgments used by management in the preparation of these interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2011.

**4 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES**

The accounting and risk management policies adopted in the preparation of these interim condensed financial statements are consistent with those used in preparation of annual audited financial statements for the year ended 31 December 2011, except for the adoption of following amendments and revisions to existing standards mentioned below which has had no financial impact on these interim condensed financial statements of the Company:

Improvements to IFRSs 2010 (effective date January 1, 2011):

- IAS 1 - Presentation of Financial Statements
- IAS 24 - Related Party Disclosures (revised 2009)
- IAS 34 - Interim Financial Reporting
- IFRS 7 - Financial Instruments: Disclosures

These and other amendments resulting from improvements to the IFRSs did not have any material impact on the accounting policies, financial position and performance of the Company.

**5 NET PREMIUMS EARNED**

	<i>Unaudited</i>		
	<i>Six months ended 30 June 2012 (SR)</i>		
	<i>Gross</i>	<i>Reinsurance share</i>	<i>Net</i>
General insurance	221,169,100	(131,740,865)	89,428,235
Protection & Saving insurance	107,021,559	(14,182,271)	92,839,288
Written premiums	<u>328,190,659</u>	<u>(145,923,136)</u>	<u>182,267,523</u>
Change in unearned premium reserve	22,069,229	(22,256,342)	(187,113)
<b>Earned premiums</b>	<u><u>350,259,888</u></u>	<u><u>(168,179,478)</u></u>	<u><u>182,080,410</u></u>

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

For the period ended 30 June 2012

Unaudited

## 5 NET PREMIUMS EARNED (continued)

	<i>Unaudited</i> <i>Six months ended 30 June 2011 (SR)</i>		
	<i>Gross</i>	<i>Reinsurance share</i>	<i>Net</i>
General insurance	274,544,657	(169,822,372)	104,722,285
Protection & Saving insurance	86,506,007	(6,271,750)	80,234,257
Written premiums	361,050,664	(176,094,122)	184,956,542
Change in unearned premium reserve	(24,252,804)	20,232,008	(4,020,796)
Earned premiums	<u>336,797,860</u>	<u>(155,862,114)</u>	<u>180,935,746</u>

## 6 OUTSTANDING CLAIMS

	<i>Unaudited</i> <i>As at 30 June 2012 (SR)</i>		
	<i>Gross</i>	<i>Reinsurance share</i>	<i>Net</i>
General insurance	144,436,156	(101,762,347)	42,673,809
Protection & Saving insurance	6,615,820	(3,795,363)	2,820,457
<b>Total insurance outstanding claims</b>	<u>151,051,976</u>	<u>(105,557,710)</u>	<u>45,494,266</u>

	<i>Audited</i> <i>As at 31 December 2011 (SR)</i>		
	<i>Gross</i>	<i>Reinsurance share</i>	<i>Net</i>
General insurance	123,850,089	(78,885,314)	44,964,775
Protection & Saving insurance	6,587,666	(4,345,136)	2,242,530
<b>Total insurance outstanding claims</b>	<u>130,437,755</u>	<u>(83,230,450)</u>	<u>47,207,305</u>



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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the period ended 30 June 2012

Unaudited

7 PREMIUMS RECEIVABLE, NET

2012	Total	Neither past due nor impaired	Past due not impaired	Past due and impaired	
			Up to 90 days	Less than 180 days	More than 180 days
<i>Amount in SR</i>					
Premiums receivable	163,266,147	-	77,916,409	35,471,946	49,877,792
Provision for doubtful debts	(28,497,724)	-	-	(5,320,792)	(23,176,932)
Premiums receivable, net	<b>134,768,423</b>	-	<b>77,916,409</b>	<b>30,151,154</b>	<b>26,700,860</b>

2011	Total	Neither past due nor impaired	Past due not impaired	Past due and impaired	
			Up to 90 days	Less than 180 days	More than 180 days
<i>Amount in SR</i>					
Premiums receivable	157,049,770	-	60,120,569	54,207,198	42,722,003
Provision for doubtful debts	(30,112,276)	-	-	(8,245,802)	(21,866,474)
Premiums receivable, net	<b>126,937,494</b>	-	<b>60,120,569</b>	<b>45,961,396</b>	<b>20,855,529</b>

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

	2012 SR	2011 SR
Balance at the beginning of the period	30,112,276	26,626,252
Provided for the period	3,733,728	3,486,024
Premium receivable written off during the period	(5,348,280)	-
Balance at the end of the period	<b>28,497,724</b>	<b>30,112,276</b>

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. The accrued interest on deposit, recorded as other liability amounts to SR 76,025 (2011: SR 76,025). This deposit and commission thereon cannot be withdrawn without SAMA's approval. The Statutory deposit is maintained with Banque Saudi Fransi, an affiliate of the Company.

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the period ended 30 June 2012

Unaudited

9 INVESTMENTS

*Available for sale Investments:*

	<i>As at 30 June 2012 - Unaudited (SR)</i>		
	<i>Quoted</i>	<i>Unquoted</i>	<i>Total</i>
Sukuk	54,090,500	-	54,090,500
Bonds	74,346,877	-	74,346,877
Funds	10,468,675	-	10,468,675
Equities	-	3,223,078	3,223,078
<b>Total</b>	<b>138,906,052</b>	<b>3,223,078</b>	<b>142,129,130</b>

	<i>As at 31 December 2011 - Audited (SR)</i>		
	<i>Quoted</i>	<i>Unquoted</i>	<i>Total</i>
Sukuk	24,125,000	-	24,125,000
Bonds	47,151,563	-	47,151,563
Funds	55,738,955	-	55,738,955
Equities	-	3,223,078	3,223,078
<b>Total</b>	<b>127,015,518</b>	<b>3,223,078</b>	<b>130,238,596</b>

The cumulative change in fair value of available for sale investments amounting to SR 1,520,760 (31 December 2011: SR 925,378) is presented within the shareholders' equity in the statement of financial position.

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

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

For the period ended 30 June 2012

Unaudited

### 10 RELATED PARTY TRANSACTIONS AND BALANCES

The following are the details of major related party transactions during the six months ended 30 June 2012 and 30 June 2011 and the related affiliate's balances as at 30 June 2012 and 31 December 2011:

Related party	Nature of transaction	Unaudited 6 months ended 30 June 2012 SR	Unaudited 6 months ended 30 June 2011 SR
Entities controlled, jointly controlled or significantly influenced by related parties.	- Insurance premium written	18,280,548	9,901,459
	- Insurance premium ceded	14,627,770	12,328,432
Entities controlled, jointly controlled or significantly influenced by related parties.	- Gross claims paid	2,955,990	8,154,182
	- Reinsurance share of claims paid	1,585,685	6,305,232
Entities controlled, jointly controlled or significantly influenced by related parties.	- Commission expense	3,629,771	3,615,156
	- Commission income	1,963,805	1,515,399
Entities controlled, jointly controlled or significantly influenced by related parties.	Other expenses		
	- Third party administrator (TPA) fees	1,448,774	405,720
Key Management Personnel	Remuneration and related expenses	3,277,955	4,461,154
Board members	Fees and related expenses	135,000	144,850

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

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

		Unaudited as at 30 June 2012 SR	Audited as at 31 December 2011 SR
Entities controlled, jointly controlled or significantly influenced by related parties.	Accrued expenses	2,842,259	1,051,350
Entities controlled, jointly controlled or significantly influenced by related parties.	Premium receivable, net	4,130,193	8,824,752
Entities controlled, jointly controlled or significantly influenced by related parties.	Reinsurance balance payable	23,084,306	35,260,451
Entities controlled, jointly controlled or significantly influenced by related parties.	Outstanding Claims	1,922,625	5,059,274

Related parties include Allianz SNA, Allianz Mena Holding Bermuda, Allianz Risk Transfer A.G. Dubai, AGF International, Allianz Global Corporate and Speciality, Allianz World Wide Care, Allianz Global risks U.S.A, Allianz Belgium, Euler Hermes, Allianz SE Zurich, Allianz Insurance Hong Kong, Allianz Global Risks Netherland, Allianz Insurance Singapore, Allianz Insurance New Zealand, Allianz Insurance Products Selling Company, Banque Saudi Fransi, Sofinco Saudi Fransi, Saudi Next Care, Calyon Saudi Fransi and InSaudi Insurance B.S.C.

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

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

For the period ended 30 June 2012

Unaudited

### 11 UNIT LINKED INVESTMENTS

The below represents fair value through profit or loss investments for unit-linked contracts as at 30 June 2012:

	<i>Unaudited as at 30 June 2012 SR</i>	<i>Audited as at 31 December 2011 SR</i>
Local funds	486,820,608	458,389,836
Foreign funds	11,641,208	12,756,848
	<u>498,461,816</u>	<u>471,146,684</u>

### 12 SHARE CAPITAL

The authorized and issued share capital of the Company is SR 200,000,000 as at 30 June 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.

### 13 BASIC AND DILUTED EARNINGS/(LOSS) PER SHARE

	<i>Unaudited 3 months ended 30 June 2012</i>	<i>Unaudited 3 months ended 30 June 2011</i>	<i>Unaudited 6 months ended 30 June 2012</i>	<i>Unaudited 6 months ended 30 June 2011</i>
Net profit / (loss) for the period (SR)	2,136,045	1,540,326	4,644,635	(1,866,907)
Weighted average number of ordinary shares	20,000,000	20,000,000	20,000,000	20,000,000
Basic and diluted earnings/(loss) per share – (SR)	<u>0.11</u>	<u>0.08</u>	<u>0.23</u>	<u>(0.09)</u>

### 14 STATUTORY RESERVE

In accordance with the by-laws of the Company, the Company shall allocate 20% of its net income for each period 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 June 2012.

### 15 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.

**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, receivables, 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



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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the period ended 30 June 2012

Unaudited

16. SEGMENT INFORMATION (continued)

<u>Unaudited</u>	<u>Motor</u>	<u>Engineering</u>	<u>Medical</u>	<u>Property</u>	<u>Other General</u>	<u>Protection &amp; Saving</u>	<u>Shareholders' Fund</u>	<u>Total</u>
<b><u>For the three months ended 30 June 2012</u></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	18,067,834	16,424,955	22,579,113	19,341,674	16,640,997	52,360,810	-	145,415,383
Reinsurance premium ceded	(787,179)	(13,244,580)	(10,725,246)	(16,483,226)	(11,569,172)	(6,178,432)	-	(58,987,835)
Net written premium	<u>17,280,655</u>	<u>3,180,375</u>	<u>11,853,867</u>	<u>2,858,448</u>	<u>5,071,825</u>	<u>46,182,378</u>	-	<u>86,427,548</u>
Net premiums earned	20,383,090	3,350,447	12,655,931	3,637,823	4,873,546	46,151,196	-	91,052,033
Unrealized loss on unit linked investments	-	-	-	-	-	(2,245,497)	-	(2,245,497)
Net claims incurred	(17,867,523)	(368,145)	(10,909,896)	(1,970,112)	(2,662,053)	(28,835,807)	-	(62,613,536)
Change in premium deficiency reserves	(125,080)	-	-	-	-	-	-	(125,080)
Change in mathematical reserves	-	-	-	-	-	(4,948,990)	-	(4,948,990)
Commission (expenses)/income, net	(2,187,001)	873,038	(1,071,540)	1,620,168	1,378,904	(2,753,778)	-	(2,140,209)
Other underwriting expenses	<u>(90,339)</u>	<u>(82,125)</u>	<u>(112,896)</u>	<u>(96,709)</u>	<u>(83,204)</u>	<u>(261,804)</u>	-	<u>(727,077)</u>
Net underwriting results	113,147	3,773,215	561,599	3,191,170	3,507,193	7,105,320	-	18,251,644
Unallocated income	-	-	-	-	-	-	-	225,837
Unallocated expenses	-	-	-	-	-	-	-	(17,481,906)
<b>Surplus from insurance operations</b>	-	-	-	-	-	-	-	<b>995,575</b>
<b>Retained in Insurance operations</b>	-	-	-	-	-	-	-	<b>(99,557)</b>
Shareholders' total revenue	-	-	-	-	-	-	1,434,600	1,434,600
General & administrative expenses	-	-	-	-	-	-	(194,573)	(194,573)
<b>Net income for the period</b>	-	-	-	-	-	-	-	<b><u>2,136,045</u></b>

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the period ended 30 June 2012

Unaudited

16. SEGMENT INFORMATION (continued)

<u>Unaudited</u>	<u>Motor</u>	<u>Engineering</u>	<u>Medical</u>	<u>Property</u>	<u>Other General</u>	<u>Protection &amp; Saving</u>	<u>Shareholders' Fund</u>	<u>Total</u>
<b><u>For the six months ended 30 June 2012</u></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	39,911,614	29,253,609	53,651,398	56,459,733	41,892,746	107,021,559	-	328,190,659
Reinsurance premium ceded	(1,814,222)	(23,960,954)	(24,967,445)	(49,176,664)	(31,821,580)	(14,182,271)	-	(145,923,136)
Net written premium	<u>38,097,392</u>	<u>5,292,655</u>	<u>28,683,953</u>	<u>7,283,069</u>	<u>10,071,166</u>	<u>92,839,288</u>	<u>-</u>	<u>182,267,523</u>
Net premiums earned	39,364,080	5,444,502	28,470,038	7,307,466	9,476,551	92,017,773	-	182,080,410
Unrealized gain on unit linked investments	-	-	-	-	-	3,883,146	-	3,883,146
Net claims incurred	(34,178,929)	(482,859)	(24,270,149)	(1,850,442)	(1,251,088)	(51,383,829)	-	(113,417,296)
Change in premium deficiency reserves	(564,953)	-	-	-	-	-	-	(564,953)
Change in mathematical reserves	-	-	-	-	-	(27,101,389)	-	(27,101,389)
Commission (expenses)/income, net	(4,422,742)	1,744,524	(2,300,851)	2,991,525	2,814,474	(5,072,591)	-	(4,245,661)
Other underwriting expenses	<u>(199,558)</u>	<u>(146,268)</u>	<u>(268,257)</u>	<u>(282,299)</u>	<u>(209,463)</u>	<u>(535,108)</u>	<u>-</u>	<u>(1,640,953)</u>
Net underwriting results	(2,102)	6,559,899	1,630,781	8,166,250	10,830,474	11,808,002	-	38,993,304
Unallocated income	-	-	-	-	-	-	-	586,057
Unallocated expenses	-	-	-	-	-	-	-	<u>(36,887,169)</u>
<b>Surplus from insurance operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,692,192</b>
<b>Retained in Insurance operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(269,219)</b>
Shareholders' total revenue	-	-	-	-	-	-	2,562,753	2,562,753
General & administrative expenses	-	-	-	-	-	-	(341,091)	(341,091)
<b>Net income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b><u>4,644,635</u></b>

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the period ended 30 June 2012

Unaudited

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>
<u>As at 30 June 2012</u>	<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><u>Insurance Operations' Assets</u></b>								
Reinsurers' share of unearned premiums	247,664	35,750,036	8,392,886	36,565,424	14,983,616	7,062,129	-	103,001,755
Reinsurers' share of outstanding claims	4,075,111	37,161,625	1,000,290	48,040,385	11,484,936	3,795,363	-	105,557,710
Deferred policy acquisition costs	3,984,653	3,738,751	997,328	2,790,304	1,163,198	1,235,895	-	13,910,129
Premium Receivable, gross	36,782,679	24,462,326	22,008,046	32,636,011	39,160,799	8,216,286	-	163,266,147
Provision for doubtful debts	-	-	-	-	-	-	-	(28,497,724)
Unit linked investments	-	-	-	-	-	498,461,816	-	498,461,816
Unallocated assets	-	-	-	-	-	-	-	126,473,230
Shareholders' assets	-	-	-	-	-	-	166,151,324	166,151,324
<b>Total assets</b>								<b>1,148,324,387</b>
<b><u>Insurance Operations' Liabilities</u></b>								
Unearned premiums	35,883,891	42,777,378	18,828,410	42,492,312	21,347,545	8,259,908	-	169,589,444
Outstanding claims	23,938,147	38,413,500	8,715,793	53,008,044	20,360,672	6,615,820	-	151,051,976
Unearned commission income	34,128	6,668,013	-	5,486,506	1,996,813	193,067	-	14,378,527
Premium deficiency reserves	564,953	-	-	-	-	-	-	564,953
Mathematical reserves	-	-	-	-	-	499,698,321	-	499,698,321
Unallocated liabilities	-	-	-	-	-	-	-	146,889,842
<b>Shareholders' liabilities &amp; equity</b>	-	-	-	-	-	-	166,151,324	166,151,324
<b>Total Insurance Operations liabilities and Shareholders' liabilities and equity</b>								<b>1,148,324,387</b>

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the period ended 30 June 2012

Unaudited

16. SEGMENT INFORMATION (continued)

<u>Unaudited</u>	<u>Motor</u>	<u>Engineering</u>	<u>Medical</u>	<u>Property</u>	<u>Other General</u>	<u>Protection &amp; Saving</u>	<u>Shareholders' Fund</u>	<u>Total</u>
<b>For the three months ended 30 June 2011</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	19,603,050	26,659,688	38,468,950	44,296,798	17,778,326	42,089,959	-	188,896,771
Reinsurance premium ceded	(499,265)	(23,333,092)	(19,057,904)	(40,646,735)	(12,256,957)	(1,005,248)	-	(96,799,201)
Net written premium	<u>19,103,785</u>	<u>3,326,596</u>	<u>19,411,046</u>	<u>3,650,063</u>	<u>5,521,369</u>	<u>41,084,711</u>	-	<u>92,097,570</u>
Net premiums earned	20,729,074	2,377,062	19,190,160	3,852,791	5,113,261	41,250,662	-	92,513,010
Unrealized gain on unit linked investments	-	-	-	-	-	(561,612)	-	(561,612)
Net claims incurred	(19,388,902)	30,653	(16,771,175)	(605,844)	(2,744,324)	(11,215,483)	-	(50,695,075)
Change in mathematical reserves	-	-	-	-	-	(21,740,205)	-	(21,740,205)
Commission (expenses)/income, net	(1,827,960)	632,945	(1,889,237)	1,343,131	1,429,807	(2,802,617)	-	(3,113,931)
Other underwriting expenses	<u>(98,015)</u>	<u>(133,298)</u>	<u>(192,344)</u>	<u>(221,485)</u>	<u>(88,892)</u>	<u>(210,450)</u>	-	<u>(944,484)</u>
Net underwriting results	(585,803)	2,907,362	337,404	4,368,593	3,709,852	4,720,295	-	15,457,703
Unallocated income	-	-	-	-	-	-	-	664,001
Unallocated expenses	-	-	-	-	-	-	-	(14,925,725)
<b>Surplus from insurance operations</b>	-	-	-	-	-	-	-	<b>1,195,979</b>
Shareholders' total revenue	-	-	-	-	-	-	360,686	360,686
General & administrative expenses	-	-	-	-	-	-	(16,339)	(16,339)
<b>Net income for the period</b>								<b>1,540,326</b>

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the period ended 30 June 2012

Unaudited

16. SEGMENT INFORMATION (continued)

<u>Unaudited</u>	<u>Motor</u>	<u>Engineering</u>	<u>Medical</u>	<u>Property</u>	<u>Other General</u>	<u>Protection &amp; Saving</u>	<u>Shareholders' Fund</u>	<u>Total</u>
<b><u>For the six months ended 30 June 2011</u></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	44,881,564	33,369,672	75,395,287	78,251,227	42,646,907	86,506,007	-	361,050,664
Reinsurance premium ceded	(1,811,162)	(28,494,616)	(37,612,953)	(68,685,596)	(33,218,045)	(6,271,750)	-	(176,094,122)
Net written premium	<u>43,070,402</u>	<u>4,875,056</u>	<u>37,782,334</u>	<u>9,565,631</u>	<u>9,428,862</u>	<u>80,234,257</u>	<u>-</u>	<u>184,956,542</u>
Net premiums earned	42,015,247	4,050,719	39,010,345	7,699,446	7,822,940	80,337,049	-	180,935,746
Unrealized gain on unit linked investments	-	-	-	-	-	1,511,141	-	1,511,141
Net claims incurred	(35,338,653)	(789,818)	(29,103,324)	(2,030,200)	(5,723,884)	(30,372,661)	-	(103,358,540)
Change in mathematical reserves	-	-	-	-	-	(36,204,070)	-	(36,204,070)
Commission (expenses)/income, net	(4,066,167)	1,102,207	(4,050,018)	1,764,625	1,872,219	(5,202,799)	-	(8,579,933)
Other underwriting expenses	<u>(224,408)</u>	<u>(166,848)</u>	<u>(376,976)</u>	<u>(391,256)</u>	<u>(213,235)</u>	<u>(432,530)</u>	<u>-</u>	<u>(1,805,253)</u>
Net underwriting results	2,386,019	4,196,260	5,480,027	7,042,615	3,758,040	9,636,130	-	32,499,091
Unallocated income	-	-	-	-	-	-	-	812,774
Unallocated expenses	-	-	-	-	-	-	-	(35,868,820)
<b>Deficit from insurance operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,556,955)</b>
Shareholders' total revenue	-	-	-	-	-	-	804,017	804,017
General & administrative expenses	-	-	-	-	-	-	(113,969)	(113,969)
<b>Net loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,866,907)</b>



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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the period ended 30 June 2012

Unaudited

16. SEGMENT INFORMATION (continued)

<u>Unaudited</u>	<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>As at 31 December 2011</u>	<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><u>Insurance Operations' Assets</u></b>								
Reinsurers' share of unearned premium	160,885	49,318,283	8,235,489	46,635,011	19,006,186	1,902,243	-	125,258,097
Reinsurers' share of outstanding claims	1,295,946	30,972,878	610,277	35,710,915	10,295,298	4,345,136	-	83,230,450
Deferred policy acquisition costs	4,395,922	3,971,172	1,234,001	2,025,419	1,397,976	1,197,366	-	14,221,856
Premium Receivable, gross	41,814,237	16,751,600	28,592,478	12,053,183	50,597,635	7,240,637	-	157,049,770
Provision for doubtful debts	-	-	-	-	-	-	-	(30,112,276)
Unit linked investments	-	-	-	-	-	471,146,684	-	471,146,684
Unallocated assets	-	-	-	-	-	-	-	90,249,613
Shareholders' assets	-	-	-	-	-	-	163,782,830	163,782,830
<b>Total assets</b>								<b><u>1,074,827,024</u></b>
<b><u>Insurance Operations' Liabilities</u></b>								
Unearned premium	37,063,799	56,497,472	18,457,097	52,586,296	24,775,503	2,278,506	-	191,658,673
Outstanding claims	21,533,251	31,995,045	10,401,812	39,151,691	20,768,290	6,587,666	-	130,437,755
Unearned commission income	23,193	7,247,257	-	4,853,639	2,722,184	250,413	-	15,096,686
Mathematical reserves	-	-	-	-	-	472,596,932	-	472,596,932
Unallocated liabilities	-	-	-	-	-	-	-	101,254,148
<b>Shareholders' liabilities &amp; equity</b>	-	-	-	-	-	-	163,782,830	163,782,830
<b>Total Insurance Operations liabilities and Shareholders' liabilities and equity</b>								<b><u>1,074,827,024</u></b>

b) Geographical segments

The Company during the period ended 30 June 2012, operated only in the Kingdom of Saudi Arabia.

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (Continued)

For the period ended 30 June 2012

Unaudited

**17 COMPARATIVE FIGURES**

Certain figures for the comparative period presented have been reclassified to conform with the presentation of the current period.

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

These interim condensed financial statements have been approved by the management on 26 Shaban 1433 H, corresponding to 16 July 2012.