

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
UNAUDITED INTERIM CONDENSED
FINANCIAL STATEMENTS AND
LIMITED REVIEW REPORT
FOR THE THREE AND NINE MONTH PERIODS
ENDED 30 SEPTEMBER 2015**

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS AND LIMITED REVIEW REPORT
For The Three and Nine Month Periods Ended 30 September 2015

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**LIMITED REVIEW REPORT TO THE SHAREHOLDERS OF
BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

SCOPE OF REVIEW:

We have reviewed the accompanying interim statement of financial position of Buruj Cooperative Insurance Company (A Saudi Joint Stock Company) (the "Company") as at 30 September 2015, the related interim statements of insurance and shareholders' comprehensive operations for the three and nine month periods then ended, the related interim statements of changes in shareholders' equity, insurance operations' and shareholders' cash flows 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.

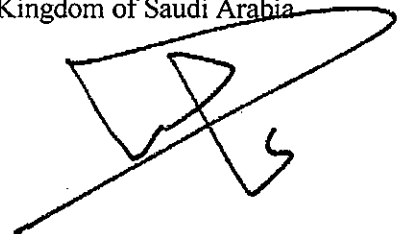
CONCLUSION:

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.

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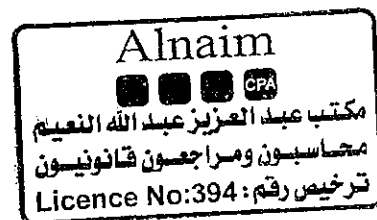
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5 Muharram 1437
(18 October 2015)

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

INTERIM STATEMENT OF FINANCIAL POSITION (continued)

As at 30 September 2015

		<i>30 September 2015</i>	<i>31 December 2014</i>
		<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>Note</i>	<i>SR</i>	<i>SR</i>
INSURANCE OPERATIONS'			
ASSETS			
Cash and cash equivalents	5	102,161,020	192,137,163
Time deposits		107,896,699	-
Premiums and reinsurance balances receivable, net	6	78,937,689	38,905,474
Available for sale investments	7(i)(a)	47,788,555	29,946,280
Reinsurers' share of outstanding claims		111,325,739	45,789,566
Prepayments and other assets		13,711,254	8,081,955
Deferred policy acquisition costs		16,670,854	14,236,385
Reinsurers' share of unearned premiums		20,145,826	15,449,620
Held to maturity investment	7(i)(c)	8,000,000	8,000,000
Property and equipment, net		2,656,989	3,158,856
TOTAL INSURANCE OPERATIONS'		509,294,625	355,705,299
ASSETS			
SHAREHOLDERS' ASSETS			
Cash and cash equivalents	5	60,196,428	19,293,257
Time deposits		60,000,000	-
Available for sale investments	7(ii)(a)	61,289,298	52,908,862
Due from insurance operations		28,918,048	15,543,197
Prepayments and other assets		678,818	1,493,164
Held to maturity investment	7(ii)(c)	5,000,000	-
Investment in an associate	7(ii)(d)	1,200,000	-
Statutory deposit	9	25,337,805	13,243,810
TOTAL SHAREHOLDERS' ASSETS		242,620,397	102,482,290
TOTAL ASSETS		751,915,022	458,187,589

The accompanying notes 1 to 15 form part of these interim condensed financial statements.

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF FINANCIAL POSITION (continued)

As at 30 September 2015

		<i>30 September 2015</i>	<i>31 December 2014</i>
		<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>Note</i>	<i>SR</i>	<i>SR</i>
INSURANCE OPERATIONS' LIABILITIES & SURPLUS			
INSURANCE OPERATIONS' LIABILITIES			
Gross outstanding claims		227,880,968	123,499,116
Reinsurance and insurance balances payable		26,432,371	19,765,059
Accrued expenses and other liabilities		17,303,556	11,101,617
Employees' end of service benefits		3,534,127	2,914,841
Due to shareholders' operations		28,918,048	15,543,197
Unearned reinsurance commission		4,143,978	3,656,749
Gross unearned premiums		194,329,312	163,402,878
Premium deficiency and other reserves		6,158,387	13,835,299
TOTAL INSURANCE OPERATIONS' LIABILITIES		508,700,747	353,718,756
INSURANCE OPERATIONS' SURPLUS			
Accumulated surplus		5,609,765	2,984,395
Changes in fair values of available for sale investments	7(i)(b)	(5,015,887)	(997,852)
TOTAL INSURANCE OPERATIONS' LIABILITIES & SURPLUS		509,294,625	355,705,299
SHAREHOLDERS' LIABILITIES AND EQUITY			
SHAREHOLDERS' LIABILITIES			
Zakat payable	13	14,296,930	9,733,588
Accrued expenses and other liabilities		2,685,517	2,758,611
TOTAL SHAREHOLDERS' LIABILITIES		16,982,447	12,492,199
SHAREHOLDERS' EQUITY			
Share capital	10	250,000,000	130,000,000
Accumulated losses		(26,185,772)	(41,063,537)
Change in fair values of available for sale investments	7(ii)(b)	1,823,722	1,053,628
TOTAL SHAREHOLDERS' EQUITY		225,637,950	89,990,091
TOTAL SHAREHOLDERS' LIABILITIES AND EQUITY		242,620,397	102,482,290
TOTAL LIABILITIES AND EQUITY		751,915,022	458,187,589

The accompanying notes 1 to 15 form part of these interim condensed financial statements.

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

INTERIM STATEMENT OF INSURANCE COMPREHENSIVE OPERATIONS (UNAUDITED)

	<i>For the three month period ended 30 September</i>		<i>For the nine month period ended 30 September</i>	
	<i>2015 (Unaudited) SR</i>	<i>2014 (Unaudited) SR</i>	<i>2015 (Unaudited) SR</i>	<i>2014 (Unaudited) SR</i>
Gross written premiums	106,261,944	109,133,451	319,935,082	319,656,398
Reinsurance premiums ceded	(11,046,541)	(12,314,601)	(40,947,911)	(41,115,102)
Excess of loss premiums	(2,034,713)	(2,527,494)	(8,888,636)	(5,184,922)
NET PREMIUMS WRITTEN	93,180,690	94,291,356	270,098,535	273,356,374
Movement in unearned premiums, net	(13,133,176)	(18,138,717)	(26,230,228)	(82,766,348)
NET PREMIUMS EARNED	80,047,514	76,152,639	243,868,307	190,590,026
Reinsurance commission income	3,805,506	4,919,837	10,548,312	10,796,105
Policy fees and other underwriting income	3,213,271	2,281,140	10,823,531	6,862,155
TOTAL REVENUES	87,066,291	83,353,616	265,240,150	208,248,286
Gross claims paid	(57,150,105)	(44,764,681)	(164,828,765)	(121,944,617)
Reinsurance share of claims paid	15,603,718	5,846,893	21,480,842	14,665,942
NET CLAIMS PAID	(41,546,387)	(38,917,788)	(143,347,923)	(107,278,675)
Movement in outstanding claims, net	(23,328,235)	(15,897,389)	(38,845,680)	(23,720,609)
Movement in other reserves	6,613,140	-	7,676,912	(4,658,441)
NET CLAIMS INCURRED	(58,261,482)	(54,815,177)	(174,516,691)	(135,657,725)
Policy acquisition costs	(8,111,313)	(8,528,848)	(25,074,593)	(22,182,354)
Inspection and supervision fees	(841,023)	(927,408)	(2,104,031)	(2,537,624)
Other underwriting expenses	(1,172,661)	(1,750,941)	(4,360,520)	(5,505,507)
TOTAL UNDERWRITING COSTS	(68,386,479)	(66,022,374)	(206,055,835)	(165,883,210)
NET UNDERWRITING SURPLUS	18,679,812	17,331,242	59,184,315	42,365,076
General and administrative expenses	(10,541,960)	(11,237,589)	(30,737,453)	(30,156,106)
Allowance for doubtful debts	(2,805,380)	285,333	(7,478,824)	(4,579,268)
Special commission income from time deposits	544,532	526,244	1,584,611	1,155,537
Special commission income from investments	47,002	53,522	550,407	160,362
Dividend income	169,222	81,875	661,937	226,263
Realized gain from available for sale investments	(1,489,047)	2,984,700	2,150,165	4,339,533
Other income	444	-	338,540	17,701
SURPLUS FROM INSURANCE OPERATIONS	4,604,625	10,025,327	26,253,698	13,529,098
Surplus transferred to shareholders' operations	(4,144,162)	(9,022,794)	(23,628,328)	(12,176,188)
NET RESULT FOR THE PERIOD	460,463	1,002,533	2,625,370	1,352,910
Accumulated surplus at beginning of the period	-	-	2,984,395	733,140
ACCUMULATED SURPLUS AT END OF THE PERIOD	460,463	1,002,533	5,609,765	2,086,050

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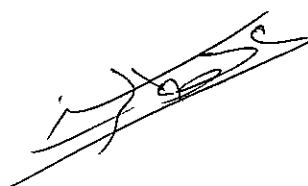
The accompanying notes 1 to 15 form part of these interim condensed financial statements.

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM STATEMENT OF INSURANCE COMPREHENSIVE OPERATIONS
(UNAUDITED) (continued)**

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	<i>For the three month period ended 30 September</i>		<i>For the nine month period ended 30 September</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
NET RESULT FOR THE PERIOD	460,463	1,002,533	2,625,370	1,352,910
<i>OTHER COMPREHENSIVE (LOSS) INCOME TO BE RECLASSIFIED SUBSEQUENTLY TO THE INCOME STATEMENT:</i>				
Realized loss (gain) from available for sale investments	1,489,047	(2,984,700)	(2,150,165)	(4,339,533)
Change in fair values of available for sale investments	(7,269,914)	4,111,797	(1,867,870)	6,270,071
Net change in fair values of available for sale investments	(5,780,867)	1,127,097	(4,018,035)	1,930,538
Total comprehensive (loss) income for the period	(5,320,404)	2,129,630	(1,392,665)	3,283,448

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

INTERIM STATEMENT OF SHAREHOLDERS' COMPREHENSIVE OPERATIONS

	Note	<i>For the three month period ended 30 September</i>		<i>For the nine month period ended 30 September</i>	
		<i>2015 (Unaudited) SR</i>	<i>2014 (Unaudited) SR</i>	<i>2015 (Unaudited) SR</i>	<i>2014 (Unaudited) SR</i>
Surplus transferred from insurance operations		4,144,162	9,022,794	23,628,328	12,176,188
EXPENSES					
General and administrative		(584,804)	(461,445)	(1,642,610)	(1,512,567)
INCOME FROM OPERATIONS		3,559,358	8,561,349	21,985,718	10,663,621
Special commission income from time deposits	5	240,082	82,837	492,598	222,264
Special commission income from available for sale investments		250,123	259,635	763,125	767,519
Realized gain from available for sale Investments		-	6,459	629,577	580,212
Dividend income		-	-	339,103	-
INCOME BEFORE ZAKAT		4,049,563	8,910,280	24,210,121	12,233,616
Zakat		(1,487,168)	(750,133)	(4,563,342)	(1,850,440)
NET INCOME FOR THE PERIOD		2,562,395	8,160,147	19,646,779	10,383,176
OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED SUBSEQUENTLY TO THE INCOME STATEMENT:					
Realized gain from available for sale investments transferred to income		-	(6,459)	(629,577)	(580,212)
Change in fair values of available for sale investments	7(ii)(b)	(498,464)	719,547	1,399,671	2,227,959
Net change in fair values of available for sale investments		(498,464)	713,088	770,094	1,647,747
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		2,063,931	8,873,235	20,416,873	12,030,923
BASIC AND DILUTED EARNINGS PER SHARE FOR THE PERIOD - RESTATED	11	0.10	0.42	0.87	0.54
WEIGHTED AVERAGE NUMBER OF OUTSTANDING SHARES - RESTATED	11	25,000,000	19,370,000	22,598,971	19,370,000

The accompanying notes 1 to 15 form part of these interim condensed financial statements.

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(UNAUDITED)**

For the nine month period ended 30 September 2015

	<i>Share Capital SR</i>	<i>Accumulated losses SR</i>	<i>Change in fair values of available for sale investments SR</i>	<i>Total SR</i>
Balance as at 1 January 2014	130,000,000	(58,728,974)	(789,870)	70,481,156
Net income for the period	-	10,383,176	-	10,383,176
<i>Other comprehensive income:</i>				
Net change in fair values of available for sale investments	-	-	1,647,747	1,647,747
<i>Total comprehensive income for the period</i>	-	10,383,176	1,647,747	12,030,923
Balance as at 30 September 2014	130,000,000	(48,345,798)	857,877	82,512,079
Balance as at 1 January 2015	130,000,000	(41,063,537)	1,053,628	89,990,091
Net income for the period	-	19,646,779	-	19,646,779
Rights issue transaction costs (note 10)	-	(4,769,014)	-	(4,769,014)
<i>Other comprehensive income:</i>				
Net change in fair values of available for sale investments	-	-	770,094	770,094
<i>Total comprehensive income for the period</i>	-	14,877,765	770,094	15,647,859
Rights issue (note 10)	120,000,000	-	-	120,000,000
Balance as at 30 September 2015	250,000,000	(26,185,772)	1,823,722	225,637,950

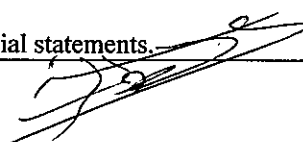
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BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF INSURANCE OPERATIONS' CASH FLOWS (UNAUDITED)

	<i>Note</i>	<i>For the nine month period ended</i>	
		<i>30 September 2015</i> <i>SR</i>	<i>30 September 2014</i> <i>SR</i>
OPERATING ACTIVITIES			
Net result for the period		2,625,370	1,352,910
<i>Adjustments for:</i>			
Surplus transferred to shareholders' operations		23,628,328	12,176,188
Depreciation		902,500	1,052,657
Provision for employees' end of service benefits		698,477	812,044
Allowance for of doubtful debts		7,478,824	4,579,268
Realized gain from available for sale investments		(2,150,165)	(4,339,533)
Gain on disposal of property and equipment		(23,973)	(17,701)
<i>Net surplus before changes in operating assets and liabilities</i>		<u>33,159,361</u>	<u>15,615,833</u>
<i>Changes in operating assets and liabilities:</i>			
Premiums and reinsurance balances receivable		(47,511,039)	(31,526,279)
Reinsurers' share of outstanding claims		(65,536,173)	184,048
Prepayments and other assets		(5,629,299)	(3,086,768)
Deferred policy acquisition costs		(2,434,469)	(7,898,288)
Reinsurers' share of unearned premiums		(4,696,206)	7,238,546
Gross outstanding claims		104,381,852	23,536,562
Reinsurance and insurance balances payable		6,667,312	6,878,475
Accrued expenses and other liabilities		6,201,939	4,368,180
Unearned reinsurance commission		487,229	965,086
Gross unearned premiums		30,926,434	75,527,802
Premium deficiency and other reserves		(7,676,912)	4,658,441
<i>Cash from operating activities</i>		<u>48,340,029</u>	<u>96,461,638</u>
Employees' end of service benefits paid		(79,191)	(94,812)
Net cash from operating activities		<u>48,260,838</u>	<u>96,366,826</u>
INVESTING ACTIVITIES			
Time deposits		(107,896,699)	(79,077,810)
Purchase of available for sale investments	7 (i)(b)	(68,264,386)	(29,486,527)
Proceeds from available for sale investments	7 (i)(b)	48,554,241	17,676,556
Purchase of property and equipment		(402,860)	(1,093,365)
Proceeds from disposal of property and equipment		26,200	17,701
Net cash used in investing activities		<u>(127,983,504)</u>	<u>(91,963,445)</u>
FINANCING ACTIVITY			
Due to shareholders' operations		(10,253,477)	(521,391)
Net cash used in financing activity		<u>(10,253,477)</u>	<u>(521,391)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		<u>(89,976,143)</u>	<u>3,881,990</u>
Cash and cash equivalents at beginning of the period		192,137,163	121,530,428
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	5	<u>102,161,020</u>	<u>125,412,418</u>
<i>Non-cash transactions:</i>			
Transfer of surplus to shareholders' comprehensive operations		23,628,328	12,176,188
Net change in fair values of available for sale investments		<u>(4,018,035)</u>	<u>1,930,538</u>

The accompanying notes 1 to 15 form part of these interim condensed financial statements.

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

INTERIM STATEMENT OF SHAREHOLDERS' CASH FLOWS (UNAUDITED)

	Note	<i>For the nine month period ended</i>	
		<i>30 September 2015 SR</i>	<i>30 September 2014 SR</i>
OPERATING ACTIVITIES			
Income before zakat		24,210,121	12,233,616
<i>Adjustments for:</i>			
Surplus transferred from insurance operations		(23,628,328)	(12,176,188)
Realised gain from available for sale investments		(629,577)	(580,212)
Net deficit before changes in operating assets and liabilities		(47,784)	(522,784)
<i>Changes in operating assets and liabilities:</i>			
Prepayments and other assets		814,346	(610,217)
Statutory deposit		(12,093,995)	(86,709)
Accrued expenses and other liabilities		(73,094)	224,741
<i>Cash used in operations</i>		(11,400,527)	(994,969)
Zakat paid	13	-	(64,738)
Net cash used in operating activities		(11,400,527)	(1,059,707)
INVESTING ACTIVITIES			
Time deposits		(60,000,000)	-
Purchase of available for sale investments	7(ii)(b)	(30,772,920)	(5,460,792)
Sale of available for sale investments	7(ii)(b)	23,792,155	9,471,359
Purchase of held to maturity investment	7(ii)(c)	(5,000,000)	-
Investment in associate	7(ii)(d)	(1,200,000)	-
Net cash (used in) from investing activities		(73,180,765)	4,010,567
FINANCING ACTIVITIES			
Proceeds from right issue		120,000,000	-
Payment for right issue transaction costs		(4,769,014)	-
Due from insurance operations		10,253,477	521,391
Net cash from financing activities		125,484,463	521,391
INCREASE IN CASH AND CASH EQUIVALENTS			
		40,903,171	3,472,251
Cash and cash equivalents at the beginning of the period		19,293,257	13,523,880
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD			
	5	60,196,428	16,996,131
<i>Non-cash transactions:</i>			
Transfer of surplus from insurance operations		(23,628,328)	(12,176,188)
Net change in fair values of available for sale investments		770,094	1,647,747

The accompanying notes 1 to 15 form part of these interim condensed financial statements.

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

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

30 September 2015

1 ORGANISATION AND PRINCIPAL ACTIVITIES

Buruj Cooperative Insurance Company (the "Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 1010280606 dated 10 Safar 1431H, corresponding to 26 January 2010. The registered office address of the Company is P O Box 51855, Riyadh 11553, Kingdom of Saudi Arabia. The objective of the Company is to transact cooperative insurance business and related activities in the Kingdom of Saudi Arabia. Its principal lines of business include all classes of general insurance. The Company was listed on the Tadawul (the Saudi Arabian Stock Market) on 15 February 2010.

The Company was licensed to conduct insurance business in the Kingdom of Saudi Arabia under cooperative principles in accordance with Royal Decree numbered 72/M dated 28 Shawal 1429H (corresponding to 29 October 2008), pursuant to Council of Ministers resolution numbered 313 dated 27 Shawal 1429H (corresponding to 28 October 2008). On 10 Muharram 1431H (corresponding to 27 December 2009), the Ministry of Commerce and Industry issued a resolution declaring the incorporation of the Company.

On 15 Jumada Thani 1431H (corresponding to 29 May 2010), the Saudi Arabian Monetary Agency ("SAMA") issued a formal approval to transact insurance business.

The Company launched its insurance operations on 1 July 2010 after receipt of an authorisation from SAMA to commence insurance operations as product approval and related formalities were completed.

2 SURPLUS TRANSFERRED TO SHAREHOLDERS' OPERATIONS

The Company is required to distribute 10% of the net surplus from insurance operations to policyholders and the remaining 90% to the shareholders of the Company in accordance with the Insurance Law and Implementation Regulations issued by SAMA. Any deficit arising on insurance operations is transferred to the shareholders' operations in full.

The insurance operations resulted in a surplus for the nine month period ended 30 September 2015 amounting to SR 26.25 million (30 September 2014: SR 13.53 million). Accordingly, 90% of the net surplus amounting to SR 23.63 million (30 September 2014: SR 12.18 million) has been transferred to the shareholders' operations.

3 BASIS OF MEASUREMENT

Basis of measurement

The interim condensed financial statements have been prepared under the historical cost basis except for the measurement at fair value of "available for sale investments".

Statement of compliance

The accompanying interim condensed financial statements for the nine month period ended 30 September 2015 (the "period") are prepared in accordance with IAS 34 – Interim Financial Reporting, do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December 2014.

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 periods presented. The interim results may not be indicative of the Company's annual results.

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (continued)

30 September 2015

4 SIGNIFICANT ACCOUNTING POLICIES AND NEW STANDARDS ISSUED BUT NOT YET EFFECTIVE

Significant accounting policies

The significant accounting and risk management policies adopted 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 2014. In addition, accounting policies applicable to significant transactions and account balances arising during the interim period year ended 30 September 2015 is set out below:

Investment in associates

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies of an investee entity.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements of the Company include the Company's share of the profit or loss and other comprehensive income, until the date on which significant influence ceases. Unrealised profits and losses resulting from transactions between the Company and its associate are eliminated to the extent of the Company's interest in the associate. The reporting dates of the associate are identical to the Company's reporting dates and their accounting policies conform to those used by the Company for like transactions and events in similar circumstances.

New standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's interim financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 9 - Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. The adoption of IFRS 9 will have an effect on the classification and measurement of the Company's financial assets, but no impact on the classification and measurement of the Company's financial liabilities.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify the principle in IAS 16 and IAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets.

The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments are not expected to have any impact on the Company given that the Company has not used a revenue-based method to depreciate its non-current assets.

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5 CASH AND CASH EQUIVALENTS

	<i>30 September 2015 (Unaudited)</i>		<i>31 December 2014 (Audited)</i>	
	<i>Insurance</i>	<i>Shareholders'</i>	<i>Insurance</i>	<i>Shareholders'</i>
	<i>operations</i>	<i>operations</i>	<i>operations</i>	<i>operations</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Cash in hand and at banks	102,161,020	44,146,000	179,909,663	19,293,257
Short term deposits	-	16,050,428	12,227,500	-
Cash and cash equivalents	102,161,020	60,196,428	192,137,163	19,293,257

6 PREMIUMS AND REINSURANCE BALANCES RECEIVABLE, NET

Premiums and reinsurance balances receivable are comprised of the following:

	<i>30 September 2015</i>	<i>31 December 2014</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>SR</i>	<i>SR</i>
Premiums receivable	84,325,157	46,178,206
Less: Allowance for doubtful debts	(16,225,830)	(8,838,890)
	68,099,327	37,339,316
Reinsurance balances receivable	11,865,032	2,500,944
Less: Allowance for doubtful debts	(1,026,670)	(934,786)
	10,838,362	1,566,158
Total premiums and reinsurance balances receivable, net	78,937,689	38,905,474

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7 INVESTMENTS

(i) Insurance operations (Available for sale)

(a) Available for sale investments of insurance operations comprise the following:

		30 September 2015	31 December 2014
	<i>Source of fair value</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
		SR	SR
Local "DPM" equity securities	Quoted	23,694,328	14,946,280
Units in local investment funds	NAV**	14,094,227	-
Units in local real estate fund	NAV**	10,000,000	15,000,000
		<u>47,788,555</u>	<u>29,946,280</u>

** NAV: Net Asset Value as announced by asset manager.

(b) The movement during the period/year in available for sale investments are as follows:

	30 September 2015	31 December 2014
	<i>(Unaudited)</i>	<i>(Audited)</i>
	SR	SR
At the beginning of the period / year	29,946,280	-
Purchased during the period / year	68,264,386	53,263,093
Sold during the period / year	(48,554,241)	(26,441,192)
	<u>49,656,425</u>	<u>26,821,901</u>
Change in fair values	(1,867,870)	3,124,379
	<u>47,788,555</u>	<u>29,946,280</u>

The change in fair value of available for sale investments of insurance operations amounting to SR (5,015,887) (31 December 2014: SR (997,852)) is presented within 'insurance operations surplus' in the statement of financial position and the current period / year change in fair value amounting has been reported in the statement of insurance comprehensive operations under 'other comprehensive income (loss) to be reclassified subsequently to the income statement'.

(i) Insurance operations (Held to maturity)

(c) Held to Maturity ("HTM") investment amounting to SR 8,000,000 (31 December 2014 : SR 8,000,000) comprised of secured unquoted Sukuk issued by an unquoted company registered in the Kingdom of Saudi Arabia and maturing on 7 October 2015. The rate of return on the Sukuk is calculated based on 3-month Saudi Inter-Bank Offered Rate ("SIBOR") plus a margin of 170 basis points per annum and paid quarterly. Management is of the opinion that the fair value of the HTM investment as at 30 September 2015 was not materially different from its carrying value.

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30 September 2015

7 INVESTMENTS (continued)

(ii) Shareholders' operations

(a) Available for sale investments of shareholders operations comprise the following:

	<i>Source of fair value</i>	30 September 2015 (Unaudited) SR	31 December 2014 (Audited) SR
GCC bonds and sukuk	Quoted	21,305,051	23,803,130
Units in local investment funds	NAV**	31,898,650	21,898,163
Units in local real estate funds	NAV**	6,162,519	5,284,491
Unquoted local equity investment	Unquoted	1,923,078	1,923,078
		61,289,298	52,908,862

** NAV: Net Asset Value as announced by asset manager.

(b) The movement during the period / year in available for sale investments are as follows:

	30 September 2015 (Unaudited) SR	31 December 2014 (Audited) SR
At the beginning of the period / year	52,908,862	56,381,037
Purchased during the period / year	30,772,920	5,460,792
Sold during the period / year	(23,792,155)	(11,405,322)
	59,889,627	50,436,507
Change in fair values	1,399,671	2,472,355
At the end of the period / year	61,289,298	52,908,862

The cumulative change in fair values of available for sale investments of shareholders' operations amounting to SR 1,823,722 (31 December 2014: SR 1,053,628) is presented within shareholders' equity in the interim statement of financial position.

(ii) Shareholders' operations (Held to maturity)

(c) Held to Maturity ("HTM") investment amounting to SR 5,000,000 (31 December 2014 : Nil) is comprised of senior unsecured quoted Sukuk issued by a quoted company registered in the Kingdom of Saudi Arabia and maturing on 16 September 2022. The rate of return on the Sukuk is calculated based on 6-month Saudi Arabian Inter-Bank Offered Rate ("SIBOR") plus a margin of 115 basis points per annum and paid semi-annually. The fair value of the HTM investment as at 30 September 2015 was not different from its carrying value.

(ii) Shareholders' operations (Investment in associate)

(d) The Company together with an investor from a member nation of the Gulf Cooperative Council ("GCC member nation") established a new limited liability company (the "associate") in the Kingdom of Saudi Arabia. The GCC member owns 60% in the capital of the associate and the Company owns 40%. Additional legal formalities in respect of the operations of the associate are expected to be completed during 2015. The Company, although has significant influence, has accounted this investment as an associate as it does not control or jointly control the financial and operating policies of the associate.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
 30 September 2015

8 FAIR VALUES OF FINANCIAL INSTRUMENTS

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 financial statements. Equity investment in an unquoted company categorised under AFS is carried at cost.

Determination of fair value and fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
<i>2015 (Unaudited)</i>				
Bonds and sukuk	15,805,051	5,500,000	-	21,305,051
Investment and real estate funds	33,843,101	28,312,295	-	62,155,396
Equities	23,694,328	-	1,923,078	25,617,406
	<u>73,342,480</u>	<u>33,812,295</u>	<u>1,923,078</u>	<u>109,077,853</u>
<i>2014 (Audited)</i>				
Bonds and sukuk	18,303,130	5,500,000	-	23,803,130
Investment and real estate funds	-	42,182,654	-	42,182,654
Equities	14,946,280	-	1,923,078	16,869,358
	<u>33,249,410</u>	<u>47,682,654</u>	<u>1,923,078</u>	<u>82,855,142</u>

Transfers between levels

For financial instruments that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

During the nine-month period ended 30 September 2015, 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.

There was no recurring fair value measurements categorised within Level 3 of the fair value hierarchy as set out in the table above.

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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
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9 STATUTORY DEPOSIT

Statutory deposit represents 10% of the paid up capital of the Company which is maintained with a bank designated by SAMA in accordance with The Cooperative Insurance Companies Control Law for insurance companies. This statutory deposit cannot be withdrawn without the consent of SAMA.

As a result of increase in share capital, the Company's statutory deposit during the period increased to SR 25 million. The initial statutory deposit continues to be invested with a local bank as approved by SAMA. The Company has deposited the additional SR 12 million in the same bank account as instructed by SAMA.

Accrued interest on the initial statutory deposit amounting to SR 337,805 (31 December 2014: SR 243,810) has been included under statutory deposit and accrued expenses and other liabilities.

10 SHARE CAPITAL

The authorized, issued and paid up share capital of the Company is SR 250 Million divided into 25 million shares of SR 10 each (31 December 2014: SR 130 million divided into 13 million shares of SR 10 each).

The Company held an extraordinary general assembly of its shareholders on 1 April 2015 to approve the increase in the share capital through rights issue. Based on the approval received from shareholders at the extraordinary general assembly, the Company proceeded successfully in April 2015 to raise SAR 120 million through a rights issue. Under the terms of the rights issue, the Company offered 12,000,000 ordinary new shares by way of rights to qualifying shareholders at an offer price of SAR 10 per share at close of trading on the date of 1 April 2015 (the "Eligibility Date"). The rights were made on the ratio of one right for every 1.083 share held by shareholders as of the Eligibility Date. Right issue transaction costs incurred amounting to SR 4,769,014 was charged to the interim statement of changes in shareholders' equity.

11 BASIC AND DILUTED EARNINGS PER SHARE - Restated

Basic and diluted earnings per share for the period have been calculated by dividing the net income for the period by the weighted average number of outstanding shares at the period end.

The weighted average number of shares has been retrospectively adjusted for all prior periods to reflect the bonus element of the rights issue as required by IAS 33, "Earnings per share" as follows:

	<i>For the three month period ended 30 September</i>		<i>For the nine month period ended 30 September</i>	
	<i>2015 (Unaudited) SR</i>	<i>2014 (Unaudited) SR</i>	<i>2015 (Unaudited) SR</i>	<i>2014 (Unaudited) SR</i>
Issued ordinary shares as at 1 January	13,000,000	13,000,000	13,000,000	13,000,000
Adjusted rights issue	12,000,000	-	9,598,971	-
Effects of rights issue of shares	-	6,370,000	-	6,370,000
Weighted average number of ordinary shares	25,000,000	19,370,000	22,598,971	19,370,000

The weighted average number of ordinary shares for prior period is computed using an adjustment factor of 1.49, which is a ratio of the theoretical ex-rights of SR 21.33 and the closing price per share of 31.79 on 6 April 2015, the last day on which the shares were traded before the rights issue.

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11 BASIC AND DILUTED EARNINGS PER SHARE – Restated (continued)

The basic and diluted earnings per share are as follows:

	<i>For the three month period ended 30 September</i>		<i>For the nine month period ended 30 September</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Net income for the period	2,562,396	8,160,147	19,646,779	10,383,176
Weighted average number of ordinary shares	25,000,000	19,370,000	22,598,971	19,370,000
Basic and diluted earnings per share – restated	0.10	0.42	0.87	0.54

12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) *The following are the details of major related party transactions during the period and the related balances at the end of the period:*

<i>Related party</i>	<i>Nature of transactions</i>	<i>Amounts of transactions</i>	
		<i>30 September 2015 (Unaudited) SR</i>	<i>30 September 2014 (Unaudited) SR</i>
Shareholders	Gross written premiums	21,867,482	22,787,861
	Reinsurance premium ceded	(28,907)	(581,428)
	Gross claims incurred	(12,276,762)	(12,121,951)
Board of directors and committees' members	Remuneration fees, allowances and other expenses	(1,081,500)	(991,000)
	Gross written premiums	20,044,099	16,284,195
	Gross claims incurred	(14,812,134)	(10,270,938)
	Insurance brokerage contracts	(4,616,943)	(5,143,177)

Balances in respect of the above transactions with related parties are included in the relevant accounts in the interim statements of financial position and comprehensive income.

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12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

b) Compensation of key management personnel

Key management personnel of the Company include all executive and non-executive directors, and other senior management personnel. The summary of compensation of key management personnel for the period is as follows:

	<i>For the nine month period ended 30 September</i>	
	<i>2015</i>	<i>2014</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SR</i>	<i>SR</i>
Short-term benefits	2,173,050	2,121,210
End of service benefits	138,792	228,104
	<u>2,311,842</u>	<u>2,349,314</u>

13 ZAKAT

The movement in provision during the period / year is set out below:

	<i>30 September 2015</i>	<i>31 December 2014</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>SR</i>	<i>SR</i>
At the beginning of the period / year	9,733,588	7,364,263
Provided for the period / year	4,563,342	2,434,063
Payments during the period / year	-	(64,738)
At the end of the period / year	<u>14,296,930</u>	<u>9,733,588</u>

Status of assessments

The Company has filed its zakat returns for all the years ended up to 31 December 2014.

On review of the zakat return by the Department of Zakat and Income tax ("DZIT") for the long period ended 31 December 2010, a demand of SR 2,256,659 was raised by the DZIT. The Company paid this demand and filed an appeal with DZIT. During 2014, DZIT revised its assessment of the zakat return for the long period ended 31 December 2010 after taking into consideration the effect of portfolio transfer and raised an additional demand of SR 64,738. The Company paid this demand. The final assessment has not yet been carried out by the DZIT.

On review of the zakat return by the DZIT for the years 2011, 2012, 2013 and 2014 a demand of SR 2,378,604, SR 544,407, SR 2,885,577 and SR 2,885,577 respectively, have been raised by the DZIT. However, the Company has filed appeals with the DZIT. These appeals are in progress. The final assessments have not yet been carried out by the DZIT.

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14 SEGMENT INFORMATION

Consistent with the Company's internal reporting process, operating segments have been approved by Management in respect of the Company's activities, assets and liabilities as stated below.

Segment results do not include general and administrative expenses, allowance for doubtful debts, income on term deposits and investments, gain or loss on property, plant and equipment and investments. Accordingly, they are included in unallocated assets.

Segment assets do not include insurance operations' property and equipment, investments, prepayments and other assets, premiums and reinsurance balances receivable, cash and cash equivalents and time deposits. Accordingly they are included in unallocated assets. Segment liabilities do not include insurance operations' due to shareholders operations, employees' end-of-service benefits, and reinsurance and insurance balances payable, accrued expenses and other liabilities and insurance operations' surplus. Accordingly they are included in unallocated liabilities.

Operating segments

<i>For the three month period ended 30 September 2015 (Unaudited)</i>	<i>Motor SR</i>	<i>Medical SR</i>	<i>Property SR</i>	<i>Marine SR</i>	<i>Others SR</i>	<i>Total SR</i>
Gross written premiums	58,386,118	34,760,175	5,858,848	2,704,019	4,552,784	106,261,944
Reinsurance premiums ceded	(1,306,652)	-	(5,217,518)	(1,603,526)	(2,918,845)	(11,046,541)
Excess of loss premiums	(915,450)	(247,375)	(129,116)	(409,472)	(333,300)	(2,034,713)
Net premiums written	56,164,016	34,512,800	512,214	691,021	1,300,639	93,180,690
Movement in unearned premiums, net	6,366,352	(18,917,947)	(310,877)	428,652	(699,356)	(13,133,176)
Net premiums earned	62,530,368	15,594,853	201,337	1,119,673	601,283	80,047,514
Reinsurance commission income	24,751	-	1,070,143	1,955,041	755,571	3,805,506
Policy fees and other underwriting income	3,131,541	-	8,840	59,610	13,280	3,213,271
Total revenues	65,686,660	15,594,853	1,280,320	3,134,324	1,370,134	87,066,291
Net claims paid	(37,241,171)	(3,850,497)	(734,489)	283,325	(3,555)	(41,546,387)
Movement in outstanding claims, net	(25,914,523)	3,609,014	482,508	(779,412)	(725,822)	(23,328,235)
Movement in premium deficiency and other reserves, net	6,413,140	-	200,000	-	-	6,613,140
Net claims incurred	(56,742,554)	(241,483)	(51,981)	(496,087)	(729,377)	(58,261,482)
Policy acquisition costs	(5,053,444)	(1,707,222)	(615,523)	(324,834)	(410,290)	(8,111,313)
Inspection and supervision fees	(284,734)	(523,878)	(7,057)	(12,189)	(13,165)	(841,023)
Other underwriting expenses	(198,999)	(973,662)	-	-	-	(1,172,661)
Total underwriting costs	(62,279,731)	(3,446,245)	(674,561)	(833,110)	(1,152,832)	(68,386,479)
Net underwriting surplus	3,406,929	12,148,608	605,759	2,301,214	217,302	18,679,812
Unallocated expenses						(13,347,340)
Unallocated income						(727,847)
Surplus from insurance operations						4,604,625

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14 SEGMENT INFORMATION (continued)

Operating segments

<i>For the three month period ended 30 September 2014 (Unaudited)</i>	<i>Motor SR</i>	<i>Medical SR</i>	<i>Property SR</i>	<i>Marine SR</i>	<i>Others SR</i>	<i>Total SR</i>
Gross written premiums	54,626,984	41,607,102	5,034,473	3,636,267	4,228,625	109,133,451
Reinsurance premiums ceded	(1,533,782)	-	(4,739,590)	(2,387,495)	(3,653,734)	(12,314,601)
Excess of loss premiums	(1,920,467)	(300,000)	(54,072)	(188,501)	(64,454)	(2,527,494)
Net premiums written	51,172,735	41,307,102	240,811	1,060,271	510,437	94,291,356
Movement in unearned premiums, net	(3,272,766)	(15,163,899)	143,439	137,346	17,163	(18,138,717)
Net premiums earned	47,899,969	26,143,203	384,250	1,197,617	527,600	76,152,639
Reinsurance commission income	29,362	-	785,101	3,091,997	1,013,377	4,919,837
Policy fees	2,214,275	-	6,385	53,795	6,685	2,281,140
Total revenues	50,143,606	26,143,203	1,175,736	4,343,409	1,547,662	83,353,616
Net claims paid	(36,859,875)	(1,665,211)	(293,139)	(72,971)	(26,592)	(38,917,788)
Movement in outstanding claims, net	(7,998,521)	(7,870,042)	369,330	(469,826)	71,670	(15,897,389)
Net claims incurred	(44,858,396)	(9,535,253)	76,191	(542,797)	45,078	(54,815,177)
Policy acquisition costs	(4,464,417)	(3,178,052)	(237,358)	(324,686)	(324,335)	(8,528,848)
Inspection and supervision fees	(263,715)	(624,107)	(10,229)	(16,347)	(13,010)	(927,408)
Other underwriting expenses	(273,129)	(1,477,812)	-	-	-	(1,750,941)
Total underwriting costs	(49,859,657)	(14,815,224)	(171,396)	(883,830)	(292,267)	(66,022,374)
Net underwriting surplus	283,949	11,327,979	1,004,340	3,459,579	1,255,395	17,331,242
Unallocated expenses						(10,952,256)
Unallocated income						3,646,341
Surplus from insurance operations						10,025,327

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14 SEGMENT INFORMATION (continued)

Operating segments

<i>For the nine month period ended 30 September 2015 (Unaudited)</i>	<i>Motor SR</i>	<i>Medical SR</i>	<i>Property SR</i>	<i>Marine SR</i>	<i>Others SR</i>	<i>Total SR</i>
Gross written premiums	208,285,977	60,609,334	22,778,543	11,516,244	16,744,984	319,935,082
Reinsurance premiums ceded	(1,312,372)	-	(20,355,683)	(7,418,617)	(11,861,239)	(40,947,911)
Excess of loss premiums	(6,398,303)	(1,010,225)	(237,260)	(786,474)	(456,374)	(8,888,636)
Net premiums written	200,575,302	59,599,109	2,185,600	3,311,153	4,427,371	270,098,535
Movement in unearned premiums, net	(25,444,501)	2,401,419	(936,283)	122,770	(2,373,633)	(26,230,228)
Net premiums earned	175,130,801	62,000,528	1,249,317	3,433,923	2,053,738	243,868,307
Reinsurance commission income	82,458	212,688	3,271,534	4,635,826	2,345,806	10,548,312
Policy fees and other underwriting income	10,567,036	-	32,080	185,670	38,745	10,823,531
Total revenues	185,780,295	62,213,216	4,552,931	8,255,419	4,438,289	265,240,150
Net claims paid	(130,358,738)	(11,993,271)	(768,737)	(51,279)	(175,898)	(143,347,923)
Movement in outstanding claims, net	(39,055,532)	3,108,394	(969,985)	(1,106,661)	(821,896)	(38,845,680)
Movement in premium deficiency and other reserves, net	7,976,912	-	(300,000)	-	-	7,676,912
Net claims incurred	(161,437,359)	(8,884,878)	(2,038,721)	(1,157,941)	(997,792)	(174,516,691)
Policy acquisition costs	(14,918,990)	(6,360,177)	(1,772,009)	(835,703)	(1,187,714)	(25,074,593)
Inspection and supervision fees	(1,030,406)	(910,636)	(46,355)	(52,548)	(64,086)	(2,104,031)
Other underwriting expenses	(838,254)	(3,515,766)	(6,500)	-	-	(4,360,520)
Total underwriting costs	(178,225,009)	(19,671,457)	(3,863,585)	(2,046,192)	(2,249,592)	(206,055,835)
Net underwriting surplus	7,555,287	42,541,759	689,346	6,209,227	2,188,696	59,184,315
Unallocated expenses						(38,216,277)
Unallocated income						5,285,660
Surplus from insurance operations						26,253,698

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
30 September 2015

14 SEGMENT INFORMATION (continued)

Operating segments

<i>For the nine month period ended 30 September 2014 (Unaudited)</i>	<i>Motor SR</i>	<i>Medical SR</i>	<i>Property SR</i>	<i>Marine SR</i>	<i>Others SR</i>	<i>Total SR</i>
Gross written premiums	168,588,780	102,848,484	21,925,744	13,420,889	12,872,501	319,656,398
Reinsurance premiums ceded	(1,548,709)	(340)	(20,286,479)	(9,089,759)	(10,189,815)	(41,115,102)
Excess of loss premiums	(3,421,604)	(740,000)	(149,613)	(631,151)	(242,554)	(5,184,922)
Net premiums written	163,618,467	102,108,144	1,489,652	3,699,979	2,440,132	273,356,374
Movement in unearned premiums, net	(34,298,743)	(46,963,048)	(373,189)	(191,060)	(940,308)	(82,766,348)
Net premiums earned	129,319,724	55,145,096	1,116,463	3,508,919	1,499,824	190,590,026
Reinsurance commission income	70,025	-	3,175,872	5,084,217	2,465,991	10,796,105
Policy fees	6,633,090	-	26,500	182,640	19,925	6,862,155
Total revenues	136,022,839	55,145,096	4,318,835	8,775,776	3,985,740	208,248,286
Net claims paid	(101,426,787)	(4,678,422)	(557,444)	(374,634)	(241,388)	(107,278,675)
Movement in outstanding claims, net	(14,625,042)	(8,079,633)	162,980	(971,890)	(207,024)	(23,720,609)
Movement in premium deficiency and other reserves, net	(4,658,441)	-	-	-	-	(4,658,441)
Net claims incurred	(120,710,270)	(12,758,055)	(394,464)	(1,346,524)	(448,412)	(135,657,725)
Policy acquisition costs	(11,610,169)	(7,184,051)	(1,575,224)	(852,920)	(959,990)	(22,182,354)
Inspection and supervision fees	(832,184)	(1,542,724)	(51,833)	(60,097)	(50,786)	(2,537,624)
Other underwriting expenses	(904,674)	(4,515,863)	(84,970)	-	-	(5,505,507)
Total underwriting costs	(134,057,297)	(26,000,693)	(2,106,491)	(2,259,541)	(1,459,188)	(165,883,210)
Net underwriting surplus	1,965,542	29,144,403	2,212,344	6,516,235	2,526,552	42,365,076
Unallocated expenses						(34,735,374)
Unallocated income						5,899,396
Surplus from insurance operations						13,529,098

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED) (continued)
30 September 2015

14 SEGMENT INFORMATION (continued)

Operating segments

As at 30 September 2015 (Unaudited)

	<i>Motor</i>	<i>Medical</i>	<i>Property</i>	<i>Marine</i>	<i>Others</i>	<i>Total</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
ASSETS						
Reinsurers' share of unearned premiums	977,738	-	10,741,793	1,506,456	6,919,839	20,145,826
Reinsurers' share of outstanding claims	6,544,604	577,752	76,218,110	12,318,643	15,666,630	111,325,739
Deferred policy acquisition costs	9,851,278	4,447,211	1,044,217	195,933	1,132,215	16,670,854
SEGMENT ASSETS	17,373,620	5,024,963	88,004,120	14,021,032	23,718,684	148,142,419
Unallocated assets						361,152,206
TOTAL ASSETS						509,294,625
LIABILITIES						
Gross unearned premiums	122,621,820	46,227,830	12,246,760	2,556,305	10,676,597	194,329,312
Gross outstanding claims	99,074,020	12,130,567	79,209,788	18,855,490	18,611,103	227,880,968
Unearned reinsurance commission	73,355	-	1,912,455	560,864	1,597,304	4,143,978
Premium deficiency and other reserves	5,758,387	-	400,000	-	-	6,158,387
SEGMENT LIABILITIES	227,527,582	58,358,397	93,769,003	21,972,659	30,885,004	432,512,645
Unallocated liabilities						76,781,980
TOTAL LIABILITIES						509,294,625

Operating segments

As at 31 December 2014 (Audited)

	<i>Motor</i>	<i>Medical</i>	<i>Property</i>	<i>Marine</i>	<i>Others</i>	<i>Total</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
ASSETS						
Reinsurers' share of unearned premiums	765,039	-	7,183,872	2,436,998	5,063,711	15,449,620
Reinsurers' share of outstanding claims	6,342,893	1,089,788	14,275,261	11,689,226	12,392,398	45,789,566
Deferred policy acquisition costs	7,840,264	4,792,476	670,927	229,594	703,124	14,236,385
SEGMENT ASSETS	14,948,196	5,882,264	22,130,060	14,355,818	18,159,233	75,475,571
Unallocated assets						280,229,728
TOTAL ASSETS						355,705,299
LIABILITIES						
Gross unearned premiums	96,964,620	48,629,249	7,752,556	3,609,617	6,446,836	163,402,878
Gross outstanding claims	59,816,777	15,750,997	16,296,954	17,119,412	14,514,976	123,499,116
Unearned reinsurance commission	57,381	-	1,443,298	835,824	1,320,246	3,656,749
Premium deficiency and other reserves	13,735,299	-	100,000	-	-	13,835,299
SEGMENT LIABILITIES	170,574,077	64,380,246	25,592,808	21,564,853	22,282,058	304,394,042
Unallocated liabilities						51,311,257
TOTAL LIABILITIES						355,705,299

**BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)**

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (continued)

30 September 2015

15 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements have been approved by the Board of Directors on 1 Muharram 1437H, (corresponding to 14 October 2015).