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

**UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS AND
LIMITED REVIEW REPORT**

FOR THE THREE AND SIX MONTH PERIODS ENDED 30 JUNE 2014

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS AND LIMITED REVIEW REPORT

For The Three and Six Month Periods Ended 30 June 2014

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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 June 2014, the related interim statements of insurance and shareholders' comprehensive operations for the three and six month periods then ended, the related interim statements of changes in shareholders' equity, insurance operations' and shareholders' cash flows for the six 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.

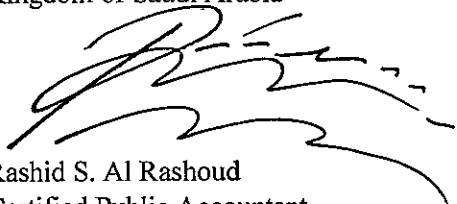
CONCLUSION:

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:

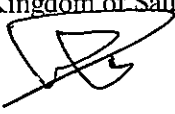
We draw attention to the fact that these interim condensed financial statements are prepared in accordance with IAS 34 and not in accordance with the Standard on Interim Financial Reporting issued by SOCPA.

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18 Ramadan 1435H
(15 July 2014)

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

	<i>Note</i>	<i>30 June 2014 (Unaudited) SR</i>	<i>31 December 2013 (Audited) SR</i>
INSURANCE OPERATIONS' ASSETS			
Cash and cash equivalents	5	103,905,486	121,530,428
Time deposits	6	59,000,013	-
Premiums and reinsurance balances receivable, net	7	55,487,122	27,750,263
Due from shareholders' operations		563,936	3,288,847
Available for sale investments	8(i)(a)	15,076,464	-
Reinsurers' share of outstanding claims		42,896,123	38,766,004
Prepayments and other assets		8,645,193	10,271,255
Deferred policy acquisition costs		17,133,558	10,531,345
Reinsurers' share of unearned premiums		22,765,666	28,037,312
Held to maturity investment	8(i)(c)	8,000,000	8,000,000
Property and equipment, net		3,511,799	3,299,017
TOTAL INSURANCE OPERATIONS' ASSETS		336,985,360	251,474,471
SHAREHOLDERS' ASSETS			
Cash and cash equivalents	5	17,285,451	13,523,880
Available for sale investments	8(ii)(a)	53,688,304	56,381,037
Prepayments and other assets		551,533	261,032
Statutory deposit	9	13,243,810	13,157,101
TOTAL SHAREHOLDERS' ASSETS		84,769,098	83,323,050
TOTAL ASSETS		421,754,458	334,797,521

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 June 2014

	<i>Note</i>	30 June 2014 (Unaudited) SR	31 December 2013 (Audited) SR
INSURANCE OPERATIONS' LIABILITIES & SURPLUS			
INSURANCE OPERATIONS' LIABILITIES			
Gross outstanding claims		96,680,675	84,727,336
Reinsurance and insurance balances payable		27,115,091	21,968,981
Accrued expenses and other liabilities		9,608,231	8,545,707
Employees' end of service benefits		2,558,933	2,061,031
Unearned reinsurance commission		5,488,636	3,805,866
Gross unearned premiums		184,186,249	124,830,264
Premium deficiency and other reserves		9,460,587	4,802,146
TOTAL INSURANCE OPERATIONS' LIABILITIES		335,098,402	250,741,331
INSURANCE OPERATIONS' SURPLUS			
Accumulated surplus		1,083,517	733,140
Changes in fair values of available for sale investments	8(i)(b)	803,441	-
TOTAL INSURANCE OPERATIONS' LIABILITIES & SURPLUS		336,985,360	251,474,471
SHAREHOLDERS' LIABILITIES AND EQUITY			
SHAREHOLDERS' LIABILITIES			
Zakat payable		8,464,570	7,364,263
Accrued expenses and other liabilities		2,076,069	2,152,540
Due to a related party		25,679	36,244
Due to insurance operations		563,936	3,288,847
TOTAL SHAREHOLDERS' LIABILITIES		11,130,254	12,841,894
SHAREHOLDERS' EQUITY			
Share capital		130,000,000	130,000,000
Accumulated losses		(56,505,945)	(58,728,974)
Change in fair values of available for sale investments	8(ii)(b)	144,789	(789,870)
TOTAL SHAREHOLDERS' EQUITY		73,638,844	70,481,156
TOTAL SHAREHOLDERS' LIABILITIES AND EQUITY		84,769,098	83,323,050
TOTAL LIABILITIES AND EQUITY		421,754,458	334,797,521

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)

	For the three month period ended 30 June		For the six month period ended 30 June	
	2014 (Unaudited) SR	2013 (Unaudited) SR	2014 (Unaudited) SR	2013 (Unaudited) SR
Gross written premiums	120,590,394	69,676,672	210,522,947	150,100,482
Reinsurance premiums ceded	(13,926,141)	(19,651,470)	(28,800,501)	(46,074,443)
Excess of loss premiums	(1,199,541)	(849,096)	(2,657,428)	(1,698,192)
NET PREMIUMS WRITTEN	105,464,712	49,176,106	179,065,018	102,327,847
Movement in unearned premiums, net	(44,839,159)	(4,534,144)	(64,627,631)	(15,324,417)
NET PREMIUMS EARNED	60,625,553	44,641,962	114,437,387	87,003,430
Reinsurance commission income	3,109,967	3,589,399	5,876,268	6,174,124
Policy fees	2,131,375	1,090,715	4,581,015	2,214,444
TOTAL REVENUES	65,866,895	49,322,076	124,894,670	95,391,998
Gross claims paid	(40,121,466)	(33,436,866)	(77,179,936)	(67,318,633)
Reinsurance share of claims paid	2,611,812	6,283,333	8,819,049	9,794,885
NET CLAIMS PAID	(37,509,654)	(27,153,533)	(68,360,887)	(57,523,748)
Movement in outstanding claims, net	(4,153,347)	(1,730,497)	(7,823,220)	1,465,362
Movement in other reserves	(1,642,037)	271,120	(4,658,441)	(1,083,570)
NET CLAIMS INCURRED	(43,305,038)	(28,612,910)	(80,842,548)	(57,141,956)
Policy acquisition costs	(7,406,590)	(5,628,302)	(13,653,506)	(10,805,166)
Inspection and supervision fees	(1,118,223)	(620,228)	(1,610,216)	(1,274,424)
Other underwriting expenses	(2,050,835)	(1,258,302)	(3,754,566)	(1,933,728)
TOTAL UNDERWRITING COSTS	(53,880,686)	(36,119,742)	(99,860,836)	(71,155,274)
NET UNDERWRITING SURPLUS	11,986,209	13,202,334	25,033,834	24,236,724
General and administrative expenses	(9,625,474)	(9,458,023)	(18,918,517)	(18,802,584)
Allowance for doubtful debts	(3,957,507)	(2,130,217)	(4,864,601)	(1,733,032)
Special commission income from time deposits	356,034	168,788	629,293	308,841
Special commission income from investments	53,150	140,438	106,840	298,019
Dividend income	107,388	-	144,388	-
Realized gain (loss) from available for sale investments	931,571	(35,761)	1,354,833	(35,761)
Gain (loss) on disposal of property and equipment	17,401	-	17,701	(709)
(DEFICIT) SURPLUS FROM INSURANCE OPERATIONS	(131,228)	1,887,559	3,503,771	4,271,498
Deficit (surplus) transferred to shareholders' operations	131,228	(1,698,803)	(3,153,394)	(3,844,348)
NET RESULT FOR THE PERIOD	-	188,756	350,377	427,150
Accumulated surplus at beginning of the period (note 2)	-	-	733,140	-
ACCUMULATED SURPLUS AT END OF THE PERIOD	-	-	1,083,517	427,150

.....continued on page 5

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)

.....continued from page 4

	<i>For the three month period ended 30 June</i>		<i>For the six month period ended 30 June</i>	
	<i>2014 (Unaudited) SR</i>	<i>2013 (Unaudited) SR</i>	<i>2014 (Unaudited) SR</i>	<i>2013 (Unaudited) SR</i>
NET RESULT FOR THE PERIOD	-	188,756	350,377	427,150
<i>OTHER COMPREHENSIVE INCOME (LOSS) TO BE RECLASSIFIED SUBSEQUENTLY TO THE INCOME STATEMENT:</i>				
Realized (gain) loss from available for sale investments	(931,571)	35,761	(1,354,833)	35,761
Change in fair values of available for sale investments	1,181,620	(248,857)	2,158,274	(294,665)
Net change in fair values of available for sale investments	250,049	(213,096)	803,441	(258,904)
Total comprehensive income (loss) for the period	250,049	(24,340)	1,153,818	168,246

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' COMPREHENSIVE OPERATIONS

	Note	For the three month period ended 30 June		For the six month period ended 30 June	
		2014	2013	2014	2013
		(Unaudited) SR	(Unaudited) SR	(Unaudited) SR	(Audited) SR
(Deficit) surplus transferred from insurance operations		(131,228)	1,698,803	3,153,394	3,844,348
EXPENSES					
General and administrative		(438,050)	(491,638)	(1,051,122)	(1,051,775)
(LOSS) INCOME FROM OPERATIONS		(569,278)	1,207,165	2,102,272	2,792,573
Special commission income from time deposits	5	79,707	87,359	139,427	192,460
Special commission income from available for sale investments		241,070	289,916	507,884	565,599
Realized gain from available for sale investments		10,358	556,654	573,753	1,158,657
(LOSS) INCOME BEFORE ZAKAT		(238,143)	2,141,094	3,323,336	4,709,289
Zakat	12	(620,437)	(938,979)	(1,100,307)	(1,507,555)
NET (LOSS) INCOME FOR THE PERIOD		(858,580)	1,202,115	2,223,029	3,201,734
OTHER COMPREHENSIVE INCOME (LOSS) TO BE RECLASSIFIED SUBSEQUENTLY TO THE INCOME STATEMENT:					
Realized gain from available for sale investments transferred to income		(10,358)	(556,654)	(573,753)	(1,158,657)
Change in fair values of available for sale investments	8(ii)(b)	401,638	(1,418,498)	1,508,412	(1,264,382)
Net change in fair values of available for sale investments		391,280	(1,975,152)	934,659	(2,423,039)
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD		(467,300)	(773,037)	3,157,688	778,695
BASIC AND DILUTED (LOSS) EARNINGS PER SHARE FOR THE PERIOD	14	(0.07)	0.09	0.17	0.25

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 six month period ended 30 June 2014

	<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 2013	130,000,000	(63,766,512)	986,012	67,219,500
Net income for the period	-	3,201,734	-	3,201,734
Other comprehensive loss for the period	-	-	(2,423,039)	(2,423,039)
<i>Total comprehensive income for the period</i>	-	3,201,734	(2,423,039)	778,695
Balance as at 30 June 2013	130,000,000	(60,564,778)	(1,437,027)	67,998,195
Balance as at 1 January 2014	130,000,000	(58,728,974)	(789,870)	70,481,156
Net income for the period	-	2,223,029	-	2,223,029
Other comprehensive income for the period	-	-	934,659	934,659
<i>Total comprehensive income for the period</i>	-	2,223,029	934,659	3,157,688
Balance as at 30 June 2014	130,000,000	(56,505,945)	144,789	73,638,844

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

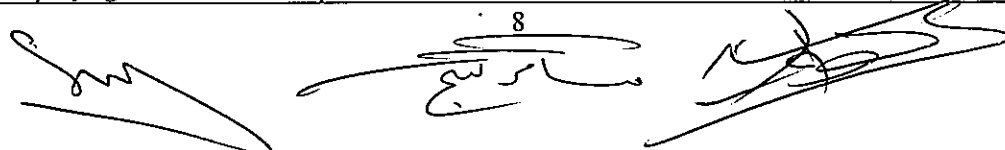
BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF INSURANCE OPERATIONS' CASH FLOWS (UNAUDITED)

	Note	For the six month period ended	
		30 June 2014 SR	30 June 2013 SR
OPERATING ACTIVITIES			
Net result for the period		350,377	427,150
<i>Adjustments for:</i>			
Surplus transferred to shareholders' operations		3,153,394	3,844,348
Depreciation		745,704	1,042,110
Provision for employees' end of service benefits		529,678	365,879
Allowance for of doubtful debts		4,864,601	1,733,032
Special commission income from time deposits		(629,293)	(308,841)
Special commission income from available for sale investments		(106,840)	(298,019)
Dividend income		(144,388)	-
Realized (gain) loss from available for sale investments		(1,354,833)	35,761
(Gain) loss on disposal of property and equipment		(17,701)	709
<i>Net surplus before changes in operating assets and liabilities</i>		<u>7,390,699</u>	<u>6,842,129</u>
<i>Changes in operating assets and liabilities:</i>			
Premiums and reinsurance balances receivable		(32,601,460)	(15,577,463)
Reinsurers' share of outstanding claims		(4,130,119)	(3,230,418)
Prepayments and other assets		1,626,062	(9,966,379)
Deferred policy acquisition costs		(6,602,213)	(3,242,783)
Reinsurers' share of unearned premiums		5,271,646	(15,307,769)
Gross outstanding claims		11,953,339	8,501,018
Reinsurance and insurance balances payable		5,146,110	11,856,371
Accrued expenses and other liabilities		1,062,524	710,359
Unearned reinsurance commission		1,682,770	1,279,410
Gross unearned premiums		59,355,985	30,632,186
Premium deficiency and other reserves		4,658,441	1,083,570
<i>Cash from operating activities</i>		<u>54,813,784</u>	<u>13,580,231</u>
Employees' end of service benefits paid		(31,776)	(95,766)
<i>Net cash from operating activities</i>		<u>54,782,008</u>	<u>13,484,465</u>
INVESTING ACTIVITIES			
Time deposits	6	(59,000,013)	(20,445,068)
Purchase of available for sale investments	8 (i)(b)	(22,692,176)	(2,370,000)
Proceeds from available for sale investments	8 (i)(b)	9,773,986	2,416,169
Purchase of held to maturity investments		-	(8,000,000)
Special commission income from time deposits		629,293	308,841
Special commission income from available for sale investments		106,840	298,019
Dividend income		144,388	-
Purchase of property and equipment		(958,486)	(674,549)
Proceeds from disposal of property and equipment		17,701	1,000
<i>Net cash used in investing activities</i>		<u>(71,978,467)</u>	<u>(28,465,588)</u>
FINANCING ACTIVITY			
Due from shareholders' operations		(428,483)	(2,239,233)
<i>Net cash used in financing activity</i>		<u>(428,483)</u>	<u>(2,239,233)</u>
DECREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the period		121,530,428	83,841,589
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	5	<u>103,905,486</u>	<u>66,621,233</u>
<i>Non-cash transactions:</i>			
Transfer of surplus to shareholders' comprehensive operations		3,153,394	3,844,348
<i>Net change in fair values of available for sale investments</i>		<u>803,441</u>	<u>(258,904)</u>

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

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BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF SHAREHOLDERS' CASH FLOWS (UNAUDITED)

	Note	For the six month period ended	
		30 June 2014 SR	30 June 2013 SR
OPERATING ACTIVITIES			
Income before zakat		3,323,336	4,709,289
<i>Adjustments for:</i>			
Surplus transferred from insurance operations		(3,153,394)	(3,844,348)
Special commission income from time deposits		(139,427)	(192,460)
Special commission income from available for sale investments		(507,884)	(565,599)
Realised gain from available for sale investments		(573,753)	(1,158,657)
Net deficit before changes in operating assets and liabilities		(1,051,122)	(1,051,775)
<i>Changes in operating assets and liabilities:</i>			
Prepayments and other assets		(290,501)	(104,791)
Statutory deposit		(86,709)	(46,393)
Accrued expenses and other liabilities		(76,471)	259,994
Due to a related party		(10,565)	14,000
<i>Cash used in operations</i>		(1,515,368)	(928,965)
Zakat paid	12	-	(2,111,164)
Net cash used in operating activities		(1,515,368)	(3,040,129)
INVESTING ACTIVITIES			
Special commission income from time deposits		139,427	192,460
Special commission income from available for sale investments		507,884	565,599
Purchase of available for sale investments	8(ii)(b)	(3,771,587)	(23,595,153)
Sale of available for sale investments	8(ii)(b)	7,972,732	24,882,141
Net cash from investing activities		4,848,456	2,045,047
FINANCING ACTIVITIES			
Due to insurance operations		428,483	2,239,233
Net cash from financing activities		428,483	2,239,233
INCREASE IN CASH AND CASH EQUIVALENTS		3,761,571	1,244,151
Cash and cash equivalents at the beginning of the period		13,523,880	33,870,831
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	17,285,451	35,114,982
<i>Non-cash transactions:</i>			
Transfer of surplus from insurance operations		(3,153,394)	(3,844,348)
Net change in fair values of available for sale investments		934,659	(2,423,039)

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 June 2014

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.

The Company is in the process of increasing its share capital through a rights issue which will increase the share capital of the Company from Saudi Riyals 130,000,000 to Saudi Riyals 250,000,000. As at the reporting date, conditional approvals have been obtained from the Saudi Arabian Monetary Agency ("SAMA"). The Company is in the process of obtaining approvals from other regulatory authorities.

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 six month period ended 30 June 2014 amounting to SR 3.5 million (30 June 2013: SR 4.3 million). Accordingly, 90% of the net surplus amounting to SR 3.1 million (30 June 2013: SR 3.8 million) has been transferred to the shareholders' operations.

Accumulated surplus at the end of the period is presented only under the six month period ended 30 June 2014 in the statement of comprehensive income.

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 three and six months period ended 30 June 2014 (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 2013.

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 June 2014

4 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS

The accounting and risk management policies adopted in the preparation of interim condensed financial statements are consistent with those used in the Company's audited financial statements for the year ended 31 December 2013, except for the adoption of following amendments and revisions to existing standards mentioned below which has had no financial impact on the interim condensed financial statements of the Company:

Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32

These amendments clarify the meaning of currently has a legally enforceable right to set-off^o and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. These amendments have no impact on the Company.

Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39

These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments have no impact to the Company as the Company has not entered transacted any derivative during the current or prior periods.

Recoverable Amount Disclosures for Non-Financial Assets – Amendments to IAS 36

These amendments remove the unintended consequences of IFRS 13 Fair Value Measurement on the disclosures required under IAS 36 Impairment of Assets. In addition, these amendments require disclosure of the recoverable amounts for the assets or cash-generating units (CGUs) for which an impairment loss has been recognised or reversed during the period.

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 financial statements are disclosed below:

IFRS 9 Financial Instruments

On 19 November 2013, the IASB issued a new version of IFRS 9 *Financial Instruments (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39)*. IFRS 9 (2013) which includes the new hedge accounting requirements and some related amendments to IAS 39 *Financial Instruments: Recognition and Measurement* and IFRS 7 *Financial Instruments: Disclosures*. IFRS 9 (2013) also replicates the amendments in IAS 39 in respect of novations. The standard does not have a mandatory effective date, but it is available for application now. A new mandatory effective date will be set when the IASB completes the impairment phase of its project on the accounting for financial statements. Entities may elect to apply only the accounting for gains and losses from own credit risk without applying the other requirements of IFRS 9 at the same time. An accounting policy choice to continue to apply the hedge accounting requirements of IAS 39 is available for of their hedging relationships. They may later change that policy and apply the hedge accounting requirements in IFRS 9 before they eventually become mandatory. This choice is intended to be removed when the IASB completes its project on accounting for macro hedging.

The Company has chosen not to early adopt the amendments and revisions to the International Financial Reporting Standards which have been published and are mandatory for compliance for the Company with effect from future dates.

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5 CASH AND CASH EQUIVALENTS

	<i>30 June 2014 (Unaudited)</i>		<i>31 December 2013 (Audited)</i>	
	<i>Insurance operations</i>	<i>Shareholders' operations</i>	<i>Insurance operations</i>	<i>Shareholders' operations</i>
	<i>SR</i>	<i>SR</i>	<i>SR</i>	<i>SR</i>
Cash in hand and at banks	103,905,486	7,160,181	113,655,218	13,523,880
Short term deposits	-	10,125,270	7,875,210	-
Cash and cash equivalents	<u>103,905,486</u>	<u>17,285,451</u>	<u>121,530,428</u>	<u>13,523,880</u>

Short term time deposits placed with local banks have an original maturity of less than three months from the date of acquisition and earned special commission income at an average rate of 0.83% per annum (2013: 0.65%). The carrying amounts disclosed above reasonably approximate their fair values at the reporting date.

6 TIME DEPOSITS

Time deposits amounting to SR 59,000,013 (31 December 2013: SR nil) are placed with counterparties which have investment grade credit ratings, as rated by international rating agencies.

Time deposits are placed with local and international banks with a maturity of more than three months from the date of original acquisition and earned special commission income at an average rate of 2.04% per annum (31 December 2013: nil).

The carrying amounts of the time deposits reasonably approximate their fair values at the reporting date.

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7 PREMIUMS AND REINSURANCE BALANCES RECEIVABLE, NET

Premiums and reinsurance balances receivable are comprised of the following:

	<i>30 June 2014</i> <i>(Unaudited)</i> <i>SR</i>	<i>31 December 2013</i> <i>(Audited)</i> <i>SR</i>
Premiums receivable	66,059,178	34,217,620
<i>Less: Allowance for doubtful debts</i>	<i>(12,489,785)</i>	<i>(7,909,106)</i>
	<u>53,569,393</u>	<u>26,308,514</u>
Reinsurance balances receivable	3,021,358	2,261,456
<i>Less: Allowance for doubtful debts</i>	<i>(1,103,629)</i>	<i>(819,707)</i>
	<u>1,917,729</u>	<u>1,441,749</u>
Total premiums and reinsurance balances receivable, net	<u>55,487,122</u>	<u>27,750,263</u>

8 INVESTMENTS

(i) Insurance operations (Available for sale)

(a) Available for sale ("AFS") investments amounting to SR 15,076,464 comprise of a portfolio of local quoted equity securities managed at the discretion of a locally regulated financial institution ("DPM"). There were no AFS investments as at 31 December 2013 held under the insurance operations.

(b) The movement during the period in AFS was as follows:

	<i>30 June 2014</i> <i>(Unaudited)</i> <i>SR</i>	<i>31 December 2013</i> <i>(Audited)</i> <i>SR</i>
At the beginning of the period / year	-	8,050,824
Purchased during the period / year	22,692,176	2,398,868
Sold during the period / year	<i>(9,773,986)</i>	<i>(10,440,440)</i>
	<u>12,918,190</u>	<u>9,252</u>
Change in fair values	<i>2,158,274</i>	<i>(9,252)</i>
At the end of the period / year	<u>15,076,464</u>	<u>-</u>

The cumulative change in fair value of this portfolio amounting to SR 803,441 (31 December 2013: SR Nil) is presented within 'insurance operations surplus' in the interim statement of financial position and the current period change in fair value has been reported in the interim statement of insurance comprehensive operations under 'other comprehensive income (loss) to be reclassified subsequently to the income statement'.

The Company accounts the gain / loss in the DPM portfolio as realised gains / loss once the individual securities within the DPM portfolio are sold. Accordingly, during the six month period ended 30 June 2014, the DPM manager sold SR 9.77 million of securities and realised a gain of SR 1.35 million which has been considered in the statement of comprehensive income of the insurance operations. The DPM portfolio at the end of 30 June 2014 comprised of SR 10.66 million of equity securities, SR 581 Thousands invested in an initial public offering and SR 3.84 million in cash.

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8 INVESTMENTS (continued)

(i) Insurance operations (Held to maturity)

(c) Held to Maturity ("HTM") investment amounting to SR 8,000,000 (31 December 2013 : 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 April 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 June 2014 was not materially different from its carrying value.

(ii) Shareholders operations

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

	Source of fair value	30 June 2014 (Unaudited) SR	31 December 2013 (Audited) SR
GCC bonds and sukus	Quoted	25,533,686	26,185,907
Units in local trading fund	NAV**	21,552,615	21,194,005
Units in local real estate funds	NAV**	4,678,925	4,782,400
Local equity investment	Quoted	-	2,295,647
Unquoted local equity investment	Unquoted	1,923,078	1,923,078
		<u>53,688,304</u>	<u>56,381,037</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 June 2014 (Unaudited) SR	31 December 2013 (Audited) SR
At the beginning of the period / year	56,381,037	34,540,378
Purchased during the period / year	3,771,587	48,877,553
Sold during the period / year	(7,972,732)	(26,874,265)
	<u>52,179,892</u>	<u>56,543,666</u>
Change in fair values	1,508,412	(162,629)
At the end of the period / year	<u>53,688,304</u>	<u>56,381,037</u>

The cumulative change in fair values of available for sale investments of shareholders' operations amounting to SR 144,789 (31 December 2013: SR (789,870)) is presented within shareholders' equity in the interim statement of financial position.

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. Accrued interest amounting to SR 243,810 (31 December 2013: SR 157,101) has been included under statutory deposit and accrued expenses and other liabilities.

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30 June 2014

10 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 June 2014 (Unaudited) SR</i>	<i>30 June 2013 (Unaudited) SR</i>
Shareholders	Gross written premiums	19,909,669	15,563,390
	Reinsurance premium ceded	(291,061)	(828,528)
	Gross claims incurred	(8,600,129)	(1,456,286)
	General and administrative expenses	(10,565)	(14,000)
Board of directors and committees' members	Remuneration fees, allowances and other expenses	(330,500)	(598,000)
	Gross written premiums	15,660,101	13,830,014
	Insurance brokerage contracts	(4,653,700)	(2,752,206)

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.

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 six month period ended 30 June</i>	
	<i>2014 (Unaudited) SR</i>	<i>2013 (Unaudited) SR</i>
Short-term benefits	1,396,860	1,527,953
End of service benefits	122,530	64,872
	<u>1,519,390</u>	<u>1,592,825</u>

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11 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>SR</i>	<i>Level 2</i> <i>SR</i>	<i>Level 3</i> <i>SR</i>	<i>Total</i> <i>SR</i>
<i>2014</i>				
GCC bonds and sukuks	20,033,686	5,500,000	-	25,533,686
Trading and real estate funds	-	26,231,540	-	26,231,540
Equities	15,076,464	-	1,923,078	16,999,542
	<u>35,110,150</u>	<u>31,731,540</u>	<u>1,923,078</u>	<u>68,764,768</u>
<i>2013</i>				
GCC bonds and sukuks	20,685,907	5,500,000	-	26,185,907
Trading and real estate funds	-	25,976,405	-	25,976,405
Equities	2,295,647	-	1,923,078	4,218,725
	<u>22,981,554</u>	<u>31,476,405</u>	<u>1,923,078</u>	<u>56,381,037</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 six-month period ended 30 June 2014, 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 were 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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12 ZAKAT

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

	<i>30 June 2014</i> <i>(Unaudited)</i> <i>SR</i>	<i>31 December 2013</i> <i>(Audited)</i> <i>SR</i>
At the beginning of the period / year	7,364,263	7,069,613
Provided for the period / year	1,000,255	1,761,388
Adjustments on prior years	100,052	644,426
Payments during the period / year	-	(2,111,164)
At the end of the period / year	<u>8,464,570</u>	<u>7,364,263</u>

Status of assessments

The Company has filed its zakat returns for all the years ended upto 31 December 2013.

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 the period, 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 100,052. However, the Company has filed an appeal with the DZIT. This appeal is in progress. The final assessment has not yet been carried out by the DZIT.

On review of the zakat return by the DZIT for the year ended 31 December 2011, a demand of SR 2,378,604 has been raised by the DZIT. However, the Company has filed an appeal with the DZIT. This appeal is in progress. The final assessment has not yet been carried out by the DZIT.

On review of the zakat return by the DZIT for the year ended 31 December 2012, an additional demand of SR 544,407 has been raised by the DZIT. However, the Company has filed an appeal with the DZIT. This appeal is in progress. The final assessment has not yet been carried out by the DZIT.

As at the reporting date, no demand or assessments have been carried out by the DZIT for the year ended 31 December 2013.

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13 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, special commission income on time deposits and investments, dividend income, gain or loss on property and equipment and investments.

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

Operating segments

<i>For the three month period ended 30 June 2014 (Unaudited)</i>	<i>Property SR</i>	<i>Motor SR</i>	<i>Marine SR</i>	<i>Medical SR</i>	<i>Others SR</i>	<i>Total SR</i>
Gross written premiums	8,929,013	49,243,138	5,080,409	54,658,456	2,679,378	120,590,394
Reinsurance premiums ceded	(8,327,960)	(12,328)	(3,739,761)	(536)	(1,845,556)	(13,926,141)
Excess of loss premiums	(67,166)	(602,000)	(221,325)	(220,000)	(89,050)	(1,199,541)
Net premiums written	533,887	48,628,810	1,119,323	54,437,920	744,772	105,464,712
Movement in unearned premiums, net	(125,037)	(5,516,321)	396,222	(39,320,469)	(273,554)	(44,839,159)
Net premiums earned	408,850	43,112,489	1,515,545	15,117,451	471,218	60,625,553
Reinsurance commission income	1,296,607	20,933	1,067,189	-	725,238	3,109,967
Policy fees	7,915	2,050,925	65,840	-	6,695	2,131,375
Total revenues	1,713,372	45,184,347	2,648,574	15,117,451	1,203,151	65,866,895
Net claims paid	(52,874)	(35,775,153)	(125,625)	(1,528,386)	(27,616)	(37,509,654)
Movement in outstanding claims, net	(160,800)	(3,076,962)	(637,725)	(169,298)	(108,562)	(4,153,347)
Movement in premium deficiency and other reserves, net	-	(1,642,037)	-	-	-	(1,642,037)
Net claims incurred	(213,674)	(40,494,152)	(763,350)	(1,697,684)	(136,178)	(43,305,038)
Policy acquisition costs	(843,612)	(3,998,405)	(326,020)	(1,917,071)	(321,482)	(7,406,590)
Inspection and supervision fees	(19,430)	(245,350)	(22,248)	(819,873)	(11,322)	(1,118,223)
Other underwriting expenses	(36,450)	(292,194)	-	(1,722,191)	-	(2,050,835)
Total underwriting costs	(1,113,166)	(45,030,101)	(1,111,618)	(6,156,819)	(468,982)	(53,880,686)
Net underwriting surplus	600,206	154,246	1,536,956	8,960,632	734,169	11,986,209
Unallocated expenses						(13,582,981)
Unallocated income						1,465,544
Deficit from insurance operations						(131,228)

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13 SEGMENT INFORMATION (continued)

Operating segments

<i>For the three month period ended 30 June 2013 (Unaudited)</i>	<i>Property SR</i>	<i>Motor SR</i>	<i>Marine SR</i>	<i>Medical SR</i>	<i>Others SR</i>	<i>Total SR</i>
Gross written premiums	4,427,814	30,959,456	4,479,847	28,490,182	1,319,373	69,676,672
Reinsurance premiums ceded	(4,092,272)	(986)	(3,323,884)	(11,186,898)	(1,047,430)	(19,651,470)
Excess of loss premiums	(27,320)	(618,750)	(183,141)	-	(19,885)	(849,096)
Net premiums written	308,222	30,339,720	972,822	17,303,284	252,058	49,176,106
Movement in unearned premiums, net	(23,112)	2,826,978	813,567	(8,387,602)	236,025	(4,534,144)
Net premiums earned	285,110	33,166,698	1,786,389	8,915,682	488,083	44,641,962
Reinsurance commission income	953,557	21,040	1,886,286	-	728,516	3,589,399
Policy fees	2,700	1,038,235	47,720	-	2,060	1,090,715
Total revenues	1,241,367	34,225,973	3,720,395	8,915,682	1,218,659	49,322,076
Net claims paid	(368,074)	(25,781,331)	(569,311)	(270,845)	(163,972)	(27,153,533)
Movement in outstanding claims, net	(248,007)	(1,101,794)	1,780,908	(2,040,622)	(120,982)	(1,730,497)
Movement in premium deficiency and other reserves, net	617,913	(281,842)	-	-	(64,951)	271,120
Net claims incurred	1,832	(27,164,967)	1,211,597	(2,311,467)	(349,905)	(28,612,910)
Policy acquisition costs	(423,198)	(2,861,668)	(584,827)	(1,442,730)	(315,879)	(5,628,302)
Inspection and supervision fees	(12,007)	(154,484)	(20,828)	(427,353)	(5,556)	(620,228)
Other underwriting expenses	(43,900)	(174,170)	-	(1,040,232)	-	(1,258,302)
Total underwriting costs	(477,273)	(30,355,289)	605,942	(5,221,782)	(671,340)	(36,119,742)
Net underwriting surplus	764,094	3,870,684	4,326,337	3,693,900	547,319	13,202,334
Unallocated expenses						(11,624,001)
Unallocated income						309,226
Surplus from insurance operations						1,887,559

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13 SEGMENT INFORMATION (continued)

Operating segments

<i>For the six month period ended 30 June 2014 (Unaudited)</i>	<i>Property SR</i>	<i>Motor SR</i>	<i>Marine SR</i>	<i>Medical SR</i>	<i>Others SR</i>	<i>Total SR</i>
Gross written premiums	16,891,271	113,961,796	9,784,622	61,241,382	8,643,876	210,522,947
Reinsurance premiums ceded	(15,546,889)	(14,927)	(6,702,264)	(340)	(6,536,081)	(28,800,501)
Excess of loss premiums	(95,541)	(1,501,137)	(442,650)	(440,000)	(178,100)	(2,657,428)
Net premiums written	1,248,841	112,445,732	2,639,708	60,801,042	1,929,695	179,065,018
Movement in unearned premiums, net	(516,628)	(31,025,977)	(328,406)	(31,799,149)	(957,471)	(64,627,631)
Net premiums earned	732,213	81,419,755	2,311,302	29,001,893	972,224	114,437,387
Reinsurance commission income	2,390,771	40,663	1,992,220	-	1,452,614	5,876,268
Policy fees	20,115	4,418,815	128,845	-	13,240	4,581,015
Total revenues	3,143,099	85,879,233	4,432,367	29,001,893	2,438,078	124,894,670
Net claims paid	(264,305)	(64,566,912)	(301,663)	(3,013,211)	(214,796)	(68,360,887)
Movement in outstanding claims, net	(206,350)	(6,626,521)	(502,064)	(209,591)	(278,694)	(7,823,220)
Movement in premium deficiency and other reserves, net	-	(4,658,441)	-	-	-	(4,658,441)
Net claims incurred	(470,655)	(75,851,874)	(803,727)	(3,222,802)	(493,490)	(80,842,548)
Policy acquisition costs	(1,337,866)	(7,145,752)	(528,234)	(4,005,999)	(635,655)	(13,653,506)
Inspection and supervision fees	(41,604)	(568,469)	(43,750)	(918,617)	(37,776)	(1,610,216)
Other underwriting expenses	(84,970)	(631,545)	-	(3,038,051)	-	(3,754,566)
Total underwriting costs	(1,935,095)	(84,197,640)	(1,375,711)	(11,185,469)	(1,166,921)	(99,860,836)
Net underwriting surplus	1,208,004	1,681,593	3,056,656	17,816,424	1,271,157	25,033,834
Unallocated expenses						(23,783,118)
Unallocated income						2,253,055
Surplus from insurance operations						<u>3,503,771</u>

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(UNAUDITED) (continued)

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13 SEGMENT INFORMATION (continued)

Operating segments

For the six month period ended
30 June 2013
(Unaudited)

	Property SR	Motor SR	Marine SR	Medical SR	Others SR	Total SR
Gross written premiums	12,623,065	65,051,166	10,594,895	55,828,278	6,003,078	150,100,482
Reinsurance premiums ceded	(11,662,459)	(62,705)	(7,469,404)	(21,689,773)	(5,190,102)	(46,074,443)
Excess of loss premiums	(54,640)	(1,237,500)	(366,282)	-	(39,770)	(1,698,192)
Net premiums written	905,966	63,750,961	2,759,209	34,138,505	773,206	102,327,847
Movement in unearned premiums, net	(380,069)	6,278,465	29,178	(21,441,906)	189,915	(15,324,417)
Net premiums earned	525,897	70,029,426	2,788,387	12,696,599	963,121	87,003,430
Reinsurance commission income	1,920,038	44,111	2,790,675	-	1,419,300	6,174,124
Policy fees	8,605	2,091,519	108,350	-	5,970	2,214,444
Total revenues	2,454,540	72,165,056	5,687,412	12,696,599	2,388,391	95,391,998
Net claims paid	(410,993)	(55,477,189)	(629,624)	(727,407)	(278,535)	(57,523,748)
Movement in outstanding claims, net	(945,243)	3,183,942	1,692,646	(2,279,423)	(186,560)	1,465,362
Movement in premium deficiency and other reserves, net	(736,777)	(281,842)	-	-	(64,951)	(1,083,570)
Net claims incurred	(2,093,013)	(52,575,089)	1,063,022	(3,006,830)	(530,046)	(57,141,956)
Policy acquisition costs	(852,265)	(6,469,249)	(808,117)	(2,060,356)	(615,179)	(10,805,166)
Inspection and supervision fees	(35,999)	(324,633)	(49,254)	(837,424)	(27,114)	(1,274,424)
Other underwriting expenses	(51,500)	(342,774)	-	(1,539,454)	-	(1,933,728)
Total underwriting costs	(3,032,777)	(59,711,745)	205,651	(7,444,064)	(1,172,339)	(71,155,274)
Net underwriting surplus (deficit)	(578,237)	12,453,311	5,893,063	5,252,535	1,216,052	24,236,724
Unallocated expenses						(20,572,086)
Unallocated income						606,860
Surplus from insurance operations						4,271,498

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

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

30 June 2014

13 SEGMENT INFORMATION (continued)

Operating segments

As at 30 June 2014

	<i>Property SR</i>	<i>Motor SR</i>	<i>Marine SR</i>	<i>Medical SR</i>	<i>Others SR</i>	<i>Total SR</i>
ASSETS						
Reinsurers' share of unearned premiums	10,593,804	1,211	3,751,617	2,082,139	6,336,895	22,765,666
Reinsurers' share of outstanding claims	17,011,798	2,662,370	6,616,677	5,047,316	11,557,962	42,896,123
Deferred policy acquisition costs	1,105,412	8,765,486	297,676	6,052,117	912,867	17,133,558
SEGMENT ASSETS	28,711,014	11,429,067	10,665,970	13,181,572	18,807,724	82,795,347
Unallocated assets						254,190,013
TOTAL ASSETS						336,985,360
LIABILITIES						
Gross unearned premiums	11,511,466	98,030,441	5,097,105	61,583,218	7,964,019	184,186,249
Gross outstanding claims	18,780,478	43,389,424	10,228,726	10,964,417	13,317,630	96,680,675
Unearned reinsurance commission	2,414,495	91	1,357,334	-	1,716,716	5,488,636
Premium deficiency and other reserves	100,000	9,360,587	-	-	-	9,460,587
SEGMENT LIABILITIES	32,806,439	150,780,543	16,683,165	72,547,635	22,998,365	295,816,147
Unallocated liabilities						41,169,213
TOTAL LIABILITIES						336,985,360

Operating segments

As at 31 December 2013 (Audited)

	<i>Property SR</i>	<i>Motor SR</i>	<i>Marine SR</i>	<i>Medical SR</i>	<i>Others SR</i>	<i>Total SR</i>
ASSETS						
Reinsurers' share of unearned premiums	5,809,175	528,453	2,524,448	13,492,819	5,682,417	28,037,312
Reinsurers' share of outstanding claims	13,043,722	3,409,224	5,738,083	8,464,853	8,110,122	38,766,004
Deferred policy acquisition costs	564,176	5,034,139	200,747	4,035,325	696,958	10,531,345
SEGMENT ASSETS	19,417,073	8,971,816	8,463,278	25,992,997	14,489,497	77,334,661
Unallocated assets						174,139,810
TOTAL ASSETS						251,474,471
LIABILITIES						
Gross unearned premiums	6,210,209	67,531,706	3,541,530	41,194,749	6,352,070	124,830,264
Gross outstanding claims	14,606,052	37,509,757	8,848,068	14,172,362	9,591,097	84,727,336
Unearned reinsurance commission	1,312,149	39,634	919,126	-	1,534,957	3,805,866
Premium deficiency and other reserves	100,000	4,702,146	-	-	-	4,802,146
SEGMENT LIABILITIES	22,228,410	109,783,243	13,308,724	55,367,111	17,478,124	218,165,612
Unallocated liabilities						33,308,859
TOTAL LIABILITIES						251,474,471

BURUJ COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (continued)

30 June 2014

14 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share for the period has been calculated by dividing the net income for the period by the ordinary issued and outstanding shares at the period end of 13 million shares.

15 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements have been approved by the Board of Directors on 18 Ramadan 1435H, (corresponding to 15 July 2014).