

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

**UNAUDITED INTERIM CONDENSED
FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED
30 JUNE 2010**

SAUDI ARABIAN COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2010

INDEX	PAGE
Limited review report	1
Interim statement of financial position	2-3
Interim statement of insurance operations and accumulated surplus	4
Interim statement of shareholders' comprehensive operations	5
Interim statement of changes in shareholders' equity	6
Interim statement of insurance operations' cash flows	7
Interim statement of shareholders' cash flows	8
Notes to the interim condensed financial statements	9 –17

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

We have reviewed the accompanying interim statement of financial position of Saudi Arabian Cooperative Insurance Company (A Saudi Joint Stock Company) (the "Company") as at 30 June 2010, and the related interim statements of insurance operations and accumulated surplus and shareholders' comprehensive operations for the three months and six months then ended, and the interim statements of changes in shareholders' equity, insurance operations' cash flows and shareholders' cash flows for the six months 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:

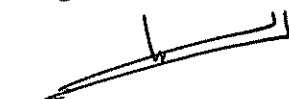
Based on our limited review, we are not aware of any material modifications that should be made to the accompanying interim condensed financial statements for them to be in conformity with IAS 34.

EMPHASIS OF MATTERS:

We draw attention to the following:

- 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.
- Note 2 to these interim condensed financial statements in relation to the asset purchase agreement and transfer of insurance portfolio.

Ernst & Young
P. O. Box 2732
Riyadh 11461
Kingdom of Saudi Arabia



Fahad M. Al Toaimi
Certified Public Accountant
Registration No. 354

Deloitte & Touche
Bakr Abulkhair & Co.
P. O. Box 213
Riyadh 11411
Kingdom of Saudi Arabia



Ehsan A. Makhdom
Certified Public Accountant
Registration No. 358

6 Sha'aban 1431H
(18 July 2010)



SAUDI ARABIAN COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2010

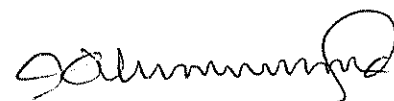
	30 June 2010 (Unaudited) SR	31 December 2009 (Audited) SR
INSURANCE OPERATIONS' ASSETS		
Property and equipment, net	4,660,685	3,578,206
Reinsurers' share of outstanding claims	10,670,662	172,616
Reinsurers' share of unearned premiums	61,439,659	21,114,590
Deferred policy acquisition costs	21,749,939	5,465,916
Premiums and insurance balances receivable	95,376,802	30,995,914
Prepayments and other assets	2,857,869	5,344,340
Due from related parties	7 98,956,319	32,450,336
Cash and cash equivalents	5 21,514,435	20,522,957
TOTAL INSURANCE OPERATIONS' ASSETS	317,226,370	119,644,875
SHAREHOLDERS' ASSETS		
Statutory deposit	10,000,000	10,000,000
Due from insurance operations	5,820,794	14,791,630
Prepayments and other assets	589,883	490,416
Time deposits	6 54,393,779	-
Cash and cash equivalents	5 14,353,643	58,641,360
TOTAL SHAREHOLDERS' ASSETS	85,158,099	83,923,406
TOTAL ASSETS	402,384,469	203,568,281



R.VENKATESH
CHIEF ACCOUNTANT



HASSAN ABDULLA DORAR ALI
GENERAL MANAGER



ABDULAZIZ A. ABUSSUUD
BOARD MEMBER

The interim condensed financial statements were authorised for issue in accordance with a resolution of the directors on 6 Sha'aban 1431H corresponding to 18 July 2010

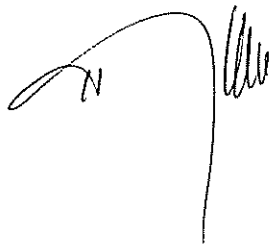
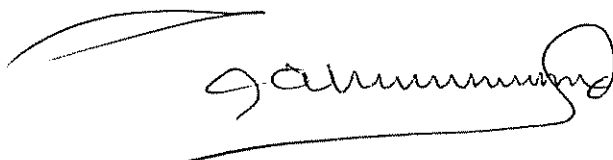
The accompanying notes 1 to 10 form part of these interim condensed financial statements.

SAUDI ARABIAN COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF FINANCIAL POSITION (Continued)
AT 30 JUNE 2010

	30 June 2010 (Unaudited) SR	31 December 2009 (Audited) SR
INSURANCE OPERATIONS' LIABILITIES		
Gross outstanding claims	41,956,905	2,948,261
Gross unearned premiums	184,441,410	56,588,932
Unearned commission income	12,302,919	4,017,122
Due to related parties	11,110,909	6,139,389
Employees' end-of-service benefits	1,228,949	557,957
Reinsurance balances payable	41,693,224	21,963,395
Accrued expenses and other liabilities	18,325,433	12,638,189
Due to shareholders operations	5,820,794	14,791,630
	<u>316,880,543</u>	<u>119,644,875</u>
INSURANCE OPERATIONS' SURPLUS		
Accumulated surplus	345,827	-
	<u>317,226,370</u>	<u>119,644,875</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Share capital	100,000,000	100,000,000
Accumulated losses	(16,335,326)	(18,458,230)
	<u>83,664,674</u>	<u>81,541,770</u>
SHAREHOLDERS' LIABILITIES		
Zakat payable	925,687	1,833,042
Accounts payable	567,738	548,594
	<u>1,493,425</u>	<u>2,381,636</u>
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	<u>85,158,099</u>	<u>83,923,406</u>
TOTAL INSURANCE OPERATIONS' LIABILITIES AND SURPLUS, SHAREHOLDERS' EQUITY AND LIABILITIES	<u>402,384,469</u>	<u>203,568,281</u>

R. Venkataru

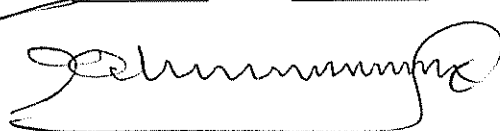



SAUDI ARABIAN COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF INSURANCE OPERATIONS AND ACCUMULATED
SURPLUS (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2010

	<i>Three months ended 30 June 2010 SR</i>	<i>Six months ended 30 June 2010 SR</i>
REVENUE		
Gross written premiums	123,177,110	265,059,449
Reinsurance premium ceded	(38,496,570)	(97,647,274)
Excess of loss premiums ceded	(2,622,776)	(5,193,125)
NET WRITTEN PREMIUMS	<u>82,057,764</u>	<u>162,219,050</u>
Movement in unearned premiums	(35,199,816)	(87,527,409)
NET PREMIUMS EARNED	<u>46,857,948</u>	<u>74,691,641</u>
Commission income	7,543,734	13,099,514
Other income	701,905	2,520,103
TOTAL REVENUE	<u>55,103,587</u>	<u>90,311,258</u>
COST AND EXPENSES		
Gross claims paid	(16,147,359)	(21,145,277)
Reinsurance share of claims paid	2,137,199	2,812,887
Net claims paid	<u>(14,010,160)</u>	<u>(18,332,390)</u>
Movement in outstanding claims	(18,572,122)	(28,510,598)
Net claims incurred	<u>(32,582,282)</u>	<u>(46,842,988)</u>
Policy acquisition costs	(10,771,007)	(19,646,483)
General and administration expenses	(9,736,991)	(18,027,177)
Inspection and supervision fees	(1,392,391)	(2,336,344)
TOTAL COST AND EXPENSES	<u>(54,482,671)</u>	<u>(86,852,992)</u>
NET SURPLUS FROM INSURANCE OPERATIONS	<u>620,916</u>	<u>3,458,266</u>
Shareholders' appropriation from surplus	(558,824)	(3,112,439)
Surplus from insurance operations after shareholders' appropriation	<u>62,092</u>	<u>345,827</u>
Accumulated surplus, beginning of period	<u>283,735</u>	<u>-</u>
ACCUMULATED SURPLUS, END OF THE PERIOD	<u>345,827</u>	<u>345,827</u>

R. Venkatesh

The accompanying notes 1 to 10 form part of these interim condensed financial statements.

SAUDI ARABIAN COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF SHAREHOLDERS' COMPREHENSIVE OPERATIONS
(UNAUDITED)

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>June 30</i>			
	2010	2009	2010	2009
<i>Note</i>	<i>SR</i>			
Appropriation of surplus from insurance operations	558,824	-	3,112,439	-
EXPENSES				
General and administration	(137,561)	(1,252,291)	(259,874)	(3,062,007)
OPERATING PROFIT / (LOSS)	421,263	(1,252,291)	2,852,565	(3,062,007)
Special commission income	66,774	51,892	119,586	188,823
PROFIT / (LOSS) BEFORE ZAKAT	488,037	(1,200,399)	2,972,151	(2,873,184)
Zakat	(349,247)	(559,429)	(849,247)	(1,118,859)
NET PROFIT / (LOSS) FOR THE PERIOD	138,790	(1,759,828)	2,122,904	(3,992,043)
Basic and diluted earnings / (loss) per share for the period	10	0.014	(0.176)	0.212
		(0.399)		

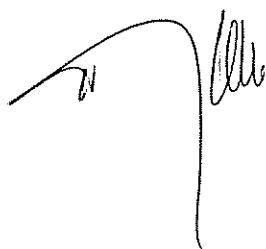
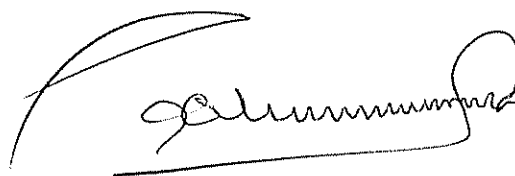
R. Venkatesh

The accompanying notes 1 to 10 form part of these interim condensed financial statements.

SAUDI ARABIAN COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(UNAUDITED)

	<i>Share capital SR</i>	<i>Accumulated losses SR</i>	<i>Total SR</i>
Balance at 31 December 2008	100,000,000	(10,070,609)	89,929,391
Net loss for the period	-	(3,992,043)	(3,992,043)
Balance at 30 June 2009	<u>100,000,000</u>	<u>(14,062,652)</u>	<u>85,937,348</u>
Balance at 31 December 2009	100,000,000	(18,458,230)	81,541,770
Net profit for the period	-	2,122,904	2,122,904
Balance at 30 June 2010	<u>100,000,000</u>	<u>(16,335,326)</u>	<u>83,664,674</u>

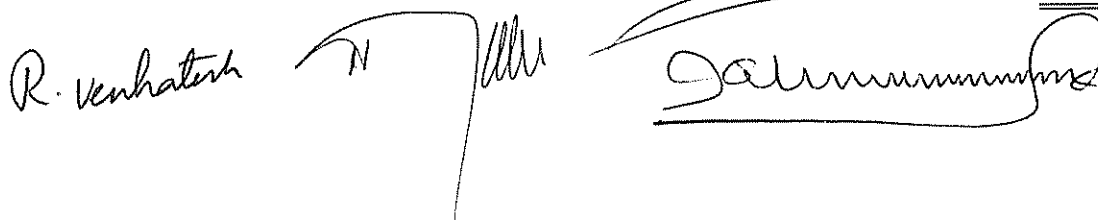
R. Venkatesh

SAUDI ARABIAN COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF INSURANCE OPERATIONS CASH FLOWS
(UNAUDITED)
FOR THE SIX MONTHS ENDED 30 JUNE 2010

	Note	Six months ended 30 June 2010 SR
OPERATING ACTIVITIES		
Accumulated surplus, end of the period		345,827
Adjustments for:		
Depreciation		830,774
Provision for doubtful receivables		2,418,333
Employees' end-of-service benefits, net		670,992
Shareholders' appropriation from surplus		3,112,439
		7,378,365
Income before changes in operating assets and liabilities:		
Changes in operating assets and liabilities:		
Reinsurers' share of outstanding claims		(10,498,046)
Reinsurers' share of unearned premiums		(40,325,069)
Deferred policy acquisition costs		(16,284,023)
Premiums and insurance balances receivable		(66,799,221)
Prepayments and other assets		2,486,471
Due from related parties		(66,505,983)
Gross outstanding claims		39,008,644
Gross unearned premiums		127,852,478
Unearned commission income		8,285,797
Accrued expenses and other liabilities		5,687,244
Reinsurance balances payable		19,729,829
Due to shareholders' operations		(12,083,275)
Due to related parties		4,971,520
		2,904,731
Net cash from operating activities		
INVESTING ACTIVITIES		
Purchase of property and equipment		(1,913,253)
		(1,913,253)
Net cash used in investing activities		
INCREASE IN CASH AND CASH EQUIVALENTS		991,478
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		20,522,957
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	21,514,435



SAUDI ARABIAN COOPERATIVE INSURANCE COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM STATEMENT OF SHAREHOLDERS' CASH FLOWS (UNAUDITED)

	Note	Six months ended 30 June 2010 SR	Six months ended 30 June 2009 SR
OPERATING ACTIVITIES			
Profit / (loss) before zakat		2,972,151	(2,873,184)
Adjustments for:			
Depreciation		-	506,399
Employee end-of-service benefits		-	32,511
Shareholders' appropriation from surplus		(3,112,439)	-
Loss before changes in operating assets and liabilities:		(140,288)	(2,334,274)
Changes in operating assets and liabilities:			
Prepayments and other assets		(99,467)	(941,610)
Accounts payable		19,144	(89,939)
Due to a related party		-	4,595,841
Due from insurance operations		12,083,275	-
Cash from operating activities		11,862,664	1,230,018
Zakat paid		(1,756,602)	(2,013,801)
Net cash from / (used in) operating activities		10,106,062	(783,783)
INVESTING ACTIVITIES			
Time deposits		(54,393,779)	-
Purchase of property and equipment		-	(1,440,792)
Net cash used in investing activities		(54,393,779)	(1,440,792)
DECREASE IN CASH AND CASH EQUIVALENTS		(44,287,717)	(2,224,575)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		58,641,360	80,871,305
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		14,353,643	78,646,730




Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

For the six months ended 30 June 2010

1 ORGANISATION AND PRINCIPAL ACTIVITIES

Saudi Arabian Cooperative Insurance Company ("the Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia under Commercial Registration No 1010237214 dated 7 Shaban 1428H, corresponding to 20 August 2007. The registered office address of the Company is at P.O. Box 58073, Riyadh 11594, Kingdom of Saudi Arabia. The objective of the Company is to transact cooperative insurance operations 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 Saudi Stock Exchange (Tadawul) on 3 September 2007.

The Company commenced insurance operations on 4 Ramadan 1430H (corresponding to 25 August 2009). Accordingly, comparative figures are not included in the interim statements of insurance operations and insurance operations cash flows.

2 ASSET PURCHASE AGREEMENT AND TRANSFER OF INSURANCE PORTFOLIO

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

Following the completion of the public offering on 28 May 2007, the Ministry of Commerce and Industry (MOCI) issued a resolution declaring the incorporation of the Company on 21 Rajab 1428H corresponding to 5 August 2007.

On 29 Shaban 1428H, corresponding to 11 September 2007, the Saudi Arabian Monetary Agency issued a formal approval to transact insurance business, thus authorising the Company to commence operations as soon as product approval and related formalities are completed.

The Company intends to enter into an asset purchase agreement (the Agreement), pursuant to which it is expected to offer to purchase the insurance business and related net assets of Saudi Arabian Insurance Company B.S.C (C)'s operations in the Kingdom of Saudi Arabia (the Saudi operations) at a valuation to be approved by Saudi Arabian Monetary Agency.

The Company convened a general assembly meeting on 26 August 2009 and approved the purchase of the insurance portfolio and related net assets of the Saudi Arabian Insurance Company B.S.C (C) operations in the Kingdom of Saudi Arabia. The related assets and liabilities to be acquired will be determined and valued in accordance with the valuation program issued by SAMA in May 2007. The company is planning to transfer the assets and liabilities with effect from 1 January 2009. The transfer will be effected when all the required formalities have been completed.

3 BASIS OF PREPARATION

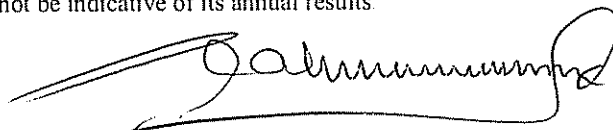
The interim condensed financial statements for the six months ended 30 June 2010 have been prepared in accordance with IAS – 34 Interim Financial Reporting.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2009.

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







Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

For the six months ended 30 June 2010

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting 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 2009. The new standards, amendments to standards and interpretations which are mandatory for the first time for the financial year beginning 1 January 2010, did not result in material amendments to the presentation and disclosure of the accompanying interim condensed financial statements

5 CASH AND CASH EQUIVALENTS

For the purpose of the interim statement of insurance operations' cash flows and shareholders' cash flows, cash and cash equivalents comprise of the following:

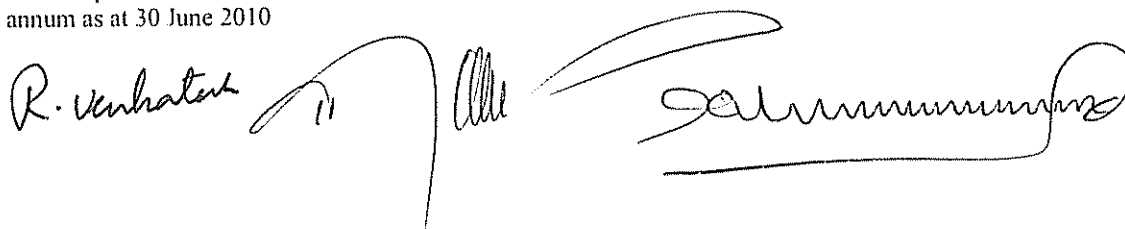
	30 June 2010 (Unaudited)		31 December 2009 (Audited)	
	Insurance Operations SR	Shareholders Operations SR	Insurance Operations SR	Shareholders Operations SR
Cash at banks	21,503,435	10,328,749	20,511,957	351,899
Time deposits	-	4,024,894	-	58,289,461
Cash on hand	11,000	-	11,000	-
	<u>21,514,435</u>	<u>14,353,643</u>	<u>20,522,957</u>	<u>58,641,360</u>

Bank current accounts and short-term time deposits are placed with counterparties who have investment grade credit ratings. The time deposits, which are denominated in Saudi Riyals, are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company, and earn commission at an effective commission rate of 0.12% per annum (31 December 2009: 0.41% per annum).

6 TIME DEPOSITS

Time deposits represent deposits with local banks which have investment grade credit ratings and have an original maturity of more than three months from date of acquisition.

Time deposits which are denominated in Saudi Riyals are subject to an average commission rate of 0.43% per annum as at 30 June 2010



Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

For the six months ended 30 June 2010

7 RELATED PARTY TRANSACTIONS AND BALANCES

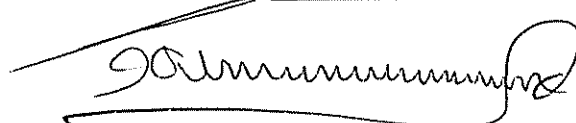
The following are the details of major related party transactions during the period and the related balances at the end of the period/year:

<i>Related party</i>	<i>Nature of transaction</i>	<i>For the six months ended 30 June 2010 (Unaudited) SR</i>	<i>For the six months ended 30 June 2009 (Unaudited) SR</i>
Saudi Arabian Insurance Company B S C (C) (Shareholder)	- Property and equipment acquired on behalf of the Company	-	1,440,793
	- Amounts received and paid on behalf of SAICO BSC (C)	44,360,693	11,055,729
ACE Agents	- Premiums received on behalf of ACE Agents	110,743,471	-
	- Claims paid on behalf of ACE Agents	9,611,873	-
	- Commission expense	23,893,073	-
ACE Limited	- Premiums and claims for the related party	62,947	-
ACE brokers and reinsurance brokers	- Premiums ceded net of commission	11,833,400	-
Key management personnel	- Employees' benefits	321,700	-
Board members	- Reimbursement of expenses to board members	29,875	-

Balances with related parties at the interim statement of financial position date are:

		<i>30 June 2010 (Unaudited) SR</i>	<i>31 December 2009 (Audited) SR</i>
Saudi Arabian Insurance Company B S C (C)	- Insurance operations	60,505,195	4,596,050
ACE Agents	- Insurance operations	23,901,816	27,854,286
ACE Limited	- Insurance operations	(11,110,909)	(6,059,380)
ACE brokers and reinsurance brokers	- Insurance operations	14,549,308	(80,009)





Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED)

For the six months ended 30 June 2010

8 SEGMENTAL INFORMATION

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

Segment results do not include general and administration expenses and other income

Segment assets do not include insurance operations' property and equipment, prepayments and other assets, due from related parties, premiums and insurance balances receivable and cash and cash equivalents. Accordingly they are included in unallocated assets

Segment liabilities do not include insurance operations' unearned commission income, due to shareholders operations, employees' end-of-service benefits, reinsurance balances payable, accrued expenses and other liabilities and due to related parties. Accordingly they are included in unallocated liabilities

All of the company's operating assets and principal activities are located in the Kingdom of Saudi Arabia



The image shows three handwritten signatures in black ink. The first signature on the left is 'R. Venkatesh'. The second signature in the middle is a stylized, cursive signature. The third signature on the right is a long, horizontal signature with a large loop at the end.

Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

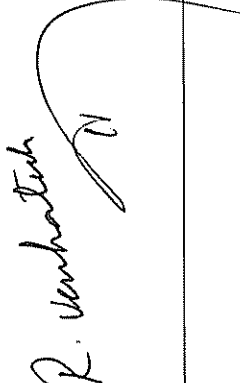
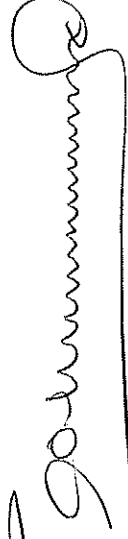
For the six months ended 30 June 2010

8 SEGMENTAL INFORMATION (continued)

The Company commenced insurance operations on 4 Ramadan 1430H (corresponding to 25 August 2009). Accordingly, no comparative information is provided in the segmental information.

Operating segments

REVENUE	For the six months ended 30 June 2010 (Unaudited)							Total SR'000
	Medical SR'000	Motor SR'000	Fire & burglary SR'000	Marine SR'000	Engineering SR'000	Public liability SR'000	Others SR'000	
Gross written premiums	100,126	59,527	35,141	23,316	18,208	10,499	18,242	265,059
Reinsurance premium ceded	(15,286)	(278)	(28,477)	(21,770)	(16,580)	(3,146)	(12,110)	(97,647)
Excess of loss premiums ceded	(2,121)	(1,111)	(1,186)	(277)	(290)	(138)	(70)	(5,193)
Net written premiums	82,719	58,138	5,478	1,269	1,338	7,215	6,062	162,219
Movement in unearned premium	(44,576)	(31,691)	(3,539)	(327)	(772)	(3,383)	(3,239)	(87,527)
Net premiums earned	38,143	26,447	1,939	942	566	3,832	2,823	74,692
Commission income	-	41	4,551	4,115	2,148	370	1,874	13,099
Total allocated revenue	38,143	26,488	6,490	5,057	2,714	4,202	4,697	87,791
Unallocated revenue								2,520
Total revenue								90,311

R. Venkatesh



Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

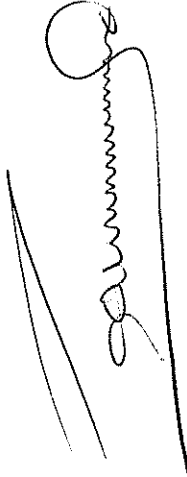
For the six months ended 30 June 2010

8 SEGMENTAL INFORMATION (continued)

For the six months ended
30 June 2010
(Unaudited)

	Medical SR'000	Motor SR'000	Fire & burglary SR'000	Marine SR'000	Engineering SR'000	Public liability SR'000	Others SR'000	Total SR'000
Gross claims paid	(7,929)	(12,230)	(193)	(656)	(63)	(2)	(71)	(21,144)
Reinsurance share	2,038	16	123	570	44	0	21	2,812
Net claims paid	(5,891)	(12,214)	(70)	(86)	(19)	(2)	(50)	(18,332)
Movement in outstanding claims	(18,827)	(7,573)	(1,397)	(240)	(33)	-	(441)	(28,511)
Net claims incurred	(24,718)	(19,787)	(1,467)	(326)	(52)	(2)	(491)	(46,843)
Policy acquisition cost	(4,556)	(5,371)	(3,904)	(2,399)	(1,304)	(1,028)	(1,084)	(19,646)
Total allocated expenses	(29,274)	(25,158)	(5,371)	(2,725)	(1,356)	(1,030)	(1,575)	(66,489)
Unallocated expenses								(20,364)
Total cost and expenses								(86,853)
Net surplus from insurance operations								3,458





Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

For the six months ended 30 June 2010

8 SEGMENTAL INFORMATION (Continued)

	30 June 2010 (Unaudited)						Total SR'000
	Medical SR'000	Motor SR'000	Fire & burglary SR'000	Marine SR'000	Engineering SR'000	Public liability SR'000	
ASSETS							
Reinsurers' share of unearned premiums	11,659	232	19,479	9,613	9,828	2,466	61,440
Reinsurers' share of outstanding claims	2,176	10	3,765	954	194	-	10,671
Deferred policy acquisition costs	4,253	8,131	4,110	1,349	1,516	1,059	21,750
SEGMENT ASSETS	<u>18,088</u>	<u>8,373</u>	<u>27,354</u>	<u>11,916</u>	<u>11,538</u>	<u>3,525</u>	<u>93,861</u>
Unallocated assets							<u>223,365</u>
TOTAL ASSETS							<u>317,226</u>
LIABILITIES							
Gross unearned premium	77,480	43,896	24,114	10,005	10,673	6,496	184,441
Unearned commission income	-	45	4,770	2,250	2,666	392	12,303
Gross outstanding claims	23,379	7,963	5,161	1,212	227	-	41,957
SEGMENT LIABILITIES	<u>100,859</u>	<u>51,904</u>	<u>34,045</u>	<u>13,467</u>	<u>13,566</u>	<u>6,888</u>	<u>238,701</u>
Unallocated liabilities							<u>78,180</u>
TOTAL LIABILITIES							<u>316,881</u>

R. Venkatesh
Saurabh

Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)


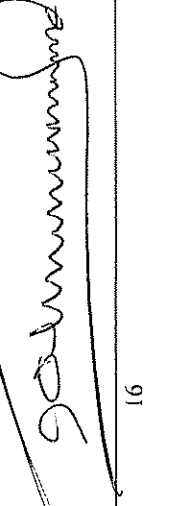
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

For the six months ended 30 June 2010

8 SEGMENTAL INFORMATION (continued)

	31 December 2009 – Restated (Audited)							Total SR'000
	Medical SR'000	Motor SR'000	Fire & burglary SR'000	Marine SR'000	Engineering SR'000	Public liability SR'000	Others SR'000	
ASSETS								
Reinsurers' share of unearned premiums	1,526	61	10,872	760	1,645	1,932	4,319	21,115
Reinsurers' share of outstanding claims	-	-	-	173	-	-	-	173
Deferred policy acquisition costs	615	2,142	2,172	115	164	131	127	5,466
SEGMENT ASSETS	<u>2,141</u>	<u>2,203</u>	<u>13,044</u>	<u>1,048</u>	<u>1,809</u>	<u>2,063</u>	<u>4,446</u>	<u>26,754</u>
Unallocated assets								92,891
TOTAL ASSETS								<u>119,645</u>
LIABILITIES								
Gross unearned premium	22,771	12,034	11,968	826	1,718	2,580	4,692	56,589
Unearned commission income	-	17	2,490	256	444	167	643	4,017
Gross outstanding claims	2,377	380	-	191	-	-	-	2,948
SEGMENT LIABILITIES	<u>25,148</u>	<u>12,431</u>	<u>14,458</u>	<u>1,273</u>	<u>2,162</u>	<u>2,747</u>	<u>5,335</u>	<u>63,554</u>
Unallocated liabilities								56,091
TOTAL LIABILITIES								<u>119,645</u>

Insurance operations assets and liabilities have been restated as at 31 December 2009 to include marine, public liability, fire and engineering as reportable segments in accordance with the quantitative threshold as at 30 June 2010 for comparative purposes.

Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

For the six months ended 30 June 2010

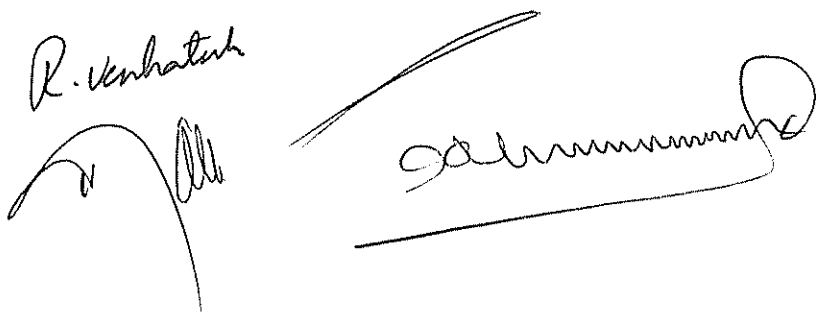
9 NET UNDERWRITING SURPLUS

Net underwriting surplus for the period is as follows:

	<i>Three months ended 30 June 2010 SR</i>	<i>Six months ended 30 June 2010 SR</i>
Net premiums earned	46,857,948	74,691,641
Commission income	7,543,734	13,099,514
Policy acquisition costs	(10,771,007)	(19,646,483)
Net claims incurred	(32,582,282)	(46,842,988)
Net underwriting surplus	11,048,393	21,301,684

10 BASIC AND DILUTED EARNINGS / (LOSS) PER SHARE FOR THE PERIOD

Basic and diluted earnings / (loss) per share for the period has been calculated by dividing the net profit (loss) for the period by the ordinary authorised, issued and outstanding shares at the period end of 10 million shares.



Handwritten signatures of R. Venkatesh and another person.