

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

**UNAUDITED INTERIM CONDENSED
FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS ENDED
31 MARCH 2012**

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

UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS
For the three months ended 31 March 2012

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**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 31 March 2012 and the related interim statements of insurance operations and accumulated surplus, shareholders' comprehensive operations, changes in shareholders' equity, insurance operations' cash flows and shareholders' cash flows for the three 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:

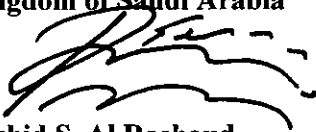
Based on our limited review, we are not aware of any material modifications that should be made to the accompanying interim condensed financial statements for them to be in conformity with IAS 34.

EMPHASIS OF 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 purchase of insurance portfolio and related net assets.

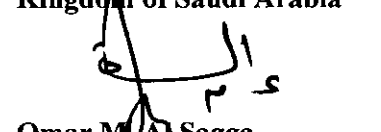
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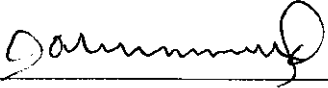
25 Jamad Al Awal 1433H
(17 April 2012)

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


INTERIM STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2012

	Notes	31 March 2012 (Unaudited) SR	31 December 2011 (Audited) SR
INSURANCE OPERATIONS' ASSETS			
Property and equipment		7,393,084	7,242,382
Reinsurers' share of outstanding claims		178,393,172	153,104,202
Reinsurers' share of unearned premiums		116,904,975	100,712,005
Deferred policy acquisition costs		26,356,929	23,348,928
Premiums and insurance balances receivable	7	116,226,062	87,850,300
Prepayments and other assets		8,806,473	6,947,278
Due from related parties	8	115,889,647	94,817,399
Time deposits	6	25,050,833	25,050,833
Cash and cash equivalents	5	43,513,569	32,420,717
TOTAL INSURANCE OPERATIONS' ASSETS		638,534,744	531,494,044
SHAREHOLDERS' ASSETS			
Statutory deposit		10,000,000	10,000,000
Due from insurance operations		1,569,793	438,536
Prepayments and other assets		840,288	665,815
Time deposits	6	51,699,558	51,673,681
Cash and cash equivalents	5	4,550,846	4,396,888
TOTAL SHAREHOLDERS' ASSETS		68,660,485	67,174,920
TOTAL ASSETS		707,195,229	598,688,964


ABDULAZIZ A. ABUSSUUD
 BOARD MEMBER


R. VENKATESH
 FINANCE MANAGER


HASSAN ABDULLA DORAR ALI
 PRESIDENT & CEO

The accompanying notes 1 to 12 form part of these interim condensed financial statements.

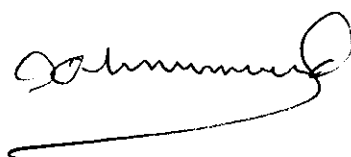
Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

INTERIM STATEMENT OF FINANCIAL POSITION (Continued)

AT 31 MARCH 2012

	Note	31 March 2012 (Unaudited) SR	31 December 2011 (Audited) SR
INSURANCE OPERATIONS' LIABILITIES			
Gross outstanding claims		249,491,687	230,041,134
Gross unearned premiums		254,029,023	210,817,410
Unearned commission income		24,659,765	18,724,964
Due to related parties	8	567,672	565,071
Employees' end-of-service benefits		4,557,807	4,473,811
Reinsurance balances payable		72,695,190	39,963,508
Accrued expenses and other liabilities		30,793,880	26,469,610
Due to shareholders operations		1,569,793	438,536
TOTAL INSURANCE OPERATIONS' LIABILITIES		638,364,817	531,494,044
INSURANCE OPERATIONS' SURPLUS			
Net results for the period/year		169,927	-
TOTAL INSURANCE OPERATIONS' LIABILITIES AND SURPLUS		638,534,744	531,494,044
SHAREHOLDERS' LIABILITIES AND EQUITY			
SHAREHOLDERS' LIABILITIES			
Zakat payable		2,335,144	1,919,551
Accounts payable		907,674	857,808
TOTAL SHAREHOLDERS' LIABILITIES		3,242,818	2,777,359
SHAREHOLDERS' EQUITY			
Share capital		100,000,000	100,000,000
Accumulated losses		(34,582,333)	(35,602,439)
TOTAL SHAREHOLDERS' EQUITY		65,417,667	64,397,561
TOTAL SHAREHOLDERS' LIABILITIES AND EQUITY		68,660,485	67,174,920
TOTAL INSURANCE OPERATIONS' LIABILITIES AND SURPLUS, SHAREHOLDERS' LIABILITIES AND EQUITY		707,195,229	598,668,964

R. Venkatesh





The accompanying notes 1 to 12 form part of these interim condensed financial statements.

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

INTERIM STATEMENT OF INSURANCE OPERATIONS AND ACCUMULATED
SURPLUS (UNAUDITED)

For the three months ended 31 March 2012

	<i>Three months ended 31 March 2012 SR</i>	<i>Three months ended 31 March 2011 SR</i>
REVENUE		
Gross written premiums	173,823,981	178,423,585
Reinsurance premium ceded	(79,683,109)	(55,559,129)
Excess of loss premiums	(2,881,783)	(3,315,150)
NET WRITTEN PREMIUMS	91,259,089	119,549,306
Movement in unearned premiums	(27,018,643)	(35,682,284)
NET PREMIUMS EARNED	64,240,446	83,867,022
Commission income	13,390,550	13,145,428
Other income	740,277	536,557
Special commission income	43,238	-
TOTAL REVENUE	78,414,511	97,549,007
COST AND EXPENSES		
Gross claims paid	78,136,187	74,824,567
Reinsurance share of claims paid	(22,455,834)	(32,724,839)
NET CLAIMS PAID	55,680,353	42,099,728
Movement in outstanding claims	(5,838,417)	27,265,249
NET CLAIMS INCURRED	49,841,936	69,364,977
Policy acquisition costs	13,537,265	16,168,169
General and administration expenses	12,248,402	10,052,667
Provision for doubtful receivables	(278,269)	11,865,830
Inspection and supervision fees	1,365,907	1,620,974
TOTAL COST AND EXPENSES	76,715,241	109,072,617
NET SURPLUS/(DEFICIT) FROM INSURANCE OPERATIONS	1,699,270	(11,523,610)
Shareholders' appropriation from (surplus)/deficit	(1,529,343)	11,523,610
Net results for the period	169,927	-

R. Khatib

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The accompanying notes 1 to 12 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)

For the three months ended 31 March 2012

	<i>Note</i>	<i>Three months ended 31 March 2012 SR</i>	<i>Three months ended 31 March 2011 SR</i>
Appropriation of surplus/(deficit) from insurance operations		1,529,343	(11,523,610)
Special commission income		58,163	66,005
General and administration expenses		(151,807)	(284,301)
INCOME/(LOSS) BEFORE ZAKAT		1,435,699	(11,741,906)
Zakat		(415,593)	(488,115)
INCOME/(LOSS) FOR THE PERIOD		1,020,106	(12,230,021)
OTHER COMPREHENSIVE INCOME/(LOSS)			
Change in fair value of available for sale investments		-	-
NET COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		1,020,106	(12,230,021)
EARNINGS/(LOSSES) PER SHARE			
Basic and diluted earnings /(losses) per share (in SR)	10	0.10	(1.22)
Weighted average number of shares in issue throughout the period (in thousands)		10,000	10,000

R. Venkatesh

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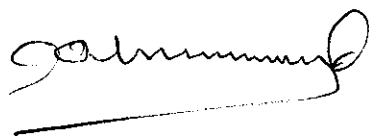
Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(UNAUDITED)

For the three months ended 31 March 2012

	Share capital SR	Accumulated losses SR	Total SR
Balance as at 1 January 2011	100,000,000	(27,843,210)	72,156,790
Total comprehensive loss for the period	-	(12,230,021)	(12,230,021)
Balance at 31 March 2011	<u>100,000,000</u>	<u>(40,073,231)</u>	<u>59,926,769</u>
Balance at 1 January 2012	100,000,000	(35,602,439)	64,397,561
Total comprehensive income for the period	-	1,020,106	1,020,106
Balance at 31 March 2012	<u>100,000,000</u>	<u>(34,582,333)</u>	<u>65,417,667</u>

R. Venkatesh



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

INTERIM STATEMENT OF INSURANCE OPERATIONS CASH FLOWS (UNAUDITED)

For the three months ended 31 March 2012

	Note	Three months ended 31 March 2012 SR	Three months ended 31 March 2011 SR
OPERATING ACTIVITIES			
Net results for the period		169,927	-
Adjustments for:			
Depreciation		915,889	633,978
Provision for doubtful receivables		(278,269)	11,865,830
Employees' end-of-service benefits, net		83,996	195,293
Shareholders appropriation from surplus/(deficit)		1,529,343	(11,523,610)
Income before changes in operating assets and liabilities:		2,420,886	1,171,491
Changes in operating assets and liabilities:			
Reinsurers' share of outstanding claims		(25,288,970)	7,050,056
Reinsurers' share of unearned premiums		(16,192,970)	(1,733,647)
Deferred policy acquisition costs		(3,008,001)	(2,495,934)
Premiums and insurance balances receivable		(28,097,493)	(12,137,604)
Prepayments and other assets		(1,859,195)	(1,960,831)
Due from related parties		(21,072,248)	(23,486,344)
Gross outstanding claims		19,450,553	20,215,192
Gross unearned premiums		43,211,613	37,415,931
Unearned commission income		5,934,801	636,911
Accrued expenses and other liabilities		4,324,270	2,598,332
Reinsurance balances payable		32,731,682	3,097,194
Due to related parties		2,601	(8,236)
Net cash from operating activities		12,557,529	30,362,511
INVESTING ACTIVITY			
Purchase of property and equipment		(1,066,591)	(954,495)
Net cash used in investing activity		(1,066,591)	(954,495)
FINANCING ACTIVITY			
Due from/to shareholders operations, net		(398,086)	(395,302)
Net cash used in financing activity		(398,086)	(395,302)
INCREASE IN CASH AND CASH EQUIVALENTS		11,092,852	29,012,714
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		32,420,717	44,710,641
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	43,513,569	73,723,355

R. Venkatesh

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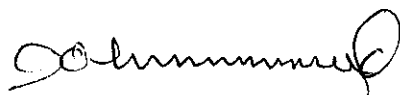
Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

INTERIM STATEMENT OF SHAREHOLDERS' CASH FLOWS (UNAUDITED)

For the three months ended 31 March 2012

	Note	Three months ended 31 March 2012 SR	Three months ended 31 March 2011 SR
OPERATING ACTIVITIES			
Income/(Loss) before zakat		1,435,699	(11,741,906)
Adjustment for:			
Appropriation of (surplus)/deficit from insurance operations		(1,529,343)	11,523,610
Loss before changes in operating assets and liabilities:		(93,644)	(218,296)
Changes in operating assets and liabilities:			
Prepayments and other assets		(174,473)	(152,309)
Accounts payable		49,866	42,786
Net cash used in operating activities		(218,251)	(327,819)
INVESTING ACTIVITY			
Time deposits, net		(25,877)	(66,041)
Net cash used in investing activity		(25,877)	(66,041)
FINANCING ACTIVITY			
Due from/to insurance operations, net		398,086	395,302
Net cash from financing activity		398,086	395,302
INCREASE IN CASH AND CASH EQUIVALENTS		153,958	1,442
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		4,396,888	4,335,898
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5	4,550,846	4,337,340

R. Umhatsh





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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

31 March 2012

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 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.

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 ("SAMA") 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 (a Shareholder of the Company) operations in the Kingdom of Saudi Arabia (the "Saudi operations") at a valuation to be approved by SAMA.

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 operations. 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. Accordingly, the net results related to such portfolio subsequent to 1 January 2009 will also be transferred to the Company. The transfer will be effected when all the required formalities have been completed.

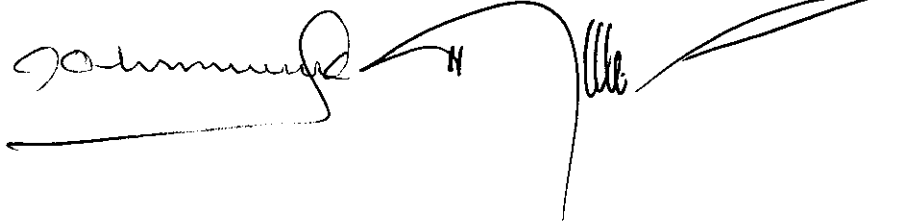
3 BASIS OF PREPARATION

The interim condensed financial statements for the three months ended 31 March 2012 have been prepared in accordance with International Accounting Standard – 34 "Interim Financial Reporting" (IAS – 34).

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 2011.

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.

R. Khatib



4 NEW STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS

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

- **IAS 24 Related Party Disclosures (revised 2009)**
The revised IAS 24 Related Party Disclosures amends the definition of a related party and modifies certain related party disclosure requirements for government-related entities.

- **Improvements to IFRSs 2011 - IAS 1 Presentation of Financial Statements**
IAS 1 is amended to clarify that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income also is required to be presented, but is permitted to be presented either in the statement of changes in shareholders' equity or in the notes.

- **Improvements to IFRSs 2011 – IFRS 7 Financial Instruments: Disclosures**
The amendments add an explicit statement that qualitative disclosure should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments. In addition, the International Accounting Standards Board amended and removed certain existing disclosure requirements.

- **Improvements to IFRSs 2011 – IAS 34 Interim Financial Reporting**
These amendments emphasises the principle in IAS 34 that the disclosure about significant events and transactions in interim periods should update the relevant information presented in the most recent annual financial report and clarifies how to apply this principle in respect of financial instruments and their fair values. The amendments add examples to the list of events or transactions that require disclosure under IAS 34 and remove references to materiality in IAS 34 that describes other minimum disclosures.

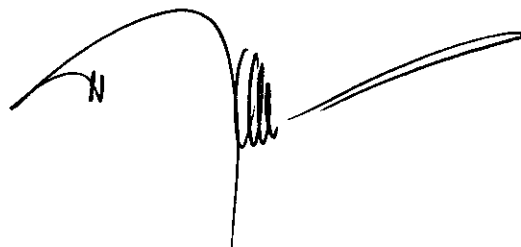
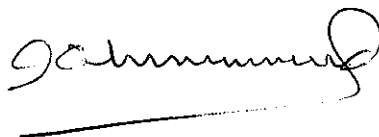
Other amendments resulting in improvements to the following standard did not have any material impact on the accounting policies, financial position and performance of the Company:

- IAS 32 - Financial Instruments: Presentation

The new standards, amendments to standards and interpretations to International Financial Reporting Standards which are mandatory for the first time for the financial year beginning 1 January 2012 did not result in material amendments to the presentation and disclosure of the accompanying interim condensed financial statements.

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.

R. Karhatuk



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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (continued)

31 March 2012

5 CASH AND CASH EQUIVALENTS

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

	31 March 2012 (Unaudited)		31 December 2011 (Audited)	
	Insurance Operations SR	Shareholders' Operations SR	Insurance Operations SR	Shareholders' Operations SR
Cash on hand	32,000	-	22,000	-
Time deposits	-	4,034,075	-	4,032,179
Cash at banks	43,481,569	516,771	32,398,717	364,709
	<u>43,513,569</u>	<u>4,550,846</u>	<u>32,420,717</u>	<u>4,396,888</u>

Cash at Bank and short-term time deposits are placed with counterparties who have investment grade credit ratings. The short-term 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.

The Company holds an amount of SR 1.6 million (2011: Nil) in a fiduciary capacity, in respect of claims to be settled for a third party insurer. This is accordingly not accounted for in these interim condensed financial statement.

6 TIME DEPOSITS

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

7 PREMIUMS AND INSURANCE BALANCES RECEIVABLE

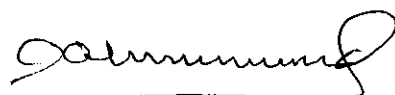
Receivables from insurance operations are comprised of net amounts due from the following:

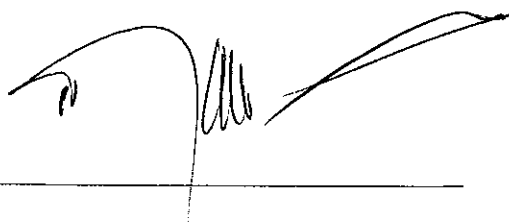
	31 March 2012 (Unaudited) SR	31 December 2011 (Audited) SR
Premiums receivable	128,458,448	95,780,205
Reinsurers and others	1,251,996	5,845,205
Total premiums and insurance balances receivable	<u>129,710,444</u>	<u>101,625,410</u>
Provision for doubtful receivables	(13,484,382)	(13,775,110)
	<u>116,226,062</u>	<u>87,850,300</u>

8 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent major shareholders, key management personnel of the Company, and companies of which they are principal owners and other entities significantly influenced by them. Pricing policies and terms of these transactions are approved by the Company's management.







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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (continued)

31 March 2012

8 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

a) *Transactions with related parties*

The following are the details of major related party transactions during the year:

<u>Related parties</u>	<u>Nature of transactions</u>	<u>Three months ended 31 March 2012 (Unaudited) SR</u>	<u>Three months ended 31 March 2011 (Unaudited) SR</u>
Saudi Arabian Insurance Company B.S.C (C) (Shareholder)	Amounts received and paid on behalf of SAICO B.S.C (C), net	<u>(2,897,786)</u>	<u>7,964,280</u>
ACE Insurance Agents Limited ("Agent") (Affiliate)	Premiums received through Agent	<u>14,939,996</u>	<u>34,793,789</u>
	Claims paid through Agent	<u>112,414</u>	<u>8,789,032</u>
	Commission expense	<u>2,044,179</u>	<u>7,374,976</u>
ACE Limited (Common ownership)	Premiums and claims	<u>7,397</u>	<u>8,236</u>
ACE Insurance and Reinsurance Brokers Limited ("Broker") (Affiliate)	Premiums received through Broker	<u>42,827,595</u>	<u>15,017,035</u>
	Commission expense	<u>7,671,747</u>	<u>1,903,866</u>
	Premiums ceded through Broker	<u>1,131,110</u>	<u>6,031,271</u>
	Commission received	<u>224,337</u>	<u>501,070</u>
Board members	Reimbursement of expenses to board members	<u>-</u>	<u>50,000</u>

b) *Balances with related parties*

The above transactions with the related parties resulted in the following balances as at the statement of financial position date:

		<u>31 March 2012 (Unaudited) SR</u>	<u>31 December 2011 (Audited) SR</u>
Saudi Arabian Insurance Company B.S.C (C) (Shareholder)	Insurance operations	<u>56,156,335</u>	<u>59,054,121</u>
ACE Insurance Agents Limited ("Agent") (Affiliate)	Insurance operations	<u>12,215,846</u>	<u>9,783,988</u>
ACE Limited (Common ownership)	Insurance operations	<u>(567,672)</u>	<u>(565,071)</u>
ACE Insurance and Reinsurance Brokers Limited ("Broker") (Affiliate)	Insurance operations	<u>47,517,466</u>	<u>25,979,290</u>

R. Venkatesh

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (continued)

31 March 2012

8 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

b) Balances with related parties (continued)

Outstanding balances at the reporting date are unsecured and special commission rate free. Settlement will take place in cash. No provision for impairment was made at the reporting date. This assessment is undertaken at the reporting date through examining the financial position of the related party and the market in which the related party operates.

c) Compensation of key management personnel

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

	<i>Three months ended 31 March 2012 (Unaudited) SR</i>	<i>Three months ended 31 March 2011 (Unaudited) SR</i>
Short-term benefits	441,275	402,725
Employees' end-of-service benefits	34,719	31,448
	<u>475,994</u>	<u>434,173</u>

9 SEGMENTAL INFORMATION

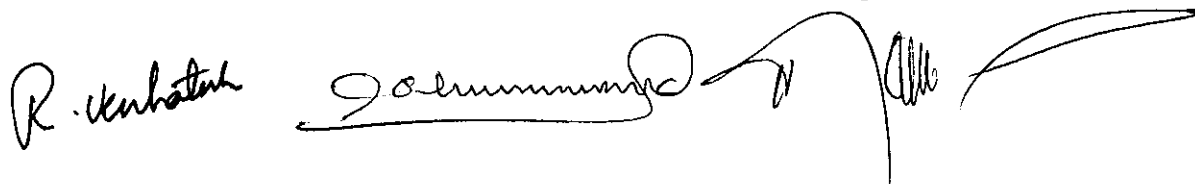
Consistent with the Company's internal reporting process, operating segments have been approved by Management in respect of the Company's activities, assets and liabilities as stated below:

Segment results do not include general and administration expenses, inspection and supervision fees 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, time deposits and cash and cash equivalents. Accordingly, they are included in unallocated assets.

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

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



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

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

31 March 2012

9 SEGMENTAL INFORMATION (continued)

REVENUE	Three months ended 31 March 2012 (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	56,331	39,755	20,582	10,998	19,251	5,269	21,638	173,824
Reinsurance premium ceded	(12,786)	(534)	(17,602)	(9,624)	(18,012)	(2,890)	(18,235)	(79,683)
Excess of loss premiums	(1,089)	(755)	(487)	(269)	(203)	(47)	(32)	(2,882)
Net written premiums	42,456	38,466	2,493	1,105	1,036	2,332	3,371	91,259
Movement in unearned premium	(9,849)	(12,558)	(947)	(87)	(775)	(790)	(2,013)	(27,019)
Net premiums earned	32,607	25,908	1,546	1,018	261	1,542	1,358	64,240
Commission income	617	50	4,640	3,818	2,097	373	1,795	13,390
Total allocated revenue	33,224	25,958	6,186	4,836	2,358	1,915	3,153	77,630
Unallocated revenue								784
Total revenue								78,414
COST AND EXPENSES								
Gross claims paid	(38,039)	(23,450)	(5,239)	(1,531)	(2,908)	(19)	(6,950)	(78,136)
Reinsurance share of claims paid	7,586	31	4,648	1,342	2,623	-	6,226	22,456
Net claims paid	(30,453)	(23,419)	(591)	(189)	(285)	(19)	(724)	(55,680)
Movement in outstanding claims	923	4,452	(113)	(350)	149	584	193	5,838
Net claims incurred	(29,530)	(18,967)	(704)	(539)	(136)	565	(531)	(49,842)
Policy acquisition cost	(2,774)	(4,059)	(2,995)	(1,571)	(1,073)	(438)	(627)	(13,537)
Total allocated costs and expenses	(32,304)	(23,026)	(3,699)	(2,110)	(1,209)	127	(1,158)	(63,379)
Unallocated expenses								(13,336)
Total cost and expenses								(76,715)
Net surplus from insurance operations								1,699

R. Umhatah

Sahmud


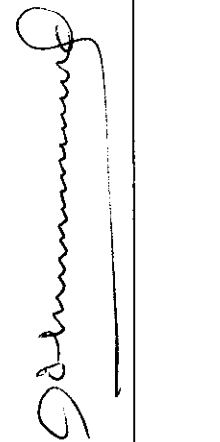
Saudi Arabian Cooperative Insurance Company
(A Saudi Joint Stock Company)

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

31 March 2012

9 SEGMENTAL INFORMATION (continued)

	Three months ended						Total	
	31 March 2011 (Unaudited)							
REVENUE	Medical	Motor	Fire & burglary	Marine	Engineering	Public liability	Others	Total
	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000	SR'000
Gross written premiums	77,938	41,240	17,456	9,734	8,140	7,014	16,901	178,423
Reinsurance premium ceded	(6,227)	(213)	(13,715)	(8,713)	(7,530)	(4,308)	(14,853)	(55,559)
Excess of loss premiums	(1,793)	(611)	(582)	(182)	(98)	(41)	(8)	(3,315)
Net written premiums	69,918	40,416	3,159	839	512	2,665	2,040	119,549
Movement in unearned premium	(18,494)	(14,066)	(1,258)	(50)	(197)	(1,182)	(435)	(35,682)
Net premiums earned	51,424	26,350	1,901	789	315	1,483	1,605	83,867
Commission income	1,286	23	4,738	3,205	1,862	339	1,692	13,145
Total allocated revenue	52,710	26,373	6,639	3,994	2,177	1,822	3,297	97,012
Unallocated revenue								537
Total revenue								97,549
COST AND EXPENSES								
Gross claims paid	(31,548)	(14,115)	(4,353)	(2,569)	(486)	(8)	(21,746)	(74,825)
Reinsurance share of claims paid	6,306	9	2,289	2,218	351	5	21,547	32,725
Net claims paid	(25,242)	(14,106)	(2,064)	(351)	(135)	(3)	(199)	(42,100)
Movement in outstanding claims	(17,885)	(8,969)	919	(115)	194	(1,222)	(187)	(27,265)
Net claims incurred	(43,127)	(23,075)	(1,145)	(466)	59	(1,225)	(386)	(69,365)
Policy acquisition cost	(3,557)	(4,908)	(3,806)	(1,745)	(962)	(442)	(748)	(16,168)
Total allocated costs and expenses	(46,684)	(27,983)	(4,951)	(2,211)	(903)	(1,667)	(1,134)	(85,533)
Unallocated expenses								(23,540)
Total cost and expenses								(109,073)
Net deficit from insurance operations								(11,524)

R. Umhlotek

Saudi Arabian Cooperative Insurance Company
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (continued)

31 March 2012

9 SEGMENTAL INFORMATION (Continued)

	31 March 2012 (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
ASSETS								
Reinsurers' share of outstanding claims	5,954	2,845	76,454	7,701	14,846	133	70,460	178,393
Reinsurers' share of unearned premiums	16,979	557	36,041	8,888	31,405	4,749	18,286	116,905
Deferred policy acquisition costs	4,614	8,546	5,096	1,235	3,535	1,724	1,607	26,357
SEGMENT ASSETS	27,547	11,948	117,591	17,824	49,786	6,606	90,353	321,655
Unallocated assets								316,880
TOTAL ASSETS								638,535
LIABILITIES								
Gross outstanding claims	42,086	28,456	81,634	9,312	15,563	551	71,890	249,492
Gross unearned premium	80,823	57,975	39,661	9,817	32,774	10,781	22,198	254,029
Unearned commission income	690	161	7,697	3,364	6,879	1,013	4,856	24,660
SEGMENT LIABILITIES	123,599	86,592	128,992	22,493	55,216	12,345	98,944	528,181
Unallocated liabilities								110,354
TOTAL LIABILITIES								638,535

R. Khabat

[Signature]

Saudi Arabian Cooperative Insurance Company
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED) (continued)

31 March 2012

9 SEGMENTAL INFORMATION (Continued)

31 December 2011 (Audited)

	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
ASSETS								
Reinsurers' share of outstanding claims	5,048	18	64,472	5,364	6,475	28	71,699	153,104
Reinsurers' share of unearned premiums	14,528	195	42,035	10,778	21,678	3,873	7,625	100,712
Deferred policy acquisition costs	5,124	7,234	5,290	1,447	2,025	1,602	627	23,349
SEGMENT ASSETS	<u>24,700</u>	<u>7,447</u>	<u>111,797</u>	<u>17,589</u>	<u>30,178</u>	<u>5,503</u>	<u>79,951</u>	<u>277,165</u>
Unallocated assets								254,329
TOTAL ASSETS								<u>531,494</u>
LIABILITIES								
Gross outstanding claims	42,103	30,080	69,539	6,624	7,342	1,030	73,323	230,041
Gross unearned premium	68,522	45,056	44,707	11,619	22,272	9,115	9,526	210,817
Unearned commission income	1,235	56	7,744	3,509	3,821	687	1,673	18,725
SEGMENT LIABILITIES	<u>111,860</u>	<u>75,192</u>	<u>121,990</u>	<u>21,752</u>	<u>33,435</u>	<u>10,832</u>	<u>84,522</u>	<u>459,583</u>
Unallocated liabilities								71,911
TOTAL LIABILITIES								<u>531,494</u>

R. Alkhatib

(Signature)

(Signature)

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

(UNAUDITED) (continued)

31 March 2012

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

Basic and diluted earnings/(losses) per share for the period have been calculated by dividing the net income/(loss) for the period by the weighted average number of shares in issue throughout the period end of 10 million shares.

11 NET UNDERWRITING SURPLUS

Net underwriting surplus for the period is as follows:

	<i>Three months ended 31 March 2012 (Unaudited) SR</i>	<i>Three months ended 31 March 2011 (Unaudited) SR</i>
Net premiums earned	64,240,446	83,867,022
Commission income	13,390,550	13,145,428
Policy acquisition costs	(13,537,265)	(16,168,169)
Net claims incurred	(49,841,936)	(69,364,977)
Net underwriting surplus	<u>14,251,795</u>	<u>11,479,304</u>

12 APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 25 Jumada I 1433 corresponding to 17 April 2012.



