

NATIONAL GENERAL INSURANCE CO. (P.S.C)

BALANCE SHEET AS AT 31ST DEC 2004

	Audited 31.12.2004 AED	Audited 31.12.2003 AED
ASSETS EMPLOYED:		
PROPERTY & EQUIPMENT	956,482	1,057,144
INVESTMENT PROPERTIES	55,000,000	56,000,000
INVESTMENTS AVAILABLE FOR SALE	45,113,094	21,463,337
INVESTMENTS HELD TO MATURITY ORIGINATED DEBT SECURITIES	- 14,183,750	3,426,142 5,000,000
CURRENT ASSETS		
Trade accounts receivable	17,272,013	13,635,062
Other receivables	2,854,001	1,728,382
Cash & bank balances	39,131,535	20,469,639
	59,357,549	35,833,083
CURRENT LIABILITIES		
Accounts payable & accruals	21,715,862	19,996,881
Unearned premium/Tech. reserve	22,464,280	12,682,082
Outstanding claims reserve (net)	11,236,460	7,521,847
	55,416,602	40,200,810
NET CURRENT ASSETS	3,940,947	(4,367,727)
LIFE ASSURANCE FUND	(2,760,788)	(26,382)
ASSETS EMPLOYED	117,433,485	82,552,514
FINANCED BY:		
SHAREHOLDER'S EQUITY		
Share capital	63,000,000	60,000,000
Legal reserve	7,522,428	3,518,331
General reserve	6,806,442	2,902,345
Proposed dividends	6,300,000	4,200,000
Proposed bonus Shares	9,450,000	3,000,000
Retained earnings	24,254,615	8,931,838
TOTAL	117,433,485	82,552,514

NATIONAL GENERAL INSURANCE CO. (P.S.C)
INCOME STATEMENT FOR THE PERIOD ENDED 31ST DEC 2004

	AUDITED 31.12.2004 AED	Unaudited 31.12.2003 AED
NET UNDERWRITING RESULTS FROM INSURANCE OPERATIONS :		
FIRE	566,987	243,246
MARINE CARGO & HULL	829,886	424,191
ACCIDENT	6,722,960	4,510,090
LIFE	1,164,407	237,748
 NET UNDERWRITING PROFIT	 9,284,220	 5,415,275
 INVESTMENT & OTHER INCOME	 33,525,299	 8,794,861
LESS: UNALLOCATED ADMIN EXPENSES	(2,768,548)	(1,010,082)
 NET PROFIT FOR THE PERIOD	 40,040,971	 13,200,054
 EARNINGS PER SHARE	 6.36	 2.2

NATIONAL GENERAL INSURANCE CO. (P.S.C)

CONSOLIDATED REVENUE ACCOUNT FOR ALL CLASSES OF INSURANCE
FOR THE PERIOD ENDED 31.12.2004

	AUDITED 31.12.2004 AED	AUDITED 31.12.2003 AED
WRITTEN PREMIUM	89,065,713	68,669,713
LESS: RE-INSURANCE SHARE	(33,129,498)	(39,238,757)
RETAINED PREMIUMS	55,936,215	29,430,956
UNEARNED PREMIUM RESERVE :		
AT 31ST DEC. 2003	12,708,464	8,913,509
AT 31ST DEC 2004	(25,225,068)	(12,708,464)
NET EARNED PREMIUMS	43,419,611	25,636,001
NET COMMISSION INCOME	2,028,363	5,127,976
TOTAL INCOME	45,447,974	30,763,977
GROSS CLAIMS PAID	(34,189,348)	(35,827,111)
LESS : REINSURANCE	11,915,146	20,634,729
NET CLAIMS PAID	(22,274,202)	(15,192,382)
NET OUTSTANDING CLAIMS:		
AT 31ST DEC. 2003	7,521,847	6,397,307
AT 30TH SEPT 2004	(11,236,460)	(7,521,847)
NET CLAIMS INCURRED	(25,988,815)	(16,316,922)
GROSS UNDERWRITING PROFIT	19,459,159	14,447,055
GENERAL & ADMN. EXPENSES	(10,174,939)	(9,031,780)
NET UNDERWRITNG PROFIT	9,284,220	5,415,275

NATIONAL GENERAL INSURANCE CO. (P.S.C) - DUBAI

Statement of Changes in shareholder's equity for the year ended 31 December 2004

	Share Capital AED	Legal Reserve AED	General Reserve AED	Proposed Dividends AED	Proposed Bonus shares AED	Retained Earnings AED	Total AED
As at 1 January 2004	60,000,000	3,518,331	2,902,345	4,200,000	3,000,000	8,931,838	82,552,514
Net profit for the year	-	-	-	-	-	40,040,971	40,040,971
Issue of Bonus Shares	3,000,000				(3,000,000)		-
Dividends paid	-	-	-	(4,200,000)	-	-	(4,200,000)
Transfer to legal reserve	-	4,004,097	-	-	-	(4,004,097)	-
Transfer to general reserve	-	-	4,004,097	-	-	(4,004,097)	-
Proposed dividends	-	-	-	6,300,000	-	(6,300,000)	-
Proposed bonus shares	-	-	-	9,450,000	-	(9,450,000)	-
Directors remuneration	-	-	-	-	-	(960,000)	(960,000)
As at 31 December 2004	<u>63,000,000</u>	<u>7,522,428</u>	<u>6,906,442</u>	<u>15,750,000</u>	<u>-</u>	<u>24,254,615</u>	<u>117,433,485</u>