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The Shareholders
National General Insurance Co. (P.S.C.)

Independent Auditor's Review Report on Condensed Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of National General Insurance Co. (P.S.C.) ("the Company") as at 30 June 2008, and the related condensed interim statement of income, statement of changes in shareholders' equity and statement of cash flows for the six-month period then ended (the condensed interim financial information). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at 30 June 2008 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Vijendranath Malhotra
Registration No: 48 B

National General Insurance Co. (P.S.C.)

Condensed interim balance sheet

30 June 2008

	Note	(Un-audited) 30 June 2008 AED	(Audited) 31 December 2007 AED
ASSETS			
Property and equipment		1,526,326	1,757,255
Investment properties		60,000,000	86,000,000
Investments held-to-maturity		-	3,656,295
Investments available-for-sale		85,051,006	60,105,900
Investments fair valued through profit and loss	6	136,154,081	105,310,245
Trade receivables		99,708,788	84,279,478
Due from a related party		23,539,420	9,533,297
Other receivables		86,143,476	43,468,836
Reinsurer's share of outstanding claims		79,653,428	80,904,272
Cash in hand and at bank		63,698,985	147,002,929
TOTAL ASSETS		635,475,510	622,018,507
LIABILITIES			
Accounts payable and accruals		89,544,205	103,648,611
Unearned premium reserve		105,400,200	72,548,289
Outstanding claims reserve		113,475,043	108,553,924
Life Assurance fund		26,442,934	21,378,807
TOTAL LIABILITIES		334,862,382	306,129,631
NET ASSETS EMPLOYED		300,613,128	315,888,876
FINANCED BY:			
SHAREHOLDERS' EQUITY			
Share capital		121,716,000	121,716,000
Legal reserve		29,272,467	29,272,467
General reserve		28,656,481	28,656,481
Fair value reserve for investments available-for-sale		4,578,893	-
Retained earnings		116,389,287	136,243,928
		300,613,128	315,888,876

These condensed interim financial statements were approved on 20 July 2008.


Faisal Galadari
Director


Dr. Abdul Zahra A. Ali
General Manager

The notes on pages 7 to 10 form an integral part of these condensed interim financial statements.

The Independent Auditor's Review Report is set out on page I.