



الشركة الوطنية للتأمينات العامة (ش.م.ع.)
NATIONAL GENERAL INSURANCE CO. (P.S.C.)

Paid up share capital AED 72,450,000, C.R. No. 56820
Registered in accordance with Insurance and agents Law 9 of 1984

رأس المال المدفوع ٧٢,٤٥٠,٠٠٠ درهم، شهادة رقم ٥٦٨٢٠
مسجلة بموجب قانون التأمين والوسطاء رقم ٩ لعام ١٩٨٤

April 30, 2006

Dubai Financial Market
P. O. Box 9700
Dubai

Dear Sir,

Re: Financial for the period ended 31.03.2006

Please find enclosed herewith the following copies of Financial for the period ended 31.03.2006.

1. Balance Sheet
2. Income Statement
3. Consolidated revenue accounts
4. changes in shareholders equity
5. Financial Highlights

Yours faithfully,

NATIONAL GENERAL INSURANCE CO. (P.S.C)
DR. ABDUL ZAHRA A. ALI
General Manager

THE FINANCIAL HIGHLIGHTS FOR THE PERIOD ENDED 31st MARCH'06

The Company has achieved a written premium of AED 48.5 Million for the 1st quarter ending 31st March 2006 as compared to AED 35.9 Million in the previous year. The Company has shown very good growth in all the classes of insurance and registered a growth of 35%. The underwriting profit for the quarter also grew by 57% to AED 5.8 Million as compared to AED 3.6 Million of the previous year. The total assets increased to AED 311 Million as at 31st March 2006 as compared to AED 207 Million as of 31st March 2005.

The Shareholders equity increased by 50.6% to AED 211.1 as at 31st March 2006 as compared to AED 140.1 Million as of 31st March 2005.

The Company showed an overall increase in all areas but for the stock market investments due to the prevailing low market index and the downward trend. Hence the Company booked an overall loss of AED 7.6 Million for the quarter considering the loss in the Stock Market Investments.

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

BALANCE SHEET AS AT 31ST MAR 2006

	31.03.2006 AED	31.03.2005 AED
ASSETS EMPLOYED:		
PROPERTY & EQUIPMENT	897,723	982,318
INVESTMENT PROPERTIES	18,000,000	56,000,000
INVESTMENTS AVAILABLE FOR SALE	151,060,840	58,988,435
INVESTMENTS HELD TO MATURITY	4,190,834	
FIXED TERM SECURITIES	40,230,420	19,183,750
ORIGINATED DEBT SECURITIES	5,000,000	5,000,000
CURRENT ASSETS		
Trade accounts receivable	34,558,580	33,055,414
Other receivables	11,306,772	54,160,800
Cash & bank balances	51,714,934	30,222,742
	97,580,286	117,438,956
CURRENT LIABILITIES		
Bank Overdraft	5,399,524	49,227,502
Accounts payable & accruals	32,748,867	21,554,744
Unearned premium/Tech reserve	45,124,464	30,647,017
Outstanding claims reserve (net)	15,575,356	12,359,184
	98,848,211	113,788,447
NET CURRENT ASSETS	(1,267,925)	3,650,509
LIFE ASSURANCE FUND	(7,046,760)	(3,664,627)
ASSETS EMPLOYED	211,065,132	140,140,385
FINANCED BY:		
SHAREHOLDER'S EQUITY		
Share capital	101,430,000	72,450,000
Legal reserve	18,337,708	7,522,428
General reserve	17,721,722	6,906,442
Proposed dividends	7,245,000	0
Proposed bonus Shares	0	0
Retained earnings	72,551,853	14,088,076
Fair Value Reserve	1,419,010	15,543,829
Profit for the period	(7,640,161)	23,629,610
TOTAL	211,065,132	140,140,385

NATIONAL GENERAL INSURANCE CO. (P.S.C)
INCOME STATEMENT FOR THE PERIOD ENDED 31ST MAR 2006

	31.03.2006 AED	31.03.2005 AED
NET UNDERWRITING RESULTS FROM INSURANCE OPERATIONS :		
FIRE	356,102	235,439
MARINE CARGO & HULL	258,898	217,935
ACCIDENT	4,847,622	3,073,356
LIFE	317,255	146,599
 NET UNDERWRITING PROFIT	 5,779,877	 3,673,329
 INVESTMENT & OTHER INCOME	 (13,065,701)	 20,355,552
LESS: UNALLOCATED ADMIN EXPENSES	(354,337)	(399,271)
NET PROFIT FOR THE PERIOD	(7,640,161)	23,629,610

NATIONAL GENERAL INSURANCE CO. (P.S.C)
CONSOLIDATED REVENUE ACCOUNT FOR ALL CLASSES OF INSURANCE
FOR THE PERIOD ENDED 31.03.2006

	31.03.2006	31.03.2005
	AED	AED
WRITTEN PREMIUM	48,524,731	35,936,423
LESS: RE-INSURANCE SHARE	(15,475,565)	(10,721,847)
RETAINED PREMIUMS	33,049,166	25,214,576
UNEARNED PREMIUM RESERVE :		
AT 31ST DEC. 2005	41,995,062	25,225,068
AT 31ST MAR 2006	(52,171,224)	(34,311,644)
NET EARNED PREMIUMS	22,873,004	16,128,000
NET COMMISSION INCOME	1,097,808	975,891
TOTAL INCOME	23,970,812	17,103,891
GROSS CLAIMS PAID	(16,711,257)	(11,672,838)
LESS : REINSURANCE	2,150,608	2,068,314
NET CLAIMS PAID	(14,560,649)	(9,604,524)
NET OUTSTANDING CLAIMS:		
AT 31ST DEC. 2005	16,264,765	11,236,460
AT 31ST MAR 2006	(15,575,356)	(12,359,184)
NET CLAIMS INCURRED	(13,871,240)	(10,727,248)
GROSS UNDERWRITING PROFIT	10,099,572	6,376,643
GENERAL & ADMN. EXPENSES	(4,319,695)	(2,703,314)
NET UNDERWRITNG PROFIT	5,779,877	3,673,329

Fax from :

NATIONAL GENERAL INSURANCE CO. (P.S.C) - DUBAI**Statement of Changes in shareholder's equity
for the period ended 31 March 2006**

	Share Capital AED	Legal Reserve AED	General Reserve AED	Proposed Dividends AED	Proposed Bonus shares AED	Fair Value Reserve AED	Retained Earnings AED	Total AED
As at 1 January 2006	72,450,000	18,337,708	17,721,722	-	-	3,311,645	108,776,853	220,597,928
Net profit for the period	-	-	-	-	-	-	(7,640,161)	(7,640,161)
Issue of Bonus Shares	28,980,000	-	-	-	-	-	(28,980,000)	-
Dividends paid	-	-	-	7,245,000	-	-	(7,245,000)	-
Transfer to legal reserve	-	-	-	-	-	-	-	-
Transfer to general reserve	-	-	-	-	-	-	-	-
Fair value reserve for investments available for sale	-	-	-	-	-	(1,892,635)	-	(1,892,635)
Proposed dividends	-	-	-	-	-	-	-	-
Proposed bonus shares	-	-	-	-	-	-	-	-
Directors remuneration	-	-	-	-	-	-	-	-
As at 31 March 2006	<u>101,430,000</u>	<u>18,337,708</u>	<u>17,721,722</u>	<u>7,245,000</u>	<u>-</u>	<u>1,419,010</u>	<u>64,911,692</u>	<u>211,065,132</u>
As at 1 January 2005	63,000,000	7,522,428	6,906,442	-	-	-	40,004,613	117,433,485
Net profit for the year	-	-	-	-	-	-	108,152,800	108,152,800
Dividends paid	-	-	-	-	-	-	(6,300,000)	(6,300,000)
Issue of Bonus Shares	9,450,000	-	-	-	-	-	(9,450,000)	-
Transfer to legal reserve	-	10,815,280	-	-	-	-	(10,815,280)	-
Transfer to general reserve	-	-	10,815,280	-	-	-	(10,815,280)	-
Fair value reserve for investments available for sale	-	-	-	-	-	3,311,645	-	3,311,645
Proposed dividends	-	-	-	-	-	-	-	-
Proposed bonus shares	-	-	-	-	-	-	-	-
Directors' remuneration	-	-	-	-	-	-	(2,000,000)	(2,000,000)
As at 31 December 2005	<u>72,450,000</u>	<u>18,337,708</u>	<u>17,721,722</u>	<u>-</u>	<u>-</u>	<u>3,311,645</u>	<u>108,776,853</u>	<u>220,597,930</u>