Press Release

12 May 2010

Arig Grows Business and Increases Profit in 1st Quarter 2010

Manama: Assisted by rebounding investment returns, Arig recorded US$ 4.5 million of net profit for the first quarter of 2010 (Q1 2009: US$ 1.5 million). Year-on-year, gross premiums written grew by 27% to US$ 141.7 million. The company's non-life combined ratio came in at a favorable 85.7%.

Shareholders' Equity after the first quarter stood at US$ 257.2 million (December 2009: US$ 267.3 million) following distribution of US$ 13.2 million in dividends on the Financial Year 2009 result. Arig's share book value registered US$ 1.22 on 31 March 2010 (December 2009: US$ 1.27).

Financial Highlights as at 31 March 2010 (in US$ million)

	31 March		Year
	2010	2009	2009
Gross premium written	141.7	111.8	279.4
Technical Result	5.7	8.6	16.5
Underwriting result	2.4	3.7	10.6
Investment income	6.5	(0. 3)	33.7
Operating expenses	10.2	8.5	34.7
Net profit	**4.5**	**1.5**	**21.9**
Investment assets	652.3	647.6	663.7
Net technical provisions	629.2	581.3	589.8
Shareholders' equity	257.2	241.0	267.3
Total assets	1,215.6	1,111.1	1,132.3
Book value per share (US$)	**1.22**	**1.14**	**1.27**

About Arig

Arig is one of the largest Arab-owned, professional reinsurance providers in the Middle East and North Africa. Arig is listed on the stock exchanges of Bahrain, Dubai and Kuwait and offers a wide range of reinsurance products and services. Arig's subsidiaries include Takaful Re (Dubai), Gulf Warranties (Bahrain) and ARIMA Insurance Software (Bahrain). Arig is also an equal partner in the joint venture Hardy Arig Insurance Management (HAIM). Additional information about Arig can be obtained at www.arig.net

For further information, please contact Amel Dardour, Corporate Communications,
Tel: +973 17 544 357, Fax: +973 17 531 155, or email: dardour.a@arig.com.bh