News/Press Clippings

arig

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INSURANCE & REINSURANCE

SOLID 2ND QUARTER FOR ARIG DESPITE TRAILING INVESTMENTS

Arab Insurance Group (B.S.C.) (Arig) announced half-year net profits of US$ 11.4 million (1st HY 2007: US$18.6 million). The company's core reinsurance business continues to perform better than for the same period last year. However, the volatility of the global financial markets resulted in lower investment income compared to 2007. In order to balance risk from reinsurance against capital market risk, Arig maintains a highly diversified investment portfolio, which is conservatively managed.

Arig's reinsurance portfolio grew by 39% for the first six months with Gross Written Premium accounting for US$ 184.0 million (1st HY 2007: US$ 132.5 million). Life business and the growth dynamics experienced within the Non-Life portfolio continue to be key drivers of growth. Shareholders' equity stood at US$ 289.4 million and book value per share was US$ 1.37 at the end of June 2008.

The Company continues to expand on its already strong competitive position in the Afro-Asian region - despite a growing number of national and international players offering ample capacities to clients.

Financial Highlights as at 30 June 2008 (US$'000)

	30 June		
	2008	2007	Year 2007
Gross Written Premium	183,974	132,457	249,968
Underwriting Result	3,713	6,953	270
Total Investment Income	15,339	27,446	53,693
Total Operating Expenses	16,874	12,480	29,170
Net Profit	**11,439**	**18,591**	**23,655**
Investment Assets	715,154	677,184	711,658
Technical Reserves	545,643	417,520	459,104
Shareholders' Funds	289,448	288,709	298,438
Total Assets	1,140,297	997,286	1,049,808
Book Value per share (US$)	**1.37**	**1.35**	**1.40**

Yassir Albaharna, Arig's CEO