

**BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**UNAUDITED INTERIM CONDENSED  
FINANCIAL STATEMENTS**

**FOR THE THREE MONTH PERIOD ENDED  
31 MARCH 2010**



**REPORT ON THE REVIEW OF THE INTERIM CONDENSED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)**

**Scope of review**

We have reviewed the accompanying interim statement of financial position of BUPA Arabia For Cooperative Insurance Company – A Saudi Joint Stock Company ('the Company') as at 31 March 2010, and the related interim statements of insurance operations and accumulated surplus, shareholders' operations, comprehensive income, insurance operations' cash flows, shareholders' cash flows and changes in shareholders' equity for the three month period then ended. These interim condensed financial statements are the responsibility of the Company's management and have been prepared by them and submitted to us together with all the information and explanations which we required.

The comparative figures shown in these interim condensed financial statements were audited / reviewed by Ernst & Young and another auditor, whose audit / review reports contained an unqualified opinion / conclusion with an emphasis of matter paragraph similar to that set out below.

We conducted our review in accordance with the Standard on Review of Interim Financial Reporting issued by the Saudi Organization for Certified Public Accountants (SOCPA). A review consists principally of applying analytical procedures to financial data and information and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with Generally Accepted Auditing Standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

**Conclusion**

Based on our limited review, we are not aware of any material modifications that should be made to the accompanying interim condensed financial statements for them to be in conformity with International Accounting Standard (IAS) 34.

**Emphasis of matter**

We draw attention to the fact that these interim condensed financial statements are prepared in accordance with International Accounting Standard (IAS 34) and not in accordance with the Standard on Interim Financial Reporting issued by SOCPA.

For Ernst & Young

for KPMG Al Fozan & Al Sadhan

Ahmed I. Reda  
Certified Public Accountant  
Registration No. 356

Abdullah H. Al Fozan  
Certified Public Accountant  
Registration No. 348

3 Jumad Awal 1431 H  
17 April 2010



BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

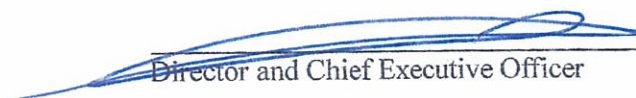
INTERIM STATEMENT OF FINANCIAL POSITION

At 31 March 2010

	<i>Note</i>	<i>31 March 2010 (Unaudited) SR'000</i>	<i>31 December 2009 (Audited) SR'000</i>
<b>INSURANCE OPERATIONS' ASSETS</b>			
Cash and cash equivalents	4	481,252	444,162
Prepaid expenses and other assets		36,803	28,823
Premiums receivables, net		61,069	64,732
Premiums written not invoiced, net		558,176	342,666
Deferred policy acquisition costs		14,950	14,764
<b>Total insurance operations' assets</b>		<b>1,152,250</b>	<b>895,147</b>
<b>SHAREHOLDERS' ASSETS</b>			
Cash and cash equivalents	4	309,671	308,789
Accrued income		67	613
Amount due from insurance operations		28,030	39,580
Goodwill	1&3	98,000	98,000
Furniture, fittings and equipment		20,575	21,025
Statutory deposit	5	40,000	40,000
<b>Total shareholders' assets</b>		<b>496,343</b>	<b>508,007</b>
<b>TOTAL ASSETS</b>		<b>1,648,593</b>	<b>1,403,154</b>



Chairman



Director and Chief Executive Officer



Chief Financial Officer

**BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM STATEMENT OF FINANCIAL POSITION (continued)**

At 31 March 2010

	<i>Note</i>	<i>31 March 2010 (Unaudited) SR'000</i>	<i>31 December 2009 (Audited) SR'000</i>
<b>INSURANCE OPERATIONS' LIABILITIES AND SURPLUS</b>			
<b>Insurance operations' liabilities:</b>			
Unearned premiums		790,676	522,517
Outstanding claims	6	277,136	275,259
Reinsurance balance payable		589	89
Accrued expenses and other liabilities		49,867	51,750
Amount due to shareholders' operations		28,030	39,580
Policyholders' share of surplus from insurance operations		5,952	5,952
<b>Total insurance operations' liabilities and surplus</b>		<b>1,152,250</b>	<b>895,147</b>
<b>SHAREHOLDERS' LIABILITIES AND EQUITY</b>			
<b>Shareholders' liabilities</b>			
Accrued expenses and other liabilities		12,578	11,336
Accrued Zakat and income tax	8	14,378	10,318
Amount due to a related party in respect of goodwill	1	49,000	49,000
<b>Total shareholders' liabilities</b>		<b>75,956</b>	<b>70,654</b>
<b>Shareholders' equity</b>			
Share capital		400,000	400,000
Statutory reserve		9,534	9,534
Retained earnings		10,853	27,819
<b>Shareholders' equity</b>		<b>420,387</b>	<b>437,353</b>
<b>Total shareholders' liabilities and equity</b>		<b>496,343</b>	<b>508,007</b>
<b>TOTAL LIABILITIES, INSURANCE OPERATIONS' SURPLUS AND SHAREHOLDERS' EQUITY</b>		<b>1,648,593</b>	<b>1,403,154</b>

  
Chairman

  
Director and Chief Executive Officer

  
Chief Financial Officer

The accompanying notes 1 to 10 form an integral part of these interim condensed financial statements.



**BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM STATEMENT OF INSURANCE OPERATIONS AND ACCUMULATED SURPLUS**  
For the three month period ended 31 March 2010

	<i>Note</i>	<i>For the three month period ended 31 March 2010 (Unaudited) SR'000</i>	<i>For the three month period ended 31 March 2009 (Unaudited) SR'000</i>
<b>REVENUE</b>			
Gross written premium		636,974	434,398
Net movement in unearned premium		<u>(268,159)</u>	<u>(170,890)</u>
Gross premiums earned		368,815	263,508
Premiums ceded		<u>(500)</u>	<u>-</u>
Net premiums earned		368,315	263,508
<b>CLAIMS</b>			
Claims incurred	6	<u>327,541</u>	<u>230,703</u>
<b>NET UNDERWRITING RESULT</b>		40,774	32,805
<b>INVESTMENT INCOME</b>		245	1,314
<b>OTHER INCOME</b>		72	3
<b>EXPENSES</b>			
Selling and marketing		(23,121)	(23,799)
General and administration		<u>(30,323)</u>	<u>(17,074)</u>
<b>DEFICIT FROM INSURANCE OPERATIONS</b>		(12,353)	(6,751)
Shareholders' share of deficit from insurance operations		<u>12,353</u>	<u>6,076</u>
Policyholders' share of deficit from insurance operations		<u>-</u>	<u>(675)</u>

  
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**BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM STATEMENT OF SHAREHOLDERS' OPERATIONS**

For the three month period ended 31 March 2010

	<i>For the three month period ended 31 March 2010 (Unaudited) SR'000</i>	<i>For the three month period ended 31 March 2009 (Unaudited) SR'000</i>
<b>REVENUE</b>		
Shareholders' share of deficit from insurance operations	(12,353)	(6,076)
<b>EXPENSES</b>		
General and administration	(1,127)	(2,011)
	<u>(13,480)</u>	<u>(8,087)</u>
Interest income	574	2,508
<b>NET LOSS FOR THE PERIOD</b>	<u>(12,906)</u>	<u>(5,579)</u>
Weighted average number of ordinary shares outstanding (in thousands)	<u>40,000</u>	<u>40,000</u>
Basic loss per share (in Saudi Riyals)	<u>(0.32)</u>	<u>(0.14)</u>

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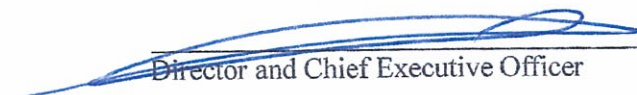
**INTERIM STATEMENT OF COMPREHENSIVE INCOME**

For the three month period ended 31 March 2010

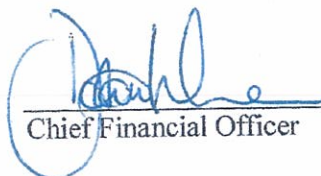
	<i>For the three month period ended 31 March 2010 (Unaudited) SR'000</i>	<i>For the three month period ended 31 March 2009 (Unaudited) SR'000</i>
<b>NET LOSS FOR THE THREE MONTH PERIOD</b>	<b>(12,906)</b>	<b>(5,579)</b>
Other comprehensive income/(expense)	-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE THREE MONTH PERIOD</b>	<b>(12,906)</b>	<b>(5,579)</b>



Chairman



Director and Chief Executive Officer




Chief Financial Officer

**BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
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**INTERIM STATEMENT OF INSURANCE OPERATIONS' CASH FLOWS**

For the three month period ended 31 March 2010

	<i>Note</i>	<i>For the three month period ended 31 March 2010 (Unaudited) SR'000</i>	<i>For the three month period ended 31 March 2009 (Unaudited) SR'000</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net loss for the three month period		-	(675)
Adjustment for:			
Net movement in unearned premiums		268,159	170,891
Premiums written not invoiced, net		(215,510)	(138,287)
Deferred policy acquisition costs		(186)	(617)
		<u>52,463</u>	<u>31,312</u>
Changes in assets and liabilities:			
Premiums receivables, net		3,663	11,418
Prepaid expenses and other assets		(7,980)	(461)
Outstanding claims	6	1,877	36,553
Due to shareholders' operations		(11,550)	(960)
Reinsurance balance payable		500	-
Accrued expenses and other liabilities		(1,883)	(5,922)
		<u>37,090</u>	<u>71,940</u>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>			
Cash and cash equivalents acquired	3	-	251,400
		<u>-</u>	<u>251,400</u>
Net cash from investing activities		-	251,400
		<u>-</u>	<u>251,400</u>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>37,090</b>	<b>323,340</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>444,162</b>	<b>-</b>
		<u>444,162</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	4	<b>481,252</b>	<b>323,340</b>
		<u>481,252</u>	<u>323,340</u>
<b>MAJOR NON-CASH TRANSACTIONS:</b>			
Assets acquired	3	-	332,400
		<u>-</u>	<u>332,400</u>
Liabilities taken over	3	-	601,712
		<u>-</u>	<u>601,712</u>

  
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Chief Financial Officer

The accompanying notes 1 to 10 form an integral part of three interim condensed financial statements.




**BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

**INTERIM STATEMENT OF SHAREHOLDERS' CASH FLOWS**

For the three month period ended 31 March 2010

	<i>Note</i>	<i>For the three month period ended 31 March 2010 (Unaudited) SR'000</i>	<i>For the three month period ended 31 March 2009 (Unaudited) SR'000</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net comprehensive loss for the three month period		<b>(12,906)</b>	(5,579)
Adjustment for:			
Depreciation		<u>1,687</u>	<u>1,330</u>
		<b>(11,219)</b>	(4,249)
Changes in assets and liabilities:			
Accrued income		<b>546</b>	(426)
Accrued expenses and other liabilities		<b>1,242</b>	9,374
Amount due from a related party		-	(1,262)
Amount due to a related party		-	1,045
Due from insurance operations		<b>11,550</b>	960
		<u>2,119</u>	<u>5,442</u>
Net cash from operating activities			
		<b>2,119</b>	5,442
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>			
Purchase of furniture, fittings and equipment		<b>(1,237)</b>	(3,360)
Increase in time deposits		-	(293,258)
		<u>(1,237)</u>	<u>(296,618)</u>
Net cash used in investing activities			
		<b>(1,237)</b>	(296,618)
<b>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>882</b>	(291,176)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>308,789</b>	291,218
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	4	<u><b>309,671</b></u>	<u>42</u>
<b>MAJOR NON-CASH TRANSACTIONS:</b>			
Assets acquired	3	<u>-</u>	<u>17,912</u>
Goodwill on acquisition	1	<u>-</u>	<u>98,000</u>

  
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**BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
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**INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

For the three month period ended 31 March 2010


	<i>Note</i>	<i>Share capital SR'000</i>	<i>Statutory reserve SR'000</i>	<i>Retained earnings SR'000</i>	<i>Total SR'000</i>
Balance at 31 December 2009 (Audited)		400,000	9,534	27,819	437,353
Total comprehensive loss for the three month period ended 31 March 2010		-	-	(12,906)	(12,906)
Zakat and tax for the three month period	8	-	-	(4,060)	(4,060)
<b>Balance at 31 March 2010 (Unaudited)</b>		<b>400,000</b>	<b>9,534</b>	<b>10,853</b>	<b>420,387</b>

	<i>Note</i>	<i>Share capital SR'000</i>	<i>Statutory reserve SR'000</i>	<i>Retained earnings SR'000</i>	<i>Total SR'000</i>
Balance at 31 December 2008 (Audited)		400,000	-	(10,061)	389,939
Total comprehensive loss for the three month period ended 31 March 2009		-	-	(5,579)	(5,579)
Zakat and tax for the three month period	8	-	-	(1,680)	(1,680)
<b>Balance at 31 March 2009 (Unaudited)</b>		<b>400,000</b>	<b>-</b>	<b>(17,320)</b>	<b>382,680</b>



Chairman



Director and Chief Executive Officer



Chief Financial Officer

The accompanying notes 1 to 10 form an integral part of these interim condensed financial statements.

# BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY (A SAUDI JOINT STOCK COMPANY)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

At 31 March 2010

### 1 ORGANIZATION AND PRINCIPAL ACTIVITIES

Bupa Arabia For Cooperative Insurance Company (the Company) is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia as per Ministry of Commerce and Industry's Resolution number 138/K dated 24 Rabi Thani 1429 H (corresponding to 1 May 2008). The Registered Office address of the Company is situated at No 1, Rawdah Street, Al Khaledeyyah District, Jeddah (P.O. Box 23807, Jeddah 21436), Kingdom of Saudi Arabia. The Company is licensed to conduct insurance business in Kingdom of Saudi Arabia under cooperative principles in accordance with Royal Decree No. M/74 dated 29 Shabaan 1428 H (corresponding to 11 September 2007) pursuant to Council of Ministers' Resolution No 279 dated 28 Shabaan 1428 H (corresponding to 10 September 2007). The company is 73.75% owned by Saudi shareholders and 26.25% owned by non-Saudi shareholders.

The objective of the Company is to transact cooperative insurance operations and related services in accordance with its Articles of Association, and applicable regulations in Kingdom of Saudi Arabia. The Company underwrites medical insurance only.

On 31 December 2008, the Company entered into an agreement with Bupa Middle East Limited E.C. (the Seller) pursuant to which it acquired the Seller's insurance operations in the Kingdom of Saudi Arabia, effective from 1 January 2009, at a goodwill amount of SR 98 million, as approved by Saudi Arabian Monetary Agency (SAMA), along with related insurance assets and liabilities of an equivalent amount (see note 3). 50% of the amount in respect of goodwill has been paid to the seller during 2009. In accordance with the instructions of SAMA, the remaining 50% will be paid subsequent to 2009, out of the Company's profits for those years, after obtaining SAMA's approval.

As required by Saudi Arabian insurance regulations, the Company maintains separate books of account for Insurance Operations and Shareholders' Operations. The physical custody of all assets related to the Insurance Operations and Shareholders' Operations are held by the Company. Revenues and expenses clearly attributable to either activity are recorded in the respective books of account. The basis of allocation of expenses from joint operations is determined by the management and Board of Directors.

As per the by-laws of the Company, Surplus arising from the Insurance Operations is distributed as follows:

Transfer to Shareholders' operations	90%
Transfer to Policyholders' payable	10%
	<hr/>
	100%
	<hr/> <hr/>

In accordance with Article 70 of the SAMA Implementing Regulations, the Company will distribute its annual net policyholders' surplus directly to policyholders at a time, and according to criteria, as set by its Board of Directors and provided the customer contract is active and paid up to date at the time of settlement of the cooperative distribution amount.

### 2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of preparation

The interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting.

The accounting policies adopted by the Company for the preparation of these interim condensed financial statements are in accordance with International Financial Reporting Standards and are consistent with those used for the preparation of annual financial statements.



**BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY**  
**(A SAUDI JOINT STOCK COMPANY)**

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)**

At 31 March 2010

**2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Basis of preparation (continued)**

These interim condensed financial statements for the three month period ended 31 March 2010 ('the period') should be read in conjunction with the Company's audited 31 December 2009 financial statements. In management's opinion, the interim condensed financial statements reflect all adjustments (which include normal recurring adjustments) necessary to present fairly the results of operations for the interim period presented. The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards.

The interim condensed financial statements are presented in Saudi Riyals, being the functional currency of the Company, and have been rounded off to the nearest thousand. The Company's interim results may not be indicative of its annual results.

**3 TRANSFER OF PORTFOLIO**

As stated in note 1, the value of assets and liabilities acquired from the Seller, as at 1 January 2009, as per the valuation approved by SAMA, were as follows:

	<i>SR'000</i>
<b>ASSETS</b>	
Furniture, fittings and equipment	17,912
Deferred policy acquisition costs	13,702
Premiums written not invoiced, net	247,163
Premiums receivables, net	64,400
Amounts due from a related party	1,474
Other assets	5,661
Short term deposits	242,771
Cash and cash equivalents	8,629
<b>Total assets transferred</b>	<u>601,712</u>
<b>LIABILITIES</b>	
Unearned premiums	380,620
Outstanding claims	190,894
Other liabilities and provision	30,198
<b>Total liabilities transferred</b>	<u>601,712</u>
<b>NET ASSET TRANSFERRED</b>	<u><u>-</u></u>



BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 31 March 2010

**4 CASH AND CASH EQUIVALENTS**

	<i>31 March 2010 (Unaudited) SR'000</i>	<i>31 December 2009 (Audited) SR'000</i>
<i>Insurance Operations</i>		
Cash in bank	227,262	190,662
Short-term deposits	253,990	253,500
	<u>481,252</u>	<u>444,162</u>
<i>Shareholders' Operations</i>		
Cash in bank	13,631	13,615
Short-term deposits	296,040	295,174
	<u>309,671</u>	<u>308,789</u>

At 31 March 2010, bank balances, relating to insurance operations, amounting to SR 113.8 million (2009: SR 190.4 million) are held in the name of a related party of the Company, on behalf of the Company.

**5 STATUTORY DEPOSIT**

As required by Saudi Arabian Insurance Regulations, the Company deposited 10% of its paid up share capital, amounting to SR 40 million in a bank designated by the SAMA.

BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 31 March 2010

6 CLAIMS INCURRED

	<i>For the three month period ended 31 March 2010 (Unaudited) SR'000</i>	<i>For the three month period ended 31 March 2009 (Unaudited) SR'000</i>
<i>Insurance Operations</i>		
Gross claims paid	325,664	194,150
Outstanding claims at the end of the period	277,136	227,447
	<u>602,800</u>	<u>421,597</u>
Outstanding claims at the beginning of the period	(275,259)	(190,894)
	<u>327,541</u>	<u>230,703</u>

With effect from 15 December 2009, the Company has entered into an excess of loss (XOL) reinsurance contract with its reinsurers. As at 31 March 2010, all the outstanding claims which are covered by XOL reinsurance, are lower than the XOL limit and therefore no reinsurance recovery has been booked in these financial statements.

7 TRANSACTIONS WITH RELATED PARTIES

The following are the details of major related party transaction during the three month period ended 31 March 2010 and the related balance at the period end:

<i>Related party</i>	<i>Nature of transaction</i>	<i>Amount of transaction</i>	
		<i>SR'000</i>	<i>SR'000</i>
		<i>Three month period ended 31 March 2010</i>	<i>Three month period ended 31 March 2009</i>
<i>Shareholders' Operations</i>			
Bupa Middle East Limited E.C. (Affiliate)	Assets acquired (note 3)	-	601,712
	Liabilities taken over (note 3)	-	601,712
	Goodwill acquired (note 3)	-	98,000
	Payments made on behalf of the Affiliate and recharged to the Affiliate	-	1,262
ASAS Health Care Company Limited (ASAS – Affiliate)	Payments made on behalf of the Company and recharged to the Company	(513)	(1,045)

**BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)**

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)  
At 31 March 2010

**7 TRANSACTIONS WITH RELATED PARTIES (continued)**

<i>Related party</i>	<i>Nature of transaction</i>	<i>Amount of transaction</i>	
		<i>SR'000</i> <i>Three month</i> <i>period ended</i> <i>31 March</i> <i>2010</i>	<i>SR'000</i> <i>Three month</i> <i>period ended</i> <i>31 March</i> <i>2009</i>
<b>Insurance Operations</b>			
Related parties	Premiums written	34	5,534
	Claims paid	1,041	1,037
	Provider claims paid	9,229	8,031
Key management personnel	Short term benefits	3,299	3,265
	Long term benefits	83	80

Amount due to the related party is disclosed in the interim statement of financial position.

**8 ZAKAT AND INCOME TAX**

The Zakat payable by the Company has been calculated based on the best estimate of the management. No income tax has been accrued for, as the Company has incurred a loss during the three month period ended 31 March 2010 and 2009.

**9 SEASONALITY AND SEGMENT INFORMATION**

a) SEASONALITY

Due to seasonality of the operations, higher revenues and operating profits are expected in the second half of the year when compared to the first half of the year.

b) SEGMENT INFORMATION

The Company only issues short-term insurance contracts for providing health care services ('medical insurance'). All the insurance operations of the Company are carried out in the Kingdom of Saudi Arabia. For management purposes, the operations are monitored in two customer categories, based on the number of members covered. Major customers represent large corporates, and all others are considered as non-major.

Segment results do not include other income, selling and marketing expenses and general and administration expenses.

Segment assets do not include cash and cash equivalents and prepayments and other assets.

Segment liabilities do not include accruals and other liabilities, amount due to shareholders' operations and policyholders' share of surplus from insurance operations.

BUPA ARABIA FOR COOPERATIVE INSURANCE COMPANY  
(A SAUDI JOINT STOCK COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)

At 31 March 2010

9 SEASONALITY AND SEGMENT INFORMATION (continued)

Consistent with the Company's internal reporting process, operating segments have been approved by the management in respect of the Company's activities, assets and liabilities as stated below:

	<i>For the three month period ended 31 March 2010</i>		
	Major	Non-major	Total
	<i>SR'000</i>	<i>SR'000</i>	<i>SR'000</i>
Net premiums earned	192,359	175,956	368,315
Claims incurred	(183,912)	(143,629)	(327,541)
Unallocated income	-	-	317
Unallocated expenses	-	-	(53,444)
<b>Deficit from insurance operations</b>			<b>(12,353)</b>

	<i>For the three month period ended 31 March 2010</i>		
	Major	Non-major	Total
	<i>SR'000</i>	<i>SR'000</i>	<i>SR'000</i>
<b>Insurance operations' assets</b>			
Premiums receivable, net	33,384	27,685	61,069
Premiums written not invoiced, net	312,185	245,991	558,176
Deferred policy acquisition costs	6,636	8,314	14,950
Unallocated assets	-	-	518,055
<b>Total</b>			<b>1,152,250</b>
<b>Insurance operations' liabilities and surplus</b>			
Unearned premiums			790,676
Outstanding claims			277,136
Unallocated liabilities and surplus	-	-	84,438
<b>Total</b>			<b>1,152,250</b>

10 BOARD OF DIRECTORS' APPROVAL

These financial statements have been approved by the Board of Directors on 17 April 2010.