

**AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA – QATAR**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS AT AND
FOR THE THREE MONTH
PERIOD ENDED MARCH 31, 2017
TOGETHER WITH
INDEPENDENT AUDITOR'S REVIEW REPORT**

**AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS AS AT AND
FOR THE THREE MONTH
PERIOD ENDED MARCH 31, 2017**

TABLE OF CONTENT

Independent Auditor's Review Report on Interim Condensed Consolidated Financial Statements	--
	<u>Page</u>
Interim Consolidated Statement of Financial Position	1-2
Interim Consolidated Statement of Profit or Loss	3-4
Interim Consolidated Statement of Comprehensive Income	5
Interim Consolidated Statement of Changes in Participants' Fund	6
Interim Consolidated Statement of Changes in Shareholders' Equity	7
Interim Consolidated Statement of Cash Flows	8
Notes to the Interim Condensed Consolidated Financial Statements	9 – 14

**INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**TO THE BOARD OF DIRECTORS
AL KHALEEJ TAKAFUL GROUP Q.P.S.C.**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Al Khaleej Takaful Group Q.P.S.C. (the "Company") and its subsidiaries (together referred to as the "Group") as at and for the three month period ended 31 March 2017, comprising of the interim consolidated statement of financial position as at 31 March 2017 and the related interim consolidated statement of profit or loss, interim consolidated statement of comprehensive income, interim consolidated statement of changes in participants' fund, interim consolidated statement of changes in shareholders' equity and interim consolidated statement of cash flows for the three-month period then ended and the related explanatory notes.

The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with the financial accounting standards issued by the accounting and auditing organization for Islamic Financial institutions (AAOIFI). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements 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 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 performed in accordance with the auditing standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions. Consequently, it 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with the financial accounting standards issued by the accounting and auditing organization for Islamic Financial institutions (AAOIFI).

**Rödl & Partner
Middle East**


**Hikmat Mukheimer
(License No.297)**

**Doha-Qatar
April 27, 2017**

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT March 31, 2017

	<u>Notes</u>	<u>March 31, 2017</u>	<u>December 31, 2016</u>
		<u>QR.</u>	<u>QR.</u>
		<u>(Reviewed)</u>	<u>(Audited)</u>
ASSETS			
Policyholders' assets			
Bank balances and cash		5,903,212	4,693,655
Investments classified at fair value through equity	3	21,154,459	20,460,680
Takaful balances receivable		70,534,396	50,899,071
Retakaful balances receivable		44,641,734	45,410,329
Retakaful share of unearned contributions		67,013,112	66,861,602
Retakaful share of gross outstanding claims		91,943,132	89,687,233
Other receivables and prepayments		50,489,699	69,247,346
Investment property		30,858,321	31,100,274
Property and equipment		1,009,800	1,009,800
Total policyholders' assets		383,547,865	379,369,990
Shareholders' assets			
Bank balances and cash		38,051,866	50,096,736
Time deposits		100,000	100,000
Investments classified at fair value through equity	3	294,784,123	308,851,286
Asset held for sale		21,454,007	21,454,007
Investment in associate		6,870,000	6,870,000
Takaful balances receivable		715,525	705,900
Retakaful balances receivable		384,821	384,821
Retakaful share of gross outstanding claims		1,617,439	1,617,439
Other receivables and prepayments		32,376,601	19,733,214
Investment property		224,766,429	225,082,937
Property and equipment		12,277,817	12,843,420
Property under development		47,219,267	46,909,235
Total shareholders' assets		680,617,895	694,648,995
TOTAL ASSETS		1,064,165,760	1,074,018,985

The accompanying notes 1 to 7 form part of these interim condensed consolidated financial statements.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2017 (CONTINUED)

	March 31, 2017	December 31, 2016
	QR. (Reviewed)	QR. (Audited)
SHAREHOLDERS' EQUITY, PARTICIPANTS' FUND AND LIABILITIES		
Shareholders' equity		
Share capital	255,279,024	255,279,024
Statutory reserve	232,931,770	232,931,770
General reserve	75,477	75,477
Proposed cash dividends	--	15,316,741
Fair value reserve	27,252,116	31,326,979
Retained earnings	18,657,219	4,786,403
Total shareholders' equity	534,195,606	539,716,394
Shareholders' liabilities		
Liability arising from insurance contracts:		
Gross outstanding claims	1,414,780	1,414,780
Islamic bank facilities	86,560,903	90,788,036
Accounts payable and other liabilities	51,507,562	55,522,782
Retakaful and takaful balances payable	372,668	372,668
Employees' end of service benefits	6,566,376	6,834,335
	145,007,509	153,517,821
Total shareholders' liabilities	146,422,289	154,932,601
Shareholders' equity and liabilities	680,617,895	694,648,995
Participants' fund		
Surplus in participants' fund	11,673,532	8,562,036
Participants' fair value reserve	6,894,075	6,037,954
	18,567,607	14,599,990
Policyholders' liabilities		
Liabilities arising from insurance contracts:		
Unearned contributions	119,429,604	118,552,916
Gross outstanding claims	116,835,919	112,289,796
Claims incurred but not reported	4,566,105	4,116,998
	240,831,628	234,959,710
Accounts payable and other liabilities	64,844,178	74,388,723
Retakaful and takaful balances payable	59,304,452	55,421,567
	124,148,630	129,810,290
participants' fund and policyholders liabilities	383,547,865	379,369,990
TOTAL SHAREHOLDERS' EQUITY, PARTICIPANTS' FUND AND LIABILITIES	1,064,165,760	1,074,018,985

Saoud Bin Abdulla Mohd J. Al-Thani
Chief Executive Officer

Abdulla Bin Ali Mohamed Al Ansari
Board Member

The attached notes 1 to 7 form part of these interim condensed consolidated financial statements.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (POLICY HOLDERS)
for the Three Month Period Ended March 31, 2017

		Three Month period ended March 31,	
	Note	2017	2016
		QR.	QR.
		(Reviewed)	(Reviewed)
POLICYHOLDERS' REVENUES AND EXPENSES			
Gross contributions		100,523,436	100,939,141
Retakaful share		(69,673,512)	(69,905,053)
Retained contributions		30,849,924	31,034,088
Movement in unearned contributions		(1,008,418)	902,813
Net retained contributions		29,841,506	31,936,901
Retakaful commission and other takaful income		7,672,606	8,292,476
Change in deferred commissions		(603,270)	--
Total takaful revenues		36,910,842	40,229,377
Claims Paid		(31,275,678)	(31,681,163)
Retakaful share of claims paid		17,105,010	14,471,019
Net claims paid		(14,170,668)	(17,210,144)
Movement in outstanding claims		(2,290,224)	(616,037)
Movement in IBNR		(507,360)	(358,679)
Commission and other takaful expenses		(6,018,096)	(7,599,992)
Total takaful expenses		(22,986,348)	(25,784,852)
SURPLUS FROM TAKAFUL OPERATIONS	4	13,924,494	14,444,525
Investment income of takaful policyholders		105,217	310,710
Income from deposits		60,923	64,917
Real-estate rental income		612,000	--
Total policyholders revenues		14,702,634	14,820,152
OTHER EXPENSES			
Wakala fees		(10,741,466)	(8,053,788)
Depreciation		(241,953)	(336,600)
Other expenses		(63,021)	(273,583)
Mudarib Expenses		(544,698)	(155,355)
Total other expenses		(11,591,138)	(8,819,326)
SURPLUS FOR THE PERIOD TRANSFERRED TO PARTICIPANTS' FUND			
		3,111,496	6,000,826

The accompanying notes 1 to 7 form part of these interim condensed consolidated financial statements

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (SHAREHOLDERS)
for the Three Month Period Ended March 31, 2017

	Note	Three Month Period Ended March 31,	
		2017	2016
		QR.	QR.
		(Reviewed)	(Reviewed)
SHAREHOLDERS' REVENUES AND EXPENSES			
Claims paid		(12,767)	(108,890)
Retakaful's share of claims paid		--	107,026
Net claims paid		(12,767)	(1,864)
Movement in outstanding claims		--	422,225
Total takaful expenses		(12,767)	420,361
(DEFICIT) SURPLUS FROM TAKAFUL OPERATIONS	4	(12,767)	420,361
INVESTMENT AND OTHER INCOME			
Wakala income		10,741,466	8,053,788
Mudarib income		544,698	155,355
Income from deposits		5,902	11,042
Dividend income		9,992,756	--
Net realized gains on sale of investment classified at fair value through equity		655,241	15,022,466
Gain on disposal of investment property		200,000	--
Rental income (loss)		944,294	(224,933)
Total shareholders' revenue		23,084,357	23,017,718
EXPENSES			
General and administrative expenses		(7,210,542)	(7,994,296)
Depreciation		(890,390)	(925,102)
Finance cost		(1,099,842)	(351,223)
Total expenses		(9,200,774)	(9,270,621)
SHAREHOLDERS' PROFIT FOR THE PERIOD		13,870,816	14,167,458
Basic/Diluted Earnings Per Share	5	0.54	0.55

The accompanying notes 1 to 7 form part of these interim condensed consolidated financial statements

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three Month Period Ended March 31, 2017

	Three Month Period Ended March 31,	
	2017	2016
	QR.	QR.
	(Reviewed)	(Reviewed)
Shareholders' profit for the period	<u>13,870,816</u>	<u>14,167,458</u>
Other comprehensive income		
Net change in fair value of investments classified at fair value through equity	<u>(4,074,863)</u>	<u>(9,576,661)</u>
Total other comprehensive (loss) for the period	<u>(4,074,863)</u>	<u>(9,576,661)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u><u>9,795,953</u></u>	<u><u>4,590,797</u></u>

The attached notes 1 to 7 form part of these interim condensed consolidated financial statements.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN PARTICIPANTS' FUNDS
for the three Month Period Ended March 31, 2017

	Participants' fund	Fair Value Reserve	Total
	QR. (Reviewed)	QR. (Reviewed)	QR. (Reviewed)
Balance as at 1 January 2017	8,562,036	6,037,954	14,599,990
Surplus for the period	3,111,496	--	3,111,496
Net change in fair value of investments classified at fair value through equity	--	856,121	856,121
Balance as at 31 March 2017	<u><u>11,673,532</u></u>	<u><u>6,894,075</u></u>	<u><u>18,567,607</u></u>
 Balance as at 1 January 2016	 (8,808,346)	 5,579,844	 (3,228,502)
Surplus for the period	6,000,826	--	6,000,826
Net change in fair value of investments classified at fair value through equity	--	1,344,600	1,344,600
Balance as at 31 March 2016	<u><u>(2,807,520)</u></u>	<u><u>6,924,444</u></u>	<u><u>4,116,924</u></u>

The attached notes 1 to 7 form part of these interim condensed consolidated financial statements.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
for the three Month Period Ended March 31, 2017

	Share Capital QR.	Statutory Reserve QR.	General Reserve QR.	Proposed Cash Dividends QR.	Fair Value Reserve QR.	Retained Earnings QR.	Total QR.
Balance at 1 January 2017	255,279,024	232,931,770	75,477	15,316,741	31,326,979	4,786,403	539,716,394
Shareholders' profit	--	--	--	--	--	13,870,816	13,870,816
Other Comprehensive loss for the period	--	--	--	--	(4,074,863)	--	(4,074,863)
Total comprehensive income for the period	--	--	--	--	(4,074,863)	13,870,816	9,795,953
Cash dividends paid	--	--	--	(15,316,741)	--	--	(15,316,741)
Balance at 31 March 2017	255,279,024	232,931,770	75,477	--	27,252,116	18,657,219	534,195,606
Balance at 1 January 2016	255,279,024	231,602,641	75,477	25,527,209	48,110,372	9,702,407	570,297,130
Net profit for the year	--	--	--	--	--	14,167,458	14,167,458
Movement in Fair value reserve	--	--	--	--	(9,576,661)	--	(9,576,661)
Total comprehensive income for the period	--	--	--	--	(9,576,661)	14,167,458	4,590,797
Cash dividends paid	--	--	--	(25,527,209)	--	--	(25,527,209)
Balance at 31 March 2016	255,279,024	231,602,641	75,477	--	38,533,711	23,869,865	549,360,718

The accompanying notes 1 to 7 form part of these interim condensed consolidated financial statements.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA – QATAR

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
for the three Month Period Ended March 31, 2017

	Three Month Period Ended March 31,	
	2017	2016
	QR.	QR.
	(Reviewed)	(Reviewed)
OPERATING ACTIVITIES		
Participants' surplus for the period	3,111,496	6,000,826
Shareholders' profit for the period	13,870,816	14,167,458
	<u>16,982,312</u>	<u>20,168,284</u>
Adjustment for:		
Depreciation	1,132,343	1,261,702
Income from Deposits	(66,825)	(75,959)
Dividend income	(9,992,756)	(12,143,051)
Rental income (loss)	(1,556,294)	224,933
	<u>6,498,780</u>	<u>9,435,909</u>
Net Operating profit before changes in working capital		
Takaful balances receivable	(19,644,950)	(23,759,365)
Retakaful balances receivable	768,595	(542,223)
Retakaful's share of unearned contribution	(151,510)	432,536
Retakaful's share of gross outstanding claims	(2,255,899)	(5,343,505)
Other receivables and prepayments	6,114,260	(41,207,182)
Total outstanding claims	4,546,123	5,537,314
unearned contribution	876,688	(1,327,705)
Claims incurred but not reported	449,107	351,035
Accounts payable and other liabilities	(13,559,765)	17,015,595
Retakaful and takaful balances payable	3,882,885	22,886,830
Employees' end of service benefits	(267,959)	88,667
Net cash used in operating activities	<u>(12,743,645)</u>	<u>(16,432,094)</u>
INVESTING ACTIVITIES		
Movement in investments classified at fair value through equity	10,154,642	(9,132,371)
Purchase of property and equipment	(8,279)	(65,165)
Capital work in progress	(310,032)	(601,250)
Income from deposits received	66,825	75,959
Dividends income received	9,992,756	12,143,051
Rental income	1,556,294	(224,933)
Net cash from investing activities	<u>21,452,206</u>	<u>2,195,291</u>
FINANCING ACTIVITIES		
Net Movements in Islamic bank facilities	(4,227,133)	(532,697)
Dividend paid	(15,316,741)	(25,527,209)
Net cash used in financing activities	<u>(19,543,874)</u>	<u>(26,059,906)</u>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(10,835,313)</u>	<u>(40,296,709)</u>
Cash and cash equivalents at 1 January	54,790,391	77,334,675
CASH AND CASH EQUIVALENTS AT 31 March	<u>43,955,078</u>	<u>37,037,966</u>

The accompanying notes from 1 to 7 form part of these interim condensed consolidated financial statements.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three month period ended March 31, 2017

1. LEGAL STATUS AND ACTIVITIES

Al Khaleej Takaful Group Q.P.S.C. (the "Company") is a Qatari shareholding company registered and incorporated in the State of Qatar under Emiri Decree No. 53 issued on 21 December 1978 and listed on Qatar Exchange. The Company and its subsidiaries (together referred to as the "Group") are engaged in the business of insurance, reinsurance, Takaful insurance and real estate investment.

As per extraordinary general meeting held at 5th of April 2017, The decision has been approved to change the name of the company from Al-khaleej-Takaful Group to Al-khaleej Takaful Insurance and the commercial registration of the company is on the update process.

<u><i>Name of Subsidiary</i></u>	<u><i>Ownership</i></u>	<u><i>Country of incorporation</i></u>	<u><i>Principal Activities</i></u>
Qatar Takaful Co. W.L.L	100%	Qatar	Primarily engaged in activities in accordance with Islamic Sharia'a principles on a non-usury basis in all areas of insurance.
Mithaq Investments W.L.L	100%	Qatar	Primarily engaged in investments.

The interim condensed consolidated financial statements were approved from board of directors at April 27, 2017

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial statements are prepared in accordance with the Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions and the International Accounting Standard (IAS) 34 - *Interim Financial Reporting*. For matters for which no AAOIFI standards exist, the Group applies the relevant International Financial Reporting Standards (IFRS).

The interim condensed consolidated financial statements are presented in Qatari Riyals, which is the functional and presentation currency of the Group.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2016. The results for the three months period ended 31 of march 2017 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2017.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three month period ended March 31, 2017

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant Accounting Policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2016 except for the new and amended conceptual framework financial accounting standards effectively dated for the periods started from 1 January 2017, which were prepared in accordance with the Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (the "AAOIFI") and applicable provisions of the Qatar Commercial Company's Law No. 11 of 2015. For matters which are not covered by AAOIFI standards, including "Interim Financial Reporting", the Group uses the International Financial Reporting Standards (the "IFRSs").

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 of march 2017.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interest
- Derecognizes the cumulative translation differences, recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three month period ended March 31, 2017

3. INVESTMENTS CLASSIFIED AT FAIR VALUE THROUGH EQUITY

The carrying amounts of the Group's investments were as follows:

	March 31, 2017	December 31, 2016
	QR	QR
	(Reviewed)	(Audited)
Policyholders		
Quoted investments		
Local equity shares	12,626,856	12,008,184
Foreign equity shares	1,140,953	903,504
Unquoted investments		
Local equity shares	1,900,000	1,900,000
Foreign equity shares	5,486,650	5,648,992
	21,154,459	20,460,680
Shareholders		
Quoted investments		
Local equity shares	211,099,505	228,374,057
Foreign equity shares	1,440,140	1,266,083
Debt securities	360,855	360,855
Unquoted investments		
Local equity shares	41,491,046	40,991,046
Foreign equity shares	40,046,391	37,513,059
Mutual funds	346,186	346,186
	294,784,123	308,851,286

4. SEGMENT INFORMATION

For management purposes, the Group is organized into five business segments, Marine and Aviation, Fire, General Accident, Motor and Takaful Insurance.

Management monitors the operating results of the business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net underwriting results.

Other operations of the Group comprise investment and cash management for the Group's own account. There are no transactions between segments.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA – QATAR

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three month period ended March 31, 2017

4. SEGMENT INFORMATION (Continued)

The data with respect to segment information is disclosed as follows. The data for the three months period ended March 31, 2017 relates to both the policyholders' and shareholders' operations.

	Marine & Aviation	Fire	General accident + Energy+ Eng.	Motor	Takaful + Medical	Total
	2017 QR	2017 QR	2017 QR	2017 QR	2017 QR	2017 QR
Revenue						
Gross contributions	1,758,731	14,875,572	28,427,124	28,995,412	26,466,597	100,523,436
Retakaful share of gross contributions	(1,522,759)	(13,928,444)	(26,012,006)	(5,402,434)	(22,807,869)	(69,673,512)
Retained contributions	235,972	947,128	2,415,118	23,592,978	3,658,728	30,849,924
Movement in unearned contributions	240	(240,138)	(732,829)	(66,862)	31,171	(1,008,418)
Net retained contributions	236,212	706,990	1,682,289	23,526,116	3,689,899	29,841,506
Retakaful commission and other takaful income	482,572	1,502,100	3,754,199	1,342,029	591,706	7,672,606
Change in deferred commission	9,733	78,631	163,080	11,930	(866,644)	(603,270)
Total revenue	728,517	2,287,721	5,599,568	24,880,075	3,414,961	36,910,842
Expenses						
Claims paid	(288,954)	(4,498,339)	(4,055,631)	(14,680,354)	(7,752,400)	(31,275,678)
Retakaful share of claims paid	189,377	4,096,021	4,848,175	1,773,466	6,185,204	17,092,243
Net claims	(99,577)	(402,318)	792,544	(12,906,888)	(1,567,196)	(14,183,435)
Movement in outstanding claims	33,412	195,236	(156,983)	(2,571,100)	209,211	(2,290,224)
Movement in IBNR	4,573	29,286	7,066	(521,414)	(26,871)	(507,360)
Commission and other takaful expenses	(80,939)	(358,190)	(1,280,057)	(2,637,191)	(1,661,719)	(6,018,096)
Total expenses	(142,531)	(535,986)	(637,430)	(18,636,593)	(3,046,575)	(22,999,115)
Surplus from takaful operations	585,986	1,751,735	4,962,138	6,243,482	368,386	13,911,727

As the Group's activities are performed on an integrated basis, a segmental analysis of assets and liabilities between these segments would not be meaningful.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA – QATAR

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three month period ended March 31, 2017

4. SEGMENT INFORMATION (Continued)

The data with respect to segment information is disclosed as follows. The data for the three months period ended March 31, 2017 relates to both the policyholders' and shareholders' operations.

	Marine & Aviation 2016 QR	Fire 2016 QR	General accident + Energy+ Eng. 2016 QR	Motor 2016 QR	Takaful + Medical 2016 QR	Total 2016 QR
Revenue						
Gross contributions	2,312,444	14,586,663	30,599,045	29,661,559	23,779,430	100,939,141
Retakaful share of gross contributions	(2,017,630)	(13,949,271)	(28,837,194)	(6,333,716)	(18,767,242)	(69,905,053)
Retained contributions	294,814	637,392	1,761,851	23,327,843	5,012,188	31,034,088
Movement in unearned contributions	52,384	(65,859)	33,151	1,014,941	(131,804)	902,813
Net retained contributions	347,198	571,533	1,795,002	24,342,784	4,880,384	31,936,901
Retakaful commission and other takaful income	580,883	1,678,111	3,796,338	1,636,053	601,091	8,292,476
Total revenue	928,081	2,249,644	5,591,340	25,978,837	5,481,475	40,229,377
Expenses						
Claims paid	(510,000)	(4,023,217)	(3,237,180)	(17,879,951)	(6,139,706)	(31,790,054)
Retakaful share of claims paid	403,244	3,536,237	2,676,959	2,435,734	5,525,871	14,578,045
Net claims	(106,756)	(486,980)	(560,221)	(15,444,217)	(613,835)	(17,212,009)
Movement in outstanding claims	110,281	(273,874)	311,888	(245,446)	(96,661)	(193,812)
Movement in IBNR	16,173	(43,312)	6,832	(316,230)	(22,142)	(358,679)
Commission and other takaful expenses	(144,756)	(323,093)	(891,150)	(2,875,676)	(3,365,316)	(7,599,991)
Total expenses	(125,058)	(1,127,259)	(1,132,651)	(18,881,569)	(4,097,954)	(25,364,491)
Surplus from takaful operations	803,023	1,122,385	4,458,689	7,097,268	1,383,521	14,864,886

As the Group's activities are performed on an integrated basis, a segmental analysis of assets and liabilities between these segments would not be meaningful.

AL KHALEEJ TAKAFUL GROUP Q.P.S.C.
DOHA - QATAR

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three month period ended March 31, 2017

5. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period.

	March 31,	
	2017	2016
	(Reviewed)	(Reviewed)
Profit for the period attributable to the shareholders (QR.)	13,870,816	14,167,458
Number of shares	25,527,902	25,527,902
Basic/Diluted earnings per share (QR.)	0.54	0.55

There were no potentially dilutive shares outstanding at any time during the period. Therefore, the diluted earnings per share are equal to the basic earnings per share.

6. QATAR TAKAFUL COMPANY W.L.L

According to the decision of Qatar Central bank governor no (1) of 2014, the insurance policies of properties and responsibilities including all rights and all of its obligations should be transferred from Qatar Takaful company to Al Khaleej Takaful Group company.

The required procedures are in process and in accordance with the plan submitted by the company to the Qatar Central Bank.

7. COMPARATIVE INFORMATION

Certain prior year figures have been reclassified to conform to current period's presentation. The changes have been made to improve the quality of information presented and do not affect the previously reported net shareholders profit or equity.