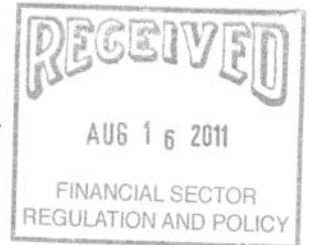


**CONSOLIDATED FINANCIAL STATEMENTS**

**ASSETS**  
(\$'000)

		Current 01	Prior 03
Cash and Cash Equivalents	01	16,449	15,245
Investment Income due and accrued	02	80	490
Assets held for sale	50		
Investments:			
Short Term Investments	04	39,829	14,115
Bonds and Debentures	05	24,102	25,972
Mortgage Loans	06	0	0
Preferred Shares	07	87,155	81,563
Common Shares	08	52,302	41,504
Investment Properties	09	11,167	11,428
Other Investments	10	11,805	6,049
<b>Total Investments (lines 04 to 10)</b>	19	226,360	180,631
Receivables:			
Unaffiliated Agents and Brokers	20	0	0
Policyholders	21	2,898	2,279
Instalment Premiums	22	12,620	11,682
Other Insurers	23	0	0
"Facility Association" and the "PRR"	24	731	785
Subsidiaries, Associates & Joint Ventures	25	0	0
Income Taxes	26		0
Other Receivables	27	110	703
Recoverable from Reinsurers:			
Unearned Premiums	30	0	0
Unpaid Claims and Adjustment Expenses	31	587	404
Other Recoverables on Unpaid Claims	37	0	0
Interests in Subsidiaries, Associates & Joint Ventures	40	0	0
Property and Equipment	41	0	0
Deferred Policy Acquisition Expenses	43	884	687
Current Tax Assets	52		
Deferred Tax Assets	44	4,379	4,091
Goodwill	54		
Intangible Assets	56		
Other Assets	88	120	171
<b>TOTAL ASSETS</b>	89	265,218	217,168

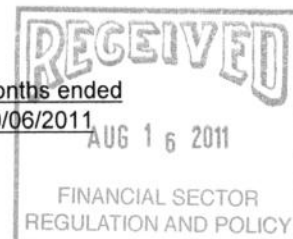


**CONSOLIDATED FINANCIAL STATEMENTS**  
**LIABILITIES AND EQUITY**  
(\$'000)

Page			Current 01	Prior 03
	<b>LIABILITIES</b>			
	Overdrafts	01		0
	Borrowed Money and Accrued Interest	02		0
	Payables:			
	Agents and Brokers	03		0
	Policyholders	04		0
	Other Insurers	05	2,326	1,829
	Subsidiaries, Associates & Joint Ventures	06		0
	Expenses due and accrued	07	1,552	1,445
	Income Taxes due and accrued	08	(1,094)	301
	Other Taxes due and accrued	09	1,710	1,050
	Policyholder Dividends and Rating Adjustments	10		0
	Encumbrances on Real Estate	11		0
	Unearned Premiums	12	132,088	114,759
	Unpaid Claims and Adjustment Expenses	13	19,264	18,571
80.10	Unearned Commissions	14	0	0
	Premium Deficiency	15		0
	Liabilities held for sale	17		
	Current Tax Liabilities	18		
	Deferred Tax Liabilities	21	(390)	(1,330)
	Provisions and Other Liabilities	28	29	12
	<b>Total Liabilities</b>	29	155,485	136,637
	<b>EQUITY</b>			
	Shares issued and paid	41	11,500	11,500
	Contributed Surplus	42		0
		43		0
20.40	Retained Earnings	44	90,267	66,635
20.40	Reserves	45	0	0
20.42	Accumulated Other Comprehensive Income (Loss)	47	7,966	2,396
	Non-controlling Interests	48		
	<b>Total Equity</b>	49	109,733	80,531
	<b>TOTAL LIABILITIES AND EQUITY</b>	89	265,218	217,168

**Millennium Insurance Corporation**  
Insurer

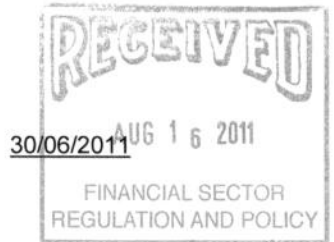
6 months ended  
30/06/2011



CONSOLIDATED FINANCIAL STATEMENTS  
**STATEMENT OF INCOME**  
(\$'000)

		Current 01	Prior 03
<b>UNDERWRITING OPERATIONS</b>			
<b>Premiums Written</b>			
Direct	01	68,668	55,909
Reinsurance Assumed	02	0	0
Reinsurance Ceded	03	5,529	4,552
<b>Net Premiums Written</b>	04	63,139	51,357
Decrease (increase) in Net Unearned Premiums	05	(7,679)	(5,450)
<b>Net Premiums Earned</b>	06	55,460	45,907
Service Charges	07		0
Other	08		0
<b>Total Underwriting Revenue</b>	09	55,460	45,907
Gross Claims and Adjustment Expenses	62	13,509	11,238
Reinsurers' share of claims and adjustment expenses	64	0	0
<b>Net Claims and Adjustment Expenses</b>	10	13,509	11,238
Acquisition Expenses			
Gross Commissions	66	28,070	20,829
Ceded Commissions	68	0	
Taxes	12	1,875	1,537
Other	14	706	690
General Expenses	16	2,454	2,225
<b>Total Claims and Expenses</b>	19	46,614	36,519
Premium Deficiency Adjustments	20		0
<b>Underwriting Income (Loss)</b>	29	8,846	9,388
<b>INVESTMENT OPERATIONS</b>			
Income	32	4,061	3,614
Realized Gains (Losses)	33	1,347	1,422
Expenses	34	28	3
<b>Net Investment Income</b>	39	5,380	5,033
<b>OTHER REVENUE AND EXPENSES</b>			
Income (Loss) from Ancillary Operations (net of Expenses of \$'000 )	40		0
Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	41		0
Gain (losses) from fluctuations in Foreign Exchange Rates	42		0
Other Revenues	44		
Finance costs	45		
Other Expenses	46	1,245	876
<b>Net Income (Loss) before Income Taxes</b>	49	12,981	13,545
<b>INCOME TAXES</b>			
Current	50	3,098	3,472
Deferred	51		0
<b>Total Income Taxes</b>	59	3,098	3,472
Extraordinary Items (net of Income Taxes of \$'000 ) (CGAAP)	60		0
<b>NET INCOME (LOSS) FOR THE PERIOD</b>	89	9,883	10,073
<b>ATTRIBUTABLE TO:</b>			
Non-controlling Interests	80		
Equity Holders	82		

**Millennium Insurance Corporation**  
Insurer

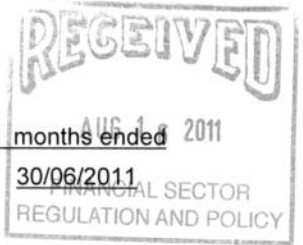


**CONSOLIDATED FINANCIAL STATEMENTS**  
**STATEMENT OF RETAINED EARNINGS**  
**(\$'000)**

		Current 01	Prior 02
<b>Balance at beginning of year</b>	01	80,384	56,562
Prior period adjustments:	02		0
	04		0
<b>Adjusted balance at beginning of year</b>	09	80,384	56,562
Net income (loss) for the Period	10	9,883	10,073
Dividends declared to shareholders	11		0
Decrease (increase) in Reserves (Please Specify)	12 16		0
Net increase (decrease) in Retained Earnings during the period	15	9,883	10,073
<b>Balance at end of Period</b>	89	90,267	66,635

**RESERVES**  
**(\$'000)**

		Current 01	Prior 02
Earthquake Reserves			
Reserve Complement	90		0
Premium Reserve	91		0
Mortgages Reserve	95		0
Nuclear Reserve	96		0
General and Contingency Reserves	98		0
<b>Total Reserves</b>	99	0	0



6 months ended 30/06/2011

FINANCIAL SECTOR  
REGULATION AND POLICY**Millennium Insurance Corporation**

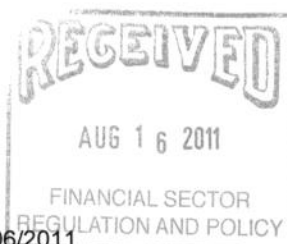
Insurer

## CONSOLIDATED FINANCIAL STATEMENTS

**COMPREHENSIVE INCOME (LOSS)**  
and  
**ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)**  
(\$'000)

Page		Current 01	Prior 03
20.30	<b>Comprehensive Income (Loss)</b>		
	Net Income	9,883	10,073
	Other Comprehensive Income (Loss):		
	<b>Available for Sale:</b>		
	Change in Unrealized Gains and Losses:		
	- Loans		0
	- Bonds and Debentures	181	195
	- Equities	3	(599)
	Reclassification to Earnings of (Gains) Losses	(1,178)	(1,085)
	<b>Derivatives Designated as Cash Flow Hedges</b>		
	Change in Unrealized Gains and Losses		0
	Reclassification to Earnings of (Gains) Losses		0
	<b>Foreign Currency Translation</b>		
	Change in Unrealized Gains and Losses		0
	Impact of Hedging		0
	<b>Share of Other Comprehensive Income of     Subsidiaries, Associates &amp; Joint Ventures</b>		
	<b>Other</b>		0
	Total Other Comprehensive Income (Loss)	(994)	(1,489)
	<b>Total Comprehensive Income (Loss)</b>	8,889	8,584
	<b>Attributable to:</b>		
	Non-controlling Interests		
	Equity Holders		

		Current (01)	Prior (03)
	<b>Accumulated Other Comprehensive Income (Loss)</b>		
	Accumulated Gains (Losses) on:		
	<b>Available for Sale:</b>		
	- Loans		0
	- Bonds and Debentures	1,290	1,304
	- Equities	6,676	1,092
	<b>Derivatives Designated as Cash Flow Hedges</b>		0
	<b>Foreign Currency (net of hedging activities)</b>		0
	<b>Share of Other Comprehensive Income of     Subsidiaries, Associates &amp; Joint Ventures</b>		
	<b>Other</b>		0
20.20	Balance at end of Period	7,966	2,396



**Millennium Insurance Corporation**  
Insurer

30/06/2011

**CONSOLIDATED  
MINIMUM CAPITAL TEST  
(\$'000)**

	Current 01	Prior 02
<b>Capital Available</b>		
Total Equity less Accumulated Other Comprehensive Income	101,767	78,135
Add:		
Subordinated Indebtedness and Redeemable Preferred Shares		0
Accumulated Other Comprehensive Income (Loss) on:		
Available for Sale Equity Securities	6,676	1,092
Available for Sale Debt Securities	1,290	1,304
Foreign Currency (Net of Hedging Activities)	0	0
Revaluation Losses in Excess of Gains on Own Use Properties (IFRS)		
Less:		
Accumulated net after-tax fair value gains (losses) arising from changes in the company's own credit risk		0
Unrealized Fair Value Gains (Losses) from Own Use Properties at Conversion (IFRS)		
Shadow Accounting Impact (IFRS)		
Assets with a Capital Requirement of 100%	0	0
IFRS Conversion Phase in (IFRS)		0
<b>Total Capital Available</b>	<b>109,733</b>	<b>80,531</b>
<b>Minimum Capital Required</b>		
Balance Sheet Assets	15,383	12,998
Unearned Premiums/Unpaid Claims/Premium Deficiencies	12,409	10,966
Catastrophes	0	0
Reinsurance Ceded to Unregistered Insurers	0	0
Structured Settlements, Letters of Credit, Derivatives and Other Exposures	0	0
<b>Minimum Capital Required</b>	<b>27,792</b>	<b>23,964</b>
<b>Excess Capital Available over Minimum Capital Required</b>		
(line 19 minus line 29)	81,941	56,567
<b>Line 19 as a % of line 29</b>	<b>394.84%</b>	<b>336.05%</b>