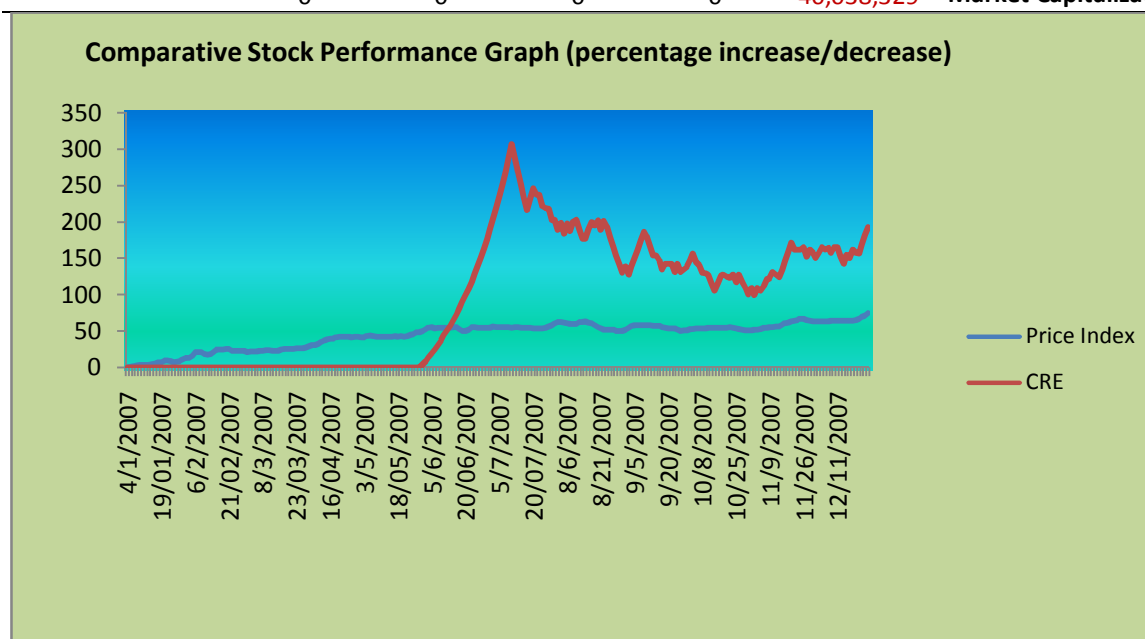


2007 Financial Highlights For the years ended December 31,2007

	2003	2004	2005	2006	2007	
	=N='000	=N='000	=N='000	=N='000	=N='000	
	897,427	1,279,180	1,672,489	2,234,052	2,054,966	Net Premium Written
	936,481	1,338,216	1,744,704	2,301,355	2,169,555	Total Revenues
	115,720	40,302	319,758	135,791	676,686	Net Income (Loss)
						Earnings (Loss) per Ordinary Share
	49	22	43	9	8	Operating Earnings (Loss) Per Ordinary Share (Kobo)
	39	18	30	5	7	Net Income (Loss) Per Ordinary Share (Kobo)
	39.43%	17.77%	29.66%	5.47%	6.52%	Return on Equity Per Ordinary Share
						Non-Life Ratios:
	35.23%	46.57%	31.61%	37.92%	26.26%	Loss Ratio
	33.21%	34.50%	33.04%	33.24%	30.00%	Acquisition Ratio
	17.32%	15.25%	14.44%	24.20%	27.74%	Other Overhead Expense Ratio
	85.76%	96.32%	79.09%	95.36%	84.00%	Combined Ratio
At December 31,	2003	2004	2005	2006	2007	
	=N='000	=N='000	=N='000	=N='000	=N='000	
	1,513,298	1,979,944	2,932,312	4,230,964	14,159,646	Total Assets
	663,695	959,040	1,362,432	2,224,404	11,815,271	Total Shareholder's Fund
	467,783	729,573	901,512	1,178,031	1,135,248	Reinsurance Fund
	1.64	1.46	1.59	0.81	1.14	Net Asset Per Ordinary Share (=N=)
	0	0	0	0	40,038,329	Market Capitalization



Result in Brief

	2007	2006
	=N=(000)	=N=(000)
Non-life premium income	2,169,555	2,301,355
Life premium income	636,782	310,244
Increase in insurance fund (non-life)	(22,167)	245,345
Increase in assurance fund (life)	17,653	121,603
Non-life underwriting profit/(loss)	332,339	95,899
Life underwriting profit	11,500	12,500
Investment income	655,286	147,338
Profit before taxation	818,459	214,782
Provision for taxation	141,773	78,991
Profit after taxation	676,686	135,791
Transfer to contingency reserve (Non-life)	111,984	19,180
Transfer to contingency reserve (Life)	6,368	16,828
Proposed dividend	518,637	-
Reserve for bonus issue	-	-

BALANCE SHEET AT 31 DECEMBER 2007

		Life	Non-Life	2007	2006
	Note	N'000	N'000	N'000	N'000
ASSETS					
Cash and bank balances	2	-	45,619	45,619	41,844
Short term investments	3	38,614	7,895,279	7,933,893	754,284
Reinsurance debtors	4	409,265	1,309,947	1,719,212	1,382,333
Prepayments and other debit balances	5	-	875,896	875,896	545,591
Long term investments	6	605,781	1,931,683	2,537,464	1,432,812
Statutory deposits	7	-	1,000,000	1,000,000	35,000
Fixed assets	8	-	47,562	47,562	39,100
Total assets		1,053,660	13,105,986	14,159,646	4,230,964
LIABILITIES					
Bank Overdrafts		-	-	-	77,955
Creditors and accruals	9	335,218	554,951	890,169	565,154
Insurance Funds	10	204,130	722,794	926,924	931,438
Outstanding Claims	11	-	205,324	205,324	246,594
Taxation	12	-	293,210	293,210	156,671
Deferred taxation	13	-	8,168	8,168	8,168
Dividend payable	14	-	20,581	20,581	20,581
		539,348	1,805,028	2,344,376	2,006,560

CAPITAL AND RESERVE

Share capital	15	-	5,186,372	5,186,372	1,240,591
Share premium	16	-	3,870,959	3,870,959	76,956
Revenue reserve	18	-	688,583	688,583	123,881
General reserve fund	19	373,929	-	373,929	178,448
Investments revaluation reserve	20	1,411	1,161,091	1,162,502	215,993
Exchange equalisation reserve	21	-	15,377	15,377	(10,661)
Contingency reserve	22	36,551	378,576	415,127	296,775
Assets revaluation reserve	6.2	102,421	-	102,421	102,421
Shareholders' funds		<u>514,312</u>	<u>11,300,958</u>	<u>11,815,270</u>	<u>2,224,404</u>
		<u>1,053,660</u>	<u>13,105,986</u>	<u>14,159,646</u>	<u>4,230,964</u>

The financial statements were approved by the Board of Directors on 4 April, 2008 and signed on its behalf by:

Engr.S.A.Laguda (chairman)	}	
A. Adejumo (Managing Director)	}	Directors

The accounting policies on pages 2 to 4 and the notes on pages 11 to 22 form part of these financial statements.

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2007**

	2007 N'000	2006 N'000
Non-life revenue account	332,339	95,899
Life revenue account	11,500	12,500
Investment and other income	662,615	173,086
Administrative expenses	(187,995)	(60,742)
	<hr/>	<hr/>
Profit on ordinary activities before interest and taxation	818,459	220,743
Interest expense	-	(5,961)
Profit on ordinary activities before taxation	<hr/> 818,459	<hr/> 214,782
Taxation	(141,773)	(78,991)
Profit on ordinary activities after taxation	<hr/> 676,686	<hr/> 135,791
Transfer to contingency reserve	(111,984)	(19,180)
	<hr/>	<hr/>
Retained earning for the year	564,702	116,611
Revenue reserve brought forward	123,881	7,270
Revenue reserve carried forward	<hr/> 688,583	<hr/> 123,881
	<hr/> <hr/>	<hr/> <hr/>
Earnings per share - Basic (kobo)	7	5
Net assets per share (kobo)	114	81
	<hr/> <hr/>	<hr/> <hr/>

NON-LIFE REVENUE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2007

	Fire N'000	Accident N'000	Marine N'000	Liability N'000	Energy N'000	2007 Total N'000	2006 Total N'000
Income							
Gross premium income	1,006,764	524,147	260,946	271,008	106,690	2,169,555	2,301,355
Retrocession	(71,950)	(10,416)	(23,527)	(8,695)	-	(114,588)	(67,303)
Net premium income	934,814	513,731	237,419	262,313	106,690	2,054,967	2,234,052
Reserve for unexpired premium:							
Balance beginning of the year	402,964	143,685	62,248	136,064	-	744,961	579,612
Balance end of the year	(348,090)	(187,481)	(75,446)	(74,065)	(37,712)	(722,794)	(744,961)
Earned premium income	989,688	469,935	224,221	324,312	68,978	2,077,134	2,068,703
Expenses							
Underwriting expenses:							
- Acquisition cost	326,170	159,698	77,636	41,985	17,755	623,244	688,224
- Maintenance cost	267,962	129,221	79,805	113,475	-	590,463	739,978
Retrocession recoveries	-	(3,824)	-	-	-	(3,824)	(35,426)
Reserve for outstanding claims:							
Balance end of the year	93,787	43,889	27,932	39,716	-	205,324	246,593
Balance beginning of the year	(99,289)	(74,956)	(43,950)	(28,399)	-	(246,594)	(166,597)
Claims incurred	588,630	254,028	141,423	166,777	17,755	1,168,613	1,472,772
Commissions on Retrocession	-	-	-	-	-	-	(513)
Management expenses	267,373	139,201	69,301	71,973	28,334	576,182	500,545
	856,003	393,229	210,724	238,750	46,089	1,744,795	1,972,804
Transfer to profit and loss account	133,685	76,706	13,497	85,562	22,889	332,339	95,899

LIFE REVENUE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2007

	Individual N'000	Group N'000	2007 Total N'000	2006 Total N'000
Income				
Premium Income	76,477	560,305	636,782	310,244
Retrocession	(1,801)	(13,199)	(15,000)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net premium	74,676	547,106	621,782	310,244
Investment Income	4,704	22,347	27,051	2,658
	<hr/>	<hr/>	<hr/>	<hr/>
	79,380	569,453	648,833	312,902
	<hr/>	<hr/>	<hr/>	<hr/>
Expenses				
Commission	3,442	130,432	133,874	68,515
Claims	1,751	122,247	123,998	51,631
Other charges	507	2,727	3,234	1,241
Management expenses	5,611	41,106	46,717	40,585
Provision for premium debtors	13,208	96,800	110,008	-
	<hr/>	<hr/>	<hr/>	<hr/>
	24,519	393,312	417,831	161,972
	<hr/>	<hr/>	<hr/>	<hr/>
Excess of income over expenditure	54,861	176,141	231,002	150,930
General Reserve	(23,477)	(172,004)	(195,481)	(94,429)
Contingency reserve	-	(6,368)	(6,368)	(16,828)
Transfer to profit and loss	(1,381)	(10,119)	(11,500)	(12,500)
	<hr/>	<hr/>	<hr/>	<hr/>
Transfer to Insurance Fund	30,003	(12,350)	17,653	27,174
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

FINANCIAL SUMMARY YEAR ENDED 31 DECEMBER 2007

	2007	2006	2005	2004	2003
	N'000	N'000	N'000	N'000	N'000
Assets					
Cash and bank balances	45,619	41,844	140,584	22,077	57,038
Short term investments	7,933,893	754,284	627,569	579,672	861,774
Reinsurance debtors	1,719,212	1,382,333	1,039,233	710,145	467,276
Prepayments and other debit balances	875,896	545,591	282,957	118,785	78,036
Long term investments	2,537,464	1,432,812	774,466	487,319	-
Statutory deposits	1,000,000	35,000	35,000	35,000	22,500
Fixed assets	47,562	39,100	32,503	26,946	26,674
Total assets	14,159,646	4,230,964	2,932,312	1,979,944	1,513,298
Liabilities					
Bank overdrafts	-	77,955	14,694	53,153	7,096
Creditors and accruals	890,169	565,154	433,241	133,226	101,812
Deposit for shares	-	-	-	1,534	174,890
Insurance funds	926,924	744,961	579,612	436,757	253,662
Outstanding claims	205,324	433,070	325,900	292,815	214,120
Taxation	293,210	156,671	120,667	37,787	44,245
Deferred taxation	8,168	8,168	8,168	5,548	3,409
Dividend	20,581	20,581	87,598	60,084	50,369
	2,344,375	2,006,560	1,569,880	1,020,904	849,603
Share capital	5,186,372	1,240,591	856,907	658,341	403,667
Reserve for bonus issue	-	-	190,424	73,149	100,917
Share premium	3,870,959	76,956	-	5,845	-
Revenue reserve	688,583	123,881	7,270	2,285	2,677
Investments revaluation reserve	1,162,502	215,993	-	-	-
Exchange equalisation reserve	15,377	(10,661)	-	-	-
General reserve fund	373,929	178,448	84,019	26,247	8,936
Contingency reserve	415,127	296,775	223,812	193,173	147,498
Revaluation reserve	102,421	102,421	-	-	-
Shareholders' funds	11,815,271	2,224,404	1,362,432	959,040	663,695
	14,159,646	4,230,964	2,932,312	1,979,944	1,513,298

Non-life underwriting profit	332,339	95,899	319,759	40,302	115,720
Profit before taxation	818,459	214,782	369,033	146,912	199,713
Taxation	(141,773)	(78,991)	(114,900)	(29,913)	(40,562)
Profit after taxation	676,686	135,791	254,133	116,999	159,151
Contingency reserve	(111,984)	(19,180)	(54,711)	(58,141)	(34,073)
Dividend	-	-	(85,691)	(59,251)	(36,330)
	<hr/>				
Profit transferred to revenue reserve	564,702	116,611	113,731	(393)	88,748
	<hr/>				
Earnings per share (basic) (Kobo)	7	5	30	18	39
Dividend per share (Kobo)	-	-	10	9	9
Net asset per share (Kobo)	114	81	159	146	164
	<hr/>				

Note: Earnings and dividend per share were computed on the profit and dividend declared for each year on the number of issued and fully paid ordinary shares at the end of each year. Net assets per share were computed on the number of issued and fully paid ordinary shares at the end of the respective years.