

DARDANIA INSURANCE COMPANY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2007
(All amounts are expressed in thousand EUR, unless otherwise specified)

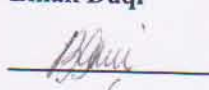
	Notes	Year ended December 31, 2007	Year ended December 31, 2006
Gross premiums written	15	3,666	4,525
Less: Premium tax		(291)	(325)
Less: Premiums ceded to reinsurers		(101)	(117)
Net premiums written, net of premium tax		3,274	4,083
Net change in reserves for unearned premiums		518	145
Net earned premiums, net of premium tax		3,792	4,228
Reinsurance recoveries		-	161
Interest income, net of tax		-	72
Write back of liabilities	13.1	264	-
Other Income		88	109
		4,144	4,570
Losses and loss adjustment expenses	10	(1,160)	(1,419)
Underwriting costs		(128)	(258)
Share of expenses of IAK	15	(277)	(337)
Contributions to Guarantee Fund	16	(244)	(249)
Administrative and marketing expenses	17	(2,251)	(2,221)
Total losses and expenses		(4,060)	(4,484)
		84	86
Finance costs		(45)	(38)
Net profit for the year		39	48

The accompanying notes from 1 to 20 form an integral part of these financial statements.

DARDANIA INSURANCE COMPANY
BALANCE SHEET
AS AT DECEMBER 31, 2007
(All amounts are expressed in thousand EUR, unless otherwise specified)

	Notes	December 31, 2007	December 31, 2006
ASSETS			
Cash at banks	4	1,564	3,316
Held to maturity investments	5	2,780	760
Deferred acquisition costs	6	487	412
Receivables from agents and customers	7	104	102
Property, plant and equipment	8	304	623
Goodwill		697	734
Other assets	9	1,023	903
TOTAL ASSETS		6,959	6,850
LIABILITIES			
Losses and loss adjustment expenses	10	1,231	915
Unearned premiums		1,224	1,743
Short term borrowings	11	367	-
Long term loans	12	376	479
Other liabilities	13	1,297	1,307
TOTAL LIABILITIES		4,495	4,444
SHAREHOLDERS' EQUITY			
Share capital	14	3,000	2,981
Accumulated deficit		(536)	(575)
TOTAL SHAREHOLDERS' EQUITY		2,464	2,406
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		6,959	6,850

Authorised for issue on behalf of board of directors on April 21, 2008.

Binak Duqi

General Director

Isak Gofnovci

Finance Director

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