

Chairman Message

Dear shareholders,

I am very pleased to present our 7th Report – for 2007 as well as the financial statements for the year ended 31st December 2007.

At the beginning, I would like to express the satisfaction of the board of Director on the good result of the company. Your Company has succeeded to maintain the excellent pattern of growth since established and to fulfill the ambition to increase its market share despite the tough competition in the local market. The company has also managed to renew its reinsurance treaties with world's top class reinsurance companies.

Now, I would like to summarize the key financial result achieved during 2007.

The Gross Written Premium reached QR 252 million in 2007 compared to QR 201 million in 2006, an increase of 25%. The Underwriting Profit amounted to QR 39 million in 2007 compared to QR 27 million in 2006, an increase 44%.

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The Return on Investment from Local Stocks and Deposits at Local Banks amounted to QR 27 million in 2007 compared to QR 20 million in 2006. The Shareholder's Equity amounted to QR 303 million at the end of 2007 compared to QR 263 million at end of 2006.

In view of these results and the ambitious future business plans to increase our insurance business and investment activities thereby optimizing the benefit derived from the growth in Qatari and Regional economy, the Board of Director has recommended the following:

- 1) Distribution of a 30% cash dividend to its shareholders i.e. QR 3/-per share.
- 2) Increasing the capital base of the Company from 127,240,000/- to QR 180,000,000/- by issuance of 5,276,000 new shares which translates into 4 shares for every 10 shares held and to be offered for subscription at a nominal share price of QR 10/- per share plus a premium of QR 15/- per share.

Accordingly the recommended profit distribution will be as follows:

Previous Retained Earnings	20,302,033
Plus: 2007 Net Profit	44,311,129
Gross Profit available for distribution	64,613,162
Cash Dividend (30%)	(38,172,000)
Legal Reserve	(4,431,113)
Total Distribution	(42,603,113)

We have developed an ambitious business plan for the company taking into consideration the changes in the local and regional insurance market aiming to maintain the good growth witnessed during previous years.

The prospective plan is summarized as follows:

- 1) Developing the Company's portfolio of business from outside the state of Qatar by entering into alliances with selected reputed regional insurance companies especially in United Arab Emirates and Kingdom of Bahrain to reciprocate selective insurance risks.
- 2) The Company has been offering medical insurance products for the last two years but it was limited to a certain sector and we hope to develop new products to cover all sectors during 2008. The Company will shortly conclude an agreement with one of the reputed companies to manage medical claims. This type of insurance is very risky and should be dealt with after careful study.
- 3) Continuing our strategy of strengthening the Takaful branch of Doha Insurance.
- 4) The Company will participate in establishing a new Takaful Insurance Company which is a common venture between State of Qatar and Kingdom of Bahrain with a capital base of 250 million.

At the end, we would like to express our sincere gratitude to you and all our clients for the trust they continue to place in us. We also extend our appreciation to the management and staff for their relentless effort and unwavering commitment.

Nawaf Nasser Bin Khaled Al-Thani
Chairman