

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS
(S'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (03)	Opening Prior Year Restated (05)
		Cash and Cash Equivalents	80,011	87,817	
		Investment Income due and accrued	1,351	1,467	
		Assets held for sale		0	
		Investments:			
40.12		Short Term Investments	0	0	
40.22		Bonds and Debentures	163,376	150,499	
40.32		Mortgage Loans	20,053	19,432	
40.42		Preferred Shares	16,112	12,644	
40.52		Common Shares	104,262	94,804	
40.70		Investment Properties	11,976	12,501	
40.80		Other Loans and Invested Assets	0	0	
40.07		Total Investments (lines 04 to 10)	315,779	289,880	0
		Receivables:			
50.20		Unaffiliated Agents and Brokers	0	0	
		Policyholders	3,476	0	
		Instalment Premiums	65,371	61,296	
50.30		Other Insurers	5,184	4,352	
		Facility Association and the "P.R.R."	0	972	
50.40		Subsidiaries, Associates & Joint Ventures	202	760	
50.20		Other Receivables	931	958	
		Recoverable from Reinsurers:			
60.10		Unearned Premiums	0	0	
60.30		Unpaid Claims and Adjustment Expenses	21,990	19,024	
		Other Recoverables on Unpaid Claims		0	
50.40		Interests in Subsidiaries, Associates & Joint Ventures	0	0	
40.70		Property and Equipment	24,671	25,560	
		Deferred Policy Acquisition Expenses	17,788	16,761	
		Current Tax Assets	0	4,935	
		Deferred Tax Assets	1,963	1,806	
		Goodwill		0	
		Intangible Assets	8,139	9,102	
50.50		Other Assets	482	381	
		TOTAL ASSETS	547,338	525,071	0

CONSOLIDATED FINANCIAL STATEMENTS

LIABILITIES AND EQUITY
(S'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (03)	Opening Prior Year Restated (05)
		LIABILITIES			
		Overdrafts 01		0	
		Borrowed Money and Accrued Interest 02		0	
		Payables:			
50.20		Agents and Brokers 03	0	0	
		Policyholders 04		0	
50.30		Other Insurers 05	318	0	
50.40		Subsidiaries, Associates & Joint Ventures 06	533	182	
		Expenses due and accrued 07	10,745	8,248	
		Other Taxes due and accrued 09	13,901	13,993	
		Policyholder Dividends and Rating Adjustments 10		0	
40.70		Encumbrances on Real Estate 11	0	0	
60.10		Unearned Premiums 12	122,881	116,626	
60.30		Unpaid Claims and Adjustment Expenses 13	253,009	242,119	
80.10		Unearned Commissions 14	0	0	
		Premium Deficiency 15	0	0	
		Liabilities held for sale 17		0	
		Current Tax Liabilities 18	596	0	
		Deferred Tax Liabilities 21		0	
50.50		Provisions and Other Liabilities 28	3,320	3,641	
		Total Liabilities 29	405,303	384,809	0
		EQUITY			
		Shares issued and paid 41	4,000	4,000	
		Contributed Surplus 42		0	
		(Specify) 43		0	
20.40		Retained Earnings 44	138,034	136,262	
20.40		Reserves 45	0	0	
20.42		Accumulated Other Comprehensive Income (Loss) 47	0	0	
		Total Policyholders/Shareholders' Equity 59	142,034	140,262	0
		Non-controlling Interests 48		0	
		Total Equity 49	142,034	140,262	0
		TOTAL LIABILITIES AND EQUITY 89	547,337	525,071	0

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME
(S'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (03)
		UNDERWRITING OPERATIONS		
		Premiums Written		
		Direct	01 272,043	259,701
70.21		Reinsurance Assumed	02 0	0
70.21		Reinsurance Ceded	03 11,390	8,618
60.20		Net Premiums Written	04 260,653	251,083
		Decrease (increase) in Net Unearned Premiums	05 (6,255)	(4,329)
60.20		Net Premiums Earned	06 254,398	246,754
		Service Charges	07 7,719	7,094
		Other	08	0
		Total Underwriting Revenue	09 262,117	253,848
		Gross Claims and Adjustment Expenses	62 210,436	199,624
		Reinsurers' share of claims and adjustment expenses	64 16,594	7,654
60.20		Net Claims and Adjustment Expenses	10 193,842	191,970
		Acquisition Expenses		
80.10		Gross Commissions	66 30,554	28,173
80.10		Ceded Commissions	68 0	0
		Taxes	12 8,066	7,792
80.20		Other	14 11,626	10,300
80.20		General Expenses	16 17,902	16,359
		Total Claims and Expenses	19 261,990	254,594
		Premium Deficiency Adjustments	20	0
40.07		Underwriting Income (Loss)	29 127	(746)
		INVESTMENT OPERATIONS		
		Income	32 17,437	11,109
		Realized Gains (Losses)	33 2,326	(1,019)
		Expenses	34 1,042	1,047
		Net Investment Income	39 18,721	9,043
		OTHER REVENUE AND EXPENSES		
		Income (Loss) from Ancillary Operations (net of Expenses of S'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	44 285	1,421
		Finance costs	45	0
		Other Expenses	46	0
		Net Income (Loss) before Income Taxes	49 19,133	9,718
		INCOME TAXES		
		Current	50 4,518	1,887
		Deferred	51 (157)	158
		Total Income Taxes	59 4,361	2,045
		NET INCOME (LOSS) FOR THE YEAR	89 14,772	7,673
		ATTRIBUTABLE TO:		
		Non-controlling Interests	80	0
		Equity Holders	82 14,772	7,673

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF RETAINED EARNINGS
(S'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (02)
20.30		Balance at beginning of year	136,262	133,589
		Prior period adjustments:		0
		(Specify)		0
		Adjusted balance at beginning of year	136,262	133,589
		Net income (loss) for the year	14,772	7,673
		Dividends declared to shareholders	13,000	5,000
		Decrease (increase) in Reserves	0	0
		(Specify)		0
		Net increase (decrease) in Retained Earnings during the year	1,772	2,673
		Balance at end of Year	138,034	136,262

RESERVES

(S'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (02)
		Earthquake Reserves		
		Reserve Complement		0
		Premium Reserve		0
		Mortgage Reserve		0
		Nuclear Reserve		0
		General and Contingency Reserves		0
		Total Reserves	0	0

CONSOLIDATED FINANCIAL STATEMENTS
COMPREHENSIVE INCOME (LOSS)
and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

Page	FS Notes Reference		Current Year (01)	Prior Year (03)
20.30		Comprehensive Income (Loss)		
		Net Income 01	14,772	7,673
		Other Comprehensive Income (Loss):		
		Available for Sale:		
		Change in Unrealized Gains and Losses:		
		- Loans 02		0
		- Bonds and Debentures 03		0
		- Equities 04		0
		Reclassification to Earnings of (Gains) Losses 05		0
		Derivatives Designated as Cash Flow Hedges		
		Change in Unrealized Gains and Losses 06		0
		Reclassification to Earnings of (Gains) Losses 07		0
		Foreign Currency Translation		
		Change in Unrealized Gains and Losses 08		0
		Impact of Hedging 09		0
		Revaluation Surplus 31		
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures 11		0
		Other 12		0
		Total Other Comprehensive Income (Loss) 21	0	0
		Total Comprehensive Income (Loss) 39	14,772	7,673
		Attributable to:		
		Non-controlling Interests 60		0
		Equity Holders 62	14,772	7,673
		Accumulated Other Comprehensive Income (Loss)		
		Accumulated Gains (Losses) on:		
		Available for Sale:		
		- Loans 42		0
		- Bonds and Debentures 43		0
		- Equities 44		0
		Derivatives Designated as Cash Flow Hedges 45		0
		Foreign Currency (net of hedging activities) 46		0
		Revaluation Surplus 71		
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures 51		0
		Other 49		0
20.20		Balance at end of Year 59	0	0

Alberta Motor Association Insurance Company
Insurer

2012
Year

CONSOLIDATED
MINIMUM CAPITAL TEST
(S'000)

		Current Year (01)	Prior Year (02)
Capital Available			
Total Equity less Accumulated Other Comprehensive Income	02	142,034	140,262
Add:			
Subordinated Indebtedness and Redeemable Preferred Shares	03		0
Accumulated Other Comprehensive Income (Loss) on:			
Available for Sale Equity Securities	04	0	0
Available for Sale Debt Securities	06	0	0
Foreign Currency (Net of Hedging Activities)	08	0	0
Share of Other Comprehensive Income of non-qualifying Subsidiaries, Associates & Joint Ventures	36	0	
Revaluation Losses in Excess of Gains on Own Use Properties (Specify)	32 30		0 0
Less:			
Accumulated net after-tax fair value gains (losses) arising from changes in the company's own credit risk	12		0
Unrealized Fair Value Gains (Losses) from Own Use Properties at Conversion	15		
Shadow Accounting Impact	16		0
Assets with a Capital Requirement of 100% (Specify)	17 13	0	1,806 0
IFRS Conversion Phase in	18		0
Total Capital Available	19	142,034	138,456
Minimum Capital Required			
Balance Sheet Assets	20	32,631	31,293
Unearned Premiums/Unpaid Claims/Premium Deficiencies	22	28,782	29,680
Catastrophes	24	0	0
Reinsurance Ceded to Unregistered Insurers	26	0	0
Interest Rate Risk	38	1,071	
Foreign Exchange Risk (for future use only)	40		
Structured Settlements, Letters of Credit, Derivatives and Other Exposures	28 34	0	0 0
Minimum Capital Required	29	62,484	60,973
Excess Capital Available over Minimum Capital Required (line 19 minus line 29)	89	79,550	77,483
Line 19 as a % of line 29	90	227.31%	227.08%
Minimum Gross Capital Level	96	7,618	

Note: See Section VI of the P&C-1 instructions and the MCT Guideline.