



FRANKLIN MUTUAL GROUP

FINANCIAL We are financially sound. A. M. Best's Insurance Reports (The Dun & Bradstreet of the insurance industry) gives us a financial rating of A+ (Superior) IX.



FMI HEADQUARTERS
Five Broad Street, Branchville, NJ 07826

2008 Interim Condensed Statement

Statement of Condition as of June 30,

ADMITTED ASSETS

	2008	2007
Cash and Short Term Investments	\$ 156,015,560	\$ 168,526,259
Bonds—At Amortized Value	59,507,425	30,845,865
Stocks—At Market Value	332,676,923	361,018,250
All Other Assets	\$ 23,339,057	\$ 23,827,054
Total Admitted Assets	\$ 571,538,965	\$ 584,217,428

LIABILITIES and POLICYHOLDERS' PROTECTION ACCOUNT

Reserve For Unearned Premiums	\$ 56,440,137	\$ 56,490,679
Reserve For Losses and Loss Adjustment Expenses	151,718,738	153,048,647
Net Deferred Tax Liabilities	40,391,143	54,039,232
All Other Liabilities	16,727,518	15,221,927
Total Liabilities	\$ 265,277,536	\$ 278,800,485
Policyholders' Protection Account	306,261,429	305,416,943
Total Liabilities and Policyholders' Protection Account	\$ 571,538,965	\$ 584,217,428

Statement of Income for Six Months Ending June 30,

INCOME

	2008	2007
Premiums Earned	\$ 52,083,425	\$ 49,972,893
Net Investment and Other Income	9,067,733	12,449,383

EXPENSES

Claims and Underwriting Expenses	\$ 49,172,956	\$ 53,349,476
Policyholders' Dividends	218,439	188,777
Federal Income Taxes	\$ 3,313,388	\$ 675,632
Net Income (Loss)	\$ 8,446,375	\$ 8,208,391

Since 1879