



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

2007 Interim Condensed Statement

Statement of Condition as of June 30,

ADMITTED ASSETS

	2007	2006
Cash and Short Term Investments	\$ 168,526,259	\$ 153,706,757
Bonds—At Amortized Value	30,845,865	23,542,291
Stocks—At Market Value	361,018,250	291,526,851
All Other Assets	\$ 23,827,054	\$ 22,346,057
Total Admitted Assets	\$ 584,217,428	\$ 491,121,956

LIABILITIES and POLICYHOLDERS' PROTECTION ACCOUNT

Reserve For Unearned Premiums	\$ 56,490,679	\$ 54,780,090
Reserve For Losses and Loss Adjustment Expenses	153,048,647	132,020,687
Net Deferred Tax Liabilities	54,039,232	35,111,629
All Other Liabilities	15,221,927	18,009,625
Total Liabilities	\$ 278,800,485	\$ 239,922,031
Policyholders' Protection Account	305,416,943	251,199,925
Total Liabilities and Policyholders' Protection Account	\$ 584,217,428	\$ 491,121,956

Statement of Income for Six Months Ending June 30,

INCOME

	2007	2006
Premiums Earned	\$ 49,972,893	\$ 51,233,377
Net Investment and Other Income	12,449,383	8,520,196

EXPENSES

Claims and Underwriting Expenses	\$ 53,349,476	\$ 53,346,377
Policyholders' Dividends	188,777	195,165
Federal Income Taxes	\$ 675,632	\$ 1,693,112
Net Income (Loss)	\$ 8,208,391	\$ 4,518,919

Since 1879