

**Dubai Insurance Company
(Public Shareholding Company)**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

31 MARCH 2014 (UNAUDITED)

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF DUBAI INSURANCE COMPANY (PSC)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Dubai Insurance Company (PSC) as at 31 March 2014, comprising the interim consolidated statement of financial position as at 31 March 2014 and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.



Signed by:
Ashraf Abu-Sharkh
Partner
Registration No. 690

13 May 2014
Dubai, United Arab Emirates

Dubai Insurance Company (PSC)

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the period ended 31 March 2014 (Unaudited)

		<i>Three months ended 31 March</i>	
	<i>Notes</i>	<i>2014 AED '000</i>	<i>2013 AED '000</i>
UNDERWRITING INCOME			
Gross premium		104,370	124,977
Movement in provision for unearned premium		(13,140)	(46,016)
		<u>91,230</u>	<u>78,961</u>
Insurance premium revenue			
		(71,052)	(91,068)
Reinsurance share of premium			
Movement in provision for reinsurance share of unearned premium		8,063	38,309
		<u>(62,989)</u>	<u>(52,759)</u>
Net insurance premium revenue		28,241	26,202
Reinsurance commission income		6,598	8,000
Other expenses		(86)	(537)
		<u>34,753</u>	<u>33,665</u>
Total underwriting income			
UNDERWRITING EXPENSES			
Claims incurred		38,617	61,587
Reinsurers' share of claims incurred		(26,237)	(51,265)
		<u>12,380</u>	<u>10,322</u>
Net claims incurred		9,114	7,679
Commission expenses		465	279
Excess of loss reinsurance premium			
General and administration expenses relating to underwriting activities		3,757	3,308
		<u>25,716</u>	<u>21,588</u>
Total underwriting expenses			
		<u>9,037</u>	<u>12,077</u>
NET UNDERWRITING INCOME			
INVESTMENT INCOME			
Realised gain on sale of investments		97	6
Fair value gain / (loss) on financial assets at fair value through profit or loss		9	(580)
Other investment income		8,302	9,836
Other investment costs		(110)	(53)
		<u>8,298</u>	<u>9,209</u>
OTHER INCOME AND EXPENSES			
General and administration expenses not allocated		(1,224)	(1,131)
Other income		133	397
		<u>(1,091)</u>	<u>(734)</u>
PROFIT FOR THE PERIOD		<u>16,244</u>	<u>20,552</u>
Basic and diluted earnings per share (AED)	3	<u>0.16</u>	<u>0.21</u>

The attached explanatory notes 1 to 14 form part of these interim condensed consolidated financial statements.

Dubai Insurance Company (PSC)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 31 March 2014 (Unaudited)

	<i>Three months ended 31 March</i>	
	<i>2014 AED'000</i>	<i>2013 AED'000</i>
Profit for the period	16,244	20,552
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive income that could not be reclassified to profit or loss in subsequent periods:</i>		
Net unrealized gain on financial assets at fair value through other comprehensive income	67,062	22,521
Other comprehensive income for the period	67,062	22,521
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	83,306	43,073

The attached explanatory notes 1 to 14 form part of these interim condensed consolidated financial statements.

Dubai Insurance Company (PSC)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2014 (Unaudited)

	Notes	31 March 2014 AED '000	31 December 2013 AED '000 Audited
ASSETS			
Property and equipment	4	47,568	47,563
Investment property	5	1,670	1,670
Financial instruments	6	440,094	372,370
Reinsurance assets		146,006	141,355
Insurance receivables		139,403	118,510
Prepayments and other receivables		5,716	5,931
Statutory deposits		10,000	10,000
Cash and cash equivalents	7	42,291	35,132
TOTAL ASSETS		832,748	732,531
EQUITY AND LIABILITIES			
Equity			
Share capital	9	100,000	100,000
Statutory reserve	10	50,000	50,000
General reserve	10	10,000	10,000
Retained earnings		103,588	87,344
Cumulative changes in fair value of investments	10	198,946	131,884
Proposed dividends – cash	11	-	25,000
Total equity		462,534	404,228
Liabilities			
Bank loan	8	18,410	18,412
Employees' end of service benefits		2,233	2,147
Insurance contract liabilities		205,853	195,308
Amounts held under reinsurance treaties		12,623	12,978
Reinsurance balances payable		86,785	73,287
Insurance and other payables		44,310	26,171
Total liabilities		370,214	328,303
TOTAL EQUITY AND LIABILITIES		832,748	732,531

The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the directors on 13 May 2014.

Buti Obaid Almulla
Chairman



Abdelatif Abuqurah
Chief Executive Officer

The attached explanatory notes 1 to 14 form part of these interim condensed consolidated financial statements.

Dubai Insurance Company (PSC)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2014 (Unaudited)

	Share capital AED '000	Statutory reserve AED '000	General reserve AED '000	Retained earnings AED '000	Proposed dividends AED '000	Cumulative changes in fair value of investments AED '000	Total AED '000
Balance at 1 January 2014	100,000	50,000	10,000	87,344	25,000	131,884	404,228
Profit for the period	-	-	-	16,244	-	-	16,244
Other comprehensive income	-	-	-	-	-	67,062	67,062
Total comprehensive income for the period	-	-	-	16,244	-	67,062	83,306
Cash dividend declared (Note 11)	-	-	-	-	(25,000)	-	(25,000)
Balance at 31 March 2014	100,000	50,000	10,000	103,588	-	198,946	462,534
Balance at 1 January 2013	100,000	50,000	10,000	82,227	20,000	18,240	280,467
Profit for the period	-	-	-	20,552	-	-	20,552
Other comprehensive income	-	-	-	-	-	22,521	22,521
Total comprehensive income for the period	-	-	-	20,552	-	22,521	43,073
Cash dividend declared and paid (Note 11)	-	-	-	-	(20,000)	-	(20,000)
Balance at 31 March 2013	100,000	50,000	10,000	102,779	-	40,761	303,540

The attached explanatory notes 1 to 14 form part of these interim condensed consolidated financial statements.

Dubai Insurance Company (PSC)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2014 (Unaudited)

	<i>Note</i>	<i>Three month period ended 31 March</i>	
		<i>2014 AED'000</i>	<i>2013 AED'000</i>
OPERATING ACTIVITIES			
Profit for the period		16,244	20,552
Adjustments for:			
Depreciation on property and equipment		289	120
Provision for employees' end of service benefits		95	93
Gain on sale of investments in debt instruments at amortised cost		(97)	(6)
		<u>16,531</u>	<u>20,759</u>
Changes in operating assets and liabilities:			
Reinsurance assets		(4,651)	(65,055)
Insurance receivables		(20,893)	(17,825)
Prepayments and other assets		215	289
Insurance contract liabilities		10,545	74,789
Amounts held under reinsurance treaties		(355)	1,461
Reinsurance balances payable		13,498	22,124
Insurance and other payables		(6,861)	(3,391)
		<u>8,029</u>	<u>33,151</u>
Cash generated from operations		(9)	-
Employees' end of service paid		<u>8,020</u>	<u>33,151</u>
Net cash generated from operating activities			
INVESTING ACTIVITIES			
Investments held at amortised cost		142	(620)
Financial instruments at fair value through profit or loss		(707)	(190)
Purchase of property and equipment		(294)	(302)
		<u>(859)</u>	<u>(1,112)</u>
Net cash used in investing activities			
FINANCING ACTIVITIES			
Dividend paid		-	(20,000)
Bank loan		(2)	(3)
		<u>(2)</u>	<u>(20,003)</u>
Net cash used in financing activities			
INCREASE IN CASH AND CASH EQUIVALENTS		7,159	12,036
Cash and cash equivalents at 1 January		<u>35,132</u>	<u>49,445</u>
CASH AND CASH EQUIVALENTS AT 31 MARCH	7	<u><u>42,291</u></u>	<u><u>61,481</u></u>

The attached explanatory notes 1 to 14 form part of these interim condensed consolidated financial statements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS

As at 31 March 2014 (Unaudited)

1 CORPORATE INFORMATION

Dubai Insurance Company (PSC) (the "Company") is a public shareholding Company registered under the Federal Law No. 8 of 1984 (as amended) and the UAE Federal Law No. (6) of 2007 relating to commercial companies in the UAE. The Company mainly issues short term insurance contracts in connection with motor, marine, fire, engineering, general accident and medical risks (collectively known as general insurance) and group life and individual life risk (collectively referred to as life assurance). The Company also invests its funds in investment securities and properties. The registered address of the Company is P.O. Box 3027, Dubai, United Arab Emirates. The Company operates in United Arab Emirates and most of the insurance policies are issued in the United Arab Emirates. The shares of the Company are listed on the Dubai Financial Market.

During 2010, the Company established a new subsidiary for investment purposes. These consolidated financial statements incorporate the financial statements of the Company and its subsidiary (collectively referred to as the "Group").

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standard IAS 34, Interim Financial Reporting ("IAS 34").

Interim reporting

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2013 except for the adoption of the following new and amended IFRS and IFRIC interpretations which became effective as of 1 January 2014:

- Investment Entities – Amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements.
- Offsetting Financial Assets and Financial Liabilities — Amendments to IAS 32 Financial Instruments: Presentation.
- Recoverable Amount Disclosures for Non-Financial Assets — Amendments to IAS 36 Impairment of Assets.
- Novation of Derivatives and Continuation of Hedge Accounting — Amendments to IAS 39 Financial Instruments: Recognition and Measurement.
- IFRIC 21 Levies.

The adoption of these standards and interpretations did not have an impact on the financial position or performance of the Group during the period.

These condensed consolidated financial statements do not include all disclosure and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2013. In addition, results for the three months ended 31 March 2014 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2014.

2.2 BASIS OF CONSOLIDATION

The Group comprises of the Company and the under-mentioned subsidiary company.

<u>Subsidiary</u>	<u>Principal activity</u>	<u>Country of incorporation</u>	<u>Ownership</u>
Vattaun Limited	Investment	British Virgin Island	100%

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 BASIS OF CONSOLIDATION (continued)

Basis of consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Group and its subsidiary as at 31 March 2014.

Subsidiary companies are those companies in which the Company, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has the power to exercise control over their operations. The subsidiary is fully consolidated from the date of formation, being the date on which the Group obtained control and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiary are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profit and losses resulting from intra-group transactions, are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

3 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the period, net of directors' fees, by the weighted average number of shares outstanding during the period as follows:

	<i>Three months ended 31 March</i>	
	<i>2014</i>	<i>2013</i>
Profit for the period (AED'000)	16,244	20,552
Weighted average number of shares outstanding during the period ('000)	100,000	100,000
Earnings per share (AED)	0.16	0.21

No figures for diluted earnings per share are presented as the Group has not issued any instruments which would have an impact on earnings per share when exercised.

4 PROPERTY AND EQUIPMENT

Included in property and equipment is a land situated in the Emirate of Dubai, United Arab Emirates with a carrying value of AED 44,173 thousand. The Group's Board of Directors has resolved to construct the Group's head office on the land in the foreseeable future. The Group's management is in the process of formalising the transfer of legal title in respect of the land.

5 INVESTMENT PROPERTIES

Investment properties represent the Company's investments in freehold land and building situated in the Emirate of Dubai, United Arab Emirates.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

6 FINANCIAL INSTRUMENTS

	<i>Carrying value</i>		<i>Fair value</i>	
	<i>31 March 2014</i>	<i>31 December 2013</i>	<i>31 March 2014</i>	<i>31 December 2013</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
<i>Financial instruments</i>				
At fair value through profit or loss (Note 6.1)	77,150	76,443	77,150	76,443
At fair value through other comprehensive income (Note 6.2)	325,288	258,226	325,288	258,226
Investments held at amortised cost (Note 6.3)	37,656	37,701	37,806	37,738
	<u>440,094</u>	<u>372,370</u>	<u>440,244</u>	<u>372,407</u>

6.1 FINANCIAL ASSETS AT FAIR VALUES THROUGH PROFIT OR LOSS

	<i>31 March 2014</i>	<i>31 December 2013</i>
	<i>AED'000</i>	<i>AED'000</i>
		<i>(Audited)</i>
a) <i>Shares - quoted</i>	4,417	4,408
b) <i>Designated upon initial recognition</i>		
Bank deposits with maturity over three months - unquoted	72,733	72,035
	<u>77,150</u>	<u>76,443</u>

The entire shares and bank deposits are within the United Arab Emirates.

6.2 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (OCI)

	<i>31 March 2014</i>	<i>31 December 2013</i>
	<i>AED'000</i>	<i>AED'000</i>
		<i>(Audited)</i>
Shares – quoted (within UAE)	315,088	248,026
Shares – unquoted (within UAE)	10,200	10,200
	<u>325,288</u>	<u>258,226</u>

The fair value changes amounting to AED 67,062 thousand (2013: AED 22,521 thousand) have been recognised in the consolidated statement of comprehensive income.

6.3 DEBT INSTRUMENTS AT AMORTISED COST

	<i>31 March 2014</i>	<i>31 December 2013</i>
	<i>AED'000</i>	<i>AED'000</i>
		<i>(Audited)</i>
<i>Amortised cost</i>		
Debt securities (within UAE)	3,675	3,675
Debt securities (outside UAE)	33,981	34,026
	<u>37,656</u>	<u>37,701</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

6 FINANCIAL INSTRUMENTS (continued)

6.3 DEBT INSTRUMENTS AT AMORTISED COST (continued)

Debt securities amounting to AED 33,981 thousand (2013: AED 34,026 thousand) are pledged against bank loan (Note 8). The investments carry a return at an effective rate of 4.1% per annum. The maturity profile of these debt instruments is shown below:

	31 March 2014		
	<i>Less than 5 years AED'000</i>	<i>More than 5 years AED'000</i>	<i>Total AED'000</i>
Debt securities (within UAE)	3,675	-	3,675
Debt securities (outside UAE)	22,207	11,774	33,981
	<u>25,882</u>	<u>11,774</u>	<u>37,656</u>

	31 December 2013 (audited)		
	<i>Less than 5 years AED'000</i>	<i>More than 5 years AED'000</i>	<i>Total AED'000</i>
Debt securities (within UAE)	3,675	-	3,675
Debt securities (outside UAE)	22,803	11,223	34,026
	<u>26,478</u>	<u>11,223</u>	<u>37,701</u>

7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following consolidated statement of financial position amounts:

	<i>31 March 2014 AED'000</i>	<i>31 December 2013 AED'000 (Audited)</i>
Bank balances and cash	42,291	35,132
	<u>42,291</u>	<u>35,132</u>

The entire cash and cash equivalents are within United Arab Emirates.

8 BANK LOAN

The Group entered into a credit facility agreement with an international bank for USD 5 million (equivalent AED 18,410 thousand). The loan facility is secured against investments in debt instruments held at amortised cost amounting to AED 33,981 thousand (31 December 2013: AED 34,026 thousand) (Note 6.3) used for the Group's investment operation. The loan carries interest at 3 months LIBOR plus 0.85% per annum and the tenure of the loan is directly linked to the maturity period of the debt instruments which are financed by the loan. The debt instruments have maturity periods of 2 to 10 years.

Dubai Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

9 SHARE CAPITAL

	31 March 2014 AED'000	31 December 2013 AED'000 (Audited)
Issued and fully paid 100,000,000 shares of AED 1 each (2013: 100,000,000 share of AED 1 each)	100,000	100,000

10 RESERVES

NATURE AND PURPOSE OF RESERVES

• STATUTORY RESERVE

In accordance with the UAE Commercial Companies Law and the Group's Article of Association, the Group has resolved not to increase the statutory reserve above an amount equal to 50% of its paid up share capital. Accordingly, no transfers have been made during the three months period to 31 March 2014. The reserve is not available for distribution except in the circumstances stipulated by the law.

• GENERAL RESERVE

Transfers to the general reserve are made on the recommendation of the Board of Directors. This reserve may be used for such purposes as deemed appropriate by the Board of Directors.

• CUMULATIVE CHANGES IN FAIR VALUE OF INVESTMENTS

This reserve records fair value changes on financial instrument held at fair value through other comprehensive income.

11 PROPOSED DIVIDENDS

	31 March 2014 AED'000	31 December 2013 AED'000 (Audited)
Cash dividend for 2013 of AED 0.25 per share (declared)	25,000	-
Cash dividend for 2012 of AED 0.20 per share (declared and paid)	-	20,000
	25,000	20,000
Proposed for approval at Annual General Meeting: (2013: Cash dividend of AED 0.25 per share)	-	25,000
	-	25,000

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2014 (Unaudited)

12 SEGMENTAL INFORMATION

Primary segment information

For management purposes, the Group is organised into business units based on its products and services and has three reportable operating segments as follows:

- The general insurance segment, comprises motor, marine, fire, engineering, general accident and medical.
- The life segment, includes individual and group life insurance.
- Investment comprises investment and cash management for the Group's own account.

Transactions between operating segments are conducted at estimated market rates on an arm's length basis. Operating segment information is presented below:

	<u>General insurance</u>		<u>Life assurance</u>		<u>Total</u>	
	<u>31 March</u>	<u>31 March</u>	<u>31 March</u>	<u>31 March</u>	<u>31 March</u>	<u>31 March</u>
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	<u>AED'000</u>	<u>AED'000</u>	<u>AED'000</u>	<u>AED'000</u>	<u>AED'000</u>	<u>AED'000</u>
Three months ended 31 March						
UNDERWRITING INCOME						
Insurance premium revenue	86,314	75,208	4,916	3,753	91,230	78,961
Reinsurers' share of premium	(59,065)	(50,226)	(3,924)	(2,533)	(62,989)	(52,759)
Net insurance premium revenue	27,249	24,982	992	1,220	28,241	26,202
Reinsurance commission income	6,216	6,535	382	1,465	6,598	8,000
Other income	(88)	(540)	2	3	(86)	(537)
	<u>33,377</u>	<u>30,977</u>	<u>1,376</u>	<u>2,688</u>	<u>34,753</u>	<u>33,665</u>
UNDERWRITING EXPENSES						
Claims incurred	38,728	61,307	(111)	280	38,617	61,587
Reinsurers' share of claims incurred	(26,337)	(51,025)	100	(240)	(26,237)	(51,265)
Net claims incurred	12,391	10,282	(11)	40	12,380	10,322
Commission expenses	8,915	7,375	199	304	9,114	7,679
Excess of loss reinsurance premium	465	279	-	-	465	279
General and administration expenses relating to underwriting activities	3,449	3,044	308	264	3,757	3,308
	<u>25,220</u>	<u>20,980</u>	<u>496</u>	<u>608</u>	<u>25,716</u>	<u>21,588</u>
NET UNDERWRITING INCOME	<u>8,157</u>	<u>9,997</u>	<u>880</u>	<u>2,080</u>	<u>9,037</u>	<u>12,077</u>
TOTAL INVESTMENT INCOME					8,298	9,209
Unallocated other expenses					(1,091)	(734)
PROFIT FOR THE PERIOD					<u>16,244</u>	<u>20,552</u>

For operational and management reporting purposes, the Group is organised as one geographical segment.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS

As at 31 March 2014 (Unaudited)

13 SEASONALITY OF RESULTS

Dividend income amounted to AED 7,117 thousand and AED 8,805 thousand for the three-month periods ended 31 March 2014 and 31 March 2013 respectively. Dividend income depends on market conditions, investment activities of the Company and declaration of profits by investee companies, which are of a seasonal nature. Accordingly, results for the period ended 31 March 2014 are not comparable to those relating to the comparative period, and are not indicative of the results that might be expected for the year ending 31 December 2014.

14 CONTINGENCIES

At 31 March 2014, the Company had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise, amounting to AED 10,246 thousand (31 December 2013: AED 10,237 thousand).

Legal claims

The Group, in common with the significant majority of insurers, is subject to litigation in the normal course of its business. The Group, based on independent legal advice, does not believe that the outcome of these court cases will have a material impact on the Group's income or financial condition.