Dubai Insurance Company
(Public Shareholding Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 SEPTEMBER 2014 (UNAUDITED)

REPORT ON REVIEW OF THE 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 30 September 2014, comprising the interim condensed consolidated statement of financial position as at 30 September 2014 and the related interim condensed consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended and the related interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended and explanatory information. 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.

Ernst & Young

Signed by
Ashraf Abu-Sharkh
Partner
Registration number: 690

12 November 2014

Dubai, United Arab Emirates

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the period ended 30 September 2014 (Unaudited)

		Three months ended 30 September		*Nine months ended 30 September*	
	Note	***2014 AED '000***	*2013 AED '000*	***2014 AED '000***	*2013 AED '000*
UNDERWRITING INCOME					
Gross premium		**51,256**	48,434	**248,182**	235,218
Movement in provision for unearned premium		**17,960**	15,074	**(2,189)**	(19,484)
Insurance premium revenue		**69,216**	63,508	**245,993**	215,734
Reinsurance share of premium		**(31,371)**	(31,780)	**(162,942)**	(164,977)
Movement in provision for reinsurance share of unearned premium		**(14,709)**	(10,731)	**(5,066)**	14,689
		(46,080)	(42,511)	**(168,008)**	(150,288)
Net insurance premium revenue		**23,136**	20,997	**77,985**	65,446
Reinsurance commission income		**4,498**	2,462	**15,781**	14,873
Other expense		**(696)**	(510)	**(255)**	(903)
Total underwriting income		**26,938**	22,949	**93,511**	79,416
UNDERWRITING EXPENSES					
Claims incurred		**48,477**	30,990	**132,035**	115,911
Reinsurers' share of claims incurred		**(33,854)**	(21,108)	**(90,755)**	(85,273)
Net claims incurred		**14,623**	9,882	**41,280**	30,638
Commission expenses		**7,893**	6,799	**27,627**	20,683
Excess of loss reinsurance premium		**309**	767	**929**	1,326
General and administrative expenses relating to underwriting activities		**3,267**	3,122	**10,660**	9,396
Total underwriting expenses		**26,092**	20,570	**80,496**	62,043
NET UNDERWRITING INCOME		**846**	2,379	**13,015**	17,373
INVESTMENT INCOME					
Realised gain (loss) on disposal of investment		**43**	(6)	**157**	1
Fair value gain (loss) on financial assets at fair value through profit or loss		**682**	126	**(116)**	(283)
Other investment income		**973**	1,034	**15,495**	14,217
Other investment costs		**(58)**	(55)	**(158)**	(160)
		1,640	1,099	**15,378**	13,775
OTHER INCOME AND EXPENSES					
General and administrative expenses not allocated		**(1,627)**	(1,581)	**(4,157)**	(3,736)
Other income (expense)		**11**	(7)	**157**	401
		(1,616)	(1,588)	**(4,000)**	(3,335)
PROFIT FOR THE PERIOD		**870**	1,890	**24,393**	27,813
Basic and diluted earnings per share (AED)	3	**0.009**	0.019	**0.244**	0.278

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 September 2014 (Unaudited)

	Three months ended 30 September		*Nine months ended 30 September*	
	2014 AED '000	*2013 AED '000*	***2014 AED '000***	*2013 AED '000*
Profit for the period	**870**	1,890	**24,393**	27,813
OTHER COMPREHENSIVE INCOME				
Other comprehensive income that could not be reclassified to profit or loss in subsequent periods:				
Net unrealized gain on financial assets at fair value though other comprehensive income	**32,561**	15,744	**86,432**	86,716
Other comprehensive income for the period	**32,561**	15,744	**86,432**	86,716
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**33,431**	17,634	**110,825**	114,529

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2014 (Unaudited)

	Notes	30 September 2014 AED '000	Audited 31 December 2013 AED '000
ASSETS			
Property and equipment	4	**47,452**	47,563
Investment property	5	**1,670**	1,670
Financial instruments	6	**453,777**	372,370
Reinsurance assets		**128,175**	141,355
Insurance receivables		**121,489**	118,510
Prepayments and other receivables		**4,576**	5,931
Statutory deposits		**10,000**	10,000
Cash and cash equivalents	7	**47,662**	35,132
TOTAL ASSETS		**814,801**	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		**111,737**	87,344
Cumulative changes in fair value of investments	10	**218,316**	131,884
Proposed dividends – cash	11	**-**	25,000
Total equity		**490,053**	404,228
Liabilities			
Bank loan	8	**18,417**	18,412
Employees' end of service benefits		**2,321**	2,147
Insurance contract liabilities		**194,596**	195,308
Amounts held under reinsurance treaties		**13,310**	12,978
Reinsurance balances payable		**72,886**	73,287
Insurance and other payables		**23,218**	26,171
Total liabilities		**324,748**	328,303
TOTAL EQUITY AND LIABILITIES		**814,801**	732,531

The interim condensed consolidated financial statements were authorized for issue in accordance with a resolution of the directors on 12 November 2014.

Buti Obaid Almulla
Chairman

Abdellatif Abuqurah
Chief Executive Officer

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2014 (Unaudited)

	Share capital AED '000	*Statutory reserve AED '000*	*General reserve AED '000*	*Retained earnings AED '000*	*Proposed dividend 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	-	-	-	24,393	-	-	24,393
Other comprehensive income	-	-	-	-	-	86,432	86,432
Total comprehensive income for the period	-	-	-	24,393	-	86,432	110,825
Cash dividend paid (note 11)	-	-	-	-	(25,000)	-	(25,000)
Balance at 30 September 2014	**100,000**	**50,000**	**10,000**	**111,737**	-	**218,316**	**490,053**
Balance at 1 January 2013	100,000	50,000	10,000	82,227	20,000	18,240	280,467
Profit for the period	-	-	-	27,813	-	-	27,813
Other comprehensive income	-	-	-	-	-	86,716	86,716
Total comprehensive income for the period	-	-	-	27,813	-	86,716	114,529
Cash dividend paid (note 11)	-	-	-	-	(20,000)	-	(20,000)
Balance at 30 September 2013	100,000	50,000	10,000	110,040	-	104,956	374,996

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

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
For the period ended 30 September 2014 (Unaudited)

	Note	*Nine month period ended 30 September* 2014 AED '000	2013 AED '000
OPERATING ACTIVITIES			
Profit for the period		**24,393**	27,813
Adjustments for:			
Depreciation on property and equipment		**915**	405
Interest income		**2,087**	1,737
Provision for employees' end of service benefits		**216**	312
Gain on sale of investments in debt instruments at amortised cost		**(157)**	(1)
		27,454	30,266
Changes in operating assets and liabilities:			
Reinsurance assets		**13,180**	(27,949)
Insurance receivables		**(2,979)**	4,537
Prepayments and other receivables		**1,355**	(369)
Insurance contract liabilities		**(712)**	37,678
Amounts held under reinsurance treaties		**332**	2,500
Reinsurance balances payable		**(401)**	(7,255)
Insurance and other payables		**(2,953)**	(5,833)
Cash generated from operations		**35,276**	33,575
Employees' end of service benefits paid		**(42)**	(90)
Net cash from operating activities		**35,234**	33,485
INVESTING ACTIVITIES			
Interest income		**(2,087)**	(1,737)
Investments held at amortised cost		**21**	10,296
Financial investments at fair value through profit or loss		**5,161**	(38,632)
Purchase of property and equipment		**(804)**	(1,476)
Additions to investment property		**-**	(590)
Net cash from / (used in) investing activities		**2,291**	(32,139)
FINANCING ACTIVITIES			
Dividends paid		**(25,000)**	(20,000)
Bank loan		**5**	(3)
Net cash used in financing activities		**(24,995)**	(20,003)
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**12,530**	(18,657)
Cash and cash equivalents at 1 January		**35,132**	49,445
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	7	**47,662**	30,788

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

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 interim condensed consolidated financial statements incorporate the financial statements of the Company and its subsidiary (collectively referred to as the "Group").

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

Subsidiary	*Principal activity*	*Country of incorporation*	*Ownership*
Vattaun Limited	Investment	British Virgin Island	100%

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES

Basis of preparation
The interim condensed consolidated financial statements for the nine months ended 30 September 2014 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2013. In addition, results for the nine months ended 30 September 2014 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2014.

Basis of consolidation
The interim condensed consolidated financial statements comprise the financial statements of the Group and its subsidiary as at 30 September 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.

2 BASIS OF PREPARATION AND CHANGES TO THE GROUP'S ACCOUNTING POLICIES (continued)

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2013, except for the adoption of new standards and interpretations effective as of 1 January 2014.

As required by IAS 34, the nature and the effect of these changes are disclosed below. Several new standards and amendments apply for the first time in 2014. However, they do not impact the annual consolidated financial statements of the Group or the interim condensed consolidated financial statements of the Group.

The nature and the impact of each new standard/amendment is described below:

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)

These amendments provide an exception to the consolidation requirement for entities that meet the definition of an investment entity under IFRS 10 Consolidated Financial Statements. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss. These amendments have no impact to the Group, since none of the entities in the Group qualifies to be an investment entity under IFRS 10.

Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32

These amendments clarify the meaning of 'currently has a legally enforceable right to set-off' and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting. These amendments have no impact on the Group.

Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39

These amendments provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria. These amendments have no impact to the Group as the Group has not novated its derivatives during the current or prior periods.

IFRIC 21 Levies

IFRIC 21 is effective for annual periods beginning on or after 1 January 2014 and is applied retrospectively. It is applicable to all levies imposed by governments under legislation, other than outflows that are within the scope of other standards (e.g., IAS 12 Income Taxes) and fines or other penalties for breaches of legislation. The interpretation clarifies that an entity recognises a liability for a levy no earlier than when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, no liability is recognised before the specified minimum threshold. The adoption of IFRIC 21 did not have any impact on the interim consolidated financial statements of the Group.

The Group has not early adopted any other standard, interpretation or amendment that has not been issues but is not yet effective.

3 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of shares outstanding during the period as follows:

	Three months ended 30 September		*Nine months ended 30 September*	
	2014	*2013*	***2014***	*2013*
Profit for the period (AED '000)	**870**	1,890	**24,393**	27,813
Weighted average number of shares outstanding during the period ('000)	**100,000**	100,000	**100,000**	100,000
Earnings per share (AED)	**0.009**	0.019	**0.243**	0.278

No figures for diluted earnings has been presented because 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 transfer of legal title in respect of the land is complete.

5 INVESTMENT PROPERTY

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

6 FINANCIAL INSTRUMENTS

	Carrying value		***Fair value***	
	30 September 2014 AED'000 (Unaudited)	*31 December 2013 AED'000 (Audited)*	***30 September 2014 AED'000 (Unaudited)***	*31 December 2013 AED'000 (Audited)*
Financial instruments				
At fair value through profit or loss (note 6.1)	**71,439**	76,443	**71,439**	76,443
At fair value through other comprehensive income (note 6.2)	**344,658**	258,226	**344,658**	258,226
Investments held at amortised cost (note 6.3)	**37,680**	37,701	**38,271**	37,738
	453,777	372,370	**454,368**	372,407

6.1 FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

		30 September 2014 AED'000	*31 December 2013 AED'000 (Audited)*
a)	***Shares - quoted***	**4,291**	4,408
b)	***Designated upon initial recognition***		
	Bank deposits with maturity over three months (unquoted)	**67,148**	72,035
		71,439	76,443

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

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

	30 September 2014 AED'000	*31 December 2013 AED'000 (Audited)*
Shares – quoted (within UAE)	**334,458**	248,026
Shares – unquoted (within UAE)	**10,200**	10,200
	344,658	258,226

The fair value changes amounting to AED 86,432 thousand (2013: AED 86,716 thousand) have been recognised in the consolidated statement of comprehensive income.

6 FINANCIAL INSTRUMENTS (continued)

6.3 DEBT INSTRUMENTS AT AMORTISED COST

	30 September 2014 AED'000	*31 December 2013 AED'000 (Audited)*
Amortised cost		
Debt securities (within UAE)	**3,675**	3,675
Debt securities (outside UAE)	**34,005**	34,026
	37,680	37,701

Debt securities amounting to AED 34,005 thousand (2013: AED 34,026 thousand) are pledged against bank loan (note 11). The investments carry interest at an effective rate of 6.15% per annum. The maturity profile of these debt instruments is shown below:

	30 September 2014		
	Less than 5 years AED'000	*More than 5 years AED'000*	*Total AED'000*
Debt securities (within UAE)	**3,675**	**-**	**3,675**
Debt securities (outside UAE)	**22,711**	**11,294**	**34,005**
	26,386	**11,294**	**37,680**

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

7 CASH AND CASH EQUIVALENTS

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

	30 September 2014 AED '000	*31 December 2013 AED'000 (Audited)*	*30 September 2013 AED '000*
Bank balances and cash	**27,662**	35,132	30,788
Bank deposits maturing within three months	**20,000**	-	-
	47,662	35,132	30,788

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

8 BANK LOAN

The Group entered into a credit facility agreement with an international bank for USD 5 million (equivalent AED 18,417 thousand). The loan facility is secured against investments in debt instruments held at amortised cost amounting to AED 34,005 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 USD LIBOR plus 1% 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.

9 SHARE CAPITAL

	30 September 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 shares 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 nine months period to 30 September 2014, as this will be based on the results for the year. 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 AND PAID DIVIDENDS

	30 September 2014 AED'000	*31 December 2013 AED'000 (Audited)*
Declared and paid:		
Cash dividend for 2013 of AED 0.25 per share (declared and paid)	**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

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:

	Three months ended 30 September					
	General insurance		*Life assurance*		*Total*	
	2014	*2013*	***2014***	*2013*	***2014***	*2013*
	AED'000	*AED'000*	***AED'000***	*AED'000*	***AED'000***	*AED'000*
UNDERWRITING INCOME						
Insurance premium revenue	**66,119**	57,033	**3,097**	6,475	**69,216**	63,508
Reinsurers' share of premium	**(43,909)**	(37,629)	**(2,171)**	(4,882)	**(46,080)**	(42,511)
Net insurance premium revenue	**22,210**	19,404	**926**	1,593	**23,136**	20,997
Reinsurance commission income	**4,184**	2,457	**314**	5	**4,498**	2,462
Other (expense) income	**(698)**	(545)	**2**	35	**(696)**	(510)
	25,696	21,316	**1,242**	1,633	**26,938**	22,949
UNDERWRITING EXPENSES						
Claims incurred	**47,196**	23,894	**1,281**	7,096	**48,477**	30,990
Reinsurers' share of claims incurred	**(32,701)**	(14,777)	**(1,153)**	(6,331)	**(33,854)**	(21,108)
Net claims incurred	**14,495**	9,117	**128**	765	**14,623**	9,882
Commission expenses	**7,354**	6,051	**539**	748	**7,893**	6,799
Excess of loss premium	**309**	767	**-**	-	**309**	767
General and administration expenses relating to underwriting activities	**3,090**	2,727	**177**	395	**3,267**	3,122
	25,248	18,662	**844**	1,908	**26,092**	20,570
NET UNDERWRITING INCOME	**448**	2,654	**398**	(275)	**846**	2,379
TOTAL INVESTMENT INCOME					**1,640**	1,099
Unallocated other expenses					**(1,616)**	(1,588)
PROFIT FOR THE PERIOD					**870**	1,890

12 SEGMENTAL INFORMATION (continued)

	Nine months ended 30 September					
	General insurance		***Life assurance***		***Total***	
	2014	*2013*	***2014***	*2013*	***2014***	*2013*
	AED'000	*AED'000*	***AED'000***	*AED'000*	***AED'000***	*AED'000*
UNDERWRITING INCOME						
Insurance premium revenue	**234,362**	198,144	**11,631**	17,590	**245,993**	215,734
Reinsurers' share of premium	**(159,314)**	(136,168)	**(8,694)**	(14,120)	**(168,008)**	(150,288)
Net insurance premium revenue	**75,048**	61,976	**2,937**	3,470	**77,985**	65,446
Commission income	**15,049**	13,327	**732**	1,546	**15,781**	14,873
Other (expense) income	**(385)**	(943)	**130**	40	**(255)**	(903)
	89,712	74,360	**3,799**	5,056	**93,511**	79,416
UNDERWRITING EXPENSES						
Claims incurred	**130,434**	107,826	**1,601**	8,085	**132,035**	115,911
Reinsurers' share of claims incurred	**(89,315)**	(78,071)	**(1,440)**	(7,202)	**(90,755)**	(85,273)
Net claims incurred	**41,119**	29,755	**161**	883	**41,280**	30,638
Commission expenses	**26,537**	19,399	**1,090**	1,284	**27,627**	20,683
Excess of loss reinsurance premium	**929**	1,326	**-**	-	**929**	1,326
General and administration expenses relating to underwriting activities	**10,142**	8,566	**518**	830	**10,660**	9,396
	78,727	59,046	**1,769**	2,997	**80,496**	62,043
NET UNDERWRITING INCOME	**10,985**	15,314	**2,030**	2,059	**13,015**	17,373
TOTAL INVESTMENT INCOME					**15,378**	13,775
Unallocated other expenses					**(4,000)**	(3,335)
PROFIT FOR THE PERIOD					**24,393**	27,813

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

13 SEASONALITY OF RESULTS

Dividend income of AED nil and AED 12,195 thousand for three month and nine month periods ended 30 September 2014, respectively, and AED nil and AED 11,083 thousand for three month and nine month periods ended 30 September 2013, respectively, is of seasonal nature.

14 COMMITMENTS AND CONTINGENCIES

Guarantees
At 30 September 2014, the Group 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 10,266 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.