Dubai Insurance Company
(Public Shareholding Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 MARCH 2016 (UNAUDITED)

EY
Building a better working world

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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 2016, comprising the interim consolidated statement of financial position as at 31 March 2016 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.

Ernst & Young

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

11 May 2016
Dubai, United Arab Emirates

Dubai Insurance Company (PSC)

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the period ended 31 March 2016 (Unaudited)

	Note	*Three months ended 31 March* 2016 AED'000	2015 AED'000
UNDERWRITING INCOME			
Gross premium		**140,984**	109,490
Movement in provision for unearned premium		**(59,156)**	(13,832)
Insurance premium revenue		**81,828**	95,658
Reinsurance share of premium		**(104,642)**	(78,841)
Movement in provision for reinsurance share of unearned premium		**51,088**	14,802
		(53,554)	(64,039)
Net insurance premium revenue		**28,274**	31,619
Reinsurance commission income		**9,126**	7,671
Other income		**895**	471
Total underwriting income		**38,295**	39,761
UNDERWRITING EXPENSES			
Claims incurred		**138,275**	49,266
Reinsurers' share of claims incurred		**(126,056)**	(35,782)
Net claims incurred		**12,219**	13,484
Commission expenses		**9,507**	12,970
Excess of loss reinsurance premium		**158**	162
General and administration expenses relating to underwriting activities		**4,393**	3,834
Other expenses		**2,652**	1,305
Total underwriting expenses		**28,929**	31,755
NET UNDERWRITING INCOME		**9,366**	8,006
INVESTMENT INCOME			
Realised (loss)/gain on sale of investments		**(6)**	135
Fair value gain on financial assets at fair value through profit or loss		**127**	206
Other investment income		**14,686**	12,241
Other investment costs		**(242)**	(137)
		14,565	12,445
OTHER INCOME AND EXPENSES			
General and administration expenses not allocated		**(1,439)**	(1,255)
Other income		**1**	52
		(1,438)	(1,203)
PROFIT FOR THE PERIOD		**22,493**	19,248
Basic and diluted earnings per share (AED)	3	**0.22**	0.19

The attached explanatory notes 1 to 15 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 31 March 2016 (Unaudited)

	Three months ended 31 March	
	2016 AED'000	*2015 AED'000*
Profit for the period	**22,493**	19,248
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 through other comprehensive income	**4,049**	8,150
Other comprehensive income for the period	**4,049**	8,150
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**26,542**	27,398

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2016 (Unaudited)

	Notes	*31 March 2016 AED'000*	*31 December 2015 AED'000 Audited*
ASSETS			
Property and equipment	4	**47,224**	47,238
Investment property	5	**1,670**	1,670
Advance for investment property	6	**3,888**	3,888
Financial instruments	7	**483,569**	477,452
Reinsurance assets		**321,003**	210,146
Insurance receivables		**180,446**	140,395
Prepayments and other receivables		**22,238**	6,453
Statutory deposits		**10,000**	10,000
Cash and cash equivalents	8	**35,376**	40,805
TOTAL ASSETS		**1,105,414**	938,047
EQUITY AND LIABILITIES			
Equity			
Share capital	10	**100,000**	100,000
Statutory reserve	11	**50,000**	50,000
General reserve	11	**13,000**	13,000
Retained earnings		**118,456**	120,963
Cumulative changes in fair value of investments	11	**199,945**	195,896
Total equity		**481,401**	479,859
Liabilities			
Bank loan	9	**46,209**	46,232
Employees' end of service benefits		**2,627**	2,700
Insurance contract liabilities		**388,732**	270,589
Amounts held under reinsurance treaties		**33,855**	29,448
Reinsurance balances payable		**92,882**	67,371
Insurance and other payables		**59,708**	41,848
Total liabilities		**624,013**	458,188
TOTAL EQUITY AND LIABILITIES		**1,105,414**	938,047

The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the directors on 11 May 2016.

Marwan Abdulla Hassan Al Rostamani
Vice Chairman

Abdellatif Abuqurah
Chief Executive Officer

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 31 March 2016 (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 2016	100,000	50,000	13,000	120,963	-	195,896	479,859
Profit for the period	-	-	-	22,493	-		22,493
Other comprehensive income	-	-	-	-	-	4,049	4,049
Total comprehensive income for the period	-	-	-	22,493		4,049	26,542
Cash dividend declared and paid (Note 12)	-	-	-	(25,000)	-	-	(25,000)
Balance at 31 March 2016	**100,000**	**50,000**	**13,000**	**118,456**	-	**199,945**	**481,401**
Balance at 1 January 2015	100,000	50,000	13,000	112,629	-	201,181	476,810
Profit for the period	-	-	-	19,248	-	-	19,248
Other comprehensive income	-	-	-	-	-	8,150	8,150
Total comprehensive income for the period	-	-	-	19,248	-	8,150	27,398
Cash dividend declared (Note 12)	-	-	-	(25,000)	25,000	-	-
Cash dividend paid (Note 12)	-	-	-	-	(25,000)	-	(25,000)
Balance at 31 March 2015	100,000	50,000	13,000	106,877	-	209,331	479,208

The attached explanatory notes 1 to 15 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2016 (Unaudited)

	Notes	*Three month period ended 31 March* 2016 AED'000	2015 AED'000
OPERATING ACTIVITIES			
Profit for the period		**22,493**	19,248
Adjustments for:			
Depreciation on property and equipment		**377**	367
Provision for employees' end of service benefits		**97**	213
Gain on sale of investments in debt instruments at amortised cost		**6**	(135)
		22,973	19,693
Changes in operating assets and liabilities:			
Reinsurance assets		**(110,857)**	(17,879)
Insurance receivables		**(40,051)**	(30,925)
Prepayments and other assets		**(15,785)**	599
Insurance contract liabilities		**118,143**	18,404
Amounts held under reinsurance treaties		**4,407**	2,677
Reinsurance balances payable		**25,511**	15,049
Insurance and other payables		**17,860**	(641)
Cash generated from operations		**22,201**	6,977
Employees' end of service paid		**(170)**	(96)
Net cash generated from operating activities		**22,031**	6,881
INVESTING ACTIVITIES			
Investments held at amortised cost		**203**	(21,498)
Financial instruments		**(2,277)**	14,620
Purchase of property and equipment		**(363)**	(659)
Net cash used in investing activities		**(2,437)**	(7,537)
FINANCING ACTIVITIES			
Dividend paid	12	**(25,000)**	(25,000)
Bank loan		**(23)**	-
Net cash used in financing activities		**(25,023)**	(25,000)
DECREASE IN CASH AND CASH EQUIVALENTS		**(5,429)**	(25,656)
Cash and cash equivalents at 1 January		**40,805**	69,416
CASH AND CASH EQUIVALENTS AT 31 MARCH	8	**35,376**	43,760

The attached explanatory notes 1 to 15 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 Federal Law No.2 of 2015, concerning Commercial Companies has come into effect from 28 June 2015, replacing the existing Federal Law No.8 of 1984. The Company is currently assessing the impact of the new law and expects to be fully compliant on or before the end of the grace period on 28 June 2016. 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 2015.

Changes in accounting estimates
The accounting policies are consistent with those used in the previous year. The accounting estimates used in the preparation of these financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2015 except for change in the basis of calculation of unearned premium reserve noted below.

As per Federal Law No.6 of 2007, relating to Establishment of Insurance Authority and regulation of Insurance operations, a new financial regulation for insurance companies was issued on 28 January 2015. The financial regulation provided an alignment period to the insurance companies between one to three years from the publication of financial regulation in Public Gazette from 29 January 2015 to align the operations to the covenants of the regulations therein.

With effect from 1 January 2016, to comply with the new regulations introduced by the Insurance authority of United Arab Emirates, unearned premium reserve for all the classes of insurances is calculated on a time proportion basis except Marine class of business calculated at 25%.

Unearned premium reserve
At the end of each reporting period a proportion of net retained premiums of the general insurance, medical and group life business is provided to cover portions of risks which have not expired at the reporting date. Until 31 December 2015, the reserves were calculated in accordance with the requirements of the Insurance Law relating to insurance companies at 40% of annual premiums earned net of reinsurance for all classes of insurance, except marine which was calculated at 25% and unearned premium reserves for medical and group life business were calculated on a time proportion basis.

As a result of the change, profit for the period is lower by AED 4,294 thousand and unearned premium reserve at 31 March 2016 is higher by AED 4,294 thousand.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.1 BASIS OF PREPARATION (continued)

New standards, interpretations and amendments
The new and revised relevant IFRSs effective in the current period had no significant impact on the amounts reported and disclosures in these interim condensed consolidated financial statements. Annual Improvements 2012-2014 cycle which became effective from 1 January 2016 also 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 2015. In addition, results for the three months ended 31 March 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016.

2.2 BASIS OF CONSOLIDATION

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%

Basis of consolidation
The interim condensed consolidated financial statements comprise the financial statements of the Group and its subsidiary as at 31 March 2016.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

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 related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

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:

	Three months ended 31 March	
	2016	*2015*
Profit for the period (AED'000)	**22,493**	19,248
Weighted average number of shares outstanding during the period ('000)	**100,000**	100,000
Earnings per share (AED)	**0.22**	0.19

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 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.

5 INVESTMENT PROPERTIES

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

6 ADVANCE FOR INVESTMENT PROPERTY

This represents advance given for an investment property within United Arab Emirates, which is 25% of the total cost of the property and the remaining 75% of the total cost is capital commitment as mentioned in Note 15.

7 FINANCIAL INSTRUMENTS

	Carrying value		***Fair value***	
	31 March 2016 AED'000 (Unaudited)	*31 December 2015 AED'000 (Audited)*	***31 March 2016 AED'000 (Unaudited)***	*31 December 2015 AED'000 (Audited)*
Financial instruments				
At fair value through profit or loss (Note 7.1)	**60,329**	58,051	**60,329**	58,051
At fair value through other comprehensive income (Note 7.2)	**333,488**	329,440	**333,488**	329,440
Investments held at amortised cost (Note 7.3)	**89,752**	89,961	**88,864**	89,389
	483,569	477,452	**482,681**	476,880

7.1 FINANCIAL ASSETS AT FAIR VALUES THROUGH PROFIT OR LOSS

		31 March 2016 AED'000	*31 December 2015 AED'000 (Audited)*
a)	***Shares - quoted***	**4,257**	4,130
b)	***Designated upon initial recognition***		
	Bank deposits with maturity over three months - unquoted	**56,072**	53,921
		60,329	58,051

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

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

	31 March 2016 AED'000	*31 December 2015 AED'000 (Audited)*
Shares – quoted (within UAE)	**316,033**	319,240
Shares – quoted (Outside UAE)	**7,255**	-
Shares – unquoted (within UAE)	**10,200**	10,200
	333,488	329,440

The fair value changes amounting to AED 4,049 thousand (2015: AED 8,150 thousand) have been recognised in the consolidated statement of comprehensive income.

7.3 DEBT INSTRUMENTS AT AMORTISED COST

	31 March 2016 AED'000	*31 December 2015 AED'000 (Audited)*
Amortised cost		
Debt securities (within UAE)	**11,866**	11,896
Debt securities (outside UAE)	**77,886**	78,065
	89,752	89,961

Debt securities amounting to AED 86,077 thousand (2015: AED 86,286 thousand) are pledged against bank loan (Note 9). The investments carry interest at an effective rate of 4.43% per annum (2015: 4.03% per annum). The maturity profile of these debt instruments is shown below:

	31 March 2016		
	Less than 5 years AED'000	***More than 5 years AED'000***	***Total AED'000***
Debt securities (within UAE)	7,732	4,134	**11,866**
Debt securities (outside UAE)	39,913	37,973	**77,886**
	47,645	42,107	**89,752**

7.3 DEBT INSTRUMENTS AT AMORTISED COST (continued)

	31 December 2015 (audited)		
	Less than 5 years AED'000	*More than 5 years AED'000*	*Total AED'000*
Debt securities (within UAE)	7,762	4,134	11,896
Debt securities (outside UAE)	39,637	38,428	78,065
	47,399	42,562	89,961

8 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:

	31 March 2016 AED'000	*31 December 2015 AED'000 (Audited)*
Bank balances and cash	**35,376**	40,805
	35,376	40,805

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

9 BANK LOAN

	31 March 2016 AED'000	*31 December 2015 AED'000 (Audited)*
Loan I	**18,432**	18,421
Loan II	**18,363**	18,363
Loan III	**9,414**	9,448
	46,209	46,232

Loan I
In 2011, the Group entered into a credit facility agreement for the loan I with an international bank for USD 5 million (equivalent AED 18,432 thousand). The loan facility is secured against investments in debt instruments held at amortised cost amounting to AED 33,173 thousand (31 December 2015: AED 33,294 thousand) (Note 7.3)) used for the Group's investment operations. 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.

Loan II
During previous year, the Group entered into credit facility agreements with an international bank for AED 18,363 thousand. The loan facilities are secured against investments in debt instruments held at amortised cost amounting to AED 27,119 thousand (31 December 2015: AED 27,208 thousand) (Note 7.3) used for the Group's investment operations and carries interest at 1 month USD LIBOR plus 0.5% per annum. The tenure of the loans are directly linked to the maturity period of the debt instruments which are financed by the loan. The debt instruments have maturity periods of 1 to 34 years.

9 BANK LOAN (continued)

Loan III
During previous year, the Group entered into credit facility agreements with a local bank for AED 9,414 thousand. The loan facilities are secured against investments in debt instruments held at amortised cost amounting to AED 25,785 thousand (31 December 2015: AED 25,784 thousand) (Note 7.3) used for the Group's investment operations and carries interest at 3 months USD LIBOR plus 1.1% per annum. The tenure of the loans are directly linked to the maturity period of the debt instruments which are financed by the loan. The debt instruments have maturity periods of 4 to 15 years.

10 SHARE CAPITAL

	31 March 2016 AED'000	*31 December 2015 AED'000 (Audited)*
Issued and fully paid 100,000,000 shares of AED 1each (2014: 100,000,000 share of AED 1 each)	**100,000**	100,000

11 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 ended 31 March 2016. 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.

12 PROPOSED AND PAID DIVIDENDS

	31 March 2016 AED'000	*31 December 2015 AED'000 (Audited)*
Cash dividend for 2015 of AED 0.25 per share (declared and paid)	**25,000**	-
Cash dividend for 2014 of AED 0.25 per share (declared and paid)	-	25,000
	25,000	25,000
Proposed for approval at Annual General Meeting: (2015: Cash dividend of AED 0.25 per share)	-	25,000
	-	25,000

13 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 and general accident.
- The medical and life segment, includes individual and group life and medical 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:

	General insurance		*Medical and Life assurance*		*Total*	
	31 March 2016 AED'000	*31 March 2015 AED'000*	***31 March 2016 AED'000***	*31 March 2015 AED'000*	***31 March 2016 AED'000***	*31 March 2015 AED'000*
Three months ended 31 March						
UNDERWRITING INCOME						
Insurance premium revenue	**15,787**	39,907	**66,041**	55,751	**81,828**	95,658
Reinsurers' share of premium	**(8,022)**	(28,684)	**(45,532)**	(35,355)	**(53,554)**	(64,039)
Net insurance premium revenue	**7,765**	11,223	**20,509**	20,396	**28,274**	31,619
Reinsurance commission income	**8,306**	7,169	**820**	502	**9,126**	7,671
Other income	**24**	17	**871**	454	**895**	471
	16,095	18,409	**22,200**	21,352	**38,295**	39,761
UNDERWRITING EXPENSES						
Claims incurred	**95,698**	26,132	**42,577**	25,203	**138,275**	49,266
Reinsurers' share of claims incurred	**(91,768)**	(18,212)	**(34,288)**	(19,639)	**(126,056)**	(35,782)
Net claims incurred	**3,930**	7,920	**8,289**	5,564	**12,219**	13,484
Commission expenses	**3,514**	4,004	**5,993**	8,966	**9,507**	12,970
Excess of loss reinsurance premium	**158**	162	-	-	**158**	162
General and administration expenses relating to underwriting activities	**1,714**	1,472	**2,679**	2,362	**4,393**	3,834
Other expenses	**66**	-	**2,586**	1,305	**2,652**	1,305
	9,382	13,558	**19,547**	18,197	**28,929**	31,755
NET UNDERWRITING INCOME	**6,713**	4,851	**2,653**	3,155	**9,366**	8,006
TOTAL INVESTMENT INCOME					**14,565**	12,445
Unallocated other expenses					**(1,438)**	(1,203)
PROFIT FOR THE PERIOD					**22,493**	19,248

14 SEASONALITY OF RESULTS

Dividend income amounted to AED 12,891 thousand and AED 10,907 thousand for the three-month periods ended 31 March 2016 and 31 March 2015 respectively. Dividend income depends on market conditions, investment activities of the Group and declaration of profits by investee companies, which are of a seasonal nature. Accordingly, results for the period ended 31 March 2016 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 2016.

15 CONTINGENCIES

At 31 March 2016, 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 10,357 thousand (31 December 2015: AED 10,320 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.

Capital commitments
The Group's capital commitment on investment property is payable as follows:

	31 March 2016 AED'000	*31 December 2015 AED'000 (Audited)*
Less than 1 year	**3,312**	2,880
Between one and two years	**10,801**	8,642
	14,113	11,522