Dubai Insurance Company
(Public Shareholding Company)

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 SEPTEMBER 2017

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) (the "Company") and its subsidiary (collectively referred to as the "Group"), which comprise the interim condensed consolidated statement of financial position as at 30 September 2017 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 and consequently 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.

For Ernst & Young

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

24 October 2017

Dubai, United Arab Emirates

Dubai Insurance Company (PSC)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
For the period ended 30 September 2017 (Unaudited)

		Three months ended 30 September		*Nine months ended 30 September*	
	Note	***2017 AED '000***	*2016 AED '000*	***2017 AED '000***	*2016 AED '000*
UNDERWRITING INCOME					
Gross premium		**87,484**	87,887	**399,389**	341,737
Movement in provision for unearned premium		**21,121**	14,652	**(55,856)**	(62,917)
Insurance premium revenue		**108,605**	102,539	**343,533**	278,820
Reinsurance share of premium		**(64,187)**	(65,642)	**(284,178)**	(260,655)
Movement in provision for reinsurance share of unearned premium		**(14,721)**	(7,561)	**36,947**	59,718
		(78,908)	(73,203)	**(247,231)**	(200,937)
Net insurance premium revenue		**29,697**	29,336	**96,302**	77,883
Reinsurance commission income		**7,568**	8,182	**28,907**	27,617
Other income		**41**	69	**99**	1,363
Total underwriting income		**37,306**	37,587	**125,308**	106,863
UNDERWRITING EXPENSES					
Claims incurred		**98,325**	98,894	**297,871**	350,795
Reinsurers' share of claims incurred		**(81,320)**	(81,635)	**(247,031)**	(306,452)
Net claims incurred		**17,005**	17,259	**50,840**	44,343
Commission expenses		**7,832**	5,587	**27,050**	22,602
Excess of loss reinsurance premium		**340**	209	**1,574**	525
General and administrative expenses relating to underwriting activities		**4,774**	4,552	**14,520**	13,364
Other expenses		**4,312**	3,516	**12,959**	6,373
Total underwriting expenses		**34,263**	31,123	**106,943**	87,207
NET UNDERWRITING INCOME		**3,043**	6,464	**18,365**	19,656
INVESTMENT INCOME					
Realised (loss)/ gain on sale of investments		**(7)**	103	**(2)**	176
Fair value gain/ (loss) on financial assets at fair value through profit or loss		**348**	(34)	**(519)**	(9)
Other investment income		**1,263**	1,014	**16,622**	19,065
Other investment costs		**(311)**	(222)	**(855)**	(707)
		1,293	861	**15,246**	18,525
OTHER INCOME AND EXPENSES					
General and administrative expenses not allocated		**(1,571)**	(1,490)	**(4,708)**	(4,358)
Other income/(expenses)		**1**	(140)	**(11)**	(89)
		(1,570)	(1,630)	**(4,719)**	(4,447)
PROFIT FOR THE PERIOD		**2,766**	5,695	**28,892**	33,734
Basic and diluted earnings per share (AED)	3	**0.028**	0.057	**0.289**	0.337

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 September 2017 (Unaudited)

	Three months ended 30 September		***Nine months ended 30 September***	
	2017 AED '000	*2016 AED '000*	***2017 AED '000***	*2016 AED '000*
Profit for the period	**2,766**	5,695	**28,892**	33,734
OTHER COMPREHENSIVE INCOME				
Other comprehensive income that could not be reclassified to profit or loss in subsequent periods:				
Net unrealised loss on financial assets at fair value through other comprehensive income	**(799)**	6,913	**(24,388)**	4,858
Other comprehensive loss for the period	**(799)**	6,913	**(24,388)**	4,858
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**1,967**	12,608	**4,504**	38,592

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2017 (Unaudited)

	Notes	*30 September 2017 AED'000*	*31 December 2016 AED'000 Audited*
ASSETS			
Property and equipment	4	**46,913**	47,042
Investment property	5	**1,670**	1,670
Advance for investment properties	6	**18,558**	7,562
Financial instruments	7	**449,816**	495,296
Reinsurance assets		**452,067**	412,120
Insurance receivables		**210,228**	139,954
Prepayments and other receivables		**16,142**	9,349
Statutory deposits		**10,000**	10,000
Cash and cash equivalents	8	**37,151**	32,311
TOTAL ASSETS		**1,242,545**	1,155,304
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		**134,703**	130,811
Cumulative changes in fair value of investments	11	**166,408**	190,796
Total equity		**464,111**	484,607
Liabilities			
Bank loan	9	**42,669**	43,161
Employees' end of service benefits		**3,382**	2,987
Insurance contract liabilities		**552,744**	475,956
Amounts held under reinsurance treaties		**29,429**	31,320
Reinsurance balances payable		**101,859**	63,583
Insurance and other payables		**48,351**	53,690
Total liabilities		**778,434**	670,697
TOTAL EQUITY AND LIABILITIES		**1,242,545**	1,155,304

The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the directors on 24 October 2017.

Buti Obaid Almulla
Chairman

Abdellatif Abuqurah
Chief Executive Officer

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2017 (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 2017	100,000	50,000	13,000	130,811	-	190,796	484,607
Profit for the period	-	-	-	28,892	-	-	28,892
Other comprehensive income	-	-	-	-	-	(24,388)	(24,388)
Total comprehensive income for the period	-	-	-	28,892	-	(24,388)	4,504
Proposed dividend	-	-	-	(25,000)	25,000	-	-
Cash dividend declared and paid (Note 12)	-	-	-	-	(25,000)	-	(25,000)
Balance at 30 September 2017	**100,000**	**50,000**	**13,000**	**134,703**	**-**	**166,408**	**464,111**
Balance at 1 January 2016	100,000	50,000	13,000	120,963	-	195,896	479,859
Profit for the period	-	-	-	33,734	-	-	33,734
Other comprehensive income	-	-	-	-	-	4,858	4,858
Total comprehensive income for the period	-	-	-	33,734	-	4,858	38,592
Proposed dividend	-	-	-	(25,000)	25,000	-	-
Cash dividend declared and paid (Note 12)	-	-	-	-	(25,000)	-	(25,000)
Balance at 30 September 2016	100,000	50,000	13,000	129,697	-	200,754	493,451

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 September 2017 (Unaudited)

	Note	*Nine months ended 30 September* 2017 AED '000	2016 AED '000
OPERATING ACTIVITIES			
Profit for the period		**28,892**	33,734
Adjustments for:			
Depreciation on property and equipment		**1,236**	1,130
Provision for employees' end of service benefits		**470**	583
Gain on sale of investments in debt instruments at amortised cost		**2**	(176)
		30,600	35,271
Changes in operating assets and liabilities:			
Reinsurance assets		**(39,947)**	(99,981)
Insurance receivables		**(70,274)**	(30,489)
Prepayments and other assets		**(6,793)**	(5,250)
Insurance contract liabilities		**76,788**	111,802
Amounts held under reinsurance treaties		**(1,891)**	1,799
Reinsurance balances payable		**38,276**	23,588
Insurance and other payables		**(5,339)**	10,851
Cash generated from operations		**21,420**	47,591
Employees' end of service paid		**(75)**	(328)
Net cash generated from operating activities		**21,345**	47,263
INVESTING ACTIVITIES			
Investments held at amortised cost		**743**	4,344
Financial investments at fair value through profit or loss		**20,269**	(1,836)
Financial investments at fair value through other comprehensive income		**78**	(2,142)
Advance for investment property		**(10,996)**	(849)
Purchase of property and equipment		**(1,107)**	(1,512)
Net cash from/ (used in) investing activities		**8,987**	(1,995)
FINANCING ACTIVITIES			
Dividends paid		**(25,000)**	(25,000)
Net movement in bank loan		**(492)**	6
Net cash used in financing activities		**(25,492)**	(24,994)
INCREASE IN CASH AND CASH EQUIVALENTS		**4,840**	20,274
Cash and cash equivalents at 1 January		**32,311**	40,805
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	8	**37,151**	61,079

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 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 2016.

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 2016.

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 2017 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 disclosures and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2016. In addition, results for the three and nine months periods ended 30 September 2017 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2017.

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 30 September 2017.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 BASIS OF CONSOLIDATION (continued)

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 30 September		*Nine months ended 30 September*	
	2017	*2016*	*2017*	*2016*
Profit for the period (AED'000)	**2,766**	5,695	**28,892**	33,734
Weighted average number of shares outstanding during the period ('000)	**100,000**	100,000	**100,000**	100,000
Earnings per share (AED)	**0.028**	0.057	**0.289**	0.337

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 land situated in the Emirate of Dubai, United Arab Emirates with a carrying value of AED 44,173 thousand (2016: 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 PROPERTY

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 PROPERTIES

This represents advance given for an investment property within United Arab Emirates, which is 55% of the total cost of the properties and the remaining 45% of the total cost is capital commitment as mentioned in Note 15.

7 FINANCIAL INSTRUMENTS

	Carrying value		*Fair value*	
	30 September 2017 AED'000 (Unaudited)	*31 December 2016 AED'000 (Audited)*	***30 September 2017 AED'000 (Unaudited)***	*31 December 2016 AED'000 (Audited)*
Financial instruments				
At fair value through profit or loss (Note 7.1)	**64,970**	85,239	**64,970**	85,239
At fair value through other comprehensive income (Note 7.2)	**301,735**	326,177	**301,735**	326,177
Investments held at amortised cost (Note 7.3)	**83,111**	83,880	**83,427**	84,663
	449,816	495,296	**450,132**	496,079

7.1 FINANCIAL ASSETS AT FAIR VALUES THROUGH PROFIT OR LOSS

	30 September 2017 AED'000	*31 December 2016 AED'000 (Audited)*
a) Shares - quoted	**3,647**	4,167
b) Designated upon initial recognition		
Bank deposits with maturity over three months - unquoted	**61,323**	81,072
	64,970	85,239

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

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

	30 September 2017 AED'000	*31 December 2016 AED'000 (Audited)*
Shares – quoted (within UAE)	**282,418**	306,395
Shares – unquoted (Outside UAE)	**9,117**	9,582
Shares – unquoted (within UAE)	**10,200**	10,200
	301,735	326,177

The fair value changes amounting to AED 24,388 thousand (31 December 2016: AED 5,100 thousand) have been recognised in the consolidated statement of comprehensive income.

7 FINANCIAL INSTRUMENTS (continued)

7.3 DEBT INSTRUMENTS AT AMORTISED COST

	30 September 2017 AED'000	*31 December 2016 AED'000 (Audited)*
Amortised cost		
Debt securities (within UAE)	**14,054**	11,479
Debt securities (outside UAE)	**69,057**	72,401
	83,111	83,880

Debt securities amounting to AED 83,111 thousand (2016: AED 83,880 thousand) are pledged against bank loan (Note 9). The investments carry interest at an effective rate of 4.58% per annum (2016: 4.60% per annum). The maturity profile of these debt instruments is shown below:

	30 September 2017		
	Less than 5 years AED'000	***More than 5 years AED'000***	***Total AED'000***
Debt securities (within UAE)	**7,149**	**6,905**	**14,054**
Debt securities (outside UAE)	**39,682**	**29,375**	**69,057**
	46,831	**36,280**	**83,111**

	31 December 2016 (Audited)		
	Less than 5 years AED'000	*More than 5 years AED'000*	*Total AED'000*
Debt securities (within UAE)	5,850	5,629	11,479
Debt securities (outside UAE)	40,198	32,203	72,401
	46,048	37,832	83,880

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:

	30 September 2017 AED'000	*30 September 2016 AED'000*	*31 December 2016 AED'000 (Audited)*
Bank balances and cash	**37,151**	61,079	32,311

Above balance represents the cash and cash equivalents in United Arab Emirates, Europe & GCC.

9 BANK LOAN

	30 September 2017 AED'000	*31 December 2016 AED'000 (Audited)*
Loan I	**18,461**	18,443
Loan II	**14,733**	15,212
Loan III	**9,475**	9,506
	42,669	43,161

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 18,453 thousand). The loan facility is secured against investments in debt instruments held at amortised cost amounting to AED 31,765 thousand (31 December 2016: AED 32,247 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 1 to 10 years.

Loan II
During previous year, the Group entered into credit facility agreements with an international bank for AED 14,733 thousand. The loan facilities are secured against investments in debt instruments held at amortised cost amounting to AED 23,983 thousand (31 December 2016: AED 24,223 thousand) 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 32 years.

Loan III
During previous year, the Group entered into credit facility agreements with a local bank for AED 9,475 thousand. The loan facilities are secured against investments in debt instruments held at amortised cost amounting to AED 27,363 thousand (31 December 2016: AED 27,410 thousand) 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 2 to 16 years.

10 SHARE CAPITAL

	30 September 2017 AED'000	*31 December 2016 AED'000 (Audited)*
Issued and fully paid 100,000,000 shares of AED 1each (2016: 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 30 September 2017. 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 instruments held at fair value through other comprehensive income.

12 PROPOSED AND PAID DIVIDENDS

	30 September 2017 AED'000	*31 December 2016 AED'000 (Audited)*
Cash dividend for 2016 of AED 0.25 per share (declared and paid)	**25,000**	-
Cash dividend for 2015 of AED 0.25 per share (declared and paid)	-	25,000
	25,000	25,000
Proposed for approval at Annual General Meeting: (2016: 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.

13 SEGMENTAL INFORMATION (continued)

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		***Medical and Life assurance***		***Total***	
	30 September 2017 AED'000	*30 September 2016 AED'000*	***30 September 2017 AED'000***	*30 September 2016 AED'000*	***30 September 2017 AED'000***	*30 September 2016 AED'000*
UNDERWRITING INCOME						
Insurance premium revenue	**53,060**	46,802	**55,545**	55,737	**108,605**	102,539
Reinsurers' share of premium	**(36,368)**	(33,652)	**(42,540)**	(39,551)	**(78,908)**	(73,203)
Net insurance premium revenue	**16,692**	13,150	**13,005**	16,186	**29,697**	29,336
Reinsurance commission income	**7,232**	7,546	**336**	636	**7,568**	8,182
Other income	**41**	28	**-**	41	**41**	69
	23,965	20,724	**13,341**	16,863	**37,306**	37,587
UNDERWRITING EXPENSES						
Claims incurred	**56,230**	62,132	**42,095**	36,762	**98,325**	98,894
Reinsurers' share of claims incurred	**(39,851)**	(50,761)	**(41,469)**	(30,874)	**(81,320)**	(81,635)
Net claims incurred	**16,379**	11,371	**626**	5,888	**17,005**	17,259
Commission expenses	**5,166**	3,460	**2,666**	2,127	**7,832**	5,587
Excess of loss reinsurance premium	**340**	209	**-**	-	**340**	209
General and administration expenses relating to underwriting activities	**2,368**	2,134	**2,406**	2,418	**4,774**	4,552
Other expenses	**96**	88	**4,216**	3,428	**4,312**	3,516
	24,349	17,262	**9,914**	13,861	**34,263**	31,123
NET UNDERWRITING INCOME	**(384)**	3,462	**3,427**	3,002	**3,043**	6,464
TOTAL INVESTMENT INCOME					**1,293**	861
Unallocated other expenses					**(1,570)**	(1,630)
PROFIT FOR THE PERIOD					**2,766**	5,695

13 SEGMENTAL INFORMATION (continued)

	Nine months ended 30 September					
	General insurance		***Medical and Life assurance***		***Total***	
	30 September 2017 AED'000	*30 September 2016 AED'000*	***30 September 2017 AED'000***	*30 September 2016 AED'000*	***30 September 2017 AED'000***	*30 September 2016 AED'000*
UNDERWRITING INCOME						
Insurance premium revenue	**153,547**	108,923	**189,986**	169,897	**343,533**	278,820
Reinsurers' share of premium	**(111,083)**	(80,835)	**(136,148)**	(120,102)	**(247,231)**	(200,937)
Net insurance premium revenue	**42,464**	28,088	**53,838**	49,795	**96,302**	77,883
Reinsurance commission income	**27,255**	25,718	**1,652**	1,899	**28,907**	27,617
Other income	**99**	78	**-**	1,285	**99**	1,363
	69,818	53,884	**55,490**	52,979	**125,308**	106,863
UNDERWRITING EXPENSES						
Claims incurred	**153,737**	224,693	**144,134**	126,102	**297,871**	350,795
Reinsurers' share of claims incurred	**(123,030)**	(202,852)	**(124,001)**	(103,600)	**(247,031)**	(306,452)
Net claims incurred	**30,707**	21,841	**20,133**	22,502	**50,840**	44,343
Commission expenses	**18,278**	11,819	**8,772**	10,783	**27,050**	22,602
Excess of loss reinsurance premium	**1,574**	525	**-**	-	**1,574**	525
General and administration expenses relating to underwriting activities	**6,728**	6,384	**7792**	6,980	**14,520**	13,364
Other expenses	**291**	204	**12,668**	6,169	**12,959**	6,373
	57,578	40,773	**49,365**	46,434	**106,943**	87,207
NET UNDERWRITING INCOME	**12,240**	13,111	**6,125**	6,545	**18,365**	19,656
TOTAL INVESTMENT INCOME					**15,246**	18,525
Unallocated other expenses					**(4,719)**	(4,447)
PROFIT FOR THE PERIOD					**28,892**	33,734

14 OTHER INVESTMENT INCOME

Dividend income amounted to AED 66 thousand and AED 12,944 thousand for the three month and nine month periods ended 30 September 2017, respectively, and to AED 367 thousand and AED 14,972 thousand for the three month and nine month periods ended 30 September 2016, 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 30 September 2017 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 2017.

15 CONTINGENCIES AND COMMITMENTS

At 30 September 2017, 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 10,405 thousand (31 December 2016: AED 10,396 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:

	30 September 2017 AED'000	*31 December 2016 AED'000 (Audited)*
Less than 1 year	**11,661**	7,200
Between one and two years	**3,769**	3,600
	15,430	10,800