Arab Insurance Group (B.S.C.)

Condensed consolidated interim financial statements for the three months ended 31 March 2018

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Independent auditor's review report to the Board of Directors of
Arab Insurance Group (B.S.C.)

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Arab Insurance Group (B.S.C.) (the "Company") and its subsidiaries (together the "Group") as of 31 March 2018 and the related condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended and notes, comprising a summary of significant accounting policies and other explanatory notes. The Board of Directors are responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the 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 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as issued by IASB.

13 May 2018

Partner registration number: 196
Manama, Kingdom of Bahrain

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

(In thousands of U.S. Dollars)

	Note	31 March 2018 (reviewed)	31 December 2017 (audited)	31 March 2017 (reviewed)
ASSETS				
Cash and bank balances		**90,869**	82,673	174,850
Investments	5	**569,286**	579,686	539,618
Accrued income	6	**178,044**	103,096	200,740
Insurance receivables		**112,045**	110,923	118,377
Insurance deposits		**26,708**	25,809	27,063
Deferred policy acquisition costs		**36,542**	22,660	27,282
Reinsurers' share of technical provisions	7	**117,988**	112,391	99,475
Other assets	8	**34,781**	28,806	17,557
Property and equipment	9	**19,905**	20,085	21,382
		1,186,168	1,086,129	1,226,344
LIABILITIES AND EQUITY				
LIABILITIES				
Technical provisions	10	**773,897**	680,451	797,451
Insurance payables		**52,456**	53,337	45,034
Borrowings		**39,000**	34,000	44,000
Other liabilities	11	**40,803**	35,959	52,154
		906,156	803,747	938,639
EQUITY				
Attributable to shareholders of parent company				
Share capital		**220,000**	220,000	220,000
Treasury stock		**(14,793)**	(14,793)	(14,793)
Reserves		**37,628**	41,178	41,818
Retained earnings		**11,099**	10,549	4,372
		253,934	256,934	251,397
Non-controlling interests		**26,078**	25,448	36,308
		280,012	282,382	287,705
		1,186,168	1,086,129	1,226,344

These condensed consolidated interim financial statements were approved by the Board of Directors on 13 May 2018 and signed on its behalf by:

Saeed Mohammed AlBahhar Chairman	- SD -	Yassir Albaharna Chief Executive Officer
	Ahmed Saeed Almahri Director	

The accompanying notes 1 to 23 are an integral part of these condensed consolidated interim financial statements

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2018

(In thousands of U.S. Dollars)

	Note		For the financial year-to-date 31 March 2018 (reviewed)	For the financial year-to-date 31 March 2017 (reviewed)	For the year ended 31 December 2017 (audited)
Gross premiums written	12		**169,138**	172,778	225,632
Net earned premiums	12		**53,972**	41,312	179,938
Claims and related expenses	12		**(40,856)**	(27,428)	(124,603)
Policy acquisition costs	12		**(12,406)**	(12,152)	(49,803)
Investment income attributable to insurance funds	13		**2,854**	3,803	13,268
Operating expenses	14		**(3,531)**	(4,835)	(12,995)
Underwriting result	12		**33**	700	5,805
Investment income attributable to shareholders' funds	13		**2,240**	2,537	9,001
Operating expenses - non underwriting activities	14		**(2,133)**	(2,459)	(9,298)
Borrowing cost			**(251)**	(259)	(947)
Other income	15		**1,839**	1,125	5,595
Other expenses and provisions	16		**(448)**	(1,121)	(1,971)
Profit for the period			**1,280**	523	8,185
Attributable to:					
Non-controlling interests			**778**	38	963
Shareholders of parent company			**502**	485	7,222
			1,280	523	8,185
Earnings per share attributable to shareholders (basic and diluted):	17	(US cents)	**0.3**	0.2	3.6

Saeed Mohammed AlBahhar
Chairman

- SD -
Ahmed Saeed Almahri
Director

Yassir Albaharna
Chief Executive Officer

The accompanying notes 1 to 23 are an integral part of these condensed consolidated interim financial statements.

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2018

(In thousands of U.S. Dollars)

	For the financial year-to-date 31 March 2018 (reviewed)	For the financial year-to-date 31 March 2017 (reviewed)	For the year ended 31 December 2017 (audited)
Profit for the period	**1,280**	523	8,185
Other comprehensive income			
Items that will be reclassified to profit or loss:			
Changes on remeasurement of available for sale investments	**(3,259)**	4,382	3,933
Transfers for recognition of gains on disposal of available for sale investments	**(391)**	(713)	(2,904)
Transfers for impairment loss recognised on available for sale investments	**-**	601	2,609
Items that will not be reclassified subsequently to profit or loss:			
Revaluation of property	**-**	-	(853)
Other comprehensive income for the period	**(3,650)**	4,270	2,785
Total comprehensive income for the period	**(2,370)**	4,793	10,970
Attributable to:			
Non-controlling interests	**630**	128	768
Shareholders of parent company	**(3,000)**	4,665	10,202
	(2,370)	4,793	10,970

Saeed Mohammed AlBahhar
Chairman

- SD -
Ahmed Saeed Almahri
Director

Yassir Albaharna
Chief Executive Officer

The accompanying notes 1 to 23 are an integral part of these condensed consolidated interim financial statements.

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2018
(In thousands of U.S. Dollars)

	Share capital	Treasury stock	Reserves				Retained earnings	Attributable to shareholders of parent company	Non-controlling interests	Total equity (reviewed)
			Legal	Investment revaluation	Property revaluation	Total				
Balances at 31 December 2017	220,000	(14,793)	34,816	1,862	4,500	41,178	10,549	256,934	25,448	282,382
Net profit for the period	-	-	-	-	-	-	502	502	778	1,280
Changes on remeasurement of available for sale investments	-	-	-	(3,227)	-	(3,227)	-	(3,227)	(32)	(3,259)
Transfers for recognition of gains on disposal of available for sale investments	-	-	-	(275)	-	(275)	-	(275)	(116)	(391)
Total comprehensive income for the period	-	-	-	(3,502)	-	(3,502)	502	(3,000)	630	(2,370)
Transfer of net depreciation on revalued property	-	-	-	-	(48)	(48)	48	-	-	-
Balances at 31 March 2018	220,000	(14,793)	34,816	(1,640)	4,452	37,628	11,099	253,934	26,078	280,012

The accompanying notes 1 to 23 are an integral part of these condensed consolidated interim financial statements.

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

(In thousands of U.S. Dollars)

	Share capital	Treasury stock	Reserves				Retained earnings	Attributable to shareholders of parent company	Non-controlling interests	Total Equity
			Legal	Investment revaluation	Property revaluation	Total				
Balances at 31 December 2016	220,000	(14,793)	34,094	(1,971)	5,561	37,684	13,743	256,634	36,180	292,814
Net profit for the year	-	-	-	-	-	-	7,222	7,222	963	8,185
Changes on remeasurement of available for sale investments	-	-	-	4,257	-	4,257	-	4,257	(324)	3,933
Transfers for recognition of gains on disposal of available for sale investments	-	-	-	(2,656)	-	(2,656)	-	(2,656)	(248)	(2,904)
Transfers for impairment loss recognised on available for sale imvestments	-	-	-	2,232	-	2,232	-	2,232	377	2,609
Revaluation of property	-	-	-	-	(853)	(853)	-	(853)	-	(853)
Total comprehensive income for the year	-	-	-	3,833	(853)	2,980	7,222	10,202	768	10,970
Dividends paid	-	-	-	-	-	-	(9,902)	(9,902)	-	(9,902)
Transfer of net depreciation on revalued property	-	-	-	-	(208)	(208)	208	-	-	-
Transfer to non-distributable reserves	-	-	722	-	-	722	(722)	-	-	-
Subsidiary's capital reduction	-	-	-	-	-	-	-	-	(11,500)	(11,500)
Balances at 31 December 2017	220,000	(14,793)	34,816	1,862	4,500	41,178	10,549	256,934	25,448	282,382

The accompanying notes 1 to 23 are an integral part of these condensed consolidated interim financial statements.

ARAB INSURANCE GROUP (B.S.C.)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2017

(In thousands of U.S. Dollars)

	Share Capital	Treasury stock	Reserves				Retained earnings	Attributable to shareholders of parent company	Non-controlling interests	Total equity (reviewed)
			Legal	Investment revaluation	Property revaluation	Total				
Balances at 31 December 2016	220,000	(14,793)	34,094	(1,971)	5,561	37,684	13,743	256,634	36,180	292,814
Net profit for the period	-	-	-	-	-	-	485	485	38	523
Changes on remeasurement of available for sale investments	-	-	-	4,301	-	4,301	-	4,301	81	4,382
Transfers for recognition of (gains) losses on disposal of available for sale investments	-	-	-	(722)	-	(722)	-	(722)	9	(713)
Transfers for impairment loss recognised on available for sale investments	-	-	-	601	-	601	-	601	-	601
Total comprehensive income for the period	-	-	-	4,180	-	4,180	485	4,665	128	4,793
Dividends paid	-	-	-	-	-	-	(9,902)	(9,902)	-	(9,902)
Transfer of net depreciation on revalued property	-	-	-	-	(46)	(46)	46	-	-	-
Balances at 31 March 2017	220,000	(14,793)	34,094	2,209	5,515	41,818	4,372	251,397	36,308	287,705

The accompanying notes 1 to 23 are an integral part of these consolidated interim condensed financial statements.

ARAB INSURANCE GROUP (B.S.C.)
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2018

(In thousands of U.S. Dollars)

	Note	For the financial year-to-date 31 March 2018 (reviewed)	For the financial year-to-date 31 March 2017 (reviewed)	For the year ended 31 December 2017 (audited)
CASH FLOWS FROM OPERATING ACTIVITIES				
Premiums received		**87,413**	65,109	183,675
Reinsurance premiums paid		**(38,518)**	(13,363)	(25,581)
Claims and acquisition costs paid		**(59,349)**	(82,460)	(194,866)
Reinsurance receipts in respect of claims		**3,629**	9,633	5,249
Investment income		**455**	237	21
Interest received		**877**	694	2,790
Dividends received		**413**	301	842
Operating expenses paid		**(6,238)**	(5,348)	(30,330)
Other income (expenses) , net		**1,932**	(2,465)	(2,405)
Insurance deposits (paid) received, net		**(815)**	502	2,782
Purchase of trading investments		**(3,775)**	(924)	(19,670)
Sale of trading investments		**1,474**	2,640	13,026
Net cash used in operating activities	18	**(12,502)**	(25,444)	(64,467)
CASH FLOWS FROM INVESTING ACTIVITIES				
Maturity/sale of investments		**50,018**	90,009	258,971
Purchase of investments		**(31,445)**	(69,611)	(266,924)
Term deposits with bank		**(12,121)**	(31,606)	21,317
Interest received		**2,512**	2,052	8,652
Investment income		**836**	726	3,298
Collateralised cash deposits		**(5,256)**	1,335	(8,095)
Purchase of property and equipment		**(25)**	(37)	(233)
Purchase of intangible assets		**(62)**	(304)	(463)
Net cash provided by (used in) investing activities		**4,457**	(7,436)	16,523
CASH FLOWS FROM FINANCING ACTIVITIES				
Borrowings		**5,000**	3,000	(7,000)
Borrowing cost		**(749)**	(588)	(767)
Dividends paid		**(133)**	(6,745)	(9,255)
Subsidiary's capital reduction-minority interests		**-**	-	(11,500)
Net cash provided by (used in) financing activities		**4,118**	(4,333)	(28,522)
Net decrease in cash and cash equivalents		**(3,927)**	(37,213)	(76,466)
Effect of exchange rate on cash and cash equivalents		**2**	(3)	(4)
Cash and cash equivalents, beginning of period		**62,938**	139,408	139,408
Cash and cash equivalents, end of period		**59,013**	102,192	62,938
Term deposits with bank		**31,856**	72,658	19,735
Cash and bank balances, end of period		**90,869**	174,850	82,673

The accompanying notes 1 to 23 are an integral part of these condensed consolidated interim financial statements.

ARAB INSURANCE GROUP (B.S.C.)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2018

1. INCORPORATION AND PRINCIPAL ACTIVITY

Arab Insurance Group (B.S.C.) (the "Company", "parent company") is an international insurance company registered as a Bahraini Shareholding Company having its registered office at Arig House, Manama, Kingdom of Bahrain. The parent company and its subsidiaries (the "Group") are involved in provision of general (non-life) and life reinsurance and related service activities.

2. SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements of the Group has been prepared in accordance with International Accounting Standard 34 (Interim Financial Reporting) which allows the interim financial information to be prepared in condensed form. The interim financial information does not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2017.

The Group's condensed consolidated interim financial statements are presented in U.S. Dollars, which is its functional currency as its share capital and a significant proportion of its business, assets and liabilities are denominated in that currency.

The accounting policies and methods of computation are consistent with the most recent consolidated financial statements of the Group at 31 December 2017 that were prepared in accordance with International Financial Reporting Standards (IFRS). Comparative figures have been reclassified, where necessary, to conform to the current period's presentation.

The Group has adopted all new and revised IFRS and interpretations applicable for accounting periods beginning on or after 1 January 2018 except IFRS 9 Financial Instruments, for which the Group has applied the temporary exemption available under IFRS 4 Insurance Contracts. Accordingly, the Group will apply this standard for annual period beginning 1 January 2021.

3. SEASONALITY OF INTERIM OPERATIONS

As a result of the seasonality associated with the insurance business, the Group registers approximately 75% of its gross premiums during the first quarter of every year. Gross premiums written over the remainder of the financial year are almost evenly spread out. This seasonality does not however, have any material impact on the Group's underwriting result as the premiums are taken to income over the terms of the related contracts or policies.

4. MANAGEMENT OF RISKS

The Group's activities expose it to a variety of financial and other risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk, underwriting risk and liquidity risk.

These condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's consolidated financial statements as at 31 December 2017.

There have been no changes in the risk management function since the year end or in any risk management policies.

5. INVESTMENTS

	US$ '000		
	31 March 2018	31 December 2017	31 March 2017
At fair value through profit or loss			
Held for trading			
Common stock of listed companies	**59,352**	56,712	45,014
	59,352	56,712	45,014
Designated at fair value on initial recognition			
Debt securities			
- Other investment grade	**68,936**	66,364	60,697
- Other	**18,466**	19,420	36,482
	87,402	85,784	97,179
Held to maturity			
Debt securities			
- Supra-nationals and OECD country governments	**1,000**	1,000	1,000
- Other investment grade	**4,886**	4,881	4,863
- Other	**3,930**	3,927	3,916
	9,816	9,808	9,779
Available for sale			
Debt securities			
- Supra-nationals and OECD country governments	**30,699**	30,776	48,756
- Other investment grade	**265,047**	269,177	211,491
- Other	**84,557**	91,484	90,226
Common stock of listed companies	**9,815**	13,071	12,335
Common stock of unlisted companies	**4,280**	4,165	5,626
Other equity type investment	**17,983**	18,389	18,892
	412,381	427,062	387,326
Investment in associate	**335**	320	320
	569,286	579,686	539,618

Debt securities amounting to US$ 163.8 million (31 December 2017: US$ 183.6 million; 31 March 2017: US$ 175.6 million) have been pledged as security for reinsurance trust agreements, letters of credit and guarantees and borrowings.

6. ACCRUED INCOME

	US$ '000		
	31 March 2018	31 December 2017	31 March 2017
Accrued insurance premiums	**175,398**	100,362	198,169
Accrued interest	**2,646**	2,734	2,571
	178,044	103,096	200,740

7. REINSURERS' SHARE OF TECHNICAL PROVISIONS

	US$ '000		
	31 March 2018	31 December 2017	31 March 2017
General insurance business			
- Claims outstanding	**32,171**	19,341	41,416
- Unreported claims	**37,441**	55,705	20,078
- Deferred retrocession premium reserve	**48,294**	37,263	37,878
	117,906	112,309	99,372
Life insurance business			
- Claims outstanding	**11**	11	20
- Unreported claims	**71**	71	83
	82	82	103
	117,988	112,391	99,475

8. OTHER ASSETS

	US$ '000		
	31 March 2018	31 December 2017	31 March 2017
Intangible assets :			
- Computer software	**9,934**	10,011	9,852
	9,934	10,011	9,852
Less: Accumulated amortisation	**(9,435)**	(9,402)	(9,258)
Net intangible assets	**499**	609	594
Other assets:			
- Collateralised cash deposits	**25,597**	20,341	10,912
- Prepayments and other receivables	**8,685**	7,856	6,051
	34,282	28,197	16,963
	34,781	28,806	17,557

Collateralised cash deposits have been pledged as security for reinsurance letters of credit and guarantees.

9. PROPERTY AND EQUIPMENT

	US$ '000		
	31 March 2018	31 December 2017	31 March 2017
Land	**2,080**	2,080	2,469
Building	**18,718**	18,718	19,182
Work in progress	**-**	-	6
Information systems hardware, furniture, equipment and other	**10,685**	10,660	10,553
	31,483	31,458	32,210
Less: Accumulated depreciation	**(11,578)**	(11,373)	(10,828)
	19,905	20,085	21,382

Land and Building comprises the head office property owned and occupied by the Company since 1984 and office premises of the subsidiary Takaful Re Limited in Dubai, U.A.E.

10. TECHNICAL PROVISIONS

	US$ '000		
	31 March 2018	31 December 2017	31 March 2017
General insurance business			
- Claims outstanding	**251,612**	223,388	274,551
- Unreported losses	**191,320**	216,950	180,859
- Unearned premiums	**274,342**	184,270	276,963
	717,274	624,608	732,373
Life insurance business			
- Claims outstanding	**14,373**	13,529	15,844
- Unreported losses	**31,511**	33,495	39,121
- Unearned premiums	**10,739**	8,819	10,113
	56,623	55,843	65,078
	773,897	680,451	797,451

11. OTHER LIABILITIES

	US$ '000		
	31 March 2018	31 December 2017	31 March 2017
Post-employment benefits	**12,003**	12,203	12,743
Accrued expense	**3,254**	3,508	6,005
Dividends payable	**3,031**	3,164	5,674
Reinsurance premiums accrued	**1,560**	1,235	5,879
Employee long-term incentives	**1,460**	1,460	3,295
Other	**19,495**	14,389	18,558
	40,803	35,959	52,154

12. SEGMENT INFORMATION - ANALYSIS OF REVENUE BY PRIMARY BUSINESS SEGMENT:

The Group's reinsurance business consists of two main business segments, Non-life and Life. Non-life business primarily consists of Property, Engineering, Marine, Accident, Whole Account & other classes. Life business mainly involves short term group life policies and long term life policies. Life portfolio does not contain investment linked policies.

	US$ '000								
	Period ended 31 March 2018								
	Non-life						Life		Total
	Property	Engineering	Marine	Accident	Whole Account	Others	Short term	Long term	
REVENUES :									
Gross premiums written	35,756	11,522	7,633	6,285	86,253	14,665	6,657	367	169,138
Outward reinsurance premiums	(2,117)	(937)	(246)	(528)	(31,889)	(5)	-	-	(35,722)
Change in unearned premiums - gross	(23,915)	(7,996)	(5,155)	(3,498)	(59,504)	(4,926)	(1,669)	(245)	(106,908)
Change in unearned premiums - reinsurance	464	503	155	352	26,011	(21)	-	-	27,464
Net earned premiums	10,188	3,092	2,387	2,611	20,871	9,713	4,988	122	53,972
Investment income attributable to insurance funds	982	341	226	248	27	414	365	251	2,854
	11,170	3,433	2,613	2,859	20,898	10,127	5,353	373	56,826
COSTS AND EXPENSES :									
Gross claims paid	(4,534)	(4,069)	(3,321)	(1,208)	(19,736)	(3,907)	(3,892)	(20)	(40,687)
Claims recovered from reinsurers	(536)	197	655	(75)	3,362	25	-	-	3,628
Change in provision for outstanding claims - gross	(8,990)	597	(1,258)	539	(16,372)	(1,317)	(771)	(72)	(27,644)
Change in provision for outstanding claims - reinsurance	2,798	63	(105)	42	9,807	1	-	-	12,606
Change in provision for unreported losses - gross	902	2,424	2,112	1,630	23,805	(1,371)	(231)	2,214	31,485
Change in provision for unreported losses - reinsurance	571	(29)	(192)	(103)	(20,645)	154	-	-	(20,244)
Claims and related expenses	(9,789)	(817)	(2,109)	825	(19,779)	(6,415)	(4,894)	2,122	(40,856)
Policy acquisition costs	(10,441)	(3,662)	(1,979)	(2,000)	(8,272)	(564)	337	(231)	(26,812)
Policy acquisition costs recovered from reinsurers	455	309	89	194	-	-	-	-	1,047
Change in deferred policy acquisition costs - gross	7,729	2,633	1,580	1,303	485	71	31	30	13,862
Change in deferred policy acquisition costs - reinsurance	(173)	(155)	(67)	(115)	-	7	-	-	(503)
Policy acquisition costs	(2,430)	(875)	(377)	(618)	(7,787)	(486)	368	(201)	(12,406)
Operating expenses	(991)	(597)	(354)	(232)	(30)	(695)	(538)	(94)	(3,531)
Underwriting result	(2,040)	1,144	(227)	2,834	(6,698)	2,531	289	2,200	33

12. SEGMENT INFORMATION - ANALYSIS OF REVENUE BY PRIMARY BUSINESS SEGMENT (CONTD.) :

	US$ '000								
	Year ended 31 December 2017								
	Non-life						Life		Total
	Property	Engineering	Marine	Accident	Whole Account	Others	Short term	Long term	
REVENUES :									
Gross premiums written	43,219	18,370	9,347	8,704	91,221	33,573	20,711	487	225,632
Outward reinsurance premiums	(6,703)	(3,354)	(1,724)	(653)	(21,114)	5,074	(137)	55	(28,556)
Change in unearned premiums - gross	(4,175)	(3,944)	(297)	(845)	7,456	(7,956)	(1,136)	(15)	(10,912)
Change in unearned premiums - reinsurance	268	697	(67)	24	(7,185)	37	-	-	(6,226)
Net earned premiums	32,609	11,769	7,259	7,230	70,378	30,728	19,438	527	179,938
Investment income attributable to insurance funds	4,562	1,583	1,051	1,153	139	1,919	1,695	1,166	13,268
	37,171	13,352	8,310	8,383	70,517	32,647	21,133	1,693	193,206
COSTS AND EXPENSES :									
Gross claims paid	(32,005)	(15,963)	(6,575)	(3,966)	(48,266)	(25,114)	(21,042)	(1,128)	(154,059)
Claims recovered from reinsurers	2,992	605	327	(135)	6,571	(5,177)	66	-	5,249
Change in provision for outstanding claims - gross	8,541	3,990	(249)	(505)	(2,428)	30,704	581	528	41,162
Change in provision for outstanding claims - reinsurance	(535)	(123)	490	332	(537)	(13,616)	(9)	-	(13,998)
Change in provision for unreported losses - gross	(50)	9,370	903	4,485	(55,361)	(3,847)	1,231	5,688	(37,581)
Change in provision for unreported losses - reinsurance	1,013	61	433	(4,374)	37,508	46	(63)	-	34,624
Claims and related expenses	(20,044)	(2,060)	(4,671)	(4,163)	(62,513)	(17,004)	(19,236)	5,088	(124,603)
Policy acquisition costs	(12,964)	(5,350)	(1,628)	(2,023)	(26,660)	(1,656)	(1,593)	(3,218)	(55,092)
Policy acquisition costs recovered from reinsurers	1,709	826	392	265	-	49	-	-	3,241
Change in deferred policy acquisition costs - gross	618	1,328	(282)	90	71	365	133	(23)	2,300
Change in deferred policy acquisition costs - reinsurance	(28)	(259)	39	6	-	(10)	-	-	(252)
Policy acquisition costs	(10,665)	(3,455)	(1,479)	(1,662)	(26,589)	(1,252)	(1,460)	(3,241)	(49,803)
Operating expenses	(4,184)	(1,780)	(1,184)	(837)	(248)	(2,196)	(2,192)	(374)	(12,995)
Underwriting result	2,278	6,057	976	1,721	(18,833)	12,195	(1,755)	3,166	5,805

12. SEGMENT INFORMATION - ANALYSIS OF REVENUE BY PRIMARY BUSINESS SEGMENT (CONTD.) :

	US$ '000								
	Period ended 31 March 2017								
	Non-life						Life		Total
	Property	Engineering	Marine	Accident	Whole Account	Others	Short term	Long term	
REVENUES :									
Gross premiums written	21,975	8,697	5,655	5,430	106,848	16,567	6,955	651	172,778
Outward reinsurance premiums	(2,395)	(1,346)	(1,010)	(551)	(17,331)	897	(124)	55	(21,805)
Change in unearned premiums - gross	(13,932)	(5,389)	(3,236)	(3,725)	(82,646)	(9,261)	(1,965)	(486)	(120,640)
Change in unearned premiums - reinsurance	578	604	185	402	9,210	-	-	-	10,979
Net earned premiums	6,226	2,566	1,594	1,556	16,081	8,203	4,866	220	41,312
Investment income attributable to insurance funds	1,089	677	357	363	49	508	386	374	3,803
	7,315	3,243	1,951	1,919	16,130	8,711	5,252	594	45,115
COSTS AND EXPENSES :									
Gross claims paid	(9,950)	(3,703)	(1,594)	(689)	(13,457)	(6,208)	(4,748)	(146)	(40,495)
Claims recovered from reinsurers	(39)	243	37	-	2,011	-	17	-	2,269
Change in provision for outstanding claims - gross	6,799	1,470	818	274	(559)	737	(1,243)	15	8,311
Change in provision for outstanding claims - reinsurance	432	(126)	184	21	-	(145)	-	-	366
Change in provision for unreported losses - gross	(1,177)	2,572	483	4,407	(944)	(445)	1,353	(72)	6,177
Change in provision for unreported losses - reinsurance	536	99	118	(4,784)	13	(2)	(37)	1	(4,056)
Claims and related expenses	(3,399)	555	46	(771)	(12,936)	(6,063)	(4,658)	(202)	(27,428)
Policy acquisition costs	(6,799)	(2,638)	(1,857)	(1,663)	(7,565)	(799)	(279)	(155)	(21,755)
Policy acquisition costs recovered from reinsurers	506	314	178	205	32	4	-	-	1,239
Change in deferred policy acquisition costs - gross	4,073	1,541	1,009	1,161	598	455	84	39	8,960
Change in deferred policy acquisition costs - reinsurance	(183)	(174)	(72)	(142)	(26)	1	-	-	(596)
Policy acquisition costs	(2,403)	(957)	(742)	(439)	(6,961)	(339)	(195)	(116)	(12,152)
Operating expenses	(1,698)	(665)	(441)	(383)	(103)	(786)	(642)	(117)	(4,835)
Underwriting result	(185)	2,176	814	326	(3,870)	1,523	(243)	159	700

13. INVESTMENT INCOME

	US$ '000				
	Financial year-to-date 31 March 2018			Financial year-to-date 31 March 2017	Year ended 31 December 2017
	Insurance funds	Shareholders' funds	Total		
Interest income					
- Investments designated at fair value through profit or loss	190	106	296	288	1,193
- Others	1,678	1,327	3,005	2,771	10,725
Dividends	265	148	413	301	842
Realised gains (loss)					
- Held for trading investments	649	363	1,012	376	2,963
- Investment designated at fair value through profit or loss	(465)	(261)	(726)	90	(288)
- Available for sale	86	305	391	713	2,904
Gain on remeasurement of investments at fair value through profit or loss					
- Held for trading investments	438	246	684	2,396	6,577
- Investments designated at fair value through profit or loss	166	93	259	228	641
Impairment loss - available for sale	-	-	-	(601)	(2,609)
Other	(153)	(87)	(240)	(222)	(679)
	2,854	2,240	5,094	6,340	22,269

14. OPERATING EXPENSES

	US$ '000				
	Financial year-to-date 31 March 2018			Financial year-to-date 31 March 2017	Year ended 31 December 2017
	Underwriting	Non-Underwriting	Total		
Salaries and benefits	2,208	1,449	3,657	5,256	13,398
General and administration	1,323	684	2,007	2,038	8,895
	3,531	2,133	5,664	7,294	22,293

15. OTHER INCOME

	US$ '000		
	Financial year-to-date 31 March 2018	Financial year-to-date 31 March 2017	Year ended 31 December 2017
Third party administration services	**357**	615	2,686
Income from associates	**14**	237	237
Foreign exchange gain	**1,200**	-	-
Other	**268**	273	2,672
	1,839	1,125	5,595

16. OTHER EXPENSES AND PROVISIONS

	US$ '000		
	Financial year-to-date 31 March 2018	Financial year-to-date 31 March 2017	Year ended 31 December 2017
Foreign exchange loss	**-**	1,432	686
Provision for doubtful receivable & deposits	**8**	-	820
Other, net	**440**	(311)	465
	448	1,121	1,971

17. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS

Basic and diluted earnings per share has been computed as follows:

		Financial year-to-date 31 March 2018	Financial year-to-date 31 March 2017	Year ended 31 December 2017
Weighted average number of shares outstanding	'000	**198,032**	198,032	198,032
Net profit	US$'000	**502**	485	7,222
Earnings per share	US cents	**0.3**	0.2	3.6

18. RECONCILIATION OF NET RESULT TO CASH FLOWS FROM OPERATING ACTIVITIES

	US$ '000		
	Financial year-to-date 31 March 2018	Financial year-to-date 31 March 2017	Year ended 31 December 2017
Profit for the period	**1,280**	523	8,185
Change in insurance funds	**73,068**	99,654	(24,386)
Change in insurance receivable/ payable, net	**(2,003)**	(26,512)	(10,755)
Change in accrued income	**(74,948)**	(99,130)	(1,486)
Change in other assets/liabilities, net	**(9,899)**	21	(36,025)
Net cash used in operating activities	**(12,502)**	(25,444)	(64,467)

19. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	US$ '000			
	Borrowings	**Borrowing cost**	**Dividends**	**Non-controlling interests**
Balances at 31 December 2017	**34,000**	**631**	**3,164**	**25,448**
Share of comprehensive income	**-**	**-**	**-**	**630**
Additional borrowings	**5,000**	**-**	**-**	**-**
Interest paid during the period	**-**	**(749)**	**-**	**-**
Interest expense for the period	**-**	**251**	**-**	**-**
Dividends paid during the period	**-**	**-**	**(133)**	**-**
Balances at 31 March 2018	**39,000**	**133**	**3,031**	**26,078**
Balances at 31 December 2016	41,000	451	2,517	36,180
Share of comprehensive income	-	-	-	768
Subsidiary's capital reduction	-	-	-	(11,500)
Repayment of borrowings	(10,000)	-	-	-
Additional borrowings	3,000	-	-	-
Interest paid during the year	-	(767)	-	-
Interest expense for the year	-	947	-	-
Dividends declared	-	-	9,902	-
Dividends paid during the year	-	-	(9,255)	-
Balances at 31 December 2017	34,000	631	3,164	25,448
Balances at 31 December 2016	41,000	451	2,517	36,180
Share of comprehensive income	-	-	-	128
Additional borrowings	3,000	-	-	-
Interest paid during the period	-	(588)	-	-
Interest expense for the period	-	259	-	-
Dividends declared	-	-	9,902	-
Dividends paid during the period	-	-	(6,745)	-
Balances at 31 March 2017	44,000	122	5,674	36,308

20. FAIR VALUE DISCLOSURE

The following table presents the fair values of the Group's financial instruments:

	US$ '000						
	31 March 2018						
	Book Value						Fair value
	At fair value through profit or loss	Loans and receivables	Held to maturity	Available for sale	Amortised Cost	Total	
ASSETS							
Cash and bank balances	-	90,869	-	-	-	90,869	90,869
Investments	146,754	-	9,816	412,381	-	568,951	569,068
Accrued income	-	178,044	-	-	-	178,044	178,044
Insurance receivables	-	112,045	-	-	-	112,045	112,045
Insurance deposits	-	26,708	-	-	-	26,708	26,708
Other assets	-	34,282	-	-	-	34,282	34,282
LIABILITIES							
Insurance payables	-	-	-	-	52,456	52,456	52,456
Borrowings	-	-	-	-	39,000	39,000	39,000
Other liabilities	-	-	-	-	37,549	37,549	37,549

	US$ '000						
	31 December 2017						
	Book Value						Fair value
	At fair value through profit or loss	Loans and receivables	Held to maturity	Available for sale	Amortised Cost	Total	
ASSETS							
Cash and bank balances	-	82,673	-	-	-	82,673	82,673
Investments	142,496	-	9,808	427,062	-	579,366	579,694
Accrued income	-	103,096	-	-	-	103,096	103,096
Insurance receivables	-	110,923	-	-	-	110,923	110,923
Insurance deposits	-	25,809	-	-	-	25,809	25,809
Other assets	-	28,197	-	-	-	28,197	28,197
LIABILITIES							
Insurance payables	-	-	-	-	53,337	53,337	53,337
Borrowings	-	-	-	-	34,000	34,000	34,000
Other liabilities	-	-	-	-	32,451	32,451	32,451

20. FAIR VALUE DISCLOSURE (CONTD.)

	US$ '000						
	31 March 2017						
	Book Value						Fair value
	At fair value through profit or loss	Loans and receivables	Held to maturity	Available for sale	Amortised Cost	Total	
ASSETS							
Cash and bank balances	-	174,850	-	-	-	174,850	174,850
Investments	142,193	-	9,779	387,326	-	539,298	539,728
Accrued income	-	200,740	-	-	-	200,740	200,740
Insurance receivables	-	118,377	-	-	-	118,377	118,377
Insurance deposits	-	27,063	-	-	-	27,063	27,063
Other assets	-	16,963	-	-	-	16,963	16,963
LIABILITIES							
Insurance payables	-	-	-	-	45,034	45,034	45,034
Borrowings	-	-	-	-	44,000	44,000	44,000
Other liabilities	-	-	-	-	46,149	46,149	46,149

The information disclosed in the table above is not indicative of the net worth of the Group.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

When there is no quoted price in an active market, the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

The following methods and assumptions were used to estimate the fair value of the financial instruments:

i. General:
The book values of the Group's financial instruments except investments and forward foreign exchange contracts were deemed to approximate fair value due to the immediate or short term maturity of these financial instruments.

Hence, the fair value measurement details are not disclosed.

ii. Investments:
The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

- Level 2: valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. as derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

20. FAIR VALUE DISCLOSURE (CONTD.)

- Level 3: valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted market prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

  Valuation techniques include net present value and discounted cash flow models and other valuation models. Assumptions and inputs used in valuation includes risk free and benchmark interest rates, bond and equity prices, and foreign exchange rates. The objective of valuations technique is to arrive at fair value measurement that reflects the price that would be received on sale of the asset at the measurement date.

The table below analyses financial instruments, measured at fair value as at the end of the period, by level in the fair value hierarchy into which the fair value measurement is categorised:

	US$'000			
31 March 2018	**Level 1**	**Level 2**	**Level 3**	**Total**
At fair value through profit or loss				
Held for trading				
Common stock of listed companies	**59,352**	**-**	**-**	**59,352**
Designated at fair value on initial Recognition				
Debt securities	**87,402**	**-**	**-**	**87,402**
Available for sale				
Debt securities	**380,303**	**-**	**-**	**380,303**
Common stock of listed companies	**9,815**	**-**	**-**	**9,815**
Common stock of unlisted companies	**-**	**-**	**4,280**	**4,280**
Other	**-**	**-**	**17,983**	**17,983**
Forward foreign exchange contracts	**99**	**-**	**-**	**99**
	536,971	**-**	**22,263**	**559,234**

	US$'000			
31 December 2017	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Held for trading				
Common stock of listed companies	56,712	-	-	56,712
Designated at fair value on initial Recognition				
Debt securities	85,784	-	-	85,784
Available for sale				
Debt securities	391,437	-	-	391,437
Common stock of listed companies	13,071	-	-	13,071
Common stock of unlisted companies	-	-	4,165	4,165
Other	-	-	18,389	18,389
Forward foreign exchange contracts	(277)	-	-	(277)
	546,727	-	22,554	569,281

20. FAIR VALUE DISCLOSURE (CONTD.)

31 March 2017	US$'000			
	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Held for trading				
Common stock of listed companies	45,014	-	-	45,014
Designated at fair value on initial Recognition				
Debt securities	97,179	-	-	97,179
Available for sale				
Debt securities	350,473	-	-	350,473
Common stock of listed companies	12,335	-	-	12,335
Common stock of unlisted companies	-	-	5,626	5,626
Other	-	872	18,020	18,892
Forward foreign exchange contracts	(82)	-	-	(82)
	504,919	872	23,646	529,437

The tables below show movements in the Level 3 financial assets measured at fair value:

31 March 2018	**US$ '000**		
	Unlisted equity	**Other**	**Total**
Balances at 1 January 2018	**4,165**	**18,389**	**22,554**
Gain recognised in:			
- Income statement	**-**	**-**	**-**
- Other comprehensive income	**78**	**295**	**373**
Investments made during the period	**37**	**329**	**366**
Investments redeemed during the period	**-**	**(1,030)**	**(1,030)**
Balances at 31 March 2018	**4,280**	**17,983**	**22,263**

31 December 2017	US$'000		
	Unlisted equity	Other	Total
Balances at 1 January 2017	6,381	17,100	23,481
Gain (loss) recognised in:			
- Income statement	(707)	(801)	(1,508)
- Other comprehensive income	(146)	1,924	1,778
Investments made during the year	112	4,229	4,341
Investments redeemed during the year	(1,475)	(4,063)	(5,538)
Balances at 31 December 2017	4,165	18,389	22,554

20. FAIR VALUE DISCLOSURE (CONTD.)

31 March 2017	US$ '000		
	Unlisted equity	Other	Total
Balances at 1 January 2017	6,381	17,100	23,481
Gain (loss) recognised in:			
- Income statement	(549)	126	(423)
- Other comprehensive income	116	294	410
Investments made during the period	27	1,364	1,391
Investments redeemed during the period	(349)	(864)	(1,213)
Balances at 31 March 2017	5,626	18,020	23,646

The carrying values of the investment held in level 3 are based on unobservable inputs and reflects proportional share of the fair values of the respective companies and their underlying net assets. The Group does not expect the fair value of assets under level 2 & level 3 to change significantly on changing one or more of the unassumable inputs. The valuations of these investments are reviewed quarterly and updated as necessary on the basis of information received from investee and investment managers. For the period ended 31 March 2018, there were no transfers in and out of level 1, level 2 and level 3 (31 December 2017: nil; 31 March 2017: nil). The fair values are estimates and do not necessarily represent the price at which the investment would sell. As the determination of fair values involve subjective judgments, and given the inherent uncertainty of assumptions regarding capitalisation rates, discount rates, leasing and other factors, the amount which will be realized by the Group on the disposal of its investments may differ significantly from the values at which they are carried in the condensed consolidated interim financial statements, and the difference could be material.

The Group does not expect the fair value of assets under level 3 to change significantly on changing one or more of the measurable / observable inputs.

iii. Forward foreign exchange contracts:

The fair value of forward foreign exchange contracts, used for hedging purposes, is based on quoted market prices.

iv. Fair value less than carrying amounts:

The fair value of fixed interest debt securities fluctuates with changes in market interest rates. The book value of financial assets held to maturity has not been reduced to fair value where lower, because such market rate variations are considered temporary in nature and management intends, and has the financial resources and capacity, to generally hold such investments to maturity.

21. PRINCIPAL SUBSIDIARIES & ASSOCIATES

At 31 March 2018, the principal subsidiaries of the Company were:

	Country of incorporation	Ownership	Non-controlling Interests	Principal Activities
Arig Capital Limited	United Kingdom	100%	Nil	Reinsurance
Gulf Warranties W.L.L.	Kingdom of Bahrain	100%	Nil	Warranty
Takaful Re Limited (under run-off)	United Arab Emirates	54%	46%	Retakaful
Arig Insurance Management (DIFC) Ltd.	United Arab Emirates	100%	Nil	Insurance Manager

All holdings are in the ordinary share capital of the subsidiaries concerned and are unchanged from 31 December 2017. The Company holds 49% and 25% of the equity shares in its associate companies Arima Insurance software W.L.L. and Globemed Bahrain W.L.L., Bahrain respectively.

22. RELATED PARTY TRANSACTIONS

Related parties represent the Company's major shareholders, associates, directors and key management personnel.

The following is the summary of transactions with related parties:

i) Associate companies:

	US$ '000		
	Financial year-to-date 31 March 2018	Financial year-to-date 31 March 2017	Year ended 31 December 2017
a) Service fees for administration services provided by Arig	**9**	24	89
b) Service fees for administration services provided by associate	**226**	234	705
c) Balances outstanding			
- Receivables	**-**	34	-
- Payables	**275**	-	100

ii) Compensation to directors and key management personnel:

	US$ '000		
	Financial year-to-date 31 March 2018	Financial year-to-date 31 March 2017	Year ended 31 December 2017
a) Directors			
- Attendance fees	**19**	16	65
- Travel expenses	**44**	45	160
b) Key management compensation			
- Salaries and other short-term employee benefits	**395**	395	1,607
- Post-employment benefits	**75**	207	426
- Employee long-term incentives	**-**	-	432
c) Balances payable to key management	**4,649**	6,668	4,586

23. COMMITMENTS OUTSTANDING

The Group has commitments for uncalled capital in available for sale investments amounting to US$ 9.1 million (31 December 2017: US$ 8.8 million; 31 March 2017: US$ 10 million).

INVESTMENT IN ASSOCIATED COMPANIES

Investments in associated companies are accounted for using the equity method, less any adjustment necessary for impairment. Associated companies are defined as those companies over which the Group is able to exercise significant influence but not control or joint control over the financial and operating policy decisions.

INVESTMENT INCOME

Investment income comprises interest and dividend receivable for the financial year. Gains and losses arising from changes in the fair value of investments at fair value through profit or loss are included in the income statement in the period in which they arise. Gains and losses arising from changes in the fair value of available for sale investments are recognised in other comprehensive income and carried in investment revaluation income as part of equity. When available for sale investments are disposed or are impaired, the related fair value adjustments are included in the income statement.

Investment income arising from insurance business investment assets are allocated to the underwriting results of insurance businesses based on the proportion of their respective insurance funds to shareholders' funds during the financial year.

FOREIGN CURRENCY TRANSLATION

Transactions denominated in currencies other than U.S. Dollars are recorded at the rates ruling at the date of the transaction. All monetary and non-monetary assets carried at fair value denominated in currencies other than U.S. Dollars are translated at year-end exchange rates.

Unrealised gains or losses on translation are taken to income except in respect of non-monetary available for sale investments, which are taken to equity until they are disposed.

Unrealised gains and losses on translation of financial statements of subsidiaries are included in equity. Other foreign currency gains and losses are taken to income.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING

In the ordinary course of its business, the Group uses forward foreign exchange contracts as fair value hedges to protect its exposures in respect of foreign currency denominated investments and insurance liabilities and these contracts are carried at fair value.

Where a fair value hedge meets the conditions prescribed by International Financial Reporting Standards for qualifying as an effective hedge, gains or losses from remeasuring forward foreign exchange contracts and gains or losses on hedged assets attributable to the hedged risk are recognised in income.

Where the hedge is not effective, gains or losses from remeasuring forward foreign exchange contracts are recognised in income. Gains or losses on hedged assets are recognised in income except in respect of non-monetary available for sale investments, which are taken to equity until they are disposed.

The gain or losses from remeasuring insurance liabilities and related foreign exchange contracts are recognised in income.

ARAB INSURANCE GROUP (B.S.C.)

APPENDIX

B. ADDITIONAL DISCLOSURE ON INVESTMENTS

	US$ '000 31-March-2018		
	Investments in U.A.E.	Investments outside U.A.E.	Total
a. Cash & bank balances	19,793	71,076	**90,869**
Total cash & bank balances	**19,793**	**71,076**	**90,869**
b. Investments			
At fair value through profit or loss			
Held for trading			
Common stock of listed companies	5,474	53,878	**59,352**
	5,474	**53,878**	**59,352**
Designated at fair value on initial recognition			
Debt Securities			
- Other Investment grade	-	68,936	**68,936**
- Other	-	18,466	**18,466**
	-	**87,402**	**87,402**
Held to maturity			
Debt securities			
- Supra-nationals and OECD country governments	-	1,000	**1,000**
- Other Investment grade	4,886	-	**4,886**
- Other	-	3,930	**3,930**
	4,886	**4,930**	**9,816**
Available for sale			
Debt securities			
- Supra-nationals and OECD country governments	-	30,699	**30,699**
- Other Investment grade	23,387	241,660	**265,047**
- Other	3,945	80,612	**84,557**
Common stock of listed companies	-	9,815	**9,815**
Common stock of unlisted companies	-	4,280	**4,280**
Other (see note)	-	17,983	**17,983**
	27,332	**385,049**	**412,381**
Investment in associates	-	335	**335**
	-	**335**	**335**
Total Investments	**37,692**	**531,594**	**569,286**

Note: The Group does not have any direct investments in land or real estate. However, 'Other' includes investments in Real Estate funds amounting to US$ 1,376,266 (in U.A.E.: US$ NIL).