

**Oman Insurance Company
(Public Shareholding Company)**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

31 MARCH 2009 (UNAUDITED)

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF OMAN INSURANCE COMPANY (PSC)

Introduction

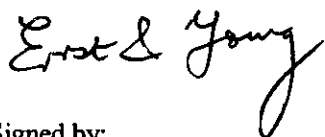
We have reviewed the accompanying interim condensed consolidated statement of financial position of Oman Insurance Company (PSC) as at 31 March 2009 and the related interim condensed consolidated statements of income, comprehensive income, cash flows and changes in equity for the three-month period then 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 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.



Signed by:
Edward B. Quinlan
Partner
Registration No. 93

19 April 2009

Dubai, United Arab Emirates

Oman Insurance Company (PSC)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

31 March 2009 (Unaudited)

		<i>Three months ended 31 March</i>	
	<i>Notes</i>	<i>2009 AED'000</i>	<i>2008 AED'000</i>
UNDERWRITING INCOME			
Gross premium		886,730	667,256
Movement in provision for unearned premiums		(123,661)	(88,423)
Insurance premium revenue		763,069	578,833
Reinsurance share of premium		(393,227)	(305,888)
Net insurance premium revenue		369,842	272,945
Commission income		54,664	45,151
Other income		2,881	2,893
	3	427,387	320,989
UNDERWRITING EXPENSES			
Claims		350,323	286,326
Reinsurers' share of claims		(173,119)	(146,158)
Commission expenses		67,631	47,290
Excess of loss reinsurance premium		10,800	5,550
Policies surrendered and maturities paid		887	595
General and administration expenses relating to underwriting activities		46,098	26,333
		302,620	219,936
UNDERWRITING PROFIT BEFORE MOVEMENTS IN LIFE ASSURANCE FUND		124,767	101,053
INCREASE IN LIFE ASSURANCE FUND		(16,181)	(15,471)
NET UNDERWRITING INCOME	3	108,586	85,582
INVESTMENT INCOME			
Realised (loss)/gains		(47)	35,731
Fair value gains and losses	5	1,405	(34,053)
Other investment income		20,449	31,124
Impairment of available for sale securities		(43,658)	-
Investment expenses – finance costs		(9,316)	(7,921)
		(31,167)	24,881
OTHER EXPENSES			
General and administration expenses not allocated		(3,294)	(4,583)
Interest expense		(1,130)	(849)
Other (expenses)/income		(35)	270
		(4,459)	(5,162)
PROFIT FOR THE PERIOD		72,960	105,301
Basics and diluted earnings per share (AED)	4	0.19	0.28

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

Oman Insurance Company (PSC)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME

31 March 2009 (Unaudited)

	<i>Three months ended 31 March</i>	
	<i>2009 AED'000</i>	<i>2008 AED'000</i>
Profit for the period	72,960	105,301
Other comprehensive income		
Net unrealised (losses)/gains on available for sale investments	(139,379)	53,954
Reclassification adjustments for losses/(gains) included in statement of income	47	(35,731)
Impairment loss on available-for-sale securities	43,658	-
Other comprehensive income for the period	(95,674)	18,223
Total comprehensive income for the period	(22,714)	123,524

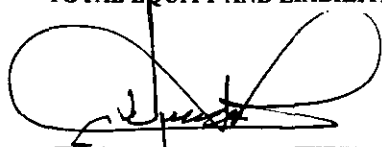
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Oman Insurance Company (PSC)

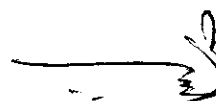
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2009 (Unaudited)

		31 March 2009 AED'000	Audited 31 December 2008 AED'000
	Notes		
ASSETS			
Office equipment and vehicles		23,842	20,631
Investment properties	6	752,579	721,237
Advances for investment properties		159,646	159,646
Financial assets			
At fair value through profit or loss	7	256,095	298,023
Available-for- sale	8	1,354,342	1,488,646
Reinsurance assets		1,028,317	919,975
Insurance receivables		1,133,551	781,567
Prepayments and other assets		89,995	74,688
Statutory deposits		25,938	25,938
Cash and cash equivalents	9	444,514	463,174
TOTAL ASSETS		5,268,819	4,953,525
EQUITY AND LIABILITIES			
Equity			
Share capital	10	381,713	381,713
Statutory reserve	11	157,160	157,160
Cumulative changes in fair values of securities		(415,882)	(320,208)
Strategic reserve	12	303,750	303,750
General reserve	13	630,990	630,990
Contingency reserve		61	61
Retained earnings		388,537	315,577
Proposed dividend – cash		-	190,857
Total equity		1,446,329	1,659,900
Liabilities			
Insurance contract liabilities		1,928,039	1,722,457
Financial liabilities			
Borrowings		893,870	770,693
Other financial liabilities		158,636	165,108
Insurance payables		732,792	503,870
Trade and other payables		109,153	131,497
Total liabilities		3,822,490	3,293,625
TOTAL EQUITY AND LIABILITIES		5,268,819	4,953,525



Chairman
19 April 2009



Chief Executive Officer
19 April 2009

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

Oman Insurance Company (PSC)

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

31 March 2009 (Unaudited)

		<i>Three months ended 31 March</i>	
	<i>Notes</i>	<i>2009 AED'000</i>	<i>2008 AED'000</i>
OPERATING ACTIVITIES			
Profit for the period		72,960	105,301
Adjustments for:			
Depreciation		2,632	2,338
Impairment of available-for-sale securities		43,658	-
Loss (gain) on sale of financial assets, available-for-sale		47	(35,731)
		<u>119,297</u>	<u>71,908</u>
Changes in operating assets and liabilities:			
Financial investments at fair value through profit or loss		41,928	12,335
Reinsurance assets		(108,342)	(70,585)
Insurance receivables		(351,984)	(237,416)
Prepayments and accrued income		(15,307)	(10,425)
Insurance contract liabilities		205,582	140,732
Insurance payables		228,922	195,609
Trade and other payables		(22,344)	(28,271)
		<u>97,752</u>	<u>73,887</u>
Net cash from operating activities			
INVESTING ACTIVITIES			
Purchase of office equipment and vehicles		(5,843)	(2,674)
Proceeds from sale of office equipment and vehicles		-	113
Financial assets, available-for-sale		(5,075)	115,605
Statutory deposits		-	(1,000)
Purchase of investment properties		(31,342)	-
		<u>(42,260)</u>	<u>112,044</u>
Net cash (used in) from investing activities			
FINANCING ACTIVITIES			
Dividend paid		(190,857)	(98,963)
Borrowings, other than bank overdrafts		-	(38,530)
Other financial liabilities		(6,472)	(341)
		<u>(197,329)</u>	<u>(137,834)</u>
Net cash used in financing activities			
(DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(141,837)	48,097
Cash and cash equivalents at 1 January	9	359,481	293,362
CASH AND CASH EQUIVALENTS AT 31 MARCH	9	<u>217,644</u>	<u>341,459</u>

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

Oman Insurance Company (PSC)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

31 March 2009 (Unaudited)

	<i>Share capital AED '000</i>	<i>Statutory reserve AED '000</i>	<i>Cumulative changes in fair values AED '000</i>	<i>Strategic reserve AED '000</i>	<i>General reserve AED '000</i>	<i>Contingency reserve AED '000</i>	<i>Retained earnings AED '000</i>	<i>Proposed dividends AED '000</i>	<i>Total AED '000</i>
At 1 January 2009	381,713	157,160	(320,208)	303,750	630,990	61	315,577	190,857	1,659,900
Total comprehensive income for the period	-	-	(95,674)	-	-	-	72,960	-	(22,714)
Cash dividend paid	-	-	-	-	-	-	-	(190,857)	(190,857)
At 31 March 2009	381,713	157,160	(415,882)	303,750	630,990	61	388,537	-	1,446,329
At 1 January 2008	282,750	132,136	520,478	303,750	571,930	-	354,340	197,926	2,363,310
Total comprehensive income for the period	-	-	18,223	-	-	-	105,301	-	123,524
Cash dividend paid	-	-	-	-	-	-	-	(98,963)	(98,963)
Scrip dividend	98,963	-	-	-	-	-	-	(98,963)	-
At 31 March 2008	381,713	132,136	538,701	303,750	571,930	-	459,641	-	2,387,871

The attached notes 1 to 17 form part of these interim condensed consolidated financial statements.

Oman Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2009 (Unaudited)

1 CORPORATE INFORMATION

Oman Insurance Company (PSC), which was established by an Amiri Decree issued by His Highness The Ruler of Dubai, is a public shareholding company and is registered under Federal Law No. 8 of 1984 (as amended) relating to commercial companies in the UAE. The Company is a subsidiary of Mashreq Bank (PSC) incorporated in the Emirate of Dubai. Its registered head office is at P O Box 5209, Dubai, United Arab Emirates.

The Company mainly issues short term insurance contracts in connection with property, motor and marine risks (collectively known as general insurance) and medical, group life and personal accident risks (included within life assurance). The Company has a small portfolio of life assurance contracts. The Company also invests its funds in investment securities and properties.

The Company also operates in Oman through a branch.

During the period, the Company also commenced operation at its Qatar (Doha) branch.

2 ACCOUNTING POLICIES

The interim condensed financial statements of the Company are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting.

The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Company's financial statements as of 31 December 2008. In addition, results for the 3 months ended 31 March 2009 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2009.

Changes in accounting policies

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2008

During the period, the Company has adopted the following standards effective for the annual period beginning on or after 1 January 2009.

IAS 1 Revised Presentation of Financial Statements

The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the Standard introduces the statement of comprehensive income; it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Company has elected to present two statements.

IFRS 8 Operating Segments:

This standard requires disclosure of information about the Company's operating segments and replaces the requirement to determine primary (business) and secondary (geographical) reporting segments of the Company. Adoption of this Standard did not have effect on the financial position or performance of the Company. The Company determined that the operating segments were the same as the business segments previously identified under IAS 14 Segment Reporting.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

31 March 2009 (Unaudited)

2.1 SELECTED ACCOUNTING POLICIES

In accordance with the requirement of Securities Authority and Commodities (Circular dated 12-10-2008) following significant accounting policies of Company's financial statements as of 31 December 2008 are reproduced below:

Investment properties

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day to day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the period in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the period of retirement or disposal.

Fair value is determined by open market values based on valuations performed by independent surveyors and consultant or broker's quotes.

Fair value of financial instruments

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities, at the close of business on the balance sheet date. If quoted market prices are not available, reference can also be made to broker or dealer price quotations.

The fair value of floating rate and overnight deposits with credit institutions is their carrying value. The carrying value is the cost of the deposit and accrued interest. The fair value of fixed interest bearing deposits is estimated using discounted cash flow techniques. Expected cash flows are discounted at current market rates for similar instruments at the balance sheet date.

Financial assets

The Company classifies its investments into financial assets at fair value through profit or loss and available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired or originated. In general, financial assets are classified as at fair value through profit or loss, as the Company's strategy is to manage financial investments acquired to cover its insurance and investments contract liabilities (including shareholders' funds), on the same bases, being fair value. The available-for-sale and held-to-maturity categories are used when the relevant liability (including shareholders' funds) are passively managed and/or carried at amortised cost.

All regular way purchases and sales of financial assets are recognised on the trade date ie the date the Company commits to purchase or sell the asset. Regular way purchases or sales of financial assets require delivery of assets within the time frame generally established by regulation or convention in the market place.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

31 March 2009 (Unaudited)

2.1 SELECTED ACCOUNTING POLICIES (continued)

Financial assets at fair value through profit or loss, has two sub categories namely financial assets held for trading and those designated at fair value through profit or loss at inception. Investments typically bought with the intention to sell in the near future are classified as held for trading. For investments designated as at fair value through profit or loss, the following criteria must be met:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on a different basis,
- the assets and liabilities are part of a group of financial assets, financial liabilities or both which are managed and their performance evaluated on a fair value basis, or
- the financial assets contains an embedded derivative which is not separately valued.

These investments are initially recorded at fair value. Subsequent to initial recognition, these investments are remeasured at fair value. Fair value adjustments and realised gain and loss are recognised in the income statement.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or which are not classified in any of the above categories. These investments are initially recorded at fair value. Subsequent to initial recognition, these investments are remeasured at fair value. Fair value gains and losses are reported as a separate component of equity until the investment is derecognised or the investment is determined to be impaired. On derecognition or impairment, the cumulative fair value gains and losses previously reported in equity is transferred to the income statement.

Impairment and uncollectibility of financial assets

An assessment is made at each balance sheet date to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss is recognised in the income statement. Impairment is determined as follows:

- (a) For assets carried at fair value, impairment is the difference between cost and fair value, less any impairment loss previously recognised in the income statement;
- (b) For assets carried at cost, impairment is the difference between carrying value and the present value of future cash flows discounted at the current market rate of return for a similar financial asset;
- (c) For assets carried at amortised cost, impairment is the difference between carrying amount and the present value of future cash flows discounted at the original effective interest rate.

Derecognition of financial instruments

The derecognition of a financial instrument takes place when the Company no longer controls the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

Oman Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2009 (Unaudited)

3 SEGMENTAL INFORMATION

Primary segment information

For management purposes the Company is organised into three business segments, general insurance, life assurance and investment. The general insurance segment comprises motor, marine, fire, engineering and general accident. The life assurance segment includes life, group life and medical insurance. Investment comprises investment and cash management for the Company's own account. These segments are the basis on which the Company reports its primary segment information. Transactions between segments are conducted at estimated market rates on an arm's length basis. Segmental information is presented below:

	<i>General insurance</i>		<i>Life assurance</i>		<i>Total</i>	
	<i>31 March</i>	<i>31 March</i>	<i>31 March</i>	<i>31 March</i>	<i>31 March</i>	<i>31 March</i>
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Three months ended 31 March						
TOTAL UNDERWRITING INCOME	332,224	265,127	95,163	55,862	427,387	320,989
NET UNDERWRITING INCOME	89,471	73,186	19,115	12,396	108,586	85,582
TOTAL INVESTMENT INCOME					(31,167)	24,881
Other income					(35)	270
Unallocated other expenses					(4,424)	(5,432)
PROFIT FOR THE PERIOD					72,960	105,301

4 EARNINGS PER SHARE

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

	<i>Three months ended</i>	
	<i>31 March</i>	
	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Net profit for the period (AED '000)	72,960	105,301
Weighted average number of shares outstanding during the period	381,713,500	381,713,500
Basic and diluted earnings per share (AED)	0.19	0.28

The Company has not issued any instruments which would have an impact on earnings per share when exercised.

Oman Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2009 (Unaudited)

5 FAIR VALUE GAINS AND LOSSES

	<i>Three months ended 31 March</i>	
	<i>AED'000 (Unaudited)</i>	<i>AED'000 (Unaudited)</i>
Fair value gains (losses) on financial assets at fair value through profit or loss :held for trading purposes	-	(30,189)
Fair value gains (losses) on financial assets at fair value through profit or loss: designated upon initial recognition	<u>1,405</u>	<u>(3,864)</u>
Total fair value gains (losses)	<u><u>1,405</u></u>	<u><u>(34,053)</u></u>

6 INVESTMENT PROPERTIES

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

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<i>Domestic</i>		<i>International</i>		<i>Total</i>	
	<i>31 March 2009 AED'000 (Unaudited)</i>	<i>31 December 2008 AED'000 (Audited)</i>	<i>31 March 2009 AED'000 (Unaudited)</i>	<i>31 December 2008 AED'000 (Audited)</i>	<i>31 March 2009 AED'000 (Unaudited)</i>	<i>31 December 2008 AED'000 (Audited)</i>
Designated upon initial recognition:						
-Structured investments unquoted	-	-	142,815	199,132	142,815	199,132
-Bank deposits with maturity over three months: unquoted	<u>39,803</u>	<u>70,034</u>	<u>73,477</u>	<u>28,857</u>	<u>113,280</u>	<u>98,891</u>
	<u><u>39,803</u></u>	<u><u>70,034</u></u>	<u><u>216,292</u></u>	<u><u>227,989</u></u>	<u><u>256,095</u></u>	<u><u>298,023</u></u>

Maturity dates for structured notes and bank deposits range between 3 to 10 years. However, the issuers of the notes have options to call back the notes on earlier dates. The principal amounts are guaranteed on maturity or on exercise of the options. The returns on these notes are based mainly on movements in USD LIBOR or share prices of a basket of shares.

Oman Insurance Company (PSC)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

31 March 2009 (Unaudited)

8 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	<i>Domestic</i>		<i>International</i>		<i>Total</i>	
	<i>31 March 2009 AED'000 (Unaudited)</i>	<i>31 December 2008 AED'000 (Audited)</i>	<i>31 March 2009 AED'000 (Unaudited)</i>	<i>31 December 2008 AED'000 (Audited)</i>	<i>31 March 2009 AED'000 (Unaudited)</i>	<i>31 December 2008 AED'000 (Audited)</i>
Shares and mutual funds						
- quoted	929,779	1,056,191	99,902	111,710	1,029,681	1,167,901
- unquoted	235,938	241,671	88,723	79,074	324,661	320,745
	<u>1,165,717</u>	<u>1,297,862</u>	<u>188,625</u>	<u>190,784</u>	<u>1,354,342</u>	<u>1,488,646</u>

Unquoted shares are carried at cost, less impairment in value, due to the unpredictable nature of future cash flows and the lack of other suitable methods for arriving at a reliable fair value.

9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated cash flows statement comprise the following balance sheet amounts:

	<i>31 March 2009 AED'000</i>	<i>Audited 31 December 2008 AED'000</i>
Deposits with banks maturing within three months	373,375	399,409
Bank balances and cash	71,139	63,765
	<u>444,514</u>	<u>463,174</u>
Less: Bank overdrafts	(226,870)	(103,693)
	<u>217,644</u>	<u>359,481</u>

10 SHARE CAPITAL

	<i>31 March 2009 AED'000</i>	<i>Audited 31 December 2008 AED'000</i>
Issued and fully paid 381,712,500 shares of AED 1 each (2008: – 381,712,500 shares of AED 1 each)	<u>381,713</u>	<u>381,713</u>

Oman Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2009 (Unaudited)

11 STATUTORY RESERVE

In accordance with the Commercial Companies Law and the Company's Articles of Association, 10% of the net profit for the year is required to be transferred to statutory reserve. The Company may resolve to discontinue such annual transfers when the statutory reserve is equal to 50% of the paid up share capital. No transfers have been made during the three months period to 31 March 2009, as this will be based on the results for the year. The reserve is not available for distribution except in the circumstances stipulated by the law.

12 STRATEGIC RESERVE

The strategic reserve may be utilised for any purpose to be determined by a resolution of the shareholders of the Company at an ordinary general meeting, on the recommendation of the Board of Directors. No transfers have been made to the strategic reserve during the three month period to 31 March 2009.

13 GENERAL RESERVE

Annual transfers to the general reserve are made at the rate of 25% of the net profit less directors' fees for the year. The reserve is freely available for distribution. No transfers have been made to the general reserve during the three month period to 31 March 2009, as this will be based on the results for the year.

14 CONTINGENCY RESERVE

In accordance with Article 20 (2) (c) amended by Royal Decree No. 35/95 of the Oman Insurance Companies Law 1979 and in accordance with the Capital Market Authority's letter, CMA 4952/2005 dated 22 November 2005, 10% of the net outstanding claims of the Oman branch at the balance sheet date is transferred from retained earnings to a contingency reserve. In case of insufficient retained earnings or accumulated loss position, the transfer is adjusted against the head office current account balance. The reserve is not available for distribution.

15 CAPITAL COMMITMENTS

	<i>31 March 2009 AED'000</i>	<i>Audited 31 December 2008 AED'000</i>
Commitments in respect of uncalled subscription of certain share held as investments	62,320	62,320
Commitment in respect of purchase of investment properties	72,915	72,915
	<u>135,235</u>	<u>135,235</u>

16 CONTINGENCIES

At 31 March 2009 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 34,355 thousand (31 December 2008: AED 26,098 thousand).

17 SEASONALITY OF RESULTS

Revenue includes dividend income of AED 11,426 thousand for three month period ended 31 March 2009 and AED 25,193 thousand for three month period ended 31 March 2008, respectively, which is of a seasonal nature.

Investment properties are revalued half yearly and therefore the relevant gain or loss if any will be accounted in the second quarter.