DUBAI ISLAMIC INSURANCE &
REINSURANCE CO. (AMAN) (PSC)
DUBAI - UNITED ARAB EMIRATES

INTERIM CONDENSED FINANCIAL
INFORMATION AND REVIEW REPORT
FOR THE PERIOD FROM JANUARY 1, 2009
TO SEPTEMBER 30, 2009

Dubai Islamic Insurance & Reinsurance Co. (Aman) (PSC)
Dubai - United Arab Emirates

Interim Condensed Financial Information
and Review Report
For the Period from January 1, 2009 to September 30, 2009

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Report on Review of Interim Condensed Financial Information

The Board of Directors
Dubai Islamic Insurance & Reinsurance Co. (Aman) (PSC)
Dubai
United Arab Emirates

We have reviewed the accompanying interim condensed statement of financial position of **Dubai Islamic Insurance & Reinsurance Co. (Aman) (PSC)** (the "Company") as of September 30, 2009 and the related interim condensed statements of income, comprehensive income, changes in equity and cash flows for the period from January 1, 2009 to September 30, 2009, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting ("IAS 34")' and the applicable provisions of the Articles of Association of the Company. Our responsibility is to express a conclusion on this interim condensed financial information based on our review. The interim condensed financial information for the period from January 1, 2008 to September 30, 2008, were reviewed by another auditor who issued a review report on that interim condensed financial information on November 9, 2008. The financial statements as of December 31, 2008 and related notes were audited by the same auditor who issued a qualified opinion dated March 23, 2009.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2400. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim condensed financial information are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

The cumulative decline in fair value of available-for-sale securities amounted to AED 95,849,852, of which AED 70,773,228 was charged to equity and AED 25,076,624 was charged to policyholders' funds. Given the current significant difficulties in the financial markets and their resultant impact on prices of equity instruments, management considers that the current quoted prices of the financial assets do not necessarily reflect the extent of impairment in fair values in all cases. Accordingly, no impairment loss has been recorded in the condensed statement of income on these investments as might have been required under IAS 39: Financial Instruments: Recognition and Measurement. As we are unable to assess the reasonableness of this assumption because of its subjective nature, we have not been able to conclude on whether any part of the decline in fair value should be considered as impairment and the resulting effect on the interim condensed statement of income for the period.

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Report on Review of Interim Condensed Financial Information to the Board of Directors of Dubai Islamic Insurance & Reinsurance Co. (Aman) (PSC), Dubai – United Arab Emirates - continued (page 2 of 2)

Qualified Conclusion

Based on our review, except for the effects of the matters discussed in the previous paragraph, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34.

Deloitte & Touche

Anis F. Sadek
(Registration No. 521)

Dubai
October 29, 2009

Interim Condensed Statement of Financial Position
At September 30, 2009
(In Arab Emirates Dirhams)

	Note	September 30, 2009 (Un-audited)	December 31, 2008 (Audited)
ASSETS			
Cash and cash equivalents		8,353,746	40,106,802
Investment deposits		35,999,980	18,000,000
Reinsurance assets		148,274,555	150,535,926
Insurance receivables		102,661,175	88,767,429
Investments in securities - trading	3	40,229,739	38,278,695
Investments in securities - available-for-sale	3	100,018,836	85,135,167
Prepayments and other receivables		22,681,580	20,325,825
Investment property	4	62,308,055	62,308,055
Property and equipment		1,667,422	1,733,217
Total Assets		522,195,088	505,191,116
LIABILITIES, POLICY HOLDERS' FUND AND EQUITY			
Liabilities			
Trade and other payables		28,649,117	38,498,360
Insurance payables		62,792,592	64,197,287
Insurance contract liabilities		251,801,621	260,498,137
Ijara payables		17,014,720	22,119,137
Amounts held under reinsurance treaties		6,615,136	6,625,386
Total liabilities		366,873,186	391,938,307
Policyholders' fund			
Deficit in policyholders' fund		(39,224,950)	(34,141,051)
Loan from shareholders		39,224,950	34,141,051
Proposed profit distribution to policyholders		1,768,226	1,776,344
Cumulative changes in fair value of investments		(25,076,624)	(30,938,932)
Total deficit in policyholders' fund		(23,308,398)	(29,162,588)
Total Liabilities and Policyholders' Fund		343,564,788	362,775,719
Equity			
Share capital	5	200,000,000	200,000,000
Statutory reserve	9	12,278,225	12,278,225
General reserve	10	12,278,225	12,278,225
Retained earnings/(accumulated losses)		24,847,078	(1,491,974)
Cumulative changes in fair value of investments		(70,773,228)	(80,649,079)
Total Equity		178,630,300	142,415,397
Total Liabilities, Policyholders' Fund and Equity		522,195,088	505,191,116

The accompanying notes form an integral part of this interim condensed financial information.

The interim condensed financial information on pages 3 to 14 were approved by the Board of Directors and authorized for issue on October 29, 2009.

Hussein Mohammed Al Meeza
Managing Director / CEO

Basel Mohammad Al Kufairy
Finance Manager

Interim Condensed Statement of Income
For the Period from January 1, 2009 to September 30, 2009
(In Arab Emirates Dirhams)

	Note	For the three-month period ended September 30, 2009 (Unaudited)	For the three-month period ended September 30, 2008 (Unaudited)	For the nine-month period ended September 30, 2009 (Unaudited)	For the nine-month period ended September 30, 2008 (Unaudited)
Attributable to policyholders					
Underwriting income					
Insurance premium revenue		104,171,566	102,331,738	292,779,962	273,271,526
Insurance premium ceded to reinsurers		(63,583,645)	(63,250,339)	(171,232,760)	(154,736,605)
Net insurance premium revenue		40,587,921	39,081,399	121,547,202	118,534,921
Commission received on ceded reinsurance		2,521,492	5,411,453	9,969,631	16,603,506
Policy and survey fees		466,332	544,928	1,751,687	1,038,656
		43,575,745	45,037,780	133,268,520	136,177,083
Underwriting expenses					
Gross claims incurred		40,523,511	35,119,596	108,452,625	106,696,941
Reinsurers' share of claims		(16,204,283)	(11,757,258)	(36,048,462)	(36,656,687)
Net claims incurred		24,319,228	23,362,338	72,404,163	70,040,254
Commissions paid		5,294,238	7,612,255	17,394,591	22,586,615
Excess of loss insurance premiums		5,246,645	1,468,525	7,562,633	5,792,153
		34,860,111	32,443,118	97,361,387	98,419,022
Net underwriting income		8,715,634	12,594,662	35,907,133	37,758,061
Wakala fees		(12,830,665)	(20,515,128)	(44,495,980)	(60,349,132)
Net loss from insurance operations		(4,115,031)	(7,920,466)	(8,588,847)	(22,591,071)
Investment income/(loss)	6	1,255,606	(10,394,978)	4,673,264	(10,374,599)
Mudarib fees		(313,901)	5,095	(1,168,316)	-
Loss for the period		(3,173,326)	(18,310,349)	(5,083,899)	(32,965,670)
Attributable to shareholders					
Income					
Investment income/(loss)	6	5,317,660	(11,097,107)	13,189,251	(11,076,658)
Wakala fees from policyholders		12,830,665	20,515,128	44,495,980	60,349,132
Mudarib fees from policyholders		313,901	(5,095)	1,168,316	-
		18,462,226	9,412,926	58,853,547	49,272,474
Expenses					
General and administrative expenses		(8,841,800)	(10,474,393)	(27,430,596)	(27,961,255)
Provision against loan to policyholders' fund		(3,173,327)	(18,310,349)	(5,083,899)	(32,965,670)
Profit/(loss) for the period		6,447,099	(19,371,816)	26,339,052	(11,654,451)
Earnings per share	8	0.03	(0.1)	0.13	(0.06)

The accompanying notes form an integral part of this interim condensed financial information.

Dubai Islamic Insurance & Reinsurance Co. (Aman) (PSC)
Dubai - United Arab Emirates

Interim Condensed Statement of Comprehensive Income
For the Period from January 1, 2009 to September 30, 2009
(In Arab Emirates Dirhams)

	For the three-month period ended September 30,		For the nine-month period ended September 30,	
	2009	2008	**2009**	2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Profit/(loss) for the period	**6,447,099**	(19,371,816)	**26,339,052**	(11,654,451)
Other comprehensive income:				
Changes in fair value of available-for-sale investments	**1,393,944**	(25,753,737)	**9,875,851**	(53,696,259)
Other comprehensive income for the period	**1,393,944**	(25,753,737)	**9,875,851**	(53,696,259)
Total comprehensive income/(loss) for the period	**7,841,043**	(45,125,553)	36,214,903	(65,350,710)

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Interim Condensed Statement of Changes in Equity
For the Period from January 1, 2009 to September 30, 2009
(In Arab Emirates Dirhams)

	Share capital	Statutory reserve	General reserve	(Accumulated losses)/ retained earnings	Proposed dividends	Cumulative changes in fair value of investments	Total
Balance at December 31, 2007 (audited)	200,000,000	12,278,225	12,278,225	33,291,846	20,000,000	(6,664,158)	271,184,138
Loss for the period	-	-	-	(11,654,451)	-	-	(11,654,451)
Changes in fair value of available-for-sale investments	-	-	-	-	-	(53,696,259)	(53,696,259)
Total comprehensive loss for the period	-	-	-	(11,654,451)	-	(53,696,259)	(65,350,710)
Dividends distributed	-	-	-	-	(20,000,000)	-	(20,000,000)
Balance at September 30, 2008 (un-audited)	200,000,000	12,278,225	12,278,225	21,637,395	-	(60,360,417)	185,833,428
Balance at December 31, 2008 (audited)	200,000,000	12,278,225	12,278,225	(1,491,974)	-	(80,649,079)	142,415,397
Profit for the period	-	-	-	26,339,052	-	-	26,339,052
Changes in fair value of available-for-sale investments	-	-	-	-	-	9,875,851	9,875,851
Total comprehensive income for the period	-	-	-	26,339,052	-	9,875,851	36,214,903
Balance at September 30, 2009 (un-audited)	**200,000,000**	**12,278,225**	**12,278,225**	**24,847,078**	-	**(70,773,228)**	**178,630,300**

The accompanying notes form an integral part of this interim condensed consolidated financial information.

Dubai Islamic Insurance & Reinsurance Co. (Aman) (PSC)
Dubai - United Arab Emirates

Interim Condensed Statement of Cash Flows
For the Period from January 1, 2009 to September 30, 2009
(In Arab Emirates Dirhams)

	Nine-month period ended September 30,	
	2009	2008
	(un-audited)	(un-audited)
Operating activities		
Profit/(loss) for the period	26,339,052	(11,654,451)
Adjustments for:		
Depreciation of property and equipment	569,719	825,572
Gain on revaluation of trading securities	(5,819,625)	(26,978,134)
Provision for employees' end of service benefits	494,299	11,553
	21,583,445	(37,795,460)
Changes in operating assets and liabilities:		
Decrease/(increase) in reinsurance assets	2,261,371	(15,985,014)
Increase in insurance receivables	(13,893,746)	(38,153,894)
Increase in trading securities	3,868,581	15,007,190
(Increase)/decrease in prepayments and other receivables	(2,355,755)	50,356,209
(Decrease)/increase in insurance contract liabilities	(8,696,516)	55,275,029
(Decrease)/increase in amounts held under reinsurance treaties	(10,250)	583,781
(Decrease)/increase in insurance payables	(1,404,695)	38,154,915
(Decrease)/increase in trade and other payables	(8,947,847)	7,581,429
Cash (used in)/generated from operations	(7,595,412)	75,024,185
Employees' end of service benefits paid	(92,029)	(249,196)
Net cash (used in)/from operating activities	(7,687,441)	74,774,989
Investing activities		
Purchase of property and equipment	(503,921)	(692,408)
Net movement on available-for-sale investments	854,490	(48,474,481)
Investment deposits	(17,999,980)	(5,500,000)
Net cash used in investing activities	(17,649,411)	(54,666,889)
Financing activities		
Ijara repaid	(5,104,417)	(5,104,416)
Dividends paid	-	(20,000,000)
Decrease in policyholders' funds before Zakat	(8,118)	(87,300)
Zakat paid	(1,303,669)	(1,268,228)
Net cash used in financing activities	(6,416,204)	(26,459,944)
Net decrease in cash and cash equivalents	(31,753,056)	(6,351,844)
Cash and cash equivalents at the beginning of the period	40,106,802	32,416,914
Cash and cash equivalents at the end of the period	8,353,746	26,065,070

The accompanying notes form an integral part of this interim condensed financial information.

1. General information

Dubai Islamic Insurance & Reinsurance Company (Aman) (PSC) is a public shareholding company and is registered under the Commercial Companies Law of 1984 (as amended). The Company carries out general insurance business in accordance with the teachings of Islamic Sharia'a. The Company is also licensed to engage in reinsurance and life assurance business. The registered address of the Company is P.O. Box 157, Dubai, United Arab Emirates.

The Company obtained its commercial license on March 12, 2003 and commenced operations on April 8, 2003.

The Company mainly issues short term insurance contracts in connection with motor, marine, fire and engineering, general accident risks and group life and medical risks (collectively known as general insurance). The Company also invests its funds in investment securities and properties.

The Company's business activities are subject to the supervision of a Sharia'a Board consisting of five members appointed by the shareholders. The Sharia'a Board performs a supervisory role in order to determine whether the operations of the Company are conducted in accordance with Sharia'a rules and principles.

2. Accounting policies

The interim condensed consolidated financial information have been prepared on the historical cost basis, except for certain financial instruments, which are carried at fair value.

The interim condensed financial information of the Company are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. 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 December 31, 2008, except for the impact of the adoption of the Standard described below:

IAS 1 (Revised) *Presentation of Financial Statements* (effective for accounting periods beginning on or after January 1, 2009).

The revised Standard has introduced a number of terminology changes (including revised titles for the condensed financial statements) and has resulted in a number of changes in presentation and disclosure. However, the revised Standard has had no impact on the reported results or financial position of the Company.

2. Accounting policies (continued)

The interim condensed financial information 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 December 31, 2008. In addition, results for the nine months ended September 30, 2009 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2009.

(a) Estimates

The preparation of interim condensed financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim condensed financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements as at and for the year ended December 31, 2008.

(b) Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended December 31, 2008.

The articles of association of the Company require that separate accounts be maintained for insurance operations on behalf of the policyholders. Accordingly, the directors have resolved to present the financial statements on that basis and comply with the Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) to the extent that these are compatible with International Financial Reporting Standards.

3. Investments in securities

	Domestic		International		Total	
	September 30, 2009	December 31, 2008	**September 30, 2009**	December 31, 2008	**September 30, 2009**	December 31, 2008
	AED (un-audited)	AED (audited)	**AED (un-audited)**	AED (audited)	**AED (un-audited)**	AED (audited)
Trading securities	**32,872,851**	32,318,755	**7,356,888**	5,959,940	**40,229,739**	38,278,695
Available-for-sale	**45,704,729**	35,040,804	**54,314,107**	50,094,363	**100,018,836**	85,135,167

4. Investment property

Investment property comprises a plot of land purchased in 2007. The property is mortgaged as security against an Ijara payable.

5. Share capital

	September 30, 2009 (un-audited) AED	December 31, 2008 (audited) AED
Issued and fully paid:		
200,000,000 ordinary shares of AED 1 each	**200,000,000**	200,000,000

6. Investment income

	Nine-month period ended September 30,	
	2009 AED (un-audited)	2008 AED (un-audited)
Fair value gains and losses		
Fair value gain/(loss) on trading investments	**5,819,625**	(26,978,134)
Realised gains and losses		
Income from sale of trading investments	**9,274,884**	1,304,458
Other investment income		
Income from Islamic investment deposits	**781,868**	561,177
Income from investment in real estate funds	**369,245**	1,340,670
Dividend received	**2,691,058**	3,630,338
Investments related costs	**(1,074,165)**	(1,309,766)
	17,862,515	(21,451,257)
Allocated to:		
Policyholders	**4,673,264**	(10,374,599)
Shareholders	**13,189,251**	(11,076,658)
	17,862,515	(21,451,257)

6. Investment income (continued)

Investment income and losses are allocated to the shareholders in the ratio of equity at beginning of the year to total assets at the end of the year excluding the current year profit, property and equipment and end of service benefits. The remaining gain or loss is allocated to the policyholders. This allocation to policyholders is approved by the Company's Sharia'a Supervisory Board on an annual basis.

7. Segmental information

The Company has adopted IFRS 8 Operating Segments with effect from January 1, 2009. The segments identified in accordance with IFRS 8 do not differ materially from those previously disclosed under IAS 14.

Operating Segments are identified on the basis of internal reports about the components of the company that are regularly reviewed by the Company's Chief Executive Officer (CEO)/Managing Director (MD) in order to allocate resources to the segment and to assess its performance. Information reported to the Company's CEO for the purpose of resource allocation and assessment of performance is based on following strategic business activities:

- **Insurance activities** include the general, life and medical insurance business undertaken by the Company.

- **Investment activities** represent investment and cash management for the Company's own account.

Notes to the Interim Condensed Financial Information - continued
For the Period from January 1, 2009 to September 30, 2009

7. Segmental information - un-audited (continued)

The following table presents segment information for the nine-month period ended September 30, 2009 and September 30, 2008.

	Period from January 1, 2009 to September 30, 2009		Period from January 1, 2008 to September 30, 2008		Total	
	Attributable to		Attributable to			
	Policyholders	Shareholders	Policyholders	Shareholders	2009	2008
	AED	AED	AED	AED	AED	AED
Insurance						
Underwriting income	133,268,520	-	136,177,083	-	133,268,520	136,177,083
Underwriting expenses	(97,361,387)	-	(98,419,022)	-	(97,361,387)	(98,419,022)
Net underwriting income	35,907,133	-	37,758,061	-	35,907,133	37,758,061
Wakala fees	(44,495,980)	44,495,980	(60,349,132)	60,349,132	-	-
Mudarib fees	(1,168,316)	1,168,316	-	-	-	-
	(9,757,163)	45,664,296	(22,591,071)	60,349,132	35,907,133	37,758,061
Investment						
Investment income	4,673,264	13,189,251	(10,374,599)	(11,076,658)	17,862,515	(21,451,257)
Unallocated other income and expenses	-	(27,430,596)	-	(27,961,255)	(27,430,596)	(27,961,255)
Loss attributable to policyholders	(5,083,899)		(32,965,670)			
Provision against loan to policyholders' fund		(5,083,899)		(32,965,670)		
Profit/(loss) for the period		26,339,052		(11,654,451)	26,339,052	(11,654,451)

8. Earnings per share

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

	Nine-month period ended September 30,	
	2009	2008
	(un-audited)	(un-audited)
Profit/ (loss) for the period (AED)	**26,339,052**	(11,654,451)
Weighted average number of shares outstanding during the period - share	**200,000,000**	200,000,000
Earnings per share (AED)	**0.13**	(0.06)

9. 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. No transfers have been made during the period from January 1, 2009 to September 30, 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.

10. General reserve

The Company is required to transfer 10% of the profit for the year to a general reserve in accordance with its Articles of Association. No transfer has been made to the general reserve during the period from January 1, 2009 to September 30, 2009, as this will be based on the results for the year.

11. Related party transactions

The Managing Director of the Company is also a key management executive of Leader Capital, Al Salam Bank – Sudan and Al Salam Bank - Algeria. The pricing policies and terms of these transactions with these companies are approved by the management.

As of September 30, 2009, the Company has ownership of 177,750 shares of Al Salam Bank – Algeria. These shares are registered in the name of Leader Capital which is holding it in trust for and on behalf of the Company. The market value of the shares as at the end of the period was AED 20.20 million.

At the current period, a major shareholder (Dubai Islamic Bank PJSC) sold its equity interest in the Company of 6% through Dubai Financial Market.

12. Contingencies and commitments

Contingent liabilities

At September 30, 2009, the Company had contingent liabilities in respect of bank and other guarantees arising in the ordinary course of business from which it is anticipated that no material liabilities will arise, amounting to AED 42,050 (December 31, 2008: AED 1,021,513).

Legal claims

The Company, in common with the majority of insurers, is subject to litigation in the normal course of its business. Based on independent legal advice, the management does not believe that the outcome of these court cases will have a material impact on the Company's income or financial position.

Commitments

The Company has a commitment for AED 12.7 million (2008: AED 14.7 million) on account of investments made in securities. The Company has to pay for investment securities as and when calls are made by the investee company. Commitment in respect of purchase of investment securities is payable on various dates by February 2010.

13. Comparative figures

Certain amounts for the prior period were reclassified to conform to current period presentation.