

**Dubai Insurance Company
(Public Shareholding Company)**

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

30 JUNE 2014 (UNAUDITED)

REPORT ON REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF DUBAI INSURANCE COMPANY (PSC)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Dubai Insurance Company (PSC) as at 30 June 2014, comprising the interim condensed consolidated statement of financial position as at 30 June 2014 and the related interim condensed consolidated statements of income and comprehensive income for the three-month and six-month periods then ended and the related interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended and explanatory information. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34, Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.



Signed by
Ashraf Abu-Sharkh
Partner
Registration number: 690

23 July 2014

Dubai, United Arab Emirates

Dubai Insurance Company (PSC)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the period ended 30 June 2014 (Unaudited)

	Note	Three months ended 30 June		Six months ended 30 June	
		2014 AED '000	2013 AED '000	2014 AED '000	2013 AED '000
UNDERWRITING INCOME					
Gross premium		92,556	61,807	196,926	186,784
Movement in provision for unearned premium		(7,009)	11,458	(20,149)	(34,558)
Insurance premium revenue		85,547	73,265	176,777	152,226
Reinsurance share of premium		(60,519)	(42,129)	(131,571)	(133,197)
Movement in provision for reinsurance share of unearned premium		1,580	(12,889)	9,643	25,420
		(58,939)	(55,018)	(121,928)	(107,777)
Net insurance premium revenue		26,608	18,247	54,849	44,449
Reinsurance commission income		4,685	4,411	11,283	12,411
Other income (expense)		527	144	441	(393)
Total underwriting income		31,820	22,802	66,573	56,467
UNDERWRITING EXPENSES					
Claims incurred		44,941	23,334	83,558	84,921
Reinsurers' share of claims incurred		(30,664)	(12,900)	(56,901)	(64,165)
Net claims incurred		14,277	10,434	26,657	20,756
Commission expenses		10,620	6,205	19,734	13,884
Excess of loss reinsurance premium		155	280	620	559
General and administrative expenses relating to underwriting activities		3,636	2,966	7,393	6,274
Total underwriting expenses		28,688	19,885	54,404	41,473
NET UNDERWRITING INCOME		3,132	2,917	12,169	14,994
INVESTMENT INCOME					
Realised gain on sale of investments		17	1	114	7
Fair value (loss) gain on financial assets at fair value through profit or loss		(807)	171	(798)	(409)
Other investment income		6,220	3,347	14,522	13,183
Other investment costs		10	(52)	(100)	(105)
		5,440	3,467	13,738	12,676
OTHER INCOME AND EXPENSES					
General and administrative expenses not allocated		(1,306)	(1,024)	(2,530)	(2,155)
Other income		13	11	146	408
		(1,293)	(1,013)	(2,384)	(1,747)
PROFIT FOR THE PERIOD		7,279	5,371	23,523	25,923
Basic and diluted earnings per share (AED)	3	0.073	0.054	0.235	0.259

The attached explanatory notes 1 to 14 form part of these interim condensed consolidated financial statements.

Dubai Insurance Company (PSC)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 June 2014 (Unaudited)

	<i>Three months ended 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2014 AED '000</i>	<i>2013 AED '000</i>	<i>2014 AED '000</i>	<i>2013 AED '000</i>
Profit for the period	<u>7,279</u>	<u>5,371</u>	<u>23,523</u>	<u>25,923</u>
OTHER COMPREHENSIVE INCOME				
<i>Other comprehensive income that could not be reclassified to profit or loss in subsequent periods:</i>				
Net unrealised (loss) gain on financial assets at fair value through other comprehensive income	<u>(13,191)</u>	<u>48,451</u>	<u>53,871</u>	<u>70,972</u>
Other comprehensive income for the period	<u>(13,191)</u>	<u>48,451</u>	<u>53,871</u>	<u>70,972</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u><u>(5,912)</u></u>	<u><u>53,822</u></u>	<u><u>77,394</u></u>	<u><u>96,895</u></u>

The attached explanatory notes 1 to 14 form part of these interim condensed consolidated financial statements.

Dubai Insurance Company (PSC)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 30 June 2014 (Unaudited)

	<i>Notes</i>	<i>30 June 2014 AED '000</i>	<i>Audited 31 December 2013 AED '000</i>
ASSETS			
Property and equipment	4	47,410	47,563
Investment property	5	1,670	1,670
Financial instruments	6	404,688	372,370
Reinsurance assets		141,541	141,355
Insurance receivables		140,394	118,510
Prepayments and other receivables		5,779	5,931
Statutory deposits		10,000	10,000
Cash and cash equivalents	7	64,680	35,132
TOTAL ASSETS		816,162	732,531
EQUITY AND LIABILITIES			
Equity			
Share capital	9	100,000	100,000
Statutory reserve	10	50,000	50,000
General reserve	10	10,000	10,000
Retained earnings		110,867	87,344
Cumulative changes in fair value of investments	10	185,755	131,884
Proposed dividends – cash	11	-	25,000
Total equity		456,622	404,228
Liabilities			
Bank loan	8	18,410	18,412
Employees' end of service benefits		2,304	2,147
Insurance contract liabilities		208,543	195,308
Amounts held under reinsurance treaties		13,158	12,978
Reinsurance balances payable		92,578	73,287
Insurance and other payables		24,547	26,171
Total liabilities		359,540	328,303
TOTAL EQUITY AND LIABILITIES		816,162	732,531

The interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the directors on 23 July 2014.


Buti Obaid Almulla
Chairman


Abdellatif Abuqurah
Chief Executive Officer

The attached explanatory notes 1 to 14 form part of these interim condensed consolidated financial statements.

Dubai Insurance Company (PSC)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2014 (Unaudited)

	Share capital AED '000	Statutory reserve AED '000	General reserve AED '000	Retained earnings AED '000	Proposed dividend AED '000	Cumulative changes in fair value of investments AED '000	Total AED '000
Balance at 1 January 2014	100,000	50,000	10,000	87,344	25,000	131,884	404,228
Profit for the period	-	-	-	23,523	-	-	23,523
Other comprehensive income	-	-	-	-	-	53,871	53,871
Total comprehensive income for the period	-	-	-	23,523	-	53,871	77,394
Cash dividend paid (Note 11)	-	-	-	-	(25,000)	-	(25,000)
Balance at 30 June 2014	100,000	50,000	10,000	110,867	-	185,755	456,622
Balance at 1 January 2013	100,000	50,000	10,000	82,227	20,000	18,240	280,467
Profit for the period	-	-	-	25,923	-	-	25,923
Other comprehensive income	-	-	-	-	-	70,972	70,972
Total comprehensive income for the period	-	-	-	25,923	-	70,972	96,895
Cash dividend paid (Note 11)	-	-	-	-	(20,000)	-	(20,000)
Balance at 30 June 2013	100,000	50,000	10,000	108,150	-	89,212	357,362

The attached explanatory notes 1 to 14 form part of these interim condensed consolidated financial statements.

Dubai Insurance Company (PSC)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 June 2014 (Unaudited)

	Note	Six months ended 30 June	
		2014 AED '000	2013 AED '000
OPERATING ACTIVITIES			
Profit for the period		23,523	25,923
Adjustments for:			
Depreciation on property and equipment		592	245
Provision for employees' end of service benefits		181	162
Gain on sale of investments in debt instruments at amortised cost		(114)	(7)
		<u>24,182</u>	<u>26,323</u>
Changes in operating assets and liabilities:			
Reinsurance assets		(186)	(41,842)
Insurance receivables		(21,884)	(1,199)
Prepayments and other assets		152	189
Insurance contract liabilities		13,235	55,586
Amounts held under reinsurance treaties		180	2,907
Reinsurance balances payable		19,291	(2,708)
Insurance and other payables		(1,624)	(5,219)
		<u>33,346</u>	<u>34,037</u>
Cash generated from operations		(24)	(90)
Employees' end of service paid		<u>(24)</u>	<u>(90)</u>
Net cash generated from operating activities		<u>33,322</u>	<u>33,947</u>
INVESTING ACTIVITIES			
Investments held at amortised cost		(40)	574
Financial investments at fair value through profit or loss		799	(732)
Bank deposits with maturity over three months - unquoted		20,908	(10,770)
Purchase of property and equipment		(439)	(408)
Additions to investment property		-	(590)
		<u>21,228</u>	<u>(11,926)</u>
Net cash from / (used in) investing activities		<u>21,228</u>	<u>(11,926)</u>
FINANCING ACTIVITIES			
Dividends paid		(25,000)	(20,000)
Bank loan		(2)	(5)
		<u>(25,002)</u>	<u>(20,005)</u>
Net cash used in financing activities		<u>(25,002)</u>	<u>(20,005)</u>
INCREASE IN CASH AND CASH EQUIVALENTS			
		29,548	2,016
Cash and cash equivalents at 1 January		35,132	49,445
CASH AND CASH EQUIVALENTS AT 30 JUNE	7	<u>64,680</u>	<u>51,461</u>

The attached explanatory notes 1 to 14 form part of these interim condensed consolidated financial statements.

Dubai Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS As at 30 June 2014 (Unaudited)

1 CORPORATE INFORMATION

Dubai Insurance Company (PSC) (the "Company") is a public shareholding Company registered under the Federal Law No. 8 of 1984 (as amended) and the UAE Federal Law No. (6) of 2007 relating to commercial companies in the UAE. The Company mainly issues short term insurance contracts in connection with motor, marine, fire, engineering, general accident and medical risks (collectively known as general insurance) and group life and individual life risk (collectively referred to as life assurance). The Company also invests its funds in investment securities and properties. The registered address of the Company is P.O. Box 3027, Dubai, United Arab Emirates. The Company operates in United Arab Emirates and most of the insurance policies are issued in the United Arab Emirates. The shares of the Company are listed on the Dubai Financial Market.

During 2010, the Company established a new subsidiary for investment purposes. These interim condensed consolidated financial statements incorporate the financial statements of the Company and its subsidiary (collectively referred to as the "Group").

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group are prepared in accordance with International Financial Reporting Standard IAS 34, Interim Financial Reporting ("IAS 34").

Interim reporting

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2013 except for the adoption of the following new and amended IFRS and IFRIC interpretations which became effective as of 1 January 2014:

- Investment Entities – Amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements.
- Offsetting Financial Assets and Financial Liabilities — Amendments to IAS 32 Financial Instruments: Presentation.
- Recoverable Amount Disclosures for Non-Financial Assets — Amendments to IAS 36 Impairment of Assets.
- Novation of Derivatives and Continuation of Hedge Accounting — Amendments to IAS 39 Financial Instruments: Recognition and Measurement.
- IFRIC 21 Levies.

The adoption of these standards and interpretations did not have an impact on the financial position or performance of the Group during the period.

These interim condensed consolidated financial statements do not include all disclosure and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2013. In addition, results for the six months ended 30 June 2014 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2014.

2.2 BASIS OF CONSOLIDATION

The Group comprises of the Company and the under-mentioned subsidiary company.

<u>Subsidiary</u>	<u>Principal activity</u>	<u>Country of incorporation</u>	<u>Ownership</u>
Vattaun Limited	Investment	British Virgin Island	100%

Dubai Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS As at 30 June 2014 (Unaudited)

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 BASIS OF CONSOLIDATION (continued)

Basis of consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Group and its subsidiary as at 30 June 2014.

Subsidiary companies are those companies in which the Company, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has the power to exercise control over their operations. The subsidiary is fully consolidated from the date of formation, being the date on which the Group obtained control and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiary are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profit and losses resulting from intra-group transactions, are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

3 BASIC AND DILUTED EARNINGS PER SHARE

Basic 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 30 June</i>		<i>Six months ended 30 June</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
Profit for the period (AED'000)	<u>7,279</u>	<u>5,371</u>	<u>23,523</u>	<u>25,923</u>
Weighted average number of shares outstanding during the period ('000)	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Earnings per share (AED)	<u>0.073</u>	<u>0.054</u>	<u>0.235</u>	<u>0.259</u>

No figures for diluted earnings has been presented because the Group has not issued any instruments which would have an impact on earnings per share when exercised.

Dubai Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS As at 30 June 2014 (Unaudited)

4 PROPERTY AND EQUIPMENT

Included in property and equipment is a land situated in the Emirate of Dubai, United Arab Emirates with a carrying value of AED 44,173 thousand. The Group's Board of Directors has resolved to construct the Group's head office on the land in the foreseeable future. The Group's management is in the process of formalising the transfer of legal title in respect of the land.

5 INVESTMENT PROPERTY

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

6 FINANCIAL INSTRUMENTS

	<i>Carrying value</i>		<i>Fair value</i>	
	<i>30 June 2014 AED'000</i>	<i>31 December 2013 AED'000 (Audited)</i>	<i>30 June 2014 AED'000</i>	<i>31 December 2013 AED'000 (Audited)</i>
Financial instruments				
At fair value through profit or loss (Note 6.1)	54,736	76,443	54,736	76,443
At fair value through other comprehensive income (Note 6.2)	312,097	258,226	312,097	258,226
Investments held at amortised cost (Note 6.3)	37,855	37,701	39,408	37,738
	<u>404,688</u>	<u>372,370</u>	<u>406,241</u>	<u>372,407</u>

6.1 FINANCIAL INSTRUMENTS AT FAIR VALUES THROUGH PROFIT OR LOSS

	<i>30 June 2014 AED'000</i>	<i>31 December 2013 AED'000 (Audited)</i>
a) <i>Shares - quoted</i>	3,609	4,408
b) <i>Designated upon initial recognition</i>		
Bank deposits with maturity over three months - unquoted	51,127	72,035
	<u>54,736</u>	<u>76,443</u>

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

6.2 FINANCIAL INSTRUMENTS AT FAIR VALUES THROUGH OTHER COMPREHENSIVE INCOME (OCI)

	<i>30 June 2014 AED'000</i>	<i>31 December 2013 AED'000 (Audited)</i>
Shares – quoted (within UAE)	301,897	248,026
Shares – unquoted (within UAE)	10,200	10,200
	<u>312,097</u>	<u>258,226</u>

Dubai Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

6 FINANCIAL INSTRUMENTS (continued)

6.2 FINANCIAL INSTRUMENTS AT FAIR VALUES THROUGH OTHER COMPREHENSIVE INCOME (OCI) (continued)

The fair value changes amounting to AED 53,871 thousand (2013: AED 22,521 thousand) have been recognised in the consolidated statement of comprehensive income.

6.3 DEBT INSTRUMENT AT AMORTISED COST

	30 June 2014 AED'000	31 December 2013 AED'000 (Audited)
<i>Amortised cost</i>	3,675	3,675
Debt securities (within UAE)	34,180	34,026
Debt securities (outside UAE)	<u>37,855</u>	<u>37,701</u>

Debt securities amounting to AED 34,180 thousand (2013: AED 34,026 thousand) are pledged against bank loan (Note 8). The investments carry interest at an effective rate of 4.74% per annum. The maturity profile of these debt instruments is shown below:

	30 June 2014		
	<i>Less than 5 years AED'000</i>	<i>More than 5 years AED'000</i>	<i>Total AED'000</i>
Debt securities (within UAE)	3,675	-	3,675
Debt securities (outside UAE)	22,937	11,243	34,180
	<u>26,612</u>	<u>11,243</u>	<u>37,855</u>

	31 December 2013 (Audited)		
	<i>Less than 5 years AED'000</i>	<i>More than 5 years AED'000</i>	<i>Total AED'000</i>
Debt securities (within UAE)	3,675	-	3,675
Debt securities (outside UAE)	22,803	11,223	34,026
	<u>26,478</u>	<u>11,223</u>	<u>37,701</u>

Dubai Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS As at 30 June 2014 (Unaudited)

7 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

	<i>30 June 2014 AED '000</i>	<i>30 June 2013 AED '000</i>
Bank balances and cash	44,680	43,931
Bank deposits maturing within three months	20,000	7,530
	<u>64,680</u>	<u>51,461</u>

The entire bank balance and bank deposits are within United Arab Emirates.

8 BANK LOAN

The Group entered into a credit facility agreement with an international bank for USD 5 million (equivalent AED 18,410 thousand). The loan facility is secured against investments in debt instruments held at amortised cost amounting to AED 34,180 thousand (31 December 2013: AED 34,026 thousand) (Note 6.3) used for the Group's investment operation. The loan carries interest at 3 months LIBOR plus 0.85% per annum and the tenure of the loan is directly linked to the maturity period of the debt instruments which are financed by the loan. The debt instruments have maturity periods of 2 to 10 years.

9 SHARE CAPITAL

	<i>30 June 2014 AED '000</i>	<i>31 December 2013 AED '000 (Audited)</i>
<i>Issued and fully paid</i>		
100,000,000 shares of AED 1 each	100,000	100,000
(2013: 100,000,000 shares of AED 1 each)	<u>100,000</u>	<u>100,000</u>

10 RESERVES

NATURE AND PURPOSE OF RESERVES

- **STATUTORY RESERVE**

In accordance with the UAE Commercial Companies Law and the Group's Article of Association, the Group has resolved not to increase the statutory reserve above an amount equal to 50% of its paid up share capital. Accordingly, no transfers have been made during the six months period to 30 June 2014, 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.

- **GENERAL RESERVE**

Transfers to the general reserve are made on the recommendation of the Board of Directors. This reserve may be used for such purposes as deemed appropriate by the Board of Directors.

Dubai Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS As at 30 June 2014 (Unaudited)

10 RESERVES (continued)

• CUMULATIVE CHANGES IN FAIR VALUE OF INVESTMENTS

This reserve records fair value changes on financial instrument held at fair value through other comprehensive income.

11 PROPOSED DIVIDENDS

	<i>30 June 2014 AED'000</i>	<i>31 December 2013 AED'000 (Audited)</i>
<i>Declared and paid:</i>		
Cash dividend for 2013 of AED 0.25 per share (declared and paid)	25,000	-
Cash dividend for 2012 of AED 0.20 per share (declared and paid)	-	20,000
	<u>25,000</u>	<u>20,000</u>
 <i>Proposed for approval at Annual General Meeting: (2013: Cash dividend of AED 0.25 per share)</i>		
	-	25,000
	-	25,000

12 SEGMENTAL INFORMATION

Primary segment information

For management purposes, the Group is organised into business units based on its products and services and has three reportable operating segments as follows:

- The general insurance segment, comprises motor, marine, fire, engineering, general accident and medical.
- The life segment, includes individual and group life insurance.
- Investment comprises investment and cash management for the Group's own account.

Dubai Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2014 (Unaudited)

12 SEGMENTAL INFORMATION (continued)

Transactions between operating segments are conducted at estimated market rates on an arm's length basis. Operating segment information is presented below:

	<i>Three months ended 30 June</i>					
	<i>General insurance</i>		<i>Life assurance</i>		<i>Total</i>	
	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</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>	
UNDERWRITING INCOME						
Insurance premium revenue	81,929	65,903	3,618	7,362	85,547	73,265
Reinsurers' share of premium	(56,340)	(48,313)	(2,599)	(6,705)	(58,939)	(55,018)
Net insurance premium revenue	25,589	17,590	1,019	657	26,608	18,247
Reinsurance commission income	4,649	4,334	36	77	4,685	4,411
Other income	401	143	126	1	527	144
	30,639	22,067	1,181	735	31,820	22,802
UNDERWRITING EXPENSES						
Claims incurred	44,510	22,625	431	709	44,941	23,334
Reinsurers' share of claims incurred	(30,277)	(12,269)	(387)	(631)	(30,664)	(12,900)
Net claims incurred	14,233	10,356	44	78	14,277	10,434
Commission expenses	10,268	5,973	352	232	10,620	6,205
Excess of loss reinsurance premium	155	280	-	-	155	280
General and administration expenses relating to underwriting activities	3,603	2,795	33	171	3,636	2,966
	28,259	19,404	429	481	28,688	19,885
NET UNDERWRITING INCOME	2,380	2,663	752	254	3,132	2,917
TOTAL INVESTMENT INCOME					5,440	3,467
Unallocated other expenses					(1,293)	(1,013)
PROFIT FOR THE PERIOD					7,279	5,371

Dubai Insurance Company (PSC)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As at 30 June 2014 (Unaudited)

12 SEGMENTAL INFORMATION (continued)

	Six months ended 30 June					
	General insurance		Life assurance		Total	
	30 June 2014 AED'000	30 June 2013 AED'000	30 June 2014 AED'000	30 June 2013 AED'000	30 June 2014 AED'000	30 June 2013 AED'000
UNDERWRITING INCOME						
Insurance premium revenue	168,243	141,111	8,534	11,115	176,777	152,226
Reinsurers' share of premium	(115,405)	(98,539)	(6,523)	(9,238)	(121,928)	(107,777)
Net insurance premium revenue	52,838	42,572	2,011	1,877	54,849	44,449
Reinsurance commission income	10,865	10,869	418	1,542	11,283	12,411
Other income	313	(397)	128	4	441	(393)
	64,016	53,044	2,557	3,423	66,573	56,467
UNDERWRITING EXPENSES						
Claims incurred	83,238	83,932	320	989	83,558	84,921
Reinsurers' share of claims incurred	(56,614)	(63,294)	(287)	(871)	(56,901)	(64,165)
Net claims incurred	26,624	20,638	33	118	26,657	20,756
Commission expenses	19,183	13,348	551	536	19,734	13,884
Excess of loss reinsurance premium	620	559	-	-	620	559
General and administration expenses relating to underwriting activities	7,052	5,839	341	435	7,393	6,274
	53,479	40,384	925	1,089	54,404	41,473
NET UNDERWRITING INCOME	10,537	12,660	1,632	2,334	12,169	14,994
TOTAL INVESTMENT INCOME					13,738	12,676
Unallocated other expenses					(2,384)	(1,747)
PROFIT FOR THE PERIOD					23,523	25,923

For operational and management reporting purposes, the Group is organised as one geographical segment.

13 SEASONALITY OF RESULTS

Dividend income amounted to AED 7,117 thousand and AED 12,195 thousand for three month and six month periods ended 30 June 2014, respectively, and AED 2,279 thousand and AED 11,083 thousand for three month and six month periods ended 30 June 2013, respectively, is of seasonal nature.

14 COMMITMENTS AND CONTINGENCIES

Guarantees

At 30 June 2014, the Group had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise, amounting to AED 10,256 thousand (31 December 2013: AED 10,237 thousand).

Legal claims

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