INSURANCE HOUSE P.S.C
PUBLIC SHAREHOLDING COMPANY
ABU DHABI - UNITED ARAB EMIRATES

REVIEW REPORT AND INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 SEPTEMBER 2015

INSURANCE HOUSE P.S.C
PUBLIC SHAREHOLDING COMPANY
ABU DHABI - UNITED ARAB EMIRATES

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REVIEW REPORT

The Shareholders
Insurance House P.S.C
Public Shareholding Company
Abu Dhabi - United Arab Emirates

Introduction

We have reviewed the accompanying interim financial statements of **Insurance House P.S.C** - Public Shareholding Company - Abu Dhabi, as at 30 September 2015 which comprise the interim statement of financial position as at 30 September 2015 and the related interim statement of income, related interim statement of comprehensive income, related interim statement of changes in shareholders' equity and interim statement of cash flows for the period from 1 January 2015 to 30 September 2015 and explanatory notes. Management is responsible for the preparation and presentation of these interim 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 financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the company." A review of 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 financial statements are not prepared, in all material respects, in accordance with IAS 34.

Talal Abu Ghazaleh & Co. International

Talal Abu Ghazaleh & Co. International ABU DHABI
طلال أبو غزاله وشركاه الدولية أبوظبي

Firas Kilani
Licensed Auditor No. 632

2 November 2015

INSURANCE HOUSE P.S.C
PUBLIC SHAREHOLDING COMPANY
ABU DHABI - UNITED ARAB EMIRATES

EXHIBIT A

INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	NOTE	30 September 2015 (Unaudited)	31 December 2014 (Audited)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	**20,424,597**	13,275,562
Bank fixed deposit		**10,152,083**	----
Re-insurance contract assets	13 (a)	**12,020,722**	10,749,446
Insurance and other receivables	5	**56,162,226**	57,135,590
Other current assets	6	**5,555,694**	5,612,157
Investments designated at fair value through profit and loss (FVTPL)	7	**11,735,998**	17,737,576
Total current assets		**116,051,320**	104,510,331
NON-CURRENT ASSETS			
Investments designated at fair value through other comprehensive income (FVTOCI)	8	**18,588,125**	18,918,297
Investments designated at amortized cost	9 (a)	**98,353,076**	127,787,859
Statutory deposit	10	**6,000,000**	6,000,000
Property and equipment	11	**2,190,457**	1,898,516
Total non - current assets		**125,131,658**	154,604,672
TOTAL ASSETS		**241,182,978**	259,115,003
LIABILITIES AND SHAREHOLDERS EQUITY			
CURRENT LIABILITIES			
Borrowings from banks	12	**39,186,525**	56,826,525
Insurance contract liabilities	13 (b)	**72,313,865**	62,242,279
Insurance and other payables	14	**21,315,676**	19,968,513
Total current liabilities		**132,816,066**	139,037,317
NON - CURRENT LIABILITY			
End of service benefits obligation		**1,023,629**	874,098
Total non - current liability		**1,023,629**	874,098
SHAREHOLDERS EQUITY			
Share capital	15	**120,000,000**	120,000,000
Treasury shares	15	**(1,657,687)**	(1,657,687)
Statutory reserve		**1,710,148**	1,710,148
Investment revaluation reserve		**1,633,318**	2,939,107
Accumulated (losses)		**(14,342,496)**	(3,787,980)
Net shareholders equity - Exhibit C		**107,343,283**	119,203,588
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY		**241,182,978**	259,115,003

Mr. Mohammed Othman
Chief Executive Officer

Mr. Mohammed Alqubaisi
Chairman

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM FINANCIAL STATEMENTS

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INSURANCE HOUSE P.S.C
PUBLIC SHAREHOLDING COMPANY
ABU DHABI - UNITED ARAB EMIRATES

EXHIBIT B

INTERIM STATEMENT OF INCOME FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 SEPTEMBER 2015

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	NOTE	3 Months ended 30 September		9 Months ended 30 September	
		2015 (Unaudited)	2014 (Unaudited)	2015 (Unaudited)	2014 (Unaudited)
Revenues					
Gross premiums written	22 (c)	31,502,601	18,790,865	94,222,514	76,876,852
Change in unearned premium provision		(4,771,283)	7,823,146	(14,974,111)	(9,412,130)
Premium income earned		26,731,318	26,614,011	79,248,403	67,464,722
Re-insurance premiums ceded		(9,445,827)	(4,595,680)	(31,207,462)	(21,073,406)
Change in re-insurance portion of unearned premium provision		2,064,548	1,639,993	12,020,722	8,379,065
Net re-insurance premiums ceded		(7,381,279)	(2,955,687)	(19,186,740)	(12,694,341)
Net earned premiums		19,350,039	23,658,324	60,061,663	54,770,381
Commission income		2,003,643	825,788	5,796,624	2,574,874
Claims recovered		4,245,829	(3,443,516)	8,251,407	23,777,827
Operating expenses	16	(24,810,523)	(27,857,294)	(70,859,663)	(84,326,464)
Net underwriting profit / (loss)		788,988	(6,816,698)	3,250,031	(3,203,382)
General and administrative expenses	17	(7,079,360)	(6,131,330)	(20,872,416)	(19,280,558)
Other income	18	1,504,011	1,573,702	7,028,069	15,323,565
(Loss) for the period - Exhibit D		(4,786,361)	(11,374,326)	(10,594,316)	(7,160,375)
(Loss) per ordinary share	19	(0.0404)	(0.0961)	(0.0895)	(0.0605)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM FINANCIAL STATEMENTS

INSURANCE HOUSE P.S.C
PUBLIC SHAREHOLDING COMPANY
ABU DHABI - UNITED ARAB EMIRATES

CONT. EXHIBIT B

INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 SEPTEMBER 2015

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	NOTE	For the period from 1 January 2015 to 30 September 2015 (Unaudited)	For the period from 1 January 2014 to 30 September 2014 (Unaudited)
(Loss) for the period		**(10,594,316)**	(7,160,375)
Other comprehensive income:			
Gain arising during the year from sale of financial assets designated at fair value through other comprehensive income (FVTOCI)		**39,800**	948,436
Fair value (loss) / gain on investments designated at fair through other comprehensive income (FVTOCI)	8 (b)	**(1,305,789)**	951,886
Other comprehensive (loss) for the period		**(1,265,989)**	1,900,322
Total comprehensive (loss) for the period - Exhibit C		(11,860,305)	(5,260,053)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM FINANCIAL STATEMENTS

INSURANCE HOUSE P.S.C
PUBLIC SHAREHOLDING COMPANY
ABU DHABI- UNITED ARAB EMIRATES

EXHIBIT C

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 SEPTEMBER 2015
(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	Share capital	Treasury Shares	Statutory reserve	Investment revaluation reserve	Retained earnings / accumulated (loss)	Total
Shareholders equity at 1 January 2014 - Exhibit A (Audited)	120,000,000	(794,961)	1,710,148	3,392,353	15,962,728	140,270,268
Loss for the period - Exhibit B	----	----	----	----	(7,160,375)	(7,160,375)
Other comprehensive income for the period - Exhibit B	----	----	----	951,886	948,436	1,900,322
Shares buyback	----	(862,726)	----	----	----	(862,726)
Shareholders equity at 30 September 2014 - Exhibit A (Unaudited)	120,000,000	(1,657,687)	1,710,148	2,440,467	9,750,789	134,147,489
Shareholders equity at 1 January 2015 - Exhibit A (Audited)	120,000,000	(1,657,687)	1,710,148	2,939,107	(3,787,980)	119,203,588
(Loss) for the period - Exhibit B	----	----	----	----	(10,594,316)	(10,594,316)
Other comprehensive income for the period - Exhibit B	----	----	----	(1,305,789)	39,800	(1,265,989)
Shareholders equity at 30 September 2015 - Exhibit A (Unaudited)	**120,000,000**	**(1,657,687)**	**1,710,148**	**1,633,318**	**(14,342,496)**	**107,343,283**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM FINANCIAL STATEMENTS

INSURANCE HOUSE P.S.C

PUBLIC SHAREHOLDING COMPANY

ABU DHABI - UNITED ARAB EMIRATES

EXHIBIT D

INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 SEPTEMBER 2015

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

	For the period from 1 January 2015 to 30 September 2015 (Unaudited)	For the period from 1 January 2014 to 30 September 2014 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
(Loss) for the year - Exhibit B	(10,594,316)	(7,160,375)
Adjustment to reconcile net income to net cash provided by operating activities		
Net movement in re-insurance contract assets	(1,271,276)	3,059,203
Net movement in insurance contract liabilities	10,071,586	5,040,619
Realized (loss) from sale of investments	----	(10,374,568)
Depreciation of property and equipment	808,547	746,567
Provision for doubtful debts charged / (written back)	715,955	(680,336)
End of service benefits obligation	149,531	409,646
Interest income on fixed deposits and call account	(165,836)	(386,118)
Operating (loss) / profit before working capital changes	(285,809)	(9,345,362)
Changes in the components of working capital:		
Decrease / (increase) in insurance and other receivables	94,456	(12,546,624)
Decrease / (increase) in other current assets	56,463	(368,321)
Increase in insurance and other payables	2,601,447	3,128,888
Net cash flows from / (used in) operating activities	2,466,557	(19,131,419)
CASH FLOWS FROM INVESTING ACTIVITIES:		
(Increase) in fixed deposit	(10,152,083)	----
Decrease / (increase) in investments designated at fair value through profit and loss (FVTPL)	6,001,578	(21,531,137)
Decrease / (increase) in investments designated at fair value through other comprehensive income (FVTOCI)	330,172	(8,146,797)
Decrease in investment in associate	----	13,917,944
Proceeds from sale of investments	----	46,383,054
Purchase of property and equipment	(1,100,488)	(570,534)
(Decrease) in investment revaluation reserve	(1,265,989)	----
Decrease / (increase) in investments designated at amortized cost	29,434,783	(35,441,709)
Interest income on fixed deposits and call account	165,836	386,118
Net cash flows from / (used in) investing activities	23,413,809	(5,003,061)
CASH FLOWS FROM FINANCING ACTIVITIES :		
Decrease / (increase) in related parties - receivables	162,953	(826,382)
Shares buyback	----	(862,726)
(Decrease)/ increase in borrowings from banks	(17,640,000)	10,309,783
(Decrease) / increase in related parties - payables	(1,254,284)	1,128,116
Net cash flows (used in) / from financing activities	(18,731,331)	9,748,791
NET CASH FLOWS GENERATED / (USED IN) DURING THE PERIOD	7,149,035	(14,385,689)
Cash and cash equivalents at beginning of the period	13,275,562	24,942,876
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD - Note 4	20,424,597	10,557,187

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM FINANCIAL STATEMENTS

1. STATUS AND ACTIVITIES

a) **Insurance House P.S.C** is a public joint stock company registered and incorporated in the Emirate of Abu Dhabi, United Arab Emirates and is engaged in providing all classes of Non-Life insurance solutions in accordance with UAE Federal Law No 6 of 2007. The company was established on 8 December 2010 and commenced its operations on 10 April 2011. The company performs its activities through its head office in Abu Dhabi and branches located in Al Samha, Dubai, Sharjah, Al Mussafah and Mahawi.

The range of products and services offered by the company include but not limited to Motor, Workmen's Compensation, Property, Business Interruption, Money, Engineering, Plant and Equipment, General Accident, Liability, Marine, Travel and Medical insurances.

b) The registered office of the company is P.O. Box 129921 Abu Dhabi, United Arab Emirates.

c) The company's ordinary shares are listed in the Abu Dhabi Securities Exchange.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

a) In the current year, the Company has adopted the new and revised International Financial Reporting Standards (IFRSs) including the International Accounting Standards (IASs) and their interpretations that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2015.

b) At the date of authorization of these financial statements, the following Standards and Interpretations have been issued but not yet effective :

	Effective for annual periods beginning on or after
Amendments to IAS 19 Employee Benefits relating to defined benefit plans and employee contributions.	1 July 2014
Amendments to IAS 32 Financial Instruments: Presentation relating to offsetting financial assets and financial liabilities.	1 January 2014
Amendment IAS 36 Impairment of Assets relating to recoverable amount disclosures for non-financial assets.	1 January 2014

Amendments to IFRS 7 Financial Instruments: Disclosures relating to transition to IFRS 9.	1 January 2015
Amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements relating to investment entities and exemption of consolidation of particular subsidiaries.	1 January 2014
IFRIC 21 Levies.	1 January 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. *Interim Financial Statements Preparation Framework*

The interim financial statements have been prepared in accordance with International Financial Reporting Standards.

b. *Statement of compliance*

The interim financial statements have been prepared in accordance with International Financial Reporting standards (IFRS) and applicable requirements of UAE Federal Law No. 6 of 2007 concerning Insurance Companies and Agents.

c. *Basis of preparation*

The interim financial statements have been prepared on the historical cost basis, except for the measurement / revaluation of certain assets and financial instruments at a basis other than the historical cost. The significant accounting policies are set out below.

d. *Financial assets*

Financial assets are classified into the following specified categories: financial assets designated at fair value through other comprehensive income (FVTOCI), financial assets designated at fair value through profit or loss (FVTPL), financial assets designated at amortized cost, 'loans and receivables and cash and cash equivalents. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition or subsequent reclassification as the case may be.

i) *Cash and cash equivalents*

Cash comprises unrestricted cash in bank current and call accounts and bank fixed deposit. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

ii) *Insurance receivables*

Insurance receivables are stated at net realizable value. When an insurance receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the interim statement of income.

iii) *Loans and receivables*

Loans and receivables includes insurance and other receivables. Insurance receivables that either have or do not have a fixed or determinable payments and are not quoted in an active market, and other receivables are stated at net realizable value. The carrying values are not materially different from their fair value.

e. *Related parties*

Related parties are considered to be related because they have the ability to exercise control over the company or to exercise significant influence or joint control over the company's financial and operating decisions. Further, parties are considered related to the company when the company has the ability to exercise control, significant influence, or joint control over the financial and operating decisions of those parties. Transactions with related parties, normally, comprise of transfer of resources, services, or obligations between the parties. At the interim statement of financial position date, the related parties receivables and payables are stated at net realizable value.

f. *Financial assets designated at fair value through other comprehensive income (FVTOCI) and through profit and loss (FVTPL)*

At initial recognition, the company can make an irrevocable election (on an instrument - by - instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investments is held for trading.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, these are measured at fair value with gains and losses arising from changes in fair value recognized in other interim comprehensive income and accumulated in the investments revaluation reserve.

Financial assets are classified as FVTPL when they are held for trading which means they have been acquired principally for the purpose of selling in the near future. Financial assets of FVTPL are stated at their fair value, subsequent gains and losses arising from changes in fair value are recognized in interim statement of income.

g. *Financial assets designated at amortized cost*

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition or subsequent reclassification as the case may be.

Financial assets designated at amortized cost include debt instruments with fixed or determinable payments and fixed maturity dates that the company has the positive intent and ability to hold to collect contractual cash flows representing periodic repayments of principal and / or interest.

Investments are measured at amortized cost using the effective interest method less impairment. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period by discounting estimated future cash inflows through the expected life of the financial asset.

h. *Impairment of financial assets*

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each period. For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets.

With the exception of financial assets designated at fair value through other comprehensive income (FVTOCI), if, in a subsequent period, the amount of the impairment loss decreases due to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investments at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of financial assets designated at fair value through other interim comprehensive income (FVTOCI), impairment losses previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other interim comprehensive income.

i. *Property and equipment*

The property and equipment are carried in the interim statement of financial position at their cost less any accumulated depreciation and any accumulated impairment.

The depreciation charge for each period is recognized in the interim statement of comprehensive income. Depreciation is calculated on a straight line basis, which reflects the pattern in which the asset's future economic benefits are expected to be consumed by the company over the estimated useful life of the assets as follows:

Office equipment and decoration	4 years
Computers and software	3 - 4 years
Motor vehicles	4 years

The depreciation charge for each period is recognized in the interim statement of comprehensive income. The estimated useful lives, residual values and depreciation method are reviewed at each period-end, with the effect of any changes in estimate accounted for on a prospective basis.

The carrying values of property and equipment are reviewed for impairment when events or changes in the circumstances indicate the carrying value may not be recoverable. If any such indication of impairment exists, impairments losses are calculated in accordance with Note 3 (j).

On the subsequent derecognizing (sale or retirement) of the property and equipment, the resultant gain or loss, being the difference between the net disposal proceeds, if any, and the carrying amount, is included in the interim statement of income.

j. *Impairment of tangible assets*

At each interim statement of financial position date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have been impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any, being the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of asset's fair value less costs to sell and the value in use. The asset's fair value is the amount for which that asset could be exchanged between knowledgeable, willing parties in arm's length transaction. The value in use is the present value of the future cash flows expected to be derived from the asset. An impairment loss is recognized immediately in the interim statement of income, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount due to reversal should not be more than what the depreciated historical cost would have been if the impairment had not been recognized in prior periods. A reversal of an impairment loss is recognized immediately in the interim statement of comprehensive income unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

k. *Financial liabilities*

Financial liabilities includes borrowings from banks, insurance contract liabilities and Insurance and other payables. Insurance payables that have fixed or determinable payments that are not quoted in an active market and other payables are stated at cost. The carrying values are not materially different from their fair value.

l. *Borrowing costs*

Borrowing costs include interest on bank borrowings, amortization of discounts or premiums on borrowings, amortization of ancillary costs incurred in the arrangement of borrowings, and finance charges on finance leases.

Borrowing costs are expensed in the period in which they are incurred.

m. *End of service benefits obligation*

End of service benefits obligation for employees is accounted for in accordance with U.A.E. Labour Law.

n. *Treasury shares*

Treasury shares consist of the company's own shares that have been issued, subsequently repurchased by the company and not yet reissued or cancelled. These shares are accounted for using the cost method. Under the cost method the average cost of the share repurchased is shown as deduction from the total shareholder's equity. When these shares are reissued, gains are credited to a separate capital reserve in shareholders' equity, which is non - distributable. Any realized losses are charged directly to retained earnings. Gains realized on the sale of reissued shares are first used to offset any previously recorded losses in the order of retained earning and the capital reserve account. No cash dividend are paid on these shares.

o. *Statutory reserve*

Pursuant to the Company's Articles of Association, 10% of net profit for the period to be withheld annually and retained in the statutory reserve account. The deduction shall be suspended when the balance in this reserve account amounts to at least 50% of the company's capital and is not available for distribution for shareholders'.

p. *Revenue recognition*

Recognition and measurement

Insurance contracts are classified into two main categories, depending on the duration of risk and whether or not the terms and constitutions are fixed.

These contracts are casualty and property insurance contracts.

Casualty insurance contracts protects the company's customers against the risk of causing harm to third parties as a result of their legitimate activities. Damages covered include both contractual and non contractual events. The typical protection offered is designed for employers who become legally liable to pay compensation to injured employees (employers liability) and for individual and business customers who become liable to pay compensation to a third party for bodily harm or property damage (public liability).

Property insurance contracts mainly compensate the company's customers for damage suffered to their properties or for the value of property lost. Customers who undertake commercial activities on their premises could also receive compensation for the loss of earnings caused by the inability to use the insured properties in their business activities (business interruption cover).

For all these insurance contracts, premium are recognized as revenue (earned premiums) proportionally over the period of coverage. The portion of premium received on in force contracts that relates to unexpired risks at the financial position date is reported as the unearned premium liability.

Claims and loss adjustments expenses are charged to profit or loss as incurred based on the estimated liability for compensation owed to contracts holders or third parties damaged by the contracts holders.

Re-insurance contracts held

Contracts entered into by the company with reinsurers under which the company is compensated for losses on one or more contracts issued by the company and that meet the classification requirements of reinsurance contracts are classified as re-insurance contracts held. Contracts that do not meet these classification requirements are classified as financial assets. Insurance contracts entered into by the company under which the contract holder is another insurer are included with insurance contracts. The benefits to which the company is entitled under its re - insurance contract held is recognized as re-insurance contract assets. The company assesses its re-insurance contract assets for impairment on a regular basis. If there is objective evidence that the re-insurance contract asset is impaired, the company reduces the carrying amount of the re -insurance contract assets to its recoverable amount and recognizes that impairment loss in the profit or loss. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in accordance with the terms of each reinsurance contract.

Insurance contract liabilities

Insurance contract liabilities towards outstanding claims are made for all claims intimated to the company and still unpaid at the end of the reporting period, in addition to claims incurred but not reported. The unearned premium considered in the insurance contract liabilities comprise the estimated proportion of the gross premiums written which relates to the periods of insurance subsequent to the financial position date and is estimated using the time proportionate method. The unearned premium calculated by the above method (after reducing the reinsurance share) complies with the minimum unearned premium amounts to be maintained pursuing the 25% and 40% method for marine and non - marine business respectively, as required by UAE Federal Law No. 6 of 2007, as amended, concerning insurance companies and agents. The unearned premium calculated by the time proportionate method accounts for the estimated acquisition costs incurred by the company to acquire policies and defers these over the life of the policy.

The re-insurers' portion towards the above outstanding claims, claims incurred but not reported and unearned premium is classified as re-insurance contract assets in the financial statements.

Salvage and subrogation reimbursements

Estimates of salvage and subrogation reimbursements are considered as an allowance in the measurement of the insurance liability for claims.

Receivables and payables related to insurance contracts

Receivables and payables are recognized when due. These include amounts due to and from agents, brokers and insurance contract holders.

If there is objective evidence that the insurance receivable is impaired, the company reduces the carrying amount of the insurance receivable accordingly and recognizes that impairment loss in profit or loss.

Interest income

Interest income from bank call account, fixed deposits and bonds are accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

q. *Foreign currencies*

The interim financial statements are presented in the UAE Dirhams (AED) which is the company's functional currency. In preparing the financial statements, transactions in currencies other than the company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each interim statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the interim statement of financial position date (closing rate). Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous interim financial statements shall be recognized in the interim statement of comprehensive income in the period in which they arise.

r. *Contingent liabilities*

Contingent liabilities are possible obligations depending on whether some uncertain future events occur, or they are present obligations but payments are not probable or the amounts cannot be measured reliably. Contingent liabilities are not recognized in the interim financial statements.

s. *Critical accounting judgments and key sources of estimation uncertainty*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

i) *The ultimate liability arising from claims made under insurance contracts*

The estimation of ultimate liability arising from the claims made under insurance contracts is the company's most critical accounting estimate. There are sources of uncertainty that need to be considered in the estimate of the liability that the company will eventually pay for such claims. Estimates have to be made at the end of the reporting period both of the expected ultimate cost of claims reported as well as the expected ultimate cost of claims incurred but not reported ("IBNR"). Liabilities for unpaid reported claims are estimated using the input of assessments for individual cases reported to the company and management estimates based on past claims settlement trends for the claims incurred but not reported. At the end of each reporting period, prior period claims estimates are reassessed for adequacy and changes are made to the provision.

ii) *Liability adequacy test*

At the end of each reporting period, liability adequacy tests are performed to ensure the adequacy of insurance contract liabilities. The company makes use of the best estimates of future contractual cash flows and claims handling and administration expenses, as well as investments income from the assets backing such liabilities in evaluating the adequacy of the liability. Any deficiency is immediately charged to the profit or loss.

iii) *Provision for doubtful debts*

Management has estimated the recoverability of trade receivables and has considered the provision required for doubtful receivables, on the basis of prior experience and current economic situations.

4. CASH AND CASH EQUIVALENTS

a) This item consists of the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Cash at banks - current accounts	**5,535,800**	7,217,566
Cash at bank - call account	**15,846,665**	6,057,996
Less: credit balance per books	**(957,868)**	----
Net - Exhibit A & D	**20,424,597**	13,275,562

b) Cash at banks includes current accounts and call account balances amounting to AED 14,729,409 as of 30 September 2015 held with two financial institutions which are related parties (call account balances are interest bearing) (31 December 2014 : AED 8,751,698).

5. INSURANCE AND OTHER RECEIVABLES

a) This item consists of the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Due from policy holders - Note 5 (b)	**24,656,270**	18,977,912
Due from insurance and re insurance companies	**6,564,353**	10,667,805
Due from brokers and agencies	**17,192,135**	12,989,890
Total	**48,412,758**	42,635,607
Claims receivables	**8,763,014**	14,601,621
Margin on letters of guarantee	**258,000**	291,000
Refundable deposits	**23,000**	23,000
Related parties - receivables - Note 21 (a)	**111,232**	274,185
Provision for doubtful debts - Note 5 (c)	**(1,405,778)**	(689,823)
Net - Exhibit A	**56,162,226**	57,135,590

b) The aging for the trade receivables is as the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
1 - 30 days	**3,488,603**	5,805,523
31 - 60 days	**10,458,157**	3,640,740
61 - 90 days	**9,310,557**	11,824,125
91 - 120 days	**10,660,532**	3,914,722
More than 120 days	**14,494,908**	17,450,497
Total - Note 5 (a)	**48,412,758**	42,635,607

The company in the normal course of business deals with various customers in UAE. Five customers' balances amounting to AED 18,136,822 constitute 37.46 % of the outstanding receivables as of 30 September 2015 (31 December 2014 : AED 11,897,490, 27.91%, five customers).

c) *Provision for doubtful debts:-*
This item consists of the following :

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Beginning balance	**(689,823)**	(1,215,526)
Charge for the period / year	**(715,955)**	----
Written back	----	525,703
Ending balance - Note 5 (a)	**(1,405,778)**	(689,823)

6. OTHER CURRENT ASSETS

This item consists of the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Accrued interest and dividends income	**2,177,603**	1,332,528
Prepaid expenses	**3,378,091**	4,279,629
Total - Exhibit A	**5,555,694**	5,612,157

7. INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH PROFIT AND LOSS

The company has chosen to designate the investments in quoted UAE shares at FVTPL and FVTOCI as per the accepted early adoption of IFRS 9 as it intends to hold the investments for short, medium to long-term period. The company has classified investments designated at fair value through profit and loss as follows :

EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE - THROUGH PROFIT AND LOSS (FVTPL)

Changes in investments designated at fair value through income statement (FVTPL) for the period as follows:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Fair value at the beginning of the period / year	**17,737,576**	30,743,344
Additions during the period / year	**3,071,513**	21,531,137
Disposals during the period / year	**(9,140,033)**	(33,000,331)
Increase / (decrease) in fair value taken to interim income statement - Exhibit B	**66,942**	(1,536,574)
Fair value at the end of the period / year - Exhibit A	**11,735,998**	17,737,576

8. INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH - OTHER COMPREHENSIVE INCOME (FVTOCI)

a) This item consists of the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Unquoted shares	**7,917,944**	7,917,944
Quoted shares	**10,670,181**	11,000,353
Total - Exhibit A & Note 8 (b)	**18,588,125**	18,918,297

b) Changes in investments designated at fair value through other comprehensive income (FVTOCI) for the period / year as follows:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Fair value at the beginning of the period / year	**18,918,297**	14,643,548
Additions during the period / year	**1,403,617**	8,651,798
Disposals during the period / year	**(428,000)**	(3,923,803)
(Decrease) / increase in fair value taken to other interim comprehensive income - Exhibit B	(1,305,789)	(453,246)
Fair value at the end of the period / year -Note 8 (a)	**18,588,125**	18,918,297

c) The investments mentioned above includes investments in Finance House P.J.S.C shares amounting to AED 6,017,231 (fair value) as of 30 September 2015 (31 December 2014 : AED 7,492,853). Finance House P.J.S.C is considered as one of the major share holders.

9. INVESTMENTS DESIGNATED AT AMORTIZED COST

a) This item consists of the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Unquoted debt instruments	**20,275,000**	27,725,000
Quoted debt instruments	**78,078,076**	100,062,859
Total - Exhibit A	**98,353,076**	127,787,859

b) The geographical distribution of investments designated at amortized cost with local and foreign companies are as follows:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Within UAE	**76,319,641**	91,109,120
Outside UAE	**22,033,435**	36,678,739
Total - Exhibit A	**98,353,076**	127,787,859

c) Investments designated at amortized cost within UAE includes an amount of AED 9,250,000 as of 30 September 2015 held with a financial institution which is considered as a related party.

10. STATUTORY DEPOSIT

In accordance with the requirement of Federal Law No. 6 of 2007, concerning Insurance Companies and Agents, the company maintains a bank deposit amounting to AED 6,000,000 as of 30 September 2015 and it cannot be utilized without the consent of the UAE Insurance Regulatory Authority.

11. **PROPERTY AND EQUIPMENT**

The details of cost, accumulated depreciation and respective carrying amounts of various categories of property and equipment are as follows:

	Office equipment and decoration	Computers and software	Motors vehicles	Total
COST				
At 1 January 2015 (Audited)	2,372,294	1,997,767	196,021	4,566,082
Additions	**1,082,716**	**17,772**	----	**1,100,488**
At 30 September 2015 (Unaudited)	**3,455,010**	**2,015,539**	**196,021**	**5,666,570**
ACCUMULATED DEPRECIATION				
At 1 January 2015 (Audited)	(1,194,171)	(1,345,302)	(128,093)	(2,667,566)
Charge for the period	(**478,556**)	(**293,338**)	(**36,653**)	(**808,547**)
At 30 September 2015 (Unaudited)	(**1,672,727**)	(**1,638,640**)	(**164,746**)	(**3,476,113**)
NET BOOK VALUE				
At 31 December 2014 - Exhibit A (Audited)	1,178,123	652,465	67,928	1,898,516
At 30 September 2015 - Exhibit A (Unaudited)	**1,782,283**	**376,899**	31,275	**2,190,457**

12. BORROWINGS FROM BANKS

These loans are obtained against financial assets held at amortized cost. Loan payments will mature during the next 12 months, or will be automatically renewed for similar period and the interest rate between 1% to 1.5%.

13. INSURANCE CONTRACT LIABILITIES AND - RE-INSURANCE CONTRACT ASSETS

a) *Recoverable from re-insurance*

This item consists of the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Re-insurance contract assets	**12,020,722**	10,749,446
Total - Exhibit A	**12,020,722**	10,749,446

b) *Insurance contract liabilities*

This item consists of the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Claims reported unsettled	**25,975,066**	29,682,580
Unearned premiums reserve	**42,797,647**	30,974,232
I.B.N.R Reserve	**1,847,572**	1,585,467
U.R.R Reserve	**1,693,580**	----
Total - Exhibit A	**72,313,865**	62,242,279

14. INSURANCE AND OTHER PAYABLES

This item consists of the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Due to insurance and reinsurance companies	**16,588,590**	11,844,827
Claims payable	**2,334,425**	4,492,009
Accrued other expenses	**642,661**	627,393
Related parties - payables - Note 21 (b)	**1,750,000**	3,004,284
Total - Exhibit A	**21,315,676**	19,968,513

15. SHARE CAPITAL

The share capital of the company as per Articles of Association is AED 120,000,000 (**Exhibit A**) divided into 120,000,000 shares of AED 1 par value per share.

During 2013, the company obtained the necessary regulatory approvals to undertake a share buy-back program. A total of 1,198,500 shares were purchased from the market at an average price of AED 1.383 per share amounting to AED 1,657,687.

16. OPERATING EXPENSES

This item consists of the following :

	For the period from 1 January 2015 to 30 September 2015 (Unaudited)	For the period from 1 January 2014 to 30 September 2014 (Unaudited)
Commission expenses	**8,608,193**	5,634,865
Claims paid	**50,039,414**	69,830,529
Outstanding claims expenses	**9,807,141**	6,083,105
Other expenses	**2,404,915**	2,777,965
Total - Exhibit B	70,859,663	84,326,464

17. GENERAL AND ADMINISTRATIVE EXPENSES

This item consists of the following :

	For the period from 1 January 2015 to 30 September 2015 (Unaudited)	For the period from 1 January 2014 to 30 September 2014 (Unaudited)
Salaries and related benefits	**12,771,868**	12,305,166
Bank charges	**169,939**	187,273
Government fees	**967,893**	768,369
Telephone and postage	**258,189**	217,658
Depreciation of property and equipment - Note 11	**808,547**	746,567
Miscellaneous expenses	**5,895,980**	5,055,525
Total - Exhibit B	20,872,416	19,280,558

18. OTHER INCOME

This item consists of the following :

	For the period from 1 January 2015 to 30 September 2015 (Unaudited)	For the period from 1 January 2014 to 30 September 2014 (Unaudited)
Interest income on fixed deposits and call account (net)	**165,836**	386,118
Interest from fixed income securities	**4,687,889**	3,013,857
Unrealized gain on revaluation of investments (FVTPL)	**66,942**	1,072,207
Realized profit from sale of investments	**450,981**	10,374,568
Dividend income on investment in financial assets	**1,656,421**	476,815
Total - Exhibit B	**7,028,069**	15,323,565

19. (LOSS) / EARNINGS PER ORDINARY SHARE

This item consists of the following:

	For the period from 1 January 2015 to 30 September 2015 (Unaudited)	For the period from 1 January 2014 to 30 September 2014 (Unaudited)
(Loss) for the period	**(10,594,316)**	(7,160,375)
Weighted number of shares in issue throughout the period	**118,342,313**	118,342,313
Basic (loss) / earnings per share	**(0.0895)**	(0.0605)

20. RISK MANAGEMENT

The company monitors and manages the financial risks relating to its business and operations. These risks include insurance risk, capital risk, credit risk, interest rate risk, market risk, foreign currency risk and liquidity risk.

The company seeks to minimize the effects of these risks by diversifying the sources of its capital. It maintains timely reports about its risk management function and monitors risks and policies implemented to mitigate risk exposures.

a) *Insurance risk*

The risk under any one insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the company faces under its insurance contracts is that the actual claims and benefit payments exceed the estimated amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater that estimated. Insurance events are random and the actual number and amount of claims and benefits will vary from period to period from the estimate established using statistical techniques.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative variability about the expected outcome will be. In addition, a more diversified portfolio is less likely to be affected across the board by a change in any subset of the portfolio. The company has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The company manages risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. The underwriting strategy attempts to ensure that the underwritten risks are well diversified in terms of type and amount of risk, industry and geography. Underwriting limits are in place to enforce appropriate risk selection criteria.

b) *Capital risk*

The company's objectives when managing capital are :

- To comply with the insurance capital requirements required by UAE Federal Law No. 6 of 2007 concerning the formation of Insurance Authority of UAE.
- To safeguard the company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders.
- To provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk.

In UAE, the local insurance regulator specifies the minimum amount and type of capital that must be held by the company in relation to its insurance liabilities. The minimum required capital (presented in the table below) must be maintained at all times throughout the period. The company is subject to local insurance solvency regulations with which it has complied with during the period.

The table below summarizes the minimum regulatory capital of the company and the total capital held.

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Total shareholders' equity	**107,343,283**	119,203,588
Minimum regulatory capital	**100,000,000**	100,000,000

c) *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company.

Key areas where the company is exposed to credit risk are :

- Re-insurers' share of insurance liabilities.
- Amounts due from reinsurers in respect of claims already paid.
- Amounts due from insurance contract holders.
- Amounts due from insurance intermediaries (Note 5 (b))
- Amounts due from banks for its balances and fixed deposits (Note 4 (b)).

The company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counter party limits that are reviewed and approved by the management annually.

Re-insurance is used to manage insurance risk. This does not, however, discharge the company's liability as primary insurer. If a re-insurer fails to pay a claim for any reason, the company remains liable for the payment to the policy holder. The creditworthiness of re-insurers is considered on an annual basis by reviewing their financial strength prior to finalization of any contract.

The company maintains record of the payment history for significant contract holders with whom it conducts regular business. The exposure to individual counterparties is also managed by other mechanisms, such as the right of offset where counterparties are both debtors and creditors of the company. Management information reported to the company includes details of provisions for impairment on insurance receivables and subsequent write offs . Exposures to individual policy holders and groups of policy holders are collected within the ongoing monitoring of the controls. Where there exists significant exposure to individual policy holders, or homogenous groups of policy holders, a financial analysis equivalent to that conducted for re-insurers is carried out by the company.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the company's maximum exposure to credit risk for such receivables and liquid funds.

d) *Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rate. The company is exposed to interest rate risk on call and fixed deposits, financial assets such as bonds and borrowings from banks. The interest rates are subject to periodic revisions.

e) *Market risk*

Market prices risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issue or factors affecting all instruments traded in the

The company is exposed to market risk with respect to its investments in financial assets held for trading and investments designated at fair value through other comprehensive income.

f) *Foreign currency risk*

The company undertakes certain transactions denominated in foreign currencies, which imposes sort of risk due to fluctuations in exchange rates during the period. The UAE Dirham is effectively pegged to the US Dollar, thus foreign currency risk occurs only in respect of other currencies. The company maintains policies and procedures to manage the exchange rate risk exposure.

g) *Liquidity risk*

The company's board of directors adopted an appropriate liquidity risk management framework as the responsibility of liquidity risk management rests with them.

NOTES TO INTERIM FINANCIAL STATEMENTS

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

The following table shows the maturity dates of company's financial assets and liabilities as at 30 September 2015 (Unaudited).

Financial assets	**Less than 1 year**	**More than 1 year**	**Total**
Non - interest bearing	72,476,156	18,588,125	91,064,281
Interest bearing	25,998,748	104,353,076	130,351,824
Total	98,474,904	122,941,201	221,416,105
Financial liabilities			
Non - interest bearing	21,315,676	----	21,315,676
Interest bearing	39,186,525	----	39,186,525
Total	60,502,201	----	60,502,201

The following table shows the maturity dates of company's financial assets and liabilities as at 31 December 2014 (Audited).

Financial assets	Less than 1 year	More than 1 year	Total
Non - interest bearing	82,090,732	18,918,297	101,009,029
Interest bearing	6,057,996	133,787,859	139,845,855
Total	88,148,728	152,706,156	240,854,884
Financial liabilities			
Non - interest bearing	19,968,513	----	19,968,513
Interest bearing	56,826,525	----	56,826,525
Total	76,795,038	----	76,795,038

NOTES TO INTERIM FINANCIAL STATEMENTS

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

21. **RELATED PARTIES**

The company in the normal course of business conducts transactions with the following entities which fall within the definition of related parties in accordance to International Financial Reporting Standards. The transactions with these related parties are primarily financing in nature as follows :

a) *RELATED PARTIES - RECEIVABLES*

This item consists of the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Mr. Mohammad Abdulla Al Qubaisi	55,367	----
Finance House P.J.S.C	53,042	274,185
Finance House Securities L.L.C	1,068	----
Islamic Finance House Pvt. J.S.C	1,755	----
Total - Note 5 (a)	111,232	274,185

b) *RELATED PARTIES - PAYABLES*

This item consists of the following:

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Mr. Mohammad Abdulla Al Qubaisi	----	2,689
Finance House P.J.S.C	----	----
Islamic Finance House Pvt. J.S.C	----	1,595
FH Capital Limited (D.I.F.C)	1,750,000	3,000,000
Total - Note 14	1,750,000	3,004,284

c) Finance House P.J.S.C is one of the major share holders of the company as of 30 September 2015. FH Capital Ltd. (D.I.F.C), Finance House Securities L.L.C and Islamic Finance House PVT. J.S.C are subsidiaries of Finance House P.J.S.C.

d) *Significant transactions with related parties during the period are as follows :*

This item consists of the following :

	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Gross premiums written	2,709,119	5,100,759
Purchase of shares	7,593,317	67,718,175
Cash at bank - current account	1,386,817	2,169,743
Cash at bank - call account	13,342,592	6,057,996
Margin on letters of guarantee	183,000	291,000
(Disposal) / purchase of Sukuk	(7,450,000)	16,700,000

22. SEGMENT INFORMATION

a) For operating purposes, the company is organized into two business segments:

Underwriting of general insurance business - incorporating all classes of general insurance viz, fire, marine, motor, general accident and medical.

Investments - incorporating investments in UAE marketable equity securities, term deposits with banks, overseas managed portfolios and other securities.

Primary segment information - business segment
the following is an analysis of the company's revenue and results by operating segment:

	Underwriting		Investments and Others		Total	
	30 September 2015 (Unaudited)	30 September 2014 (Unaudited)	**30 September 2015 (Unaudited)**	30 September 2014 (Unaudited)	**30 September 2015 (Unaudited)**	30 September 2014 (Unaudited)
Segment revenue	**94,222,514**	76,876,852	**7,028,069**	15,323,565	**101,250,583**	92,200,417
Segment result	**3,250,031**	(3,203,382)	**7,028,069**	15,323,565	**10,278,100**	12,120,183
Unallocated expenses					**(20,872,416)**	(19,280,558)
(Loss) for the period					**(10,594,316)**	(7,160,375)

NOTES TO INTERIM FINANCIAL STATEMENTS

(AMOUNTS ARE EXPRESSED IN U.A.E. DIRHAMS)

b) The following is analysis of the company's assets and liabilities by operating segment:-

	Underwriting		Investments		Total	
	30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2015 (Unaudited)	31 December 2014 (Audited)	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Segment assets	**90,817,896**	81,453,705	144,829,282	170,443,732	**235,647,178**	251,897,437
Unallocated assets					**5,535,800**	7,217,566
Total assets					**241,182,978**	259,115,003
Segment liabilities	**92,986,880**	81,583,399	**39,186,525**	56,826,525	**132,173,405**	138,409,924
Unallocated liabilities					**1,666,290**	1,501,491
Total liabilities					**133,839,695**	139,911,415

There are no transactions between the business segments.

c) Secondary segment information - revenue from underwriting departments

The following is an analysis of the company's revenue classified by major underwriting departments

	30 September 2015 (Unaudited)	30 September 2014 (Unaudited)
Non - Marine	**26,947,921**	26,657,341
Marine	**964,414**	365,253
Medical and personal assurance	**66,310,179**	49,854,258
Total - Exhibit B	**94,222,514**	76,876,852

23. FINANCIAL ASSETS AND LIABILITIES

This item consists of the following:	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Financial assets		
Cash and cash equivalents	**20,424,597**	13,275,562
Fixed deposit	**10,152,083**	----
Insurance and other receivables	**56,162,226**	57,135,590
Investments designated at fair value through income statement (FVTPL)	**11,735,998**	17,737,576
Investments designated at fair value through other comprehensive income (FVTOCI)	**18,588,125**	18,918,297
Investments designated at amortized cost	**98,353,076**	127,787,859
Statutory deposit	**6,000,000**	6,000,000
Total	**221,416,105**	240,854,884
Financial liabilities		
Borrowings from banks	**39,186,525**	56,826,525
Insurance and other payables	**21,315,676**	19,968,513
Total	**60,502,201**	76,795,038

24. CONTINGENT LIABILITIES

This item consists of the following:	30 September 2015 (Unaudited)	31 December 2014 (Audited)
Letters of guarantee	**6,807,315**	7,336,000

25. COMPARATIVE FIGURES

The interim financial statements are for the period of 9 months (Interim statement of financial position), compared to the period of 12 months therefore comparability cannot be accurate.

Certain comparative figures have been reclassified to comply with the interim financial statements presentation for the current period.

26. GENERAL

The figures in the interim financial statements are rounded to the nearest Dirham of United Arab Emirates.

27. APPROVAL OF FINANCIAL STATEMENTS

The interim financial statements were approved by the Board of Directors and authorized for issue in their meeting on 2 November 2015.