

**Al Wathba National Insurance
Company (PJSC)**

**BOARD OF DIRECTORS' REPORT AND
INTERIM CONDENSED FINANCIAL
STATEMENTS (UNAUDITED)**

31 MARCH 2016

**Al Wathba National Insurance
Company (PJSC)**

BOARD OF DIRECTORS' REPORT

31 MARCH 2016



Board of Directors' Report on the Company Business For the Period Ended 31 March 2016

The Board of Directors of Al Wathba National Insurance Company (the "Company") is pleased to submit the quarterly report of the Company's activities accompanied by the financial statements reviewed by the external auditors for the period ended 31 March 2016.

The general trend in the overall economy during the current period of the first quarter of 2016 was characterized by retraction and slowdown which was evident from the results of listed companies in the financial market. This has been reflected in the results of companies and banks which announced its results for the period that showed a slight declined compared to the year 2015 in the same period.

Al Wathba National Insurance Company's underwriting results is reflective of its precautionary policy that helped during the last period by maintaining the level of the company's results. This also continued during the first quarter of this year where the company achieved a net underwriting income of AED 2.551 million compared to AED 2.339 million for the year 2015 for the same period.

It is worth noting that the company's management under the guidance of the Board of Directors has adopted a more conservative approach in underwriting policy in order to ensure the achievement of positive results despite severe competitive conditions taking place in the local insurance market which has affected the results of the business sector in general and health insurance in particular.

In terms of investment, the company achieved a net investment return of AED 31.631 million compared to AED 4.369 million in 2015 for the same period.

During the first quarter of 2016 the company had achieved a net profit of AED 34.182 million compared to AED 6.708 million dirhams in 2015; an increase of 410%.



Finally, the Board of Directors seizes this opportunity to express its highest thanks and appreciation to H.H Shiekh Khalifa Bin Zayed Al Nahyan, President of UAE and Ruler of Abu Dhabi and H.H Shiekh Mohamed Bin Rashid Al Maktoum, the Vice President , Prime Minister and the ruler of Dubai and H.H Sheikh Mohammed Bin Zayed Al Nahyan, the Crown Prince and to all the rulers of the Emirates for their steadfast support for the progress of this country, all its economic institutions and Al Wathba National Insurance Company.

The Board of Directors likewise extends its appreciation and gratitude to all the company's shareholders and customers for their trust and continued support, and to all staff for their dedication and contribution to the company's performance during the last period.

Board Member

**Al Wathba National Insurance
Company (PJSC)**

INTERIM CONDENSED FINANCIAL
STATEMENTS (UNAUDITED)

31 MARCH 2016

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO

THE BOARD OF DIRECTORS OF AL WATHBA NATIONAL INSURANCE COMPANY PJSC

Introduction

We have reviewed the accompanying interim condensed financial statements of Al Wathba National Insurance Company PJSC (“the Company”) as at 31 March 2016 comprising of the interim statement of financial position as at 31 March 2016, and the related interim statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of review

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

Conclusion

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



Signed by:
Mohammad Mobin Khan
Partner
Ernst & Young
Registration No 532

15 May 2016
Abu Dhabi

Al Wathba National Insurance Company (PJSC)

INTERIM STATEMENT OF FINANCIAL POSITION

As at 31 March 2016 (unaudited)

		<i>31 March 2016 (Unaudited) AED 000</i>	<i>31 December 2015 (Audited) AED 000</i>
	<i>Notes</i>		
ASSETS			
Cash and bank balances	9	91,794	85,542
Investments carried at fair value through other comprehensive income	5	197,497	190,544
Investments carried at fair value through profit or loss	6	309,618	295,105
Investments at amortised cost	4	5,000	5,000
Insurance receivables and prepayments	7	158,574	96,379
Reinsurance contracts assets	8	218,491	162,926
Investment properties		338,017	338,017
Investment in associates		130,592	131,918
Property and equipment		<u>6,967</u>	<u>7,305</u>
TOTAL ASSETS		<u>1,456,550</u>	<u>1,312,736</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	10	207,000	207,000
Legal reserve		76,146	76,146
Statutory reserve		51,750	51,750
General reserve		23,323	23,323
Capital reserve		9,959	9,959
Investment revaluation reserve		8,584	2,236
Retained earnings		<u>438,602</u>	<u>404,420</u>
Total equity		<u>815,364</u>	<u>774,834</u>
LIABILITIES			
Employees' end of service benefits		9,225	9,147
Insurance contract liabilities	8	372,823	296,877
Bank overdrafts	9	105,426	124,059
Trade and other payables		<u>153,712</u>	<u>107,819</u>
Total liabilities		<u>641,186</u>	<u>537,902</u>
TOTAL EQUITY AND LIABILITIES		<u>1,456,550</u>	<u>1,312,736</u>

BOARD MEMBER

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

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

Al Wathba National Insurance Company (PJSC)

INTERIM INCOME STATEMENT

Period ended 31 March 2016 (unaudited)

	Notes	<i>Three months ended 31 March</i>	
		<i>2016</i>	<i>2015</i>
		<i>AED 000</i>	<i>AED 000</i>
Gross premiums written		142,753	169,116
Change in unearned premium provision		<u>(68,329)</u>	<u>(82,916)</u>
Premium income earned		<u>74,424</u>	<u>86,200</u>
Reinsurance premium ceded		(83,472)	(44,723)
Change in unearned premium provision		<u>38,701</u>	<u>8,028</u>
Reinsurance ceded		<u>(44,771)</u>	<u>(36,695)</u>
Net premium earned		<u>29,653</u>	<u>49,505</u>
Gross claims paid		(54,364)	(81,168)
Less: claims recovered from reinsurers		<u>20,114</u>	<u>37,157</u>
Net claims paid		(34,250)	(44,011)
Net movement in provision for outstanding claims		4,634	6,514
Net movement in claims incurred but not reported		<u>4,613</u>	<u>-</u>
Net claims incurred		<u>(25,003)</u>	<u>(37,497)</u>
Gross commission earned		18,815	10,850
Less: commission incurred		<u>(11,010)</u>	<u>(9,829)</u>
Net commission earned		<u>7,805</u>	<u>1,021</u>
Underwriting income		<u>12,455</u>	<u>13,029</u>
General and administrative expenses relating to underwriting		<u>(9,904)</u>	<u>(10,690)</u>
Net underwriting income		<u>2,551</u>	<u>2,339</u>
Other expenses		(1,149)	(1,227)
Net investment income	11	33,715	7,951
Share of profit (loss) of associates		77	(1,874)
Finance costs		<u>(1,012)</u>	<u>(481)</u>
PROFIT FOR THE PERIOD		<u>34,182</u>	<u>6,708</u>
Basic and diluted earnings per share	12	<u>0.17</u>	<u>0.03</u>

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

Al Wathba National Insurance Company (PJSC)

INTERIM STATEMENT OF COMPREHENSIVE INCOME

Period ended 31 March 2016 (unaudited)

	<i>Three months ended 31 March 2016 AED 000</i>	<i>Three months ended 31 March 2015 AED 000</i>
Profit for the period	34,182	6,708
Other comprehensive income (loss)		
Items that will not be reclassified to statement of income:		
Share of other comprehensive income of associates	(605)	(5,305)
Changes in fair value relating to investments carried at fair value through other comprehensive income, net	<u>6,953</u>	<u>(24,295)</u>
Other comprehensive income (loss) for the period	<u>6,348</u>	<u>(29,600)</u>
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>40,530</u>	<u>(22,892)</u>

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

Al Wathba National Insurance Company (PJSC)

INTERIM STATEMENT OF CHANGES IN EQUITY

Period ended 31 March 2016 (unaudited)

	<i>Share capital AED 000</i>	<i>Legal reserve AED 000</i>	<i>Statutory reserve AED 000</i>	<i>General reserve AED 000</i>	<i>Capital reserve AED 000</i>	<i>Investment revaluation reserve AED 000</i>	<i>Retained earnings AED 000</i>	<i>Total equity AED 000</i>
Balance at 1 January 2015	207,000	74,330	51,750	23,323	9,959	89,887	416,366	872,615
Profit for the period	-	-	-	-	-	-	6,708	6,708
Other comprehensive loss	-	-	-	-	-	(29,600)	-	(29,600)
Total comprehensive loss	-	-	-	-	-	(29,600)	6,708	(22,892)
Balance at 31 March 2015	<u>207,000</u>	<u>74,330</u>	<u>51,750</u>	<u>23,323</u>	<u>9,959</u>	<u>60,287</u>	<u>423,074</u>	<u>849,723</u>
Balance at 1 January 2016	207,000	76,146	51,750	23,323	9,959	2,236	404,420	774,834
Profit for the period	-	-	-	-	-	-	34,182	34,182
Other comprehensive income	-	-	-	-	-	6,348	-	6,348
Total comprehensive income	-	-	-	-	-	6,348	34,182	40,530
Balance at 31 March 2016	<u>207,000</u>	<u>76,146</u>	<u>51,750</u>	<u>23,323</u>	<u>9,959</u>	<u>8,584</u>	<u>438,602</u>	<u>815,364</u>

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

Al Wathba National Insurance Company (PJSC)

INTERIM STATEMENT OF CASH FLOWS

Period ended 31 March 2016 (unaudited)

	Notes	<i>Three months ended 31 March 2016 AED 000</i>	<i>Three months ended 31 March 2015 AED 000</i>
OPERATING ACTIVITIES			
Profit for the period		34,182	6,708
Adjustments for:			
Net movement in unearned premiums reserve		29,628	74,888
Change in outstanding claims and claims incurred but not reported reserves		7,617	(19,340)
Change in reinsurance share of outstanding claims and claims incurred but not reported reserves		(16,864)	12,826
Reversal of (provision on) insurance receivable, net		186	(1,557)
Change in fair value of investments carried at fair value through profit or loss	11	(17,234)	6,648
Gain on disposal of investments carried at fair value through profit or loss	11	(6,967)	(6,069)
Provision for employees end of service benefits		269	1,217
Depreciation of property and equipment		431	390
Gain on disposal of property and equipment		(1)	-
Share of (profit) loss of associates		(77)	1,874
Finance costs		1,012	481
Dividend income		(6,305)	(5,106)
Interest income		(217)	(94)
		<u>25,660</u>	<u>72,866</u>
Working capital changes:			
Insurance receivables and prepayments		(62,381)	(78,992)
Trade and other payables		45,893	(1,694)
Cash from (used in) operations		9,172	(7,820)
Finance costs paid		(1,012)	(481)
Employees' end of service benefits paid		(191)	(59)
Net cash from (used in) operating activities		<u>7,969</u>	<u>(8,360)</u>
INVESTING ACTIVITIES			
Purchase of property and equipment		(104)	(262)
Proceeds from disposal of property and equipment		12	-
Purchase of investments carried at fair value through other comprehensive income	5	-	(12,920)
Purchase of investments carried at fair value through profit or loss	6	(93,841)	(9,308)
Proceeds from disposal of investments carried at fair value through profit or loss		103,529	47,059
Term deposits		(3,495)	32,499
Interest received		217	94
Dividends received		6,305	5,106
Dividend received from associates		798	654
Net cash from investing activities		<u>13,421</u>	<u>62,922</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		21,390	54,562
Cash and cash equivalents at the beginning of the period		<u>(78,966)</u>	<u>(61,222)</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	9	<u>(57,576)</u>	<u>(6,660)</u>

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

Al Wathba National Insurance Company (PJSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

31 March 2016 (unaudited)

1 CORPORATE INFORMATION

Al Wathba National Insurance Company PJSC (the “Company”), incorporated in Abu Dhabi is registered as a public shareholding company in accordance with the UAE Federal Law No. 8 of 1984 (as amended). The Federal Law No. (2) of 2015, concerning Commercial Companies has come into effect from 1 July 2015, replacing the existing Federal Law No. 8 of 1984. The Company is currently assessing the impact of the new law and expects to be fully compliant on or before 30 June 2016.

The Company is registered in accordance with UAE Federal Law No. 6 of 2007 on Establishment of Insurance Authority and Organisation of its Operations and is registered in the Insurance Companies Register under registration No. 10, and is subject to the Insurance Authority Board Decision No. (25) of 2014 Pertinent to Financial Regulations for Insurance Companies.

The Company’s principal activity is the transaction of general insurance and re-insurance business of all classes. The Company operates through its head office in Abu Dhabi and branch offices in Dubai, Al Ain, and Sharjah. The Company is domiciled in the United Arab Emirates and its registered head office is P.O. Box 45154, Abu Dhabi, United Arab Emirates.

The interim condensed financial statements were approved for issuance by the Board of Directors on 15 May 2016.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The interim condensed financial statements for the three months ended 31 March 2016 have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Company’s annual financial statements as at 31 December 2015. In addition, results for the three-months period ended 31 March 2016 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2016.

Significant accounting policies

The accounting policies used in the preparation of the interim condensed financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2015, except for the adoption of the following new interpretations and amendments to standards effective as of 1 January 2016.

Amendments to standards and new standards effective 1 January 2016:

- IFRS 14 Regulatory Deferral Accounts
- Amendments to IFRS 11 Joint Arrangement: Accounting for Acquisitions of interests
- Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to IAS 27: Equity Method in Separate Financial Statements
- Annual Improvement 2012 – 2014 cycle.

The amendments to standards listed above had no significant impact on the Company’s financial position or performance or disclosures.

3 COMMITMENTS AND CONTINGENCIES

The Company’s bankers have issued in the normal course of business letters of guarantee in favour of third parties amounting to AED 7.5 million (31 December 2015: AED 7.7 million).

Al Wathba National Insurance Company (PJSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

31 March 2016 (unaudited)

4 INVESTMENTS AT AMORTISED COST

Included in investments at amortised cost is a five-year sukuk amounting to AED 5 million (31 December 2015: AED 5 million) which carries interest of 6-month EIBOR + 300 bps or 7.5%, whichever is higher.

5 INVESTMENTS CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	<i>31 March 2016 (Unaudited) AED 000</i>	<i>31 December 2015 (Audited) AED 000</i>
Quoted securities	170,272	164,759
Unquoted securities	<u>27,225</u>	<u>25,785</u>
	<u>197,497</u>	<u>190,544</u>

The movement in the investments at fair value through other comprehensive income is as follows:

Fair value at the beginning of the period / year	190,544	246,249
Additions	-	12,921
Disposals	-	(3,576)
Change in fair value	<u>6,953</u>	<u>(65,050)</u>
Fair value at the end of the period / year	<u>197,497</u>	<u>190,544</u>

The geographical distribution of investments is as follows:

Within UAE	188,066	183,237
Outside UAE	<u>9,431</u>	<u>7,307</u>
	<u>197,497</u>	<u>190,544</u>

6 INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS

Investments at fair value through profit or loss consist of quoted investments in UAE securities.

The movement in investments at fair value through profit or loss is as follows:

	<i>31 March 2016 (Unaudited) AED 000</i>	<i>31 December 2015 (Audited) AED 000</i>
Fair value at beginning of the period / year	295,105	292,360
Additions	93,841	197,582
Disposals	(96,562)	(137,091)
Change in fair value	<u>17,234</u>	<u>(57,746)</u>
Fair value at end of the period / year	<u>309,618</u>	<u>295,105</u>

The geographical distribution of investments is as follows:

Within UAE	<u>309,618</u>	<u>295,105</u>
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Al Wathba National Insurance Company (PJSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

31 March 2016 (unaudited)

7 INSURANCE RECEIVABLES AND PREPAYMENTS

	<i>31 March 2016 (Unaudited) AED 000</i>	<i>31 December 2015 (Audited) AED 000</i>
<i>Insurance receivables:</i>		
Due from policy holders	75,545	43,661
Due from policy holders - related parties	<u>34,542</u>	<u>14,409</u>
	110,087	58,070
Less: allowance for impaired receivables	<u>(9,607)</u>	<u>(9,793)</u>
	100,480	48,277
Due from insurance and reinsurance companies	11,902	11,769
Prepayments	3,310	1,978
Accrued income	1,757	3,202
Payment to acquire additional equity interest in an associate (note 14)	31,425	26,188
Other receivables	<u>9,700</u>	<u>4,965</u>
	<u>158,574</u>	<u>96,379</u>

8 INSURANCE CONTRACT LIABILITIES AND REINSURANCE CONTRACT ASSETS

	<i>31 March 2016 (Unaudited) AED 000</i>	<i>31 December 2015 (Audited) AED 000</i>
Insurance liabilities		
Outstanding claims reserve	177,640	171,783
Claims incurred but not reported	33,257	31,497
Unearned premiums reserve	<u>161,926</u>	<u>93,597</u>
	<u>372,823</u>	<u>296,877</u>
Recoverable from re-insurers		
Outstanding claims reserve	133,302	122,811
Claims incurred but not reported	15,080	8,707
Unearned premiums reserve	<u>70,109</u>	<u>31,408</u>
	<u>218,491</u>	<u>162,926</u>
Insurance liabilities – net		
Outstanding claims reserve	44,338	48,972
Claims incurred but not reported	18,177	22,790
Unearned premiums reserve	<u>91,817</u>	<u>62,189</u>
	<u>154,332</u>	<u>133,951</u>

Al Wathba National Insurance Company (PJSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

31 March 2016 (unaudited)

9 CASH AND CASH EQUIVALENTS

	<i>31 March 2016 (Unaudited) AED 000</i>	<i>31 March 2015 (Unaudited) AED 000</i>
Bank and cash	47,850	36,158
Statutory deposit	6,000	6,000
Term deposits	<u>37,944</u>	<u>37,106</u>
Cash and bank balances	91,794	79,264
Less: bank overdrafts	(105,426)	(46,009)
Less: term deposits with original maturity over 3 months	(37,944)	(33,915)
Less: statutory deposits	<u>(6,000)</u>	<u>(6,000)</u>
	<u>(57,576)</u>	<u>(6,660)</u>

Term deposits are held with financial institutions in UAE. The original maturity ranges from one to twelve months. Interest is receivable at annual rates ranging from 0.4% to 2.6% per annum (31 March 2015: 0.4% to 2.6% per annum).

In accordance with the requirements of Federal Law No. 6 of 2007, concerning Establishment of Insurance Authority and Organisation of its Operations, the Company maintains a bank deposit of AED 6 million (2015: AED 6 million) which cannot be utilised without the consent of the UAE Insurance Authority.

10 SHARE CAPITAL

	<i>31 March 2016 (Unaudited) AED 000</i>	<i>31 December 2015 (Audited) AED 000</i>
Authorised, issued and fully paid		
207,000,000 (31 December 2015: 207,000,000) ordinary shares of AED 1 each	<u>207,000</u>	<u>207,000</u>

At the Annual General Meeting held on 20 April 2016, the shareholders approved the distribution of cash dividends of AED 0.10 per share amounting to AED 20,700,000 (31 December 2015: AED 0.15 per share amounting to AED 31,050,000).

Al Wathba National Insurance Company (PJSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

31 March 2016 (unaudited)

11 NET INVESTMENT INCOME

	<i>Three months ended 31 March 2016 (Unaudited) AED 000</i>	<i>Three months ended 31 March 2015 (Unaudited) AED 000</i>
Rental income, net	2,984	3,235
Gain on disposal of investments carried at fair value through profit or loss	6,967	6,069
Change in fair value of investments carried at fair value through profit or loss	17,234	(6,648)
Interest income	217	94
Dividend income	6,305	5,106
Other income	<u>8</u>	<u>95</u>
	<u><u>33,715</u></u>	<u><u>7,951</u></u>

12 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit for the period by the weighted average number of shares outstanding during the period.

Diluted earnings per share are calculated by dividing the profit for the period by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of dilutive instruments.

	<i>Three months ended 31 March 2016</i>	<i>Three months ended 31 March 2015</i>
Profit for the period (AED '000)	<u>34,182</u>	<u>6,708</u>
Weighted average number of ordinary shares outstanding during the period	<u>207,000,000</u>	<u>207,000,000</u>
Basic and diluted earnings per share (AED)	<u>0.17</u>	<u>0.03</u>

Al Wathba National Insurance Company (PJSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

31 March 2016 (unaudited)

13 SEGMENT REPORTING

For management purposes the Company is organised into departments based on the classes of insured risks. The reportable operating segments of the Company are fire and general accident, medical and marine and aviation.

Management monitors the underwriting results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on underwriting profit. The following table presents disclosure of segment revenues, measurement of segment profit for the period and their reconciliation to the Company's income and profit for the period.

13.1 Segment revenue and results

	2016				2015			
	Three months ended 31 March (unaudited)				Three months ended 31 March (unaudited)			
	Marine and aviation AED'000	Fire and general accident AED'000	Medical Investments AED'000	Total AED'000	Marine and aviation AED'000	Fire and general accident AED'000	Medical Investments AED'000	Total AED'000
Gross premiums written	4,929	76,063	61,761	142,753	4,762	70,135	94,219	169,116
Reinsurance premium ceded	(4,229)	(38,013)	(41,230)	(83,472)	(4,091)	(39,036)	(1,596)	(44,723)
Movement in provision for unearned premiums	32	(13,225)	(16,435)	(29,628)	(190)	(7,811)	(66,887)	(74,888)
Net claims incurred	(229)	(15,689)	(9,085)	(25,003)	(73)	(13,401)	(24,023)	(37,497)
Net commission earned	760	5,873	1,172	7,805	726	5,689	(5,394)	1,021
Rental income	-	-	-	2,984	-	-	-	3,235
Share of profit (loss) of associates	-	-	-	77	-	-	-	(1,874)
Net investment income	-	-	-	29,719	-	-	-	4,716
Segment profit before allocated expenses	1,263	15,009	(3,817)	45,235	1,134	15,576	(3,681)	19,106
Allocated expenses	(442)	(7,099)	(2,363)	(9,904)	(388)	(7,476)	(2,826)	(10,690)
Segment profit (loss)	821	7,910	(6,180)	35,331	746	8,100	(6,507)	8,416
Unallocated expenses	-	-	-	(1,149)	-	-	-	(1,708)
Profit for the period	-	-	-	34,182	-	-	-	6,708

Al Wathba National Insurance Company (PJSC)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

31 March 2016 (unaudited)

13 SEGMENT REPORTING continued

13.2 Segment assets and liabilities

	<i>As at 31 March 2016 (unaudited)</i>			<i>As at 31 December 2015 (audited)</i>		
	<i>Underwriting AED'000</i>	<i>Investments AED'000</i>	<i>Total AED'000</i>	<i>Underwriting AED'000</i>	<i>Investments AED'000</i>	<i>Total AED'000</i>
Segment assets	386,672	1,058,746	1,445,418	264,375	1,034,625	1,299,000
Unallocated assets			<u>11,132</u>			<u>13,736</u>
Total assets			<u>1,456,550</u>			<u>1,312,736</u>
Segment liabilities	489,759	128,336	618,095	370,391	143,651	514,042
Unallocated liabilities			<u>23,091</u>			<u>23,860</u>
Total liabilities			<u>641,186</u>			<u>537,902</u>
Capital expenditures	<u>104</u>	<u>=</u>	<u>104</u>	<u>1,905</u>	<u>=</u>	<u>1,905</u>

14 ACQUISITION OF ADDITIONAL EQUITY INTEREST IN AN ASSOCIATE

At the Annual General Meeting held on 20 April 2016, the shareholders approved the acquisition of Vision Capital Brokerage Company LLC. The advances paid relating to the acquisition as at 31 March 2016 amounted to AED 31,425 thousand (note 7). The acquisition will be accounted for as a subsidiary in the financial statements for the period ended 30 June 2016.