

Ras Al Khaimah National Insurance Company P.S.C

Condensed interim financial statements
for the three month period ended 31 March 2013

Ras Al Khaimah National Insurance Company P.S.C

Condensed interim financial statements

for the three month period ended 31 March 2013

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Independent auditors' report on review of condensed interim financial information

The Shareholders
Ras Al Khaimah National Insurance Company P.S.C.

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Ras Al Khaimah National Insurance Company P.S.C. ("the Company") as at 31 March 2013, the condensed interim statement of comprehensive income (comprising of a condensed interim statement of comprehensive income and a separate condensed interim statement of income), condensed interim statement of changes in shareholders' equity and condensed interim statement of cash flows for the three-month period then ended, and notes to the condensed interim financial information ("the condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, 'Interim *Financial Reporting*'. Our responsibility is to express a conclusion on these condensed interim 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 condensed 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 condensed interim financial information as at 31 March 2013 is not prepared, in all material respects, in accordance with IAS 34, '*Interim Financial Reporting*'.

Other Matter

The condensed interim financial information for the three month period ended 31 March 2012 and the financial statements for the year ended 31 December 2012 were reviewed and audited respectively by another auditor who expressed an unmodified conclusion on the condensed interim financial information for the three month period ended 31 March 2012 on 13 May 2012 and an unqualified opinion on the financial statements for the year ended 31 December 2012 on 25 March 2013.

KPMG
Vijendra Nath Malhotra
Registration No: 48 B

12 MAY 2013

Ras Al Khaimah National Insurance Company P.S.C
 Condensed interim statement of financial position
 as at 31 March 2013

		(Un-audited) 31 March 2013	(Audited) 31 December 2012
	Notes	AED	AED
ASSETS			
Non-current assets			
Property and equipment		1,323,517	1,119,263
Investment properties		6,372,788	6,421,479
Investment in an associate		24,919,410	23,366,706
Available-for-sale investments	6	10,386,538	8,604,542
Statutory deposit		10,000,000	10,000,000
Total non-current assets		<u>53,002,253</u>	<u>49,511,990</u>
Current assets			
Re-insurance contract assets	8	89,990,681	96,582,324
Financial assets at fair value through profit and loss	6	3,247,189	2,842,625
Insurance and other receivables		128,546,651	109,461,247
Bank balances and cash	9	197,893,979	177,364,593
Total current assets		<u>419,678,500</u>	<u>386,250,789</u>
Total assets		<u>472,680,753</u>	<u>435,762,779</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		100,000,000	100,000,000
Statutory reserve		32,619,210	32,619,210
Special reserve		20,000,000	20,000,000
Cumulative changes in fair value of securities		7,336,688	4,514,836
Retained earnings		50,888,937	34,726,361
Total equity		<u>210,844,835</u>	<u>191,860,407</u>
Non-current liabilities			
Provision for employee's end of service benefits		3,926,222	5,288,580
Current liabilities			
Insurance contract liabilities	8	186,883,008	192,748,802
Insurance and other payables		71,026,688	45,864,990
Total current liabilities		<u>257,909,696</u>	<u>238,613,792</u>
Total liabilities		<u>261,835,918</u>	<u>243,902,372</u>
Total equity and liabilities		<u>472,680,753</u>	<u>435,762,779</u>

The notes on pages 7 to 14 form an integral part of these condensed interim financial statements.

These condensed interim financial statements were authorised for issue and approved by the Board on 12 MAY 2013 and signed on its behalf by:



 Chairman

The independent auditors' review report is set out on page 1.



Ras Al Khaimah National Insurance Company P.S.C

Condensed interim statement of income

for the three month period ended 31 March 2013

	<i>Notes</i>	(Un-audited) For the three month period ended 31 March 2013 AED	(Un-audited) For the three month period ended 31 March 2012 AED
Gross insurance premium		79,195,360	65,603,067
(Less): insurance premium ceded to reinsurers		(36,691,935)	(32,898,121)
Net retained premium		42,503,425	32,704,946
Net change in unearned premium reserve	8	(2,665,501)	(671,520)
Net insurance premium		39,837,924	32,033,426
Gross claims incurred	8	(21,703,759)	(16,143,591)
Insurance claims recovered from reinsurers	8	4,911,153	5,707,811
Net claims incurred		(16,792,606)	(10,435,780)
Gross commission earned		2,519,343	2,176,127
Less: commission incurred		(5,232,714)	(3,338,954)
Net commission incurred		(2,713,371)	(1,162,827)
Underwriting profit		20,331,947	20,434,819
General and administrative expenses relating to underwriting activities		(5,011,796)	(4,263,169)
Net underwriting profit		15,320,151	16,171,650
Investment income		746,429	303,309
Other income		1,239,947	1,218,862
Unallocated general and administrative expenses		(1,670,599)	(1,421,057)
Share of profit of an associate for the period		526,648	76,932
Profit for the period		16,162,576	16,349,696
Earnings per share	13	0.16	0.16

The notes on pages 7 to 14 form an integral part of these condensed interim financial statements.

The independent auditors' review report is set out on page 1.

Ras Al Khaimah National Insurance Company P.S.C
Condensed interim statement of comprehensive income
for the three month period ended 31 March 2013

	(Un-audited) For the three month period ended 31 March 2013 AED	(Un-audited) For the three month period ended 31 March 2012 AED
Profit for the period	16,162,576	16,349,696
Other comprehensive income		
<i>Items that will be reclassified to profit or loss :</i>		
Net change in fair value of available-for-sale investments	1,795,796	1,316,972
Share of other comprehensive income of associate	1,026,056	307,525
Total other comprehensive income for the period	<u>2,821,852</u>	<u>1,624,497</u>
Total comprehensive income for the period	<u>18,984,428</u>	<u>17,974,193</u>

The notes on pages 7 to 14 form an integral part of these condensed interim financial statements.

The independent auditors' review report is set out on page 1.

Ras Al Khaimah National Insurance Company P.S.C

Condensed interim statement of changes in shareholders' equity (Un-audited)

for the three month period ended 31 March 2013

	Share capital AED	Statutory reserve AED	Special reserve AED	Cumulative changes in fair value of securities AED	Retained earnings AED	Total AED
Balance at 1 January 2012	100,000,000	29,806,778	20,000,000	3,923,796	25,554,470	179,285,044
Total comprehensive income for the period						
Profit for the period	-	-	-	-	16,349,696	16,349,696
Other comprehensive income for the period						
Movement in net change in fair value of available-for-sale investments	-	-	-	1,316,972	-	1,316,972
Share of other comprehensive income of associate	-	-	-	307,525	-	307,525
Total other comprehensive income for the period	-	-	-	1,624,497	-	1,624,497
Total comprehensive income for the period	-	-	-	1,624,497	16,349,696	17,974,193
As at 31 March 2012	<u>100,000,000</u>	<u>29,806,778</u>	<u>20,000,000</u>	<u>5,548,293</u>	<u>41,904,166</u>	<u>197,259,237</u>
Balance at 1 January 2013	100,000,000	32,619,210	20,000,000	4,514,836	34,726,361	191,860,407
Total comprehensive income for the period						
Profit for the period	-	-	-	-	16,162,576	16,162,576
Other comprehensive income for the period						
Movement in net change in fair value of available-for-sale investments	-	-	-	1,795,796	-	1,795,796
Share of other comprehensive income of associate	-	-	-	1,026,056	-	1,026,056
Total other comprehensive income for the period	-	-	-	2,821,852	-	2,821,852
Total comprehensive income for the period	-	-	-	2,821,852	16,162,576	18,984,428
As at 31 March 2013	<u>100,000,000</u>	<u>32,619,210</u>	<u>20,000,000</u>	<u>7,336,688</u>	<u>50,888,937</u>	<u>210,844,835</u>

The notes on pages 7 to 14 form an integral part of these condensed interim financial statements.

The independent auditors' review report is set out on page 1.

Ras Al Khaimah National Insurance Company P.S.C

Condensed interim statement of cash flows

for the three month period ended 31 March 2013

	<i>Notes</i>	(Un-audited) For the three month period ended 31 March 2013 AED	(Un-audited) For the three month period ended 31 March 2012 AED
Cash flows from operating activities			
Profit for the period		16,162,576	16,349,696
<i>Adjustment for:</i>			
Share of profit of an associate		(526,648)	(76,932)
Depreciation of property and equipment		112,013	75,451
Depreciation of investment property		48,691	48,691
Provision of employees' end of service benefits		182,904	182,673
Unrealised gain on financial assets at FVTPL		(404,564)	(325,441)
Impairment losses on available-for-sale investments		13,800	250,867
Income from investment property		(23,832)	(42,113)
Interest income		(1,120,126)	(1,170,472)
Dividend income		(331,833)	(186,622)
		<u>14,112,981</u>	<u>15,105,798</u>
Change in re-insurance contract assets		6,591,643	(1,494,432)
Change in insurance contract liabilities		(5,865,794)	(5,203,090)
Change in insurance and other receivables		(19,426,162)	(19,305,474)
Change in insurance and other payables		25,161,698	20,398,085
Employees' end of service benefits paid		(1,545,262)	(5,940)
Net cash generated from operating activities		<u>19,029,104</u>	<u>9,494,947</u>
Cash flows from investing activities			
Purchase of property and equipment		(510,202)	(12,985)
Proceeds from disposal of property and equipment		193,935	-
Income from investment property		23,832	42,113
Interest received		1,460,884	502,372
Dividend received		331,833	186,622
Decrease / (increase) in fixed deposit with banks with maturity greater than 3 months		(18,119,448)	(7,349,124)
Net cash (used in) investing activities		<u>(16,619,166)</u>	<u>(6,631,002)</u>
Net increase in cash and cash equivalents		2,409,938	2,863,945
Cash and cash equivalents at the beginning of the period		<u>107,773,177</u>	<u>40,028,545</u>
Cash and cash equivalents at the end of the period	<i>10</i>	<u><u>110,183,115</u></u>	<u><u>42,892,490</u></u>

The notes on pages 7 to 14 form an integral part of these condensed interim financial statements.

The independent auditors' review report is set out on page 1.

Ras Al Khaimah National Insurance Company P.S.C

Notes to the condensed interim financial statements

for the three month period ended 31 March 2013

1. Legal status and principal activities

Ras Al Khaimah National Insurance Company P.S.C. - Ras Al Khaimah (the "Company") is a public shareholding company, incorporated in the Emirate of Ras Al Khaimah by Emiri decree No. 20 dated 26 October 1976 which was amended by Emiri decree No. 10 dated 7 December 1985 and Emiri decree No. 3 dated 5 April 1997 issued by H.H. Sheikh Saqr Bin Mohammed Al Qasimi, the Ruler of the Emirate of Ras Al Khaimah. The Company is subject to the regulations of U.A.E. Federal Law No. 6 of 2007 on Establishment of Insurance Authority and Organization of Its Operations and is registered in the Insurance Companies Register of Insurance Authority of U.A.E., under registration number 7. The address of the Company's registered corporate office is P. O. Box 506, Ras Al Khaimah, United Arab Emirates. The Company is listed on Abu Dhabi stock exchange, U.A.E.

The principal activity of the Company is to undertake all classes of insurance business including life assurance, saving and accumulation of funds. The Company operates through its head office in Ras Al Khaimah and branch offices in Dubai and Abu Dhabi.

2. Summary of significant accounting policies

a) Basis of preparation

These condensed interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting". They do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2012, which have been prepared in accordance with International Financial Reporting Standards (IFRSs).

b) Basis of measurement

The condensed interim financial statements have been prepared on the historical cost basis except for the following:

- i) financial instruments at fair value through profit and loss ("FVTPL") are measured at fair value,
- ii) available-for-sale ("AFS") financial assets are measured at fair value, and

New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2012, except for the adoption of new standards and interpretations effective as of 1 January 2013.

The Company applies, for the first time, certain standards and amendments that require restatement of previous financial statements. These include IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IAS 19 (Revised 2011) Employee Benefits, IFRS 13 Fair Value Measurement and amendments to IAS 1 Presentation of Financial Statements. As required by IAS 34, the nature and the effect of these changes are disclosed in these financial statements. In addition, the application of IFRS 12 Disclosure of Interest in Other Entities would result in additional disclosures in the annual consolidated financial statements.

Several other new standards and amendments apply for the first time in 2013. However, they do not impact the annual financial statements of the Company or the condensed interim financial statements of the Company.

c) Functional and presentation currency

These condensed interim financial statements are presented in U.A.E. Dirhams (AED) since that is the currency in which the majority of the Company's transactions are denominated.

Ras Al Khaimah National Insurance Company P.S.C

Notes to the condensed interim financial statements

for the three month period ended 31 March 2013 (continued)

2. Summary of significant accounting policies (continued)

d) Use of estimates and judgments

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in the future periods effected.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2012.

3. Financial risk management

Aspects of the Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2012.

4. Interim measurement

The nature of the Company's business is such that income and expense are incurred in a manner, which is not impacted by any form of seasonality. These condensed interim financial statements were prepared based upon an accrual concept, which requires income and expense to be recorded as earned or incurred and not as received or paid throughout the year.

5. Classes and categories of financial assets and financial liabilities

The table below sets out the classification of each class of financial assets and liabilities and their fair values:

At 31 March 2013 (Un-audited)

<u>Financial assets</u>	FVTPL AED	AFS AED	Amortised cost AED	Total AED
Financial assets	3,247,189	10,386,538	-	13,633,727
Insurance and other receivables	-	-	128,546,651	128,546,651
Re-insurance share of outstanding claims	-	-	53,193,009	53,193,009
Statutory deposit	-	-	10,000,000	10,000,000
Cash and bank balances	-	-	197,893,979	197,893,979
	<u>3,247,189</u>	<u>10,386,538</u>	<u>389,633,639</u>	<u>403,267,366</u>
<u>Financial liabilities</u>				
Insurance and other payables	-	-	71,026,688	71,026,688
Insurance contract liabilities	-	-	93,367,297	93,367,297
	<u>-</u>	<u>-</u>	<u>164,393,985</u>	<u>164,393,985</u>

Ras Al Khaimah National Insurance Company P.S.C

Notes to the condensed interim financial statements

for the three month period ended 31 March 2013 (continued)

5. Classes and categories of financial assets and financial liabilities (continued)

At 31 December 2012 (Audited)

<u>Financial assets</u>	FVTPL AED	AFS AED	Amortised cost AED	Total AED
Financial assets	2,842,625	8,604,542	-	11,447,167
Insurance and other receivables	-	-	109,461,247	109,461,247
Statutory deposit	-	-	10,000,000	10,000,000
Re-insurance share of outstanding claims	-	-	62,558,944	62,558,944
Cash and bank balances	-	-	177,364,593	177,364,593
	<u>2,842,625</u>	<u>8,604,542</u>	<u>359,384,784</u>	<u>370,831,951</u>
<u>Financial liabilities</u>				
Insurance and other payables	-	-	45,864,990	45,864,990
Insurance contract liabilities	-	-	104,134,522	104,134,522
	<u>-</u>	<u>-</u>	<u>149,999,512</u>	<u>149,999,512</u>

6. Investment securities

	31 March 2013 (Unaudited) AED	31 December 2012 (Audited) AED
Financial assets at AFS - quoted - within UAE	10,386,538	8,604,542
Financial assets at FVTPL - quoted - within UAE	3,247,189	2,842,625
	<u>13,633,727</u>	<u>11,447,167</u>

Ras Al Khaimah National Insurance Company P.S.C

Notes to the condensed interim financial statements

for the three month period ended 31 March 2013 (continued)

7. Fair value hierarchy

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the

Financial assets - fair value	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
At 31 March 2013 (Un-audited)				
FVTPL	3,247,189	-	-	3,247,189
AFS	10,386,538	-	-	10,386,538
	<u>13,633,727</u>	<u>-</u>	<u>-</u>	<u>13,633,727</u>
At 31 December 2012 (Audited)				
FVTPL	2,842,625	-	-	2,842,625
AFS	8,604,542	-	-	8,604,542
	<u>11,447,167</u>	<u>-</u>	<u>-</u>	<u>11,447,167</u>

8. Insurance contract liabilities and insurance contract assets

	31 March 2013 (Unaudited) AED	31 December 2012 (Audited) AED
Insurance contract liabilities		
Claims reported unsettled	93,367,297	104,134,522
Claims incurred but not reported	4,668,365	5,206,727
Unearned premiums	88,847,346	83,407,553
Insurance contract liabilities	<u>186,883,008</u>	<u>192,748,802</u>
Insurance contract assets		
Claims reported unsettled	(50,660,009)	(59,606,137)
Claims incurred but not reported	(2,533,000)	(2,952,807)
Deferred reinsurance premiums	(36,797,672)	(34,023,380)
Total insurers' share of insurance contracts	<u>(89,990,681)</u>	<u>(96,582,324)</u>
Net		
Claims reported unsettled	42,707,288	44,528,385
Claims incurred but not reported	2,135,365	2,253,920
Unearned premiums	52,049,674	49,384,173
	<u>96,892,327</u>	<u>96,166,478</u>

Ras Al Khaimah National Insurance Company P.S.C

Notes to the condensed interim financial statements

for the three month period ended 31 March 2013 (continued)

8. Insurance contract liabilities and re-insurance contract assets (continued)

Movements in the insurance contract liabilities and reinsurance contract assets during the period were as follows:

	Period ended 31 March 2013			Period ended 31 March 2012		
	Gross AED	Reinsurance AED	Net AED	Gross AED	Reinsurance AED	Net AED
Claims						
Notified claims	104,134,522	(59,606,137)	44,528,385	87,037,365	(38,273,136)	48,764,229
Incurred but not reported	5,206,727	(2,952,807)	2,253,920	4,351,869	(1,913,657)	2,438,212
Total at the beginning of the period	109,341,249	(62,558,944)	46,782,305	91,389,234	(40,186,793)	51,202,441
Claims settled in the period	(33,009,346)	14,277,088	(18,732,258)	(23,856,270)	6,051,450	(17,804,820)
Increase in liabilities	21,703,759	(4,911,153)	16,792,606	16,143,591	(5,707,811)	10,435,780
Total at the end of the period	98,035,662	(53,193,009)	44,842,653	83,676,555	(39,843,154)	43,833,401
Notified claims	93,367,297	(50,660,009)	42,707,288	79,691,956	(37,945,861)	41,746,095
Incurred but not reported	4,668,365	(2,533,000)	2,135,365	3,984,599	(1,897,293)	2,087,306
Total at the end of the period	98,035,662	(53,193,009)	44,842,653	83,676,555	(39,843,154)	43,833,401
Unearned premium						
Total at the beginning of the period	83,407,553	(34,023,380)	49,384,173	70,574,202	(31,832,788)	38,741,414
Increase during the period	88,847,346	(36,797,672)	52,049,674	56,575,630	(33,670,859)	22,904,771
Release during the period	(83,407,553)	34,023,380	(49,384,173)	(54,066,041)	31,832,788	(22,233,253)
Net increase during the period	5,439,793	(2,774,292)	2,665,501	2,509,589	(1,838,071)	671,518
Total at the end of the period	88,847,346	(36,797,672)	52,049,674	73,083,791	(33,670,859)	39,412,932

Ras Al Khaimah National Insurance Company P.S.C

Notes to the condensed interim financial statements

for the three month period ended 31 March 2013 (continued)

9. Cash and bank balances

	31 March 2013 (Unaudited) AED	31 December 2012 (Audited) AED
Cash on hand	<u>16,482</u>	<u>15,834</u>
Bank balances:		
Current accounts	(120,296)	2,666,662
Call accounts	20,658,104	11,561,548
Fixed deposits	177,339,689	163,120,549
	<u>197,877,497</u>	<u>177,348,759</u>
	<u>197,893,979</u>	<u>177,364,593</u>

Bank balances are maintained with financial institutions in the United Arab Emirates.

Fixed deposit of AED 300,000 (2012: AED 300,000) is under lien in respect of carrying out commercial activities in Abu Dhabi, United Arab Emirates.

Fixed deposit carried interest ranging from 3% to 6% per annum (2012: 3% to 6% per annum).

10. Cash and cash equivalents

Cash and cash equivalents at the end of the period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	31 March 2013 (Unaudited) AED	31 December 2012 (Audited) AED
Cash and bank balances (refer note 9)	197,893,979	177,364,593
Bank fixed deposits with maturity greater than three months	(87,410,864)	(69,291,416)
Fixed deposits under lien	(300,000)	(300,000)
	<u>110,183,115</u>	<u>107,773,177</u>

11. Related party transactions

The Company is partly owned by Government of Ras Al Khaimah (47.06%). Government related entities are independently run business entities.

The Company, in the normal course of business, collects premiums, settles claims and enters into transactions with other business enterprises that fall within the definition of a related party as defined by International Accounting Standard 24 - (Revised). The Company's management believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties.

At the end of the reporting period, amounts due from/to related parties which are included in the respective account balances are detailed below:

	31 March 2013 (Unaudited) AED	31 December 2012 (Audited) AED
Due from policyholders	3,990,768	5,672,740
Due to policyholders	1,700	2,350

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given and no expense has been recognised in the year for bad or doubtful debts in respect of the amounts owed by related parties.

Ras Al Khaimah National Insurance Company P.S.C

Notes to the condensed interim financial statements

for the three month period ended 31 March 2013 (continued)

11. Related party transactions (continued)

Transactions

During the period, the Company entered into the following transactions with related parties:

	For the three month period ended 31 March	
	2013	2012
	(Unaudited)	(Unaudited)
	AED	AED
Gross premiums	2,556,428	10,426,581
Claims paid	15,792	1,292

Premiums are charged to related parties at rates agreed with management.

Compensation of key management personnel

Short-term benefits	395,968	300,000
Long-term benefits	30,411	29,087

12. Contingent liabilities

	31 March 2013	31 December 2012
	(Unaudited)	(Audited)
Letters of guarantee*	<u>10,300,000</u>	<u>10,300,000</u>

*Includes AED 10,000,000 (2012: AED 10,000,000) issued in favour of Insurance Authority of U.A.E.

13. Earnings per share

	For the three month period ended 31 March	
	2013	2012
	(Unaudited)	(Unaudited)
	AED	AED
Basic earnings per share		
Profit for the period	<u>16,162,576</u>	<u>16,349,696</u>
No. of shares	<u>100,000,000</u>	<u>100,000,000</u>
Basic earnings per share	<u>0.16</u>	<u>0.16</u>

There will not be any effect of dilution on basic earnings per share.

14. Dividends

At the Annual General Meeting held on 24 April 2013, the Shareholders approved a cash dividend of 15% amounting to AED 15,000,000 for 2012 (2011: cash dividend of 15% amounting to AED 15,000,000). The Shareholders also approved the Board of Directors' remuneration for 2012 of AED 1,140,000 (2011: AED 1,140,000). The dividends for 2012 and the Board of Directors' remuneration were approved by the Shareholders after the period ended 31 March 2013 and accordingly are not reflected as a liability in these condensed interim financial statements.

Ras Al Khaimah National Insurance Company P.S.C

Notes to the condensed interim financial statements

for the three month period ended 31 March 2013 (continued)

14. Segment information

Business segments

For management purposes the Company is organised into two business segments, general insurance and investments. These segments are the basis on which the Company reports its primary segment information.

Underwriting of general insurance business incorporating all classes of general insurance including fire, marine, motor, general accident and miscellaneous.

Investments incorporating investments in U.A.E marketable equity securities, term deposits with banks, investment properties, trading investments and other securities.

	For the three month period ended 31 March 2013			For the three month period ended 31 March 2012		
	Underwriting AED	Investments AED	Total AED	Underwriting AED	Investments AED	Total AED
Segment revenue	79,195,360	-	79,195,360	65,603,067	-	65,603,067
Segment result	15,320,151	2,513,024	17,833,175	16,171,650	1,599,103	17,770,753
Unallocated costs - net			(1,670,599)			(1,421,057)
Net profit for the period			16,162,576			16,349,696

	For the three month period ended 31 March 2013			31 December 2012		
	Underwriting AED	Investments AED	Total AED	Underwriting AED	Investments AED	Total AED
Segment assets	228,837,332	221,965,614	450,802,946	216,343,571	204,055,901	420,399,472
Unallocated assets			21,877,807			15,363,307
Total assets			472,680,753			435,762,779
Segment liabilities	257,909,696	-	257,909,696	238,613,792	-	238,613,792
Unallocated liabilities			3,926,222			5,288,580
Total liabilities			261,835,918			243,902,372

The following is an analysis of the Company's revenues classified by major underwriting departments:

	31 March 2013 (Unaudited)	31 March 2012 (Unaudited)
Motor	10,144,377	10,961,589
Marine and aviation	16,420,575	16,822,503
Group life and medical insurance	25,992,365	14,053,693
Engineering, fire, general accidents and others	26,638,043	23,765,282
	79,195,360	65,603,067

15. Comparative figures

Certain comparative figures have been reclassified where appropriate to conform with the presentation and accounting policies adopted in these financial statements.