دبـــي للتـــــأمـــين
DUBAI INSURANCE
CARE & COMMITMENT SINCE 1970

Mr. Hassan AbdulRahman Al Serkal
Executive Vice President &
Chief Operations Officer

DFM

Date: 28/6/2017

Subject: Press Release

Dear Sirs,

Kindly be informed that A.M BEST company which specialized in classifying insurance companies worldwide has upgraded the Financial Strength Rating for Dubai Insurance Co. to A- (Excellent) from B++ (Good) and the Long Term Issuer Credit Rating to (a-) from bbb+.

Best regards,

- Attached a copy of the announcement released by A.M BEST website.

Head of Legal & Compliance
Board Secretary
Sahem Abdelhaq

السيد حسن السركال المحترم
نائب رئيس تنفيذي - رئيس تنفيذي العمليات
رئيس قطاع العمليات

سوق دبي المالي

التاريخ: 28/6/2017

الموضوع: إعلان صحفي

تحيه طيبه و بعد،

ارجو اعلامكم ان شركة A.M BEST المتخصصه بتقييم شركات التأمين على مستوى العالم كانت قد قررت رفع تصنيف القوه الماليه لشركة دبي للتأمين من ++B (جـيد) الى -A (ممـــتاز) و رفـــع تصنيف معيار القدره الماليـــه للإيفاء بإلتزامات الشركه على المدى الطويل لتصـــبح (-a) بدلاً مـــن ل+bbb.

و إقبلوا فائق الاحترام و التقدير،

- **مرفق نسخه من الخبر على موقع شـــركة A.M BEST**

مدير الدائره القانونيه و الامتثال
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هاتف : ٩٧١٤٢٦٩٣٠٣٠+ فاكس: ٩٧١٤٢٦٩٣٧٢٧+
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Best's Insurance News & Analysis

Press Release - JUNE 26, 2017

A.M. Best Upgrades Credit Ratings of Dubai Insurance Company (PSC)

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FOR IMMEDIATE RELEASE

LONDON - JUNE 26, 2017
A.M. Best has upgraded the Financial Strength Rating to A- (Excellent) from B++ (Good) and the Long-Term Issuer Credit Rating to "a-" from "bbb+" of **Dubai Insurance Company (PSC)** (DIC) (United Arab Emirates). The outlooks of these Credit Ratings have been revised to stable from positive.

The rating upgrades reflect DIC's consistently excellent technical performance, very strong risk-adjusted capitalisation and improving enterprise risk management (ERM). Partly offsetting rating factor are the company's modest business profile in its domestic market and its concentrated investment profile weighted toward equities.

DIC has a track record of excellent technical performance. The company reported a technical profit of AED 23.9 million (USD 6.5 million) in 2016, compared with AED 23.4 million (USD 6.4 million) in 2015. DIC's underwriting operations, including medical business, generated an exceptional five-year average combined ratio of 77.9% (2012-2016). In addition, the company has reported an improved technical profit of AED 9.6 million (USD 2.61 million) for the first three months of 2017, compared with AED 9.4 million (USD 2.56 million) for the same period in 2016. DIC has maintained excellent underwriting performance despite prevailing competitive market conditions in the United Arab Emirates, with significant pressure on premium rates across most lines of business. A.M. Best expects DIC's prudent approach to risk selection and focus on profitability over top-line growth to support strong future technical performance.

The company's risk-adjusted capitalisation remained at a very strong level in 2016. Whilst DIC has a concentrated investment portfolio, with movements in the fair value of its equity holdings creating volatility in capital and surplus, the company maintains an adequate capital buffer to absorb these fluctuations. Prospective risk-adjusted capitalisation is expected to remain very strong, supported by good internal capital generation and controlled underwriting growth.

DIC's approach to ERM has improved notably in recent years. The company has strengthened its identification and quantification of key risks and imposed greater controls to mitigate and reduce the potential impact on earnings and risk-adjusted capitalisation. DIC has a strong understanding of capital management and performs stress testing exercises to assess the impact of underwriting and investment risks on its balance sheet.

The company's gross written premiums surpassed AED 400.0 million (USD 108 million) in 2016, ranking the company as a mid-tier player within the UAE insurance market. DIC's franchise continues to benefit from access to business through its shareholders and affiliated companies. Nonetheless, on a net basis the company's profile remains small, reflective of the low level of retention on property and marine lines of business.

This press release relates to Credit Ratings that have been published on A.M. Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see A.M. Best's Recent Rating Activity web page. For additional information regarding the use and limitations of Credit Rating opinions, please view Understanding Best's Credit Ratings. For information on the proper media use of Best's Credit Ratings and A.M. Best press releases, please view Guide for Media - Proper Use of Best's Credit Ratings and A.M. Best Rating Action Press Releases.

A.M. Best is the world's oldest and most authoritative insurance rating and information source.

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Related Companies

For information about each company, including the AMB Credit Reports, group members (where applicable) and news stories, click on the company name. An additional purchase may be required.

AMB#	Company Name
092790	Dubai Insurance Company (PSC)
090584	Dubai Insurance Company (PSC)