

# **D**irectors' Report

for the period ended March 31, 2015

**The Shareholders,  
Pakistan Reinsurance Co. Ltd.,**

On behalf of the Board of Directors of PRCL, I am pleased to present the un-audited financial statements of the Company for 1<sup>st</sup> Quarter ended March 31, 2015.

The financial statements for the 1<sup>st</sup> Quarter ended March 31, 2015 reflect the treaty business returns received from 33 insurance companies out of 34 and these returns were received by PRCL on or before 23.04.2015 as per the amendment made in PIC (Compulsory Surplus Reinsurance) Regulations, 1978 and facultative business closings as per records of the PRCL.

The Gross Premium for the period was Rs.1,974 Million and Net Premium was Rs.1,262 Million. The Gross Premium and Net Premium for the corresponding period of the last year were Rs.1,750 Million and Rs.1,218 Million respectively.

The Net claims, Net Commission and Management Expenses have been aggregated to Rs.1,113 Million for the 1<sup>st</sup> Quarter ended March 31<sup>st</sup>, 2015 as compared to Rs.1,082 Million for the 1<sup>st</sup> Quarter ended March 31<sup>st</sup>, 2014.

The investment income mainly comprising of profit on government securities, fixed income securities and dividend income, was Rs.222 Million as compared to Rs.209 Million in the corresponding period of the last year.

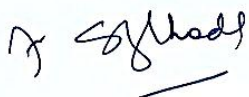
Profit before tax and after tax for the 1<sup>st</sup> Quarter ended March 31, 2015 was Rs.394 Million and Rs.285 Million as compared to Net Profit before tax and after tax of Rs.287 Million and Rs.185 Million respectively of the corresponding period of last year.

The management is taking steps and making all out efforts to ensure good results.

The Directors also express their sincere appreciation to all the Company's valued clients, reinsurers, brokers, business partners and collaborators, the Securities and Exchange Commission of Pakistan, Karachi, Lahore and Islamabad Stock Exchanges and Central Depository Company for their professional approach and guidance.

For and on behalf  
of the Board of Directors

**Chairman/Director**  
Karachi: April 30, 2015



Pakistan Reinsurance Company Limited  
Condensed Interim Profit and Loss Account (Unaudited)  
For the period ended March 31, 2015

Note	Facultative						Treaty	2015 Aggregate	2014 Aggregate
	Fire	Marine Cargo	Marine Hull	Accident	Aviation	Engineering			
----- Rupees -----									
<b>Revenue account</b>									
Net premium revenue	237,433,016	6,373,429	18,486,539	49,963,905	53,272,928	123,447,966	772,805,320	1,261,783,103	1,218,137,410
Less:									
Net claims	275,746,871	849,997	(1,073,351)	10,490,492	695,051	43,743,076	443,398,501	773,850,637	769,073,408
Expenses	16,303,929	2,842,628	1,659,078	4,782,733	5,592,161	8,721,676	38,170,294	78,072,499	85,299,130
Net commission	40,065,519	1,306,130	913,851	5,631,050	344,777	3,187,629	209,817,231	261,266,187	227,891,128
<b>Underwriting results</b>	(94,683,303)	1,374,674	16,986,961	29,059,630	46,640,939	67,795,585	81,419,294	148,593,780	135,873,744
Investment income - net								222,422,448	209,064,785
Rental income - net								11,959,643	13,129,184
Exchange (loss) / gain								18,231,757	(63,397,170)
Other income								13,500	916,507
General and administration expenses								(7,081,097)	(8,227,041)
								245,546,251	151,486,265
<b>Profit before tax</b>								394,140,031	287,360,009
<b>Income tax expense</b>									
- Current								(109,502,937)	(102,313,287)
- Deferred								-	-
								(109,502,937)	(102,313,287)
<b>Profit after tax</b>								284,637,094	185,046,722
<b>Profit and loss appropriation account</b>									
Balance at the commencement of period								1,928,993,292	1,512,977,449
Profit after tax for the period								284,637,094	185,046,722
Balance of unappropriated profit at the end of the period								2,213,630,386	1,698,024,171
<b>Earnings per share - basic and diluted</b>								0.95	0.62

The annexed notes 1 to 7 form an integral part of these financial statements.

(Farzana Munaf)  
Chief Financial Officer

(Taufique Habib)  
Director

(Attaullah A. Rasheed)  
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.