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Joining a wider corporate circle  
by making our presence at the hub  
of international business



# VISION

Our will is to Explore, Innovate and Differentiate.  
Our passion is to provide leadership to the insurance industry.

# CORE VALUES

- Integrity
- Humility
- Fun at workplace
- Corporate Social Responsibility

# COMPANY INFORMATION

## BOARD OF DIRECTORS

Umer Mansha	Chairman
Ahmed Ebrahim Hasham	Director
Ali Munir	Director
Fredrik Coenrard de Beer	Director
Kamran Rasool	Director
Ibrahim Shamsi	Director
Imran Maqbool	Director
Muhammad Umar Virk	Director
Shahid Malik	Director
Shaikh Muhammad Jawed	Director
Muhammad Ali Zeb	Managing Director & CEO

## ADVISOR

Mian Muhammad Mansha

## AUDIT COMMITTEE

Shaikh Muhammad Jawed	Chairman
Ahmed Ebrahim Hasham	Member
Ali Munir	Member
Ibrahim Shamsi	Member
Umer Mansha	Member

## HUMAN RESOURCE AND REMUNERATION COMMITTEE

Umer Mansha	Chairman
Ibrahim Shamsi	Member
Kamran Rasool	Member
Muhammad Ali Zeb	Member

## UNDERWRITING COMMITTEE

Umer Mansha	Chairman
Fredrik Coenrard de Beer	Member
Muhammad Ali Zeb	Member
Head of Technical	Member

## CLAIM SETTLEMENT COMMITTEE

Shaikh Muhammad Jawed	Chairman
Ahmed Ebrahim Hasham	Member
Muhammad Ali Zeb	Member
Head of Claims	Member

## RE-INSURANCE COMMITTEE AND CO-INSURANCE

Ali Munir	Chairman
Muhammad Umar Virk	Member
Muhammad Ali Zeb	Member
Head of Re-Insurance	Member

## COMPANY SECRETARY

Tameez-ul-Haque,  
F.C.A

#### CHIEF FINANCIAL OFFICER

Rehan Ahmad Khan,  
F.C.A, A.C.M.A

#### EXECUTIVE DIRECTORS

Adnan Ahmad Chaudhry  
Amir A. Hamid  
Asif Jabbar  
Jehangir Bashir Nawaz  
Muhammad Salim Iqbal  
Najib Nasir Syed  
Rehan Ahmad Khan

#### AUDITORS

M/s Riaz Ahmad & Co.  
Chartered Accountants  
108-109, 1st Floor, Park Avenue  
Block-6, P.E.C.H.S, Shahrah-e-Faisal,  
Karachi - 75400

#### SHARES REGISTRAR

Technology Trade (Pvt.) Limited  
Dagja House, 241-C, Block-2, P.E.C.H.S.,  
Off Shahrah-e-Quaideen, Karachi  
Phone: (92-21) 34391316-7, 34387960-1  
Fax: (92-21) 3439131

#### BANKERS

Askari Bank Limited  
Bank Alfalah Limited  
Bank Al-Habib Limited  
Citibank N.A.  
Habib Bank Limited  
HSBC Bank Oman S.A.O.G.  
HSBC Bank Middle East Limited  
Industrial Development Bank of Pakistan  
KASHF Microfinance Bank Limited  
MCB Bank Limited  
National Bank of Pakistan  
NIB Bank Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Tameer Microfinance Bank Limited  
The Punjab Provincial Cooperative Bank Limited  
United Bank Limited  
U Microfinance Bank Limited  
Zarai Taraqiati Bank Limited

#### REGISTERED OFFICE

Adamjee Insurance Company Limited  
4th Floor, 27-C- III, Tanveer Building, MM Alam Road, Gulberg - III  
Lahore - 54000, Pakistan  
Phone: (042)-35772960-79, Fax: (042)-35772868  
Email: info@adamjeeinsurance.com  
Website: www.adamjeeinsurance.com

## DIRECTORS' REPORT TO THE MEMBERS ON UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

On behalf of the Board, I am pleased to present the unconsolidated condensed interim financial information of the Company for the nine months ended 30 September 2013.

The highlights for the period under review are as follows:

	30 September 2013	30 September 2012
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Gross premium	<b>8,044,396</b>	8,320,338
Net premium	<b>4,099,609</b>	4,300,489
Underwriting results	<b>79,156</b>	12,487
Investment income	<b>2,016,199</b>	895,998
Profit before tax	<b>1,956,966</b>	857,643
Profit after tax	<b>1,735,188</b>	841,941
Earnings per share (Rupees)	<b>14.03</b>	6.81

The Gross Premium and Net Premium of the Company has decreased by 3% and 5%, respectively. Net Claims have decreased by 9% whereas Net Commission has increased by 26% as compared to corresponding period of last year.

The investment income of the Company increased by 125% as compared to last year and the Profit Before and After Tax have increased by 128% and 106%, respectively compared with the same period of last year.

We thank our shareholders, valued customers, employees and development staff for their sustained support in ensuring the continued success of our Company and trusting Adamjee Insurance as their brand of first choice. We are also grateful to the Insurance Division, Securities and Exchange Commission of Pakistan for their continued guidance and assistance.

On Behalf of Board of Directors

Muhammad Ali Zeb  
Managing Director and Chief Executive Officer

Date: 30 October 2013  
Lahore

**UNCONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL  
INFORMATION  
FOR THE**

**NINE MONTHS ENDED**

**30 SEPTEMBER 2013**

## UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT 30 SEPTEMBER 2013

Note	30 September 2013	31 December 2012
	<b>Rupees in thousand</b>	
	(Unaudited)	(Audited)
<b>Share capital and reserves</b>		
Authorised share capital	<u>1,500,000</u>	<u>1,500,000</u>
Paid-up share capital	1,237,045	1,237,045
Retained earnings	8,409,043	8,806,822
Reserves	<u>3,217,885</u>	<u>1,441,879</u>
	<u>11,626,928</u>	<u>10,248,701</u>
<b>TOTAL EQUITY</b>	<b>12,863,973</b>	<b>11,485,746</b>
<b>Underwriting provisions</b>		
Provision for outstanding claims (including IBNR)	6,765,019	6,361,653
Provision for unearned premium	4,553,407	3,961,293
Commission income unearned	221,443	313,279
	<u>11,539,869</u>	<u>10,636,225</u>
<b>Deferred liabilities</b>		
Staff retirement benefits	37,634	31,042
<b>Creditors and Accruals</b>		
Premiums received in advance	119,704	113,689
Amounts due to other insurers / reinsurers	599,660	496,887
Accrued expenses	109,574	117,593
Other creditors and accruals - restated	2,002,358	1,665,436
	<u>2,831,296</u>	<u>2,393,605</u>
<b>Borrowings</b>		
Liabilities against assets subject to finance lease	9,964	24,987
<b>Other liabilities</b>		
Unclaimed dividends	38,874	35,558
<b>TOTAL LIABILITIES</b>	<b>14,457,637</b>	<b>13,121,417</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	6	
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>27,321,610</b></u>	<u><b>24,607,163</b></u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

	Note	30 September 2013	31 December 2012
Rupees in thousand			
		(Unaudited)	(Audited)
<b>Cash and bank deposits</b>			
Cash and other equivalents		2,624	1,099
Current and other accounts		880,591	1,479,939
Deposits maturing within 12 months		1,184,103	1,026,373
		2,067,318	2,507,411
<b>Loans</b>			
To employees		16,291	12,791
<b>Investments</b>	7	11,744,803	9,948,294
<b>Deferred taxation</b>		105,402	241,171
<b>Current assets - others</b>			
Premiums due but unpaid	8	3,216,359	3,197,422
Amounts due from other insurers / reinsurers	9	901,878	591,566
Salvage recoveries accrued		219,642	169,671
Premium and claim reserves retained by cedants		23,252	23,252
Accrued investment income		92,948	20,329
Reinsurance recoveries against outstanding claims		4,882,608	4,330,229
Taxation - payments less provision		76,091	85,273
Deferred commission expense		481,321	422,203
Prepayments		2,062,681	1,734,149
Sundry receivables		259,118	205,751
		12,215,898	10,779,845
<b>Fixed assets - Tangible &amp; Intangible</b>			
	10		
<b>Owned</b>			
Land and buildings		454,379	464,050
Furniture and fixtures		144,440	100,272
Motor vehicles		245,527	221,410
Machinery and equipment		110,249	97,717
Computers and related accessories		46,658	44,582
Intangible asset - computer software		46,484	45,336
Capital work in progress - Tangible		87,314	91,855
		1,135,051	1,065,222
<b>Leased</b>			
Motor vehicles		36,847	52,429
<b>TOTAL ASSETS</b>		27,321,610	24,607,163

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>							
<b>Revenue account</b>							
Net premium revenue	187,493	156,946	776,806	267,765	-	<b>1,389,010</b>	1,379,146
Net claims	(157,776)	(72,287)	(474,718)	(204,760)	-	<b>(909,541)</b>	(714,788)
Expenses	(71,373)	(55,361)	(177,290)	(93,617)	-	<b>(397,641)</b>	(378,776)
Net commission	(32,139)	(55,566)	(74,036)	2,245	-	<b>(129,496)</b>	(85,138)
<b>Underwriting result</b>	<u>(73,795)</u>	<u>3,732</u>	<u>50,762</u>	<u>(28,367)</u>	<u>-</u>	<b>(47,668)</b>	200,444
Investment income						<b>342,811</b>	276,282
Rental income						<b>1,262</b>	-
Other income						<b>9,100</b>	40,071
						<b>305,505</b>	516,797
General and administration expenses						<b>(99,850)</b>	(65,749)
Exchange gain						<b>40,616</b>	47
Finance charge on lease rentals						<b>(358)</b>	(1,255)
<b>Profit before tax</b>						<b>245,913</b>	449,840
Provision for taxation							
- Current						<b>(21,722)</b>	(55,636)
- Deferred						<b>-</b>	-
<b>Profit after tax</b>						<b>224,191</b>	<b>394,204</b>

### Earnings per share - basic and diluted

**1.81**      **3.19**

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>							
<b>Revenue account</b>							
Net premium revenue	601,275	439,618	2,206,542	852,174	-	<b>4,099,609</b>	4,300,489
Net claims	(442,760)	(261,136)	(1,374,648)	(473,420)	-	<b>(2,551,964)</b>	(2,800,346)
Expenses	(228,646)	(150,180)	(516,795)	(266,778)	-	<b>(1,162,399)</b>	(1,244,018)
Net commission	(35,880)	(64,497)	(196,316)	(9,397)	-	<b>(306,090)</b>	(243,638)
<b>Underwriting result</b>	<u>(106,011)</u>	<u>(36,195)</u>	<u>118,783</u>	<u>102,579</u>	<u>-</u>	<b>79,156</b>	12,487
Investment income						<b>2,016,199</b>	895,998
Rental income						<b>3,651</b>	-
Other income						<b>75,994</b>	117,345
						<b>2,175,000</b>	1,025,830
General and administration expenses						<b>(257,703)</b>	(164,540)
Exchange gain						<b>41,189</b>	1,072
Finance charge on lease rentals						<b>(1,520)</b>	(4,719)
<b>Profit before tax</b>						<b>1,956,966</b>	857,643
Provision for taxation							
- Current						<b>(86,008)</b>	(77,322)
- Deferred						<b>(135,770)</b>	61,620
<b>Profit after tax</b>						<b>1,735,188</b>	<b>841,941</b>
<b>Profit and loss appropriation account</b>							
<b>Balance at the commencement of the period</b>						<b>8,806,822</b>	8,356,574
Profit after tax for the period						1,735,188	841,941
Final dividend for the year ended 31 December 2012 @ 10% (Rupee 1.0/- per share) (2011 : NIL)						(123,705)	-
Interim dividend for the period ended 30 June 2013 @ 25% (Rupees 2.5/- per share) [2012 : @ 15% (Rupees 1.5/- per share)]						(309,262)	(185,558)
Transfer to Capital allocation reserve for UAE operations						<u>(1,700,000)</u>	-
<b>Balance unappropriated profit at the end of the period</b>						<b>8,409,043</b>	<b>9,012,957</b>

### Earnings per share - basic and diluted

11      **14.03**      **6.81**

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### BUSINESS UNDERWRITTEN INSIDE PAKISTAN

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>							
<b>Revenue account</b>							
Net premium revenue	181,225	151,309	302,518	262,593	-	<b>897,645</b>	1,036,691
Net claims	(156,995)	(72,074)	(115,145)	(203,980)	-	<b>(548,194)</b>	(462,013)
Expenses	(69,705)	(54,070)	(127,719)	(92,180)	-	<b>(343,674)</b>	(309,083)
Net commission	(33,766)	(24,772)	(26,216)	2,211	-	<b>(82,543)</b>	(48,318)
<b>Underwriting result</b>	<u>(79,241)</u>	<u>393</u>	<u>33,438</u>	<u>(31,356)</u>	<u>-</u>	<b>(76,766)</b>	217,277
Investment income						<b>342,811</b>	276,282
Rental income						-	-
Other income						<b>17,947</b>	27,276
						<b>283,992</b>	520,835
General and administration expenses						<b>(83,910)</b>	(62,632)
Exchange gain						<b>337</b>	47
Finance charge on lease rentals						<b>(358)</b>	(1,255)
<b>Profit before tax</b>						<b>200,061</b>	456,995

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>							
<b>Revenue account</b>							
Net premium revenue	584,600	424,657	925,393	836,987	-	<b>2,771,637</b>	3,321,775
Net claims	(418,749)	(260,478)	(427,935)	(468,730)	-	<b>(1,575,892)</b>	(2,081,594)
Expenses	(212,965)	(142,404)	(360,553)	(252,167)	-	<b>(968,089)</b>	(1,069,206)
Net commission	(40,465)	(62,870)	(74,393)	(7,999)	-	<b>(185,727)</b>	(167,659)
<b>Underwriting result</b>	<u>(87,579)</u>	<u>(41,095)</u>	<u>62,512</u>	<u>108,091</u>	<u>-</u>	<b>41,929</b>	3,316
Investment income						<b>2,016,199</b>	895,998
Rental income						-	-
Other income						<b>59,102</b>	89,377
						<b>2,117,230</b>	988,691
General and administration expenses						<b>(206,808)</b>	(133,892)
Exchange gain						<b>910</b>	1,072
Finance charge on lease rentals						<b>(1,520)</b>	(4,719)
<b>Profit before tax</b>						<b>1,909,812</b>	851,152

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>							
<b>Revenue account</b>							
Net premium revenue	6,268	5,637	474,288	5,172	-	<b>491,365</b>	342,455
Net claims	(781)	(213)	(359,573)	(780)	-	<b>(361,347)</b>	(252,775)
Expenses	(1,668)	(1,291)	(49,571)	(1,437)	-	<b>(53,967)</b>	(69,693)
Net commission	1,627	(794)	(47,820)	34	-	<b>(46,953)</b>	(36,820)
<b>Underwriting result</b>	<u>5,446</u>	<u>3,339</u>	<u>17,324</u>	<u>2,989</u>	<u>-</u>	<u><b>29,098</b></u>	<u>(16,833)</u>
Investment income						-	-
Rental income						1,262	-
Other income						<b>(8,847)</b>	12,795
						<u><b>21,513</b></u>	<u>(4,038)</u>
General and administration expenses						<b>(15,940)</b>	(3,117)
Exchange loss						<b>40,279</b>	-
Finance charge on lease rentals						-	-
<b>Profit before tax</b>						<u><b>45,852</b></u>	<u>(7,155)</u>

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>							
<b>Revenue account</b>							
Net premium revenue	16,675	14,961	1,281,149	15,187	-	<b>1,327,972</b>	978,714
Net claims	(24,011)	(658)	(946,713)	(4,690)	-	<b>(976,072)</b>	(718,752)
Expenses	(15,681)	(7,776)	(156,242)	(14,611)	-	<b>(194,310)</b>	(174,812)
Net commission	4,585	(1,627)	(121,923)	(1,398)	-	<b>(120,363)</b>	(75,979)
<b>Underwriting result</b>	<u>(18,432)</u>	<u>4,900</u>	<u>56,271</u>	<u>(5,512)</u>	<u>-</u>	<u><b>37,227</b></u>	<u>9,171</u>
Investment income						-	-
Rental income						3,651	-
Other income						<b>61,892</b>	27,968
						<u><b>57,770</b></u>	<u>37,139</u>
General and administration expenses						<b>(50,895)</b>	(30,648)
Exchange gain						<b>40,279</b>	-
Finance charge on lease rentals						-	-
<b>Profit before tax</b>						<u><b>47,154</b></u>	<u>6,491</u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Quarter ended 30 September 2013	Quarter ended 30 September 2012	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
	<b>Rupees in thousand</b>			
<b>Profit for the period</b>	<b>224,191</b>	<b>394,204</b>	<b>1,735,188</b>	<b>841,941</b>
<b>Other comprehensive income:</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Effect of translation of net investment in foreign branches	(18,330)	4,643	76,006	184,595
<b>Items that may be reclassified subsequently to profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income for the period</b>	<b>(18,330)</b>	<b>4,643</b>	<b>76,006</b>	<b>184,595</b>
<b>Total comprehensive income for the period</b>	<b><u>205,861</u></b>	<b><u>398,847</u></b>	<b><u>1,811,194</u></b>	<b><u>1,026,536</u></b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Share capital	Capital reserves				Revenue reserves		Total
	Issued, subscribed and paid-up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Capital allocation reserve for UAE operations	General reserve	Retained earnings	
Rupees in thousand								
<b>Balance as at 31 December 2011 - (Audited)</b>	1,237,045	22,859	3,764	278,502	-	936,500	8,422,236	10,900,906
Effect of change in accounting policy (Note 4.2)	-	-	-	-	-	-	(65,662)	(65,662)
<b>Balance as at 31 December 2011 - restated (Audited)</b>	<b>1,237,045</b>	<b>22,859</b>	<b>3,764</b>	<b>278,502</b>	<b>-</b>	<b>936,500</b>	<b>8,356,574</b>	<b>10,835,244</b>
Profit for the period ended 30 September 2012	-	-	-	-	-	-	841,941	841,941
Other Comprehensive income for the period	-	-	-	184,595	-	-	-	184,595
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>184,595</b>	<b>-</b>	<b>-</b>	<b>841,941</b>	<b>1,026,536</b>
Interim dividend for the period ended 30 June 2012 @ 15% (Rupees 1.5/- per share)	-	-	-	-	-	-	(185,557)	(185,557)
<b>Balance as at 30 September 2012 - restated (Unaudited)</b>	<b>1,237,045</b>	<b>22,859</b>	<b>3,764</b>	<b>463,097</b>	<b>-</b>	<b>936,500</b>	<b>9,012,958</b>	<b>11,676,223</b>
Profit for the period 01 October 2012 to 31 December 2012	-	-	-	-	-	-	(217,748)	(217,748)
Other comprehensive income for the period	-	-	-	15,659	-	-	11,612	27,271
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,659</b>	<b>-</b>	<b>-</b>	<b>(206,136)</b>	<b>(190,477)</b>
<b>Balance as at 31 December 2012 - (Audited)</b>	<b>1,237,045</b>	<b>22,859</b>	<b>3,764</b>	<b>478,756</b>	<b>-</b>	<b>936,500</b>	<b>8,806,822</b>	<b>11,485,746</b>
Profit for the period ended 30 September 2013	-	-	-	-	-	-	1,735,188	1,735,188
Other comprehensive income for the period	-	-	-	76,006	-	-	-	76,006
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76,006</b>	<b>-</b>	<b>-</b>	<b>1,735,188</b>	<b>1,811,194</b>
Final dividend for the year ended 31 December 2012 @ 10% (Rupee 1/- per share) [2011:Nil]	-	-	-	-	-	-	(123,705)	(123,705)
Interim dividend for the period ended 30 June 2013 @ 25 % (Rupees 2.5/- per share)	-	-	-	-	-	-	(309,262)	(309,262)
Transfer to Capital allocation reserve for UAE operations	-	-	-	-	1,700,000	-	(1,700,000)	-
<b>Balance as at 30 September 2013 - (Unaudited)</b>	<b>1,237,045</b>	<b>22,859</b>	<b>3,764</b>	<b>554,762</b>	<b>1,700,000</b>	<b>936,500</b>	<b>8,409,043</b>	<b>12,863,973</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
	Rupees in thousand	
<b>Operating cash flows</b>		
<b>a) Underwriting activities</b>		
Premiums received	8,044,836	7,694,633
Reinsurance premiums paid	(3,653,124)	(3,474,724)
Claims paid	(4,764,335)	(4,700,819)
Surrenders paid	(13,362)	(47,563)
Reinsurance and other recoveries received	1,670,597	1,681,139
Commissions paid	(802,710)	(790,950)
Commissions received	433,206	728,102
Other underwriting payments	(632,236)	(1,272,592)
<b>Net cash generated from / (used in) underwriting activities</b>	<b>282,872</b>	<b>(182,774)</b>
<b>b) Other operating activities</b>		
Income tax paid	(76,826)	(66,656)
General and other expenses paid	(570,632)	(262,517)
Loans disbursed	(32,395)	(27,242)
Loan repayments received	28,895	23,389
Other receipts	3,548	21,645
<b>Net cash used in other operating activities</b>	<b>(647,410)</b>	<b>(311,381)</b>
<b>Total cash used in all operating activities</b>	<b>(364,538)</b>	<b>(494,155)</b>
<b>Investment activities</b>		
Profit / return received	69,591	72,360
Dividends received	717,899	575,520
Payments for investments	(5,050,934)	(4,030,772)
Proceeds from disposal of investments	4,460,953	3,887,600
Fixed capital expenditure - Tangible assets	(168,699)	(173,206)
Fixed capital expenditure - Intangible assets	(12,977)	(27,924)
Proceeds from disposal of fixed assets	19,219	111,466
Rentals received	3,189	-
Income received on PIBs	11,678	1,868
Income on Treasury bills	3,694	21,276
Income received on TFCs	7,764	9,832
<b>Total cash flow from investing activities</b>	<b>61,377</b>	<b>448,020</b>
<b>Financing activities</b>		
Lease rentals paid	(16,543)	(31,121)
Dividends paid	(120,389)	(907)
<b>Total cash used in financing activities</b>	<b>(136,932)</b>	<b>(32,028)</b>
<b>Net cash used in all activities</b>	<b>(440,093)</b>	<b>(78,163)</b>
Cash at the beginning of the period	2,498,335	2,369,891
<b>Cash at the end of the period</b>	<b>2,058,242</b>	<b>2,291,728</b>

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>		
<b>Reconciliation to Profit and Loss Account</b>		
Operating cash flows	(364,538)	(494,155)
Depreciation expense	(94,275)	(125,964)
Provision for gratuity	(4,507)	(6,791)
Other income - bank deposits	76,404	79,437
Profit on disposal of fixed assets	(410)	80,992
Provision for impairment	-	(59,514)
Finance charge on lease obligations	(1,520)	(4,719)
Rental income	3,651	-
Increase in assets other than cash	1,014,444	907,555
Increase in liabilities other than running finance	(466,716)	(55,351)
	<b>162,533</b>	<b>321,490</b>
<b>Others</b>		
Profit on sale of investments	1,155,011	131,893
Amortization expense	(13,234)	(15,583)
Increase in unearned premium	(329,288)	(408,400)
Amortization of income on Government Securities - net	403	208
Decrease in loans	3,500	(2,726)
Income tax paid	76,826	66,656
Return on PIBs	8,740	3,260
Exchange gain	40,430	-
Reversal of diminution in value of investments	51,114	51,485
Dividend investments and other income	789,317	684,849
Income on Treasury Bills	3,154	11,313
Other income - TFCs	8,460	13,198
	<b>1,794,433</b>	<b>536,153</b>
<b>Profit before taxation</b>	<b>1,956,966</b>	<b>857,643</b>

### Definition of cash

Cash comprises cash in hand, bank balances excluding Rupees 9.076 million (2012: Rupees 9.076 million) held under lien, and other deposits which are readily convertible into cash and which are used in the cash management function on a day-to-day basis.

	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>		
<b>Cash for the purposes of the Statement of Cash Flows consists of:</b>		
Cash and other equivalents	2,624	1,673
Current and other accounts	880,591	1,269,545
Deposits maturing within 12 months	1,175,027	1,020,510
<b>Total cash and cash equivalents</b>	<b>2,058,242</b>	<b>2,291,728</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### BUSINESS UNDERWRITTEN INSIDE PAKISTAN

	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
Rupees in thousand		
<b>Operating cash flows</b>		
<b>a) Underwriting activities</b>		
Premiums received	6,401,010	6,378,944
Reinsurance premiums paid	(3,291,108)	(3,113,236)
Claims paid	(3,275,214)	(3,569,855)
Surrenders paid	(13,172)	(46,499)
Reinsurance and other recoveries received	1,172,188	1,181,511
Commissions paid	(640,923)	(662,093)
Commissions received	364,996	679,575
Other underwriting payments	(569,398)	(1,188,407)
<b>Net cash generated from / (used in) underwriting activities</b>	<b>148,379</b>	<b>(340,060)</b>
<b>b) Other operating activities</b>		
Income tax paid	(76,826)	(66,656)
General and other expenses paid	(501,703)	(198,094)
Loans disbursed	(26,544)	(18,936)
Loan repayments received	22,801	20,034
Other receipts	198	9,711
<b>Net cash used in other operating activities</b>	<b>(582,074)</b>	<b>(253,941)</b>
<b>Total cash used in all operating activities</b>	<b>(433,695)</b>	<b>(594,001)</b>
<b>Investment activities</b>		
Profit / return received	55,317	60,666
Dividends received	717,899	575,520
Payments for investments	(5,050,934)	(4,030,772)
Proceeds from disposal of investments	4,460,953	3,887,600
Fixed capital expenditure - Tangible assets	(145,823)	(120,115)
Fixed capital expenditure - Intangible assets	(12,977)	(27,924)
Proceeds from disposal of fixed assets	20,518	110,862
Rentals received	3,189	-
Income received on PIBs	11,678	1,868
Income on Treasury Bills	3,694	21,276
Income received on TFCs	7,764	9,832
<b>Total cash flow from investing activities</b>	<b>71,278</b>	<b>488,813</b>
<b>Financing activities</b>		
Lease rentals paid	(16,543)	(31,121)
Dividends paid	(120,389)	(907)
<b>Total cash used in financing activities</b>	<b>(136,932)</b>	<b>(32,028)</b>
<b>Net cash used in all activities</b>	<b>(499,349)</b>	<b>(137,216)</b>
Cash at the beginning of the period	1,289,119	1,288,848
<b>Cash at the end of the period</b>	<b>789,770</b>	<b>1,151,632</b>

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### Reconciliation to Profit and Loss Account

Operating cash flows
Depreciation expense
Provision for gratuity
Other income - bank deposits
Profit on disposal of fixed assets
Provision for impairment
Finance charge on lease obligations
Increase/ (decrease) in assets other than cash
Decrease in liabilities other than running finance

### Others

Profit on sale of investments
Amortization expense
Increase in unearned premium
Amortization of income on Government Securities - net
(Decrease) / increase in loans
Income tax paid
Return on PIBs
Exchange gain
Reversal / (provision) for diminution in value of investments
Dividend investments and other income
Income on Treasury Bills
Other income - TFCs

### Profit before taxation

### Definition of cash

Cash comprises cash in hand, bank balances excluding Rupees 9.076 million (2012: Rupees 9.076 million) held under lien, and other deposits which are readily convertible into cash and which are used in the cash management function on a day-to-day basis.

### Cash for the purposes of the Statement of Cash Flows consists of:

Cash and other equivalents
Current and other accounts
Deposits maturing within 12 months
<b>Total cash and cash equivalents</b>

	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>		
	(433,695)	(594,001)
	(74,840)	(123,352)
	2,085	-
	58,944	61,232
	8	83,164
	-	(59,514)
	(1,520)	(4,719)
	455,772	613,356
	(65,214)	276,225
	(58,460)	252,391
	1,155,011	131,893
	(13,235)	(15,584)
	(115,261)	(340,840)
	403	208
	3,743	(7,677)
	76,826	66,656
	8,740	3,260
	-	-
	51,114	51,485
	789,317	684,849
	3,154	11,313
	8,460	13,198
	<u>1,968,272</u>	<u>598,761</u>
	<u>1,909,812</u>	<u>851,152</u>

	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>		
	2,367	1,416
	782,698	1,127,105
	4,735	14,035
	<u>789,770</u>	<u>1,142,556</u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
Rupees in thousand		
<b>Operating cash flows</b>		
<b>a) Underwriting activities</b>		
Premiums received	1,643,826	1,315,689
Reinsurance premiums paid	(362,016)	(361,488)
Claims paid	(1,489,121)	(1,130,964)
Surrenders paid	(190)	(1,064)
Reinsurance and other recoveries received	498,409	499,628
Commissions paid	(161,787)	(128,857)
Commissions received	68,210	48,527
Other underwriting payments	(62,838)	(84,185)
<b>Net cash flow from underwriting activities</b>	<b>134,493</b>	<b>157,286</b>
<b>b) Other operating activities</b>		
Income tax paid	-	-
General and other expenses paid	(68,929)	(64,423)
Loans disbursed	(5,851)	(8,306)
Loan repayments received	6,094	3,355
Other receipts	3,350	11,934
<b>Net cash used in other operating activities</b>	<b>(65,336)</b>	<b>(57,440)</b>
<b>Total cash flow from all operating activities</b>	<b>69,157</b>	<b>99,846</b>
<b>Investment activities</b>		
Profit / return received	14,274	11,694
Dividends received	-	-
Payments for investments	-	-
Proceeds from disposal of investments	-	-
Fixed capital expenditure - Tangible assets	(22,876)	(53,091)
Fixed capital expenditure - Intangible assets	-	-
Proceeds from disposal of fixed assets	(1,299)	604
Rentals received	-	-
Income received on PIBs	-	-
Income received on TFCs	-	-
<b>Total cash used in investing activities</b>	<b>(9,901)</b>	<b>(40,793)</b>
<b>Financing activities</b>		
Lease rentals paid	-	-
Dividends paid	-	-
<b>Total cash flow from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net cash inflow from all activities</b>	<b>59,256</b>	<b>59,053</b>
Cash at the beginning of the period	1,209,216	1,090,119
<b>Cash at the end of the period</b>	<b>1,268,472</b>	<b>1,149,172</b>

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>		
<b>Reconciliation to Profit and Loss Account</b>		
Operating cash flows	69,157	99,846
Depreciation expense	(19,435)	(2,612)
Provision for gratuity	(6,592)	(6,791)
Other income - bank deposits	17,460	18,205
Profit on disposal of fixed assets	(418)	(2,172)
Provision for impairment	-	-
Finance charge on lease obligations	-	-
Increase in assets other than cash	562,324	294,199
Increase in liabilities other than running finance	(401,502)	(331,576)
	220,994	69,099
<b>Others</b>		
Profit on sale of investments	-	-
Amortization expense	-	-
Increase in unearned premium	(214,027)	(67,560)
Amortization of income on Government Securities - net	-	-
Increase in loans	(243)	4,951
Income tax paid	-	-
Return on PIBs	-	-
Exchange gain	40,430	-
Reversal / (provision) for diminution in value of investments	-	-
Dividend investments and other income	-	-
Income on Treasury Bills	-	-
Other income - TFCs	-	-
	(173,840)	(62,609)
<b>Profit before taxation</b>	<b>47,154</b>	<b>6,490</b>

### Definition of cash

Cash comprises cash in hand, bank balances excluding Rupees Nil (2012: Rupees Nil) held under lien, and other deposits which are readily convertible into cash and which are used in the cash management function on a day-to-day basis.

	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>		
<b>Cash for the purposes of the Statement of Cash Flows consists of:</b>		
Cash and other equivalents	287	257
Current and other accounts	97,893	142,440
Deposits maturing within 12 months	1,170,292	1,006,475
<b>Total cash and cash equivalents</b>	<b>1,268,472</b>	<b>1,149,172</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	1,542,469	1,556,672	2,140,624	958,517	1,222,153	1,120,687	1,571,816	771,024	<b>187,493</b>	180,597
Marine, aviation and transport	197,717	77,381	75,653	199,445	45,847	13,020	16,368	42,499	<b>156,946</b>	156,922
Motor	780,289	1,691,058	1,599,847	871,500	85,788	120,150	111,244	94,694	<b>776,806</b>	673,507
Miscellaneous	444,584	616,402	605,870	455,116	178,748	237,033	228,430	187,351	<b>267,765</b>	368,120
<b>Total</b>	<b>2,965,059</b>	<b>3,941,513</b>	<b>4,421,994</b>	<b>2,484,578</b>	<b>1,532,536</b>	<b>1,490,890</b>	<b>1,927,858</b>	<b>1,095,568</b>	<b>1,389,010</b>	<b>1,379,146</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>2,965,059</b>	<b>3,941,513</b>	<b>4,421,994</b>	<b>2,484,578</b>	<b>1,532,536</b>	<b>1,490,890</b>	<b>1,927,858</b>	<b>1,095,568</b>	<b>1,389,010</b>	<b>1,379,146</b>

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	3,399,952	1,858,769	2,140,624	3,118,097	2,711,596	1,377,042	1,571,816	2,516,822	<b>601,275</b>	703,188
Marine, aviation and transport	562,997	66,461	75,653	553,805	117,577	12,978	16,368	114,187	<b>439,618</b>	433,473
Motor	2,592,749	1,489,035	1,599,847	2,481,937	279,075	107,564	111,244	275,395	<b>2,206,542</b>	2,059,710
Miscellaneous	1,488,698	547,028	605,870	1,429,856	647,649	158,463	228,430	577,682	<b>852,174</b>	1,104,118
<b>Total</b>	<b>8,044,396</b>	<b>3,961,293</b>	<b>4,421,994</b>	<b>7,583,695</b>	<b>3,755,897</b>	<b>1,656,047</b>	<b>1,927,858</b>	<b>3,484,086</b>	<b>4,099,609</b>	<b>4,300,489</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>8,044,396</b>	<b>3,961,293</b>	<b>4,421,994</b>	<b>7,583,695</b>	<b>3,755,897</b>	<b>1,656,047</b>	<b>1,927,858</b>	<b>3,484,086</b>	<b>4,099,609</b>	<b>4,300,489</b>

Note:

	Rupees in thousand
Closing unearned premium as per statement of premiums	4,421,994
Foreign exchange adjustment	<u>131,413</u>
	<u>4,553,407</u>
Closing prepaid reinsurance premium ceded as per statement of premiums	1,927,858
Foreign exchange adjustment	<u>22,940</u>
	<u>1,950,798</u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	1,488,720	1,491,523	2,059,548	920,695	1,174,891	1,067,069	1,502,490	739,470	<b>181,225</b>	176,068
Marine, aviation and transport	191,640	75,452	74,194	192,898	45,841	11,960	16,212	41,589	<b>151,309</b>	153,246
Motor	303,028	647,102	641,744	308,386	5,248	1,124	504	5,868	<b>302,518</b>	344,341
Miscellaneous	437,917	598,378	592,249	444,046	175,232	227,793	221,572	181,453	<b>262,593</b>	363,036
<b>Total</b>	<b>2,421,305</b>	<b>2,812,455</b>	<b>3,367,735</b>	<b>1,866,025</b>	<b>1,401,212</b>	<b>1,307,946</b>	<b>1,740,778</b>	<b>968,380</b>	<b>897,645</b>	<b>1,036,691</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>2,421,305</b>	<b>2,812,455</b>	<b>3,367,735</b>	<b>1,866,025</b>	<b>1,401,212</b>	<b>1,307,946</b>	<b>1,740,778</b>	<b>968,380</b>	<b>897,645</b>	<b>1,036,691</b>

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	3,276,591	1,802,996	2,059,548	3,020,039	2,607,635	1,330,294	1,502,490	2,435,439	<b>584,600</b>	689,043
Marine, aviation and transport	548,053	62,059	74,194	535,918	117,229	10,244	16,212	111,261	<b>424,657</b>	418,206
Motor	983,166	601,815	641,744	943,237	17,750	598	504	17,844	<b>925,393</b>	1,126,103
Miscellaneous	1,465,913	522,777	592,249	1,396,441	635,802	145,224	221,572	559,454	<b>836,987</b>	1,088,423
<b>Total</b>	<b>6,273,723</b>	<b>2,989,647</b>	<b>3,367,735</b>	<b>5,895,635</b>	<b>3,378,416</b>	<b>1,486,360</b>	<b>1,740,778</b>	<b>3,123,998</b>	<b>2,771,637</b>	<b>3,321,775</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>6,273,723</b>	<b>2,989,647</b>	<b>3,367,735</b>	<b>5,895,635</b>	<b>3,378,416</b>	<b>1,486,360</b>	<b>1,740,778</b>	<b>3,123,998</b>	<b>2,771,637</b>	<b>3,321,775</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	53,749	65,149	81,076	37,822	47,262	53,618	69,326	31,554	<b>6,268</b>	4,529
Marine, aviation and transport	6,077	1,929	1,459	6,547	6	1,060	156	910	<b>5,637</b>	3,676
Motor	477,261	1,043,956	958,103	563,114	80,540	119,026	110,740	88,826	<b>474,288</b>	329,166
Miscellaneous	6,667	18,024	13,621	11,070	3,516	9,240	6,858	5,898	<b>5,172</b>	5,084
<b>Total</b>	<b>543,754</b>	<b>1,129,058</b>	<b>1,054,259</b>	<b>618,553</b>	<b>131,324</b>	<b>182,944</b>	<b>187,080</b>	<b>127,188</b>	<b>491,365</b>	<b>342,455</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>543,754</b>	<b>1,129,058</b>	<b>1,054,259</b>	<b>618,553</b>	<b>131,324</b>	<b>182,944</b>	<b>187,080</b>	<b>127,188</b>	<b>491,365</b>	<b>342,455</b>

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	123,361	55,773	81,076	98,058	103,961	46,748	69,326	81,383	<b>16,675</b>	14,145
Marine, aviation and transport	14,944	4,402	1,459	17,887	348	2,734	156	2,926	<b>14,961</b>	15,267
Motor	1,609,583	887,220	958,103	1,538,700	261,325	106,966	110,740	257,551	<b>1,281,149</b>	933,607
Miscellaneous	22,785	24,251	13,621	33,415	11,847	13,239	6,858	18,228	<b>15,187</b>	15,695
<b>Total</b>	<b>1,770,673</b>	<b>971,646</b>	<b>1,054,259</b>	<b>1,688,060</b>	<b>377,481</b>	<b>169,687</b>	<b>187,080</b>	<b>360,088</b>	<b>1,327,972</b>	<b>978,714</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>1,770,673</b>	<b>971,646</b>	<b>1,054,259</b>	<b>1,688,060</b>	<b>377,481</b>	<b>169,687</b>	<b>187,080</b>	<b>360,088</b>	<b>1,327,972</b>	<b>978,714</b>

Note:

**Rupees in thousand**

Closing unearned premium as per statement of premiums	1,054,259
Foreign exchange adjustment	<u>131,413</u>
	<u>1,185,672</u>

Closing prepaid reinsurance premium ceded as per statement of premiums	187,080
Foreign exchange adjustment	<u>22,939</u>
	<u>210,019</u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	744,981	2,715,391	3,162,283	1,191,873	667,161	2,034,874	2,401,810	1,034,097	<b>157,776</b>	129,634
Marine, aviation and transport	67,469	316,361	322,627	73,735	3,245	138,079	136,282	1,448	<b>72,287</b>	82,138
Motor	575,341	2,135,345	2,294,660	734,656	132,514	1,686,729	1,814,153	259,938	<b>474,718</b>	361,827
Miscellaneous	218,939	736,966	789,447	271,420	67,538	607,691	606,813	66,660	<b>204,760</b>	141,189
<b>Total</b>	<b>1,606,730</b>	<b>5,904,063</b>	<b>6,569,017</b>	<b>2,271,684</b>	<b>870,458</b>	<b>4,467,373</b>	<b>4,959,058</b>	<b>1,362,143</b>	<b>909,541</b>	<b>714,788</b>
<b>Treaty</b>										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>20,332</b>	<b>20,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>1,606,730</b>	<b>5,924,395</b>	<b>6,589,349</b>	<b>2,271,684</b>	<b>870,458</b>	<b>4,467,373</b>	<b>4,959,058</b>	<b>1,362,143</b>	<b>909,541</b>	<b>714,788</b>

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	1,568,522	2,884,545	3,162,283	1,846,260	1,144,611	2,142,921	2,401,810	1,403,500	<b>442,760</b>	543,890
Marine, aviation and transport	231,981	269,872	322,627	284,736	14,691	127,373	136,282	23,600	<b>261,136</b>	218,036
Motor	1,911,763	2,012,919	2,294,660	2,193,504	464,937	1,460,234	1,814,153	818,856	<b>1,374,648</b>	1,345,713
Miscellaneous	1,052,069	1,173,985	789,447	667,531	356,670	769,372	606,813	194,111	<b>473,420</b>	692,707
<b>Total</b>	<b>4,764,335</b>	<b>6,341,321</b>	<b>6,569,017</b>	<b>4,992,031</b>	<b>1,980,909</b>	<b>4,499,900</b>	<b>4,959,058</b>	<b>2,440,067</b>	<b>2,551,964</b>	<b>2,800,346</b>
<b>Treaty</b>										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>20,332</b>	<b>20,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>4,764,335</b>	<b>6,361,653</b>	<b>6,589,349</b>	<b>4,992,031</b>	<b>1,980,909</b>	<b>4,499,900</b>	<b>4,959,058</b>	<b>2,440,067</b>	<b>2,551,964</b>	<b>2,800,346</b>

Note:

**Rupees in thousand**

Closing outstanding claims as per statement of claims	6,589,349
Foreign exchange adjustment	<u>175,670</u>
	<u>6,765,019</u>

Closing reinsurance recoveries against outstanding claims as per statement of claims	4,959,058
Foreign exchange adjustment	<u>143,192</u>
	<u>5,102,250</u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	743,537	2,616,207	3,064,719	1,192,049	666,553	1,959,976	2,328,477	1,035,054	<b>156,995</b>	138,837
Marine, aviation and transport	67,216	308,495	314,800	73,521	3,244	138,079	136,282	1,447	<b>72,074</b>	78,053
Motor	99,039	220,000	255,588	134,627	666	45,657	64,473	19,482	<b>115,145</b>	105,260
Miscellaneous	215,318	735,772	788,756	268,302	64,822	606,832	606,332	64,322	<b>203,980</b>	139,863
<b>Total</b>	<b>1,125,110</b>	<b>3,880,474</b>	<b>4,423,863</b>	<b>1,668,499</b>	<b>735,285</b>	<b>2,750,544</b>	<b>3,135,564</b>	<b>1,120,305</b>	<b>548,194</b>	462,013
<b>Treaty</b>										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>20,332</b>	<b>20,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>1,125,110</b>	<b>3,900,806</b>	<b>4,444,195</b>	<b>1,668,499</b>	<b>735,285</b>	<b>2,750,544</b>	<b>3,135,564</b>	<b>1,120,305</b>	<b>548,194</b>	462,013

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	1,543,418	2,816,319	3,064,719	1,791,818	1,123,646	2,079,054	2,328,477	1,373,069	<b>418,749</b>	526,293
Marine, aviation and transport	231,435	262,210	314,800	284,025	14,638	127,373	136,282	23,547	<b>260,478</b>	217,456
Motor	466,956	265,637	255,588	456,907	8,530	44,031	64,473	28,972	<b>427,935</b>	648,660
Miscellaneous	1,033,405	1,173,464	788,756	648,697	342,636	769,001	606,332	179,967	<b>468,730</b>	689,185
<b>Total</b>	<b>3,275,214</b>	<b>4,517,630</b>	<b>4,423,863</b>	<b>3,181,447</b>	<b>1,489,450</b>	<b>3,019,459</b>	<b>3,135,564</b>	<b>1,605,555</b>	<b>1,575,892</b>	2,081,594
<b>Treaty</b>										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>20,332</b>	<b>20,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>3,275,214</b>	<b>4,537,962</b>	<b>4,444,195</b>	<b>3,181,447</b>	<b>1,489,450</b>	<b>3,019,459</b>	<b>3,135,564</b>	<b>1,605,555</b>	<b>1,575,892</b>	2,081,594

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

## BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	1,444	99,184	97,564	(176)	608	74,898	73,333	(957)	<b>781</b>	(9,203)
Marine, aviation and transport	253	7,866	7,827	214	1	-	-	1	<b>213</b>	4,085
Motor	476,302	1,915,345	2,039,072	600,029	131,848	1,641,072	1,749,680	240,456	<b>359,573</b>	256,567
Miscellaneous	3,621	1,194	691	3,118	2,716	859	481	2,338	<b>780</b>	1,326
<b>Total</b>	<b>481,620</b>	<b>2,023,589</b>	<b>2,145,154</b>	<b>603,185</b>	<b>135,173</b>	<b>1,716,829</b>	<b>1,823,494</b>	<b>241,838</b>	<b>361,347</b>	<b>252,775</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>481,620</b>	<b>2,023,589</b>	<b>2,145,154</b>	<b>603,185</b>	<b>135,173</b>	<b>1,716,829</b>	<b>1,823,494</b>	<b>241,838</b>	<b>361,347</b>	<b>252,775</b>

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	25,104	68,226	97,564	54,442	20,965	63,867	73,333	30,431	<b>24,011</b>	17,597
Marine, aviation and transport	546	7,662	7,827	711	53	-	-	53	<b>658</b>	580
Motor	1,444,807	1,747,282	2,039,072	1,736,597	456,407	1,416,203	1,749,680	789,884	<b>946,713</b>	697,053
Miscellaneous	18,664	521	691	18,834	14,034	371	481	14,144	<b>4,690</b>	3,522
<b>Total</b>	<b>1,489,121</b>	<b>1,823,691</b>	<b>2,145,154</b>	<b>1,810,584</b>	<b>491,459</b>	<b>1,480,441</b>	<b>1,823,494</b>	<b>834,512</b>	<b>976,072</b>	<b>718,752</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>1,489,121</b>	<b>1,823,691</b>	<b>2,145,154</b>	<b>1,810,584</b>	<b>491,459</b>	<b>1,480,441</b>	<b>1,823,494</b>	<b>834,512</b>	<b>976,072</b>	<b>718,752</b>

Note:

**Rupees in thousand**

Closing outstanding claims as per statement of claims	2,145,154
Foreign exchange adjustment	<u>175,670</u>
	<u>2,320,824</u>

Closing reinsurance recoveries against outstanding claims as per statement of claims	1,823,494
Foreign exchange adjustment	<u>143,192</u>
	<u>1,966,686</u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>									
<b>Direct and facultative</b>									
Fire and property damage	188,965	186,301	246,901	128,365	71,373	199,738	96,226	103,512	99,125
Marine, aviation and transport	27,709	5,544	6,544	26,709	55,361	82,070	1,143	80,927	57,006
Motor	77,435	162,869	159,503	80,801	177,290	258,091	6,765	251,326	225,556
Miscellaneous	36,632	55,348	55,419	36,561	93,617	130,178	38,806	91,372	82,227
<b>Total</b>	<b>330,741</b>	<b>410,062</b>	<b>468,367</b>	<b>272,436</b>	<b>397,641</b>	<b>670,077</b>	<b>142,940</b>	<b>527,137</b>	<b>463,914</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>330,741</b>	<b>410,062</b>	<b>468,367</b>	<b>272,436</b>	<b>397,641</b>	<b>670,077</b>	<b>142,940</b>	<b>527,137</b>	<b>463,914</b>

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>									
<b>Direct and facultative</b>									
Fire and property damage	413,124	252,708	246,901	418,931	228,646	647,577	383,051	264,526	267,044
Marine, aviation and transport	79,510	(5,160)	6,544	67,806	150,180	217,986	3,309	214,677	191,913
Motor	266,712	118,926	159,503	226,135	516,795	742,930	29,819	713,111	767,025
Miscellaneous	117,950	55,729	55,419	118,260	266,778	385,038	108,863	276,175	261,674
<b>Total</b>	<b>877,296</b>	<b>422,203</b>	<b>468,367</b>	<b>831,132</b>	<b>1,162,399</b>	<b>1,993,531</b>	<b>525,042</b>	<b>1,468,489</b>	<b>1,487,656</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>877,296</b>	<b>422,203</b>	<b>468,367</b>	<b>831,132</b>	<b>1,162,399</b>	<b>1,993,531</b>	<b>525,042</b>	<b>1,468,489</b>	<b>1,487,656</b>

Note:

<b>Rupees in thousand</b>	
Closing deferred commission as per statement of expenses	468,367
Foreign exchange adjustment	12,954
	<u>481,321</u>
Closing unearned commission from reinsurers as per statement of expenses	217,349
Foreign exchange adjustment	4,094
	<u>221,443</u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>									
<b>Direct and facultative</b>									
Fire and property damage	181,911	176,317	235,488	122,740	69,705	192,445	88,974	<b>103,471</b>	83,296
Marine, aviation and transport	27,132	5,380	6,733	25,779	54,070	79,849	1,007	<b>78,842</b>	49,993
Motor	23,269	59,181	56,213	26,237	127,719	153,956	21	<b>153,935</b>	159,550
Miscellaneous	36,706	52,483	54,097	35,092	92,180	127,272	37,303	<b>89,969</b>	64,562
<b>Total</b>	<b>269,018</b>	<b>293,361</b>	<b>352,531</b>	<b>209,848</b>	<b>343,674</b>	<b>553,522</b>	<b>127,305</b>	<b>426,217</b>	<b>357,401</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>269,018</b>	<b>293,361</b>	<b>352,531</b>	<b>209,848</b>	<b>343,674</b>	<b>553,522</b>	<b>127,305</b>	<b>426,217</b>	<b>357,401</b>

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>									
<b>Direct and facultative</b>									
Fire and property damage	395,934	243,588	235,488	404,034	212,965	616,999	363,569	<b>253,430</b>	249,010
Marine, aviation and transport	77,959	(5,486)	6,733	65,740	142,404	208,144	2,870	<b>205,274</b>	180,131
Motor	86,750	43,949	56,213	74,486	360,553	435,039	93	<b>434,946</b>	569,458
Miscellaneous	114,797	53,544	54,097	114,244	252,167	366,411	106,245	<b>260,166</b>	238,266
<b>Total</b>	<b>675,440</b>	<b>335,595</b>	<b>352,531</b>	<b>658,504</b>	<b>968,089</b>	<b>1,626,593</b>	<b>472,777</b>	<b>1,153,816</b>	<b>1,236,865</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>675,440</b>	<b>335,595</b>	<b>352,531</b>	<b>658,504</b>	<b>968,089</b>	<b>1,626,593</b>	<b>472,777</b>	<b>1,153,816</b>	<b>1,236,865</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>									
<b>Direct and facultative</b>									
Fire and property damage	7,054	9,984	11,413	5,625	1,668	7,293	7,252	41	15,829
Marine, aviation and transport	577	164	(189)	930	1,291	2,221	136	2,085	7,013
Motor	54,166	103,688	103,290	54,564	49,571	104,135	6,744	97,391	66,006
Miscellaneous	(74)	2,865	1,322	1,469	1,437	2,906	1,503	1,403	17,665
<b>Total</b>	<b>61,723</b>	<b>116,701</b>	<b>115,836</b>	<b>62,588</b>	<b>53,967</b>	<b>116,555</b>	<b>15,635</b>	<b>100,920</b>	<b>106,513</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>61,723</b>	<b>116,701</b>	<b>115,836</b>	<b>62,588</b>	<b>53,967</b>	<b>116,555</b>	<b>15,635</b>	<b>100,920</b>	<b>106,513</b>

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>									
<b>Direct and facultative</b>									
Fire and property damage	17,190	9,120	11,413	14,897	15,681	30,578	19,482	11,096	18,034
Marine, aviation and transport	1,551	326	(189)	2,066	7,776	9,842	439	9,403	11,782
Motor	179,962	74,977	103,290	151,649	156,242	307,891	29,726	278,165	197,567
Miscellaneous	3,153	2,185	1,322	4,016	14,611	18,627	2,618	16,009	23,408
<b>Total</b>	<b>201,856</b>	<b>86,608</b>	<b>115,836</b>	<b>172,628</b>	<b>194,310</b>	<b>366,938</b>	<b>52,265</b>	<b>314,673</b>	<b>250,791</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>201,856</b>	<b>86,608</b>	<b>115,836</b>	<b>172,628</b>	<b>194,310</b>	<b>366,938</b>	<b>52,265</b>	<b>314,673</b>	<b>250,791</b>

Note:

Rupees in thousand	
Closing deferred commission as per statement of expenses	115,836
Foreign exchange adjustment	12,955
	<u>128,791</u>
Closing unearned commission from reinsurers as per statement of expenses	9,563
Foreign exchange adjustment	4,094
	<u>13,658</u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Quarter ended 30 September 2013	Quarter ended 30 September 2012	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>				
<b>Income from non-trading investments</b>				
<b>Available-for-sale</b>				
Return on Term Finance Certificates	2,241	4,685	8,460	13,198
Return on Pakistan Investment Bonds	2,257	2,026	8,740	3,260
Profit on Treasury Bills	1,318	3,250	3,154	11,313
Dividend income				
- associated undertakings	163,233	170,730	469,106	414,998
- others	87,997	85,624	320,614	269,851
	251,230	256,354	789,720	684,849
	257,046	266,315	810,074	712,620
Gain on sale of 'available-for-sale' investments				
- associated undertakings	39,699	-	221,939	87,283
- others	46,168	4,364	399,072	44,610
	85,867	4,364	1,155,011	131,893
	342,913	270,679	1,965,085	844,513
(Provision) / reversal of impairment in value of 'available-for-sale' investments	(102)	5,600	51,114	51,485
<b>Net investment income</b>	<b>342,811</b>	<b>276,279</b>	<b>2,016,199</b>	<b>895,998</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

## FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### 1 THE COMPANY AND ITS OPERATIONS

Adamjee Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now Companies Ordinance, 1984). The Company is listed on all the stock exchanges in Pakistan and is engaged in the non-life insurance business. The registered office of the Company is situated at 4<sup>th</sup> Floor Tanveer Building, 27-C-III, MM Alam Road, Gulberg III, Lahore.

The Company also operates branches in the United Arab Emirates (UAE), the Kingdom of Saudi Arabia (KSA) and the Export Processing Zone (EPZ). The branch in the KSA has closed down its operations and is in "run-off" status with effect from 01 October 2003.

### 2 BASIS OF PREPARATION

This unconsolidated condensed interim financial information of the Company for the nine months ended 30 September 2013 has been prepared in accordance with requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002. In case where requirements differ, the provision of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 have been followed.

The disclosures made in this unconsolidated condensed interim financial information have, however, been limited based on format prescribed by the Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003 and International Accounting Standard 34 - 'Interim Financial Reporting.' They do not include all the disclosures required for annual financial statements, and these condensed interim financial information should be read in conjunction with annual financial statements of the Company for the year ended 31 December 2012.

### 3 BASIS OF MEASUREMENT

This unconsolidated condensed interim financial information has been prepared under the historical cost convention except that obligations under certain employee benefits are measured at present value.

### 4 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the Company for the year ended 31 December 2012, except for :

#### 4.1 Provision for taxation

Income tax expense is recognised in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

#### 4.2 Changes in accounting policies and disclosures - Standards, interpretations and amendments to published approved accounting standards that are effective in the current year that have an impact on the Company's financial information

IAS 19, 'Employee Benefits' (amended 2011) is effective for annual periods beginning on or after 1 January 2013. The amended IAS 19 includes the amendments that require actuarial gains and losses to be recognised immediately in other comprehensive income and that the expected return on plan assets recognised in profit or loss is calculated based on the rate used to discount the defined benefit obligation.

The change in accounting policy has been accounted for retrospectively in accordance with the requirements of IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and comparative figures have been restated. The effect, if any, of the change in accounting policy on the financial statements for the current and preceding periods is summarised below:

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	30 September 2013	31 December 2012	31 December 2011
<b>Rupees in thousand</b>			
<b>Impact on statement of financial position</b>			
Increase in other creditors and accruals	-	54,049	65,662
<b>Impact on statement of changes in equity</b>			
Unappropriated profit as previously reported	-	8,860,872	8,422,236
Adjustments due to change in accounting policy	-	11,612	17,907
Cumulative effect from prior years	-	(65,662)	(83,569)
<b>Unappropriated profit as restated</b>	-	<b>8,806,822</b>	<b>8,356,574</b>

	30 September 2013	30 September 2012
<b>Rupees in thousand</b>		
<b>Impact on profit and loss account and EPS</b>		
Increase/(decrease) in administrative expenses	-	-
<b>Impact on other comprehensive income</b>		
Increase/(decrease) in other comprehensive income	-	-

### 5 ACCOUNTING ESTIMATES AND JUDGMENTS

Judgments and estimates made by the management in the preparation of this unconsolidated condensed interim financial information are the same as those applied to the preceding annual published financial statements of the Company for the year ended 31 December 2012.

### 6 CONTINGENCIES AND COMMITMENTS

#### 6.1 Contingencies

There has been no significant change in the contingencies since the date of preceding published annual financial statements. The income tax assessments of the Company have been finalized up to and including the tax year 2012. However, the Company has filed appeals in respect of certain assessment years mainly on account of following:

i) The Deputy Commissioner Inland Revenue (DCIR) has finalized assessments for the assessment year 1999-2000 by taxing capital gains at the full rate of 33%. The aggregate tax liability assessed by the DCIR amounted to Rupees 48.205 million against which the Company has made a total provision of Rupees 44.141 million resulting in a shortfall of Rupees 4.064 million. The Company filed appeals with the Commissioner Inland Revenue (Appeals) and Appellate Tribunal Inland Revenue (ATIR) which were decided against the Company. Consequently, the Company has filed an appeal before the Honorable High Court of Sindh and the petition is fixed for regular hearing.

ii) The Additional Commissioner / Taxation Officer has reopened assessments for the assessment years 2000-2001 and 2001-2002 by taxing bonus shares received by the Company during the above mentioned periods resulting in an additional tax liability of Rupees 14.907 million. An appeal was filed before the Commissioner Inland Revenue (Appeals) who cancelled the amended order passed by the Additional Commissioner and allowed relief to the Company but the Tax Department had filed an appeal before the ATIR against the order of the Additional Commissioner, which has been decided in favour of the Company. However, the Company received another notice from Additional Commissioner for reassessment of the case in response to which the Company has filed a constitutional petition in Sindh High Court against such notice.

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

iii) While finalizing the assessment for the assessment year 2002-2003, DCIR has reduced the business loss for the year by Rupees 88.180 million by adjusting the dividend income against this loss. The Company maintains that it is entitled to carry the gross loss forward for adjustment against the future taxable income and dividend income for the year should be taxed separately at reduced rate. The appeals of the Company in this respect have been rejected by the Commissioner Inland Revenue (Appeals), the ATIR and the Sindh High Court. The Company has filed a reference application with the Supreme Court of Pakistan. The management is confident that the matter will eventually be decided in favor of the Company and has consequently not made any provision against the additional tax liability of Rupees 26.455 million which may arise in this respect.

iv) The Tax Authorities have also amended the assessments for tax years 2003 to 2007 on the ground that the Company has not apportioned management and general administration expenses against capital gain and dividend income. The Company has filed constitution petition in the High Court of Sindh against the amendment in the assessment order. The Company may be liable to pay Rupees 5.881 million in the event of decision against the Company, out of which Rupees 2.727 million have been provided resulting in a shortfall of Rupees 3.154 million.

v) The Taxation Officer has passed an order in the tax years 2005 and 2006 under section 221 of the Income Tax Ordinance, 2001 (the Ordinance) levying minimum tax liability aggregating to Rupees 38.358 million. An appeal was filed before the Commissioner Inland Revenue (Appeals) who upheld the order of the Taxation Officer. The Company has filed an appeal before the ATIR which is yet to be heard.

vi) The Company received a notice from Additional Commissioner Inland Revenue pertaining to the amendment of tax year 2008. Amongst others, the Additional Commissioner raised an issue with respect to the claim of exemption claimed on capital gains on listed securities by way of incorrect application of the provisions of law. The Company preferred to contest this matter by way of filing a constitutional petition before Sindh High Court. The court has ordered for stay of proceedings.

Pending resolution of the above-mentioned appeals filed by the Company, no provision has been made in these unconsolidated financial statements for the aggregate amount of Rupees 86.938 million (2012:Rupees 86.938 million) as the management is confident that the eventual outcome of the above matters will be in favor of the Company.

### 6.2 Commitments

There were no capital or other commitments as at 30 September 2013 (31 December 2012: Nil).

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Note	30 September 2013	31 December 2012
<b>Rupees in thousand</b>			
<b>7. INVESTMENTS</b>			
<b>In related parties</b>		(Unaudited)	(Audited)
<b>Available-for-sale</b>			
Marketable securities			
Listed		5,329,843	6,333,561
Unlisted		-	412,796
		<u>5,329,843</u>	<u>6,746,357</u>
Investment in subsidiary - Adamjee Life Assurance Company Limited		694,895	494,564
		<u>6,024,738</u>	<u>7,240,921</u>
<b>Others</b>			
<b>Available-for-sale</b>			
Marketable securities		6,085,235	3,123,657
Less: Provision for impairment of value in investments	7.1	(365,170)	(416,284)
		<u>5,720,065</u>	<u>2,707,373</u>
		<u>11,744,803</u>	<u>9,948,294</u>
At 30 September 2013, the fair value of 'available-for-sale' securities was Rupees 17,583.043 million (31 December 2012: Rupees 13,188.693 million).			
<b>7.1 Reconciliation of provision for impairment in value of investments</b>			
Opening provision		416,284	772,026
Reversal for the period		(51,114)	(355,742)
Closing provision		<u>365,170</u>	<u>416,284</u>
<b>8. PREMIUMS DUE BUT UNPAID - Unsecured</b>			
Considered good		3,216,359	3,197,422
Considered doubtful		369,716	359,147
		<u>3,586,075</u>	<u>3,556,569</u>
Less: Provision for doubtful balances	8.1	(369,716)	(359,147)
		<u>3,216,359</u>	<u>3,197,422</u>
<b>8.1 Reconciliation of provision for doubtful balances</b>			
Opening provision		359,147	309,821
Exchange loss		10,569	8,426
Charge for the year		-	40,900
Closing provision		<u>369,716</u>	<u>359,147</u>
<b>9. AMOUNTS DUE FROM OTHER INSURERS / REINSURERS - Unsecured</b>			
Considered good		901,878	591,566
Considered doubtful		322,810	326,327
		<u>1,224,688</u>	<u>917,893</u>
Less: Provision for doubtful balances	9.1	(322,810)	(326,327)
		<u>901,878</u>	<u>591,566</u>
<b>9.1 Reconciliation of provision for doubtful balances</b>			
Opening provision		326,327	276,327
Charge for the period		-	50,000
Reversal during the period		(3,517)	-
Closing provision		<u>322,810</u>	<u>326,327</u>

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Note	30 September 2013	31 December 2012
<b>Rupees in thousand</b>			
<b>10. FIXED ASSETS</b>		(Unaudited)	(Audited)
Opening book value		1,025,796	929,492
Add: Additions during the period	10.2	181,676	391,588
Less: Disposals / write offs during the period (at book value)	10.3	15,379	102,709
Depreciation charged during the period		107,509	192,575
		122,888	295,284
		1,084,584	1,025,796
Capital work in progress		87,314	91,855
		1,171,898	1,117,651
<b>10.1 Breakup of book values into owned and leased fixed assets:</b>			
Owned assets		1,047,737	973,367
Capital work in progress-owned		87,314	91,855
Leased		36,847	52,429
		1,171,898	1,117,651
<b>10.2 The following capital expenditure was incurred during the period:</b>			
Land and buildings		15,473	217,122
Furniture and fixtures		59,908	54,375
Motor vehicles		55,634	53,558
Machinery and equipment		25,083	24,547
Computer and related accessories		12,601	11,959
Intangible assets		12,977	30,027
		181,676	391,588
<b>10.3 The following are the written down values of fixed assets disposed off during the period:</b>			
Owned			
Land and buildings		-	1,640
Furniture and fixtures		43	2,574
Motor vehicles		4,175	8,780
Machinery and equipment		399	64,875
Computer and related accessories		73	365
		4,690	78,234
Leased			
Motor vehicles		10,689	24,475
		15,379	102,709

	30 September 2013	30 December 2012
<b>Rupees in thousand</b>		
<b>11. EARNINGS PER SHARE - BASIC AND DILUTED</b>		
There is no dilutive effect on the basic earnings per share which is based on:		
Net profit after tax for the period	1,735,188	841,941
<b>Number of shares</b>		
Weighted average number of shares	123,704,543	123,704,543
<b>Rupees</b>		
Basic earnings per share	14.03	6.81

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

## 12. TRANSACTIONS WITH RELATED PARTIES

The Company has related party relationships with its subsidiary company, associated companies, employee benefit plans, key management personnel and other parties. Transactions are entered into with such related parties for the issuance of policies to and disbursements of claims incurred by them and payments of rentals for the use of premises rented from them. There are no transactions with key management personnel other than their terms of employment.

Investment in related parties have been disclosed in note 6 to this unconsolidated condensed interim financial information. Other transactions with related parties are summarised as follows:

	Quarter ended 30 September 2013	Quarter ended 30 September 2012	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>				
<b>i) Transactions</b>				
<b>Subsidiary company</b>				
Investments made	-	-	200,322	200,499
Premium underwritten	2,155	1,537	2,820	2,014
Premium received	2,187	-	2,905	804
Claims paid	225	250	1,012	359
<b>Other related parties</b>				
Premium underwritten	431,721	937,399	806,783	1,292,538
Premium received	161,928	199,212	970,488	980,728
Claims paid	199,432	77,993	311,611	300,653
Dividend received	163,232	114,566	469,106	358,834
Dividend paid	-	-	471,882	-
Income on bank deposits	8,925	11,916	24,690	20,827
Rent paid	397	1,530	2,510	7,828
Rent received	1,262	-	3,651	-
Commission paid	74,406	143,192	84,871	150,503
Company's contribution to Employees Provident Fund	3,495	4,552	13,050	15,825
<b>Number of shares</b>				
Bonus shares received	-	-	56,266,121	2,603,771
<b>As at 30 September 2013</b>				
	<b>Subsidiary company</b>	<b>Other related parties</b>	<b>Total</b>	
<b>Rupees in thousand</b>				
<b>ii) Period end balances</b>				
Premium due but unpaid	694	542,422	543,116	
Premium received in advance	26	1,875	1,901	
Cash and bank balances	-	322,608	322,608	
Claims outstanding	154	210,919	211,073	
Payable to Staff Gratuity Fund	-	15,392	15,392	
Receivable from Employees Provident Fund	-	-	-	
<b>As at 31 December 2012</b>				
	<b>Subsidiary company</b>	<b>Other related parties</b>	<b>Total</b>	
<b>Rupees in thousand</b>				
Premium due but unpaid	619	555,391	556,010	
Premium received in advance	26	2,164	2,190	
Cash and bank balances	-	663,460	663,460	
Claims outstanding	50	283,190	283,240	
Payable to Staff Gratuity Fund	-	1,270	1,270	
Receivable from Employees Provident Fund	-	124	124	

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

## 13. SEGMENT REPORTING

Class of business wise revenue and results have been disclosed in the profit and loss account prepared in accordance with the requirements of the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following is a schedule of class of business wise assets and liabilities:

30 September 2013															
OTHER INFORMATION	Fire and Property Damage		Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		Aggregate
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	
Segment assets	5,683,022	254,816	412,893	10,919	576,247	3,251,260	1,560,498	26,202	-	-	-	-	8,132,660	3,543,197	11,675,857
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	14,087,422	1,558,331	15,645,753
<b>Total assets</b>	<b>5,683,022</b>	<b>254,816</b>	<b>412,893</b>	<b>10,919</b>	<b>576,247</b>	<b>3,251,260</b>	<b>1,560,498</b>	<b>26,202</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,087,422</b>	<b>1,558,331</b>	<b>17,221,610</b>
Segment liabilities	5,565,730	220,149	438,492	11,808	984,259	3,433,063	1,565,383	20,016	20,332	-	-	-	8,574,196	3,685,036	12,259,232
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	1,890,390	308,015	2,198,405
<b>Total liabilities</b>	<b>5,565,730</b>	<b>220,149</b>	<b>438,492</b>	<b>11,808</b>	<b>984,259</b>	<b>3,433,063</b>	<b>1,565,383</b>	<b>20,016</b>	<b>20,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,464,586</b>	<b>3,993,051</b>	<b>14,457,637</b>
<b>Capital expenditure</b>													158,800	22,876	181,676

  

31 December 2012															
OTHER INFORMATION	Fire and Property Damage		Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		Aggregate
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	
Segment assets	4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	-	-	7,554,420	2,835,970	10,390,390
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	12,733,719	1,483,054	14,216,773
<b>Total assets</b>	<b>4,940,171</b>	<b>189,471</b>	<b>402,771</b>	<b>14,990</b>	<b>519,036</b>	<b>2,587,598</b>	<b>1,692,442</b>	<b>43,911</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,733,719</b>	<b>1,483,054</b>	<b>16,157,163</b>
Segment liabilities	5,085,856	144,964	371,472	14,096	940,683	2,790,394	1,849,656	29,348	20,332	-	-	-	8,267,999	2,978,802	11,246,801
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	1,651,585	223,031	1,874,616
<b>Total liabilities</b>	<b>5,085,856</b>	<b>144,964</b>	<b>371,472</b>	<b>14,096</b>	<b>940,683</b>	<b>2,790,394</b>	<b>1,849,656</b>	<b>29,348</b>	<b>20,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,919,584</b>	<b>3,201,833</b>	<b>13,121,417</b>
<b>Capital expenditure</b>													266,893	83,172	350,065

## **NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**

*FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013*

### **14. FINANCIAL RISK MANAGEMENT**

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 31 December 2012.

### **15. DATE OF AUTHORISATION FOR ISSUE**

This unconsolidated condensed interim financial information was approved and authorised for issue on 30 October 2013 by the Board of Directors of the Company.

### **16. CORRESPONDING FIGURES**

No significant reclassification / rearrangement of corresponding figures has been made except resulting from the change from accounting policy disclosed in note 4.2.

### **17. GENERAL**

Figures in this condensed interim financial information have been rounded off to the nearest thousand, unless otherwise stated.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

**CONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL  
INFORMATION  
FOR THE**

**NINE MONTHS ENDED**

**30 SEPTEMBER 2013**

**BLANK**

## DIRECTORS' REPORT TO THE MEMBERS ON CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

On behalf of the Board, I am pleased to present the consolidated financial statements of Adamjee Insurance Company Limited and its subsidiary, Adamjee Life Assurance Company Limited for the nine months ended 30 September 2013.

The following appropriation of profit has been recommended by the Board of Directors:

	30 September 2013	30 September 2012
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Profit before tax	1,967,593	921,592
Taxation	(224,636)	16,427
Profit after tax	1,742,957	905,165
Profit attributable to non-controlling interest	(2,424)	(3,079)
Profit attributable to ordinary shareholders	1,740,533	902,086
Unappropriated profit brought forward	8,831,227	8,566,680
Profit available for appropriation	10,571,760	9,468,766
<b>Appropriation</b>		
Final dividend for the year ended 31 December 2012 @ 10% (Rupee 1/- per share) [2011: NIL]	(123,705)	-
Interim dividend for the period ended 30 June 2013 @ 25% (Rupees 2.5/- per share) [2012: @ 15% (Rupees 1.5/- per share)]	(309,262)	(185,557)
Transfer to Capital allocation reserve for UAE operations	(1,700,000)	-
Profit after appropriation	8,438,793	9,283,209

### Earnings per share

The interim consolidated financial information reflects Rupees 14.07 (30 September 2012: Rupees 7.29) earnings per share for the period.

On Behalf of Board of Directors

Muhammad Ali Zeb  
Managing Director and Chief Executive Officer

Date: 30 October 2013  
Lahore

## CONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT 30 SEPTEMBER 2013

Note	30 September 2013	31 December 2012
	Rupees in thousand	
	(Unaudited)	(Audited)
<b>Share capital and reserves</b>		
Authorised share capital	<u>1,500,000</u>	<u>1,500,000</u>
Paid-up share capital	1,237,045	1,237,045
Retained earnings - restated	8,438,793	8,831,227
Reserves	2,886,540	1,134,570
	<u>11,325,333</u>	<u>9,965,797</u>
<b>Equity attributable to equity holders of the parent</b>	<b>12,562,378</b>	<b>11,202,842</b>
<b>Non-controlling interest</b>	<b>23,836</b>	<b>28,889</b>
<b>TOTAL EQUITY</b>	<b>12,586,214</b>	<b>11,231,731</b>
<b>Balance of statutory funds</b>	<b>3,793,367</b>	<b>2,017,689</b>
<b>Underwriting provisions</b>		
Provision for outstanding claims (including IBNR)	6,833,241	6,412,501
Provision for unearned premium	4,553,407	3,961,293
Commission income unearned	221,443	313,279
Total underwriting provisions	<b>11,608,091</b>	<b>10,687,073</b>
<b>Deferred liabilities</b>		
Staff retirement benefits	48,711	37,687
<b>Creditors and Accruals</b>		
Premiums received in advance	192,623	128,142
Amounts due to other insurers / reinsurers	599,661	504,732
Accrued expenses	112,398	119,831
Other creditors and accruals - restated	2,101,894	1,790,325
	<b>3,006,576</b>	<b>2,543,030</b>
<b>Borrowings</b>		
Liabilities against assets subject to finance lease	9,964	24,987
<b>Other liabilities</b>		
Unclaimed dividends	38,874	35,558
<b>TOTAL LIABILITIES</b>	<b>14,712,216</b>	<b>13,328,335</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	6	
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>31,091,797</b></u>	<u><b>26,577,755</b></u>

The annexed notes form an integral part of this consolidated condensed interim financial information.

	Note	30 September 2013	31 December 2012
Rupees in thousand			
		(Unaudited)	(Audited)
<b>Cash and bank deposits</b>			
Cash and other equivalents		2,689	1,200
Current and other accounts		1,173,334	1,705,386
Deposits maturing within 12 months		1,184,103	1,026,373
		2,360,126	2,732,959
<b>Loans</b>			
To employees		17,373	12,791
<b>Investments</b>	7	15,085,576	11,583,212
<b>Deferred taxation</b>		108,632	247,065
<b>Current assets - others</b>			
Premiums due but unpaid	8	3,230,597	3,217,207
Amounts due from other insurers / reinsurers	9	923,736	606,559
Salvage recoveries accrued		219,642	169,671
Premium and claim reserves retained by cedants		23,252	23,252
Accrued investment income		99,483	26,616
Reinsurance recoveries against outstanding claims		4,882,608	4,330,229
Taxation - payments less provision		85,327	93,130
Deferred commission expense		481,321	422,203
Prepayments		2,079,633	1,746,313
Sundry receivables		265,248	208,776
		12,290,847	10,843,956
<b>Fixed assets - Tangible &amp; Intangible</b>	10		
<b>Owned</b>			
Land and buildings		454,379	464,050
Furniture and fixtures		185,308	114,336
Motor vehicles		245,527	224,004
Machinery and equipment		110,249	99,559
Computers and related accessories		46,658	50,348
Intangible asset - computer software		62,961	61,191
Capital work in progress		87,314	91,855
		1,192,396	1,105,343
<b>Leased</b>			
Motor vehicles		36,847	52,429
<b>TOTAL ASSETS</b>		31,091,797	26,577,755

Umer Mansha  
Chairman

S. M. Jawed  
Director

Ibrahim Shamsi  
Director

Muhammad Ali Zeb  
Managing Director & Chief Executive Officer

# CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	General Insurance					Life Insurance				Total	
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Conventional Business	Non-utilised Investment Link Business	Unit Link Business	Accident and Health Business	Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>Rupees in thousand</b>											
<b>Revenue account</b>											
Net premium revenue	187,493	156,946	776,806	267,765	-	16,815	113,978	700,858	-	2,220,661	1,747,581
Net claims	(157,776)	(72,287)	(474,718)	(204,760)	-	(5,926)	(1,296)	(176,040)	-	(1,092,803)	(742,138)
Expenses	(71,373)	(55,361)	(177,290)	(93,617)	-	(8,283)	(44,460)	(28,198)	-	(478,582)	(430,578)
Net commission	(32,139)	(25,566)	(74,036)	2,245	-	(2,708)	(10,559)	(153,663)	-	(296,426)	(180,494)
Net investment income - statutory fund	-	-	-	-	-	2,174	17,430	45,247	-	64,851	63,793
Add: Policyholders' liabilities at beginning of the year	-	-	-	-	-	75,628	872,620	2,310,057	7	3,258,312	987,833
Less: Policyholders' liabilities at end of the year	-	-	-	-	-	(71,207)	(949,544)	(2,723,029)	(5)	(3,743,785)	(1,237,130)
Capital contribution from shareholder's fund	-	-	-	-	-	-	-	23,721	-	23,721	14,129
(Deficit) / Surplus of policyholder's funds	-	-	-	-	-	(6,493)	1,831	1,047	(2)	(3,617)	(22,552)
<b>Underwriting result</b>	<b>(73,795)</b>	<b>3,732</b>	<b>50,762</b>	<b>(28,367)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(47,668)</b>	<b>200,444</b>
Investment income - other										350,803	228,103
Rental income										1,262	165
Other income										9,120	87,430
										313,517	516,142
General and administration expenses										(103,302)	(125,731)
Exchange loss										40,616	666
Finance charge on lease liabilities										(358)	(2,827)
Share of profit of associated companies										-	101,741
<b>Profit before tax</b>										<b>250,473</b>	<b>489,991</b>
Provision for taxation										(23,028)	(43,810)
<b>Profit after tax</b>										<b>227,445</b>	<b>446,181</b>
<b>Profit attributable to:</b>											
Equity holders of the parent										226,417	443,922
Non-controlling interest										1,028	2,259
										<b>1.83</b>	<b>3.59</b>
<b>Rupees</b>											
<b>Earnings per share - basic and diluted</b>											

	General Insurance					Life Insurance				Total	
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Conventional Business	Non-utilised Investment Link Business	Unit Link Business	Accident and Health Business	Nine months ended 30 September 2013	Nine months ended 30 September 2012
<b>Rupees in thousand</b>											
<b>Revenue account</b>											
Net premium revenue	601,275	439,618	2,206,542	852,174	-	53,116	407,333	2,322,357	2	6,882,417	5,417,025
Net claims	(442,760)	(261,136)	(1,374,648)	(473,420)	-	(32,149)	(5,107)	(374,870)	-	(2,964,090)	(2,852,643)
Expenses	(228,646)	(150,180)	(516,795)	(266,778)	-	(23,532)	(72,293)	(127,747)	-	(1,385,971)	(1,396,075)
Net commission	(35,880)	(64,497)	(196,316)	(9,397)	-	(12,106)	(71,244)	(527,936)	-	(917,376)	(618,820)
Net investment income - statutory fund	-	-	-	-	-	6,601	53,485	145,820	12	205,918	104,588
Add: Policyholders' liabilities at beginning of the year	-	-	-	-	-	74,352	628,849	1,251,469	5	1,954,675	479,562
Less: Policyholders' liabilities at end of the year	-	-	-	-	-	(71,207)	(949,544)	(2,723,029)	(5)	(3,743,785)	(1,237,130)
Capital contribution from shareholder's fund	-	-	-	-	-	-	-	33,936	-	33,936	121,826
Deficit / (Surplus) of policyholder's funds	-	-	-	-	-	4,925	8,521	-	(14)	13,432	(5,846)
<b>Underwriting result</b>	<b>(106,011)</b>	<b>(36,195)</b>	<b>118,783</b>	<b>102,579</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79,156</b>	<b>12,487</b>
Investment income - other										2,034,930	781,836
Rental income										3,651	-
Other income										77,604	118,227
										2,195,341	912,550
General and administration expenses										(267,417)	(175,606)
Exchange gain										41,189	1,072
Finance charge on lease liabilities										(1,520)	(4,719)
Share of profit of associated companies										-	188,295
<b>Profit before tax</b>										<b>1,967,593</b>	<b>921,592</b>
Provision for taxation										(224,636)	(16,427)
<b>Profit after tax</b>										<b>1,742,957</b>	<b>905,165</b>
<b>Profit attributable to:</b>											
Equity holders of the parent										1,740,533	902,086
Non-controlling interest										2,424	3,079
<b>Profit and loss appropriation account</b>											
<b>Balance at the commencement of the year</b>										<b>8,831,227</b>	<b>8,566,680</b>
Profit after tax for the period										1,740,533	902,086
Final dividend for the year ended 31 December 2012 @ 10% (Rs.1/- per share) (2011: Nil)										(123,705)	-
Interim dividend for the period ended 30 June 2013 @ 25% (Rs. 2.5/- per share) [2012 : @ 15% (Rs. 1.5/- per share)]										(309,262)	(185,557)
Transfer to Capital allocation reserve for UAE operations										(1,700,000)	-
<b>Balance unappropriated profit at the end of the period</b>										<b>8,438,793</b>	<b>9,283,209</b>
<b>Rupees</b>											
<b>Earnings per share - basic and diluted</b>										<b>14.07</b>	<b>7.29</b>

The annexed notes form an integral part of this consolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Quarter ended 30 September 2013	Quarter ended 30 September 2012	Nine months ended 30 September 2013	Nine months ended 30 September 2012
	<b>Rupees in thousand</b>			
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Profit after tax for the period</b>	<b>227,445</b>	446,181	<b>1,742,957</b>	905,165
<b>Other comprehensive income:</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Effect of translation of net investment in foreign branches	<b>(18,330)</b>	4,643	<b>76,006</b>	184,595
Capital contribution to statutory funds	<b>(23,721)</b>	(14,129)	<b>(33,936)</b>	(121,826)
<b>Total comprehensive income for the period</b>	<b>185,394</b>	436,695	<b>1,785,027</b>	967,934
Total comprehensive income attributable to:				
Equity holders of the parent	<b>190,283</b>	464,953	<b>1,792,504</b>	1,011,347
Non-controlling interest	<b>(4,889)</b>	(28,258)	<b>(7,477)</b>	(43,413)
	<u><b>185,394</b></u>	<u>436,695</u>	<u><b>1,785,027</b></u>	<u>967,934</u>

The annexed notes form an integral part of this consolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## CONSOLIDATED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Share capital	Capital reserves					Revenue reserves		Equity attributable to equity holders of the parent	Non-controlling interest	Total Equity
	Issued, subscribed and paid-up	Reserve for exceptional losses	Exchange translation reserve	Capital contribution to statutory funds	Investment fluctuation reserve	Capital allocation reserve for UAE operations	General reserve	Retained earnings			
<b>Rupees in thousand</b>											
<b>Balance as at 31 December 2011</b>	1,237,045	22,859	278,502	(218,193)	3,764	-	936,500	8,632,342	10,892,819	77,748	10,970,567
Effect of change in accounting policy relating to prior periods note - 4.2	-	-	-	-	-	-	-	(65,662)	(65,662)	-	(65,662)
<b>Balance as at 31 December 2011 - restated</b>	<b>1,237,045</b>	<b>22,859</b>	<b>278,502</b>	<b>(218,193)</b>	<b>3,764</b>	<b>-</b>	<b>936,500</b>	<b>8,566,680</b>	<b>10,827,157</b>	<b>77,748</b>	<b>10,904,905</b>
Profit for the period ended 30 September 2012	-	-	-	-	-	-	-	902,086	902,086	3,079	905,165
Other comprehensive income for the period	-	-	184,595	(75,334)	-	-	-	-	109,261	(43,413)	65,848
<b>Balance as at 30 September 2012 - restated (Unaudited)</b>	<b>1,237,045</b>	<b>22,859</b>	<b>468,097</b>	<b>(293,527)</b>	<b>3,764</b>	<b>-</b>	<b>936,500</b>	<b>9,283,209</b>	<b>11,652,947</b>	<b>37,414</b>	<b>11,690,361</b>
Profit for the period from 01 October 2012 to 31 December 2012	-	-	-	-	-	-	-	(451,982)	(451,982)	(23)	(452,005)
Other comprehensive income for the period	-	-	15,659	(13,782)	-	-	-	-	(1,877)	(8,502)	(6,625)
<b>Balance as at 31 December 2012 - restated (Audited)</b>	<b>1,237,045</b>	<b>22,859</b>	<b>478,756</b>	<b>(307,309)</b>	<b>3,764</b>	<b>-</b>	<b>936,500</b>	<b>8,831,227</b>	<b>11,202,842</b>	<b>28,889</b>	<b>11,231,731</b>
Profit for the period ended 30 September 2013	-	-	-	-	-	-	-	1,740,533	1,740,533	2,424	1,742,957
Other comprehensive income for the period	-	-	76,006	(24,036)	-	-	-	-	51,970	(7,477)	44,493
Final dividend for the year ended 31 December 2012 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	-	(123,705)	(123,705)	-	(123,705)
Interim dividend for the period ended 30 June 2013 @ 25% (Rupees 2.5/- per share)	-	-	-	-	-	-	-	(309,262)	(309,262)	-	(309,262)
Transfer to Capital allocation reserve for UAE operations	-	-	-	-	-	1,700,000	-	(1,700,000)	-	-	-
<b>Balance as at 30 June 2013 (Unaudited)</b>	<b>1,237,045</b>	<b>22,859</b>	<b>554,762</b>	<b>(331,345)</b>	<b>3,764</b>	<b>1,700,000</b>	<b>936,500</b>	<b>8,438,793</b>	<b>12,562,378</b>	<b>23,836</b>	<b>12,586,214</b>

The annexed notes form an integral part of this consolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

Nine months ended 30 September 2013	Nine months ended 30 September 2012
--	--

Rupees in thousand

### Operating Cash Flows

	Nine months ended 30 September 2013	Nine months ended 30 September 2012
<b>a) Underwriting activities</b>		
Premiums received	10,982,542	5,995,345
Reinsurance premiums paid	(3,664,595)	(2,155,048)
Claims paid	(5,253,213)	(3,636,162)
Surrenders paid	(13,362)	-
Reinsurance and other recoveries received	1,670,597	1,381,753
Commissions paid	(1,436,539)	(841,552)
Commissions received	433,206	349,853
Other underwriting payments	(886,710)	(555,228)
<b>Net cash flow from underwriting activities</b>	<b>1,831,926</b>	<b>538,961</b>
<b>b) Other operating activities</b>		
Income tax paid	(78,399)	(49,836)
General and management expenses paid	(793,116)	(256,091)
Loans disbursed	(33,717)	(84,587)
Loan repayments received	29,134	9,599
Other receipts	258,022	86,201
<b>Net cash used in other operating activities</b>	<b>(618,076)</b>	<b>(294,714)</b>
<b>Total cash flow from all operating activities</b>	<b>1,213,850</b>	<b>244,247</b>
<b>Investment activities</b>		
Profit / return received	116,916	97,011
Income received on PIBs	11,678	1,237
Income received on TFCs	7,764	29,852
Income on Treasury bills	3,694	-
Dividends received	719,661	432,537
Rentals received	3,189	-
Payments for investments	(17,071,541)	(4,416,718)
Proceeds from disposal of investments	14,750,341	4,055,480
Fixed capital expenditure - Tangible assets	(200,027)	(158,375)
Fixed capital expenditure - Intangible assets	(12,977)	-
Proceeds from disposal of fixed assets	21,220	81,433
<b>Total cash (used in) / flow from investing activities</b>	<b>(1,650,082)</b>	<b>122,457</b>
<b>Financing activities</b>		
Lease rentals paid	(16,543)	(22,713)
Dividends paid	(120,389)	(891)
Issue of share capital	200,332	200,499
<b>Total cash flow from financing activities</b>	<b>63,400</b>	<b>176,895</b>
<b>Net cash (outflow) / inflow from all activities</b>	<b>(372,832)</b>	<b>543,599</b>
Cash at the beginning of the period	2,723,882	2,506,381
<b>Cash at the end of the period</b>	<b>2,351,050</b>	<b>3,049,980</b>

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Nine months ended 30 September 2013	Nine months ended 30 September 2012
Rupees in thousand		
<b>Reconciliation to Profit and Loss Account</b>		
<b>Operating cash flows</b>		
Depreciation expense	1,213,850	244,247
Provision for gratuity	(102,771)	(87,603)
Other income - bank deposits	(4,507)	(4,424)
Profit on disposal of fixed assets	76,404	50,321
Provision for impairment	1,133	57,377
Finance charge on lease obligations	-	(40,000)
Share of profit of associated companies	(1,520)	(3,464)
Rental income	-	142,621
Increase / (decrease) in assets other than cash	3,651	-
(Increase) / decrease in liabilities other than running finance	1,025,937	(1,053,247)
	(2,292,451)	106,115
	(80,274)	(588,057)
<b>Others</b>		
Profit on sale of investments	1,155,011	131,538
Amortization expense	(18,385)	(13,237)
Capital contribution from shareholders' fund	33,937	107,696
(Decrease) / increase in unearned premium	(329,288)	329,548
Amortization of income on Government Securities - net	403	-
Return on Pakistan Investment Bonds	8,740	1,234
Decrease / (Increase) in loans	3,500	(934)
Income tax paid	76,826	48,484
Exchange gain	40,430	-
Reversal for diminution in value of investments	73,560	47,694
Dividend, investment and other income	991,519	397,488
Income on Treasury Bills	3,154	8,063
Other income - TFCs	8,460	8,513
	2,047,867	1,066,087
<b>Profit before taxation</b>	1,967,593	478,030

### Definition of cash:

Cash comprises cash in hand, bank balances excluding Rupees 9.076 million (2012: Rupees 9.076 million) held under lien and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

	Nine months ended 30 September 2013	Nine months ended 30 September 2012
Rupees in thousand		
<b>Cash for the purposes of the Statement of Cash Flows consists of:</b>		
Cash and other equivalent	2,689	2,403
Current and other accounts	1,164,258	1,970,076
Deposits maturing within 12 months	1,184,103	1,077,501
<b>Total cash and cash equivalents</b>	2,351,050	3,049,980

The annexed notes form an integral part of this consolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>General insurance:</b>										
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	1,542,469	1,556,672	2,140,624	958,517	1,222,153	1,120,687	1,571,816	771,024	<b>187,493</b>	233,752
Marine, aviation and transport	197,717	77,381	75,653	199,445	45,847	13,020	16,368	42,499	<b>156,946</b>	109,696
Motor	780,289	1,691,058	1,599,847	871,500	85,788	120,150	111,244	94,694	<b>776,806</b>	697,644
Miscellaneous	444,584	616,402	605,870	455,116	178,748	237,033	228,430	187,351	<b>267,765</b>	369,984
	<u>2,965,059</u>	<u>3,941,513</u>	<u>4,421,994</u>	<u>2,484,578</u>	<u>1,532,536</u>	<u>1,490,890</u>	<u>1,927,858</u>	<u>1,095,568</u>	<b>1,389,010</b>	1,411,076
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<u>2,965,059</u>	<u>3,941,513</u>	<u>4,421,994</u>	<u>2,484,578</u>	<u>1,532,536</u>	<u>1,490,890</u>	<u>1,927,858</u>	<u>1,095,568</u>	<b>1,389,010</b>	1,411,076
<b>Life insurance:</b>										
Conventional Business	36,612	-	-	36,612	19,797	-	-	19,797	<b>16,815</b>	10,808
Non-unitized Investment Linked Business	115,976	-	-	115,976	1,998	-	-	1,998	<b>113,978</b>	166,711
Unit Linked Business	709,150	-	-	709,150	8,292	-	-	8,292	<b>700,858</b>	324,416
Accident and Health Business	-	-	-	-	-	-	-	-	-	11
<b>Total</b>	<u>861,738</u>	<u>-</u>	<u>-</u>	<u>861,738</u>	<u>30,087</u>	<u>-</u>	<u>-</u>	<u>30,087</u>	<b>831,651</b>	501,946
<b>Grand Total</b>	<u>3,826,797</u>	<u>3,941,513</u>	<u>4,421,994</u>	<u>3,346,316</u>	<u>1,562,623</u>	<u>1,490,890</u>	<u>1,927,858</u>	<u>1,125,655</u>	<b>2,220,661</b>	1,913,022

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>General insurance:</b>										
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	3,399,952	1,858,769	2,140,624	3,118,097	2,711,596	1,377,042	1,571,816	2,516,822	<b>601,275</b>	522,591
Marine, aviation and transport	562,997	66,461	75,653	553,805	117,577	12,978	16,368	114,187	<b>439,618</b>	276,551
Motor	2,592,749	1,489,035	1,599,847	2,481,937	279,075	107,564	111,244	275,395	<b>2,206,542</b>	1,386,203
Miscellaneous	1,488,698	547,028	605,870	1,429,856	647,649	158,463	228,430	577,682	<b>852,174</b>	735,998
	<u>8,044,396</u>	<u>3,961,293</u>	<u>4,421,994</u>	<u>7,583,695</u>	<u>3,755,897</u>	<u>1,656,047</u>	<u>1,927,858</u>	<u>3,484,086</u>	<b>4,099,609</b>	2,921,343
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<u>8,044,396</u>	<u>3,961,293</u>	<u>4,421,994</u>	<u>7,583,695</u>	<u>3,755,897</u>	<u>1,656,047</u>	<u>1,927,858</u>	<u>3,484,086</u>	<b>4,099,609</b>	2,921,343
<b>Life insurance:</b>										
Conventional Business	106,170	-	-	106,170	53,054	-	-	53,054	<b>53,116</b>	24,641
Non-unitized Investment Linked Business	417,053	-	-	417,053	9,720	-	-	9,720	<b>407,333</b>	255,238
Unit Linked Business	2,350,469	-	-	2,350,469	28,112	-	-	28,112	<b>2,322,357</b>	468,209
Accident and Health Business	2	-	-	2	-	-	-	-	<b>2</b>	13
<b>Total</b>	<u>2,873,694</u>	<u>-</u>	<u>-</u>	<u>2,873,694</u>	<u>90,886</u>	<u>-</u>	<u>-</u>	<u>90,886</u>	<b>2,782,808</b>	748,101
<b>Grand Total</b>	<u>10,918,090</u>	<u>3,961,293</u>	<u>4,421,994</u>	<u>10,457,389</u>	<u>3,846,783</u>	<u>1,656,047</u>	<u>1,927,858</u>	<u>3,574,972</u>	<b>6,882,417</b>	3,669,444

Note:

Rupees in thousand

Closing unearned premium as per statement of premiums	4,421,994
Foreign exchange adjustment	131,413
	<u>4,553,407</u>

Closing prepaid reinsurance premium ceded as per statement of premiums	1,927,858
Foreign exchange adjustment	22,940
	<u>1,950,798</u>

The annexed notes form an integral part of this consolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>General insurance:</b>										
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	744,981	2,715,391	3,162,283	1,191,873	667,161	2,034,874	2,401,810	1,034,097	157,776	198,022
Marine, aviation and transport	67,469	316,361	322,627	73,735	3,245	138,079	136,282	1,448	72,287	52,297
Motor	575,341	2,135,345	2,294,660	734,656	132,514	1,686,729	1,814,153	259,938	474,718	532,575
Miscellaneous	218,939	736,966	789,447	271,420	67,538	607,691	606,813	66,660	204,760	291,396
	1,606,730	5,904,063	6,569,017	2,271,684	870,458	4,467,373	4,959,058	1,362,143	909,541	1,074,290
<b>Treaty</b>										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
	-	20,332	20,332	-	-	-	-	-	-	-
<b>Total</b>	<b>1,606,730</b>	<b>5,924,395</b>	<b>6,589,349</b>	<b>2,271,684</b>	<b>870,458</b>	<b>4,467,373</b>	<b>4,959,058</b>	<b>1,362,143</b>	<b>909,541</b>	<b>1,074,290</b>
<b>Life insurance:</b>										
Conventional Business	21,689	-	-	21,689	15,763	-	-	15,763	5,926	6,955
Non-unitized Investment Linked Business	2,381	-	-	2,381	1,085	-	-	1,085	1,296	704
Unit Linked Business	186,229	-	-	186,229	10,189	-	-	10,189	176,040	1,514
Accident and Health Business	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>210,299</b>	<b>-</b>	<b>-</b>	<b>210,299</b>	<b>27,037</b>	<b>-</b>	<b>-</b>	<b>27,037</b>	<b>183,262</b>	<b>9,173</b>
<b>Grand Total</b>	<b>1,817,029</b>	<b>5,924,395</b>	<b>6,589,349</b>	<b>2,481,983</b>	<b>897,495</b>	<b>4,467,373</b>	<b>4,959,058</b>	<b>1,389,180</b>	<b>1,092,803</b>	<b>1,083,463</b>

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>General insurance:</b>										
<b>Rupees in thousand</b>										
<b>Direct and facultative</b>										
Fire and property damage	1,568,522	2,884,545	3,162,283	1,846,260	1,144,611	2,142,921	2,401,810	1,403,500	442,760	414,256
Marine, aviation and transport	231,981	269,872	322,627	284,736	14,691	127,373	136,282	23,600	261,136	135,898
Motor	1,911,763	2,012,919	2,294,660	2,193,504	464,937	1,460,234	1,814,153	818,856	1,374,648	983,886
Miscellaneous	1,052,069	1,173,985	789,447	667,531	356,670	769,372	606,813	194,111	473,420	551,518
	4,764,335	6,341,321	6,569,017	4,992,031	1,980,909	4,499,900	4,959,058	2,440,067	2,551,964	2,085,558
<b>Treaty</b>										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
	-	20,332	20,332	-	-	-	-	-	-	-
<b>Total</b>	<b>4,764,335</b>	<b>6,361,653</b>	<b>6,589,349</b>	<b>4,992,031</b>	<b>1,980,909</b>	<b>4,499,900</b>	<b>4,959,058</b>	<b>2,440,067</b>	<b>2,551,964</b>	<b>2,085,558</b>
<b>Life insurance:</b>										
Conventional Business	104,736	-	-	104,736	72,587	-	-	72,587	32,149	19,239
Non-unitized Investment Link Business	9,493	-	-	9,493	4,386	-	-	4,386	5,107	932
Unit Link Business	392,022	-	-	392,022	17,152	-	-	17,152	374,870	4,776
Accident and Health Business	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>506,251</b>	<b>-</b>	<b>-</b>	<b>506,251</b>	<b>94,125</b>	<b>-</b>	<b>-</b>	<b>94,125</b>	<b>412,126</b>	<b>24,947</b>
<b>Grand Total</b>	<b>5,270,586</b>	<b>6,361,653</b>	<b>6,589,349</b>	<b>5,498,282</b>	<b>2,075,034</b>	<b>4,499,900</b>	<b>4,959,058</b>	<b>2,534,192</b>	<b>2,964,090</b>	<b>2,110,505</b>

Note:

**Rupees in thousand**

Closing outstanding claims as per statement of claims	6,589,349
Foreign exchange adjustment	<u>175,670</u>
	<u>6,765,019</u>

Closing reinsurance recoveries against outstanding claims as per statement of claims	4,959,058
Foreign exchange adjustment	<u>143,192</u>
	<u>5,102,250</u>

The annexed notes form an integral part of this consolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 September 2013	Quarter ended 30 September 2012
<b>General insurance: Rupees in thousand</b>									
<b>Direct and facultative</b>									
Fire and property damage	188,965	186,301	246,901	128,365	71,373	199,738	96,226	103,512	66,546
Marine, aviation and transport	27,709	5,544	6,544	26,709	55,361	82,070	1,143	80,927	68,657
Motor	77,435	162,869	159,503	80,801	177,290	258,091	6,765	251,326	328,121
Miscellaneous	36,632	55,348	55,419	36,561	93,617	130,178	38,806	91,372	106,815
	330,741	410,062	468,367	272,436	397,641	670,077	142,940	527,137	570,139
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>330,741</b>	<b>410,062</b>	<b>468,367</b>	<b>272,436</b>	<b>397,641</b>	<b>670,077</b>	<b>142,940</b>	<b>527,137</b>	<b>570,139</b>
<b>Life insurance:</b>									
Conventional Business	2,708	-	-	2,708	8,283	10,991	-	10,991	8,815
Non-unitized Investment Linked Business	10,559	-	-	10,559	44,460	55,019	-	55,019	81,849
Unit Linked Business	153,663	-	-	153,663	28,198	181,861	-	181,861	139,536
Accident and health business	-	-	-	-	-	-	-	-	14
<b>Total</b>	<b>166,930</b>	<b>-</b>	<b>-</b>	<b>166,930</b>	<b>80,941</b>	<b>247,871</b>	<b>-</b>	<b>247,871</b>	<b>230,214</b>
<b>Grand Total</b>	<b>497,671</b>	<b>410,062</b>	<b>468,367</b>	<b>439,366</b>	<b>478,582</b>	<b>917,948</b>	<b>142,940</b>	<b>775,008</b>	<b>800,353</b>

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>General insurance: Rupees in thousand</b>									
<b>Direct and facultative</b>									
Fire and property damage	413,124	252,708	246,901	418,931	228,646	647,577	383,051	264,526	167,919
Marine, aviation and transport	79,510	(5,160)	6,544	67,806	150,180	217,986	3,309	214,677	134,907
Motor	266,712	118,926	159,503	226,135	516,795	742,930	29,819	713,111	541,469
Miscellaneous	117,950	55,729	55,419	118,260	266,778	385,038	108,863	276,175	179,447
	877,296	422,203	468,367	831,132	1,162,399	1,993,531	525,042	1,468,489	1,023,742
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>877,296</b>	<b>422,203</b>	<b>468,367</b>	<b>831,132</b>	<b>1,162,399</b>	<b>1,993,531</b>	<b>525,042</b>	<b>1,468,489</b>	<b>1,023,742</b>
<b>Life insurance:</b>									
Conventional Business	12,106	-	-	12,106	23,532	35,638	-	35,638	22,907
Non-unitized Investment Linked Business	71,244	-	-	71,244	72,293	143,537	-	143,537	127,179
Unit Linked Business	527,936	-	-	527,936	127,747	655,683	-	655,683	229,969
Accident and health business	-	-	-	-	-	-	-	-	27
<b>Total</b>	<b>611,286</b>	<b>-</b>	<b>-</b>	<b>611,286</b>	<b>223,572</b>	<b>834,858</b>	<b>-</b>	<b>834,858</b>	<b>380,082</b>
<b>Grand Total</b>	<b>1,488,582</b>	<b>422,203</b>	<b>468,367</b>	<b>1,442,418</b>	<b>1,385,971</b>	<b>2,828,389</b>	<b>525,042</b>	<b>2,303,347</b>	<b>1,403,824</b>

Note:

Rupees in thousand	
Closing deferred commission as per statement of expenses	468,367
Foreign exchange adjustment	12,954
	<u>481,321</u>
Closing unearned commission from reinsurers as per statement of expenses	217,349
Foreign exchange adjustment	4,094
	<u>221,443</u>

The annexed notes form an integral part of this consolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Quarter ended 30 September 2013	Quarter ended 30 September 2012	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>				
<b>General insurance:</b>				
<b>Income from non-trading investments</b>				
<b>Available-for-sale</b>				
Return on Term Finance Certificates	2,241	4,685	8,460	13,198
Return on Pakistan Investment Bonds	2,257	2,026	8,740	3,260
Profit on Treasury Bills	1,318	3,250	3,154	11,313
Dividend income				
- associated undertakings	163,233	117,474	469,106	281,858
- others	87,997	85,624	320,614	269,851
	251,230	203,098	789,720	551,709
	257,046	213,059	810,074	579,480
Gain on sale of 'available-for-sale' investments				
- associated undertakings	39,699	-	221,939	87,283
- others	46,168	4,364	933,072	44,610
	85,867	4,364	1,155,011	131,893
	342,913	217,423	1,965,085	711,373
Reversal for impairment in value of 'available-for-sale' investments	(102)	5,603	51,114	51,845
	342,811	223,026	2,016,199	763,218
<b>Life insurance:</b>				
<b>Shareholders' fund</b>				
Unrealised appreciation / (diminution) in value of quoted equity securities	(69)	(129)	(144)	73
Return on Government Securities	7,250	4,528	15,676	10,115
Return on bank deposits	351	429	1,023	742
Dividend income	460	249	1,906	1,102
Gain on sale of non-trading investments	-	-	270	6,478
Reversal of impairment in the value of 'available-for-sale' investments	-	-	-	468
	7,992	5,077	18,731	18,978
<b>Statutory Funds</b>				
<b>Conventional Business</b>				
Return on bank deposits	1,416	2,676	3,850	2,676
Return on Government Securities	759	749	2,740	4,263
(Loss) / gain on sale of Government Securities - non trading investments	(1)	(13)	11	(15)
Gain on sale of units of open end mutual funds	-	-	-	457
Reversal of impairment in the value of 'available-for-sale' investments	-	-	-	58
	2,174	3,412	6,601	7,439
<b>Accident and Health Business</b>				
Return on bank deposits	-	5	12	12
	-	5	12	12

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Quarter ended 30 September 2013	Quarter ended 30 September 2012	Nine Months ended 30 September 2013	Nine Months ended 30 September 2012
<b>Rupees in thousand</b>				
<b>Non-united Investment Link Business</b>				
Unrealised mark to market (loss) / gain on Government Securities	(1,843)	5,253	81	8,060
Unrealised mark to market gain on mutual funds	(1,934)	266	551	101
Return on bank deposits	946	1,658	1,868	1,593
Unrealised mark to market gain on fixed income securities	3,054	-	3,097	-
Return on Government securities	15,956	6,665	45,967	31,038
Return on fixed income securities	(1,927)	-	(186)	-
Gain on sale of Government Securities	2,093	3,973	787	419
Gain on sale of units of open end mutual funds	1,085	64	1,320	2,440
	17,430	17,879	53,485	43,651
<b>Unit Link Business</b>				
Unrealised gain in value of Government Securities	(5,458)	7,282	596	7,347
Unrealised gain in value of units of open end mutual funds	(1,512)	2,071	17,784	3,518
Unrealised loss in listed securities	(1,232)	-	(837)	-
Unrealised gain in value of other fixed income securities	251	-	760	-
Return on Government Securities	41,357	16,379	108,177	31,280
Dividend income	170	(755)	202	93
Return on bank deposits	2,555	2,781	7,873	3,161
Return on other fixed income securities	2,563	(1,725)	5,153	-
Gain on sale of listed equities	2,185	-	2,243	499
(Loss) / gain on sale of units of open end mutual funds	(847)	299	-	525
Gain on sale of Government Securities	5,215	8,262	3,869	7,063
	45,247	34,584	145,820	53,486
<b>Net investment income</b>	<b>415,654</b>	<b>283,983</b>	<b>2,240,848</b>	<b>886,784</b>
Net investment income - statutory funds	64,851	55,880	205,918	104,588
Net investment income - other	350,803	228,103	2,034,930	782,196
	415,654	283,983	2,240,848	886,784

The annexed notes form an integral part of this consolidated condensed interim financial information.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

## FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### 1 THE GROUP AND ITS OPERATIONS

The consolidated condensed interim financial information comprises the consolidated financial information of Adamjee Insurance Company Limited and its subsidiary company, Adamjee Life Assurance Company Limited, as at 30 September 2013. The condensed interim financial information of the subsidiary company has been consolidated on a line by line basis. All inter company balances and transactions have been eliminated.

### 2 BASIS OF PREPARATION

This consolidated condensed interim financial information of the Company for the nine months ended 30 September 2013 has been prepared in accordance with requirements of the International Accounting Standard 34 - 'Interim Financial Reporting', and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002. In case where requirements differ, the provision of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 have been followed.

The disclosures made in this consolidated condensed interim financial information have, however, been based on format prescribed by the Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003 and International Accounting Standard 34 - 'Interim Financial Reporting'. They do not include all the disclosures required for annual financial statements, and this consolidated condensed interim financial statements should be read in conjunction with the consolidated annual financial statements of the Company for the year ended 31 December 2012.

### 3 BASIS OF MEASUREMENT

This consolidated condensed interim financial information has been prepared under the historical cost convention except that obligations under certain employee benefits are measured at present value.

### 4 ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the Company for the year ended 31 December 2012, except for:

#### 4.1 Provision for taxation

Income tax expense is recognised in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

#### 4.2 Changes in accounting policies and disclosures - Standards, interpretations and amendments to published approved accounting standards that are effective in the current year that have an impact on the Company's financial information

IAS 19 - 'Employee Benefits' (amended 2011) is effective for annual periods beginning on or after 1 January 2013. The amended IAS 19 includes the amendments that require actuarial gains and losses to be recognised immediately in other comprehensive income and that the expected return on plan assets recognised in profit or loss is calculated based on the rate used to discount the defined benefit obligation.

The change in accounting policy has been accounted for retrospectively in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and corresponding figures have been restated. The effects of the change in accounting policy on the current and prior periods' financial statements have been summarized below:

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Year ended 31 December 2012	Year ended 31 December 2011
	Rupees in thousand	
<b>Impact on statement of financial position</b>		
Increase in other creditors and accruals	54,050	65,662
<b>Impact on statement of changes in equity</b>		
Retained earnings as previously reported	8,860,872	8,422,236
Adjustments due to change in accounting policy	11,612	17,907
Cumulative effect of prior years	(65,662)	(83,569)
<b>Retained earnings restated</b>	<b>8,806,822</b>	<b>8,356,574</b>

### 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this unconsolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 31 December 2012.

### 6. CONTINGENCIES AND COMMITMENTS

#### 6.1 Contingencies

##### Holding Company

The income tax assessments of the Holding Company have been finalized up to and including the tax year 2012. However, the Holding Company has filed appeals in respect of certain assessment years mainly on account of the following:

- i) The Deputy Commissioner Inland Revenue (DCIR) has finalized assessments for the assessment year 1999-2000 by taxing capital gains at the full rate of 33%. The aggregate tax liability assessed by the DCIR amounted to Rupees 48.205 million against which the Holding Company has made a total provision of Rupees 44.141 million resulting in a shortfall of Rupees 4.064 million. The Holding Company filed appeals with the Commissioner Inland Revenue (Appeals) and Appellate Tribunal Inland Revenue (ATIR) which were decided against the Holding Company. Consequently, the Holding Company has filed an appeal before the Honorable High Court of Sindh and the petition is fixed for regular hearing.
- ii) The Additional Commissioner / Taxation Officer has reopened assessments for the assessment years 2000-2001 and 2001-2002 by taxing bonus shares received by the Holding Company during the above mentioned periods resulting in an additional tax liability of Rupees 14.907 million. An appeal was filed before the Commissioner Inland Revenue (Appeals) who cancelled the amended order passed by the Additional Commissioner and allowed relief to the Holding Company but the Tax Department had filed an appeal before the ATIR against the order of the Additional Commissioner, which has been decided in favour of the Holding Company. However, the Holding Company received another notice from Additional Commissioner for reassessment of the case in response to which the Holding Company has filed a constitutional petition in Honorable Sindh High Court against such notice.

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

iii) While finalizing the assessment for the assessment year 2002-2003, DCIR has reduced the business loss for the year by Rupees 88.180 million by adjusting the dividend income against this loss. The Holding Company maintains that it is entitled to carry the gross loss forward for adjustment against the future taxable income and dividend income for the year should be taxed separately at reduced rate. The appeals of the Holding Company in this respect have been rejected by the Commissioner Inland Revenue (Appeals), the ATIR and the Sindh High Court. The Holding Company has filed a reference application with the Supreme Court of Pakistan. The management is confident that the matter will eventually be decided in favor of the Holding Company and has consequently not made any provision against the additional tax liability of Rupees 26.455 million which may arise in this respect.

iv) The Tax Authorities have also amended the assessments for tax years 2003 to 2007 on the ground that the Holding Company has not apportioned management and general administration expenses against capital gain and dividend income. The Holding Company has filed constitutional petition in the Honorable Sindh High Court against the amendment in the assessment order. The Holding Company may be liable to pay Rupees 5.881 million in the event of decision against the Holding Company, out of which Rupees 2.727 million have been provided resulting in a shortfall of Rupees 3.154 million.

v) The Taxation Officer has passed an order in the tax years 2005 and 2006 under section 221 of the Income Tax Ordinance, 2001 (the Ordinance) levying minimum tax liability aggregating to Rupees 38.358 million. An appeal was filed before the Commissioner Inland Revenue (Appeals) who upheld the order of the Taxation Officer. The Holding Company has filed an appeal before the ATIR which is yet to be heard.

vi) The Holding Company received a notice from Additional Commissioner Inland Revenue pertaining to the amendment of tax year 2008. Amongst others, the Additional Commissioner raised an issue with respect to the claim of exemption claimed on capital gains on listed securities by way of incorrect application of the provisions of law. The Holding Company preferred to contest this matter by way of filing a constitutional petition before the Honourable Sindh High Court. The court has ordered for stay of proceedings.

Pending resolution of the above-mentioned appeals filed by the Holding Company, no provision has been made in this unconsolidated condensed interim financial information for the aggregate amount of Rupees 86.938 million (31 December 2012: Rupees 86.938 million) as the management is confident that the eventual outcome of the above matters will be in favor of the Holding Company.

### **Subsidiary company**

There is no contingency as at 30 September 2013 (31 December 2012 : NIL)

## **6.2 Commitments**

### **Holding company**

There were no capital or other commitments as at 30 September 2013 (31 December 2012 : Nil).

### **Subsidiary company**

There were no capital or other commitments as at 30 September 2013 (31 December 2012 : Nil).

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	30 September 2013	31 December 2012
	Rupees in thousand	
<b>7 INVESTMENTS</b>		
<b>Available-for-sale</b>	(Unaudited)	(Audited)
<b>In related parties</b>		
Marketable securities		
Listed	5,329,843	6,333,560
Unlisted	-	412,796
	<u>5,329,843</u>	<u>6,746,356</u>
<b>Others</b>		
<b>Marketable securities</b>	6,524,991	3,449,616
Less: Provision for impairment in value of investments	(365,170)	(416,284)
	<u>6,159,821</u>	<u>3,033,332</u>
<b>At fair value through profit or loss</b>		
Marketable securities	9,286	1,006
Mutual funds	342,921	100,031
Government securities	3,093,893	1,663,179
Other fixed income securities	149,812	39,308
	<u>3,595,912</u>	<u>1,803,524</u>
	<u>15,085,576</u>	<u>11,583,212</u>
<b>8 PREMIUMS DUE BUT UNPAID - Unsecured</b>		
Considered good	3,230,597	3,217,207
Considered doubtful	369,716	359,147
	<u>3,600,313</u>	<u>3,576,354</u>
Less: Provision for doubtful balances	8.1 (369,716)	(359,147)
	<u>3,230,597</u>	<u>3,217,207</u>
<b>8.1 Reconciliation of provision for doubtful balances</b>		
Opening provision	359,147	309,821
Exchange loss	10,569	8,426
Charge for the period	-	40,900
Closing provision	<u>369,716</u>	<u>359,147</u>
<b>9 AMOUNTS DUE FROM OTHER INSURERS/ REINSURERS - Unsecured</b>		
Considered good	923,736	606,559
Considered doubtful	322,810	326,327
	<u>1,246,546</u>	<u>932,886</u>
Less: Provision for doubtful balances	9.1 (322,810)	(326,327)
	<u>923,736</u>	<u>606,559</u>
<b>9.1 Reconciliation of provision for doubtful balances</b>		
Opening provision	326,327	276,327
Charge for the period	-	50,000
Reversal during the period	(3,517)	-
Closing provision	<u>322,810</u>	<u>326,327</u>

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	30 September 2013	31 December 2012
	Rupees in thousand	
	(Unaudited)	(Audited)
<b>10 FIXED ASSETS</b>		
Opening book value	1,065,917	984,204
Add: Additions during the period	10.2 213,004	396,229
Less: Disposals / write offs during the period (at book value)	10.3 15,836	105,092
Depreciation charged during the period	121,156	209,424
	136,992	314,516
Capital work in progress	87,314	91,855
	<u>1,229,243</u>	<u>1,157,772</u>
<b>10.1 Breakup of written down value into owned and leased fixed assets:</b>		
Owned assets	1,105,082	1,013,488
Capital work in progress-owned	87,314	91,855
Leased	36,847	52,429
	<u>1,229,243</u>	<u>1,157,772</u>
<b>10.2 The following capital expenditure was incurred during the period:</b>		
Land and building	15,473	217,122
Furniture and fixtures	64,640	54,614
Motor vehicles	64,582	53,558
Machinery and equipment	26,785	24,820
Computer and related accessories	22,775	16,088
Intangible assets	18,749	30,027
	<u>213,004</u>	<u>396,229</u>
<b>10.3 The following are the written down values of fixed assets disposed off during the period:</b>		
Land and building	-	1,640
Furniture and fixtures	43	2,574
Motor vehicles	4,563	11,024
Machinery and equipment	443	64,906
Computer and related accessories	99	473
Leased motor vehicles	10,688	24,475
	<u>15,836</u>	<u>105,092</u>

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

### 11 TRANSACTIONS WITH RELATED PARTIES

The Company has related party relationships with its subsidiary company, associated companies, employee benefit plans, key management personnel and other parties. Transactions are entered into with such related parties for the issuance of policies to and disbursements of claims incurred by them and payment of rentals for the use of premises rented from them. There are no transactions with key management personnel other than their terms of employment.

Investment in related parties have been disclosed in note 7 to this consolidated condensed interim financial information. Other transactions with related parties are summarised as follows:

	Quarter ended 30 September 2013	Quarter ended 30 September 2012	Nine months ended 30 September 2013	Nine months ended 30 September 2012
<b>Rupees in thousand</b>				
<b>i) Transactions - Holding Company</b>				
<b>Subsidiary company</b>				
Investments made	-	-	200,322	200,499
Premium underwritten	2,155	1,537	2,820	2,014
Premium received	2,187	-	2,905	804
Claims paid	225	250	1,012	359
<b>Other related parties</b>				
Premium underwritten	431,721	937,399	806,783	1,292,538
Premium received	161,928	199,212	970,488	980,728
Claims paid	199,432	77,993	311,611	300,653
Dividend received	163,232	114,566	469,106	358,834
Dividend paid	-	-	471,882	-
Income on bank deposits	8,925	11,916	24,690	20,827
Rent paid	397	1,530	2,510	7,828
Rent received	1,262	-	3,651	-
Commission paid	74,406	143,192	84,871	150,503
Company's contribution to Employees Provident Fund	3,495	4,552	13,050	15,825
<b>Number of shares</b>				
	-	-	56,266,121	2,603,771
<b>Rupees in thousand</b>				
<b>Transactions - Subsidiary Company</b>				
Premium written	13,855	9,730	27,540	23,341
Claims expense	2,830	10,672	29,541	34,149
Commission and other incentives in respect of Bancassurance	(21,684)	80,791	386,564	355,868
Profit on bank deposits	3,603	1,455	11,920	5,227
Investment advisor fee	2,329	589	5,535	1,339
Custodian fee	577	317	1,536	686
Technical support fee	7,203	3,215	16,803	10,891
Bank charges	1,220	11	1,281	55
Investment purchased	-	21,570	346,797	93,270
Investment sold	-	16,300	101,847	97,549

## NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	As at 30 September 2013		
	Subsidiary company	Other related parties	Total
	Rupees in thousand		
<b>ii) Period end balances - Holding Company</b>			
Premium due but unpaid	694	542,422	543,116
Premium received in advance	26	1,875	1,901
Cash and bank balance	-	322,608	322,608
Claim outstanding	154	210,919	211,073
Payable to Staff Gratuity Fund	-	15,392	15,392

	As at 31 December 2012		
	Subsidiary company	Other related parties	Total
	Rupees in thousand		
Premium due but unpaid	619	555,391	556,010
Premium received in advance	26	2,164	2,190
Cash and bank balances	-	663,460	663,460
Claims outstanding	50	283,190	283,240
Payable to Staff Gratuity Fund	-	1,270	1,270
Receivable from Employees Provident Fund	-	124	124

	As at 30 September 2013		
	Subsidiary company	Other related parties	Total
	Rupees in thousand		
<b>Period end balances - Subsidiary Company</b>			
Premium due but unpaid	-	3,826	3,826
Bank deposits	-	259,109	259,109
Investments held	-	379,185	379,185
Technical support fee payable	-	11,798	11,798
Commission payable	-	64,957	64,957
Claims payable	-	4,336	4,336

	As at 31 December 2012		
	Subsidiary company	Other related parties	Total
	Rupees in thousand		
Premium due but unpaid	-	4,856	4,856
Bank deposits	-	198,311	198,311
Investments held	-	111,802	111,802
Technical support fee payable	-	19,187	19,187
Commission payable	-	72,405	72,405
Claims payable	-	7,227	7,227

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

## FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

12. SEGMENT REPORTING  
12.1 Class of business wise revenue and results have been disclosed in the profit and loss account prepared in accordance with the requirements of the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following is a schedule of class of business wise assets and liabilities:

30 SEPTEMBER 2013																							
Segment assets	Fire and Property Damage		Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		Shareholders' Fund	Life Insurance			Aggregate Life Insurance	Grand Total			
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		Conventional Business	Accident and Health Business	Unit Link Business			Non-utilised investment Link Business		
5,583,022	254,816	412,893	10,919	576,247	3,251,260	1,580,498	26,202	-	-	-	-	8,132,660	3,543,197	11,675,857	-	22,848	-	11,676	1,572	36,096	11,711,953		
-	-	-	-	-	-	-	-	-	-	-	-	13,392,527	1,558,331	13,392,527	14,950,858	457,539	63,368	40	2,896,408	1,011,631	4,428,986	19,379,844	
5,583,022	254,816	412,893	10,919	576,247	3,251,260	1,580,498	26,202	-	-	-	-	13,392,527	1,558,331	13,392,527	14,950,858	457,539	63,368	40	2,908,084	1,013,203	4,465,082	31,091,797	
Segment liabilities	5,565,730	220,149	438,492	11,808	984,259	3,433,063	1,565,383	20,016	20,332	-	-	1,890,390	308,015	1,890,390	308,015	2,198,405	42,273	36	65,481	3,434	113,438	2,311,843	
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	1,890,390	308,015	1,890,390	308,015	2,198,405	42,273	36	65,481	3,434	113,438	2,311,843	
Total liabilities	5,565,730	220,149	438,492	11,808	984,259	3,433,063	1,565,383	20,016	20,332	-	-	1,890,390	308,015	1,890,390	308,015	2,198,405	42,273	36	65,481	3,434	113,438	2,311,843	
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-	158,800	22,876	158,800	22,876	181,676	-	-	-	-	-	31,328	213,004

### OTHER INFORMATION

31 December 2012																							
Segment assets	Fire and Property Damage		Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		Shareholders' Fund	Life Insurance			Aggregate Life Insurance	Grand Total			
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		Conventional Business	Accident and Health Business	Unit Link Business			Non-utilised investment Link Business		
4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	-	-	12,239,155	1,483,054	13,722,209	258,981	89,221	478	723,143	1,358,555	2,430,378	16,152,587		
-	-	-	-	-	-	-	-	-	-	-	-	12,239,155	1,483,054	13,722,209	258,981	89,221	478	723,143	1,358,555	2,430,378	16,152,587		
4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	-	-	12,239,155	1,483,054	13,722,209	258,981	89,221	478	723,143	1,358,555	2,430,378	16,152,587		
Segment liabilities	5,304,063	153,764	417,347	15,602	1,013,649	2,915,258	2,623,847	33,055	20,332	-	-	540,356	84,151	540,356	84,151	624,507	40,065	35	17,503	70,615	133,775	758,282	
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	540,356	84,151	540,356	84,151	624,507	40,065	35	17,503	70,615	133,775	758,282	
Total liabilities	5,304,063	153,764	417,347	15,602	1,013,649	2,915,258	2,623,847	33,055	20,332	-	-	540,356	84,151	540,356	84,151	624,507	40,065	35	17,503	70,615	133,775	758,282	
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-	266,893	83,172	266,893	83,172	350,065	-	-	-	-	-	4,640	354,705

### OTHER INFORMATION

30 SEPTEMBER 2013																							
Segment assets	Fire and Property Damage		Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		Shareholders' Fund	Life Insurance			Aggregate Life Insurance	Grand Total			
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		Conventional Business	Accident and Health Business	Unit Link Business			Non-utilised investment Link Business		
4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	-	-	12,239,155	1,483,054	13,722,209	258,981	89,221	478	723,143	1,358,555	2,430,378	16,152,587		
-	-	-	-	-	-	-	-	-	-	-	-	12,239,155	1,483,054	13,722,209	258,981	89,221	478	723,143	1,358,555	2,430,378	16,152,587		
4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	-	-	12,239,155	1,483,054	13,722,209	258,981	89,221	478	723,143	1,358,555	2,430,378	16,152,587		
Segment liabilities	5,304,063	153,764	417,347	15,602	1,013,649	2,915,258	2,623,847	33,055	20,332	-	-	540,356	84,151	540,356	84,151	624,507	40,065	35	17,503	70,615	133,775	758,282	
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	540,356	84,151	540,356	84,151	624,507	40,065	35	17,503	70,615	133,775	758,282	
Total liabilities	5,304,063	153,764	417,347	15,602	1,013,649	2,915,258	2,623,847	33,055	20,332	-	-	540,356	84,151	540,356	84,151	624,507	40,065	35	17,503	70,615	133,775	758,282	
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-	266,893	83,172	266,893	83,172	350,065	-	-	-	-	-	4,640	354,705

### OTHER INFORMATION

31 December 2012																							
Segment assets	Fire and Property Damage		Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		Shareholders' Fund	Life Insurance			Aggregate Life Insurance	Grand Total			
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		Conventional Business	Accident and Health Business	Unit Link Business			Non-utilised investment Link Business		
4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	-	-	12,239,155	1,483,054	13,722,209	258,981	89,221	478	723,143	1,358,555	2,430,378	16,152,587		
-	-	-	-	-	-	-	-	-	-	-	-	12,239,155	1,483,054	13,722,209	258,981	89,221	478	723,143	1,358,555	2,430,378	16,152,587		
4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	-	-	12,239,155	1,483,054	13,722,209	258,981	89,221	478	723,143	1,358,555	2,430,378	16,152,587		
Segment liabilities	5,304,063	153,764	417,347	15,602	1,013,649	2,915,258	2,623,847	33,055	20,332	-	-	540,356	84,151	540,356	84,151	624,507	40,065	35	17,503	70,615	133,775	758,282	
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	540,356	84,151	540,356	84,151	624,507	40,065	35	17,503	70,615	133,775	758,282	
Total liabilities	5,304,063	153,764	417,347	15,602	1,013,649	2,915,258	2,623,847	33,055	20,332	-	-	540,356	84,151	540,356	84,151	624,507	40,065	35	17,503	70,615	133,775	758,282	
Capital expenditure	-	-	-	-	-	-	-	-	-	-	-	266,893	83,172	266,893	83,172	350,065	-	-	-	-	-	4,640	354,705

# NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

## FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

12.2 For general insurance, each class of business has been identified as reportable segment whereas, for life insurance the statutory funds are treated as reportable segments. Following is a schedule of segment wise revenue and results:

	BUSINESS UNDERWRITTEN INSIDE PAKISTAN										BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN																									
	General Insurance					Life Insurance					Total					General Insurance					Life Insurance					Total										
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Conventional Business	Non-utilised Investment Link Business	Unit Link Business	Accident and Health Business	30 September 2013	30 September 2012	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Conventional Business	Accident and Health Business	Non-utilised Investment Link Business	30 September 2013	30 September 2012	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Conventional Business	Accident and Health Business	Non-utilised Investment Link Business	30 September 2013	30 September 2012					
<b>Revenue account</b>	584,600	424,657	925,383	896,987	-	53,116	407,333	2,322,357	2	5,554,443	4,438,311	16,675	14,961	1,281,149	15,187	-	-	-	-	1,327,972	978,714	6,862,415	5,417,025	-	-	-	-	-	-	-	1,327,972	978,714	6,862,415	5,417,025		
Net premium revenue	(418,749)	(260,478)	(427,935)	(468,730)	-	(32,149)	(5,107)	(374,870)	-	(1,988,018)	(2,133,891)	(24,011)	(658)	(946,713)	(4,690)	-	-	-	-	(976,072)	(718,752)	(2,964,090)	(2,852,643)	-	-	-	-	-	-	-	(976,072)	(718,752)	(2,964,090)	(2,852,643)		
Net claims	(212,965)	(142,404)	(360,593)	(252,167)	-	(23,532)	(72,293)	(127,747)	-	(1,191,661)	(1,221,264)	(15,681)	(7,776)	(156,242)	(14,611)	-	-	-	-	(194,310)	(174,812)	(1,385,971)	(1,396,076)	-	-	-	-	-	-	-	(194,310)	(174,812)	(1,385,971)	(1,396,076)		
Expenses	(40,465)	(62,870)	(74,393)	(7,999)	-	(12,106)	(71,244)	(527,936)	-	(797,013)	(542,841)	4,585	(1,627)	(121,923)	(1,398)	-	-	-	-	(120,363)	(75,979)	(917,376)	(618,820)	-	-	-	-	-	-	-	(120,363)	(75,979)	(917,376)	(618,820)		
Net commission	-	-	-	-	-	6,601	53,485	145,820	12	205,906	104,588	-	-	-	-	-	-	-	-	-	-	-	205,906	104,588	-	-	-	-	-	-	-	-	205,906	104,588		
Net investment income - statutory fund	-	-	-	-	-	74,352	628,849	1,251,469	5	1,954,670	479,562	-	-	-	-	-	-	-	-	-	-	-	1,954,670	479,562	-	-	-	-	-	-	-	-	-	1,954,670	479,562	
Add: Policyholder's liabilities at beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Less: Policyholder's liabilities at end of the year	-	-	-	-	-	(71,207)	(949,544)	(2,723,029)	(5)	(3,743,780)	(1,237,130)	-	-	-	-	-	-	-	-	-	-	-	(3,743,780)	(1,237,130)	-	-	-	-	-	-	-	-	-	-	-	-
Capital contribution from shareholder's fund	-	-	-	-	-	-	-	33,936	-	33,936	121,826	-	-	-	-	-	-	-	-	-	-	33,936	121,826	-	-	-	-	-	-	-	-	-	-	33,936	121,826	
Surplus of policyholder's funds	-	-	-	-	-	4,925	8,521	-	(14)	13,446	(5,845)	-	-	-	-	-	-	-	-	-	-	13,446	(5,845)	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Underwriting result</b>	(87,579)	(41,095)	62,512	108,091	-	-	-	-	(14)	41,929	3,316	(18,432)	4,900	56,271	(5,512)	-	-	-	-	37,227	9,171	79,156	12,487	-	-	-	-	-	-	-	37,227	9,171	79,156	12,487		
Investment income - other	-	-	-	-	-	-	-	-	-	2,016,199	781,836	-	-	-	-	-	-	-	-	-	-	2,016,199	781,836	-	-	-	-	-	-	-	-	-	-	-	-	
Rental income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other income	-	-	-	-	-	-	-	-	-	59,102	90,259	-	-	-	-	-	-	-	-	-	-	59,102	90,259	-	-	-	-	-	-	-	-	-	-	-	-	
General and administration expenses	-	-	-	-	-	-	-	-	-	(206,808)	(144,959)	-	-	-	-	-	-	-	-	-	-	(206,808)	(144,959)	-	-	-	-	-	-	-	-	-	-	-	-	
Exchange gain	-	-	-	-	-	-	-	-	-	910	1,072	-	-	-	-	-	-	-	-	-	-	910	1,072	-	-	-	-	-	-	-	-	-	-	-	-	
Finance charge on lease liabilities	-	-	-	-	-	-	-	-	-	(1,520)	(4,719)	-	-	-	-	-	-	-	-	-	-	(1,520)	(4,719)	-	-	-	-	-	-	-	-	-	-	-	-	
Share of profit from associated companies	-	-	-	-	-	-	-	-	-	-	188,295	-	-	-	-	-	-	-	-	-	-	-	188,295	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Profit before tax</b>	-	-	-	-	-	-	-	-	-	1,909,812	915,101	-	-	-	-	-	-	-	-	-	-	1,909,812	915,101	-	-	-	-	-	-	-	-	-	-	-	-	
Provision for taxation	-	-	-	-	-	-	-	-	-	(221,778)	(16,427)	-	-	-	-	-	-	-	-	-	-	(221,778)	(16,427)	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Profit after tax</b>	-	-	-	-	-	-	-	-	-	1,688,034	898,674	-	-	-	-	-	-	-	-	-	-	1,688,034	898,674	-	-	-	-	-	-	-	-	-	-	-	-	

## **NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**

*FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013*

### **13 FINANCIAL AND INSURANCE RISK MANAGEMENT**

The Company's financial and insurance risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 31 December 2012.

### **14 DATE OF AUTHORISATION FOR ISSUE**

This consolidated condensed interim financial information was approved and authorised for issue on 30 October 2013 by the Board of Directors of the Company.

### **15 CORRESPONDING FIGURES**

No significant reclassification / rearrangement of corresponding figures has been made except resulting from the change in accounting policy as disclosed in note 4.2.

### **16 GENERAL**

Figures in this consolidated condensed interim financial information have been rounded off to the nearest thousand, unless otherwise stated.

**Umer Mansha**  
Chairman

**S. M. Jawed**  
Director

**Ibrahim Shamsi**  
Director

**Muhammad Ali Zeb**  
Managing Director & Chief Executive Officer

**BLANK**