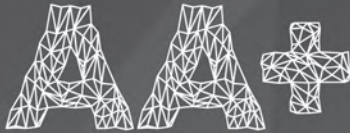


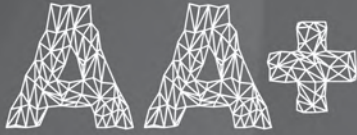
**Advancing
with
Intelligence**

Nine Months Report
30 September 2018
(Unaudited)

Jubilee General Insurance Company Limited



JCR-VIS



PACRA

MAP

Top Position in Financial Category
33rd MAP Corporate Excellence
Award

ICAP & ICMAP

Top Position in NBFCs
Best Corporate Report & Sustainability
Award

Lloyd's Register LRQA

ISO 9001:2015
(All Functions including Enterprise
Risk Management)

FPCCI

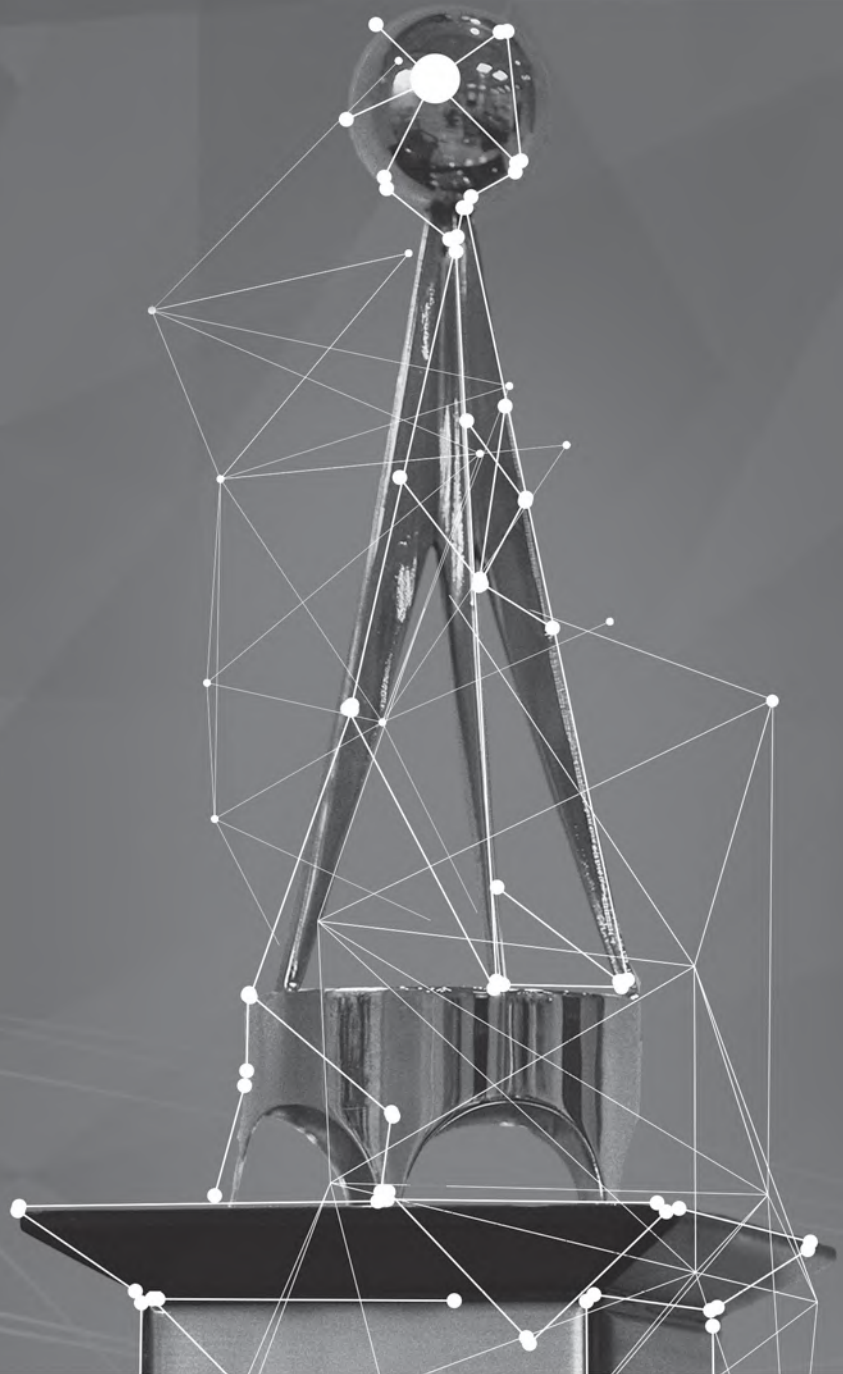
Outstanding Service in Insurance

Insurance Journal

Corporate Social Responsibility
Highest Donation (2013-2015)

SAFA

Certificate of Merit
(Insurance Sector)



LIGHTING THE WAY TO LEADERSHIP

At Jubilee General, making a difference defines us. On every corporate landscape, we believe in driving excellence, delivering results and demonstrating passion. Our awards are a testament to this commitment.

ABLE. WILLING. STRONG.

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Corporate Information

Chairman of the Board of Directors

Towfiq H. Chinoy

Directors

Sadrudin Hashwani

Akbarali Pesnani

John Joseph Metcalf

R. Zakir Mahmood

Amin A. Hashwani

Amyr Currimbhoy

Farhan Talib

Managing Director and Chief Executive

Tahir Ahmed

Chief Financial Officer

Nawaid Jamal

Company Secretary

Fahad Alam

Auditors

KPMG Taseer Hadi & Co.

Shariah Advisor

Mufti Zeeshan Abdul Aziz

Legal Advisor

Surrige & Beecheno

Bankers

Habib Bank Limited
 Standard Chartered Bank (Pakistan) Limited
 United Bank Limited
 Soneri Bank Limited
 Bank Alfalah Limited
 Bankislami Pakistan Limited
 Dubai Islamic Bank

Share Registrar

THK Associates (Pvt) Limited
 1st Floor, 40-C, Block-6, P.E.C.H.S.,
 Karachi
 UAN: (92-21) 111 - 000 - 322
 Tel: (92-21) 34168266, 68, 70

Head Office / Registered Office

2nd Floor, Jubilee Insurance House
 I.I. Chundrigar Road, Karachi, Pakistan.

UAN: (92-21) 111 - 654 - 111
 Toll Free: 0800-03786
 Tel: (92-21) 32416022-26
 Fax: (92-21) 32416728, 32438738

Email: info@jubileegeneral.com.pk
 Website: www.jubileegeneral.com.pk

National Tax Number

0711347-1

Sales Tax Registration Number

1600980500182

Director's Review

The Board of Directors is pleased to present the unaudited financial statements of the Company for the nine months ended September 30, 2018.

Business Overview

By the grace of Allah, your Company has maintained the growth momentum and posted healthy increase of 23% in the gross premium (including contribution written in Takaful Operations) to Rs 8.45 billion (2017: Rs 6.86 billion). Company's combined net premium / contribution also increased by 11% to Rs 4.08 billion (2017: Rs 3.69 billion). Almost all classes of business contributed in the overall growth.

Due to various corrective measures taken by the management, technical loss reported in the half yearly report has turned into profit of Rs 150 million in the period under review.

Despite the volatility of Pakistan Stock Exchange, our investment income posted a robust growth of 22% to reach Rs 993 million (2017: Rs 815 million).

Insurance

The summarised results of the Company's insurance business for the period ended 30th September 2018 are as under:

	30 September 2018	30 September 2017 (Restated)
	(Rupees in '000)	
Gross Premium	7,742,749	6,366,354
Net Premium Revenue	3,733,617	3,462,419
Underwriting Result	20,478	287,446
Investment Income including Capital Gains & Rent	983,712	808,524
Profit Before Tax	1,173,898	1,258,395
Profit After Tax	761,048	837,536
Earnings Per Share of Rs 10 each	4.22	4.64

Takaful

Alhumdulillah! Takaful Window Operations continues to perform well and posted strong growth of 43% in gross written contribution to reach Rs 703 million (2017: Rs 491 million) on the back of almost all classes of business.

The Participant's Takaful Fund Surplus is Rs 84 million (2017: Rs 25 million) in the period under review resulting in Operator's profit of Rs 44.36 million (2017: Rs 33.22 million).

The summarised results of Company's Takaful Operations for the period ended 30th September 2018 are as follows:

	30 September 2018	30 September 2017
	(Rupees in '000)	
Participants' Fund		
Gross Contribution	702,528	491,030
Net Contribution	345,796	230,497
PTF Surplus before investment income	73,784	20,916
PTF Surplus for the period	83,870	24,790
Operator's Fund		
Investment Income	8,799	6,296
Operator's Profit Before Tax	62,476	47,454
Operator's Profit After Tax	44,358	33,218

Outlook

New government is settling in. Economic uncertainty is still prevailing and CPEC activities are slowly gaining momentum. Nevertheless, we are on-course to improve our result in the final quarter.



Tahir Ahmed
Chief Executive



Amyn Currimbhoy
Director

Karachi: October 23, 2018

ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز مسرت کے ساتھ 30 ستمبر 2018 کو ختم ہونے والے 9 ماہ کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

کاروباری جائزہ

خداوند تعالیٰ کے فضل و کرم سے کمپنی نے ترقی کا تسلسل برقرار رکھتے ہوئے مجموعی پریمیم 23 فیصد اضافے کے ساتھ (بشمول نکافل آپریشنز سے حاصل شدہ کنٹری بیوشن) 8.45 بلین روپے (2017 میں 6.86 بلین روپے) حاصل کیا ہے۔ کمپنی کی مشترکہ خالص پریمیم / کنٹری بیوشن بھی 11 فیصد سے بڑھ کر 4.08 بلین روپے (2017 میں 3.69 بلین روپے) ہو گیا ہے۔ مجموعی طور پر کاروبار کے تمام شعبوں نے مجموعی ترقی میں اپنا حصہ ڈالا۔

انتظامیہ کی جانب سے اٹھائے گئے کئی درنگی اقدامات کی بدولت ششماہی رپورٹ میں پیش کئے جانے والے ایکٹیکل نقصان، زیر جائزہ عرصے کے دوران 150 بلین روپے کے منافع میں تبدیل ہو گیا ہے۔

پاکستان اسٹاک ایکسچینج کے اتار چڑھاؤ کے باوجود ہماری سرمایہ کاری کی آمدنی میں 22 فیصد کا مایہ ناز اضافہ ہوا جو کہ 993 بلین روپے (2017 میں 815 بلین روپے) بنتا ہے۔

انٹورنس

30 ستمبر 2018 کو ختم شدہ مدت کے لیے کمپنی کے انٹورنس برنس کے مختصر نتائج درج ذیل ہیں:

30 ستمبر 2017 (Restated)	30 ستمبر 2018	
(Rupees in '000)		
6,366,354	7,742,749	مجموعی پریمیم
3,462,419	3,733,617	خالص پریمیم
287,446	20,478	انڈر رائٹنگ رزلٹ
808,524	983,712	سرمایہ کاری سے آمدنی (بشمول کیپیٹل گین اور کرریو آمدنی کے)
1,258,395	1,173,898	قبل از ٹیکس منافع
837,536	761,048	بعد از ٹیکس منافع
4.64	4.22	فی ٹیئر آمدنی

نکافل

الحمد للہ! نکافل وٹڈو آپریشنز نے اپنی ترقی کا تسلسل برقرار رکھا اور 43 فیصد کے شاندار اضافے کے ساتھ برنس کے تمام شعبہ جات کی بھرپور کارکردگی کے نتیجے میں مجموعی کنٹری بیوشن 7.3 بلین روپے (2017 میں 491 بلین روپے) حاصل کیا ہے۔

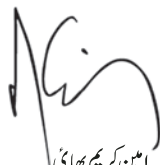
زیر جائزہ مدت کے دوران پارٹیسپنٹرز کا نکافل فنڈ سرپلس 84 بلین روپے (2017 میں 25 بلین روپے) ہے جس کے نتیجے میں آپریٹرز کا منافع 44.36 بلین روپے (2017 میں 33.22 بلین روپے) ہوا ہے۔


30 ستمبر 2018 کو ختم شدہ مدت کے لیے کمپنی کے نکافل آپریشنز کے مختصر نتائج درج ذیل ہیں:

30 ستمبر 2017 (Restated)	30 ستمبر 2018	
(Rupees in '000)		
491,030	702,528	پارٹیسپنٹرز
230,497	345,796	مجموعی کنٹری بیوشن
20,916	73,784	خالص کنٹری بیوشن
24,790	83,870	سرمایہ کاری کی آمدنی سے قبل PTF سرپلس
		مدت میں PTF سرپلس
		آپریٹرز فنڈ
6,296	8,799	سرمایہ کاری سے آمدنی
47,454	62,476	آپریٹرز کا منافع؛ قبل از ٹیکس
33,218	44,358	آپریٹرز کا منافع؛ بعد از ٹیکس

جائزہ

نئی حکومت مستحکم ہو رہی ہے، اقتصادی بحران موجود ہے اور سی پیک کی سرگرمیاں آہستہ آہستہ بڑھ رہی ہیں۔ ان سب کے باوجود ہم آخری سہ ماہی میں اپنے نتائج کی بہتری کی طرف گامزن ہیں۔


امین کریم بھٹائی
ڈائریکٹر


طاہر احمد
مینجنگ ڈائریکٹر اینڈ چیف ایگزیکٹو
کراچی 23 اکتوبر، 2018

Condensed Interim Statement of Financial Position

As at 30 September 2018

	Note	30 September 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
(Rupees in '000)			
Assets			
Property and equipment	8	169,801	178,179
Computer software		50,015	20,417
Investment properties	9	658,452	658,873
Investments in associates	10	786,276	715,304
Investments			
Equity securities	11	5,056,248	5,466,732
Debt securities	12	5,656,936	4,992,394
Term deposits	13	109,511	242,180
Loans and other receivables	14	194,193	126,806
Insurance / reinsurance receivables	15	3,400,050	1,782,824
Reinsurance recoveries against outstanding claims		2,926,634	1,987,502
Salvage recoveries accrued		34,715	26,505
Deferred commission expense / acquisition cost	26	321,036	269,685
Prepayments	16	2,262,784	1,145,945
Cash & bank	17	1,238,846	1,893,276
Total assets of Window Takaful Operations - Operator's Fund	18	325,021	266,591
Total Assets		23,190,518	19,773,213

The annexed notes from 1 to 35 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director

Note	30 September 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
------	--	---

(Rupees in '000)

Equity and Liabilities

Capital and reserves attributable to Company's equity holders

Authorised share capital:

250,000,000 (2017: 250,000,000) Ordinary shares of Rs.10 each

Issued, subscribed and paid-up share capital [180,446,583
(2017: 180,446,583) Ordinary shares of Rs.10 each]

Reserves

Unappropriated profit

Total Equity

Liabilities

Underwriting Provisions

Outstanding claims including IBNR

Unearned premium reserves

Unearned reinsurance commission

Deferred taxation

Premium received in advance

Insurance / reinsurance payables

Other creditors and accruals

Deposits and other payables

Taxation-provision less payments

Total Liabilities

Total liabilities of Window Takaful Operations - Operator's Fund

Total Equity and Liabilities

Contingencies

The annexed notes from 1 to 35 form an integral part of these condensed interim financial information.

	2,500,000	2,500,000
	1,804,465	1,804,465
	5,564,875	5,496,733
	809,216	1,069,954
	8,178,556	8,371,152
	4,503,468	3,431,665
	4,346,687	2,947,608
	145,926	124,063
	433,300	551,887
	124,143	150,931
	2,168,371	1,144,001
	1,284,792	1,032,519
	1,651,179	1,665,900
	170,417	227,839
	14,828,283	11,276,413
	183,679	125,648
	23,190,518	19,773,213



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Profit and Loss Account (Unaudited)

For the three months and nine months period ended 30 September 2018

	Note	Three months period ended		Nine months period ended	
		2018	2017 (Restated)	2018	2017 (Restated)
(Rupees in '000)					
Net insurance premium	24	1,230,753	1,170,051	3,733,617	3,462,419
Net Insurance claims	25	612,171	635,159	2,194,328	1,835,201
Net commission and other acquisition costs	26	103,975	102,063	318,138	310,580
Insurance claims and acquisition expenses		716,146	737,222	2,512,466	2,145,781
Management expenses		363,958	321,482	1,200,673	1,029,192
Underwriting results		150,649	111,347	20,478	287,446
Investment income	27	189,703	91,571	857,597	687,520
Rental Income		21,931	20,665	67,048	64,056
Other income	28	20,890	23,572	69,905	58,350
Other expenses		(12,650)	(9,661)	(54,162)	(54,353)
Results of operating activities		370,523	237,494	960,866	1,043,019
Share in profit of associates		42,446	80,919	150,556	167,922
Profit from Window Takaful Operations	18	17,326	18,931	62,476	47,454
Profit before tax		430,295	337,344	1,173,898	1,258,395
Income tax expense - current		(133,497)	(106,334)	(405,180)	(447,017)
- deferred		(3,200)	(8,647)	(7,670)	26,158
		(136,697)	(114,981)	(412,850)	(420,859)
Profit after tax		293,598	222,363	761,048	837,536
Earnings per share - Rupees	30	1.63	1.23	4.22	4.64

The annexed notes from 1 to 35 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the three months and nine months period ended 30 September 2018

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017 (Restated)	2018	2017 (Restated)
	(Rupees in '000)			
Profit after tax	293,598	222,363	761,048	837,536
Other comprehensive income				
Item to be reclassified to profit and loss account in subsequent period				
Foreign currency translation difference-net off tax	2,002	482	7,596	840
Unrealised appreciation / (diminution) 'available for sale' investments - net off tax	(140,077)	(526,266)	(52,779)	(412,260)
Reclassification adjustment for net gain on available for sale investments included in profit and loss account - net off tax	(10,521)	(23,946)	(193,784)	(139,636)
	(150,598)	(550,212)	(246,563)	(551,896)
Unrealised appreciation / (diminution) 'available for sale' investments of Window Takaful Operations -net off tax	(1,613)	1,648	(1,031)	(1,031)
Reclassification adjustment for net loss /(gain) on available for sale investments included in profit and loss account Window Takaful Operations - net off tax	12	147	10	10
	(1,601)	1,795	(1,021)	(1,021)
Share in other comprehensive income of an associate				
Net Unrealised appreciation / (diminution) 'available for sale' investments - net off tax	(2,448)	(16,943)	643	(18,189)
Foreign currency translation difference-net off tax	179	(26)	505	23
	(2,269)	(16,969)	1,148	(18,166)
Total comprehensive income for the period	141,132	(342,541)	522,208	267,293

The annexed notes from 1 to 35 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Cash Flow Statement (Unaudited)

For the nine months period ended 30 September 2018

	2018	2017
	(Rupees in '000)	
Operating cash flows		
(a) Underwriting activities		
Insurance premium received	6,116,933	4,949,564
Reinsurance premium paid	(2,707,633)	(2,208,524)
Claims paid	(3,129,865)	(2,389,265)
Reinsurance and other recoveries received	1,041,800	680,113
Commissions paid	(532,958)	(482,121)
Commissions received	259,181	242,145
Management expenses paid	(1,189,035)	(975,781)
Net cash (outflow) from underwriting activities	(141,577)	(183,869)
(b) Other operating activities		
Income tax paid	(444,485)	(336,837)
General and administration expenses paid	(31,928)	(30,990)
Other operating payments	(811,785)	(722,210)
Other operating receipts	1,023,717	729,568
Loans advanced	(708)	(1,059)
Loans repayment received	861	1,101
Net cash (outflow) from other operating activities	(264,328)	(360,427)
Total cash (outflow) from all operating activities	(405,905)	(544,296)
Investment activities		
Profit / return received	330,275	314,960
Dividends received	150,734	258,432
Rentals received - net of expenses	64,701	97,649
Payments for investments / investment property	(17,965,690)	(6,879,781)
Proceeds from investments	17,795,024	7,057,229
Fixed capital expenditure	(65,563)	(44,434)
Proceeds from sale of property and equipment	1,360	688
Total cash inflow from investing activities	310,841	804,743
Financing activities		
Dividends paid	(705,504)	(538,883)
Total cash (outflow) from financing activities- Dividends paid	(705,504)	(538,883)
Net cash (outflow) from all activities	(800,568)	(278,436)
Cash at beginning of nine months period	2,054,306	2,014,101
Cash at end of nine months period	1,253,738	1,735,665

2018 **2017**
(Rupees in '000)

Reconciliation to profit and loss account

Operating cash flows	(405,905)	(544,296)
Depreciation / amortisation expense	(42,933)	(36,014)
(Loss) on sale of property and equipment	(50)	(872)
(Loss) on remeasurement of investments at fair value through profit or loss	(35,526)	(76,323)
Profit on disposal of investments	437,728	273,744
Dividend income	208,682	290,720
Rental income	67,048	64,056
Other investment income	456,336	424,252
Profit for the period from Window Takaful Operations	44,358	33,218
Increase in assets other than cash	3,688,825	1,629,923
(Increase) in liabilities other than borrowings	(3,657,515)	(1,220,872)
Profit after taxation	761,048	837,536

Cash for the purposes of the Statement of Cash Flows consists of:**Cash and bank deposits****Cash and other equivalents**

Cash	2,199	1,283
Policy stamps and bond papers in hand	2,674	5,139
	4,873	6,422

Current and other accounts

Current accounts	110,384	97,774
Profit and Loss savings accounts	1,123,589	1,518,313
	1,233,973	1,616,087

Deposits having maturity within 3 months (encashable on demand)

Term deposits - Local Currency	-	100,000
Term deposits - Foreign Currency	14,892	13,156
	14,892	113,156
	1,253,738	1,735,665

Reconciliation of liabilities arising out of financing activities

Unclaimed dividend as at 01 January	82,950	72,707
Changes from financing activities		
Dividend paid	(705,504)	(538,883)
Others		
Final cash dividend for the year ended 31 December 2017 @ 40% (2016: 35%)	721,786	549,185
Unclaimed dividend as at 30 September	99,232	83,009

Definition of cash

Cash comprises of cash in hand, policy stamps, bond papers, cheques in hand, bank balances and other deposits which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

The annexed notes from 1 to 35 form an integral part of these condensed interim financial information.

Tahir Ahmed
Chief Executive

Aryn Currimbhoy
Director

Nawaid Jamal
Chief Financial Officer

Akbarali Pesnani
Director

Towfiq H. Chinoy
Chairman

Condensed Interim Statement of Changes In Equity (Unaudited)

For the nine months period ended 30 September 2018

Share capital	Reserves								Total	
	Capital reserve	Revenue reserves						Company's share of Retained earnings arising from business other than participating business attributable to shareholder Ledger D of an associate		Company's share of capital contributed to the statutory fund by an associate
		Reserve for exceptional losses	General reserve	Special reserve	Exchange translation reserve on investment in foreign associate	Unrealised appreciation / (diminution) 'available for sale' investments	Unappropriated profit			
Issued, subscribed and paid-up										
(Rupees in '000)										
Balance as at 01 January 2017 - as previously reported	1,569,100	9,384	3,150,000	700,000	(5,852)	-	1,193,316	-	(16,091)	6,599,857
Net effect of changes in accounting policies (refer note 3.1)										
- Unrealised appreciation / (diminution) available for sale' investments	-	-	-	-	-	2,055,832	-	-	-	2,055,832
- of an associate	-	-	-	-	-	24,524	-	107,945	16,091	148,560
- Money ceded to waqf fund of an associate	-	-	-	-	-	-	32	-	-	32
Balance as at 01 January 2017 as restated	1,569,100	9,384	3,150,000	700,000	(5,852)	2,080,356	1,193,316	107,945	-	8,804,249
Changes in equity for the nine months period ended 30 September 2017										
Total comprehensive income										
Profit after tax for the nine months period	-	-	-	-	-	-	837,536	-	-	837,536
Other comprehensive income										
Foreign currency translation difference Net off tax	-	-	-	-	840	-	-	-	-	840
Share in other comprehensive income of an associate	-	-	-	-	23	(18,189)	(41,930)	29,351	-	(30,745)
Net unrealised gain arising during the period on revaluation of available for sale investments (including WTO) net off tax	-	-	-	-	-	(413,291)	-	-	-	(413,291)
Reclassification adjustment for net gain on available for sale investments included in profit and loss account (Including WTO) Net off tax	-	-	-	-	-	(139,626)	-	-	-	(139,626)
Transactions with owners recorded directly in equity										
Final cash dividend at Rs.3.5 (35%) per share for the year 2016	-	-	-	-	-	-	(549,185)	-	-	(549,185)
Issuance of bonus share @ 15% for the year 2016	235,365	-	-	-	-	-	(235,365)	-	-	-
Transfer to general reserve	-	-	300,000	-	-	-	(300,000)	-	-	-
Transfer to special reserve	-	-	-	100,000	-	-	(100,000)	-	-	-
Balance as at 30 September 2017 as restated	1,804,465	9,384	3,450,000	800,000	(4,989)	1,509,250	804,372	137,296	-	8,509,778
Balance as at 01 January 2018 - as previously reported	1,804,465	9,384	3,450,000	800,000	(2,375)	-	1,069,922	-	(9,661)	7,121,735
Net effect of changes in accounting policies (refer note 3.1)										
- Unrealised appreciation / (diminution) available for sale' investments	-	-	-	-	-	1,069,765	-	-	-	1,069,765
- of an associate	-	-	-	-	-	679	-	169,280	9,661	179,620
- Money ceded to waqf fund of an associate	-	-	-	-	-	-	32	-	-	32
Balance as at 01 January 2018 as restated	1,804,465	9,384	3,450,000	800,000	(2,375)	1,070,444	1,069,954	169,280	9,661	8,371,152
Changes in equity for the nine months period ended 30 September 2018										
Total comprehensive income										
Profit after tax for the nine months period	-	-	-	-	-	-	761,048	-	-	761,048
Other comprehensive income										
Foreign currency translation difference Net off tax	-	-	-	-	7,596	-	-	-	-	7,596
Share in other comprehensive income of an associate	-	-	-	-	505	643	-	6,982	-	8,130
Net unrealised gain arising during the period on revaluation of available for sale investments (including WTO)-Net off tax	-	-	-	-	-	(53,810)	-	-	-	(53,810)
Reclassification adjustment for net gain on available for sale investments included in profit and loss account (Including WTO) Net off tax	-	-	-	-	-	(193,774)	-	-	-	(193,774)
Transactions with owners recorded directly in equity										
Final cash dividend at Rs.4 (40%) per share for the year 2017	-	-	-	-	8,101	(246,941)	761,048	6,982	-	529,190
Transfer to general reserve	-	-	100,000	-	-	-	(721,786)	-	-	(721,786)
Transfer to special reserve	-	-	-	200,000	-	-	(100,000)	-	-	-
Balance as at 30 September 2018	1,804,465	9,384	3,550,000	1,000,000	5,726	823,503	809,216	176,262	-	8,178,556

The annexed notes from 1 to 35 form an integral part of these condensed interim financial information.

Tahir Ahmed
Chief Executive

Aryn Currimbhoy
Director

Nawaid Jamal
Chief Financial Officer

Akbarali Pesnani
Director

Towfiq H. Chinoy
Chairman

Notes to the Condensed Interim Financial Information (Unaudited)

For the nine months period ended 30 September 2018

1. STATUS AND NATURE OF BUSINESS

Jubilee General Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on 16 May 1953. The Company is listed in the Pakistan Stock exchange and is engaged in general insurance business. The registered office of the Company is situated at 2nd Floor, Jubilee Insurance House, I. I. Chundrigar Road, Karachi.

The Company was granted authorisation on 10 March 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Takaful Window Operations (WTO) in respect of general takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations on 7 May 2015.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 These condensed interim financial information has been prepared in accordance with the accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and Takaful Rules 2012.

Where the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and Takaful Rules 2012 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and Takaful Rules 2012, have been followed.

2.2 The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 89(1)/2017 dated 9th February, 2017 has prescribed format of the presentation of annual financial statements for general insurance companies. These condensed interim financial statements have been prepared in accordance with the format prescribed by the SECP (note 3.1).

2.3 Total assets, total liabilities and profit / (loss) of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in these condensed interim financial information in accordance with the requirements of Circular 25 of 2015 dated 9 July 2015.

2.4 These condensed interim financial information do not include all the information required in the full annual financial statements. Accordingly, these condensed interim financial information should be read in conjunction with annual financial statements of the Company as at and for the year ended 31 December 2017.

2.5 These condensed interim financial information have been presented in Pakistani Rupees, which is also the functional currency of the Company.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in these condensed interim financial information are same as compared with the annual financial statements of the Company as at and for the year ended 31 December 2017, except as stated below.

3.1 Change in Accounting Policies

3.1.1 Application of Insurance Rules 2017 and Insurance Accounting Regulation 2017

Securities and Exchange Commission of Pakistan ("SECP") vide S.R.O 88(1)/2017 and S.R.O 89(1)/2017 dated 9 February 2017 has issued the and Insurance Rules, 2017 Insurance Accounting Regulations, 2017 (the Rules and Accounting Regulations 2017). The application of these Rules and Accounting Regulations, 2017 for the purpose of preparation and presentation of the financial statements was effective from 1 April 2017. SECP vide letter ID /OSM /Jubilee General /2017 /10483, dated 4 August 2017 has granted exemption from application of Rules and Accounting Regulations 2017 to the Company till 31 December 2017. Therefore, the application of Rules and Accounting Regulations 2017 became effective from the accounting year commencing from 01 January 2018.

The Rules and Accounting Regulations 2017 require significant disclosures / requirements, which are relevant to the Company includes but not limited to: Presentation and disclosure of financial statements prescribed in Annexure II of the Insurance Rules, 2017, recognition of available-for-sale investments at fair value as per IAS 39 "Financial Instruments: Recognition and Measurement", recognition of premium receivable under an insurance policy / cover note as written from the date of attachment of risk to the policy / cover note.

The Company has adopted these Rules and Accounting Regulations 2017 and accordingly has changed its accounting policies as follows:

3.1.1.1 Available for sale investments

Up to 31 December 2017, the available for sale investments subsequent to initial recognition had been stated at the lower of cost or market value (market value on an individual investment basis being taken lower as if the fall is other than temporary) as the application of International Accounting Standard-39 (IAS-39) "Financial Instruments: Recognition and Measurement" in respect of valuation of available for sale investments was deferred in accordance with repealed SEC (Insurance) Rules 2002.

According to the Rules and Accounting Regulations 2017, the Company has changed its accounting policy for subsequent measurement of investments classified as available for sale from lower of cost or market value (market value on an individual investment basis being taken lower as if the fall is other than temporary) to fair value as per the requirements of IAS 39 and any unrealised gains or losses arising on re-measurement on of available-for-sale investments are taken to revaluation reserve through other comprehensive income. On de-recognition or impairment of available-for-sale investments, the cumulative gains or losses previously reported in revaluation reserves are reclassified to profit and loss account for the period.

3.1.1.2 Premium income

Up to 31 December 2017, premium had been recognized as written at the time of insurance policy (policy written) in accordance with the SEC (Insurance) Rules, 2002. Accordingly to the Rules and Accounting Regulations 2017, the Company has changes its accounting policy for recognition of premium under an insurance policy / cover note as written from date of issuance to the date of attachment of risk to the policy / cover note.

3.1.1.3 Investment in associate – Jubilee Life Insurance Company Limited

Rules and Accounting Regulations 2017 referred to in note 3.1 introduced single Balance sheet, Profit and Loss Account, Cash Flow, done away with the separate presentation of Revenue account of the statutory funds, incorporated ledger account D balances (retained earnings on other than reserves attributable to Company's equity holders, and require all investment to be valued in accordance with the requirements of the International Financial Reporting Standards and introduced the concept of other comprehensive income for life insurance companies.

In line with the adoption of the Rules and Accounting Regulations 2017, Jubilee Life Insurance Company - an associate has changed its accounting policies and applied these changes retrospectively in their financial statements in accordance with the requirements of IAS - 8 'Accounting Policy, Change in Accounting Estimates and Error'. Accordingly the Company has incorporated these changes in line with the aforesaid requirements.

3.1.1.4 Presentation of Financial Statements

The Company has adopted format for preparation and presentation of its condensed interim financial information in line with the requirements of the Rules and Accounting Regulations 2017. Significant changes in presentation are rearrangements in sequence of assets / liabilities in the statement of financial position; presentation of single profit or loss account instead of segment wise (classes of business) presentation and discontinuation of separate statements of Premiums, Claims, Expense and investment Income. The segment wise and remiums, claims and expenses and investment income is now included in notes to the interim condensed financial information (note 24, 25, 26, 27 and 31).

3.1.1.5 Financial Impact of change in accounting policy

The significant effects of `changes in accounting policies as stated above has been applied retrospectively in accordance with the requirement of IAS - 8 'Accounting Policy, Change in Accounting Estimates and Error' and comparatives have been restated to conform to the changed policies. The summary of the effects are as follows:

	31 December 2017			1 January 2017		
	As previously reported	As re-stated	Re-statement	As previously reported	As re-stated	Re-statement
	(Rupees in '000)					
Effect on Statement of financial position						
Assets						
Investments in associates	462,530	705,304	242,774	357,176	600,036	242,860
Investments in Equity Securities	3,935,647	5,466,732	1,531,085	4,323,496	7,259,500	2,936,004
Total assets from takaful operations - OTF	269,441	266,591	(2,850)	185,071	185,970	899
Liability						
Deferred taxation	19,440	551,887	532,447	64,676	1,042,746	978,070
Total liabilities from takaful operations - OTF	126,503	125,648	(855)	84,209	84,478	269
Equity						
Unappropriated profit and reserves	5,317,270	6,566,687	1,249,417	5,030,757	7,235,149	2,204,392

	30 September 2017		
	As previously reported	As re-stated	Re-statement
	(Rupees in '000)		
Effect of profit and loss account			
Share of profit of associates	125,992	167,922	41,930
Profit Before tax	1,216,465	1,258,395	41,930
Taxation	420,859	420,859	-
Profit after tax	795,606	837,536	41,930
Effect of other comprehensive income			
Item to be reclassified to profit and loss account in subsequent period			
Share in other comprehensive income of an associate			
Net unrealised (loss) / gain arising during the period on revaluation of available for sale investments-net off tax	-	(18,189)	(18,189)
Foreign currency translation difference-net off tax	840	863	23
	840	(17,326)	(18,166)
Net unrealised (loss) / gain arising during the period on revaluation of available for sale investments-net off tax	-	(412,260)	(412,260)
Reclassification adjustment for net gain on available for sale investments included in profit and loss account - net off tax	-	(139,636)	(115,690)
		(551,896)	(527,950)
Net unrealised (loss) / gain arising during the period on revaluation of available for sale investments of Window Takaful Operations -net off tax	-	(1,031)	(2,679)
Reclassification adjustment for net loss /(gain) on available for sale investments included in profit and loss account Window Takaful Operations - net off tax	-	10	(137)
		(1,021)	(2,816)
Other comprehensive income, net off tax	840	(570,243)	(548,932)
Total comprehensive income	796,446	267,293	(507,002)
Effect on earnings per share			(Rupees)
Increase in earning per share			0.23

3.1.2 Adoption of Companies Act 2017

During the period the Companies Act, 2017 has been effective from 1 January 2018, however there is no impact on the condensed interim financial information of the Company.

3.1.3 NEW OR AMENDMENTS / INTERPRETATIONS TO EXISTING STANDARDS, INTERPRETATION AND FORTHCOMING REQUIREMENTS

There are new and amended standards and interpretations as notified under the Companies Act, 2017 that are mandatory for accounting periods beginning 1 July 2017 but are considered not to be relevant or do not have any significant effect on the Company's financial statements and are therefore not stated in these financial statements.

4 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2018:

- Classification and Measurement of Share-based Payment Transactions - amendments to IFRS 2 clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after 1 January 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net of tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments are not likely to have an impact on the Company's condensed interim financial information.
- Transfers of Investment Property (Amendments to IAS 40 'Investment Property' - effective for annual periods beginning on or after 1 January 2018) clarifies that an entity shall transfer a property to, or from, investment property when, and only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are not likely to have an impact on the Company's condensed interim financial information.
- Annual Improvements to IFRSs 2014-2016 Cycle [Amendments to IAS 28 'Investments in Associates and Joint Ventures'] (effective for annual periods beginning on or after 1 January 2018) clarifies that a venture capital organization and other similar entities may elect to measure investments in associates and joint ventures at fair value through profit and loss, for each associate or joint venture separately at the time of initial recognition of investment. Furthermore, similar election is available to non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture. The amendments are not likely to have an impact on the Company's condensed interim financial information.
- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after 1 January 2018) clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration. The application of interpretation is not likely to have an impact on the Company's condensed interim financial information.
- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 1 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax. The application of interpretation is not likely to have an impact on the Company's condensed interim financial information.
- IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 July 2018). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The amendments are not likely to have an impact on the Company's condensed interim financial information.
- IFRS 9 'Financial Instruments' and amendment – Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 July 2018 and 1 January 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The management has completed an initial assessment of changes required in classification and measurement of financial instruments on adoption of the standard and has also carried out an initial exercise to calculate impairment required under expected credit loss model. Based on initial assessment the management considered that there is no significant change in the classification or carrying value of the financial assets or liabilities and no additional significant impairment is expected.
- IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases - Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. The Company is currently in process of analyzing the potential impact of changes required on adoption of the standard.
- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after 1 January 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable future (referred to as long-term interests or 'LTI'). The amendment and accompanying example state that LTI are in the scope of both IFRS 9 and IAS 28 and explain the annual sequence in which both standards are to be applied. The amendments are not likely to have an impact on the Company's condensed interim financial information.

- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement (effective for annual periods beginning on or after 1 January 2019). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income. The application of amendments is not likely to have an impact on the condensed interim financial information.
- Amendment to IFRS 4 'Insurance Contracts'- Applying IFRS 9 'Financial Instruments' with IFRS 4 (effective for annual periods beginning on or after 1 July 2018). The amendment address issue arising from the different effective dates of IFRS 9 and the forthcoming new standard IFRS 17 'Insurance Contracts'. The amendments introduce two alternative options for entities issuing contracts within the scope of IFRS 4, notably a temporary exemption and an overlay approach. The temporary exemption enables eligible entities to defer the implementation date of IFRS The overlay approach allows an entity applying IFRS 9 from 1 July 2018 onwards to remove from profit or loss the effects of some of the accounting mismatches that may occur from applying IFRS 9 before IFRS 17 is applied.
- Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:
- IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business.
- IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.
- IAS 23 Borrowing Costs - the amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

The above amendments are effective from annual period beginning on or after 1 January 2019 and are not likely to have an impact on the Company's condensed interim financial information.

5. ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. In preparing these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2017 except that during the period, the estimated residual value of the trakkor equipment has been reviewed and based on experience the estimated residual value has been revised from 20% to 15% of its cost. This change has been accounted for as change in accounting estimate in accordance with the requirements of International Accounting Standard (IAS -8) "Accounting policies, Changes in Estimates and Errors" whereby the effect of the changes are recognised prospectively by including the same in determination of profit and loss in the period of the change, this is, during the current and future periods. Had the Company's accounting estimate not been changed, property and equipment of the Company and profit after tax for the period would have been higher by Rs. 5,249 thousands and Rs. 3,727 thousands respectively.

6. INSURANCE AND FINANCIAL RISK MANAGEMENT

The insurance and financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended 31 December 2017.

7. PREMIUM DEFICIENCY RESERVE

No provision has been made as the unearned premium reserve for each class of business at period end is adequate to meet the expected future liability after reinsurance from claims and other expenses, expected to be incurred after the balance sheet date in respect of policies in force at the reporting date.

8. PROPERTY AND EQUIPMENT

During the nine months period ended 30 September 2018, additions amounted to Rs. 65,563 thousands (30 September 2017: Rs. 44,434 thousands) and disposals had a cost of Rs. 32,016 thousands (30 September 2017: Rs. 6,395 thousands) and written down value of Rs. 1,410 thousands (30 September 2017: Rs.1,560 thousands) were made.

9. INVESTMENT PROPERTIES

The market value of the investment properties as per valuations carried out by professional valuers in 2017 and as ascertained by the management is Rs. 2,988,078 thousands (31 December 2017 : Rs. 2,988,078 thousands).

	Note	30 September 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
(Rupees in '000)			
10. INVESTMENTS IN ASSOCIATES			
Beginning of period / year		715,304	600,036
Share of profit		150,556	207,522
Dividend Received		(91,934)	(71,635)
Foreign currency translation		10,746	4,967
Share in other comprehensive income		1,604	(25,586)
End of the period / year	10.1	<u>786,276</u>	<u>715,304</u>

10.1 This includes investment in Jubilee Life Insurance Company Limited Rs. 674,827 thousands (31 December 2017: Rs. 618,362 thousands) having market value amounting to Rs 3,188,405 thousands and in Jubilee Kyrgyzstan Insurance Company (CJSC) Rs. 111,449 thousands (31 December 2017: Rs. 96,942 thousands).

11. INVESTMENTS IN EQUITY SECURITIES

Note	2018 (Unaudited)		2017 (Audited)	
	Cost	Carrying value	Cost	Carrying value (Restated)
(Rupees in '000)				
Available for sale				
Related parties				
Listed shares	620,975	646,350	649,411	746,147
Mutual Funds	1,268	5,989	1,489	6,260
	<u>622,243</u>	<u>652,339</u>	<u>650,900</u>	<u>752,407</u>
Others				
Listed Shares	2,872,480	3,952,687	2,829,507	4,156,019
Unlisted Shares	2,500	2,500	2,500	2,500
Mutual Funds	143,075	198,151	286,151	389,217
	<u>3,018,055</u>	<u>4,153,338</u>	<u>3,118,158</u>	<u>4,547,736</u>
Investment at fair value through profit and Loss				
Listed Shares	286,097	250,571	218,339	166,589
	<u>3,926,395</u>	<u>5,056,248</u>	<u>3,987,397</u>	<u>5,466,732</u>

12. INVESTMENTS IN DEBT SECURITIES

Government securities

Held to maturity

Pakistan Investment Bonds	53,980	53,980	155,383	155,383
Treasury Bills	149,393	149,393	4,837,011	4,837,011

Available for sale

Treasury Bills	5,456,694	5,453,563	-	-
	<u>5,660,067</u>	<u>5,656,936</u>	<u>4,992,394</u>	<u>4,992,394</u>

12.1 Pakistan Investment Bonds with face value of Rs. 50,000 thousands (2017: Rs. 50,000 thousands) and Treasury Bills with face value of Rs. 140,000 thousands (2017: Rs. 140,000 thousands) are placed with State Bank of Pakistan under Section 29 of the Insurance Ordinance, 2000.

	Note	30 September 2018 (Unaudited)	31 December 2017 (Audited)
13. INVESTMENTS IN TERM DEPOSITS			
		(Rupees in '000)	
Deposits maturing within 12 months			
Term deposits - local currency	13.1 & 13.2	26,360	176,000
Term deposits - foreign currency		83,151	66,180
		<u>109,511</u>	<u>242,180</u>
13.1	This includes sum of Rs.1,360 thousands (2017: Rs.1,000 thousands) placed under lien with commercial banks against bank guarantees.		
13.2	This includes an amount of Rs. 25,000 thousands (2017: Rs. Nil) held with a related party.		
14. LOANS AND OTHER RECEIVABLES - Considered good			
Rent receivable	14.1	12,320	691
Accrued Investment income		68,202	11,446
Security deposit		9,128	5,261
Advance to supplier		78,647	75,528
Sales tax recoverable		5,127	6,486
Loans to employees		621	775
Medical claims recoverable		11,988	9,864
Other receivable		8,160	16,755
		<u>194,193</u>	<u>126,806</u>
14.1	This represents amount receivable from a related party (2017: Rs. Nil).		
15. INSURANCE / RE-INSURANCE RECEIVABLES			
Due from Insurance contract holders	15.1	3,473,961	1,870,933
Less provision for impairment of receivables from Insurance contract holders		(162,961)	(158,961)
Due from other Insurers / reinsurers	15.2	106,050	87,852
Less provision for impairment of receivables from other Insurance / re-insurance		(17,000)	(17,000)
		<u>3,400,050</u>	<u>1,782,824</u>
15.1	Due from Insurance contract holders includes an amount of Rs. 146,593 thousands (2017: Rs. 89,083 thousands) due from related parties.		
15.2	Amount due from other insurer / reinsurer includes an amount of Rs. 8,147 thousands (2017: Rs. 27,043 thousands) due from related party		
16. PREPAYMENTS			
Prepaid reinsurance premium ceded		2,227,047	1,128,635
Prepaid rent		15,048	11,964
Prepaid miscellaneous expenses		20,689	5,346
		<u>2,262,784</u>	<u>1,145,945</u>
17. CASH & BANK			
Cash and cash equivalents			
Cash in hand		2,199	205
Policy and revenue stamps and Bond papers		2,674	3,659
Cash at bank	17.1		
- Current accounts		110,384	147,755
- Savings accounts		1,123,589	1,741,657
		<u>1,238,846</u>	<u>1,893,276</u>
17.1	Cash at bank includes amount of Rs. 154,172 thousands (2017: Rs. 235,445 thousands) held with a related party.		

18. WINDOW TAKAFUL OPERATIONS

	30 September 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
	(Rupees in '000)	
Assets		
Cash and bank deposits	176,093	148,538
Investments	27,629	30,601
Current assets - others	111,390	75,209
Fixed assets	9,909	12,243
Total Assets	325,021	266,591
Total Liabilities - Current	183,679	125,648

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017	2018	2017
	(Rupees in '000)			
Profit before tax for the period	17,326	18,931	62,476	47,454

Details of assets and liabilities and segment disclosures of Window Takaful Operations are stated in annexed condensed interim financial information.

19. DEFERRED TAXATION - NET

	30 September 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
	(Rupees in '000)	
Deferred tax debits / (credits) arising in respect of:		
Provision for doubtful debts	(50,449)	(52,788)
Unrealised loss on investments	(10,982)	(11,758)
Accelerated depreciation	8,885	11,275
Share of profit from associates	127,605	115,087
Other provisions	(33,552)	(27,980)
	41,507	33,836
Provision for employees' benefits plan	(13,378)	(13,378)
Foreign currency translation	(2,132)	(1,018)
Unrealised appreciation / (diminution) 'available for sale' investments	337,052	459,325
Share in net effect of change in accounting policy of an associate	70,251	73,122
	433,300	551,887

20. INSURANCE/ REINSURANCE PAYABLES

Due to insurance contract holders	45,045	21,507
Due to other insurers / reinsurers	2,123,326	1,122,494
	2,168,371	1,144,001

21. OTHER CREDITORS AND ACCRUALS

Commission payable	676,076	602,227
Federal excise duty and sales tax	233,822	95,932
Federal insurance fee	3,658	2,744
Sindh Workers' Welfare Fund	149,712	127,478
Tax deducted at source	3,756	3,854
Accrued expenses	66,405	79,273
Claims payable	36,603	22,776
Unclaimed dividend	99,232	82,950
Others	15,528	15,285
	1,284,792	1,032,519

		30 September 2018 (Unaudited)	31 December 2017 (Audited)
22. DEPOSITS AND OTHER PAYABLES		(Rupees in '000)	
Advance rent	22.1	42,207	37,876
Security deposits against bond insurance		1,605,879	1,627,932
Other deposits		3,093	92
		<u>1,651,179</u>	<u>1,665,900</u>

22.1 This includes an amount of Rs. Nil (31 December 2017 : Rs. 16,658 thousands) receivable from a related party.

23. CONTINGENCIES

The status of contingencies remain unchanged as disclosed in the annual financial statements as of 31 December 2017 except that during the period the ACIR has passed assessment order under section 122(5A) for the tax year 2017 and made certain disallowances mainly on WWF, capital gain, property related expenses, un-paid commission, thereby creating a tax demand of Rs.25.47 million. Subsequently the Company has filed an appeal before the CIRA against the ACIR order. The Company has sufficient provision in the books of accounts as at 30 September 2018.

24. NET INSURANCE PREMIUM

Note	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017	2018	2017
	(Rupees in '000)			
Written gross premium	2,485,456	2,128,283	7,742,749	6,366,354
Add: Unearned premium reserve opening	4,093,720	3,249,353	2,947,608	2,835,155
Less: Unearned premium reserve closing	4,346,687	3,500,519	4,346,687	3,500,519
Premium earned	2,232,489	1,877,117	6,343,670	5,700,990
Less: Reinsurance premium ceded	1,010,754	666,801	3,708,465	2,342,705
Add: Prepaid reinsurance premium opening	2,218,029	1,390,569	1,128,635	1,246,170
Less: Prepaid reinsurance premium closing	2,227,047	1,350,304	2,227,047	1,350,304
Reinsurance expense	1,001,736	707,066	2,610,053	2,238,571
	<u>1,230,753</u>	<u>1,170,051</u>	<u>3,733,617</u>	<u>3,462,419</u>

25. NET INSURANCE CLAIMS EXPENSE

Claims paid	904,475	852,164	3,129,865	2,389,265
Add: Outstanding claims including IBNR Closing	4,503,468	3,469,761	4,503,468	3,469,761
Less: Outstanding claims including IBNR Opening	4,498,550	3,610,780	3,431,665	3,337,432
Claims expense	909,393	711,145	4,201,668	2,521,594
Reinsurance and other recoveries received	287,360	191,855	1,059,998	688,395
Add: Reinsurance and other recoveries received in respect of outstanding claims closing	2,961,349	1,964,863	2,961,349	1,964,863
Less: Reinsurance and other recoveries received in respect of outstanding claims opening	2,951,487	2,080,732	2,014,007	1,966,865
Reinsurance and other recoveries revenue	297,222	75,986	2,007,340	686,393
	<u>612,171</u>	<u>635,159</u>	<u>2,194,328</u>	<u>1,835,201</u>

26. NET COMMISSION EXPENSE / ACQUISITION COSTS

Commission paid or payable	203,064	208,649	606,807	576,610
Add: Deferred commission expense Opening	298,138	266,408	269,685	243,958
Less: Deferred commission expense closing	321,036	304,224	321,036	304,224
Net Commission	180,166	170,833	555,456	516,344
Less: Commission received or receivables	73,855	75,032	259,181	242,145
Add: Unearned reinsurance commission opening	148,262	147,224	124,063	117,105
Less: Unearned reinsurance commission closing	145,926	153,486	145,926	153,486
Commission from reinsurers	76,191	68,770	237,318	205,764
	<u>103,975</u>	<u>102,063</u>	<u>318,138</u>	<u>310,580</u>

27. INVESTMENT INCOME

	Note	Three months period ended 30 September		Nine months period ended 30 September	
		2018	2017	2018	2017
(Rupees in '000)					
Income from equity securities Available for sale					
Dividend Income					
- Related parties		4,270	16,242	12,810	48,796
- Others		70,954	43,364	191,102	227,835
		75,224	59,606	203,912	276,631
Held for trading					
Dividend Income - others		2,216	3,340	4,770	14,089
Income from debt securities					
Held for maturity					
- Return on government securities		22,469	68,443	147,622	222,588
- Amortisation of premium		(152)	(2,236)	(1,402)	(18,830)
		22,317	66,207	146,220	203,758
Income from term deposits					
Return on term deposits	27.1	1,675	2,341	6,385	6,660
Net realised gains / (losses) on investments available for sale					
- Gain on sale of equity securities		16,010	44,591	403,963	261,160
- Loss on sale of equity securities		-	-	(711)	-
- Return on government securities		77,948	-	126,581	-
		93,958	44,591	529,833	261,160
Held for trading					
- Gain on sale of equity securities		6,148	2,729	34,483	41,122
- Loss on sale of equity securities		-	(35,599)	(7)	(28,538)
		6,148	(32,870)	34,476	12,584
Net Unrealised gains / (losses) on investments at fair value through profit and loss (Held for trading purposes)		(6,147)	(46,159)	(35,526)	(76,323)
Total investment income		195,391	97,056	890,070	698,559
Less: Impairment in value of available for sale securities		-	-	(21,902)	-
Less: Investment related expenses		(5,688)	(5,485)	(10,571)	(11,039)
		189,703	91,571	857,597	687,520

27.1 This includes Rs. 1,315 thousands (30 September 2017: Rs. 1,280 thousands) return on term deposits held with related party.

28. OTHER INCOME

Income from financial assets / liabilities					
Return on bank balances	28.1	18,298	22,301	59,067	56,948
Exchange gain		2,626	687	10,876	958
Return on loans to employees		3	4	8	19
Others		-	1,297	4	1,297
Income from non-financial assets					
Gain / (loss) on sale of fixed assets		(37)	(717)	(50)	(872)
		20,890	23,572	69,905	58,350

28.1 This includes of Rs. 2,958 thousands (30 September 2017: Rs. 2,249 thousands) return on bank balances held with related parties.

29. TRANSACTIONS WITH RELATED PARTIES / ASSOCIATED UNDERTAKINGS

Related parties / associated undertakings comprise of associated companies, directors, key management personnel and employees' funds. The transactions and balances with related parties / associated companies, other than those which have been disclosed elsewhere in these condensed interim financial information, are as follows:

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017	2018	2017
	(Rupees in '000)			
Associated companies				
Insurance premium written (including government levies administrative surcharge and policy stamps)	344,762	269,147	480,984	356,027
Insurance premium received / adjusted during the period	234,490	177,769	515,902	273,402
Insurance claims paid	38,323	16,724	125,075	91,102
Commission paid	4,391	7,513	13,758	18,193
Purchases of goods and services	-	282	15,576	15,831
Dividend income	4,270	24,408	12,810	48,796
Dividend received from associate under equity method	18,735	-	92,706	56,331
Dividend paid	-	-	521,596	388,829
Rent income	9,429	9,629	28,288	26,773
Reimbursement of expenses *	9,344	6,200	26,953	17,000
Investment in shares / mutual funds	-	-	-	8,453
Disposal of shares / mutual funds	-	-	42,408	102,868
Director's fee	75	150	150	450
Donations	-	-	-	10,000
Key management personnel				
Remuneration	50,611	30,941	93,570	78,379
Dividend paid	-	-	1,261	1,167
Employees' funds				
Contribution to provident fund	9,447	7,475	21,709	17,567
Provision for gratuity fund	5,265	3,750	15,795	12,000
Others				
Insurance premium written (including government levies administrative surcharge and policy stamps)	379	169	434	372
Insurance premium received / adjusted during the period	287	54	303	247
Expense allocated to Window Takaful Operations	1,155	2,194	7,255	4,172
Claims paid	-	9	98	9
Rent income	503	455	1,433	1,317
Directors' fee	600	1,050	2,625	2,850
Dividend paid	-	-	14,120	10,743

* The expenses pertain to Accident and Health business Common Back Office operations jointly shared with Jubilee Life Insurance Company Limited, an associated company.

30. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period by the weighted average number of shares as at the period end as follows:

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017 (Restated)	2018	2017 (Restated)
	(Rupees in '000)			
Profit for the period	293,598	222,363	761,048	837,536
	----- (Numbers in '000) -----			
Weighted average number of shares of Rs.10 each	180,447	180,447	180,447	180,447
	----- (Rupees) -----			
Basic earnings per share of Rs.10 each - basic and diluted	1.63	1.23	4.22	4.64

30.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

31. SEGMENT INFORMATION

Following segment information prepared in accordance with the requirements of Insurance Ordinance, 2000 and the Insurance Rules, 2017 for Class of business wise revenues, results, assets and liabilities:

The class wise revenues and results are as follows:

Three months period ended 30 September 2018 (Unaudited)							
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
(Rupees in '000)							
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	961,986	211,768	471,353	90,073	409,800	658,936	2,803,916
Less: Federal Excise Duty / Sales Tax	116,203	23,316	57,244	10,562	-	77,374	284,699
- Federal Insurance Fee	8,377	1,811	4,091	784	4,055	5,682	24,800
- Others	(102)	6,074	2,303	29	177	480	8,961
Gross written premium (inclusive of Administrative Surcharge)	837,508	180,567	407,715	78,698	405,568	575,400	2,485,456
- Gross direct premium	834,043	175,936	397,378	78,457	405,568	568,304	2,459,686
- Facultative inward premium	15	-	-	-	-	4,470	4,485
- Administrative surcharge	3,450	4,631	10,337	241	-	2,626	21,285
	837,508	180,567	407,715	78,698	405,568	575,400	2,485,456
Insurance premium earned	669,463	193,883	363,351	98,685	354,384	552,723	2,232,489
Insurance premium ceded to reinsurers	428,192	42,965	16,291	95,314	-	418,974	1,001,736
Net Insurance premium	241,271	150,918	347,060	3,371	354,384	133,749	1,230,753
Commission income	24,831	1,286	948	5,213	-	43,913	76,191
Net underwriting income	266,102	152,204	348,008	8,584	354,384	177,661	1,306,943
Insurance claims	104,388	46,129	139,936	(101)	298,669	320,372	909,393
Insurance claims recovered from reinsurer	3,887	10,406	9,005	(92)	-	274,016	297,222
	100,501	35,723	130,931	(9)	298,669	46,356	612,171
Commission expense	60,169	25,660	32,859	1,764	14,549	45,165	180,166
Management expense	72,773	44,440	102,928	1,001	103,497	39,319	363,958
Net Insurance Claims and expenses	233,443	105,823	266,718	2,756	416,715	130,839	1,156,294
Underwriting result	32,659	46,381	81,290	5,828	(62,331)	46,822	150,649
Net investment income							189,703
Rental income							21,931
Other income							20,890
Other expenses							(12,650)
Share in profit of associates							42,446
Profit from window takaful operations							17,326
Profit before tax							430,295

Nine months period ended 30 September 2018 (Unaudited)

	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
(Rupees in '000)							
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	2,781,011	701,083	1,368,805	471,742	1,192,391	2,251,909	8,766,941
Less: Federal Excise Duty / Sales Tax	346,084	77,329	163,663	54,665	-	272,840	914,581
- Federal Insurance Fee	24,071	5,979	11,827	4,122	11,801	19,325	77,125
- Others	(99)	20,194	8,887	35	453	3,016	32,486
Gross written premium (inclusive of Administrative Surcharge)	2,410,955	597,581	1,184,428	412,920	1,180,137	1,956,728	7,742,749
- Gross direct premium	2,402,850	582,534	1,152,436	412,197	1,180,137	1,927,431	7,657,585
- Facultative inward premium	(47)	-	-	-	-	20,264	20,217
- Administrative surcharge	8,152	15,047	31,992	723	-	9,033	64,947
	2,410,955	597,581	1,184,428	412,920	1,180,137	1,956,728	7,742,749
Insurance premium earned	1,689,405	578,593	1,071,369	296,282	1,177,348	1,530,674	6,343,671
Insurance premium ceded to reinsurers	1,069,465	105,888	41,754	286,397	-	1,106,550	2,610,054
Net Insurance premium	619,940	472,705	1,029,615	9,885	1,177,348	424,124	3,733,617
Commission income	87,499	2,887	2,815	15,244	-	128,873	237,318
Net underwriting income	707,439	475,592	1,032,430	25,129	1,177,348	552,997	3,970,935
Insurance claims	845,048	202,677	429,238	279,561	949,296	1,495,848	4,201,668
Insurance claims recovered from reinsurer	328,497	41,454	12,150	276,564	-	1,348,675	2,007,340
	516,551	161,223	417,088	2,997	949,296	147,173	2,194,328
Commission expense	181,168	81,623	100,467	5,698	50,463	136,037	555,456
Management expense	199,363	152,015	331,108	3,179	378,616	136,391	1,200,673
Net Insurance Claims and expenses	897,082	394,861	848,663	11,874	1,378,375	419,602	3,950,457
Underwriting result	(189,643)	80,731	183,767	13,255	(201,027)	133,395	20,478
Net investment income							857,597
Rental income							67,048
Other income							69,905
Other expenses							(54,162)
Share in profit of associates							150,556
Profit from window takaful operations							62,476
Profit before tax							1,173,898

The class wise revenues and results are as follows:

Three months period ended 30 September 2017 (Unaudited) (Restated)							
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
(Rupees in '000)							
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	781,313	166,846	391,572	61,659	503,259	482,658	2,387,307
Less: Federal Excise Duty / Sales Tax	93,217	18,384	46,679	7,175	-	56,920	222,375
- Federal Insurance Fee	6,771	1,416	3,342	539	4,982	4,171	21,221
- Others	847	5,369	7,288	76	122	1,726	15,428
Gross written premium (inclusive of Administrative Surcharge)	<u>680,478</u>	<u>141,677</u>	<u>334,263</u>	<u>53,869</u>	<u>498,155</u>	<u>419,841</u>	<u>2,128,283</u>
- Gross direct premium	674,174	137,452	324,980	53,698	498,155	413,590	2,102,049
- Facultative inward premium	3,099	-	-	-	-	3,369	6,468
- Administrative surcharge	3,205	4,225	9,283	171	-	2,882	19,766
	<u>680,478</u>	<u>141,677</u>	<u>334,263</u>	<u>53,869</u>	<u>498,155</u>	<u>419,841</u>	<u>2,128,283</u>
Insurance premium earned	458,005	163,635	341,284	90,492	334,507	489,194	1,877,117
Insurance premium ceded to reinsurers	236,825	23,078	10,142	86,805	1	350,215	707,066
Net Insurance premium	221,180	140,557	331,142	3,687	334,506	138,979	1,170,051
Commission income	22,187	956	813	4,205	-	40,609	68,770
Net underwriting income	<u>243,367</u>	<u>141,513</u>	<u>331,955</u>	<u>7,892</u>	<u>334,506</u>	<u>179,588</u>	<u>1,238,821</u>
Insurance claims	93,422	78,588	114,079	6,335	247,883	170,838	711,145
Insurance claims recovered from reinsurer	(10,102)	5,981	(3,310)	3,470	-	79,947	75,986
	103,524	72,607	117,389	2,865	247,883	90,891	635,159
Commission expense	53,011	24,849	33,195	1,299	16,279	42,200	170,833
Management expense	60,527	38,680	90,882	1,019	92,779	37,595	321,482
Net Insurance Claims and expenses	217,062	136,136	241,466	5,183	356,941	170,686	1,127,474
Underwriting result	<u>26,305</u>	<u>5,377</u>	<u>90,489</u>	<u>2,709</u>	<u>(22,435)</u>	<u>8,902</u>	<u>111,347</u>
Net investment income							91,571
Rental income							20,665
Other income							23,572
Other expenses							(9,661)
Share in profit of associates							80,919
Profit from window takafal operations							18,931
Profit before tax							<u>337,344</u>

Nine months period ended 30 September 2017 (Unaudited) (Restated)							
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
(Rupees in '000)							
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	1,808,414	573,250	1,253,836	419,423	1,255,795	1,850,650	7,161,368
Less: Federal Excise Duty / Sales Tax	221,760	63,113	150,086	48,280	-	220,972	704,211
- Federal Insurance Fee	15,667	4,880	10,854	3,674	12,431	15,903	63,409
- Others	(8)	16,681	7,473	79	277	2,892	27,394
Gross written premium (inclusive of Administrative Surcharge)	<u>1,570,995</u>	<u>488,576</u>	<u>1,085,423</u>	<u>367,390</u>	<u>1,243,087</u>	<u>1,610,883</u>	<u>6,366,354</u>
- Gross direct premium	1,559,784	475,310	1,056,106	366,884	1,243,087	1,581,455	6,282,626
- Facultative inward premium	3,706	-	-	-	-	21,305	25,011
- Administrative surcharge	7,505	13,266	29,317	506	-	8,123	58,717
	<u>1,570,995</u>	<u>488,576</u>	<u>1,085,423</u>	<u>367,390</u>	<u>1,243,087</u>	<u>1,610,883</u>	<u>6,366,354</u>
Insurance premium earned	1,522,758	480,927	1,015,497	272,898	914,101	1,494,809	5,700,990
Insurance premium ceded to reinsurers	847,002	70,325	26,708	262,523	13	1,032,000	2,238,571
Net Insurance premium	675,756	410,602	988,789	10,375	914,088	462,809	3,462,419
Commission income	61,066	2,329	2,704	12,412	-	127,253	205,764
Net underwriting income	<u>736,822</u>	<u>412,931</u>	<u>991,493</u>	<u>22,787</u>	<u>914,088</u>	<u>590,062</u>	<u>3,668,183</u>
Insurance claims	592,406	166,527	401,856	6,127	660,143	694,535	2,521,594
Insurance claims recovered from reinsurer	270,855	16,027	4,858	3,338	-	391,315	686,393
	321,551	150,500	396,998	2,789	660,143	303,220	1,835,201
Commission expense	160,190	72,492	101,297	3,770	44,402	134,193	516,344
Management expense	200,866	122,050	293,914	3,084	271,710	137,568	1,029,192
Net Insurance Claims and expenses	682,607	345,042	792,209	9,643	976,255	574,981	3,380,737
Underwriting result	<u>54,215</u>	<u>67,889</u>	<u>199,284</u>	<u>13,144</u>	<u>(62,167)</u>	<u>15,081</u>	<u>287,446</u>
Net investment income							687,520
Rental income							64,056
Other income							58,350
Other expenses							(54,353)
Share in profit of associates							167,922
Profit from window takafal operations							47,454
Profit before tax							<u>1,258,395</u>

The class wise assets and liabilities are as follows:

Nine months period ended 30 September 2018 (Unaudited)

	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
	(Rupees in '000)						
Segment assets	2,368,087	434,926	711,657	1,164,969	653,824	3,576,018	8,909,482
Unallocated assets	-	-	-	-	-	-	14,281,036
Total assets	2,368,087	434,926	711,657	1,164,969	653,824	3,576,018	23,190,518
Segment liabilities	3,452,799	784,395	1,586,389	1,212,874	1,475,322	4,258,122	12,769,900
Unallocated liabilities	-	-	-	-	-	-	2,242,062
Total liabilities	3,452,799	784,395	1,586,389	1,212,874	1,475,322	4,258,122	15,011,962

31 December 2017 (Audited) (Restated)

	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
	(Rupees in '000)						
Segment assets	1,791,768	221,713	441,103	705,413	326,015	1,709,139	5,195,151
Unallocated assets	-	-	-	-	-	-	14,578,062
Total assets	1,791,768	221,713	441,103	705,413	326,015	1,709,139	19,773,213
Segment liabilities	2,704,149	503,440	1,258,222	744,770	1,141,871	2,395,385	8,747,837
Unallocated liabilities	-	-	-	-	-	-	2,654,224
Total liabilities	2,704,149	503,440	1,258,222	744,770	1,141,871	2,395,385	11,402,061

32. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

30 September 2018 (Unaudited)

	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associates	Other financial liabilities	Total	Level 1	Level 2	Total
(Rupees in '000)										
Financial assets measured at fair value										
Investments										
- Investment in equity securities	286,097	4,803,177	-	-	-	-	5,089,274	4,849,608	204,140	5,053,748
- Debt securities	-	5,453,563	-	-	-	-	5,453,563	-	5,453,563	5,453,563
Assets of Window Takaful										
Operations - Operator's Fund*	-	27,629	-	-	-	-	27,629	27,629	-	27,629
Financial assets not measured at fair value										
Cash and bank deposits*	-	-	-	1,238,846	-	-	1,238,846	-	-	-
Investments										
- In associates	-	-	-	-	786,276	-	786,276	3,188,405	-	3,188,405
- Debt securities	-	-	203,373	-	-	-	203,373	-	200,048	200,048
- Unquoted equity shares*	-	2,500	-	-	-	-	2,500	-	-	-
- Term Deposits*	-	-	109,511	-	-	-	109,511	-	-	-
Insurance / reinsurance receivables*	-	-	-	3,400,050	-	-	3,400,050	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	2,926,634	-	-	2,926,634	-	-	-
Loans and other receivables*	-	-	-	110,419	-	-	110,419	-	-	-
Assets of Window Takaful										
Operations - Operator's Fund*	-	-	-	250,435	-	-	250,435	-	-	-
Financial liabilities not measured at fair value										
Provision for outstanding claims (including IBNR)*	-	-	-	-	-	(4,503,468)	(4,503,468)	-	-	-
Insurance/Reinsurance Payables	-	-	-	-	-	(2,168,371)	(2,168,371)	-	-	-
Other creditors and accruals*	-	-	-	-	-	(893,844)	(893,844)	-	-	-
Deposits and other payables*	-	-	-	-	-	(1,608,972)	(1,608,972)	-	-	-
Total liabilities of Window Takaful										
Operations - Operator's Fund*	-	-	-	-	-	(32,742)	(32,742)	-	-	-
	286,097	10,286,869	312,884	7,926,384	786,276	(9,207,397)	10,391,113	8,065,642	5,857,751	13,923,393

31 December 2017 (Audited) (Restated)

	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associates	Other financial liabilities	Total	Level 1	Level 2	Total
(Rupees in '000)										
Financial assets measured at fair value										
Investments										
- Investment in equity securities	166,589	5,297,643	-	-	-	-	5,464,232	5,068,755	395,477	5,464,232
Assets of Window Takaful										
Operations - Operator's Fund*	-	30,601	-	-	-	-	30,601	30,601	-	30,601
Financial assets not measured at fair value										
Cash and bank deposits*	-	-	-	1,893,276	-	-	1,893,276	-	-	-
Investments										
- In associates	-	-	-	-	715,304	-	715,304	3,596,521	-	3,596,521
- Debt securities	-	-	4,992,394	-	-	-	4,992,394	-	4,991,091	4,991,091
- Unquoted equity shares*	-	2,500	-	-	-	-	2,500	-	-	-
- Term Deposits*	-	-	242,180	-	-	-	242,180	-	-	-
Insurance receivables*	-	-	-	1,782,824	-	-	1,782,824	-	-	-
Reinsurance recoveries against outstanding claims*	-	-	-	1,987,502	-	-	1,987,502	-	-	-
Loans and other receivables*	-	-	-	44,792	-	-	44,792	-	-	-
Assets of Window Takaful										
Operations - Operator's Fund*	-	-	-	194,889	-	-	194,889	-	-	-
Financial liabilities not measured at fair value										
Provision for outstanding claims (including IBNR)*	-	-	-	-	-	(3,431,665)	(3,431,665)	-	-	-
Insurance/Reinsurance Payables	-	-	-	-	-	(1,122,494)	(1,122,494)	-	-	-
Other creditors and accruals*	-	-	-	-	-	(806,581)	(806,581)	-	-	-
Deposits and other payables*	-	-	-	-	-	(1,628,024)	(1,628,024)	-	-	-
Total liabilities of Window Takaful										
Operations - Operator's Fund*	-	-	-	-	-	(24,976)	(24,976)	-	-	-
	166,589	5,330,744	5,234,574	5,903,283	715,304	(7,013,740)	10,336,754	8,695,877	5,386,568	14,082,445

* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

33. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified wherever necessary in line with the requirements of the Rules and Accounting Regulations 2017 (refer note 3.1)

34. GENERAL

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

35. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue in accordance with a resolution of the Board of Directors on 23 October 2018.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

WINDOW TAKAFUL OPERATIONS FINANCIAL STATEMENTS



Condensed Interim Statement of Financial Position (Unaudited)

As at 30 September 2018

	Note	30 September 2018 (Unaudited)			(Audited)
		Operator's Fund	Participants' Fund	Aggregate	31 December 2017 Aggregate (Restated)
(Rupees in '000)					
Assets					
Property and equipment	8	7,954	-	7,954	9,742
Computer Software		1,955	-	1,955	2,501
Investments					
Equity securities	9	27,629	9,063	36,692	30,601
Term Deposit	10	-	-	-	20,000
Loans and other receivables	11	3,110	3,167	6,277	4,885
Takaful / Re-takaful receivables	12	-	175,516	175,516	94,864
Wakala and mudarib fee receivable		71,232	-	71,232	45,694
Re-takaful recoveries against outstanding claims		-	6,186	6,186	4,520
Salvage recoveries accrued		-	4,400	4,400	8,500
Deferred Commission Expense / Acquisition cost	22	37,048	-	37,048	28,085
Prepayments	13	-	47,370	47,370	38,924
Cash and bank	14	176,093	404,087	580,180	412,254
Total Assets		325,021	649,789	974,810	700,570
Funds and Liabilities					
Funds attributable to:					
Operator's Fund					
Statutory fund		100,000	-	100,000	100,000
Reserves		(3,016)	-	(3,016)	(1,995)
Accumulated profit		44,358	-	44,358	42,938
Participants' Fund					
Ceded Money		-	500	500	500
Reserves		-	(1,994)	(1,994)	-
Accumulated surplus		-	120,601	120,601	36,731
Total Funds		141,342	119,107	260,449	178,174
Liabilities					
Underwriting Provisions					
Outstanding claims including IBNR	19	-	107,488	107,488	94,875
Unearned contribution reserves	18	-	273,721	273,721	200,250
Unearned re-takaful rebate	20	-	802	802	621
Unearned wakala fee	21	117,258	-	117,258	85,399
Contribution received in advance		-	9,118	9,118	2,552
Wakala and mudarib fee payable		-	71,232	71,232	45,694
Takaful / Re-takaful Payables	15	-	54,897	54,897	43,036
Other Creditors and Accruals	16	34,621	13,424	48,045	35,061
Taxation - Provision less payments		31,800	-	31,800	14,908
Total Liabilities		183,679	530,682	714,361	522,396
Total Funds and Liabilities		325,021	649,789	974,810	700,570
Contingency and commitment	17				

The annexed notes 1 to 31 form an integral part of these condensed interim financial information.


Tahir Ahmed
Chief Executive

Aryn Currimbhoy
Director

Nawaid Jamal
Chief Financial Officer

Akbarali Pesnani
Director


Towfiq H. Chinoy
Chairman

Condensed Interim Profit and Loss Account (Unaudited)

For the three months and nine months period ended 30 September 2018

Note	Three months period ended		Nine months period ended		
	2018	2017	2018	2017	
(Rupees in '000)					
Participants' Fund - revenue account					
Net takaful contribution	18	124,451	89,408	345,796	230,497
Net takaful claims	19	(94,560)	(94,846)	(271,646)	(219,980)
Reversal of contribution deficiency expense		-	-	-	9,037
Re-takaful rebate earned	20	363	498	951	1,814
Direct expenses		(838)	(227)	(1,317)	(452)
		(95,035)	(94,575)	(272,012)	(209,581)
Surplus / (Deficit) before investment income		29,416	(5,167)	73,784	20,916
Investment income	23	425	98	505	526
Profit on bank balances		4,685	1,656	12,111	4,317
Other expenses		(1,029)	(351)	(2,530)	(969)
Surplus / (Deficit) for the period		33,497	(3,764)	83,870	24,790
Operator's Fund - revenue account					
Wakala fee income	21	62,762	45,085	173,796	119,616
Commission and other acquisition costs	22	(23,543)	(16,322)	(60,076)	(41,539)
Management expenses		(25,071)	(11,331)	(57,703)	(35,008)
		(48,614)	(27,653)	(117,779)	(76,547)
Investment income	24	14,148	17,432	56,017	43,069
Other income		1,791	537	1,896	1,922
Other expenses	25	2,127	1,592	6,903	4,374
		(740)	(630)	(2,340)	(1,911)
Profit before tax		17,326	18,931	62,476	47,454
Taxation		(5,024)	(5,679)	(18,118)	(14,236)
Profit after tax		12,302	13,252	44,358	33,218

The annexed notes 1 to 31 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the three months and nine months period ended 30 September 2018

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017 (Restated)	2018	2017 (Restated)
(Rupees in '000)				
Participants' Fund				
Surplus / (Deficit) for the period	33,497	(3,764)	83,870	24,790
Other comprehensive income for the period				
Item to be reclassified to profit and loss account in subsequent period				
- Net unrealised loss arising during the period on revaluation of available-for-sale investments	(918)	-	(1,994)	-
Total comprehensive income / (loss) for the period	32,579	(3,764)	81,876	24,790

	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017 (Restated)	2018	2017 (Restated)
(Rupees in '000)				
Operator's Fund				
Net Profit for the period	12,302	13,252	44,358	33,218
Other comprehensive income for the period				
Item to be reclassified to profit and loss account in subsequent period				
- Net unrealised (loss) arising during the period on revaluation of available-for-sale investments - net of tax	(1,613)	(610)	(1,031)	(3,289)
- Reclassification adjustment for net gain / (loss) on available for sale investments included in profit and loss account	12	-	10	(137)
Other comprehensive (loss) for the period	(1,601)	(610)	(1,021)	(3,426)
Total comprehensive income for the period	10,701	12,642	43,337	29,792

The annexed notes 1 to 31 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Cash Flow Statement (Unaudited)

For the nine months period ended 30 September 2018

	2018			2017
	Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate
(Rupees in '000)				
Operating Cashflows				
(a) Takaful activities				
Takaful Contribution received	-	630,976	630,976	417,885
Re-takaful contributions paid	-	(74,191)	(74,191)	(56,825)
Wakala fee received / (paid)	180,490	(180,490)	-	-
Claims paid	-	(256,118)	(256,118)	(180,390)
Re-takaful and other recoveries received	-	(1,866)	(1,866)	1,807
Commission paid	(59,870)	-	(59,870)	(39,313)
Re-takaful rebate received	-	1,132	1,132	362
Management expenses paid	(55,167)	(1,275)	(56,442)	(35,501)
Net cashflow inflows from takaful activities	65,453	118,168	183,621	108,025
(b) Other operating activities				
Income tax paid	(849)	(1,370)	(2,219)	(1,148)
General and administration expenses paid	(2,363)	-	(2,363)	(2,074)
Other operating payments	(2,144)	(78,780)	(80,924)	(56,642)
Other operating receipts - net	313	82,256	82,569	60,395
Net cash (outflows) / inflows from other operating activities	(5,042)	2,106	(2,936)	531
Total cash inflows from all operating activities	60,411	120,274	180,685	108,556
Investment activities				
Profit / return received	5,037	12,842	17,879	8,331
Dividend received	1,215	461	1,676	626
Payment for investments	(10,898)	(11,057)	(21,955)	(21,715)
Proceeds from investments	12,639	-	12,639	5,337
Mudarib fee received / (paid)	2,149	(2,149)	-	-
Fixed capital expenditure	(60)	-	(60)	(166)
Total cash inflows / (outflows) from investing activities	10,082	97	10,179	(7,587)
Financing activities - Profit paid to the Operator	(42,938)	-	(42,938)	-
Net cash inflows from all activities	27,555	120,371	147,926	100,969
Cash and cash equivalents at beginning of nine months period	148,538	283,716	432,254	253,988
Cash and cash equivalents at end of nine months period	176,093	404,087	580,180	354,957
Reconciliation to Profit and Loss Account				
Operating cash flows	60,411	120,274	180,685	108,556
Depreciation expense	(2,394)	-	(2,394)	(2,315)
Impairment in value of available for sale securities	(1,494)	-	(1,494)	-
Increase in assets other than cash	46,243	97,530	143,773	114,698
(Increase) in liabilities other than borrowings	(58,408)	(133,934)	(192,342)	(162,931)
Net profit / surplus for the period	44,358	83,870	128,228	58,008

Definition of cash

Cash comprises of cash in hand, policy stamps, bond papers, bank balances and other deposits which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

The annexed notes 1 to 31 form an integral part of these condensed interim financial information.

Tahir Ahmed
Chief Executive

Aryn Currimbhoy
Director

Nawaid Jamal
Chief Financial Officer

Akbarali Pesnani
Director

Towfiq H. Chinoy
Chairman

Condensed Interim Statement of Changes in Fund (Unaudited)

For the nine months period ended 30 September 2018

	Operator's Fund			Total
	Statutory Fund	Revenue reserve Available for sale Investment revaluation reserve	Accumulated surplus	
	(Rupees in '000)			
Balance as at 01 January 2017 as reported previously	100,000	-	862	100,862
Net effect of change in accounting policy (Refer Note 3.1)	-	629	-	629
Balance as at 01 January 2017 as restated	100,000	629	862	101,491
Changes in fund for the nine months period ended 30 September 2017				
Profit after tax for the nine months period	-	-	33,218	33,218
Other comprehensive income Unrealised (loss) on available for sale investments - Net off tax	-	(3,426)	-	(3,426)
	-	(3,426)	33,218	29,792
Balance as at 30 September 2017 as restated	100,000	(2,797)	34,080	131,283
Balance as at 01 January 2018 as reported previously	100,000	-	42,938	142,938
Net effect of change in accounting policy (Refer Note 3.1)	-	(1,995)	-	(1,995)
Balance as at 01 January 2018 as restated	100,000	(1,995)	42,938	140,943
Changes in fund for the nine months period ended 30 September 2018				
Profit after tax for the nine months period	-	-	44,358	44,358
Transfer of profit to the company	-	-	(42,938)	(42,938)
Other comprehensive income Unrealised (loss) on available for sale investments - Net off tax	-	(1,021)	-	(1,021)
	-	(1,021)	1,420	399
Balance as at 30 September 2018	100,000	(3,016)	44,358	141,342

The annexed notes 1 to 31 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Statement of Changes in Fund (Unaudited)

For the nine months period ended 30 September 2018

	Participants' Takaful Fund			Total
	Ceded money	Revenue reserve Available for sale Investment revaluation reserve	Accumulated surplus	
	(Rupees in '000)			
Balance as at 01 January 2017	500	-	(7,935)	(7,435)
Changes in fund for the nine months period ended 30 September 2017				
Surplus for the period	-	-	24,790	24,790
Balance as at 30 September 2017	<u>500</u>	<u>-</u>	<u>16,855</u>	<u>17,355</u>
Balance as at 01 January 2018	500	-	36,731	37,231
Changes in fund for the nine months period ended 30 September 2018				
Surplus for the period	-	-	83,870	83,870
Other comprehensive income Unrealised (loss) on available for sale investments	-	(1,994)	-	(1,994)
	-	(1,994)	83,870	81,876
Balance as at 30 September 2018	<u>500</u>	<u>(1,994)</u>	<u>120,601</u>	<u>119,107</u>

The annexed notes 1 to 31 form an integral part of these condensed interim financial information.

Tahir Ahmed
Chief Executive

Aryn Currimbhoy
Director

Nawaid Jamal
Chief Financial Officer

Akbarali Pesnani
Director

Towfiq H. Chinoy
Chairman

Notes to and Forming Part of the Condensed Interim Financial Statements

For the three months and nine months period ended 30 September 2018

1. STATUS AND NATURE OF BUSINESS

Jubilee General Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan on 16 May 1953. The Operator is listed on Pakistan Stock Exchange and is engaged in general insurance business. The registered office of the Operator is situated at 2nd Floor, Jubilee Insurance House, I. I. Chundrigar Road, Karachi.

The Operator was granted authorisation on 10 March 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations ("the operations") by Securities and Exchange Commission of Pakistan ("SECP") under Takaful Rules, 2012 to carry on General takaful operations in Pakistan. The Waqf deed was executed on 30 April 2015 and the Operator commenced activities of the operations on 7 May 2015.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 These condensed interim financial information of the Window Takaful Operations (WTO) has been prepared in accordance with the accounting and reporting standard as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, International Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and Takaful Rules 2012.

Where the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017 and Insurance Accounting Regulations 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 and Insurance Ordinance, 2000, Insurance Rules 2017, Insurance Accounting Regulations 2017 and Takaful Rules 2012, have been followed.

2.2 The Securities and Exchange Commission of Pakistan ("SECP") vide its S.R.O 89(1)/2017 dated 09 February 2017 and Circular 25 of 2015 dated 09 July 2015 has prescribed format of the presentation of annual financial statements for general insurance companies. These condensed financial statements have been prepared in accordance with the format prescribed by the SECP.

2.3 The condensed interim financial information do not include all the information required in the full annual financial statements. Accordingly, these condensed interim financial information should be read in conjunction with annual financial statements of the Company for the year ended 31 December 2017.

2.4 These condensed interim financial information have been presented in Pakistani Rupees, which is also the functional currency of the Operator.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these interim condensed financial statements are the same as those applied in the preparation of the audited financial statements for the year ended 31 December 2017, except as stated below.

3.1 Change in Accounting Policies

3.1.1 Application of Insurance Rules 2017 and Insurance Accounting regulation 2017

Securities and Exchange Commission of Pakistan ("SECP") vide S.R.O 88(1)/2017 and S.R.O 89(1)/2017 dated 9 February 2017 has issued the Insurance Accounting Regulations, 2017 and Insurance Rules, 2017 (the Rules and Accounting Regulations 2017). The application of these Regulations and Rules for the purpose of preparation and presentation of the financial statements was effective from 1 April 2017. SECP vide letter ID /OSM /Jubilee General /2017 /10483, dated 4 August 2017 has granted exemption from application of Rules and Regulations 2017 to the Company till 31 December 2017. Therefore, the application of Rules and Regulations 2017 became effective from the accounting year commencing from 01 January 2018.

The Rules and Accounting Regulations 2017 require significant disclosures / requirements, which are relevant to the Operator includes but not limited to: Presentation and disclosure of financial statements prescribed in Annexure II of the Insurance Rules, 2017, recognition of available-for-sale investments at fair value as per IAS 39 "Financial Instruments: Recognition and Measurement", recognition of contribution receivable under an insurance policy / cover note as written from the date of attachment of risk to the policy / cover note.

The Operator has adopted the Rules and Accounting Regulations 2017 and accordingly has changed its accounting policies as follows:

3.1.1.1 Available for sale investments

Up to 31 December 2017, the available for sale investments subsequent to initial recognition had been stated at the lower of cost or market value (market value on an individual investment basis being taken lower as if the fall is other than temporary) as the application of International Accounting Standard-39 (IAS-39) "Financial Instruments: Recognition and Measurement" in respect of valuation of available for sale investments had been deferred in accordance with repealed SEC (Insurance) Rules 2002.

Accordingly to the Rules and Accounting Regulations 2017, the Operator has changed its accounting policy for subsequent measurement of investments classified as available for sale from lower of cost or market value (market value on an individual investment basis being taken lower as if the fall is other than temporary) to fair value as per the requirements of IAS 39 and any unrealised gains or losses arising on re-measurement on of available-for-sale investments are taken to Other Comprehensive Income. On de-recognition or impairment of available-for-sale investments, the cumulative gains or losses previously reported in revaluation reserves are reclassified to Profit or Loss for the period.

3.1.1.2 Takaful contribution

Up to 31 December 2017, contribution had been recognized as written at the time of insurance policy (policy written) in accordance with the SEC (Insurance) Rules, 2002. Accordingly to the Rules and Accounting Regulations 2017, the Operator has changed its accounting policy for recognition of contribution under an takaful policy / cover note as written from date of issuance to the date of attachment of risk to the policy / cover note.

3.1.1.3 Presentation of Financial Statements

The Operator has adopted format for preparation and presentation of its condensed interim financial information in line with the requirements of the Rules and Accounting Regulations 2017. Significant changes in presentation are rearrangements in sequence of assets / liabilities in the statement of financial position; presentation of single profit or loss account instead of segment wise (classes of business) presentation and discontinuation of separate statements of contributions, Claims, Expense and investment Income. The segment wise and contributions, claims and expenses and investment income is now included in notes to the interim condensed financial information (note 19, 20, 21, 22, 23, 24 and 27).

3.1.1.4 Financial Impact of change in accounting policy

The significant effects of `changes in accounting policies as stated above has been applied retrospectively in accordance with the requirement of IAS - 8 'Accounting Policy, Change in Accounting Estimates and Error' and comparatives have been restated to conform to the changed policies. The summary of the effects are as follows:

	31 December 2017			1 January 2017		
	As previously reported	As re-stated	Re-statement	As previously reported	As re-stated	Re-statement
(Rupees in '000)						
Effect on Statement of financial position						
Assets						
Investments in Equity Securities	33,451	30,601	(2,850)	-	851	899
Liability						
Taxation - provision less payments	15,763	14,908	855	326	596	(270)
Funds						
Accumulated surplus and reserves	-	1,995	(1,995)	-	629	629
30 September 2017						
(Rupees in '000)						
Effect of other comprehensive income						
Item to be reclassified to profit and loss account in subsequent period						
Net unrealised (loss) / gain arising during the period on revaluation of available for sale investments - net off tax	-			-	(3,289)	(3,289)
Reclassification adjustment for net gain on available for sale investments included in profit and loss account - net off tax	-			-	(137)	(137)
Other comprehensive income, net off tax	-			-	(3,426)	(3,426)

3.1.2 Adoption of Companies Act 2017

During the period the Companies Act, 2017 has been effective from 1 January 2018, however there is no impact on the condensed interim financial information of the Operations.

4. NEW OR AMENDMENTS / INTERPRETATIONS TO EXISTING STANDARDS, INTERPRETATION AND FORTHCOMING REQUIREMENTS

4.1 There are new and amended standards and interpretations as notified under the Companies Act, 2017 that are mandatory for accounting periods beginning 1 July 2017 but are considered not to be relevant or do not have any significant effect on the financial statements of the operation and are therefore not stated in these financial statements.

4.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2018:

- Classification and Measurement of Share-based Payment Transactions - amendments to IFRS 2 clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after 1 January 2018. The amendments cover three accounting areas (a) measurement of cash-settled share-based payments; (b) classification of share-based payments settled net off tax withholdings; and (c) accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments are not likely to have an impact on the financial statements of the operations.
- Transfers of Investment Property (Amendments to IAS 40 'Investment Property' - effective for annual periods beginning on or after 1 January 2018) clarifies that an entity shall transfer a property to, or from, investment property when, and only when there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. The amendments are not likely to have an impact on the financial statements of the operations.
- Annual Improvements to IFRSs 2014-2016 Cycle [Amendments to IAS 28 'Investments in Associates and Joint Ventures'] (effective for annual periods beginning on or after 1 January 2018) clarifies that a venture capital organization and other similar entities may elect to measure investments in associates and joint ventures at fair value through profit and loss, for each associate or joint venture separately at the time of initial recognition of investment. Furthermore, similar election is available to non-investment entity that has an interest in an associate or joint venture that is an investment entity, when applying the equity method, to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture. The amendments are not likely to have an impact on the financial statements of the operations.
- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective for annual periods beginning on or after 1 January 2018) clarifies which date should be used for translation when a foreign currency transaction involves payment or receipt in advance of the item it relates to. The related item is translated using the exchange rate on the date the advance foreign currency is received or paid and the prepayment or deferred income is recognized. The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) would remain the date on which receipt of payment from advance consideration was recognized. If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration. The application of interpretation is not likely to have an impact on the financial statements of the operations.
- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 1 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax. The application of interpretation is not likely to have an impact on the financial statements of the operations.
- IFRS 15 'Revenue from contracts with customers' (effective for annual periods beginning on or after 1 July 2018). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programmes'. The management has completed an initial assessment of the potential impact on revenue and considered that the impact would not be significant.
- IFRS 9 'Financial Instruments' and amendment – Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 July 2018 and 1 January 2019 respectively). IFRS 9 replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The management has completed an initial assessment of changes required in classification and measurement of financial instruments on adoption of the standard and has also carried out an initial exercise to calculate impairment required under expected credit loss model. Based on initial assessment the management considered that there is no significant change in the recognition criteria or carrying value of the financial assets or liabilities and no additional significant impairment is expected.

- IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases- Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. The amendments are not likely to have an impact on the financial statements of the operations.
- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after 1 January 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable future (referred to as long-term interests or 'LTI'). The amendment and accompanying example state that LTI are in the scope of both IFRS 9 and IAS 28 and explain the annual sequence in which both standards are to be applied. The amendments are not likely to have an impact on the financial statements of the operations.
- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement (effective for annual periods beginning on or after 1 January 2019). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income. The application of amendments is not likely to have an impact on the financial statements of the operations.
- Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:
 - IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.
 - IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.
 - IAS 23 Borrowing Costs - the amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

The above amendments are effective from annual period beginning on or after 1 January 2019 and are not likely to have an impact on the financial statements of the operations.

5. ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2017.

6. TAKAFUL AND FINANCIAL RISK MANAGEMENT

The takaful and financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended 31 December 2017.

7. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made as the unearned contribution reserve for each class of business at period end is adequate to meet the expected future liability after re-takaful from claims and other expenses expected to be increased after the reporting date in respect of policies in force at reporting date.

8. PROPERTY AND EQUIPMENT

During the nine months period ended 30 September 2018, additions amounting to Rs. 60 thousands (30 September 2017 : Rs. 150 thousands) were made in Operator's Fund.

9. INVESTMENT IN EQUITY SECURITIES - AFS

Note	30 September 2018 (Unaudited)		31 December 2017 (Audited)	
	Cost	Carrying value	Cost	Carrying value (Restated)
(Rupees in '000)				
Operator's Fund				
Available-for-sale				
Quoted equity securities	31,877	27,629	33,451	30,601
Participants' Fund				
Available-for-sale				
Quoted equity securities	11,057	9,063	-	-

10. INVESTMENTS IN TERM DEPOSITS - PTF

	30 September 2018 (Unaudited)	31 December 2017 (Audited)
(Rupees in '000)		
Held to maturity		
Deposits maturing within 12 months	-	20,000

11. LOANS AND OTHER RECEIVABLES -
Considered good

	30 September 2018 (Unaudited)			31 December 2017 (Audited)
	Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate
(Rupees in '000)				
Accrued Investment income	513	-	513	1,344
Advance to suppliers	801	-	801	21
Sales tax recoverable	73	543	616	1,187
Medical claims recoverable	-	398	398	1,438
Other receivables	1,723	2,226	3,949	895
	<u>3,110</u>	<u>3,167</u>	<u>6,277</u>	<u>4,885</u>

12. TAKAFUL / RE-TAKAFUL RECEIVABLES - PTF

	30 September 2018 (Unaudited)	31 December 2017 (Audited)
(Rupees in '000)		
Due from Takaful contract holders	171,798	92,531
Due from other Takaful / Re-takaful operators	3,718	2,333
	<u>175,516</u>	<u>94,864</u>

13. PREPAYMENTS - PTF

Prepaid re-takaful contribution ceded	<u>47,370</u>	<u>38,924</u>
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14. CASH AND BANK

Note	30 September 2018 (Unaudited)			31 December 2017 (Audited)
	Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate
	(Rupees in '000)			
Cash and cash equivalents policy, revenue stamps and bond papers	5	748	753	253
Cash at bank				
- Current accounts	-	10,628	10,628	17,115
- Savings accounts	176,088	392,711	568,799	394,886
	176,088	403,339	579,427	412,001
14.1 & 14.2	<u>176,093</u>	<u>404,087</u>	<u>580,180</u>	<u>412,254</u>

14.1 Cash and bank balances of Operator's Fund include Rs. 161,457 thousands (2017: Rs. 148,538 thousands) held with a related party.

14.2 Cash and bank balances of Participants' Takaful Fund include Rs. 66,963 thousands (2017: Rs. 67,019 thousands) held with a related party.

15. TAKAFUL / RE-TAKAFUL PAYABLES - PTF

	30 September 2018 (Unaudited)	31 December 2017 (Audited)
	(Rupees in '000)	
Due to other takaful / re-takaful operators	<u>54,897</u>	<u>43,036</u>

16. OTHER CREDITORS AND ACCRUALS

	30 September 2018 (Unaudited)			31 December 2017 (Audited)
	Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate
	(Rupees in '000)			
Agents' commissions payable	32,664	-	32,664	23,495
Federal excise duty and sales tax	-	6,551	6,551	5,331
Federal insurance fee	-	529	529	401
Accrued expenses	1,856	42	1,898	1,742
Contribution payable	-	2,844	2,844	1,695
Other tax payables	18	1,565	1,583	1,617
Charity payable	5	7	12	1
Miscellaneous	78	1,886	1,964	779
	<u>34,621</u>	<u>13,424</u>	<u>48,045</u>	<u>35,061</u>

17. CONTINGENCY AND COMMITMENT

There is no contingency and commitment as at 30 September 2018 (31 December 2017: Nil).

18. NET TAKAFUL CONTRIBUTION - PTF

	Note	Three months period ended 30 September		Six months period ended 30 September	
		2018	2017	2018	2017
(Rupees in '000)					
Written gross contribution	27	229,762	193,268	702,528	491,030
Wakala fee		(70,209)	(56,173)	(205,655)	(142,739)
Written net contribution		159,553	137,095	496,873	348,291
Add: Unearned contribution reserve - opening		266,304	181,761	200,250	156,473
Less: Unearned contribution reserve - closing		(273,721)	(207,883)	(273,721)	(207,883)
Contribution earned		152,136	110,973	423,402	296,881
Less:					
Re-takaful contribution ceded		35,650	28,634	86,052	64,063
Add: Prepaid re-takaful contribution - opening		39,405	34,624	38,924	44,014
Less: Prepaid re-takaful contribution - closing		(47,370)	(41,693)	(47,370)	(41,693)
Re-takaful expense		27,685	21,565	77,606	66,384
		124,451	89,408	345,796	230,497

19. NET TAKAFUL CLAIMS EXPENSE - PTF

Claim paid		90,558	67,195	256,118	180,390
Add: Outstanding claims including IBNR - opening		(100,327)	(70,452)	(94,875)	(46,377)
Less: Outstanding claims including IBNR - closing		107,488	96,617	107,488	96,617
Claims expense		97,719	93,360	268,731	230,630
Less:					
Re-takaful and other recoveries received		416	1,876	(481)	2,638
Less: Re-takaful and other recoveries against outstanding claims - opening		(7,843)	(11,624)	(13,020)	(250)
Add: Re-takaful and other recoveries against outstanding claims - closing		10,586	8,262	10,586	8,262
Re-takaful and other recoveries revenue / (loss)		3,159	(1,486)	(2,915)	10,650
		94,560	94,846	271,646	219,980

20. REBATE ON RE-TAKAFUL - PTF

Re-takaful rebate received or recoverable		434	50	1,132	362
Add: Unearned re-takaful rebate - opening		731	978	621	1,982
Less: Unearned re-takaful rebate - closing		(802)	(530)	(802)	(530)
		363	498	951	1,814

21. Wakala fee income - OTF

Gross Wakala fee		70,209	56,173	205,655	142,739
Add: Unearned Wakala fee income - opening		109,811	76,071	85,399	64,036
Less: Unearned Wakala fee income - closing		(117,258)	(87,159)	(117,258)	(87,159)
		62,762	45,085	173,796	119,616

22. COMMISSION AND OTHER ACQUISITION COSTS - OTF

Note	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017	2018	2017
	(Rupees in '000)			
Commission paid or payable	26,973	18,845	69,039	46,831
Add: Deferred commission expense - opening	33,618	25,117	28,085	22,348
Less: Deferred commission expense - closing	(37,048)	(27,640)	(37,048)	(27,640)
	<u>23,543</u>	<u>16,322</u>	<u>60,076</u>	<u>41,539</u>

23. INVESTMENT INCOME - PTF

Income / (loss) from equity securities

Available for sale investments

Dividend income	425	-	461	-
Profit on term deposits	-	98	44	526
	<u>425</u>	<u>98</u>	<u>505</u>	<u>526</u>

24. INVESTMENT INCOME - OTF

Income from equity securities

Available for sale investments

Dividend income	988	460	1,728	1,086
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Income from term deposits

Return on term deposits	-	77	-	340
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Net realised gains / (losses) on investments

Available for sale

Realised gain on sale of equity securities	803	-	2,320	496
Realised loss on sale of equity securities	-	-	(658)	-
	<u>803</u>	<u>-</u>	<u>1,662</u>	<u>496</u>

Total Investment Income	1,791	537	3,390	1,922
Impairment in value of available for sale equity securities	-	-	(1,494)	-
	<u>1,791</u>	<u>537</u>	<u>1,896</u>	<u>1,922</u>

25. OTHER INCOME - OTF

Profit on bank balances	25.1	1,105	1,241	4,380	3,405
Mudarib's share of PTF investment income		1,022	351	2,523	969
		<u>2,127</u>	<u>1,592</u>	<u>6,903</u>	<u>4,374</u>

25.1 This includes Rs. 4,058 thousands (30 September 2017: Rs. 3,362 thousands) profit on bank balances held with a related party.

26. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise the Operator, associated companies, companies under common control, companies with common directors, major shareholders, employees' retirement benefit plans, directors and key management personnel of the Operator. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. The transactions and balances with related parties / associated companies, other than those which have been disclosed elsewhere in the condensed interim financial information, are as follows:

Note	Three months period ended 30 September		Nine months period ended 30 September	
	2018	2017	2018	2017
	(Rupees in '000)			
Contribution written (including government levies, administrative surcharge and policy stamps)	-	-	-	30
Contribution received	-	-	-	36
Rent	503	455	1,433	1,317
Reimbursement of expenses	7,876	2,694	16,152	5,872
Remuneration of key management personnel	4,205	3,258	8,310	6,384
Contributions to provident fund	290	228	649	487
Profit on bank balances - PTF	156	804	1,664	2,876

26.1 This represents rent paid to the operator.

26.2 These expenses pertain to Accident and Health business Common Back Office operations jointly shared with Jubilee Life Insurance Company Limited, an associated company and allocation of personnel expenses of the employees who invested their efforts in takaful business, by the Operator.

27. SEGMENT INFORMATION

Segment information prepared in accordance with the requirement of Insurance Ordinance, 2000 and Insurance Rules, 2017 for class of business wise revenues, results, assets and liabilities.

The class wise revenues and results are as follows:

	Three months period ended 30 September 2018 (Unaudited)					Total
	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	
	(Rupees in '000)					
Contribution receivable (inclusive of FED, FIF and Administrative surcharge)	50,742	26,029	124,707	44,961	13,081	259,520
Less: Federal Excise Duty	6,146	2,598	15,334	-	1,518	25,596
Federal Insurance Fee	443	222	1,102	445	113	2,325
Others	41	1,059	697	35	5	1,837
	<u>44,112</u>	<u>22,150</u>	<u>107,574</u>	<u>44,481</u>	<u>11,445</u>	<u>229,762</u>
Gross written contribution (inclusive of Administrative surcharge)	43,698	21,549	104,078	44,481	11,318	225,124
Gross direct contribution	414	601	3,496	-	127	4,638
Administrative surcharge	<u>44,112</u>	<u>22,150</u>	<u>107,574</u>	<u>44,481</u>	<u>11,445</u>	<u>229,762</u>
Participants' Fund - revenue account						
Takaful contribution earned	16,876	13,367	78,734	35,482	7,677	152,136
Takaful contribution ceded to re-takaful operators	(11,341)	(7,316)	(4,143)	-	(4,885)	(27,685)
Net takaful contribution	5,535	6,051	74,591	35,482	2,792	124,451
Re-takaful rebate	238	-	2	-	123	363
Net revenue	<u>5,773</u>	<u>6,051</u>	<u>74,593</u>	<u>35,482</u>	<u>2,915</u>	<u>124,814</u>
Takaful claims	(2,104)	(3,887)	(40,873)	(45,576)	(5,278)	(97,718)
Takaful claims recovered from re-takaful operators	-	-	1,021	-	2,137	3,158
Net claims	<u>(2,104)</u>	<u>(3,887)</u>	<u>(39,852)</u>	<u>(45,576)</u>	<u>(3,141)</u>	<u>(94,560)</u>
Direct expenses	-	-	(838)	-	-	(838)
Surplus / (Deficit) before investment income	<u>3,669</u>	<u>2,164</u>	<u>33,903</u>	<u>(10,094)</u>	<u>(226)</u>	<u>29,416</u>
Investment income						425
Profit on bank balances						4,685
Mudarib fee						(1,029)
Surplus for the period						<u>33,497</u>
Operator's Fund - revenue account						
Wakala fee income	8,437	7,215	32,179	12,029	2,902	62,762
Commission and other acquisition costs	(4,287)	(3,682)	(11,197)	(3,117)	(1,260)	(23,543)
Management expenses	(3,423)	(2,787)	(12,911)	(4,751)	(1,199)	(25,071)
	<u>727</u>	<u>746</u>	<u>8,071</u>	<u>4,161</u>	<u>443</u>	<u>14,148</u>
Investment income						1,791
Other income						2,127
Other expenses						(740)
Profit before tax						<u>17,326</u>

Nine months period ended 30 September 2018 (Unaudited)

	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
(Rupees in '000)						
Contribution receivable (inclusive of FED, FIF and Administrative surcharge)	103,871	62,168	406,591	177,939	36,239	786,808
Less: Federal Excise Duty	12,560	6,264	48,949	-	4,232	72,005
Federal Insurance Fee	899	527	3,518	1,761	316	7,021
Others	56	2,727	2,354	89	28	5,254
	<u>90,356</u>	<u>52,650</u>	<u>351,770</u>	<u>176,089</u>	<u>31,663</u>	<u>702,528</u>
Gross written contribution (inclusive of Administrative surcharge)	89,434	50,917	341,019	176,089	31,302	688,761
Gross direct contribution	922	1,733	10,751	-	361	13,767
Administrative surcharge						
	<u>90,356</u>	<u>52,650</u>	<u>351,770</u>	<u>176,089</u>	<u>31,663</u>	<u>702,528</u>
Participants' Fund - revenue account						
Takaful contribution earned	49,190	32,477	222,655	95,088	23,992	423,402
Takaful contribution ceded to re-takaful operators	(32,916)	(19,147)	(11,273)	-	(14,270)	(77,606)
Net takaful contribution	16,274	13,330	211,382	95,088	9,722	345,796
Re-takaful rebate	671	-	5	-	275	951
Net revenue	<u>16,945</u>	<u>13,330</u>	<u>211,387</u>	<u>95,088</u>	<u>9,997</u>	<u>346,747</u>
Takaful claims	(23,919)	(5,047)	(129,197)	(107,917)	(2,651)	(268,731)
Takaful claims recovered from re-takaful operators	-	-	(4,581)	-	1,666	(2,915)
Net claims	(23,919)	(5,047)	(133,778)	(107,917)	(985)	(271,646)
Direct expenses	-	-	(1,317)	-	-	(1,317)
(Deficit) / surplus before investment income	<u>(6,974)</u>	<u>8,283</u>	<u>76,292</u>	<u>(12,829)</u>	<u>9,012</u>	<u>73,784</u>
Investment income						505
Profit on bank balances						12,111
Mudarib fee						(2,530)
Surplus for the period						<u>83,870</u>
Operator's Fund - revenue account						
Wakala fee income	24,740	17,469	90,615	31,898	9,074	173,796
Commission and other acquisition costs	(11,717)	(8,660)	(28,939)	(7,456)	(3,304)	(60,076)
Management expenses	(8,214)	(5,800)	(30,086)	(10,590)	(3,013)	(57,703)
	<u>4,809</u>	<u>3,009</u>	<u>31,590</u>	<u>13,852</u>	<u>2,757</u>	<u>56,017</u>
Investment income						1,896
Other income						6,903
Other expenses						(2,340)
Profit before tax						<u>62,476</u>

Three months period ended 30 September 2017 (Unaudited)

	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
(Rupees in '000)						
Contribution receivable (inclusive of FED, FIF and Administrative surcharge)	31,855	17,989	97,163	42,426	27,690	217,123
Less: Federal Excise duty	3,776	1,953	11,532	-	3,184	20,445
Federal Insurance Fee	278	154	839	420	243	1,934
Others	38	554	867	13	4	1,476
	<u>27,763</u>	<u>15,328</u>	<u>83,925</u>	<u>41,993</u>	<u>24,259</u>	<u>193,268</u>
Gross written contribution (inclusive of Administrative surcharge)						
Gross direct contribution	27,436	14,904	81,238	41,993	24,126	189,697
Administrative surcharge	327	424	2,687	-	133	3,571
	<u>27,763</u>	<u>15,328</u>	<u>83,925</u>	<u>41,993</u>	<u>24,259</u>	<u>193,268</u>
Participants' Fund - revenue account						
Takaful contribution earned	13,648	8,377	52,286	28,919	7,743	110,973
Takaful contribution ceded to re-takaful operators	(10,620)	(4,296)	(2,477)	-	(4,172)	(21,565)
Net takaful contribution	3,028	4,081	49,809	28,919	3,571	89,408
Reversal of Contribution deficiency expense	-	-	-	-	-	-
Re-takaful rebate	227	-	16	-	255	498
Net revenue	<u>3,255</u>	<u>4,081</u>	<u>49,825</u>	<u>28,919</u>	<u>3,826</u>	<u>89,906</u>
Takaful claims	(3,879)	(521)	(38,242)	(35,364)	(15,354)	(93,360)
Takaful claims recovered from re-takaful operators	-	-	(2,698)	-	1,212	(1,486)
Net claims	(3,879)	(521)	(40,940)	(35,364)	(14,142)	(94,846)
Direct expenses	(21)	(9)	(156)	(30)	(11)	(227)
Surplus / (Deficit) before investment income	<u>(645)</u>	<u>3,551</u>	<u>8,729</u>	<u>(6,475)</u>	<u>(10,327)</u>	<u>(5,167)</u>
Investment income						98
Profit on bank balances						1,656
Mudarib fee						(351)
(Deficit) for the period						<u>(3,764)</u>
Operator's Fund - revenue account						
Wakala fee income	6,824	4,462	21,236	9,639	2,924	45,085
Commission and other acquisition costs	(3,160)	(2,168)	(7,200)	(2,756)	(1,038)	(16,322)
Management expenses	(1,702)	(1,188)	(5,317)	(2,399)	(725)	(11,331)
Net underwriting result	<u>1,962</u>	<u>1,106</u>	<u>8,719</u>	<u>4,484</u>	<u>1,161</u>	<u>17,432</u>
Investment income						537
Other income						1,592
Other expenses						(630)
Profit before tax						<u>18,931</u>

Nine months period ended 30 September 2017 (Unaudited)

	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
(Rupees in '000)						
Contribution receivable (inclusive of FED, FIF and Administrative surcharge)	82,403	34,490	288,129	101,776	45,947	552,745
Less: Federal Excise Duty	9,872	3,863	34,318	-	5,338	53,391
Federal Insurance Fee	718	291	2,493	1,007	403	4,912
Others	58	1,276	2,038	28	12	3,412
	<u>71,755</u>	<u>29,060</u>	<u>249,280</u>	<u>100,741</u>	<u>40,194</u>	<u>491,030</u>
Gross written contribution (inclusive of Administrative surcharge)	70,960	28,051	241,186	100,741	39,897	480,835
Gross direct contribution	795	1,009	8,094	-	297	10,195
Administrative surcharge						
	<u>71,755</u>	<u>29,060</u>	<u>249,280</u>	<u>100,741</u>	<u>40,194</u>	<u>491,030</u>
Participants' Fund - revenue account						
Takaful contribution earned	36,882	17,148	141,589	79,663	21,599	296,881
Takaful contribution ceded to re-takaful operators	(35,324)	(9,871)	(6,349)	-	(14,840)	(66,384)
Net takaful contribution	1,558	7,277	135,240	79,663	6,759	230,497
Reversal of contribution deficiency expense	8,763	274	-	-	-	9,037
Re-takaful Rebate	860	-	48	-	906	1,814
	<u>11,181</u>	<u>7,551</u>	<u>135,288</u>	<u>79,663</u>	<u>7,665</u>	<u>241,348</u>
Net revenue	<u>11,181</u>	<u>7,551</u>	<u>135,288</u>	<u>79,663</u>	<u>7,665</u>	<u>241,348</u>
Takaful claims	(3,700)	(6,239)	(120,591)	(83,813)	(16,287)	(230,630)
Takaful claims recovered from re-takaful operators	-	-	9,438	-	1,212	10,650
Net claims	(3,700)	(6,239)	(111,153)	(83,813)	(15,075)	(219,980)
Direct expenses	(21)	(9)	(381)	(30)	(11)	(452)
Surplus / (Deficit) before investment income	<u>7,460</u>	<u>1,303</u>	<u>23,754</u>	<u>(4,180)</u>	<u>(7,421)</u>	<u>20,916</u>
Investment income						526
Profit on bank balances						4,317
Mudarib fee						(969)
Surplus for the period						<u>24,790</u>
Operator's Fund - revenue account						
Wakala fee income	18,473	9,190	57,231	26,553	8,169	119,616
Commission and other acquisition costs	(8,318)	(4,262)	(19,240)	(7,011)	(2,708)	(41,539)
Management expenses	(5,406)	(2,690)	(16,750)	(7,771)	(2,391)	(35,008)
	<u>4,749</u>	<u>2,238</u>	<u>21,241</u>	<u>11,771</u>	<u>3,070</u>	<u>43,069</u>
Investment income						1,922
Other income						4,374
Other expenses						(1,911)
Profit before tax						<u>47,454</u>

The classwise assets and liabilities are as follows:

30 September 2018 (Unaudited)

	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
(Rupees in '000)						
Segment assets	46,991	17,396	104,083	38,981	22,701	230,152
Unallocated assets						
Participants' Takaful Fund						419,637
Operator's Fund						325,021
Consolidated total assets						<u>974,810</u>
Segment liabilities	63,188	25,838	280,557	124,582	36,517	530,682
Unallocated liabilities - Operator's Fund						183,679
Consolidated total liabilities						<u>714,361</u>

31 December 2017 (Audited)

	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
	(Rupees in '000)					
Segment assets	33,013	8,695	62,043	24,774	19,721	148,246
Unallocated assets						
Participants' Takaful Fund						285,733
Operator's Fund						266,591
Consolidated total assets						700,570
Segment liabilities	47,176	16,551	221,911	76,220	34,890	396,748
Unallocated liabilities - Operator's Fund						125,648
Consolidated total liabilities						522,396

28. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

30 September 2018 (Unaudited)

	Carrying amount				Fair value				
	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
Financial assets measured at fair value									
Investments in equity securities	36,692	-	-	-	36,692	36,692	-	-	36,692
Financial assets not measured at fair value									
Cash and bank*	-	-	580,180	-	580,180	-	-	-	-
Investments in term deposits*	-	-	-	-	-	-	-	-	-
Takaful / Re-takaful receivables*	-	-	175,516	-	175,516	-	-	-	-
Wakala and mudarib fee receivable*	-	-	71,232	-	71,232	-	-	-	-
Loans and receivables*	-	-	5,661	-	5,661	-	-	-	-
Salvage recoveries accrued*	-	-	4,400	-	4,400	-	-	-	-
Re-takaful recoveries against outstanding claims*	-	-	6,186	-	6,186	-	-	-	-
Financial liabilities not measured at fair value									
Provision for outstanding claims (including IBNR)*	-	-	-	(107,488)	(107,488)	-	-	-	-
Takaful / Re-takaful payables*	-	-	-	(54,897)	(54,897)	-	-	-	-
Wakala and mudarib fee payable*	-	-	-	(71,232)	(71,232)	-	-	-	-
Other creditors and accruals*	-	-	-	(38,715)	(38,715)	-	-	-	-
	36,692	-	843,175	(272,332)	607,535	36,692	-	-	36,692

31 December 2017 (Audited) (Restated)

	Carrying amount				Fair value				
	Available-for-sale	Held-to-maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)								
Financial assets measured at fair value									
Investments in equity securities	30,601	-	-	-	30,601	30,601	-	-	30,601
Financial assets not measured at fair value									
Cash and bank*	-	-	412,254	-	412,254	-	-	-	-
Investments in term deposits*	-	20,000	-	-	20,000	-	-	-	-
Takaful / Re-takaful receivables*	-	-	94,864	-	94,864	-	-	-	-
Wakala and mudarib fee receivable*	-	-	45,694	-	45,694	-	-	-	-
Loans and receivables*	-	-	3,124	-	3,124	-	-	-	-
Salvage recoveries accrued*	-	-	8,500	-	8,500	-	-	-	-
Re-takaful recoveries against outstanding claims*	-	-	4,520	4,520	-	-	-	-	-
Financial liabilities not measured at fair value									
Provision for outstanding claims (including IBNR)*	-	-	-	(94,875)	(94,875)	-	-	-	-
Takaful / Re-takaful payables*	-	-	-	(43,036)	(43,036)	-	-	-	-
Wakala and mudarib fee payable*	-	-	-	(45,694)	(45,694)	-	-	-	-
Other creditors and accruals*	-	-	-	(27,410)	(27,410)	-	-	-	-
	30,601	20,000	568,956	(211,015)	408,542	30,601	-	-	30,601

* The operations has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value.

- 28.1** Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

The operations measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

29. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified wherever necessary in line with the requirements of the Rules and Accounting Regulations 2017 (refer note 3.1).

30. GENERAL

All figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

31. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information have been authorised for issue in accordance with a resolution of the Board of Directors on 23 October 2018.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director











Towfiq H. Chinoy
Chairman









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