

**Accounts for the half year ended
30 June 2013 (Unaudited)**



نئے خواب - نیا جوش
New Vision-New Passion

Jubilee General Insurance Company Limited

Corporate Information

Chairman of the Board of Directors	Towfiq H. Chinoy	(Non-Executive Director)
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Directors	Akbarali Hashwani	(Non-Executive Director)
	Sadrudin Hashwani	(Non-Executive Director)
	Masood Noorani	(Non-Executive Director)
	Akbarali Pesnani	(Non-Executive Director)
	John Joseph Metcalf	(Non-Executive Director)
	R. Zakir Mahmood	(Non-Executive Director)
Aly Noormahomed Rattansey	(Non-Executive Director)	

President & Managing Director (Chief Executive)	Tahir Ahmed	(Executive Director)
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Company Secretary	Atiq Anwar Mahmudi
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Auditors	Ernst & Young Ford Rhodes Sidat Hyder
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Legal Advisor	Surridge & Beecheno
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Bankers	Habib Bank Limited Standard Chartered Bank (Pakistan) Limited. United Bank Limited Soneri Bank Limited Faysal Bank Limited Bank Alfalah Limited
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Share Registrar	THK Associates (Pvt) Ltd Ground Floor, State Life Building No. 3, Dr. Ziauddin Ahmed Road, Karachi. Tel: 35689021, 35686658
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Head Office / Registered Office	2nd Floor, Jubilee Insurance House I. I. Chundrigar Road, Karachi, Pakistan UAN : (92-21) 111 - 654 - 111 Tel : (92-21) 32416022-26 Fax : (92-21) 32416728 , 32438738 E-Mail : info@jubileegeneral.com.pk Website : www.jubileegeneral.com.pk
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Directors' Review

The Board of Directors is pleased to present before you the un-audited financial statements of the Company for the six months ended 30th June, 2013.

Business Overview:

The results for the first six months are summarized below:

	2013 30 June	2012 30 June
	(Rupees '000)	
Premium Written	3,619,412	3,435,053
Net Premium	1,669,720	1,462,074
Underwriting Result	115,741	103,286
Investment Income	426,707	351,085
Profit before tax	538,570	458,259
Profit after tax	456,899	399,285

By the grace of Allah the Company has been able to grow in almost all classes of business to post 5% growth in written premium to reach Rs.3.62 billion. Net premium has increased by 14% to Rs.1.67 billion.

With positive contributions from almost all classes of business, the Company has posted underwriting profit of Rs.116 million (2012: Rs.103 million). Investment income has also increased by 22% to Rs.427 million (2012: Rs.351 million) mainly owing to capital gain on sale of securities.

Future Outlook:

Since successful transition to the new elected government, there is a positive business sentiment which is reinforced by the impending agreement with IMF. However, for foreseeable future, energy crisis and lack of investment are likely to continue posing challenges to the national economy. Nevertheless, we are hopeful of maintaining our progress.



Towfiq H. Chinoy
Chairman

Karachi: August 23, 2013
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Jubilee General Insurance Company Limited



Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
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Pakistan

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AUDITORS' REPORT TO MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying

- i. interim condensed balance sheet;
- ii. interim condensed profit and loss account;
- iii. interim condensed statement of comprehensive income;
- iv. interim condensed statement of cash flows;
- v. interim condensed statement of changes in equity;
- vi. interim condensed statement of premiums;
- vii. interim condensed statement of claims;
- viii. interim condensed statement of expenses; and
- ix. interim condensed statement of investment income

and notes to the financial statements of **Jubilee General Insurance Company Limited** for the six month period ended **30 June 2013** (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants
Engagement Partner: Shabbir Yunus
Date: 23 August 2013
Karachi

Interim Condensed Balance Sheet

as at 30 June 2013

Note	30 June	31 December
	2013 (Unaudited)	2012 (Audited)
	(Rupees in '000)	
		(Restated)
Share capital and reserves		
Authorised share capital: 150,000,000 (2012: 150,000,000) Ordinary shares of Rs.10 each	<u>1,500,000</u>	<u>1,500,000</u>
Issued, subscribed and paid-up share capital [136,443,544 (2012: 118,646,560) Ordinary shares of Rs.10 each]	1,364,435	1,186,465
Retained earnings	471,976	878,987
Reserves	2,339,384	2,009,384
	<u>4,175,795</u>	<u>4,074,836</u>
Underwriting provisions		
Provision for outstanding claims (including IBNR)	2,243,391	2,275,743
Provision for unearned premium	2,764,120	2,246,077
Commission Income unearned	133,538	82,048
Total underwriting provisions	<u>5,141,049</u>	<u>4,603,868</u>
Deferred liabilities		
Staff retirement benefits	477	619
Creditors and accruals		
Premium received in advance	49,796	35,975
Amount due to other insurers / reinsurers	669,228	568,914
Accrued expenses	82,869	29,981
Taxation-provision less payments	154,160	134,569
Other creditors and accruals	476,930	426,720
	<u>1,432,983</u>	<u>1,196,159</u>
Other liabilities		
Deposits and other payables	1,110,317	853,637
Unclaimed dividend	37,292	30,262
	<u>1,147,609</u>	<u>883,899</u>
TOTAL LIABILITIES	<u>7,722,118</u>	<u>6,684,545</u>
TOTAL EQUITY AND LIABILITIES	<u>11,897,913</u>	<u>10,759,381</u>
CONTINGENCIES	8	

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.

Accounts for the six months period ended 30 June 2013

	Note	30 June	31 December
		2013 (Unaudited)	2012 (Audited)
		(Rupees in '000)	
		(Restated)	
Cash and bank deposits			
Cash and other equivalents		3,017	3,515
Current and other accounts		1,301,860	1,110,790
Deposits maturing within 12 months		157,354	145,233
		<u>1,462,231</u>	<u>1,259,538</u>
Loans to employees		618	757
Investments	9	5,764,426	5,927,293
Investment properties	10	146,375	149,017
Deferred taxation		31,606	31,207
Current assets - others			
Premium due but unpaid		1,494,739	854,280
Amount due from other insurers / reinsurers		147,952	76,910
Reinsurance recoveries due but unpaid		3,546	16,203
Salvage recoveries accrued		41,925	50,480
Accrued investment income		18,052	15,577
Reinsurance recoveries against outstanding claims		958,969	1,008,212
Deferred commission expense		205,086	175,365
Prepayments	11	1,430,084	992,212
Sundry receivables		62,739	63,697
		<u>4,363,092</u>	<u>3,252,936</u>
Fixed assets			
Tangible and intangible			
	12		
Buildings		6,187	6,329
Furniture and fixtures		23,957	27,450
Office equipment		58,770	59,900
Computer equipment		11,294	12,299
Vehicles		4,839	5,032
Computer software		24,518	27,623
		<u>129,565</u>	<u>138,633</u>
TOTAL ASSETS		<u><u>11,897,913</u></u>	<u><u>10,759,381</u></u>


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansey
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Profit and Loss Account (Unaudited)

for the six months period ended 30 June 2013

	Three months period ended 30 June							2013 Aggregate	2012 Aggregate
	Fire and property	Marine, aviation and transport	Motor	Liability	Accident and health	Others	Treaty		
Note	(Rupees in '000)								
Revenue account									
Net premium revenue	179,466	131,338	218,955	13,231	182,399	126,761	-	852,150	716,046
Less:									
Net claims	76,583	86,790	117,445	2,102	144,426	68,018	-	495,364	429,074
Expenses	44,093	32,269	53,797	3,250	44,815	31,145	-	209,369	181,603
Net commission	27,153	26,783	19,276	(2,090)	5,924	(2,960)	-	74,086	60,430
Underwriting result	<u>31,637</u>	<u>(14,504)</u>	<u>28,437</u>	<u>9,969</u>	<u>(12,766)</u>	<u>30,558</u>	<u>-</u>	<u>73,331</u>	<u>44,939</u>
Investment income								171,569	145,718
Rental income								28,691	26,172
Return on bank deposits								15,818	11,604
Other income								44	3,255
General and administration expenses								(17,920)	(12,215)
Share of profit of an associate								8,188	7,542
Profit before tax								<u>206,390</u>	<u>182,076</u>
Provision for taxation - current								279,721	227,015
- deferred								(48,008)	(21,623)
								440	110
Profit after tax								<u>(47,568)</u>	<u>(21,513)</u>
								<u>232,153</u>	<u>205,502</u>

	Six months period ended 30 June							2013 Aggregate	2012 Aggregate
	Fire and property	Marine, aviation and transport	Motor	Liability	Accident and health	Others	Treaty		
Note	(Rupees in '000)								
Revenue account									
Net premium revenue	334,911	262,694	435,146	25,343	359,929	251,697	-	1,669,720	1,462,074
Less:									
Net claims	188,546	125,200	251,235	4,191	320,249	106,202	-	995,623	868,290
Expenses	82,274	64,533	106,898	6,226	88,420	61,832	-	410,183	360,501
Net commission	61,203	49,346	38,357	(3,834)	11,435	(8,334)	-	148,173	129,997
Underwriting result	<u>2,888</u>	<u>23,615</u>	<u>38,656</u>	<u>18,760</u>	<u>(60,175)</u>	<u>91,997</u>	<u>-</u>	<u>115,741</u>	<u>103,286</u>
Investment income								338,136	278,297
Rental income								58,938	50,107
Return on bank deposits								29,633	22,681
Other income								1,316	4,960
General and administration expenses								(25,766)	(18,688)
Share of profit of an associate								20,572	17,616
Profit before tax								<u>422,829</u>	<u>354,973</u>
Provision for taxation - current								538,570	458,259
- deferred								(82,070)	(58,857)
								399	(117)
Profit after tax								<u>(81,671)</u>	<u>(58,974)</u>
								<u>456,899</u>	<u>399,285</u>

	(Restated)	
Profit and loss appropriation account :		
Balance at commencement of six months period	878,987	884,725
Profit after tax for the six months period	456,899	399,285
Transfer to general reserve	(230,000)	(230,000)
Transfer to special reserve	(100,000)	(100,000)
Issuance of bonus shares: 2013: Rs.1.50 (15%) per share for the year 2012 [2012: Rs.2 (20%) per share for the year 2011]	(177,970)	(197,744)
Final cash dividend 2013: Rs.3 (30%) per share for the year 2012 [2012: Rs.3 (30%) per share for the year 2011]	(355,940)	(296,617)
	(407,011)	(425,076)
Balance at end of six months period	<u>471,976</u>	<u>459,649</u>
Earnings per share of Rs.10 each - basic and diluted (note 16)	<u>3.35</u>	<u>2.93</u>

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattanseay
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Statement of Comprehensive Income (Unaudited)


for the six months period ended 30 June 2013

	Three months period ended 30 June		Six months period ended 30 June	
	2013	2012	2013	2012
	(Rupees in '000)		(Rupees in '000)	
Net profit for the period	232,153	205,502	456,899	399,285
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>232,153</u>	<u>205,502</u>	<u>456,899</u>	<u>399,285</u>

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.



Towfiq H. Chinoy
Chairman



Akbarali Hashwani
Director



Aly Noormahomed Rattansey
Director



Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Statement of Cash Flows (Unaudited)

for the six months period ended 30 June 2013

	2013	2012
	(Rupees in '000)	
Operating cash flows		
(a) Underwriting activities		
Premiums received	2,992,774	2,809,427
Reinsurance premiums paid	(1,761,081)	(1,578,435)
Claims paid	(1,288,598)	(1,153,423)
Reinsurance and other recoveries received	260,036	249,061
Commissions paid	(282,150)	(234,207)
Commissions received	166,614	133,782
Other underwriting payments (management expenses)	(349,202)	(304,617)
Net cash outflow from underwriting activities	(261,607)	(78,412)
(b) Other operating activities		
Income tax paid	(62,480)	(45,461)
General and administration expenses paid	(14,994)	(9,523)
Other operating payments	(497,377)	(473,578)
Other operating receipts	690,128	650,773
Loans advanced	(838)	(781)
Loans repayment received	886	799
Net cash inflow from other operating activities	115,325	122,229
Total cash (outflow) / inflow from all operating activities	(146,282)	43,817
Investment activities		
Profit / return received	54,843	43,131
Dividends received	61,793	48,271
Rentals received - net of expenses	156,909	72,614
Payments for purchase of investments / investment property	(5,374,686)	(4,033,007)
Proceeds from disposal of investments	5,804,869	3,875,267
Fixed capital expenditure	(8,290)	(24,413)
Proceeds from disposal of fixed assets	679	1,102
Total cash inflow / (outflow) from investing activities	696,117	(17,035)
Financing activities		
Dividends paid	(348,910)	(290,493)
Total cash outflow from financing activities	(348,910)	(290,493)
Net cash inflow / (outflow) from all activities	200,925	(263,711)
Cash at beginning of six months period	1,193,312	967,061
Cash at end of six months period	1,394,237	703,350

	2013	2012
	(Rupees in '000)	
Reconciliation to profit and loss account		
Operating cash flows	(146,282)	43,817
Depreciation / amortisation expense	(16,219)	(12,376)
Loss on disposal of fixed assets	(460)	(60)
Profit on disposal of investments	248,438	200,853
Dividend income	64,688	49,011
Rental income	58,938	50,107
Other investment income	75,216	68,730
Increase in assets other than cash	1,124,547	1,231,348
Increase in liabilities other than running finance	(951,967)	(1,232,145)
Profit after taxation	456,899	399,285

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.

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

Cash and bank deposits

Cash and other equivalents

Cash	384	897
Policy stamps and bond papers in hand	2,633	3,999
	3,017	4,896

Current and other accounts

Current accounts	130,469	150,847
PLS savings accounts	1,171,391	468,105
	1,301,860	618,952

Deposits maturing within 3 months (encashable on demand)

Term deposits - Local Currency *	50,000	-
Term deposits - Foreign Currency*	39,360	79,502
	89,360	79,502
	1,394,237	703,350

*These do not include term deposits amounting to Rs.900 thousands (30 June 2012: Rs.800 thousands) placed under lien and those deposits having maturity exceeding three months amounting to Rs.67,094 thousand (30 June 2012: Rs.Nil).

The annexed notes from I to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansey
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Statement of Changes in Equity (Unaudited)

for the six months period ended 30 June 2013

	Share capital	Reserves					Total Reserves	Total
	Issued, subscribed and paid-up	Capital reserve	Revenue reserves			Total Revenue Reserves		
		Reserve for exceptional losses	General reserves	Special reserve	Retained earnings			
(Rupees in '000)								
Balance as at 01 January 2012	988,721	9,384	1,670,000	-	874,764	2,544,764	2,554,148	3,542,869
Effect of change in accounting policy as stated in note 5.2	-	-	-	-	9,961	9,961	9,961	9,961
Balance as at 01 January 2012 - Restated	<u>988,721</u>	<u>9,384</u>	<u>1,670,000</u>	<u>-</u>	<u>884,725</u>	<u>2,554,725</u>	<u>2,564,109</u>	<u>3,552,830</u>
Changes in equity for the six months period ended 30 June 2012								
Profit after tax for the six months period	-	-	-	-	399,285	399,285	399,285	399,285
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	399,285	399,285	399,285	399,285
Final cash dividend at Rs.3 (30%) per share for the year 2011	-	-	-	-	(296,617)	(296,617)	(296,617)	(296,617)
Issuance of bonus shares @ Rs.2 per share (20%) for the year 2011	197,744	-	-	-	(197,744)	(197,744)	(197,744)	-
Transfer to general reserve	-	-	230,000	-	(230,000)	-	-	-
Transfer to special reserve	-	-	-	100,000	(100,000)	-	-	-
Balance as at 30 June 2012	<u>1,186,465</u>	<u>9,384</u>	<u>1,900,000</u>	<u>100,000</u>	<u>459,649</u>	<u>2,459,649</u>	<u>2,469,033</u>	<u>3,655,498</u>
Balance as at 01 January 2013	1,186,465	9,384	1,900,000	100,000	876,979	2,876,979	2,886,363	4,072,828
Effect of change in accounting policy as stated in note 5.2	-	-	-	-	2,008	2,008	2,008	2,008
Balance as at 01 January 2012 - Restated	<u>1,186,465</u>	<u>9,384</u>	<u>1,900,000</u>	<u>100,000</u>	<u>878,987</u>	<u>2,878,987</u>	<u>2,888,371</u>	<u>4,074,836</u>
Changes in equity for the six months period ended 30 June 2013								
Profit after tax for the six months period	-	-	-	-	456,899	456,899	456,899	456,899
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	456,899	456,899	456,899	456,899
Final cash dividend at Rs.3 (30%) per share for the year 2012	-	-	-	-	(355,940)	(355,940)	(355,940)	(355,940)
Issuance of bonus shares @ Rs.1.5 per share (15%) for the year 2012	177,970	-	-	-	(177,970)	(177,970)	(177,970)	-
Transfer to general reserve	-	-	230,000	-	(230,000)	-	-	-
Transfer to special reserve	-	-	-	100,000	(100,000)	-	-	-
Balance as at 30 June 2013	<u>1,364,435</u>	<u>9,384</u>	<u>2,130,000</u>	<u>200,000</u>	<u>471,976</u>	<u>2,801,976</u>	<u>2,811,360</u>	<u>4,175,795</u>

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansey
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Statement of Premiums (Unaudited)

for the six months period ended 30 June 2013

Business underwritten inside Pakistan

Three months period ended 30 June

Class	Premiums written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses	2013 Net premium revenue	2012 Net premium revenue
		Opening	Closing			Opening	Closing			
(Rupees in '000)										
Direct and facultative										
1. Fire and property damage	217,525	746,789	594,155	370,159	93,090	405,247	307,644	190,693	179,466	143,983
2. Marine, aviation and transport	176,606	79,163	82,285	173,484	40,988	11,548	10,390	42,146	131,338	110,551
3. Motor	217,576	447,031	438,422	226,185	9,919	15,381	18,070	7,230	218,955	194,878
4. Liability	34,750	367,839	278,402	124,187	14,061	344,195	247,300	110,956	13,231	12,775
5. Accident and health	135,386	357,857	310,844	182,399	-	-	-	-	182,399	134,714
6. Miscellaneous	385,905	1,160,741	1,060,012	486,634	264,928	909,824	814,879	359,873	126,761	119,156
Total	1,167,748	3,159,420	2,764,120	1,563,048	422,986	1,686,195	1,398,283	710,898	852,150	716,057
Treaty										
7. Proportional / non-proportional	-	-	-	-	-	-	-	-	-	(11)
Grand total	1,167,748	3,159,420	2,764,120	1,563,048	422,986	1,686,195	1,398,283	710,898	852,150	716,046

Six months period ended 30 June

Class	Premiums written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses	2013 Net premium revenue	2012 Net premium revenue
		Opening	Closing			Opening	Closing			
(Rupees in '000)										
Direct and facultative										
1. Fire and property damage	720,959	627,819	594,155	754,623	413,090	314,266	307,644	419,712	334,911	322,882
2. Marine, aviation and transport	341,155	71,351	82,285	330,221	64,240	13,677	10,390	67,527	262,694	241,263
3. Motor	515,042	371,546	438,422	448,166	19,965	11,125	18,070	13,020	435,146	383,684
4. Liability	416,142	92,720	278,402	230,460	382,734	69,683	247,300	205,117	25,343	27,245
5. Accident and health	342,184	328,589	310,844	359,929	-	-	-	-	359,929	261,864
6. Miscellaneous	1,283,930	754,052	1,060,012	977,970	981,366	559,786	814,879	726,273	251,697	225,142
Total	3,619,412	2,246,077	2,764,120	3,101,369	1,861,395	968,537	1,398,283	1,431,649	1,669,720	1,462,080
Treaty										
7. Proportional / non-proportional	-	-	-	-	-	-	-	-	-	(6)
Grand total	3,619,412	2,246,077	2,764,120	3,101,369	1,861,395	968,537	1,398,283	1,431,649	1,669,720	1,462,074



Towfiq H. Chinoy
Chairman



Akbarali Hashwani
Director



Aly Noormahomed Rattansay
Director



Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Statement of Claims (Unaudited)

for the six months period ended 30 June 2013

Business underwritten inside Pakistan

Class	Three months period ended 30 June									2013 Net claims expense	2012 Net claims expense
	Claims Paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue			
		Opening	Closing			Opening	Closing				
(Rupees in '000)											
Direct and facultative											
1. Fire and property damage	199,192	606,822	491,437	83,807	115,929	260,486	151,781	7,224	76,583	68,560	
2. Marine, aviation and transport	91,633	306,157	424,957	210,433	10,434	43,888	157,097	123,643	86,790	57,904	
3. Motor	126,000	261,189	258,252	123,063	3,788	49,576	51,406	5,618	117,445	101,167	
4. Liability	138	208,870	210,837	2,105	16	204,248	204,235	3	2,102	(2,528)	
5. Accident and health	134,081	79,342	89,687	144,426	-	-	-	-	144,426	118,187	
6. Miscellaneous	99,242	762,775	768,221	104,688	42,879	442,584	436,375	36,670	68,018	85,872	
Total	650,286	2,225,155	2,243,391	668,522	173,046	1,000,782	1,000,894	173,158	495,364	429,162	
Treaty											
7. Proportional / non-proportional	-	-	-	-	-	-	-	-	-	(88)	
Grand total	650,286	2,225,155	2,243,391	668,522	173,046	1,000,782	1,000,894	173,158	495,364	429,074	

Class	Six months period ended 30 June									2013 Net claims expense	2012 Net claims expense
	Claims Paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue			
		Opening	Closing			Opening	Closing				
(Rupees in '000)											
Direct and facultative											
1. Fire and property damage	373,360	627,521	491,437	237,276	175,324	278,375	151,781	48,730	188,546	170,625	
2. Marine, aviation and transport	133,258	311,874	424,957	246,341	20,202	56,158	157,097	121,141	125,200	105,842	
3. Motor	252,646	258,476	258,252	252,422	6,027	56,246	51,406	1,187	251,235	241,520	
4. Liability	3,254	211,793	210,837	2,298	252	206,380	204,235	(1,893)	4,191	1,267	
5. Accident and health	314,907	84,345	89,687	320,249	-	-	-	-	320,249	225,796	
6. Miscellaneous	211,173	781,734	768,221	197,660	116,616	461,533	436,375	91,458	106,202	123,333	
Total	1,288,598	2,275,743	2,243,391	1,256,246	318,421	1,058,692	1,000,894	260,623	995,623	868,383	
Treaty											
7. Proportional / non-proportional	-	-	-	-	-	-	-	-	-	(93)	
Grand total	1,288,598	2,275,743	2,243,391	1,256,246	318,421	1,058,692	1,000,894	260,623	995,623	868,290	

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansey
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Statement of Expenses (Unaudited)

for the six months period ended 30 June 2013

Business underwritten inside Pakistan

Class	Three months period ended 30 June							2013 Net underwriting expense	2012 Net underwriting expense
	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers*		
	Opening	Closing							
(Rupees in '000)									
Direct and facultative									
1. Fire and property damage	25,630	87,707	67,556	45,781	44,093	89,874	18,628	71,246	61,972
2. Marine, aviation and transport	27,995	12,601	13,231	27,365	32,269	59,634	582	59,052	47,898
3. Motor	19,238	39,072	38,736	19,574	53,797	73,371	298	73,073	66,443
4. Liability	1,744	5,183	4,558	2,369	3,250	5,619	4,459	1,160	2,107
5. Accident and health	5,459	12,139	11,674	5,924	44,815	50,739	-	50,739	38,388
6. Miscellaneous	30,233	72,834	69,331	33,736	31,145	64,881	36,696	28,185	25,225
Total	110,299	229,536	205,086	134,749	209,369	344,118	60,663	283,455	242,033
Treaty									
7. Proportional / non-proportional	-	-	-	-	-	-	-	-	-
Grand Total	110,299	229,536	205,086	134,749	209,369	344,118	60,663	283,455	242,033

Class	Six months period ended 30 June							2013 Net underwriting expense	2012 Net underwriting expense
	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers*		
	Opening	Closing							
(Rupees in '000)									
Direct and facultative									
1. Fire and property damage	91,174	70,103	67,556	93,721	82,274	175,995	32,518	143,477	137,180
2. Marine, aviation and transport	52,845	11,477	13,231	51,091	64,533	115,624	1,745	113,879	100,498
3. Motor	43,366	34,265	38,736	38,895	106,898	145,793	538	145,255	127,926
4. Liability	5,620	3,770	4,558	4,832	6,226	11,058	8,666	2,392	5,040
5. Accident and health	13,602	9,507	11,674	11,435	88,420	99,855	-	99,855	72,339
6. Miscellaneous	86,411	46,243	69,331	63,323	61,832	125,155	71,657	53,498	47,513
Total	293,018	175,365	205,086	263,297	410,183	673,480	115,124	558,356	490,496
Treaty									
7. Proportional / non-proportional	-	-	-	-	-	-	-	-	2
Grand Total	293,018	175,365	205,086	263,297	410,183	673,480	115,124	558,356	490,498

* Commission from reinsurers is arrived at after taking the impact of opening and closing unearned commission.

The annexed notes from I to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansay
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Statement of Investment Income (Unaudited)

for the six months period ended 30 June 2013

	Three months period ended 30 June		Six months period ended 30 June	
	2013	2012	2013	2012
	(Rupees in '000)		(Rupees in '000)	
Income from non-trading investments				
Held to maturity investments				
Return on government securities	11,013	18,506	21,138	31,305
Return on term finance certificates	3,726	3,714	7,645	6,608
Amortisation of premium	89	122	221	224
	<u>14,828</u>	<u>22,342</u>	<u>29,004</u>	<u>38,137</u>
Available-for-sale				
Dividend income				
Related parties	-	-	4,615	4,196
Others	18,714	5,474	60,073	44,815
	<u>18,714</u>	<u>5,474</u>	<u>64,688</u>	<u>49,011</u>
	<u>33,542</u>	<u>27,816</u>	<u>93,692</u>	<u>87,148</u>
Gain on sale of non-trading investments	140,306	125,943	248,438	200,853
Provision for impairment in value of available-for-sale securities	-	(6,379)	-	(6,379)
Investment related expenses	(2,279)	(1,662)	(3,994)	(3,325)
Net investment income	<u>171,569</u>	<u>145,718</u>	<u>338,136</u>	<u>278,297</u>

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.


Tawfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansey
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Notes to the Interim Condensed Financial Statements (Unaudited)

for the six months period ended 30 June 2013

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 on the Karachi and Lahore stock exchanges 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.

2. STATEMENT OF COMPLIANCE

These interim condensed financial statements of the Company for the six months period ended 30 June 2013 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

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

3. BASIS OF MEASUREMENT

These interim condensed financial statements have been prepared under historical cost convention.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these interim condensed financial statements, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual financial statements as at and for the year ended 31 December 2012.

5. SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

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 annual financial statements for the year ended 31 December 2012 except as disclosed in note 5.2. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended 31 December 2012.

5.1 New, amended and revised International Financial Reporting (IFRSs) standards and interpretations

The Company has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current period:

- IAS 1 - Presentation of financial statements - Presentation of items of other comprehensive income (Amendment)
- IAS 19 - Employee Benefits - (Revised)
- IFRS 7 - Financial Instruments: Disclosures - (Amendment)
 - Amendments enhancing disclosures about offsetting of financial assets and financial liabilities

The adoption of the above revision and amendments of the standards did not have any effect on the interim condensed financial statements except as described in note 5.2 below.

Further, certain new standards have been issued by IASB which are effective for accounting periods beginning on or after 01 January 2013 but are yet to be notified by the SECP for the purpose of applicability in Pakistan.

5.2 Change in accounting policy

During the period, the Company has adopted IAS 19 - Employee Benefits - (Revised). Amendments to IAS 19 range from fundamental changes to simple clarification and re-wording. The significant changes include the following:

For defined benefit plans, the ability to defer recognition of actuarial gains and losses (i.e., the corridor approach) has been removed whereby the actuarial gains and losses are now recognised in other comprehensive income when they occur and only the current and past service costs, gains or losses on settlements, and net interest income (expense) are recorded in the profit and loss account. All other changes in the net defined benefit asset (liability) are recognised in other comprehensive income with no subsequent recycling to profit and loss account.

The adoption of above revised standard has resulted in change in accounting policy of the Company relating to recognition of actuarial gains and losses, which resulted in restatement of prior year figures. The impact of restatement on interim condensed balance sheet is mentioned below:

	31 December 2012 (Rupees in '000)
Decrease in the defined benefit plan obligation	2,008
Increase in the retained earnings	2,008

6. PREMIUM DEFICIENCY RESERVE

No provision has been made as the unearned premium reserve for each class of business as at six months period ended 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 balance sheet date.

	30 June 2013 (Unaudited)	31 December 2012 (Audited)
Note	(Rupees in '000)	
7. OTHER CREDITORS AND ACCRUALS		
Federal excise duty and sales tax	61,326	38,530
Federal insurance fee	4,560	2,251
Workers' Welfare Fund	29,694	18,922
Tax deducted at source	2,051	929
Commission payable	334,731	323,864
Premium payable	31,540	28,946
Claims payable	6,934	6,605
Miscellaneous	6,094	6,673
	<u>476,930</u>	<u>426,720</u>

8. CONTINGENCIES - Taxation

The contingencies for taxation as at 30 June 2013 amounted to Rs.Nil (31 December 2012: Rs.14,700 thousands).

9. INVESTMENTS

In related parties

Investment in an associate

- Jubilee Life Insurance Company Limited

[4,032,766 shares (31 December 2012: 4,032,766 shares)]

9.1 105,509 103,084

Available-for-sale - quoted equity securities / mutual funds

654,079 554,079
759,588 657,163

Others

Held to maturity

Government securities

Term finance certificates - quoted

9.2 466,232 467,352
124,836 128,221
591,068 595,573

Available-for-sale

Quoted equity securities / mutual funds

4,411,270 4,672,057

Unquoted equity securities

- Matiar Sugar Mills Limited

[715,000 shares (31 December 2012: 715,000 shares)]

2,500 2,500
5,764,426 5,927,293

	30 June	31 December
	2013 (Unaudited)	2012 (Audited)
(Rupees in '000)		
9.1 Investment in an associate		
Balance at the beginning of the period / year	103,084	81,907
Share of profit upto 31 March (2012: 30 September)	20,572	33,275
Dividend received	(18,147)	(12,098)
	2,425	21,177
Closing balance	<u>105,509</u>	<u>103,084</u>

9.2 These include Pakistan Investment Bonds of face value amounting to Rs.141,800 thousands (31 December 2012: Rs.122,700 thousands) which are placed with State Bank of Pakistan under section 29 of the Insurance Ordinance, 2000.

9.3 Market value of investments except for unquoted securities as at 30 June 2013 amounted to Rs.6,807,532 thousands (31 December 2012: Rs.6,733,090 thousands).

10. INVESTMENT PROPERTIES

The market value of the investment properties as per valuations carried out by professional valuers in 2011 is Rs.1,591,094 thousands. The management of the Company has ascertained that there is no material change in the valuation of the investment properties upto 30 June 2013.

11. PREPAYMENTS

Prepaid reinsurance premium ceded	1,398,283	968,537
Rent	17,153	13,684
Computer software maintenance fee	2,574	5,230
Miscellaneous expenses	12,074	4,761
	<u>1,430,084</u>	<u>992,212</u>

12. FIXED ASSETS - Tangible and intangible

Additions during the six months period ended 30 June 2013 amounted to Rs.8,290 thousands (30 June 2012: Rs.24,413 thousands) while disposals had a cost of Rs.5,966 thousands (30 June 2012: Rs.4,700 thousands) and written down value of Rs.1,139 thousands (30 June 2012: Rs.1,162 thousands).

	Three months period ended 30 June		Six months period ended 30 June	
	2013 (Unaudited)	2012 (Unaudited)	2013 (Unaudited)	2012 (Unaudited)
(Rupees in '000)				
13. OTHER CHARGES / INCOME				
Income from financial assets / liabilities				
Exchange (loss) / gain	(113)	2,934	1,719	4,740
Return on loans to employees	22	23	44	44
Others	12	236	13	236
Income from non-financial assets				
Gain / (loss) on sale of fixed assets	123	62	(460)	(60)
	<u>44</u>	<u>3,255</u>	<u>1,316</u>	<u>4,960</u>

14. 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 interim condensed financial statements, are as follows:

	Three months period ended 30 June		Six months period ended 30 June	
	2013 (Unaudited)	2012 (Unaudited)	2013 (Unaudited)	2012 (Unaudited)
	(Rupees in '000)		(Rupees in '000)	
Associated companies				
Insurance premium written (including government levies administrative surcharge and policy stamps)	104,734	133,598	197,759	234,918
Insurance premium received / adjusted during the period	65,607	176,871	94,758	251,470
Insurance commission paid	-	494	-	619
Insurance claims paid	54,442	60,389	121,654	80,822
Investment advisory services	1,350	1,350	2,700	2,700
Purchases of goods and services	-	-	1,908	1,733
Dividend income	-	-	4,615	4,196
Dividend received from associate under equity method	18,147	12,098	18,147	12,098
Dividend paid	245,262	189,544	245,262	189,544
Rent income	8,972	6,582	17,530	13,791
Investment in shares / mutual funds	600,000	500,000	1,200,000	500,000
Disposal of shares / mutual funds	613,097	516,144	1,128,170	516,144
Directors' fee	40	60	40	100
Donations	8,000	455	8,000	455
Key management personnel				
Remuneration	5,718	7,339	11,437	12,979
Dividend paid	601	501	601	501
Employees' funds				
Contribution to provident fund	2,840	2,553	5,738	5,081
Provision for gratuity fund	3,300	3,000	6,600	6,000
Others				
Insurance premium written (including government levies administrative surcharge and policy stamps)	67	39	68	43
Insurance premium received / adjusted during the period	18	-	118	76
Directors' fee	560	500	1,000	1,300
Dividend paid	7,819	6,456	7,819	6,456

15. SEGMENT REPORTING

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

30 June 2013 (Unaudited)

	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Unallocated assets	Total
	(Rupees in '000)							
Segment assets	927,542	356,003	346,103	578,423	202,728	1,839,701	-	4,250,500
Unallocated assets	-	-	-	-	-	-	7,647,413	7,647,413
Total assets	927,542	356,003	346,103	578,423	202,728	1,839,701	7,647,413	11,897,913

31 December 2012 (Audited)

	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Unallocated assets	Total
	(Rupees in '000)							
Segment assets	912,356	183,149	240,948	335,321	108,002	1,370,212	-	3,149,988
Unallocated assets	-	-	-	-	-	-	7,609,393	7,609,393
Total assets	912,356	183,149	240,948	335,321	108,002	1,370,212	7,609,393	10,759,381

16. 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 June		Six months period ended 30 June	
	2013 (Unaudited)	2012 (Unaudited)	2013 (Unaudited)	2012 (Unaudited)
	(Rupees in '000)		(Rupees in '000)	
Profit after tax for the period	232,153	205,502	456,899	399,285
	(Number in '000)			
Weighted average number of shares of Rs.10 each	136,444	136,444	136,444	136,444
	(Rupees)			
Basic earnings per share of Rs.10 each - basic and diluted	1.70	1.51	3.35	2.93

16.1 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.

16.2 The number of shares for the prior period has also been adjusted for the effect of bonus shares issued during the current period.

17. DATE OF AUTHORISATION FOR ISSUE

These interim condensed financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 23 August 2013.

18. GENERAL

18.1 Figures of the profit and loss account for the quarters ended 30 June 2013 and 30 June 2012 have not been subjected to limited scope review by the auditors as they are only required to review half-yearly figures.

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



Towfiq H. Chinoy
Chairman



Akbarali Hashwani
Director



Aly Noormahomed Rattansey
Director



Tahir Ahmed
Managing Director
(Chief Executive)

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