

GROWTH WITH STABILITY

INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2018





GROWTH WITH STABILITY

Adamjee aspires to grow without compromising on outstanding performance to its customers. The journey to success is riddled with risks and dangers, that only the strongest and most experienced of the entities can make through. Adamjee's strength is represented by a tree, the roots of which nourish the tree with values learned from experience. The branches of this tree spread out to explore every possible avenue that leads to Adamjee's success.



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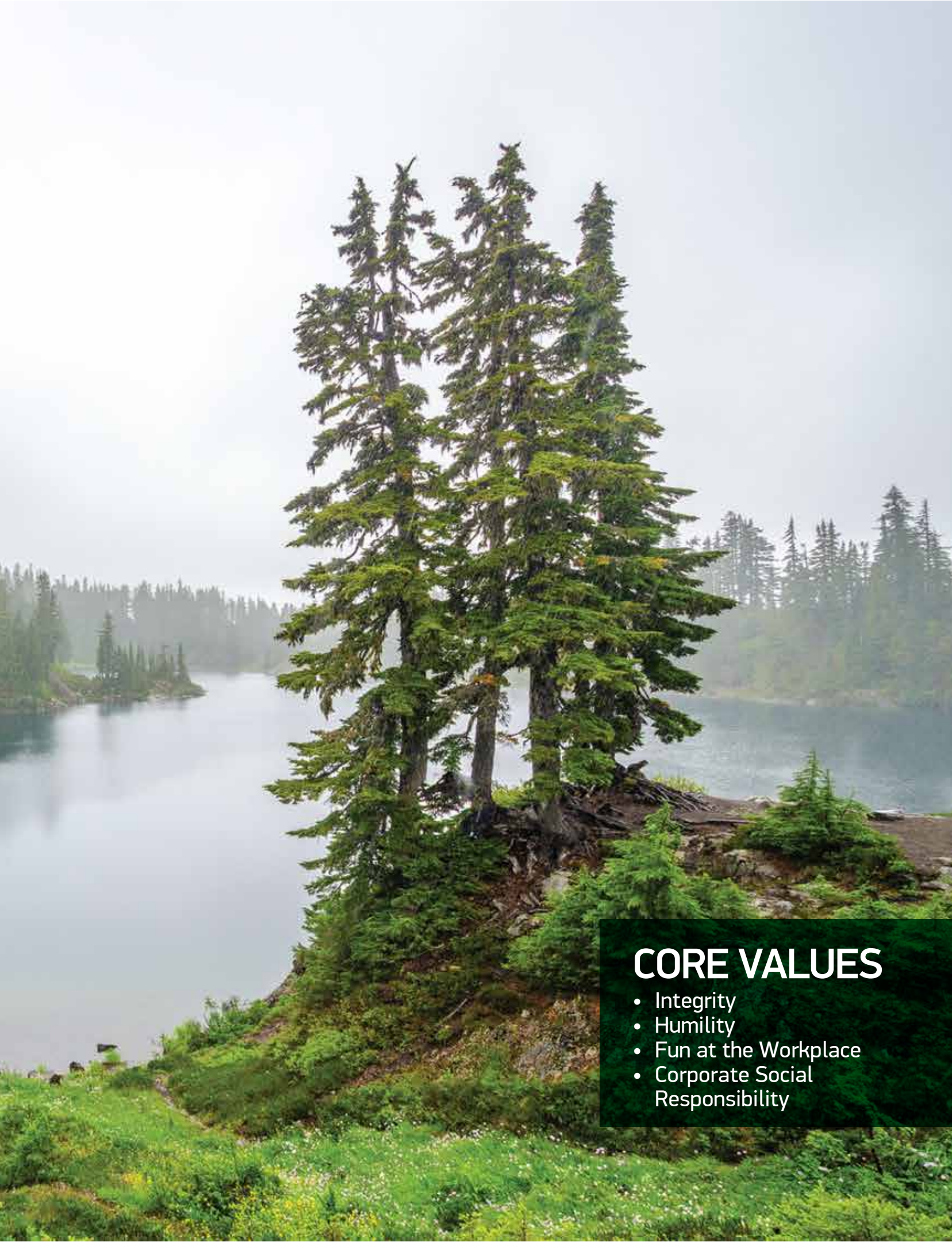
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VISION

Our will is to explore, innovate and differentiate.

Our passion is to provide leadership to insurance industry.



CORE VALUES

- Integrity
- Humility
- Fun at the Workplace
- Corporate Social Responsibility

COMPANY INFORMATION

BOARD OF DIRECTORS

Umer Mansha	Chairman
Ibrahim Shamsi	Director
Imran Maqbool	Director
Muhammad Anees	Director
Muhammad Arif Hameed	Director
Muhammad Umar Virk	Director
Shaikh Muhammad Jawed	Director
Muhammad Ali Zeb	Managing Director & CEO

ADVISOR

Mian Muhammad Mansha

AUDIT COMMITTEE

Muhammad Anees	Chairman
Ibrahim Shamsi	Member
Shaikh Muhammad Jawed	Member
Umer Mansha	Member

ETHICS, HUMAN RESOURCE AND REMUNERATION COMMITTEE

Muhammad Anees	Chairman
Ibrahim Shamsi	Member
Muhammad Ali Zeb	Member
Umer Mansha	Member

INVESTMENT COMMITTEE

Umer Mansha	Chairman
Imran Maqbool	Member
Muhammad Ali Zeb	Member
Muhammad Asim Nagi	Member

COMPANY SECRETARY

Tameez ul Haque
F.C.A

CHIEF FINANCIAL OFFICER

Muhammad Asim Nagi
A.C.A

EXECUTIVE MANAGEMENT TEAM

Muhammad Ali Zeb
Muhammad Asim Nagi
Adnan Ahmad Chaudhry
Asif Jabbar
Muhammad Salim Iqbal

AUDITORS

M/S KPMG Taseer Hadi & Company
Chartered Accountants
351, Shadman - 1,
Main Jail Road,
Lahore-54000, Pakistan

SHARIAH ADVISOR

Mufti Muhammad Hassan Kaleem

SHARES REGISTRAR

Central Depository Company Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi – 74400.
Ph: (92-21) 111-111-500
Fax: (92-21) 34326031

BANKERS

Abu Dhabi Commercial Bank
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Emirates Islamic Bank
FINCA Microfinance Bank Limited
Habib Bank Limited
Habib Metropolitan Bank
Khushali Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
Mobilink Microfinance Bank Limited
National Bank of Pakistan
Samba Bank Limited
Soneri Bank Limited
The Punjab Provincial Cooperative Bank Limited
United Bank Limited
Zarai Taraqiati Bank Limited

REGISTERED OFFICE

4th Floor, 27-C-III, Tanveer Building, M M Alam
Road, Gulberg –III, Lahore -54000, Pakistan
Ph: (92-42) 35772960-79 , Fax: (92-42) 35772868
Email: info@adamjeeinsurance.com,
Web: www.adamjeeinsurance.com

Directors' Report to the Members on Unconsolidated Condensed Interim Financial Information

For the Nine Months Ended 30 September 2018

On behalf of the Board, we are pleased to present the unconsolidated condensed interim financial information of the Company for the Nine Months Ended 30 September 2018.

Financial Highlights

The highlights for the period under review are as follows:

	30 September 2018	30 September 2017
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Gross Premium Written	15,053,244	13,783,356
Net Premium Revenue	9,956,830	8,721,010
Underwriting results	831,527	472,498
Investment Income	1,478,271	1,857,425
Profit before tax	2,364,074	2,380,209
Profit after tax	1,510,572	1,634,893
Earnings per share (Rupees)	4.32	4.67

Performance Review

The Gross and Net Premium of the Company have increased by 9.2% and 14.2%, respectively. Overall underwriting results have improved by 76% over the corresponding period of last year with Motor and Miscellaneous line of business leading the underwriting performance with an underwriting profit of Rs. 301,236 thousands and Rs. 276,427 thousands respectively.

The profit before tax, investment income and profit after tax have decreased by 0.7%, 20.4% and 7.6% respectively.

Window Takaful Operations

The Company commenced business under Window Takaful Operations on 01 January 2016. The written contribution and surplus of Participants' Takaful Fund for the nine months ended 30 September 2018 are Rs. 817,443 thousands (2017: Rs. 570,254 thousands) and Rs. 51,138 thousands (2017: deficit Rs. 2,256 thousands), respectively. Most of the growth in contribution written came from Motor and Fire & Property Damage line of business which showed an increase of 98% and 57% respectively in gross contribution. Window Takaful Operations contributed a profit before tax of Rs. 69,769 thousands to the overall profit of the company for the period ended 30 September 2018 (2017: Rs. 49,848 thousands).

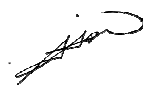
Future Outlook

After peaceful elections and clarity on the political front, the GDP is expected to accelerate to 6 percent in 2018. The Investments related to China-Pakistan Economic Corridor (CPEC) are also expected to contribute to GDP growth in the coming years. A stable and positive regulatory regime going forward is expected to enable the insurance industry to grow faster and increase its penetration across the country.

Acknowledgments

We thank our shareholders, valued customers, employees and development staff for their consistent support that has helped Adamjee Insurance emerge as one of the Pakistan's leading insurance company. We are also grateful to the Securities & Exchange Commission of Pakistan and the State Bank of Pakistan for their continued guidance and assistance.

For and on Behalf of the Board of Directors



Shaikh Muhammad Jawed
Director



Muhammad Ali Zeb
Managing Director &
Chief Executive Officer

غیر مجتمع مختصر عبوری مالیاتی معلومات پر ممبران کوڈائریکٹرز کی جائزہ رپورٹ بابت نو ماہ مختتمہ 30 ستمبر 2018ء

بورڈ کی جانب سے 30 ستمبر 2018ء کو ختم ہونے والی نو ماہ کیلئے کمپنی کے غیر مجتمع عبوری مالیاتی گوشوارے پیش کرنا میرے لیے باعث مسرت ہے۔

مالیاتی جھلکیاں

زیر جائزہ مدت کی جھلکیاں درج ذیل ہیں:

30 ستمبر 2017ء	30 ستمبر 2018ء
ہزار روپے میں	
(غیر آڈٹ شدہ)	(غیر آڈٹ شدہ)
13,783,356	15,053,244
8,721,010	9,956,830
472,498	831,527
1,857,425	1,478,271
2,380,209	2,364,074
1,634,893	1,510,572
4.67	4.32

تحریر شدہ مجموعی پریمیوم
خالص پریمیوم ریونیو
انڈر رائٹنگ رولٹس
سرمایہ کاری سے آمدنی
منافع قبل از ٹیکس
منافع بعد از ٹیکس
آمدنی فی شیئر (روپے)

کارکردگی کا جائزہ

کمپنی کا مجموعی اور خالص پریمیوم علی الترتیب 9.2% اور 14.2% تک بڑھ گیا ہے۔ تمام ٹرانڈر رائٹنگ (یعنی ضمانتوں) میں متفرقات اور گاڑیوں کی اقسام کے کاروبار کے ساتھ پچھلے سال کے مطابق عرصے پر 76% تک بہتر ہو چکا ہے جس نے انڈر رائٹنگ کی کارکردگی کو علی الترتیب -301,236/ ہزار روپے اور 276,427 ہزار روپے کے انڈر رائٹنگ منافع جات تک پہنچادیا۔

قبل از ٹیکس منافع، آمدنی سرمایہ کاری اور بعد از ٹیکس منافع علی الترتیب 0.7%، 20.4% اور 7.6% تک کم ہو گیا ہے۔

وٹڈ وکافل آپریشنز (دریچہ برائے افعال نکافل)

کمپنی نے وٹڈ وکافل آپریشنز کے تحت کاروبار کا آغاز یکم جنوری 2016ء سے کیا۔ 30 ستمبر 2018ء کو ختم ہونے والی نو ماہ کیلئے تحریر کردہ حصہ اور نکافل فنڈ کے شرکاء کا فاضل علی الترتیب -817,443/ ہزار روپے (2017ء:-570,254/ ہزار روپے) اور -51,138/ ہزار روپے (2017ء:-2,256/ ہزار روپے) ہیں۔ تحریر کردہ یا ضمانت شدہ حصے میں اضافہ زیادہ تر موٹر اور فائر اور مالک کے نقصان کی اقسام کے کاروبار سے ہوا جس نے مجموعی حصے میں علی الترتیب 98% اور 57% تک اضافے کو ظاہر کیا۔ وٹڈ وکافل آپریشنز نے -69,769/ ہزار روپے (2017ء:-49,848/ ہزار روپے) کے قبل از ٹیکس منافع میں اپنا حصہ ڈالتے ہوئے 30 ستمبر 2018ء پر ختم شدہ عرصے کیلئے کمپنی کے مجموعی منافع کی تشکیل کی۔

توقعات مستقبل

پُر اس انتخابات اور واضح سیاسی منظر نامے کے بعد 2018ء میں شرح نمو 6% تک جانے کی توقع ہے۔ آنے والے برسوں میں پاک چین اقتصادی راہداری (سی پیک) سے متعلق سرمایہ کاریوں سے شرح نمو میں اضافہ بھی متوقع ہے۔ آئندہ کیلئے ایک مستحکم اور مثبت انضباطی نظام کی توقع ہے تاکہ نیپے کی صنعت ملک بھر میں زیادہ سے زیادہ بھلنے پھولنے اور ترقی کرنے کے قابل ہو جائے۔

اعتراف

ہم اپنے شیئر ہولڈرز، معزز صارفین، ملازمین اور ذمہ داری عملے کا اُن کی مستقل معاونت پر تہجد سے شکر ادا کرتے ہیں جنہوں نے آدھی انشورنس کو پاکستان کی بڑی انشورنس کمپنیوں میں سے ایک بنایا۔ ہم سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور اسٹیٹ بینک آف پاکستان کی مستقل کی معاونت اور فراہم کردہ رہنمائی کو بھی سراہتے ہیں۔

مخانب و برائے بورڈ آف ڈائریکٹرز



محمد علی زیب

ٹیچنگ ڈائریکٹرز اینڈ چیف ایگزیکٹو آفیسر



شیخ محمد جاوید

ڈائریکٹر

UNCONSOLIDATED

Condensed Interim
Financial Information
for the Nine Months Ended
30 September 2018
(Unaudited)



Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Statement of Financial Position
As at 30 September 2018

	Note	30 September 2018	31 December 2017
----- (Rupees in thousand) -----			
		(Unaudited)	(Audited) Restated
Assets			
Property and equipment	7	3,109,032	2,585,278
Intangible assets	8	71,868	34,242
Investment in Subsidiary	9	694,895	694,895
<i>Investments</i>			
Equity securities	10	18,292,940	19,168,426
Debt securities	11	474,066	441,832
Term deposits	12	3,662,761	2,020,494
Loans and other receivable	13	691,709	354,629
Insurance / reinsurance receivables	14	7,201,111	6,770,967
Reinsurance recoveries against outstanding claims		6,134,273	7,709,161
Salvage recoveries accrued		375,112	347,289
Deferred commission expense / Acquisition cost		769,330	733,631
Taxation - payments less provision		-	82,087
Prepayments	15	3,176,551	2,511,060
Cash and bank	16	1,836,846	2,278,614
Total Assets		46,490,494	45,732,605
Total assets of Window Takaful Operations - Operator's Fund	17	364,125	241,249
		46,854,619	45,973,854
Equity And Liabilities			
Capital and reserves attributable to Company's equity holders			
Authorized share capital			
375,000,000 (2017: 375,000,000) ordinary share of Rs. 10 each		3,750,000	3,750,000
Ordinary share capital		3,500,000	3,500,000
Reserves	18	3,185,799	4,010,923
Unappropriated Profit		12,674,536	11,863,964
Total Equity		19,360,335	19,374,887
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR		10,307,408	11,485,744
Unearned premium reserves		10,165,055	8,912,498
Unearned reinsurance commission		236,964	240,306
Retirement benefit obligation		163,377	154,396
Deferred taxation		725,145	1,143,278
Premium received in advance		366,091	316,692
Insurance / reinsurance payables		2,187,885	1,668,516
Other creditors and accruals	19	3,011,052	2,536,187
Taxation - provision less payments		113,895	-
Total Liabilities		27,276,872	26,457,617
Equity and Liabilities		46,637,207	45,832,504
Total liabilities of Window Takaful Operations - Operator's Fund	17	217,412	141,350
Total Equity and Liabilities		46,854,619	45,973,854
Contingencies and commitments	20		

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


Chairman


Director


Director


Chief Financial
Officer


Managing Director &
Chief Executive Officer


Adamjee Insurance Company Limited
 Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)
 For the Nine Months Ended 30 September 2018


	Note	Quarter ended		Nine Months ended	
		30 September 2018	30 September 2017	30 September 2018	30 September 2017
----- (Rupees in thousand) -----					
Net Insurance Premium	21	3,576,078	2,982,074	9,956,830	8,721,010
Net Insurance Claims	22	(2,242,308)	(1,897,667)	(6,073,792)	(5,619,188)
Premium deficiency		-	-	-	47,171
Net Commission and other acquisition costs	23	(351,884)	(387,412)	(954,525)	(900,105)
Insurance claims and acquisition expenses		(2,594,192)	(2,285,079)	(7,028,317)	(6,472,122)
Management expenses		(735,134)	(601,071)	(2,096,986)	(1,776,390)
Underwriting results		246,752	95,924	831,527	472,498
Investment income	24	399,751	730,996	1,478,271	1,857,425
Rental income		449	(536)	5,479	1,078
Other income	25	24,125	23,239	67,555	76,551
Other expenses		(27,820)	(26,950)	(94,929)	(76,841)
Results of operating activities		643,257	822,673	2,287,903	2,330,711
Exchange gain / (loss)		3,316	(147)	6,402	(350)
Profit from window takaful operations	17	25,488	18,823	69,769	49,848
Profit before tax		672,061	841,349	2,364,074	2,380,209
Income tax expense		(211,810)	(267,569)	(853,502)	(745,316)
Profit after tax		460,251	573,780	1,510,572	1,634,893
----- (Rupees) -----					
Earnings per share - basic and diluted	26	1.32	1.64	4.32	4.67

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


 Chairman


 Director


 Director


 Chief Financial Officer


 Managing Director &
 Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)

For the Nine Months Ended 30 September 2018


Business Underwritten Inside Pakistan

	Quarter Ended		Nine Months Ended	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
	----- (Rupees in thousand) -----			
Net Insurance Premium	1,899,601	1,708,939	5,408,382	4,917,751
Net Insurance Claims	(1,063,980)	(933,847)	(2,827,395)	(2,585,085)
Premium deficiency	-	-	-	-
Net Commission and other acquisition costs	(153,346)	(205,123)	(398,214)	(399,106)
Insurance claims and acquisition expenses	(1,217,326)	(1,138,970)	(3,225,609)	(2,984,191)
Management expenses	(506,555)	(447,481)	(1,492,779)	(1,356,704)
Underwriting results	175,720	122,488	689,994	576,856
Investment income	377,338	710,763	1,425,799	1,745,514
Rental income	449	-	5,479	-
Other income	14,685	23,239	44,322	76,551
Other expenses	(25,498)	(25,458)	(87,954)	(73,542)
Results of operating activities	542,694	831,032	2,077,640	2,325,379
Exchange gain / (loss)	3,319	(147)	6,520	(350)
Profit from window takaful operations	25,488	18,823	69,769	49,848
Profit before tax	571,501	849,708	2,153,929	2,374,877

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


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)

For the Nine Months Ended 30 September 2018


Business Underwritten Outside Pakistan

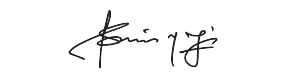
	Quarter Ended		Nine Months Ended	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
	----- (Rupees in thousand) -----			
Net Insurance Premium	1,676,477	1,273,135	4,548,448	3,803,259
Net Insurance Claims	(1,178,328)	(963,820)	(3,246,397)	(3,034,103)
Premium deficiency	-	-	-	47,171
Net Commission and other acquisition costs	(198,538)	(182,289)	(556,311)	(500,999)
Insurance claims and acquisition expenses	(1,376,866)	(1,146,109)	(3,802,708)	(3,487,931)
Management expenses	(228,579)	(153,590)	(604,207)	(419,686)
Underwriting results	71,032	(26,564)	141,533	(104,358)
Investment income	22,413	20,233	52,472	111,911
Rental income	-	(536)	-	1,078
Other income	9,440	-	23,233	-
Other expenses	(2,322)	(1,492)	(6,975)	(3,299)
Results of operating activities	100,563	(8,359)	210,263	5,332
Exchange loss	(3)	-	(118)	-
Profit from window takaful operations	-	-	-	-
Profit / (loss) before tax	100,560	(8,359)	210,145	5,332

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


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

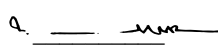
For the Nine Months Ended 30 September 2018

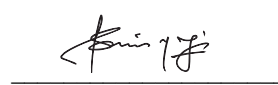
	Quarter Ended		Nine Months Ended	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
	----- (Rupees in thousand) -----			
	<i>Restated</i>		<i>Restated</i>	
Profit after tax for the period	460,251	573,780	1,510,572	1,634,893
<u>Other comprehensive income</u>				
<i>Items that may be reclassified subsequently to profit and loss:</i>				
Net unrealized losses on 'available-for-sale' investments net of tax	(312,642)	(608,680)	(892,031)	(1,543,376)
Other comprehensive income / (loss) from window takaful operations net of tax	595	(64)	153	(182)
Effect of translation of investment in foreign branches - net	16,046	331	66,754	4,839
Total comprehensive income / (loss) for the period	164,250	(34,633)	685,448	96,174

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


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)
For the Nine Months Ended 30 September 2018

	Nine Months Ended 30 September 2018	Nine Months Ended 30 September 2017
------(Rupees in thousand)-----		
<u>Cash flows from operating activities</u>		
Underwriting activities		
Insurance premiums received	15,214,284	13,658,683
Reinsurance premiums paid	(4,405,991)	(3,925,756)
Claims paid	(10,364,222)	(7,175,798)
Surrenders paid	(42,510)	(56,928)
Reinsurance and other recoveries received	4,133,775	2,050,247
Commissions paid	(1,242,338)	(1,198,286)
Commissions received	356,273	411,996
Other underwriting payments	(2,089,489)	(2,025,377)
Net cash inflow from underwriting activities	1,559,782	1,738,781
Other operating activities		
Income tax paid	(636,269)	(870,287)
Other operating payments	(30,185)	(22,734)
Loans advanced	(51,782)	(48,926)
Loans repayments received	40,555	39,798
Other operating receipts	26,937	5,015
Net cash outflow from other operating activities	(650,744)	(897,134)
Total cash inflow from all operating activities	909,038	841,647
<u>Cash flows from investing activities</u>		
Profit / return received on bank deposits	50,790	66,721
Return on Pakistan investment bonds	-	27,153
Income received from TFCs	4,052	527
Income from treasury bills	25,755	16,668
Dividends received	948,590	931,701
Rentals received	7,130	1,078
Payments for investments	(7,065,926)	(7,728,400)
Proceeds from disposal of investments	5,658,018	7,435,147
Fixed capital expenditure - tangible assets	(609,612)	(1,348,123)
Fixed capital expenditure - intangible assets	(48,230)	(3,695)
Proceeds from disposal of operating fixed assets	19,943	12,767
Total cash outflow from investing activities	(1,009,490)	(588,456)
<u>Cash flows from financing activities</u>		
Dividends paid	(341,316)	(863,752)
Net cash outflow from financing activities	(341,316)	(863,752)
Net cash outflow from all activities	(441,768)	(610,561)
Cash and cash equivalent at the beginning of the period - restated	2,278,614	3,811,171
Cash and cash equivalent at the end of the period	1,836,846	3,200,610

Nine Months Ended 30 September 2018	Nine Months Ended 30 September 2017
--	--

------(Rupees in thousand)-----

Reconciliation to profit and loss account

Operating cash flows	909,038	841,647
Depreciation expense	(95,898)	(91,946)
Provision for gratuity	(24,914)	(15,904)
Other income - bank & term deposits	94,661	73,332
Gain on disposal of operating fixed assets	8,259	6,053
Rental income	5,479	1,078
(Decrease) / increase in assets other than cash	(75,004)	2,064,971
Decrease / (increase) in liabilities other than running finance	670,921	(2,570,789)
Profit on sale of investments	451,529	981,610
Amortization expense	(15,547)	(8,497)
Increase in unearned premium	(1,252,557)	(698,226)
Increase in loans	11,227	9,128
Income taxes paid	636,269	870,287
Provision for impairment in value of 'available-for-sale' investments	(71,686)	(280,943)
Dividend and other income	1,019,055	1,111,047
Income from treasury bills	19,691	18,796
Return on Pakistan investment bonds	-	14,103
Income from TFCs	3,782	4,614
Profit for the period from Window Takaful Operations	69,769	49,848

Profit before tax

2,364,074	2,380,209
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Nine Months Ended 30 September 2018	Nine Months Ended 30 September 2017
--	--

------(Rupees in thousand)-----

Cash for the purposes of the statement of cash flows consists of:

Cash and other equivalents	7,567	5,505
Current and other accounts	1,829,279	3,195,105

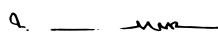
Total cash and cash equivalents


1,836,846	3,200,610
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The annexed notes 1 to 31 form an integral part of this unconsolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
 Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)
 For the Nine Months Ended 30 September 2018

Business Underwritten Inside Pakistan

	Nine Months Ended 30 September 2018	Nine Months Ended 30 September 2017
------(Rupees in thousand)-----		
<u>Cash flows from operating activities</u>		
Underwriting activities		
Insurance premiums received	10,463,457	8,798,082
Reinsurance premiums paid	(4,175,585)	(3,627,191)
Claims paid	(5,560,610)	(3,183,222)
Surrenders paid	(42,510)	(56,928)
Reinsurance and other recoveries received	2,601,793	631,921
Commissions paid	(730,740)	(511,789)
Commissions received	350,926	402,929
Other underwriting payments	(1,801,781)	(1,735,150)
Net cash inflow from underwriting activities	1,104,950	718,652
Other operating activities		
Income tax paid	(636,269)	(870,287)
Other operating payments	(23,211)	(18,549)
Loans advanced	(38,542)	(37,789)
Loans repayments received	30,297	32,791
Other operating receipts	26,937	5,015
Net cash outflow from other operating activities	(640,788)	(888,819)
Total cash inflow / (outflow) from all operating activities	464,162	(170,167)
<u>Cash flows from investing activities</u>		
Profit / return received on bank deposits	23,161	61,846
Return on Pakistan investment bonds	-	27,153
Income received from TFCs	4,052	527
Income from treasury bills	25,755	16,668
Dividends received	948,590	931,701
Rentals received	7,130	-
Payments for investments	(3,495,858)	(7,438,981)
Proceeds from disposal of investments	3,444,063	7,435,147
Fixed capital expenditure - tangible assets	(580,057)	(1,339,603)
Fixed capital expenditure - intangible assets	-	(3,119)
Proceeds from disposal of operating fixed assets	19,302	12,767
Total cash inflow / (outflow) from investing activities	396,138	(295,894)
<u>Cash flows from financing activities</u>		
Dividends paid	(341,316)	(863,752)
Net cash outflow from financing activities	(341,316)	(863,752)
Net cash inflow / (outflow) from all activities	518,984	(1,329,813)
Cash and cash equivalent at the beginning of the period - restated	1,107,208	2,597,087
Cash and cash equivalent at the end of the period	1,626,192	1,267,274

Nine Months Ended 30 September 2018	Nine Months Ended 30 September 2017
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------(Rupees in thousand)-----

Reconciliation to profit and loss account

Operating cash flows	464,162	(170,167)
Depreciation expense	(78,353)	(77,306)
Provision for gratuity	(15,937)	(12,162)
Other income - bank & term deposits	18,553	66,287
Gain on disposal of operating fixed assets	8,662	6,053
Rental income	5,479	-
(Decrease) / increase in assets other than cash	(517,180)	1,846,670
Decrease / (increase) in liabilities other than running finance	1,162,446	(1,413,930)
Profit on sale of investments	451,529	892,808
Amortization expense	(6,897)	(2,177)
Increase in unearned premium	(1,022,665)	(537,847)
Increase in loans	7,250	4,960
Income taxes paid	636,269	870,287
Provision for impairment in value of 'available-for-sale' investments	(71,686)	(280,943)
Dividend and other income	1,019,055	1,094,983
Income from treasury bills	19,691	18,796
Return on Pakistan investment bonds	-	14,103
Income from TFCs	3,782	4,614
Profit for the period from Window Takaful Operations	69,769	49,848
Profit before tax	2,153,929	2,374,877

Nine Months Ended 30 September 2018	Nine Months Ended 30 September 2017
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------(Rupees in thousand)-----

Cash for the purposes of the statement of cash flows consists of:

Cash and other equivalents	6,916	1,929
Current and other accounts	1,619,276	1,265,345
Total cash and cash equivalents	1,626,192	1,267,274

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


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)
For the Nine Months Ended 30 September 2018

Business Underwritten Outside Pakistan

	Nine Months Ended 30 September 2018	Nine Months Ended 30 September 2017
------(Rupees in thousand)-----		
<u>Cash flows from operating activities</u>		
Underwriting activities		
Insurance premiums received	4,750,827	4,860,601
Reinsurance premiums paid	(230,406)	(298,565)
Claims paid	(4,803,612)	(3,992,576)
Surrenders paid	-	-
Reinsurance and other recoveries received	1,531,982	1,418,326
Commissions paid	(511,598)	(686,497)
Commissions received	5,347	9,067
Other underwriting payments	(287,708)	(290,227)
Net inflow from underwriting activities	454,832	1,020,129
Other operating activities		
Income tax paid	-	-
Other operating payments	(6,974)	(4,185)
Loans advanced	(13,240)	(11,137)
Loans repayments received	10,258	7,007
Other operating receipts	-	-
Net cash outflow from other operating activities	(9,956)	(8,315)
Total cash inflow from all operating activities	444,876	1,011,814
<u>Cash flows from investing activities</u>		
Profit / return received	27,629	4,875
Return on Pakistan investment bonds	-	-
Income received from TFCs	-	-
Income from treasury bills	-	-
Dividends received	-	-
Rentals received	-	1,078
Payments for investments	(3,570,068)	(289,419)
Proceeds from disposal of investments	2,213,955	-
Fixed capital expenditure - tangible assets	(29,555)	(8,520)
Fixed capital expenditure - intangible assets	(48,230)	(576)
Proceeds from disposal of operating fixed assets	641	-
Total cash outflow from investing activities	(1,405,628)	(292,562)
<u>Cash flows from financing activities</u>		
Dividends paid	-	-
Net cash inflow / (outflow) from financing activities	-	-
Net cash (outflow) / inflow from all activities	(960,752)	719,252
Cash and cash equivalent at the beginning of the period - restated	1,171,406	1,214,084
Cash and cash equivalent at the end of the period	210,654	1,933,336

Nine Months Ended 30 September 2018	Nine Months Ended 30 September 2017
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-----**(Rupees in thousand)**-----

Reconciliation to profit and loss account

Operating cash flows	444,876	1,011,814
Depreciation expense	(17,545)	(14,640)
Provision for gratuity	(8,977)	(3,742)
Other income - bank & term deposits	76,108	7,045
Loss on disposal of operating fixed assets	(403)	-
Rental income	-	1,078
Increase in assets other than cash	442,176	218,301
Decrease in liabilities other than running finance	(491,525)	(1,156,859)
Profit on sale of investments	-	88,802
Amortization expense	(8,650)	(6,320)
Increase in unearned premium	(229,892)	(160,379)
Increase in loans	3,977	4,168
Income taxes paid	-	-
Provision for impairment in value of 'available-for-sale' investments	-	-
Dividend and other income	-	16,064
Income from treasury bills	-	-
Return on Pakistan investment bonds	-	-
Income from TFCs	-	-
Profit for the period from Window Takaful Operations	-	-

Profit before tax

210,145	5,332
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Nine Months Ended 30 September 2018	Nine Months Ended 30 September 2017
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-----**(Rupees in thousand)**-----

Cash for the purposes of the statement of cash flows consists of:

Cash and other equivalents	651	3,576
Current and other accounts	210,003	1,929,760
Total cash and cash equivalents	210,654	1,933,336

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


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

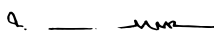
Adamjee Insurance Company Limited
Unconsolidated Condensed Interim Statement of Changes in Equity
For the Nine Months Ended 30 September 2018


	Share capital	Capital reserve			Revenue reserve			Total
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	General reserve	Fair Value Reserve	Unappropriated Profit	
------(Rupees in thousand)-----								
Balance as at 31 December 2016 - (Audited)	3,500,000	22,859	3,764	443,711	936,500	-	12,093,769	17,000,603
Effect of restatement as disclosed in <i>note 4.1.5</i>	-	-	-	-	-	4,117,400	-	4,117,400
Balance as at 31 December 2016 - (Audited) restated	3,500,000	22,859	3,764	443,711	936,500	4,117,400	12,093,769	21,118,003
Profit for the period 01 January 2017 to 30 September 2017	-	-	-	-	-	-	1,634,893	1,634,893
Other comprehensive income for the period 01 January 2017 to 30 September 2017	-	-	-	4,839	-	(1,543,558)	-	(1,538,719)
Total comprehensive income for the period	-	-	-	4,839	-	(1,543,558)	1,634,893	96,174
Transactions with owners of the Company								
Final dividend for the year ended 31 December 2016 @ 25% (Rupee 2.5/- per share)	-	-	-	-	-	-	(875,000)	(875,000)
Interim dividend for the half year ended 30 June 2017 @ 15% (Rupees 1.5/- per share)	-	-	-	-	-	-	(525,000)	(525,000)
Balance as at 30 September 2017 - (Unaudited) - restated	3,500,000	22,859	3,764	448,550	936,500	2,573,842	12,328,662	19,814,177
Profit for the period 01 October 2017 to 31 December 2017	-	-	-	-	-	-	(413,665)	(413,665)
Other comprehensive income for the period 01 October 2017 to 31 December 2017	-	-	-	18,550	-	6,858	(51,033)	(25,625)
Total comprehensive income for the period	-	-	-	18,550	-	6,858	(464,698)	(439,290)
Balance as at 31 December 2017 - (Audited) - restated	3,500,000	22,859	3,764	467,100	936,500	2,580,700	11,863,964	19,374,887
Profit for the period 01 January 2018 to 30 September 2018	-	-	-	-	-	-	1,510,572	1,510,572
Other comprehensive income for the period 01 January 2018 to 30 September 2018	-	-	-	66,754	-	(891,878)	-	(825,124)
Total comprehensive income for the period	-	-	-	66,754	-	(891,878)	1,510,572	685,448
Transactions with owners of the Company								
Final dividend for the year ended 31 December 2017 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	(350,000)	(350,000)
Interim dividend for the half year ended 30 June 2018 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	(350,000)	(350,000)
Balance as at 30 September 2018 - (Unaudited)	3,500,000	22,859	3,764	533,854	936,500	1,688,822	12,674,536	19,360,335

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


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited

Notes to the Unconsolidated Condensed Interim Financial Information (Un-audited)

For the Nine Months Ended 30 September 2018

1 Legal status and nature of business

Adamjee Insurance Company Limited ("the Company") is a public limited Company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Act, 2017). The Company is listed on Pakistan Stock Exchange and is engaged in the general insurance business. The registered office of the Company is situated at Tanveer Building, 27-C-III, MM Alam Road, Gulberg III, Lahore.

The Company also operates branches in the United Arab Emirates (UAE) and the Export Processing Zone (EPZ).

The Company was granted authorization on 23 December 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on 01 January 2016.

2 Basis of preparation

This unconsolidated condensed interim financial information of the Company for the nine months ended 30 September 2018 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting and the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012.

Where the provisions of and directives issued under the Companies Act, 2017 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.

In terms of the requirements of the Takaful Rules, 2012, read with SECP Circular 25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator Fund of the Window Takaful operations of the Company have been presented as a single line item in the statement of financial position and profit and loss account of the Company respectively. A separate set of statement of financial position of the Window Takaful operations has been annexed to this financial information as per the requirements of the Takaful Rules, 2012.

This unconsolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Company for the year ended 31 December 2017. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2017, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial information of the Company for the nine months' period ended 30 September 2017.

This unconsolidated condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

This unconsolidated condensed interim financial information is presented in Pakistan Rupees which is the Company's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

3 Basis of measurement

This unconsolidated condensed interim financial information have been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, and defined benefit obligations under employees benefits carried at present value. All transactions reflected in this financial information are on accrual basis except for those reflected in cash flow statements.

4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of the unconsolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2017 except for the changes mentioned below:

4.1 Change in accounting policy

4.1.1 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 had granted Company 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 effect of each of the above change is given below:

4.1.2 Available for sale investments

Previously, the Company recorded its 'available for sale' investments at cost and remeasured them at lower of cost or market value (market value being taken as lower of the reduction other than temporary) in accordance with the requirements of the SEC (Insurance) Rules, 2002. As per Insurance Rules 2017, 'available for sale' investments are now initially measured at cost and subsequently remeasured at fair value at each reporting date. The unrealized gains and losses arising from changes in fair values are directly recognized in equity in the year in which these arise. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the profit and loss account as gains and losses from investment securities. The investment for which quoted market price is not available, are measured at cost as it is not possible to apply any other valuation methodology.

The Company assesses at each statement of financial position date whether there is an objective evidence that the financial asset is impaired. If any such evidence exists for an 'available for sale' asset, the accumulated loss is removed from equity and recognized in the profit and loss account. Impairment loss recognized in the profit and loss account on equity instruments is not reversed through the profit and loss account. The said change in accounting policy has been made in accordance with the requirements of IAS 8 'Accounting Policies, change in accounting estimates and errors' as disclosed in note 4.1.5 of this unconsolidated condensed interim financial information.

4.1.3 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 premiums, claims and expenses and investment income is now included in notes to the unconsolidated condensed interim financial information (note 21, 22, 23 & 24). Furthermore term deposits are now included in investments instead of cash and cash equivalent in line with the requirements of Insurance Rules and Accounting Regulations, 2017."

4.1.4 Premium revenue

The Insurance Accounting Regulations, 2017, requires the Company, to recognize premium receivable under an insurance policy/ cover note as written from the date of attachment of risk to the policy / cover note. Accordingly, the Company is required to account for cover notes which are effective as at reporting date. In previous years, the Company recognized premium under a policy as written at the time of issuance of policy in accordance with the SEC Insurance Rules, 2002. The change is considered to be a change in accounting policy in accordance with IAS - 8. The impact of the same is not considered to be material to the financial statements and accordingly the comparative restated unconsolidated condensed interim financial information has not been restated for this change.

4.1.5 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 comparative figures 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	Adjustment	After adjustment	As previously reported	Adjustment	After adjustment
----- (Rupees in thousand) -----						
<u>Effect on statement of financial position</u>						
Assets						
Investments in equity securities (excluding investment in subsidiary)	15,481,839	3,686,587	19,168,426	15,666,888	5,967,125	21,634,013
Total assets from takaful operations - OTF	241,121	128	241,249	99,157	121	99,278
Liability						
Deferred taxation	37,302	1,105,976	1,143,278	34,549	1,849,809	1,884,358
Total liabilities from takaful operations - OTF	141,312	38	141,350	46,366	38	46,404
Equity:						
Fair value reserves	-	2,580,700	2,580,700	-	4,117,400	4,117,400
----- (Rupees in thousand) -----						
30 September 2017						
----- (Rupees in thousand) -----						
<u>Effect of other comprehensive income</u>						
Item to be reclassified to profit and loss account in subsequent period						
Net unrealized (loss) arising during the period on revaluation of available for sale investments-net of tax				-	(1,543,376)	(1,543,376)
Net unrealized (loss) arising during the period on revaluation of available for sale investments of Window Takaful Operations -net of tax				-	(182)	(182)

There is no impact on profit before tax, profit after tax and earning per share of the Company for the nine months period ended on 30 September 2017.

4.3 Adoption of Companies Act 2017

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

5 Use of estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During preparation of this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 31 December 2017.

6 Insurance and Financial risk management

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

	(Unaudited) 30 September 2018	(Audited) 31 December 2017
<i>Note</i> ---- (Rupees in thousand) ----		
7 Property and equipment		
Opening balance - net book value	2,132,353	1,077,862
Additions during the period	7.1 79,708	1,176,961
Book value of disposals during the period	7.2 (11,684)	(11,958)
Depreciation charged during the period	(95,898)	(120,002)
Exchange difference	21,724	9,490
	(85,858)	(122,470)
	2,126,203	2,132,353
Capital work in progress	7.3 982,829	452,925
	<u>3,109,032</u>	<u>2,585,278</u>

7.1 Additions during the period:

Land and buildings	12,417	1,040,575
Furniture and fixtures	13,340	26,004
Motor vehicles	42,955	76,110
Machinery and equipments	6,859	14,173
Computer and related accessories	4,137	20,099
	<u>79,708</u>	<u>1,176,961</u>

7.2 Written down values of property and equipment disposed off during the period

Motor vehicles	11,355	10,111
Machinery and equipments	309	1,847
Computer and related accessories	20	-
	<u>11,684</u>	<u>11,958</u>

7.3 Capital work in progress

Capital work in progress as of 30 September 2018 includes advances to contractors and suppliers amounting to Rs. 110,240 thousands and Rs. 38,264 thousands respectively.

	(Unaudited) 30 September 2018	(Audited) 31 December 2017
---- (Rupees in thousand) ----		
8 Intangible assets		
Opening balance - net book value	34,242	49,687
Additions during the period	48,230	2,973
Book value of disposals during the period	-	-
Amortization charged during the period	(15,547)	(19,665)
Exchange difference	4,943	1,247
	(10,604)	(18,418)
	<u>71,868</u>	<u>34,242</u>
9 Investment in subsidiary		
Adamjee Life Assurance Company Limited - At cost	<u>694,895</u>	<u>694,895</u>

10 Investment in equity securities

Available-for-sale

	30 September 2018 (Unaudited)			31 December 2017 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
----- Rupees in thousands -----						
<i>Restated</i>						
Related parties						
Listed shares	8,396,663	-	8,396,663	7,819,534	-	7,819,534
Unlisted shared	200,726	-	200,726	-	-	-
	8,597,389	-	8,597,389	7,819,534	-	7,819,534
Unrealized gain			1,570,882			2,197,985
			10,168,271			10,017,519
Others						
Listed shares	7,102,086	(1,206,780)	5,895,306	7,454,844	(1,135,095)	6,319,749
Unlisted shared	925,360	-	925,360	925,360	-	925,360
NIT Units	161	-	161	161	-	161
Mutual Funds	496,443	-	496,443	417,035	-	417,035
	8,524,050	(1,206,780)	7,317,270	8,797,400	(1,135,095)	7,662,305
Unrealized gain			807,399			1,488,602
			8,124,669			9,150,907
Total			18,292,940			19,168,426

11 Investment in debt securities

Held-to-maturity

	<i>Note</i>	(Unaudited)	(Audited)
		30 September 2018	31 December 2017
----- (Rupees in thousand) -----			
Others			
Term Finance Certificate	11.1	-	70,948
Treasury Bills		474,066	370,884
		474,066	441,832

	No. of certificates		Face value	Value of certificates	
	30 September 2018	31 December 2017		30 September 2018	31 December 2017
----- (Rupees in thousand) -----					
11.1 Term Finance Certificate	-	75	1,000,000	-	70,948
				-	70,948

12 Investments in Term Deposits

	<i>Note</i>	(Unaudited)	(Audited)
		30 September 2018	31 December 2017
----- (Rupees in thousand) -----			
Held to maturity			
<i>Deposits maturing within 12 months</i>			
- related parties		339,800	608,913
- others		445,051	1,406,473
		784,851	2,015,386
<i>Deposits maturing after 12 months</i>			
- related parties		447,640	2,000
- others	12.1	2,430,270	3,108
		2,877,910	5,108
		3,662,761	2,020,494

12.1 These include fixed deposits amounting to Rs. 234,805 thousands (AED 6,951 thousands) [2017: Rs. 208,736 thousands (AED 6,951 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 73,568 thousands (2017: Rs. 106,250 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Company for claims under litigation filed against the Company.

	(Unaudited) 30 September 2018	(Audited) 31 December 2017
	----- (Rupees in thousand) -----	
13 Loans and other receivables		
Considered good		
Rent receivable	4,439	6,090
Accrued investment income	215,633	107,631
Security deposits	49,691	44,525
Advances to employees and suppliers	147,130	116,452
Agent commission receivable	3,388	20,547
Loans to employees	54,420	43,193
Other receivables	217,008	16,191
	691,709	354,629
14 Insurance / reinsurance receivables - unsecured and considered good		
Due from insurance contract holders	6,317,124	6,152,145
Provision for impairment of receivables from insurance contract holders	(392,911)	(375,801)
	5,924,213	5,776,344
Due from other insurers / other reinsurers	1,428,200	1,145,925
Provision for impairment of due from other insurers / reinsurers	(151,302)	(151,302)
	1,276,898	994,623
	7,201,111	6,770,967
15 Prepayments		
Prepaid reinsurance premium ceded	2,996,835	2,349,147
Prepaid rent	27,536	30,792
Prepaid miscellaneous expenses	152,180	131,121
	3,176,551	2,511,060
16 Cash and Bank		
<u>Cash and cash equivalents</u>		
Cash in hand	1,339	387
Policy & revenue stamps, bond papers	6,228	7,289
	7,567	7,676
<u>Cash at bank</u>		
Current accounts	1,073,869	1,478,477
Saving accounts	755,410	792,461
	1,829,279	2,270,938
	1,836,846	2,278,614
16.1		
Cash at bank includes an amount of Rs. 486,908 thousands (31 December 2017: Rs. 764,508 thousands) held with MCB Bank Limited, a related party of the Company.		
	(Unaudited) 30 September 2018	(Audited) 31 December 2017
	----- (Rupees in thousand) -----	
		<i>Restated</i>
17 Window takaful operations - operator's fund		
Assets		
Cash and bank deposits	111,708	41,119
Qard-e-Hasna to Participant Takaful Fund	122,000	117,000
Investments	29,353	30,343
Current assets - others	68,595	30,605
Fixed assets	32,469	22,182
Total Assets	364,125	241,249
Total liabilities	217,412	141,350

	(Unaudited) 30 September 2018	(Unaudited) 30 September 2017
	----- (Rupees in thousand) -----	
Wakala Fee	179,493	115,871
Commission expense	(44,802)	(26,872)
Management expense	(63,852)	(37,856)
Net Investment income	1,438	1,223
Other expenses	(2,508)	(2,518)
Profit before tax	69,769	49,848
Taxation	(23,109)	(14,278)
Profit after tax	46,660	35,570

Details of total assets, total liabilities and segment disclosure of window takaful operations are stated in the annexed condensed interim financial information for the nine months ended 30 September 2018.

	(Unaudited) 30 September 2018	(Audited) 31 December 2017
	----- (Rupees in thousand) -----	
		<i>Restated</i>
18 Reserves		
<u>Capital reserves</u>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	533,854	467,100
	560,477	493,723
<u>Revenue reserves</u>		
General reserves	936,500	936,500
Fair value reserve	1,688,822	2,580,700
	2,625,322	3,517,200
	3,185,799	4,010,923
19 Other creditors and accruals		
Agents commission payable	850,873	807,027
Federal Excise Duty / Sales Tax	85,803	80,203
Federal Insurance Fee	55,546	22,733
Workers' welfare fund	440,497	391,437
Accrued expenses	122,715	122,578
Unpaid and Unclaimed Dividend	464,898	106,214
Cash margin against performance bonds and Travel & Cargo Guarantee	687,409	652,075
Payable to Employees' Provident Fund	2,505	2,325
Sundry creditors	300,806	351,595
	3,011,052	2,536,187
20 Contingencies and commitments		
20.1 Contingencies		

There has been no significant change in the status of contingencies as reported in the preceding published unconsolidated annual financial statements of the Company for the year ended 31 December 2017 except for the following:

Assistant Commissioner Inland Revenue passed order u/s 161/205 of the Ordinance for tax year 2012 raising an income tax demand of Rs. 12,669 thousand. The Company agitated the order before Commissioner Inland Revenue (Appeals) which is pending adjudication.

20.2 Commitments

There are no commitments as of 30 September 2018.

	Quarter Ended		Nine Months Ended	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
----- (Rupees in thousand) -----				
21 Net Insurance Premium				
Written Gross Premium	5,405,078	3,747,439	15,053,244	13,783,356
Unearned premium reserve opening	9,751,460	8,803,910	8,912,498	7,349,511
Unearned premium reserve closing	(10,165,055)	(8,121,475)	(10,165,055)	(8,121,475)
Currency translation effect	97,328	11,772	452,008	17,461
Premium earned	5,088,811	4,441,646	14,252,695	13,028,853
Reinsurance premium ceded	(1,853,436)	(1,036,265)	(4,925,360)	(4,413,328)
Prepaid reinsurance premium opening	(2,648,778)	(2,885,721)	(2,349,147)	(2,356,182)
Prepaid reinsurance premium closing	2,996,835	2,463,471	2,996,835	2,463,471
Currency translation effect	(7,354)	(1,057)	(18,193)	(1,804)
Reinsurance expense	(1,512,733)	(1,459,572)	(4,295,865)	(4,307,843)
	3,576,078	2,982,074	9,956,830	8,721,010
21.1 Net Insurance Premium - Business underwritten inside Pakistan				
Written Gross Premium	3,541,916	2,537,334	10,238,375	9,162,824
Unearned premium reserve opening	5,983,865	5,511,792	5,186,518	4,515,372
Unearned premium reserve closing	(6,209,183)	(5,127,051)	(6,209,183)	(5,127,051)
Premium earned	3,316,598	2,922,075	9,215,710	8,551,145
Reinsurance premium ceded	(1,762,021)	(986,595)	(4,694,954)	(3,944,775)
Prepaid reinsurance premium opening	(2,622,522)	(2,460,185)	(2,079,920)	(1,922,263)
Prepaid reinsurance premium closing	2,967,546	2,233,644	2,967,546	2,233,644
Reinsurance expense	(1,416,997)	(1,213,136)	(3,807,328)	(3,633,394)
	1,899,601	1,708,939	5,408,382	4,917,751
21.2 Net Insurance Premium - Business underwritten outside Pakistan				
Written Gross Premium	1,863,162	1,210,105	4,814,869	4,620,532
Unearned premium reserve opening	3,767,595	3,292,118	3,725,980	2,834,139
Unearned premium reserve closing	(3,955,872)	(2,994,424)	(3,955,872)	(2,994,424)
Currency translation effect	97,328	11,772	452,008	17,461
Premium earned	1,772,213	1,519,571	5,036,985	4,477,708
Reinsurance premium ceded	(91,415)	(49,670)	(230,406)	(468,553)
Prepaid reinsurance premium opening	(26,256)	(425,536)	(269,227)	(433,919)
Prepaid reinsurance premium closing	29,289	229,827	29,289	229,827
Currency translation effect	(7,354)	(1,057)	(18,193)	(1,804)
Reinsurance expense	(95,736)	(246,436)	(488,537)	(674,449)
	1,676,477	1,273,135	4,548,448	3,803,259

Quarter Ended		Nine Months Ended	
30 September 2018	30 September 2017	30 September 2018	30 September 2017

----- (Rupees in thousand) -----

22 Net Insurance Claims Expense

Claim Paid	3,135,595	2,794,260	10,364,222	7,175,798
Outstanding claims including IBNR closing	10,307,408	11,392,361	10,307,408	11,392,361
Outstanding claims including IBNR opening	(10,636,120)	(11,082,979)	(11,485,744)	(9,475,718)
Currency translation effect	(92,200)	(19,330)	(547,185)	(27,577)
Claim expense	2,714,683	3,084,312	8,638,701	9,064,864
Reinsurance and other recoveries received	(861,648)	(933,383)	(4,416,050)	(2,198,612)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(6,509,385)	(7,879,118)	(6,509,385)	(7,879,118)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	6,844,083	7,614,199	8,056,450	6,615,596
Currency translation effect	54,575	11,657	304,076	16,458
Reinsurance and other recoveries revenue	(472,375)	(1,186,645)	(2,564,909)	(3,445,676)
	2,242,308	1,897,667	6,073,792	5,619,188

22.1 Net Insurance Claims Expense - Business underwritten inside Pakistan

Claim Paid	1,391,185	1,360,735	5,560,610	3,155,645
Outstanding claims including IBNR closing	5,349,711	6,392,362	5,349,711	6,392,362
Outstanding claims including IBNR opening	(5,586,679)	(6,299,594)	(7,084,282)	(5,480,119)
Claim expense	1,154,217	1,453,503	3,826,039	4,067,888
Reinsurance and other recoveries received	(397,665)	(455,470)	(2,810,885)	(801,848)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(3,790,571)	(4,901,492)	(3,790,571)	(4,901,492)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	4,097,999	4,837,306	5,602,812	4,220,537
Reinsurance and other recoveries revenue	(90,237)	(519,656)	(998,644)	(1,482,803)
	1,063,980	933,847	2,827,395	2,585,085

22.2 Net Insurance Claims Expense - Business underwritten outside Pakistan

Claim Paid	1,744,410	1,433,525	4,803,612	4,020,153
Outstanding claims including IBNR closing	4,957,697	4,999,999	4,957,697	4,999,999
Outstanding claims including IBNR opening	(5,049,441)	(4,783,385)	(4,401,462)	(3,995,599)
Currency translation effect	(92,200)	(19,330)	(547,185)	(27,577)
Claim expense	1,560,466	1,630,809	4,812,662	4,996,976
Reinsurance and other recoveries received	(463,983)	(477,913)	(1,605,165)	(1,396,764)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(2,718,814)	(2,977,626)	(2,718,814)	(2,977,626)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	2,746,084	2,776,893	2,453,638	2,395,059
Currency translation effect	54,575	11,657	304,076	16,458
Reinsurance and other recoveries revenue	(382,138)	(666,989)	(1,566,265)	(1,962,873)
	1,178,328	963,820	3,246,397	3,034,103

Quarter Ended		Nine Months Ended	
30 September 2018	30 September 2017	30 September 2018	30 September 2017

----- (Rupees in thousand) -----

23 Net commission and other acquisition costs

Commission Paid or payable	359,560	400,411	1,303,343	1,341,503
Deferred Commission expense opening	855,030	888,084	733,631	737,281
Deferred Commission expense closing	(769,330)	(787,016)	(769,330)	(787,016)
Currency translation effect	10,397	1,344	47,456	2,002
Net Commission	455,657	502,823	1,315,100	1,293,770
Commission received or recoverable	(98,416)	(101,641)	(356,273)	(423,361)
Unearned reinsurance commission opening	(242,026)	(280,401)	(240,306)	(236,881)
Unearned reinsurance commission closing	236,964	266,721	236,964	266,721
Currency translation effect	(295)	(90)	(960)	(144)
Commission from reinsurance	(103,773)	(115,411)	(360,575)	(393,665)
	351,884	387,412	954,525	900,105

23.1 Net commission and other acquisition costs Business underwritten Inside Pakistan

Commission Paid or payable	154,707	266,778	788,455	809,465
Deferred Commission expense opening	471,649	508,749	326,325	398,331
Deferred Commission expense closing	(371,592)	(451,341)	(371,592)	(451,341)
Net Commission	254,764	324,186	743,188	756,455
Commission received or recoverable	(96,904)	(117,363)	(350,927)	(403,015)
Unearned reinsurance commission opening	(238,193)	(250,051)	(227,726)	(202,685)
Unearned reinsurance commission closing	233,679	248,351	233,679	248,351
Commission from reinsurance	(101,418)	(119,063)	(344,974)	(357,349)
	153,346	205,123	398,214	399,106

23.2 Net commission and other acquisition costs Business underwritten Outside Pakistan

Commission Paid or payable	204,853	133,633	514,888	532,038
Deferred Commission expense opening	383,381	379,335	407,306	338,950
Deferred Commission expense closing	(397,738)	(335,675)	(397,738)	(335,675)
Currency translation effect	10,397	1,344	47,456	2,002
Net Commission	200,893	178,637	571,912	537,315
Commission received or recoverable	(1,512)	15,722	(5,346)	(20,346)
Unearned reinsurance commission opening	(3,833)	(30,350)	(12,580)	(34,196)
Unearned reinsurance commission closing	3,285	18,370	3,285	18,370
Currency translation effect	(295)	(90)	(960)	(144)
Commission from reinsurance	(2,355)	3,652	(15,601)	(36,316)
	198,538	182,289	556,311	500,999

	Quarter Ended		Nine Months Ended	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
----- (Rupees in thousand) -----				
24 Investment Income				
<u>Business underwritten Inside Pakistan</u>				
Available-for-sale				
Income from equity securities				
Dividend income				
- associated undertakings	205,591	184,513	588,210	534,186
- others	161,734	203,434	430,845	560,797
	367,325	387,947	1,019,055	1,094,983
Income from debt securities - Held to maturity				
Return on Term Finance Certificates	1,066	1,614	3,782	4,614
Return on Pakistan Investment Bonds	-	1,246	-	14,103
Profit on Treasury Bills	6,924	8,765	19,691	18,796
	7,990	11,625	23,473	37,513
Income from term deposits				
Return on term deposits	-	-	3,428	1,153
	-	-	3,428	1,153
Net realized gains on investments				
Realized gains on				
- associated undertakings	-	-	-	-
- others	2,023	311,191	451,529	892,808
	2,023	311,191	451,529	892,808
	377,338	710,763	1,497,485	2,026,457
Provision of impairment in value of 'available-for-sale' investments	-	-	(71,686)	(280,943)
	377,338	710,763	1,425,799	1,745,514
<u>Business underwritten Outside Pakistan</u>				
Available-for-sale				
Income from equity securities				
Dividend income				
- associated undertakings	-	-	-	-
- others	-	14,040	-	16,064
	-	14,040	-	16,064
Net realized gains on investments				
- associated undertakings	-	-	-	-
- others	-	-	-	88,802
	-	-	-	88,802
Return on term deposits	22,413	6,193	52,472	7,045
	22,413	20,233	52,472	111,911
Net investment income	399,751	730,996	1,478,271	1,857,425
25 Other income				
Return on bank balance	7,378	15,854	38,761	60,694
Gain on sale of fixed assets	3,640	504	8,259	6,053
Return on loans to employee	84	81	263	252
Miscellaneous	13,023	6,800	20,272	9,552
	24,125	23,239	67,555	76,551
26 Earnings per share - basic and diluted				
There is no dilutive effect on the basic earnings per share which is based on:				
Profit after tax for the period attributable to ordinary shareholders	460,251	573,780	1,510,572	1,634,893
	----- Number of shares -----		----- Number of shares -----	
Weighted average number of ordinary shares outstanding	350,000,000	350,000,000	350,000,000	350,000,000
	----- (Rupees) -----		----- (Rupees) -----	
Earnings per share - basic and diluted	1.32	1.64	4.32	4.67

27 Transactions with related parties

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

Investment in related parties have been disclosed in note 9, 10 & 12 to the unconsolidated condensed interim financial information. Other transactions with related parties are summarized as follows:

	(Unaudited) 30 September 2018	(Unaudited) 30 September 2017
	---- (Rupees in thousand) ----	
i) Transactions		
Subsidiary company		
Premiums underwritten	12,335	9,397
Premiums received	12,921	9,397
Claims paid	5,676	963
Claims received	2,500	-
Premium paid	6,071	4,615
Rent paid	750	-
Rent / service charges received	935	3,007
Other related parties		
Premiums underwritten	897,884	969,260
Premiums received	1,052,963	1,102,111
Claims paid	555,005	291,259
Commission Paid	31,190	14,136
Rent paid	3,311	4,430
Rent received	-	1,067
Dividends received	573,927	534,146
Dividends paid	141,722	192,165
Income on bank deposits	20,675	16,676
Investments made	343,819	775,656
Investments sold	-	98,110
Purchases	20,800	-
Fee / service charges paid	3,194	7,083
Charge in respect of gratuity expense	24,914	18,549
Contribution to Employees' Provident Fund	23,322	21,257
Compensation paid to Key management personnel	566,574	503,582
	(Unaudited) 30 September 2018	(Audited) 31 December 2017
	---- (Rupees in thousand) ----	
ii) Period end balances		
Subsidiary company		
Balances receivable	137	686
Balances payable	1,423	759
Other related parties		
Balances receivable	231,471	516,219
Balances payable	655,970	628,382
Cash and bank balances including term deposits	1,274,348	1,375,420
Payable to Staff Gratuity Fund	97,380	84,443
Payable to Employees' Provident Fund	2,505	2,325

Nine Months Ended 30 September 2018

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	
	Rupees in thousands												
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	5,714,758	30,087	782,068	22,304	2,513,450	4,966,778	1,407,060	25,961	1,128,125	9,913	11,545,461	5,055,043	16,600,504
Less: Federal excise duty	(735,231)	(1,566)	(87,942)	(285)	(300,002)	(236,514)	-	(1,237)	(81,485)	(509)	(1,204,660)	(240,111)	(1,444,771)
Federal insurance fee	(49,353)	(41)	(6,908)	(18)	(21,920)	-	(13,898)	-	(10,347)	(4)	(102,426)	(63)	(102,489)
	4,930,174	28,480	687,218	22,001	2,191,528	4,730,264	1,393,162	24,724	1,036,293	9,400	10,238,375	4,814,869	15,053,244
Gross written premium (inclusive of administrative surcharge)	4,930,174	28,480	687,218	22,001	2,191,528	4,730,264	1,393,162	24,724	1,036,293	9,400	10,238,375	4,814,869	15,053,244
Gross direct premium	4,899,128	28,399	671,464	21,921	2,120,366	4,728,727	1,392,652	24,724	1,000,775	9,357	10,084,385	4,813,128	14,897,513
Facultative inward premium	16,532	-	65	-	-	-	-	-	25,388	-	41,985	-	41,985
Administrative surcharge	14,514	81	15,689	80	71,162	1,537	510	-	10,130	43	112,005	1,741	113,746
	4,930,174	28,480	687,218	22,001	2,191,528	4,730,264	1,393,162	24,724	1,036,293	9,400	10,238,375	4,814,869	15,053,244
Insurance premium earned	3,809,075	30,473	686,050	24,412	2,056,569	4,959,389	1,419,773	13,690	1,244,243	9,021	9,215,710	5,036,985	14,252,695
Insurance premium ceded to reinsurers	(3,178,565)	(18,440)	(87,700)	-	(29,976)	(454,166)	-	(7,000)	(511,087)	(8,931)	(3,807,328)	(488,537)	(4,295,865)
Net insurance premium	630,510	12,033	598,350	24,412	2,026,593	4,505,223	1,419,773	6,690	733,156	90	5,408,382	4,548,448	9,956,830
Commission income	252,282	4,891	493	-	11	8,989	-	-	92,188	1,721	344,974	15,601	360,575
Net underwriting income	882,792	16,924	598,843	24,412	2,026,604	4,514,212	1,419,773	6,690	825,344	1,811	5,753,356	4,564,049	10,317,405
Insurance claims	(972,740)	349	(225,012)	(607)	(999,899)	(4,803,804)	(1,224,960)	(8,342)	(403,428)	(258)	(3,826,039)	(4,812,662)	(8,638,701)
Insurance claim recoveries from reinsurer	795,906	(2,287)	(7,670)	-	51,582	1,560,994	-	7,251	158,826	307	998,644	1,566,265	2,564,909
Net claims	(176,834)	(1,938)	(232,682)	(607)	(948,317)	(3,242,810)	(1,224,960)	(1,091)	(244,602)	49	(2,827,395)	(3,246,397)	(6,073,792)
Commission expense	(325,521)	(3,847)	(95,862)	(3,587)	(162,157)	(561,264)	(44,746)	(2,256)	(114,902)	(958)	(743,188)	(571,912)	(1,315,100)
Management expense	(279,253)	(993)	(187,338)	(5,559)	(739,370)	(585,662)	(101,507)	(6,989)	(185,311)	(5,004)	(1,492,779)	(604,207)	(2,096,986)
Premium deficiency expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Net insurance claims and expenses	(781,608)	(6,778)	(515,882)	(9,753)	(1,849,844)	(4,389,736)	(1,371,213)	(10,336)	(544,815)	(5,913)	(5,063,362)	(4,422,516)	(9,485,878)
Underwriting result	101,184	10,146	82,961	14,659	176,760	124,476	48,560	(3,646)	280,529	(4,102)	689,994	141,533	831,527
Net investment income											1,425,799	52,472	1,478,271
Rental income											5,479	-	5,479
Other income											44,322	23,233	67,555
Other expenses											(87,954)	(6,975)	(94,929)
Exchange gain / (loss)											6,520	(118)	6,402
Profit from Window Takaful Operations											69,769	-	69,769
Profit before tax											2,153,929	210,145	2,364,074

30 September 2018

	Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	
	Rupees in thousands												
Segment Assets	7,967,260	73,366	545,445	14,069	1,175,269	5,590,015	648,076	37,229	1,411,814	14,118	11,747,864	5,728,797	17,476,661
Unallocated assets											24,847,007	4,530,951	29,377,958
											36,594,871	10,259,748	46,854,619
Segment Liabilities	7,744,707	85,519	577,045	20,969	2,550,598	8,755,739	1,673,503	34,027	1,775,778	13,166	14,321,631	8,909,420	23,231,051
Unallocated Liabilities											3,747,091	516,142	4,263,233
											18,068,722	9,425,562	27,494,284

28.1 Segment Information

Nine Month Ended 30 September 2017													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousands													
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	4,661,658	32,677	739,392	24,334	2,262,424	4,554,851	1,359,509	80	1,287,017	9,343	10,310,000	4,621,285	14,931,285
Less: Federal excise duty	(592,768)	(505)	(83,543)	(128)	(269,432)	-	-	-	(109,592)	(54)	(1,055,335)	(687)	(1,056,022)
Federal insurance fee	(40,409)	(38)	(6,480)	(24)	(19,760)	-	(13,530)	-	(11,662)	(4)	(91,841)	(66)	(91,907)
	4,028,481	32,134	649,369	24,182	1,973,232	4,554,851	1,345,979	80	1,165,763	9,285	9,162,824	4,620,532	13,783,356
Gross written premium (inclusive of administrative surcharge)	4,028,481	32,134	649,369	24,182	1,973,232	4,554,851	1,345,979	80	1,165,763	9,285	9,162,824	4,620,532	13,783,356
Gross direct premium	3,999,329	32,021	634,981	24,099	1,908,765	4,552,717	1,345,471	80	1,156,080	9,221	9,044,626	4,618,138	13,662,764
Facultative inward premium	14,634	-	-	-	-	-	-	-	-	-	14,634	-	14,634
Administrative surcharge	14,518	113	14,388	83	64,467	2,134	508	-	9,683	64	103,564	2,394	105,958
	4,028,481	32,134	649,369	24,182	1,973,232	4,554,851	1,345,979	80	1,165,763	9,285	9,162,824	4,620,532	13,783,356
Insurance premium earned	3,759,816	36,561	646,604	35,191	1,744,145	4,387,263	1,299,395	8,679	1,101,185	10,014	8,551,145	4,477,708	13,028,853
Insurance premium ceded to reinsurers	(3,057,066)	(21,212)	(130,414)	-	(27,747)	(642,408)	-	(4,994)	(418,167)	(5,835)	(3,633,394)	(674,449)	(4,307,843)
Net insurance premium	702,750	15,349	516,190	35,191	1,716,398	3,744,855	1,299,395	3,685	683,018	4,179	4,917,751	3,803,259	8,721,010
Commission income	274,723	4,422	528	-	31	30,270	-	-	82,067	1,624	357,349	36,316	393,665
Net underwriting income	977,473	19,771	516,718	35,191	1,716,429	3,775,125	1,299,395	3,685	765,085	5,803	5,275,100	3,839,575	9,114,675
Insurance claims	(1,471,495)	(9,785)	(294,141)	(3,317)	(777,053)	(4,980,112)	(1,063,249)	(4,847)	(461,950)	1,085	(4,067,888)	(4,996,976)	(9,064,864)
Insurance claim recoveries from reinsurer	1,219,213	3,845	127,999	-	(11,681)	1,957,424	-	2,969	147,272	(1,365)	1,482,803	1,962,873	3,445,676
Net claims	(252,282)	(5,940)	(166,142)	(3,317)	(788,734)	(3,022,688)	(1,063,249)	(1,878)	(314,678)	(280)	(2,585,085)	(3,034,103)	(5,619,188)
Commission expense	(358,425)	(5,988)	(96,846)	(1,667)	(187,794)	(528,576)	(37,707)	(73)	(75,683)	(1,011)	(756,455)	(537,315)	(1,293,770)
Management expense	(246,303)	(8,863)	(168,293)	(8,692)	(636,754)	(385,948)	(105,787)	(7,948)	(199,567)	(8,235)	(1,356,704)	(419,686)	(1,776,390)
Premium deficiency expense	-	-	-	-	-	47,171	-	-	-	-	-	47,171	47,171
Net insurance claims and expenses	(857,010)	(20,791)	(431,281)	(13,676)	(1,613,282)	(3,890,041)	(1,206,743)	(9,899)	(589,928)	(9,526)	(4,698,244)	(3,943,933)	(8,642,177)
Underwriting result	120,463	(1,020)	85,437	21,515	103,147	(114,916)	92,652	(6,214)	175,157	(3,723)	576,856	(104,358)	472,498
Net investment income											1,745,514	111,911	1,857,425
Rental income											-	1,078	1,078
Other income											76,551	-	76,551
Other expenses											(73,542)	(3,299)	(76,841)
Exchange loss											(350)	-	(350)
Profit from Window Takaful Operations											49,848	-	49,848
Profit before tax											2,374,877	5,332	2,380,209

31 December 2017- Restated													
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		
Rupees in thousands													
Segment Assets	8,024,165	68,696	594,844	14,374	1,099,831	5,467,973	744,815	10,643	1,870,256	14,599	12,333,911	5,576,285	17,910,196
Unallocated assets											24,667,990	3,395,668	28,063,658
											37,001,901	8,971,953	45,973,854
Segment Liabilities	7,877,109	81,525	563,983	20,350	2,286,540	8,019,014	1,632,477	17,282	2,114,503	10,973	14,474,612	8,149,144	22,623,756
Unallocated Liabilities											3,480,930	494,281	3,975,211
											17,955,542	8,643,425	26,598,967

29 Fair value measurement of financial instruments

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

		30 September 2018 (Unaudited)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- Rupees -----									
<i>Financial assets - measured at fair value</i>											
	Investment - Equity securities	18,292,940	-	-	-	-	18,292,940	17,166,854	-	1,126,086	18,292,940
	Investments of Window Takaful Operations - Operator's Fund	29,353	-	-	-	-	29,353	29,353	-	-	29,353
<i>Financial assets - not measured at fair value</i>											
	Loans and other receivables *	-	-	691,709	-	-	691,709	-	-	-	-
	Investment - Debt securities	-	474,066	-	-	-	474,066	-	-	-	-
	Investment - Term deposits	-	3,662,761	-	-	-	3,662,761	-	-	-	-
	Insurance / reinsurance receivables	-	-	-	-	-	-	-	-	-	-
	- unsecured and considered good *	-	-	7,201,111	-	-	7,201,111	-	-	-	-
	Reinsurance recoveries against outstanding claims *	-	-	6,134,273	-	-	6,134,273	-	-	-	-
	Salvage recoveries accrued *	-	-	375,112	-	-	375,112	-	-	-	-
	Prepayments *	-	-	3,176,551	-	-	3,176,551	-	-	-	-
	Cash and bank *	-	-	-	1,836,846	-	1,836,846	-	-	-	-
	Other Assets of Window Takaful Operations - Operator's Fund	-	-	223,064	111,708	-	334,772	-	-	-	-
		18,322,293	4,136,827	17,801,820	1,948,554	-	42,209,494	17,196,207	-	1,126,086	18,322,293
<i>Financial liabilities - not measured at fair value</i>											
	Outstanding claims (including IBNR)*	-	-	-	-	10,307,408	10,307,408	-	-	-	-
	Insurance / reinsurance payables *	-	-	-	-	2,187,885	2,187,885	-	-	-	-
	Other creditors and accruals*	-	-	-	-	2,429,206	2,429,206	-	-	-	-
	Total liabilities of Window Takaful Operations- Operator's Fund*	-	-	-	-	217,412	217,412	-	-	-	-
		-	-	-	-	15,141,911	15,141,911	-	-	-	-

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

29.1 Fair value measurement of financial instruments

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

		31 December 2017 (Audited) (Restated)									
		Available for sale	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
31 December 2017 - Restated		----- (Rupees in thousand) -----									
<i>Note</i>											
<u>Financial assets - measured at fair value</u>											
Investment - Equity securities	10	19,168,426	-	-	-	-	19,168,426	18,243,066	-	925,360	19,168,426
Investments of Window Takaful Operations - Operator's Fund	17	30,343	-	-	-	-	30,343	30,343	-	-	30,343
<u>Financial assets - not measured at fair value</u>											
Loans and other receivables *	13	-	-	354,629	-	-	354,629	-	-	-	-
Investment - Debt securities	11	-	441,832	-	-	-	441,832	-	-	-	-
Investment - Term deposits	12	-	2,020,494	-	-	-	2,020,494	-	-	-	-
Insurance / reinsurance receivables											
- unsecured and considered good *	14	-	-	6,770,967	-	-	6,770,967	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	7,709,161	-	-	7,709,161	-	-	-	-
Salvage recoveries accrued *		-	-	347,289	-	-	347,289	-	-	-	-
Prepayments *	15	-	-	2,511,060	-	-	2,511,060	-	-	-	-
Cash and bank *	16	-	-	-	2,278,614	-	2,278,614	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund	17	-	-	169,787	41,119	-	210,906	-	-	-	-
		19,198,769	2,462,326	17,862,893	2,319,733	-	41,843,721	18,273,409	-	925,360	19,198,769
<u>Financial liabilities - not measured at fair value</u>											
<i>Underwriting provisions:</i>											
Outstanding claims (including IBNR)*	22	-	-	-	-	11,485,744	11,485,744	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	1,668,516	1,668,516	-	-	-	-
Other creditors and accruals*	19	-	-	-	-	2,041,814	2,041,814	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	17	-	-	-	141,350	-	141,350	-	-	-	-
		-	-	-	141,350	15,196,074	15,337,424	-	-	-	-

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

30 Date of authorization for issue

This unconsolidated condensed interim financial information was authorized for issue on 25 October 2018 by the Board of Directors of the Company.

31 General

31.1 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary.

31.2 Figures have been rounded off to the nearest thousand rupees unless other wise stated.


Chairman


Director


Director


Chief Financial
Officer


Managing Director &
Chief Executive Officer

Director's Report to the Members on Consolidated Condensed Interim Financial Information For the Nine Months Ended 30 September 2018

On behalf of the Board, We are pleased to present the consolidated condensed interim financial information of Adamjee Insurance Company Limited and its subsidiary, Adamjee Life Assurance Company Limited for the nine months ended 30 September 2018.

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

	30 September 2018	30 September 2017
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Profit before tax	2,355,017	2,373,918
Taxation	(849,818)	(742,986)
Profit after tax	1,505,199	1,630,932
Loss attributable to non-controlling interest	1,382	1,019
Profit attributable to ordinary shares	1,506,581	1,631,951
Unappropriated profit brought forward	11,634,582	11,797,814
Profit available for appropriation	13,141,163	13,429,765

Appropriation:

Final dividend for the year ended 31 December 2017 @ 10% (Rupees 1/- per share)

[31 December 2016: @ 25% (Rupees 2.5/- per share)]

Interim dividend for the period ended 30 June 2018 @ 10% (Rupee 1/- per share)

[30 June 2017: @ 15% (Rupees 1.5/- per share)]

Capital contribution to statutory funds

Total appropriation

Profit after appropriation

(350,000)	(875,000)
(350,000)	(525,000)
(790)	52,520
(700,790)	(1,347,480)
12,440,373	12,082,285

Earnings per share - Basic and diluted

30 September 2018	30 September 2017
Rupees	
(Unaudited)	(Unaudited)
4.30	4.66

For and on Behalf of the Board of Directors



Shaikh Muhammad Jawed
Director



Muhammad Ali Zeb
Managing Director &
Chief Executive Officer

Lahore: 25 October 2018

CONSOLIDATED

Condensed Interim
Financial Information
for the Nine Months Ended
30 September 2018
(Unaudited)



Adamjee Insurance Company Limited
Consolidated Condensed Interim Statement of Financial Position
As at 30 September 2018


	Note	30 September	31 December
		2018	2017
		----- (Rupees in thousand) -----	
		(Unaudited)	(Audited)
			Restated
Assets			
Property and equipment	7	3,269,815	2,735,542
Intangible assets	8	122,249	97,760
Investment property		850,000	637,981
<i>Investments</i>			
Equity securities	9	31,405,109	29,774,881
Debt securities	10	5,582,804	5,920,630
Term Deposits	11	15,466,261	12,645,494
Loan secured against life insurance policies		34,341	31,170
Loans and other receivable	12	954,776	631,147
Insurance / reinsurance receivables - unsecured and considered good	13	7,255,017	6,846,091
Reinsurance recoveries against outstanding claims		6,134,273	7,709,161
Salvage recoveries accrued		375,112	347,289
Deferred commission expense / acquisition cost		769,330	733,631
Taxation - payments less provision		64,665	212,748
Prepayments	14	3,230,549	2,552,498
Cash and bank	15	3,452,475	3,630,248
Total Assets		78,966,776	74,506,271
Total assets of Window Takaful Operations - Operator's Fund	16	364,125	241,249
		79,330,901	74,747,520
Equity And Liabilities			
Capital and reserves attributable to Company's equity holders			
Authorized share capital			
375,000,000 (2017: 375,000,000) ordinary shares of Rs. 10 each		3,750,000	3,750,000
Ordinary share capital		3,500,000	3,500,000
Reserves	17	3,189,168	4,013,580
Unappropriated Profit		12,440,373	11,634,582
Equity attributable to equity holders of the parent		19,129,541	19,148,162
Non-controlling interest		46,171	47,581
Balance of statutory funds (including policy holders' liabilities technical reserves of Rs. 30.821 billion (2017: Rs. 27.096 billion))		31,545,400	27,670,668
Liabilities			
Underwriting provisions			
Outstanding claims including IBNR	18	10,609,374	11,844,834
Unearned premium reserves		10,165,055	8,912,498
Premium deficiency reserves		-	-
Unearned reinsurance commission		236,964	240,306
Retirement benefit obligation		189,864	185,903
Deferred taxation		714,200	1,137,867
Premium received in advance		748,911	576,616
Insurance / reinsurance payables		2,274,634	1,681,093
Other creditors and accruals	19	3,453,375	3,160,642
Total Liabilities		28,392,377	27,739,759
Total liabilities of Window Takaful Operations - Operator's Fund	16	217,412	141,350
Total Equity and Liabilities		79,330,901	74,747,520
Contingencies and commitments			
	20		

The annexed notes 1 to 29 form an integral part of this consolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

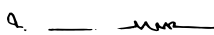
Adamjee Insurance Company Limited
 Consolidated Condensed Interim Profit and Loss Account (Un-audited)
 For the nine months ended 30 September 2018

	Note	Quarter ended		Nine months ended	
		30 September 2018	30 September 2017	30 September 2018	30 September 2017
----- (Rupees in thousand) -----					
Net Insurance Premium	21	6,704,225	5,837,635	18,872,622	17,058,922
Net Insurance Claims	22	(3,616,695)	(2,726,019)	(10,316,005)	(8,778,431)
Premium deficiency		-	-	-	47,171
Net Commission and other acquisition costs	23	(770,827)	(760,624)	(2,102,815)	(1,971,384)
Insurance claims and acquisition expenses		(4,387,522)	(3,486,643)	(12,418,820)	(10,702,644)
Investment income / (loss) - Statutory funds	24	242,120	(604,805)	1,266,295	(124,902)
Net change in policy holder liabilities	22	(1,205,764)	(777,524)	(3,725,052)	(3,183,650)
(Surplus) / deficit of Policyholders' fund		(87,127)	51,625	(147,942)	36,341
Management expenses	23	(1,019,180)	(924,364)	(3,015,576)	(2,611,569)
Underwriting results		246,752	95,924	831,527	472,498
Investment income - Others	24	402,596	738,448	1,492,253	1,877,588
Rental income		449	(536)	5,479	1,078
Other income		24,133	23,254	70,471	76,543
Other expenses		(35,772)	(37,109)	(120,884)	(103,287)
Results of operating activities		638,158	819,981	2,278,846	2,324,420
Exchange gain / (loss)		3,316	(147)	6,402	(350)
Profit from 'Window Takaful Operations'	16	25,488	18,823	69,769	49,848
Profit before tax		666,962	838,657	2,355,017	2,373,918
Income tax expense		(208,757)	(267,034)	(849,818)	(742,986)
Profit after tax		458,205	571,623	1,505,199	1,630,932
Profit / (loss) attributable to:					
Equity holders of the parent		458,731	572,178	1,506,581	1,631,951
Non-controlling interest		(526)	(555)	(1,382)	(1,019)
		458,205	571,623	1,505,199	1,630,932
----- (Rupees) -----					
Earnings per share - basic and diluted		1.31	1.63	4.30	4.66

The annexed notes 1 to 29 form an integral part of this consolidated condensed interim financial information.


 Chairman


 Director


 Director







 Chief Financial Officer


 Managing Director &
 Chief Executive officer

Adamjee Insurance Company Limited
 Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)
 For the nine months ended 30 September 2018

	Quarter ended		Nine months ended	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
----- (Rupees in thousand) -----				
		Restated		Restated
Profit after tax for the period	458,205	571,623	1,505,199	1,630,932
<u>Other comprehensive income</u>				
Items that may be reclassified subsequently to profit and loss:				
Net unrealized losses on 'available-for-sale' investments net of tax	(309,736)	(603,742)	(891,073)	(1,543,376)
Other comprehensive income / (loss) from window takaful operations net of tax	595	(64)	153	(182)
Effect of currency translation of investment in foreign branches - net of tax	16,046	331	66,754	4,839
Total comprehensive income / (loss) for the period	165,110	(31,852)	681,033	92,213
Total comprehensive income / (loss) attributable to:				
Equity holders of the parent	164,889	(32,567)	682,169	93,232
Non-controlling interest	221	715	(1,136)	(1,019)
	165,110	(31,852)	681,033	92,213

The annexed notes 1 to 29 form an integral part of this consolidated condensed interim financial information.

 Chairman	 Director	 Director	 Chief Financial Officer	 Managing Director & Chief Executive Officer
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Adamjee Insurance Company Limited
Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)
For the nine months ended 30 September 2018

	Share capital	Capital reserve			Revenue reserve				Equity attributable to equity holders of the parent	Non-controlling interest	Total	
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	General reserve	Fair value reserve	Capital contribution to statutory fund	Unappropriated profit				Net retained earnings
------(Rupees in thousand)-----												
Balance as at 31 December 2016 - (Audited)	3,500,000	22,859	3,764	443,711	936,500	-	(341,687)	12,139,501	11,797,814	16,704,648	23,610	16,728,258
Effect of restatement as disclosed in note 4.1.5	-	-	-	-	-	4,128,908	-	-	-	4,128,908	3,985	4,132,893
Balance as at 31 December 2016 - (Audited) restated	3,500,000	22,859	3,764	443,711	936,500	4,128,908	(341,687)	12,139,501	11,797,814	20,833,556	27,595	20,861,151
Profit for the period 01 January 2017 to 30 September 2017	-	-	-	-	-	-	-	1,631,951	1,631,951	1,631,951	(1,019)	1,630,932
Other comprehensive (loss) / income for the period 01 January 2017 to 30 September 2017	-	-	-	4,839	-	(1,543,558)	-	-	-	(1,538,719)	-	(1,538,719)
Capital contribution to statutory funds	-	-	-	-	-	52,520	-	-	52,520	52,520	18,184	70,704
Total comprehensive income for the period	-	-	-	4,839	-	(1,543,558)	52,520	1,631,951	1,684,471	145,752	17,165	162,917
Transactions with owners of the Company												
Final dividend for the year ended 31 December 2016 @ 25% (Rupee 2.5/- per share)	-	-	-	-	-	-	-	(875,000)	(875,000)	(875,000)	-	(875,000)
Interim dividend for the period ended 30 June 2017 @ 15% (Rupees 1.5/- per share)	-	-	-	-	-	-	-	(525,000)	(525,000)	(525,000)	-	(525,000)
Balance as at 30 September 2017 - (Unaudited) - restated	3,500,000	22,859	3,764	448,550	936,500	2,585,350	(289,167)	12,371,452	12,082,285	19,579,308	44,760	19,624,068
Profit for the period 01 October 2017 to 31 December 2017	-	-	-	-	-	-	-	(426,609)	(426,609)	(426,609)	(4,482)	(431,091)
Other comprehensive (loss) / income for the period 01 October 2017 to 31 December 2017	-	-	-	18,550	-	(1,993)	-	(51,033)	(51,033)	(34,476)	(3,065)	(37,541)
Capital contribution to statutory funds	-	-	-	-	-	29,939	-	-	29,939	29,939	10,368	40,307
Total comprehensive income for the period	-	-	-	18,550	-	(1,993)	29,939	(477,642)	(447,703)	(431,146)	2,821	(428,325)
Balance as at 31 December 2017 - (Audited) - restated	3,500,000	22,859	3,764	467,100	936,500	2,583,357	(259,228)	11,893,810	11,634,582	19,148,162	47,581	19,195,743
Profit for the period 01 January 2018 to 30 September 2018	-	-	-	-	-	-	-	1,506,581	1,506,581	1,506,581	(1,382)	1,505,199
Other comprehensive (loss) / income for the period 01 January 2018 to 30 September 2018	-	-	-	66,754	-	(891,166)	-	-	-	(824,412)	246	(824,166)
Capital contribution to statutory funds	-	-	-	-	-	-	(790)	-	(790)	(790)	(274)	(1,064)
Total comprehensive income for the period	-	-	-	66,754	-	(891,166)	(790)	1,506,581	1,505,791	681,379	(1,410)	679,969
Transactions with owners of the Company												
Final dividend for the year ended 31 December 2017 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	-	(350,000)	(350,000)	(350,000)	-	(350,000)
Interim dividend for the period ended 30 June 2018 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	-	(350,000)	(350,000)	(350,000)	-	(350,000)
Balance as at 30 September 2018 - (Unaudited)	3,500,000	22,859	3,764	533,854	936,500	1,692,191	(260,018)	12,700,391	12,440,373	19,129,541	46,171	19,175,712

The annexed notes 1 to 29 form an integral part of this consolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director & Chief Executive Officer

Adamjee Insurance Company Limited
Consolidated Condensed Interim Cash Flow Statement (Un-audited)
For the nine months ended 30 September 2018

	Nine months ended	
	30 September 2018	30 September 2017
------(Rupees in thousand)-----		
<u>Cash flows from operating activities</u>		
<u>Underwriting activities</u>		
Insurance premiums received	24,694,822	22,631,600
Reinsurance premiums paid	(4,418,105)	(3,992,713)
Claims paid	(14,997,221)	(10,580,733)
Surrenders paid	(42,510)	(56,928)
Reinsurance and other recoveries received	4,133,775	2,050,247
Commissions paid	(2,621,070)	(2,488,283)
Commissions received	356,273	411,996
Other underwriting payments	(2,557,550)	(1,597,505)
Net cash inflow from underwriting activities	4,548,414	6,377,681
<u>Other operating activities</u>		
Income tax paid	(723,207)	(923,449)
Other operating payments	(184,813)	(126,063)
Loans advanced	(45,906)	(66,047)
Loans repayments received	40,555	48,997
Other operating receipts	181,565	108,344
Net cash outflow from other operating activities	(731,806)	(958,218)
Total cash inflow from all operating activities	3,816,608	5,419,463
<u>Cash flows from investing activities</u>		
Profit / return received on bank deposits	945,401	946,176
Return on Pakistan investment bonds	-	27,153
Income received from TFCs	4,052	527
Income from treasury bills	25,755	16,668
Dividends received	1,201,153	1,343,467
Rentals received	7,130	1,078
Payments for investments	(41,107,411)	(83,398,741)
Proceeds from disposal of investments	26,860,439	78,734,031
Fixed capital expenditure - tangible assets	(676,083)	(1,433,970)
Fixed capital expenditure - intangible assets	(48,230)	(3,695)
Proceeds from disposal of operating fixed assets	24,729	12,823
Total cash outflow from investing activities	(12,763,065)	(3,754,483)
<u>Cash flows from financing activities</u>		
Dividends paid	(341,316)	(863,752)
Repatriation of funds	-	-
Net cash outflow from financing activities	(341,316)	(863,752)
Net cash outflow / (inflow) from all activities	(9,287,773)	801,228
Cash and cash equivalent at the beginning of the period - restated	12,740,248	10,464,083
Cash and cash equivalent at the end of the period	3,452,475	11,265,311

Reconciliation to profit and loss account

	Nine months ended	
	30 September 2018	30 September 2017
	------(Rupees in thousand)-----	
Operating cash flows	3,816,608	5,427,385
Depreciation expense	(151,474)	(121,852)
Provision for gratuity	(24,914)	(15,904)
Other income - bank & term deposits	94,661	73,332
Gain on disposal of operating fixed assets	11,141	6,030
Rental income	5,479	1,078
Increase / (decrease) in assets other than cash	43,119	1,016,943
Increase in liabilities other than running finance	(3,826,501)	(6,622,650)
Profit on sale of investments	1,035,405	981,610
Amortization expense	(15,547)	(8,497)
Increase in unearned premium	(1,252,557)	(698,226)
Increase in loans	11,227	9,128
Income taxes paid	636,269	870,287
Provision for impairment in value of 'available-for-sale' investments	(71,686)	(280,943)
Dividend and other income	1,962,818	1,668,535
Income from treasury bills	19,691	18,796
Return on Pakistan investment bonds	-	14,103
Income from TFCs	3,782	4,614
Capital contribution from shareholders' fund	(1,064)	-
Revaluation adjustments	-	15,157
Other adjustments	(11,209)	(34,856)
Profit for the period from Window Takaful Operations	69,769	49,848
Profit before tax	2,355,017	2,373,918

Cash for the purposes of the statement of cash flows consists of:

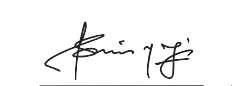
	Nine months ended	
	30 September 2018	30 September 2017
	------(Rupees in thousand)-----	
Cash and other equivalents	17,640	11,071
Current and other accounts	3,434,835	4,134,240
Deposits maturing within 3 months	-	7,120,000
Total cash and cash equivalents	3,452,475	11,265,311

The annexed notes 1 to 29 form an integral part of this consolidated condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive officer

Adamjee Insurance Company Limited

Notes to the Consolidated Condensed Interim Financial Information (Un-audited)

For the nine months ended 30 September 2018

1 Legal status and nature of business

The Group consists of:

Holding Company

Adamjee Insurance Company Limited

Subsidiary Company

Adamjee Life Assurance Company Limited [74.28% held by Adamjee Insurance Company Limited (2017: 74.28%)]

Adamjee Insurance Company Limited (Holding Company)

Adamjee Insurance Company Limited is a public limited company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Act 2017). The Holding Company is listed on Pakistan stock exchange and is engaged in the general insurance business comprising fire and property, marine, motor, accident & health and miscellaneous classes. The registered office of the Holding Company is situated at Tanveer Building, 27-C-III, MM Alam Road, Gulberg III, Lahore.

The Holding Company also operates branches in the United Arab Emirates (UAE) and the Export Processing Zone (EPZ).

The Holding Company was granted authorization on 23 December 2015 under Rule 6 of Takaful Rules, 2012 to undertake Window Takaful Operations in respect of general takaful products by Securities and Exchange Commission of Pakistan (SECP) and commenced Window Takaful Operations on 01 January 2016.

Adamjee Life Assurance Company Limited (Subsidiary Company)

Adamjee Life Assurance Company Limited was incorporated in Pakistan on 4 August 2008 as a public unlisted company under the Companies Ordinance, 1984 and started its operations from 24 April 2009. The registered office of the Subsidiary Company is located at First Floor Islamabad Stock Exchange Tower, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is located at Third Floor, The Forum, Khayaban-e-Jami, Clifton, Karachi. The Subsidiary Company is a subsidiary of Adamjee Insurance Company Limited and an associate of IVM Intersurer B.V. who have a holding of 74.28% (2017: 74.28%) and 25.72% (2017: 25.72%), respectively in the share capital of the Subsidiary Company. IVM Intersurer B.V. has nominated Hollard Life Assurance Company Limited (HLA), a subsidiary of IVM Intersurer B.V., to act on its behalf in respect of matters relating to the Subsidiary Company. HLA is South Africa's largest private sector insurance company.

The Subsidiary Company is engaged in life assurance business carrying on non-participating business only. In accordance with the requirements of the Insurance Ordinance, 2000, the Subsidiary Company has established a shareholders' fund and the following statutory funds in respect of its each class of life assurance business:

- Conventional Business
- Accident and Health Business
- Non-Unitised Investment Link Business
- Unit Linked Business
- Individual Family Takaful Unit Linked Business

2 Basis of preparation and statement of compliance

This consolidated condensed interim financial information of the Group for the nine months ended 30 September 2018 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting and the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard 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 differ, the Insurance Ordinance, 2000, the Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and the Takaful Rules, 2012 shall prevail.

As per the requirements of the SECP Takaful Rules 2012 and SECP Circular No.25 of 2015 dated 09 July 2015, the assets, liabilities and profit and loss of the Operator's Fund of the Window Takaful Operations of the Group have been presented as a single line item in the statement of financial position and statement of comprehensive income of the Group respectively. A separate set of statement of financial position of the Window Takaful operations has been annexed to this financial information as per the requirements of the Takaful Rules, 2012.

This consolidated condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Group for the year ended 31 December 2017. Comparative condensed interim statement of financial position is stated from annual audited financial statements as of 31 December 2017, whereas comparatives for interim profit and loss account, interim statement of comprehensive income, interim statement of changes in equity and interim cash flow statement and related notes are extracted from condensed interim financial information of the Group for the nine months ended 30 September 2017.

This consolidated condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 237 & 228 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited.

This consolidated condensed interim financial information is presented in Pakistan Rupees which is the Group's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

3 Basis of measurement

This consolidated condensed interim financial information has been prepared under historical cost convention except for certain foreign currency translation adjustments, certain financial instruments carried at fair value, and defined benefit obligations under employees benefits carried at present value. All transactions reflected in this financial information are on accrual basis except for those reflected in cash flow statements.

4 Accounting policies

The accounting policies and the methods of computation adopted in the preparation of this consolidated condensed interim financial information are same as those applied in the preparation of annual audited financial statements for the year ended 31 December 2017 except for the changes mentioned below:

4.1 Change in accounting policy

4.1.1 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 had granted the Group exemption from application of Rules and Accounting Regulations 2017 to the Group 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 Group, 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 effect of each of the above change is given below:

4.1.2 Available for sale investments

Previously, the Group recorded its 'available for sale' investments at cost and remeasured them at lower of cost or market value (market value being taken as lower of the reduction other than temporary) in accordance with the requirements of the SEC (Insurance) Rules, 2002. As per Insurance Rules 2017, 'available for sale' investments are now initially measured at cost and subsequently remeasured at fair value at each reporting date. The unrealized gains and losses arising from changes in fair values are directly recognized in equity in the year in which these arise. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the profit and loss account as gains and losses from investment securities. The investment for which quoted market price is not available, are measured at cost as it is not possible to apply any other valuation methodology.

The Group assesses at each statement of financial position date whether there is an objective evidence that the financial asset is impaired. If any such evidence exists for an 'available for sale' asset, the accumulated loss is removed from equity and recognized in the profit and loss account. Impairment loss recognized in the profit and loss account on equity instruments is not reversed through the profit and loss account. The said change in accounting policy has been made in accordance with the requirements of IAS 8 'Accounting Policies, change in accounting estimates and errors' as disclosed in note 4.1.5 of this consolidated condensed interim financial information.

4.1.3 Presentation of financial statements

The Group 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 premiums, claims and expenses and investment income is now included in notes to the consolidated condensed interim financial information (note 21, 22, 23 and 24). Furthermore term deposits are now included in investments instead of cash and cash equivalent in line with the requirements of Insurance Rules and Accounting Regulations, 2017.

4.1.4 Premium revenue

The Insurance Accounting Regulations, 2017, requires the Group, to recognize premium receivable under an insurance policy/ cover note as written from the date of attachment of risk to the policy / cover note. Accordingly, the Group is required to account for cover notes which are effective as at reporting date. In previous years, the Group recognized premium under a policy as written at the time of issuance of policy in accordance with the SEC Insurance Rules, 2002. The change is considered to be a change in accounting policy in accordance with IAS - 8. The impact of the same is not considered to be material to the financial statements and accordingly the comparative restated consolidated condensed interim financial information has not been restated for this change.

4.1.5 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	Adjustment	After adjustment	As previously reported	Adjustment	After adjustment
<u>Effect on statement of financial position</u>						
----- (Rupees in thousand) -----						
Assets						
Investments in equity and debt securities	31,578,632	4,116,879	35,695,511	30,263,028	6,003,073	36,266,101
Loans and other receivables	1,051,147	(420,000)	631,147	-	-	-
Total assets from takaful operations - OTF	241,121	128	241,249	99,157	121	99,278
Liability						
Deferred taxation	30,218	1,107,649	1,137,867	35,362	1,849,816	1,885,178
Other creditors and accruals	3,159,265	1,377	3,160,642			
Total liabilities from takaful operations - OTF	141,312	38	141,350	46,366	38	46,404
Equity:						
Fair value reserves	-	2,583,357	2,583,357	-	4,128,908	4,128,908
Non - Controlling Interest	46,661	920	47,581	23,610	3,985	27,595
Balance of Statutory funds	27,667,002	3,666	27,670,668	22,166,399	20,448	22,186,847

	30 September 2017		
	As previously reported	Adjustment	After adjustment
----- (Rupees in thousand) -----			
<u>Effect of other comprehensive income</u>			
<i>Item to be reclassified to profit and loss account in subsequent period</i>			
Net unrealized (loss) arising during the period on revaluation of available for sale investments-net of tax			- (1,543,376) (1,543,376)
Net unrealized (loss) arising during the period on revaluation of available for sale investments of Window Takaful Operations -net of tax			- (182) (182)

There is no impact on profit before tax, profit after tax and earning per share of the Group for the nine months ended on 30 September 2017.

4.2 Adoption of Companies Act 2017

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

5 Use of estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During preparation of this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Group for the year ended 31 December 2017.

6 Insurance and Financial risk management

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2017.

		(Unaudited) 30 September 2018	(Audited) 31 December 2017
	<i>Note</i>	---- (Rupees in thousand) ----	
7 Property and equipment			
<u>Operating assets</u>			
Opening balance - net book value		2,273,084	1,150,358
Additions during the period / year	7.1	136,224	1,273,770
Disposals during the period / year - net book value	7.2	(13,588)	(12,738)
Depreciation charged during the period / year		(130,673)	(147,796)
Currency translation effect		21,724	9,490
Closing balance - net book value		<u>2,286,771</u>	<u>2,273,084</u>
Capital work in progress	7.3	983,044	462,458
		<u><u>3,269,815</u></u>	<u><u>2,735,542</u></u>

7.1 Additions during the period / year - cost

Land and buildings	12,417	1,040,575
Furniture and fixtures	14,987	47,394
Motor vehicles	42,955	92,057
Machinery and equipments	8,153	30,931
Computer and related accessories	54,941	29,460
Leasehold Improvements	2,771	33,353
	<u>136,224</u>	<u>1,273,770</u>

7.2 Disposals during the period / year - net book value

Furniture and fixtures	37	41
Motor vehicles	13,012	10,332
Machinery and equipments	359	2,365
Computer and related accessories	180	-
	<u>13,588</u>	<u>12,738</u>

7.3 Capital work in progress

Capital work in progress as of 30 September 2018 includes advances to contractors and suppliers amounting to Rs. 110,240 thousands and Rs. 38,264 thousands respectively.

		(Unaudited) 30 September 2018	(Audited) 31 December 2017
		---- (Rupees in thousand) ----	
8 Intangible assets			
Opening balance - net book value		97,760	102,565
Additions during the period / year		48,739	28,144
Amortization charged during the period / year		(29,193)	(34,196)
Currency translation effect		4,943	1,247
		<u>122,249</u>	<u>97,760</u>

9 Investment in equity securities

Available-for-sale

	30 September 2018 (Unaudited)			31 December 2017 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
----- Rupees in thousands -----						
Related parties	<i>Restated</i>					
Listed shares	8,397,711	-	8,397,711	8,253,568	-	8,253,568
Unlisted shares	200,726	-	200,726	-	-	-
Mutual Funds	-	-	-	311,114	-	311,114
			8,598,437			8,564,682
Unrealized gain			1,570,882			2,213,028
			10,169,319			10,777,710
Others						
Listed shares	7,131,879	(1,206,780)	5,925,099	7,044,306	(1,135,095)	5,909,211
Unlisted shared	925,360	-	925,360	925,360	-	925,360
NIT Units	161	-	161	161	-	161
Mutual Funds	496,443	-	496,443	190,785	-	190,785
			7,347,063			7,025,517
Unrealized gain			807,399			1,480,054
			8,154,462			8,505,571
			18,323,781			19,283,281

At fair value through profit and loss

	30 September 2018 (Unaudited)			31 December 2017 (Audited)		
	Cost	Impairment / Provision	Carrying value	Cost	Impairment / Provision	Carrying value
----- Rupees in thousands -----						
Related parties	<i>Restated</i>					
Listed shares	697,968	-	697,968	610,452	-	610,452
Mutual Funds	3,649,833	-	3,649,833	3,189,085	-	3,189,085
			4,347,801			3,799,537
Others						
Listed shares	8,342,049	-	8,342,049	6,241,085	-	6,241,085
Mutual Funds	391,478	-	391,478	450,978	-	450,978
			8,733,527			6,692,063
			13,081,328			10,491,600
			31,405,109			29,774,881

10 Investment in debt securities

	Note	(Unaudited)	(Audited)
		30 September 2018	31 December 2017
----- (Rupees in thousand) -----			
Available for sale			
Treasury Bills		189,544	101,587
Pakistan Investment Bonds		243,005	244,853
		432,549	346,440
At fair value through profit and loss			
Term Finance Certificate	10.1	1,410,961	857,620
Advance against purchase of term finance certificate		350,000	420,000
Corporate sukuks		1,037,772	355,212
Ijarah sukuks		267,018	250,731
Treasury Bills		1,260,927	3,246,607
Pakistan Investment Bonds		349,511	2,188
		4,676,189	5,132,358
Held-to-maturity			
Term Finance Certificate	10.1	-	70,948
Treasury Bills		474,066	370,884
		474,066	441,832
		5,582,804	5,920,630

10.1 Term Finance Certificate

	30 September	31 December	Face value	(Unaudited)	(Audited)
	2018	2017		30 September	31 December
	No. of certificates			2018	2017
				Value of certificates	
				----- (Rupees in thousand) -----	
<i>At fair value through profit and loss</i>					
Askari Bank Limited	41,000	10,000	5	209,410	50,057
Bank Al Habib Limited	39,680	10,992	5	204,485	54,982
Bank Al Falah Limited	33,510	24,023	5,000	166,963	122,032
Bank of Punjab	5,980	2,550	100	572,664	254,643
Habib Bank Limited	590	3,290	100	56,934	325,896
Soneri Bank Limited	10,000	10,000	5	50,144	50,010
Jahangir Siddiqui Company Limited	30,000	-	5	150,361	-
				1,410,961	857,620
<i>Held-to-maturity</i>					
Pak Electron (Commercial Paper)	-	75	1,000	-	70,948
				-	70,948

11 Investments in Term Deposits

	Note	(Unaudited)	(Audited)
		30 September	31 December
		2018	2017
		----- (Rupees in thousand) -----	
<i>Held to maturity</i>			
<i>Deposits maturing within 12 months</i>			
- related parties		439,800	708,913
- others		12,148,551	11,931,473
		12,588,351	12,640,386
<i>Deposits maturing after 12 months</i>			
- related parties		447,640	2,000
- others		2,430,270	3,108
		2,877,910	5,108
	11.1	15,466,261	12,645,494

11.1 These include fixed deposits amounting to Rs. 234,805 thousands (AED 6,951 thousands) [31 December 2017: Rs. 208,736 thousands (AED 6,951 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 73,568 thousands (31 December 2017: Rs. 106,250 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Holding Company for claims under litigation filed against the Holding Company.

	(Unaudited) 30 September 2018	(Audited) 31 December 2017
<i>Note</i>	----- (Rupees in thousand) -----	
12 Loans and other receivables		
Rent receivable	4,439	6,090
Accrued investment income	331,644	202,838
Security deposits	74,573	69,120
Advances to employees and suppliers	163,624	131,424
Agent commission receivable	3,388	20,547
Loans to employees	65,433	52,109
Other receivables	311,675	149,019
	<u>954,776</u>	<u>631,147</u>
13 Insurance / reinsurance receivables - unsecured and considered good		
Due from insurance contract holders	6,363,888	6,218,998
Provision for impairment of receivables from insurance contract holders	(392,911)	(375,801)
	5,970,977	5,843,197
Due from other insurers / other reinsurers provision for impairment of due from other insurers / reinsurers	1,435,342	1,154,196
	(151,302)	(151,302)
	1,284,040	1,002,894
	<u>7,255,017</u>	<u>6,846,091</u>
14 Prepayments		
Prepaid reinsurance premium ceded	2,996,835	2,349,147
Prepaid rent	27,536	19,663
Prepaid miscellaneous expenses	206,178	183,688
	<u>3,230,549</u>	<u>2,552,498</u>
15 Cash and Bank		
<u>Cash and cash equivalents</u>		
Cash in hand	1,547	14,732
Policy & revenue stamps, bond papers	16,093	7,289
	17,640	22,021
<u>Cash at bank</u>		
Current accounts	1,095,818	1,534,268
Saving accounts	2,339,017	2,073,959
	<u>3,434,835</u>	<u>3,608,227</u>
	<u>3,452,475</u>	<u>3,630,248</u>

15.1 Cash at bank includes an amount of Rs. 1,444,674 thousand (31 December 2017: Rs. 2,395,788 thousand) held with MCB Bank Limited, a related party of the Company.

	(Unaudited) 30 September 2018	(Audited) 31 December 2017
	----- (Rupees in thousand) -----	
16 Window Takaful Operations		
<u>Operator's Fund</u>		
Assets:		
Cash and bank deposits	111,708	41,119
Qard e Hasna to Participant Takaful Fund	122,000	117,000
Investments	29,353	30,343
Current assets - Others	68,595	30,605
Fixed assets	32,469	22,182
Total Assets	364,125	241,249
Total liabilities - current	217,412	141,350

16.1 Window Takaful Operations

Profit and loss account

Wakala Fee	179,493	115,871
Commission expense	(44,802)	(26,872)
Management expense	(63,852)	(37,856)
Net Investment income	1,438	1,223
Other expenses	(2,508)	(2,518)
Profit before tax	69,769	49,848
Taxation	(23,109)	(14,278)
Profit after tax	46,660	35,570

Details of total assets, total liabilities and segment disclosure of window takaful operations are stated in the annexed condensed interim financial information for the nine months ended 30 September 2018.

	(Unaudited) 30 September 2018	(Audited) 31 December 2017
	----- (Rupees in thousand) -----	
17 Reserves		
<u>Capital reserves</u>		
Reserves for exceptional losses	22,859	22,859
Investment fluctuation reserves	3,764	3,764
Exchange translation reserves	533,854	467,100
	560,477	493,723
<u>Revenue reserves</u>		
General reserves	936,500	936,500
Fair value reserve	1,692,191	2,583,357
	2,628,691	3,519,857
	3,189,168	4,013,580

	(Unaudited) 30 September 2018	(Audited) 31 December 2017
	----- (Rupees in thousand) -----	
18 Outstanding claims including IBNR		
<u>General Insurance</u>		
Inside Pakistan	5,349,711	7,084,282
Outside Pakistan	4,957,697	4,401,462
	<u>10,307,408</u>	<u>11,485,744</u>
<u>Life Insurance</u>		
Outstanding claims including IBNR	301,966	359,090
	<u>301,966</u>	<u>359,090</u>
	<u><u>10,609,374</u></u>	<u><u>11,844,834</u></u>
19 Other creditors and accruals		
Agents commission payable	1,052,811	1,226,946
Federal excise duty / sales tax	88,071	85,567
Federal Insurance Fee	55,546	22,733
Workers' welfare fund	441,431	392,371
Accrued expenses	164,111	141,691
Unpaid and unclaimed dividend	464,898	106,214
Cash margin against performance bonds and Travel & Cargo Guarantee	687,409	652,075
Payable to employees' provident fund	2,505	2,325
Sundry creditors	496,593	530,720
	<u>3,453,375</u>	<u>3,160,642</u>

20 Contingencies and commitments

Contingencies

Holding Company

There has been no significant change in the status of contingencies as reported in the preceding published consolidated annual financial statements of the Holding Company for the year ended 31 December 2017 except for the following:

Assistant Commissioner Inland Revenue passed order u/s 161/205 of the Ordinance for tax year 2012 raising an income tax demand of Rs. 12,669 thousand. The Holding Company agitated the order before Commissioner Inland Revenue (Appeals) which is pending adjudication.

	(Unaudited) 30 September 2018	(Audited) 31 December 2017
	----- (Rupees in thousand) -----	
Subsidiary Company		
Claims against the Subsidiary Company not acknowledged as debt	<u>17,754</u>	<u>27,213</u>
Number of cases	<u>25</u>	<u>7</u>

This represent twenty five pending cases initiated against the Subsidiary Company concerning policyholders' claims rejected on different grounds. However, the management believes that no significant liability is likely to occur in these cases.

Securities and Exchange Commission of Pakistan (SECP) had initiated a thematic review of Bancassurance business of insurers in order to check compliance of code of business with the applicable regulations and to ensure adherence towards best practice and ensuring protection of consumer interest. SECP has issued multiple show-cause letters to various companies in the industry. The Subsidiary Company has also received four (4) letters in this regards. These letters mainly charging the Subsidiary Company for deviations on commission payments/ disclosures and compliance with the requirement of maintaining minimum cover multiple. The cumulative penalty envisaged in the said letters was Rs. 4 million.

In addition to above, SECP has concluded the off-site examination of books of accounts of the Subsidiary Company for the year ended 31 December 2016. In this regards, SECP has issued two (2) show cause letters to the Subsidiary Company. The charge in these show cause letters is related to matters covered under section 56 of Insurance Ordinance, 2000 related to self insurance and pre-approval from shareholders of the Subsidiary company against investment made in associated undertakings. The cumulative penalty envisaged in the said letters was Rs. 1.5 million.

Replies to aforementioned letters have been sent to SECP, to which, SECP has provided the opportunity of being heard to the Subsidiary Company on 4 July 2018. However, due to the unavailability of senior management team on such date, the Subsidiary Company has requested and applied for extension of one month, so far, no response has been received by the Subsidiary Company in this regards. Management of the Subsidiary Company, has engaged a legal council to handle the matter and the management is confident that it would be able to satisfy SECP on the stated deviations and hence, no provision has been made in these condensed interim financial information.

For tax years 2011, 2012 and 2013, tax authorities have issued orders under section 221 of Income Tax Ordinance, 2001 (the Ordinance) raising tax demand of Rs. 2.63 million, Rs. 3.04 million and Rs. 2.19 million respectively for these years primarily on the ground of charging WWF under sections 4(4) of the WWF Ordinance, 1971 and full tax credits of tax paid / deducted not allowed due to non verification of tax challans. The Subsidiary Company has filed an appeal against these orders with the Commissioner Inland Revenue - Appeals (CIR(A)). However, CIR(A) has maintained the levy and disposed off the Subsidiary Company's appeal. Now the Subsidiary Company has further filed an appeal against CIR (A) orders which is pending before the Appellate Tribunal Inland Revenue (ATIR). However, based on consultations with the tax advisor, the management considers that the Subsidiary Company has enough grounds for success in appeal before the appellate authorities and the management is confident that the outcome of the appeals would be in their favour. Hence, no provision has been made in these condensed interim financial information against the aforesaid tax demand.

Commitments

Holding Company

There are no commitments as of 30 September 2018.

Subsidiary Company

Commitments in respect of ljarah rentals payable in future period as at 30 September 2018 amounted to Rs. 34,140 thousands (2017: Rs. 31,781 thousands) for vehicles. Commitment in respect of capital expenditure amounting to Nil (2017: Rs. 33,900 thousands).

Quarter ended		Nine months ended	
30 September 2018	30 September 2017	30 September 2018	30 September 2017

----- (Rupees in thousand) -----

21 Net Insurance Premium

Written Gross Premium	8,758,674	6,798,724	24,390,111	22,485,945
Unearned premium reserve opening	9,751,460	8,803,910	8,912,498	7,349,511
Unearned premium reserve closing	(10,165,055)	(8,121,475)	(10,165,055)	(8,121,475)
Currency translation effect	97,328	11,772	452,008	17,461
Premium earned	8,442,407	7,492,931	23,589,562	21,731,442
Reinsurance premium ceded	(2,078,885)	(1,231,989)	(5,346,435)	(4,778,005)
Prepaid reinsurance premium opening	(2,648,778)	(2,885,721)	(2,349,147)	(2,356,182)
Prepaid reinsurance premium closing	2,996,835	2,463,471	2,996,835	2,463,471
Currency translation effect	(7,354)	(1,057)	(18,193)	(1,804)
Reinsurance expense	(1,738,182)	(1,655,296)	(4,716,940)	(4,672,520)
	6,704,225	5,837,635	18,872,622	17,058,922

21.1 Net Insurance Premium

- Business underwritten Inside Pakistan

General Insurance

Written Gross Premium	3,541,916	2,537,334	10,238,375	9,162,824
Unearned premium reserve opening	5,983,865	5,511,792	5,186,518	4,515,372
Unearned premium reserve closing	(6,209,183)	(5,127,051)	(6,209,183)	(5,127,051)
Premium earned	3,316,598	2,922,075	9,215,710	8,551,145
Reinsurance premium ceded	(1,762,021)	(986,595)	(4,694,954)	(3,944,775)
Prepaid reinsurance premium opening	(2,622,522)	(2,460,185)	(2,079,920)	(1,922,263)
Prepaid reinsurance premium closing	2,967,546	2,233,644	2,967,546	2,233,644
Reinsurance expense	(1,416,997)	(1,213,136)	(3,807,328)	(3,633,394)
	1,899,601	1,708,939	5,408,382	4,917,751

Life Insurance

Written Gross Premium	3,353,596	3,051,285	9,336,867	8,702,589
Unearned premium reserve opening	-	-	-	-
Unearned premium reserve closing	-	-	-	-
Premium earned	3,353,596	3,051,285	9,336,867	8,702,589
Reinsurance premium ceded	(225,449)	(195,724)	(421,075)	(364,677)
Prepaid reinsurance premium opening	-	-	-	-
Prepaid reinsurance premium closing	-	-	-	-
Reinsurance expense	(225,449)	(195,724)	(421,075)	(364,677)
	3,128,147	2,855,561	8,915,792	8,337,912

21.2 Net Insurance Premium

- Business underwritten outside Pakistan

Written Gross Premium	1,863,162	1,210,105	4,814,869	4,620,532
Unearned premium reserve opening	3,767,595	3,292,118	3,725,980	2,834,139
Unearned premium reserve closing	(3,955,872)	(2,994,424)	(3,955,872)	(2,994,424)
Currency translation effect	97,328	11,772	452,008	17,461
Premium earned	1,772,213	1,519,571	5,036,985	4,477,708
Reinsurance premium ceded	(91,415)	(49,670)	(230,406)	(468,553)
Prepaid reinsurance premium opening	(26,256)	(425,536)	(269,227)	(433,919)
Prepaid reinsurance premium closing	29,289	229,827	29,289	229,827
Currency translation effect	(7,354)	(1,057)	(18,193)	(1,804)
Reinsurance expense	(95,736)	(246,436)	(488,537)	(674,449)
	1,676,477	1,273,135	4,548,448	3,803,259

Quarter ended		Nine months ended	
30 September 2018	30 September 2017	30 September 2018	30 September 2017

----- (Rupees in thousand) -----

22 Net Insurance Claims Expense

Claim Paid	4,650,323	3,741,347	14,997,221	10,580,733
Outstanding claims including IBNR closing	10,609,374	11,747,384	10,609,374	11,747,384
Outstanding claims including IBNR opening	(10,959,613)	(11,382,217)	(11,844,834)	(9,714,070)
Currency translation effect	(92,200)	(19,330)	(547,185)	(27,577)
Claim expense	4,207,884	4,087,184	13,214,576	12,586,470
Reinsurance and other recoveries received	(980,462)	(1,107,903)	(4,749,712)	(2,560,975)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(6,509,385)	(7,879,118)	(6,509,385)	(7,879,118)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	6,844,083	7,614,199	8,056,450	6,615,596
Currency translation effect	54,575	11,657	304,076	16,458
Reinsurance and other recoveries revenue	(591,189)	(1,361,165)	(2,898,571)	(3,808,039)
	3,616,695	2,726,019	10,316,005	8,778,431
Add: Policyholders' liabilities at end of the period	30,821,123	24,434,946	30,821,123	24,434,946
Less: Policyholders' liabilities at beginning of the period	(29,615,359)	(23,657,422)	(27,096,071)	(21,251,296)
	1,205,764	777,524	3,725,052	3,183,650
	4,822,459	3,503,543	14,041,057	11,962,081

22.1 Net Insurance Claim Expense

- Business underwritten inside Pakistan

General Insurance

Claim Paid	1,391,185	1,360,735	5,560,610	3,155,645
Outstanding claims including IBNR closing	5,349,711	6,392,362	5,349,711	6,392,362
Outstanding claims including IBNR opening	(5,586,679)	(6,299,594)	(7,084,282)	(5,480,119)
Claim expense	1,154,217	1,453,503	3,826,039	4,067,888
Reinsurance and other recoveries received	(397,665)	(455,470)	(2,810,885)	(801,848)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(3,790,571)	(4,901,492)	(3,790,571)	(4,901,492)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	4,097,999	4,837,306	5,602,812	4,220,537
Reinsurance and other recoveries revenue	(90,237)	(519,656)	(998,644)	(1,482,803)
	1,063,980	933,847	2,827,395	2,585,085

Life Insurance

Claim Paid	1,514,728	947,087	4,632,999	3,404,935
Outstanding claims including IBNR closing	301,966	355,023	301,966	355,023
Outstanding claims including IBNR opening	(323,493)	(299,238)	(359,090)	(238,352)
Claim expense	1,493,201	1,002,872	4,575,875	3,521,606
Reinsurance and other recoveries received	(118,814)	(174,520)	(333,662)	(362,363)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	-	-	-	-
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	-	-	-	-
Reinsurance and other recoveries revenue	(118,814)	(174,520)	(333,662)	(362,363)
	1,374,387	828,352	4,242,213	3,159,243
Add: Policyholders' liabilities at end of the period	30,821,123	24,434,946	30,821,123	24,434,946
Less: Policyholders' liabilities at beginning of the period	(29,615,359)	(23,657,422)	(27,096,071)	(21,251,296)
	1,205,764	777,524	3,725,052	3,183,650
Net insurance benefit expense	2,580,151	1,605,876	7,967,265	6,342,893

Quarter ended		Nine months ended	
30 September 2018	30 September 2017	30 September 2018	30 September 2017

----- (Rupees in thousand) -----

22.2 Net Insurance Claim Expense

- Business underwritten outside Pakistan

Claim Paid	1,744,410	1,433,525	4,803,612	4,020,153
Outstanding claims including IBNR closing	4,957,697	4,999,999	4,957,697	4,999,999
Outstanding claims including IBNR opening	(5,049,441)	(4,783,385)	(4,401,462)	(3,995,599)
Currency translation effect	(92,200)	(19,330)	(547,185)	(27,577)
Claim expense	1,560,466	1,630,809	4,812,662	4,996,976
Reinsurance and other recoveries received	(463,983)	(477,913)	(1,605,165)	(1,396,764)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) closing	(2,718,814)	(2,977,626)	(2,718,814)	(2,977,626)
Reinsurance and other recoveries in respect of outstanding claims net of impairment (if any) opening	2,746,084	2,776,893	2,453,638	2,395,059
Currency translation effect	54,575	11,657	304,076	16,458
Reinsurance and other recoveries revenue	(382,138)	(666,989)	(1,566,265)	(1,962,873)
	1,178,328	963,820	3,246,397	3,034,103

23 Net Commission Expense / Acquisition Cost

Commission paid or payable	778,503	773,623	2,451,633	2,412,782
Deferred commission expense opening	855,030	888,084	733,631	737,281
Deferred commission expense closing	(769,330)	(787,016)	(769,330)	(787,016)
Currency translation effect	10,397	1,344	47,456	2,002
Net commission	874,600	876,035	2,463,390	2,365,049
Commission received or recoverable	(98,416)	(101,641)	(356,273)	(423,361)
Unearned reinsurance commission	(234,360)	(219,701)	(240,306)	(236,881)
Unearned reinsurance commission	236,964	266,721	236,964	266,721
Currency translation effect	(295)	(90)	(960)	(144)
Commission from reinsurance	(96,107)	(54,711)	(360,575)	(393,665)
	778,493	821,324	2,102,815	1,971,384
Management expenses	1,019,180	924,364	3,015,576	2,611,569
	1,797,673	1,745,688	5,118,391	4,582,953

23.1 Net Commission Expense / Acquisition Cost

- Business underwritten inside Pakistan

General Insurance

Commission paid or payable	154,707	266,778	788,455	809,465
Deferred commission expense opening	471,649	508,749	326,325	398,331
Deferred commission expense closing	(371,592)	(451,341)	(371,592)	(451,341)
Net commission	254,764	324,186	743,188	756,455
Commission received or recoverable	(96,904)	(117,363)	(350,927)	(403,015)
Unearned reinsurance commission	(238,193)	(250,051)	(227,726)	(202,685)
Unearned reinsurance commission	233,679	248,351	233,679	248,351
Commission from reinsurance	(101,418)	(119,063)	(344,974)	(357,349)
	153,346	205,123	398,214	399,106
Management expenses	506,555	447,481	1,492,779	1,356,704
	659,901	652,604	1,890,993	1,755,810

Quarter ended		Nine months ended	
30 September 2018	30 September 2017	30 September 2018	30 September 2017

----- (Rupees in thousand) -----

Life Insurance

Commission paid or payable	418,943	373,212	1,148,290	1,071,279
Deferred commission expense opening	-	-	-	-
Deferred commission expense closing	-	-	-	-
Net commission	418,943	373,212	1,148,290	1,071,279

Commission received or recoverable	-	-	-	-
Unearned reinsurance commission	-	-	-	-
Unearned reinsurance commission	-	-	-	-
Commission from reinsurance	-	-	-	-
	418,943	373,212	1,148,290	1,071,279

Management Expenses

	284,046	323,293	918,590	835,179
	702,989	696,505	2,066,880	1,906,458

**23.2 Net Commission Expense / Acquisition Cost
- Business underwritten outside Pakistan**

Commission paid or payable	204,853	133,633	514,888	532,038
Deferred commission expense opening	383,381	379,335	407,306	338,950
Deferred commission expense closing	(397,738)	(335,675)	(397,738)	(335,675)
Currency translation effect	10,397	1,344	47,456	2,002
Net commission	200,893	178,637	571,912	537,315

Commission received or recoverable	(1,512)	15,722	(5,346)	(20,346)
Unearned reinsurance commission	3,833	30,350	(12,580)	(34,196)
Unearned reinsurance commission	3,285	18,370	3,285	18,370
Currency translation effect	(295)	(90)	(960)	(144)
Commission from reinsurance	5,311	64,352	(15,601)	(36,316)

	206,204	242,989	556,311	500,999
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Management Expenses

	228,579	153,590	604,207	419,686
	434,783	396,579	1,160,518	920,685

Quarter ended		Nine months ended	
30 September 2018	30 September 2017	30 September 2018	30 September 2017

----- (Rupees in thousand) -----

24 Investment Income

Business underwritten Inside Pakistan

General insurance:

Available-for-sale

Income from equity securities

Dividend income

- associated undertakings
- others

205,591	184,513	588,210	534,186
161,734	203,434	430,845	560,797
367,325	387,947	1,019,055	1,094,983

Income from debt securities - Held to maturity

Return on Term Finance Certificates

Return on Pakistan Investment Bonds

Profit on Treasury Bills

1,066	1,614	3,782	4,614
-	1,246	-	14,103
6,924	8,765	19,691	18,796
375,315	399,572	1,042,528	1,132,496

Income from term deposits

Return on term deposits

-	-	3,428	1,153
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Net realized gains on investments

Realized gains on

- associated undertakings
- others

-	-	-	-
2,023	311,191	451,529	892,808
2,023	311,191	451,529	892,808
377,338	710,763	1,497,485	2,026,457

Provision of impairment in value of 'available-for-sale' investments

-	-	(71,686)	(280,943)
377,338	710,763	1,425,799	1,745,514

Life insurance:

Share holders' fund

Unrealized diminution in value of quoted securities

Return on Government Securities

Return on bank deposit

Dividend income

Gain on sale of non trading investments

Reversal of impairment in value of 'available-for-sale investments'

(163)	(647)	(188)	(757)
2,495	7,731	7,485	14,685
513	405	1,378	1,045
-	57	499	5,665
-	-	4,808	-
-	(94)	-	(475)
2,845	7,452	13,982	20,163

Statutory Funds:

Conventional Business

Unrealized appreciation in value of quoted securities

Return on Government Securities

Return on bank deposits

Dividend income

Gain on sale of disposal of non trading investments

Provision / (reversal) of impairment in value of 'available-for-sale' investments

939	-	-	-
2,846	2,150	9,428	6,778
2,630	1,449	5,555	4,526
-	-	-	1,236
-	-	1,359	-
-	(289)	-	101
6,415	3,310	16,342	12,641

Accident and Health Business

Return on bank deposits

-	-	-	-
-	-	-	-

Quarter ended		Nine months ended	
30 September 2018	30 September 2017	30 September 2018	30 September 2017

----- (Rupees in thousand) -----

Non-unitized Investment Link Business

Diminution in value of quoted securities	(21,808)	(72,604)	(37,332)	(118,976)
Return on fixed income securities	5,180	2,149	11,902	5,881
Return on Government Securities	6,674	9,294	27,155	34,093
Return on bank deposits	18,110	13,688	47,976	39,158
Mark-up on policy loans	398	399	1,213	1,208
Dividend income	3,591	1,914	20,092	35,643
(Loss) / gain on disposal of trading investments	(7,396)	26	1,540	14,683
	4,749	(45,134)	72,546	11,690

Unit Linked Business

Diminution in value of quoted securities	(32,784)	(682,045)	(511,693)	(1,176,263)
Appreciation in value of investment property	73,487	3,317	120,506	3,317
Return on Government Securities	110,981	94,331	321,921	342,375
Return on fixed income securities	48,703	21,492	115,435	59,183
Dividend income	98,673	52,279	204,395	346,304
Return on bank deposits	133,591	83,178	334,897	207,476
(Loss) / gain on disposal of open end trading / non trading investments	(196,984)	(111,693)	557,954	94,832
Rental on investment property	750	-	750	-
Mark-up on policy loans	148	194	486	473
	236,565	(538,947)	1,144,651	(122,303)

Individual Family Takaful Unit Linked Business

Diminution in value of quoted securities	(289)	(19,433)	(31,859)	(37,522)
Return on Government Securities	886	2,397	4,726	7,111
Return on fixed income securities	1,294	1,511	3,554	3,078
Dividend income	-	2,816	7,955	9,227
Return on bank deposits	9,323	3,123	23,999	5,629
(Loss) / gain on disposal of open end trading / non trading investments	(16,823)	(14,448)	24,381	(14,453)
	(5,609)	(24,034)	32,756	(26,930)

Business underwritten Outside Pakistan

Available-for-sale

Income from equity securities

- Available for sale

Dividend income

- associated undertakings
- others

-	-	-	-
-	14,040	-	16,064
-	14,040	-	16,064

Realized gains

- associated undertakings
- others

-	-	-	-
-	-	-	88,802
-	-	-	88,802
-	14,040	-	104,866

Income from term deposits

Return on term deposits

22,413	6,193	52,472	7,045
22,413	20,233	52,472	111,911

Net investment income

644,716	133,643	2,758,548	1,752,686
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Net investment income

- Net investment income / (loss) - statutory funds
- Net investment income - other

242,120	(604,805)	1,266,295	(124,902)
402,596	738,448	1,492,253	1,877,588
644,716	133,643	2,758,548	1,752,686

25 Transactions with related parties

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

Investment in related parties have been disclosed in note 9 & 11 to the consolidated condensed interim financial information. Other transactions with related parties are summarized as follows:

	(Unaudited) 30 September 2018	(Unaudited) 30 September 2017
	---- (Rupees in thousand) ----	
i) Transactions		
Holding Company:		
Premiums underwritten	897,884	969,260
Premiums received	1,052,963	1,102,111
Claims paid	555,005	291,259
Commission Paid	31,190	14,136
Rent paid	3,311	4,430
Rent received	-	1,067
Dividends received	573,927	534,146
Dividends paid	141,722	192,165
Income on bank deposits	20,675	16,676
Investments made	343,819	775,656
Investments sold	-	98,110
Purchases	20,800	-
Fee / service charges paid	3,194	7,083
Charge in respect of gratuity expense	24,914	18,549
Contribution to Employees' Provident Fund	23,322	21,257
Compensation paid to Key management personnel	566,574	503,582
Subsidiary Company:		
Associated undertakings		
Premium written	158,575	101,732
Claims expense	99,893	29,346
Commission and other incentives in respect of Bancassurance	856,203	719,390
Profit on bank deposits	42,920	26,466
Bank charges	1,205	1,032
Investments purchased	2,300,428	922,366
Investments sold	1,887,300	619,750
Dividend income	30,951	9,642
Reinsurance claim recoveries	10,204	-
Reinsurance premium ceded	9,217	9,048
Other related parties		
Premium written	8,413	24,549
Claims expense	14,120	6,843
Investment advisor fee	11,882	10,760
Trustee fee	8,062	7,887
Investments purchased	369,080	1,711,893
Investments sold	356,140	1,085,771
Dividend income	180	268,993
Transactions with key management personnel		
Sale Proceeds from sale of fixed assets	4,237	-
Gain on sale of fixed assets	2,459	-
Salary and other short term benefits- key management personnel		
Chief Executive	-	25,914
Executives	159,824	79,251
Staff Retirement Benefit Plan (Gratuity Fund)		
Charge in respect of gratuity expense	24,981	17,336
Contribution made to Gratuity fund	30,000	25,950

(Unaudited) (Audited)
30 September 31 December
2018 2017
 ---- (Rupees in thousand) ----

ii) Period end balances

Holding Company:

Balances receivable	231,471	516,219
Balances payable	655,970	628,382
Cash and bank balances including term deposits	1,274,348	1,375,420
Payable to Staff Gratuity Fund	97,380	84,443
Payable to Employees' Provident Fund	2,505	2,325

Subsidiary Company:

Associated undertakings

Premium due but unpaid	3,870	5,690
Premium received in advance	1,035	-
Bank deposits	957,766	1,020,368
Investments held	4,410,619	710,451
Dividend receivables	-	7,984
Accrued Income	148	137
Technical support fee payable	13,330	13,330
Commission payable	150,377	334,945
Claims payable	7,283	8,274
Reinsurance Expense Payable	987	12,980

Other related parties

Premium due but unpaid	201	915
Premium received in advance	1,063	2,402
Investments held	38,230	3,257,658
Dividend receivable	-	2,025
Claims payable	1,019	1,406
Remuneration payable for the management of discretionary investment portfolio	50	1,240
Remuneration payable to Trustees managing investment	897	798
Other Receivables	2,461	-

Staff Retirement Benefit Plan (Gratuity Fund)

Payable to / (receivable from) Gratuity fund	26,487	(1,042)
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Nine months ended 30 September 2018 (Un-audited)																	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Life Insurance		Aggregate Life Insurance	Grand Total	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		Shareholders' Fund	Statutory Funds			
Rupees in thousands																	
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	5,714,758	30,087	782,068	22,304	2,513,450	4,966,778	1,407,060	25,961	1,128,125	9,913	11,545,461	5,055,043	16,600,504	-	9,336,867	9,336,867	25,937,371
Federal excise duty / VAT	(735,231)	(1,566)	(87,942)	(285)	(300,002)	(236,514)	-	(1,237)	(81,485)	(509)	(1,204,660)	(240,111)	(1,444,771)	-	-	-	(1,444,771)
Federal insurance fee	(49,353)	(41)	(6,908)	(18)	(21,920)	-	(13,898)	-	(10,347)	(4)	(102,426)	(63)	(102,489)	-	-	-	(102,489)
	4,930,174	28,480	687,218	22,001	2,191,528	4,730,264	1,393,162	24,724	1,036,293	9,400	10,238,375	4,814,869	15,053,244	-	9,336,867	9,336,867	24,390,111
Gross written premium (inclusive of administrative surcharge)	4,930,174	28,480	687,218	22,001	2,191,528	4,730,264	1,393,162	24,724	1,036,293	9,400	10,238,375	4,814,869	15,053,244	-	9,336,867	9,336,867	24,390,111
Gross direct premium	4,899,128	28,399	671,464	21,921	2,120,366	4,728,727	1,392,652	24,724	1,000,775	9,357	10,084,385	4,813,128	14,897,513	-	9,336,867	9,336,867	24,234,380
Facultative inward premium	16,532	-	65	-	-	-	-	-	25,388	-	41,985	-	41,985	-	-	-	41,985
Administrative surcharge	14,514	81	15,689	80	71,162	1,537	510	-	10,130	43	112,005	1,741	113,746	-	-	-	113,746
	4,930,174	28,480	687,218	22,001	2,191,528	4,730,264	1,393,162	24,724	1,036,293	9,400	10,238,375	4,814,869	15,053,244	-	9,336,867	9,336,867	24,390,111
Insurance premium earned	3,809,075	30,473	686,050	24,412	2,056,569	4,959,389	1,419,773	13,690	1,244,243	9,021	9,215,710	5,036,985	14,252,695	-	9,336,867	9,336,867	23,589,562
Insurance premium ceded to reinsurers	(3,178,565)	(18,440)	(87,700)	-	(29,976)	(454,166)	-	(7,000)	(511,087)	(8,931)	(3,807,328)	(488,537)	(4,295,865)	-	(421,075)	(421,075)	(4,716,940)
Net insurance premium	630,510	12,033	598,350	24,412	2,026,593	4,505,223	1,419,773	6,690	733,156	90	5,408,382	4,548,448	9,956,830	-	8,915,792	8,915,792	18,872,622
Commission income	252,282	4,891	493	-	11	8,989	-	-	92,188	1,721	344,974	15,601	360,575	-	-	-	360,575
Net underwriting income	882,792	16,924	598,843	24,412	2,026,604	4,514,212	1,419,773	6,690	825,344	1,811	5,753,356	4,564,049	10,317,405	-	8,915,792	8,915,792	19,233,197
Insurance claims	(972,740)	349	(225,012)	(607)	(999,899)	(4,803,804)	(1,224,960)	(8,342)	(403,428)	(258)	(3,826,039)	(4,812,662)	(6,638,701)	-	(4,575,875)	(4,575,875)	(13,214,576)
Insurance claim recoveries from reinsurer	795,906	(2,287)	(7,670)	-	51,582	1,560,994	-	7,251	158,826	307	998,644	1,566,265	2,564,909	-	333,662	333,662	2,898,571
Net claims	(176,834)	(1,938)	(232,682)	(607)	(948,317)	(3,242,810)	(1,224,960)	(1,091)	(244,602)	49	(2,827,395)	(3,246,397)	(6,073,792)	-	(4,242,213)	(4,242,213)	(10,316,005)
Commission expense and acquisition costs	(325,521)	(3,847)	(95,862)	(3,587)	(162,157)	(561,264)	(44,746)	(2,256)	(114,902)	(958)	(743,188)	(571,912)	(1,315,100)	-	(1,148,290)	(1,148,290)	(2,463,390)
Management expense	(279,253)	(993)	(187,338)	(5,559)	(739,370)	(585,662)	(101,507)	(6,989)	(185,311)	(5,004)	(1,492,779)	(604,207)	(2,096,986)	-	(918,590)	(918,590)	(3,015,576)
Premium deficiency expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net insurance claims and expenses	(781,608)	(6,778)	(515,882)	(9,753)	(1,849,844)	(4,389,736)	(1,371,213)	(10,336)	(544,815)	(5,913)	(5,063,362)	(4,422,516)	(9,485,878)	-	(6,309,093)	(6,309,093)	(15,794,971)
Net Investment income - statutory funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,266,295	1,266,295	1,266,295
Policyholders' liabilities at beginning of the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,096,071	27,096,071	27,096,071
Policyholders' liabilities at end of the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(30,821,123)	(30,821,123)	(30,821,123)
Surplus / (deficit) of Policyholders' funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(147,942)	(147,942)	(147,942)
Underwriting result	101,184	10,146	82,961	14,659	176,760	124,476	48,560	(3,646)	280,529	(4,102)	689,994	141,533	831,527	-	-	-	831,527
Net investment income	-	-	-	-	-	-	-	-	-	-	1,425,799	52,472	1,478,271	-	-	-	13,982
Rental income	-	-	-	-	-	-	-	-	-	-	5,479	-	5,479	-	-	-	5,479
Other income	-	-	-	-	-	-	-	-	-	-	44,322	23,233	67,555	-	-	-	2,916
Other expenses	-	-	-	-	-	-	-	-	-	-	(87,954)	(6,975)	(94,929)	-	-	-	(25,955)
Exchange gain / (loss)	-	-	-	-	-	-	-	-	-	-	6,520	(118)	6,402	-	-	-	6,402
Profit from Window Takaful Operations	-	-	-	-	-	-	-	-	-	-	69,769	-	69,769	-	-	-	69,769
Profit before tax											2,153,929	210,145	2,364,074				(9,057)

30 September 2018 (Un-audited)																	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Life Insurance		Aggregate Life Insurance	Grand Total	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		Shareholders' Fund	Statutory Funds			
Rupees in thousands																	
Segment Assets	7,967,260	73,366	545,445	14,069	1,175,269	5,590,015	648,076	37,229	1,411,814	14,118	11,747,864	5,728,797	17,476,661	729,462	32,555,747	33,285,209	50,761,870
Unallocated assets											24,038,080	4,530,951	28,569,031				28,569,031
											35,785,944	10,259,748	46,045,692				79,330,901
Segment Liabilities	7,744,707	85,519	577,045	20,969	2,550,598	8,755,739	1,673,503	34,027	1,775,778	13,166	14,321,631	8,909,420	23,231,051	83,582	1,147,241	1,230,823	24,461,874
Unallocated Liabilities											3,631,773	516,142	4,147,915				4,147,915
											17,953,404	9,425,562	27,378,966				28,609,789

26.1 Segment Information

Nine months ended 30 September 2017 (Un-audited)																	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Life Insurance		Aggregate Life Insurance	Grand Total	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		Shareholders' Fund	Statutory Funds			
Rupees in thousands																	
Premium receivable (Inclusive of federal excise duty, Federal insurance fee and Administrative surcharge)	4,661,658	32,677	739,392	24,334	2,262,424	4,554,851	1,359,509	80	1,287,017	9,343	10,310,000	4,621,285	14,931,285	-	8,702,589	8,702,589	23,633,874
Federal excise duty / VAT	(592,768)	(505)	(83,543)	(128)	(269,432)	-	-	-	(109,592)	(54)	(1,055,335)	(687)	(1,056,022)	-	-	-	(1,056,022)
Federal insurance fee	(40,409)	(38)	(6,480)	(24)	(19,760)	-	(13,530)	-	(11,662)	(4)	(91,841)	(66)	(91,907)	-	-	-	(91,907)
	4,028,481	32,134	649,369	24,182	1,973,232	4,554,851	1,345,979	80	1,165,763	9,285	9,162,824	4,620,532	13,783,356	-	8,702,589	8,702,589	22,485,945
Gross written premium (inclusive of administrative surcharge)	4,028,481	32,134	649,369	24,182	1,973,232	4,554,851	1,345,979	80	1,165,763	9,285	9,162,824	4,620,532	13,783,356	-	8,702,589	8,702,589	22,485,945
Gross direct premium	3,999,329	32,021	634,981	24,099	1,908,765	4,552,717	1,345,471	80	1,156,080	9,221	9,044,626	4,618,138	13,662,764	-	8,702,589	8,702,589	22,365,353
Facultative inward premium	14,634	-	-	-	-	-	-	-	14,634	-	-	-	14,634	-	-	-	14,634
Administrative surcharge	14,518	113	14,388	83	64,467	2,134	508	-	9,683	64	103,564	2,394	105,958	-	-	-	105,958
	4,028,481	32,134	649,369	24,182	1,973,232	4,554,851	1,345,979	80	1,165,763	9,285	9,162,824	4,620,532	13,783,356	-	8,702,589	8,702,589	22,485,945
Insurance premium earned	3,759,816	36,561	646,604	35,191	1,744,145	4,387,263	1,299,395	8,679	1,101,185	10,014	8,551,145	4,477,708	13,028,853	-	8,702,589	8,702,589	21,731,442
Insurance premium ceded to reinsurers	(3,057,066)	(21,212)	(130,414)	-	(27,747)	(642,408)	-	(4,994)	(418,167)	(5,835)	(3,633,394)	(674,449)	(4,307,843)	-	(364,677)	(364,677)	(4,672,520)
Net insurance premium	702,750	15,349	516,190	35,191	1,716,398	3,744,855	1,299,395	3,685	683,018	4,179	4,917,751	3,803,259	8,721,010	-	8,337,912	8,337,912	17,058,922
Commission income	274,723	4,422	528	-	31	30,270	-	-	82,067	1,624	357,349	36,316	393,665	-	-	-	393,665
Net underwriting income	977,473	19,771	516,718	35,191	1,716,429	3,775,125	1,299,395	3,685	765,085	5,803	5,275,100	3,839,575	9,114,675	-	8,337,912	8,337,912	17,452,587
Insurance claims	(1,471,495)	(9,785)	(294,141)	(3,317)	(777,053)	(4,980,112)	(1,063,249)	(4,847)	(461,950)	1,085	(4,067,888)	(4,996,976)	(9,064,864)	-	(3,521,606)	(3,521,606)	(12,586,470)
Insurance claim recoveries from reinsurer	1,219,213	3,845	127,999	-	(11,681)	1,957,424	-	2,969	147,272	(1,365)	1,482,803	1,962,873	3,445,676	-	362,363	362,363	3,808,039
Net claims	(252,282)	(5,940)	(166,142)	(3,317)	(788,734)	(3,022,688)	(1,063,249)	(1,878)	(314,678)	(280)	(2,585,085)	(3,034,103)	(5,619,188)	-	(3,159,243)	(3,159,243)	(8,778,431)
Commission expense and acquisition costs	(358,425)	(5,988)	(96,846)	(1,667)	(187,794)	(528,576)	(37,707)	(73)	(75,683)	(1,011)	(756,455)	(537,315)	(1,293,770)	-	(1,071,279)	(1,071,279)	(2,365,049)
Management expense	(246,303)	(8,863)	(168,293)	(8,692)	(636,754)	(385,948)	(105,787)	(7,948)	(199,567)	(8,235)	(1,356,704)	(419,686)	(1,776,390)	-	(835,179)	(835,179)	(2,611,569)
Premium deficiency expense	-	-	-	-	-	47,171	-	-	-	-	-	47,171	47,171	-	-	-	47,171
Net insurance claims and expenses	(857,010)	(20,791)	(431,281)	(13,676)	(1,613,282)	(3,890,041)	(1,206,743)	(9,899)	(589,928)	(9,526)	(4,698,244)	(3,943,933)	(8,642,177)	-	(5,065,701)	(5,065,701)	(13,707,878)
Net investment loss - statutory funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(124,902)	(124,902)	(124,902)
Policyholders' liabilities at beginning of the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,251,296	21,251,296	21,251,296
Policyholders' liabilities at end of the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(24,434,946)	(24,434,946)	(24,434,946)
Deficit of Policyholders' funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36,341	36,341	36,341
Underwriting result	120,463	(1,020)	85,437	21,515	103,147	(114,916)	92,652	(6,214)	175,157	(3,723)	576,856	(104,358)	472,498	-	-	-	472,498
Net investment income	-	-	-	-	-	-	-	-	-	-	1,745,514	111,911	1,857,425	-	-	20,163	1,877,588
Rental income	-	-	-	-	-	-	-	-	-	-	-	1,078	1,078	-	-	-	1,078
Other income	-	-	-	-	-	-	-	-	76,551	-	76,551	-	76,551	-	-	(8)	76,543
Other expenses	-	-	-	-	-	-	-	-	(73,542)	(3,299)	(76,841)	-	(76,841)	-	-	(26,446)	(103,287)
Exchange loss	-	-	-	-	-	-	-	-	(350)	-	(350)	-	(350)	-	-	-	(350)
Profit from Window Takaful Operations	-	-	-	-	-	-	-	-	49,848	-	49,848	-	49,848	-	-	-	49,848
Profit / (loss) before tax											2,374,877	5,332	2,380,209	-	-	(6,291)	2,373,918

31 December 2017-Restated																	
Fire and property damage		Marine, aviation and transport		Motor		Health		Miscellaneous		Total		Aggregate General Insurance	Life Insurance		Aggregate Life Insurance	Grand Total	
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan		Shareholders' Fund	Conventional Business			
Rupees in thousands																	
Segment Assets	8,024,165	68,696	594,844	14,374	1,099,831	5,467,973	744,815	10,643	1,870,256	14,599	12,333,911	5,576,285	17,910,196	671,439	28,797,808	29,469,247	47,379,443
Unallocated assets	-	-	-	-	-	-	-	-	-	-	23,972,409	3,395,668	27,368,077	-	-	-	27,368,077
											36,306,320	8,971,953	45,278,273			29,469,247	74,747,520
Segment Liabilities	7,877,109	81,525	563,983	20,350	2,286,540	8,019,014	1,632,477	17,282	2,114,503	10,973	14,474,612	8,149,144	22,623,756	127,939	1,154,962	1,282,901	23,906,657
Unallocated Liabilities	-	-	-	-	-	-	-	-	-	-	3,480,171	494,281	3,974,452	-	-	-	3,974,452
											17,954,783	8,643,425	26,598,208			1,282,901	27,881,109

27 Fair value measurement of financial instruments

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

		30 September 2018 (Un-audited)										
		Available for sale	Fair value through P&L	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- (Rupees in thousand) -----										
<u>Financial assets - measured at fair value</u>												
Investment - Equity securities	9	18,323,781	13,081,328	-	-	-	-	31,405,109	30,479,749	-	925,360	31,405,109
Investment - Debt securities	10	-	4,676,189	-	-	-	-	4,676,189	-	4,676,189	-	4,676,189
Investments of Window Takaful Operations - Operator's Fund	16	29,353	-	-	-	-	-	29,353	29,353	-	-	29,353
<u>Financial assets - not measured at fair value</u>												
Loans and other receivables *	12	-	-	-	954,776	-	-	954,776	-	-	-	-
Investment - Debt securities *	10	432,549	-	474,066	-	-	-	906,615	-	-	-	-
Investment - Term deposits *	11	-	-	15,466,261	-	-	-	15,466,261	-	-	-	-
Insurance / reinsurance receivables - unsecured and considered good *	13	-	-	-	7,255,017	-	-	7,255,017	-	-	-	-
Loan secured against life insurance policies *		-	-	-	34,341	-	-	34,341	-	-	-	-
Reinsurance recoveries against outstanding claims *		-	-	-	6,134,273	-	-	6,134,273	-	-	-	-
Salvage recoveries accrued *		-	-	-	375,112	-	-	375,112	-	-	-	-
Prepayments *	14	-	-	-	3,230,549	-	-	3,230,549	-	-	-	-
Cash and bank *	15	-	-	-	-	3,452,475	-	3,452,475	-	-	-	-
Other Assets of Window Takaful Operations - Operator's Fund *	16	-	-	-	223,064	111,708	-	334,772	-	-	-	-
		18,785,683	17,757,517	15,940,327	18,207,132	3,564,183	-	74,254,842	30,509,102	4,676,189	925,360	36,110,651
<u>Financial liabilities - not measured at fair value</u>												
<i>Underwriting provisions:</i>												
Outstanding claims (including IBNR)*		-	-	-	-	-	10,609,374	10,609,374	-	-	-	-
Insurance / reinsurance payables *		-	-	-	-	-	2,274,634	2,274,634	-	-	-	-
Other creditors and accruals*	19	-	-	-	-	-	2,868,327	2,868,327	-	-	-	-
Total liabilities of Window Takaful Operations- Operator's Fund*	16	-	-	-	-	-	217,412	217,412	-	-	-	-
		-	-	-	-	-	15,969,747	15,969,747	-	-	-	-

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

27.1 Fair value measurement of financial instruments

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

		31 December 2017 (Audited - Restated)										
		Available for sale	Fair value through P&L	Held to maturity	Receivables and other financial assets	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Note		----- (Rupees in thousand) -----										
<i>Financial assets - measured at fair value</i>												
	9	19,283,281	10,491,600	-	-	-	-	29,774,881	28,849,521	-	925,360	29,774,881
	10		5,132,358	-	-	-	-	5,132,358	-	5,132,358	-	5,132,358
	16	30,343	-	-	-	-	-	30,343	30,343	-	-	30,343
<i>Financial assets - not measured at fair value</i>												
	12	-	-	-	631,147	-	-	631,147	-	-	-	-
	10	346,440	-	441,832	-	-	-	788,272	-	-	-	-
	11	-	-	12,645,494	-	-	-	12,645,494	-	-	-	-
	13	-	-	-	6,846,091	-	-	6,846,091	-	-	-	-
		-	-	-	31,170	-	-	31,170	-	-	-	-
		-	-	-	7,709,161	-	-	7,709,161	-	-	-	-
		-	-	-	347,289	-	-	347,289	-	-	-	-
	14	-	-	-	2,552,498	-	-	2,552,498	-	-	-	-
	15	-	-	-	-	3,630,248	-	3,630,248	-	-	-	-
	16	-	-	-	169,787	41,119	-	210,906	-	-	-	-
		19,660,064	15,623,958	13,087,326	18,287,143	3,671,367	-	70,329,858	28,879,864	5,132,358	925,360	34,937,582
<i>Financial liabilities - not measured at fair value</i>												
<i>Underwriting provisions:</i>												
		-	-	-	-	-	11,844,834	11,844,834	-	-	-	-
		-	-	-	-	-	1,681,093	1,681,093	-	-	-	-
	19	-	-	-	-	-	2,659,971	2,659,971	-	-	-	-
	16	-	-	-	-	-	141,350	141,350	-	-	-	-
		-	-	-	-	-	16,327,248	16,327,248	-	-	-	-

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

28 Date of authorization for issue

This consolidated condensed interim financial information was authorized for issue on 25 October 2018 by the Board of Directors of the Company.

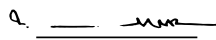
29 General

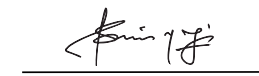
29.1 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary.

29.2 Figures have been rounded off to the nearest thousand rupees unless other wise stated.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

WINDOW TAKAFUL OPERATIONS

Condensed Interim
Financial Information
for the Nine Months Ended
30 September 2018
(Unaudited)



Adamjee Insurance Company Limited
 Window Takaful Operations
 Condensed Interim Statement of Financial position (Unaudited)
 As at 30 Sep 2018


	Note	30 September 2018			31 December 2017 Aggregate
		Operator's Fund	Participants' Takaful Fund	Aggregate	
Rupees in thousand					
(Unaudited)					
(Audited) Restated					
FUNDS AND LIABILITIES					
Operator's Fund					
Statutory fund		50,000	-	50,000	50,000
Reserves		243	-	243	90
Unappropriated profit		96,469	-	96,469	49,809
		146,713	-	146,713	99,899
Waqf / Participants' Takaful Fund					
Ceded money		-	500	500	500
Accumulated deficit / (surplus)		-	14,959	14,959	(36,179)
		-	15,459	15,459	(35,679)
Qard-e-Hasna from Operator's Fund		-	122,000	122,000	117,000
Liabilities					
Underwriting provisions					
Outstanding claims (including IBNR)	17	-	195,657	195,657	153,116
Unearned contribution reserve	16	-	353,104	353,104	194,954
Unearned retakaful rebate	19	-	18,847	18,847	10,156
Contribution deficiency reserve		-	1,919	1,919	1,919
Retirement benefit obligations		1,883	-	1,883	1,883
Deferred taxation		545	-	545	551
Contribution received in advance		-	8,295	8,295	4,116
Takaful / re-takaful payables		-	54,970	54,970	59,557
Wakala and mudarib fee payable		-	28,557	28,557	8,815
Provision for unearned wakala fee	18	131,170	-	131,170	89,452
Other creditors and accruals	14	41,448	13,952	55,400	40,167
Taxation - provision less payments		42,366	-	42,366	19,504
Total Liabilities		217,412	675,301	892,713	584,190
TOTAL FUND AND LIABILITIES		364,125	812,760	1,176,885	765,410
Contingencies and commitments	15				
ASSETS					
Qard-e-Hasna to Participants' Takaful Fund		122,000	-	122,000	117,000
Property and equipment	8	32,469	-	32,469	22,182
Investments	9	29,353	-	29,353	30,343
Loans and other receivables	10	3,510	9,663	13,173	5,630
Takaful / re-takaful receivables	11	-	315,581	315,581	183,594
Re-takaful recoveries against outstanding claims		-	55,513	55,513	34,211
Salvage recoveries accrued		-	14,731	14,731	6,800
Wakala and mudarib fee receivable		28,557	-	28,557	8,815
Deferred commission expense	20	36,418	-	36,418	20,213
Prepayments	12	110	111,711	111,821	64,631
Cash & Bank	13	111,708	305,561	417,269	271,991
		242,125	812,760	1,054,885	648,410
TOTAL ASSETS		364,125	812,760	1,176,885	765,410

The annexed notes from 1 to 28 form an integral part of this condensed interim financial information.


 Chairman


 Director


 Director


 Chief Financial Officer


 Managing Director &
 Chief Executive Officer

Adamjee Insurance Company Limited
 Window Takaful Operations
 Condensed Interim Profit and Loss Account (Unaudited)
 For the Nine Months Ended 30 Sep 2018

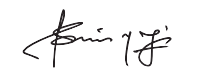
	Note	Quarter ended 30 September 2018	Quarter ended 30 September 2017	Nine Month ended 30 September 2018	Nine Month ended 30 September 2017
		Rupees in thousand		Rupees in thousand	
Participant Takaful Fund- Revenue Account					
Net Contribution revenue	16	112,908	73,578	289,230	175,964
Net claims	17	(78,329)	(80,294)	(245,524)	(185,505)
Direct expenses		(9,375)	(6,355)	(30,119)	(13,255)
Retakaful Rebate Earned	19	10,950	7,490	27,810	15,389
Claims and acquisition expenses		(76,754)	(79,159)	(247,833)	(183,371)
Underwriting surplus/(deficit)		36,154	(5,581)	41,397	(7,407)
Investment Income	21	4,320	2,254	9,741	5,151
Surplus/(Deficit) for the period		40,474	(3,327)	51,138	(2,256)
Operator Takaful Fund - Revenue Account					
Wakala Income	18	66,776	50,280	179,493	115,871
Commission expense	20	(19,100)	(13,075)	(44,802)	(26,872)
Management expense		(20,920)	(18,111)	(63,852)	(37,856)
		26,756	19,094	70,839	51,143
Investment Income	21	(498)	529	1,438	1,223
		26,258	19,623	72,277	52,366
General and Administration expenses		(770)	(800)	(2,508)	(2,518)
Profit before tax		25,488	18,823	69,769	49,848
Less: Provision for Taxation		(7,747)	(4,971)	(23,109)	(14,278)
Profit after tax		17,741	13,852	46,660	35,570

The annexed notes from 1 to 28 form an integral part of this condensed interim financial information.


 Chairman


 Director


 Director


 Chief Financial Officer


 Managing Director &
 Chief Executive Officer

Adamjee Insurance Company Limited
 Window Takaful Operations
 Condensed Interim Statement of Comprehensive Income (Unaudited)
 For the Nine Months Ended 30 Sep 2018

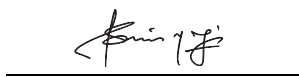
	Quarter ended 30 September 2018	Quarter ended 30 September 2017	Nine Month ended 30 September 2018	Nine Month ended 30 September 2017
	Rupees in thousand (Restated)		Rupees in thousand (Restated)	
OPERATOR'S FUND				
Profit/ (loss) after tax	17,741	13,852	46,660	35,570
Other comprehensive income for the period	-	-	-	-
Unrealized gains / (losses) on available-for-sale investment- Net of tax	595	(64)	153	(182)
Total comprehensive income for the period	18,336	13,787	46,813	35,388

The annexed notes from 1 to 28 form an integral part of this condensed interim financial information.


 Chairman


 Director


 Director


 Chief Financial Officer


 Managing Director &
 Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Condensed Interim Statement of Cash Flows (Unaudited)
For the Nine Months Ended 30 Sep 2018

	30 September 2018			Nine Month ended 30 September
	Operator's Fund	Participants' Takaful Fund	Aggregate	
Operating cash flows				
(a) Takaful activities				
Contributions received	-	701,939	701,939	460,382
Wakala fee received / (paid)	201,469	(201,469)	-	-
Retakaful / co-takaful payments made	-	(186,418)	(186,418)	(137,944)
Claims paid	-	(273,145)	(273,145)	(142,815)
Retakaful and other recoveries received	-	18,743	18,743	8,582
Commissions paid	(60,820)	-	(60,820)	(25,528)
Commissions received	-	36,501	36,501	24,995
Other underwriting payments	-	(33,397)	(33,397)	(26,072)
Net cash inflows from takaful activities	140,649	62,754	203,403	161,600
(b) Other operating activities				
Income tax paid	(312)	(895)	(1,207)	(1,258)
General, administration and management expenses paid	(55,190)	-	(55,190)	(53,550)
Loans disbursed	-	-	-	(1,255)
Loans repaid	-	-	-	701
Other Receipts/(Payments)	-	(1,064)	(1,064)	(8,191)
Other operating receipts - net	-	-	-	-
Net cash inflows / (outflows) from other operating activities	(55,502)	(1,959)	(57,461)	(63,553)
Total cash inflows / (outflows) from operating activities	85,147	60,795	145,942	98,047
Investment activities				
Profit received on bank deposits	2,564	8,894	11,458	5,423
Qard-e-Hasna paid to Participants' Takaful Fund	(5,000)	-	(5,000)	-
Payment for investments	(59,394)	-	(59,394)	(30,103)
Proceeds from disposal of investments	59,394	-	59,394	30,103
Fixed capital expenditures	(12,122)	-	(12,122)	(5,221)
Total cash inflows / (outflows) from investing activities	(14,558)	8,894	(5,664)	202
Financing activities				
Contribution to Operator's fund	-	-	-	-
Qard-e-Hasna received from Operator's Fund	-	5,000	5,000	-
Ceded money	-	-	-	-
Total cash inflows from financing activities	-	5,000	5,000	-
Net Cash inflows / (outflows) from all activities	70,589	74,689	145,278	98,249
Cash at the beginning of the period	41,119	230,872	271,991	83,855
Cash at the end of the period	111,708	305,561	417,269	182,104
Reconciliation to profit and loss account				
Operating cash flows	85,147	60,795	145,942	98,047
Depreciation	(1,835)	-	(1,835)	(650)
Increase in loans	-	-	-	554
Increase in assets other than cash	37,913	208,884	246,797	299,441
Increase in liabilities other than cash	(52,894)	(228,282)	(281,176)	(356,174)
Investment income	(1,202)	-	(1,202)	198
Return on bank deposits	2,640	9,741	12,381	6,176
Net profit for the period before tax	69,769	51,138	120,907	47,592

Definition of cash

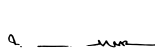
Cash comprises of cash in hand, policy stamps, bond papers, bank balances and other deposits which are readily convertible to cash in hand and which are used in cash management function on a day-to-day basis.

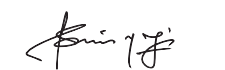
	30 September 2018			Nine Month ended 30 September
	Operator's Fund	Participants' Takaful Fund	Aggregate	
Cash for the purposes of the statement of cash flows consists of:				
Cash and cash equivalents	155	-	155	99
Current and other accounts	111,553	305,561	417,114	182,005
Total cash and cash equivalents	111,708	305,561	417,269	182,104

The annexed notes from 1 to 28 form an integral part of this condensed interim financial information.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer

Adamjee Insurance Company Limited
 Window Takaful Operations
 Condensed Statement of Changes in Funds (Unaudited)
 For the Nine Months Ended 30 Sep 2018

Balance as at 31 December 2016 - (Audited)
 Effect of restatement as disclosed in note 4.1.2 - net-off deferred tax

Balance as at 31 December 2016 - (Audited) - restated

Profit for the period 01 Jan 2017 to 30 Sep 2017
 Other comprehensive loss for the
 period 01 Jan 2017 to 30 Sep 2017 - net-off deferred tax
Total comprehensive income/(loss) for the period

Balance as at 30 September 2017 - (Unaudited) - restated

Profit for the period 01 October 2017 to 31 December 2017
 Other comprehensive income for the
 period 01 October 2017 to 31 December 2017 - net-off deferred tax
Total comprehensive income for the period

Balance as at 31 December 2017 - (Audited) - restated

Profit for the period 01 Jan 2018 to 30 September 2018
 Other comprehensive income for the
 period 01 Jan 2018 to 30 September 2018 - net-off deferred tax
Total comprehensive Income for the period

Balance as at 30 September 2018 - (Unaudited)

Operator's Fund			
Statutory Fund	Unappropriated Profit / (Loss)	Fair value Reserve	Total
Rupees in thousand			
50,000	2,791	-	52,791
-	-	83	83
50,000	2,791	83	52,874
-	35,570	-	35,570
-	-	(182)	(182)
-	35,570	(182)	35,388
50,000	38,361	(99)	88,262
-	11,448	-	11,448
-	-	189	189
-	11,448	189	11,637
50,000	49,809	90	99,899
-	46,660	-	46,660
-	-	153	153
-	46,660	153	46,813
50,000	96,469	243	146,713

Balance as at 31 December 2016 - (Audited)

Deficit for the period 01 Jan 2017 to 30 September 2017
 Other comprehensive surplus/ (deficit) for the
 period 01 Jan 2017 to 30 September 2017
Total comprehensive deficit for the period

Balance as at 30 September 2017 - (Unaudited)

Deficit for the period 01 October 2017 to 31 December 2017
 Other comprehensive surplus/ (deficit) for the
 period 01 October 2017 to 31 December 2017
Total comprehensive deficit for the period

Balance as at 31 December 2017 - (Audited)

Surplus for the period 01 Jan 2018 to 30 September 2018
 Other comprehensive surplus/ (deficit) for the
 period 01 Jan 2018 to 30 September 2018
Total comprehensive surplus for the period

Balance as at 30 September 2018 - (Unaudited)

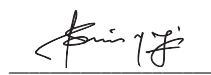
Participants' Takaful Fund			
Ceded Money	Accumulated Surplus / (Deficit)	Fair value Reserve	Total
Rupees in thousand			
500	(5,075)	-	(4,575)
-	(2,256)	-	(2,256)
-	-	-	-
-	(2,256)	-	(2,256)
500	(7,331)	-	(6,831)
-	(28,848)	-	(28,848)
-	-	-	-
-	(28,848)	-	(28,848)
500	(36,179)	-	(35,679)
-	51,138	-	51,138
-	-	-	-
-	51,138	-	51,138
500	14,959	-	15,459

The annexed notes from 1 to 28 form an integral part of this condensed interim financial information.


 Chairman


 Director


 Director


 Chief Financial Officer


 Managing Director &
 Chief Executive Officer

Adamjee Insurance Company Limited
Window Takaful Operations
Notes to the Condensed Interim Financial Information (Unaudited)
For the Nine Months Ended 30 Sep 2018

1 Legal status and nature of business

Adamjee Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Act, 2017). The Operator is listed on Pakistan Stock Exchange and is engaged in general takaful business comprising fire & property, marine, motor, accident and health and miscellaneous. The registered office of the Operator is situated at Tanveer Building, 27-C-III, MM Alam Road, Gulberg III, Lahore.

The Operator was granted authorization on 23 December 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations ("WTO") in respect of general takaful products by Securities and Exchange Commission of Pakistan ("SECP").

The Operator created a Waqf of Rs. 500,000 for Participants' Takaful Fund by signing a Waqf Deed on 01 January 2016. Waqf Deed governs the relationship of the Operator and participants for management of takaful operations and investments under Participants' Takaful Fund ("PTF") and Operator's Takaful Fund ("OTF") approved by the sharia advisor of the Operator.

2 Basis of preparation

The condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' as applicable in Pakistan, provisions of and directives issued under Companies Act, 2017, the Insurance Ordinance, 2000, Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017, the Insurance Ordinance, 2000, Insurance Rules, 2017, the Insurance Accounting Regulations, 2017 and Takaful Rules, 2012 have been followed.

This condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Operator for the year ended 31 December 2017.

This Condensed Interim Financial Information reflect the financial position and results of operations of both the PTF and OTF in a manner that the assets, liabilities, income and expenses of the OTF and PTF remain separately identifiable.

3 Statement of Compliance

3.1 This condensed interim financial information has been prepared under the historical cost convention except that certain investments are carried at fair value and the obligations under certain employee benefits that are measured at present value. Accrual basis of accounting has been used except for cash flow information.

3.2 The Companies Act 2017 ("the Act") was enacted on 30 May 2017 and replaced and repealed the Companies Ordinance, 1984 ("the repealed Ordinance") with its application from January 01, 2018. Accordingly, this condensed interim financial information has been prepared in accordance with the provision of the Companies Act, 2017.

3.3 Securities and Exchange Commission of Pakistan ("SECP") vide S.R.O 88(1)/2017 and S.R.O89(1)/2017 dated 9 February 2017 has issued the Insurance Accounting Regulations, 2017 and Insurance Rules, 2017 (the new Rules and Regulations). The application of these Regulations and Rules for the purpose of preparation and presentation of the financial statements was effective from 1 April 2017.

However, SECP vide letter ID/OSM/Adamjee/2017/12269 dated 11 October 2017 has allowed the Operator for the application of new Regulations effective from 1 January 2018. Consequently, the Operator has changed its accounting policies in respect of presentation of financial statements and "available-for-sale" investments as explained in note 4.1 of this condensed interim financial information.

4 Summary of significant accounting policies

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements of the Operator for the year ended 31 December 2017 except for change in accounting policies in note 4.1 of this condensed interim financial information.

The Operator has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 01 January 2018, as mentioned in the financial statements for the year ended 31 December 2017.

There is no significant impact of such changes on this condensed interim financial information of the Operator.

4.1 Changes in accounting policies

4.1.1 Presentation and disclosure of financial statements

As per Insurance Rules, 2017, the presentation and disclosure requirements of the financial statements have changed under the format prescribed in Annexure II of the said Rules. Accordingly, change in presentation and disclosures of this condensed interim financial information has been applied retrospectively.

4.1.2 Investments

Financial assets were previously measure as per the provisions of repealed SEC (Insurance) Rules, 2002. Starting from FY 2018, Financial assets fall in the scope of IAS 39 "Financial Instruments - Recognition and Measurement", and are classified as loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. Financial assets are initially measured at cost, which is the fair value of consideration given and received respectively. These financial assets are subsequently measured at fair value or cost as the case may be. The Operator determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

Consequently to this change, investments as at December 31, 2017 have been increased by Rs. 128,000 with a corresponding increase in fair value reserve in equity amounting to Rs. 128,000 Furthermore, fair value reserve as at December 31, 2016 has increased by Rs. 121,000.

4.1.2.1 Basis for measurement of available for sale investments

Under the repealed SEC (Insurance) Rules, 2002, the Operator previously recorded its "available-for-sale" investments at cost and remeasured them at lower of cost or market value in previous years. The Insurance Rules, 2017 require the initial measurement of "available-for-sale" investments at cost with the subsequent remeasurement at fair value at each reporting date. The unrealized gains and losses arising from changes in fair values are directly recognized in equity in the period in which these arise until the investments are sold or determined to be impaired. The said change in accounting policy has been made in accordance with the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

4.1.2.2 Basis for measurement of held to maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Operator has the positive intention and ability to hold to maturity and are initially measured at cost. These are subsequently measured at amortized cost. Investments intended to be held for an undefined period are not included in this classification.

4.1.3 Contribution revenue

The Insurance Accounting Regulations, 2017 remodel the recognition criteria for the contribution written under a Takaful contract. The said regulations require the Operator to recognize contribution receivable under a Insurance contract / cover note as written from the date of attachment of risk to the contract / cover note. Accordingly, the Operator is required to account for cover notes which are effective as at balance sheet date.

As per repealed SEC (Insurance) Rules, 2002, the contribution was written under an Takaful contract at the time of its issuance. The change is considered to be a change in accounting policy in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The impact of the same is not considered to be material to the financial statements and accordingly not included in the comparative restated financial information.

4.1.4 Wakala fee

The Operator manages the general takaful operations for the participants and charges 28 % (2017: 32 %) for Fire and Property, 35 % (2017: 35 %) for Marine, Aviation and Transport, 27.5 % (2017: 32.5 %) for Motor, 25 % (2017: 27.5%) for Health and 25 % (2017: 30 %) for Miscellaneous, of gross contribution written including administrative surcharge as wakala fee against the services.

5 Use of estimates and judgments

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

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Operator's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Operator for the year ended 31 December 2017.

6 Functional and presentation currency

This unconsolidated condensed interim financial information is presented in Pakistani Rupees, which is also the Operator's functional currency.

7 Financial risk management

The Operator's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2017.

	Note	30 September 2018			31 December 2017 Aggregate
		Operator's Fund	Participants' Takaful Fund	Aggregate	
Rupees in thousand					
			(Unaudited)	(Audited)	
8 Property and equipment					
Operating Assets-Tangible	8.1	30,726	-	30,726	12,182
Capital work-in-progress		1,743	-	1,743	10,000
		<u>32,469</u>	<u>-</u>	<u>32,469</u>	<u>22,182</u>

8.1 Operating Assets-Tangible

Opening balance- net book value		12,182	-	12,182	2,592
Additions during the period	8.2	20,379	-	20,379	10,687
Less:					
Book value of disposal during the period		-	-	-	-
Depreciation charged during the period		(1,835)	-	(1,835)	(1,097)
		<u>(1,835)</u>	<u>-</u>	<u>(1,835)</u>	<u>(1,097)</u>
		<u>30,726</u>	<u>-</u>	<u>30,726</u>	<u>12,182</u>

8.2 Additions during the period

Furniture and fixture		130	-	130	135
Motor vehicles		-	-	-	8,878
Office equipment		11	-	11	883
Computer and related accessories		238	-	238	791
Intangible		20,000	-	20,000	-
		<u>20,379</u>	<u>-</u>	<u>20,379</u>	<u>10,687</u>

30 September 2018			31 December 2017		
Cost	Impairment/ provision	Carrying value	Cost	Impairment/ provision	Carrying value
(Unaudited)			(Audited)		
Rupees in thousand					
			<i>Restated</i>		

9 Investments

Available-for-sale-Mutual Fund

Moderate allocation plan fund [447,300 units (2017: Nil units)]	29,013	-	29,013	-	-
Meezan Islamic Income Fund [580,826 units]	-	-	-	30,215	30,215
Unrealized gain on revaluation			340		128
			<u>29,353</u>		<u>30,343</u>

10 Loans and other receivables - Considered good

	30 September 2018			31 December 2017	
	Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate	
Rupees in thousand					
			(Unaudited)	(Audited)	
Sales tax recoverable	295	-	295	249	
Advance taxes	-	1,744	1,744	850	
Accrued investment income	453	1,424	1,877	955	
Loan to employees	1,033	-	1,033	327	
Advances and deposits	1,729	6,495	8,224	3,249	
	<u>3,510</u>	<u>9,663</u>	<u>13,173</u>	<u>5,630</u>	

11 Takaful/ Re-takaful receivables- Unsecured and considered good

	30 September 2018		31 December 2017	
	Rupees in thousand		Rupees in thousand	
	(Unaudited)		(Audited)	
Contribution due but unpaid	272,664		152,981	
Less: provision for impairment of contribution due but unpaid	-		-	
	<u>272,664</u>		<u>152,981</u>	
Amount due from other takaful/ re-takaful operators	42,917		30,613	
Less: provision for impairment of due from other takaful/ re-takaful operators	-		-	
	<u>42,917</u>		<u>30,613</u>	
	<u>315,581</u>		<u>183,594</u>	

12 Prepayments

Prepaid retakaful contribution ceded
Prepaid monitoring charges (Tracking device)
Others

30 September 2018			31 December 2017
Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate
Rupees in thousand			(Audited)
(Unaudited)			
-	95,107	95,107	52,244
-	16,604	16,604	12,387
110	-	110	-
110	111,711	111,821	64,631

13 Cash and Bank

Cash and cash equivalents:
Cash in hand
Current and other accounts:
Saving accounts

30 September 2018			31 December 2017
Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate
Rupees in thousand			(Audited)
(Unaudited)			
155	-	155	5
111,553	305,561	417,114	271,986
111,708	305,561	417,269	271,991

14 Other Creditors and Accruals

Commission payable
Federal excise duty
Federal insurance fee
Income tax deducted at source
Accrued expenses
Others

30 September 2018			31 December 2017
Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate
Rupees in thousand			(Audited)
(Unaudited)			
23,730	-	23,730	23,543
-	4,340	4,340	3,729
-	2,718	2,718	1,715
3,442	5,850	9,292	6,840
2,417	-	2,417	3,661
11,859	1,044	12,903	679
41,448	13,952	55,400	40,167

15 Contingencies and Commitments

There are no contingencies and commitments as at 30 September 2018.

16 Net contribution revenue

Gross contribution written
Less: Gross wakala fee
Net contribution written
Opening: Unearned contribution revenue
Closing: Unearned contribution revenue
Contribution earned

Less: Re-takaful contribution ceded
Add: Prepaid re-takaful contribution ceded opening
Less: Prepaid re-takaful contribution ceded closing
Re-takaful expense

Three months period ended		Six months period ended	
30 September 2018	30 September 2017	30 September 2018	30 September 2017
Rupees in thousand		Rupees in thousand	
271,162	161,195	817,443	570,254
(73,505)	(51,040)	(221,211)	(174,563)
197,657	110,155	596,232	395,691
326,214	215,144	194,954	77,140
(353,104)	(211,581)	(353,104)	(211,581)
170,767	113,718	438,082	261,250
83,051	45,843	191,715	133,794
69,915	60,465	52,244	17,660
(95,107)	(66,168)	(95,107)	(66,168)
57,859	40,140	148,852	85,286
112,908	73,578	289,230	175,964

22 Segment Information

Each class of business has been identified as reportable segment. 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. The following is a schedule of class of business wise assets and liabilities.

Participants' Takaful Fund						
30 September 2018 (Unaudited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Participants' Takaful Fund						
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	139,700	18,530	546,391	160,400	90,999	956,020
Less : Federal Excise Duty	(19,104)	(2,534)	(74,721)	(21,935)	(12,444)	(130,738)
Federal Insurance Fee	(1,194)	(158)	(4,670)	(1,371)	(778)	(8,171)
Gross Direct Written Contribution (inclusive of Administrative Surcharge)	119,402	15,838	467,000	137,094	77,777	817,111
Facultative inward contribution	259	-	73	-	-	332
Gross Contribution Written	119,661	15,838	467,074	137,094	77,777	817,443
Contribution earned	60,579	10,197	249,937	70,495	46,874	438,082
Retakaful expense	(70,522)	(11,900)	(9,544)	-	(56,886)	(148,852)
Net contribution revenue	(9,943)	(1,703)	240,393	70,495	(10,012)	289,230
Net rebate on re-takaful	14,174	2,549	-	-	11,087	27,810
Net underwriting income	4,231	846	240,393	70,495	1,075	317,040
Takaful claims	(18,775)	(4,504)	(178,791)	(81,559)	(32,057)	(315,686)
Re-takaful and other recoveries	16,011	3,656	21,296	-	29,199	70,162
Net claims	(2,764)	(848)	(157,495)	(81,559)	(2,858)	(245,524)
Direct expense	63	(7)	(30,084)	(24)	(67)	(30,119)
Net takaful claims and expenses	(2,701)	(855)	(187,579)	(81,583)	(2,925)	(275,643)
Underwriting results	1,530	(9)	52,814	(11,088)	(1,850)	41,397
Net investment income						9,741
Surplus for the period						51,138
Segment assets	134,514	12,164	195,049	52,926	86,280	480,933
Unallocated assets	-	-	-	-	-	331,828
Total assets	134,514	12,164	195,049	52,926	86,280	812,761
Segment liabilities	110,373	9,416	364,550	108,115	68,896	661,350
Unallocated liabilities	-	-	-	-	-	135,952
Total liabilities	110,373	9,416	364,550	108,115	68,896	797,302

30 September 2017 (Unaudited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Participants' Takaful Fund						
Contribution receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	87,944	14,467	269,218	185,025	70,990	627,644
Less : Federal Excise Duty	(10,761)	(1,605)	(31,140)	-	(8,366)	(51,872)
Federal Insurance Fee	(765)	(127)	(2,358)	(1,832)	(620)	(5,702)
Gross Direct Written Contribution (inclusive of Administrative Surcharge)	76,418	12,734	235,721	183,193	62,004	570,070
Facultative inward contribution	-	173	12	-	-	185
Gross Contribution Written	76,418	12,907	235,733	183,193	62,004	570,254
Contribution earned	31,681	8,317	105,586	92,451	23,215	261,250
Retakaful expense	(37,197)	(9,891)	(8,543)	-	(29,655)	(85,286)
Net contribution revenue	(5,516)	(1,574)	97,043	92,451	(6,440)	175,964
Net rebate on re-takaful	7,384	2,117	-	-	5,888	15,389
Net underwriting income	1,868	543	97,043	92,451	(552)	191,353
Takaful claims	(7,421)	(3,591)	(86,057)	(104,582)	(8,442)	(210,093)
Re-takaful and other recoveries	6,098	2,815	9,167	-	6,508	24,588
Net claims	(1,323)	(776)	(76,890)	(104,582)	(1,934)	(185,505)
Direct expense	(13)	3	(13,104)	(31)	(110)	(13,255)
Net takaful claims and expenses	(1,336)	(773)	(89,994)	(104,613)	(2,044)	(198,760)
Underwriting results	532	(230)	7,049	(12,162)	(2,596)	(7,407)
Net investment income						5,151
Deficit for the period						(2,256)
31 December 2017 (Audited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Assets						
Segment assets	83,349	7,962	90,823	52,752	41,963	276,849
Unallocated assets	-	-	-	-	-	247,312
Total assets	83,349	7,962	90,823	52,752	41,963	524,161
Liabilities						
Segment liabilities	76,261	6,475	220,565	99,019	30,313	432,633
Unallocated liabilities	-	-	-	-	-	127,207
Total liabilities	76,261	6,475	220,565	99,019	30,313	559,840

Operator's Fund						
30 September 2018 (Unaudited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Operator's Fund						
Wakala fee income	25,716	5,491	106,208	24,949	17,129	179,493
Less : Commission expense	(11,788)	(2,208)	(22,141)	(5,165)	(3,500)	(44,802)
Management expenses	(17,460)	(3,270)	(32,795)	(7,651)	(5,184)	(66,360)
	(3,532)	13	51,272	12,133	8,445	68,331
Net Investment Income						1,438
Profit before tax						69,769
Segment assets	14,144	626	36,201	9,562	4,441	64,975
Unallocated assets	-	-	-	-	-	299,150
Total assets	14,144	626	36,201	9,562	4,441	364,125
Segment liabilities	20,776	187	79,570	21,545	9,092	131,170
Unallocated liabilities	-	-	-	-	-	86,242
Total liabilities	20,776	187	79,570	21,545	9,092	217,412
30 September 2017 (Unaudited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Operator's Fund						
Wakala fee income	15,008	4,478	51,014	35,323	10,048	115,871
Less : Commission expense	(6,528)	(1,936)	(8,047)	(6,671)	(3,690)	(26,872)
Management expenses	(9,808)	(2,909)	(12,090)	(10,023)	(5,544)	(40,374)
	(1,328)	(367)	30,877	18,629	814	48,625
Net Investment Income						1,223
Profit before tax						49,848
31 December 2017 (Audited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Segment assets	7,298	229	12,513	5,517	3,471	29,028
Unallocated assets	-	-	-	-	-	212,221
Total assets	7,298	229	12,513	5,517	3,471	241,249
Segment liabilities	12,987	135	57,332	12,221	6,777	89,452
Unallocated liabilities	-	-	-	-	-	51,898
Total liabilities	12,987	135	57,332	12,221	6,777	141,350

23 Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

	Note	30 September 2018								
		Carrying amount				Fair value				
		Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees in thousand										
Financial assets not measured at fair value										
Investments	9	29,353	-	-	-	29,353	-	29,353	-	29,353
Loan and other receivables *	10	-	13,173	-	-	13,173	-	-	-	-
Takaful / re-takaful receivables *	11	-	315,581	-	-	315,581	-	-	-	-
Retakaful recoveries against outstanding claims *		-	55,513	-	-	55,513	-	-	-	-
Salvage recoveries accrued *		-	14,731	-	-	14,731	-	-	-	-
Wakala and mudarib fee receivable *		-	28,557	-	-	28,557	-	-	-	-
Cash and bank deposits *	13	-	-	417,269	-	417,269	-	-	-	-
		<u>29,353</u>	<u>427,555</u>	<u>417,269</u>	<u>-</u>	<u>874,177</u>	<u>-</u>	<u>29,353</u>	<u>-</u>	<u>29,353</u>
Financial liabilities not measured at fair value										
Provision for outstanding claims *		-	-	-	195,657	195,657	-	-	-	-
Amount due to other takaful / retakaful operators *		-	-	-	54,970	54,970	-	-	-	-
Wakala and mudarib fee payable *		-	-	-	28,557	28,557	-	-	-	-
Other creditors and accruals *	14	-	-	-	31,670	31,670	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>310,854</u>	<u>310,854</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note	31 December 2017									
	Carrying amount					Fair value				
	Available-for-sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
Rupees in thousand										
Financial assets										
Investments	9	30,343	-	-	-	30,343	-	30,343	-	30,343
Loan and other receivables *	10	-	4,204	-	-	4,204	-	-	-	-
Takaful / re-takaful receivables *	11	-	183,594	-	-	183,594	-	-	-	-
Retakaful recoveries against outstanding claims *		-	34,211	-	-	34,211	-	-	-	-
Salvage recoveries accrued *		-	6,800	-	-	6,800	-	-	-	-
Wakala and mudarib fee receivable *		-	8,815	-	-	8,815	-	-	-	-
Cash and bank deposits *	13	-	-	271,986	-	271,986	-	-	-	-
		<u>30,343</u>	<u>237,624</u>	<u>271,986</u>	<u>-</u>	<u>539,953</u>	<u>-</u>	<u>30,343</u>	<u>-</u>	<u>30,343</u>
Financial liabilities										
Provision for outstanding claims *		-	-	-	153,116	153,116	-	-	-	-
Amount due to other takaful / retakaful operators *		-	-	-	59,557	59,557	-	-	-	-
Wakala and mudarib fee payable *		-	-	-	8,815	8,815	-	-	-	-
Other creditors and accruals *	14	-	-	-	27,883	27,883	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>249,371</u>	<u>249,371</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

24 Movement in Investment - Available for sale	<u>Rupees in thousand</u>
As at beginning of previous year	30,026
Additions	60,318
Disposals (sales and redemptions)	(60,008)
Fair value on gains (excluding net realized gain)	7
Impairment / (reversal of losses)	-
As at beginning of current year	30,343
Additions	59,394
Disposals (sales and redemptions)	(60,596)
Fair value on gains (excluding net realized gain)	212
Impairment / (reversal of losses)	-
As at end of current period	29,353

25 Transactions with related parties

The Operator has related party relationship with its associates, subsidiary company, employee retirement benefit plans, key management personnel and other parties. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Balances and transactions with related party are disclosed in relevant notes to this financial statements.

	<u>30 Sep 2018</u>	<u>30 Sep 2017</u>
	<u>Rupees in thousand</u>	
i) Transactions		
Subsidiary Company		
Contribution underwritten	135	21
Contribution received	135	21
Other related parties		
Contribution underwritten	79,875	14,817
Contribution received	64,202	27,658
Claims paid	13,253	10,868
Income on bank deposits	1,056	641
ii) Period end balances		
Subsidiary Company		
Balances payable	-	-
Other related parties		
Balances receivable	45,279	5,807
Balances payable	3,565	2,328
Cash and bank balances	70,843	50,504

26 Subsequent events - non adjusting event

There are no significant events that need to be disclosed for the period ended 30 September 2018.

27 Date of authorization for issue

This condensed financial information was authorized for issue on 25 October 2018 by the Board of Directors of the Operator.

28 General

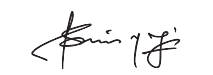
28.1 Corresponding figures have been rearranged and reclassified for better presentation, where considered necessary.

28.2 Figures have been rounded off to the nearest thousand rupees unless other wise stated.


Chairman


Director


Director


Chief Financial Officer


Managing Director &
Chief Executive Officer