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



VISION

Our will is to Explore, Innovate and Differentiate.

Our passion is to provide leadership to the insurance industry.

CORE VALUES

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

COMPANY INFORMATION

BOARD OF DIRECTORS

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

ADVISOR

Mian Muhammad Mansha

AUDIT COMMITTEE

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

HUMAN RESOURCE AND REMUNERATION COMMITTEE

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

UNDERWRITING COMMITTEE

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

CLAIM SETTLEMENT COMMITTEE

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

RE-INSURANCE COMMITTEE AND CO-INSURANCE

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

COMPANY SECRETARY

Tameez-ul-Haque,
F.C.A

CHIEF FINANCIAL OFFICER

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

EXECUTIVE DIRECTORS

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

AUDITORS

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

SHARES REGISTRAR

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

BANKERS

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

REGISTERED OFFICE

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

DIRECTORS' REPORT TO THE MEMBERS ON UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED 30 JUNE 2013

On behalf of the Board, I am pleased to present the unconsolidated financial information of the Company for the half year ended 30 June 2013.

The highlights for the period under review are as follows:

	30 June 2013	30 June 2012
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Gross premium	5,079,337	4,979,753
Net premium	2,710,599	2,921,343
Underwriting results	126,824	(187,957)
Investment income	1,673,388	619,716
Profit before tax	1,711,053	407,803
Profit after tax	1,510,997	420,471
Earnings per share (Rupees)	12.21	3.40

The Gross Premium of the Company has increased by 2% where as the Net Premium has decreased by 7%. Net Claims have decreased by 21% and Net Commission has increased by 11%, respectively over the corresponding period of last year.

The investment income of the Company has increased by 170% as compared to last year and the Profit Before and After Tax have increased by 320% and 259%, respectively from the same period of last year.

I am pleased to inform you that the Board of Directors has declared interim cash dividend of Rupees 2.50 per share.

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

On Behalf of Board of Directors

Muhammad Ali Zeb
Managing Director and Chief Executive

Date: 27 August 2013
Lahore

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying unconsolidated condensed interim balance sheet of ADAMJEE INSURANCE COMPANY LIMITED as at 30 June 2013 and the related:

- (i) unconsolidated condensed interim profit and loss account;
- (ii) unconsolidated condensed interim statement of comprehensive income
- (iii) unconsolidated condensed interim statement of changes in equity;
- (iv) unconsolidated condensed interim cash flow statement;
- (v) unconsolidated condensed interim statement of premiums;
- (vi) unconsolidated condensed interim statement of claims;
- (vii) unconsolidated condensed interim statement of expenses;
- (viii) unconsolidated condensed interim statement of investment income; and

notes forming part thereof for the six-month period then ended (here-in-after referred to as the "unconsolidated condensed interim financial information"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Our responsibility is to express a conclusion on this unconsolidated condensed interim financial information based on our review. The figures of the unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of premiums, unconsolidated condensed interim statement of claims, unconsolidated condensed interim statement of expenses and unconsolidated condensed interim statement of investment income for the quarters ended 30 June 2013 and 30 June 2012 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the six-month period ended 30 June 2013.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial information as of and for the six-month period ended 30 June 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

RIAZ AHMAD & COMPANY
Chartered Accountants

Name of engagement partner:
Muhammad Kamran Nasir

Date: 27 August 2013
Karachi

BLANK

**UNCONSOLIDATED
CONDENSED INTERIM
FINANCIAL
INFORMATION
FOR THE**

HALF YEAR ENDED

30 JUNE 2013

UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT 30 JUNE 2013

Note	30 June 2013	31 December 2012
	Rupees in thousand	
	(Unaudited)	(Audited) Restated
Share capital and reserves		
Authorised share capital	1,500,000	1,500,000
Paid-up share capital	1,237,045	1,237,045
Retained earnings - restated	8,494,114	8,806,822
Reserves	3,236,215	1,441,879
	11,730,329	10,248,701
TOTAL EQUITY	12,967,374	11,485,746
Underwriting provisions		
Provision for outstanding claims (including IBNR)	5,924,395	6,361,653
Provision for unearned premium	3,941,513	3,961,293
Commission income unearned	235,297	313,279
	10,101,205	10,636,225
Deferred liabilities		
Staff retirement benefits	34,459	31,042
Creditors and Accruals		
Premiums received in advance	150,725	113,689
Amounts due to other insurers / reinsurers	916,994	496,887
Accrued expenses	107,477	117,593
Other creditors and accruals - restated	1,884,010	1,665,436
	3,059,206	2,393,605
Borrowings		
Liabilities against assets subject to finance lease	14,120	24,987
Other liabilities		
Unclaimed dividends	39,472	35,558
TOTAL LIABILITIES	13,248,462	13,121,417
CONTINGENCIES AND COMMITMENTS	5	
TOTAL EQUITY AND LIABILITIES	26,215,836	24,607,163

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

	Note	30 June 2013	31 December 2012
		Rupees in thousand	
		(Unaudited)	(Audited)
Cash and bank deposits			
Cash and other equivalents		1,772	1,099
Current and other accounts		1,705,824	1,479,939
Deposits maturing within 12 months		1,109,085	1,026,373
		2,816,681	2,507,411
Loans			
To employees		13,401	12,791
Investments	6	11,604,243	9,948,294
Deferred taxation		105,402	241,171
Current assets - others			
Premiums due but unpaid	7	3,120,339	3,197,422
Amounts due from other insurers / reinsurers	8	504,076	591,566
Salvage recoveries accrued		182,529	169,671
Premium and claim reserves retained by cedants		23,252	23,252
Accrued investment income		18,255	20,329
Reinsurance recoveries against outstanding claims		4,284,844	4,330,229
Taxation - payments less provision		77,584	85,273
Deferred commission expense		410,062	422,203
Prepayments		1,635,112	1,734,149
Sundry receivables		264,440	205,751
		10,520,493	10,779,845
Fixed assets - Tangible & Intangible	9		
Owned			
Land and buildings		451,259	464,050
Furniture and fixtures		146,527	100,272
Motor vehicles		241,141	221,410
Machinery and equipment		105,181	97,717
Computers and related accessories		45,722	44,582
Intangible asset - computer software		39,438	45,336
Capital work in progress - Tangible		86,982	91,855
		1,116,250	1,065,222
Leased			
Motor vehicles		39,366	52,429
TOTAL ASSETS		26,215,836	24,607,163

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Quarter ended 30 June 2013	Quarter ended 30 June 2012
Rupees in thousand							
Revenue account							
Net premium revenue	195,247	146,065	744,148	316,038	-	1,401,498	1,411,076
Net claims	(90,209)	(100,450)	(483,471)	(143,123)	-	(817,253)	(1,074,290)
Expenses	(76,573)	(52,195)	(195,783)	(89,433)	-	(413,984)	(500,366)
Net commission	1,569	(25,154)	(65,132)	(978)	-	(89,695)	(69,773)
Underwriting result	<u>30,034</u>	<u>(31,734)</u>	<u>(238)</u>	<u>82,504</u>	<u>-</u>	<u>80,566</u>	<u>(233,353)</u>
Investment income						964,130	327,876
Rental income						1,198	-
Other income						32,209	46,672
						1,078,103	141,195
General and administration expenses						(104,200)	(52,776)
Exchange (loss) / gain						(660)	619
Finance charge on lease rentals						(549)	(1,572)
Profit before tax						<u>972,694</u>	<u>87,466</u>
Provision for taxation							
- Current						(27,166)	(21,686)
- Deferred						(135,770)	61,620
Profit after tax						<u>809,758</u>	<u>127,400</u>

Earnings per share - basic and diluted

6.55 1.03

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Half year ended 30 June 2013	Half year ended 30 June 2012
Rupees in thousand							
Revenue account							
Net premium revenue	413,782	282,672	1,429,736	584,409	-	2,710,599	2,921,343
Net claims	(284,984)	(188,849)	(899,930)	(268,660)	-	(1,642,423)	(2,085,558)
Expenses	(157,273)	(94,819)	(339,505)	(173,161)	-	(764,758)	(865,242)
Net commission	(3,741)	(38,931)	(122,280)	(11,642)	-	(176,594)	(158,500)
Underwriting result	<u>(32,216)</u>	<u>(39,927)</u>	<u>68,021</u>	<u>130,946</u>	<u>-</u>	<u>126,824</u>	<u>(187,957)</u>
Investment income						1,673,388	619,716
Rental income						2,389	-
Other income						66,894	77,274
						1,869,495	509,033
General and administration expenses						(157,853)	(98,791)
Exchange gain						573	1,025
Finance charge on lease rentals						(1,162)	(3,464)
Profit before tax						<u>1,711,053</u>	<u>407,803</u>
Provision for taxation							
- Current						(64,286)	(48,952)
- Deferred						(135,770)	61,620
Profit after tax						<u>1,510,997</u>	<u>420,471</u>
Profit and loss appropriation account							
Balance at the commencement of the period						8,806,822	8,356,574
Profit after tax for the period						1,510,997	420,471
Final dividend for the year ended 31 December 2012 @ 10% (Re. 1.0/- per share) (2011 : NIL)						(123,705)	-
Transfer to Capital allocation reserve for UAE operations						(1,700,000)	-
Balance unappropriated profit at the end of the period						<u>8,494,114</u>	<u>8,777,045</u>
Rupees							
Earnings per share - basic and diluted (Note 10)						<u>12.21</u>	<u>3.40</u>

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Quarter ended 30 June 2013	Quarter ended 30 June 2012
Rupees in thousand							
Revenue account							
Net premium revenue	190,000	141,924	310,231	311,216	-	953,371	1,079,040
Net claims	(75,390)	(100,152)	(157,220)	(140,726)	-	(473,488)	(830,679)
Expenses	(71,973)	(50,014)	(135,505)	(84,983)	-	(342,475)	(448,469)
Net commission	93	(24,848)	(24,253)	(209)	-	(49,217)	(49,519)
Underwriting result	<u>42,730</u>	<u>(33,090)</u>	<u>(6,747)</u>	<u>85,298</u>	<u>-</u>	88,191	(249,627)
Investment income						964,130	327,876
Rental income						-	-
Other income						19,147	38,573
						1,071,468	116,822
General and administration expenses						(86,811)	(37,188)
Exchange (loss) / gain						(660)	619
Finance charge on lease rentals						(549)	(1,572)
Profit before tax						983,448	78,681

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand							
Revenue account							
Net premium revenue	403,375	273,348	622,875	574,394	-	1,873,992	2,285,084
Net claims	(261,754)	(188,404)	(312,790)	(264,750)	-	(1,027,698)	(1,619,581)
Expenses	(143,260)	(88,334)	(232,834)	(159,987)	-	(624,415)	(760,123)
Net commission	(6,699)	(38,098)	(48,177)	(10,210)	-	(103,184)	(119,341)
Underwriting result	<u>(8,338)</u>	<u>(41,488)</u>	<u>29,074</u>	<u>139,447</u>	<u>-</u>	118,695	(213,961)
Investment income						1,673,388	619,716
Rental income						-	-
Other income						41,155	62,101
						1,833,238	467,856
General and administration expenses						(122,898)	(71,260)
Exchange gain						573	1,025
Finance charge on lease rentals						(1,162)	(3,464)
Profit before tax						1,709,751	394,157

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Quarter ended 30 June 2013	Quarter ended 30 June 2012
Rupees in thousand							
Revenue account							
Net premium revenue	5,247	4,141	433,917	4,822	-	448,127	332,036
Net claims	(14,819)	(298)	(326,251)	(2,397)	-	(343,765)	(243,611)
Expenses	(4,600)	(2,181)	(60,278)	(4,450)	-	(71,509)	(51,897)
Net commission	1,476	(306)	(40,879)	(769)	-	(40,478)	(20,254)
Underwriting result	<u>(12,696)</u>	<u>1,356</u>	<u>6,509</u>	<u>(2,794)</u>	<u>-</u>	<u>(7,625)</u>	<u>16,274</u>
Rental income						1,198	-
Other income						13,062	8,099
						6,635	24,373
General and administration expenses						(17,389)	(15,588)
Profit before tax						<u>(10,754)</u>	<u>8,785</u>

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand							
Revenue account							
Net premium revenue	10,407	9,324	806,861	10,015	-	836,607	636,259
Net claims	(23,230)	(445)	(587,140)	(3,910)	-	(614,725)	(465,977)
Expenses	(14,013)	(6,485)	(106,671)	(13,174)	-	(140,343)	(105,119)
Net commission	2,958	(833)	(74,103)	(1,432)	-	(73,410)	(39,159)
Underwriting result	<u>(23,878)</u>	<u>1,561</u>	<u>38,947</u>	<u>(8,501)</u>	<u>-</u>	<u>8,129</u>	<u>26,004</u>
Rental income						2,389	-
Other income						25,739	15,173
						36,257	41,177
General and administration expenses						(34,955)	(27,531)
Profit before tax						<u>1,302</u>	<u>13,646</u>

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

	Quarter ended 30 June 2013	Quarter ended 30 June 2012	Half year ended 30 June 2013	Half year ended 30 June 2012
	Rupees in thousand			
Profit for the period	809,758	127,400	1,510,997	420,471
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Effect of translation of net investment in foreign branches	10,765	108,946	94,336	179,952
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income for the period	10,765	108,946	94,336	179,952
Total comprehensive income for the period	820,523	236,346	1,605,333	600,423

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 30 JUNE 2013

	Share capital	Capital reserves				Revenue reserves		Total
	Issued, subscribed and paid-up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	Capital allocation reserve for UAE operations	General reserve	Retained earnings	
Rupees in thousand								
Balance as at 31 December 2011 - (Audited)	1,237,045	22,859	3,764	278,502	-	936,500	8,422,236	10,900,906
Effect of change in accounting policy (Note 4.2)	-	-	-	-	-	-	(65,662)	(65,662)
Balance as at 31 December 2011 - restated	1,237,045	22,859	3,764	278,502	-	936,500	8,356,574	10,835,244
Profit for the period 30 June 2012	-	-	-	-	-	-	420,471	420,471
Other Comprehensive income for the period	-	-	-	179,952	-	-	-	179,952
Total comprehensive income for the period	-	-	-	179,952	-	-	420,471	600,423
Balance as at 30 June 2012 - restated (Unaudited)	1,237,045	22,859	3,764	458,454	-	936,500	8,777,045	11,435,667
Profit for the period 01 July 2012 to 31 December 2012	-	-	-	-	-	-	203,722	203,722
Other comprehensive income for the period	-	-	-	20,302	-	-	11,612	31,914
Total comprehensive income for the period	-	-	-	20,302	-	-	215,334	235,636
Interim dividend @ 15 % (Rupee 1.5 per share)	-	-	-	-	-	-	(185,557)	(185,557)
Balance as at 31 December 2012 - restated	1,237,045	22,859	3,764	478,756	-	936,500	8,806,822	11,485,746
Profit for the period	-	-	-	-	-	-	1,510,997	1,510,997
Other comprehensive income	-	-	-	94,336	-	-	-	94,336
Total comprehensive income for the period	-	-	-	94,336	-	-	1,510,997	1,605,333
Final dividend for the year ended 31 December 2012 @ 10% (Re. 1.0/- per share)	-	-	-	-	-	-	(123,705)	(123,705)
Transfer to Capital allocation reserve for UAE operations	-	-	-	-	1,700,000	-	(1,700,000)	-
Balance as at 30 June 2013 - (Unaudited)	1,237,045	22,859	3,764	573,092	1,700,000	936,500	8,494,114	12,967,374

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

	Half Year ended 30 June 2013	Half Year ended 30 June 2012
	Rupees in thousand	
Operating Cash Flows		
a) Underwriting activities		
Premiums received	5,184,393	5,174,248
Reinsurance premiums paid	(1,803,254)	(2,121,113)
Claims paid	(3,157,605)	(3,575,762)
Surrenders paid	9,063	-
Reinsurance and other recoveries received	1,197,941	1,381,753
Commissions paid	(572,264)	(568,275)
Commissions received	304,120	349,853
Other underwriting payments	(441,391)	(555,228)
Net cash flow from underwriting activities	721,003	85,476
b) Other operating activities		
Income tax paid	(56,597)	(48,484)
General and other expenses paid	(206,902)	(135,640)
Loans disbursed	(25,052)	(8,665)
Loan repayments received	24,325	9,599
Other receipts	17,444	10,280
Net cash used in other operating activities	(246,782)	(172,910)
Total cash flow from / (used in) all operating activities	474,221	(87,434)
Investment activities		
Profit / return received	47,790	61,822
Income received on Pakistan Investments Bonds	5,953	1,237
Income received on TFCs	6,525	29,852
Income on Treasury Bills	4,382	-
Dividends received	545,312	431,643
Rentals received	1,588	-
Payments for investments	(3,532,572)	(1,883,767)
Proceeds from disposal of investments	2,997,225	2,061,388
Fixed capital expenditure - Tangible assets	(117,281)	(128,528)
Fixed capital expenditure - Intangible assets	(4,078)	(28,027)
Proceeds from disposal of fixed assets	12,025	78,503
Total cash (used in) / flow from investing activities	(33,131)	624,123
Financing activities		
Lease rentals paid	(12,029)	(22,713)
Dividends paid	(119,791)	(891)
Total cash used in financing activities	(131,820)	(23,604)
Net cash flow from all activities	309,270	513,085
Cash at the beginning of the period	2,498,335	2,378,967
Cash at the end of the period	2,807,605	2,892,052

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

Reconciliation to Profit and Loss Account

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

Others

Profit on sale of investments
Amortization expense
(Increase) / decrease in unearned premium
Amortization of income on Government Securities - net
Decrease / (increase) in loans
Income tax paid
Reversal of diminution in value of investments
Dividend income
Income on Treasury Bills
Profit on Pakistan Investments Bonds
Income on TFCs

Profit before taxation

Definition of cash

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

Half Year ended 30 June 2013	Half Year ended 30 June 2012
---------------------------------	---------------------------------

Rupees in thousand

474,221	(87,434)
(61,427)	(82,056)
(12,081)	(4,424)
69,920	50,321
(118)	56,673
-	(40,000)
(1,162)	(3,464)
2,389	-
(259,352)	(1,045,472)
(185,345)	577,093
27,045	(578,763)
1,069,144	127,529
(9,824)	(10,248)
(37,036)	329,548
273	-
610	(934)
56,597	48,484
51,216	45,882
538,490	428,495
1,836	8,063
6,483	1,234
6,219	8,513
1,684,008	986,566
1,711,053	407,803

Half Year ended 30 June 2013	Half Year ended 30 June 2012
---------------------------------	---------------------------------

Rupees in thousand

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

Cash and other equivalents	1,772	2,262
Current and other accounts	1,705,824	1,822,789
Deposits maturing within 12 months	1,100,009	1,067,001
Total cash and cash equivalents	2,807,605	2,892,052

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

	Half Year ended 30 June 2013	Half Year ended 30 June 2012
	Rupees in thousand	
Operating Cash Flows		
a) Underwriting activities		
Premiums received	4,073,931	4,330,308
Reinsurance premiums paid	(1,537,881)	(1,952,261)
Claims paid	(2,150,104)	(2,912,522)
Surrenders paid	9,063	-
Reinsurance and other recoveries received	837,417	1,140,585
Commissions paid	(454,166)	(488,948)
Commissions received	263,457	313,350
Other underwriting payments	(294,476)	(589,477)
Net cash flow from / (used in) underwriting activities	747,241	(158,965)
b) Other operating activities		
Income tax paid	(56,597)	(48,484)
General and other expenses paid	(187,683)	(75,615)
Loans disbursed	(23,818)	(4,559)
Loan repayments received	19,977	8,245
Other receipts	3,170	5,424
Net cash used in other operating activities	(244,951)	(114,989)
Total cash flow from / (used in) all operating activities	502,290	(273,954)
Investment activities		
Profit / return received	38,620	51,712
Income received on Pakistan Investment Bonds	5,953	1,237
Income received on TFCs	6,525	29,852
Income on Treasury Bills	4,382	-
Dividends received	545,312	431,643
Rentals received	(801)	-
Payments for investments	(3,532,572)	(1,883,767)
Proceeds from disposal of investments	2,997,225	2,061,388
Fixed capital expenditure - Tangible assets	(108,741)	(80,589)
Fixed capital expenditure - Intangible assets	(4,078)	(28,027)
Proceeds from disposal of fixed assets	12,025	77,905
Total cash (used in) / flow from investing activities	(36,150)	661,354
Financing activities		
Lease rentals paid	(12,029)	(22,713)
Dividends paid	(119,791)	(891)
Total cash used in financing activities	(131,820)	(23,604)
Net cash flow from all activities	334,320	363,796
Cash at the beginning of the period	1,289,119	1,288,848
Cash at the end of the period	1,623,439	1,652,644

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

Reconciliation to Profit and Loss Account

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

Others

Profit on sale of investments
Amortization expense
Decrease in unearned premium
Amortization of income on Government Securities - net
Decrease in loans
Income tax paid
Reversal of diminution in value of investments
Dividend income
Income on Treasury Bills
Profit on Pakistan Investment Bonds
Income on TFCs

Profit before taxation

Definition of cash

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

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

Cash and other equivalents
Current and other accounts
Deposits maturing within 12 months
Total cash and cash equivalents

Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand	
502,290	(273,954)
(48,612)	(80,533)
(8,664)	-
58,456	37,828
(118)	58,821
-	(40,000)
(1,162)	(3,464)
-	-
(655,531)	(1,555,424)
18,557	1,144,688
(134,784)	(712,038)
1,069,144	127,529
(9,824)	(10,248)
120,377	4 51,929
273	-
3,724	(3,686)
56,597	48,484
51,216	45,882
538,490	428,495
1,836	8,063
6,483	1,234
6,219	8,513
1,844,535	1,106,195
1,709,751	394,157

Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand	

1,503	2,006
1,617,201	1,636,828
4,735	13,810
1,623,439	1,652,644

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

	Half Year ended 30 June 2013	Half Year ended 30 June 2012
	Rupees in thousand	
Operating Cash Flows		
a) Underwriting activities		
Premiums received	1,110,462	843,940
Reinsurance premiums paid	(265,373)	(168,852)
Claims paid	(1,007,501)	(663,240)
Surrenders paid	-	-
Reinsurance and other recoveries received	360,524	241,168
Commissions paid	(118,098)	(79,327)
Commissions received	40,663	36,503
Other underwriting payments	(146,915)	34,249
Net cash (used in) / flow from underwriting activities	(26,238)	244,44
b) Other operating activities		
Income tax paid	-	-
General and other expenses paid	(19,219)	(60,025)
Loans disbursed	(1,234)	(4,106)
Loan repayments received	4,348	1,354
Other receipts	14,274	4,856
Net cash used in other operating activities	(1,831)	(57,921)
Total cash (used in) / flow from all operating activities	(28,069)	186,520
Investment activities		
Profit / return received	9,170	10,110
Income received on Pakistan Investment Bonds	-	-
Income received on TFCs	-	-
Income on Treasury Bills	-	-
Dividends received	-	-
Rentals received	2,389	-
Payments for investments	-	-
Proceeds from disposal of investments	-	-
Fixed capital expenditure - Tangible assets	(8,540)	(47,939)
Fixed capital expenditure - Intangible assets	-	-
Proceeds from disposal of fixed assets	-	598
Total cash flow from / (used in) investing activities	3,019	(37,231)
Financing activities		
Lease rentals paid	-	-
Dividends paid	-	-
Total cash flow from financing activities	-	-
Net cash (used in) / flow from all activities	(25,050)	149,289
Cash at the beginning of the period	1,209,216	1,090,119
Cash at the end of the period	1,184,166	1,239,408

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

Reconciliation to Profit and Loss Account

Operating cash flows
Depreciation expense
Provision for gratuity
Other income - bank deposits
Loss on disposal of fixed assets
Provision for impairment
Finance charges on lease obligations
Rental income
Increase in assets other than cash
Increase in liabilities other than running finance

Others

Profit on sale of investments
Amortization expense
Increase in unearned premium
Amortization of income on Government Securities - net
Increase in loans
Income tax paid
Reversal of diminution in value of investments
Dividend income
Income on Treasury Bills
Profit on Pakistan Investment Bonds
Income on TFCs

Profit before taxation

Definition of cash

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

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

Cash and other equivalents
Current and other accounts
Deposits maturing within 12 months
Total cash and cash equivalents

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

Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand	
(28,069)	186,520
(12,815)	(1,523)
(3,417)	(4,424)
11,464	12,493
-	(2,148)
-	-
-	-
2,389	-
396,179	509,952
(203,902)	(567,595)
161,829	133,275
-	-
-	-
(157,413)	(122,381)
-	-
(3,114)	-
-	-
-	2,752
-	-
-	-
-	-
-	-
(160,527)	(119,629)
1,302	13,646

Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand	
269	256
88,623	185,961
1,095,274	1,053,191
1,184,166	1,239,408

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2013	Quarter ended 30 June 2012
	Rupees in thousand									
Direct and facultative										
Fire and property damage	894,008	1,712,656	1,556,672	1,049,992	742,650	1,232,782	1,120,687	854,745	195,247	233,752
Marine, aviation and transport	190,625	68,101	77,381	181,345	27,003	21,297	13,020	35,280	146,065	109,696
Motor	896,700	1,644,154	1,691,058	849,796	97,556	128,242	120,150	105,648	744,148	697,644
Miscellaneous	483,614	677,886	616,402	545,098	258,113	207,980	237,033	229,060	316,038	369,984
Total	2,464,947	4,102,797	3,941,513	2,626,231	1,125,322	1,590,301	1,490,890	1,224,733	1,401,498	1,411,076
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	2,464,947	4,102,797	3,941,513	2,626,231	1,125,322	1,590,301	1,490,890	1,224,733	1,401,498	1,411,076

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2013	Half Year ended 30 June 2012
	Rupees in thousand									
Direct and facultative										
Fire and property damage	1,857,483	1,858,769	1,556,672	2,159,580	1,489,443	1,377,042	1,120,687	1,745,798	413,782	522,591
Marine, aviation and transport	365,280	66,461	77,381	354,360	71,730	12,978	13,020	71,688	282,672	276,551
Motor	1,812,460	1,489,035	1,691,058	1,610,437	193,287	107,564	120,150	180,701	1,429,736	1,386,203
Miscellaneous	1,044,114	547,028	616,402	974,740	468,901	158,463	237,033	390,331	584,409	735,998
Total	5,079,337	3,961,293	3,941,513	5,099,117	2,223,361	1,656,047	1,490,890	2,388,518	2,710,599	2,921,343
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	5,079,337	3,961,293	3,941,513	5,099,117	2,223,361	1,656,047	1,490,890	2,388,518	2,710,599	2,921,343

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2013	Quarter ended 30 June 2012
Rupees in thousand										
Direct and facultative										
Fire and property damage	864,372	1,646,526	1,491,523	1,019,375	718,550	1,177,894	1,067,069	829,375	190,000	228,993
Marine, aviation and transport	186,625	64,977	75,452	176,150	26,661	19,525	11,960	34,226	141,924	105,697
Motor	347,069	616,191	647,102	316,158	6,106	945	1,124	5,927	310,231	379,574
Miscellaneous	476,024	656,843	598,378	534,489	254,982	196,084	227,793	223,273	311,216	364,776
Total	1,874,090	2,984,537	2,812,455	2,046,172	1,006,299	1,394,448	1,307,946	1,092,801	953,371	1,079,040
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	1,874,090	2,984,537	2,812,455	2,046,172	1,006,299	1,394,448	1,307,946	1,092,801	953,371	1,079,040

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand										
Direct and facultative										
Fire and property damage	1,787,871	1,802,996	1,491,523	2,099,344	1,432,744	1,330,294	1,067,069	1,695,969	403,375	512,975
Marine, aviation and transport	356,413	62,059	75,452	343,020	71,388	10,244	11,960	69,672	273,348	264,960
Motor	680,138	601,815	647,102	634,851	12,502	598	1,124	11,976	622,875	781,762
Miscellaneous	1,027,996	522,777	598,378	952,395	460,570	145,224	227,793	378,001	574,394	725,387
Total	3,852,418	2,989,647	2,812,455	4,029,610	1,977,204	1,486,360	1,307,946	2,155,618	1,873,992	2,285,084
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	3,852,418	2,989,647	2,812,455	4,029,610	1,977,204	1,486,360	1,307,946	2,155,618	1,873,992	2,285,084

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2013	Quarter ended 30 June 2012
Rupees in thousand										
Direct and facultative										
Fire and property damage	29,636	66,130	65,149	30,617	24,100	54,888	53,618	25,370	5,247	4,759
Marine, aviation and transport	4,000	3,124	1,929	5,195	342	1,772	1,060	1,054	4,141	3,999
Motor	549,631	1,027,963	1,043,956	533,638	91,450	127,297	119,026	99,721	433,917	318,070
Miscellaneous	7,590	21,043	18,024	10,609	3,131	11,896	9,240	5,787	4,822	5,208
Total	590,857	1,118,260	1,129,058	580,059	119,023	195,853	182,944	131,932	448,127	332,036
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	590,857	1,118,260	1,129,058	580,059	119,023	195,853	182,944	131,932	448,127	332,036

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand										
Direct and facultative										
Fire and property damage	69,612	55,773	65,149	60,236	56,699	46,748	53,618	49,829	10,407	9,616
Marine, aviation and transport	8,867	4,402	1,929	11,340	342	2,734	1,060	2,016	9,324	11,591
Motor	1,132,322	887,220	1,043,956	975,586	180,785	106,966	119,026	168,725	806,861	604,441
Miscellaneous	16,118	24,251	18,024	22,345	8,331	13,239	9,240	12,330	10,015	10,611
Total	1,226,919	971,646	1,129,058	1,069,507	246,157	169,687	182,944	232,900	836,607	636,259
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	1,226,919	971,646	1,129,058	1,069,507	246,157	169,687	182,944	232,900	836,607	636,259

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2013	Quarter ended 30 June 2012
Rupees in thousand										
Direct and facultative										
Fire and property damage	562,879	3,046,409	2,715,391	231,861	306,778	2,200,000	2,034,874	141,652	90,209	198,022
Marine, aviation and transport	62,689	247,133	316,361	131,917	8,926	115,538	138,079	31,467	100,450	52,297
Motor	624,188	1,987,859	2,135,345	771,674	157,494	1,556,020	1,686,729	288,203	483,471	532,575
Miscellaneous	267,400	804,947	736,966	199,419	81,544	632,939	607,691	56,296	143,123	291,396
Total	1,517,156	6,086,348	5,904,063	1,334,871	554,742	4,504,497	4,467,373	517,618	817,253	1,074,290
Treaty										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
Total	-	20,332	20,332	-	-	-	-	-	-	-
Grand Total	1,517,156	6,106,680	5,924,395	1,334,871	554,742	4,504,497	4,467,373	517,618	817,253	1,074,290

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2013	Half Year ended 30 June 2012
	Rupees in thousand									
Direct and facultative										
Fire and property damage	823,541	2,884,545	2,715,391	654,387	477,450	2,142,921	2,034,874	369,403	284,984	414,256
Marine, aviation and transport	164,512	269,872	316,361	211,001	11,446	127,373	138,079	22,152	188,849	135,898
Motor	1,336,422	2,012,919	2,135,345	1,458,848	332,423	1,460,234	1,686,729	558,918	899,930	983,886
Miscellaneous	833,130	1,173,985	736,966	396,111	289,132	769,372	607,691	127,451	268,660	551,518
Total	3,157,605	6,341,321	5,904,063	2,720,347	1,110,451	4,499,900	4,467,373	1,077,924	1,642,423	2,085,558
Treaty										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
Total	-	20,332	20,332	-	-	-	-	-	-	-
Grand Total	3,157,605	6,361,653	5,924,395	2,720,347	1,110,451	4,499,900	4,467,373	1,077,924	1,642,423	2,085,558

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2013	Quarter ended 30 June 2012
	Rupees in thousand									
Direct and facultative										
Fire and property damage	554,515	2,936,923	2,616,207	233,799	299,422	2,100,989	1,959,976	158,409	75,390	194,420
Marine, aviation and transport	62,619	239,495	308,495	131,619	8,926	115,538	138,079	31,467	100,152	51,882
Motor	181,572	242,899	220,000	158,673	6,730	50,934	45,657	1,453	157,220	294,567
Miscellaneous	257,249	803,189	735,772	189,832	73,931	631,657	606,832	49,106	140,726	289,810
Total	1,055,955	4,222,506	3,880,474	713,923	389,009	2,899,118	2,750,544	240,435	473,488	830,679
Treaty										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
Total	-	20,332	20,332	-	-	-	-	-	-	-
Grand Total	1,055,955	4,242,838	3,900,806	713,923	389,009	2,899,118	2,750,544	240,435	473,488	830,679

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2013	Half Year ended 30 June 2012
	Rupees in thousand									
Direct and facultative										
Fire and property damage	799,881	2,816,319	2,616,207	599,769	457,093	2,079,054	1,959,976	338,015	261,754	387,456
Marine, aviation and transport	164,219	262,210	308,495	210,504	11,394	127,373	138,079	22,100	188,404	139,403
Motor	367,917	265,637	220,000	322,280	7,864	44,031	45,657	9,490	312,790	543,400
Miscellaneous	818,087	1,173,464	735,772	380,395	277,814	769,001	606,832	115,645	264,750	549,322
Total	2,150,104	4,517,630	3,880,474	1,512,948	754,165	3,019,459	2,750,544	485,250	1,027,698	1,619,581
Treaty										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
Total	-	20,332	20,332	-	-	-	-	-	-	-
Grand Total	2,150,104	4,537,962	3,900,806	1,512,948	754,165	3,019,459	2,750,544	485,250	1,027,698	1,619,581

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2013	Quarter ended 30 June 2012
	Rupees in thousand									
Direct and facultative										
Fire and property damage	8,364	109,486	99,184	(1,938)	7,356	99,011	74,898	(16,757)	14,819	3,602
Marine, aviation and transport	70	7,638	7,866	298	-	-	-	-	298	415
Motor	442,616	1,744,960	1,915,345	613,001	150,764	1,505,086	1,641,072	286,750	326,251	238,008
Miscellaneous	10,151	1,758	1,194	9,587	7,613	1,282	859	7,190	2,397	1,586
Total	461,201	1,863,842	2,023,589	620,948	165,733	1,605,379	1,716,829	277,183	343,765	243,611
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	461,201	1,863,842	2,023,589	620,948	165,733	1,605,379	1,716,829	277,183	343,765	243,611

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2013	Half Year ended 30 June 2012
	Rupees in thousand									
Direct and facultative										
Fire and property damage	23,660	68,226	99,184	54,618	20,357	63,867	74,898	31,388	23,230	26,800
Marine, aviation and transport	293	7,662	7,866	497	52	-	-	52	445	(3,505)
Motor	968,505	1,747,282	1,915,345	1,136,568	324,559	1,416,203	1,641,072	549,428	587,140	440,486
Miscellaneous	15,043	521	1,194	15,716	11,318	371	859	11,806	3,910	2,196
Total	1,007,501	1,823,691	2,023,589	1,207,399	356,286	1,480,441	1,716,829	592,674	614,725	465,977
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	1,007,501	1,823,691	2,023,589	1,207,399	356,286	1,480,441	1,716,829	592,674	614,725	465,977

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 June 2013	Quarter ended 30 June 2012
Rupees in thousand									
Direct and facultative									
Fire and property damage	99,906	224,999	186,301	138,604	76,573	215,177	140,173	75,004	66,546
Marine, aviation and transport	26,906	4,864	5,544	26,226	52,195	78,421	1,072	77,349	68,657
Motor	98,590	141,987	162,869	77,708	195,783	273,491	12,576	260,915	328,121
Miscellaneous	38,779	61,204	55,348	44,635	89,433	134,068	43,657	90,411	106,815
Total	264,181	433,054	410,062	287,173	413,984	701,157	197,478	503,679	570,139
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Grand Total	264,181	433,054	410,062	287,173	413,984	701,157	197,478	503,679	570,139

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand									
Direct and facultative									
Fire and property damage	224,159	252,708	186,301	290,566	157,273	447,839	286,825	161,014	167,919
Marine, aviation and transport	51,801	(5,160)	5,544	41,097	94,819	135,916	2,166	133,750	134,907
Motor	189,277	118,926	162,869	145,334	339,505	484,839	23,054	461,785	541,469
Miscellaneous	81,318	55,729	55,348	81,699	173,161	254,860	70,057	184,803	179,447
Total	546,555	422,203	410,062	558,696	764,758	1,323,454	382,102	941,352	1,023,742
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Grand Total	546,555	422,203	410,062	558,696	764,758	1,323,454	382,102	941,352	1,023,742

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

Umer Mansha
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Ibrahim Shamsi
Director

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Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 June 2013	Quarter ended 30 June 2012
Rupees in thousand									
Direct and facultative									
Fire and property damage	94,170	216,004	176,317	133,857	71,973	205,830	133,950	71,880	66,828
Marine, aviation and transport	26,370	4,771	5,380	25,761	50,014	75,775	913	74,862	65,987
Motor	32,829	50,631	59,181	24,279	135,505	159,784	26	159,758	261,430
Miscellaneous	37,343	58,505	52,483	43,365	84,983	128,348	43,156	85,192	103,743
Total	190,712	329,911	293,361	227,262	342,475	569,737	178,045	391,692	497,988
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Grand Total	190,712	329,911	293,361	227,262	342,475	569,737	178,045	391,692	497,988

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand									
Direct and facultative									
Fire and property damage	214,023	243,588	176,317	281,294	143,260	424,554	274,595	149,959	165,714
Marine, aviation and transport	50,827	(5,486)	5,380	39,961	88,334	128,295	1,863	126,432	130,138
Motor	63,481	43,949	59,181	48,249	232,834	281,083	72	281,011	409,908
Miscellaneous	78,091	53,544	52,483	79,152	159,987	239,139	68,942	170,197	173,704
Total	406,422	335,595	293,361	448,656	624,415	1,073,071	345,472	727,599	879,464
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Grand Total	406,422	335,595	293,361	448,656	624,415	1,073,071	345,472	727,599	879,464

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

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Ibrahim Shamsi
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Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 June 2013	Quarter ended 30 June 2012
Rupees in thousand									
Direct and facultative									
Fire and property damage	5,736	8,995	9,984	4,747	4,600	9,347	6,223	3,124	(282)
Marine, aviation and transport	536	93	164	465	2,181	2,646	159	2,487	2,670
Motor	65,761	91,356	103,688	53,429	60,278	113,707	12,550	101,157	66,691
Miscellaneous	1,436	2,699	2,865	1,270	4,450	5,720	501	5,219	3,072
Total	73,469	103,143	116,701	59,911	71,509	131,420	19,433	111,987	72,151
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Grand Total	73,469	103,143	116,701	59,911	71,509	131,420	19,433	111,987	72,151

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Half Year ended 30 June 2013	Half Year ended 30 June 2012
	Rupees in thousand								
Direct and facultative									
Fire and property damage	10,136	9,120	9,984	9,272	14,013	23,285	12,230	11,055	2,205
Marine, aviation and transport	974	326	164	1,136	6,485	7,621	303	7,318	4,769
Motor	125,796	74,977	103,688	97,085	106,671	203,756	22,982	180,774	131,561
Miscellaneous	3,227	2,185	2,865	2,547	13,174	15,721	1,115	14,606	5,743
Total	140,133	86,608	116,701	110,040	140,343	250,383	36,630	213,753	144,278
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
Grand Total	140,133	86,608	116,701	110,040	140,343	250,383	36,630	213,753	144,278

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

	Quarter ended 30 June 2013	Quarter ended 30 June 2012	Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand				
Income from non-trading investments				
Available-for-sale				
Return on Term Finance Certificates	2,995	3,999	6,219	8,513
Return on Pakistan Investment Bonds	3,562	617	6,483	1,234
Profit on Treasury Bills	923	4,047	1,836	8,063
Dividend income				
- associated undertakings	110,270	166,155	305,873	244,268
- others	35,235	25,230	232,617	184,227
	145,505	191,385	538,490	428,495
	152,985	200,048	553,028	446,305
Gain on sale of 'available-for-sale' investments				
- associated undertakings	182,240	51,733	182,240	87,283
- others	577,689	60,979	886,904	40,246
	759,929	112,712	1,069,144	127,529
	912,914	312,760	1,622,172	573,834
Reversal of impairment in value of 'available-for-sale' investments	51,216	15,116	51,216	45,882
Net investment income	964,130	327,876	1,673,388	619,716

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

1. THE COMPANY AND ITS OPERATIONS

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

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

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

The Securities and Exchange Commission of Pakistan (SECP) has allowed insurance companies to defer the application of International Accounting Standard (IAS) 39 - 'Financial Instruments: Recognition and Measurement' in respect of 'available-for-sale' Investments until suitable amendments have been made in the law. Accordingly, the requirements of IAS-39, to the extent allowed by the SECP, have not been considered in the preparation of this unconsolidated condensed interim financial information.

2.2 Presentation

This unconsolidated condensed interim financial information represents separate unconsolidated condensed interim financial information of Adamjee Insurance Company Limited, prepared in accordance with the format prescribed by the Insurance Division of SECP in its Circular No. 7 of 2003 dated 27 August 2003. The consolidated condensed interim financial information of the group is being issued separately.

2.3 Basis of Measurement

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

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

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

3.1 Change in accounting policy - Staff retirement benefits

During the period, the Company has changed its accounting policy in respect of post retirement defined benefits plans as required under the International Accounting Standard (IAS) - 19, 'Employee Benefits'. According to the new policy, actuarial gains and losses are recognized in other comprehensive income in the periods in which they occur. Amounts recorded in the profit and loss account are limited to current and past service costs, gains or losses on settlements, and net interest income (expense). All other changes in the net defined benefit obligation are recognized directly in other comprehensive income with no subsequent recycling through the profit and loss account.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED 30 JUNE 2013

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

	Half year ended 30 June 2013	31 December 2012	31 December 2011
	Rupees in thousand		
Impact on statement of financial position			
Increase in other creditors and accruals	-	54,050	65,662
Impact on statement of changes in equity			
Retained earnings as previously reported	-	8,860,872	8,422,236
Adjustments due to change in accounting policy	-	11,612	17,907
Cumulative effect of prior years	-	(65,662)	(83,569)
Retained earnings restated	-	8,806,822	8,356,574

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

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

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

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED 30 JUNE 2013

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

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

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

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

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

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

5.2 Commitments

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

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED 30 JUNE 2013

	Note	30 June 2013	31 December 2012
Rupees in thousand			
6. INVESTMENTS			
In related parties		(Unaudited)	(Audited)
Available-for-sale			
Marketable securities			
Listed		4,877,324	6,333,561
Unlisted		412,796	412,796
		5,290,120	6,746,357
Investment in subsidiary - Adamjee Life Assurance Company Limited		694,895	494,564
		5,985,015	7,240,921
Others			
Available-for-sale			
Marketable securities		5,984,296	3,123,657
Less: Provision for impairment of value in investments	6.1	(365,068)	(416,284)
		5,619,228	2,707,373
		11,604,243	9,948,294
At 30 June 2013, the fair value of 'available-for-sale' securities was Rupees 16,430.681million (31 December 2012: Rupees 13,188.693 million).			
6.1 Reconciliation of provision for impairment in value of investments			
Opening provision		416,284	772,026
Reversal for the period		(51,216)	(355,742)
Closing provision		365,068	416,284
7. PREMIUMS DUE BUT UNPAID - Unsecured			
Considered good		3,120,339	3,197,422
Considered doubtful		362,787	359,147
		3,483,126	3,556,569
Less: Provision for doubtful balances	7.1	(362,787)	(359,147)
		3,120,339	3,197,422
7.1 Reconciliation of provision for doubtful balances			
Opening provision		359,147	309,821
Exchange loss		3,640	8,426
Charge for the year		-	40,900
Closing provision		362,787	359,147
8. AMOUNTS DUE FROM OTHER INSURERS/ REINSURERS - Unsecured			
Considered good		504,076	591,566
Considered doubtful		322,787	326,327
		826,863	917,893
Less: Provision for doubtful balances	8.1	(322,787)	(326,327)
		504,076	591,566
8.1 Reconciliation of provision for doubtful balances			
Opening provision		326,327	276,327
Charge for the period		-	50,000
Reversal during the period		(3,540)	-
Closing provision		322,787	326,327

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED 30 JUNE 2013

	Note	30 June 2013	31 December 2012
Rupees in thousand			
9. FIXED ASSETS			
		(Unaudited)	(Audited)
Opening book value		1,025,796	929,492
Add: Additions during the period / year	9.2	126,232	391,588
Less: Disposals / write offs during the period / year (at book value)	9.3	12,143	102,709
Depreciation charged during the period / year		71,251	192,575
		83,394	295,284
		1,068,634	1,025,796
Capital work in progress		86,982	91,855
		1,155,616	1,117,651
9.1 Breakup of book values into owned and leased fixed assets:			
Owned assets		1,029,268	973,367
Capital work in progress-owned		86,982	91,855
Leased		39,366	52,429
		1,155,616	1,117,651
9.2 The following capital expenditure was incurred during the period / year:			
Land and buildings		3,241	217,122
Furniture and fixtures		57,701	54,375
Motor vehicles		39,944	53,558
Machinery and equipment		14,218	24,547
Computer and related accessories		7,050	11,959
Intangible assets		4,078	30,027
		126,232	391,588
9.3 The following are the written down values of fixed assets disposed off during the period / year:			
Owned			
Land and buildings		-	1,640
Furniture and fixtures		43	2,574
Motor vehicles		1,934	8,780
Machinery and equipment		374	64,875
Computer and related accessories		98	365
		2,449	78,234
Leased			
Motor vehicles		9,694	24,475
		12,143	102,709
10. EARNINGS PER SHARE - BASIC AND DILUTED			
		(Unaudited)	(Unaudited)
There is no dilutive effect on the basic earnings per share which is based on:			
Net profit after tax for the period		1,510,997	420,471
Number of shares			
Weighted average number of shares		123,704,543	123,704,543
Rupees			
Basic earnings per share		12.21	3.40

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED 30 JUNE 2013

11. TRANSACTIONS WITH RELATED PARTIES

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

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

	Quarter ended 30 June 2013	Quarter ended 30 June 2012	Half Year ended 30 June 2013	Half Year ended 30 June 2012
i) Transactions				
Subsidiary company				
Investments made	200,322	200,499	200,322	200,499
Premium underwritten	212	-	665	477
Premium received	325	-	718	804
Claims paid	264	86	787	109
Other related parties				
Premium underwritten	22,513	125,629	375,062	355,139
Premium received	673,439	298,346	808,560	781,516
Claims paid	22,813	60,923	112,179	222,660
Dividend received	110,271	166,155	305,874	244,268
Dividend paid	471,882	-	471,882	-
Income on bank deposits	8,324	1,668	15,765	8,911
Rent paid	983	3,369	2,113	6,298
Rent received	1,129	-	2,389	-
Commission paid	5,376	3,832	10,465	7,311
Company's contribution to Employees' Provident Fund	5,946	11,273	9,555	11,273
Number of shares				
Bonus shares received	-	-	56,266,121	2,603,771
As at 30 June 2013				
	Subsidiary company	Other related parties	Total	
Rupees in thousand				
Premium due but unpaid	2,610	106,685	109,295	
Premium received in advance	26	1,921	1,947	
Cash and bank balances	-	322,608	322,608	
Claims outstanding	54	191,388	191,442	
Payable to Staff Gratuity Fund	-	15,392	15,392	
Receivable from Employees Provident Fund	-	357	357	
As at 31 December 2012				
	Subsidiary company	Other related parties	Total	
Rupees in thousand				
Premium due but unpaid	619	555,391	556,010	
Premium received in advance	26	2,164	2,190	
Cash and bank balances	-	663,460	663,460	
Claims outstanding	50	283,190	283,240	
Payable to Staff Gratuity Fund	-	1,270	1,270	
Receivable from Employees Provident Fund	-	124	124	
ii) Period end balances				

12. NON- ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors of the Company in their meeting held on 27 August 2013 proposed an interim cash dividend for the half year ended 30 June 2013 @ 25% i.e. Rupees 2.5/- per share (2012: @ 15% i.e. Rupee 1.5/- per share). This unconsolidated condensed interim financial information for the half year ended 30 June 2013 does not include the effect of this appropriation which will be accounted for in the unconsolidated financial statements for the year ending 31 December 2013.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED 30 JUNE 2013

13. SEGMENT REPORTING

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 and the SEC (Insurance) Rules, 2002. The following is a schedule of class of business wise assets and liabilities:

30 June 2013											
Rupees in thousand											
Fire and Property Damage	Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Aggregate
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	
4,326,714	208,124	379,360	10,092	533,305	2,996,295	1,533,017	29,085	-	-	6,772,396	3,243,596
-	-	-	-	-	-	-	-	-	14,742,650	1,457,194	10,015,992
4,326,714	208,124	379,360	10,092	533,305	2,996,295	1,533,017	29,085	-	14,742,650	1,457,194	16,199,844
4,678,796	185,676	470,230	11,008	1,029,823	3,117,731	1,632,559	22,184	20,332	14,742,650	1,457,194	26,215,836
-	-	-	-	-	-	-	-	-	-	-	4,700,790
-	-	-	-	-	-	-	-	-	-	-	21,515,046
4,678,796	185,676	470,230	11,008	1,029,823	3,117,731	1,632,559	22,184	20,332	1,861,023	219,100	3,336,599
-	-	-	-	-	-	-	-	-	1,861,023	219,100	11,168,339
4,678,796	185,676	470,230	11,008	1,029,823	3,117,731	1,632,559	22,184	20,332	1,861,023	219,100	2,080,123
-	-	-	-	-	-	-	-	-	9,692,763	3,555,699	13,248,462
-	-	-	-	-	-	-	-	-	112,819	8,540	121,359

OTHER INFORMATION

Segment assets
Unallocated assets
Total assets
Segment liabilities
Unallocated liabilities
Total liabilities
Capital expenditure

31 December 2012											
Rupees in thousand											
Fire and Property Damage	Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Aggregate
	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	
4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	7,554,420	2,835,970
-	-	-	-	-	-	-	-	-	12,733,719	1,483,054	10,390,390
4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	12,733,719	1,483,054	14,216,773
5,085,856	144,964	371,472	14,096	940,683	2,790,394	1,849,656	29,348	-	12,733,719	1,483,054	24,607,163
-	-	-	-	-	-	-	-	-	-	-	20,288,139
-	-	-	-	-	-	-	-	-	-	-	8,267,999
5,085,856	144,964	371,472	14,096	940,683	2,790,394	1,849,656	29,348	-	1,651,585	223,031	2,978,802
-	-	-	-	-	-	-	-	-	1,651,585	223,031	11,246,801
5,085,856	144,964	371,472	14,096	940,683	2,790,394	1,849,656	29,348	-	9,919,584	3,201,833	13,121,417
-	-	-	-	-	-	-	-	-	266,893	83,172	350,065

OTHER INFORMATION

Segment assets
Unallocated assets
Total assets
Segment liabilities
Unallocated liabilities
Total liabilities
Capital expenditure

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE HALF YEAR ENDED 30 JUNE 2013

14. FINANCIAL AND INSURANCE RISK MANAGEMENT

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

15. DATE OF AUTHORISATION FOR ISSUE

This unconsolidated condensed interim financial information was approved and authorised for issue on 27 August 2013 by the Board of Directors of the Company.

16. CORRESPONDING FIGURES

No significant reclassification / rearrangement of corresponding figures has been made except resulting from the change in accounting policy as disclosed in note 3.1.

17. GENERAL

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

DIRECTORS' REPORT TO THE MEMBERS ON CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED 30 JUNE 2013

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

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

	30 June 2013	30 June 2012
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Profit before tax	1,717,120	478,030
Taxation	(201,608)	12,444
Profit after tax	1,515,512	490,474
Profit attributable to non-controlling interest	(1,396)	(2,970)
Profit attributable to ordinary share holders	1,514,116	487,504
Unappropriated profit brought forward	8,831,227	8,566,680
Profit available for appropriation	10,345,343	9,054,184
Appropriation		
Final dividend for the year ended 31 December 2012 @10% (Rupees 1/- per share) [2011: NIL]	(123,705)	-
Transfer to Capital allocation reserve for UAE operations	(1,700,000)	-
Profit after appropriation	8,521,638	9,054,184

Earnings per share

The consolidated condensed interim financial information reflects Rupees 12.24 (30 June 2012: Rupees 3.94) earnings per share for the period under review.

On Behalf of Board of Directors

Muhammad Ali Zeb
Managing Director and Chief Executive

Date: 27 August 2013
Lahore

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**CONSOLIDATED
CONDENSED INTERIM
FINANCIAL
INFORMATION
FOR THE**

HALF YEAR ENDED

30 JUNE 2013

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT 30 JUNE 2013

Note	30 June 2013	31 December 2012
	Rupees in thousand	
	(Unaudited)	(Audited) Restated
Share capital and reserves		
Authorised share capital	1,500,000	1,500,000
Paid-up share capital	1,237,045	1,237,045
Retained earnings - restated	8,521,638	8,831,227
Reserves	2,921,850	1,134,570
	11,443,488	9,965,797
Equity attributable to equity holders of the parent	12,680,533	11,202,842
Non-controlling interest	28,523	28,889
TOTAL EQUITY	12,709,056	11,231,731
Balance of statutory funds	3,304,276	2,017,689
Underwriting provisions		
Provision for outstanding claims (including IBNR)	5,981,717	6,412,501
Provision for unearned premium	3,941,513	3,961,293
Commission income unearned	235,297	313,279
Total underwriting provisions	10,158,527	10,687,073
Deferred liabilities		
Staff retirement benefits	43,975	37,687
Creditors and Accruals		
Premiums received in advance	195,411	128,142
Amounts due to other insurers / reinsurers	927,213	504,732
Accrued expenses	110,545	119,831
Other creditors and accruals - restated	2,023,997	1,790,325
	3,257,166	2,543,030
Borrowings		
Liabilities against assets subject to finance lease	14,120	24,987
Other liabilities		
Unclaimed dividends	39,472	35,558
TOTAL LIABILITIES	13,513,260	13,328,335
CONTINGENCIES AND COMMITMENTS	5	
TOTAL EQUITY AND LIABILITIES	29,526,592	26,577,755

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

	Note	30 June 2013	31 December 2012
		Rupees in thousand	
		(Unaudited)	(Audited)
Cash and bank deposits			
Cash and other equivalents		1,877	1,200
Current and other accounts		1,978,721	1,705,386
Deposits maturing within 12 months		1,109,085	1,026,373
		3,089,683	2,732,959
Loans			
To employees		14,473	12,791
Investments	6	14,467,946	11,583,212
Deferred taxation		109,849	247,065
Current assets - others			
Premiums due but unpaid	7	3,137,404	3,217,207
Amounts due from other insurers / reinsurers	8	546,576	606,559
Salvage recoveries accrued		182,529	169,671
Premium and claim reserves retained by cedants		23,252	23,252
Accrued investment income		41,538	26,616
Reinsurance recoveries against outstanding claims		4,284,844	4,330,229
Taxation - payments less provision		85,918	93,130
Deferred commission expense		410,062	422,203
Prepayments		1,651,092	1,746,313
Sundry receivables		270,081	208,776
		10,633,296	10,843,956
Fixed assets - Tangible & Intangible	9		
Owned			
Land and buildings		451,259	464,050
Furniture and fixtures		181,521	114,336
Motor vehicles		241,141	224,004
Machinery and equipment		105,181	99,559
Computers and related accessories		45,722	50,348
Intangible asset - computer software		57,698	61,191
Capital work in progress		89,457	91,855
		1,171,979	1,105,343
Leased			
Motor vehicles		39,366	52,429
TOTAL ASSETS		29,526,592	26,577,755

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

Revenue account

Net premium revenue
Net claims
Expenses
Net commission
Net Investment income - statutory fund
Add: Policyholders' liabilities at beginning of the year
Less: Policyholders' liabilities at end of the year
Capital contribution from shareholders' fund
Surplus of policyholder funds

Underwriting result

Investment income - other
Rental income
Other income

General and administration expenses
Exchange loss
Finance charge on lease rentals
Share of profit of associated companies

Profit before tax

Provision for taxation

Profit after tax

Profit attributable to:

Equity holders of the parent
Non-controlling interest

Earnings per share - basic and diluted

General Insurance					Life Insurance				Total	
Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Conventional Business	Non-united Investment Link Business	Unit Link Business	Accident and Health Business	Quarter ended 30 June 2013	Quarter ended 30 June 2012
Rupees in thousand										
195,247	146,065	744,148	316,038	-	18,106	187,455	940,146	-	2,547,205	1,913,022
(90,209)	(100,450)	(483,471)	(143,123)	-	(13,746)	(2,465)	(145,099)	-	(978,563)	(1,083,463)
(76,573)	(52,195)	(195,783)	(89,433)	-	(7,484)	(17,149)	(53,695)	-	(492,312)	(549,082)
1,569	(25,154)	(65,132)	(978)	-	(5,200)	(42,058)	(242,874)	-	(379,827)	(251,271)
-	-	-	-	-	2,159	21,818	67,519	6	91,502	25,312
-	-	-	-	-	67,522	713,633	1,748,692	5	2,529,852	623,479
-	-	-	-	-	(75,628)	(872,620)	(2,310,057)	(7)	(3,258,312)	(987,833)
-	-	-	-	-	-	-	-	-	-	72,198
-	-	-	-	-	14,271	11,386	(4,632)	(4)	21,021	4,285
30,034	(31,734)	(238)	82,504	-	-	-	-	-	80,566	(233,353)
									969,850	336,173
									1,198	165
									32,179	47,343
									1,083,793	150,328
									(106,922)	(56,193)
									(660)	619
									(549)	(1,572)
									-	56,067
									975,662	149,249
									(163,712)	(14,939)
									811,950	134,310
									811,316	132,160
									634	2,150
									Rupees	
									6.56	1.07

Revenue account

Net premium revenue
Net claims
Expenses
Net commission
Net Investment income - statutory fund
Add: Policyholder's liabilities at beginning of the year
Less: Policyholder's liabilities at end of the year
Capital contribution from shareholder's fund
Surplus of policyholder funds

Underwriting result

Investment income - other
Rental income
Other income

General and administration expenses
Exchange gain
Finance charge on lease rentals
Share of profit of associated companies

Profit before tax

Provision for taxation

Profit after tax

Profit attributable to:

Equity holders of the parent
Non-controlling interest

Profit and loss appropriation account

Balance at the commencement of the year

Profit after tax for the period
Final dividend for the year ended 31 December 2012 @ 10% (Rs.1/- per share) (2011: NIL)

Transfer to Capital allocation reserve for UAE operations

Balance unappropriated profit at the end of the period - restated

General Insurance					Life Insurance				Total	
Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Conventional Business	Non-united Investment Link Business	Unit Link Business	Accident and Health Business	Half year ended 30 June 2013	Half year ended 30 June 2012
Rupees in thousand										
413,782	282,672	1,429,736	584,409	-	36,301	293,355	1,621,499	2	4,661,756	3,669,444
(284,984)	(188,849)	(899,930)	(268,660)	-	(26,223)	(3,811)	(198,830)	-	(1,871,287)	(2,110,505)
(157,273)	(94,819)	(339,505)	(173,161)	-	(15,249)	(27,833)	(99,549)	-	(907,389)	(965,498)
(3,741)	(38,931)	(122,280)	(11,642)	-	(9,398)	(60,685)	(374,273)	-	(620,950)	(438,326)
-	-	-	-	-	4,427	36,055	100,573	12	141,067	40,795
-	-	-	-	-	74,352	628,849	1,251,469	5	1,954,675	479,562
-	-	-	-	-	(75,628)	(872,620)	(2,310,057)	(7)	(3,258,312)	(987,833)
-	-	-	-	-	-	-	10,215	-	10,215	107,697
-	-	-	-	-	11,418	6,690	(1,047)	(12)	17,049	16,707
(32,216)	(39,927)	68,021	130,946	-	-	-	-	-	126,824	(187,957)
									1,684,127	553,733
									2,389	-
									68,484	78,140
									1,881,824	443,916
									(164,115)	(106,068)
									573	1,025
									(1,162)	(3,464)
									-	142,621
									1,717,120	478,030
									(201,608)	12,444
									1,515,512	490,474
									1,514,116	487,504
									1,396	2,970
									8,831,227	8,566,680
									1,514,116	487,504
									(123,705)	-
									(1,700,000)	-
									8,521,638	9,054,184
									Rupees	
									12.24	3.94

Earnings per share - basic and diluted

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

	Quarter ended 30 June 2013	Quarter ended 30 June 2012	Half year ended 30 June 2013	Half year ended 30 June 2012
	Rupees in thousand			
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit after tax for the period	811,950	134,310	1,515,512	490,474
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Effect of translation of net investment in branches	10,765	108,946	94,336	179,952
Capital contribution to statutory funds	-	(72,198)	(10,215)	(107,697)
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Total comprehensive income for the period	822,715	171,058	1,599,633	562,729
Total Comprehensive income attributable to:				
Equity holders of the parent	821,889	196,945	1,601,395	603,771
Non-controlling interest	826	(25,887)	(1,762)	(41,042)
	822,715	171,058	1,599,633	562,729

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

	Share capital	Capital reserves					Revenue reserves		Equity attributable to equity holders of the parent	Non-controlling interest	Total Equity
	Issued, subscribed and paid-up	Reserve for exceptional losses	Exchange translation reserve	Capital contribution to statutory funds	Investment fluctuation reserve	Capital allocation reserve for UAE operations	General reserve	Retained earnings			
Rupees in thousand											
Balance as at 31 December 2011	1,237,045	22,859	278,502	(218,193)	3,764	-	936,500	8,632,342	10,892,819	77,748	10,970,567
Effect of change in accounting policy relating to prior periods note - 4.2	-	-	-	-	-	-	-	(65,662)	(65,662)	-	(65,662)
Balance as at 31 December 2011 - restated	1,237,045	22,859	278,502	(218,193)	3,764	-	936,500	8,566,680	10,827,157	77,748	10,904,905
Profit for the period ended 30 June 2012	-	-	-	-	-	-	-	487,504	487,504	2,970	490,474
Other comprehensive income for the period	-	-	179,952	(63,684)	-	-	-	-	116,268	(41,042)	75,226
Balance as at 30 June 2012 - restated (Unaudited)	1,237,045	22,859	458,454	(281,877)	3,764	-	936,500	9,054,184	11,430,929	39,676	11,470,605
Profit for the period from 01 July 2012 to 31 December 2012	-	-	-	-	-	-	-	(37,400)	(37,400)	86	(37,314)
Other comprehensive income for the period	-	-	20,302	(25,432)	-	-	-	-	(5,130)	(10,873)	(16,003)
Interim dividend @15% (Rupees 1.5/- per share)	-	-	-	-	-	-	-	(185,557)	(185,557)	-	(185,557)
Balance as at 31 December 2012 - restated (Audited)	1,237,045	22,859	478,756	(307,309)	3,764	-	936,500	8,831,227	11,202,842	28,889	11,231,731
Profit for the period ended 30 June 2013	-	-	-	-	-	-	-	1,514,116	1,514,116	1,396	1,515,512
Other comprehensive income for the period	-	-	94,336	(7,056)	-	-	-	-	87,280	(1,762)	85,518
Final dividend for the year ended 31 December 2012 @ 10% (Rupee 1/- per share)	-	-	-	-	-	-	-	(123,705)	(123,705)	-	(123,705)
Transfer to Capital allocation reserve for UAE operations	-	-	-	-	-	1,700,000	-	(1,700,000)	-	-	-
Balance as at 30 June 2013 (Unaudited)	1,237,045	22,859	573,092	(314,365)	3,764	1,700,000	936,500	8,521,638	12,680,533	28,523	12,709,056

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

	Half Year ended 30 June 2013	Half Year ended 30 June 2012
	Rupees in thousand	
Operating Cash Flows		
a) Underwriting activities		
Premiums received	7,247,428	5,995,345
Reinsurance premiums paid	(1,822,097)	(2,155,048)
Claims paid	(3,447,083)	(3,636,162)
Surrenders paid	(9,063)	-
Reinsurance and other recoveries received	1,197,941	1,381,753
Commissions paid	(1,001,844)	(841,552)
Commissions received	304,120	349,853
Other underwriting payments	(591,119)	(555,228)
Net cash flow from underwriting activities	1,878,283	538,961
b) Other operating activities		
Income tax paid	(57,179)	(49,836)
General and management expenses paid	(347,488)	(256,091)
Loans disbursed	(26,124)	(84,587)
Loan repayments received	24,325	9,599
Other receipts	167,172	86,201
Net cash used in other operating activities	(239,294)	(294,714)
Total cash flow from all operating activities	1,638,989	244,247
Investment activities		
Profit / return received	59,568	97,011
Income received on PIBs	5,953	1,237
Income received on TFCs	6,525	29,852
Income on Treasury Bills	4,382	-
Dividends received	546,763	432,537
Rentals received	1,588	-
Payments for investments	(11,015,759)	(4,416,718)
Proceeds from disposal of investments	9,172,119	4,055,480
Fixed capital expenditure - Tangible assets	(141,773)	(158,375)
Fixed capital expenditure - Intangible assets	(4,078)	-
Proceeds from disposal of fixed assets	13,936	81,433
Total cash (used in) / flow from investing activities	(1,350,776)	122,457
Financing activities		
Lease rentals paid	(12,029)	(22,713)
Dividends paid	(119,791)	(891)
Issue of share capital	200,332	200,499
Total cash flow from financing activities	68,512	176,895
Net cash inflow from all activities	356,725	543,599
Cash at the beginning of the period	2,723,882	2,506,381
Cash at the end of the period	3,080,607	3,049,980

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

Reconciliation to Profit and Loss Account

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

Half Year ended 30 June 2013	Half Year ended 30 June 2012
---------------------------------	---------------------------------

Rupees in thousand

1,638,989	244,247
(66,578)	(87,603)
(12,081)	(4,424)
69,920	50,321
1,428	57,377
-	(40,000)
(1,162)	(3,464)
-	142,621
2,389	-
(205,610)	(1,053,247)
(1,552,834)	106,115
(125,539)	(588,057)

Others

Profit on sale of investments
Amortization expense
Capital contribution from shareholders' fund
Decrease / (increase) in unearned premium
Amortization of income on Government Securities - net
Return on Pakistan Investment Bonds
Decrease / (increase) in loans
Income tax paid
Reversal for diminution in value of investments
Dividend, investment and other income
Income on Treasury Bills
Other income - TFCs

1,067,913	131,538
(13,192)	(13,237)
10,215	107,696
(37,036)	329,548
273	-
6,483	1,234
610	(934)
56,597	48,484
81,847	47,694
660,894	397,488
1,836	8,063
6,219	8,513
1,842,659	1,066,087
1,717,120	478,030

Profit before taxation

Definition of cash:

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

Half Year ended 30 June 2013	Half Year ended 30 June 2012
---------------------------------	---------------------------------

Rupees in thousand

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

Cash and other equivalent
Current and other accounts
Deposits maturing within 12 months

1,877	2,403
1,969,645	1,970,076
1,109,085	1,077,501

Total cash and cash equivalents

3,080,607	3,049,980
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The annexed notes form an integral part of this consolidated condensed interim financial information.

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2013	Quarter ended 30 June 2012
General insurance:	Rupees in thousand									
Direct and facultative										
Fire and property damage	894,008	1,712,656	1,556,672	1,049,992	742,650	1,232,782	1,120,687	854,745	195,247	233,752
Marine, aviation and transport	190,625	68,101	77,381	181,345	27,003	21,297	13,020	35,280	146,065	109,696
Motor	896,700	1,644,154	1,691,058	849,796	97,556	128,242	120,150	105,648	744,148	697,644
Miscellaneous	483,614	677,886	616,402	545,098	258,113	207,980	237,033	229,060	316,038	369,984
	2,464,947	4,102,797	3,941,513	2,626,231	1,125,322	1,590,301	1,490,890	1,224,733	1,401,498	1,411,076
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Total	2,464,947	4,102,797	3,941,513	2,626,231	1,125,322	1,590,301	1,490,890	1,224,733	1,401,498	1,411,076
Life insurance:										
Conventional Business	29,810	-	-	29,810	11,704	-	-	11,704	18,106	10,808
Non-unitized Investment Linked Business	193,191	-	-	193,191	5,736	-	-	5,736	187,455	166,711
Unit Linked Business	953,447	-	-	953,447	13,301	-	-	13,301	940,146	324,416
Accident and Health Business	-	-	-	-	-	-	-	-	-	11
Total	1,176,448	-	-	1,176,448	30,741	-	-	30,741	1,145,707	501,946
Grand Total	3,641,395	4,102,797	3,941,513	3,802,679	1,156,063	1,590,301	1,490,890	1,255,474	2,547,205	1,913,022

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Half year ended 30 June 2013	Half year ended 30 June 2012
Rupees in thousand										
General insurance:										
Direct and facultative										
Fire and property damage	1,857,483	1,858,769	1,556,672	2,159,580	1,489,443	1,377,042	1,120,687	1,745,798	413,782	522,591
Marine, aviation and transport	365,280	66,461	77,381	354,360	71,730	12,978	13,020	71,688	282,672	276,551
Motor	1,812,460	1,489,035	1,691,058	1,610,437	193,287	107,564	120,150	180,701	1,429,736	1,386,203
Miscellaneous	1,044,114	547,028	616,402	974,740	468,901	158,463	237,033	390,331	584,409	735,998
	5,079,337	3,961,293	3,941,513	5,099,117	2,223,361	1,656,047	1,490,890	2,388,518	2,710,599	2,921,343
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Total	5,079,337	3,961,293	3,941,513	5,099,117	2,223,361	1,656,047	1,490,890	2,388,518	2,710,599	2,921,343
Life insurance:										
Conventional Business	69,558	-	-	69,558	33,257	-	-	33,257	36,301	24,641
Non-unitized Investment Linked Business	301,077	-	-	301,077	7,722	-	-	7,722	293,355	255,238
Unit Linked Business	1,641,319	-	-	1,641,319	19,820	-	-	19,820	1,621,499	468,209
Accident and Health Business	2	-	-	2	-	-	-	-	2	13
Total	2,011,956	-	-	2,011,956	60,799	-	-	60,799	1,951,157	748,101
Grand Total	7,091,293	3,961,293	3,941,513	7,111,073	2,284,160	1,656,047	1,490,890	2,449,317	4,661,756	3,669,444

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2013	Quarter ended 30 June 2012
General insurance:	Rupees in thousand									
Direct and facultative										
Fire and property damage	562,879	3,046,409	2,715,391	231,861	306,778	2,200,000	2,034,874	141,652	90,209	198,022
Marine, aviation and transport	62,689	247,133	316,361	131,917	8,926	115,538	138,079	31,467	100,450	52,297
Motor	624,188	1,987,859	2,135,345	771,674	157,494	1,556,020	1,686,729	288,203	483,471	532,575
Miscellaneous	267,400	804,947	736,966	199,419	81,544	632,939	607,691	56,296	143,123	291,396
Treaty	1,517,156	6,086,348	5,904,063	1,334,871	554,742	4,504,497	4,467,373	517,618	817,253	1,074,290
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
	-	20,332	20,332	-	-	-	-	-	-	-
Total	1,517,156	6,106,680	5,924,395	1,334,871	554,742	4,504,497	4,467,373	517,618	817,253	1,074,290
Conventional Business	38,814	-	-	38,814	25,068	-	-	25,068	13,746	6,955
Non-unitized Investment Linked Business	3,787	-	-	3,787	1,322	-	-	1,322	2,465	704
Unit Linked Business	140,344	-	-	140,344	(4,755)	-	-	(4,755)	145,099	1,514
Accident and Health Business	-	-	-	-	-	-	-	-	-	-
Total	182,945	-	-	182,945	21,635	-	-	21,635	161,310	9,173
Grand Total	1,700,101	6,106,680	5,924,395	1,517,816	576,377	4,504,497	4,467,373	539,253	978,563	1,083,463

Class	Total claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Half year ended 30 June 2013	Half year ended 30 June 2012
General insurance:	Rupees in thousand									
Direct and facultative										
Fire and property damage	823,541	2,884,545	2,715,391	654,387	477,450	2,142,921	2,034,874	369,403	284,984	414,256
Marine, aviation and transport	164,512	269,872	316,361	211,001	11,446	127,373	138,079	22,152	188,849	135,898
Motor	1,336,422	2,012,919	2,135,345	1,458,848	332,423	1,460,234	1,686,729	558,918	899,930	983,886
Miscellaneous	833,130	1,173,985	736,966	396,111	289,132	769,372	607,691	127,451	268,660	551,518
	3,157,605	6,361,653	5,904,053	2,720,347	1,110,451	4,499,900	4,467,373	1,077,924	1,642,423	2,085,558
Treaty										
Proportional	-	20,332	20,332	-	-	-	-	-	-	-
	-	20,332	20,332	-	-	-	-	-	-	-
Total	3,157,605	6,361,653	5,924,395	2,720,347	1,110,451	4,499,900	4,467,373	1,077,924	1,642,423	2,085,558
Life insurance:										
Conventional Business	83,047	-	-	83,047	56,824	-	-	56,824	26,223	19,239
Non-unitized Investment Link Business	7,112	-	-	7,112	3,301	-	-	3,301	3,811	932
Unit Link Business	205,793	-	-	205,793	6,963	-	-	6,963	198,830	4,776
Accident and Health Business	-	-	-	-	-	-	-	-	-	-
Total	295,952	-	-	295,952	67,088	-	-	67,088	228,864	24,947
Grand Total	3,453,557	6,361,653	5,924,395	3,016,299	1,177,539	4,499,900	4,467,373	1,145,012	1,871,287	2,110,505

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other managemnt expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 June 2013	Quarter ended 30 June 2012
General insurance:	Rupees in thousand								
Direct and facultative									
Fire and property damage	99,906	224,999	186,301	138,604	76,573	215,177	140,173	75,004	66,546
Marine, aviation and transport	26,906	4,864	5,544	26,226	52,195	78,421	1,072	77,349	68,657
Motor	98,590	141,987	162,869	77,708	195,783	273,491	12,576	260,915	328,121
Miscellaneous	38,779	61,204	55,348	44,635	89,433	134,068	43,657	90,411	106,815
	264,181	433,054	410,062	287,173	413,984	701,157	197,478	503,679	570,139
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total	264,181	433,054	410,062	287,173	413,984	701,157	197,478	503,679	570,139
Life insurance:									
Conventional Business	5,200	-	-	5,200	7,484	12,684	-	12,684	8,815
Non-unitized Investment Linked Business	42,058	-	-	42,058	17,149	59,207	-	59,207	81,849
Unit Linked Business	242,874	-	-	242,874	53,695	296,569	-	296,569	139,536
Accident and health business	-	-	-	-	-	-	-	-	14
Total	290,132	-	-	290,132	78,328	368,460	-	368,460	230,214
Grand Total	554,313	433,054	410,062	577,305	492,312	1,069,617	197,478	872,139	800,353

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other managemnt expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Half year ended 30 June 2013	Half year ended 30 June 2012
General insurance:	Rupees in thousand								
Direct and facultative									
Fire and property damage	224,159	252,708	186,301	290,566	157,273	447,839	286,825	161,014	167,919
Marine, aviation and transport	51,801	(5,160)	5,544	41,097	94,819	135,916	2,166	133,750	134,907
Motor	189,277	118,926	162,869	145,334	339,505	484,839	23,054	461,785	541,469
Miscellaneous	81,318	55,729	55,348	81,699	173,161	254,860	70,057	184,803	179,447
	546,555	422,203	410,062	558,696	764,758	1,323,454	382,102	941,352	1,023,742
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total	546,555	422,203	410,062	558,696	764,758	1,323,454	382,102	941,352	1,023,742
Life insurance:									
Conventional Business	9,398	-	-	9,398	15,249	24,647	-	24,647	22,907
Non-unitized Investment Linked Business	60,685	-	-	60,685	27,833	88,518	-	88,518	127,179
Unit Linked Business	374,273	-	-	374,273	99,549	473,822	-	473,822	229,969
Accident and health business	-	-	-	-	-	-	-	-	27
Total	444,356	-	-	444,356	142,631	586,987	-	586,987	380,082
Grand Total	990,911	422,203	410,062	1,003,052	907,389	1,910,441	382,102	1,528,339	1,403,824

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

General insurance:

Income from non-trading investments

Available-for-sale

	Quarter ended 30 June 2013	Quarter ended 30 June 2012	Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand				
Return on Term Finance Certificates	2,995	3,999	6,219	8,513
Return on Pakistan Investment Bonds	3,562	617	6,483	1,234
Profit on Treasury Bills	923	4,047	1,836	8,063
Dividend income				
- associated undertakings	110,270	166,155	305,873	164,384
- others	35,235	25,230	232,617	184,227
	145,505	191,385	538,490	348,611
	152,985	200,048	553,028	366,421

Gain on sale of 'available-for-sale' investments

- associated undertakings	182,240	51,733	182,240	87,283
- others	577,689	60,979	886,904	40,246
	759,929	112,712	1,069,144	127,529
	912,914	312,760	1,622,172	493,950

Reversal for impairment in value of 'available-for-sale' investments	51,216	15,116	51,216	45,882
	964,130	327,876	1,673,388	539,832

Life insurance:

Shareholders' fund

Unrealised (diminution) / appreciation in value of quoted equity securities	(95)	(45)	(75)	202
Return on Government Securities	4,995	2,462	8,426	5,587
Return on bank deposits	360	208	672	313
Dividend income	190	133	1,446	853
Gain on sale of non-trading investments	270	5,539	270	6,478
Reversal of impairment in the value of 'available-for-sale' investments	-	-	-	468
	5,720	8,297	10,739	13,901

Statutory Funds

Conventional Business

Return on bank deposits	1,254	1,113	2,434	1,853
Return on Government Securities	905	1,395	1,981	3,514
(Loss) / gain on sale of Government Securities - non trading investments	-	(2)	12	(2)
Gain on sale of units of open end mutual funds	-	122	-	457
Reversal of impairment in the value of 'available-for-sale' investments	-	30	-	58
	2,159	2,658	4,427	5,880

Accident and Health Business

Return on bank deposits	6	5	12	7
	6	5	12	7

Sub-total carried forward	972,015	338,836	1,688,566	559,620
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CONSOLIDATED CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

	Quarter ended 30 June 2013	Quarter ended 30 June 2012	Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand				
Sub-total brought forward	972,015	338,836	1,688,566	559,620
Non-united Investment Link Business				
Unrealised mark to market gain on Government Securities	3,352	3,783	1,924	83
Unrealised mark to market gain / (loss) on mutual funds	1,626	(113)	2,485	13
Return on bank deposits	922	611	922	966
Unrealised mark to market gain on fixed income securities	43	-	43	-
Return on Government securities	15,906	9,420	30,011	17,403
Return on fixed income securities	1,097	-	1,741	-
(Loss) / gain on sale of Government Securities	(1,342)	(2,714)	(1,306)	(2,714)
Gain / (loss) on sale of units of open end mutual funds	214	(820)	235	255
	21,818	10,167	36,055	16,006
Unit Link Business				
Unrealised gain in value of Government Securities	7,578	1,896	6,054	65
Unrealised gain in value of units of open end mutual funds	13,663	337	19,296	1,447
Unrealised gain / (loss) in listed securities	383	(384)	395	-
Unrealised (loss) / gain in value of other fixed income securities	509	-	509	-
Return on Government Securities	38,619	9,166	66,820	14,901
Dividend income	26	764	32	848
Return on bank deposits	5,318	-	5,318	380
Return on other fixed income securities	1,892	1,725	2,590	1,725
Gain on sale of listed equities	58	472	58	499
Gain on sale of units of open end mutual funds	675	236	847	236
Loss on sale of Government Securities	(1,202)	(1,730)	(1,346)	(1,199)
	67,519	12,482	100,573	18,902
Net investment income	1,061,352	361,485	1,825,194	594,528
Net investment income - statutory funds	91,502	25,312	141,067	40,795
Net investment income - other	969,850	336,173	1,684,127	553,733
	1,061,352	361,485	1,825,194	594,528

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

1 THE GROUP AND ITS OPERATIONS

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

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

The Securities and Exchange Commission of Pakistan (SECP) has allowed insurance companies to defer the application of International Accounting Standard (IAS) 39 - 'Financial Instruments: Recognition and Measurement' in respect of 'available-for-sale' investments until suitable amendments have been made in the law. Accordingly, the requirements of IAS-39, to the extent allowed by the SECP, have not been considered in the preparation of this consolidated condensed interim financial information.

2.2 Presentation

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

2.3 Basis of Measurement

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

3 ACCOUNTING POLICIES AND COMPUTATION METHODS

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

3.1 Provision for taxation

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

3.2 Change in accounting policy - Staff retirement benefits

During the period, the Company has changed its accounting policy in respect of post retirement defined benefit plans as required under International Accounting Standard (IAS) 19 - 'Employee Benefits'. According to the new policy, actuarial gains and losses are recognized in other comprehensive income in the periods in which they occur. Amounts recorded in the profit and loss account are limited to current and past service costs, gains or losses on settlements, and net interest income (expense). All other changes in the net defined benefit obligation are recognized directly in other comprehensive income with no subsequent recycling through the profit and loss account.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

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

	Half Year ended 30 June 2013	Year ended 31 December 2012	Year ended 31 December 2011
	Rupees in thousand		
Impact on statement of financial position	-	54,050	65,662
Increase in other creditors and accruals			
Impact on statement of changes in equity			
Retained earnings as previously reported	-	8,860,872	8,422,236
Adjustments due to change in accounting policy	-	11,612	17,907
Cumulative effect of prior years	-	(65,662)	(83,569)
Retained earnings restated	-	8,806,822	8,356,574

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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 Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

Holding Company

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

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

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

from Additional Commissioner for reassessment of the case in response to which the Holding Company has filed a constitutional petition in Honorable Sindh High Court against such notice.

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

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

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

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

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

Subsidiary Company

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

5.2 Commitments

Holding Company

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

Subsidiary Company

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

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

	Half year ended 30 June 2013	Year ended 31 December 2012
	Rupees in thousand	
6 INVESTMENTS		
Available-for-sale	(Unaudited)	(Audited)
In related parties		
Marketable securities		
Listed	4,877,324	6,333,560
Unlisted	412,796	412,796
	<u>5,290,120</u>	<u>6,746,356</u>
Others		
Marketable securities	6,423,909	3,449,616
Less: Provision for impairment in value of investments	<u>(365,068)</u>	<u>(416,284)</u>
	<u>6,058,841</u>	<u>3,033,332</u>
At fair value through profit or loss		
Marketable securities	5,882	1,006
Mutual funds	366,865	100,031
Government securities	2,596,423	1,663,179
Other fixed income securities	149,815	39,308
	<u>3,118,985</u>	<u>1,803,524</u>
	<u>14,467,946</u>	<u>11,583,212</u>
7 PREMIUMS DUE BUT UNPAID - Unsecured		
Considered good	3,137,404	3,217,207
Considered doubtful	<u>362,787</u>	<u>359,147</u>
	<u>3,500,191</u>	<u>3,576,354</u>
Less: Provision for doubtful balances	7.1 <u>(362,787)</u>	<u>(359,147)</u>
	<u>3,137,404</u>	<u>3,217,207</u>
7.1 Reconciliation of provision for doubtful balances		
Opening provision	359,147	309,821
Exchange loss	3,640	8,426
Charge for the period	-	40,900
Closing provision	<u>362,787</u>	<u>359,147</u>
8 AMOUNTS DUE FROM OTHER INSURERS/ REINSURERS - Unsecured		
Considered good	546,576	606,559
Considered doubtful	<u>322,787</u>	<u>326,327</u>
	<u>869,363</u>	<u>932,886</u>
Less: Provision for doubtful balances	8.1 <u>(322,787)</u>	<u>(326,327)</u>
	<u>546,576</u>	<u>606,559</u>
8.1 Reconciliation of provision for doubtful balances		
Opening provision	326,327	276,327
Charge for the period	-	50,000
Reversal during the period	<u>(3,540)</u>	<u>-</u>
Closing provision	<u>322,787</u>	<u>326,327</u>

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013

	Half year ended 30 June 2013	Year ended 31 December 2012
	Rupees in thousand	
	(Unaudited)	(Audited)
9 FIXED ASSETS		
Opening book value	1,065,917	984,204
Add: Additions during the period / year	9.2 148,250	396,229
Less: Disposals / write offs during the period / year (at book value)	9.3 12,509	105,092
Depreciation charged during the period / year	79,770	209,424
	92,279	314,516
Capital work in progress	89,457	91,855
	1,211,345	1,157,772
9.1 Breakup of written down value into owned and leased fixed assets:		
Owned assets	993,065	1,013,488
Capital work in progress-owned	89,457	91,855
Leased	39,366	52,429
	1,121,888	1,157,772
9.2 The following capital expenditure was incurred during the period:		
Land and building	3,241	217,122
Furniture and fixtures	58,686	54,614
Motor vehicles	48,148	53,558
Machinery and equipment	14,495	24,820
Computer and related accessories	13,830	16,088
Intangible Assets	9,850	30,027
	148,250	396,229
9.3 The following are the written down values of fixed assets disposed off during the period:		
Land and building	-	1,640
Furniture and fixtures	43	2,574
Motor vehicles	2,256	11,024
Machinery and equipment	418	64,906
Computer and related accessories	98	473
Leased motor vehicles	9,694	24,475
	12,509	105,092

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

10 TRANSACTIONS WITH RELATED PARTIES

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

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

	Quarter ended 30 June 2013	Quarter ended 30 June 2012	Half Year ended 30 June 2013	Half Year ended 30 June 2012
Rupees in thousand				
i) Transactions - Holding Company				
Investments made	200,322	200,499	200,322	200,499
Premium underwritten	212	-	665	477
Premium received	325	-	718	804
Claims paid	264	86	787	109
Other related parties				
Premium underwritten	22,513	125,629	375,062	355,139
Premium received	673,439	298,346	808,560	781,516
Claims paid	22,813	60,923	112,179	222,660
Dividend received	110,271	166,155	305,874	244,268
Dividend paid	471,882	-	471,882	-
Income on bank deposits	8,324	1,668	15,765	8,911
Rent paid	983	3,369	2,113	6,298
Rent received	1,129	-	2,389	-
Commission paid	5,376	3,832	10,465	7,311
Company's contribution to Employees' Provident Fund trust	5,946	11,273	9,555	11,273
Number of shares				
	-	-	56,266,121	2,603,771
Rupees in thousand				
Transactions - Subsidiary Company				
Premium written	7,525	4,273	13,685	13,611
Claims expense	14,573	5,294	26,711	23,477
Commission and other incentives in respect of Bancassurance	269,493	179,203	408,248	275,077
Profit on bank deposits	4,635	2,508	8,317	3,772
Investment advisor fee	1,888	520	3,206	750
Custodian fee	527	264	959	369
Technical support fee	4,800	4,460	9,600	7,676
Bank charges	61	44	61	44
Investment purchased	346,797	71,700	346,797	71,700
Investment sold	101,847	81,249	101,847	81,249

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

ii) Period end balances- Holding Company

Related and balances - Holding Company			
Premium due but unpaid	2,610	106,685	109,295
Premium received in advance	26	1,921	1,947
Cash and bank balances	-	322,608	322,608
Claims outstanding	54	191,388	191,442
Payable to Staff Gratuity Fund	-	15,392	15,392
Receivable from Employees Provident Fund	-	357	357

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

	As at 30 June 2013		
	Subsidiary company	Other related parties	Total
	Rupees in thousand		
Period end balances - Subsidiary Company			
Premium due but unpaid	-	7,333	7,333
Bank deposits	-	236,761	236,761
Investments held	-	379,185	379,185
Technical support fee payable	-	26,042	26,042
Commission payable	-	85,862	85,862
Claims payable	-	7,606	7,606

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

11 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors of the Holding Company in their meeting held on 27 August 2013 proposed an interim cash dividend for the half year ended 30 June 2013 @ 25% i.e. Rupees 2.5/- per share (2012: @ 15% i.e. Rupee 1.5/- per share). This consolidated condensed interim financial information for the half year ended 30 June 2013 does not include the effect of this appropriation which will be accounted for in the consolidated financial statements for the year ending 31 December 2013.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

12 SEGMENT REPORTING

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

30 JUNE 2013													
Fire and Property Damage	Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		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	
4,326,714	208,124	379,360	10,092	533,305	2,996,295	1,533,017	29,085	-	-	-	6,772,396	3,243,596	10,015,992
-	-	-	-	-	-	-	-	-	14,047,757	1,457,194	14,047,757	1,457,194	15,504,951
4,326,714	208,124	379,360	10,092	533,305	2,996,295	1,533,017	29,085	-	14,047,757	1,457,194	20,820,153	4,700,790	25,520,943
4,676,796	185,676	470,230	11,008	1,029,823	3,117,731	1,632,559	22,184	20,332	-	-	7,891,740	3,336,599	11,668,339
-	-	-	-	-	-	-	-	-	1,861,023	219,100	1,861,023	219,100	2,080,123
4,678,796	185,676	470,230	11,008	1,029,823	3,117,731	1,632,559	22,184	20,332	1,861,023	219,100	9,692,763	3,555,699	13,248,462
													50,572
													35,423
													43
													121,359
													22,018
													143,377

Rupees in thousand

OTHER INFORMATION

Segment assets	4,326,714	208,124	379,360	10,092	533,305	2,996,295	1,533,017	29,085	-	-	6,772,396	3,243,596	10,015,992	-	59,564	-	59,564	10,075,556
Unallocated assets	-	-	-	-	-	-	-	-	-	-	14,047,757	1,457,194	15,504,951	459,078	60,686	40	2,502,265	19,451,036
Total assets	4,326,714	208,124	379,360	10,092	533,305	2,996,295	1,533,017	29,085	-	-	20,820,153	4,700,790	25,520,943	459,078	120,250	40	2,502,265	29,526,592

Segment liabilities

Unallocated liabilities	4,676,796	185,676	470,230	11,008	1,029,823	3,117,731	1,632,559	22,184	20,332	-	1,861,023	219,100	2,080,123	50,572	6,923	36	81,001	2,232,686
Total liabilities	4,678,796	185,676	470,230	11,008	1,029,823	3,117,731	1,632,559	22,184	20,332	-	1,861,023	219,100	13,248,462	50,572	35,423	43	136,445	13,513,260

Capital expenditure

	112,819	8,540	121,359	22,018	143,377
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31 December 2012

File and Property Damage	Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		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	
4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	-	7,554,420	2,835,970	10,380,390
-	-	-	-	-	-	-	-	-	12,239,155	1,483,054	12,239,155	1,483,054	13,722,209
4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	12,239,155	1,483,054	19,793,575	4,319,024	24,112,599
5,304,053	153,764	417,347	15,602	1,013,649	2,915,258	2,623,847	33,055	20,332	-	-	9,379,228	3,117,679	12,496,907
-	-	-	-	-	-	-	-	-	540,356	84,151	540,356	84,151	624,507
5,304,053	153,764	417,347	15,602	1,013,649	2,915,258	2,623,847	33,055	20,332	540,356	84,151	9,919,584	3,201,830	13,121,414
													40,065
													42,284
													30,196
													350,065
													83,172
													354,705

Rupees in thousand

OTHER INFORMATION

Segment assets	4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	7,554,420	2,835,970	10,380,390	-	34,778	-	34,778	10,425,168
Unallocated assets	-	-	-	-	-	-	-	-	-	-	12,239,155	1,483,054	13,722,209	258,981	89,221	478	723,143	16,152,587
Total assets	4,940,171	189,471	402,771	14,990	519,036	2,587,598	1,692,442	43,911	-	-	19,793,575	4,319,024	24,112,599	258,981	123,999	478	723,143	26,577,755

Segment liabilities

Unallocated liabilities	5,304,053	153,764	417,347	15,602	1,013,649	2,915,258	2,623,847	33,055	20,332	-	9,379,228	3,117,679	12,496,907	-	36,727	10	12,693	12,570,053
Total liabilities	5,304,053	153,764	417,347	15,602	1,013,649	2,915,258	2,623,847	33,055	20,332	-	9,919,584	3,201,830	13,121,414	40,065	5,557	35	17,503	13,328,335

Capital expenditure

	266,893	83,172	350,065	4,640	354,705
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**NOTES TO THE CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)**
FOR THE HALF YEAR ENDED 30 JUNE 2013

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

BUSINESS UNDERWRITTEN INSIDE PAKISTAN													BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN																			
General Insurance						Life Insurance				Total			General Insurance					Life Insurance			Total		Aggregate									
Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Conventional Business	Accident and Health Business	Unit Link Business	Non-utilised Investment Link Business	30 June 2013	30 June 2012	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Conventional Business	Accident and Health Business	Non-utilised Investment Link Business	30 June 2013	30 June 2012	30 June 2012	30 June 2012										
Rupees in thousand																																
Revenue account																																
Net premium revenue																																
403,375	273,348	622,875	574,394	-	18,106	283,355	1,621,499	2	3,806,952	3,033,185	10,407	9,324	806,861	10,015	-	-	-	-	836,607	636,259	4,643,559	3,669,444										
(261,754)	(188,404)	(312,790)	(264,750)	-	(13,746)	(3,811)	(198,830)	-	(1,244,085)	(1,644,528)	(23,230)	(445)	(587,140)	(3,910)	-	-	-	-	(614,725)	(465,977)	(1,858,810)	(2,110,505)										
Expenses																																
(143,260)	(88,334)	(232,834)	(159,987)	-	(7,494)	(27,833)	(99,549)	-	(759,281)	(860,379)	(14,013)	(6,485)	(106,671)	(13,174)	-	-	-	-	(140,343)	(105,119)	(899,024)	(965,498)										
(6,699)	(38,098)	(48,177)	(10,210)	-	(5,200)	(60,685)	(374,273)	-	(543,342)	(399,167)	2,958	(833)	(74,103)	(1,432)	-	-	-	-	(73,410)	(39,159)	(616,752)	(438,326)										
-	-	-	-	-	2,159	36,055	100,573	12	138,787	40,795	-	-	-	-	-	-	-	-	-	-	138,787	40,795										
Add: Policyholder's liabilities at beginning of the year																																
-	-	-	-	-	67,522	628,849	1,251,469	5	1,947,840	479,562	-	-	-	-	-	-	-	-	-	-	1,947,840	479,562										
Less: Policyholder's liabilities at end of the year																																
-	-	-	-	-	(75,628)	(872,620)	(2,310,057)	(7)	(3,258,305)	(987,833)	-	-	-	-	-	-	-	-	-	-	(3,258,305)	(987,833)										
Capital contribution from shareholder's fund																																
-	-	-	-	-	-	-	10,215	-	10,215	107,697	-	-	-	-	-	-	-	-	-	-	107,697	16,707										
Surplus of policyholder funds																																
(8,338)	(41,488)	29,074	139,447	-	-	-	(1,047)	(12)	19,914	16,707	-	-	-	-	-	-	-	-	-	-	19,914	16,707										
Underwriting result										118,695	(213,961)	(23,878)	1,561	38,947	(8,501)								8,129	26,004	126,824	(187,957)						
Investment income - other																																
Rental income										1,673,388	553,733											-	-	1,673,388	553,733							
Other income										-	-											2,389	-	2,389	-							
										41,155	62,967											25,739	15,173	66,894	78,140							
General and administration expenses																																
										1,833,238	402,739																		36,257	41,177	1,869,495	443,916
										(122,898)	(78,537)																		(34,955)	(27,531)	(157,853)	(106,088)
Exchange gain																																
										573	1,025																		-	-	573	1,025
Finance charge on lease liabilities																																
										(1,162)	(3,464)																		-	-	(1,162)	(3,464)
Share of profit from associated companies																																
										-	142,621																		-	-	-	142,621
Profit before tax										1,709,751	464,384																		1,302	13,646	1,711,053	478,030
Provision for taxation																																
										(200,056)	12,444																		-	-	(200,056)	12,444
Profit after tax																																
										1,509,695	476,828																		1,302	13,646	1,510,997	490,474

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2013

13 FINANCIAL AND INSURANCE RISK MANAGEMENT

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

14 DATE OF AUTHORISATION FOR ISSUE

This consolidated condensed interim financial information was approved and authorised for issue on 27 August 2013 by the Board of Directors of the Company.

15 CORRESPONDING FIGURES

No significant reclassification / rearrangement of corresponding figures has been made except resulting from the change in accounting policy as disclosed in note 3.1.

16 GENERAL

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

Umer Mansha
Chairman

S. M. Jawed
Director

Ibrahim Shamsi
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

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