

COMPANY INFORMATION

BOARD OF DIRECTORS

Umer Mansha	Chairman
Fredrik Coenrard de Beer	Director
Ibrahim Shamsi	Director
Imran Maqbool	Director
Muhammad Anees	Director
Muhammad Umar Virk	Director
Shaikh Muhammad Jawed	Director
Muhammad Ali Zeb	Managing Director & CEO

ADVISOR

Mian Muhammad Mansha

AUDIT COMMITTEE

Shaikh Muhammad Jawed	Chairman
Ibrahim Shamsi	Member
Muhammad Umar Virk	Member
Umer Mansha	Member

ETHICS, HUMAN RESOURCE AND REMUNERATION COMMITTEE

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

INVESTMENT COMMITTEE

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

COMPANY SECRETARY

Tameez ul Haque
F.C.A

CHIEF FINANCIAL OFFICER

Muhammad Asim Nagi
A.C.A

EXECUTIVE MANAGEMENT TEAM

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

AUDITORS

M/s. KPMG Taseer Hadi & Co.
Chartered Accountants
2nd Floor, Servis House,
2-Main Gulberg, Jail Road,
Lahore - 54000, Pakistan

SHARIAH ADVISOR

Mufti Muhammad Hassan Kaleem

SHARES REGISTRAR

Technology Trade (Pvt.) Limited
Dagia 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) 34391318

BANKERS

Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Dubai Islamic Bank
FINCA Microfinance Bank Limited
Habib Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
Mobilink Microfinance Bank
National Bank of Pakistan
NIB Bank Limited
Soneri Bank Limited
The Punjab Provincial Cooperative Bank Limited
United Bank Limited
Zarai Taraqiati Bank Limited

REGISTERED OFFICE

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

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

For the Half Year ended 30 June 2017

On behalf of the Board, I am pleased to present the unconsolidated condensed interim financial information of the Company for the half year ended 30 June 2017.

Financial Highlights:

The highlights for the period under review are as follows:

	30 June 2017	30 June 2016
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Gross premium	10,035,917	8,760,612
Net premium	5,738,936	4,368,316
Underwriting results	656,171	589,810
Investment income	1,124,424	1,366,848
Profit before tax	1,538,860	1,764,282
Profit after tax	1,061,113	1,476,395
Earnings per share (Rupees)	3.03	4.22

Performance Review:

The Gross and Net Premium of the Company has increased by 15% and 31%, respectively. The growth in premiums primarily came from Health and Motor line of business which showed an increase of 29% and 17% in gross premiums respectively. Overall underwriting results have improved by 11% over the corresponding period of last year with Motor line of business leading the underwriting performance with an underwriting profit of Rs. 177,619 thousands.

The investment income, profit before tax and profit after tax have decreased by 18%, 13% and 28% respectively.

Window Takaful Operations:

The Company commenced business under Window Takaful Operations on 01 January 2016. The written contribution and surplus of Participants' Takaful Fund are Rs. 409,059 thousands (2016: Rs. 45,777 thousands) and Rs. 1,070 (2016: deficit of Rs. 2,064 thousands), respectively. Most of the growth in contribution written came from the Health and Motor line of business which showed an increase of 3103% and 616%, respectively in gross contribution respectively. Window Takaful Operations contributed a profit of Rs. 31,025 thousands to the overall profits of the Company for the period ended 30 June 2017 (2016: loss of Rs. 9 thousands).

Future Outlook:

Pakistan's economy witnessed a GDP growth of 4.7% during the year 2016. The inclusion of Pakistan's stock exchange in the "Emerging Market" category is a testament of the interest that foreign investors and institutions have in direct investment in Pakistan. CPEC is also expected to be a large-scale initiative which will help strengthen the economy by addressing issue of energy crisis and investing in infrastructure of the country.

The Company plans to capitalize on the positive macro-economic indicators of the country by devising and implementing business strategies that are consistent with the overall economic climate. Further, the Company plans to increase its market penetration, both in Pakistan and UAE. Government has also taken measures in health insurance programme, crop loan insurance and livestock insurance which will provide cover to the masses against sickness and natural calamities. These initiatives are expected to offer enhanced business prospects to the companies operating in the insurance sector.

Acknowledgements:

We thank our shareholders, valued customers, employees and development staff for their consistent 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, the Securities and Exchange Commission of Pakistan for their continued guidance and assistance.

On Behalf of Board of Directors

Lahore: 29 August 2017

Muhammad Ali Zeb
Managing Director and Chief Executive Officer

غیرمختص عبوری مالیاتی معلومات پر ممبران کو ڈائریکٹرز کی رپورٹ

بابت نصف سال مختتم 30 جون 2017ء

کمپنی کے بورڈ آف ڈائریکٹرز کی طرف سے 30 جون 2017ء کو ختم ہونے والے نصف سال کی غیرمختص عبوری مالیاتی معلومات پیش کرنا میرے لیے باعث مسرت ہے۔
زیرجائزہ عرصہ کی نمایاں خصوصیات درج ذیل ہیں:

30 جون 2017ء (ہزار روپے)	30 جون 2016ء (ہزار روپے)
مجموعی پربینیم	مجموعی پربینیم
خالص پربینیم	خالص پربینیم
بنیادی کاروباری اُمور کے نتائج	بنیادی کاروباری اُمور کے نتائج
سرمایہ کاری سے آمدنی	سرمایہ کاری سے آمدنی
منافع قبل از ٹیکس	منافع قبل از ٹیکس
منافع بعد از ٹیکس	منافع بعد از ٹیکس
فی شیئر آمدنی	فی شیئر آمدنی
3.03	4.22

کمپنی کے مجموعی اور خالص پربینیم میں گزشتہ سال اسی مدت کے مقابلے میں بالترتیب 15 فیصد اور 31 فیصد اضافہ ہوا۔ پربینیمز میں اضافہ بنیادی طور پر کاروبار کی ہیلتھ اور موثر لائن سے حاصل ہوا جنہوں نے مجموعی پربینیمز میں بالترتیب 29 فی صد اور 17 فی صد اضافہ دکھایا۔ کمپنی کے بنیادی کاروباری اُمور کے نتائج میں گزشتہ سال کی اسی مدت کے مقابلے میں 11 فی صد بہتری ہوئی جس میں کاروبار کی موثر لائن بنیادی کاروباری اُمور کے 177,619 ہزار روپے منافع کے ساتھ کاروباری اُمور کی کارکردگی میں نمایاں رہی۔

سرمایہ کاری سے آمدنی، منافع قبل از ٹیکس اور منافع بعد از ٹیکس میں بالترتیب 18 فی صد، 13 فی صد اور 28 فی صد کی ہوئی۔

وٹڈ وٹکافل آپریشنز:

کمپنی نے یکم جنوری 2016ء سے وٹکافل کے کام کا آغاز کیا اور اورشراک کی وٹکافل فنڈ میں تحریری حصے داری اور فاضل سرمایہ بالترتیب 409,059 روپے (2016:45,777 ہزار روپے) اور 1,070 ہزار روپے (2016:2,064 ہزار روپے) خسارہ رہا۔ تحریری حصے داری میں پیش تر اضافہ کاروبار کی ہیلتھ اور موثر لائن سے حاصل ہوا جنہوں نے مجموعی حصہ داری میں بالترتیب 3103 فی صد اور 616 فی صد اضافہ دکھایا۔ وٹڈ وٹکافل کے کاروبار نے 30 جون 2017ء کو ختم ہونے والی مدت کے لیے کمپنی کے مجموعی منافع جات میں 31,025 ہزار روپے منافع شامل کیا (2016:9 ہزار روپے نقصان)۔

مستقبل کی توقعات:

پاکستان کی معیشت نے سال 2016 کے دوران GDP میں 4.7 فی صد کی نمو دکھائی۔ پاکستان اسٹاک ایکسچینج کی ”ایمرجنگ مارکیٹ“ کیٹیگری میں شمولیت اس دلچسپی کا ثبوت ہے جو غیر ملکی سرمایہ کار اور ادارے پاکستان میں براہ راست سرمایہ کاری میں رکھتے ہیں۔ سی بی سی کے بھی ایک بڑی سطح کے اقدام ہونے کی توقع ہے جو توانائی کے بحران سے نمٹنے اور ملک کے انفراسٹرکچر میں سرمایہ کاری کی بدولت معیشت کو مستحکم کرنے میں مدد دے گا۔ کمپنی ایسی کاروباری حکمت عملی کی تشکیل اور نفاذ کے ذریعے ملک کے مثبت مجموعی اقتصادی اشاریوں سے فائدہ اٹھانے کے منصوبے رکھتی ہے جو مجموعی معاشی ماحول سے ہم آہنگ ہو۔ مزید برآں کمپنی پاکستان اور متحدہ عرب امارات دونوں میں مارکیٹ میں اپنے نفوذ میں اضافہ کرنے کا ارادہ رکھتی ہے۔ حکومت نے ہیلتھ انشورنس پروگرام، کراپ لون انشورنس اور لائیو اسٹاک انشورنس میں بھی اقدامات کیے ہیں جس سے عوام کو بیماری اور قدرتی آفات کے خلاف تحفظ مہیا ہوگا۔ توقع ہے کہ یہ اقدامات انشورنس سیکٹر میں کمپنی کے کاروباری امکانات میں اضافہ پیش کریں گے۔

اعترافات اور اظہار تشکر

ہم ہماری کمپنی کی مسلسل کامیابی یقینی بنانے میں لگا تار معاونت اور اپنے ترجیحی براڈر کی حیثیت سے آدمی انشورنس پر اعتماد کے لیے اپنے شیئرز ہولڈرز، قابل قدر کسٹمرز، ملازمین اور ڈیولپمنٹ اسٹاف کے مشکور ہیں۔ ساتھ ہی لگا تار رہنمائی اور معاونت کے لیے انشورنس ڈویژن، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے بھی شکر گزار ہیں۔

از طرف بورڈ آف ڈائریکٹرز

محمد علی زب

چیئنگ ڈائریکٹر اینڈ چیف ایگزیکٹو آفیسر

تاریخ: 29 اگست 2017ء

لاہور

UNCONSOLIDATED

Condensed Interim
Financial Information
for the Half Year ended
30 June 2017
(Unaudited)



Auditors' Report to the Members on Review of Unconsolidated Condensed Interim Financial Information

Introduction

We have reviewed the accompanying:

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

and notes to the unconsolidated condensed interim financial information of Adamjee Insurance Company Limited as at and for the six month period ended 30 June 2017 (here-in-after referred to as "unconsolidated condensed interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this unconsolidated condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed 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 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other Matters

The figures for the three month period ended 30 June 2017 and 30 June 2016 in the unconsolidated condensed interim financial information have not been reviewed by us and we do not express a conclusion on them.

Lahore: 29 August 2017

KPMG Taseer Hadi & Co.
Chartered Accountants
(Bilal Ali)

Unconsolidated Condensed Interim Balance Sheet

As at 30 June 2017

Note	30 June 2017	31 December 2016
	Rupees in thousand	
	(Unaudited)	(Audited)
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized capital		
375,000,000 (2016: 375,000,000) ordinary shares of Rs. 10 each	3,750,000	3,750,000
Issued, subscribed and paid up capital	3,500,000	3,500,000
Reserves	1,411,342	1,406,834
Retained Earnings	12,279,882	12,093,769
Total equity	17,191,224	17,000,603
Underwriting provisions		
Provision for outstanding claims (including IBNR)	11,082,979	9,475,718
Provision for unearned premium	8,803,910	7,349,511
Premium deficiency reserve	74,520	121,553
Commission income unearned	280,401	236,890
Total underwriting provisions	20,241,810	17,183,672
Deferred liabilities		
Deferred taxation	34,215	34,549
Staff retirement benefits	90,942	81,399
Creditors and accruals		
Premiums received in advance	359,470	225,681
Amounts due to other insurers / reinsurers	2,196,986	1,540,645
Taxation - provision less payments	42,836	-
Accrued expenses	74,484	135,624
Other creditors and accruals	2,230,809	2,242,403
	4,904,585	4,144,353
Other liabilities		
Unclaimed dividends	117,503	88,969
Total liabilities	25,389,055	21,532,942
Total liabilities of Window Takaful Operations - Operator's Fund	7	129,426
Contingencies and commitments	8	
TOTAL EQUITY AND LIABILITIES	42,709,705	38,579,911

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

	Note	30 June 2017	31 December 2016
		Rupees in thousand	
		(Unaudited)	(Audited)
ASSETS			
CASH AND BANK DEPOSITS			
Cash and other equivalents	9	3,268	7,274
Current and other accounts		3,407,796	3,803,897
Deposits maturing within 12 months		626,843	525,059
		4,037,907	4,336,230
Loans - secured, considered good			
To employees		16,560	18,369
Investments			
	10	18,062,904	16,738,435
Current assets - others			
Premiums due but unpaid	11	6,002,713	5,063,481
Amounts due from other insurers / reinsurers	12	1,087,846	1,056,853
Salvage recoveries accrued		314,650	336,163
Premium and claim reserves retained by cedants		-	-
Accrued investment income		31,921	30,266
Reinsurance recoveries against outstanding claims		7,299,549	6,279,433
Taxation - payments less provision		-	7,534
Deferred commission expense		888,084	737,281
Prepayments		3,013,229	2,442,050
Sundry receivables		336,657	184,919
		18,974,649	16,137,980
Fixed assets - Tangible & intangible			
	13		
Owned			
Land and buildings		556,784	568,644
Furniture and fixtures		83,931	88,948
Motor vehicles		274,464	286,112
Machinery and equipment		76,576	77,790
Computers and related accessories		61,057	56,368
Intangible asset - computer software		42,420	49,687
Capital work in progress		318,518	122,191
		1,413,750	1,249,740
Total assets of Window Takaful Operations - Operator's Fund		203,935	99,157
TOTAL ASSETS		42,709,705	38,579,911

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Profit and Loss Account (Unaudited)

For the Half Year Ended 30 June 2017

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Treaty	Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousands								
Revenue Account								
Net premium revenue	217,881	149,025	1,822,035	442,555	201,248	-	2,832,744	2,286,908
Net claims	(95,323)	(39,902)	(1,331,237)	(339,790)	(104,528)	-	(1,910,780)	(1,371,398)
Expenses	(71,844)	(48,292)	(263,503)	(39,961)	(51,241)	-	(474,841)	(427,558)
Net commission	(27,726)	(22,884)	(211,809)	(12,809)	11,078	-	(264,150)	(198,410)
Premium deficiency reserve	-	-	47,171	-	-	-	47,171	-
Underwriting result	22,988	37,947	62,657	49,995	56,557	-	230,144	289,542
Investment income							448,576	790,960
Rental income							1	1,678
Other income							21,635	89,954
							700,356	1,172,134
General and administration expenses							(138,736)	(137,780)
Exchange (loss) / gain							(448)	441
Profit from Window Takaful Operations							16,145	508
Workers' welfare fund							(11,543)	(20,708)
Profit before tax							565,774	1,014,595
Provision for taxation								
- Current							(186,155)	(133,895)
- Deferred							334	(113,185)
Profit after tax							379,953	767,515
							Rupees	
Earnings per share - basic and diluted							1.08	2.19

Note	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Treaty	Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousands								
Revenue Account								
Net premium revenue	455,864	358,411	3,606,238	872,594	445,829	-	5,738,936	4,368,316
Net claims	(131,766)	(116,413)	(2,566,170)	(704,674)	(202,498)	-	(3,721,521)	(2,585,845)
Expenses	(134,821)	(98,536)	(495,927)	(72,473)	(93,965)	-	(895,722)	(802,185)
Net commission	(37,464)	(56,789)	(413,693)	(21,417)	16,670	-	(512,693)	(390,476)
Premium deficiency reserve	-	-	47,171	-	-	-	47,171	-
Underwriting result	151,813	86,673	177,619	74,030	166,036	-	656,171	589,810
Investment income							1,124,424	1,366,848
Rental income							1,614	3,290
Other income							55,317	111,048
							1,837,526	2,070,996
General and administration expenses							(298,083)	(271,971)
Exchange (loss) / gain							(203)	1,272
Profit / (loss) from Window Takaful Operations							31,025	(9)
Workers' welfare fund							(31,405)	(36,006)
Profit before tax							1,538,860	1,764,282
Provision for taxation								
- Current							(478,081)	(174,702)
- Deferred							334	(113,185)
Profit after tax							1,061,113	1,476,395
Profit and loss appropriation account								
Balance at the commencement of the period:								
Profit after tax for the period							12,093,769	9,652,689
Final dividend for the year ended 31 December 2016 @ 25% (Rupee 2.5/- per share) [2015 : @ 15% (Rupee 1.5/- per share)]							1,061,113	1,476,395
Balance unappropriated profit at the end of the period							(875,000)	(525,000)
Profit before tax							12,279,882	10,604,084
							Rupees	
Earnings per share - basic and diluted							3.03	4.22

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Profit and Loss Account (Unaudited)

For the Half Year Ended 30 June 2017

Business underwritten Inside Pakistan

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Treaty	Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand								
Revenue account								
Net premium revenue	212,078	154,422	559,499	440,352	200,270	-	1,566,621	1,363,676
Net claims	(90,620)	(39,720)	(232,566)	(339,699)	(104,303)	-	(806,908)	(779,655)
Expenses	(71,333)	(48,112)	(142,801)	(38,398)	(51,198)	-	(351,842)	(326,366)
Net commission	(27,500)	(21,868)	(50,409)	(12,735)	11,605	-	(100,907)	(75,508)
Premium deficiency reserve	-	-	-	-	-	-	-	-
Underwriting result	<u>22,625</u>	<u>44,722</u>	<u>133,723</u>	<u>49,520</u>	<u>56,374</u>	<u>-</u>	306,964	182,147
Investment income							417,294	790,960
Rental income							-	-
Other income							22,369	88,107
							746,627	1,061,214
General and administration expenses							(123,912)	(130,263)
Exchange (loss) / gain							(448)	441
Profit from Window Takaful Operations							16,145	508
Workers' welfare fund							(11,543)	(20,708)
Profit before tax							626,869	911,192

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Treaty	Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand								
Revenue account								
Net premium revenue	443,919	344,047	1,107,455	869,973	443,418	-	3,208,812	2,673,322
Net claims	(126,529)	(113,720)	(505,303)	(703,403)	(202,283)	-	(1,651,238)	(1,516,188)
Expenses	(133,744)	(98,036)	(285,270)	(70,620)	(93,730)	-	(681,400)	(623,277)
Net commission	(36,450)	(55,166)	(97,321)	(21,270)	16,224	-	(193,983)	(162,472)
Premium deficiency reserve	-	-	-	-	-	-	-	-
Underwriting result	<u>147,196</u>	<u>77,125</u>	<u>219,561</u>	<u>74,680</u>	<u>163,629</u>	<u>-</u>	682,191	371,385
Investment income							1,033,598	1,366,848
Rental income							-	-
Other income							54,465	107,115
							1,770,254	1,845,348
General and administration expenses							(244,502)	(238,272)
Exchange (loss) / gain							(203)	1,272
Profit / (loss) from Window Takaful Operations							31,025	(9)
Workers' welfare fund							(31,405)	(36,006)
Profit before tax							1,525,169	1,572,333

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Profit and Loss Account (Unaudited)

For the Half Year Ended 30 June 2017

Business underwritten Outside Pakistan								
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Treaty	Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand							
Revenue account								
Net premium revenue	5,803	(5,397)	1,262,536	2,203	978	-	1,266,123	923,232
Net claims	(4,703)	(182)	(1,098,671)	(91)	(225)	-	(1,103,872)	(591,743)
Expenses	(511)	(180)	(120,702)	(1,563)	(43)	-	(122,999)	(101,192)
Net commission	(226)	(1,016)	(161,400)	(74)	(527)	-	(163,243)	(122,902)
Premium deficiency reserve	-	-	47,171	-	-	-	47,171	-
Underwriting result	363	(6,775)	(71,066)	475	183	-	(76,820)	107,395
Investment income							31,282	-
Rental income							1	1,678
Other income							(734)	1,847
							(46,271)	110,920
General and administration expenses							(14,824)	(7,517)
Exchange gain / (loss)							-	-
Workers' welfare fund							-	-
(Loss) / profit before tax							(61,095)	103,403

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Treaty	Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand								
Revenue account								
Net premium revenue	11,945	14,364	2,498,783	2,621	2,411	-	2,530,124	1,694,994
Net claims	(5,237)	(2,693)	(2,060,867)	(1,271)	(215)	-	(2,070,283)	(1,069,657)
Expenses	(1,077)	(500)	(210,657)	(1,853)	(235)	-	(214,322)	(178,908)
Net commission	(1,014)	(1,623)	(316,372)	(147)	446	-	(318,710)	(228,004)
Premium deficiency reserve	-	-	47,171	-	-	-	47,171	-
Underwriting result	4,617	9,548	(41,942)	(650)	2,407	-	(26,020)	218,425
Investment income							90,826	-
Rental income							1,614	3,290
Other income							852	3,933
							67,272	225,648
General and administration expenses							(53,581)	(33,699)
Exchange gain / (loss)							-	-
Workers' welfare fund							-	-
Profit before tax							13,691	191,949

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Comprehensive Income (Unaudited)

For the Half Year Ended 30 June 2017

	Quarter ended 30 June 2017	Quarter ended 30 June 2016	Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand			
Profit for the period	379,953	767,515	1,061,113	1,476,395
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss				
Effect of translation of investment in foreign branches - net	4,068	3,901	4,508	3,921
Total comprehensive income for the period	384,021	771,416	1,065,621	1,480,316

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)

For the Half Year Ended 30 June 2017

	Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand		
Cash flows from operating activities		
a) Underwriting activities		
Premiums received	9,269,081	7,396,192
Reinsurance premiums paid	(2,712,534)	(2,386,504)
Claims paid	(4,381,538)	(4,049,790)
Surrenders paid	(38,607)	(14,607)
Reinsurance and other recoveries received	1,234,236	1,058,506
Commissions paid	(814,928)	(561,119)
Commissions received	321,765	350,952
Other underwriting payments	(1,081,465)	(642,035)
Net cash generated from underwriting activities	1,796,010	1,151,595
b) Other operating activities		
Income tax paid	(427,699)	(209,299)
General and management expenses paid	(544,480)	(402,175)
Loans disbursed	(26,577)	(27,000)
Loans repayments received	24,870	23,416
Other receipts	2,721	5,007
Net cash used in other operating activities	(971,165)	(610,051)
Net cash generated from all operating activities	824,845	541,544
Cash flows from investing activities		
Profit / return received on bank deposits	49,273	31,215
Return on Pakistan investments bonds	14,017	17,016
Income received from TFCs	430	676
Income from treasury bills	4,294	6,330
Dividends received	712,129	634,600
Rentals received	1,614	3,742
Payments for investments	(6,025,219)	(9,908,680)
Proceeds from disposal of investments	5,090,226	9,290,221
Fixed capital expenditure - tangible assets	(229,360)	(103,227)
Fixed capital expenditure - intangible assets	(7,292)	(39,001)
Proceeds from disposal of operating fixed assets	12,261	277,117
Net cash (used in) / generated from investing activities	(377,627)	210,009
Cash flows from financing activities		
Dividends paid	(846,466)	(513,963)
Repatriation of funds	-	-
Net cash used in financing activities	(846,466)	(513,963)
Net cash generated (used in) / from all activities	(399,248)	237,590
Cash at the beginning of the period	4,300,905	2,889,056
Cash at the end of the period	3,901,657	3,126,646

Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)

For the Half Year Ended 30 June 2017

Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand	

Reconciliation to profit and loss account

Operating cash flows	824,845	541,544
Depreciation expense	(59,490)	(59,086)
Provision for gratuity	(9,543)	(12,291)
Other income - bank deposits	46,845	28,916
Gain on disposal of operating fixed assets	5,548	78,397
Rental income	1,614	3,224
Increase in assets other than cash	3,003,095	2,558,188
Increase in liabilities other than running finance	(2,398,396)	(1,247,595)
	1,414,518	1,891,297

Others

Profit on sale of investments	670,419	708,843
Amortization expense	(6,114)	(14,079)
Increase in unearned premium	(1,454,399)	(1,693,078)
Increase in loans	1,707	3,584
Income taxes paid	427,699	209,299
Reversal of provision for impairment in value of available-for-sale investments	(280,943)	-
Dividend and other income	709,060	634,961
Income from treasury bills	10,031	3,751
Return on Pakistan investments bonds	12,857	16,866
Income from TFCs	3,000	2,847
Profit / (loss) from Window Takaful Operations	31,025	(9)
	124,342	(127,015)

Profit before taxation

1,538,860 1,764,282

Definition of cash

Cash comprises cash in hand, bank balances excluding Rs. 136.250 million (2016: Rs 10.258 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 2017	Half Year ended 30 June 2016
Rupees in thousand	

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

Cash and other equivalents	3,268	7,780
Current and other accounts	3,407,796	2,628,224
Deposits maturing within 12 months	490,593	490,642
Total cash and cash equivalents	3,901,657	3,126,646

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)

For the Half Year Ended 30 June 2017

Business underwritten Inside Pakistan

	Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand	
Cash flows from operating activities		
a) Underwriting activities		
Premiums received	5,686,841	5,116,333
Reinsurance premiums paid	(2,431,310)	(2,148,572)
Claims paid	(1,794,910)	(2,030,555)
Surrenders paid	(38,607)	(14,607)
Reinsurance and other recoveries received	230,936	211,831
Commissions paid	(380,638)	(363,009)
Commissions received	285,697	319,162
Other underwriting payments	(868,973)	(574,571)
Net cash generated from underwriting activities	689,036	516,012
b) Other operating activities		
Income taxes paid	(427,699)	(209,299)
General and management expenses paid	(470,231)	(366,752)
Loans disbursed	(21,836)	(24,614)
Loans repayments received	20,687	18,716
Other receipts	2,721	5,007
Net cash used in other operating activities	(896,358)	(576,942)
Net cash used in from all operating activities	(207,322)	(60,930)
Cash flows from investing activities		
Profit / return received on bank deposits	45,998	21,871
Return on Pakistan investments bonds	14,017	17,016
Income received from TFCs	430	676
Income from treasury bills	4,294	6,330
Dividends received	712,129	634,600
Rentals received	-	-
Payments for investments	(6,025,219)	(9,908,680)
Proceeds from disposal of investments	5,090,226	9,290,221
Fixed capital expenditure - tangible assets	(224,854)	(94,808)
Fixed capital expenditure - intangible assets	(3,001)	(427)
Proceeds from disposal of operating fixed assets	12,261	276,719
Net cash flow (used in) / generated from investing activities	(373,719)	243,518
Cash flows from financing activities		
Dividends paid	(846,466)	(513,963)
Repatriation of funds from business outside Pakistan	-	524,497
Net cash flow from / (used in) financing activities	(846,466)	10,534
Net cash generated from all activities	(1,427,507)	193,122
Cash at the beginning of the period	2,597,822	1,554,806
Cash at the end of the period	1,170,315	1,747,928

Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)

For the Half Year Ended 30 June 2017

Reconciliation to profit and loss account

Operating cash flows
Depreciation expense
Provision for gratuity
Other income - bank deposits
Profit on disposal of operating fixed assets
Rental income
Increase in assets other than cash
Increase in liabilities other than running finance

Half Year ended 30 June 2017	Half Year ended 30 June 2016
(207,322)	(60,930)
(47,036)	(49,379)
(8,141)	(8,760)
45,993	24,537
5,548	78,843
-	-
2,720,249	1,235,050
(1,476,357)	(401,536)
1,032,934	817,825

Others

Profit on sale of investments
Amortization expense
Increase in unearned premium
Decrease in loans
Income taxes paid
Provision for impairment in value of available-for-sale investments
Dividend income
Income from treasury bills
Return on Pakistan investments bonds
Income from TFCs
Profit / (loss) from Window Takaful Operations

581,617	708,843
(4,816)	(7,710)
(996,420)	(820,238)
1,149	5,898
427,699	209,299
(280,943)	-
707,036	634,961
10,031	3,751
12,857	16,866
3,000	2,847
31,025	(9)
492,235	754,508

Profit before taxation

1,525,169	1,572,333
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Definition of cash

Cash comprises cash in hand, bank balances excluding Rs. 136.250 million (2016: Rs 35.325 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

3,268	7,552
1,166,312	1,739,641
735	735

Total cash and cash equivalents

1,170,315	1,747,928
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The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)

For the Half Year Ended 30 June 2017

Business underwritten Outside Pakistan

	Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand	
Cash flows from operating activities		
a) Underwriting activities		
Premiums received	3,582,240	2,279,859
Reinsurance premiums paid	(281,224)	(237,932)
Claims paid	(2,586,628)	(2,019,235)
Surrenders paid	-	-
Reinsurance and other recoveries received	1,003,300	846,675
Commissions paid	(434,290)	(198,110)
Commissions received	36,068	31,790
Other underwriting payments	(212,492)	(67,464)
Net cash flow from underwriting activities	1,106,974	635,583
b) Other operating activities		
Income taxes paid	-	-
General and management expenses paid	(74,249)	(35,423)
Loans disbursed	(4,741)	(2,386)
Loans repayments received	4,183	4,700
Other (payments) / receipts	-	-
Net cash used in other operating activities	(74,807)	(33,109)
Net cash generated from all operating activities	1,032,167	602,474
Cash flows from investing activities		
Profit / return received on bank deposits	3,275	9,344
Return on Pakistan investments bonds	-	-
Income received from TFCs	-	-
Income from treasury bills	-	-
Dividends received	-	-
Rentals received	1,614	3,742
Payments for investments	-	-
Proceeds from disposal of investments	-	-
Fixed capital expenditure - tangible assets	(4,506)	(8,419)
Fixed capital expenditure - intangible assets	(4,291)	(38,574)
Proceeds from disposal of operating fixed assets	-	398
Net cash used in from investing activities	(3,908)	(33,509)
Cash flows from financing activities		
Dividends paid	-	-
Repatriation of funds to Pakistan Business	-	(524,497)
Net cash used in financing activities	-	(524,497)
Net cash generated from all activities	1,028,259	44,468
Cash at the beginning of the period	1,703,083	1,334,250
Cash at the end of the period	2,731,342	1,378,718

Unconsolidated Condensed Interim Cash Flow Statement (Unaudited)

For the Half Year Ended 30 June 2017

Reconciliation to profit and loss account

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

Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand	
1,032,167	602,474
(12,454)	(9,707)
(1,402)	(3,531)
852	4,379
-	(446)
1,614	3,224
282,846	1,323,138
(922,039)	(846,059)
381,584	1,073,472

Others

Profit on sale of investments
Amortization expense
Increase in unearned premium
Decrease / (Increase) in loans
Income taxes paid
Provision for impairment in value of available-for-sale investments
Dividend income
Income from treasury bills
Return on Pakistan investments bonds
Income from TFCs

88,802	-
(1,298)	(6,369)
(457,979)	(872,840)
558	(2,314)
-	-
-	-
2,024	-
-	-
-	-
-	-
(367,893)	(881,523)

Profit before taxation

13,691 191,949

Definition of cash

Cash comprises cash in hand, bank balances excluding Rs. Nil (2016: 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 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

-	228
2,241,484	888,583
489,858	489,907

Total cash and cash equivalents

2,731,342 1,378,718

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Changes in Equity (Unaudited)

For the Half Year Ended 30 June 2017

	Share capital	Capital reserves			Revenue reserves		Total
	Issued, subscribed and paid up	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	General reserve	Retained earnings	
Rupees in thousand							
Balance as at 31 December 2015 - (Audited)	3,500,000	22,859	3,764	445,503	936,500	9,652,689	14,561,315
Comprehensive income for the period ended 30 June 2016							
Profit for the period 01 Jan 2016 to 30 June 2016	-	-	-	-	-	1,476,395	1,476,395
Other comprehensive income for the period 01 Jan 2016 to 30 June 2016	-	-	-	3,921	-	-	3,921
Total comprehensive income for the period	-	-	-	3,921	-	1,476,395	1,480,316
Transactions with owners of the Company							
Final dividend for the year ended 31 December 2015 @ 15% (Rupee 1.5/- per share)	-	-	-	-	-	(525,000)	(525,000)
Balance as at 30 June 2016 - (Unaudited)	3,500,000	22,859	3,764	449,424	936,500	10,604,084	15,516,631
Comprehensive income for the period ended 31 December 2016							
Profit for the period 01 July 2016 to 31 December 2016	-	-	-	-	-	2,016,549	2,016,549
Other comprehensive income for the period 01 July 2016 to 31 December 2016	-	-	-	(5,713)	-	(1,864)	(7,577)
Total comprehensive income for the period	-	-	-	(5,713)	-	2,014,685	2,008,972
Transactions with owners of the Company							
Interim dividend for the period ended 30 June 2016 @ 15% (Rupees 1.5/- per share)	-	-	-	-	-	(525,000)	(525,000)
Balance as at 31 December 2016 - (Audited)	3,500,000	22,859	3,764	443,711	936,500	12,093,769	17,000,603
Comprehensive income for the year ended 30 June 2017							
Profit for the period 01 Jan 2017 to 30 June 2017	-	-	-	-	-	1,061,113	1,061,113
Other comprehensive income for the period 01 Jan 2017 to 30 June 2017	-	-	-	4,508	-	-	4,508
Total comprehensive income for the period	-	-	-	4,508	-	1,061,113	1,065,621
Transactions with owners of the Company							
Final dividend for the year ended 31 December 2016 @ 25% (Rupee 2.5/- per share)	-	-	-	-	-	(875,000)	(875,000)
Balance as at 30 June 2017 - (Unaudited)	3,500,000	22,859	3,764	448,219	936,500	12,279,882	17,191,224

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Premiums (Unaudited)

For the Half Year Ended 30 June 2017

Class	Premiums written	Unearned premium reserve			Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded			Reinsurance expense	Net premium revenue	
		Opening	Closing	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	1,951,108	2,091,334	2,837,931	28	1,204,539	1,670,982	1,596,553	2,280,895	18	986,658	217,881	211,538
Marine, aviation and transport	204,604	34,535	57,803	26	181,362	25,929	14,847	8,439	-	32,337	149,025	168,640
Motor	2,253,180	4,304,194	4,556,577	4,467	2,005,264	206,058	382,974	406,383	580	183,229	1,822,035	1,378,587
Accident & Health	522,765	765,402	841,288	(61)	446,818	-	6,658	2,397	2	4,263	442,555	334,941
Miscellaneous	425,622	424,193	510,311	9	339,513	151,387	174,479	187,607	6	138,265	201,248	193,202
Total	5,357,279	7,619,658	8,803,910	4,469	4,177,496	2,054,356	2,175,511	2,885,721	606	1,344,752	2,832,744	2,286,908
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand total	5,357,279	7,619,658	8,803,910	4,469	4,177,496	2,054,356	2,175,511	2,885,721	606	1,344,752	2,832,744	2,286,908

Class	Premiums written	Unearned premium reserve			Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded			Reinsurance expense	Net premium revenue	
		Opening	Closing	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	3,030,657	2,321,445	2,837,931	37	2,514,208	2,557,378	1,781,837	2,280,895	24	2,058,344	455,864	426,676
Marine, aviation and transport	464,182	47,086	57,803	25	453,490	97,079	6,439	8,439	-	95,079	358,411	311,430
Motor	4,721,969	3,856,292	4,556,577	5,608	4,027,292	420,885	405,840	406,383	712	421,054	3,606,238	2,576,435
Accident & Health	1,086,049	631,670	841,288	8	876,439	-	6,237	2,397	5	3,845	872,594	637,323
Miscellaneous	733,060	493,018	510,311	11	715,778	301,721	155,829	187,607	6	269,949	445,829	416,452
Total	10,035,917	7,349,511	8,803,910	5,689	8,587,207	3,377,063	2,356,182	2,885,721	747	2,848,271	5,738,936	4,368,316
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand total	10,035,917	7,349,511	8,803,910	5,689	8,587,207	3,377,063	2,356,182	2,885,721	747	2,848,271	5,738,936	4,368,316

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Premiums (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	1,942,299	2,064,707	2,817,550	-	1,189,456	1,666,198	1,578,855	2,267,675	-	977,378	212,078	204,132
Marine, aviation and transport	196,874	33,138	43,253	-	186,759	25,929	14,847	8,439	-	32,337	154,422	162,804
Motor	709,219	1,171,184	1,310,120	-	570,283	10,731	226	173	-	10,784	559,499	474,644
Accident & Health	522,765	754,767	837,180	-	440,352	-	-	-	-	-	440,352	331,296
Miscellaneous	424,012	418,791	503,689	-	339,114	150,738	172,004	183,898	-	138,844	200,270	190,800
Total	3,795,169	4,442,587	5,511,792	-	2,725,964	1,853,596	1,765,932	2,460,185	-	1,159,343	1,566,621	1,363,676
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand total	3,795,169	4,442,587	5,511,792	-	2,725,964	1,853,596	1,765,932	2,460,185	-	1,159,343	1,566,621	1,363,676

Class	Premiums written	Unearned premium reserve			Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded			Reinsurance expense	Net premium revenue	
		Opening	Closing	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand												
Direct and facultative												
Fire and property damage	3,009,511	2,292,033	2,817,550	-	2,483,994	2,544,783	1,762,967	2,267,675	-	2,040,075	443,919	411,277
Marine, aviation and transport	447,035	35,344	43,253	-	439,126	97,079	6,439	8,439	-	95,079	344,047	294,615
Motor	1,357,321	1,079,748	1,310,120	-	1,126,949	19,325	342	173	-	19,494	1,107,455	926,757
Accident & Health	1,086,049	621,104	837,180	-	869,973	-	-	-	-	-	869,973	629,215
Miscellaneous	725,574	487,143	503,689	-	709,028	296,993	152,515	183,898	-	265,610	443,418	411,458
Total	6,625,490	4,515,372	5,511,792	-	5,629,070	2,958,180	1,922,263	2,460,185	-	2,420,258	3,208,812	2,673,322
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand total	6,625,490	4,515,372	5,511,792	-	5,629,070	2,958,180	1,922,263	2,460,185	-	2,420,258	3,208,812	2,673,322

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha

Chairman

Shaikh Muhammad Jawed

Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Premiums (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand												
Direct and facultative												
Fire and property damage	8,809	26,627	20,381	28	15,083	4,784	17,698	13,220	18	9,280	5,803	7,406
Marine, aviation and transport	7,730	1,397	14,550	26	(5,397)	-	-	-	-	-	(5,397)	5,836
Motor	1,543,961	3,133,010	3,246,457	4,467	1,434,981	195,327	382,748	406,210	580	172,445	1,262,536	903,943
Accident & Health	-	10,635	4,108	(61)	6,466	-	6,658	2,397	2	4,263	2,203	3,645
Miscellaneous	1,610	5,402	6,622	9	399	649	2,475	3,709	6	(579)	978	2,402
Total	1,562,110	3,177,071	3,292,118	4,469	1,451,532	200,760	409,579	425,536	606	185,409	1,266,123	923,232
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	1,562,110	3,177,071	3,292,118	4,469	1,451,532	200,760	409,579	425,536	606	185,409	1,266,123	923,232

Class	Premiums written	Unearned premium reserve			Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded			Reinsurance expense	Net premium revenue	
		Opening	Closing	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	21,146	29,412	20,381	37	30,214	12,595	18,870	13,220	24	18,269	11,945	15,399
Marine, aviation and transport	17,147	11,742	14,550	25	14,364	-	-	-	-	-	14,364	16,815
Motor	3,364,648	2,776,544	3,246,457	5,608	2,900,343	401,560	405,498	406,210	712	401,560	2,498,783	1,649,678
Accident & Health	-	10,566	4,108	8	6,466	-	6,237	2,397	5	3,845	2,621	8,108
Miscellaneous	7,486	5,875	6,622	11	6,750	4,728	3,314	3,709	6	4,339	2,411	4,994
Total	3,410,427	2,834,139	3,292,118	5,689	2,958,137	418,883	433,919	425,536	747	428,013	2,530,124	1,694,994
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	3,410,427	2,834,139	3,292,118	5,689	2,958,137	418,883	433,919	425,536	747	428,013	2,530,124	1,694,994

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Claims (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	191,353	3,586,302	4,023,914	77	628,888	136,968	3,259,540	3,656,190	53	533,565	95,323	137,513
Marine, aviation and transport	28,329	263,142	288,501	7	53,681	7,079	131,527	138,227	-	13,779	39,902	56,514
Motor	1,555,922	4,780,493	5,157,939	6,551	1,926,817	477,868	2,684,847	2,806,339	3,780	595,580	1,331,237	814,721
Accident & Health	310,716	281,808	310,041	11	338,938	2,128	7,474	4,501	7	(852)	339,790	311,651
Miscellaneous	187,797	1,113,241	1,302,584	8	377,132	130,892	867,222	1,008,942	8	272,604	104,528	50,999
Total	2,274,117	10,024,986	11,082,979	6,654	3,325,456	754,935	6,950,610	7,614,199	3,848	1,414,676	1,910,780	1,371,398
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	2,274,117	10,024,986	11,082,979	6,654	3,325,456	754,935	6,950,610	7,614,199	3,848	1,414,676	1,910,780	1,371,398

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	328,284	3,551,184	4,023,914	103	800,911	199,936	3,186,906	3,656,190	75	669,145	131,766	215,241
Marine, aviation and transport	117,701	256,728	288,501	9	149,465	11,782	116,957	138,227	-	33,052	116,413	117,397
Motor	3,024,301	4,334,219	5,157,939	8,110	3,839,911	907,761	2,435,652	2,806,339	4,707	1,273,741	2,566,170	1,518,691
Accident & Health	667,757	271,554	310,041	14	706,230	8,897	11,832	4,501	10	1,556	704,674	642,582
Miscellaneous	243,495	1,062,033	1,302,584	11	484,035	136,853	864,249	1,008,942	9	281,537	202,498	91,934
Total	4,381,538	9,475,718	11,082,979	8,247	5,980,552	1,265,229	6,615,596	7,614,199	4,801	2,259,031	3,721,521	2,585,845
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	4,381,538	9,475,718	11,082,979	8,247	5,980,552	1,265,229	6,615,596	7,614,199	4,801	2,259,031	3,721,521	2,585,845

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Claims (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	179,043	3,512,740	3,966,482	-	632,785	127,829	3,199,947	3,614,283	-	542,165	90,620	139,940
Marine, aviation and transport	28,233	258,043	283,309	-	53,499	7,079	131,527	138,227	-	13,779	39,720	56,441
Motor	229,118	476,060	450,175	-	203,233	15,586	125,267	80,348	-	(29,333)	232,566	224,650
Accident & Health	307,676	270,856	302,879	-	339,699	-	-	-	-	-	339,699	307,769
Miscellaneous	187,309	1,106,132	1,296,749	-	377,926	130,485	861,310	1,004,448	-	273,623	104,303	50,855
Total	931,379	5,623,831	6,299,594	-	1,607,142	280,979	4,318,051	4,837,306	-	800,234	806,908	779,655
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	931,379	5,623,831	6,299,594	-	1,607,142	280,979	4,318,051	4,837,306	-	800,234	806,908	779,655

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	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	308,209	3,480,697	3,966,482	-	793,994	184,561	3,131,379	3,614,283	-	667,465	126,529	193,663
Marine, aviation and transport	115,094	251,631	283,309	-	146,772	11,782	116,957	138,227	-	33,052	113,720	117,207
Motor	474,652	439,793	450,175	-	485,034	14,514	115,131	80,348	-	(20,269)	505,303	477,194
Accident & Health	654,900	254,376	302,879	-	703,403	-	-	-	-	-	703,403	636,376
Miscellaneous	242,055	1,053,622	1,296,749	-	485,182	135,521	857,070	1,004,448	-	282,899	202,283	91,748
Total	1,794,910	5,480,119	6,299,594	-	2,614,385	346,378	4,220,537	4,837,306	-	963,147	1,651,238	1,516,188
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	1,794,910	5,480,119	6,299,594	-	2,614,385	346,378	4,220,537	4,837,306	-	963,147	1,651,238	1,516,188

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Claims (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	12,310	73,562	57,432	77	(3,897)	9,139	59,593	41,907	53	(8,600)	4,703	(2,427)
Marine, aviation and transport	96	5,099	5,192	7	182	-	-	-	-	-	182	73
Motor	1,326,804	4,304,433	4,707,764	6,551	1,723,584	462,282	2,559,580	2,725,991	3,780	624,913	1,098,671	590,071
Accident & Health	3,040	10,952	7,162	11	(761)	2,128	7,474	4,501	7	(852)	91	3,882
Miscellaneous	488	7,109	5,835	8	(794)	407	5,912	4,494	8	(1,019)	225	144
Total	1,342,738	4,401,155	4,783,385	6,654	1,718,314	473,956	2,632,559	2,776,893	3,848	614,442	1,103,872	591,743
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	1,342,738	4,401,155	4,783,385	6,654	1,718,314	473,956	2,632,559	2,776,893	3,848	614,442	1,103,872	591,743

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	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	20,075	70,487	57,432	103	6,917	15,375	55,527	41,907	75	1,680	5,237	21,578
Marine, aviation and transport	2,607	5,097	5,192	9	2,693	-	-	-	-	-	2,693	190
Motor	2,549,649	3,894,426	4,707,764	8,110	3,354,877	893,247	2,320,521	2,725,991	4,707	1,294,010	2,060,867	1,041,497
Accident & Health	12,857	17,178	7,162	14	2,827	8,897	11,832	4,501	10	1,556	1,271	6,206
Miscellaneous	1,440	8,411	5,835	11	(1,147)	1,332	7,179	4,494	9	(1,362)	215	186
Total	2,586,628	3,995,599	4,783,385	8,247	3,366,167	918,851	2,395,059	2,776,893	4,801	1,295,884	2,070,283	1,069,657
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	2,586,628	3,995,599	4,783,385	8,247	3,366,167	918,851	2,395,059	2,776,893	4,801	1,295,884	2,070,283	1,069,657

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha

Chairman

Shaikh Muhammad Jawed

Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Expenses (Unaudited)

For the Half Year Ended 30 June 2017

Class	Commissions paid or payable	Deferred commission			Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing	Currency translation effect					Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand										
Direct and facultative										
Fire and property damage	209,608	258,718	357,403	5	110,928	71,844	182,772	83,202	99,570	83,987
Marine, aviation and transport	31,874	5,165	14,057	2	22,984	48,292	71,276	100	71,176	75,340
Motor	228,076	449,883	450,702	514	227,771	263,503	491,274	15,962	475,312	368,263
Accident & Health	5,569	28,243	21,004	1	12,809	39,961	52,770	-	52,770	49,557
Miscellaneous	28,168	35,684	44,918	1	18,935	51,241	70,176	30,013	40,163	48,821
Total	503,295	777,693	888,084	523	393,427	474,841	868,268	129,277	738,991	625,968
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	503,295	777,693	888,084	523	393,427	474,841	868,268	129,277	738,991	625,968

Class	Commissions paid or payable	Deferred commission			Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing	Currency translation effect					Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand										
Direct and facultative										
Fire and property damage	313,033	271,619	357,403	6	227,255	134,821	362,076	189,791	172,285	167,358
Marine, aviation and transport	66,023	5,204	14,057	2	57,172	98,536	155,708	383	155,325	145,636
Motor	487,988	411,277	450,702	648	449,211	495,927	945,138	35,518	909,620	688,189
Accident & Health	18,069	24,351	21,004	1	21,417	72,473	93,890	-	93,890	90,644
Miscellaneous	55,979	24,830	44,918	1	35,892	93,965	129,857	52,562	77,295	100,834
Total	941,092	737,281	888,084	658	790,947	895,722	1,686,669	278,254	1,408,415	1,192,661
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	941,092	737,281	888,084	658	790,947	895,722	1,686,669	278,254	1,408,415	1,192,661

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Expenses (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect					Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand										
Direct and facultative										
Fire and property damage	208,374	254,932	354,258	-	109,048	71,333	180,381	81,548	98,833	80,886
Marine, aviation and transport	30,790	4,006	12,828	-	21,968	48,112	70,080	100	69,980	71,936
Motor	45,611	81,426	76,604	-	50,433	142,801	193,234	24	193,210	155,053
Accident & Health	5,569	28,023	20,857	-	12,735	38,398	51,133	-	51,133	46,858
Miscellaneous	28,040	34,731	44,202	-	18,569	51,198	69,767	30,174	39,593	47,141
Total	318,384	403,118	508,749	-	212,753	351,842	564,595	111,846	452,749	401,874
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	318,384	403,118	508,749	-	212,753	351,842	564,595	111,846	452,749	401,874

Class	Commissions paid or payable	Deferred commission			Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing	Currency translation effect					Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand									
Direct and facultative										
Fire and property damage	309,949	267,204	354,258	-	222,895	133,744	356,639	186,445	170,194	161,066
Marine, aviation and transport	63,543	4,834	12,828	-	55,549	98,036	153,585	383	153,202	138,126
Motor	95,936	78,015	76,604	-	97,347	285,270	382,617	26	382,591	305,655
Accident & Health	18,069	24,058	20,857	-	21,270	70,620	91,890	-	91,890	84,268
Miscellaneous	55,190	24,220	44,202	-	35,208	93,730	128,938	51,432	77,506	96,634
Total	542,687	398,331	508,749	-	432,269	681,400	1,113,669	238,286	875,383	785,749
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	542,687	398,331	508,749	-	432,269	681,400	1,113,669	238,286	875,383	785,749

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha

Chairman

Shaikh Muhammad Jawed

Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Expenses (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect					Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand										
Direct and facultative										
Fire and property damage	1,234	3,786	3,145	5	1,880	511	2,391	1,654	737	3,101
Marine, aviation and transport	1,084	1,159	1,229	2	1,016	180	1,196	-	1,196	3,404
Motor	182,465	368,457	374,098	514	177,338	120,702	298,040	15,938	282,102	213,210
Accident & Health	-	220	147	1	74	1,563	1,637	-	1,637	2,699
Miscellaneous	128	953	716	1	366	43	409	(161)	570	1,680
Total	184,911	374,575	379,335	523	180,674	122,999	303,673	17,431	286,242	224,094
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	184,911	374,575	379,335	523	180,674	122,999	303,673	17,431	286,242	224,094

Class	Commissions paid or payable	Deferred commission			Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing	Currency translation effect					Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand										
Direct and facultative										
Fire and property damage	3,084	4,415	3,145	6	4,360	1,077	5,437	3,346	2,091	6,292
Marine, aviation and transport	2,480	370	1,229	2	1,623	500	2,123	-	2,123	7,510
Motor	392,052	333,262	374,098	648	351,864	210,657	562,521	35,492	527,029	382,534
Accident & Health	-	293	147	1	147	1,853	2,000	-	2,000	6,376
Miscellaneous	789	610	716	1	684	235	919	1,130	(211)	4,200
Total	398,405	338,950	379,335	658	358,678	214,322	573,000	39,968	533,032	406,912
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	398,405	338,950	379,335	658	358,678	214,322	573,000	39,968	533,032	406,912

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Unconsolidated Condensed Interim Statement of Investment Income (Unaudited)

For the Half Year Ended 30 June 2017

Note	Quarter ended 30 June 2017	Quarter ended 30 June 2016	Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand				
Business underwritten Inside Pakistan				
Income from non-trading investments				
Available-for-sale				
Return on term finance certificates	1,575	1,421	3,000	2,847
Return on Pakistan investments bonds	7,011	8,508	12,857	16,866
Return on treasury bills	7,681	2,169	10,031	3,751
Dividend income				
- associated undertakings	175,652	208,903	349,673	363,227
- others	41,850	86,444	357,363	271,734
	217,502	295,347	707,036	634,961
	233,769	307,445	732,924	658,425
Gain on sale of 'available-for-sale' investments				
- associated undertakings	-	-	-	-
- others	464,468	483,515	581,617	708,423
	464,468	483,515	581,617	708,423
Reversal of provision for impairment in value of available-for-sale investments	(280,943)	-	(280,943)	-
	417,294	790,960	1,003,598	1,366,848
Business underwritten outside Pakistan				
Income from non-trading investments				
Available-for-sale				
Dividend income:				
- associated undertakings	-	-	-	-
- others	(6,494)	-	2,024	-
	(6,494)	-	2,024	-
Gain on sale of 'available-for-sale' investments:				
- associated undertakings	-	-	-	-
- others	37,776	-	88,802	-
	37,776	-	88,802	-
	31,282	-	90,826	-
Net investment income	448,576	790,960	1,124,424	1,366,848

The annexed notes 1 to 21 form an integral part of this unconsolidated condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
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 2017

1 Status and nature of business

Adamjee Insurance Company Limited ("the Company") is a public limited company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Ordinance, 1984). The Company is listed on Pakistan Stock Exchange and is engaged in the general insurance business comprising fire & property, marine, motor, accident and health and miscellaneous. The registered office of the Company is situated at Tanveer Building, 27-C-III, MM Alam Road, Gulberg III, Lahore.

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

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

2 Basis of preparation and statement of compliance

The unconsolidated condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' as applicable in Pakistan, provisions of and directives issued under Companies Ordinance, 1984 and the Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules, 2012. In case where requirements differ, the provision of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules 2012 have been followed.

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

SECP vide letter ID/OSM/Adamjee/2017/10683 dated 11 August 2017 has granted exemption to the Company to prepare their half yearly accounts for the period ended 30 June 2017 in accordance with the requirements of previous rules (SEC (Insurance) Rules 2002) and has allowed the application of New Regulations effective from 1 July 2017. Hence, these condensed interim financial information for the period ended 30 June 2017 has been prepared in accordance with the requirements of previous rules.

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

The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the SECP vide its press release dated 20 July 2017, these unconsolidated condensed interim financial information has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

These condensed interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Company for the year ended 31 December 2016.

3 Basis of measurement

These unconsolidated condensed interim financial information has been prepared under the historical cost convention except that certain investments are stated at lower of cost and market value and the obligations under certain employee benefits that are measured at present value. Accrual basis of accounting has been used except for cash flow information.

4 Summary of significant accounting policies

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial information are the same as those applied in the preparation of the unconsolidated financial statements of the Company for the year ended 31 December 2016.

The Company has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 01 January 2017 as mentioned in the financial statements for the year ended 31 December 2016.

Notes to the Unconsolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

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

5 Use of estimates and judgments

The preparation of these 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 2016.

6 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2016.

7 Window Takaful Operations

7.1 Operator's Fund

Assets

Cash and bank deposits
Qard e Hasna
Investments
Current assets - others
Fixed assets

Total Assets

Total Liabilities - Current

30 June 2017	31 December 2016
Rupees in thousand	
(Unaudited)	(Audited)
53,819	17,595
30,000	30,000
30,104	29,905
85,601	19,065
4,411	2,592
203,935	99,157
129,426	46,366

Wakala Fee
Commission expense
Management expense
Net Investment income

Profit / (loss) from Window Takaful Operations

30 June 2017	30 June 2016
Rupees in thousand	
(Unaudited)	(Unaudited)
65,591	4,214
(13,797)	(1,018)
(21,463)	(5,326)
694	2,121
31,025	(9)

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

8 Contingencies and commitments

8.1 Contingencies

There has been no significant change in the contingencies since the date of preceding published annual financial statements as of 31 December 2016.

8.2 Commitments

The Company has issued letter of guarantees amounting to Rupees 6,248 thousands (AED 219,000) [31 December 2016: Rupees 36,371 thousands (AED 1,277,000)] relating to its UAE branch.

Notes to the Unconsolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

	Note	30 June 2017	31 December 2016
		Rupees in thousand	
		(Unaudited)	(Audited)
9 Cash and Bank deposits			
Cash and other equivalents			
Cash in hand		3,268	7,274
Current and other accounts			
Current accounts		2,696,827	1,464,298
Savings accounts		710,969	2,339,599
		3,407,796	3,803,897
Deposits maturing within 12 months			
Fixed and term deposits	9.1	626,843	525,059
		<u>4,037,907</u>	<u>4,336,230</u>

9.1 These include fixed deposits amounting to Rs. 198,301 thousands (AED 6,951 thousands) (2016: Rs. 197,962 thousands (AED 6,951 thousands)) kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 136,250 thousands (2016: Rs. 35,325 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Company for claims under litigation filed against the Company.

9.2 Cash and bank deposits include an amount of Rs. 1,119,840 thousands (2016: Rs. 1,142,972 thousands) held with related parties.

	Note	30 June 2017	31 December 2016
		Rupees in thousand	
		(Unaudited)	(Audited)
10 Investments			
In related parties:			
Available-for-sale:			
Marketable securities - listed		7,493,648	7,014,434
Investment in Subsidiary - Adamjee Life Assurance Company Limited		694,895	694,895
		<u>8,188,543</u>	<u>7,709,329</u>
Others:			
Available-for-sale:			
Marketable securities			
Listed		8,192,756	7,808,125
Unlisted		925,360	925,360
Less: Provision for impairment in value of investments	10.1	(361,974)	(81,031)
		8,756,142	8,652,454
Fixed income securities	10.2	1,118,219	376,652
		<u>18,062,904</u>	<u>16,738,435</u>
10.1 Reconciliation of provision for impairment in value of investments			
Opening provision		81,031	303,140
Impairment / (reversal) for the period / year		280,943	(222,109)
Closing provision		<u>361,974</u>	<u>81,031</u>

10.2 The fixed income securities include Pakistan Investment Bonds amounting to Rupees 231,915 thousands (2016: Rupees 230,947 thousands), and Treasury bills amounting to Rupees 886,304 thousands (2016: Rupees 145,705 thousands) deposited with the State Bank of Pakistan as required under section 29 of the Insurance Ordinance, 2000.

10.3 On 30 June 2017, the fair value of 'available-for-sale' securities was Rupees 22,619,599 thousands (2016: Rupees 22,738,048 thousands). As per the Company's accounting policy, 'available-for-sale' investments are stated at lower of cost or market value (market value being taken as lower if the reduction is other than temporary). However, International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' dealing with the recognition and measurement of financial instruments requires that these instruments should be measured at fair value. Accordingly, had these investments been measured at fair value, their carrying value as at 30 June 2017 would have been higher by Rupees 4,556,695 thousands (31 December 2016: Rupees 5,999,613 thousands).

Notes to the Unconsolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

	Notes	30 June 2017	31 December 2016
		Rupees in thousand	
		(Unaudited)	(Audited)
11 Premiums due but unpaid - unsecured			
Considered good		6,002,713	5,063,481
Considered doubtful		368,957	368,729
		<u>6,371,670</u>	<u>5,432,210</u>
Less: Provision for doubtful balances	11.1	(368,957)	(368,729)
		<u>6,002,713</u>	<u>5,063,481</u>
11.1 Reconciliation of provision for doubtful balances			
Opening provision		368,729	368,729
Exchange difference		228	-
Charge for the period / year		-	-
Closing provision		<u>368,957</u>	<u>368,729</u>
12 Amounts due from other insurers / reinsurers - unsecured			
Considered good		1,087,846	1,056,853
Considered doubtful		85,302	85,302
		<u>1,173,148</u>	<u>1,142,155</u>
Less: Provision for doubtful balances	12.1	(85,302)	(85,302)
		<u>1,087,846</u>	<u>1,056,853</u>
12.1 Reconciliation of provision for doubtful balances			
Opening provision		85,302	299,558
Reversal for the period / year		-	(214,256)
Written off during the period		-	-
Closing provision		<u>85,302</u>	<u>85,302</u>
13 Operating fixed assets - tangible and intangible			
Opening balance - net book value		1,127,549	1,294,421
Additions during the period	13.2	40,325	188,767
Less:			
Book value of disposals during the period / year	13.3	(6,713)	(205,499)
Depreciation / amortisation charged during the period / year		(65,604)	(148,602)
Exchange difference		(325)	(1,538)
		<u>(72,642)</u>	<u>(355,639)</u>
		<u>1,095,232</u>	<u>1,127,549</u>
Capital work in progress		318,518	122,191
		<u>1,413,750</u>	<u>1,249,740</u>
13.1 Breakup of book values into owned fixed assets:			
Owned assets		1,095,232	1,127,549
Capital work in progress		318,518	122,191
		<u>1,413,750</u>	<u>1,249,740</u>

Notes to the Unconsolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

Notes	30 June 2017	31 December 2016
	Rupees in thousand	
	(Unaudited)	(Audited)
13.2 Additions during the period / year:		
Owned		
Land and building	4,355	70,846
Furniture and fixture	533	6,576
Motor vehicle	11,306	48,140
Machinery and equipments	5,986	14,987
Computer and related accessories	10,853	5,153
Intangibles	7,292	43,065
	<u>40,325</u>	<u>188,767</u>
13.3 Written down values of operating fixed assets disposed off during the period / year		
Owned		
Land and building	-	180,271
Furniture and fixture	-	7,533
Motor vehicle	4,897	12,675
Machinery and equipments	1,816	3,654
Computer and related accessories	-	1,366
Intangibles	-	-
	<u>6,713</u>	<u>205,499</u>
14 Other income		
Profit on bank deposits	46,845	28,916
Income on house building loan	171	182
Gain on disposal of fixed assets	5,548	78,397
Miscellaneous income	2,753	3,553
	<u>55,317</u>	<u>111,048</u>
	Rupees in thousand	
15 Earnings per share - basic and diluted		
There is no dilutive effect on the basic earnings per share which is based on:		
Net profit after tax for the period	<u>1,061,113</u>	<u>1,476,395</u>
	Number of shares	
Weighted average number of shares	<u>350,000,000</u>	<u>350,000,000</u>
	Rupees	
Basic earnings per share	<u>3.03</u>	<u>4.22</u>

Notes to the Unconsolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

16 Transactions with related parties

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

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

		30 June 2017	30 June 2016
		Rupees in thousand	
		(Unaudited)	(Unaudited)
i) Transactions			
Subsidiary company			
	Premiums underwritten	8,713	5,012
	Premiums received	8,717	5,571
	Claims paid	75	1,839
	Premium paid	2,200	1,993
	Service charges received	534	1,909
Other related parties			
	Premiums underwritten	622,680	681,461
	Premiums received	727,567	1,483,373
	Claims paid	151,218	208,164
	Commission paid	10,295	35,908
	Rent paid	2,905	2,500
	Rent received	1,614	3,742
	Dividends received	349,673	363,227
	Dividends paid	192,165	143,104
	Income on bank deposits	9,419	9,625
	Investments made	479,210	412,232
	Fee / service charges paid	1,829	17,084
	Charge in respect of staff gratuity fund	13,027	12,291
	Contribution to Employees' Provident Fund	14,536	14,025
Key management personnel			
	Compensation paid	366,366	266,999
ii) Period end balances			
		30 June 2017	31 December 2016
		Rupees in thousand	
		(Unaudited)	(Audited)
Subsidiary company			
	Balances receivable	698	427
	Balances payable	1,257	1,411
Other related parties			
	Balances receivable	238,763	462,259
	Balances payable	537,197	615,514
	Cash and bank balances	1,119,840	1,142,972
	Payable to Staff Gratuity Fund	91,655	81,399
	Payable to Employees' Provident Fund	2,983	2,822

Notes to the Unconsolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

17 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 2017																		
Fire and Property Damage		Marine, Aviation and Transport		Motor		Accident & Health		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		Aggregate		
												Inside Pakistan	Outside Pakistan					
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan			
Rupees in thousand																		
Other Information																		
Segment assets		8,481,881	71,582	493,067	12,022	1,169,943	5,624,172	831,255	7,045	1,773,964	13,631	-	-	-	12,750,110	5,728,452	18,478,562	
Unallocated assets		-	-	-	-	-	-	-	-	-	-	-	-	20,534,648	3,696,495	20,534,648	24,231,143	
Total assets		8,481,881	71,582	493,067	12,022	1,169,943	5,624,172	831,255	7,045	1,773,964	13,631	-	-	20,534,648	3,696,495	33,284,758	42,709,705	
Segment liabilities		8,084,625	81,966	488,925	20,510	2,252,733	8,205,437	1,534,074	11,270	2,104,784	13,943	-	-	-	14,465,141	8,333,126	22,798,267	
Unallocated liabilities		-	-	-	-	-	-	-	-	-	-	-	-	2,321,758	398,456	2,321,758	2,720,214	
Total liabilities		8,084,625	81,966	488,925	20,510	2,252,733	8,205,437	1,534,074	11,270	2,104,784	13,943	-	-	2,321,758	398,456	16,786,899	8,731,582	25,518,481
Capital expenditure																		
														227,855	8,797	236,652		
31 December 2016																		
Fire and Property Damage		Marine, Aviation and Transport		Motor		Accident & Health		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		Aggregate		
												Inside Pakistan	Outside Pakistan					
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan			
Rupees in thousand																		
Other Information																		
Segment assets		6,862,254	103,754	418,137	10,552	975,970	5,292,962	594,380	25,119	1,529,271	16,995	-	-	-	10,380,012	5,449,382	15,829,394	
Unallocated assets		-	-	-	-	-	-	-	-	-	-	-	-	20,180,628	2,569,889	20,180,628	22,750,517	
Total assets		6,862,254	103,754	418,137	10,552	975,970	5,292,962	594,380	25,119	1,529,271	16,995	-	-	20,180,628	2,569,889	30,560,640	38,579,911	
Segment liabilities		6,725,069	103,853	420,539	16,839	1,879,577	6,821,840	1,137,894	27,744	1,801,423	15,219	-	-	-	11,964,502	6,985,495	18,949,997	
Unallocated liabilities		-	-	-	-	-	-	-	-	-	-	-	-	2,160,301	469,010	2,160,301	469,010	2,629,311
Total liabilities		6,725,069	103,853	420,539	16,839	1,879,577	6,821,840	1,137,894	27,744	1,801,423	15,219	-	-	2,160,301	469,010	14,124,803	7,454,505	21,579,308
Capital expenditure																		
														248,150	54,442	302,592		

Notes to the Unconsolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

18 Fair value measurement of financial instruments

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

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

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

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

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

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

30 June 2017	Note	Carrying amount					Fair value			
		Available for sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		Rupees								
Financial assets - not measured at fair value										
	9	-	-	3,268	-	3,268	-	-	-	-
		-	-	3,407,796	-	3,407,796	-	-	-	-
		-	-	626,843	-	626,843	-	-	626,843	-
		-	40,654	-	-	40,654	-	-	-	-
		13,861,049	-	-	-	13,861,049	18,414,056	-	-	18,414,056
		1,620,255	-	-	-	1,620,255	-	-	1,620,255	1,620,255
		75,851	-	-	-	75,851	-	75,851	-	75,851
		1,387,369	-	-	-	1,387,369	1,381,922	-	-	1,381,922
		161	-	-	-	161	-	1,050	-	1,050
		886,305	-	-	-	886,305	-	893,871	-	893,871
		231,914	-	-	-	231,914	-	232,573	-	232,573
	11	-	6,002,713	-	-	6,002,713	-	-	-	-
	12	-	1,087,846	-	-	1,087,846	-	-	-	-
		-	314,650	-	-	314,650	-	-	-	-
		-	31,921	-	-	31,921	-	-	-	-
		-	7,299,549	-	-	7,299,549	-	-	-	-
		-	312,563	-	-	312,563	-	-	-	-
		18,062,904	15,089,896	4,037,907	-	37,190,707	19,795,978	1,203,345	1,620,255	22,619,578
Financial liabilities - not measured at fair value										
		-	-	-	11,082,979	11,082,979	-	-	-	-
		-	-	-	2,196,986	2,196,986	-	-	-	-
		-	-	-	74,484	74,484	-	-	-	-
		-	-	-	1,726,748	1,726,748	-	-	-	-
		-	-	-	117,503	117,503	-	-	-	-
		-	-	-	15,198,700	15,198,700	-	-	-	-

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

Directors' Review to the Members on Consolidated Condensed Interim Financial Information

For the Half Year Ended 30 June 2017

31 December 2016	Note	Carrying amount					Fair value			
		Available for sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		Rupees								
Financial assets - not measured at fair value										
Cash and other equivalents*	9	-	-	7,274	-	7,274	-	-	-	-
Current and other accounts*		-	-	3,803,897	-	3,803,897	-	-	-	-
Deposits maturing within 12 months*		-	-	525,059	-	525,059	-	-	-	-
Loans to employees*		-	38,947	-	-	38,947	-	-	-	-
Investments										
- Listed securities		13,149,743	-	-	-	13,149,743	19,116,868	-	-	19,116,868
- Unlisted securities		1,620,255	-	-	-	1,620,255	-	-	1,781,986	1,781,986
- Term Finance Certificates		9,974	-	-	-	9,974	-	9,974	-	9,974
- Mutual Fund Certificates		1,581,650	-	-	-	1,581,650	1,613,559	-	-	1,613,559
- NIT Units		161	-	-	-	161	-	1,098	-	1,098
- Government treasury bills		145,705	-	-	-	145,705	-	145,705	-	145,705
- Pakistan Investment Bonds		230,947	-	-	-	230,947	-	230,947	-	230,947
Premium due but unpaid*	11	-	5,063,481	-	-	5,063,481	-	-	-	-
Amounts due from other insurers / reinsurers*	12	-	1,056,853	-	-	1,056,853	-	-	-	-
Salvage recoveries accrued*		-	336,163	-	-	336,163	-	-	-	-
Accrued investment income*		-	30,266	-	-	30,266	-	-	-	-
Reinsurance recoveries against outstanding claims*		-	6,279,433	-	-	6,279,433	-	-	-	-
Sundry receivables*		-	164,341	-	-	164,341	-	-	-	-
		16,738,435	12,969,484	4,336,230	-	34,044,149	20,730,427	387,724	1,781,986	22,900,137
Financial liabilities - not measured at fair value										
Provision for outstanding claims (including IBNR)*		-	-	-	9,475,718	9,475,718	-	-	-	-
Amounts due to other insurers / reinsurers*		-	-	-	1,540,645	1,540,645	-	-	-	-
Accrued expenses*		-	-	-	135,624	135,624	-	-	-	-
Other creditors and accruals*		-	-	-	1,782,784	1,782,784	-	-	-	-
Unclaimed dividend*		-	-	-	88,969	88,969	-	-	-	-
		-	-	-	13,023,740	13,023,740	-	-	-	-

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

19 Date of authorization for issue

This unconsolidated condensed interim financial information was authorized for issue on 29 August 2017 by the Board of Directors of the Company.

20 Non-adjusting events after balance sheet date

The Board of Directors of the Company in their meeting held on 29 August 2017 proposed an interim cash dividend for the half year ended 30 June 2017 @ 15% i.e. Rupee(s) 1.5/- per share (30 June 2016 @ 15% i.e. Rupees 1.5/- per share). This unconsolidated condensed interim financial information for the half year ended 30 June 2017 does not include the effect of this appropriation which will be accounted for in the unconsolidated financial statements for the year ending 31 December 2017.

21 General

21.1 No significant reclassification / rearrangement of corresponding figures has been made in this unconsolidated condensed interim financial information.

21.2 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Directors' Review to the Members on Consolidated Condensed Interim Financial Information

For the Half Year Ended 30 June 2017

On behalf of the Board, I am pleased to present the consolidated condensed interim financial information of Adamjee Insurance Company Limited and its subsidiary, Adamjee Life Assurance Company Limited for the half year ended 30 June 2017.

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

	30 June 2017	30 June 2016
	Rupees in thousand	
	(Unaudited)	(Unaudited)
Profit before tax	1,535,261	1,772,075
Taxation	(475,952)	(289,779)
Profit after tax	1,059,309	1,482,296
Loss / (Profit) attributable to non-controlling interest	464	(1,518)
Profit attributable to ordinary shareholders	1,059,773	1,480,778
Unappropriated profit brought forward	11,797,814	9,303,568
Capital contribution to statutory funds	41,749	-
Profit available for appropriation	12,899,336	10,784,346
Appropriation		
Final dividend for the year ended 31 December 2016 @ 25% (Rupees 2.5/- per share) [2015: @15% (Rupees 1.5/- per share)]	(875,000)	(525,000)
Profit after appropriation	12,024,336	10,259,346

Earnings per share

The consolidated condensed interim financial information reflects Rs. 3.03 (30 June 2016: Rs. 4.23) earnings per share for the period under review.

On Behalf of Board of Directors

Lahore: 29 August 2017

Muhammad Ali Zeb
Managing Director and Chief Executive Officer

CONSOLIDATED

Condensed
Interim Financial Information
for the Half Year ended
30 June 2017
(Unaudited)



Consolidated Condensed Interim Balance Sheet

As at 30 June 2017

Note	30 June 2017	31 December 2016
	Rupees in thousand	
	(Unaudited)	(Audited)
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized capital		
375,000,000 (2015: 375,000,000) ordinary shares of Rs. 10 each	3,750,000	3,750,000
Issued, subscribed and paid up capital	3,500,000	3,500,000
Reserves	1,411,342	1,406,834
Retained earnings	12,024,336	11,797,814
Equity attributable to equity holders of the parent	16,935,678	16,704,648
Non-controlling interest	37,601	23,610
	16,973,279	16,728,258
Balance of statutory funds (including policy holders' liabilities of Rs. 23.657 billion (2016: Rs. 21.251 billion))	24,531,604	22,166,399
Underwriting provisions		
Provision for outstanding claims (including IBNR)	11,382,217	9,714,070
Provision for unearned premium	8,803,910	7,349,511
Commission income unearned	280,401	236,890
Premium deficiency reserve	74,520	121,553
Total underwriting provisions	20,541,048	17,422,024
Deferred liabilities		
Deferred taxation	34,215	35,362
Staff retirement benefits	113,602	95,761
Creditors and accruals		
Premiums received in advance	778,480	410,443
Amounts due to other insurers / reinsurers	2,247,668	1,598,811
Taxation- provision less payments	42,836	-
Accrued expenses	75,607	145,139
Other creditors and accruals	2,972,684	2,659,887
	6,117,275	4,814,280
Other liabilities		
Unclaimed dividends	117,503	88,969
Total liabilities	26,923,643	22,456,396
Total liabilities of Window Takaful Operations - Operator's Fund	129,426	46,366
Contingencies and commitments		
TOTAL EQUITY AND LIABILITIES	68,557,952	61,397,419

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

	Note	30 June 2017	31 December 2016
		Rupees in thousand	
		(Unaudited)	(Audited)
ASSETS			
Cash and bank deposits	8		
Cash and other equivalents		12,075	16,604
Current and other accounts		4,837,876	5,472,478
Deposits maturing within 12 months		11,835,514	6,025,059
		16,685,465	11,514,141
Loans - secured, considered good			
To employees		24,429	18,369
Loans secured against life insurance policies		28,070	20,447
Loans- unsecured		-	8,171
Investments	9	29,903,299	30,639,677
Deferred taxation		1,759	-
Investment Property		683,731	-
Current assets - others			
Premiums due but unpaid	10	6,040,605	5,099,091
Amounts due from other insurers / reinsurers	11	1,166,995	1,062,271
Salvage recoveries accrued		314,650	336,163
Premium and claim reserves retained by cedants	12	-	-
Accrued investment income		111,923	251,893
Reinsurance recoveries against outstanding claims		7,299,549	6,279,433
Taxation - payments less provision		101,090	75,938
Deferred commission expense		888,084	737,281
Prepayments		3,053,350	2,479,305
Sundry receivables		461,162	1,400,454
		19,437,408	17,721,829
Fixed assets - tangible and intangible	13		
Owned			
Land and buildings		556,784	568,644
Furniture and fixtures		169,540	117,983
Motor vehicles		274,464	290,042
Machinery and equipment		76,576	89,297
Computers and related accessories		61,057	76,910
Leasehold improvements		-	7,482
Intangible asset - computer software		89,223	102,565
Capital work in progress		362,212	122,705
		1,589,856	1,375,628
Total assets of Window Takaful Operations - Operator's Fund		203,935	99,157
TOTAL ASSETS		68,557,952	61,397,419

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Consolidated Condensed Interim Profit and Loss Account (Unaudited)

For the Half Year Ended 30 June 2017

	General Insurance						Life Insurance					Total	
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Treaty	Conventional Business	Accident & Health Business	Non-Unitised Investment Link Business	Unit Linked Business	Individual Family Takaful Unit Linked Business	Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand													
Revenue account													
Net premium revenue	217,881	149,025	1,822,035	442,555	201,248	-	56,870	-	75,573	3,131,703	292,356	6,390,246	4,822,004
Net claims	(95,323)	(39,902)	(1,331,237)	(339,790)	(104,528)	-	(53,792)	-	(98,528)	(1,513,264)	(55,240)	(3,631,604)	(2,223,625)
Expenses	(71,844)	(48,292)	(263,503)	(39,961)	(51,241)	-	(12,088)	-	(2,792)	(317,023)	(37,514)	(844,258)	(572,048)
Net commission	(27,726)	(22,884)	(211,809)	(12,809)	11,078	-	(6,204)	-	441	(268,186)	(55,054)	(593,153)	(491,188)
Premium deficiency reserve	-	-	47,171	-	-	-	-	-	-	-	-	47,171	-
Net investment income - statutory funds	-	-	-	-	-	-	5,452	(1)	(6,698)	(81,080)	(6,803)	(89,130)	441,904
Add: Policyholders' liabilities at beginning of the period	-	-	-	-	-	-	110,756	-	2,370,723	18,383,848	385,969	21,251,296	14,944,726
Less: Policyholders' liabilities at end of the period	-	-	-	-	-	-	(79,127)	-	(2,448,232)	(20,471,323)	(658,740)	(23,657,422)	(16,615,982)
Surplus of Policyholders' funds	-	-	-	-	-	-	(21,867)	1	108,513	1,135,325	135,026	1,356,998	(16,249)
Underwriting result	22,988	37,947	62,657	49,995	56,557	-	-	-	-	-	-	230,144	289,542
Investment income - other												456,271	799,903
Rental income												1	1,678
Other income												19,436	97,048
												705,852	1,188,171
General and administration expenses												(150,160)	(146,943)
Exchange (loss) / gain												(448)	441
Profit from Window Takaful Operations												16,145	508
Workers' welfare fund												(11,543)	(20,708)
Profit before tax												559,846	1,021,469
Provision for taxation												(183,694)	(248,966)
Profit after tax												376,152	772,503
Profit attributable to:													
Equity holders of the parent												377,130	771,220
Non-controlling interest												(978)	1,283
												376,152	772,503

Earnings per share - basic and diluted

Rupees	
1.08	2.20

	General Insurance						Life Insurance					Total	
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Treaty	Conventional Business	Accident & Health Business	Non-Unitised Investment Link Business	Unit Linked Business	Individual Family Takaful Unit Linked Business	Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand													
Revenue account													
Net premium revenue	455,864	358,411	3,606,238	872,594	445,829	-	98,143	-	173,161	4,795,868	415,179	11,221,287	8,907,832
Net claims	(131,766)	(116,413)	(2,566,170)	(704,674)	(202,498)	-	(75,024)	-	(140,151)	(2,059,979)	(55,737)	(6,052,412)	(4,110,151)
Expenses	(134,821)	(98,536)	(495,927)	(72,473)	(93,965)	-	(20,742)	-	(9,274)	(437,221)	(44,649)	(1,407,608)	(1,174,710)
Net commission	(37,464)	(56,789)	(413,693)	(21,417)	16,670	-	(15,556)	-	(2,210)	(612,845)	(67,456)	(1,210,760)	(900,671)
Premium deficiency reserve	-	-	47,171	-	-	-	-	-	-	-	-	47,171	-
Net investment income - statutory funds	-	-	-	-	-	-	9,331	-	56,824	416,644	(2,896)	479,903	694,787
Add: Policyholders' liabilities at beginning of the period	-	-	-	-	-	-	110,756	-	2,370,723	18,383,848	385,969	21,251,296	13,855,898
Less: Policyholders' liabilities at end of the period	-	-	-	-	-	-	(79,127)	-	(2,448,232)	(20,471,323)	(658,740)	(23,657,422)	(16,615,982)
Surplus of Policyholders' funds	-	-	-	-	-	-	(27,781)	-	(841)	(14,992)	28,330	(15,284)	(67,193)
Underwriting result	151,813	86,673	177,619	74,030	166,036	-	-	-	-	-	-	656,171	589,810
Investment income - other												1,137,135	1,380,817
Rental income												1,614	3,290
Other income												55,294	117,362
												1,850,214	2,091,279
General and administration expenses												(314,370)	(284,461)
Exchange (loss) / gain												31,025	(9)
Profit / (loss) from Window Takaful Operations												(31,405)	(36,006)
Workers' welfare fund												1,535,261	1,772,075
Profit before tax												(475,952)	(289,779)
Provision for taxation												1,059,309	1,482,296
Profit after tax												1,059,773	1,480,778
Profit attributable to:													
Equity holders of the parent												(464)	1,518
Non-controlling interest												1,059,309	1,482,296
Profit and loss appropriation account - Parent Company													
Balance at the commencement of the period												11,797,814	9,303,568
Profit after tax for the period												1,059,773	1,480,778
Final dividend for the year ended 31 December 2016 @ 25% (Rupees 2.5/- per share)												(875,000)	(525,000)
[2015: @15% (Rupees 1.5/- per share)]												41,749	-
Capital contribution to statutory funds												12,024,336	10,259,346
Balance unappropriated profit at the end of the period												12,024,336	10,259,346

Earnings per share - basic and diluted

Rupees	
3.03	4.23

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

Umer Mansha

Chairman

Shaikh Muhammad Jawed

Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Comprehensive Income (Unaudited)

For the Half Year Ended 30 June 2017

	Quarter ended 30 June 2017	Quarter ended 30 June 2016	Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand				
Profit after tax for the period	376,152	772,503	1,059,309	1,482,296
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss:				
Effect of translation of investment in foreign branches - net	4,068	3,901	4,508	3,921
Total comprehensive income for the period	380,220	776,404	1,063,817	1,486,217
Total comprehensive income attributable to:				
Equity holders of the parent	381,198	775,121	1,064,281	1,484,699
Non-controlling interest	(978)	1,283	(464)	1,518
	380,220	776,404	1,063,817	1,486,217

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

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Consolidated Condensed Interim Cash flow Statement (Unaudited)

For the Half Year Ended 30 June 2017

	Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand	
Cash flows from operating activities		
a) Underwriting activities		
Premiums received	15,151,654	12,132,170
Reinsurance premiums paid	(2,774,859)	(2,406,159)
Claims paid	(6,839,386)	(5,608,719)
Surrenders paid	(38,607)	(14,607)
Reinsurance and other recoveries received	1,234,236	1,058,506
Commissions paid	(1,651,098)	(1,168,396)
Commissions received	321,765	350,952
Other underwriting payments	(1,081,465)	(642,035)
Net cash generated from underwriting activities	4,322,240	3,701,712
b) Other operating activities		
Income tax paid	(464,849)	(244,067)
General and management expenses paid	509,363	(921,237)
Loans disbursed	(26,577)	(27,000)
Loans repayments received	24,870	23,416
Other receipts	2,721	5,007
Net cash generated from / (used in) other operating activities	45,528	(1,163,881)
Total cash generated from all operating activities	4,367,768	2,537,831
Cash flows from investing activities		
Profit / return received on bank deposits	664,602	626,317
Return on Pakistan Investment Bonds	14,017	17,016
Income received from TFCs	430	676
Income from treasury bills	4,294	6,330
Dividends received	1,107,197	648,360
Rentals received	1,614	3,742
Disbursement of policy loans	(14,536)	(10,323)
Settlement of policy loans	7,644	4,141
Payments for investments	(56,693,533)	(35,927,605)
Proceeds from disposal of investments	56,741,178	34,517,205
Fixed capital expenditure - tangible assets	(288,779)	(103,227)
Fixed capital expenditure - intangible assets	(7,292)	(39,001)
Proceeds from disposal of fixed assets	12,261	277,117
Total cash generated from investing activities	1,549,097	20,748
Cash flows from financing activities		
Dividends paid	(846,466)	(513,963)
Repatriation of funds	-	-
Net cash used in financing activities	(846,466)	(513,963)
Net cash generated from all activities	5,070,399	2,044,616
Cash at the beginning of the period	11,478,816	4,228,851
Cash at the end of the period	16,549,215	6,273,467

Consolidated Condensed Interim Cash flow Statement (Unaudited)

For the Half Year Ended 30 June 2017

	Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand		
Reconciliation to profit and loss account		
Operating cash flows	4,367,768	2,537,831
Depreciation expense	(71,323)	(101,610)
Provision for gratuity	(9,543)	(12,291)
Other income - bank deposits	46,845	28,916
Gain on disposal of operating fixed assets	5,525	78,428
Rental income	1,614	3,224
Increase in assets other than cash	2,101,162	2,910,957
Increase in liabilities other than running finance	(5,460,425)	(4,247,589)
	981,623	1,197,866
Others		
Profit on sale of investments	891,601	706,371
Amortization expense	(13,228)	(20,513)
Capital contribution from shareholders fund	(56,204)	-
Increase in unearned premium	(1,454,399)	(1,693,078)
Increase in loans	1,707	3,584
Income taxes paid	427,699	209,299
Provision for impairment in value of available-for-sale investments	(280,943)	-
Dividend, investment and other income	980,492	1,345,091
Income from treasury bills	10,031	3,751
Return on Pakistan Investment Bonds	12,857	16,866
Income from TFCs	3,000	2,847
Profit / (loss) from Window Takaful Operations	31,025	(9)
	553,638	574,209
Profit before taxation	1,535,261	1,772,075

Definition of cash

Cash comprises cash in hand, bank balances excluding Rs. 136,250 thousands (2016: Rs 35,325 thousands) 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.

	30 June 2017	30 June 2016
Rupees in thousand		
Cash for the purposes of the statement of cash flows consists of:		
Cash and other equivalents	12,075	8,169
Current and other accounts	4,837,876	3,774,656
Deposits maturing within 12 months	11,699,264	2,490,642
Total cash and cash equivalents	16,549,215	6,273,467

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

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
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 2017

	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	Investment fluctuation reserve	Exchange translation reserve	General reserve	Capital Contribution to statutory fund	Retained earnings	Net Retained earnings			
Rupees in thousand											
Balance as at 31 December 2015 (Audited)	3,500,000	22,859	3,764	445,503	936,500	(393,979)	9,697,547	9,303,568	14,212,194	5,201	14,217,395
Comprehensive income for the period ended 30 June 2016											
Profit for the period	-	-	-	-	-	-	1,480,778	1,480,778	1,480,778	1,518	1,482,296
Other comprehensive income	-	-	-	3,921	-	-	-	-	3,921	-	3,921
Capital contribution to statutory funds	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	3,921	-	-	1,480,778	1,480,778	1,484,699	1,518	1,486,217
Transactions with owners of the Company											
Final dividend for the year ended 31 December 2015											
@ 15% (Rupees 1.5/- per share)	-	-	-	-	-	-	(525,000)	(525,000)	(525,000)	-	(525,000)
Balance as at 30 June 2016 - unaudited	3,500,000	22,859	3,764	449,424	936,500	(393,979)	10,653,325	10,259,346	15,171,893	6,719	15,178,612
Comprehensive income for the period 01 July to 31 December 2016											
Profit for the period	-	-	-	-	-	-	2,013,040	2,013,040	2,013,040	(1,215)	2,011,825
Other comprehensive income	-	-	-	(5,713)	-	-	(1,864)	(1,864)	(7,577)	-	(7,577)
Capital contribution to statutory funds	-	-	-	-	-	52,292	-	52,292	52,292	18,106	70,398
Total comprehensive income for the period	-	-	-	(5,713)	-	52,292	2,011,176	2,063,468	2,057,755	16,891	2,074,646
Transactions with owners of the Company											
Interim dividend for the period ended 30 June 2016											
@ 15% (Rupees 1.5/- per share)	-	-	-	-	-	-	(525,000)	(525,000)	(525,000)	-	(525,000)
Balance as at 31 December 2016 (Audited)	3,500,000	22,859	3,764	443,711	936,500	(341,687)	12,139,501	11,797,814	16,704,648	23,610	16,728,258
Comprehensive income for the period ended 30 June 2017											
Profit for the period	-	-	-	-	-	-	1,059,773	1,059,773	1,059,773	(464)	1,059,309
Other comprehensive income	-	-	-	4,508	-	-	-	-	4,508	-	4,508
Capital contribution to statutory funds	-	-	-	-	-	41,749	-	41,749	41,749	14,455	56,204
Total comprehensive income for the period	-	-	-	4,508	-	41,749	1,059,773	1,101,522	1,106,030	13,991	1,120,021
Transactions with owners of the Company											
Final dividend for the year ended 31 December 2016											
@ 25% (Rupee 2.5/- per share)	-	-	-	-	-	-	(875,000)	(875,000)	(875,000)	-	(875,000)
Balance as at 30 June 2017 (Unaudited)	3,500,000	22,859	3,764	448,219	936,500	(299,938)	12,324,274	12,024,336	16,935,678	37,601	16,973,279

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

Umer Mansha

Chairman

Shaikh Muhammad Jawed

Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Premiums (Unaudited)

For the Half Year Ended 30 June 2017

Class	Premiums written	Unearned premium reserve			Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded			Reinsurance expense	Net premium revenue	
		Opening	Closing	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand												
General insurance:												
Direct and facultative												
Fire and property damage	1,951,108	2,091,334	2,837,931	28	1,204,539	1,670,982	1,596,553	2,280,895	18	986,658	217,881	211,538
Marine, aviation and transport	204,604	34,535	57,803	26	181,362	25,929	14,847	8,439	-	32,337	149,025	168,640
Motor	2,253,180	4,304,194	4,556,577	4,467	2,005,264	206,058	382,974	406,383	580	183,229	1,822,035	1,378,587
Accident & Health	522,765	765,402	841,288	(61)	446,818	-	6,658	2,397	2	4,263	442,555	334,941
Miscellaneous	425,622	424,193	510,311	9	339,513	151,387	174,479	187,607	6	138,265	201,248	193,202
Total	5,357,279	7,619,658	8,803,910	4,469	4,177,496	2,054,356	2,175,511	2,885,721	606	1,344,752	2,832,744	2,286,908
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	5,357,279	7,619,658	8,803,910	4,469	4,177,496	2,054,356	2,175,511	2,885,721	606	1,344,752	2,832,744	2,286,908
Life insurance:												
Conventional business	87,586	-	-	-	87,586	30,716	-	-	-	30,716	56,870	14,907
Accident and Health Business	-	-	-	-	-	-	-	-	-	-	-	-
Non-united Investment Link Business	76,520	-	-	-	76,520	(53)	-	-	-	(53)	76,573	108,695
Unit Linked Business	3,182,042	-	-	-	3,182,042	50,339	-	-	-	50,339	3,131,703	2,411,494
Individual Family Takaful Unit Linked Business	294,474	-	-	-	294,474	2,118	-	-	-	2,118	292,356	-
Total	3,640,622	-	-	-	3,640,622	83,120	-	-	-	83,120	3,557,502	2,535,096
Grand Total	8,997,901	7,619,658	8,803,910	4,469	7,818,118	2,137,476	2,175,511	2,885,721	606	1,427,872	6,390,246	4,822,004

Class	Premiums written	Unearned premium reserve			Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded			Reinsurance expense	Net premium revenue	
		Opening	Closing	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand												
General insurance:												
Direct and facultative												
Fire and property damage	3,030,657	2,321,445	2,837,931	37	2,514,208	2,557,378	1,781,837	2,280,895	24	2,058,344	455,864	426,676
Marine, aviation and transport	464,182	47,086	57,803	25	453,490	97,079	6,439	8,439	-	95,079	358,411	311,430
Motor	4,721,969	3,856,292	4,556,577	5,608	4,027,292	420,885	405,840	406,383	712	421,054	3,606,238	2,576,435
Accident & Health	1,086,049	631,670	841,288	8	876,439	-	6,237	2,397	5	3,845	872,594	637,323
Miscellaneous	733,060	493,018	510,311	11	715,778	301,721	155,829	187,607	6	269,949	445,829	416,452
Total	10,035,917	7,349,511	8,803,910	5,689	8,587,207	3,377,063	2,356,182	2,885,721	747	2,848,271	5,738,936	4,368,316
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	10,035,917	7,349,511	8,803,910	5,689	8,587,207	3,377,063	2,356,182	2,885,721	747	2,848,271	5,738,936	4,368,316
Life insurance:												
Conventional business	181,177	-	-	-	181,177	83,034	-	-	-	83,034	98,143	44,571
Accident and Health Business	-	-	-	-	-	-	-	-	-	-	-	-
Non-united Investment Link Business	174,863	-	-	-	174,863	1,702	-	-	-	1,702	173,161	174,343
Unit Linked Business	4,877,512	-	-	-	4,877,512	81,644	-	-	-	81,644	4,795,868	4,320,602
Individual Family Takaful Unit Linked Business	417,752	-	-	-	417,752	2,573	-	-	-	2,573	415,179	-
Total	5,651,304	-	-	-	5,651,304	168,953	-	-	-	168,953	5,482,351	4,539,516
Grand Total	15,687,221	7,349,511	8,803,910	5,689	14,238,511	3,546,016	2,356,182	2,885,721	747	3,017,224	11,221,287	8,907,832

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

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Premiums (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand											
General insurance:												
Direct and facultative												
Fire and property damage	1,942,299	2,064,707	2,817,550	-	1,189,456	1,666,198	1,578,855	2,267,675	-	977,378	212,078	204,132
Marine, aviation and transport	196,874	33,138	43,253	-	186,759	25,929	14,847	8,439	-	32,337	154,422	162,804
Motor	709,219	1,171,184	1,310,120	-	570,283	10,731	226	173	-	10,784	559,499	474,644
Accident & Health	522,765	754,767	837,180	-	440,352	-	-	-	-	-	440,352	331,296
Miscellaneous	424,012	418,791	503,689	-	339,114	150,738	172,004	183,898	-	138,844	200,270	190,800
Total	3,795,169	4,442,587	5,511,792	-	2,725,964	1,853,596	1,765,932	2,460,185	-	1,159,343	1,566,621	1,363,676
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	3,795,169	4,442,587	5,511,792	-	2,725,964	1,853,596	1,765,932	2,460,185	-	1,159,343	1,566,621	1,363,676
Life insurance:												
Conventional business	87,586	-	-	-	87,586	30,716	-	-	-	30,716	56,870	14,907
Accident and Health Business	-	-	-	-	-	-	-	-	-	-	-	-
Non-united Investment Link Business	76,520	-	-	-	76,520	(53)	-	-	-	(53)	76,573	108,695
Unit Linked Business	3,182,042	-	-	-	3,182,042	50,339	-	-	-	50,339	3,131,703	2,411,494
Individual Family Takaful Unit Linked Business	294,474	-	-	-	294,474	2,118	-	-	-	2,118	292,356	-
Total	3,640,622	-	-	-	3,640,622	83,120	-	-	-	83,120	3,557,502	2,535,096
Grand Total	7,435,791	4,442,587	5,511,792	-	6,366,586	1,936,716	1,765,932	2,460,185	-	1,242,463	5,124,123	3,898,772

Class	Premiums written	Unearned premium reserve			Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded			Reinsurance expense	Net premium revenue	
		Opening	Closing	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand												
General insurance:												
Direct and facultative												
Fire and property damage	3,009,511	2,292,033	2,817,550	-	2,483,994	2,544,783	1,762,967	2,267,675	-	2,040,075	443,919	411,277
Marine, aviation and transport	447,035	35,344	43,253	-	439,126	97,079	6,439	8,439	-	95,079	344,047	294,615
Motor	1,357,321	1,079,748	1,310,120	-	1,126,949	19,325	342	173	-	19,494	1,107,455	926,757
Accident & Health	1,086,049	621,104	837,180	-	869,973	-	-	-	-	-	869,973	629,215
Miscellaneous	725,574	487,143	503,689	-	709,028	296,993	152,515	183,898	-	265,610	443,418	411,458
Total	6,625,490	4,515,372	5,511,792	-	5,629,070	2,958,180	1,922,263	2,460,185	-	2,420,258	3,208,812	2,673,322
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	6,625,490	4,515,372	5,511,792	-	5,629,070	2,958,180	1,922,263	2,460,185	-	2,420,258	3,208,812	2,673,322
Life insurance:												
Conventional business	181,177	-	-	-	181,177	83,034	-	-	-	83,034	98,143	44,571
Accident and Health Business	-	-	-	-	-	-	-	-	-	-	-	-
Non-united Investment Link Business	174,863	-	-	-	174,863	1,702	-	-	-	1,702	173,161	174,343
Unit Linked Business	4,877,512	-	-	-	4,877,512	81,644	-	-	-	81,644	4,795,868	4,320,602
Individual Family Takaful Unit Linked Business	417,752	-	-	-	417,752	2,573	-	-	-	2,573	415,179	-
Total	5,651,304	-	-	-	5,651,304	168,953	-	-	-	168,953	5,482,351	4,539,516
Grand Total	12,276,794	4,515,372	5,511,792	-	11,280,374	3,127,133	1,922,263	2,460,185	-	2,589,211	8,691,163	7,212,838

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

Umer Mansha

Chairman

Shaikh Muhammad Jawed

Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Premiums (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	8,809	26,627	20,381	28	15,083	4,784	17,698	13,220	18	9,280	5,803	7,406
Marine, aviation and transport	7,730	1,397	14,550	26	(5,397)	-	-	-	-	-	(5,397)	5,836
Motor	1,543,961	3,133,010	3,246,457	4,467	1,434,981	195,327	382,748	406,210	580	172,445	1,262,536	903,943
Accident & Health	-	10,635	4,108	(61)	6,466	-	6,658	2,397	2	4,263	2,203	3,645
Miscellaneous	1,610	5,402	6,622	9	399	649	2,475	3,709	6	(579)	978	2,402
Total	1,562,110	3,177,071	3,292,118	4,469	1,451,532	200,760	409,579	425,536	606	185,409	1,266,123	923,232
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	1,562,110	3,177,071	3,292,118	4,469	1,451,532	200,760	409,579	425,536	606	185,409	1,266,123	923,232

Class	Premiums written	Unearned premium reserve			Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded			Reinsurance expense	Net premium revenue	
		Opening	Closing	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	21,146	29,412	20,381	37	30,214	12,595	18,870	13,220	24	18,269	11,945	15,399
Marine, aviation and transport	17,147	11,742	14,550	25	14,364	-	-	-	-	-	14,364	16,815
Motor	3,364,648	2,776,544	3,246,457	5,608	2,900,343	401,560	405,498	406,210	712	401,560	2,498,783	1,649,678
Accident & Health	-	10,566	4,108	8	6,466	-	6,237	2,397	5	3,845	2,621	8,108
Miscellaneous	7,486	5,875	6,622	11	6,750	4,728	3,314	3,709	6	4,339	2,411	4,994
Total	3,410,427	2,834,139	3,292,118	5,689	2,958,137	418,883	433,919	425,536	747	428,013	2,530,124	1,694,994
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	3,410,427	2,834,139	3,292,118	5,689	2,958,137	418,883	433,919	425,536	747	428,013	2,530,124	1,694,994

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

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Claims (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand												
General insurance:												
Direct and facultative												
Fire and property damage	191,353	3,586,302	4,023,914	77	628,888	136,968	3,259,540	3,656,190	53	533,565	95,323	137,513
Marine, aviation and transport	28,329	263,142	288,501	7	53,681	7,079	131,527	138,227	-	13,779	39,902	56,514
Motor	1,555,922	4,780,493	5,157,939	6,551	1,926,817	477,868	2,684,847	2,806,339	3,780	595,580	1,331,237	814,721
Accident & Health	310,716	281,808	310,041	11	338,938	2,128	7,474	4,501	7	(852)	339,790	311,651
Miscellaneous	187,797	1,113,241	1,302,584	8	377,132	130,892	867,222	1,008,942	8	272,604	104,528	50,999
Total	2,274,117	10,024,986	11,082,979	6,654	3,325,456	754,935	6,950,610	7,614,199	3,848	1,414,676	1,910,780	1,371,398
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	2,274,117	10,024,986	11,082,979	6,654	3,325,456	754,935	6,950,610	7,614,199	3,848	1,414,676	1,910,780	1,371,398
Life insurance:												
Conventional Business	70,251	48,555	83,030	-	104,726	50,934	-	-	-	50,934	53,792	720
Accident and Health Business	-	-	-	-	-	-	-	-	-	-	-	-
Non-utilised Investment	-	-	-	-	-	-	-	-	-	-	-	-
Link Business	100,759	18,722	17,024	-	99,061	533	-	-	-	533	98,528	38,993
Unit Linked Business	1,518,951	151,322	199,184	-	1,566,813	53,549	-	-	-	53,549	1,513,264	812,514
Individual Family Takaful Unit	-	-	-	-	-	-	-	-	-	-	-	-
Linked Business	55,240	-	-	-	55,240	-	-	-	-	-	55,240	-
Total	1,745,201	218,599	299,238	-	1,825,840	105,016	-	-	-	105,016	1,720,824	852,227
Grand Total	4,019,318	10,243,585	11,382,217	6,654	5,151,296	859,951	6,950,610	7,614,199	3,848	1,519,692	3,631,604	2,223,625

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	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand											
General insurance:												
Direct and facultative												
Fire and property damage	328,284	3,551,184	4,023,914	103	800,911	199,936	3,186,906	3,656,190	75	669,145	131,766	215,241
Marine, aviation and transport	117,701	256,728	288,501	9	149,465	11,782	116,957	138,227	-	33,052	116,413	117,397
Motor	3,024,301	4,334,219	5,157,939	8,110	3,839,911	907,761	2,435,652	2,806,339	4,707	1,273,741	2,566,170	1,518,691
Accident & Health	667,757	271,554	310,041	14	706,230	8,897	11,832	4,501	10	1,556	704,674	642,582
Miscellaneous	243,495	1,062,033	1,302,584	11	484,035	136,853	864,249	1,008,942	9	281,537	202,498	91,934
Total	4,381,538	9,475,718	11,082,979	8,247	5,980,552	1,265,229	6,615,596	7,614,199	4,801	2,259,031	3,721,521	2,585,845
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Total	4,381,538	9,475,718	11,082,979	8,247	5,980,552	1,265,229	6,615,596	7,614,199	4,801	2,259,031	3,721,521	2,585,845
Life insurance:												
Conventional Business	190,168	81,196	83,030	-	192,002	116,978	-	-	-	116,978	75,024	38,440
Accident and Health Business	-	-	-	-	-	-	-	-	-	-	-	-
Non-utilised Investment	-	-	-	-	-	-	-	-	-	-	-	-
Link Business	143,557	18,265	17,024	-	142,316	2,165	-	-	-	2,165	140,151	83,644
Unit Linked Business	2,068,386	138,891	199,184	-	2,128,679	68,700	-	-	-	68,700	2,059,979	1,402,222
Individual Family Takaful Unit	-	-	-	-	-	-	-	-	-	-	-	-
Linked Business	55,737	-	-	-	55,737	-	-	-	-	-	55,737	-
Total	2,457,848	238,352	299,238	-	2,518,734	187,843	-	-	-	187,843	2,330,891	1,524,306
Grand Total	6,839,386	9,714,070	11,382,217	8,247	8,499,286	1,453,072	6,615,596	7,614,199	4,801	2,446,874	6,052,412	4,110,151

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

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Claims (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand											
General insurance:												
Direct and facultative												
Fire and property damage	179,043	3,512,740	3,966,482	-	632,785	127,829	3,199,947	3,614,283	-	542,165	90,620	139,940
Marine, aviation and transport	28,233	258,043	283,309	-	53,499	7,079	131,527	138,227	-	13,779	39,720	56,440
Motor	229,118	476,060	450,175	-	203,233	15,586	125,267	80,348	-	(29,333)	232,566	224,650
Accident & Health	307,676	270,856	302,879	-	339,699	-	-	-	-	-	339,699	307,769
Miscellaneous	187,309	1,106,132	1,296,749	-	377,926	130,485	861,310	1,004,448	-	273,623	104,303	50,855
Total	931,379	5,623,831	6,299,594	-	1,607,142	280,979	4,318,051	4,837,306	-	800,234	806,908	779,655
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	931,379	5,623,831	6,299,594	-	1,607,142	280,979	4,318,051	4,837,306	-	800,234	806,908	779,655
Life insurance:												
Conventional Business	70,251	48,555	83,030	-	104,726	50,934	-	-	-	50,934	53,792	720
Accident and Health Business	-	-	-	-	-	-	-	-	-	-	-	-
Non-united Investment	-	-	-	-	-	-	-	-	-	-	-	-
Link Business	100,759	18,722	17,024	-	99,061	533	-	-	-	533	98,528	38,993
Unit Linked Business	1,518,951	151,322	199,184	-	1,566,813	53,549	-	-	-	53,549	1,513,264	812,514
Individual Family Takaful Unit	-	-	-	-	-	-	-	-	-	-	-	-
Linked Business	55,240	-	-	-	55,240	-	-	-	-	-	55,240	-
Total	1,745,201	218,599	299,238	-	1,825,840	105,016	-	-	-	105,016	1,720,824	852,227
Grand Total	2,676,580	5,842,430	6,598,832	-	3,432,982	385,995	4,318,051	4,837,306	-	905,250	2,527,732	1,631,882

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	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand											
General insurance:												
Direct and facultative												
Fire and property damage	308,209	3,480,697	3,966,482	-	793,994	184,561	3,131,379	3,614,283	-	667,465	126,529	193,663
Marine, aviation and transport	115,094	251,631	283,309	-	146,772	11,782	116,957	138,227	-	33,052	113,720	117,207
Motor	474,652	439,793	450,175	-	485,034	14,514	115,131	80,348	-	(20,269)	505,303	477,194
Accident & Health	654,900	254,376	302,879	-	703,403	-	-	-	-	-	703,403	636,376
Miscellaneous	242,055	1,053,622	1,296,749	-	485,182	135,521	857,070	1,004,448	-	282,899	202,283	91,748
Total	1,794,910	5,480,119	6,299,594	-	2,614,385	346,378	4,220,537	4,837,306	-	963,147	1,651,238	1,516,188
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,794,910	5,480,119	6,299,594	-	2,614,385	346,378	4,220,537	4,837,306	-	963,147	1,651,238	1,516,188
Life insurance:												
Conventional Business	190,168	81,196	83,030	-	192,002	116,978	-	-	-	116,978	75,024	38,440
Accident and Health Business	-	-	-	-	-	-	-	-	-	-	-	-
Non-united Investment	-	-	-	-	-	-	-	-	-	-	-	-
Link Business	143,557	18,265	17,024	-	142,316	2,165	-	-	-	2,165	140,151	83,644
Unit Linked Business	2,068,386	138,891	199,184	-	2,128,679	68,700	-	-	-	68,700	2,059,979	1,402,222
Individual Family Takaful Unit	-	-	-	-	-	-	-	-	-	-	-	-
Linked Business	55,737	-	-	-	55,737	-	-	-	-	-	55,737	-
Total	2,457,848	238,352	299,238	-	2,518,734	187,843	-	-	-	187,843	2,330,891	1,524,306
Grand Total	4,252,758	5,718,471	6,598,832	-	5,133,119	534,221	4,220,537	4,837,306	-	1,150,990	3,982,129	3,040,494

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

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Claims (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect			Opening	Closing	Currency translation effect		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	12,310	73,562	57,432	77	(3,897)	9,139	59,593	41,907	53	(8,600)	4,703	(2,427)
Marine, aviation and transport	96	5,099	5,192	7	182	-	-	-	-	-	182	73
Motor	1,326,804	4,304,433	4,707,764	6,551	1,723,584	462,282	2,559,580	2,725,991	3,780	624,913	1,098,671	590,071
Accident & Health	3,040	10,952	7,162	11	(761)	2,128	7,474	4,501	7	(852)	91	3,882
Miscellaneous	488	7,109	5,835	8	(794)	407	5,912	4,494	8	(1,019)	225	144
Total	1,342,738	4,401,155	4,783,385	6,654	1,718,314	473,956	2,632,559	2,776,893	3,848	614,442	1,103,872	591,743
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	1,342,738	4,401,155	4,783,385	6,654	1,718,314	473,956	2,632,559	2,776,893	3,848	614,442	1,103,872	591,743

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	Currency translation effect			Opening	Closing	Currency translation effect		Half Year ended 30 June 2017	Half Year ended 30 June 2017
Rupees in thousand												
Direct and facultative												
Fire and property damage	20,075	70,487	57,432	103	6,917	15,375	55,527	41,907	75	1,680	5,237	21,578
Marine, aviation and transport	2,607	5,097	5,192	9	2,693	-	-	-	-	-	2,693	190
Motor	2,549,649	3,894,426	4,707,764	8,110	3,354,877	893,247	2,320,521	2,725,991	4,707	1,294,010	2,060,867	1,041,497
Accident & Health	12,857	17,178	7,162	14	2,827	8,897	11,832	4,501	10	1,556	1,271	6,206
Miscellaneous	1,440	8,411	5,835	11	(1,147)	1,332	7,179	4,494	9	(1,362)	215	186
Total	2,586,628	3,995,599	4,783,385	8,247	3,366,167	918,851	2,395,059	2,776,893	4,801	1,295,884	2,070,283	1,069,657
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	2,586,628	3,995,599	4,783,385	8,247	3,366,167	918,851	2,395,059	2,776,893	4,801	1,295,884	2,070,283	1,069,657

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

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Expenses (Unaudited)

For the Half Year Ended 30 June 2017

Class	Commissions paid or payable	Deferred commission			Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing	Currency translation effect					Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand										
General Insurance:										
Direct and facultative										
Fire and property damage	209,608	258,718	357,403	5	110,928	71,844	182,772	83,202	99,570	83,987
Marine, aviation and transport	31,874	5,165	14,057	2	22,984	48,292	71,276	100	71,176	75,340
Motor	228,076	449,883	450,702	514	227,771	263,503	491,274	15,962	475,312	368,263
Accident & Health	5,569	28,243	21,004	1	12,809	39,961	52,770	-	52,770	49,557
Miscellaneous	28,168	35,684	44,918	1	18,935	51,241	70,176	30,013	40,163	48,821
Total	503,295	777,693	888,084	523	393,427	474,841	868,268	129,277	738,991	625,968
Proportional	-	-	-	-	-	-	-	-	-	-
Total	503,295	777,693	888,084	523	393,427	474,841	868,268	129,277	738,991	625,968
Life insurance:										
Conventional Business	6,204	-	-	-	6,204	12,088	18,292	-	18,292	14,278
Accident and Health Business	-	-	-	-	-	-	-	-	-	-
Non-united Investment Link Business	(441)	-	-	-	(441)	2,792	2,351	-	2,351	10,802
Unit Linked Business	268,186	-	-	-	268,186	317,023	585,209	-	585,209	412,188
Individual Family Takaful Unit Linked Business	55,054	-	-	-	55,054	37,514	92,568	-	92,568	-
Total	329,003	-	-	-	329,003	369,417	698,420	-	698,420	437,268
Grand Total	832,298	777,693	888,084	523	722,430	844,258	1,566,688	129,277	1,437,411	1,063,236

Class	Commissions paid or payable	Deferred commission			Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing	Currency translation effect					Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand										
General Insurance:										
Direct and facultative										
Fire and property damage	313,033	271,619	357,403	6	227,255	134,821	362,076	189,791	172,285	167,358
Marine, aviation and transport	66,023	5,204	14,057	2	57,172	98,536	155,708	383	155,325	145,636
Motor	487,988	411,277	450,702	648	449,211	495,927	945,138	35,518	909,620	688,189
Accident & Health	18,069	24,351	21,004	1	21,417	72,473	93,890	-	93,890	90,644
Miscellaneous	55,979	24,830	44,918	1	35,892	93,965	129,857	52,562	77,295	100,834
Total	941,092	737,281	888,084	658	790,947	895,722	1,686,669	278,254	1,408,415	1,192,661
Proportional	-	-	-	-	-	-	-	-	-	-
Total	941,092	737,281	888,084	658	790,947	895,722	1,686,669	278,254	1,408,415	1,192,661
Life insurance:										
Conventional Business	15,556	-	-	-	15,556	20,742	36,298	-	36,298	26,049
Accident and Health Business	-	-	-	-	-	-	-	-	-	-
Non-united Investment Link Business	2,210	-	-	-	2,210	9,274	11,484	-	11,484	21,495
Unit Linked Business	612,845	-	-	-	612,845	437,221	1,050,066	-	1,050,066	835,176
Individual Family Takaful Unit Linked Business	67,456	-	-	-	67,456	44,649	112,105	-	112,105	-
Total	698,067	-	-	-	698,067	511,886	1,209,953	-	1,209,953	882,720
Grand Total	1,639,159	737,281	888,084	658	1,489,014	1,407,608	2,896,622	278,254	2,618,368	2,075,381

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

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Expenses (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect					Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand										
General Insurance:										
Direct and facultative										
Fire and property damage	208,374	254,932	354,258	-	109,048	71,333	180,381	81,548	98,833	80,886
Marine, aviation and transport	30,790	4,006	12,828	-	21,968	48,112	70,080	100	69,980	71,936
Motor	45,611	81,426	76,604	-	50,433	142,801	193,234	24	193,210	155,053
Accident & Health	5,569	28,023	20,857	-	12,735	38,398	51,133	-	51,133	46,858
Miscellaneous	28,040	34,731	44,202	-	18,569	51,198	69,767	30,174	39,593	47,141
Total	318,384	403,118	508,749	-	212,753	351,842	564,595	111,846	452,749	401,874
Proportional	-	-	-	-	-	-	-	-	-	-
Total	318,384	403,118	508,749	-	212,753	351,842	564,595	111,846	452,749	401,874
Life insurance:										
Conventional Business	6,204	-	-	-	6,204	12,088	18,292	-	18,292	14,278
Accident and Health Business	-	-	-	-	-	-	-	-	-	-
Non-united Investment Link Business	(441)	-	-	-	(441)	2,792	2,351	-	2,351	10,802
Unit Linked Business	268,186	-	-	-	268,186	317,023	585,209	-	585,209	412,188
Individual Family Takaful Unit Linked Business	55,054	-	-	-	55,054	37,514	92,568	-	92,568	-
Total	329,003	-	-	-	329,003	369,417	698,420	-	698,420	437,268
Grand Total	647,387	403,118	508,749	-	541,756	721,259	1,263,015	111,846	1,151,169	839,142

Class	Commissions paid or payable	Deferred commission			Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing	Currency translation effect					Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand										
General Insurance:										
Direct and facultative										
Fire and property damage	309,949	267,204	354,258	-	222,895	133,744	356,639	186,445	170,194	161,066
Marine, aviation and transport	63,543	4,834	12,828	-	55,549	98,036	153,585	383	153,202	138,126
Motor	95,936	78,015	76,604	-	97,347	285,270	382,617	26	382,591	305,655
Accident & Health	18,069	24,058	20,857	-	21,270	70,620	91,890	-	91,890	84,268
Miscellaneous	55,190	24,220	44,202	-	35,208	93,730	128,938	51,432	77,506	96,634
Total	542,687	398,331	508,749	-	432,269	681,400	1,113,669	238,286	875,383	785,749
Proportional	-	-	-	-	-	-	-	-	-	-
Total	542,687	398,331	508,749	-	432,269	681,400	1,113,669	238,286	875,383	785,749
Life insurance:										
Conventional Business	15,556	-	-	-	15,556	20,742	36,298	-	36,298	26,049
Accident and Health Business	-	-	-	-	-	-	-	-	-	-
Non-united Investment Link Business	2,210	-	-	-	2,210	9,274	11,484	-	11,484	21,495
Unit Linked Business	612,845	-	-	-	612,845	437,221	1,050,066	-	1,050,066	835,176
Individual Family Takaful Unit Linked Business	67,456	-	-	-	67,456	44,649	112,105	-	112,105	-
Total	698,067	-	-	-	698,067	511,886	1,209,953	-	1,209,953	882,720
Grand Total	1,240,754	398,331	508,749	-	1,130,336	1,193,286	2,323,622	238,286	2,085,336	1,668,469

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

Umer Mansha

Chairman

Shaikh Muhammad Jawed

Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Expenses (Unaudited)

For the Half Year Ended 30 June 2017

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	Currency translation effect					Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand									
Direct and facultative										
Fire and property damage	1,234	3,786	3,145	5	1,880	511	2,391	1,654	737	3,101
Marine, aviation and transport	1,084	1,159	1,229	2	1,016	180	1,196	-	1,196	3,404
Motor	182,465	368,457	374,098	514	177,338	120,702	298,040	15,938	282,102	213,210
Accident & Health	-	220	147	1	74	1,563	1,637	-	1,637	2,699
Miscellaneous	128	953	716	1	366	43	409	(161)	570	1,680
Total	184,911	374,575	379,335	523	180,674	122,999	303,673	17,431	286,242	224,094
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	184,911	374,575	379,335	523	180,674	122,999	303,673	17,431	286,242	224,094

Class	Commissions paid or payable	Deferred commission			Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing	Currency translation effect					Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand									
Direct and facultative										
Fire and property damage	3,084	4,415	3,145	6	4,360	1,077	5,437	3,346	2,091	6,292
Marine, aviation and transport	2,480	370	1,229	2	1,623	500	2,123	-	2,123	7,510
Motor	392,052	333,262	374,098	648	351,864	210,657	562,521	35,492	527,029	382,534
Accident & Health	-	293	147	1	147	1,853	2,000	-	2,000	6,376
Miscellaneous	789	610	716	1	684	235	919	1,130	(211)	4,200
Total	398,405	338,950	379,335	658	358,678	214,322	573,000	39,968	533,032	406,912
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Grand Total	398,405	338,950	379,335	658	358,678	214,322	573,000	39,968	533,032	406,912

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

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Consolidated Condensed Interim Statement of Investment Income (Unaudited)

For the Half Year Ended 30 June 2017

Note	Quarter ended 30 June 2017	Quarter ended 30 June 2016	Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand				
General insurance:				
Business Underwritten Inside Pakistan				
Income from non-trading investment				
Available-for-sale				
Return on term finance certificates	1,575	1,421	3,000	2,847
Return on Pakistan Investment Bonds	7,011	8,508	12,857	16,866
Profit on Treasury Bills	7,681	2,169	10,031	3,751
Dividend income:				
- associated undertakings	175,652	208,903	349,673	363,227
- others	41,850	86,444	357,363	271,734
	217,502	295,347	707,036	634,961
	233,769	307,445	732,924	658,425
Gain on sale of 'available-for-sale' investments:				
- associated undertakings	-	-	-	-
- others	464,468	483,515	581,617	708,423
	464,468	483,515	581,617	708,423
Provision for impairment in value of 'available-for-sale' investments	9.1 (280,943)	-	(280,943)	-
	417,294	790,960	1,033,598	1,366,848
Business underwritten Onside Pakistan				
Available-for-sale				
Dividend income:				
- associated undertakings	-	-	-	-
- others	(6,494)	-	2,024	-
	(6,494)	-	2,024	-
Gain on sale of 'available-for-sale' investments:				
- associated undertakings	-	-	-	-
- others	37,776	-	88,802	-
	37,776	-	88,802	-
	31,282	-	90,826	-
	448,576	790,960	1,124,424	1,366,848
Life insurance:				
Share holders' fund				
Unrealised (diminution) / appreciation in value of quoted securities	(58)	(2)	(110)	626
Return on Government Securities	3,808	3,272	6,954	6,987
Return on bank deposits	110	280	640	628
Dividend income	4,931	1,319	5,608	1,652
(Loss) / Gain on sale of non trading investments	(722)	4,074	-	4,076
Impairment in value of 'available-for-sale' investments	(374)	-	(381)	-
	7,695	8,943	12,711	13,969
Balance carried forward	456,271	799,903	1,137,135	1,380,817

Consolidated Condensed Interim Statement of Investment Income (Unaudited)

For the Half Year Ended 30 June 2017

Note	Quarter ended 30 June 2017	Quarter ended 30 June 2016	Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand			
Balance brought forward	456,271	799,903	1,137,135	1,380,817
Statutory Funds:				
Conventional Business				
Return on Government Securities	2,678	1,298	4,628	3,875
Realization of discount on government securities	-	-	-	-
Return on bank deposits	1,397	550	3,077	2,474
Dividend income	1,236	-	1,236	-
(Loss) / gain on sale of non-trading investments	(275)	1,098	-	1,099
Reversal of impairment in value of 'available-for-sale' investments	416	80	390	80
	5,452	3,026	9,331	7,528
Accident and Health Business				
Return on Government Securities	-	1	-	3
Return on bank deposits	(1)	2	-	2
	(1)	3	-	5
Non-unitised Investment Link Business				
(Diminution) / appreciation in value of quoted securities	(71,461)	(8,630)	(46,372)	1,619
Return on fixed income securities	2,407	1,871	3,732	3,708
Mark-up on policy loans	507	-	809	-
Dividend income	32,800	1,357	33,729	1,357
Return on Government Securities	(3,895)	35,841	24,799	73,389
Return on bank deposits	21,339	1,468	25,470	1,985
Gain / (loss) on sale of trading investments	11,605	(540)	14,657	674
	(6,698)	31,367	56,824	82,732
Unit Link Business				
(Diminution) / appreciation in value of quoted securities	(668,941)	190,139	(494,218)	180,003
Mark-up on policy loans	193	-	279	-
Return on Government Securities	25,485	203,990	248,044	397,745
Return on fixed income securities	33,742	2,504	37,691	4,492
Dividend income	274,719	12,447	294,025	13,185
Return on bank deposits	107,408	11,577	124,298	16,318
Gain / (loss) on disposal of open-end trading / non trading investments	146,314	(13,149)	206,525	(7,221)
	(81,080)	407,508	416,644	604,522
Individual Family Takaful Unit Linked Business				
(Diminution) in value of quoted securities	(21,815)	-	(18,089)	-
Return on Government Securities	4,765	-	4,714	-
Return on fixed income securities	1,567	-	1,567	-
Dividend income	6,411	-	6,411	-
Return on bank deposits	2,269	-	2,506	-
(Loss) on disposal of open-end trading / non trading investments	-	-	(5)	-
	(6,803)	-	(2,896)	-
	367,141	1,241,807	1,617,038	2,075,604
Net investment income				
Net investment income - statutory funds	(89,130)	441,904	479,903	694,787
Net investment income - other	456,271	799,903	1,137,135	1,380,817
	367,141	1,241,807	1,617,038	2,075,604

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

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
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 2017

1 Status and nature of business

The Group consists of:

Holding Company

Adamjee Insurance Company Limited

Subsidiary Company

Adamjee Life Assurance Company Limited [74.28% held by Adamjee Insurance Company Limited (2016: 74.28%)]

Adamjee Insurance Company Limited (Holding Company)

Adamjee Insurance Company Limited is a public limited company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Ordinance 1984). The Company is listed on Pakistan stock exchange and is engaged in the general insurance business comprising fire and property, marine, motor, accident & health and miscellaneous classes. The registered office of the Company is situated at Tanveer Building, 27-C-III, MM Alam Road, Gulberg III, Lahore.

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

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

Adamjee Life Assurance Company Limited (Subsidiary Company)

Adamjee Life Assurance Company Limited was incorporated in Pakistan on 4 August 2008 as a public unlisted company under the Companies Ordinance, 1984 and started its operations from 24 April 2009. The registered office of the Company is located at First Floor Islamabad Stock Exchange Tower, 55-B, Jinnah Avenue, Blue Area, Islamabad while its principal place of business is located at Third Floor, The Forum, Khayaban-e-Jami, Clifton, Karachi. The Company is a subsidiary of Adamjee Insurance Company Limited and an associate of IVM Intersurer B.V. who have a holding of 74.28% (2016: 74.28%) and 25.72% (2016: 25.72%), respectively in the share capital of the Company. IVM Intersurer B.V. has nominated Hollard Life Assurance Company Limited (HLA), a subsidiary of IVM Intersurer B.V., to act on its behalf in respect of matters relating to the Company. HLA is South Africa's largest private sector insurance company.

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

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

2 Basis of preparation and statement of compliance

This consolidated condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' as applicable in Pakistan, provisions and directives issued under Companies Ordinance, 1984 and the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 and Takaful Rules 2012. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules 2012 have been followed.

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

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

SECP vide letter ID/OSM/Adamjee/2017/10683 dated 11 August 2017 has granted exemption to the Company to prepare their half yearly accounts for the period ended 30 June 2017 in accordance with the requirements of previous rules [SEC (Insurance) Rules 2002] and has allowed the application of New Regulations effective from 1 July 2017. Hence, this consolidated condensed interim financial information for the period ended 30 June 2017 has been prepared in accordance with the requirements of previous rules.

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

The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the SECP vide its press release dated 20 July 2017, this consolidated condensed interim financial information has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

The disclosures made in this consolidated condensed interim financial information have, however, been limited based on format prescribed by Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003 and International Accounting Standard (IAS) 34 - 'Interim Financial Reporting'. They do not include all the disclosures required for annual financial statements, and these condensed interim financial information should be read in conjunction with annual financial statements of the Group for the year ended 31 December 2016.

3 Basis of measurement

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

4 Summary of significant accounting policies

The accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial information are same as those applied in preparation of the consolidated financial statements for the year ended 31 December 2016.

The Company has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 01 January 2017, as mentioned in the financial statements for the year ended 31 December 2016.

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

5 Accounting estimates and judgments

The preparation of this consolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements 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 the preparation of this consolidated condensed interim financial information, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those applied in the preceding audited financial statements of the Company for the year ended 31 December 2016.

6 Financial risk management

The Company's financial risk management and objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2016.

7 Contingencies and commitments

7.1 Contingencies

Holding Company

There has been no significant change in the contingencies since the date of preceding financial statements for the year ended 31 December 2016.

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

7.2 Commitments

Holding Company

The Holding Company has issued letter of guarantees amounting to Rupees 6,248 thousands (AED 219,000) [31 December 2016: Rupees 36,371 thousands (AED 1,277)] relating to its UAE branch.

Subsidiary Company

Return of income has been filed for the tax year 2016, which is deemed to be assessed unless selected for audit or otherwise by the taxation authorities. Assessments of the Subsidiary Company has been finalized up to tax year 2015.

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

There are six pending cases amounting to Rs. 16.3 million initiated against the Subsidiary Company concerning policy holders' claims rejected by the Subsidiary Company on different grounds. However, management believes that no significant liability is likely to occur in these cases.

Commitments in respect of ljarah rentals payable in future period of one year ending 30 June 2018 amounted to Rs. 4.218 million for vehicles.

The Subsidiary Company has entered in to two separate agreements with Messers. International Associates in February and May 2017 for interior and exterior design of Lahore office respectively. The amount payable against both agreements is Rs. 34.6 million against which Rs. 25.3 million has been paid during the period. It is expected that remaining balance will be paid by the end of 2017.

Contractual party claim of Rs. 9.5 million was not acknowledged as debt by the Subsidiary Company.

8 Cash and Bank deposits

Note	30 June 2017	31 December 2016
	Rupees in thousand (Unaudited)	(Audited)
Cash and other equivalents		
Cash in hand	12,075	16,604
Current and other accounts		
Current accounts	2,702,960	1,491,301
Savings accounts	2,134,916	3,981,177
	4,837,876	5,472,478
Deposits maturing within 12 months		
Fixed and term deposits	11,835,514	6,025,059
	16,685,465	11,514,141

8.1 These include fixed deposits of Holding Company amounting to Rs. 198,301 thousands (AED 6,951 thousands) [31 December 2016: Rs. 197,962 thousands (AED 6,951 thousands)] kept in accordance with the requirements of Insurance Regulations applicable to the UAE branches for the purpose of carrying on business in United Arab Emirates. These also include liens against cash deposits of Rs. 136,250 thousands (31 December 2016: Rs. 35,325 thousands) with banks in Pakistan essentially in respect of guarantees issued by the banks on behalf of the Company for claims under litigation filed against the Holding Company.

8.2 Cash and bank deposits include an amount of Rs. 2,201,668 thousands (31 December 2016: Rs. 2,550,531 thousands) held with related parties.

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

9 Investments

	Note	30 June 2017	31 December 2016
		Rupees in thousand	
		Unaudited	Audited
Available-for-sale			
In related parties			
Marketable securities - listed		7,493,648	7,014,434
		7,493,648	7,014,434
Others			
Marketable securities - listed		8,301,208	7,912,278
Marketable securities - unlisted		925,360	925,360
Less: Provision for impairment in value of investments	9.1	(362,355)	(81,400)
		8,864,213	8,756,238
Fixed income securities	9.2	1,380,379	640,358
		10,244,592	9,396,596
		17,738,240	16,411,030
At fair value through profit or loss			
In related parties			
Marketable securities - listed		108,065	-
Others			
Marketable securities - listed		10,282,794	6,996,966
Fixed income securities	9.4	1,774,200	7,231,681
		12,056,994	14,228,647
		12,165,059	14,228,647
		29,903,299	30,639,677
9.1 Reconciliation of provision for impairment in value of investments			
Opening provision		81,400	303,847
Addition / (Reversal) for the period / year		280,955	(222,447)
Closing provision		362,355	81,400

9.2 The fixed income securities classified as 'available-for-sale' include Pakistan Investment Bonds and Government treasury bills amounting to Rupees 479,188 thousands (31 December 2016: Rupees 479,247 thousands) and Rupees 901,191 thousands, (31 December 2016: Rupees 160,592 thousands), respectively.

9.3 On 30 June 2017, the fair value of 'available-for-sale' securities was Rupees 22,321,522 thousands (31 December 2016: Rupees 22,484,536 thousands). As per the Company's accounting policy, 'available-for-sale' investments are stated at lower of cost or market value (market value being taken as lower if the reduction is other than temporary). However, International Accounting Standard (IAS) 39 - 'Financial Instruments: Recognition and Measurements' dealing with the recognition and measurement of financial instruments requires that these instruments should be measured at fair value. Accordingly, had these investments been measured at fair value, their carrying value as at 30 June 2017 would have been higher by Rupees 4,612,901 thousands (31 December 2016: higher by Rupees 6,050,250 thousands).

9.4 The fixed income securities at 'fair value through profit or loss' include Pakistan investment bonds, Government treasury bills and Ijarah Sukuks amounting to Rupees 2,246 thousands (31 December 2016: 4,618,463 thousands), Rupees 1,561,054 thousands (31 December 2016: 2,350,691 thousands) and Rupees 210,900 thousands (31 December 2016: 262,527 thousands), respectively.

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

10 Premiums due but unpaid - unsecured

Note	30 June 2017	31 December 2016
	Rupees in thousand	
	(Unaudited)	(Audited)
Considered good	6,040,605	5,099,091
Considered doubtful	368,957	375,576
	6,409,562	5,474,667
Less: Provision for doubtful balances	10.1 (368,957)	(375,576)
	6,040,605	5,099,091
10.1 Reconciliation of provision for doubtful balances		
Opening provision	368,729	373,639
Exchange (gain) / loss	228	-
Charge for the period	-	1,937
Written off during the period	-	-
Closing provision	368,957	375,576

11 Amounts due from Other Insurers / Reinsurers - Unsecured

Considered good	1,166,995	1,062,271
Considered doubtful	85,302	85,302
	1,252,297	1,147,573
Less: Provision for doubtful balances	11.1 (85,302)	(85,302)
	1,166,995	1,062,271
11.1 Reconciliation of provision for doubtful balances		
Opening provision	85,302	299,558
Reversal for the period year	-	-
Written off during provision the year	-	(214,256)
Closing provision	85,302	85,302

12 Premium and claim reserves retained by cedants

Considered doubtful	-	-
Considered doubtful	23,252	23,252
Less: Provision for doubtful balances	23,252	23,252
	(23,252)	(23,252)
	-	-
12.1 Reconciliation of provision for doubtful balances		
Opening provision	23,252	23,252
Charge for the period / year	-	-
Closing provision	23,252	23,252

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

	Note	30 June 2017	31 December 2016
		Rupees in thousand	
		(Unaudited)	(Audited)
13 Fixed assets - tangible and intangible			
Opening balance - Net book value		1,252,923	1,365,137
Additions during the period	13.2	66,390	280,061
Less:			
Book value of disposals during the period	13.3	(6,792)	(206,125)
Depreciation / amortisation charged during the period		(84,553)	(184,612)
Exchange difference		(325)	(1,538)
		<u>(91,670)</u>	<u>(392,275)</u>
		1,227,643	1,252,923
Capital work in progress		362,212	122,705
		<u>1,589,855</u>	<u>1,375,628</u>
13.1 Breakup of book values into owned and leased fixed assets			
Owned assets		1,227,642	1,252,923
Capital work in progress		362,213	122,705
		<u>1,589,855</u>	<u>1,375,628</u>
13.2 Additions during the period / year			
Owned			
Land and building		4,355	70,846
Furniture and fixture		7,141	18,341
Motor vehicle		16,900	48,140
Machinery and equipment		5,986	19,913
Computer and related accessories		23,677	22,285
Intangibles		8,331	92,882
		<u>66,390</u>	<u>272,407</u>
13.3 Written down values of operating fixed assets disposed off during the period / year			
Owned			
Land and building		-	180,271
Furniture and fixture		-	7,533
Motor vehicle		4,897	13,278
Machinery and equipment		1,816	3,677
Computer and related accessories		79	1,366
Intangibles		-	-
		<u>6,792</u>	<u>206,125</u>

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

14 Other income

	Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand	
Profit on bank deposits	46,845	28,916
Income on house building loan	171	182
Gain on disposal of fixed assets	5,525	84,711
Miscellaneous income	2,753	3,553
	55,294	117,362

15 Transactions with related parties

The related parties comprise subsidiary company, 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 9 to the consolidated condensed interim financial information. Other transactions with related parties are summarised as follows:

	Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand	
i) Transactions		
Premium underwritten	644,069	692,978
Premium received	727,567	1,483,373
Claims paid	174,373	241,955
Rent paid	2,905	2,500
Rent received	1,614	3,742
Dividend received	628,308	363,227
Dividend paid	192,165	143,104
Income on bank deposits	31,968	19,887
Commission paid	488,624	363,685
Fee / service charges paid	13,898	17,385
Investments made	918,539	412,232
Remuneration to key management personnel	471,531	351,979
Charge in respect of gratuity expense	13,027	12,291
Company's contribution to Employees' Provident Fund	14,536	14,025

	As at 30 June 2017	As at 31 December 2016
	Rupees in thousand	
i) Period end balances	Unaudited	Audited
Balances receivable	246,246	476,848
Balances payable	645,828	919,002
Cash and bank balances	2,201,668	2,550,531
Payable to Staff Gratuity Fund	91,655	81,399
Payable to Employees Provident Fund	2,983	2,822

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

16. Segment reporting

16.1 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 2017																								
Rupees in thousand																								
	Fire and Property Damage	Marine, Aviation and Transport		Motor		Accident @ Health		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		Aggregate General Insurance	Shareholders' Fund	Life Insurance				Aggregate Life Insurance	Grand Total	
		Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Conventional Business	Non-united Investment and Health Business			Unit Linked Business	Individual Family Unit Linked Business					
Segment assets	8,481,881	71,582	493,067	12,022	1,169,943	5,624,172	831,255	7,045	1,773,964	13,631	-	-	-	12,750,110	5,728,452	18,478,562	-	291,937	167	2,735,104	22,038,227	806,775	25,872,210	44,350,772
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	19,837,796	3,696,495	19,837,796	3,696,495	23,534,291	672,889	-	-	-	-	-	672,889	24,207,180
Total assets	8,481,881	71,582	493,067	12,022	1,169,943	5,624,172	831,255	7,045	1,773,964	13,631	-	19,837,796	3,696,495	32,587,506	9,424,947	42,012,853	672,889	291,937	167	2,735,104	22,038,227	806,775	26,545,099	68,557,952
Segment liabilities	8,084,625	81,966	488,925	20,510	2,252,733	8,205,437	1,534,074	11,270	2,104,784	13,943	-	-	-	14,465,141	8,333,126	22,798,267	-	107,499	44	67,909	1,203,581	92,937	1,471,970	24,270,237
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	2,321,758	398,456	2,321,758	398,456	2,720,214	62,618	-	-	-	-	-	62,618	2,782,832
Total liabilities	8,084,625	81,966	488,925	20,510	2,252,733	8,205,437	1,534,074	11,270	2,104,784	13,943	-	2,321,758	398,456	16,786,899	8,731,582	25,518,481	62,618	107,499	44	67,909	1,203,581	92,937	1,534,588	27,053,069
Capital expenditure														227,855	8,797	236,652							59,419	296,071

31 December 2016																								
Rupees in thousand																								
	Fire and Property Damage	Marine, Aviation and Transport		Motor		Accident @ Health		Miscellaneous		Treaty		Unallocated Corporate Assets/ Liabilities		Total		Aggregate General Insurance	Shareholders' Fund	Life Insurance				Aggregate Life Insurance	Grand Total	
		Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Conventional Business	Non-united Investment and Health Business			Unit Linked Business	Individual Family Unit Linked Business					
Segment assets	6,862,254	103,754	418,138	10,952	975,970	5,292,962	594,381	25,118	1,534,270	16,995	-	-	-	10,380,013	5,443,381	15,823,394	-	333,176	167	2,654,905	19,487,396	464,043	22,939,887	38,769,081
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	19,486,729	2,569,889	19,486,729	2,569,889	22,055,618	572,720	-	-	-	-	-	572,720	22,632,338
Total assets	6,862,254	103,754	418,138	10,952	975,970	5,292,962	594,381	25,118	1,534,270	16,995	-	19,486,729	2,569,889	28,865,742	8,013,270	37,885,012	572,720	333,176	167	2,654,905	19,487,396	464,043	23,512,607	61,397,419
Segment liabilities	6,941,744	107,062	467,474	18,149	1,979,268	7,109,233	1,210,955	28,613	1,864,548	15,977	-	-	-	12,453,589	7,279,035	19,732,624	-	120,579	45	58,627	623,743	28,626	81,020	20,564,244
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	1,666,664	175,493	1,666,664	175,493	1,842,157	96,361	-	-	-	-	-	96,361	1,938,518
Total liabilities	6,941,744	107,062	467,474	18,149	1,979,268	7,109,233	1,210,955	28,613	1,864,548	15,977	-	1,666,664	175,493	14,120,293	7,454,528	21,574,781	96,361	120,579	45	58,627	623,743	28,626	81,981	22,502,762
Capital expenditure														248,150	54,442	302,592	91,794						91,294	393,886

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

16.2 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										Aggregate									
	General Insurance					Life Insurance					Total					General Insurance							Life Insurance					Total		
	Marine, aviation and property damage	Motor	Accident @ Health	Miscellaneous	Treaty	Conventional Business	Non-vested Investment Link Business	Unit Linked Business	Accident and Health Business	Individual Family Takaful Unit Linked Business	30 June 2017	30 June 2016	30 June 2017	30 June 2016	Marine, aviation and property damage	Motor	Accident @ Health	Miscellaneous	Treaty	Conventional Business	Accident and Health Business	Non-vested Investment Link Business	Unit Linked Business	Individual Family Takaful Unit Linked Business	30 June 2017	30 June 2016	30 June 2017	30 June 2016		
(Rupees in thousand)																														
Net premium revenue	443,919	34,047	1,107,455	89,973	44,318	-	98,143	173,161	4,795,688	-	415,179	6,691,163	72,12,688	11,945	14,364	2,498,783	2,621	2,411	-	-	-	-	-	2,530,124	1,694,594	11,221,287	8,907,932			
Net claims	(126,528)	(113,720)	(995,303)	(703,403)	(202,263)	-	(75,024)	(140,151)	(2,093,979)	-	(95,270)	(3,982,129)	(9,040,944)	(6,207)	(2,630)	(2,000,697)	(1,271)	(219)	-	-	-	-	-	(2,970,283)	(1,090,657)	(6,652,412)	(4,110,191)			
Expenses	(133,744)	(98,039)	(285,270)	(70,020)	(93,770)	-	(207,42)	6,274	(47,221)	-	(44,649)	(1,193,286)	(995,682)	(1,077)	(500)	(2,103,97)	(1,653)	(25)	-	-	-	-	-	(2,14,322)	(178,308)	(1,407,698)	(1,174,210)			
Net commission	(84,430)	(65,369)	(67,121)	(21,270)	16,224	-	(15,956)	2,210	(6,12,865)	-	(67,456)	(882,090)	(672,667)	(1,014)	(1,623)	(3,163,72)	(1,427)	446	-	-	-	-	-	(318,710)	(230,004)	(1,210,760)	(900,671)			
Net investment income - statutory fund	-	-	-	-	-	-	9,331	56,826	4,16,644	-	(2,869)	479,903	694,787	-	-	47,771	-	-	-	-	-	-	-	47,171	-	527,074	694,787			
Add Policyholder's liabilities at beginning of the year	-	-	-	-	-	-	110,756	2,370,723	18,383,848	-	385,969	21,251,296	13,895,688	-	-	-	-	-	-	-	-	-	-	-	21,251,296	13,895,688				
Less Policyholder's liabilities at end of the year	-	-	-	-	-	-	(73,127)	(2,448,223)	(20,471,323)	-	(658,740)	(23,657,422)	(16,615,582)	-	-	-	-	-	-	-	-	-	-	-	(23,657,422)	(16,615,582)				
Surplus of Policyholder's funds	-	-	-	-	-	-	(27,781)	(861)	(14,992)	-	28,330	(15,284)	67,193	-	-	-	-	-	-	-	-	-	-	-	(15,284)	67,193				
Underwriting result	147,796	77,125	219,561	74,680	16,358	-	-	-	-	-	682,191	371,365	4,617	93,64	41,940	650	2,407	-	-	-	-	-	-	(26,020)	218,425	696,171	3,989,10			
Investment income - other	-	-	-	-	-	-	-	-	-	-	1,046,309	1,380,817	-	-	-	-	-	-	-	-	-	-	-	90,826	-	1,137,135	1,380,817			
Rental income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,614	3,230	1,614	3,230			
Other income	-	-	-	-	-	-	-	-	-	-	54,442	113,429	1,885,631	-	-	-	-	-	-	-	-	-	-	852	333	55,234	117,362			
General and administrative expenses	-	-	-	-	-	-	-	-	-	-	1,782,942	(250,789)	(250,782)	-	-	-	-	-	-	-	-	-	-	67,272	225,646	1,850,214	2,091,279			
Exchange gain	-	-	-	-	-	-	-	-	-	-	(203)	(203)	1,272	-	-	-	-	-	-	-	-	-	-	(51,981)	(33,699)	(314,370)	(286,461)			
Profit/(loss) from Window Takaful Operations	-	-	-	-	-	-	-	-	-	-	31,025	6	6	-	-	-	-	-	-	-	-	-	-	-	-	-	(203)	1,272		
Workers' welfare fund	-	-	-	-	-	-	-	-	-	-	(31,409)	(6,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,025	(6)		
Profit before tax	-	-	-	-	-	-	-	-	-	-	1,521,570	1,580,126	-	-	-	-	-	-	-	-	-	-	-	13,691	191,948	1,535,261	1,772,075			
Provision for taxation	-	-	-	-	-	-	-	-	-	-	(475,952)	(283,779)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(475,952)	(283,779)		
Profit after tax	-	-	-	-	-	-	-	-	-	-	1,045,618	1,296,347	-	-	-	-	-	-	-	-	-	-	-	13,691	191,948	1,059,309	1,488,296			

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

17 Fair value measurement of financial instruments

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

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

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

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

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

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

Note	Carrying amount					Fair value			
	Available for sale	Fair Value through P&L	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3

(Rupees in thousand)

30 June 2017

Financial assets - not measured at fair value

Cash and other equivalents*	8	-	-	-	12,075	-	12,075	-	-	-	-
Current and other accounts*		-	-	-	4,837,876	-	4,837,876	-	-	-	-
Deposits maturing within 12 months*		-	-	-	11,835,514	-	11,835,514	-	-	-	-
Loans to employees*		-	-	24,429	-	-	24,429	-	-	-	-
Investments						-					
- Listed securities		13,884,545	5,672,570	-	-	-	19,557,115	24,128,227	-	-	24,128,227
- Unlisted securities		925,360	-	-	-	-	925,360	-	-	925,360	925,360
- Term Finance Certificates		75,851	1,304,035	-	-	-	1,379,886	-	1,379,907	-	1,379,907
- Mutual Fund Certificates		1,471,944	3,414,254	-	-	-	4,886,198	4,885,723	-	-	4,885,723
- NIT Units		161	-	-	-	-	161	-	1,050	-	1,050
- Government treasury bills		901,192	1,561,054	-	-	-	2,462,246	-	2,469,592	-	2,469,592
- Pakistan Investment Bonds		479,187	2,246	-	-	-	481,433	-	485,823	-	485,823
- Ijarah sukuk		-	210,900	-	-	-	210,900	-	210,900	-	210,900
Premium due but unpaid*	10	-	-	6,040,605	-	-	6,040,605	-	-	-	-
Amounts due from other insurers / reinsurers*	11	-	-	1,166,995	-	-	1,166,995	-	-	-	-
Salvage recoveries accrued*		-	-	314,650	-	-	314,650	-	-	-	-
Accrued investment income*		-	-	111,923	-	-	111,923	-	-	-	-
Reinsurance recoveries against outstanding claims*		-	-	7,299,549	-	-	7,299,549	-	-	-	-
Sundry receivables*		-	-	461,162	-	-	461,162	-	-	-	-
		17,738,240	12,165,059	15,419,313	16,685,465	-	62,008,077	29,013,950	4,547,272	925,360	34,486,582
Financial liabilities - measured at fair value		-	-	-	-	113,602	113,602	-	113,602	-	113,602

Financial liabilities - not measured at fair value

Provision for outstanding claims (including IBNR)*		-	-	-	-	11,382,217	11,382,217	-	-	-	-
Amounts due to other insurers / reinsurers*		-	-	-	-	2,247,668	2,247,668	-	-	-	-
Accrued expenses*		-	-	-	-	75,607	75,607	-	-	-	-
Other creditors and accruals*		-	-	-	-	2,467,985	2,467,985	-	-	-	-
Unclaimed dividend*		-	-	-	-	117,503	117,503	-	-	-	-
		-	-	-	-	16,290,980	16,290,980	-	-	-	-

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

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

Note	Carrying amount						Fair value			
	Available for sale	Fair Value through P&L	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total

(Rupees in thousand)

31 December 2016

Financial assets - not measured at fair value

Cash and other equivalents*	8	-	-	16,604	-	16,604	-	-	-	-
Current and other accounts*		-	-	5,472,478	-	5,472,478	-	-	-	-
Deposits maturing within 12 months*		-	-	6,025,059	-	6,025,059	-	-	-	-
Loans to employees*		-	-	67,565	-	67,565	-	-	-	-
Investments						-				
- Listed securities		13,254,668	3,113,942	-	-	16,368,610	22,276,737	-	-	22,276,737
- Unlisted securities		925,360	-	-	-	925,360	-	-	1,781,986	1,781,986
- Term Finance Certificates		9,974	698,276	-	-	708,250	-	708,250	-	708,250
- Mutual Fund Certificates		1,661,909	3,184,748	-	-	4,846,657	4,898,266	-	-	4,898,266
- NIT Units		161	-	-	-	161	-	1,098	-	1,098
- Government treasury bills		160,592	2,350,691	-	-	2,511,283	-	2,511,282	-	2,511,282
- Pakistan Investment Bonds		479,766	4,618,463	-	-	5,098,229	-	5,104,337	-	5,104,337
- Ijarah sukuk		-	262,527	-	-	262,527	-	262,527	-	262,527
Premium due but unpaid*	10	-	-	5,099,091	-	5,099,091	-	-	-	-
Amounts due from other insurers / reinsurers*	11	-	-	1,062,271	-	1,062,271	-	-	-	-
Salvage recoveries accrued*		-	-	336,163	-	336,163	-	-	-	-
Accrued investment income*		-	-	251,893	-	251,893	-	-	-	-
Reinsurance recoveries against outstanding claims*		-	-	6,279,433	-	6,279,433	-	-	-	-
Sundry receivables*		-	-	1,400,454	-	1,400,454	-	-	-	-
		16,492,430	14,228,647	14,496,870	11,514,141	56,732,088	27,175,003	8,587,494	1,781,986	37,544,483
Financial liabilities - measured at fair value		-	-	-	95,761	95,761	-	95,761	-	95,761

Financial liabilities - not measured at fair value

Provision for outstanding claims (including IBNR)*		-	-	-	9,714,070	9,714,070	-	-	-	-
Amounts due to other insurers / reinsurers*		-	-	-	1,598,811	1,598,811	-	-	-	-
Accrued expenses*		-	-	-	145,139	145,139	-	-	-	-
Other creditors and accruals*		-	-	-	2,199,335	2,199,335	-	-	-	-
Unclaimed dividend*		-	-	-	88,969	88,969	-	-	-	-
		-	-	-	13,746,324	13,746,324	-	-	-	-

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

Notes to the Consolidated Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

18 Date of authorization for issue

This consolidated condensed interim financial information was approved and authorized for issue on 29 August 2017 by the Board of Directors of the Company.

19 Non-adjusting events after balance sheet date

The Board of Directors of the Holding Company in their meeting held on 29 August 2017 proposed an interim cash dividend for the half year ended 30 June 2017 @ 15% i.e. Rupees 1.5/- per share (30 June 2016: @ 15% i.e. Rupees 1.5/- per share). This consolidated condensed interim financial information for the half year ended 30 June 2017 does not include the effect of this appropriation which will be accounted for in the consolidated financial statements for the period ending 31 December 2017.

20 General

20.1 No significant reclassification / rearrangement of corresponding figures has been made in this consolidated condensed interim financial information.

20.2 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

WINDOW TAKAFUL OPERATIONS

Condensed Interim
Financial Information
for the Half Year ended
30 June 2017
(Unaudited)



Independent auditors' review report to the members of Adamjee Insurance Company Limited

Introduction

We have reviewed the accompanying:

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

and notes to the condensed interim financial information of Adamjee Insurance Company Limited - Window Takaful Operations "(the Company)" as at and for the period ended on 30 June 2017 (here-in-after referred to as "condensed interim financial information"). Management is responsible for the preparation and presentation of the 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 the condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed 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 condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting.

Other matters

The figures for the three month period ended 30 June 2017 and 30 June 2016 in the condensed interim financial information have not been reviewed by us and we do not express a conclusion on them.

Lahore: 29 August 2017

KPMG Taseer Hadi & Co.
Chartered Accountants
(Bilal Ali)

Window Takaful Operations

Condensed Interim Balance Sheet (Unaudited)

As at 30 June 2017

	Note	30 June 2017			31 December 2016 Aggregate
		Operator's Fund	Participants' Takaful Fund	Aggregate	
		Rupees in thousand			
		(Unaudited)		(Audited)	
FUND AND LIABILITIES					
Operator's Fund					
Statutory fund		50,000	-	50,000	50,000
Accumulated profit		24,509	-	24,509	2,791
		74,509	-	74,509	52,791
Waqf / Participants' Takaful Fund					
Ceded money		-	500	500	500
Accumulated (deficit)		-	(4,005)	(4,005)	(5,075)
		-	(3,505)	(3,505)	(4,575)
Qard-e-Hasna from Operators' Fund		-	30,000	30,000	30,000
Deferred taxation		144	-	144	126
Underwriting provisions					
Provision for outstanding claims (including IBNR)		-	58,951	58,951	25,705
Provision for unearned contribution		-	215,144	215,144	77,140
Provision for unearned retakaful rebate		-	12,031	12,031	3,510
Total underwriting provisions		-	286,126	286,126	106,355
Creditors and accruals					
Amounts due to other takaful / retakaful operators		-	59,321	59,321	24,843
Contribution received in advance		-	4,553	4,553	1,667
Wakala and mudarib fee payable		-	49,723	49,723	10,863
Provision for unearned waqala fee		94,309	-	94,309	36,376
Accrued expenses		-	-	-	589
Taxation		10,410	-	10,410	1,121
Other creditors and accruals	7	24,563	13,126	37,689	17,224
		129,282	126,723	256,005	92,683
		129,282	412,849	542,131	199,038
Total liabilities		129,426	442,849	572,275	229,164
Contingencies and commitments					
	8				
TOTAL FUND AND LIABILITIES		203,935	439,344	643,279	277,380

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

	Note	30 June 2017			31 December 2016 Aggregate
		Operator's Fund	Participants' Takaful Fund	Aggregate	
		Rupees in thousand			
		(Unaudited)			(Audited)
ASSETS					
Cash and bank deposits					
Current and other accounts	9	53,819	158,355	212,174	83,855
Qard e Hasna to Participant Takaful Fund		30,000	-	30,000	30,000
Investments	10	30,104	-	30,104	29,905
Current assets - other					
Contribution due but unpaid	11	-	159,586	159,586	68,972
Amount due from other takaful / retakaful operators		-	39,357	39,357	11,872
Retakaful recoveries against outstanding claims		-	5,042	5,042	9,808
Wakala and mudarib fee receivable		49,723	-	49,723	10,863
Deferred commission expense		23,712	-	23,712	6,347
Prepaid retakaful contribution ceded	12	-	60,465	60,465	17,660
Loan to employees		765	-	765	194
Prepayments		694	13,722	14,416	1,439
Accrued investment income		258	577	835	115
Sundry receivables		10,449	2,240	12,689	3,758
		85,601	280,989	366,590	131,028
Fixed Assets					
Motor vehicles	13	3,743	-	3,743	2,375
Office equipment		96	-	96	58
Computer and related accessories		572	-	572	159
		4,411	-	4,411	2,592
TOTAL ASSETS		203,935	439,344	643,279	277,380

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Window Takaful Operations

Condensed Interim Profit and Loss Account (Unaudited)

For the Half Year Ended 30 June 2017

Note	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand							
Participant Takaful Fund - Revenue Account							
Net contribution revenue	(1,974)	(453)	32,649	30,029	(1,503)	58,748	762
Net claims	(567)	(73)	(13,256)	(39,140)	(51)	(53,087)	(3,018)
Direct expenses	(5)	(1)	(4,458)	(14)	(7)	(4,485)	(19)
Retakaful rebate earned	2,256	638	-	-	1,359	4,253	562
Surplus/(Deficit) before investment income	(290)	111	14,935	(9,125)	(202)	5,429	(1,713)
Net investment income						2,080	43
Surplus / (Deficit) for the period						7,509	(1,670)
Operators Takaful Fund - Revenue account							
Wakala fee income						36,668	2,786
Commission expense						(8,049)	(549)
Management expenses						(13,026)	(2,744)
						15,593	(507)
Net Investment income						552	1,015
Profit before taxation						16,145	508
Taxation						(4,694)	-
Profit after taxation						11,451	508

Note	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Half Year ended 30 June 2017	Half Year ended 30 June 2016
Rupees in thousand							
Participant Takaful Fund - Revenue Account							
Net contribution revenue	(3,358)	(961)	54,110	55,387	(2,792)	102,386	856
Net claims	(764)	(73)	(42,476)	(61,844)	(54)	(105,211)	(3,891)
Direct expenses	(9)	4	(6,754)	(34)	(108)	(6,901)	(19)
Retakaful rebate earned	4,061	1,312	-	-	2,526	7,899	944
Surplus/(deficit) before investment income	(70)	282	4,880	(6,491)	(428)	(1,827)	(2,110)
Net investment income						2,897	46
Surplus/(deficit) for the period						1,070	(2,064)
Operators Takaful Fund - Revenue account							
Wakala fee income	14					65,591	4,214
Commission expense						(13,797)	(1,018)
Management expenses						(21,463)	(5,326)
						30,331	(2,130)
Net investment income						694	2,121
Profit / (loss) before taxation						31,025	(9)
Taxation						(9,307)	-
Profit / (loss) after taxation						21,718	(9)

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

Umer Mansha

Chairman

Shaikh Muhammad Jawed

Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer

Window Takaful Operations**Condensed Interim Statement of Comprehensive Income (Unaudited)**

For the Half Year Ended 30 June 2017

	Quarter Ended		Half Year Ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	Rupees in thousand			
OPERATOR'S FUND				
Profit/(loss) for the period	11,451	508	21,718	(9)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income / (loss) for the period	11,451	508	21,718	(9)

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Window Takaful Operations

Condensed Interim Statement of Cash Flows (Unaudited)

For the Half Year Ended 30 June 2017

	30 June 2017			30 June 2016
	Operator's Fund	Participants' Takaful Fund	Aggregate	
Rupees in thousand				
Operating cash flows				
(a) Takaful activities				
Contributions received	-	293,846	293,846	12,741
Wakala fee received / (paid)	84,663	(84,663)	-	-
Retakaful / co-takaful payments made	-	(53,473)	(53,473)	(5,887)
Claims paid	-	(75,359)	(75,359)	(873)
Retakaful and other recoveries received	-	8,160	8,160	-
Commissions paid	(14,962)	-	(14,962)	(1,210)
Commissions received	-	16,420	16,420	3,244
Other underwriting payments	-	(19,170)	(19,170)	(19)
Net cash inflows from takaful activities	69,701	85,761	155,462	7,996
(b) Other operating activities				
Income tax	1,517	27	1,544	(145)
General, administration and management expenses paid	(34,142)	-	(34,142)	(3,922)
Ceded money to participants' takaful fund	-	-	-	(500)
Loans disbursed	(991)	-	(991)	(821)
Loans repaid	420	-	420	207
Other receipts	-	3,890	3,890	6,267
Net cash (outflows) / inflows from other operating activities	(33,196)	3,917	(29,279)	1,086
Total cash inflows from operating activities	36,505	89,678	126,183	9,082
Investment activities				
Profit received on bank deposits	256	2,417	2,673	1,454
Qard-e-Hasna paid to Participant Takaful Fund	-	-	-	(15,000)
Payments for investments	(30,103)	-	(30,103)	(121,158)
Proceeds from disposal of investments	30,103	-	30,103	81,158
Fixed capital expenditures	(537)	-	(537)	-
Total cash inflows / (outflows) from investing activities	(281)	2,417	2,136	(53,546)
Financing activities				
Contribution to operator's fund	-	-	-	50,000
Qard-e-Hasna received from Operator's Fund	-	-	-	15,000
Ceded money	-	-	-	500
Total cash inflows from financing activities	-	-	-	65,500
Net Cash inflows from all activities	36,224	92,095	128,319	21,036
Cash at the beginning of the period	17,595	66,260	83,855	-
Cash at the end of the period	53,819	158,355	212,174	21,036
Reconciliation to profit and loss account				
Operating cash flows	36,505	89,678	126,183	9,082
Depreciation	(361)	-	(361)	-
Increase in loans	571	-	571	614
Increase in assets other than cash	67,368	165,660	233,028	51,092
Increase in liabilities	(73,752)	(257,165)	(330,917)	(65,028)
Investment income	198	-	198	665
Return on bank deposits	496	2,897	3,393	1,502
Net profit / (deficit) for the period	31,025	1,070	32,095	(2,073)

Definition of cash

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

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

Umer Mansha

Chairman

Shaikh Muhammad Jawed

Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer

Condensed Interim Statement of Changes in Funds (Unaudited)

For the Half Year Ended 30 June 2017

	Operator's Fund		
	Statutory Fund	Accumulated Profit / (Loss)	Total
	Rupees in thousand		
Contribution made during the period	50,000	-	50,000
Comprehensive income for the period ended 30 June 2016			
Loss for the period 01 Jan 2016 to 30 June 2016	-	(9)	(9)
Other comprehensive income for the period 01 Jan 2016 to 30 June 2016	-	-	-
Total comprehensive loss for the period	-	(9)	(9)
Balance as at 30 June 2016 - (Unaudited)	50,000	(9)	49,991
Comprehensive income for the period ended 31 December 2016			
Profit for the period 01 July 2016 to 31 December 2016	-	2,800	2,800
Other comprehensive income for the period 01 July 2016 to 31 December 2016	-	-	-
Total comprehensive income for the period	-	2,800	2,800
Balance as at 01 January 2017- (Audited)	50,000	2,791	52,791
Comprehensive income for the year ended 30 June 2017			
Profit for the period 01 Jan 2017 to 30 June 2017	-	21,718	21,718
Other comprehensive income for the period 01 Jan 2017 to 30 June 2017	-	-	-
Total comprehensive income for the period	-	21,718	21,718
Balance as at 30 June 2017 - (Unaudited)	50,000	24,509	74,509

	Participant's Takaful Fund		
	Ceded Money	Accumulated Deficit	Total
	Rupees in thousand		
Contribution received during the period from Operator	500	-	500
Comprehensive income for the period ended 30 June 2016			
Deficit for the period 01 Jan 2016 to 30 June 2016	-	(2,064)	(2,064)
Other comprehensive income for the period 01 Jan 2016 to 30 June 2016	-	-	-
Total comprehensive loss for the period	-	(2,064)	(2,064)
Balance as at 30 June 2016 - (Unaudited)	500	(2,064)	(1,564)
Comprehensive income for the period ended 31 December 2016			
Deficit for the period 01 July to 31 December 2016	-	(3,011)	(3,011)
Other comprehensive income for the period 01 July 2016 to 31 December 2016	-	-	-
Total comprehensive loss for the period	-	(3,011)	(3,011)
Balance as at 01 January 2017- (Audited)	500	(5,075)	(4,575)
Comprehensive income for the period ended 30 June 2017			
Surplus for the period 01 Jan 2017 to 30 June 2017	-	1,070	1,070
Other comprehensive income for the period 01 Jan 2017 to 30 June 2017	-	-	-
Total comprehensive surplus for the period	-	1,070	1,070
Balance as at 30 June 2017 - (Unaudited)	500	(4,005)	(3,505)

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Window Takaful Operations

Condensed Interim Statement of Contribution (Unaudited)

For the Half Year Ended 30 June 2017

Class	Gross contribution written	Wakala fee	Net contribution written	Unearned contribution reserve		Contribution earned	Retakaful ceded	Prepaid retakaful contribution ceded		Retakaful expense	Net contribution revenue	
				Opening	Closing			Opening	Closing		Quarter ended 30 June 2017	Quarter ended 30 June 2016
Rupees in thousand												
Direct and facultative												
Fire and property damage	19,353	6,193	13,160	18,114	21,632	9,642	16,058	21,552	25,994	11,616	(1,974)	(307)
Marine, aviation and transport	3,641	1,274	2,367	253	108	2,512	2,788	297	120	2,965	(453)	11
Motor	72,457	23,549	48,908	78,494	91,906	35,496	2,847	-	-	2,847	32,649	466
Accident and health	38,409	10,563	27,846	76,856	74,673	30,029	-	-	-	-	30,029	775
Miscellaneous	27,144	8,143	19,001	13,181	26,825	5,357	24,291	16,920	34,351	6,860	(1,503)	(183)
Total	161,004	49,722	111,282	186,898	215,144	83,036	45,984	38,769	60,465	24,288	58,748	762
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Grand total	161,004	49,722	111,282	186,898	215,144	83,036	45,984	38,769	60,465	24,288	58,748	762

Class	Gross contribution written	Wakala fee	Net contribution written	Unearned contribution reserve		Contribution earned	Retakaful ceded	Prepaid retakaful contribution ceded		Retakaful expense	Net contribution revenue	
				Opening	Closing			Opening	Closing		Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand											
Direct and facultative												
Fire and property damage	39,398	12,608	26,790	12,100	21,632	17,258	32,584	14,026	25,994	20,616	(3,358)	(451)
Marine, aviation and transport	8,014	2,804	5,210	79	108	5,181	6,172	90	120	6,142	(961)	(4)
Motor	148,894	48,391	100,503	51,208	91,906	59,805	5,695	-	-	5,695	54,110	900
Accident and health	164,243	45,167	119,076	10,984	74,673	55,387	-	-	-	-	55,387	775
Miscellaneous	48,510	14,553	33,957	2,769	26,825	9,901	43,500	3,544	34,351	12,693	(2,792)	(364)
Total	409,059	123,523	285,536	77,140	215,144	147,532	87,951	17,660	60,465	45,146	102,386	856
Treaty												
Proportional	-	-	-	-	-	-	-	-	-	-	-	-
Grand total	409,059	123,523	285,536	77,140	215,144	147,532	87,951	17,660	60,465	45,146	102,386	856

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

Umer Mansha

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Director

Muhammad Umar Virk

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Managing Director & Chief Executive Officer

Condensed Interim Statement of Claims (Unaudited)

For the Half Year Ended 30 June 2017

Class	Claims paid	Outstanding claims		Claims expenses	Retakaful and other recoveries received	Retakaful and other recoveries in respect of outstanding claims		Retakaful and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand									
Direct and facultative										
Fire and property damage	170	2,763	5,858	3,265	136	2,271	4,833	2,698	567	18
Marine, aviation and transport	-	77	158	81	-	5	13	8	73	-
Motor	18,923	31,625	25,988	13,286	-	-	30	30	13,256	2,754
Accident and health	27,940	15,376	26,576	39,140	-	-	-	-	39,140	243
Miscellaneous	45	325	371	91	-	126	166	40	51	3
Total	47,078	50,166	58,951	55,863	136	2,402	5,042	2,776	53,087	3,018
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Grand total	47,078	50,166	58,951	55,863	136	2,402	5,042	2,776	53,087	3,018

Class	Claims paid	Outstanding claims		Claims expenses	Retakaful and other recoveries received	Retakaful and other recoveries in respect of outstanding claims		Retakaful and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand									
Direct and facultative										
Fire and property damage	10,072	11,873	5,858	4,057	8,160	9,700	4,833	3,293	764	261
Marine, aviation and transport	-	77	158	81	-	5	13	8	73	-
Motor	27,488	10,970	25,988	42,506	-	-	30	30	42,476	3,384
Accident and health	37,754	2,486	26,576	61,844	-	-	-	-	61,844	243
Miscellaneous	45	299	371	117	-	103	166	63	54	3
Total	75,359	25,705	58,951	108,605	8,160	9,808	5,042	3,394	105,211	3,891
Treaty										
Proportional	-	-	-	-	-	-	-	-	-	-
Grand total	75,359	25,705	58,951	108,605	8,160	9,808	5,042	3,394	105,211	3,891

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

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Managing Director & Chief Executive Officer

Window Takaful Operations

Condensed Interim Statement of Expenses (Unaudited)

For the Half Year Ended 30 June 2017

Class	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Rebate from retakaful operators	Net underwriting expense	
		Opening	Closing					Quarter ended 30 June 2017	Quarter ended 30 June 2016
	Rupees in thousand								
Direct and facultative									
Fire and property damage	3,026	3,571	4,655	1,942	3,149	5,091	2,256	2,835	710
Marine, aviation and transport	558	57	23	592	973	1,565	638	927	63
Motor	4,552	5,423	7,132	2,843	4,566	7,409	-	7,409	1,625
Accident and health	4,782	4,997	7,760	2,019	3,273	5,292	-	5,292	293
Miscellaneous	3,152	1,643	4,142	653	1,065	1,718	1,359	359	40
Total	16,070	15,691	23,712	8,049	13,026	21,075	4,253	16,822	2,731
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Grand total	16,070	15,691	23,712	8,049	13,026	21,075	4,253	16,822	2,731

Class	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Rebate from retakaful operators	Net underwriting expense	
		Opening	Closing					Half Year ended 30 June 2017	Half Year ended 30 June 2016
	Rupees in thousand								
Direct and facultative									
Fire and property damage	5,563	2,498	4,655	3,406	5,298	8,704	4,061	4,643	1,655
Marine, aviation and transport	1,188	18	23	1,183	1,840	3,023	1,312	1,711	149
Motor	8,425	3,181	7,132	4,474	6,960	11,434	-	11,434	2,835
Accident and health	11,010	273	7,760	3,523	5,481	9,004	-	9,004	293
Miscellaneous	4,976	377	4,142	1,211	1,884	3,095	2,526	569	468
Total	31,162	6,347	23,712	13,797	21,463	35,260	7,899	27,361	5,400
Treaty									
Proportional	-	-	-	-	-	-	-	-	-
Grand total	31,162	6,347	23,712	13,797	21,463	35,260	7,899	27,361	5,400

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

Umer Mansha

Chairman

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Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer

Condensed Interim Statement of Investment Income (Unaudited)

For the Half Year Ended 30 June 2017

	Quarter Ended		Half Year Ended	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	Rupees in thousand			
Participants' Takaful Fund				
Profit on bank deposits	2,080	43	2,897	46
	<u>2,080</u>	<u>43</u>	<u>2,897</u>	<u>46</u>
Operator's Fund				
Gain on sale of 'available-for-sale' investments	198	665	198	665
Profit on bank deposits	354	350	496	1,456
Net investment income	<u>552</u>	<u>1,015</u>	<u>694</u>	<u>2,121</u>

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

Umer Mansha
Chairman

Shaikh Muhammad Jawed
Director

Muhammad Umar Virk
Director

Muhammad Ali Zeb
Managing Director & Chief Executive Officer

Notes to the Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

1 Legal Status and nature of business

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

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

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

The Operator has created a Waqf of Rs 500,000 for Participant Takaful Fund by signing a Waqf Deed on January 01, 2016. The ceded money is required to be invested in shariah compliant investments and any profit thereon can be utilized only to pay benefits to participants or defray PTF expenses. Waqf Deed governs the relationship of Operator and participants for management of takaful operations, investments of participants' funds and investments of the Operator's funds approved by the shariah advisor of the Operator.

2 Basis of preparation and statement of compliance

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' as applicable in Pakistan, provisions of and directives issued under Companies Ordinance, 1984 and the Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules, 2012. In case where requirements differ, the provision of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000, SEC (Insurance) Rules, 2002 and Takaful Rules 2012 have been followed.

Securities and Exchange Commission of Pakistan ("SECP") vide S.R.O 88(1)/2017 and S.R.089(1)/2017 dated 9 February 2017 has issued the Insurance Accounting Regulations, 2017 and Insurance Rules, 2017 (the new Rules and Regulations). However, the application of these Regulations and Rules for the purpose of preparation and presentation of the financial statements was effective from 1 April 2017.

SECP vide letter ID/OSM/Adamjee/2017/10683 dated 11 August 2017 has granted exemption to the Operator to prepare their half yearly accounts for the period ended 30 June 2017 in accordance with the requirements of previous rules [SEC (Insurance) Rules 2002] and has allowed the application of New Regulations effective from 1 July 2017. Hence, these condensed interim financial information for the period ended 30 June 2017 has been prepared in accordance with the requirements of previous rules.

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

The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the SECP vide its press release dated 20 July 2017, this condensed interim financial information has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

This condensed interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with annual financial statements of the Operator for the year ended 31 December 2016.

3 Basis of measurement

This condensed interim financial information has been prepared under historical cost convention.

4 Summary of significant accounting policies

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements of the Operator for the year ended 31 December 2016.

The Operator has adopted all the applicable new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 01 January 2017, as mentioned in the financial statements for the year ended 31 December 2016.

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

Notes to the Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

5 Functional and presentation currency

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

6 Use of estimates and Judgments

The preparation of this condensed interim financial information is in conformity with approved accounting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Operator's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Operator for the year ended 31 December 2016.

7 Other Creditors and Accruals

	30 June 2017			31 December 2016 Aggregate
	Operator's Fund	Participants' Takaful Fund	Aggregate	
Rupees in thousand				
	(Unaudited)			(Audited)
Commission Payable	22,032	-	22,032	5,832
Federal Excise duty	-	4,873	4,873	7,384
Federal insurance fee	-	4,090	4,090	939
Income tax deducted at source	2,055	4,106	6,161	1,241
Others	476	57	533	1,828
	24,563	13,126	37,689	17,224

8 Contingencies and Commitments

There are no material contingencies and commitments as at 30 June 2017.

9 Cash and Bank deposits

	Note	30 June 2017			31 December 2016 Aggregate
		Operator's Fund	Participants' Takaful Fund	Aggregate	
		Rupees in thousand			
		(Unaudited)		(Audited)	
Cash in Hand		50	-	50	-
Saving accounts	9.1	<u>53,769</u>	<u>158,355</u>	<u>212,124</u>	<u>83,855</u>
		53,819	158,355	212,174	83,855

9.1 Saving accounts carry expected profit rates ranging from 3.5% to 5%.

Notes to the Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

10 Investments

Note	30 June 2017			31 December 2016 Aggregate
	Operator's Fund	Participants' Takaful Fund	Aggregate	
	Rupees in thousand			
	(Unaudited)			Audited
Available-for-sale				
Mutual Funds	30,104	-	30,104	29,905

11 Re-takaful recoveries against outstanding claims

These are unsecured and considered good.

12 Sundry Receivables

Sales tax recoverable	-	-	-	651
Advance taxes	-	-	-	27
Advances and deposits	10,449	2,240	12,689	3,080
	10,449	2,240	12,689	3,758

13 Operating fixed assets - tangible

Note	30 June 2017	31 December 2016
	Rupees in thousand	
	(Unaudited)	Audited
Opening balance - net book value	2,592	-
Additions during the period / year	13.1 2,180	2,635
Less:		
Book value of disposals during the period / year	-	-
Depreciation charged during the period / year	(361)	(43)
	(361)	(43)
	4,411	2,592
13.1 Additions during the period / year:		
Motor vehicles	1,670	2,405
Office equipment	43	60
Computer and related accessories	467	170
	2,180	2,635

14 Wakala fee Income

	30 June 2017				30 June 2016
	Wakala fee	Reserve for unearned Wakala fee		Net Wakala fee income	
		Opening	Closing		
Rupees in thousand					
				(Unaudited)	(Unaudited)
Fire and Property Damage	12,608	5,794	10,180	8,222	1,224
Marine, Aviation and Transport	2,805	43	58	2,790	14
Motor	48,391	24,832	44,251	28,972	2,131
Accident & health	45,167	4,421	28,324	21,264	293
Miscellaneous	14,553	1,286	11,496	4,343	552
	123,524	36,376	94,309	65,591	4,214

Notes to the Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

15 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. The following is a schedule of class of business wise assets and liabilities.

30 June 2017 (Unaudited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Participants' Takaful Fund						
Segment assets	49,988	4,030	72,444	79,878	58,110	264,450
Unallocated assets	-	-	-	-	-	174,894
Total assets	49,988	4,030	72,444	79,878	58,110	439,344
Segment liabilities	43,630	2,516	159,242	146,860	47,475	399,723
Unallocated liabilities	-	-	-	-	-	43,126
Total liabilities	43,630	2,516	159,242	146,860	47,475	442,849
Operator's Fund						
Segment assets	9,444	997	25,231	27,724	10,039	73,435
Unallocated assets	-	-	-	-	-	130,500
Total assets	9,444	997	25,231	27,724	10,039	203,935
Segment liabilities	10,180	58	44,251	28,324	11,496	94,309
Unallocated liabilities	-	-	-	-	-	35,117
Total liabilities	10,180	58	44,251	28,324	11,496	129,426
31 December 2016 (Audited)						
Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident & Health	Miscellaneous	Total	
Rupees in thousand						
Participants' Takaful Fund						
Segment assets	39,371	1,173	48,026	10,248	9,494	108,312
Unallocated assets	-	-	-	-	-	69,911
Total assets	39,371	1,173	48,026	10,248	9,494	178,223
Segment liabilities	33,988	673	84,379	18,208	6,480	143,728
Unallocated liabilities	-	-	-	-	-	39,070
Total liabilities	33,988	673	84,379	18,208	6,480	182,798
Operator's Fund						
Segment assets	4,600	163	9,634	1,650	1,163	17,210
Unallocated assets	-	-	-	-	-	81,947
Total assets	4,600	163	9,634	1,650	1,163	99,157
Segment liabilities	5,794	43	24,832	4,421	1,286	36,376
Unallocated liabilities	-	-	-	-	-	9,990
Total liabilities	5,794	43	24,832	4,421	1,286	46,366

Notes to the Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

16 Fair value measurement of financial instruments

*The fair values of these items have not been disclosed because their carrying amounts are a reasonable approximation of fair value.

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

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

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

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

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

The following table shows the carrying amount and fair values of financial assets and financial liabilities:

	Note	Carrying amount				Fair value				
		Available for sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees										
30 June 2017										
Financial assets - not measured at fair value										
Cash and bank deposits *	9	-	-	212,174	-	212,174	-	-	-	-
Investments	10	30,104	-	-	-	30,104	30,104	-	-	30,104
Contribution due but unpaid *		-	159,586	-	-	159,586	-	-	-	-
Wakala and mudarib fee receivable *		-	49,723	-	-	49,723	-	-	-	-
Amount due from other takaful / retakaful operators *		-	39,357	-	-	39,357	-	-	-	-
Accrued investment income *		-	835	-	-	835	-	-	-	-
Loans to Employees *		-	765	-	-	765	-	-	-	-
Retakaful recoveries against outstanding claims *	11	-	5,042	-	-	5,042	-	-	-	-
Sundry receivables *	12	-	12,689	-	-	12,689	-	-	-	-
		30,104	267,997	212,174	-	510,275	30,104	-	-	30,104
Financial liabilities - not measured at fair value										
Provision for outstanding claims *		-	-	-	58,951	58,951	-	-	-	-
Amount due to other takaful / retakaful operators *		-	-	-	59,321	59,321	-	-	-	-
Wakala and mudarib fee payable *		-	-	-	49,723	49,723	-	-	-	-
Other creditors and accruals *		-	-	-	22,565	22,565	-	-	-	-
		-	-	-	190,560	190,560	-	-	-	-

Notes to the Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

	Note	Carrying amount					Fair value			
31 December 2016		Available for sale	Loans and receivables	Cash and cash equivalents	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Rupees										
Financial assets - not measured at fair value										
Cash and bank deposits *	9	-	-	83,855	-	83,855	-	-	-	-
Investments	10	29,905	-	-	-	29,905	-	29,905	-	29,905
Contribution due but unpaid *		-	68,972	-	-	68,972	-	-	-	-
Wakala and mudarib fee receivable *		-	10,863	-	-	10,863	-	-	-	-
Amount due from other takaful / retakaful operators *		-	11,872	-	-	11,872	-	-	-	-
Accrued investment income *		-	115	-	-	115	-	-	-	-
Loans to Employees *		-	194	-	-	194	-	-	-	-
Retakaful recoveries against outstanding claims *	11	-	9,808	-	-	9,808	-	-	-	-
Sundry receivables *	12	-	3,758	-	-	3,758	-	-	-	-
		29,905	105,582	83,855	-	219,342	-	29,905	-	29,905
Financial liabilities - not measured at fair value										
Provision for outstanding claims *		-	-	-	25,705	25,705	-	-	-	-
Amount due to other takaful / retakaful operators *		-	-	-	24,843	24,843	-	-	-	-
Wakala and mudarib fee payable *		-	-	-	10,863	10,863	-	-	-	-
Other creditors and accruals *		-	-	-	7,660	7,660	-	-	-	-
		-	-	-	69,071	69,071	-	-	-	-

Notes to the Condensed Interim Financial Information (Unaudited)

For the Half Year Ended 30 June 2017

17 Transactions With Related Parties

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

i) Transactions

Subsidiary Company

	30 June 2017	30 June 2016
Contribution underwritten	21	-

Other related parties

Contribution underwritten	9,780	659
Claims paid	6,806	-
Profit received on saving account	83	-

ii) Period end balances

Other related parties

	30 June 2017	31 December 2016
Balances receivable	12,956	438
Balances payable	3,764	-
Cash and bank balances	50,248	-

18 Subsequent events - non adjusting event

There are no significant events that need to be disclosed for the period ended 30 June 2017.

19 Date of authorization for issue

This condensed interim financial information was authorized for issue on 29 August 2017 by the Board of Directors of the Operator.

20 General

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

20.2 No significant reclassification / rearrangement of corresponding figures has been made in this condensed interim financial information.

Umer Mansha

Chairman

Shaikh Muhammad Jawed

Director

Muhammad Umar Virk

Director

Muhammad Ali Zeb

Managing Director & Chief Executive Officer