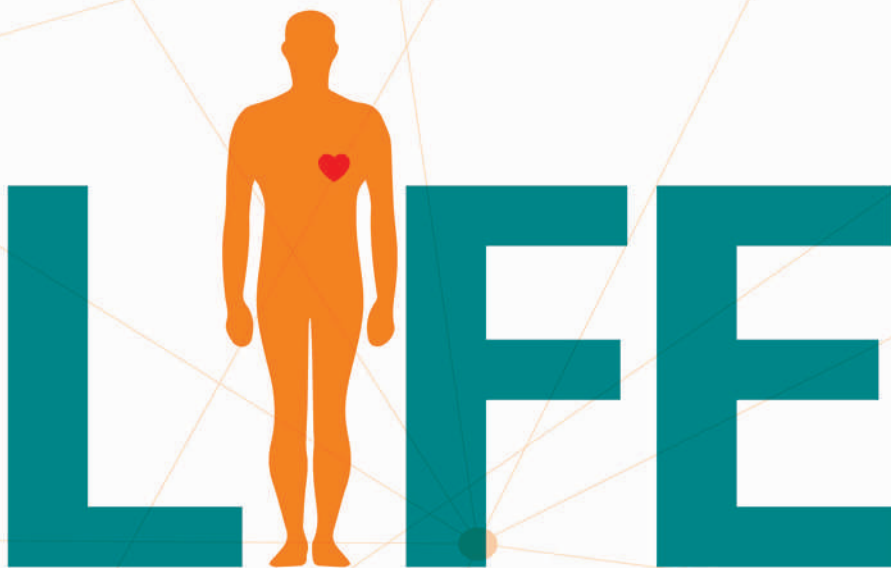


EFU LIFE
Report (Un-audited)
Nine Months Ended
30 September
2016

THE ANATOMY OF





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THE ANATOMY OF LIFE

What sets EFU Life apart from the rest is our relentless devotion to our clients. Our unfaltering commitment ensures that all of our clients experience the peace of mind they deserve, and the security and quality of life they seek.

We are not an organisation that simply sells financial plans. We are EFU Life, and we believe in connecting with our clients; connecting with their minds, their heart, and their ideas.

EFU Life is Life itself. An entity with a complete anatomy. Our heart beats for our clients' wellbeing, our brain powers innovation, and our hands are ever ready to catch them should they fall.

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Chairman

Rafique R. Bhimjee

**Managing Director
& Chief Executive**

Taher G. Sachak

Directors

Saifuddin N. Zoomkawala

Muneer R. Bhimjee

Hasanali Abdullah

Heinz Walter Dollberg

Syed Salman Rashid

Kamal Afsar

Mahmood Lotia

Corporate Secretary

S. Shahid Abbas

Appointed Actuary

Omer Morshed, F.C.A., F.P.S.A., F.I.A.

Legal Advisor

Mohammad Ali Sayeed, M.A.B.L.

Auditors

KPMG Taseer Hadi & Co.

Chartered Accountants, Karachi

Shariah Advisor

Mufti Muhammad Ibrahim Essa

Rating

Rating Agency: JCR-VIS

Insurer Financial Strength Rating: AA+

Outlook: Stable

Registrar

Technology Trade (Pvt.) Ltd.

Dagia House 241-C

Block-2, P.E.C.H.S.

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Karachi

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Jinnah Avenue, (Blue Area)

Islamabad

Main Office

37-K, Block 6, P.E.C.H.S.

Karachi.

Directors' Review, 30 September 2016

The Directors of your Company are pleased to present the Condensed Interim Financial Statements (Un-audited) for the nine months ended 30 September 2016.

Your Company's total premium income was Rs. 16.78 billion during the first nine months of 2016 (2015: Rs 22.67 billion).. New individual life regular premium income was Rs.2.58 billion (2015: Rs.2.24 billion), an increase of 15.3%. Renewal premium was Rs. 9.27 billion (2015: Rs. 8.1 billion) an increase of 14.5%. Inclusive of renewal premium, the total individual life regular premium business increased by 14.7% to Rs. 11.86 billion (2015: 10.34 billion). Group Benefits business increased by 13.9% at Rs. 1.72 billion (2015: Rs. 1.51 billion).

Your company had launched its window takaful operations under a dedicated brand name "Hemayah" in February 2015. The total family takaful business was Rs.1.33 billion out of which Rs.1.29 billion was from Individual family takaful business while Rs.31 million was from Group Family Takaful. The Company expects this line of business to grow further during 2016.

Your Company had a Profit after Tax of Rs. 1.09 billion (2015: Rs. 984 million). The Earnings per Share is Rs. 10.92 (2015: Rs. 9.83).

The Directors have pleasure in declaring 3rd Interim Cash Dividend of Rs.1/- per share. i.e. 10% . This dividend is in addition to Interim Cash Dividend of Rs.2/- per share i.e. 20% already declared and paid during the year 2016.

The Directors wish to record their appreciation for the tremendous contribution made by the able and eminent officers, staff and field force of the Company towards its development and growth. We would also like to thank the Securities and Exchange Commission of Pakistan for its guidance, and our main reinsurer Munich Re for its continuous support. Last but not least we would like to thank all our clients for their continued confidence in the Company.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Karachi 22 October, 2016

Condensed Interim Balance Sheet as at 30 September 2016 (Unaudited)

Rupees in '000

	Note	Shareholders Fund	Statutory Funds					Aggregate		
			Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	30 September 2016 Unaudited	31 December 2015 Audited
Share capital and reserves										
Authorised share capital										
[150 000 000 ordinary shares (2015: 150 000 000) of Rs.10 each]		1 500 000	–	–	–	–	–	–	1 500 000	1 500 000
Issued subscribed and paid-up share capital										
15 000 000 Ordinary Shares (2015: 15 000 000) of Rs. 10/- each issued as fully paid in cash		150 000	–	–	–	–	–	–	150 000	150 000
85 000 000 Ordinary Shares (2015: 85 000 000) of Rs. 10/- each issued as fully paid as bonus shares		850 000	–	–	–	–	–	–	850 000	850 000
		1 000 000	–	–	–	–	–	–	1 000 000	1 000 000
Accumulated surplus		952 713	–	–	–	–	–	–	952 713	1 459 743
General reserves		1 650 000	–	–	–	–	–	–	1 650 000	950 000
Net shareholders' equity		3 602 713	–	–	–	–	–	–	3 602 713	3 409 743
Balance of statutory fund [including policyholders' liabilities Rs. 87 915 million (2015: Rs. 82 185 million)]										
Statutory fund	6	–	87 613 334	987 060	23 696	2 339	1 073 189	12 145	89 711 763	83 829 193
Cede Money - Waqf		–	–	–	–	–	2 000	–	2 000	2 000
Shareholder's Fund unit holding in PIF		–	–	–	–	–	5 165	–	5 165	5 127
		–	87 613 334	987 060	23 696	2 339	1 080 354	12 145	89 718 928	83 836 320
Deferred tax liability										
		15 000	–	–	–	–	–	–	15 000	15 800
Creditors and accruals										
Outstanding claims		–	948 473	840 479	–	1 779	–	1 802	1 792 533	1 458 110
Premiums / Contribution received in advance		–	543 969	98 682	65	81	14 647	3 878	661 322	570 463
Amounts due to reinsurers / retakaful		–	96 455	88 705	238	–	23 079	19 084	227 561	187 617
Amounts due to agents		–	268 261	12 020	10	59	15 787	106	296 243	524 163
Accrued expenses		281	257 477	3 996	2	62	498	499	262 815	322 041
Unclaimed dividend		17 796	–	–	–	–	–	–	17 796	16 870
Other creditors and accruals		94 213	124 832	2 932	–	29	41 875	17 715	281 596	268 719
Inter - fund payable		–	451 527	37 996	1 362	2 849	–	–	493 734	655 533
Total liabilities		112 290	2 690 994	1 084 810	1 677	4 859	95 886	43 084	4 033 600	4 003 516
Contingencies and commitments										
Total equity and liabilities	8	3 730 003	90 304 328	2 071 870	25 373	7 198	1 176 240	55 229	97 370 241	91 265 379

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Rupees in '000

	Note	Shareholders Fund	Statutory Funds					Aggregate		
			Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	30 September 2016 Unaudited	31 December 2015 Audited
Cash and bank deposits										
Policy stamps in hand		–	2 522	6 296	–	–	170	–	8 988	8 545
Current and other accounts		176 974	1 921 170	140 763	2 080	972	234 034	44 989	2 520 982	3 538 042
Deposits maturing within 12 months		–	8 274 000	–	1 000	–	410 000	–	8 685 000	10 860 000
		176 974	10 197 692	147 059	3 080	972	644 204	44 989	11 214 970	14 406 587
Loans										
To employees - secured		77 985	–	–	–	–	–	–	77 985	85 094
To employees and agents - unsecured		12 578	–	–	–	–	–	–	12 578	15 093
		90 563	–	–	–	–	–	–	90 563	100 187
Investments										
Government securities	7	1 364 061	45 602 918	1 598 619	15 792	5 490	143 670	2 500	48 733 050	49 251 553
Other fixed income securities		–	1 541 606	–	–	–	–	–	1 541 606	1 434 650
Listed equities and mutual funds		878 506	30 257 198	48 074	6 295	391	346 279	–	31 536 743	21 254 612
Unlisted equities		508	–	–	–	–	–	–	508	508
		2 243 075	77 401 722	1 646 693	22 087	5 881	489 949	2 500	81 811 907	71 941 323
Current assets - others										
Premiums / Contributions due but unpaid		–	–	96 296	–	–	–	812	97 108	70 254
Amounts due from reinsurers		–	10 648	129 434	–	276	8 806	6 871	156 035	147 849
Prepayments		–	43 258	1 334	–	13	5 924	–	50 529	26 071
Sundry receivables		53 412	16 972	3 579	–	6	11 548	–	85 517	136 325
Investment income accrued		5 411	977 436	1 264	206	–	10 617	30	994 964	1 964 499
Shareholders' Fund unit holding in PIF		–	–	–	–	–	5 165	–	5 165	5 127
Taxation - provision less payments		188 697	–	–	–	–	–	–	188 697	56 952
Advances and deposits		500	121 290	46 211	–	50	27	27	168 105	86 978
Inter-fund receivable		493 734	–	–	–	–	–	–	493 734	655 533
		741 754	1 169 604	278 188	206	345	42 087	7 740	2 239 854	3 149 588
Fixed assets										
Tangible assets	9	–	126 505	–	–	–	–	–	126 505	126 505
Leased hold land		–	–	–	–	–	–	–	–	–
Furniture, fixtures, office equipment and vehicles		456 900	–	–	–	–	–	–	456 900	422 522
Capital work in progress		–	1 408 805	–	–	–	–	–	1 408 805	1 095 312
Intangible assets		–	–	–	–	–	–	–	–	–
Computer software		20 737	–	–	–	–	–	–	20 737	23 355
		477 637	1 535 310	–	–	–	–	–	2 012 947	1 667 694
Total assets										
		3 730 003	90 304 328	2 071 870	25 373	7 198	1 176 240	55 229	97 370 241	91 265 379

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Condensed Interim Profit and Loss Account for the nine months period ended 30 September 2016 (Unaudited)

Rupees '000

	Note	Nine months ended 30 September		Three months ended 30 September	
		2016	2015	2016	2015
Investment income not attributable to statutory funds					
Return on government securities		84 406	76 817	22 442	26 599
Return on other fixed income securities and deposits		15 524	6 385	1 674	148
Dividend income		41 078	40 705	8 004	7 126
		141 008	123 907	32 120	33 873
Reversal / (Provision for) of impairment in the value of available for sale investments		119 225	(33 001)	99 572	(29 269)
Net investment income		260 233	90 906	131 692	4 604
Other revenue		21 745	14 835	7 302	4 966
		281 978	105 741	138 994	9 570
Expenses not attributable to statutory funds		(38 853)	(36 426)	(11 807)	(10 798)
		243 125	69 315	127 187	(1 288)
Surplus transferred from statutory funds		1 439 045	1 429 714	457 640	416 620
Profit before tax for the period		1 682 170	1 499 029	584 827	415 392
Taxation	10	(589 200)	(515 500)	(184 650)	(133 800)
Profit after tax for the period		1 092 970	983 529	400 177	281 592
Earnings per share - basic and diluted		10.93	9.84	4.00	2.82

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Condensed Interim Statement of Changes in Equity for the nine months period ended 30 September 2016 (Unaudited)

(Rupees '000)

	Statutory Funds			
	Share Capital	General Reserves	Accumulated Surplus	Total
Balance as at 1 January 2015	1 000 000	750 500	1 083 773	2 834 273
Profit for the nine months period ended 30 September 2015	–	–	983 529	983 529
Transactions with owners of the company				
Transfer to General Reserve	–	199 500	(199 500)	–
Dividend for the year 2014 at Rs. 6.00 per share	–	–	(600 000)	(600 000)
Dividend for the first quarter ended 31 March 2015 at Rs. 1 per share	–	–	(100 000)	(100 000)
Dividend for the Second quarter ended 30 June 2015 at Rs. 1 per share	–	–	(100 000)	(100 000)
Balance as at 30 September 2015	1 000 000	950 000	1 067 802	3 017 802
Balance as at 1 January 2016	1 000 000	950 000	1 459 743	3 409 743
Profit for the nine months period ended 30 September 2016	–	–	1 092 970	1 092 970
Transactions with owners of the company				
Transfer to General Reserve	–	700 000	(700 000)	–
Dividend for the year 2015 at Rs. 7 per share	–	–	(700 000)	(700 000)
Dividend for the quarter ended 31 March 2016 at Rs. 1.00 per share	–	–	(100 000)	(100 000)
Dividend for the Second quarter ended 30 June 2016 at Rs. 1.00 per share	–	–	(100 000)	(100 000)
Balance as at 30 September 2016	1 000 000	1 650 000	952 713	3 602 713

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Condensed Interim Statement of Cash Flows for the nine months period ended 30 September 2016 (Unaudited)

	Statutory Funds							Rupees in '000	
		Investment		Pension	Accident &	Individual	Group	Aggregate	
	Shareholders	Linked	Conventional	Business	Health	Family	Family	30 September	30 September
	Fund	Business	Business	(Unit Linked)	Business	Takaful	Takaful	2016	2015
								Unaudited	Audited
Operating cash flows									
a) Underwriting activities									
Premiums / contribution received	-	13 812 444	1 690 727	805	993	1 303 593	34 376	16 842 938	22 796 895
Reinsurance premiums paid	-	(1 768)	(149 429)	-	-	-	(1)	(151 198)	(22 287)
Claims paid	-	(892 412)	(1 134 551)	-	(1 191)	(2 400)	(12 852)	(2 043 406)	(1 529 429)
Surrenders paid	-	(12 169 495)	-	(642)	-	(5 713)	-	(12 175 850)	(4 830 299)
Commissions paid	-	(1 811 537)	(170 543)	(27)	(177)	(219 110)	(1 307)	(2 202 701)	(2 478 505)
Net cash generated from / (used in) underwriting activities	-	(1 062 768)	236 204	136	(375)	1 076 370	20 216	269 783	13 936 375
b) Other operating activities									
Income tax paid	(721 745)	-	-	-	-	-	-	(721 745)	(475 354)
General management expenses paid	(41 452)	(1 437 349)	(115 488)	(26)	(210)	(139 203)	(2 451)	(1 736 179)	(1 574 572)
Other operating payments	(58 867)	(220 226)	(16 166)	(302)	(32 189)	46 886	20 417	(260 447)	(482 950)
Other operating receipts	273 362	-	-	-	-	-	-	273 362	507 169
Loans advanced	(42 266)	-	-	-	-	-	-	(42 266)	(55 961)
Loan repayments received	51 890	-	-	-	-	-	-	51 890	45 468
Other payments on operating assets	29 708	(41 912)	(39 303)	-	7	(2 362)	(27)	(53 889)	(45 113)
Net cash (used in) / generated from other operating activities	(509 370)	(1 699 487)	(170 957)	(328)	(32 392)	(94 679)	17 939	(2 489 274)	(2 081 313)
Total cash (used in) / generated from all operating activities	(509 370)	(2 762 255)	65 247	(192)	(32 767)	981 691	38 155	(2 219 491)	11 855 062
Investment activities									
Profit / return received	155 387	4 894 562	102 297	1 284	709	4 548	214	5 159 001	5 052 446
Dividends received	41 078	902 452	2 157	272	-	4 941	-	950 900	707 062
Payments for investments	(198 588)	(9 541 077)	(905 246)	(3 183)	(440)	(468 504)	-	(11 117 038)	(31 393 157)
Proceeds from disposal of investments	-	5 339 011	-	-	-	-	-	5 339 011	15 004 677
Fixed capital expenditure	(162 478)	(261 307)	-	-	-	-	-	(423 785)	(466 246)
Proceeds from disposal of fixed assets	19 785	-	-	-	-	-	-	19 785	23 334
Total cash (used in) / generated from all investing activities	(144 816)	1 333 641	(800 792)	(1 627)	269	(459 015)	214	(72 126)	(11 071 884)
Financing activities									
Surplus appropriated to shareholders' fund	1 439 045	(1 508 577)	(44 025)	(1 801)	(907)	27 352	863	-	-
Cede Money	-	-	-	-	-	-	-	-	-
Dividends paid	(900 000)	-	-	-	-	-	-	(900 000)	(800 000)
Total cash generated from / (used in) all financing activities	539 045	(1 508 577)	(44 025)	(1 801)	(907)	27 352	863	(900 000)	(800 000)
Net cash generated from / (used in) all activities	(115 141)	(2 937 191)	(691 520)	(3 620)	(33 405)	550 028	39 232	(3 191 617)	(16 822)
Cash and cash equivalents at beginning of the period	292 115	13 134 883	838 579	6 700	34 377	94 176	5 757	14 406 587	7 666 369
Cash and cash equivalents at end of the period	176 974	10 197 692	147 059	3 080	972	644 204	44 989	11 214 970	7 649 547
Reconciliation to profit and loss account									
Operating cash flows								(2 219 491)	11 855 062
Depreciation								(63 030)	(57 614)
Amortization								(7 472)	(4 448)
Profit on disposal of fixed assets								11 755	7 986
Other revenue								9 990	6 849
Investment revenue								5 130 375	4 796 351
Appreciation in market value of investments								2 966 599	92 667
Reversal of / (Provision for) impairment in the value of available for sale equity investments								121 929	(33 299)
(Provision for) impairment in the value of available for sale fixed income securities								-	(6 558)
Profit on sale of investments								1 004 030	1 594 101
(Decrease) / Increase in assets other than cash								50 177	(63 316)
Increase in liabilities								(5 911 892)	(17 204 252)
Profit after taxation								1 092 970	983 529

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Condensed Interim Revenue Account for the nine months period ended 30 September 2016 (Unaudited)

									Rupees '000	
Note	Statutory Funds						Aggregate		Aggregate	
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Nine months ended 30 September		Three months ended 30 September	
							2016	2015	2016	2015
Income										
Premiums / contribution less reinsurances / retakaful	13 603 096	1 328 558	790	677	1 281 589	16 564	16 231 274	22 174 772	4 850 677	6 282 684
Policy transfer from other statutory fund	(1 580)				1 580	–	–	–	–	–
Net investment income	8 846 805	75 627	3 804	583	109 003	7 220	9 043 042	6 352 356	4 113 006	1 214 421
Total net income	22 448 321	1 404 185	4 594	1 260	1 392 172	23 784	25 274 316	28 527 128	8 963 683	7 497 105
Claims net of reinsurance recoveries	13 179 673	1 006 583	642	802	8 113	7 008	14 202 821	6 354 620	3 997 884	2 327 464
Management expenses	3 051 728	270 447	54	438	415 684	11 530	3 749 881	3 775 860	1 180 629	1 184 261
Total claims and expenditure	16 231 401	1 277 030	696	1 240	423 797	18 538	17 952 702	10 130 480	5 178 513	3 511 725
Excess of income over claims and expenditure	6 216 920	127 155	3 898	20	968 375	5 246	7 321 614	18 396 648	3 785 170	3 985 380
Add : policyholders' liabilities at beginning of the period	81 600 231	495 921	21 258	2 691	62 328	2 942	82 185 371	59 923 260	84 688 364	73 143 989
Less : policyholders' liabilities at end of the period	86 237 852	590 584	23 324	1 950	1 057 318	3 988	87 915 016	76 669 941	87 915 016	76 669 941
	(4 637 621)	(94 663)	(2 066)	741	(994 990)	(1 046)	(5 729 645)	(16 746 681)	(3 226 652)	(3 525 952)
Surplus / (Deficit) before tax	1 579 299	32 492	1 832	761	(26 615)	4 200	1 591 969	1 649 967	558 518	459 428
Movement in policyholders' liabilities	4 637 621	94 663	2 066	(741)	994 990	1 046	5 729 645	16 746 681	3 226 652	3 525 952
Transfer of (surplus) / deficit to shareholders' fund	(1 508 577)	44 025	(1 801)	(907)	27 352	863	(1 439 045)	(1 429 714)	(457 640)	(416 620)
Balance of statutory funds at beginning of the period	82 904 991	815 880	21 599	3 226	77 462	6 036	83 829 194	61 222 367	86 384 233	74 620 541
Balance of statutory funds at end of the period	87 613 334	987 060	23 696	2 339	1 073 189	12 145	89 711 763	78 189 301	89 711 763	78 189 301
Represented by:										
Policyholders' liabilities	86 237 852	590 584	23 324	1 950	1 057 318	3 988	87 915 016	76 669 941	87 915 016	76 669 941
Retained earnings on other than participating business	1 375 482	396 476	372	389	15 871	8 157	1 796 747	1 519 360	1 796 747	1 519 360
Balance of statutory funds	87 613 334	987 060	23 696	2 339	1 073 189	12 145	89 711 763	78 189 301	89 711 763	78 189 301

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Condensed Interim Statement of Premiums / Contributions for the nine months period ended 30 September 2016 (Unaudited)

Rupees '000

	Statutory Funds						Aggregate			
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Nine months ended 30 September		Three months ended 30 September	
							2016	2015	2016	2015
Gross premiums / contribution										
Regular premium / Contribution individual policies*										
First year	2 254 878	1 738	–	174	327 967	–	2 584 757	2 241 072	865 187	684 986
Second year renewal	1 782 611	141	–	24	68 449	–	1 851 225	1 819 029	577 327	543 815
Subsequent year renewal	7 415 771	1 997	805	795	975	–	7 420 343	6 277 204	2 298 414	2 022 331
Single premium / Contribution individual policies	2 304 077	–	–	–	900 255	–	3 204 332	10 824 589	649 316	2 659 989
Group policies with cash values	20 898	–	–	–	–	–	20 898	20 644	6 568	4 261
Group policies without cash values	–	1 666 177	–	–	–	31 201	1 697 378	1 487 410	609 293	554 135
Total gross premiums / Contribution	13 778 235	1 670 053	805	993	1 297 646	31 201	16 778 933	22 669 948	5 006 105	6 469 517
Less: Reinsurance premiums / Retakaful contribution ceded										
On individual life first year business	23 630	315	–	18	13 822	–	37 785	32 928	10 045	12 525
On individual life second year business	19 514	124	–	1	2 235	–	21 874	20 614	4 602	4 487
On individual life renewal business	131 995	695	15	297	–	–	133 002	130 852	34 063	37 576
On group policies	–	340 361	–	–	–	14 637	354 998	310 782	106 718	132 245
Total reinsurance premium / retakaful contribution ceded	175 139	341 495	15	316	16 057	14 637	547 659	495 176	155 428	186 833
Net premium / contribution	13 603 096	1 328 558	790	677	1 281 589	16 564	16 231 274	22 174 772	4 850 677	6 282 684

* Individual policies are those underwritten on an individual basis, and includes joint life policies underwritten as such.

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Condensed Interim Statement of Claims for the nine months period ended 30 September 2016 (Unaudited)

Rupees '000

	Statutory Funds						Aggregate			
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Nine months ended 30 September		Three months ended 30 September	
							2016	2015	2016	2015
Gross claims										
Claims under individual policies										
by death	588 389	1 290	–	–	2 400	–	592 079	434 548	115 141	99 246
by insured event other than death	14 143	30	–	1 086	–	–	15 259	16 139	2647	6 322
by maturity	486 672	–	–	–	–	–	486 672	407 526	136 110	106 345
by surrender	12 169 495	–	642	–	5 713	–	12 175 850	4 844 453	3 381 337	1 857 798
Total gross individual policy claims	13 258 699	1 320	642	1 086	8 113	–	13 269 860	5 702 666	3 635 235	2 069 711
Claims under group policies										
by death	130	1 121 171	–	–	–	11 541	1 132 842	794 866	413 679	268 580
by insured event other than death	–	42 432	–	–	–	281	42 713	44 259	15 759	16 693
by surrender	1 846	–	–	–	–	–	1 846	808	999	323
experience refund	–	106 418	–	–	–	–	106 418	117 277	38 786	49 519
Total gross group claims	1 976	1 270 021	–	–	–	11 822	1 283 819	957 210	469 223	335 115
Total gross claims	13 260 675	1 271 341	642	1 086	8 113	11 822	14 553 679	6 659 876	4 104 458	2 404 826
Less: Reinsurance recoveries										
On individual life first year business	58 675	–	–	–	–	–	58 675	24 768	7 298	(15)
On individual life second year business	–	–	–	–	–	–	–	9 832	(3 020)	3 949
On individual life subsequent renewal business	20 747	150	–	284	–	–	21 181	60 822	9 251	4 213
On group claims	–	240 381	–	–	–	4 814	245 195	150 419	102 244	51 833
On experience refund of premiums	–	24 227	–	–	–	–	24 227	59 415	(10 779)	17 382
Total reinsurance recoveries	79 422	264 758	–	284	–	4 814	349 278	305 256	104 994	77 362
Net claims	13 181 253	1 006 583	642	802	8 113	7 008	14 204 401	6 354 620	3 999 464	2 327 464

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

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Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Condensed Interim Statement of Expenses for the nine months period ended 30 September 2016 (Unaudited)

Rupees '000

	Statutory Funds						Aggregate			
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Nine months ended 30 September		Three months ended 30 September	
							2016	2015	2016	2015
Acquisition costs										
Remuneration to insurance intermediaries on individual policies:										
– commission on first year premiums / Contribution	943 922	495	–	71	143 185	–	1 087 673	1 012 792	358 716	309 379
– commission on second year premiums / Contribution	154 237	43	–	11	7 229	–	161 520	158 814	51 513	46 436
– commission on subsequent renewal premiums / Contribution	185 339	50	20	60	–	–	185 469	173 349	56 823	48 289
– commission on single premiums / Contribution	76 984	–	–	–	33 584	–	110 568	424 763	20 182	102 774
– override commission	243 378	152	8	34	20 849	–	264 421	318 127	85 223	85 780
– other benefits to insurance intermediaries	438 081	156	16	46	71 838	–	510 137	391 286	160 430	131 360
	2 041 941	896	44	222	276 685	–	2 319 788	2 479 131	732 887	724 018
Remuneration to insurance intermediaries on group policies:										
– commission	1 475	162 274	–	–	–	1 381	165 130	212 271	43 681	80 334
– other benefits to insurance intermediaries	490	36 463	–	–	–	1 000	37 953	35 158	12 516	12 116
	1 965	198 737	–	–	–	2 381	203 083	247 429	56 197	92 450
Branch overheads	250 292	3 014	10	28	25 112	–	278 456	227 223	91 053	76 845
Other acquisition costs										
– policy stamps	51 920	263	–	2	478	–	52 663	57 342	18 037	15 637
Total acquisition cost	2 346 118	202 910	54	252	302 275	2 381	2 853 990	3 011 125	898 174	908 950
Administration expenses										
Salaries and other benefits	308 422	40 511	–	98	24 472	1 677	375 180	329 183	124 120	107 428
Travelling expenses	52 800	4 182	–	3	994	51	58 030	50 763	16 400	10 265
Cede money-Waqf	–	–	–	–	–	–	–	2 000	–	–
Actuary's fees	6 968	228	–	2	452	–	7 650	8 280	2 550	3 480
Medical fees	15 256	465	–	–	421	–	16 142	14 502	4 948	4 151
Legal and professional fee	24 466	4 271	–	8	2 766	11	31 522	28 370	12 982	17 374
Advertisements and publicity	84 156	2 958	–	–	523	–	87 637	80 750	17 961	47 347
Computer expenses	10 470	363	–	4	677	1	11 515	10 560	3 940	3 965
Printing and stationery	19 324	1 201	–	6	1 202	31	21 764	28 103	4 867	7 797
Depreciation	19 953	2 150	–	6	1 256	82	23 447	19 914	6 429	4 583
Amortisation	6 806	224	–	2	440	–	7 472	4 448	2 320	1 483
Rental	21 076	3 243	–	7	1 351	137	25 814	20 106	13 665	6 513
Exchange (gain) / loss	(336)	–	–	–	–	–	(336)	(3 990)	(1 481)	(2 850)
Postage	42 222	1 387	–	14	2 847	–	46 470	43 559	11 439	13 439
Fees and subscription	15 200	732	–	5	914	11	16 862	18 187	13 014	11 280
Wakala/Wakalat-ul-Istasmar Expenses	–	–	–	–	73 364	6 978	80 342	3 506	26 174	1 946
Other management expenses	95 785	5 770	–	31	7 780	170	109 536	129 444	29 590	45 961
Gross management expenses	3 068 686	270 595	54	438	421 734	11 530	3 773 037	3 798 810	1 187 092	1 193 112
Commission from reinsurers	(9 233)	(148)	–	–	(6 044)	–	(15 425)	(12 941)	(4 086)	(4 808)
Fees charged to policy holders	(7 725)	–	–	–	(6)	–	(7 731)	(6 503)	(2 377)	(2 097)
Net management expenses	3 051 728	270 447	54	438	415 684	11 530	3 749 881	3 779 366	1 180 629	1 186 207

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

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Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Condensed Interim Statement of Investment Income for the nine months period ended 30 September 2016 (Unaudited)

Rupees '000

	Statutory Funds						Aggregate			
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	Nine months ended 30 September		Three months ended 30 September	
							2016	2015	2016	2015
Investment income										
On government securities	3 372 599	62 960	846	370	3 893	81	3 440 749	3 549 200	1 058 523	1 228 709
On other fixed income securities and deposits	625 173	6 223	181	78	11 201	161	643 017	460 043	206 263	159 480
Dividend income	902 452	2 157	272	–	4 941	–	909 822	666 357	264 048	247 947
Amortisation of (premium) / discount	(280 126)	1 698	40	20	–	–	(278 368)	(17 176)	(101 096)	34 710
	4 620 098	73 038	1 339	468	20 035	242	4 715 220	4 658 424	1 427 738	1 670 846
Gain/(Loss) on sale of investments	1 004 810	–	181	–	(961)	–	1 004 030	1 594 101	256 061	481 580
Unrealised gain/(loss) on investment										
Government securities	157 723	–	8	–	–	–	157 731	800 195	(294 363)	(146 781)
Other fixed income securities	(2 236)	–	(1)	–	–	–	(2 237)	37 228	7 730	(2 045)
Listed equities securities and mutual fund units	3 070 631	–	2 277	–	16 565	–	3 089 473	(727 580)	2 687 778	(786 805)
	3 226 118	–	2 284	–	16 565	–	3 244 967	109 843	2 401 145	(935 631)
(Provision for) / Reversal of impairment in value of investments										
Available-for-sale fixed income securities	–	–	–	–	–	–	–	(6 558)	–	–
Available-for-sale equity securities and mutual fund units	–	2 589	–	115	–	–	2 704	(298)	2 915	(1 796)
	–	2 589	–	115	–	–	2 704	(6 856)	2 915	(1 796)
	8 851 026	75 627	3 804	583	35 639	242	8 966 921	6 355 512	4 087 859	1 214 999
Less : Investment related expense	(4 221)	–	–	–	–	–	(4 221)	(3 156)	(1 027)	(578)
Add: Wakala/Wakalat-ul-Istasmr Income	–	–	–	–	73 364	6 978	80 342	3 506	26 174	1 946
Net investment income	<u>8 846 805</u>	<u>75 627</u>	<u>3 804</u>	<u>583</u>	<u>109 003</u>	<u>7 220</u>	<u>9 043 042</u>	<u>6 355 862</u>	<u>4 113 006</u>	<u>1 216 367</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

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Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

Notes to and Forming Part of the Condensed Interim Financial information For the nine months period ended 30 September 2016 - Unaudited

1. STATUS AND NATURE OF BUSINESS

- 1.1 EFU Life Assurance Limited (the Company) was incorporated in Pakistan on 09 August 1992 as a public limited company under the Companies Ordinance, 1984 and started its operation from 08 November 1992. The shares of the Company are quoted on Pakistan Stock Exchange. The registered office of the Company is located at Al-Malik Centre, 70W, F-7/G-7 Jinnah Avenue, Islamabad while principal place of business is located at 37-K, Block 6, PECHS, Karachi.
- 1.2 The Company is engaged in life insurance business including ordinary life business, pension fund business and accident and health business and has established following statutory funds, as required by the Insurance Ordinance, 2000:
- Investment Linked business (includes individual life business)
 - Conventional business (includes group life and individual life businesses)
 - Pension business (unit linked)*
 - Accident and health business
 - Individual Family Takaful (Refer note 1.3)
 - Group Family Takaful (Refer note 1.3)
- * The Company had discontinued pension business and accordingly no new business has been written under this fund.
- 1.3 The Company was granted authorisation on 19 January 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Takaful Window Operation in respect of family takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations on 6 February 2015 under the brand name "Hemayah". For the purpose of carrying on takaful business, the Company has formed a Waqf namely EFU Life - Window Family Takaful Limited Waqf (here-in-after referred to as the Participant Takaful Fund (PTF)) was formed on 6 February 2015 under a Waqf deed executed by the Company with a cede amount of Rs. 2 million. The cede 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 also governs the relationship of the company and policyholders for the management of Takaful operations, investment of policyholders' funds and shareholders' funds as approved by the Shariah Advisor appointed by the Company.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

- 2.1 The condensed interim financial information of the Company for the Nine months period ended 30 September 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' as applicable in Pakistan, provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984, Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 shall prevail.
- 2.2 The condensed interim financial information does not include all the information and disclosures required in the annual financial statements, Accordingly, the condensed interim financial information should be read in conjunction with the Company's annual financial statements as at and for the year ended 31 December 2015.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and the methods of computation adopted by the Company in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the company for the year ended 31 December 2015.

4. FINANCIAL RISK MANAGEMENT / JUDGEMENTS AND ESTIMATES

The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended 31 December 2015.

In preparing this condensed interim financial information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at the year ended 31 December 2015.

5. POLICYHOLDERS' LIABILITIES

Rupees '000

	Statutory Funds						Aggregate	
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	30 September 2016 Unaudited	31 December 2015 Audited
5.1 Gross of reinsurance/retakaful								
Actuarial liability relating to future events	85 978 661	525 371	23 335	2 131	1 059 675	11 782	87 600 955	81 952 070
Provision for outstanding reported claims payable over a period exceeding twelve months	425 514	132 410	–	13	–	–	557 937	488 899
Provision for incurred but not reported claims	128 487	208 949	–	–	–	–	337 436	272 179
	<u>86 532 662</u>	<u>866 730</u>	<u>23 335</u>	<u>2 144</u>	<u>1 059 675</u>	<u>11 782</u>	<u>88 496 328</u>	<u>82 713 148</u>
5.2 Net of reinsurance/retakaful								
Actuarial liability relating to future events	85 866 536	384 792	23 324	1 942	1 057 318	3 988	87 337 900	81 704 013
Provision for outstanding reported claims payable over a period exceeding twelve months	270 625	42 690	–	8	–	–	313 323	268 383
Provision for incurred but not reported claims	100 691	163 102	–	–	–	–	263 793	212 975
	<u>86 237 852</u>	<u>590 584</u>	<u>23 324</u>	<u>1 950</u>	<u>1 057 318</u>	<u>3 988</u>	<u>87 915 016</u>	<u>82 185 371</u>

6. RECONCILIATION OF STATUTORY FUNDS

Rupees '000

	Statutory Funds						Aggregate	
	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)	Accident & Health Business	Individual Family Takaful	Group Family Takaful	30 September 2016 Unaudited	31 December 2015 Audited
Policyholders' liabilities								
Balance at beginning of the period	81 600 231	495 921	21 258	2 691	62 328	2 942	82 185 371	59 923 260
Increase / (decrease) during the period	4 637 621	94 663	2 066	(741)	994 990	1 046	5 729 645	22 262 111
Balance at end of the period	<u>86 237 852</u>	<u>590 584</u>	<u>23 324</u>	<u>1 950</u>	<u>1 057 318</u>	<u>3 988</u>	<u>87 915 016</u>	<u>82 185 371</u>
Retained earnings on other than participating business								
Balance at beginning of the period	1 304 760	319 959	341	535	15 134	3 094	1 643 823	1 299 107
Surplus for the period	1 579 299	32 492	1 832	761	(26 615)	4 200	1 591 969	2 466 791
Surplus appropriated to shareholders' fund	(1 508 577)	44 025	(1 801)	(907)	27 352	863	(1 439 045)	(2 122 076)
Balance at end of the period (refer note no. 6.1)	<u>1 375 482</u>	<u>396 476</u>	<u>372</u>	<u>389</u>	<u>15 871</u>	<u>8 157</u>	<u>1 796 747</u>	<u>1 643 822</u>
Balance of statutory funds	<u>87 613 334</u>	<u>987 060</u>	<u>23 696</u>	<u>2 339</u>	<u>1 073 189</u>	<u>12 145</u>	<u>89 711 763</u>	<u>83 829 193</u>

7. INVESTMENTS

- 7.1 Market value of the government securities carried at amortized cost amounted to Rs. 3,269.63 million (31 December 2015: Rs. 3,023.764 million).
- 7.2 Government securities includes Rs. 115 million (31 December 2015: Rs. 115 million) placed with the State Bank of Pakistan, in accordance with Section 29 of the Insurance Ordinance, 2000.
- 7.3 Listed equities and mutual funds include investment in EFU General Insurance Limited (a related party) at carrying value of Rs. 1,228.25 million (31 December 2015: Rs. 1,132.62 million) representing 6.81% (31 December 2015: 6.81%) of the issued capital of the related party.
- 7.4 Market value of the listed equities and mutual funds held at lower of cost or market value amounted to Rs. 1,764.25 million (31 December 2015: Rs. 1,478.48 million).
- 7.5 Listed equities and mutual funds include investment in 3,178,851 (2015: 3,178,851) ordinary shares of Agritech limited which are not held in the name of the company. These shares are held in the name of Trustees i.e. Faysal Bank and Pak Brunei Investment Company, on behalf of EFU Life Assurance Limited. The market value of these shares as at 30 June 2016 is Rs. 27,306 million (2015: Rs. 29,722 million).

8. CONTINGENCIES AND COMMITMENTS

- 8.1** The Income tax assessment of the Company for tax year 2015 has been finalized. The tax department has reopened the assessment order issued under Sec 122(5A) for the tax year 2009-2015 and has raised a demand of Rs. 40 million against dividend income so received by the Company to be taxed at corporate rate instead of reduced rates available in the First schedule of Income Tax Ordinance 2001. The Company filed an appeal for tax year 2009-2013 before CIT appeals where the case was decided against the Company. The Company has filed an appeal before Appellate Tribunal for the same tax years and believes that the matter will be settled in its favour. For tax year 2014, the Company filed an appeal before CIT appeals against the order, where the case was decided in favour of the Company for the tax year 2015, the Company has filed an appeal before CIT appeal. No provision has been made in respect of aforementioned additional demand.
- 8.2** In 2013 Income Tax Department has imposed an additional tax demand under section 151(1)(d) on account of non-deduction of withholding tax on surrender and maturity amounting to Rs. 13.833 million and Rs. 15.014 million for Tax Year 2012 and 2013 respectively. The Company filed an appeal before Commissioner Inland Revenue (Appeals) and the same was dismissed. The Company has filed an appeal before the Appellate Tribunal against the order of CIT and believes that the matter will be settled in its favour. No provision has been made in respect of the aforementioned additional tax demand.
- 8.3** In 2015 and 2016, The searle company Limited issued bonus shares (76,031 shares and 123,140 shares respectively) after withholding 5 percent of bonus shares (3,801.55 shares and 6,157 shares respectively). In this regard, a constitutional petition had been filed by the company in Sindh High Court challenging the applicability of withholding tax provision on bonus shares received by the Company. The honorable high court decide the case against the Company. Subsequently, the Company filed an appeal with a larger bench of the Sindh High Court and in response the Sindh High Court has suspended the earlier judgement until the next date of hearing, which has not yet been decided. The Company is of the view that the case will be decided in it's favour and no provision has been made for the aforementioned tax.
- 8.4** Bank guarantees amounting to Rs. 9.278 million has been given in respect of Group Life coverage. These bank guarantees will expire by 30 June 2017.

9. FIXED ASSETS

Rupees in '000

Nine months ended - Unaudited

	30 September 2016		30 September 2015	
	Additions	Disposals	Additions	Disposals
9.1 Tangible and intangible				
Furniture, fixture and fittings	11 369	18	5 570	159
Office equipment	4 323	70	5 337	–
Computers	12 449	–	22 236	175
Motor Vehicles	75 699	27 536	77 571	23 000
Intangibles	4 854	–	624	–
Capital work in progress	313 493	–	348 455	–
	<u>422 187</u>	<u>27 624</u>	<u>459 793</u>	<u>23 334</u>

Rupees in '000

	Nine months ended 30 September - Unaudited	
	2016	2015
10 TAXATION		
Current	(523 161)	(341 048)
Prior years	(66 839)	(42 352)
Deferred	800	1 700
	<u>(589 200)</u>	<u>(381 700)</u>

11. RELATED PARTY TRANSACTIONS

The related parties comprise of directors, key management personnel, associated companies / associated undertakings, and entities with common directors and retirement benefit fund. The transactions for the period and balances at the period / year end with related parties are as follows:

		Rupees in '000	
		Nine months ended - Unaudited	
		30 September 2016	30 September 2015
11.1 Transactions			
11.1.1 Associated companies / Associated undertakings			
Premium written		50 555	34 273
Premium paid		41 529	33 282
Claims paid		11 354	5 493
Claims received		4 369	5 083
Commission paid		64 704	67 945
Travelling Expense		1 041	408
Dividend Paid		567 963	450 313
Dividend Received		78 650	66 534
Interest on bank deposit		121 898	51 378
Bonus Shares		375 263	–
Redemption on mutual fund		–	208 523
11.1.2 Employees' funds			
Contribution to provident fund		17 034	15 417
Contribution to pension fund		13 767	12 045
11.1.3 Key Management Personnel			
Loan to Key Employees		–	35 869
Loan recovered		4 525	500
Compensation paid		87 413	59 984
Loan receivable of Key Employees		30 844	35 369

		(Rupees in '000)	
		30 September 2016 Unaudited	31 December 2015 Audited
11.2 Balances			
Bank balances		529 700	249 899
Bank Deposits		2 150 000	2 000 000
Premium payable		49	413
Premium receivable		1 196	388
Investment in EFU General Insurance Company Limited		1 352 418	1 132 622
Investment in Jahangir Siddiqui & Company Limited		195 179	179 335
Investment in Associates		167 265	148 698

12. WINDOW TAKAFUL OPERATIONS

The Statement of financial position of Window Takaful Operations as at 30 September 2016 and its financial performance for the period ended 30 September 2016 are as follows:

12.1 Balance sheet

Note	Statutory Funds			Rupees '000	
	Shareholders' Fund	Individual Family Takaful	Group Family Takaful	30 September 2016 Unaudited	31 December 2015 Audited
Share capital and reserves					
Operator's Fund	142 855	–	–	142 855	50 000
Accumulated deficit	(110 393)	–	–	(110 393)	(82 178)
Net shareholders' equity	32 462	–	–	32 462	(32 178)
Balance of statutory fund [including policyholders' liabilities Rs. 1 061 million (2015: 65.27million)]					
Participant Investment Fund	11 356	1 045 361	–	1 056 717	72 221
Participant Takaful Fund - Waqf	–	22 697	5 920	28 617	11 276
Cede Money - Waqf	–	2 000	–	2 000	2 000
Shareholder's Fund unit holding in PIF	–	5 165	–	5 165	5 127
	11 356	1 075 223	5 920	1 092 499	90 624
Creditors and accruals					
Outstanding claims	–	–	1 802	1 802	2 832
Contribution received in advance	–	14 647	3 878	18 525	8 943
Amounts due to retakaful	–	23 079	19 084	42 163	8 707
Amounts due to agents	–	15 787	106	15 893	30 082
Accrued expenses	997	–	–	997	882
Other creditors and accruals	20 062	7 066	–	27 128	49 392
Total liabilities	21 059	60 579	24 870	106 508	100 838
Total equity and liabilities	64 877	1 135 802	30 790	1 231 469	159 284
Cash and bank deposits					
Policy stamps in hand	170	–	–	170	18
Current and other accounts	48 824	209 622	20 577	279 023	113 074
Deposits maturing within 12 months	–	410 000	–	410 000	10 000
	48 994	619 622	20 577	689 193	123 092
Investments	7				
Government securities	–	143 670	2 500	146 170	5 000
Listed equities and mutual funds	–	346 279	–	346 279	3 341
	–	489 949	2 500	492 449	8 341
Current assets - others					
Prepayments	5 924	–	–	5 924	3 092
Contribution due but unpaid	–	–	812	812	352
Amount due from retakaful	–	8 806	6 870	15 676	–
Sundry receivables	4 740	6 808	–	11 548	16 783
Investment income accrued	–	10 617	31	10 648	73
Shareholder's Fund unit holding in PIF	5 165	–	–	5 165	5 127
Taxation - provision less payments	–	–	–	–	268
Advances and deposits	54	–	–	54	100
Amount due from retakaful	–	–	–	–	2 056
	15 883	26 231	7 713	49 827	27 851
Total assets	64 877	1 135 802	30 790	1 231 469	159 284

12.2 Revenue Account

	Rupees '000					
	Statutory Funds		Aggregate		Aggregate	
	Individual Family Takaful	Group Family Takaful	Nine months ended		Three months ended	
			30 September 2016	30 September 2015	30 September 2016	30 September 2015
12.2.1 Participants' Investment Fund (PIF)						
Income						
Allocated contribution	1 022 524	–	1 022 524	34 075	259 768	21 222
Policy transfer to other statutory	1 580	–	1 580	–	1 580	–
Net investment income	34 127	–	34 127	(49)	30 258	(139)
Total net income	1 058 231	–	1 058 231	34 026	291 606	21 083
Less: Claims and Expenditure						
Investment management charges	5 450	–	5 450	119	3 405	78
Bid offer spread	50 608	–	50 608	1 638	12 669	1 038
Policy admin fee	7 030	–	7 030	1 749	2 456	830
Wakalat-ul-Istismar	63 088	–	63 088	3 506	18 530	1 946
Surrender	5 713	–	5 713	–	3 414	–
Excess of income over claims and expenditure	989 430	–	989 430	30 520	269 662	19 137
Add : Technical reserves at the beginning of the period	55 931	–	55 931	–	775 699	11 383
Less : Technical reserves at the end of the period	1 045 361	–	1 045 361	30 520	1 045 361	30 520
	(989 430)	–	(989 430)	(30 520)	(269 662)	(19 137)
Surplus / (Deficit)	–	–	–	–	–	–
Movement in technical reserves	989 430	–	989 430	30 520	269 662	19 137
Balance of PIF at beginning of the period	55 931	–	55 931	–	775 699	11 383
Balance of PIF at end of the period	(a) 1 045 361	–	1 045 361	30 520	1 045 361	30 520
12.2.2 Participants' Takaful Fund (PTF)						
Income						
Contribution net of retakaful recoveries	26 720	16 564	43 284	11 223	20 932	5 299
Net investment income	476	242	718	28	429	–
Total net income	27 196	16 806	44 002	11 251	21 361	5 299
Less: Claims and Expenditure						
Wakala Income	10 276	6 977	17 253	5 823	7 643	3 639
Claims net of Retakaful recoveries	2 400	7 008	9 408	–	4 510	–
Excess of income over claims and expenditure	14 520	2 821	17 341	5 428	9 208	1 660
Add : Technical reserves at the beginning of the period	6 397	2 942	9 339	–	16 634	3 021
Less : Technical reserves at the end of the period	11 956	3 988	15 944	5 355	15 944	5 355
	(5 559)	(1 046)	(6 605)	(5 355)	690	(2 334)
Surplus / (Deficit) before distribution	8 961	1 775	10 736	73	9 898	(674)
Movement in technical reserves	5 559	1 046	6 605	5 355	(690)	2 334
Balance of PTF at beginning of the period	8 177	3 099	11 276	–	19 409	3 768
Qard-e-Hasna contributed from shareholder's fund	–	–	–	785	–	785
Balance of PTF at end of the period	(b) 22 697	5 920	28 617	6 213	28 617	6 213

12.2.3 Shareholders' Sub-Fund

(Rupees in '000)

	Statutory Funds		Aggregate		Aggregate	
	Individual Family Takaful	Group Family Takaful	Nine months ended 30 September		Three months ended 30 September	
			2016	2015	2016	2015
Income						
Un-allocated contribution	238 389	—	238 389	84 918	76 073	49 052
Net investment income	1 036	—	1 036	1 359	283	65
Wakalat-ul-Istismar - PIF	63 088	—	63 088	3 506	18 530	1 946
Wakala Fee - PTF	10 276	6 977	17 253	4 124	7 643	1 940
Total net income	312 789	6 977	319 766	93 907	102 529	53 003
Less: Expenditure						
Acquisition costs	302 275	2 381	304 656	111 687	98 895	61 647
Administration expenses	46 089	2 171	48 260	40 233	20 573	17 146
	348 364	4 552	352 916	151 920	119 468	78 793
(Shortfall) / Excess of income over expenditure	(35 575)	2 425	(33 150)	(58 013)	(16 939)	(25 790)
Add : Technical reserves at the beginning of the period	—	—	—	—	—	—
Less : Technical reserves at the end of the period	—	—	—	—	—	—
	—	—	—	—	—	—
(Deficit) / surplus before tax	(35 575)	2 425	(33 150)	(61 457)	(16 939)	(25 790)
Movement in technical reserves	—	—	—	—	—	—
Deficit / (surplus) transferred to shareholders' fund	27 352	863	28 215	61 457	16 939	25 790
Balance of shareholders' sub fund at beginning of the period	—	—	—	—	—	—
Qard-e-Hasna	—	—	—	(785)	—	—
Retained earnings on other than participating business	13 354	2 937	16 291	2 659	11 356	2 659
Balance of shareholders' sub fund at end of the period (c)	5 131	6 225	11 356	2 659	11 356	2 659
Balance of statutory funds at end of the period (a+b+c)	1 073 189	12 145	1 085 334	39 392	1 085 334	39 392
Represented by:						
Policy holder's liability	1 057 317	3 988	1 061 305	35 875	1 061 305	35 875
Retained Earnings	15 872	8 157	24 029	3 517	24 029	3 517
	1 073 189	12 145	1 085 334	39 392	1 085 334	39 392

12.3 Statement of contribution-Unaudited

Gross contribution

Regular contribution individual policies						
First year	327 967	—	327 967	115 563	104 135	66 498
Second year	68 449	—	68 449	—	39 523	—
Subsequent year renewal	975	—	975	—	975	—
Single contribution individual policies	900 255	—	900 255	12 287	204 864	8 465
Group policies without cash values	—	31 201	31 201	8 283	9 483	3 627
Total gross contribution	1 297 646	31 201	1 328 847	136 133	358 980	78 590

(Rupees in '000)

	Statutory Funds		Aggregate		Aggregate	
	Individual Family Takaful	Group Family Takaful	Nine months ended 30 September		Three months ended 30 September	
			2016	2015	2016	2015
12.3.1 Participants' Investment Fund						
Allocated regular contribution	122 269	–	122 269	21 788	54 904	12 757
Allocated single contribution	900 255	–	900 255	12 287	204 864	8 465
Total allocated contribution	1 022 524	–	1 022 524	34 075	259 768	21 222
12.3.2 Participants' Takaful Fund						
Allocated gross contribution	36 733	31 201	67 934	17 140	23 139	8 316
Less : Retakaful contribution ceded						
On individual life first year business	13 822	–	13 822	2 083	3 204	1 644
On group policies	2 235	14 637	16 872	3 834	5 047	1 373
Selection discount	(6 044)	–	(6 044)	–	(6 044)	–
Total retakaful contribution ceded	10 013	14 637	24 650	5 917	2 207	3 017
Net Risk Contribution of (PTF)	26 720	16 564	43 284	11 223	20 932	5 299
12.3.3 Shareholders' Sub-Fund						
Unallocated regular contribution	238 389	–	238 389	84 918	76 073	49 052
12.4 Statement of claims - Unaudited						
Gross Claims						
Claims under individual policies	2 400	–	2 400	–	2 000	–
by death	2 400	–	2 400	–	2 000	–
by insured event other than death	–	–	–	–	–	–
	2 400	–	2 400	–	2 000	–
Surrenders/partial withdrawals	5 714	–	5 714	–	3 415	–
Claims under group policies	–	11 822	11 822	1 700	5 554	1 700
by death	–	11 541	11 541	1 700	5 441	1 700
by insured event other than death	–	281	281	–	113	–
	–	11 822	11 822	1 700	5 554	1 700
Total Gross Claims	8 114	11 822	19 936	1 700	10 969	1 700
Gross Claims allocated as follows:						
Participants' Investment Fund (PIF)						
Surrenders / Partial withdrawals under individual policies	5 714	–	5 714	–	3 415	–
Participants' Takaful Fund (PTF)						
Under individual policies by death	2 400	–	2 400	–	2 000	–
Under group policies by death	–	11 541	11 541	1 700	5 441	1 700
Under group policies by event other than death	–	281	281	–	113	–
Total gross claims under (PTF)	2 400	11 822	14 222	1 700	7 554	1 700
Less: Retakaful recoveries under (PTF)						
On individual policies	–	–	–	–	–	–
On group policies	–	4 814	4 814	–	3 044	–
	–	4 814	4 814	–	3 044	–
Net Claims under (PTF)	2 400	7 008	9 408	1 700	4 510	1 700

12.5 Statement of Expenses - Unaudited

Rupees '000

Acquisition costs	Statutory Funds		Aggregate			
	Individual Family Takaful	Group Family Takaful	Nine months ended		Three months ended	
			30 September 2016	30 September 2015	30 September 2016	30 September 2015
Shareholders' Sub-Fund						
Remuneration to insurance intermediaries on individual policies:						
– commission on first year Contribution	143 185	–	143 185	56 288	43 432	34 020
– commission on second year Contribution	7 229	–	7 229	–	4 156	–
– commission on subsequent renewal	–	–	–	–	–	–
– commission on single Contribution	33 584	–	33 584	493	7 418	416
– override commission	20 849	–	20 849	6 335	9 081	3 235
– other benefits to insurance intermediaries	71 838	–	71 838	38 866	26 434	18 269
	276 685	–	276 685	101 982	90 521	55 940
Remuneration to insurance intermediaries on group policies:						
– Commission	–	1 381	1 381	105	647	57
– other benefits to insurance intermediaries	–	1 000	1 000	157	318	157
Branch overheads	25 112	–	25 112	9 363	7 245	5 471
Other acquisition costs						
– policy stamps	478	–	478	80	164	22
Total acquisition cost	302 275	2 381	304 656	111 687	98 895	61 647
Administration expenses						
Salaries and other benefits	24 472	1 677	26 149	14 180	8 230	4 925
Travelling expenses	994	51	1 045	700	358	231
Cede money-Waqf	–	–	–	2 000	–	–
Actuary's fees	452	–	452	269	152	113
Medical fees	421	–	421	135	60	(22)
Legal and professional fee	2 766	11	2 777	5 307	1 142	2 705
Advertisements and publicity	523	–	523	6 633	106	5 463
Computer expenses	677	1	678	526	232	129
Printing and stationery	1 202	31	1 233	1 649	254	836
Depreciation	1 256	82	1 338	486	398	87
Amortisation	440	–	440	145	137	49
Rental	1 351	137	1 488	540	831	172
Postage	2 847	–	2 847	85	674	57
Fees and subscription	914	11	925	2 410	765	626
Other management expenses	7 780	170	7 950	5 168	2 485	1 775
Fees charged to policyholders	(6)	–	(6)	–	(3)	–
Net Management Expenses	348 364	4 552	352 916	151 920	114 716	78 793

12.6 Statement of Investment Income - Unaudited

	Statutory Funds		Aggregate			
	Individual Family Takaful	Group Family Takaful	Nine months ended		Three months ended	
			30 September 2016	30 September 2015	30 September 2016	30 September 2015
12.6.1 Participants' Investment Fund (PIF)						
Return on government securities	3 791	–	3 791	117	2 049	46
Other Fixed Income securities	9 895	–	9 895	44	5 691	44
Dividend Income	4 916	–	4 916	–	3 870	–
Gain/(Loss) on sale of Investment	(956)	–	(956)	–	(974)	–
Unrealised gain on Investment	16 481	–	16 481	(210)	19 622	(229)
Net investment income of PIF (a)	34 127	–	34 127	(49)	30 258	(139)
12.6.2 Participants' Takaful Fund (PTF)						
Return on government securities	83	81	164	–	55	–
profit on bank deposits	393	161	554	28	374	–
Net investment income of PTF (b)	476	242	718	28	429	–
12.6.3 Shareholders' Sub-Fund						
Return on government securities	19	–	19	121	19	23
Other Fixed Income securities	51	–	51	–	51	–
Dividend Income	25	–	25	–	25	–
Gain/(Loss) on sale of Investment	(5)	–	(5)	–	(5)	–
Unrealised gain on Investment	84	–	84	–	84	–
profit on bank deposits	862	–	862	1 238	109	42
Net investment income of shareholders' sub-fund (c)	1 036	–	1 036	1 359	283	65
Net Investment Income (a+b+c)	35 639	242	35 881	1 338	30 970	(74)

13 GENERAL

- 13.1 Corresponding figures have been rearranged and reclassified, wherever necessary, to facilitate comparison. However, there are no material reclassifications to report.
- 13.2 The balances of the Shareholder Sub-Fund have been presented in their respective Takaful funds for better presentation.
- 13.3 Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.

14 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information were authorized for issue by the Board of Directors of the Company in their meeting held on 22 October 2016.

HASANALI ABDULLAH
Director

SAIFUDDIN N. ZOOMKAWALA
Director

TAHER G. SACHAK
Managing Director &
Chief Executive

RAFIQUE R. BHIMJEE
Chairman

آپ کی کمپنی کے ڈائریکٹرز، سال ۲۰۱۶ء کی تیسری سہ ماہی جو ۳۰ ستمبر ۲۰۱۶ء کو اختتام پذیر ہوئی، کمپنی کے (غیر آڈٹ شدہ) مالیاتی حسابات کے مختصر مگر جامع عبوری اسٹیٹمنٹس کی رپورٹ پیش کرنے میں مسرت محسوس کرتے ہیں۔

سال رواں کے ان نمونہوں میں آپ کی کمپنی کی کل پریئم کی آمدن 16.78 بلین روپے رہی (سال ۲۰۱۵ء: 22.67 بلین روپے)۔ نئے انفرادی بیمہ زندگی کی باقاعدہ پریئم کی آمدن 2.58 بلین رہی (سال ۲۰۱۵ء: 2.24 بلین روپے)، یعنی 15.3 فیصد کا اضافہ۔ تجدیدی پریئم 9.27 بلین روپے رہا (سال ۲۰۱۵ء: 8.1 بلین روپے) یعنی کہ اس میں 14.5 فیصد اضافہ ہوا۔ تجدیدی پریئم کو شامل کر کے، انفرادی بیمہ زندگی کے کل باقاعدہ پریئم کا کاروبار 14.7 فیصد اضافہ کے ساتھ 11.86 بلین روپے رہا (سال ۲۰۱۵ء: 10.34 بلین روپے)۔ گروپ بینیفٹ کاروبار 13.9 فیصد اضافے کے ساتھ 1.72 بلین روپے رہا (سال ۲۰۱۵ء: 1.51 بلین روپے)۔

آپ کی کمپنی نے فروری ۲۰۱۵ء میں ایک مخصوص برانڈ نام ’حمایہ‘ کے تحت، اپنے ونڈو کافل آپریشن کا آغاز کیا تھا۔ فیملی کافل کاروبار 1.3 بلین روپے رہا جس میں سے 1.29 بلین روپے انفرادی فیملی کافل کاروبار سے حاصل ہوئے جب کہ بقیہ 31 ملین گروپ فیملی کافل سے تھے۔ سال رواں میں کمپنی اس کاروباری شعبے میں مزید نشوونما کی امید رکھتی ہے۔

اس تیسری سہ ماہی کے دوران، کمپنی نے بعد از ٹیکس 1.09 بلین روپے (۲۰۱۵: 984 ملین روپے) کا منافع حاصل کیا۔ فی حصص آمدن 10.92 روپے ہے (۲۰۱۵ء: 9.83 روپے)۔

کمپنی ڈائریکٹرز، ایک روپیہ فی حصص یعنی 10 فیصد تیسرے عبوری نقد ڈویڈنڈ کا اعلان کرنے میں مسرت محسوس کرتے ہیں۔ یہ ڈویڈنڈ اس دور روپے فی حصص ڈویڈنڈ یعنی 20 فیصد کے نقد ڈویڈنڈ کے علاوہ ہے جس کا اعلان ۲۰۱۶ء کے دوران کیا گیا اور ادا کر دیا گیا۔

کمپنی کے ڈائریکٹرز، کمپنی کے قابل اور ممتاز آفیسرز، عملے اور فیلڈ فورس کی پیش بہا کاوشوں کو بھی ہدیہ تحسین پیش کرتے ہیں جو وہ کمپنی کے لئے کرتے رہتے ہیں۔ ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی رہنمائی کے لئے، اور اپنے بنیادی ری انشورر ریونج ری کے مسلسل اعانت کے بھی شکر گزار ہیں۔ سب سے آخر میں ہم اپنے صارفین کا بھی، کمپنی میں انکے مستقل بھروسے کیلئے شکریہ ادا کرنا چاہیں گے۔

رفیق آرزہیم جی
چیرمین

طاہر جی ساچک
مینجنگ ڈائریکٹر و چیف ایگزیکٹو

سیف الدین این۔ زومکا والا
ڈائریکٹر

حسن علی عبداللہ
ڈائریکٹر

