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BOARD OF DIRECTORS & MANAGEMENT

CHIEF JUSTICE (R) MIAN MAHBOOB AHMAD	...	Chairman
NAVED YUNUS	...	Managing Director & Chief Executive Officer
JAVED YUNUS	...	Executive Director (Marketing)
PERVEZ YUNUS	...	Executive Director (Operations)
MAHEEN YUNUS	...	Director
UMEED ANSARI	...	Director
AHSAN MAHMOOD ALVI FCA England & Wales	...	Director
ENGR. KAZIM RAZA B.SC. (Engineering, UET)	...	Director
SHABBIR ALI KANCHWALA	...	Director Finance / Company Secretary
SAJJAD ZAFAR	...	Regional Director
IFTIKHAR HUSSAIN	...	Regional Director
MUHAMMAD FAYYAZ KHOKHAR	...	Regional Director
JAN MOHAMMAD	...	Regional Director
AUDIT COMMITTEE AHSAN MAHMOOD ALVI FCA England & Wales	...	Chairman
JAVED YUNUS	...	Member
UMEED ANSARI	...	Member
ENGR. KAZIM RAZA	...	Member
JOHRY LAL, FCCA	...	Secretary
KHALID LAW ASSOCIATES	...	Legal Advisor
BDO EBRAHIM & CO. Chartered Accountants	...	Auditors
AFNAN TAX CONSULTANTS	...	Tax Advisor
THK ASSOCIATES (PVT) LTD. 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi.	...	Shares Registrar
IFS RATING	A+ (A Plus) Stable Outlook
WEBSITE	...	www.eastwestinsurance.com.pk
BANKERS	...	Allied Bank Limited Askari Bank Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited National Bank of Pakistan Limited NIB Bank Limited Summit Bank Limited The Bank of Punjab Limited United Bank Limited The Karakoram Co. Operative Bank Ltd.

DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS

Your Directors are pleased to present their report together with an un-audited Nine Months Financial Statements for the period ended September 30, 2017.

The statistic covers the annexed Financial Statements comprising:

- Balance Sheet;
- Profit and loss account;
- Statement of comprehensive income;
- Statement of changes in equity;
- Statement of Cash flows;
- Statement of premiums;
- Statement of Claims;
- Statement of Expenses;
- Statement of Investment Income.

We are confident that this information would adequately apprise the valued shareholders about the performance of their Company.

The financial highlight of the company for the Nine Months period ended September 30, 2017 are as under: -

	(Rupees in '000)
	(Unaudited)
Profit before tax	106,675
Less: Taxation for the period	(32,260)
Profit for the period	<u>74,415</u>

Profit and loss appropriation account:

Balance at beginning of the year	273,549
Profit for the period	74,415
Balance unappropriated at the end of the period	<u>347,964</u>

	Sept., 30 2017	Sept., 30 2016
	----- (Unaudited) -----	
Gross premium	1,876,716	1,529,612
Net premium	819,599	761,600
Underwriting results	154,756	125,816
Investment income	16,099	93,595
Profit before tax	106,675	171,301
Profit for the period	74,415	145,250

Earnings per share (Rupees) 1.46 2.86

On behalf of the Board of Directors



Naved Yunus
Managing Director & Chief Executive
Karachi : October 27, 2017

حصص یافتگان کے لیے ڈائریکٹر جائزہ رپورٹ

آپ کے بورڈ آف ڈائریکٹرز کی طرف سے کمپنی کی نو مہینے کی مدت کی رپورٹ ۳۰ ستمبر، ۲۰۱۷ کو ختم ہونے والے سال کیلئے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرنا میرے لیے باعث مسرت ہے

اعداد و شمار پر مشتمل قبضہ مالی بیانات کا احاطہ کرتا ہے

- بیلنس شیٹ:
- فائدہ اور نقصان اکاؤنٹ:
- جامع آمدنی کا بیان:
- ایکونٹی میں تبدیلی کا بیان:
- کیش فلو کا بیان:
- پریمیم کا بیان:
- دعوے کا بیان:
- اخراجات کا بیان:
- سرمایہ کاری کی آمدنی کا بیان:

ہمیں یقین ہے مندرجہ بالا معلومات معزز حصص یافتگان کو مناسب طور پر ان کی کمپنی کی کارکردگی کے بارے میں آگاہ کریگی۔

۳۰ ستمبر، ۲۰۱۷ کی مدت کے لئے کمپنی کی مالی خاص بات حسب ذیل ہیں

(روپے میں '000)

(غیر آڈٹ شدہ)	ٹیکس سے قبل منافع
۱۰۶,۶۷۵	کم: مدت کے لئے ٹیکسیشن
<u>(۳۲,۲۶۰)</u>	اس مدت کے لئے منافع
<u>۷۴,۴۱۵</u>	

۲۷۳,۵۴۹	فائدہ اور نقصان حصول اکاؤنٹ
۷۴,۴۱۵	سال کے شروع میں توازن قلم
<u>۳۴۷,۹۶۴</u>	اس مدت کے لئے منافع
	مدت کے اختتام پر unappropriated متوازن

۲۰۱۶ ستمبر، ۳۰	۲۰۱۷ ستمبر، ۳۰	
	(غیر آڈٹ شدہ)	
۱,۵۲۹,۶۱۲	۱,۸۷۶,۷۱۶	مجموعی پریمیم
۷۶۱,۶۰۰	۸۱۹,۵۹۹	نیٹ پریمیم
۱۲۵,۸۱۶	۱۵۳,۷۵۶	انڈر ورائٹنگ نتیجہ
۹۳,۵۹۵	۱۶,۰۹۹	سرمایہ کاری کی آمدنی
۱۷۱,۳۰۱	۱۰۶,۶۷۵	ٹیکس سے قبل منافع
۱۴۵,۲۵۰	۷۴,۴۱۵	اس مدت کے لئے منافع
۲.۸۶	۱.۴۶	فی شیئر آمدنی (روپے)



نوید یونس
مینجنگ ڈائریکٹر اور چیف ایگزیکٹو آفیسر

کراچی : ۲۸ اکتوبر ۲۰۱۶

BALANCE SHEET

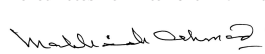
FORM GA

AS AT SEPTEMBER 30, 2017

(Rupees in '000)

Note	September 30, 2017 (UNAUDITED)	December 31, 2016 (AUDITED)
EQUITY AND LIABILITIES		
Share Capital and Reserves		
Authorised share capital	750,000	750,000
Issued, subscribed and paid-up capital	508,151	508,151
Retained earnings	347,964	273,549
General reserves	200,000	200,000
TOTAL SHARE HOLDER'S EQUITY	1,056,115	981,700
LIABILITIES		
Underwriting provisions		
Provision for outstanding claims (including IBNR)	626,130	544,125
Provision for unearned premium	730,756	568,001
Commission income unearned	123,963	86,315
Total underwriting provision	1,480,849	1,198,441
Deferred Liabilities		
Deferred Taxation	16,567	20,386
Creditors and Accruals		
Premium received in advance	2,289	1,823
Amount due to other insurers / reinsurers	14,821	9,873
Taxation-net of payments	75,231	51,839
Others creditors and accruals	48,015	69,349
Total creditors and accruals	140,356	132,884
Other liabilities		
Due to directors - unsecured and interest free	11,695	2,374
TOTAL LIABILITIES	1,649,467	1,354,085
TOTAL EQUITY AND LIABILITIES	2,705,582	2,335,785
CONTINGENCIES AND COMMITMENTS		
ASSETS		
Cash and Bank Deposits		
Cash and other equivalents	18	10
Current and other accounts	18,888	11,653
Deposits maturing within 12 months	9,000	58,000
Total cash and bank deposits	27,906	69,663
Investments	6	1,084,840
Investments Properties	7	50,211
Other Assets		
Premium due but unpaid	80,312	108,605
Amount due from other insurers / reinsurers	83,516	61,470
Accrued investment income	2,888	1,884
Reinsurance recoveries against outstanding claims	475,027	394,593
Deferred commission expense	130,419	129,644
Prepaid reinsurance premium ceded	591,216	323,669
Advances, deposits and receivables	54,779	57,703
Prepayments	1,282	646
	1,419,439	1,078,214
Fixed Assets		
Tangible		
Office Premises	57,893	59,745
Furniture & Fixtures	13,891	13,548
Electric Fittings & Equipments	11,798	12,456
Computers	1,229	1,491
Office Equipment	2,796	2,539
Vehicles	33,697	34,159
	121,304	123,938
Intangible		
Computer Software	1,177	1,434
Capital work in progress	705	705
TOTAL ASSETS	2,705,582	2,335,785

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


CHAIRMAN


MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FORM GB

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017 - UNAUDITED

(Rupees in '000)

Note	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Nine Months Ended September 30,	
						2017 Total	2016 Total
Revenue Account							
Net Premium Revenue	283,773	87,882	182,901	265,043	-	819,599	761,600
Net Claims	(90,324)	(33,896)	(98,483)	(142,643)	-	(365,346)	(360,462)
Management Expenses	(47,272)	(14,640)	(30,468)	(44,151)	-	(136,531)	(128,523)
Net Commission	(82,456)	(11,421)	(27,528)	(41,561)	-	(162,966)	(146,799)
Underwriting results	63,721	27,925	26,422	36,688	-	154,756	125,816
Investment income						16,099	93,595
Rental income	7.2					6,157	5,993
Other income	15					2,121	5,387
General and administrative expenses						(70,408)	(56,808)
Workers welfare fund						(2,050)	(2,682)
						(48,081)	45,485
Profit before tax						106,675	171,301
Provision for Taxation							
Current						(36,077)	(44,628)
Deferred						3,817	18,577
						(32,260)	(26,051)
Profit for the period						74,415	145,250
Profit and Loss Appropriation Account							
Balance at commencement of the period						273,549	204,324
Profit for the period						74,415	145,250
Balance unappropriated profit at the end of the period						347,964	349,574
Earning per share - basic - diluted	16					1.46	2.86

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


CHAIRMAN


MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

FORM GB

FOR THE QUARTER ENDED JULY - SEPTEMBER 30, 2017 - UNAUDITED

(Rupees in '000)

	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Quarterly Ended July - September 30,	
						2017	2016
Revenue Account							
Net Premium Revenue	80,138	19,424	63,553	112,949	-	276,064	264,499
Net Claims	(14,114)	(12,124)	(38,071)	(71,919)	-	(136,228)	(150,214)
Management Expenses	(15,612)	(3,817)	(11,838)	(20,533)	-	(51,800)	(48,227)
Net Commission	(40,898)	1,122	(8,038)	(16,211)	-	(64,025)	(49,000)
Underwriting results	9,514	4,605	5,606	4,286	-	24,011	17,058
Investment income						5,696	41,217
Rental income						1,863	1,864
Other income						-	1,118
General and administrative expenses						(25,355)	(21,367)
Workers welfare fund						-	-
Profit before tax						(17,796)	22,830
						6,215	39,888
Provision for Taxation							
Current						(2,909)	(10,000)
Deferred						(9,240)	-
						(12,149)	(10,000)
Profit for the period						(5,934)	29,888
Earning per share - basic and diluted						(0.12)	0.59

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

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED SEPTEMBER 30, 2017 - UNAUDITED

	Nine months period ended		Quarter ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
Profit for the period	74,415	145,250	(5,934)	29,888
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	74,415	145,250	(5,934)	29,888

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

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017 - UNAUDITED

(Rupees in '000)

	Issued, subscribed and paid up capital	Retained earnings	General reserve	Total shareholders equity
Balance as at January 01, 2016	451,690	204,324	100,000	756,014
Total comprehensive income for the period ended September 30, 2016	-	145,250	-	145,250
Balance as at September 30, 2016	451,690	349,574	100,000	901,264
Balance as at January 01, 2017	508,151	273,559	200,000	981,700
Total comprehensive income for the period ended September 30, 2017	-	74,415	-	74,415
Balance as at September 30, 2017	508,151	347,964	200,000	1,056,115

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

 CHAIRMAN
 MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME FORM GG

FOR THE PERIOD ENDED SEPTEMBER 30, 2017 - UNAUDITED

(Rupees in '000)

	Nine Months Ended September 30,		Quarter Ended September 30,	
	2017	2016	2017	2016
Income from trading investment				
Held for trading				
Gain on sale of investments	10,940	30,385	-	621
Unrealized gain / (loss) on revaluation of investments (24,015)		36,084	3,212	38,276
Dividend income	23,723	20,718	771	103
	10,648	87,187	3,983	39,000
Income from non-trading investment				
Available- for- sale				
(Loss) / gain on sale of investments	-	(2,747)	-	-
Return on government securities	5,789	5,840	2,046	1,942
Return on other fixed income securities and deposits	1,252	4,482	278	606
Amortization of premium and discount - net	(377)	(417)	(102)	(209)
	6,664	7,158	2,223	2,339
Less: Investment related expenses	(1,213)	(750)	(509)	(123)
Investment income	16,099	93,595	5,696	41,216

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

 CHAIRMAN
 MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM STATEMENT OF CASH FLOWS FORM GC

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017 - UNAUDITED

(Rupees in '000)

	September 30, 2017	September 30, 2016
OPERATING CASH FLOWS		
<i>Underwriting activities</i>		
Premium received	1,905,475	1,485,205
Reinsurance premiums ceded	(1,179,007)	(773,557)
Claims paid	(621,959)	(506,811)
Reinsurance and other recoveries received	258,185	124,233
Commission paid	(317,583)	(305,394)
Commission received	191,491	184,693
Underwriting payments	(215,913)	(174,034)
Net cash generated from underwriting activities	20,689	34,336
<i>Other operating activities</i>		
Income tax paid	(12,686)	(31,583)
Other operating payments	2,283	(27,291)
Net cash used in other operating activities	(10,403)	(58,874)
Net cash generated from / (used in) all operating activities	10,286	(24,538)
INVESTING ACTIVITIES		
Profit / return received	10,821	52,809
Dividend received	23,723	20,718
Investment made	(1,199,859)	(1,201,053)
Proceeds from disposal of investment	1,115,737	1,153,772
Purchase of fixed assets	(8,490)	(15,863)
Purchase of investment property	(4,000)	-
Proceeds from disposal of fixed assets	2,610	4,244
Net cash (used in) / inflow from investing activities	(59,458)	14,628
FINANCING ACTIVITIES		
Loan received from directors	7,988	1,169
Loan repaid to directors	(571)	(6,119)
Net cash inflow from / (used in) financing activities	7,417	(4,950)
Net decrease in cash and cash equivalents	(41,755)	(14,861)
Cash and cash equivalents at beginning of the period	69,661	66,944
Cash and cash equivalents at end of the period	27,906	52,084

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

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

(Rupees in '000)

	September 30, 2017	September 30, 2016
Reconciliation to the Profit and Loss Account		
Operating cash flows	10,286	(24,538)
Depreciation expense	(12,503)	(11,913)
Profit on disposal of fixed assets	1,904	3,125
Investment income	10,821	52,809
Dividend income	23,723	20,718
(Loss) / gain on disposal of investment securities	(13,075)	27,638
Increase (decrease) in assets other than cash	341,229	232,139
Increase in operating liabilities	(287,970)	(154,728)
Profit for the period	74,415	145,250

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

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM STATEMENT OF PREMIUMS FORM GD

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017 - UNAUDITED
BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class of Business	(Rupees in '000)									
	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Nine Months Ended Sept. 30	
		Opening	Closing			Opening	Closing		2017 Net Premium revenue	2016 Net Premium revenue
Direct and Facultative										
Fire and property damage	656,382	212,780	214,361	654,801	360,822	139,035	128,829	371,028	283,773	277,635
Marine, aviation and transport	226,011	33,742	33,403	226,350	130,350	20,688	12,570	138,468	87,882	96,841
Motor	243,881	62,073	66,501	239,453	103,319	12,012	58,779	56,552	182,901	158,741
Miscellaneous	750,442	259,406	416,491	593,357	567,418	151,934	391,038	328,314	265,043	228,383
Sub-total	1,876,716	568,001	730,756	1,713,961	1,161,909	323,670	591,216	894,362	819,599	761,600
Treaty Proportional	-	-	-	-	-	-	-	-	-	-
Grand-total	1,876,716	568,001	730,756	1,713,961	1,161,909	323,670	591,216	894,362	819,599	761,600

Note: The company does not underwrite business outside Pakistan.
The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM STATEMENT OF PREMIUMS FORM GD

FOR THE QUARTER ENDED JULY - SEPTEMBER 30, 2017 - UNAUDITED
BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class of Business	(Rupees in '000)									
	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Quarter Ended Sept. 30	
		Opening	Closing			Opening	Closing		2017 Net Premium revenue	2016 Net Premium revenue
Direct and Facultative										
Fire and property damage	249,741	189,236	214,361	224,616	153,173	120,134	128,829	144,478	80,138	92,000
Marine, aviation and transport	90,279	30,792	33,403	87,668	71,829	8,985	12,570	68,244	19,424	23,000
Motor	95,198	61,260	66,501	89,957	59,482	25,701	58,779	26,404	63,553	49,500
Miscellaneous	183,074	406,366	416,491	172,949	127,533	323,505	391,038	60,000	112,949	99,999
Sub-total	618,292	687,654	730,756	575,190	412,017	478,325	591,216	299,126	276,064	264,499
Treaty Proportional	-	-	-	-	-	-	-	-	-	-
Grand-total	618,292	687,654	730,756	575,190	412,017	478,325	591,216	299,126	276,064	264,499

Note: The company does not underwrite business outside Pakistan.
The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM STATEMENT OF CLAIMS FORM GE

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017 - UNAUDITED
BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class of Business	(Rupees in '000)									
	Claims Paid	Outstanding claims		Claims Expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Nine Months Ended Sept. 30	
		Opening	Closing			Opening	Closing		2017 Net Claims expenses	2016 Net Claims expenses
Direct and Facultative										
Fire and property damage	260,016	345,907	217,017	131,126	180,510	293,360	153,652	40,802	90,324	116,822
Marine, aviation and transport	53,878	21,239	19,359	51,998	17,845	4,923	5,180	18,102	33,896	43,186
Motor	104,011	28,846	40,528	115,693	11,167	4,044	10,087	17,210	98,483	83,949
Miscellaneous	204,054	148,133	349,226	405,147	48,661	92,266	306,109	262,504	142,643	116,505
Sub-total	621,959	544,125	626,130	703,964	258,183	394,593	475,028	338,618	365,346	360,462
Treaty Treaty	-	-	-	-	-	-	-	-	-	-
Grand-total	621,959	544,125	626,130	703,964	258,183	394,593	475,028	338,618	365,346	360,462

Note: The company does not underwrite business outside Pakistan.
The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM STATEMENT OF CLAIMS FORM GE

FOR THE QUARTER ENDED SEPTEMBER 30, 2017 - UNAUDITED
BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class of Business	(Rupees in '000)									
	Claims Paid	Outstanding claims		Claims Expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Quarter Ended Sept. 30	
		Opening	Closing			Opening	Closing		2017 Net Claims expenses	2016 Net Claims expenses
Direct and Facultative										
Fire and property damage	114,729	286,662	217,017	45,084	100,841	223,526	153,652	30,970	14,114	51,714
Marine, aviation and transport	23,079	24,018	19,359	18,420	8,256	7,140	5,180	6,296	12,124	11,501
Motor	37,210	31,671	40,328	46,067	3,850	5,941	10,087	7,996	38,071	24,998
Miscellaneous	87,185	351,101	349,226	85,310	10,265	302,983	306,109	13,391	71,919	62,001
Sub-total	262,203	693,452	626,130	194,881	123,215	539,590	475,028	58,653	136,228	150,214
Treaty Treaty	-	-	-	-	-	-	-	-	-	-
Grand-total	262,203	693,452	626,130	194,881	123,215	539,590	475,028	58,653	136,228	150,214

Note: The company does not underwrite business outside Pakistan.
The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM STATEMENT OF EXPENSES FORM GF

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017 - UNAUDITED
BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class of Business	(Rupees in '000)								
	Commission paid or payable	Deferred Commission		Net Commission Expense	Other Management Expense	Underwriting Expense	Commission from Reinsurance	Nine Months Ended Sept. 30	
		Opening	Closing					2017 Net underwriting expense	2016 Net underwriting expense
Direct and Facultative									
Fire and property damage	156,385	39,946	45,671	150,660	47,272	197,932	68,204	129,728	109,239
Marine, aviation and transport	41,531	13,292	12,298	42,525	14,640	57,165	31,104	26,061	27,031
Motor	40,744	10,126	16,846	34,024	30,468	64,492	6,496	57,996	52,009
Miscellaneous	78,924	66,280	55,604	89,600	44,151	133,751	48,039	85,712	87,043
Sub-total	317,584	129,644	130,419	316,809	136,531	453,340	153,843	299,497	275,322
Treaty Treaty	-	-	-	-	-	-	-	-	-
Grand-total	317,584	129,644	130,419	316,809	136,531	453,340	153,843	299,497	275,322

Note: The company does not underwrite business outside Pakistan
Commission from reinsurers is arrived after taking impact of opening and closing unearned commission.

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

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

CONDENSED INTERIM STATEMENT OF EXPENSES FORM GF

FOR THE QUARTER ENDED SEPTEMBER 30, 2017 - UNAUDITED
BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class of Business	(Rupees in '000)								
	Commission paid or payable	Deferred Commission		Net Commission Expense	Other Management Expense	Underwriting Expense	Commission from Reinsurance	Quarter Ended Sept. 30	
		Opening	Closing					2017 Net underwriting expense	2016 Net underwriting expense
Direct and Facultative									
Fire and property damage	56,298	45,276	45,671	55,903	15,611	71,512	15,005	56,510	34,867
Marine, aviation and transport	16,160	7,019	12,298	10,881	3,817	14,698	12,003	2,695	6,414
Motor	11,749	14,074	16,846	8,977	11,838	20,815	939	19,876	19,143
Miscellaneous	23,398	55,926	55,604	23,720	20,533	44,253	7,509	36,744	36,803
Sub-total	107,605	122,295	130,419	99,481	51,799	151,281	35,456	115,825	97,227
Treaty Treaty	-	-	-	-	-	-	-	-	-
Grand-total	107,605	122,295	130,419	99,481	51,799	151,281	35,456	115,825	97,227

Note: The company does not underwrite business outside Pakistan
Commission from reinsurers is arrived after taking impact of opening and closing unearned commission.

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

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2017 - UNAUDITED

1. STATUS AND NATURE OF BUSINESS

East West Insurance Company Limited (the Company) was incorporated as a Public Limited Company in the year 1983 under the Companies Act, 1913. The shares of Company are quoted on the Pakistan Stock Exchange (formerly Karachi Stock Exchange). The Company is engaged in the general insurance business and operates through 3 (2016: 3) principal offices and 24 (2016:24) branches in Pakistan. The registered office of the Company is situated at 27, Regal Plaza, Jinnah Road, Quetta. The principal place of business is situated at B,401-404 4th Floor Lakson Square Building No. 03, Karachi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of International Accounting Standards (IAS) 34 "Interim Financial Reporting", provisions of and directives issued under the companies ordinance 1984, the Insurance Ordinance 2000 and the SEC(Insurance) Rules 2002. In case where requirement differs, the provisions or directives of the Companies Ordinance 1984, the Insurance Ordinance 2000 and the SEC(Insurance) Rules, shall prevail.

The disclosure made in these condensed interim financial information has been limited based on the format prescribed by Securities and Exchange Commission of Pakistan vide Circular No 7 of 2003 and International Accounting Standard (IAS) 34 "Interim Financial Reporting" and does not include all the information required for full annual financial statements. Accordingly, this condensed interim financial information should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2016.

The condensed interim financial information of the Company has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984 as per the directive of Securities and Exchange commission of Pakistan issued vide Circular No.17 dated July 20, 2017.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at fair value or amortized cost as applicable.

2.3 Functional and presentation currency

This condensed interim financial information has been prepared and presented in Pakistan Rupees, which is the Company's functional and presentation currency.

2.4 Use of significant accounting estimates and judgements

The basis and methods used for critical accounting estimates and judgements adopted in 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 December 31, 2016.

(Rupees in '000)

2.5 Standards, amendments and interpretations

New standards, amendments and interpretations that are mandatory for accounting period beginning on or after January 1, 2017 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations.

3. SIGNIFICANT ACCOUNTING POLICIES

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

4. OTHER CREDITORS AND ACCRUALS	Sept. 30, 2017 Un-audited	December 31, 2016 Audited
Sundry creditors	21,524	16,460
Commission payable	-	26,323
Workers' welfare fund	21,397	19,348
Federal excise duty	2,600	4,053
Withholding tax	1,842	2,815
Federal Insurance fee	621	347
Unclaimed dividend	31	3
	<u>48,015</u>	<u>69,349</u>

5. CONTINGENCIES AND COMMITMENTS

There is no contingency and commitment as at September 30, 2017 (December 31, 2016: Nil).

6. INVESTMENTS	Note	Sept. 30, 2017 Un-audited	December 31, 2016 Audited
At fair value through profit and loss held-for-trading		814,412	898,962
Available -for- sale			
Marketable securities		163,899	5,619
Government securities	6.1	102,998	101,921
Term finance certificates - listed/unlisted	6.2	3,531	7,289
	6.3	<u>1,084,840</u>	<u>1,013,791</u>

6.1 This represents Pakistan Investment Bonds (PIBs) and sharia compliant GOP Ijara Sukuk carrying interest ranging from 5.89% to 12% (2016: 5.89% to 12%).

6.2 This represents term finance certificates of Bank Al-Falah Limited carrying interest rate of 12% (2016: 15%).

(Rupees in '000)

- 6.3 The fair value of available-for-sale investment is Rs.274.255 million/- (December 31, 2016: Rs. 118.056 million). 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) as required by the Securities and Exchange Commission Rules, 2002. However, the International Accounting Standard 39 Financial Instruments, Recognition and Measurement requires that these instruments should be measured at fair value. Had these instruments been measured at fair value, their carrying values as at September 30, 2017 would have been higher by Rs. 3.828 million (December 31, 2016: Rs. 3.226 million).

7. INVESTMENTS PROPERTIES

- 7.1 Investment properties comprise of five properties having market value of Rs 174.291 million as at September 30, 2017 (December 2016: 174.291 million). Revaluation was carried out by the Company on March 31, 2017. The exercise was carried out by independent valuers M/s. Al-Shabaz Surveyors (Private) Limited and M/s. Salam Associates (Private) Limited.

- 7.2 Rental income from investment property amounts to Rs. 7.985 million and has been recorded net of depreciation in profit and loss account.

8. PREMIUM DUE BUT UNPAID - NET

	Note	Sept. 30, 2017 Un-audited	December 31, 2016 Audited
Considered good		80,869	108,823
Provision for doubtful debts		(472)	(218)
Written off during the period / year		(85)	-
		<u>80,312</u>	<u>108,605</u>

9. ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Advances	9.1	43,786	47,473
Deposits	9.2	6,531	5,997
Other receivables		4,462	4,233
		<u>54,779</u>	<u>57,703</u>

- 9.1 This represents advances against expenses in the normal course of business and does not carry any interest or mark-up.

- 9.2 This represents short term deposits in the normal course of business and does not carry any interest or mark-up.

(Rupees in '000)

10. FIXED ASSETS - Tangibles and Intangibles

The details of additions and disposals during the nine months period ended September 30, 2017 are as follows:

	Additions (at cost)		Disposals (at NBV)	
	Sept. 30, 2017	Sept. 30, 2016	Sept. 30, 2017	Sept. 30, 2016
Tangibles				
Office premises	400	700	-	-
Furniture & fixtures	1,396	3,471	-	-
Electric fittings & equipments	299	823	-	13
Computers equipments	138	342	-	-
Office equipment	455	93	-	-
Vehicles	5,727	10,434	706	1,106
	<u>8,415</u>	<u>15,863</u>	<u>706</u>	<u>1,119</u>
Intangible				
Website development cost	75	-	-	-
	<u>8,490</u>	<u>15,863</u>	<u>706</u>	<u>1,119</u>

11. DIVIDEND INCOME

		Nine months period ended	
	Note	Sept. 30, 2017	Sept. 30, 2016
Available-for-sale	11.1	-	-
Held-for-trading	11.2	23,723	20,718
11.1 Available-for-sale		<u>23,723</u>	<u>20,718</u>
Agritech Limited		-	-
East West Life Assurance Company Limited		-	-
		<u>-</u>	<u>-</u>
11.2 Held-for-trading			
National Investment Trust		13,017	3,567
Askari Sovereign Cash Fund		-	2,841
JS Cash Fund		-	2,657
HBL Money Market Fund		-	2,305
PICIC Cash Fund		-	1,987
Pakistan State Oil Company Limited		-	1,500
Pakistan Cash Management		-	1,117
First Habib Cash Fund		-	1,108
ABL Cash Fund	112	1,063	-
AKD Cash Fund	-	1,053	-
Pakistan Oilfields Limited	-	375	-
Oil and Gas Development Company Limited	821	349	-
Fauji Fertilizer Company Limited	191	237	-
Bank Al-Falah Limited	-	200	-
Pakistan Petroleum Limited	-	180	-
Habib Bank Limited	-	175	-
Fauji Cement Company Limited	-	2	-
Kot Addu Power Company Limited	2	2	-
Nafa Islamic Asset Allocation fund	5,484	-	-
Nafa Stock fund	4,095	-	-
		<u>23,722</u>	<u>20,718</u>

(Rupees in '000)

	Note	Sept. 30, 2017	Sept. 30, 2016
12. GAIN / (LOSS) ON SALE OF INVESTMENT			
Available for sale	12.1	-	(2,747)
Held for trading	12.2	<u>10,940</u>	<u>30,385</u>
		<u>10,940</u>	<u>27,638</u>
12.1 Available for sale			
Shariah non compliant arrangements		-	(2,747)
Arrangements permissible under Shariah		-	-
		<u>-</u>	<u>(2,747)</u>
12.2 Held for trading			
Shariah non compliant arrangements		11,104	26,009
Arrangements permissible under Shariah		(164)	4,376
		<u>10,940</u>	<u>30,385</u>
13. UNREALIZED (LOSS) / GAIN ON HELD FOR TRADING			
Shariah non compliant arrangements		(15,373)	36,084
Arrangements permissible under Shariah		(8,642)	-
		<u>(24,015)</u>	<u>36,084</u>
14. RETURN ON OTHER FIXED INCOME SECURITIES & DEPOSITS			
Shariah non compliant arrangements		1,252	4,482
Arrangements permissible under Shariah		-	-
		<u>1,252</u>	<u>4,482</u>
15. OTHER INCOME			
Gain on sale of fixed assets		1,904	3,125
Others		217	2,262
		<u>2,121</u>	<u>5,387</u>
15.1 This represent reversal of provision for doubtful premium due but unpaid.			

(Rupees in '000)

	Six months period ended Sept. 30, 2017	Sept. 30, 2016	Three months period ended Sept. 30, 2017	Sept. 30, 2016
		Restated		Restated
Profit for the period	<u>74,415</u>	<u>145,250</u>	<u>(5,934)</u>	<u>29,888</u>
Weighted average number of ordinary shares of Rs. 10 each	<u>50,185,164</u>	<u>50,185,164</u>	<u>50,185,164</u>	<u>50,185,164</u>
Earnings per share - rupees	<u>1.46</u>	<u>2.86</u>	<u>(0.12)</u>	<u>0.59</u>

16.1 There is no dilutive effect on basic earning per share of the Company.

17. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated companies, entities under common control, entities with common Directors, major shareholders and key management personnel of the Company. Transactions with related parties are carried out at arm's length prices except for compensation to key management personnel which is carried out on basis of employment terms and conditions. The transactions and balances with related parties are as follows:

	Nine Months Period Ended	
	Sept. 30, 2017	Sept. 30, 2016
Loan received from directors	8,338	1,169
Loan repaid to directors	721	6,119
Remuneration to key management personnel	9,956	10,648
Investment in associated company	160,065	44,490

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements are appropriate to their fair values except for non-trading investments. Fair value is determined on the basis of the objective evidence at each required date.

(Rupees in '000)

18.1 Carrying amount versus fair value

The following table compares the carrying amounts and fair values of the Company's financial assets and financial liabilities as at September 30, 2017.

The Company considers that the carrying amount of the following financial assets and financial liabilities are a reasonable approximation of their fair values except for available for sale and held to maturity investments:

	As at September 30, 2017		As at December 31, 2016	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Cash and other equivalent	18	18	46	46
Current and other accounts	18,888	18,888	44,038	44,038
Deposit maturing within 12 months	9,000	9,000	8,000	8,000
Investments				
Available-for-sale				
Marketable securities	163,899	166,146	61,837	114,107
Government securities	102,998	104,490	101,962	105,089
Term finance certificates	3,531	3,619	10,932	10,745
Held-For-Trading				
Marketable securities	814,412	814,412	746,004	746,004
	1,084,840	1,088,667	920,735	975,945
Premiums due but unpaid	80,312	80,312	95,891	95,891
Amounts due from other insurers/reinsurers	83,516	83,516	84,621	84,621
Accrued investment income	2,888	2,888	2,653	2,653
Reinsurance recoveries against outstanding claims	475,027	475,027	121,585	121,585
Other receivables	54,784	54,784	34,099	34,099
Financial Liabilities				
Provision for outstanding claims (including IBNR)	626,130	626,130	239,972	239,972
Amounts due to other insurers / reinsurers	14,821	14,821	19,794	19,794
Other creditors and accruals	48,015	48,015	45,388	45,388

18.2 Fair value hierarchy

The level in the fair value hierarchy within which the financial asset or financial liability is categorised is determined on the basis of the lowest level input that is significant to the fair value measurement.

Financial assets and financial liabilities are classified in their entirety into only one of the three levels.

(Rupees in '000)

The fair value hierarchy has the following levels:

Level 1	quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	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	inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	As at September 30, 2017	Level 1	Level 2	Level 3
Financial assets measured at fair value				
Held-For-Trading				
Marketable securities	814,412	46,068	768,344	-
	As at December 31, 2016	Level 1	Level 2	Level 3
Financial assets measured at fair value				
Held-For-Trading				
Marketable securities	898,962	42,605	856,357	-

18.3 Transfers during the period

During the period ended September 30, 2017:

- There were no transfers between Level 1 and Level 2 fair value measurements
- There were no transfers into or out of Level 3 fair value measurements

18.4 Valuation techniques

Investments at fair value through profit or loss - held for trading

Subsequent to initial recognition, these investments are remeasured at fair value using stock exchange quotation rates in respect of investment in shares of listed companies and on the basis of closing NAV in respect of investment in units of mutual funds.

19. SEGMENT REPORTING

(Rupees in '000)

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

	Fire and Property Damage		Marine Aviation and Transport		Motor		Miscellaneous		Total	
	Sept. 2017 Un-audited	Dec 2016 Audited	Sept. 2017 Un-audited	Dec 2016 Audited	Sept. 2017 Un-audited	Dec 2016 Audited	Sept. 2017 Un-audited	Dec 2016 Audited	Sept. 2017 Un-audited	Dec 2016 Audited
Segment assets	475,832	395,081	163,843	142,442	176,797	136,758	544,018	469,777	1,360,490	1,144,058
Unallocated corporate assets									1,345,098	1,191,727
Consolidated total assets									2,705,588	2,335,785
Segment Liabilities	523,912	417,900	180,398	150,669	194,662	144,657	598,988	496,911	1,497,960	1,210,137
Unallocated corporate liabilities									151,508	143,948
Consolidated total liabilities									1,649,467	1,354,085
									Nine months period ended	
									Sept. 30, 2017	Sept. 30, 2016
Capital Expenditure									6,443	14,131
Depreciation									12,503	11,913

20. GENERAL

20.1 This condensed interim financial information was authorised for issue in the Board of Directors meeting of the company held on October 27, 2017.

20.2 The figures for the quarter and nine month period ended September 30, 2017 have been rounded off to the nearest Rupee.

 CHAIRMAN
 MANAGING DIRECTOR
 & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi : October 27, 2017

PATTERN OF SHAREHOLDINGS

PATTERN OF SHAREHOLDINGS AS AT SEPTEMBER 30, 2017

Number of Shareholders	From	To	Total Shares Held	Percentage
16	1	100	1,100	0.0022
172	101	200	20,681	0.0407
4	201	800	2,306	0.0045
3	1,001	3,000	6,642	0.0131
2	3,001	8,000	10,267	0.0202
5	8,001	10,000	47,804	0.0941
3	10,001	11,000	30,511	0.0600
7	11,001	12,000	80,465	0.1583
7	12,001	15,000	99,034	0.1949
2	15,001	19,000	32,365	0.0637
6	20,001	23,000	125,613	0.2472
4	23,001	25,000	95,031	0.1870
5	25,001	30,000	142,238	0.2799
1	30,001	62,000	61,645	0.1213
2	800,001	1,000,000	1,815,771	3.5733
1	1,200,001	2,000,000	1,712,453	3.3700
7	2,000,001	3,000,000	16,446,263	32.3649
6	3,000,001	4,000,000	21,728,144	42.7592
2	4,000,001	4,500,000	8,356,831	16.4455
255			50,815,164	100.0000

Categories of Shareholders	Number	Shares Held	Percentage
CEO, Directors and their spouses and minor children	14	32,755,206	64.4595
Joint Stock Companies, Insurance Companies, Investment Companies & Modarabas	1	3,062	0.0060
Individual	240	18,056,896	35.5345
Total	255	50,815,164	100.0000

Information as required under the Code of Corporate Governance

Categories of Shareholders	No. of Shareholders	Shares Held	Percentage
Associated Company			
M/s. East West Life Assurance Co., Ltd.	1	3,062	0.0060
CEO, Directors, their Spouses and Minor Children			
Chief Justice (R) Mian Mahboob Ahmed	1	2,055	0.0040
Javed Yunus	1	3,926,428	7.7269
Pervez Yunus	1	3,881,051	7.6376
Naved Yunus	1	3,756,633	7.3927
Maheen Yunus	1	4,271,865	8.4067
Umeed Ansari	1	765	0.0015
Ahsan Mahmood Alvi	1	695	0.0014
Mirza Kazim Raza	1	632	0.0012
Ambreen N. Yunus	1	4,084,966	8.0389
Rubina J. Yunus	1	2,517,500	4.9542
Samina P. Yunus	1	2,537,459	4.9935
Shamaila M. Yunus	1	3,262,270	6.4199
Samad M. Yunus	1	2,222,682	4.3741
Anum M. Yunus	1	2,290,205	4.5069
Individual	240	18,056,896	35.5345
Total	255	50,815,164	100.0000



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