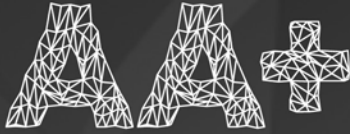


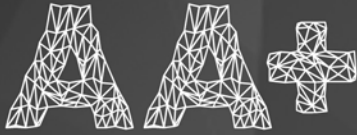
**Advancing
with
Intelligence**

1st Quarter Report
31 March 2018 (Unaudited)

Jubilee General Insurance Company Limited



JCR-VIS



PACRA

MAP

Top Position in Financial Category
33rd MAP Corporate Excellence
Award

ICAP & ICMAP

Top Position in NBFCs
Best Corporate Report & Sustainability
Award

Lloyd's Register LRQA

ISO 9001:2015
(All Functions including Enterprise
Risk Management)

FPCCI

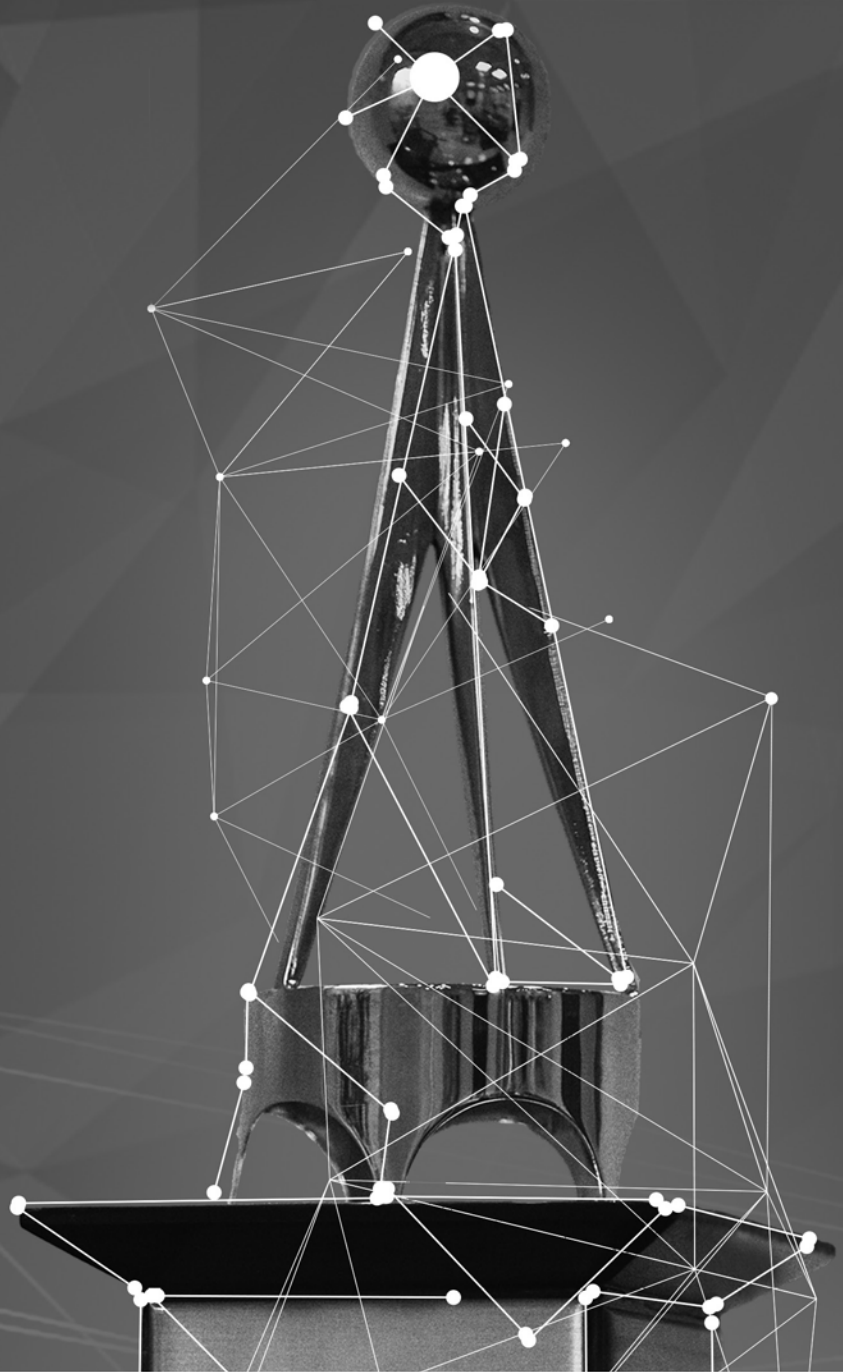
Outstanding Service in Insurance

Insurance Journal

Corporate Social Responsibility
Highest Donation (2013-2015)

SAFA

Certificate of Merit
(Insurance Sector)



LIGHTING THE WAY TO LEADERSHIP

At Jubilee General, making a difference defines us. On every corporate landscape, we believe in driving excellence, delivering results and demonstrating passion. Our awards are a testament to this commitment.

ABLE. WILLING. STRONG.

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Corporate Information

Chairman of the Board of Directors

Towfiq H. Chinoy

Directors

Sadrudin Hashwani

Akbarali Pesnani

John Joseph Metcalf

R. Zakir Mahmood

Amin A. Hashwani

Farhan Talib

Amyr Currimbhoy

Managing Director and Chief Executive

Tahir Ahmed

Chief Financial Officer

Nawaid Jamal

Company Secretary

Fahad Alam

Auditors

KPMG Taseer Hadi & Co.

Shariah Advisor

Mufti Zeeshan Abdul Aziz

Legal Advisor

Surridge & Beecheno

Bankers

Habib Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited
Soneri Bank Limited
Bank Alfalah Limited
Bankislami Pakistan Limited
Dubai Islamic Bank

Share Registrar

THK Associates (Pvt) Limited
1st Floor, 40-C, Block-6, P.E.C.H.S.,
Karachi
UAN: (92-21) 111-000-322
Tel: (92-21) 34168266-70

Head Office / Registered Office

2nd Floor, Jubilee Insurance House
I.I. Chundrigar Road, Karachi, Pakistan.

UAN: 92-21) 111 - 654 - 111
Toll Free: 0800-03786
Tel: (92-21) 32416022-26
Fax: (92-21) 32416728, 32438738

Email: info@jubileegeneral.com.pk
Website: www.jubileegeneral.com.pk

National Tax Number

0711347-1

Sales Tax Registration Number

1600980500182

Directors' Review

The Directors are pleased to present before you the unaudited financial statements for the three months ended 31st March 2018.

Business Overview:

By the grace of Allah, in the period ended 31st March 2018, your Company posted a healthy increase of 17% in the gross premium (including contribution written in Takaful Operations) to Rs 3.15 billion (2017: Rs 2.69 billion). Company's combined net premium / contribution also increased by 18% to Rs 1.408 billion (2017: Rs 1.195 billion). All classes of business contributed to the overall growth and we posted combined technical profit of Rs 66 million (2017: Rs 162 million).

We are pleased to report that your Company's investment income recorded a robust growth of 80% mainly due to realised capital gains to reach Rs 463 million (2017: Rs 257 million).

The summarised results of the Company's insurance business for the period under review are as follows:

	31 March 2018	31 March 2017
	(Rupees in '000)	
Gross Premium	2,899,861	2,530,485
Net Premium Revenue	1,306,704	1,129,480
Underwriting Result	40,098	139,216
Investment Income including Capital Gain & Rent	462,622	256,894
Profit before Tax	597,633	460,498
Profit after Tax	418,205	345,402
Earnings per Share of Rs.10 Each	2.32	1.91

Takaful

Alhamdulillah! Supported by all classes of business, Window Takaful Operations posted a strong growth of 55% in gross written contribution to achieve Rs 246 million (2017: Rs 159 million). Similarly, net contribution also grew strongly by 53% to Rs 101 million (2017: Rs 66 million).

The reported Participant's Takaful Fund Surplus is Rs 11 million (2017: Rs 14 million) in the period under review resulting in Operator's profit of Rs 14 million (2017: Rs 8 million).

The summarised results of Company's Window Takaful Operations for the period under review are as follows:

	31 March 2018	31 March 2017
	(Rupees in '000)	
Gross Contribution	246,045	158,928
Net Contribution	100,858	65,751
PTF Surplus before Investment Income	7,941	12,577
Investment Income	161	203
PTF Surplus for the period	10,883	13,850
Operator's Fund - Revenue Account	17,982	10,487
Operator's Profit before Tax	20,076	12,025
Operator's Profit after Tax	13,967	8,418

Outlook

Although 2018 is the election year and some uncertainty is expected but country's GDP is on track to post highest growth in the last 12 years. We expect to maintain our growth and improve our results.



Tahir Ahmed
Chief Executive

Karachi: 24 April, 2018



Amyn Currimbhoy
Director

ڈائریکٹرز کی جائزہ رپورٹ

ڈائریکٹرز سروسٹ کے ساتھ 31 مارچ 2018 کو ختم ہونے والے تین ماہ کے غیر آڈٹ شدہ اکاؤنٹس پیش کرتے ہیں۔

کاروبار کا جائزہ

اللہ کے فضل و کرم سے 31 مارچ 2018 کو ختم ہونے والی مدت میں آپ کی کمپنی کا مجموعی پریمیم (بشمول نکافل کنٹریبیوشن کے) 17 فیصد کے تو انا اضافہ کے ساتھ 3.15 بلین روپے (2017 میں 2.69 روپے) رہا۔ کمپنی کا مجموعی خالص پریمیم بھی 18 فیصد کے تو انا اضافہ کے ساتھ 1.408 بلین (2017 میں 1.195 بلین روپے) رہا۔ کاروبار میں مجموعی اضافہ کاروبار کے تمام شعبہ جات میں ترقی کی بدولت ہوا ہے اور ہم نے 66 کا مجموعی ٹیکنیکل منافع (2017 میں 162 ملین روپے) حاصل کیا

ہمیں یہ بتاتے ہوئے مسرت محسوس ہو رہی ہے کہ آپ کی کمپنی کی سرمایہ کاری کی آمدنی 80 فیصد اضافے بوجہ کیپٹل گین 463 ملین روپے تک پہنچ گئی۔ کمپنی کے تین ماہ کے مختصر نتائج درج ذیل ہیں۔

31 March
2017
(Rupees in '000)

2,530,485	2,899,861
1,129,480	1,306,704
139,216	40,098
256,894	462,622
460,498	597,633
345,402	418,205
1.91	2.32

مجموعی پریمیم

خالص پریمیم

انڈر رائٹنگ آمدنی

سرمایہ کاری سے آمدنی (بشمول حاصل کردہ کیپیٹل گین اور کرایہ آمدنی کے)

قبل از ٹیکس منافع

بعد از ٹیکس منافع

فی شیئر آمدنی (روپے میں)

نکافل

اللہ کاروبار کے تمام شعبہ جات کے تعاون سے ونڈو نکافل آپریشنز کا مجموعی کنٹریبیوشن 55 فیصد کے اضافے سے 246 ملین روپے (2017 میں 159 ملین روپے) ہو گیا۔ اسی طرح خالص کنٹریبیوشن بھی 53 فیصد بڑھ کر 101 ملین روپے (2017 میں 66 ملین روپے) ہو گیا۔

پارٹیسپنٹرز نکافل فنڈ کا اضافہ زیر جائزہ مدت میں 11 ملین روپے (2017 میں 14 ملین روپے) رہا جس کے نتیجے میں آپ کی کمپنی کے ونڈو نکافل آپریشنز سے 14 ملین روپے (2017 میں 8 ملین روپے) منافع ہوا۔ ونڈو نکافل آپریشنز کے تین ماہ کے مختصر نتائج درج ذیل ہیں۔

31 March
2017
(Rupees in '000)

158,928	246,045
65,751	100,858
12,577	7,941
203	161
13,850	10,883
10,487	17,982
12,025	20,076
8,418	13,967

نکافل کا مجموعی کنٹریبیوشن

خالص نکافل کنٹریبیوشن

پارٹیسپنٹرز نکافل فنڈ میں اضافہ (قبل از سرمایہ کاری کی آمدنی کے)

سرمایہ کاری سے آمدنی

پارٹیسپنٹرز نکافل فنڈ میں اضافہ

آپریٹرز فنڈ - ریویونیو اکاؤنٹ

آپریٹرز فنڈ کی آمدنی قبل از ٹیکس

آپریٹرز فنڈ کی آمدنی بعد از ٹیکس

گوکہ 2018 انتخابات کا سال ہے اور کچھ غیر یقینی صورت حال متوقع ہے۔ لیکن ملک اس سال مجموعی قومی پیداوار میں گزشتہ 12 سالوں کے مقابلے میں سب سے زیادہ نمو حاصل کرنے کیلئے صحیح سمت میں گامزن ہے۔ ہم امید کرتے ہیں کہ ہمارے کاروبار میں ترقی برقرار رہے گی اور نتائج میں مزید بہتری آئے گی۔



امین کریم بھائی
ڈائریکٹر



طاہر احمد
چیف ایگزیکٹو
14 اپریل 2018

Condensed Interim Statement of Financial Position

As at 31 March 2018

	Note	31 March 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
(Rupees in '000)			
Assets			
Property and equipment	7	177,066	178,179
Computer software		18,438	20,417
Investment properties	8	661,771	658,873
Investments in associates	9	532,018	462,530
Investments			
Investments in equity securities	10	5,559,200	5,466,732
Investments in debt securities	11	5,758,848	4,992,394
Investments in term deposits	12	251,240	242,180
Loans and other receivables	13	193,877	126,806
Insurance receivables	14	2,651,179	1,782,824
Reinsurance recoveries against outstanding claims		2,546,142	1,987,502
Salvage recoveries accrued		22,350	26,505
Deferred commission	24	337,742	269,685
Prepayments	15	1,612,853	1,145,945
Cash & Bank	16	1,474,678	1,893,276
Total assets of Window Takaful Operations - Operator's Fund	17	315,786	266,591
Total Assets		22,113,188	19,520,439

The annexed notes from 1 to 32 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director

Note	31 March 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
------	--	---

(Rupees in '000)

Equity and Liabilities**Capital and reserves attributable to Company's equity holders**

Authorised share capital:

250,000,000 (2017: 250,000,000) Ordinary shares of Rs.10 each

2,500,000 2,500,000

Issued, subscribed and paid-up share capital [180,446,583
(2017: 180,446,583) Ordinary shares of Rs.10 each]

1,804,465 1,804,465

Reserves

5,660,494 5,317,113

Unappropriated profit

1,488,127 1,069,922

Total Equity

8,953,086 8,191,500

Liabilities**Underwriting Provisions**

Outstanding claims including IBNR

23 4,053,265 3,431,665

Unearned premium

22 3,800,315 2,947,608

Unearned commission income

24 169,719 124,063

Deferred taxation

650,586 478,765

Premium received in advance

97,214 150,931

Insurance/Reinsurance payables

18 1,236,795 1,144,001

Other creditors and accruals

19 1,111,119 949,569

Deposits and other payables

20 1,610,004 1,665,900

Unclaimed dividend

82,877 82,950

Taxation-provision less payments

189,408 227,839

Total Liabilities

13,001,302 11,203,291

Total liabilities of Window Takaful Operations - Operator's Fund

17 158,800 125,648

Total Equity and Liabilities

22,113,188 19,520,439

Contingencies and commitment

21


Akbarali Pesnani
Director

Nawaid Jamal
Chief Financial Officer

Towfiq H. Chinoy
Chairman

Condensed Interim Profit and Loss Account (Unaudited)

For The Three Months Period Ended 31 March 2018

	Note	Three months period ended 31 March	
		2018	2017
		(Rupees in '000)	
Net insurance premium	22	1,306,704	1,129,480
Net Insurance claims	23	747,866	542,837
Net Commission and other acquisition cost	24	101,776	105,749
Insurance claims and acquisition cost		849,642	648,586
Management Expenses		416,964	341,678
Underwriting results		40,098	139,216
Investment income	25	440,044	236,560
Rental Income		22,578	20,334
Other income	26	26,368	14,208
Other expenses		(16,071)	(16,972)
Results of operating activities		<u>513,017</u>	<u>393,346</u>
Share in profit of associates		64,540	55,127
Profit before tax from Window Takaful Operations	17	20,076	12,025
Profit before tax		<u>597,633</u>	<u>460,498</u>
Provision for taxation -current		(153,884)	(121,378)
-deferred		(25,544)	6,282
		<u>(179,428)</u>	<u>(115,096)</u>
Profit after tax		<u>418,205</u>	<u>345,402</u>
Earning per share of Rs. 10 each - basic and diluted	28	<u>2.32</u>	<u>1.91</u>

Appropriations have been reflected in the statement of changes in equity.

The annexed notes from 1 to 32 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Statement of Comprehensive Income (Unaudited)

For The Three Months Period Ended 31 March 2018

	Three months period ended 31 March	
	2018	2017 (Restated)
	(Rupees in '000)	
Net profit for the period	418,205	345,402
Other comprehensive income for the period		
Item to be reclassified to profit and loss account in subsequent period		
- Foreign currency translation difference-net off tax	3,464	771
- Net unrealised gain arising during the period on revaluation of available for sale investments-net off tax	477,561	120,202
- Net unrealised gain/(loss) arising during the period on revaluation of available for sale investments of Window Takaful Operations -net off tax	1,694	(1,208)
	479,255	118,994
Reclassification adjustment for net gain on available for sale investments included in profit and loss account -net off tax	(139,720)	(41,581)
Reclassification adjustment for net loss /(gain) on available for sale investments included in profit and loss account of Window Takaful Operations -net off tax	382	(195)
	(139,338)	(41,776)
Total comprehensive income for the period	<u>761,586</u>	<u>423,391</u>

The annexed notes from 1 to 32 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Cash Flow Statement (Unaudited)

For The Three Months Period Ended 31 March 2018

2018 **2017**

(Rupees in '000)

Operating cash flows

(a) Underwriting activities

Premiums received	2,072,055	1,192,194
Reinsurance premiums paid	(1,093,313)	(591,697)
Claims paid	(1,072,834)	(597,381)
Reinsurance and other recoveries received	297,817	159,529
Commissions paid	(217,318)	(157,697)
Commissions received	125,686	76,316
Other underwriting payments (management expenses)	(363,754)	(314,266)
Net cash (outflow) from underwriting activities	(251,661)	(233,002)

(b) Other operating activities

Income tax paid	(186,206)	(60,664)
General and administration expenses paid	(4,523)	(7,994)
Other operating payments	(283,877)	(218,739)
Other operating receipts	310,017	289,768
Loans advanced	(226)	(410)
Loans repayment received	292	363
Net cash (outflow) / inflow from other operating activities	(164,523)	2,324

Total cash (outflow) from all operating activities

(416,184) (230,678)

Investment activities

Profit / return received	103,631	114,778
Dividends received	4,052	45,504
Rentals received - net of expenses	(2,620)	(5,069)
Payments for purchase of investments / investment property	(4,826,961)	(1,647,142)
Proceeds from disposal of investments	4,738,950	1,360,584
Fixed capital expenditure	(13,192)	(10,886)
Proceeds from disposal of fixed assets	49	30

Total cash inflow / (outflow) from investing activities

3,909 (142,201)

Financing activities - Dividends paid

(73) (50)

Net cash (outflow) from all activities

(412,348) (372,929)

Cash at beginning of three months period

2,054,306 2,014,101

Cash at end of three months period

1,641,958 1,641,172

2018 2017

(Rupees in '000)

Reconciliation to profit and loss account

Operating cash flows	(416,184)	(230,678)
Depreciation / amortisation expense	(16,198)	(11,624)
(Loss) on disposal of fixed assets	(37)	(14)
Gain / (loss) on remeasurement of investments at fair value through profit or loss	4,038	(1,464)
Gain on disposal of investments	292,684	99,794
Dividend income	61,299	76,378
Rental income	22,578	20,334
Other investment income	169,516	131,182
Profit for the period from Window Takaful Operations	13,967	12,025
Increase in assets other than cash	1,965,178	1,620,270
(Increase) in liabilities other than running finance	(1,678,636)	(1,370,801)
Profit after taxation	418,205	345,402

Definition of cash

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

Cash for the purposes of the Statement of Cash Flows consists of:**Cash and bank deposits****Cash and other equivalents**

Cash	813	1,482
Policy stamps and bond papers in hand	2,908	5,496
	3,721	6,978

Current and other accounts

Current accounts	75,148	52,822
PLS savings accounts	1,395,809	1,569,860
	1,470,957	1,622,682

Deposits having maturity within 3 months (encashable on demand)

Term deposits - Local Currency	150,000	-
Term deposits - Foreign Currency	17,280	11,512
	167,280	11,512
	1,641,958	1,641,172

The annexed notes from 1 to 32 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Amyn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Statement of Changes in Equity (Unaudited)

For The Three Months Period Ended 31 March 2018

Share capital	Reserves									Total reserves	Total
	Capital reserve	Revenue reserves							Total revenue reserves		
		Reserve for exceptional losses	General reserve	Special reserve	Available for sale investment revaluation reserve	Exchange translation reserve on investment in foreign associate	Retained earnings	Company's share of capital contributed to the statutory fund by an associate			
Issued, subscribed and paid-up											
(Rupees in '000)											
Balance as at 01 January 2017 (as previously reported)	1,569,100	9,384	3,150,000	700,000	-	(5,852)	1,193,316	(16,091)	5,021,373	5,030,757	6,599,857
Net effect of change in accounting policy including Window Takaful Operation (refer note 3.1)	-	-	-	-	2,055,832	-	-	-	2,055,832	2,055,832	2,055,832
Balance as at 01 January 2017 (restated)	1,569,100	9,384	3,150,000	700,000	2,055,832	(5,852)	1,193,316	(16,091)	7,077,205	7,086,589	8,655,689
Changes in equity for the three months period ended 31 March 2017											
Total comprehensive income Profit after tax for the three months period	-	-	-	-	-	-	345,402	-	345,402	345,402	345,402
Other comprehensive income Foreign currency translation difference net off tax	-	-	-	-	-	771	-	-	771	771	771
Net unrealised gain arising during the period on revaluation of available for sale investments (including WTO) net off tax	-	-	-	-	118,994	-	-	-	118,994	118,994	118,994
Reclassification adjustment for net gain on available for sale investments included in profit and loss account (including WTO) net off tax	-	-	-	-	(41,776)	771	345,402	-	(41,776)	(41,776)	(41,776)
	-	-	-	-	77,218	-	-	-	423,391	423,391	423,391
Transaction with owners recorded directly in equity Company's share in capital contributed to the statutory fund by an associate	-	-	-	-	-	-	-	1,608	1,608	1,608	1,608
Balance as at 31 March 2017	1,569,100	9,384	3,150,000	700,000	2,133,050	(5,081)	1,538,718	(14,483)	7,502,204	7,511,588	9,080,688
Balance as at 01 January 2018	1,804,465	9,384	3,450,000	800,000	-	(2,375)	1,069,922	(9,661)	5,307,886	5,317,270	7,121,735
Net effect of change in accounting policy including Window Takaful Operations (refer note 3.1)	-	-	-	-	1,069,765	-	-	-	1,069,765	1,069,765	1,069,765
Balance as at 01 January 2018 (restated)	1,804,465	9,384	3,450,000	800,000	1,069,765	(2,375)	1,069,922	(9,661)	6,377,651	6,387,035	8,191,500
Changes in equity for the three months period ended 31 March 2018											
Total comprehensive income Profit after tax for the three months period	-	-	-	-	-	-	418,205	-	418,205	418,205	418,205
Other comprehensive income Foreign currency translation difference net off tax	-	-	-	-	-	3,464	-	-	3,464	3,464	3,464
Net unrealised gain arising during the period on revaluation of available for sale investments (including WTO)-net off tax	-	-	-	-	479,255	-	-	-	479,255	479,255	479,255
Reclassification adjustment for net gain on available for sale investments included in profit and loss account (including WTO) net off tax	-	-	-	-	(139,338)	-	-	-	(139,338)	(139,338)	(139,338)
	-	-	-	-	339,917	3,464	418,205	-	761,586	761,586	761,586
Transaction with owners recorded directly in equity Company's share in capital contributed to the statutory fund by an associate	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	1,804,465	9,384	3,450,000	800,000	1,409,682	1,089	1,488,127	(9,661)	7,139,237	7,148,621	8,953,086

The annexed notes from 1 to 32 form an integral part of these condensed interim financial information.



Tahir Ahmed
Chief Executive



Amyn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Tawfiq H. Chinoy
Chairman

Notes to the Condensed Interim Financial Information (Unaudited)

For the three months period ended 31 March 2018

1. STATUS AND NATURE OF BUSINESS

Jubilee General Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on 16 May 1953. The Company is listed in the Pakistan Stock exchange and is engaged in general insurance business. The registered office of the Company is situated at 2nd Floor, Jubilee Insurance House, I. I. Chundrigar Road, Karachi.

The Company was granted authorisation on 10 March 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Takaful Window Operations (WTO) in respect of general takaful products by Securities and Exchange Commission of Pakistan (SECP) and subsequently the Company commenced Window Takaful Operations on 7 May 2015.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

- 2.1** These condensed interim financial information 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 Act, 2017, Insurance Ordinance 2000, Insurance Accounting Regulations 2017, Insurance Rules 2017 and Takaful Rules 2012. In case requirements differ, the provisions of or directives under the Companies Act, 2017, Insurance Ordinance 2000, Insurance Accounting Regulations 2017, Insurance Rules 2017 and Takaful Rules 2012 have been followed.
- 2.2** The SECP vide its S.R.O 89(1)/2017 dated 9th February, 2017 has prescribed format of the presentation of annual financial statements for general insurance companies. These condensed interim financial statements have been prepared in accordance with the format prescribed by the SECP.
- 2.3** Total assets, total liabilities and profit / (loss) of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in these condensed interim financial information in accordance with the requirements of Circular 25 of 2015 dated 9 July 2015.
- 2.4** The condensed interim financial information do not include all the information required in the full annual financial statements. Accordingly, these condensed interim financial information should be read in conjunction with annual financial statements of the Company for the year ended 31 December 2017.
- 2.5** These condensed interim financial information have been presented in Pakistani Rupees, which is also the functional currency of the Company.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation followed in these condensed interim financial information are same as compared with the annual financial statements of the Company as at and for the year ended 31 December 2017, except as stated in note 3.1.

3.1 CHANGE IN ACCOUNTING POLICY

3.1.1 Available for sale investments

Upto previous year in accordance with repealed SEC(Insurance) Rules 2002, the SECP allowed the insurance Companies to defer the application of International Accounting Standard-39 (IAS-39) "Financial Instruments : Recognition and Measurement" in respect of valuation of available for sale investments. Hence, the available for sale investments subsequent to initial recognition at cost were stated at the lower of cost or market value(market value on an individual investment basis being taken lower as if the fall is other than temporary).

The SECP vide SRO 88 dated 9th February , 2017 has issued Insurance Accounting Regulations 2017 (The Regulation). The Regulation required every insurer to comply, so far as concern recognition and measurement of assets, liabilities, expenses and revenues in accordance with applicable International Financial Reporting Standards(IFRS).

In view of the applicability of the Regulation, the Company has applied IAS-39 and accordingly available for sale investments at balance sheet date are measured at market value. This change has been applied retrospectively in accordance with the requirements of International Accounting Standard-8 "Accounting policies, Changes in Accounting Estimates and Errors" and comparatives have been restated to conform to the changed accounting policy.

Had there been no change in the accounting policy, the Company's investments would have been lower by Rs.2,014,174 thousands (December 31, 2017: Rs. 1,531,085 thousand), deferred tax liability at period end would have been lower by Rs.604,252 thousands (December 31, 2017: Rs. 459,325 thousand), total Comprehensive Income for the period ended March 31, 2018 would be have been lower by Rs. 337,849 thousands (March 31, 2017: Rs. 78,621 thousands) and Equity as at period end would be have been lower by Rs. 1,409,922 thousands (December 31, 2017: Rs. 1,071,760 thousands).

3.1.2 Premium income

Upto the previous year the Company was recognising premium income and receivable at the time of issuance of insurance policy in accordance with the SEC (Insurance) Rules, 2002.

The SECP vide SRO 88 dated 9th February, 2017 has issued Insurance Accounting Regulations 2017 (The Regulation), which are applicable for preparation of these condensed interim financial information. The Regulation required to recognise premium receivable under an insurance policy / covernote as written from the date of attachment of risk to the policy / covernote. Hence, the Company has accounted for covernotes which are effective at the balance sheet date as change in accounting policy.

This change in accounting policy has not been applied retrospectively in accordance with the requirement of International Accounting Standard – 8 "Accounting Policies, Change in Accounting Estimates and Errors" as it is impractical to determine the cumulative effect of the change at the beginning of the prior year. It is also impractical to determine the cumulative effect at the beginning of the current period of applying change in policy to all prior periods, therefore, comparatives figures have not been restated accordingly. Hence effect of these changes are recognised prospectively by including the same in determination of profit and loss in the period of the change, this is, during the current and future periods.

Had there been no change in the accounting policy, the Company's profit after tax for the period would have been lower by Rs.1,591 thousands and the Equity as at period end would be have been lower by Rs. 1,114 thousands.

3.1.3 Changes in the presentation of the financial statements

Following major changes have been made as prescribed by the new Rules and Regulations:

- Changes in sequence of assets / liabilities in the statement of financial position;
- Discontinuation of separate statements of Premiums, Claims, Expense and investment Income, which are now presented separately on aggregate basis into the notes to the interim condensed financial information (note 22, 23 and 24),
- Underwriting results in relation to various classes of business which were previously presented on the face of the profit and loss account are now presented separately. (note 29); and
- Prior years figures have been reclassified/ rearranged for the purpose of comparison where necessary.

4 ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make judgments, 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. In preparing these condensed interim financial information, the significant judgments 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 and for the year ended 31 December 2017 except as stated in note 4.1.

4.1 Change in accounting estimates

4.1.1 Property and equipment

Upto 31 December 2017, tracker equipments are carried at residual value i.e. 20% of its cost. During the period as a result of review, the residual value of tracker equipments has been revised to 15% of its cost.

This change has been accounted for as change in accounting estimate in accordance with the requirements of International Accounting Standard (IAS -8) "Accounting policies, Changes in Estimates and Error" whereby the effect of the changes are recognised prospectively by including the same in determination of profit and loss in the period of the change, this is, during the current and future periods.

Had the Company's accounting estimate not been changed, total fixed assets of the Company and profit after tax for the period would have been higher by Rs. 4,592 thousands and Rs. 3,214 thousands respectively .

5. INSURANCE AND FINANCIAL RISK MANAGEMENT

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

6. PREMIUM DEFICIENCY RESERVE

No provision has been made as the unearned premium reserve for each class of business at period end is adequate to meet the expected future liability after reinsurance from claims and other expenses, expected to be incurred after the balance sheet date in respect of policies in force at the balance sheet date.

7. PROPERTY AND EQUIPMENT

During the three months period ended 31 March 2018, additions amounting to Rs. 13,192 thousands (31 March 2017: Rs. 10,886 thousands) and disposals had a cost of Rs. 230 thousands (31 March 2017: Rs. 201 thousands) and written down value of Rs. 87 thousands (31 March 2017: Rs.44 thousands) were made.

8. INVESTMENT PROPERTIES

The market value of the investment properties as per valuations carried out by professional valuers in 2017 and as ascertained by the management is Rs. 2,988,078 thousands (31 December 2017 : Rs. 2,988,078 thousands).

9. INVESTMENT IN ASSOCIATES

	Note	31 March 2018 (Unaudited)	31 December 2017 (Audited)
(Rupees in '000)			
Beginning of period/year		462,530	357,176
Share of profit		64,540	165,592
Dividend received		-	(71,635)
Foreign currency translation difference		4,948	4,967
Share in capital contribution to the statutory fund		-	6,430
End of the period / year	9.1	532,018	462,530

9.1 This includes investment in Jubilee Life Insurance Company Limited Rs. 427,392 thousands (December 31, 2017 : Rs. 365,588 thousands) and in Jubilee Kyrgyzstan Insurance Company (CJSC) Rs. 104,626 thousands (December 31, 2017 : Rs. 96,942 thousands).

10. INVESTMENTS IN EQUITY SECURITIES

	Note	31 March 2018 (Unaudited)		31 December 2017 (Audited)	
		Cost	Carrying value	Cost	Carrying value (Restated)
(Rupees in '000)					
Available for sale					
Related Parties					
Listed shares		628,246	916,488	649,411	746,147
Mutual Funds		1,268	5,606	1,489	6,260
		<u>629,514</u>	<u>922,094</u>	<u>650,900</u>	<u>752,407</u>
Others					
Listed shares		2,566,073	4,213,345	2,829,507	4,156,019
Unlisted Shares		2,500	2,500	2,500	2,500
Mutual Funds		143,075	216,948	286,151	389,217
		<u>2,711,648</u>	<u>4,432,793</u>	<u>3,118,158</u>	<u>4,547,736</u>
Investment at fair value through profit and Loss					
Listed shares		204,313	204,313	166,589	166,589
		<u>3,545,475</u>	<u>5,559,200</u>	<u>3,935,647</u>	<u>5,466,732</u>

11. INVESTMENTS IN DEBT SECURITIES**Government securities****Held to maturity**

Pakistan Investment Bonds
Treasury bills

11.1

	53,620	53,620	155,383	155,383
	5,605,918	5,605,918	4,837,011	4,837,011
	<u>5,659,538</u>	<u>5,659,538</u>	<u>4,992,394</u>	<u>4,992,394</u>
	99,318	99,310	-	-
	<u>5,758,856</u>	<u>5,758,848</u>	<u>4,992,394</u>	<u>4,992,394</u>

Available for sale

Treasury bills

11.1 Pakistan Investment Bonds with face value of Rs. 50,000 thousands (2017: Rs. 50,000 thousands) and Treasury Bills with face value of Rs. 140,000 thousands (2017: Rs. 140,000 thousands) are placed with State Bank of Pakistan under Section 29 of the Insurance Ordinance, 2000.

12. INVESTMENT IN TERM DEPOSITS

Note

31 March
2018
(Unaudited)

31 December
2017
(Audited)

(Rupees in '000)

Deposits maturing within 12 months

Term deposits - local currency
Term deposits - foreign currency

12.1 & 12.2

	176,360	176,000
	74,880	66,180
	<u>251,240</u>	<u>242,180</u>

12.1 This includes sum of Rs.1,360 thousands (2017: Rs.1,000 thousands) placed under lien with commercial banks against bank guarantees.

12.2 This includes an amount of Rs. 25,000 thousands (2017: Rs. 25,000 thousands) held with a related party.

13. LOANS AND OTHER RECEIVABLES - Considered good

31 March
2018
(Unaudited)

31 December
2017
(Audited)

(Rupees in '000)

Rent receivable	691	691
Accrued investment income	71,144	11,446
Security deposit	6,148	5,261
Advance to suppliers	73,002	75,528
Sales tax recoverable	5,188	6,486
Loans to employees	709	775
Medical claims recoverable	13,065	9,864
Other receivables	23,930	16,755
	<u>193,877</u>	<u>126,806</u>

14. INSURANCE / RE-INSURANCE RECEIVABLES

	Note	31 March 2018 (Unaudited)	31 December 2017 (Audited)
		(Rupees in '000)	
Due from Insurance contract holders	14.1	2,645,022	1,870,933
Less provision for impairment of receivables from Insurance contract holders		(158,961)	(158,961)
Due from other Insurers / Reinsurers	14.2	182,118	87,852
Less provision for impairment of receivables from other Insurance / re-insurance		(17,000)	(17,000)
		<u>2,651,179</u>	<u>1,782,824</u>

14.1 Premium due but unpaid includes Rs. 125,895 thousands (2017: Rs. 89,083 thousands) due from related parties.

14.2 Amount due from other insurer / reinsurer includes an amount of Rs. 27,043 thousands (2017: Rs. 27,043 thousands) due from a related party.

15. PREPAYMENTS

Prepaid reinsurance premium ceded	1,575,050	1,128,635
Prepaid rent	7,007	11,964
Prepaid miscellaneous expenses	30,796	5,346
	<u>1,612,853</u>	<u>1,145,945</u>

16. CASH & BANK

Cash and Cash Equivalents			
Cash in hand		813	205
Policy & Revenue stamps and Bond papers		2,908	3,659
Cash at bank	16.1		
- Current accounts		75,148	147,755
- Savings accounts		1,395,809	1,741,657
		<u>1,474,678</u>	<u>1,893,276</u>

16.1 Cash at bank includes Rs.152,734 thousands (2017: Rs. 235,445 thousands) held with a related party.

17. WINDOW TAKAFUL OPERATIONS

	31 March 2018 (Unaudited)	31 December 2017 (Audited) (Restated)
	(Rupees in '000)	
Assets		
Cash and bank deposits	156,819	148,538
Investments	38,970	30,601
Current assets - others	108,491	75,209
Fixed assets	11,506	12,243
Total Assets	<u>315,786</u>	<u>266,591</u>
Total Liabilities - Current	<u>158,800</u>	<u>125,648</u>
	(Unaudited)	
	31 March	31 March
	2018	2017
	(Rupees in '000)	
Profit before tax for the period	<u>20,076</u>	<u>12,025</u>

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

18. INSURANCE/ REINSURANCE PAYABLES	Note	31 March	31 December
		2018 (Unaudited)	2017 (Audited)
		(Rupees in '000)	
Due to insurance contract holders		20,749	21,507
Due to other insurers / reinsurers		<u>1,216,046</u>	<u>1,122,494</u>
		<u>1,236,795</u>	<u>1,144,001</u>
19. OTHER CREDITORS AND ACCRUALS			
Commission payable		634,772	602,227
Federal excise duty and sales tax		144,327	95,932
Federal insurance fee		4,465	2,744
Sindh Workers' Welfare Fund		139,026	127,478
Tax deducted at source		7,216	3,854
Accrued expenses		136,778	79,273
Claims payable		29,439	22,776
Miscellaneous		<u>15,096</u>	<u>15,285</u>
		<u>1,111,119</u>	<u>949,569</u>
20. DEPOSITS AND OTHER PAYABLES			
Advance rent	20.1	11,047	37,876
Security deposits against bond insurance		1,598,865	1,627,932
Other deposits		<u>92</u>	<u>92</u>
		<u>1,610,004</u>	<u>1,665,900</u>
20.1	This includes an amount of Rs. 7,229 thousands (December 31, 2017 : Rs. 16,658 thousands) received from a related party.		
21. CONTINGENCIES			
	The status of contingencies remain unchanged as disclosed in the annual financial statements as of 31 December 2017.		
22. NET INSURANCE PREMIUM			
		(Unaudited)	
		31 March	31 March
		2018	2017
		(Rupees in '000)	
Written Gross Premium	29	2,899,861	2,530,486
Add: Unearned premium reserve opening		2,947,608	2,835,155
Less: Unearned premium reserve closing		<u>3,800,315</u>	<u>3,440,832</u>
Premium earned		2,047,154	1,924,809
Less: Reinsurance premium ceded		1,186,865	1,019,855
Add: Prepaid reinsurance premium opening		1,128,635	1,246,170
Less: Prepaid reinsurance premium closing		<u>1,575,050</u>	<u>1,470,696</u>
Reinsurance expense		<u>740,450</u>	<u>795,329</u>
		<u>1,306,704</u>	<u>1,129,480</u>
23. NET INSURANCE CLAIMS EXPENSE			
Claims paid		1,072,834	597,381
Add: Outstanding claims including IBNR Closing		4,053,265	3,458,656
Less: Outstanding claims including IBNR Opening		<u>3,431,665</u>	<u>3,337,432</u>
Claims expense		1,694,434	718,605
Reinsurance and other recoveries received		392,083	135,461
Add: Reinsurance and other recoveries received in respect of outstanding claims - Closing		2,568,492	2,007,172
Less: Reinsurance and other recoveries received in respect of outstanding claims - opening		<u>2,014,007</u>	<u>1,966,865</u>
Reinsurance and other recoveries revenue		<u>946,568</u>	<u>175,768</u>
		<u>747,866</u>	<u>542,837</u>

24. NET COMMISSION EXPENSE / ACQUISITION COST	(Unaudited)	
	31 March	31 March
	2018	2017
	(Rupees in '000)	
Commission paid or payable	249,863	219,216
Add: Deferred commission expense Opening	269,685	243,958
Less: Deferred commission expense Closing	<u>337,742</u>	<u>288,063</u>
Net Commission expense	181,806	175,111
Less: Commission received or receivables	125,686	76,316
Add: Unearned reinsurance commission Opening	124,063	117,105
Less: Unearned reinsurance commission Closing	<u>169,719</u>	<u>124,059</u>
Commission from reinsurers	80,030	69,362
	<u>101,776</u>	<u>105,749</u>

25. INVESTMENT INCOME	(Unaudited)	
	31 March	31 March
	2018	2017
	(Rupees in '000)	
Income from equity securities	Note	
Available for sale		
Dividend Income		
Related parties		16,714
Others		<u>53,419</u>
		60,799
Held for trading		<u>70,133</u>
Dividend Income - others		500
Income from debt securities		6,245
Held for maturity		
Return on government securities		82,056
Amortisation of (premium)		<u>(1,105)</u>
		80,951
Income from term deposits	25.1	3,470
Net realised gains/(losses) on investments		
Available for sale		
Gain on sale of investments		274,169
Loss on sale of investments		<u>(424)</u>
		273,745
Held for trading		75,827
Gain on sale of investments		18,946
Loss on sale of investments		<u>(7)</u>
		18,939
Net Unrealised gains/(losses) on investments		
Held for trading		
Investments at fair value through profit and loss account		4,038
		<u>(1,464)</u>
Total investment income		442,442
Less: Investment related expenses		<u>(2,398)</u>
		<u>440,044</u>
		<u>239,424</u>
		<u>236,560</u>

25.1 This includes Rs. 425 thousand (March 31, 2017 : Rs. 985 thousand) return on term deposits held with related parties.

26. OTHER INCOME	(Unaudited)	
	31 March	31 March
	2018	2017
	(Rupees in '000)	
Income from financial assets / liabilities	Note	
Return on bank balances	26.1	22,953
Exchange gain		3,450
Return on loans to employees		2
		14,203
Income from non-financial assets		
Loss on sale of fixed assets		<u>(14)</u>
		<u>26,368</u>
		<u>14,208</u>

26.1 This includes of Rs. 604 thousands (March 31, 2017 : Rs. 311 thousands) return on bank balances held with related parties.

27. TRANSACTIONS WITH RELATED PARTIES / ASSOCIATED UNDERTAKINGS

Related parties / associated undertakings comprise of associated companies, directors, key management personnel and employees' funds. The transactions and balances with related parties / associated companies, other than those which have been disclosed elsewhere in these condensed interim financial information, are as follows:

	Three months period ended 31 March	
	2018	2017
	(Rupees in '000)	
Associated companies		
Insurance premium written (including government levies administrative surcharge and policy stamps)	90,365	66,633
Insurance premium received / adjusted during the period	94,645	30,855
Insurance claims paid	35,128	34,129
Commissions paid	4,131	3,703
Purchases of goods and services	15,360	15,354
Dividend income	-	16,714
Rent income	9,429	8,572
Reimbursement of expenses *	8,108	6,300
Investment in shares / mutual funds	-	8,453
Disposal of shares / mutual funds	31,073	10,452
Director's fee	-	150
Donations	-	2,000
Key management personnel		
Remuneration	18,196	16,914
Employees' funds		
Contribution to provident fund	13,903	5,091
Provision for gratuity fund	5,265	4,500
Others		
Insurance premium written (including government levies administrative surcharge and policy stamps)	22	34
Insurance premium received / adjusted during the period	4	4
Expense allocated to Window Takaful Operations	2,982	448
Rent income	457	420
Directors' fee	900	900
Donation	-	3,000

*The expenses pertain to Accident and Health business Common Back Office operations jointly shared with Jubilee Life Insurance Company Limited, an associated company.

28. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period by the weighted average number of shares as at the period end as follows:

	Three months period ended	
	2018	2017
	(Rupees in '000)	
Profit for the period	418,205	345,402
	(Numbers in '000)	
Weighted average number of shares of Rs.10 each	180,447	180,447
	(Rupees)	
Basic earnings per share of Rs.10 each - basic and diluted	2.32	1.91

28.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

28.2 The number of shares for the prior period has also been adjusted for the effect of bonus shares issued subsequently.

29. SEGMENT INFORMATION

Following segment information prepared in accordance with the requirements of Insurance Ordinance, 2000 and the Insurance Rules, 2017 for class of business wise revenues, results, assets and liabilities.

The class wise revenues and results are as follows:

Three months period ended 31 March 2018 (Unaudited)

	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
(Rupees in '000)							
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	755,184	280,298	530,472	355,164	503,932	843,841	3,268,891
Less: Federal Excise Duty / Sales Tax	92,016	30,811	62,730	40,434	-	99,208	325,199
Federal Insurance Fee	6,457	2,375	4,566	3,079	4,988	7,111	28,576
Others	427	9,454	3,701	3	154	1,516	15,255
Gross written premium (inclusive of Administrative Surcharge)	<u>656,284</u>	<u>237,658</u>	<u>459,475</u>	<u>311,648</u>	<u>498,790</u>	<u>736,006</u>	<u>2,899,861</u>
Gross direct premium	653,654	232,312	448,197	311,348	498,790	732,545	2,876,846
Facultative inward premium	(121)	-	-	-	-	-	(121)
Administrative surcharge	2,751	5,346	11,278	300	-	3,461	23,136
	<u>656,284</u>	<u>237,658</u>	<u>459,475</u>	<u>311,648</u>	<u>498,790</u>	<u>736,006</u>	<u>2,899,861</u>
Insurance premium earned	497,245	190,778	354,040	96,938	418,708	489,445	2,047,154
Insurance premium ceded to reinsurers	263,524	28,612	11,666	90,160	-	346,488	740,450
Net Insurance premium	233,721	162,166	342,374	6,778	418,708	142,957	1,306,704
Commission income	32,245	693	935	4,867	-	41,291	80,031
Net underwriting income	<u>265,966</u>	<u>162,859</u>	<u>343,309</u>	<u>11,645</u>	<u>418,708</u>	<u>184,248</u>	<u>1,386,735</u>
Insurance claims	97,351	95,318	145,280	260,851	324,397	771,237	1,694,434
Insurance claims recovered from reinsurer	(64,446)	20,987	(6,278)	258,578	-	737,727	946,568
	161,797	74,331	151,558	2,273	324,397	33,510	747,866
Commission expense	58,190	27,508	32,773	1,576	17,736	44,024	181,807
Management expense	74,579	51,747	109,250	2,163	133,608	45,617	416,964
Net Insurance Claims and expenses	<u>294,566</u>	<u>153,586</u>	<u>293,581</u>	<u>6,012</u>	<u>475,741</u>	<u>123,151</u>	<u>1,346,637</u>
Underwriting result	<u>(28,600)</u>	<u>9,273</u>	<u>49,728</u>	<u>5,633</u>	<u>(57,033)</u>	<u>61,097</u>	<u>40,098</u>
Net investment income							440,044
Rental income							22,578
Other income							26,368
Other expenses							(16,071)
Share in profit of associates							64,540
Profit from window takaful operations							20,076
Profit before tax							<u>597,633</u>

Three months period ended 31 March 2017 (Unaudited)

	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
(Rupees in '000)							
Premium receivable (inclusive of Federal Excise Duty, Federal Insurance Fee and Administrative Surcharge)	675,162	200,287	496,576	341,534	372,577	779,113	2,865,249
Less: Federal Excise Duty / Sales Tax	84,138	21,940	59,200	39,182	-	94,014	298,474
Federal Insurance Fee	5,851	1,692	4,308	2,993	3,688	6,772	25,304
Others	259	7,179	2,210	76	66	1,196	10,986
Gross written premium (inclusive of Administrative Surcharge)	<u>584,914</u>	<u>169,476</u>	<u>430,858</u>	<u>299,283</u>	<u>368,823</u>	<u>677,131</u>	<u>2,530,485</u>
Gross direct premium	582,416	164,815	420,222	299,057	368,823	674,392	2,509,725
Facultative inward premium	60	-	-	-	-	-	60
Administrative surcharge	2,438	4,661	10,636	226	-	2,739	20,700
	<u>584,914</u>	<u>169,476</u>	<u>430,858</u>	<u>299,283</u>	<u>368,823</u>	<u>677,131</u>	<u>2,530,485</u>
Insurance premium earned	542,198	152,534	339,235	94,468	272,285	524,089	1,924,809
Insurance premium ceded to reinsurers	307,489	24,010	7,567	91,088	6	365,169	795,329
Net Insurance premium	234,709	128,524	331,668	3,380	272,279	158,920	1,129,480
Commission income	19,471	858	957	4,186	-	43,890	69,362
Net underwriting income	<u>254,180</u>	<u>129,382</u>	<u>332,625</u>	<u>7,566</u>	<u>272,279</u>	<u>202,810</u>	<u>1,198,842</u>
Insurance claims	44,842	32,680	161,509	635	216,206	262,733	718,605
Insurance claims recovered from reinsurer	(8,797)	1,166	6,974	564	-	175,861	175,768
	53,639	31,514	154,535	71	216,206	86,872	542,837
Commission expense	54,984	22,348	34,622	1,555	13,389	48,213	175,111
Management expense	71,002	38,880	100,333	1,022	82,367	48,074	341,678
Net Insurance Claims and expenses	<u>179,625</u>	<u>92,742</u>	<u>289,490</u>	<u>2,648</u>	<u>311,962</u>	<u>183,159</u>	<u>1,059,626</u>
Underwriting result	<u>74,555</u>	<u>36,640</u>	<u>43,135</u>	<u>4,918</u>	<u>(39,683)</u>	<u>19,651</u>	<u>139,216</u>
Net investment income							236,560
Rental income							20,334
Other income							14,208
Other expenses							(16,972)
Share in profit of associates							55,127
Profit from window takaful operations							12,025
Profit before tax							<u>460,498</u>

The class wise assets and liabilities are as follows:

Three months period ended 31 March 2018 (Unaudited)							
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
(Rupees in '000)							
Segment assets	1,725,056	361,982	584,846	1,213,851	569,192	2,677,536	7,132,463
Unallocated assets	-	-	-	-	-	-	14,980,725
Total assets	<u>1,725,056</u>	<u>361,982</u>	<u>584,846</u>	<u>1,213,851</u>	<u>569,192</u>	<u>2,677,536</u>	<u>22,113,188</u>
Segment liabilities	2,657,718	673,990	1,415,408	1,243,558	1,374,462	3,299,802	10,664,940
Unallocated liabilities	-	-	-	-	-	-	2,495,162
Total liabilities	<u>2,657,718</u>	<u>673,990</u>	<u>1,415,408</u>	<u>1,243,558</u>	<u>1,374,462</u>	<u>3,299,802</u>	<u>13,160,102</u>

31 December 2017 (Audited) (Restated)							
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Total
(Rupees in '000)							
Segment assets	1,791,768	221,713	441,103	705,413	326,015	1,709,139	5,195,151
Unallocated assets	-	-	-	-	-	-	14,325,288
Total assets	<u>1,791,768</u>	<u>221,713</u>	<u>441,103</u>	<u>705,413</u>	<u>326,015</u>	<u>1,709,139</u>	<u>19,520,439</u>
Segment liabilities	2,704,149	503,440	1,258,222	744,770	1,141,871	2,395,385	8,747,837
Unallocated liabilities	-	-	-	-	-	-	2,581,102
Total liabilities	<u>2,704,149</u>	<u>503,440</u>	<u>1,258,222</u>	<u>744,770</u>	<u>1,141,871</u>	<u>2,395,385</u>	<u>11,328,939</u>

30. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31 March 2018 (Unaudited)

	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associates	Other financial liabilities	Total	Level 1	Level 2	Total
(Rupees in '000)										
Financial assets measured at fair value										
Investments										
- In related parties	-	922,094	-	-	-	-	922,094	916,488	5,606	922,094
- Quoted equity securities / mutual funds	-	4,430,293	-	-	-	-	4,430,293	4,213,345	216,948	4,430,293
- Government securities	-	99,310	-	-	-	-	99,310	-	99,310	99,310
Investment at fair value through profit and loss	204,313	-	-	-	-	-	204,313	204,313	-	204,313
Assets of Window Takaful										
Operations - Operator's Fund*	-	38,970	-	-	-	-	38,970	38,970	-	38,970
Financial assets not measured at fair value										
Cash and bank deposits*	-	-	-	1,474,678	-	-	1,474,678	-	-	-
Investments										
- In related parties	-	-	-	-	532,018	-	532,018	3,777,670	-	3,777,670
- Government securities	-	-	5,659,538	-	-	-	5,659,538	-	5,656,731	5,656,731
- Unquoted equity shares*	-	2,500	-	-	-	-	2,500	-	-	2,500
- Term Deposits*	-	-	251,240	-	-	-	251,240	-	-	251,240
Insurance receivables*	-	-	-	2,651,179	-	-	2,651,179	-	-	2,651,179
Reinsurance recoveries against outstanding claims*	-	-	-	2,546,142	-	-	2,546,142	-	-	2,546,142
Sundry receivables*	-	-	-	115,687	-	-	115,687	-	-	115,687
Assets of Window Takaful										
Operations - Operator's Fund*	-	-	-	231,052	-	-	231,052	-	-	231,052
Financial liabilities not measured at fair value										
Provision for outstanding claims (including IBNR)*	-	-	-	-	-	(4,053,265)	(4,053,265)	-	-	(4,053,265)
Insurance/Reinsurance Payables	-	-	-	-	-	(1,236,795)	(1,236,795)	-	-	(1,236,795)
Other creditors and accruals*	-	-	-	-	-	(728,813)	(728,813)	-	-	(728,813)
Deposits and other payables*	-	-	-	-	-	(1,598,957)	(1,598,957)	-	-	(1,598,957)
Unclaimed dividend*	-	-	-	-	-	(82,877)	(82,877)	-	-	(82,877)
Total liabilities of Window Takaful										
Operations - Operator's Fund*	-	-	-	-	-	(30,238)	(30,238)	-	-	(30,238)
	204,313	5,493,167	5,910,778	7,018,738	532,018	(7,730,945)	11,428,069	9,150,786	5,978,595	15,129,381

31 December 2017 (Audited) (Restated)

	Held-for-trading	Available-for-sale	Held-to-maturity	Loans and receivables	Investment in Associates	Other financial liabilities	Total	Level 1	Level 2	Total
(Rupees in '000)										
Financial assets measured at fair value										
Investments										
- In related parties	-	752,407	-	-	-	-	752,407	746,147	6,260	752,407
- Quoted equity securities / mutual funds	-	4,545,236	-	-	-	-	4,545,236	4,156,019	389,217	4,545,236
Investment at fair value through profit and loss	166,589	-	-	-	-	-	166,589	166,589	-	166,589
Assets of Window Takaful										
Operations - Operator's Fund*	-	30,601	-	-	-	-	30,601	30,601	-	30,601
Financial assets not measured at fair value										
Cash and bank deposits*	-	-	-	2,135,456	-	-	2,135,456	-	-	-
Investments										
- In related parties	-	-	-	-	462,530	-	462,530	3,693,463	-	3,693,463
- Government securities	-	-	4,992,394	-	-	-	4,992,394	-	4,991,091	4,991,091
- Unquoted equity shares*	-	2,500	-	-	-	-	2,500	-	-	2,500
- Term Deposits*	-	-	242,180	-	-	-	242,180	-	-	242,180
Insurance receivables*	-	-	-	1,782,824	-	-	1,782,824	-	-	1,782,824
Reinsurance recoveries against outstanding claims*	-	-	-	1,987,502	-	-	1,987,502	-	-	1,987,502
Sundry receivables*	-	-	-	44,792	-	-	44,792	-	-	44,792
Assets of Window Takaful										
Operations - Operator's Fund*	-	-	-	194,889	-	-	194,889	-	-	194,889
Financial liabilities not measured at fair value										
Provision for outstanding claims (including IBNR)*	-	-	-	-	-	(3,431,665)	(3,431,665)	-	-	(3,431,665)
Insurance/Reinsurance Payables	-	-	-	-	-	(1,122,494)	(1,122,494)	-	-	(1,122,494)
Other creditors and accruals*	-	-	-	-	-	(723,631)	(723,631)	-	-	(723,631)
Deposits and other payables*	-	-	-	-	-	(1,628,024)	(1,628,024)	-	-	(1,628,024)
Unclaimed dividend*	-	-	-	-	-	(82,950)	(82,950)	-	-	(82,950)
Total liabilities of Window Takaful										
Operations - Operator's Fund*	-	-	-	-	-	(24,976)	(24,976)	-	-	(24,976)
	166,589	5,330,744	5,234,574	6,145,463	462,530	(7,013,740)	10,326,160	8,792,819	5,386,568	14,179,387

* The Company has not disclosed the fair value of these items because their carrying amounts are a reasonable approximation of fair value. Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair values estimates.

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

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

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

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

31. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information were authorised for issue in accordance with a resolution of the Board of Directors on 24 April 2018.

32. GENERAL

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



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

WINDOW TAKAFUL OPERATIONS FINANCIAL STATEMENTS



Condensed Interim Statement of Financial Position (Unaudited)

As at 31 March 2018

Note	31 March 2018 (Unaudited)			31 December 2017 (Audited) (Restated) Aggregate	
	Operator's Fund	Participants' Fund	Aggregate		
(Rupees in '000)					
Assets					
Property and equipment	7	9,187	-	9,187	9,742
Computer software		2,319	-	2,319	2,501
Investments					
Equity securities	8	38,970	8,549	47,519	30,601
Term deposit	9	-	10,000	10,000	20,000
Loans and other receivables	10	2,858	3,113	5,971	4,885
Takaful / Re-takaful receivables	11	-	180,653	180,653	94,864
Wakala and mudarib fee receivable		71,375	-	71,375	45,694
Re-takaful recoveries against outstanding claims		-	4,788	4,788	4,520
Salvage recoveries accrued		-	6,900	6,900	8,500
Deferred commission expense / Acquisition cost	21	34,258	-	34,258	28,085
Prepayments	12	-	45,859	45,859	38,924
Cash & Bank	13	156,819	281,796	438,615	412,254
Total Assets		315,786	541,658	857,444	700,570
Funds and Liabilities					
Funds attributable to:					
Operator's Fund					
Statutory fund		100,000	-	100,000	100,000
Accumulated profit		56,986	-	56,986	40,943
Participants' Fund					
Ceded Money		-	500	500	500
Accumulated surplus		-	46,651	46,651	36,731
Total Funds		156,986	47,151	204,137	178,174
Liabilities					
Underwriting Provisions					
Outstanding claims including IBNR	18	-	116,489	116,489	94,875
Unearned contribution reserves	17	-	250,055	250,055	200,250
Unearned re-takaful rebate	19	-	474	474	621
Unearned wakala fees	20	105,236	-	105,236	85,399
Contribution received in advance		-	2,542	2,542	2,552
Wakala and mudarib fee payable		-	71,375	71,375	45,694
Takaful / Re-takaful payables	14	-	41,965	41,965	43,036
Other creditors and accruals	15	32,221	11,607	43,828	35,061
Taxation		21,343	-	21,343	14,908
Total Liabilities		158,800	494,507	653,307	522,396
Total Funds and Liabilities		315,786	541,658	857,444	700,570
Contingency and commitment	16				

The annexed notes 1 to 29 form an integral part of these financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Profit and Loss Account (Unaudited)

For the three months period ended 31 March 2018

Three months period
ended 31 March
(Unaudited)

2018 **2017**

(Rupees in '000)

Participants' Fund - revenue account

	Note	2018	2017
Net takaful contribution	17	100,858	65,751
Net takaful claims	18	(92,956)	(62,861)
Reversal of contribution deficiency expense		-	9,037
Re-takaful rebate earned	19	205	717
Direct expenses		(166)	(67)
		(92,917)	(53,174)
Surplus before investment income		7,941	12,577
Investment income	22	161	203
Profit on bank balances		3,516	1,388
Mudarib fee		(735)	(318)
Surplus for the period		10,883	13,850

Operator's Fund - revenue account

Wakala fee income	20	51,538	35,428
Commission and other acquisition costs	21	(17,319)	(11,842)
Management expenses		(16,237)	(13,099)
		(33,556)	(24,941)
Investment income	23	17,982	10,487
Other income	24	691	758
Other expenses		2,153	1,428
		(750)	(648)
Profit before tax		20,076	12,025
Taxation		(6,109)	(3,607)
Profit after tax		13,967	8,418

The annexed notes 1 to 29 form an integral part of these financial information.

Tahir Ahmed
Chief Executive

Aryn Currimbhoy
Director

Nawaid Jamal
Chief Financial Officer

Akbarali Pesnani
Director

Tawfiq H. Chinoy
Chairman

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the three months period ended 31 March 2018

	Three months period ended 31 March (Unaudited)	
	2018 (Restated)	2017 (Restated)
	(Rupees in '000)	
Participants' Fund		
Surplus for the period	10,883	13,850
Other comprehensive income for the period		
Item to be reclassified to profit and loss account in subsequent period		
- Net unrealised loss arising during the period on revaluation of available-for-sale investments	(963)	-
Total comprehensive income for the period	<u>9,920</u>	<u>13,850</u>
Operator's Fund		
Net Profit for the period	13,967	8,418
Other comprehensive income for the period		
Item to be reclassified to profit and loss account in subsequent period		
- Net unrealised gain / (loss) arising during the period on revaluation of available-for-sale investments - net of tax	1,694	(1,208)
- Reclassification adjustment for net loss / (gain) on available for sale investments included in profit and loss account	382	(195)
Total comprehensive income for the period	<u>2,076</u>	<u>(1,403)</u>
	<u>16,043</u>	<u>7,015</u>

The annexed notes 1 to 29 form an integral part of these financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Cash Flow Statement (Unaudited)

For the three months period ended 31 March 2018

2018			2017
Operator's Fund	Participants' Fund	Aggregate	Aggregate

(Rupees in '000)

Operating Cashflows

(a) Takaful activities

Takaful Contribution received	-	161,489	161,489	84,809
Re-takaful contributions paid	-	(32,013)	(32,013)	(32,210)
Wakala fee received / (paid)	45,045	(45,045)	-	-
Claims paid	-	(70,436)	(70,436)	(47,290)
Re-takaful and other recoveries received	-	(817)	(817)	441
Commission paid	(18,874)	-	(18,874)	(12,758)
Re-takaful rebate received	-	57	57	-
Management expenses paid	(15,090)	(166)	(15,256)	(12,590)
Net cashflow inflows / (outflows) from takaful activities	11,081	13,069	24,150	(19,598)

(b) Other operating activities

Income tax paid	(563)	-	(563)	(382)
General and administration expenses paid	(570)	-	(570)	(499)
Other operating payments	-	(29,560)	(29,560)	(17,312)
Other operating receipts - net	1,448	31,117	32,565	19,252
Net cash inflows from other operating activities	315	1,557	1,872	1,059

Total cash inflows / (outflows) from all operating activities

11,396	14,626	26,022	(18,539)
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Investment activities

Profit / return received	1,574	3,614	5,188	2,760
Dividend received	-	-	-	128
Payment for investments	(10,898)	(19,512)	(30,410)	(12,375)
Proceeds from redemption or sale of investments	5,621	-	5,621	5,337
Mudarib fee received / (paid)	648	(648)	-	-
Fixed capital expenditure	(60)	-	(60)	(165)
Total cash (outflows) from investing activities	(3,115)	(16,546)	(19,661)	(4,315)

Net cash inflows / (outflows) from all activities

8,281	(1,920)	6,361	(22,854)
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Cash and cash equivalents at beginning of three months period

148,538	283,716	432,254	253,988
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Cash and cash equivalents at end of three months period

156,819	281,796	438,615	231,134
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Reconciliation to Profit and Loss Account

Operating cash flows	11,396	14,626	26,022	(18,539)
Depreciation expense	(797)	-	(797)	(765)
Increase in assets other than cash	35,632	94,016	129,648	84,492
(Increase) in liabilities other than borrowings	(32,264)	(97,759)	(130,023)	(42,920)
Net profit / surplus for the period	13,967	10,883	24,850	22,268

Definition of cash

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

The annexed notes 1 to 29 form an integral part of these financial information.



Tahir Ahmed
Chief Executive



Amyn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Condensed Interim Statement of Changes in Fund (Unaudited)

For the three months period ended 31 March 2018

	Operator's Fund			Total
	Statutory Fund	Available for sale Investment revaluation reserve	Accumulated profit	
	(Rupees in '000)			
Balance as at January 01, 2017 (As reported previously)	100,000	-	862	100,862
Net effect of change in accounting policy (Refer Note 3.1)	-	629	-	629
Balance as at January 01, 2017 (restated)	100,000	629	862	101,491
Changes in fund for the three months period ended 31 March 2017				
Profit after tax for the three months period	-	-	8,418	8,418
Other comprehensive income Unrealised (loss) on available for sale investments (net of tax)	-	(1,403)	-	(1,403)
	-	(1,403)	8,418	7,015
Balance as at March 31, 2017	100,000	(774)	9,280	108,506
Balance as at January 01, 2018 (As reported previously)	100,000	-	42,938	142,938
Net effect of change in accounting policy (Refer Note 3.1)	-	(1,995)	-	(1,995)
Balance as at January 01, 2017 (restated)	100,000	(1,995)	42,938	140,943
Changes in fund for the three months period ended 31 March 2018				
Profit after tax for the three months period	-	-	13,967	13,967
Other comprehensive income Unrealised gains on available for sale investments (net of tax)	-	2,076	-	2,076
	-	2,076	13,967	16,043
Balance as at March 31, 2018	100,000	81	56,905	156,986

The annexed notes 1 to 29 form an integral part of these financial information.

Tahir Ahmed
Chief Executive

Aryn Currimbhoy
Director

Nawaid Jamal
Chief Financial Officer

Akbarali Pesnani
Director

Towfiq H. Chinoy
Chairman

Condensed Interim Statement of Changes in Fund (Unaudited)

For the three months period ended 31 March 2018

Participants' Takaful Fund				
Ceded money	Available for sale Investment revaluation reserve	Accumulated surplus	Total	
(Rupees in '000)				
Balance as at January 01, 2017	500	-	(7,935)	(7,435)
Changes in fund for the three months period ended 31 March 2017				
Surplus for the period	-	-	13,850	13,850
Balance as at March 31, 2017	500	-	5,915	6,415
Balance as at January 01, 2018	500	-	36,731	37,231
Changes in fund for the three months period ended 31 March 2018				
Surplus for the period	-	-	10,883	10,883
Other comprehensive income				
Unrealised (loss) on available for sale investments	-	(963)	-	(963)
	-	(963)	10,883	9,920
Balance as at March 31, 2018	500	(963)	47,614	47,151

The annexed notes 1 to 29 form an integral part of these financial information.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director



Towfiq H. Chinoy
Chairman

Notes to the Condensed Interim Financial Information (Unaudited)

For the three months period ended 31 March 2018

1. STATUS AND NATURE OF BUSINESS

Jubilee General Insurance Company Limited ("the Operator") is a public limited company incorporated in Pakistan on 16 May 1953. The Operator is listed on Pakistan Stock Exchange and is engaged in general insurance business. The registered office of the Operator is situated at 2nd Floor, Jubilee Insurance House, I. I. Chundrigar Road, Karachi.

The Operator was granted authorisation on 10 March 2015 under Rule 6 of the Takaful Rules, 2012 to undertake Window Takaful Operations ("the operations") by Securities and Exchange Commission of Pakistan ("SECP") under Takaful Rules, 2012 to carry on General takaful operations in Pakistan. The Waqf deed was executed on 30 April 2015 and the Operator commenced activities of the operations on 7 May 2015.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

- 2.1** These condensed interim financial information of the Window Takaful Operations (WTO) 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 Act, 2017, Insurance Ordinance 2000, Insurance Rules 2017, Insurance Accounting Regulations, 2017 and Takaful Rules 2012. In case requirements differ, the provisions of or directives under the Companies Act, 2017, Insurance Ordinance 2000, Insurance Accounting Regulations 2017, Insurance Rules 2017 and Takaful Rules 2012 have been followed.
- 2.2** The SECP vide its S.R.O 89(1)/2017 dated 9th February, 2017 has prescribed format of the presentation of annual financial statements for general insurance companies. These condensed interim financial statements have been prepared in accordance with the format prescribed by the SECP.
- 2.3** Total assets, total liabilities and profit / (loss) of the Window Takaful Operations of the Company referred to as the Operator's Fund has been presented in these condensed interim financial information in accordance with the requirements of Circular 25 of 2015 dated 9 July 2015.
- 2.4** The condensed interim financial information do not include all the information required in the full annual financial statements. Accordingly, these condensed interim financial information should be read in conjunction with annual financial statements of the Company for the year ended 31 December 2017.
- 2.5** These condensed interim financial information have been presented in Pakistani Rupees, which is also the functional currency of the Operator.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these interim condensed financial statements are the same as those applied in the preparation of the audited financial statements for the year ended 31 December 2017, except as stated in note 3.1.

3.1 CHANGE IN ACCOUNTING POLICY

3.1.1 Available For Sale Investment

Upto previous year in accordance with repealed SEC (Insurance) Rules 2002, the SECP allowed the insurance Companies to defer the application of International Accounting Standard-39 (IAS-39) "Financial Instruments : Recognition and Measurement" in respect of valuation of available for sale investments. Hence, the available for sale investments subsequent to initial recognition at cost, quoted investments are stated at the lower of cost or market value (market value on an individual investment basis being taken lower as if the fall is other than temporary).

The SECP vide SRO 88 dated 9th February , 2017 has issued Insurance Accounting Regulations 2017 (The Regulation). The Regulation required every insurer to comply, so far as concern recognition and measurement of assets, liabilities, expenses and revenues in accordance with applicable International Financial Reporting Standards (IFRS).

In view of the applicability of the Regulations, the Company has applied IAS-39 and accordingly available for sale investments at balance sheet date are measured at market value. This change has been applied retrospectively in accordance with the requirements of International Accounting Standard-8 "Accounting policies, Changes in Accounting Estimates and Errors" and comparatives have been restated to conform to the changed policy.

Had there been no change in accounting policy, the carrying value of the Operator's available for sale investments would have been lower by Rs. 115 thousands (December 31,2017 higher by Rs. 2,850 thousands), tax liability would have been lower by Rs. 34 thousands (December 31, 2017 higher by Rs. 855 thousands) and Operator's Fund at the period end would have been lower by Rs. 81 thousands (December 31, 2017 higher by Rs.1,995 thousands). The carrying value of PTF's available for sale investments and Participants' fund at period end would have been higher by Rs. 963 thousands (December 31,2017:Nil).

3.1.2 Contribution Income

Upto the previous year, the Company was recognising contribution income and receivable at the time of issuance of takaful policy in accordance with the repealed SEC Insurance Rules, 2002

The SECP vide SRO 88 dated 9th February, 2017 has issued Insurance Accounting Regulations 2017 (The Regulation), which are applicable for preparation of these condensed interim financial information. The Regulation required to recognise contribution receivable under a takaful policy / covernote as written from the date of attachment of risk to the policy / covernote. Hence, the Operator has accounted for covernotes which are effective at the balance sheet date as change in accounting policy.

This change in accounting policy has not been applied retrospectively in accordance with the requirement of International Accounting Standard (IAS- 8) Accounting Policies, Change in Accounting Estimates and Errors" as it is impractical to determine the cumulative effect of the change in accounting policy at the beginning of the prior year. It is also impractical to determine the cumulative effect at the beginning of the current period of applying change in policy to all prior periods, therefore, comparatives figures have not been restated accordingly. Hence effect of these changes are recognised prospectively by including the same in determination of surplus and deficit in the period of the change, that is, during the current and future periods.

Had there been no change in the accounting policy, the Participants' Revenue for the period would have been lower by Rs. 14 thousands while Operator's Profit for the period would have been lower by Rs. 2 thousands and Operator's Fund as at period end would have been lower by Rs.1 thousand.

3.1.3 Changes in the presentation of the financial statements

Following major changes have been made as prescribed by the new Rules and Regulations:

- Changes in sequence of assets / liabilities in the statement of financial position.
- Discontinuation of separate statements of Contributions, Claims, Expenses and Investment Income (PTF & OTF), which are now presented separately on aggregate basis into the notes to the interim condensed financial information (note 18, 19, 21 and 23 & 24).
- Underwriting results in relation to various classes of business which were previously presented on the face of the profit and loss account are now presented in a separate note (note 26).
- Prior year figures have re-classified / rearranged for the purpose of comparison where necessary.

4. ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgments, 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. In preparing these condensed interim financial information, the significant judgments 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 and for the year ended 31 December 2017.

5. TAKAFUL AND FINANCIAL RISK MANAGEMENT

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

6. CONTRIBUTION DEFICIENCY RESERVE

No provision has been made as the unearned contribution reserve for each class of business at period end is adequate to meet the expected future liability after re-takaful from claims and other expenses expected to be increased after the reporting date in respect of policies in force at reporting date.

7. PROPERTY AND EQUIPMENT

7.1 OPERATING ASSETS

7.1.1 Operator's Fund

During the three months period ended 31 March 2018, addition amounting to Rs. 60 thousands (31 March 2017 : Rs. 150 thousands) was made.

8. INVESTMENT IN EQUITY SECURITIES

31 March 2018 (Unaudited)		31 December 2017 (Audited)	
Cost	Carrying Value	Cost	Carrying Value (Restated)

Operator's Fund**Available-for-sale**

Quoted equity securities

38,855	38,970	33,451	30,601
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Participants' Fund**Available-for-sale**

Quoted equity securities

9,512	8,549	-	-
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9. INVESTMENT IN TERM DEPOSITS - PTF

Term deposits maturing within 12 months

31 March 2018 (Unaudited)	31 December 2017 (Audited)
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(Rupees in '000)

10,000	20,000
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10. LOANS AND OTHER RECEIVABLES - Considered good

31 March 2018 (Unaudited)			31 December 2017 (Audited)
Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate

(Rupees in '000)

Accrued investment income	1,064	750	1,814	1,344
Advance to suppliers	21	-	21	21
Sales tax recoverable	300	1,333	1,633	1,187
Medical claims recoverable	-	363	363	1,438
Other receivable	1,473	667	2,140	895
	<u>2,858</u>	<u>3,113</u>	<u>5,971</u>	<u>4,885</u>

11. TAKAFUL / RE-TAKAFUL RECEIVABLES - PTFDue from Takaful contract holders
Due from other Takaful / Re-takaful operators

31 March 2018 (Unaudited)	31 December 2017 (Audited)
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(Rupees in '000)

177,077	92,531
3,576	2,333
<u>180,653</u>	<u>94,864</u>

12. PREPAYMENTS - PTF

Prepaid re-takaful contribution ceded

45,859	38,924
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13. CASH & BANK

Note

31 March 2018 (Unaudited)			31 December 2017 (Audited)
Operator's Fund	Participants' Takaful Fund	Aggregate	Aggregate

(Rupees in '000)

Cash and Cash Equivalents Policy, Revenue stamps & Bond papers	-	54	54	253
Cash at bank	-	4,881	4,881	17,115
- Current accounts	156,819	276,861	433,680	394,886
- Savings accounts	156,819	281,742	438,561	412,001
	<u>156,819</u>	<u>281,796</u>	<u>438,615</u>	<u>412,254</u>

13.1 & 13.2

13.1 Cash and bank balances of Operator's Fund include Rs. 131,797 thousands (2017: Rs. 148,538 thousands) held with a related party.

13.2 Cash and bank balances of Participants' Takaful Fund include Rs. 47,090 thousands (2017: Rs. 67,019 thousands) held with a related party.

14. TAKAFUL / re-takaful operators

31 March
2018
(Unaudited)
31 December
2017
(Audited)
(Rupees in '000)

Due to other takaful / re-takaful operators

41,965 43,036

15. OTHER CREDITORS AND ACCRUALS

	31 March 2018 (Unaudited)		31 December 2017 (Audited)	
	Operator's Fund	Participants' Fund	Aggregate	Aggregate
	(Rupees in '000)			
Commissions payable	28,113	-	28,113	23,495
Federal excise duty	-	6,567	6,567	5,331
Federal insurance fee	-	601	601	401
Accrued expenses	2,272	-	2,272	1,742
Contribution payable	-	1,896	1,896	1,695
Other tax payables	67	1,928	1,995	1,617
Charity payable	-	-	-	1
Miscellaneous	1,769	615	2,384	779
	<u>32,221</u>	<u>11,607</u>	<u>43,828</u>	<u>35,061</u>

16. CONTINGENCY AND COMMITMENT

There is no contingency and commitment as at 31 March 2018 (31 December 2017: Nil).

17. NET TAKAFUL CONTRIBUTION

Note	Three months period ended 31 March (Unaudited)	
	2018	2017
	(Rupees in '000)	
Written Gross Contribution	246,045	158,928
Wakala Fee	(71,375)	(46,218)
Written Net Contribution	174,670	112,710
Add: Unearned contribution reserve - opening	200,250	156,473
Less: Unearned contribution reserve - closing	(250,055)	(180,243)
Contribution earned	124,865	88,940
Re-takaful contribution ceded	30,942	16,733
Add: Prepaid re-takaful contribution - opening	38,924	44,014
Less: Prepaid re-takaful contribution - closing	(45,859)	(37,558)
Re-takaful expense	24,007	23,189
	<u>100,858</u>	<u>65,751</u>

18. NET TAKAFUL CLAIMS EXPENSE

Claim Paid	70,436	47,290
Add: Outstanding claims including IBNR - opening	(94,875)	(46,377)
Less: Outstanding claims including IBNR - closing	116,489	65,382
Claims expense	92,050	66,295
Re-takaful and other recoveries received	426	1,069
Less: Re-takaful and other recoveries against outstanding claims - opening	(13,020)	(250)
Add: Re-takaful and other recoveries against outstanding claims - closing	11,688	2,615
Re-takaful and other recoveries revenue	(906)	3,434
	<u>92,956</u>	<u>62,861</u>

19. REBATE ON RE-TAKAFUL

Re-takaful rebate received or recoverable	58	(226)
Add: Unearned re-takaful rebate - opening	621	1,982
Less: Unearned re-takaful rebate - closing	(474)	(1,039)
	<u>205</u>	<u>717</u>

Three months period
ended 31 March
(Unaudited)**20. WAKALA FEE INCOME**

Note

2018 **2017**

(Rupees in '000)

Gross Wakala fee		71,375	46,218
Add: Unearned Wakala fee income - opening		85,399	64,036
Less: Unearned Wakala fee income - closing		(105,236)	(74,826)
		<u>51,538</u>	<u>35,428</u>

21. COMMISSION EXPENSE / ACQUISITION COST

Commission paid or payable		23,492	15,774
Add: Deferred commission expense - opening		28,085	22,348
Less: Deferred commission expense - closing		(34,258)	(26,280)
		<u>17,319</u>	<u>11,842</u>

22. INVESTMENT INCOME - PTF

Profit on term deposits		<u>161</u>	<u>203</u>
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23. INVESTMENT INCOME - OTF**Income from equity securities****Available for sale investments**

- Dividend income		563	128
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Profit on term deposits

- 134

Net realised gains / (losses) on investments**Available for sale**

Realised gain on sale of equity securities		786	496
Realised loss on sale of equity securities		(658)	-
		<u>128</u>	<u>496</u>
		<u>691</u>	<u>758</u>

24. OTHER INCOME - OTF

Profit on bank balances	24.1	1,418	1,110
Mudarib's share of PTF investment income		735	318
		<u>2,153</u>	<u>1,428</u>

24.1 This includes Rs. 1,367 thousands (31 March 2017 Rs.1,110 thousands) profit on bank balances held with a related party.

25. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise the Operator, associated companies, companies under common control, companies with common directors, major shareholders, employees' retirement benefit plans, directors and key management personnel of the Operator. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. The transactions and balances with related parties / associated companies, other than those which have been disclosed elsewhere in the condensed interim financial information, are as follows:

	Note	Three months period ended 31 March (Unaudited)	
		2018	2017
		(Rupees in '000)	
Contribution written (including government levies, administrative surcharge and policy stamps)		-	25
Contribution received		-	25
Rent	25.1	457	420
Reimbursement of expenses	25.2	3,972	1,648
Remuneration of key management personnel		2,229	1,694
Contributions to provident fund		179	127
Profit on bank balances - PTF		930	1,103

25.1 This represents rent paid to the operator.

25.2 These expenses pertain to Accident and Health business Common Back Office operations jointly shared with Jubilee Life Insurance Company Limited, an associated company and allocation of personnel expenses of the employees who invested their efforts in takaful business, by the operator.

26 SEGMENT INFORMATION

Segment information prepared in accordance with the requirement of Insurance Ordinance, 2000 and Insurance Rules, 2017 for class of business wise revenues, results, assets and liabilities.

The class wise revenue and result are as follows:

Three months period ended 31 March 2018 (Unaudited)						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Contribution receivable (inclusive of FED, FIF and Administrative surcharge)	34,014	17,569	158,983	50,402	15,961	276,929
Less: Federal Excise duty	4,154	1,728	19,016	-	1,870	26,768
Federal Insurance Fee	296	149	1,375	499	139	2,458
Others	11	754	867	18	8	1,658
	<u>29,553</u>	<u>14,938</u>	<u>137,725</u>	<u>49,885</u>	<u>13,944</u>	<u>246,045</u>
Gross written contribution (inclusive of Administrative surcharge)	29,249	14,414	133,997	49,885	13,813	241,358
Gross direct contribution	304	524	3,728	-	131	4,687
Administrative surcharge	<u>29,553</u>	<u>14,938</u>	<u>137,725</u>	<u>49,885</u>	<u>13,944</u>	<u>246,045</u>
Participants' Fund - revenue account						
Takaful contribution earned	16,485	8,903	69,460	22,055	7,961	124,864
Takaful contribution ceded to re-takaful operators	(10,855)	(5,748)	(3,321)	-	(4,082)	(24,006)
Net takaful contribution	5,630	3,155	66,139	22,055	3,879	100,858
Re-takaful Rebate	179	-	2	-	24	205
Net revenue	<u>5,809</u>	<u>3,155</u>	<u>66,141</u>	<u>22,055</u>	<u>3,903</u>	<u>101,063</u>
Takaful claims	(21,628)	(446)	(46,305)	(28,371)	4,699	(92,051)
Takaful claims recovered from re-takaful operators	1,000	-	(1,174)	-	(731)	(905)
Net claims	(20,628)	(446)	(47,479)	(28,371)	3,968	(92,956)
Direct Expenses	-	-	(166)	-	-	(166)
(Deficit) / Surplus before investment income	<u>(14,819)</u>	<u>2,709</u>	<u>18,496</u>	<u>(6,316)</u>	<u>7,871</u>	<u>7,941</u>
Investment income						161
Profit on bank balances						3,516
Mudarib fee						(735)
Surplus for the period						<u>10,883</u>
Operator's Fund - revenue account						
Wakala fee income	8,292	4,781	28,106	7,352	3,007	51,538
Commission and other acquisition costs	(3,806)	(2,311)	(8,690)	(1,596)	(916)	(17,319)
Management expenses	(2,612)	(1,507)	(8,855)	(2,316)	(947)	(16,237)
	<u>1,874</u>	<u>963</u>	<u>10,561</u>	<u>3,440</u>	<u>1,144</u>	<u>17,987</u>
Investment income						691
Other income						2,153
Other expenses						(750)
Profit before tax						<u>20,076</u>

Three months period ended 31 March 2017 (Unaudited)						
Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total	
(Rupees in '000)						
Contribution receivable (inclusive of FED, FIF and Administrative surcharge)	29,850	9,208	95,460	34,748	9,359	178,625
Less: Federal Excise duty	3,660	1,061	11,427	-	1,127	17,275
Federal Insurance Fee	259	77	829	344	82	1,591
Others	16	409	391	10	5	831
	<u>25,915</u>	<u>7,661</u>	<u>82,813</u>	<u>34,394</u>	<u>8,145</u>	<u>158,928</u>
Gross written contribution (inclusive of Administrative surcharge)	25,633	7,309	79,966	34,394	8,024	155,326
Gross direct contribution	282	352	2,847	-	121	3,602
Administrative surcharge	<u>25,915</u>	<u>7,661</u>	<u>82,813</u>	<u>34,394</u>	<u>8,145</u>	<u>158,928</u>
Participants' Fund - revenue account						
Takaful contribution earned	11,034	4,401	41,800	24,940	6,765	88,940
Takaful contribution ceded to re-takaful operators	(12,915)	(2,853)	(1,724)	-	(5,697)	(23,189)
Net takaful contribution	(1,881)	1,548	40,076	24,940	1,068	65,751
Reversal of Contribution deficiency expense	8,763	274	-	-	-	9,037
Re-takaful Rebate	323	-	16	-	378	717
Net revenue	<u>7,205</u>	<u>1,822</u>	<u>40,092</u>	<u>24,940</u>	<u>1,446</u>	<u>75,505</u>
Takaful claims	(4,767)	1,246	(37,237)	(24,779)	(758)	(66,295)
Takaful claims recovered from re-takaful operators	-	-	3,434	-	-	3,434
Net claims	(4,767)	1,246	(33,803)	(24,779)	(758)	(62,861)
Direct Expenses	-	-	(67)	-	-	(67)
Surplus before investment income	<u>2,438</u>	<u>3,068</u>	<u>6,222</u>	<u>161</u>	<u>688</u>	<u>12,577</u>
Investment income						203
Profit on bank balances						1,388
Mudarib fee						(318)
Surplus for the period						<u>13,850</u>
Operator's Fund - revenue account						
Wakala fee income	5,502	2,343	16,723	8,313	2,547	35,428
Commission and other acquisition costs	(2,296)	(1,040)	(5,594)	(2,111)	(801)	(11,842)
Management expenses	(2,034)	(866)	(6,183)	(3,074)	(942)	(13,099)
	<u>1,172</u>	<u>437</u>	<u>4,946</u>	<u>3,128</u>	<u>804</u>	<u>10,487</u>
Investment income						758
Other income						1,428
Other expenses						(648)
Profit before tax						<u>12,025</u>

The classwise assets and liabilities are as follows:

31 March 2018 (Unaudited)

	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
	(Rupees in '000)					
Segment assets	47,340	15,867	116,374	32,272	26,710	238,563
Unallocated assets						
Participants' Takaful Fund						303,095
Operator's Fund						315,786
Consolidated total assets						857,444
Segment liabilities	74,148	19,617	278,990	88,857	32,895	494,507
Unallocated liabilities - Operator's Fund						158,800
Consolidated total liabilities						653,307

31 December 2017 (Audited) (Restated)

	Fire and property damage	Marine, aviation and transport	Motor	Accident and health	Miscellaneous	Total
	(Rupees in '000)					
Segment assets	33,013	8,695	62,043	24,774	19,721	148,246
Unallocated assets						
Participants' Takaful Fund						285,733
Operator's Fund						266,591
Consolidated total assets						700,570
Segment liabilities	47,176	16,551	221,911	76,220	34,890	396,748
Unallocated liabilities - Operator's Fund						125,648
Consolidated total liabilities						522,396

27. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

31 March 2018 (Unaudited)

	Carrying amount				Fair value			
	Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Total
(Rupees in '000)								
Financial assets measured at fair value								
Investments in equity securities	47,519	-	-	-	47,519	47,519	-	47,519
Financial assets not measured at fair value								
Cash and bank*	-	-	438,615	-	438,615	-	-	-
Investments in term deposits*	-	10,000	-	-	10,000	-	-	-
Takaful / Re-takaful receivables*	-	-	180,653	-	180,653	-	-	-
Wakala and mudarib fee receivable*	-	-	71,375	-	71,375	-	-	-
Loans and receivables*	-	-	4,338	-	4,338	-	-	-
Salvage recoveries accrued*	-	-	6,900	-	6,900	-	-	-
Re-takaful recoveries against outstanding claims*	-	-	4,788	-	4,788	-	-	-
Financial liabilities not measured at fair value								
Provision for outstanding claims (including IBNR)*	-	-	-	(116,489)	(116,489)	-	-	-
Takaful / Re-takaful payables*	-	-	-	(41,965)	(41,965)	-	-	-
Wakala and mudarib fee payable*	-	-	-	(71,375)	(71,375)	-	-	-
Other creditors and accruals*	-	-	-	(33,998)	(33,998)	-	-	-
	<u>47,519</u>	<u>10,000</u>	<u>706,669</u>	<u>(263,827)</u>	<u>500,361</u>	<u>47,519</u>	<u>-</u>	<u>47,519</u>

31 December 2017 (Audited) (Restated)

	Carrying amount				Fair value			
	Available-for-sale	Held to maturity	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Total
(Rupees in '000)								
Financial assets measured at fair value								
Investments in equity securities	30,601	-	-	-	30,601	30,601	-	30,601
Financial assets not measured at fair value								
Cash and bank*	-	-	412,254	-	412,254	-	-	-
Investments in term deposits*	-	20,000	-	-	20,000	-	-	-
Takaful / Re-takaful receivables*	-	-	94,864	-	94,864	-	-	-
Wakala and mudarib fee receivable*	-	-	45,694	-	45,694	-	-	-
Loans and receivables*	-	-	3,124	-	3,124	-	-	-
Salvage recoveries accrued*	-	-	8,500	-	8,500	-	-	-
Re-takaful recoveries against outstanding claims*	-	-	4,520	-	4,520	-	-	-
Financial liabilities not measured at fair value								
Provision for outstanding claims (including IBNR)*	-	-	-	(94,875)	(94,875)	-	-	-
Takaful / Re-takaful payables*	-	-	-	(43,036)	(43,036)	-	-	-
Wakala and mudarib fee payable*	-	-	-	(45,694)	(45,694)	-	-	-
Other creditors and accruals*	-	-	-	(27,410)	(27,410)	-	-	-
	<u>30,601</u>	<u>20,000</u>	<u>568,956</u>	<u>(211,015)</u>	<u>408,542</u>	<u>30,601</u>	<u>-</u>	<u>30,601</u>

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

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

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

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

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

28. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial information have been authorised for issue in accordance with a resolution of the Board of Directors on 24 April 2018.

29. GENERAL

All figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.



Tahir Ahmed
Chief Executive



Aryn Currimbhoy
Director



Nawaid Jamal
Chief Financial Officer



Akbarali Pesnani
Director











Towfiq H. Chinoy
Chairman









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