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Company Information

Board of Directors

Chairman : Rafiq M. Habib

Directors : Ali Raza D. Habib *Executive Vice Chairman*
Abbas D. Habib
Mansoor G. Habib
Mohamedali R. Habib
Aun Mohammad A. Habib
Ali Fadoo

Chief Executive Officer : Shabbir Gulamali

**Chief Financial Officer
& Company Secretary** : Murtaza Hussain

Auditors : EY Ford Rhodes
Chartered Accountants

Share Registrar : M/s. Central Depository Company of Pakistan Limited
CDC House, 99-B, Block-B,
SMCHS, Main Shahrah-e-Faisal,
Karachi-74400

Registered Office : 1st Floor, State Life Bldg. No. 6,
Habib Square, M. A. Jinnah Road,
P.O. Box 5217, Karachi-74000,
Pakistan
Tel : (92-21) 32424030/38/39
Fax : (92-21) 32421600
UAN : (92-21) 111 03 03 03
Website: www.habibinsurance.net

DIRECTORS' REVIEW

The Shareholders,

The Directors are pleased to present the unaudited accounts of the Company for the period ended March 31, 2017.

During the first three months of the year, the gross premium underwritten was Rs. 342.3 million, an increase of 4.5% over last year. However, the underwriting results reduced from Rs. 21.8 million to Rs. 4.8 million due to higher claims recorded in the period and a substantial increase in amount placed in reserve, the benefit of which will accrue in subsequent period.

The Investment Income for the period under review was Rs. 57.3 million as compared to Rs. 51.6 million of last year primarily due to rise in capital gains. Dividend income has been consistent for the year till now. However because of imposition of increased taxation both on dividend income and capital gains, the profits have been affected.

As a result the profit after tax reduced to Rs. 30.9 million from Rs. 49.5 million, an earnings of Rs. 0.25 per share.

The remaining months are of importance and we pray to Allah for a successful year with hopefully improvement in the underwriting results with continuing stable investment income.

On behalf of the Board of Directors

Karachi: April 28, 2017

ALI RAZA D. HABIB
Executive Vice Chairman

ڈائریکٹرز کا جائزہ

معزز شیئر ہولڈرز

ڈائریکٹرز بمسرت ۳۱ مارچ ۲۰۱۷ء کو ختم ہونے والی مدت کے لئے کمپنی کے غیر آڈٹ شدہ حسابات پیش کر رہے ہیں۔

سال کے پہلے ۳ ماہ کے دوران مجموعی پریئم 342.3 ملین روپے رہا اور گزشتہ سال کے مقابلے میں 4.5 فیصد اضافہ ہوا۔ جبکہ زیر تحریر نتائج 21.8 ملین روپے سے کم ہو کر 4.8 ملین روپے رہ گئے جس کی وجہ اس مدت کے دوران بڑی تعداد میں کلیئر موصول ہوئے اور ریزرو میں رکھی گئی رقم میں مناسب اضافہ ہے جس کا فائدہ باقی ماندہ مدت میں حاصل ہوگا۔

زیر جائزہ مدت کیلئے سرمایہ کاری کی آمدنی 57.3 ملین روپے رہا جبکہ اس کے مقابلے میں گزشتہ سال یہ رقم ابتدائی طور پر 51.6 ملین روپے تھی جس کی وجہ کیپٹل گین میں اضافہ تھا۔ منافع منقسمہ کی آمدنی سال کے لئے اب تک متواتر جاری ہے تاہم منافع منقسمہ کی آمدنی اور کیپٹل گین دونوں پر اضافہ شدہ ٹیکسیشن لاگو کرنے کے باعث منافع جات قائم ہو رہے ہیں۔

منافع بعد از ٹیکس 49.5 ملین روپے سے کم ہو کر 30.9 ملین روپے رہ جانے کے نتیجے میں 0.25 روپے فی شیئر کی آمدنی حاصل ہوئی۔

آنے والے دیگر مہینے اہمیت کے حامل ہیں اور ہم اللہ تعالیٰ کے حضور ایک کامیاب سال کیلئے دعا گو ہیں اور اس کے ساتھ مستقل طور پر مستحکم سرمایہ کار آمدنی کے ساتھ انڈر رائٹنگ نتائج میں بہتری کی امید رکھتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

علی رضا ڈی۔ حبیب

ایگزیکٹو و آس چیئرمین

کراچی: ۲۸ اپریل ۲۰۱۷ء

Condensed Interim Balance Sheet as at March 31, 2017 (Unaudited)

	Note	Unaudited March 31, 2017 (Rupees in '000)	Audited December 31, 2016 (Rupees in '000)		Note	Unaudited March 31, 2017 (Rupees in '000)	Audited December 31, 2016 (Rupees in '000)
Share Capital and Reserves				Cash and Bank Deposits			
Authorised share capital 130,000,000 (December 31, 2016: 130,000,000) ordinary shares Rs. 5 each		650,000	650,000	Cash and other equivalents		1,904	468
				Current and other accounts		64,495	147,548
Paid-up share capital		619,374	619,374			66,399	148,016
Retained earnings		247,026	216,152	Loans to employees			
Reserves		264,122	264,122	Secured and considered good		49,057	48,344
Total Equity		1,130,522	1,099,648	Investments	9	822,370	801,506
Underwriting Provisions				Deferred Taxation		20,065	19,824
Provision for outstanding claims (including IBNR)		554,513	599,060	Current Assets - others			
Provision for premium deficiency		20,344	20,344	Premiums due but unpaid - unsecured		501,331	425,588
Provision for unearned premium		584,304	601,796	Amounts due from other insurers/ reinsurers		338,498	297,928
Commission income unearned		76,944	86,034	Accrued investment income		11,317	2,970
				Reinsurance recoveries against outstanding claims		463,913	511,525
Total underwriting provisions		1,236,105	1,307,234	Salvage recoveries outstanding		3,865	19,251
Deferred Liability				Deferred commission expense		44,266	51,234
Staff retirement benefits		86,186	83,083	Advance, deposits and prepayments		352,690	381,322
Creditors and Accruals				Sundry receivables	10	24,272	26,735
Amounts due to other insurers/ reinsurers	6	85,771	66,370			1,740,152	1,716,553
Accrued expenses		15,414	16,804	Fixed Assets	11		
Taxation – provision less payments		53,969	50,915	Tangible and intangible			
Other creditors and accruals	7	67,819	86,684	Furniture, fixtures and office equipment		12,230	12,602
		222,973	220,773	Computer and related equipment		1,734	1,976
Other Liabilities				Motor vehicles		6,530	6,831
Unclaimed dividends		49,135	49,140	Computer software		6,384	4,226
Total Liabilities		1,594,399	1,660,230			26,878	25,635
TOTAL EQUITY AND LIABILITIES		2,724,921	2,759,878	TOTAL ASSETS		2,724,921	2,759,878
CONTINGENCIES AND COMMITMENTS	8						

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

ABBAS D. HABIB
Director

ALI RAZA D. HABIB
Executive Vice Chairman

MANSOOR G. HABIB
Director

SHABBIR GULAMALI
Chief Executive Officer

Condensed Interim Profit and Loss Account for the quarter ended March 31, 2017 (Unaudited)

(Rupees in '000)

	Quarter ended March 31,					2017 Aggregate	2016 Aggregate
	Note	Fire and Property	Marine and Transport	Motor	Group Hospitalisation		
Revenue Account							
Net premium revenue		17,023	35,657	52,834	29,523	16,015	151,052
Net claims		(7,495)	(12,998)	(35,162)	(32,302)	(15,282)	(103,239)
Expenses		(21,195)	(11,438)	(13,183)	(14,997)	(2,297)	(63,110)
Net commission		12,514	2,989	2,067	3,297	(718)	20,149
Underwriting result		847	14,210	6,556	(14,479)	(2,282)	4,852
Net investment income							57,349
Other income							1,847
General and administration expenses							(19,303)
							39,893
Profit before tax							44,745
Provision for taxation - Current							(14,112)
- Deferred							241
							(13,871)
Profit after tax							30,874
Other comprehensive income - net of tax							-
Total comprehensive income							30,874
Profit and loss appropriation account							
Balance at commencement of the year							216,152
Profit after tax for the period							30,874
Balance of unappropriated profit at end of the period							247,026
Earnings per share of Rs. 5/- each	13						0.25
							Rupees
							0.40

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

ABBAS D. HABIB
Director

ALI RAZA D. HABIB
Executive Vice Chairman

MANSOOR G. HABIB
Director

SHABBIR GULAMALI
Chief Executive Officer



**Condensed Interim Statement of Comprehensive Income
for the quarter ended March 31, 2017 (Unaudited)**

	<u>Quarter ended March 31,</u>	
	2017	2016
	(Rupees in '000)	
Net profit for the period	30,874	49,483
Other comprehensive income		
Actuarial loss on employee benefit obligation	-	-
Total comprehensive income for the period	<u>30,874</u>	<u>49,483</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

ABBAS D. HABIB
Director

ALI RAZA D. HABIB
Executive Vice Chairman

MANSOOR G. HABIB
Director

SHABBIR GULAMALI
Chief Executive Officer

Condensed Interim Statement of Cash Flows for the quarter ended March 31, 2017 (Unaudited)

	March 31, 2017 (Rupees in '000)	March 31, 2016 (Rupees in '000)	March 31, 2017 (Rupees in '000)	March 31, 2016 (Rupees in '000)
Operating activities				
a) Underwriting activities				
Premiums received	225,999	291,098		
Reinsurance premiums paid	(145,564)	(181,666)		
Claims paid	(209,836)	(140,781)		
Reinsurance and other recoveries	125,048	91,054		
Commissions paid	(32,601)	(31,545)		
Commissions received	42,657	46,117		
Net cash inflow from underwriting activities	5,703	74,277		
b) Other operating activities				
Income tax paid	(11,059)	(5,182)		
General management expenses paid	(90,959)	(80,310)		
Other operating (payments)/ receipts	(11,974)	4,278		
Loans advanced	(6,805)	(4,920)		
Loans repayments received	5,887	3,949		
Net cash outflow from other operating activities	(114,910)	(82,185)		
Total cash outflow from all operating activities	(109,207)	(7,908)		
Investment activities				
Profit/ return received	4,369	4,581		
Dividends received	31,438	15,556		
Payments for investments	(87,695)	(347,425)		
Proceeds from disposal of investments	82,925	327,823		
Fixed capital expenditure	(3,516)	(853)		
Proceeds from disposal of fixed assets	74	18		
Total cash inflow/ (outflow) from investing activities	27,595	(300)		
Financing activities				
Dividends paid	(5)	(934)		
Total cash outflow from financing activities	(5)	(934)		
Net cash outflow from all activities	(81,617)	(9,142)		
Cash and cash equivalent at beginning of the year	148,016	136,364		
Cash and cash equivalent at end of the period	66,399	127,222		
Reconciliation to Profit and Loss Account				
Operating cash flows			(109,207)	(7,908)
Depreciation expense			(1,991)	(1,610)
Profit on disposal of fixed assets			(208)	(22)
Decrease/ (Increase) in assets other than cash			24,302	(82,625)
Increase in liabilities			71,992	117,621
			(15,112)	25,456
Other adjustments				
Income tax paid			11,059	5,182
Provision for gratuity			(3,104)	(2,298)
Gratuity paid			-	29
Profit/ Return received			4,369	4,581
Dividends received			31,438	15,556
Capital gain			16,095	8,211
Provision for taxation			(13,871)	(7,234)
			45,986	24,027
Profit after taxation			30,874	49,483
Definition of cash				
Cash comprises of cash in hand, policy stamps, bank balances which are readily convertible to cash in hand and are used in the cash management function on a day-to-day basis.				
Cash for the purpose of the Statement of Cash Flows consists of:				
Cash and other equivalents				
Cash in hand			340	313
Stamps in hand			1,564	47
			1,904	360
Current and other accounts				
Current accounts			2,069	5,565
PLS accounts			62,426	121,297
			64,495	126,862
			66,399	127,222

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

ABBAS D. HABIB
Director

ALI RAZA D. HABIB
Executive Vice Chairman

MANSOOR G. HABIB
Director

SHABBIR GULAMALI
Chief Executive Officer

**Condensed Interim Statement of Changes in Equity for
the quarter ended March 31, 2017 (Unaudited)**

	Share Capital	Capital Reserves	Revenue Reserves		Total
	Issued, subscribed and paid-up	Reserve for exceptional losses	General reserve	Retained earnings	
	(Rupees in '000)				
Balance as at January 1, 2016	619,374	9,122	255,000	250,712	1,134,208
Total comprehensive income for the period					
Profit for the quarter ended March 31, 2016	-	-	-	49,483	49,483
Other comprehensive income - net of tax	-	-	-	-	-
	-	-	-	49,483	49,483
Balance as at March 31, 2016	619,374	9,122	255,000	300,195	1,183,691
Balance as at January 1, 2017	619,374	9,122	255,000	216,152	1,099,648
Total comprehensive income for the period					
Profit for the quarter ended March 31, 2017	-	-	-	30,874	30,874
Other comprehensive income - net of tax	-	-	-	-	-
	-	-	-	30,874	30,874
Balance as at March 31, 2017	619,374	9,122	255,000	247,026	1,130,522

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements

ABBAS D. HABIB
Director

ALI RAZA D. HABIB
Executive Vice Chairman

MANSOOR G. HABIB
Director

SHABBIR GULAMALI
Chief Executive Officer

Condensed Interim Statement of Premiums for the quarter ended March 31, 2017 (Unaudited)

(Rupees in '000)										
Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2017	2016
		Opening	Closing			Opening	Closing		Net premium revenue	Net premium revenue
Business underwritten inside Pakistan										
Direct and facultative										
1. Fire and Property	114,961	259,722	240,387	134,296	97,858	227,890	208,475	117,273	17,023	27,229
2. Marine and Transport	62,038	36,048	27,477	70,609	29,231	17,344	11,623	34,952	35,657	32,843
3. Motor	71,506	161,142	160,041	72,607	31,111	38,145	49,483	19,773	52,834	39,186
4. Group Hospitalisation	81,343	72,079	103,289	50,133	679	37,196	17,265	20,610	29,523	17,676
5. Other Classes	12,457	72,805	53,110	32,152	6,086	38,497	28,446	16,137	16,015	9,588
Total	342,305	601,796	584,304	359,797	164,965	359,072	315,292	208,745	151,052	126,522

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

ABBAS D. HABIB
Director

ALI RAZA D. HABIB
Executive Vice Chairman

MANSOOR G. HABIB
Director

SHABBIR GULAMALI
Chief Executive Officer

Condensed Interim Statement of Claims for the quarter ended March 31, 2017 (Unaudited)

(Rupees in '000)

Business underwritten inside Pakistan

Class	Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	2017 Net claims expense	2016 Net claims expense
		Opening	Closing			Opening	Closing			
Direct and facultative										
1. Fire and Property	50,605	385,514	371,263	36,354	45,030	374,324	358,153	28,859	7,495	3,990
2. Marine and Transport	26,248	25,436	24,175	24,987	21,619	23,219	13,589	11,989	12,998	20,026
3. Motor	47,486	47,218	42,621	42,889	14,606	17,469	10,590	7,727	35,162	25,418
4. Group Hospitalisation	61,521	32,925	8,954	37,550	28,047	24,551	1,752	5,248	32,302	8,588
5. Other Classes	23,976	107,967	107,500	23,509	15,746	91,213	83,694	8,227	15,282	4,063
Grand Total	209,836	599,060	554,513	165,289	125,048	530,776	467,778	62,050	103,239	62,085

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

ABBAS D. HABIB
Director

ALI RAZA D. HABIB
Executive Vice Chairman

MANSOOR G. HABIB
Director

SHABBIR GULAMALI
Chief Executive Officer

Condensed Interim Statement of Expenses for the quarter ended March 31, 2017 (Unaudited)

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	*Commissions from reinsurers	(Rupees in '000)	
		Opening	Closing					2017 Net underwriting expense	2016 Net underwriting expense
		Business underwritten inside Pakistan							
Direct and facultative									
1. Fire and Property	13,982	32,984	30,373	16,593	21,195	37,788	29,107	8,681	16,020
2. Marine and Transport	7,460	4,448	3,419	8,489	11,438	19,927	11,478	8,449	7,021
3. Motor	2,090	5,875	5,200	2,765	13,183	15,948	4,832	11,116	9,982
4. Group Hospitalisation	159	1,868	1,202	825	14,997	15,822	4,122	11,700	7,645
5. Other Classes	939	6,059	4,072	2,926	2,297	5,223	2,208	3,015	1,970
Grand Total	<u>24,630</u>	<u>51,234</u>	<u>44,266</u>	<u>31,598</u>	<u>63,110</u>	<u>94,708</u>	<u>51,747</u>	<u>42,961</u>	<u>42,638</u>

*Commission from reinsurers is arrived at after taking the impact of the opening and closing balances of unearned commission.

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

ABBAS D. HABIB
Director

ALI RAZA D. HABIB
Executive Vice Chairman

MANSOOR G. HABIB
Director

SHABBIR GULAMALI
Chief Executive Officer



**Condensed Interim Statement of Investment Income
for the quarter ended March 31, 2017 (Unaudited)**

	<u>Quarter ended March 31,</u>	
	<u>2017</u>	<u>2016</u>
	(Rupees in '000)	
Income from Non-Trading Investments		
Held-to-maturity		
Return on Government Securities	1,555	2,123
Available-for-sale		
Dividend income		
– Related parties	39,139	36,322
– Others	2,051	6,650
Gain on sale of available-for-sale investments	16,095	8,211
Investment related expenses	(1,491)	(1,701)
Net investment income	<u>57,349</u>	<u>51,605</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial information.

ABBAS D. HABIB
Director

ALI RAZA D. HABIB
Executive Vice Chairman

MANSOOR G. HABIB
Director

SHABBIR GULAMALI
Chief Executive Officer

Notes to the Condensed Interim Financial Statements for the quarter ended March 31, 2017 (Unaudited)

1. STATUS AND NATURE OF BUSINESS

Habib Insurance Company Limited (the Company) was incorporated as a Public Limited Company in the year 1942 under the Companies Act, 1913 (now the Companies Ordinance, 1984). The registered office of the Company is situated at Habib Square, M.A. Jinnah Road, Karachi and the shares of the Company are quoted on the Pakistan Stock Exchange Limited. The Company is engaged in general insurance business.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the quarter ended March 31, 2017 are unaudited and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, Insurance Ordinance, 2000, and SEC (Insurance) Rules, 2002. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984, Insurance Ordinance, 2000, and SEC (Insurance) Rules, 2002, have been followed.

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

3. BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under historical cost convention except for certain investments which are stated at their fair values.

4. ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial statements 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 expenses. Actual results may differ from these estimates.

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 annual financial statements as at and for the year ended December 31, 2016.

5. SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and methods of computation adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the annual financial statements of the Company for the year ended December 31, 2016. The Company's financial and insurance risk management objectives and policies are consistent with those that were disclosed in the annual financial statements of the Company as at and for the year ended December 31, 2016.

	Unaudited March 31, 2017	Audited December 31, 2016
	(Rupees in '000)	
6. AMOUNT DUE TO OTHER INSURERS/ REINSURERS		
Foreign reinsurers	42,107	28,902
Local reinsurers	23,976	30,974
Co-insurers	19,688	6,494
	85,771	66,370
7. OTHER CREDITORS AND ACCRUALS		
Federal excise duty	16,744	19,943
Federal insurance fee	1,227	1,466
Withholding tax payable	1,601	1,561
Agents commission payable	28,360	36,331
Sundry creditors	19,887	27,383
	67,819	86,684
8. CONTINGENCIES AND COMMITMENTS		
8.1 CONTINGENCIES		
There are no contingencies outstanding at the period end other than those reported in note 22.2 of the Accounts for the year ended December 31, 2016.		
8.2 COMMITMENTS		
There are no commitments outstanding at the period end.		
9. INVESTMENTS		
Held-to-maturity		
Government securities (deposited with SBP)		
Pakistan Investment Bonds	9.1 69,631	54,263
Available-for-sale	9.2	
Units of open end mutual funds - quoted	349	349
Modaraba Certificates - quoted	14,840	14,840
Ordinary shares of quoted/ unquoted companies	261,912	253,890
Ordinary shares of quoted companies/ units of open end mutual funds (related parties)	475,638	478,164
	752,739	747,243
	822,370	801,506

9.1 This represents Pakistan Investment Bonds having face value of Rs.68.50 million [December 31, 2016: face value Rs.53.5 million (market value of Rs.61.79 million)]. These carry mark-up ranging from 8.75% to 12.00% (December 31, 2016: 8.75% to 12%) per annum and will mature between July 18, 2016 to July 19, 2022. These have been deposited with the State Bank of Pakistan (SBP) as statutory deposit in accordance with the requirements of circular no. 15 of 2008 dated July 07, 2008 issued by the Securities and Exchange Commission of Pakistan.

9.2 The aggregate market value of the above investments is Rs.1,680.227 million (December 31, 2016: Rs.1,671.521 million).

	Unaudited March 31, 2016	Audited December 31, 2015
	(Rupees in '000)	
10. SUNDRY RECEIVABLES		
FED receivables	164	–
Sales tax recoverable	9,725	8,286
Other receivables	442	4,709
Current portion of loans to employees	13,941	13,740
	24,272	26,735
	24,272	26,735
11. FIXED ASSETS		
Opening written down value	25,635	24,429
Add: Additions during the period/ year - at cost		
– Furniture, fixtures and office equipment	598	2,152
– Computer and related equipment	121	1,036
– Motor vehicles	47	2,255
– Computer software	2,750	2,880
	3,516	8,323
Less: Written down value of deletions during the period/ year		
Depreciation/ amortisation for the period/ year	(282)	(113)
	(1,991)	(7,004)
	(2,273)	(7,117)
Closing written down value	26,878	25,635

12. TRANSACTIONS WITH RELATED PARTIES

12.1 Related parties of the Company comprise of associated companies, companies with common directors, major shareholders, staff retirement funds, directors and key management personnel. Transaction with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms.

Details of balances and transactions with related parties during the quarter ended March 31, 2017 are as follows:

	Quarter ended March 31,	
	2017	2016
	(Rupees in '000)	
Transactions with related parties		
Premium written	148,656	165,113
Claims paid	63,763	29,337
Dividend received	39,139	36,322
Investments made	55,000	308,682
Investments sold	71,267	327,822
Interest received on bank accounts	1,409	790
Bank charges	33	92
Share registrar fees paid	-	76
Investment related expenses paid	998	1,701
Contribution to the provident fund	1,724	1,288
Remuneration of key management personnel	23,168	18,145

	Unaudited March 31, 2017	Audited December 31, 2016
	(Rupees in '000)	
Balances with related parties		
Bank balances	63,616	146,576
Investment held	475,638	478,043
Premiums due but unpaid	197,928	137,650
Outstanding claims	77,332	47,027
Investment related expenses	492	–
Due to the provident fund	2	432

12.1.1 Remuneration to the key management personnel are in accordance with the terms of their employment. Contribution to the provident fund is in accordance with the Company's staff services rules.

13. BASIC AND DILUTED EARNINGS PER SHARE

	<u>Quarter ended March 31,</u>	
	2017	2016
Profit after tax for the period (Rupees in '000)	<u>30,874</u>	<u>49,483</u>
	(Number of shares)	
Weighted average number of ordinary shares in issue during the period (in '000)	<u>123,875</u>	<u>123,875</u>
Earnings per share (Rupees)	<u>0.25</u>	<u>0.40</u>

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.

14. OPERATING SEGMENT

Class of business wise revenue and results have been disclosed in the condensed interim profit and loss account prepared in accordance with the requirements of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following table presents information regarding segment assets and liabilities as at March 31, 2017 and December 31, 2016.

	Fire and Property		Marine and Transport		Motor		Group Hospitalisation		Other Classes		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	Unaudited March 31, 2017	Audited December 31, 2016
	(Rupees in '000)											
Segment assets	632,314	705,435	332,446	345,155	341,859	286,206	236,043	202,071	151,383	151,370	1,694,045	1,690,237
Unallocated corporate assets											1,030,876	1,069,641
Consolidated corporate assets											<u>2,724,921</u>	<u>2,759,878</u>
Segment liabilities	503,982	588,451	264,976	287,917	272,479	238,744	188,139	168,561	120,660	126,264	1,350,236	1,409,937
Unallocated corporate liabilities											244,163	250,293
Consolidated corporate liabilities											<u>1,594,399</u>	<u>1,660,230</u>



15. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial statements were authorised for issue on April 28, 2017 by the Board of Directors of the Company.

16. GENERAL

Figures have been rounded off to the nearest thousand rupee.

ABBAS D. HABIB
Director

ALI RAZA D. HABIB
Executive Vice Chairman

MANSOOR G. HABIB
Director

SHABBIR GULAMALI
Chief Executive Officer