

Report (Un-Audited)
First Quarter

2012



Enduring Value
Inspiring Excellence



GENERAL

EFU GENERAL INSURANCE LTD.

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Company Information

Chairman

Saifuddin N. Zoomkawala

Managing Director & Chief Executive

Hasanali Abdullah

Directors

Rafique R. Bhimjee

Sultan Ahmad

Abdul Rehman Haji Habib

Jahangir Siddiqui

Muneer R. Bhimjee

Taher G. Sachak

Chief Financial Officer & Corporate Secretary

Altaf Qamruddin Gokal, F.C.A

Legal Advisor

Mohammad Ali Sayeed

Advisors

Akhtar K. Alavi, A.C.I.I.

Nasreen Rashid, A.C.I.I.

Salim Rafik Sidiki, B. A. (Hons), M. A.

S.C. (Hamid) Subjally, A.C.I.I.

Syed Mehdi Imam, M. A.

Audit Committee

Muneer R. Bhimjee

Taher G. Sachak

Abdul Rehman Haji Habib

Rating Agency: JCR-VIS

Insurer Financial Strength Rating : AA

Outlook : Stable

Auditors

Ernst & Young Ford Rhodes Sidat Hyder

Chartered Accountants

Karachi

Registrar

Technology Trade (Pvt.) Ltd.

Dagia House 241-C

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

Off Shahra-e-Quaideen

Karachi

Website

www.efuinsurance.com

Registered Office

Dodhy Building, 2nd Floor, 52-E

Jinnah Avenue, (Blue Area)

Islamabad

Main Offices

EFU House

M.A. Jinnah Road

Karachi

Co-operative Insurance Building

23, Shahrah-e-Quaid-e-Azam

Lahore

Directors' Review

We are pleased to present the unaudited financial statements for the three months period ended 31 March 2012.

The written premium for the three months period was Rs. 3 139 million as against Rs. 2 981 million in the corresponding period last year. The overall ratio of Claims to Net Premium Revenue remained unchanged at 62 %. The total underwriting profit for the three months period was Rs. 122 million as compared to Rs. 158 million in corresponding period last year.

The Investment and Rental Income for the three months period was Rs. 489 million compared to Rs. 32 million in the same period last year.

The after tax profit for the three months period was Rs. 599 million compared to Rs. 83 million in the corresponding period last year.

The earning per share for the three months period was Rs. 4.79 as against Rs. 0.67 in the corresponding period last year.

The total Market value of Investment Properties, Equity, Fixed Income Securities and Bank Balance as at 31 March 2012 was Rs.10 billion.

The Break up value of Company's share as at 31 March 2012 was Rs. 84.76

Your Directors would like to place on record their highest appreciation to the field force, officers and staff of the Company for the dedicated efforts in a difficult operating environment.

Your Directors would also like to thank the Securities and Exchange Commission of Pakistan, Pakistan Reinsurance Company Limited and all our reinsurers for their continued guidance and support.

TAHER G. SACHAK
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2012

Condensed Interim Balance Sheet

As at 31 March 2012 (Unaudited)

	Note	31 March 2012 (Unaudited)	31 December 2011 (Audited)
Share capital and reserves			
Authorised share capital 150 000 000 (31 December 2011: 150 000 000) ordinary shares of Rs. 10 each		<u>1 500 000</u>	<u>1 500 000</u>
Issued, subscribed and paid-up share capital	10	1 250 000	1 250 000
Reserves and retained earnings		9 344 721	8 745 869
		10 594 721	9 995 869
Underwriting provisions			
Provision for outstanding claims (including IBNR)		6 637 154	6 303 174
Provision for unearned premium		5 289 207	5 147 264
Commission income unearned		251 791	233 744
Total underwriting provisions		12 178 152	11 684 182
Deferred liabilities			
Staff retirement benefits		22 634	44 805
Deferred taxation		76 419	58 646
		99 053	103 451
Creditors and accruals			
Premiums received in advance		7 680	5 475
Amounts due to other insurers / reinsurers		1 677 567	1 355 014
Accrued expenses		144 218	163 413
Agent balances		471 087	425 252
Unearned rentals		55 450	49 417
Other creditors and accruals		286 259	161 947
		2 642 261	2 160 518
Other liabilities			
Other deposits		424 654	377 536
Unclaimed dividends		56 477	56 482
		481 131	434 018
Total liabilities		<u>15 400 597</u>	<u>14 382 169</u>
Total equity and liabilities		<u>25 995 318</u>	<u>24 378 038</u>
Contingencies	8		

Rupees '000

	<u>Note</u>	<u>31 March 2012 (Unaudited)</u>	<u>31 December 2011 (Audited)</u>
Cash and bank deposits			
Cash and other equivalent		5 342	3 974
Current and other accounts		752 273	806 822
Deposits maturing within 12 months		460 346	947 323
		1 217 961	1 758 119
Loans - secured considered good			
To employees		3 760	3 326
Investments	6	12 933 790	12 332 678
Investment properties		218 670	219 408
Current assets - others			
Premiums due but unpaid - net	7	3 073 755	2 098 992
Amounts due from other insurers / reinsurers		42 983	55 716
Salvage recoveries accrued		9 143	11 321
Accrued investment income		58 389	36 691
Reinsurance recoveries against outstanding claims		4 372 905	4 043 075
Taxation - payments less provision		81 734	76 027
Deferred commission expense		507 835	489 131
Prepayments		2 597 592	2 456 531
Security deposits		4 191	4 164
Sundry receivables		102 217	33 214
		10 850 744	9 304 862
Fixed assets - tangible & intangibles			
Land and buildings	9	253 454	249 180
Furniture, fixtures and office equipments		366 234	355 949
Vehicles		117 908	121 052
Computer softwares		17 400	22 241
Capital work-in-progress		15 397	11 223
		770 393	759 645
Total assets		<u>25 995 318</u>	<u>24 378 038</u>

The annexed notes 1 to 13 form an integral part of these financial statements.

TAHER G. SACHAK
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2012

Condensed Interim Profit and Loss Account

For the three months period ended 31 March 2012 (Unaudited)

Rupees '000

	Fire & property damage	Marine, aviation & transport	Motor	Others	Treaty	Aggregate 2012	Aggregate 2011
Revenue account							
Net premium revenue	467 393	304 155	633 532	70 149	9	1 475 238	1 522 695
Net claims	(265 801)	(163 240)	(450 243)	(33 381)	(1 033)	(913 698)	(946 688)
Change in premium deficiency reserve	-	-	-	-	-	-	6 106
Management expenses	(85 270)	(55 489)	(139 529)	(12 800)	-	(293 088)	(279 158)
Net commission	(85 351)	(48 975)	(50 159)	38 141	(6)	(146 350)	(145 279)
Underwriting result	<u>30 971</u>	<u>36 451</u>	<u>(6 399)</u>	<u>62 109</u>	<u>(1 030)</u>	122 102	157 676
Investment income / (loss)						437 689	(12 301)
Rental income						24 944	21 467
Profit on deposits						25 063	20 739
Other income						956	1 905
Share of profit of an associate						138 580	63 777
Exchange gain / (loss)						458	(1 715)
General and administration expenses						(127 009)	(108 487)
						<u>500 681</u>	<u>(14 615)</u>
Profit before tax						622 783	143 061
Provision for taxation - current						(6 159)	(20 833)
- deferred						(17 772)	(38 741)
						<u>(23 931)</u>	<u>(59 574)</u>
Profit after tax						<u>598 852</u>	<u>83 487</u>
Profit and loss appropriation account							
Balance at commencement of the period						582 967	(321 731)
Profit after tax for the period						<u>598 852</u>	<u>83 487</u>
Balance unappropriated profit / (loss) at end of the period						<u>1 181 819</u>	<u>(238 244)</u>
Earnings per share - basic and diluted						<u>4.79</u>	<u>0.67</u>

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Karachi 28 April 2012

Condensed Interim Statement of Comprehensive Income

For the three months period ended 31 March 2012 (Unaudited)

Rupees '000

	<u>2012</u>	<u>2011</u>
Profit for the period	598 852	83 487
Other comprehensive income	-	-
Total comprehensive income for the period	<u>598 852</u>	<u>83 487</u>

The annexed notes 1 to 13 form an integral part of these financial statements.

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Chairman

Karachi 28 April 2012

Condensed Interim Statement of Changes in Equity

For the three months period ended 31 March 2012 (Unaudited)

Rupees '000

	<u>Share capital</u>	<u>General reserve</u>	<u>Reserve for exceptional losses</u>	<u>Unappropri- ated profit / (loss)</u>	<u>Total</u>
Balance as at 1 January 2011	1 250 000	8 650 000	12 902	(321 731)	9 591 171
Total comprehensive income for the period	-	-	-	83 487	83 487
Balance as at 31 March 2011	<u>1 250 000</u>	<u>8 650 000</u>	<u>12 902</u>	<u>(238 244)</u>	<u>9 674 658</u>
Balance as at 1 January 2012	1 250 000	8 150 000	12 902	582 967	9 995 869
Total comprehensive income for the period	-	-	-	598 852	598 852
Balance as at 31 March 2012	<u>1 250 000</u>	<u>8 150 000</u>	<u>12 902</u>	<u>1 181 819</u>	<u>10 594 721</u>

The annexed notes 1 to 13 form an integral part of these financial statements.

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SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2012

Condensed Interim Statement of Cash Flows

For the three months period ended 31 March 2012 (Unaudited)

	Rupees '000	
	2012	2011
Operating Cash Flows		
a) Underwriting activities		
Premiums received	2 164 282	2 318 142
Reinsurance premiums paid	(1 298 171)	(1 132 040)
Claims paid	(1 272 488)	(1 603 478)
Reinsurance and other recoveries received	377 862	673 130
Commissions paid	(268 837)	(228 911)
Commissions received	167 664	121 400
Management expenses paid	(225 732)	(279 422)
Net cash outflow from underwriting activities	(355 420)	(131 179)
b) Other operating activities		
Income tax paid	(11 866)	(8 844)
General and administration expenses	(193 323)	(63 946)
Other operating payments	(111 242)	(57 716)
Other operating receipts	174 094	51 226
Loans advanced	(760)	(50)
Loan repayments received	326	174
Net cash outflow from other operating activities	(142 771)	(79 156)
Total cash outflow from all operating activities	(498 191)	(210 335)
Investment activities		
Profit / return received	63 544	41 592
Dividends received	27 967	22 621
Rentals received	30 977	20 518
Payments for investments	(531 106)	(345 547)
Proceeds from disposal of investments	418 154	288 443
Fixed capital expenditure	(52 697)	(33 582)
Proceeds from disposal of fixed assets	1 199	1 655
Total cash outflow from investing activities	(41 962)	(4 300)
Financing activities		
Dividends paid	(5)	-
Net cash outflow from all activities	(540 158)	(214 635)
Cash at the beginning of the period	1 758 119	1 706 571
Cash at the end of the period	1 217 961	1 491 936
Reconciliation to profit and loss account		
Operating cash flows	(498 191)	(210 335)
Depreciation / amortisation expense	(42 409)	(39 182)
Rentals and investment income	462 633	9 166
Profit on deposits	25 063	20 739
Other income	956	1 905
Share of profit of an associate	138 580	63 777
Increase in assets other than cash	1 506 847	519 686
Increase in liabilities other than running finance	(994 627)	(282 269)
Profit after taxation	598 852	83 487
Definition of cash		
Cash for the purposes of the statement of cash flows consists of:		
Cash and other equivalent	5 342	2 306
Current and other accounts	752 273	1 125 844
Deposits maturing within 12 months	460 346	363 786
	1 217 961	1 491 936

The annexed notes 1 to 13 form an integral part of these financial statements.

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Chairman

Karachi 28 April 2012

Condensed Interim Statement of Premiums

For the three months period ended 31 2012 (Unaudited)

Rupees '000

Class	Premiums				Reinsurance				Net premium revenue	
	Written	Unearned premium reserve		Earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2012	2011
		Opening	Closing			Opening	Closing			
Direct and facultative										
Fire and property damage	1 684 432	3 053 185	3 093 978	1 643 639	1 319 985	1 889 091	2 032 830	1 176 246	467 393	484 415
Marine, aviation and transport	409 181	490 635	430 237	469 579	57 777	257 139	149 492	165 424	304 155	310 772
Motor	691 317	1 180 811	1 234 642	637 486	3 820	162	28	3 954	633 532	679 561
Miscellaneous	354 115	422 633	530 350	246 398	239 141	294 079	356 971	176 249	70 149	47 947
Total	3 139 045	5 147 264	5 289 207	2 997 102	1 620 723	2 440 471	2 539 321	1 521 873	1 475 229	1 522 695
Treaty - proportional	9	-	-	9	-	-	-	-	9	-
Grand total	3 139 054	5 147 264	5 289 207	2 997 111	1 620 723	2 440 471	2 539 321	1 521 873	1 475 238	1 522 695

Note: Premium written includes administrative surcharge of Rs. 74.14 million (2011: Rs. 70.46 million).

The annexed notes 1 to 13 form an integral part of these financial statements.

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Chairman

Karachi 28 April 2012

Condensed Interim Statement of Claims

For the three months period ended 31 March 2012 (Unaudited)

Rupees '000

Class	Claims				Reinsurance				Net claims expense	
	Paid	Outstanding		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	2012	2011
		Opening	Closing			Opening	Closing			
Direct and facultative										
Fire and property damage	562 723	3 614 205	3 984 015	932 533	284 039	2 776 107	3 158 800	666 732	265 801	267 224
Marine, aviation and transport	195 960	1 417 303	1 341 391	120 048	23 218	969 573	903 163	(43 192)	163 240	170 308
Motor	425 574	914 796	939 479	450 257	(5)	4 645	4 664	14	450 243	497 167
Miscellaneous	90 410	354 356	368 767	104 821	57 912	292 750	306 278	71 440	33 381	13 218
Total	1 274 667	6 300 660	6 633 652	1 607 659	365 164	4 043 075	4 372 905	694 994	912 665	947 917
Treaty - proportional	45	2 514	3 502	1 033	-	-	-	-	1 033	(1 229)
Grand total	1 274 712	6 303 174	6 637 154	1 608 692	365 164	4 043 075	4 372 905	694 994	913 698	946 688

The annexed notes 1 to 13 form an integral part of these financial statements.

TAHER G. SACHAK
Director

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Director

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Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2012

Condensed Interim Statement of Expenses

For the three months period ended 31 March 2012 (Unaudited)

Rupees '000

Class	Paid or payable	Commission		Net expense	Other management expenses	Underwriting expenses	Commissions from reinsurers	Net underwriting expenses	
		Opening	Closing					2012	2011
Direct and facultative									
Fire and property damage	178 945	311 329	323 782	166 492	85 270	251 762	81 141	170 621	162 009
Marine, aviation and transport	58 622	45 680	47 991	56 311	55 489	111 800	7 336	104 464	100 480
Motor	56 008	91 970	97 886	50 092	139 529	189 621	(67)	189 688	188 515
Miscellaneous	21 090	40 152	38 176	23 066	12 800	35 866	61 207	(25 341)	(26 567)
Total	314 665	489 131	507 835	295 961	293 088	589 049	149 617	439 432	424 437
Treaty - proportional	6	-	-	6	-	6	-	6	-
Grand total	314 671	489 131	507 835	295 967	293 088	589 055	149 617	439 438	424 437

Note: Commission from reinsurers is arrived at after taking impact of opening and closing unearned commission.

The annexed notes 1 to 13 form an integral part of these financial statements.

TAHER G. SACHAK
Director

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Director

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Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2012

Condensed Interim Statement of Investment Income

For the three months period ended 31 March 2012 (Unaudited)

Rupees '000

	<u>2012</u>	<u>2011</u>
Income from non-trading investments		
Available for sale		
Return on government securities	18 379	3 848
Return on other fixed income securities and deposits	8 818	9 789
Amortisation of premium relative to par	(576)	(952)
Dividend income	61 590	47 170
Gain on sale of non-trading investments	1 438	14 431
	89 649	74 286
Reversal / (provision) for impairment in the value of investments - available for sale	348 140	(86 487)
Investment related expenses	(100)	(100)
Net investment income / (loss)	<u>437 689</u>	<u>(12 301)</u>

The annexed notes 1 to 13 form an integral part of these financial statements.

TAHER G. SACHAK
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman

Karachi 28 April 2012

Notes to the Condensed Interim Financial Statements

For the three months period ended 31 March 2011 (Unaudited)

1. Status and nature of business

EFU General Insurance Limited (the Company) was incorporated as a public limited company on 2 September 1932. The Company is listed on the Karachi and Lahore Stock Exchanges and is engaged in non-life insurance business comprising of fire and property, marine, motor, etc.

The registered office of the Company is situated in Islamabad while the principal place of business is located at EFU House, M.A. Jinnah Road, Karachi.

2. Basis of preparation

These condensed interim financial statements are unaudited and are being circulated to the shareholders in accordance with the listing regulations of Karachi and Lahore Stock Exchanges and section 245 of the Companies Ordinance, 1984 and being prepared in condensed form in accordance with the requirements of approved accounting standards as applicable to insurance companies in Pakistan for interim financial reporting and in the format prescribed under SEC (Insurance) Rules, 2002. They do not include all of the information required for the full financial statements, and should be read in conjunction with the annual financial statements for the year ended 31 December 2011.

3. Significant accounting policies

The accounting policies applied in these condensed interim financial statements are same as those applied by the company in its financial statements for the year ended 31 December 2011.

4. Accounting estimates and judgements

The preparation of these condensed interim financial statements are in conformity with approved accounting standards which requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statement, 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 2011.

5. Management of insurance and financial risk

Insurance and financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2011.

6. Investments

	Note	31 March 2012	31 December 2011
			Rupees '000
Investment in associate	6.1	10 921 709	10 782 997
Provision for impairment		(1 987 000)	(1 987 000)
		8 934 709	8 795 997
Available for sale			
In related parties	6.1		
Equity securities		2 093 913	2 150 237
Provision for impairment - net of reversals		(1 676 660)	(2 029 676)
		417 253	120 561
Fixed income securities		30 445	30 451
Others			
Equity securities *		3 313 444	3 242 219
Provision for impairment - net of reversals		(617 296)	(612 421)
		2 696 148	2 629 798
Fixed income securities	6.2	855 235	755 871
		12 933 790	12 332 678

* including preference shares of Rs. 20 million (2011: Rs. 20 million)

6.1 The market value of investments in associates and available for sale investments as on 31 March 2012 was Rs. 7 195 million (31 December 2011: Rs. 6 133 million). The recoverable amount of investments in associate is higher than its carrying amount.

6.2 The fixed income securities includes Pakistan Investment Bonds and Treasury Bills amounting to Rs. 137 million (31 December 2011: Rs. 133 million) deposited with the State Bank of Pakistan as required by section 29 of the Insurance Ordinance, 2000.

	31 March 2012	31 December 2011
		Rupees '000
7. Premium due but unpaid – net – unsecured		
Considered good	3 073 755	2 098 992
Considered doubtful	1 093	1 093
	3 074 848	2 100 085
Provision for doubtful balances	(1 093)	(1 093)
	3 073 755	2 098 992

8. Contingencies

The income tax assessments of the Company have been finalised upto and including Tax Year 2007 (Financial year ending 31 December 2006), Tax year 2009 (Financial year ended 31 December 2008), Tax year 2010 (Financial year ended 31 December 2009) and Tax year 2011 (Financial year ended 31 December 2010).

For the Tax year 2008 the Additional Commissioner Audit Division II, Karachi had issued notice under section 122(9) of the Ordinance for passing an amended order on certain issues. However, company has filed a writ petition before the Honourable High Court of Sindh challenging the validity of the notice.

The Company has filed appeal for the Tax year 2010 with Commissioner of Income Tax (appeals) in respect of disallowances for management expenses, provision for IBNR and proration of expenses. There could arise a contingent tax liability of Rs. 89 million if the matter is decided against the Company.

The Company has filed appeals with Income Tax Appellate Tribunal (ITAT) in respect of assessment years 1999-2000 and 2000-2001 in respect of disallowance of management expenses, provision for gratuity and bonus. There could arise a contingent tax liability of Rs. 13 million if the matters are decided against the Company.

The department has filed an appeal for the Tax years 2005 to 2007 before Honourable Supreme Court against the decision of the Honourable High Court and there could arise a contingent tax liability of Rs. 37 million if the matters are decided against the Company.

No provision has been made in these condensed interim financial statements for the above contingency as the management, based on tax adviser's opinion, is confident that the decision in this respect will be received in the favour of the Company.

9. Fixed assets – tangible and intangible

The details of additions and disposals during the three months period ended 31 March 2011 are as follows:

	Rupees '000			
	Additions (at cost)		Disposals (at net book value)	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
Tangibles				
Buildings	8 509	16 839	-	-
Furniture and fixtures	10 311	4 648	212	-
Vehicles	9 522	7 154	65	240
Office equipments	12 976	1 478	-	-
Computers	2 913	1 099	-	-
Intangibles				
Computer softwares	370	449	-	-
	<u>44 601</u>	<u>31 667</u>	<u>277</u>	<u>240</u>

10. Issued, subscribed and paid-up share capital

Number of shares '000		Rupees '000	
31 March 2012	31 December 2011	31 March 2012	31 December 2011
250	250	2 500	2 500
124 750	124 750	1 247 500	1 247 500
<u>125 000</u>	<u>125 000</u>	<u>1 250 000</u>	<u>1 250 000</u>

Ordinary shares of Rs. 10 each fully paid in cash
Ordinary shares of Rs. 10 each issued as fully paid bonus shares

11. Operating segments

	Rupees '000											
	Fire and property damage		Marine, aviation & transport		Motor		Others		Treaty		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Corporate segment assets	7 058 062	5 842 469	1 552 930	1 658 914	455 761	368 150	1 479 189	1 269 173	-	-	10 545 942	9 138 706
Corporate unallocated assets											15 449 376	15 239 332
Total assets											<u>25 995 318</u>	<u>24 378 038</u>
Corporate segment liabilities	8 817 188	8 025 752	1 942 685	2 194 365	2 214 807	2 133 920	1 780 958	1 490 908	3 502	2 514	14 759 140	13 847 459
Corporate unallocated liabilities											641 457	534 710
Total liabilities											<u>15 400 597</u>	<u>14 382 169</u>
Capital expenditure											52 697	33 582
Segment depreciation											-	-
Unallocated depreciation											42 409	39 182
Total depreciation											<u>42 409</u>	<u>39 182</u>
Location	External premium less reinsurance by geographical segments		Carrying amount of assets by geographical segments		Carrying amount of liabilities excluding branch account by geographical segments		Capital expenditure					
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011		
Pakistan	1 471 455	1 519 455	25 888 679	24 262 812	15 332 496	14 303 004	52 697	33 582				
EPZ *	3 783	3 240	78 643	85 812	50 167	61 387	-	-				
Saudi Arabia **	-	-	27 996	29 414	17 934	17 778	-	-				
Total	<u>1 475 238</u>	<u>1 522 695</u>	<u>25 995 318</u>	<u>24 378 038</u>	<u>15 400 597</u>	<u>14 382 169</u>	<u>52 697</u>	<u>33 582</u>				

* This represents US Dollar Equivalent in Pak Rupees

** This represents US Dollar and Saudi Riyal equivalent in Pak Rupees

12. Related party transactions

Related parties comprise of directors, key management personnel, associated companies and entities with common directors and employee retirement benefit funds. The transactions with related parties are carried out at commercial terms and conditions except for compensation to key management personnel which are on employment terms. The transactions and balances with related parties are as follows:

	<u>31 March 2012</u>	<u>31 March 2011</u>
		Rupees '000
Transactions		
Associated company		
Premiums written	10 228	8 398
Premiums paid	6 661	-
Claims paid	777	884
Claims lodged	259	-
Claims received	698	27 294
Investments made	131	-
Expenses recovered	400	-
Key management personnel		
Premiums written	272	297
Claims paid	96	20
Compensation	22 235	22 798
Balances receivable	4	-
Others		
Premiums written	23 188	25 248
Premiums paid	6 537	6 643
Claims paid	4 164	7 124
Claims lodged	341	1 277
Commissions paid	8	-
Investments made	20 000	-
Investments sold	20 000	-
Expenses paid	-	43
Brokerage paid	567	157
Donations paid	-	60
Profit on TFC	1 034	2 140
Employees' funds		
Contribution to provident fund	4 357	4 270
Contribution to gratuity fund	5 567	5 257
Contribution to pension fund	72	90
	<u>31 March 2012</u>	<u>31 December 2011</u>
Balances		
Associated company		
Balances receivable	164	160
Others		
Balances receivable	6 323	1 184
Balances payable	(135 686)	(390)
Deposits maturing within 12 months	70 500	215 500
Bank balances	82 657	5 525
Employees' funds receivable / (payable)		
EFU gratuity fund	(5 567)	(27 758)
EFU pension fund	(17 067)	(17 067)

The transactions and balances in the current period are disclosed as per IAS-24 (revised).

13. Date of authorisation for issue

These condensed interim financial statements were authorised for issue by the Board of Directors in the meeting held on 28 April 2012.

TAHER G. SACHAK
Director

RAFIQUE R. BHIMJEE
Director

HASANALI ABDULLAH
Managing Director & Chief Executive

SAIFUDDIN N. ZOOMKAWALA
Chairman