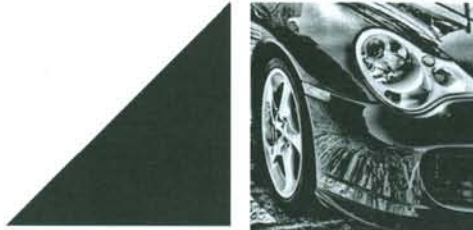




Pakistan Reinsurance Company Limited

**Quarterly Accounts
(Un-Audited)
for the 1st Quarter ended
March 31, 2016**

Securing Tomorrow



CONTENTS

- . *Vision and Mission*
- . *Strategy and objectives*
- . *Corporate Information*
- . *Directors' Report to the Shareholders*
- . *Balance Sheet*
- . *Profit and Loss Account (Unaudited)*
- . *Statement of Comprehensive Income*
- . *Statement of Changes in Equity (Unaudited)*
- . *Statement of Cash Flow (Unaudited)*
- . *Statement of Premiums (Unaudited)*
- . *Statement of Claims (Unaudited)*
- . *Statement of Expense (Unaudited)*
- . *Statement of Investment Income (Unaudited)*
- . *Notes to the Financial Statements (Unaudited)*

VISION

To be a leading provider of reinsurance and risk management services in the region

MISSION

To provide secure reinsurance capacity and outstanding risk management advice in a profitable manner and to conduct our business in a dependable and professional manner with the highest standards of customer service.

IN FULFILLING THIS MISSION, PRCL IS COMMITTED TO:-

- Providing its clients, and particularly insurance companies in Pakistan, with comprehensive insurance, reinsurance, financial and business services of the highest quality and value.
- Maintaining financial strength and stability through prudent business decisions and sound operations based on state of the art information technology.
- Taking a long-term view of business relationships.
- Practicing the highest standards of integrity and professionalism.
- Investing continuously in knowledge required to support business decisions and long-term business strategy formulation.
- Achieving consistent, long-term financial growth and profitability for its shareholders.
- Attracting retaining and developing capable and dedicated employees who in turn contribute to the growth of the company and share its success.

STRATEGY

To remain best provider of reinsurance and risk management services to the insurance industry, to have good business relationship with the insurance industry and to remain professionals who can be of assistance to the industry at all levels.

OBJECTIVES

- To provide best services to the local insurance industry in order to check outflow of foreign exchange, to the maximum possible extent.
- To develop good business relations with other reinsurers.
- To train its people according to fast changing business market requirements as well as to provide them with the ideal working environment.
- To share risks and preserve resources by providing reinsurance facilities to the insurance companies.
- To assist in the development of the national insurance industry.
- To enhance domestic retention capacity in the country in order to save valuable foreign exchange.

CORPORATE INFORMATION

BOARD OF DIRECTORS OF PRCL

Mr. Mumtaz Ali Rajper	Chairman Board of Directors
Mr. Taufique Habib	Director
Mr. Altaf Asghar	Director
Syed Arshad Ali	Director
Mr. Faisal Mumtaz	Director
Mr. Abdul Sami Kehar	Director
Mr. Etrat Hussain Rizvi	Director
Mr. Iftikar Ahmed	Director

COMPANY SECRETARY

Mr. Shams-ud-Din	Company Secretary
------------------	-------------------

AUDIT COMMITTEE

Mr. Taufique Habib	Chairman of the Committee
Mr. Abdul Sami Kehar	Member of the Committee
Syed Arshad Ali	Member of the Committee
Mr. Shams-ud-Din	Secretary of the Committee

HUMAN RESOURCE COMMITTEE

Mr. Mumtaz Ali Rajper	Chairman of the Committee
Mr. Faisal Mumtaz	Member of the Committee
Mr. Abdul Sami Kehar	Member of the Committee
Mr. Jarrar H. Syed	Secretary of the Committee

RISK MANAGEMENT COMMITTEE

Syed Arshad Ali	Chairman of the Committee
Mr. Mumtaz Ali Rajper	Member of the Committee
Mr. Faisal Mumtaz	Member of the Committee
Mr. Farmanullah Zarkoon	Secretary of the Committee

INVESTMENT COMMITTEE

Mr. Abdul Sami Kehar	Chairman of the Committee
Mr. Mumtaz Ali Rajper	Member of the Committee
Syed Arshad Ali	Member of the Committee
Mr. Taufique Habib	Member of the Committee
Mr. Muhammad Khurshid	Secretary of the Committee

NOMINATION COMMITTEE

Mr. Taufique Habib
Mr. Abdul Sami Kehar
Mr. Mumtaz Ali Rajper
Mr. Faisal Mumtaz

Chairman of the Committee
Member of the Committee
Member of the Committee
Member of the Committee

PROCUREMENT COMMITTEE

Syed Arshad Ali
Mr. Faisal Mumtaz

Chairman of the Committee
Member of the Committee

SENIOR MANAGEMENT

Mr. Shahzad F. Lodhi
Mr. Shams-ud-Din
Mr. Muhammad Khurshid
Mr. Muhammad Junaid Moti
Mrs. Ghazala Imran
Syed Tahir Ali

C.E.O/Executive Director (H.R.)
Company Secretary
Chief Financial Officer
Executive Director (Underwriting)
Regional Director (NZO)
General Manager (DPD)

AUDITORS

Mr. Zulfikar Ali Causer
Engagement Partner:
BDO Ebrahim & Co.
Chartered Accountants
2nd Floor, Block-C, Lakson Square,
Building # 01, Sarwar Shaheed Road,
Karachi-74200

REGISTERED OFFICE

PRC Towers, 32-A, Lalazar Drive,
M.T. Khan Road, P.O.Box: 4777,
Karachi-74000, Pakistan.
Tel: (92-21) 99202908-15
Telefax: (92-21) 99202921-22
E-mail: prcl@pakre.org.pk
Website: www.pakre.org.pk

BANKERS

National Bank of Pakistan
Bank Al-Habib Limited

ZONAL OFFICE

State Life Building,
1st Floor, 15-A, Davis Road, Lahore.
Ph: (92-42) 36360242-45
Fax: (92-42) 36360246

SHARE REGISTRAR

Central Depository Company of Pakistan Limited
(CDC),
CDC House, 99-B, Block-B, SMCHS,
Main Shahra-e-Faisal,
Karachi-74400, Pakistan
Ph: (92-21) 111-111-500

Directors' Report

for the period ended March 31, 2016

**The Shareholders,
Pakistan Reinsurance Company Limited.**

On behalf of the Board of Directors of PRCL, I am pleased to present the un-audited financial statements of the Company for 1st Quarter ended March 31, 2016.

The financial statements for the 1st Quarter ended March 31, 2016 reflect the treaty business returns received from all insurance companies and these returns were received by PRCL on or before 25.04.2016 as per the amendment made in PIC Compulsory Surplus Reinsurance Regulations, 1978 and facultative business closings as per records of the PRCL.

The Gross Premium for the period was Rs.2,208 Million and Net Premium was Rs.1,378 Million whereas the Gross and Net Premium for the corresponding period of last year were Rs.1,974 Million and Rs.1,262 Million respectively, showing an increase of Rs.234 Million (12%) and Rs.116 Million (9%) respectively.

The Net claims, Net Commission and Management Expenses have been aggregated to Rs.1,085 Million for the 1st Quarter ended March 31st, 2016 as compared to Rs.1,113 Million for the 1st Quarter ended March 31st, 2015, showing decrease of Rs.28 Million (3%).

The investment income mainly comprising of profit on government securities, fixed income securities and dividend income, was Rs.207 Million as compared to Rs.222 Million in the corresponding period of the last year, registering decrease of Rs.15 Million (7%).

Profit before and after tax for the 1st Quarter ended March 31, 2016 was Rs.495 Million and Rs.358 Million respectively as compared to Profit before and after tax of Rs.394 Million and Rs.285 Million respectively for the corresponding period of last year, indicating an increase of Rs.101 Million (26%) and Rs.73 Million (26%).

The management is taking steps and making all-out efforts to ensure even better results.

The Directors also express their sincere appreciation to the Company's valued clients, reinsurers, brokers, business partners and collaborators, Central Depository Company (CDC), Pakistan Stock Exchange and Securities and Exchange Commission of Pakistan (SECP) for their professional assistance and guidance.

For and on behalf
of the Board of Directors

Chairman/Director
Karachi: April 29, 2016

Pakistan Reinsurance Company Limited
Condensed Interim Balance Sheet
As at March 31, 2016

	March 31 2016	December 31 2015		March 31 2016	December 31 2015
Note	Unaudited Rupees	Audited Rupees	Note	Unaudited Rupees	Audited Rupees
EQUITY AND LIABILITIES			ASSETS		
Share capital and reserves			Cash and Bank deposits		
Authorized share capital	25,000,000,000	25,000,000,000	Cash and other equivalents	50,425	51,422
2,500,000,000 (2015 : 2,500,000,000)			Current and other accounts	2,371,874,942	2,684,243,452
Ordinary shares of Rs. 10 each			Deposits maturing within 12 months	1,174,207,970	600,670,200
Issued subscribed and paid up capital	3,000,000,000	3,000,000,000		3,546,133,337	3,284,965,074
300,000,000 (2015 : 300,000,000)					
Ordinary shares of Rs. 10 each					
Retained earnings	2,237,925,983	1,880,106,301			
Reserve for exceptional losses	281,000,000	281,000,000	Loans to employees	65,724,070	71,079,742
General reserve	1,777,419,085	1,777,419,085			
	4,296,345,068	3,938,525,386			
Shareholders' equity	7,296,345,068	6,938,525,386			
LIABILITIES					
Underwriting provisions			Investments	6,288,321,279	6,317,718,882
- Provision for outstanding claims	3,096,887,914	3,093,187,482	Investment properties	31,689,094	32,107,170
(including IBNR)					
- Provision for unearned premium	4,257,302,037	4,111,141,130			
			Current assets - others		
- Commission income unearned	36,558,049	18,763,334	Amount due from other insurers and reinsurers	4,094,305,291	3,668,040,093
Total underwriting provisions	7,390,748,000	7,223,091,946	Premium and claim reserves retained by cedants	165,240,656	168,098,008
			Accrued investment income	159,878,715	190,216,722
Deferred liability - employee benefits	1,452,423,212	1,486,579,674	Reinsurance recoveries against outstanding claims	1,444,406,085	1,406,544,395
Long term deposits	12,683,640	12,681,380	Deferred commission expense	633,363,990	586,924,395
			Prepayments	1,390,826,390	1,510,443,584
Creditors and accruals			Taxation - net	73,335,973	14,280,941
Amount due to other insurers and reinsurers	1,680,534,863	1,497,163,484	Sundry receivables	92,505,494	92,827,896
			Stock of stationery	1,665,063	1,729,147
Premium and claim reserves retained	19,063,743	19,063,743		8,055,527,657	7,639,105,181
Other creditors and accruals	49,951,486	49,038,959			
Accrued expenses	13,658,855	17,597,350	Fixed assets		
Retention money payable	6,368,183	6,368,183	Tangible		
	1,769,577,130	1,589,231,719	Land and building	16,177,391	16,379,337
			Furniture, fixture, books and office equipment	9,462,952	9,737,668
Other liabilities			Electrical installations, airconditioning plant and lifts	9,562,390	10,066,726
Dividend payable	106,629,273	137,227,342	Motor vehicles	7,020,755	7,390,269
Surplus profit payable	1,212,602	1,212,602		42,223,488	43,574,000
	107,841,875	138,439,944	Assets relating to Bangladesh	-	-
Total liabilities	10,733,273,857	10,450,024,663			
			TOTAL ASSETS	18,029,618,925	17,388,550,049
CONTINGENCIES AND COMMITMENTS	18,029,618,925	17,388,550,049			
TOTAL EQUITY AND LIABILITIES	18,029,618,925	17,388,550,049			

The annexed notes 1 to 7 form an integral part of these financial statements.

Muhammad Khurshid
Chief Financial Officer

Faisal Mumtaz
Director

Iftikhar Ahmed
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.

Pakistan Reinsurance Company Limited
Condensed Interim Profit and Loss Account (Unaudited)
For the period ended March 31, 2016

Note	Facultative						<u>Treaty</u>	2016 Aggregate	2015 Aggregate
	Fire	Marine Cargo	Marine Hull	Accident	Aviation	Engineering			
----- Rupees -----									
Revenue account									
Net premium revenue	260,970,406	11,097,103	13,867,225	38,756,600	34,446,576	130,219,313	888,923,357	1,378,280,580	1,261,783,103
Less:									
Net claims	79,475,501	7,401,613	359,812	7,902,504	5,190,944	25,007,360	560,745,985	686,083,719	773,850,637
Expenses	19,215,645	3,966,489	1,354,942	4,994,114	6,106,460	10,955,920	51,921,967	98,515,537	78,072,499
Net commission	47,801,658	1,998,068	419,819	4,709,774	(355,670)	12,153,037	234,356,093	301,082,779	261,266,187
Underwriting results	114,477,602	(2,269,067)	11,732,652	21,150,208	23,504,842	82,102,996	41,899,312	292,598,545	148,593,780
Investment income - net								207,259,333	222,422,448
Rental income - net								12,219,917	11,959,643
Exchange (loss) / gain								(6,732,189)	18,231,757
Other income								61,421	13,500
General and administration expenses								(10,376,884)	(7,081,097)
								202,431,598	245,546,251
Profit before tax								495,030,143	394,140,031
Income tax expense									
- Current								(137,210,461)	(109,502,937)
- Deferred								-	-
								(137,210,461)	(109,502,937)
Profit after tax								357,819,682	284,637,094
Profit and loss appropriation account									
Balance at the commencement of period								1,880,106,301	1,928,993,292
Profit after tax for the period								357,819,682	284,637,094
Balance of unappropriated profit at the end of the period								2,237,925,983	2,213,630,386
Earnings per share - basic and diluted								1.19	0.95

The annexed notes 1 to 7 form an integral part of these financial statements.

Muhammad Khurshid
Chief Financial Officer

Faisal Mumtaz
Director

Iftikhar Ahmed
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Comprehensive Income (Unaudited)
For the period ended March 31, 2016

	2016	2015
	Rupees	Rupees
Profit for the period	357,819,682	284,637,094
Other comprehensive income		
Remeasurement of defined benefit obligations - net	-	-
Total comprehensive income for the period	357,819,682	284,637,094

The annexed notes 1 to 7 form an integral part of these financial statements.

Muhammad Khurshid
Chief Financial Officer

Faisal Mumtaz
Director

Iftikhar Ahmed
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Changes in Equity (Unaudited)
For the period ended March 31, 2016

	Share capital	Reserves			Total	
	Issued subscribed and paid-up	Reserve for exceptional losses	Retained earnings	General reserve		Total reserves
	Rupees					
Balance as at January 01, 2015	3,000,000,000	281,000,000	1,928,993,292	1,777,419,085	3,706,412,377	6,987,412,377
Total Comprehensive income for the period ended March 31, 2015	-	-	284,637,094	-	284,637,094	284,637,094
Remeasurement of defined benefit obligations - net	-	-	-	-	-	-
Transactions with owners	-	-	284,637,094	-	284,637,094	284,637,094
Balance as at March 31, 2015	3,000,000,000	281,000,000	2,213,630,386	1,777,419,085	3,991,049,471	7,272,049,471
Balance as at January 01, 2016	3,000,000,000	281,000,000	1,880,106,301	1,777,419,085	3,657,525,386	6,938,525,386
Total Comprehensive income for the period ended March 31, 2016	-	-	357,819,682	-	357,819,682	357,819,682
Remeasurement of defined benefit obligations - net	-	-	-	-	-	-
Transactions with owners	-	-	357,819,682	-	357,819,682	357,819,682
Balance as at March 31, 2016	3,000,000,000	281,000,000	2,237,925,983	1,777,419,085	4,015,345,068	7,296,345,068

The annexed notes 1 to 7 form an integral part of these financial statements.

Muhammad Khurshid
Chief Financial Officer

Faisal Mumtaz
Director

Iftikhar Ahmed
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Cash Flows (Unaudited)
For the period ended March 31, 2016

	2016 (Rupees)	2015 (Rupees)
Operating Cash Flows:		
Underwriting activities:-		
Premium received	1,782,413,939	1,535,914,348
Reinsurance premium paid	(385,698,618)	(642,426,183)
Claims paid	(720,005,370)	(594,056,848)
Reinsurance and other recoveries received	(239,607)	115,159,295
Commission paid	(361,757,817)	(329,923,336)
Commission received	32,030,158	32,386,593
Premium and claim reserves retained from retrocessionaires/withheld by ceding companies	2,857,352	30,732,783
Expenses paid	(98,515,537)	(78,072,499)
Net cash inflows from underwriting activities	251,084,500	69,714,153
Other Operating Activities		
Income tax paid	(196,265,493)	(109,537,872)
General management expenses paid	(10,376,884)	(7,081,097)
Payment unders defined benefit obligations		
Loans disbursed-net	5,355,672	3,650,021
Other receipts/(payments) - sundry debtors	(39,076,332)	(75,851,532)
Net cash (outflow) from other operating activities	(240,363,037)	(188,820,480)
Total cash inflow / (outflow) from all operating activities	10,721,463	(119,106,327)
Investment activities		
Fixed Capital expenditure	1,768,588	311,700
Sale proceeds of Fixed Assets	-	1,812,720
Acquisition of investments	(735,678,960)	(1,020,811,445)
Sale proceeds of investments	767,519,040	1,037,059,126
Rental income received - net of expenses	2,523,002	1,505,670
Dividend income received	23,365,747	31,939,544
Interest income on bank deposits	16,185,720	37,496,442
Investment income received - net of expenses	205,361,732	205,236,061
Total cash inflow / (outflow) from investment activities	281,044,869	294,549,818
Financing activities		
Surplus paid	-	-
Dividend paid	(30,598,069)	(636,259)
Total cash inflow / (outflow) from financing activities	(30,598,069)	(636,259)
Net cash inflow / (outflow) from all activities	261,168,263	174,807,232
Cash and cash equivalents at beginning of the year	3,284,965,074	3,081,370,269
Cash and cash equivalents at end of the period	3,546,133,337	3,256,177,501

The annexed notes 1 to 7 form an integral part of these financial statements.

Muhammad Khurshid
Chief Financial Officer

Faisal Mumtaz
Director

Iftikhar Ahmed
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.

	2016 (Rupees)	2015 (Rupees)
Reconciliation to profit and loss account		
Operating cash flows	10,721,463	(119,106,327)
Depreciation expense		
-Fixed assets	(1,506,006)	(899,841)
-Investment property	(418,076)	(1,294,872)
Exchange gain	(6,732,189)	18,231,757
Rental income - net	12,219,917	11,959,643
Change for deferred liability - employee benefits	34,156,462	65,282,180
Investment income	207,259,333	222,422,448
Provision for outstanding claims	34,161,258	(294,953,084)
Provision for unearned premium	(146,160,907)	196,381,489
Prepaid reinsurance	(121,899,842)	(269,137,509)
(Decrease)/ Increase in operating assets other than cash	419,948,336	421,318,569
Decrease/ (Increase) in operating liabilities	(142,985,099)	34,397,706
	<u>298,764,650</u>	<u>284,602,159</u>
Other adjustments:		
Income tax paid	<u>196,265,493</u>	<u>109,537,872</u>
	<u>196,265,493</u>	<u>109,537,872</u>
Profit/ (Loss) before taxation	<u>495,030,143</u>	<u>394,140,031</u>
Provision for taxation	<u>(137,210,461)</u>	<u>(109,502,937)</u>
Profit/(Loss) after taxation	<u>Rupees 357,819,682</u>	<u>284,637,094</u>

Definition of cash

Cash comprises of cash in hand, policy stamps, postage stamps, revenue stamp, 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 purpose of the statement of cash flow consist of:

Cash and cash equivalents:

Cash and other equivalent	50,425	60,982
Current and other accounts	2,371,874,942	3,031,116,519
Deposit maturing within 12 months	1,174,207,970	225,000,000
	<u>Rupees 3,546,133,337</u>	<u>3,256,177,501</u>

The annexed notes 1 to 7 form an integral part of these financial statements.

Muhammad Khurshid
Chief Financial Officer

Faisal Mumtaz
Director

Iftikhar Ahmed
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Premium (Unaudited)
For the period ended March 31, 2016

Class	Unearned premium reserve			Premium earned (D=A+B-C)	Re-insurance Ceded (E)	Prepaid Reinsurance Premium ceded		Re-insurance expense (H=E+F-G)	2016	2015
	Premium Written (A)	Opening (B)	Closing (C)			Opening (F)	Closing (G)		Aggregate	Aggregate
-----R u p e e s-----										
Business underwritten inside Pakistan										
Facultative										
Fire	586,526,869	693,895,114	886,490,863	393,931,120	356,811,195	117,644,359	341,494,840	132,960,714	260,970,406	237,433,016
Marine Cargo	10,139,955	6,027,126	5,069,978	11,097,103	-	-	-	-	11,097,103	6,373,429
Marine Hull	92,082,704	40,914,442	99,589,504	33,407,642	60,255,037	20,627,855	61,342,475	19,540,417	13,867,225	18,486,539
Accident	34,437,682	77,846,163	72,501,282	39,782,563	-	1,025,963	-	1,025,963	38,756,600	49,963,905
Aviation	18,868,995	890,657,879	641,798,419	267,728,455	8,310,625	783,154,022	558,182,768	233,281,879	34,446,576	53,272,928
Engineering	225,184,939	492,361,818	465,112,149	252,434,608	115,816,826	206,730,186	200,331,717	122,215,295	130,219,313	123,447,966
Total	967,241,144	2,201,702,542	2,170,562,195	998,381,491	541,193,683	1,129,182,385	1,161,351,800	509,024,268	489,357,223	488,977,783
Treaty	1,241,437,993	1,909,438,588	2,086,739,842	1,064,136,739	21,144,125	377,625,858	223,556,601	175,213,382	888,923,357	772,805,320
Grand Total	2,208,679,137	4,111,141,130	4,257,302,037	2,062,518,230	562,337,808	1,506,808,243	1,384,908,401	684,237,650	1,378,280,580	1,261,783,103

The annexed notes 1 to 7 form an integral part of these financial statements.

Muhammad Khurshid
Chief Financial Officer

Faisal Mumtaz
Director

Iftikhar Ahmed
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Claims (Unaudited)
For the period ended March 31, 2016

Class	Claims Paid (A)	Provision for outstanding claims		Claims Expense (D=A+C-B)	Reinsurance and other recoveries Received (E)	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries Revenue (H=E+G-F)	2016	2015
		Opening	Closing			Aggregate	Aggregate			
		(B)	(C)			Net claim expenses (I=D-H)				
-----R u p e e s-----										
Business underwritten inside Pakistan										
Facultative										
Fire	65,553,627	1,176,519,816	1,190,441,690	79,475,501	-	584,588,099	584,588,099	-	79,475,501	275,746,871
Marine Cargo	678,674	24,075,610	30,798,549	7,401,613	-	-	-	-	7,401,613	849,997
Marine Hull	239,607	49,471,639	49,232,829	797	(239,607)	1,341,479	1,222,071	(359,015)	359,812	(1,073,351)
Accident	9,617,246	136,486,011	134,771,269	7,902,504	-	-	-	-	7,902,504	10,490,492
Aviation	-	69,731,952	76,983,009	7,251,057	-	56,399,014	58,459,127	2,060,113	5,190,944	695,051
Engineering	75,948,837	176,962,050	126,020,573	25,007,360	-	-	-	-	25,007,360	43,743,076
Total	152,037,991	1,633,247,078	1,608,247,919	127,038,832	(239,607)	642,328,592	644,269,297	1,701,098	125,337,734	330,452,136
Treaty	567,967,379	1,464,892,404	1,493,591,995	596,666,970	-	764,215,803	800,136,788	35,920,985	560,745,985	443,398,501
Grand Total	720,005,370	3,098,139,482	3,101,839,914	723,705,802	(239,607)	1,406,544,395	1,444,406,085	37,622,083	686,083,719	773,850,637

The annexed notes 1 to 7 form an integral part of these financial statements.

Muhammad Khurshid
Chief Financial Officer

Faisal Mumtaz
Director

Iftikhar Ahmed
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Expenses (Unaudited)
For the period ended March 31, 2016

Class	<u>Deferred Commission</u>			Net commission expense (D=A+B-C)	Other management expenses (E)	Underwriting expense (F=D+E)	Commission from reinsurers (G)	<u>Commission income unearned</u>		Net commission retrocession (J=G+H-I)	2016	2015
	Commission paid or payable (A)	Opening (B)	Closing (C)					Opening (H)	Closing (I)		Aggregate	Aggregate
-----R u p e e s-----												
Business underwritten inside Pakistan												
Facultative												
Fire	54,828,007	114,826,562	115,587,922	54,066,647	19,215,645	73,282,292	20,025,117	4,501,963	18,262,091	6,264,989	67,017,303	56,369,448
Marine Cargo	1,698,739	1,148,699	849,370	1,998,068	3,966,489	5,964,557	-	-	-	-	5,964,557	4,148,758
Marine Hull	9,919,547	4,633,416	11,006,164	3,546,799	1,354,942	4,901,741	9,607,646	3,643,408	10,124,074	3,126,980	1,774,761	2,572,929
Accident	3,773,382	9,594,489	8,632,448	4,735,423	4,994,114	9,729,537	-	25,649	-	25,649	9,703,888	10,413,783
Aviation	694,963	1,860,888	1,783,647	772,204	6,106,460	6,878,664	187,501	3,455,670	2,515,297	1,127,874	5,750,790	5,936,938
Engineering	17,132,766	30,451,963	32,208,112	15,376,617	10,955,920	26,332,537	2,209,894	5,270,861	4,257,175	3,223,580	23,108,957	11,909,305
Total	88,047,404	162,516,017	170,067,663	80,495,758	46,593,570	127,089,328	32,030,158	16,897,551	35,158,637	13,769,072	113,320,256	91,351,161
Treaty	273,710,413	424,408,378	463,296,327	234,822,464	51,921,967	286,744,431	-	1,865,783	1,399,412	466,371	286,278,060	247,987,525
Grand Total	361,757,817	586,924,395	633,363,990	315,318,222	98,515,537	413,833,759	32,030,158	18,763,334	36,558,049	14,235,443	399,598,316	339,338,686

The annexed notes 1 to 7 form an integral part of these financial statements.

Muhammad Khurshid
Chief Financial Officer

Faisal Mumtaz
Director

Iftikhar Ahmed
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Investment Income (Unaudited)
For the period ended March 31, 2016

	2016 Rupees	2015 Rupees
Income from trading investments		
Held-for-trading	-	-
Dividend income	<u>3,700,947</u>	<u>3,064,729</u>
	3,700,947	3,064,729
Income from non-trading investments		
Held-to-maturity		
Return on Government Securities	<u>92,541,454</u>	<u>86,602,774</u>
Return on other fixed income securities and deposits	<u>16,185,720</u>	<u>37,496,442</u>
Income on treasury bills	<u>10,777,096</u>	<u>22,171,642</u>
Amortization of premium on Pakistan Investment Bond	<u>2,442,477</u>	<u>696,802</u>
	121,946,747	146,967,660
Available-for-sale		
Gain on sale of investments	<u>467,982</u>	<u>-</u>
Dividend income	<u>77,394,373</u>	<u>76,180,538</u>
	77,862,355	76,180,538
Gain on revaluation of investments		
Held-for-trading	5,805,582	(2,050,181)
	<u>209,315,631</u>	<u>224,162,746</u>
Less: Investment related expenses	(2,056,298)	(1,740,298)
Net investment income	<u>207,259,333</u>	<u>222,422,448</u>

The annexed notes 1 to 7 form an integral part of these financial statements.

Muhammad Khurshid
Chief Financial Officer

Faisal Mumtaz
Director

Iftikhar Ahmed
Director

At the time of the meeting of the Board of Directors, office of the Chief Executive is vacant. Therefore, in pursuance of relaxation granted by Securities and Exchange Commission of Pakistan (SECP), these financial statements, as approved by the Board of Directors, have been signed by two directors and the Chief Financial Officer.

PAKISTAN REINSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED MARCH 31, 2016 (UNAUDITED)

1 **The Company and its Operations**

1.1 Pakistan Reinsurance Co. Ltd., ("the Company") was incorporated on March 30, 2000, under the Companies Ordinance, 1984. The object of the Company is the development of insurance and reinsurance business in Pakistan and to carry on reinsurance business.

The registered office of the company is located at PRC Towers, 32-A, Lalazar Drive, M.T. Khan Road, Karachi. Its shares are quoted on Pakistan Stock Exchange.

1.2 In order to mitigate the impact of discontinuation of compulsory cession with effect from 01 January 2005, the Company has developed a corporate plan and adopting necessary measures for independently undertaking reinsurance business as per its strategy to continue to operate profitably in the year 2008 onward.

2 **Significant Accounting Policies**

These financial statements have been prepared in accordance with the requirements of S.R.O 938 issued by the Securities and Exchange Commission of Pakistan, in December, 2002, the Insurance Ordinance 2000, the requirements of Companies Ordinance, 1984 and approved accounting standards as applicable in Pakistan.

3 **Quarterly Returns for Compulsory Surplus Treaties**

PRC receives compulsory surplus reinsurance business from all insurance companies doing general insurance business as provided in Section 42(2) of the Insurance Ordinance 2000. Because of the nature of business of PRCL, the preparation of its accounts depend on the returns from ceding insurance companies. The time prescribed for submission of returns as per amendment made in PIC/PRC (Compulsory Surplus Reinsurance) Regulations 1978, is twenty one days after the close of the Quarter in case of 1st & 3rd Quarters.

For the 1st Quarter 2016, PRC received returns from all general insurance companies and these returns received in PRCL by due date and as such above accounts have been prepared by incorporating only these returns. The rest of the business reflects facultative business as per record of the Company.

4 **Date of Authorization for issue**

These financial statements have been authorized for issue on 29th April, 2016 by the Board of Directors of the Company.

5 **Corresponding Figures**

Corresponding figures have been re-grouped wherever necessary for the purpose of comparison.

6 **Contingencies**

There have been no significant change in the contingent liabilities since last published financial

7 All figures have been rounded off to the nearest rupees.

(Muhammad Khursid)
Chief Financial Officer

Director

Director

Karachi April 29, 2016



Securing Tomorrow



Pakistan Reinsurance Company Limited

PRC Towers, 32 - A, Lalazar Drive, M.T. Khan Road, Karachi
PO.Box 4777, Sindh
Pakistan

Phone : (+92-21) 99202908-14
Fax : (+92-21) 99202921-22
Email : prcl@pakre.org.pk
Website : www.pakre.org.pk