



Pakistan Reinsurance Company Limited

**Financial Statement  
for the nine months ended  
30th September, 2016  
(Un-audited)**

**Securing Tomorrow**



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## 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
Dr. Kausar Ali Zaidi	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
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### **AUDIT COMMITTEE**

Mr. Etrat H. Rizvi	Chairman of the Committee
Mr. Taufique Habib	Member of the Committee
Syed Arshad Ali	Member of the Committee
Dr.Kausar Ali Zaidi	Member of the Committee
Mr. Muhammad Khurshid	Member of the Committee
Mr. Tameezuddin (Head of internal Audit Deptt.)	Member of the Committee
Mr. Shams-ud-Din	Secretary of the Committee

### **HUMAN RESOURCE COMMITTEE**

Mr. Mumtaz Ali Rajper	Chairman of the Committee
Mr. Abdul Sami Kehar	Member of the Committee
Mr. Shahzad F. Lodhi	Member of the Committee
Mr. Muhammad Khurshid	Member of the Committee
Mr. Shamsuzzaman Rajper	Secretary of the Committee

### **RISK MANAGEMENT COMMITTEE**

Syed Arshad Ali	Chairman of the Committee
Dr. Kausar Ali Zaidi	Member of the Committee
Mr. Muhammad Khurshid	Member of the Committee
Mr. Muhammad Junaid Moti	Secretary of the Committee

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### **INVESTMENT COMMITTEE**

Mr. Abdul Sami Kehar	Chairman of the Committee
Mr. Mumtaz Ali Rajper	Member of the Committee
Dr. Kausar Ali Zaidi	Member of the Committee
Mr. Etrat H. Rizvi	Member of the Committee
Mr. Shahzad F. Lodhi	Member of the Committee
Mr. Muhammad Khurshid	Secretary of the Committee

### **NOMINATION COMMITTEE**

Mr. Taufique Habib	Chairman of the Committee
Mr. Faisal Mumtaz	Member of the Committee
Mr. Shahzad F. Lodhi	Member of the Committee
Mr. Shams-ud-Din	Secretary of the Committee

### **UNDERWRITING COMMITTEE**

Mr. Iftikhar Ahmed	Chairman of the Committee
Mr. Faisal Mumtaz	Member of the Committee
Mr. Muhammad Khurshid	Member of the Committee
Mr. Muhammad Junaid Moti	Secretary of the Committee

### **CLAIM SETTLEMENT COMMITTEE**

Mr. Etrat H. Rizvi	Chairman of the Committee
Syed Arshad Ali	Member of the Committee
Mr. Muhammad Khurshid	Member of the Committee
Mr. Muhammad Junaid Moti	Secretary of the Committee

### **REINSURANCE & COINSURANCE COMMITTEE**

Mr. Faisal Mumtaz	Chairman of the Committee
Mr. Iftikhar Ahmed	Member of the Committee
Mr. Muhammad Khurshid	Member of the Committee
Mr. Muhammad Junaid Moti	Secretary of the Committee

### **ETHICS AND COMPLIANCE COMMITTEE**

Mr. Abdul Sami Kehar	Chairman of the Committee
Mr. Mumtaz Ali Rajper	Member of the Committee
Mr. Shahzad F. Lodhi	Member of the Committee
Mr. Shams-ud-Din	Secretary of the Committee

## **SENIOR MANAGEMENT**

Mr. Shahzad F. Lodhi  
Mr. Muhammad Khurshid  
Mr. Muhammad Junaid Moti  
Mr. Shams-ud-Din  
Mr. Shamsuzzaman Rajper  
Mr. Farmanullah Zarkoon  
Mr. Jamil Ahmed  
Mr. Raana Munir Ahmad  
Mr. Saleem A. Razzak

C.E.O/Executive Director (H.R.)  
Chief Financial Officer  
Executive Director (Underwriting)  
Company Secretary  
General Manager (Admn & H.R)  
General Manager (Business Development)  
General Manager (Finance)  
General Manager (Claims NZO)  
General Manager (Admn & Estt/Legal/Coordination NZO)

## **AUDITORS**

Mr. Zulfikar Ali Causer  
Engagement Partner:  
BDO Ebrahim & Co.  
Chartered Accountants  
2<sup>nd</sup> Floor, Block-C, Lakson Square,  
Building # 01, Sarwar Shaheed Road,  
Karachi-7420

## **BANKERS**

National Bank of Pakistan  
Bank Al-Habib Limited

## **SHARE REGISTRAR**

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

## **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](mailto:prcl@pakre.org.pk)  
Website: [www.pakre.org.pk](http://www.pakre.org.pk)

## **ZONAL OFFICE**

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

# Directors' Report

# ڈائریکٹرز کی رپورٹ

for the period ended September 30, 2016

برائے مدت جس کا اختتام 30 ستمبر 2016 کو ہوا

## **The Shareholders,**

## **حصص یافتگان**

### **Pakistan Reinsurance Company Limited.**

### **پاکستان ری انشورنس کمپنی لمیٹڈ**

On behalf of the Board of Directors of PRCL, I am pleased to present the un-audited financial statements of the Company for the nine months ended September 30, 2016.

میں پی آر سی ایل کے بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کی 30 ستمبر 2016 کو اختتام پذیر نو ماہ کی مدت کی غیر تصدیق شدہ مالیاتی رپورٹ پیش کرتے ہوئے خوشی محسوس کرنا ہوں۔

The financial statements for the nine months ended September 30, 2016 reflect the treaty business returns received from all insurance companies and these returns were received by PRCL before 24.10.2016 as per the amendment made in PIC (Compulsory Surplus Reinsurance) Regulations, 1978 and facultative business closings as per record of the PRCL.

30 ستمبر 2016 کو اختتام پذیر نو ماہ کی مدت کی مالیاتی دستاویزات سے یہ بات ظاہر ہوتی ہے کہ پی آر سی ایل کو تمام بیمہ کمپنیوں سے ٹریٹی بزنس ریٹرنز 24 اکتوبر 2016 سے پہلے موصول ہو گئی تھیں جو پی آئی سی (لازمی فاضل ری انشورنس) ریگولیشن 1978 میں ترمیم کے مطابق، اور پی آر سی ایل کے، فیکلٹیٹیو بزنس کی بندش کے بعد کے رکارڈ کے مطابق۔

The Gross Premium for the period was Rs.6,195 Million and Net Premium was Rs.4,399 Million. The Gross Premium and Net Premium for the corresponding period of the last year were Rs.5,738 Million and Rs.3,875 Million respectively.

اس مدت کا کل مجموعی پریمیم 6195 ملین روپے تھا جو گذشتہ سال اسی مدت کے مقابلے میں 5738 روپے تھا۔ جبکہ گذشتہ سال اسی مدت کے دوران خالص پریمیم 3875 ملین روپے کے مقابلے میں اس سال خالص پریمیم 4399 ملین روپے رہا۔

The Net claims, Net Commission and Management Expenses have been aggregated

ستمبر 2016 کو اختتام پذیر نو ماہ کی مدت کے خالص کلیمز (دعوے)، خالص کمیشن اور انتظامی



to Rs.3,643 Million for the nine months ended September 30, 2016 as compared to Rs.3,224 Million for the nine months ended September 30, 2015.

The investment income mainly comprising of profit on government securities, fixed income securities and dividend income, was Rs.757 Million as compared to Rs.754 Million in the corresponding period of the last year.

The Profit before tax and after tax for the nine months ended September 30, 2016 was Rs.1,508 Million and Rs.1,129 Million as compared to Profit before tax and after tax of Rs.1,504 Million and Rs.1,131 Million respectively of the corresponding period of last year

The management is taking steps and making all out efforts to ensure good results.

#### **Future Outlook**

The general insurance sector's performance is strongly correlated with economic growth and results are likely to improve based on projected improvement in law & order and energy situation of the country.

#### **Acknowledgement**

The Directors of your Company would like to take this opportunity to thank the Company's valued clients, retrocessionaires, brokers, business partners and collaborators, the Securities and Exchange Commission of Pakistan, Stock Exchanges, Central Depository

اخراجات کا مجموعہ 3643 ملین روپے رہا جبکہ گذشتہ سال 30 ستمبر 2015 کو اختتام پذیر نو ماہ کے دوران ان کی مالیت 3224 ملین روپے تھی۔

اس مدت کے درمیان سرمایہ کاری کی آمدن 757 ملین روپے تھی جو بنیادی طور پر گورنمنٹ کے تمسکات ، فیکسڈ انکم تمسکات اور ڈیویڈنڈ آمدنی پر مشتمل ہے جبکہ گذشتہ سال اسی مدت کے دوران اس کی مالیت 754 ملین روپے تھی۔

30 ستمبر 2016 کو اختتام پذیر نو ماہ کا قبل از ٹیکس منافع 1508 ملین روپے رہا اور بعد از منافع 1129 ملین روپے تھا جو گذشتہ سال اسی مدت کے دوران قبل از ٹیکس منافع 1504 ملین روپے رہا اور بعد از منافع 1131 ملین روپے تھا

انتظامیہ بہتر نتائج کو یقینی بنانے کے لئے اقدامات اور کوششیں کر رہے ہیں

#### **مستقبل کا منظر نامہ**

جنرل انشورنس سیکٹر کی کارکردگی کا معاشی ترقی سے مضبوط تعلق ہے اور لاء اینڈ آرڈر اور توانائی میں متوقع بہتری سے امکان ہے کہ نتائج میں بہتری آئے گی۔

#### **اعتراف**

آپ کی کمپنی کے ڈائریکٹرز اس موقع کا فائدہ اٹھاتے ہوئے کمپنی کے معزز گاہکوں، پلٹ کے آنے والوں، بروکرز، کاروبار کے شرکاء، اعانت کار (معاون) اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی)، سینٹرل ڈپازٹری کمپنی (سی ڈی سی) کے پیشہ ورانہ تعاون اور رہنمائی

Company for their professional assistance and guidance.

We also thank our shareholders, who continue to place their trust and confidence in the Company and we assure them of our best efforts.

Finally, the directors also wish to place on record their appreciation for the devotion, loyalty and hard work of the officers and members of the staff who have contributed towards the growth and success of Company.

For and on behalf of the Board of Directors

**Chairman**

Karachi: October 28, 2016

کرنے پر تہ دل سے شکریہ ادا کرتے ہیں۔

ہم اپنے حصص یافتگان کا کمپنی پر مسلسل اعتماد اور بھروسے کا بھی شکریہ ادا کرنا چاہتے ہیں اور اپنی بہترین کوششوں کا یقین دلاتے ہیں۔

کمپنی کے ڈائریکٹرز آخر میں کمپنی کے افسران، اور اسٹاف کے ارکان، جنہوں نے لگن، وفاداری اور سخت محنت کے ساتھ کمپنی کی ترقی اور کامیابی میں حصہ لیا ان کی کاوشوں کو سراہتے ہوئے اس بات کو رکارڈ کا حصہ بنانا چاہتے ہیں

بورڈ آف ڈائریکٹرز کی جانب اور ان کے لیے

چیر مین

کراچی: 28 اکتوبر 2016

**Pakistan Reinsurance Company Limited**  
**Condensed Interim Balance Sheet**  
**As at September 30, 2016**

	September 30 2016	December 31 2015		September 30 2016	December 31 2015
Note	Unaudited Rupees	Audited Rupees		Note	Unaudited Rupees
<b>EQUITY AND LIABILITIES</b>			<b>ASSETS</b>		
<b>Share capital and reserves</b>			<b>Cash and Bank deposits</b>		
Authorized share capital	25,000,000,000	25,000,000,000	Cash and other equivalents	57,595	51,422
2,500,000,000 (2015 : 2,500,000,000)			Current and other accounts	2,381,971,321	2,684,243,452
Ordinary shares of Rs. 10 each			Deposits maturing within 12 months	-	600,670,200
Issued subscribed and paid up capital	3,000,000,000	3,000,000,000		2,382,028,916	3,284,965,074
300,000,000 (2015 : 300,000,000)					
Ordinary shares of Rs. 10 each)					
Retained earnings	2,259,216,953	1,880,106,301			
Reserve for exceptional losses	281,000,000	281,000,000	<b>Loans to employees</b>	77,553,434	71,079,742
General reserve	1,777,419,085	1,777,419,085			
	4,317,636,038	3,938,525,386			
<b>Shareholders' equity</b>	7,317,636,038	6,938,525,386			
<b>LIABILITIES</b>					
<b>Underwriting provisions</b>			<b>Investments</b>	6,594,306,284	6,317,718,882
- Provision for outstanding claims	3,753,686,692	3,093,187,482	<b>Investment properties</b>	30,853,091	32,107,170
(including IBNR)					
- Provision for unearned premium	3,902,696,878	4,111,141,130			
- Commission income unearned	19,360,227	18,763,334	<b>Current assets - others</b>		
<b>Total underwriting provisions</b>	7,675,743,797	7,223,091,946	Amount due from other insurers and reinsurers	4,536,827,403	3,668,040,093
			Premium and claim reserves retained by cedants	165,139,310	168,098,008
<b>Deferred liability - employee benefits</b>	1,474,729,648	1,486,579,674	Accrued investment income	121,242,143	190,216,722
<b>Long term deposits</b>	16,299,040	12,681,380	Reinsurance recoveries against outstanding claims	1,949,995,802	1,406,544,395
			Deferred commission expense	656,291,560	586,924,395
			Prepayments	981,876,177	1,510,443,584
			Taxation - net	69,631,042	14,280,941
			Other receivables	442,424,338	-
			Sundry receivables	96,566,058	92,827,896
			Stock of stationery	280,085	1,729,147
				9,020,273,918	7,639,105,181
			<b>Fixed assets</b>		
			<b>Tangible</b>		
<b>Creditors and accruals</b>			Land and building	15,773,356	16,379,337
Amount due to other insurers and reinsurers	1,453,547,987	1,497,163,484	Furniture, fixture, books and office equipment	9,359,855	9,737,668
Premium and claim reserves retained	19,063,743	19,063,743	Electrical installations, airconditioning plant and lifts	8,556,718	10,066,726
Other creditors and accruals	48,989,544	49,038,959	Motor vehicles	5,152,406	7,390,269
Accrued expenses	8,893,580	17,597,350		38,842,335	43,574,000
Taxation - net	-	-			
Retention money payable	6,368,183	6,368,183			
	1,536,863,037	1,589,231,719			
<b>Other liabilities</b>			Assets relating to Bangladesh	-	-
Dividend payable	121,373,816	137,227,342			
Surplus profit payable	1,212,602	1,212,602			
	122,586,418	138,439,944			
<b>Total liabilities</b>	10,826,221,940	10,450,024,663			
<b>CONTINGENCIES AND COMMITMENTS</b>			<b>TOTAL ASSETS</b>	18,143,857,978	17,388,550,049
<b>TOTAL EQUITY AND LIABILITIES</b>	18,143,857,978	17,388,550,049			

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

(Muhammad Khurshid)  
Chief Financial Officer

(Taufique Habib)  
Director

(Etrat Hussain Rizvi)  
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 three months period ended September 30, 2016**

Note	Facultative						Three months period ended Sep 30		
	Fire	Marine Cargo	Marine Hull	Accident	Aviation	Engineering	Treaty	2016 Aggregate	2015 Aggregate
----- Rupees -----									
<b>Revenue account</b>									
Net premium revenue	283,658,517	7,216,711	13,243,616	34,368,770	37,529,385	123,375,429	1,066,352,714	1,565,745,142	1,320,517,637
Net claims	(6,427,018)	399,811	19,318,180	11,064,713	33	2,228,567	872,506,171	899,090,457	740,317,973
Expenses	23,778,437	(261,075)	1,670,017	2,607,682	3,101,102	9,563,867	80,983,844	121,443,874	122,399,598
Net commission	52,699,178	1,187,661	(941,632)	4,018,679	(348,746)	13,691,822	264,162,961	334,469,923	277,559,927
<b>Underwriting result</b>	213,607,920	5,890,314	(6,802,949)	16,677,696	34,776,996	97,891,173	(151,300,262)	210,740,888	180,240,139
Investment income								167,627,743	162,264,766
Rental income								14,924,066	11,272,439
Exchange gain								(5,691,757)	71,816,913
Other income								89,539	1,000
General and administration expenses								(15,929,551)	(9,123,865)
Value of available-for-investments- write-off								-	-
								161,020,040	236,231,253
<b>Profit/(Loss) before tax</b>								371,760,928	416,471,392
<b>Income tax expense</b>									
- Current								(104,055,412)	(103,606,971)
- Deferred								-	-
								(104,055,412)	(103,606,971)
<b>Profit/(Loss) after tax</b>								Rupees 267,705,516	312,864,421
<b>Profit and loss appropriation account</b>									
<b>Balance at the commencement of period</b>								1,991,511,437	1,996,755,661
Profit after tax for the period								267,705,516	312,864,421
Final cash dividend paid 2015: Rs.2.50 @ 25% (2014 : Rs.2.50 @25%) per share								-	-
<b>Balance of unappropriated profit at the end of the period</b>								Rupees 2,259,216,953	2,309,620,082
<b>Earnings per share - basic and diluted</b>								Rupees 0.89	1.04

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

( Muhammad Khurshid )  
Chief Financial Officer

(Taufique Habib)  
Director

(Etrat Hussain Rizvi)  
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 nine months period ended September 30, 2016

Note	Facultative							Treaty	2016 Aggregate	2015 Aggregate
	Fire	Marine Cargo	Marine Hull	Accident	Aviation	Engineering				
----- Rupees -----										
<b>Revenue account</b>										
Net premium revenue	825,998,192	27,327,568	41,411,312	109,297,484	107,895,748	380,159,779	2,906,886,551	4,398,976,634	3,875,830,182	
Less:										
Net claims	174,389,689	8,792,311	16,414,217	24,143,505	(672,578)	84,396,880	1,931,284,109	2,238,748,133	1,972,635,132	
Expenses	88,262,976	8,429,599	5,681,344	15,767,397	18,815,766	43,100,871	273,037,412	453,095,365	443,992,326	
Net commission	152,381,033	4,706,805	(1,411,745)	13,022,011	(921,048)	38,690,638	744,546,145	951,013,839	808,491,136	
<b>Underwriting results</b>	410,964,494	5,398,853	20,727,496	56,364,571	90,673,608	213,971,390	(41,981,115)	756,119,297	650,711,588	
Investment income - net								757,210,468	753,768,956	
Rental income - net								41,335,222	35,194,288	
Exchange (loss) / gain								(8,223,389)	91,272,718	
Other income								152,460	23,034	
General and administration expenses								(38,795,661)	(26,826,233)	
								751,679,100	853,432,763	
<b>Profit before tax</b>								1,507,798,397	1,504,144,351	
<b>Income tax expense</b>										
- Current								(378,687,745)	(373,517,561)	
- Deferred								-	-	
								(378,687,745)	(373,517,561)	
<b>Profit after tax</b>								1,129,110,652	1,130,626,790	
<b>Profit and loss appropriation account</b>										
<b>Balance at the commencement of period</b>								1,880,106,301	1,928,993,292	
Profit after tax for the period								1,129,110,652	1,130,626,790	
Final cash dividend paid 2015: Rs.2.50 @ 25% (2014 : Rs.2.50 @ 25% ) per share								(750,000,000)	(750,000,000)	
<b>Balance of unappropriated profit at the end of the period</b>								2,259,216,953	2,309,620,082	
<b>Earnings per share - basic and diluted</b>								3.76	3.77	

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

( Muhammad Khurshid )  
Chief Financial Officer

(Taufique Habib)  
Director

(Etrat Hussain Rizvi)  
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 nine months period ended September 30, 2016**

	<u>Three months period ended Sep 30</u>		<u>Nine months period ended Sep 30</u>	
	<b>2016</b>	2015	<b>2016</b>	2015
	<b>Rupees</b>	Rupees	<b>Rupees</b>	Rupees
Profit for the period	<b>267,705,516</b>	312,864,421	<b>1,129,110,652</b>	1,130,626,790
Other comprehensive income				
Remeasurement of defined benefit obligations - net	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>267,705,516</b>	312,864,421	<b>1,129,110,652</b>	1,130,626,790

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

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**Pakistan Reinsurance Company Limited**  
**Condensed Interim Statement of Changes in Equity (Unaudited)**  
For the nine months period ended September 30, 2016

	Share capital	Reserves			Total	
	Issued subscribed and paid-up	Reserve for exceptional losses	Revenue reserves	Total reserves		
			Retained earnings	General reserve		
	Rupees -----					
<b>Balance as at January 01, 2015</b>	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 September 30, 2015	-	-	1,130,626,790	-	1,130,626,790	1,130,626,790
Remeasurement of defined benefit obligations - net			-		-	-
<b>Transactions with owners</b>	-	-	1,130,626,790	-	1,130,626,790	1,130,626,790
<b>Balance as at September 30, 2015</b>	<b>3,000,000,000</b>	<b>281,000,000</b>	<b>2,309,620,082</b>	<b>1,777,419,085</b>	<b>4,087,039,167</b>	<b>7,368,039,167</b>
<b>Balance as at January 01, 2016</b>	<b>3,000,000,000</b>	<b>281,000,000</b>	<b>1,880,106,301</b>	<b>1,777,419,085</b>	<b>3,657,525,386</b>	<b>6,938,525,386</b>
Total Comprehensive income for the period ended September 30, 2016	-	-	1,129,110,652	-	1,129,110,652	1,129,110,652
Remeasurement of defined benefit obligations - net	-	-	-		-	-
<b>Transactions with owners</b>	-	-	1,129,110,652	-	1,129,110,652	1,129,110,652
<b>Balance as at September 30, 2016</b>	<b>3,000,000,000</b>	<b>281,000,000</b>	<b>2,259,216,953</b>	<b>1,777,419,085</b>	<b>4,036,636,038</b>	<b>7,317,636,038</b>

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**Pakistan Reinsurance Company Limited**  
**Condensed Interim Statement of Cash Flows (Unaudited)**  
For the nine months period ended September 30, 2016

	2016 (Rupees)	2015 (Rupees)
<b>Operating Cash Flows:</b>		
<b>Underwriting activities:-</b>		
Premium received	5,326,446,450	5,257,296,472
Reinsurance premium paid	(1,524,039,233)	(1,987,689,289)
Claims paid	(2,136,440,466)	(2,721,216,302)
Reinsurance and other recoveries received	14,740,136	999,565,659
Commission paid	(1,065,388,195)	(963,931,248)
Commission received	45,604,084	48,813,817
Premium and claim reserves retained from retrocessionaires/withheld by ceding companies	2,958,698	63,112,700
Expenses paid	(453,095,365)	(443,992,326)
<b>Net cash inflows from underwriting activities</b>	<b>210,786,109</b>	<b>251,959,483</b>
<b>Other Operating Activities</b>		
Income tax paid	(434,037,846)	(399,527,158)
General management expenses paid	(38,795,661)	(26,826,233)
Payment unders defined benefit obligations		
Loans disbursed-net	(6,473,692)	(9,909,772)
Other receipts/(payments) - sundry debtors	(465,632,613)	(14,590,258)
Net cash (outflow) from other operating activities	<b>(944,939,812)</b>	<b>(450,853,421)</b>
<b>Total cash inflow / (outflow) from all operating activities</b>	<b>(734,153,703)</b>	<b>(198,893,938)</b>
<b>Investment activities</b>		
Fixed Capital expenditure	5,985,744	4,239,882
Sale proceeds of Fixed Assets	-	1,812,720
Acquisition of investments	(2,299,111,750)	(2,317,231,454)
Sale proceeds of investments	2,030,296,972	2,545,747,084
Rental income received - net of expenses	51,747,492	44,182,758
Dividend income received	320,679,903	294,496,611
Interest income on bank deposits	82,559,021	103,253,454
Investment income received - net of expenses	404,913,689	447,154,782
<b>Total cash inflow / (outflow) from investment activities</b>	<b>597,071,071</b>	<b>1,123,655,837</b>
<b>Financing activities</b>		
Surplus paid	-	-
Dividend paid	(765,853,526)	(736,580,697)
<b>Total cash inflow / (outflow) from financing activities</b>	<b>(765,853,526)</b>	<b>(736,580,697)</b>
<b>Net cash inflow / (outflow) from all activities</b>	<b>(902,936,158)</b>	<b>188,181,202</b>
Cash and cash equivalents at beginning of the year	3,284,965,074	3,081,370,269
<b>Cash and cash equivalents at end of the period</b>	<b>2,382,028,916</b>	<b>3,269,551,471</b>

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

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Chief Financial Officer

(Taufique Habib)  
Director

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Director

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	<b>2016</b> <b>(Rupees)</b>	2015 (Rupees)
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	(734,153,703)	(198,893,938)
Depreciation expense		
-Fixed assets	(4,423,770)	(899,841)
-Investment property	(1,254,079)	(5,453,251)
Exchange gain	(8,223,389)	91,272,718
Rental income - net	41,335,222	35,194,288
Change for deferred liability - employee benefits	11,850,026	14,762,385
Investment income	757,210,468	753,768,956
Provision for outstanding claims	(117,047,803)	(250,984,489)
Provision for unearned premium	208,444,252	743,188,438
Prepaid reinsurance	(532,501,031)	(977,191,187)
(Decrease)/ Increase in operating assets other than cash	1,320,949,366	431,294,240
Decrease/ (Increase) in operating liabilities	131,574,992	468,558,874
	<u>1,073,760,551</u>	<u>1,104,617,193</u>
<b>Other adjustments:</b>		
Income tax paid	<u>434,037,846</u>	<u>399,527,158</u>
	<u>434,037,846</u>	<u>399,527,158</u>
Profit/ (Loss) before taxation	<u>1,507,798,397</u>	<u>1,504,144,351</u>
Provision for taxation	<u>(378,687,745)</u>	<u>(373,517,561)</u>
<b>Profit/(Loss) after taxation</b>	<u><u>1,129,110,652</u></u>	<u><u>1,130,626,790</u></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	57,595	76,511
Current and other accounts	2,381,971,321	2,949,474,960
Deposit maturing within 12 months	0	320,000,000
	<u>2,382,028,916</u>	<u>3,269,551,471</u>

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Pakistan Reinsurance Company Limited  
Condensed Interim Statement of Premium (Unaudited)  
For the three months period ended September 30, 2016

Class	Premium Written (A)	<u>Unearned premium reserve</u>		Premium earned (D=A+B-C)	Re-insurance Ceded (E)	<u>Prepaid Reinsurance Premium ceded</u>		Re-insurance expense (H=E+F-G)	<u>Three months period ended Sep 30</u>	
		Opening (B)	Closing (C)			Opening (F)	Closing (G)		2016	2015
									Aggregate Net Premium revenue (I=D-H)	Aggregate Net Premium revenue
-----R u p e e s-----										
<b>Business underwritten inside Pakistan</b>										
<b>Facultative</b>										
Fire	399,622,275	795,073,594	795,044,474	399,651,395	-	303,587,719	187,594,841	115,992,878	283,658,517	231,343,655
Marine Cargo	6,545,869	3,943,777	3,272,935	7,216,711	-	-	-	-	7,216,711	9,159,932
Marine Hull	6,558,931	69,619,283	45,269,343	30,908,871	607,850	41,195,059	24,137,654	17,665,255	13,243,616	13,793,891
Accident	42,026,742	64,173,331	71,406,393	34,793,680	3,399,278	-	2,974,368	424,910	34,368,770	46,926,796
Aviation	83,459,758	391,841,873	208,809,989	266,491,642	67,808,373	328,250,270	167,096,386	228,962,257	37,529,385	41,938,863
Engineering	443,108,048	588,636,967	741,462,387	290,282,628	261,920,439	386,932,460	481,945,700	166,907,199	123,375,429	128,011,972
<b>Total</b>	<b>981,321,623</b>	<b>1,913,288,825</b>	<b>1,865,265,521</b>	<b>1,029,344,927</b>	<b>333,735,940</b>	<b>1,059,965,508</b>	<b>863,748,949</b>	<b>529,952,499</b>	<b>499,392,428</b>	<b>471,175,109</b>
<b>Treaty</b>	<b>1,132,119,564</b>	<b>2,093,862,353</b>	<b>2,037,431,357</b>	<b>1,188,550,560</b>	<b>39,509,228</b>	<b>193,246,881</b>	<b>110,558,263</b>	<b>122,197,846</b>	<b>1,066,352,714</b>	<b>849,342,528</b>
<b>Grand Total</b>	<b>2,113,441,187</b>	<b>4,007,151,178</b>	<b>3,902,696,878</b>	<b>2,217,895,487</b>	<b>373,245,168</b>	<b>1,253,212,389</b>	<b>974,307,212</b>	<b>652,150,345</b>	<b>1,565,745,142</b>	<b>1,320,517,637</b>

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Pakistan Reinsurance Company Limited  
Condensed Interim Statement of Premium (Unaudited)  
For the nine months period ended September 30, 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	1,300,073,293	693,895,114	795,044,474	1,198,923,933	442,876,223	117,644,359	187,594,841	372,925,741	825,998,192	701,788,195
Marine Cargo	24,573,377	6,027,126	3,272,935	27,327,568	-	-	-	-	27,327,568	22,666,887
Marine Hull	103,358,827	40,914,442	45,269,343	99,003,926	61,102,413	20,627,855	24,137,654	57,592,614	41,411,312	49,223,890
Accident	104,308,587	77,846,163	71,406,393	110,748,357	3,399,278	1,025,963	2,974,368	1,450,873	109,297,484	146,618,908
Aviation	120,420,292	890,657,879	208,809,989	802,268,182	78,314,798	783,154,022	167,096,386	694,372,434	107,895,748	147,250,187
Engineering	1,052,330,861	492,361,818	741,462,387	803,230,292	698,286,027	206,730,186	481,945,700	423,070,513	380,159,779	377,984,809
<b>Total</b>	<b>2,705,065,237</b>	<b>2,201,702,542</b>	<b>1,865,265,521</b>	<b>3,041,502,258</b>	<b>1,283,978,739</b>	<b>1,129,182,385</b>	<b>863,748,949</b>	<b>1,549,412,175</b>	<b>1,492,090,083</b>	<b>1,445,532,876</b>
<b>Treaty</b>	<b>3,490,168,523</b>	<b>1,909,438,588</b>	<b>2,037,431,357</b>	<b>3,362,175,754</b>	<b>188,221,608</b>	<b>377,625,858</b>	<b>110,558,263</b>	<b>455,289,203</b>	<b>2,906,886,551</b>	<b>2,430,297,306</b>
<b>Grand Total</b>	<b>6,195,233,760</b>	<b>4,111,141,130</b>	<b>3,902,696,878</b>	<b>6,403,678,012</b>	<b>1,472,200,347</b>	<b>1,506,808,243</b>	<b>974,307,212</b>	<b>2,004,701,378</b>	<b>4,398,976,634</b>	<b>3,875,830,182</b>

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**Pakistan Reinsurance Company Limited**  
**Condensed Interim Statement of Claims (Unaudited)**  
**For the three months period ended September 30, 2016**

Class	Claims Paid (A)	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)	Three months period ended Sep 30	
		Opening (B)	Closing (C)			Opening (F)	Closing (G)		2016 Aggregate	2015 Aggregate
									Net claim expenses (I=D-H)	Net claim expenses
<b>R u p e e s</b>										
<b>Business underwritten inside Pakistan</b>										
<b>Facultative</b>										
Fire	51,752,290	1,198,702,803	1,240,523,495	93,572,982	-	584,588,099	684,588,099	100,000,000	(6,427,018)	265,812,531
Marine Cargo	-	31,776,158	32,175,969	399,811	-	-	-	-	399,811	878,203
Marine Hull	4,119,720	44,965,348	78,531,989	37,686,361	-	1,089,830	19,458,011	18,368,181	19,318,180	13,848,300
Accident	1,935,292	133,301,430	142,430,851	11,064,713	-	-	-	-	11,064,713	1,794,941
Aviation	-	71,811,967	71,812,852	885	-	58,446,488	58,447,340	852	33	2,595
Engineering	46,667,772	254,649,601	259,122,995	51,141,166	-	94,066,155	142,978,754	48,912,599	2,228,567	2,660,474
<b>Total</b>	<b>104,475,074</b>	<b>1,735,207,307</b>	<b>1,824,598,151</b>	<b>193,865,918</b>	<b>-</b>	<b>738,190,572</b>	<b>905,472,204</b>	<b>167,281,632</b>	<b>26,584,286</b>	<b>284,997,044</b>
<b>Treaty</b>	<b>761,129,882</b>	<b>1,661,681,056</b>	<b>1,934,040,541</b>	<b>1,033,489,367</b>	<b>-</b>	<b>883,540,402</b>	<b>1,044,523,598</b>	<b>160,983,196</b>	<b>872,506,171</b>	<b>455,320,929</b>
<b>Grand Total</b>	<b>865,604,956</b>	<b>3,396,888,363</b>	<b>3,758,638,692</b>	<b>1,227,355,285</b>	<b>-</b>	<b>1,621,730,974</b>	<b>1,949,995,802</b>	<b>328,264,828</b>	<b>899,090,457</b>	<b>740,317,973</b>

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Pakistan Reinsurance Company Limited  
Condensed Interim Statement of Claims (Unaudited)  
For the nine months period ended September 30, 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)				
<b>R u p e e s</b>										
<b>Business underwritten inside Pakistan</b>										
<b>Facultative</b>										
Fire	210,386,010	1,176,519,816	1,240,523,495	274,389,689	-	584,588,099	684,588,099	100,000,000	174,389,689	583,662,210
Marine Cargo	691,952	24,075,610	32,175,969	8,792,311	-	-	-	-	8,792,311	10,814,842
Marine Hull	4,795,078	49,471,639	78,531,989	33,855,428	(675,321)	1,341,479	19,458,011	17,441,211	16,414,217	12,366,371
Accident	18,198,665	136,486,011	142,430,851	24,143,505	-	-	-	-	24,143,505	37,869,204
Aviation	5,801,416	69,731,952	71,812,852	7,882,316	6,506,568	56,399,014	58,447,340	8,554,894	(672,578)	732,111
Engineering	145,214,689	176,962,050	259,122,995	227,375,634	-	-	142,978,754	142,978,754	84,396,880	82,812,919
<b>Total</b>	<b>385,087,810</b>	<b>1,633,247,078</b>	<b>1,824,598,151</b>	<b>576,438,883</b>	<b>5,831,247</b>	<b>642,328,592</b>	<b>905,472,204</b>	<b>268,974,859</b>	<b>307,464,024</b>	<b>728,257,657</b>
<b>Treaty</b>	<b>1,751,352,656</b>	<b>1,464,892,404</b>	<b>1,934,040,541</b>	<b>2,220,500,793</b>	<b>8,908,889</b>	<b>764,215,803</b>	<b>1,044,523,598</b>	<b>289,216,684</b>	<b>1,931,284,109</b>	<b>1,244,377,475</b>
<b>Grand Total</b>	<b>2,136,440,466</b>	<b>3,098,139,482</b>	<b>3,758,638,692</b>	<b>2,796,939,676</b>	<b>14,740,136</b>	<b>1,406,544,395</b>	<b>1,949,995,802</b>	<b>558,191,543</b>	<b>2,238,748,133</b>	<b>1,972,635,132</b>

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Pakistan Reinsurance Company Limited  
Condensed Interim Statement of Expenses (Unaudited)  
For the three months period ended September 30, 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)	<u>Three months period ended</u>		
	Commission paid or payable (A)	Opening (B)					Closing (C)	Opening (H)		Closing (I)	Aggregate Net underwriting expense (K=F-J)	Aggregate Net underwriting expense
----- Rupees -----												
<b>Business underwritten inside Pakistan</b>												
<b>Facultative</b>												
Fire	80,719,812	104,596,213	126,291,163	59,024,862	23,778,437	82,803,299	-	16,774,776	10,449,092	6,325,684	76,477,615	62,922,411
Marine Cargo	1,031,909	671,706	515,954	1,187,661	(261,075)	926,586	-	-	-	-	926,586	6,620,213
Marine Hull	(151,324)	7,782,326	4,240,562	3,390,440	1,670,017	5,060,457	(10,705,585)	16,250,714	1,213,057	4,332,072	728,385	3,877,080
Accident	4,112,028	7,472,330	7,555,056	4,029,302	2,607,682	6,636,984	84,982	-	74,359	10,623	6,626,361	12,043,196
Aviation	906,801	1,328,031	1,432,838	801,994	3,101,102	3,903,096	1,159,845	1,622,548	1,631,653	1,150,740	2,752,356	8,102,541
Engineering	18,504,912	31,892,180	34,355,752	16,041,340	9,563,867	25,605,207	2,902,423	5,230,162	5,783,067	2,349,518	23,255,689	21,700,890
<b>Total</b>	<b>105,124,138</b>	<b>153,742,786</b>	<b>174,391,325</b>	<b>84,475,599</b>	<b>40,460,030</b>	<b>124,935,629</b>	<b>(6,558,335)</b>	<b>39,878,200</b>	<b>19,151,228</b>	<b>14,168,637</b>	<b>110,766,992</b>	<b>115,266,331</b>
<b>Treaty</b>	269,002,945	478,060,211	481,900,235	265,162,921	80,983,844	346,146,765	-	1,208,959	208,999	999,960	345,146,805	284,693,194
<b>Grand Total</b>	<b>374,127,083</b>	<b>631,802,997</b>	<b>656,291,560</b>	<b>349,638,520</b>	<b>121,443,874</b>	<b>471,082,394</b>	<b>(6,558,335)</b>	<b>41,087,159</b>	<b>19,360,227</b>	<b>15,168,597</b>	<b>455,913,797</b>	<b>399,959,525</b>

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

( Muhammad Khurshid )  
Chief Financial Officer

(Taufique Habib)  
Director

(Etrat Hussain Rizvi)  
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 nine months period ended September 30, 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	
<b>Business underwritten inside Pakistan</b>													
<b>Facultative</b>													
Fire	182,627,099	114,826,562	126,291,163	171,162,498	88,262,976	259,425,474	24,728,594	4,501,963	10,449,092	18,781,465	240,644,009	203,478,765	
Marine Cargo	4,074,060	1,148,699	515,954	4,706,805	8,429,599	13,136,404	-	-	-	-	13,136,404	16,022,065	
Marine Hull	10,382,176	4,633,416	4,240,562	10,775,030	5,681,344	16,456,374	9,756,424	3,643,408	1,213,057	12,186,775	4,269,599	11,607,098	
Accident	11,018,850	9,594,489	7,555,056	13,058,283	15,767,397	28,825,680	84,982	25,649	74,359	36,272	28,789,408	39,077,428	
Aviation	1,956,332	1,860,888	1,432,838	2,384,382	18,815,766	21,200,148	1,481,413	3,455,670	1,631,653	3,305,430	17,894,718	26,366,770	
Engineering	50,694,580	30,451,963	34,355,752	46,790,791	43,100,871	89,891,662	8,612,359	5,270,861	5,783,067	8,100,153	81,791,509	63,884,509	
<b>Total</b>	<b>260,753,097</b>	<b>162,516,017</b>	<b>174,391,325</b>	<b>248,877,789</b>	<b>180,057,953</b>	<b>428,935,742</b>	<b>44,663,772</b>	<b>16,897,551</b>	<b>19,151,228</b>	<b>42,410,095</b>	<b>386,525,647</b>	<b>360,436,635</b>	
<b>Treaty</b>	804,635,098	424,408,378	481,900,235	747,143,241	273,037,412	1,020,180,653	940,312	1,865,783	208,999	2,597,096	1,017,583,557	892,046,827	
<b>Grand Total</b>	<b>1,065,388,195</b>	<b>586,924,395</b>	<b>656,291,560</b>	<b>996,021,030</b>	<b>453,095,365</b>	<b>1,449,116,395</b>	<b>45,604,084</b>	<b>18,763,334</b>	<b>19,360,227</b>	<b>45,007,191</b>	<b>1,404,109,204</b>	<b>1,252,483,462</b>	

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

( Muhammad Khurshid )  
Chief Financial Officer

(Taufique Habib)  
Director

(Etrat Hussain Rizvi)  
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 nine months period ended September 30, 2016**

	<u>Three months period ended Sep 30</u>		<u>Nine months period ended Sep 30</u>	
	<b>2016</b>	2015	<b>2016</b>	2015
	<b>Rupees</b>	Rupees	<b>Rupees</b>	Rupees
<b>Income from trading investments</b>				
Held-for-trading	-	-	-	-
Dividend income	<u>446,656</u>	2,287,033	<u>6,977,549</u>	7,143,362
	<b>446,656</b>	2,287,033	<b>6,977,549</b>	7,143,362
<b>Income from non-trading investments</b>				
<b>Held-to-maturity</b>				
Return on Government Securities	<u>89,678,495</u>	100,221,437	<u>273,837,226</u>	287,096,586
Return on other fixed income securities and deposits	<u>24,303,129</u>	32,958,915	<u>82,559,021</u>	103,253,454
Income on treasury bills	<u>11,428,384</u>	13,046,165	<u>29,498,441</u>	52,507,948
Amortization of premium on Pakistan Investment Bond	<u>2,573,806</u>	835,168	<u>7,772,624</u>	2,367,138
	<b>127,983,814</b>	147,061,685	<b>393,667,312</b>	445,225,126
<b>Available-for-sale</b>				
Gain on sale of investments	<u>17,460</u>	5,900	<u>3,090,237</u>	5,900
Dividend income	<u>41,808,032</u>	17,052,081	<u>347,318,502</u>	300,602,499
	<b>41,825,492</b>	17,057,981	<b>350,408,739</b>	300,608,399
<b>Gain on revaluation of investments</b>				
Held-for-trading	<b>464,807</b>	(1,003,813)	<b>15,464,370</b>	7,375,490
	<u>170,720,769</u>	165,402,886	<u>766,517,970</u>	760,352,377
<b>Less: Investment related expenses</b>	<b>(3,093,026)</b>	(3,138,120)	<b>(9,307,502)</b>	(6,583,421)
<b>Net investment income</b>	<u><b>167,627,743</b></u>	162,264,766	<u><b>757,210,468</b></u>	753,768,956

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

( Muhammad Khurshid )  
Chief Financial Officer

(Taufique Habib)  
Director

(Etrat Hussain Rizvi)  
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 NINE MONTHS ENDED SEPTEMBER 30, 2016 (UNAUDITED)**

**1 The Company and its Operations**

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.

**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 1<sup>st</sup> & 3<sup>rd</sup> Quarters.

For the 3rd Quarter 2016, PRC received returns from all general insurance companies and as such above accounts have been prepared by incorporating these returns. The rest of the business reflects facultative as per records of the Company.

**4 Date of Authorization for issue**

These financial statements have been authorized for issue on 28th October, 2016 by the Board of Directors of the Company.

**5 Corresponding Figures**

Corresponding figures have been rearranged wherever necessary for the purpose of comparison.

**6 Contingencies**

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

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

(Muhammad Khurshid)  
Chief Financial Officer

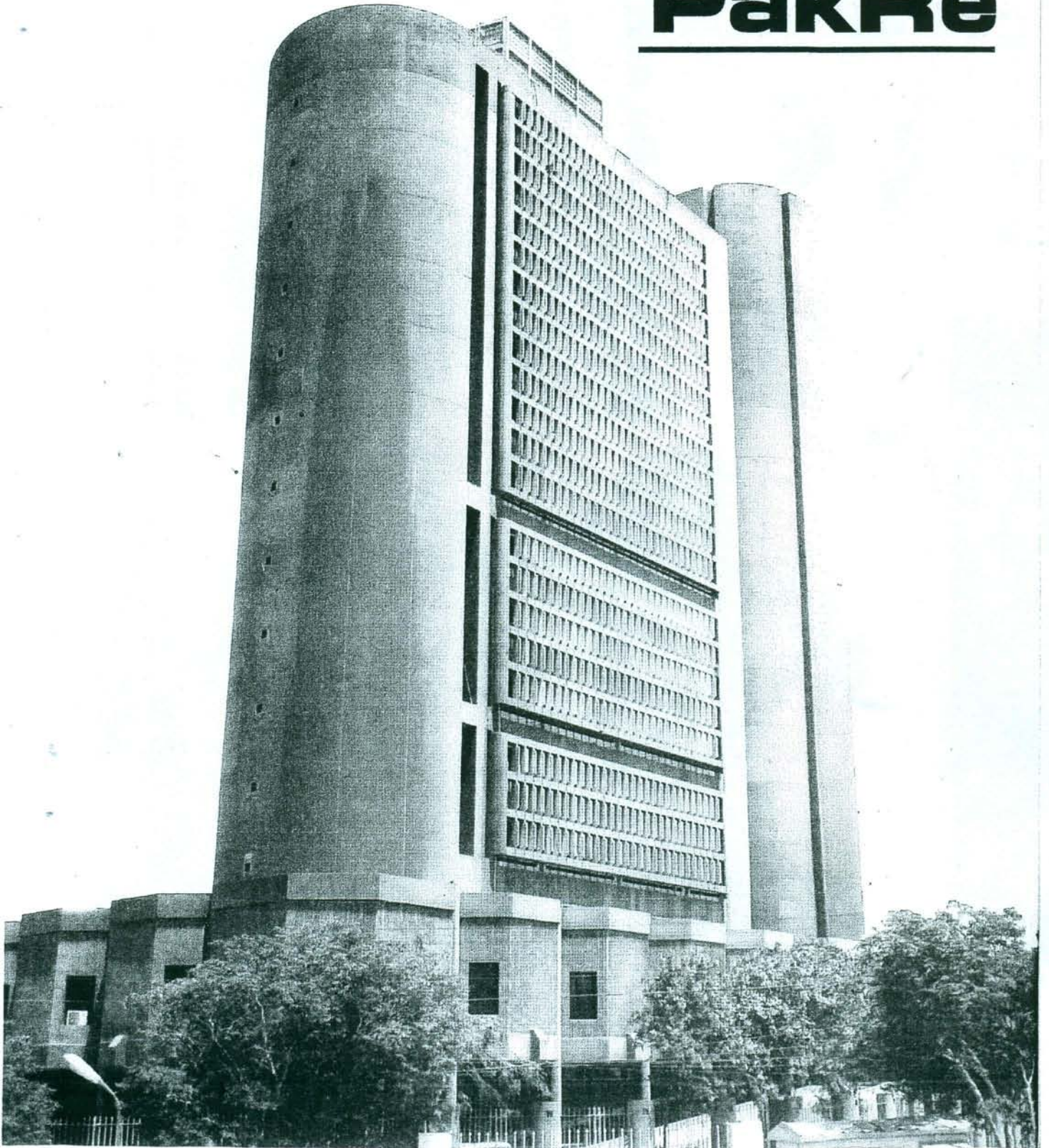
(Taufique Habib)  
Director

(Etrat Hussain Rizvi)  
Director

Karachi October 28, 2016



**PakRe**

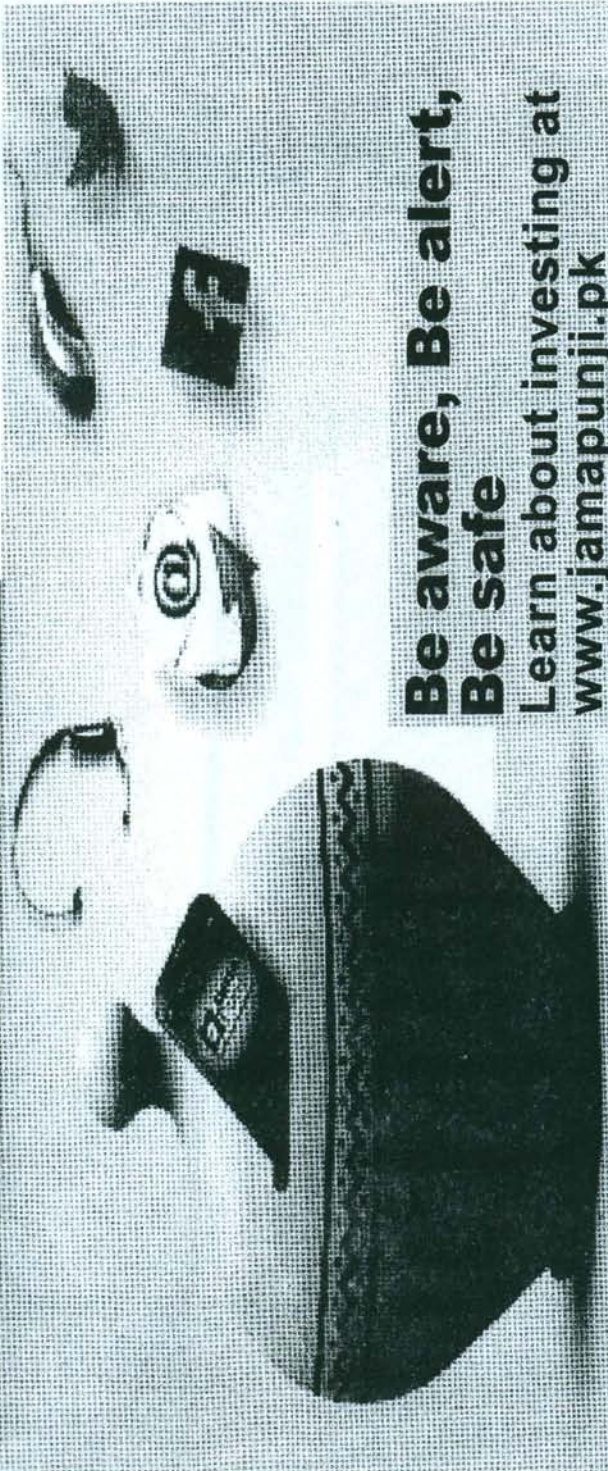




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## Securing Tomorrow



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