FINANCIAL STAETEMENT
For the nine months ended 30th September, 2014 (Un-audited)

PakRe Simply Secure

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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-tem 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-2014

BOARD OF DIRECTORS OF PRCL

MR. ZIA-UL-HAQ	DIRECTOR
DR. MASUMA HASAN	DIRECTOR
MR. MUMTAZ ALI RAJPER	DIRECTOR
MR. TAUFIQ HABIB	DIRECTOR
MR. ATTAULLAH A. RASHEED	DIRECTOR

COMPANY SECRETARY

MR. SHAHZAD F. LODHI — EXECUTIVE DIRECTOR (H.R)/COMPANY SECRETARY

SENIOR MANAGEMENT

MR. SHAHZAD F. LODHI
EXECUTIVE DIRECTOR (H.R.)/COMPANY SECRETARY

MRS. FARZANA MUNAF
EXECUTIVE DIRECTOR/CFO

MRS. GHAZALA IMRAN
REGIONAL DIRECTOR (NZO)

AUDITORS

BOD Ebrahim & Co.
CHARTERED ACCOUNTANT
2nd Floor, Block-C, Laakson Square,
Building # 01, Sarwar Shaheed Road,
Karachi – 74200

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

REGISTERED OFFICES

PRC Towers, 32-A, Lalazar Drive,
M.T. Khan Road, P.O. Box: 4777,
Karachi, Pakistan
Tel: (92-21) 99202908-15
Telex: (92-21) 20428
Telefax: (92-21)99202920-22
E-mail: prcl@pakre.org.pk
Website: www.pakre.org.pk

ZONAL OFFICE

State Life Building,
1st Floor, Davis Road,,
Lahore.

BANKERS

National Bank of Pakistan
Bank Al-Habib Limited

Directors' Report

for the period ended September 30, 2014

The Shareholders,
Pakistan Reinsurance Co. Ltd.,

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, 2014.

The financial statements for the nine months ended September 30, 2014 reflect the treaty business returns received from all insurance companies and these returns were received by PRCL on or before 24.10.2014 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.6,013 Million and Net Premium was Rs.3,549 Million. The Gross Premium and Net Premium for the corresponding period of the last year were Rs.5,819 Million and Rs.3,385 Million respectively.

The Net claims, Net Commission and Management Expenses have been aggregated to Rs.3,153 Million for the nine months ended September 30, 2014 as compared to Rs.3,044 Million for the nine months ended September 30, 2013.

The investment income mainly comprising of profit on government securities, fixed income securities and dividend income, was Rs.830 Million as compared to Rs.936 Million in the corresponding period of the last year.

Profit before tax and after tax for the nine months ended September 30, 2014 was Rs.1,225 Million and Rs.907 Million as compared to Net Profit before tax and after tax of Rs.1,430 Million and Rs.1,113 Million respectively of the corresponding period of last year.

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

The Directors also express their sincere appreciation to all the Company's valued clients, reinsurers, brokers, business partners and collaborators, the Securities and Exchange Commission of Pakistan, Karachi, Lahore and Islamabad Stock Exchanges and Central Depository Company for their professional approach and guidance.

For and on behalf
of the Board of Directors

Chairman/Director
Karachi: October 30, 2014

Pakistan Reinsurance Company Limited
Condensed Interim Balance Sheet
As at September 30, 2014

	Note	September 30 2014 Unaudited Rupees	December 31 2013 Audited Rupees
Share capital and reserves			
Authorized Share Capital		25,000,000,000	25,000,000,000
2,500,000,000 (2012 : 2,500,000,000) Ordinary shares of Rs. 10 each)			
Issued share capital		3,000,000,000	3,000,000,000
Retained earnings		1,670,478,248	1,512,977,449
Reserve for exceptional losses		281,000,000	281,000,000
General reserve		1,777,419,085	1,777,419,085
		3,728,897,333	3,571,396,534
Shareholders' equity		6,728,897,333	6,571,396,534
LIABILITIES			
Underwriting provisions			
- Provision for outstanding claims (including IBNR)		3,019,562,637	2,564,779,785
- Provision for unearned premium		4,087,779,524	4,502,049,279
- Commission income unearned		54,943,899	75,141,712
Total underwriting provisions		7,162,286,060	7,141,970,776
Deferred liability - employee benefits		709,174,236	704,236,000
Long term deposits		12,535,562	14,367,887
Creditors and accruals			
Amount due to other insurers and reinsurers		1,486,793,687	1,357,718,565
Premium and claim reserves retained		19,063,742	19,063,742
Other creditors and accruals		37,098,351	34,340,782
Accrued expenses		19,525,742	22,030,942
Taxation - net		382,766,217	353,889,913
Retention money payable		6,368,183	6,821,056
		1,951,615,922	1,793,865,000
Other liabilities			
Dividend payable		173,283,358	78,809,294
Surplus profit payable		1,212,602	1,212,602
		174,495,960	80,021,896
Total liabilities		10,010,107,740	9,734,461,559
TOTAL EQUITY AND LIABILITIES		16,739,005,073	16,305,858,093
CONTINGENCIES			

	Note	September 30 2014 Unaudited Rupees	December 31 2013 Audited Rupees
ASSETS			
Cash and Bank deposits			
Cash and other equivalents		50,817	47,825
Current and other accounts		2,713,899,097	2,056,331,619
Deposits maturing within 12 months		225,000,000	650,000,000
		2,938,949,914	2,706,379,444
Loans to employees		77,954,104	73,156,019
Investments		6,728,022,631	6,513,424,268
Investment properties		34,345,918	35,751,748
Deferred taxation		-	-
Current assets - others			
Amount due from other insurers and reinsurers		2,571,909,768	2,611,797,575
Premium and claim reserves retained by cedants		142,463,103	16,841,456
Accrued investment income		186,365,013	170,654,899
Reinsurance recoveries against outstanding claims		1,549,013,667	1,541,433,305
Deferred commission expense		569,387,801	495,865,753
Prepayments		1,646,068,471	1,991,791,441
Sundry receivables		241,901,456	90,926,500
Stock of stationery		1,637,528	1,396,718
		6,908,746,807	6,920,707,647
Fixed assets			
Tangible			
Land and building		17,444,893	18,107,173
Furniture, fixture, books and office equipment		10,785,762	12,115,884
Electrical installations, airconditioning plant and lifts		13,030,670	13,163,291
Motor vehicles		9,724,374	13,052,619
		50,985,699	56,438,967
Assets relating to Bangladesh		-	-
TOTAL ASSETS		16,739,005,073	16,305,858,093

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

(Farzana Munaf)
Chief Financial Officer

(Taufique Habib)
Director

(Attaullah A. Rasheed)
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 of three months ended September 30, 2014

	Note	Facultative						Treaty	Three months ended Sep 30,	
		Fire	Marine Cargo	Marine Hull	Accident	Aviation	Engineering		2014	2013
									Aggregate	Aggregate
		---------- Rupees ----------								
Revenue account										
Net premium revenue		232,030,320	10,093,206	17,433,738	42,805,664	46,219,474	107,647,208	750,628,816	1,206,858,425	1,206,849,762
Net claims		408,619,953	3,463,117	(6,177,531)	10,638,450	23,038,518	7,536,083	486,717,728	933,836,318	905,001,618
Expenses		20,448,624	3,265,833	2,311,614	5,999,805	6,517,667	10,173,362	51,040,157	99,757,062	106,647,350
Net commission		32,160,593	1,928,416	786,537	4,695,128	128,441	1,401,623	201,900,133	243,000,871	236,435,130
Underwriting result		(229,198,850)	1,435,840	20,513,118	21,472,281	16,534,848	88,536,140	10,970,798	(69,735,826)	(41,234,336)
Investment income									451,495,692	499,780,680
Rental income									14,000,273	12,814,502
Exchange gain									62,332,128	125,076,003
Other income									4,639	868,854
General and administration expenses									(6,416,834)	(9,713,680)
Value of available-for-investments- write-off									-	-
									521,415,898	628,826,359
Profit/(Loss) before tax									451,680,072	587,592,023
Income tax expense										
- Current									(50,031,810)	(70,817,362)
- Deferred									-	-
									(50,031,810)	(70,817,362)
Profit/(Loss) after tax								Rupees	401,648,262	516,774,661
Profit and loss appropriation account										
Balance at the commencement of period									1,268,829,986	1,043,862,045
Profit after tax for the period									401,648,262	516,774,661
Balance of unappropriated profit at the end of the period								Rupees	1,670,478,248	1,560,636,706
Earnings per share - basic and diluted								Rupees	1.34	1.72

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

(Farzana Munaf)
Chief Financial Officer

(Taufique Habib)
Director

(Attaullah A. Rasheed)
Director

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Pakistan Reinsurance Company Limited
Condensed Interim Profit and Loss Account (Unaudited)
For the period of nine months ended September 30, 2014

	Note	Facultative						Treaty	2014	2013
		Fire	Marine Cargo	Marine Hull	Accident	Aviation	Engineering		Aggregate	Aggregate
		Rupees								
Revenue account										
Net premium revenue		636,096,924	47,943,809	52,343,073	119,394,299	117,294,853	305,041,111	2,270,750,995	3,548,865,063	3,385,085,385
Less:										
Net claims		563,017,633	13,492,958	(10,493,224)	41,041,278	55,257,466	40,969,250	1,367,759,083	2,071,044,444	1,971,062,370
Expenses		70,989,290	12,844,127	8,441,896	19,657,761	20,738,490	36,414,002	213,660,100	382,745,666	368,751,970
Net commission		80,444,844	11,115,358	2,182,928	13,465,845	80,367	4,003,970	587,308,392	698,601,704	704,001,406
Underwriting results		(78,354,843)	10,491,366	52,211,473	45,229,415	41,218,530	223,653,889	102,023,420	396,473,249	341,269,639
Investment income - net									829,475,847	936,371,602
Rental income - net									40,417,260	36,580,291
Exchange (loss) / gain									(19,452,154)	143,631,752
Other income									932,372	1,814,517
General and administration expenses									(22,593,855)	(29,613,022)
Value of available-for-investments- write-off									-	-
									828,779,470	1,088,785,140
Profit before tax									1,225,252,719	1,430,054,779
Income tax expense										
- Current									(317,751,920)	(316,579,136)
- Deferred									-	-
									(317,751,920)	(316,579,136)
Profit after tax									907,500,799	1,113,475,643
Profit and loss appropriation account										
Balance at the commencement of period									1,512,977,449	1,197,161,063
Profit after tax for the period									907,500,799	1,113,475,643
Final cash dividend paid 2013: Rs.2.50 @ 25% (2012 : Rs.2.50 @ 25%) per share									(750,000,000)	(750,000,000)
Balance of unappropriated profit at the end of the period									1,670,478,248	1,560,636,706
Earnings per share - basic and diluted									3.03	3.71

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

(Farzana Munaf)
Chief Financial Officer

(Taufique Habib)
Director

(Attaullah A. Rasheed)
Director

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Pakistan Reinsurance Company Limited

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the period of nine months ended September 30, 2014

	Three months period ended Sep 30,		Nine months period ended Sep 30,	
	2014	2013	**2014**	2013
	Rupees	Rupees	**Rupees**	Rupees
		Restated		Restated
Profit for the period	**401,648,262**	516,774,661	**907,500,799**	1,113,475,643
Other comprehensive income				
Remeasurement of defined benefit obligations - net	**-**			
Total comprehensive income for the period	**401,648,262**	516,774,661	**907,500,799**	1,113,475,643

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

(Farzana Munaf)	(Taufique Habib)	(Attaullah A. Rasheed)
Chief Financial Officer	Director	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 of nine months ended September 30, 2014

	Share capital	Reserves				Total
	Issued subscribed and paid-up		Revenue reserves		Total reserves	
		Reserve for exceptional losses	Retained earnings	General reserve		
	Rupees					
Balance as at January 01, 2013 - Restated	3,000,000,000	281,000,000	1,063,734,371	1,777,419,085	3,216,021,456	6,497,021,456
Total Comprehensive income for the period ended September 30, 2013	-	-	1,113,475,643	-	1,113,475,643	1,113,475,643
Transactions with owners						
Final cash dividend 2012: Rs.2.50 @ 25% (2011 : Rs.3.00 @30%) per share		-	(750,000,000)	-	(750,000,000)	(750,000,000)
Balance as at September 30, 2013 - Restated	**3,000,000,000**	**281,000,000**	**1,427,210,014**	**1,777,419,085**	**3,579,497,099**	**6,860,497,099**
Balance as at January 01, 2014	**3,000,000,000**	**281,000,000**	**1,512,977,449**	**1,777,419,085**	**3,296,546,375**	**6,577,546,375**
Total Comprehensive income for the period ended September 30, 2014	-	-	907,500,799	-	907,500,799	907,500,799
Transactions with owners						
Final cash dividend 2013: Rs.2.50 @ 25% (2012 : Rs.2.50 @25%) per share	-	-	(750,000,000)	-	(750,000,000)	(750,000,000)
Balance as at September 30, 2014	**3,000,000,000**	**281,000,000**	**1,670,478,248**	**1,777,419,085**	**3,454,047,174**	**6,735,047,174**

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

(Farzana Munaf)
Chief Financial Officer

(Taufique Habib)
Director

(Attaullah A. Rasheed)
Director

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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 of nine months ended September 30, 2014

	2014	2013
	(Rupees)	(Rupees)
Operating Cash Flows:		
Underwriting activities:-		
Premium received	6,053,232,740	6,802,252,866
Reinsurance premium paid	(2,423,825,979)	(2,020,660,563)
Claims paid	(2,170,538,042)	(3,665,517,784)
Reinsurance and other recoveries received	546,696,088	1,650,834,520
Commission paid	(877,864,866)	(843,330,427)
Commission received	85,543,300	123,182,374
Premium and claim reserves retained from retrocessionaires/withheld by ceding companies	(125,621,647)	64,471,764
Expenses paid	(382,745,666)	(368,751,970)
Net cash inflows from underwriting activities	**704,875,928**	1,742,480,780
Other Operating Activities		
Income tax paid	(288,875,616)	(274,516,292)
General management expenses paid	(22,593,855)	(29,613,022)
Loans disbursed-net	(4,798,085)	(6,012,199)
Other receipts/(payments) - sundry debtors	(147,888,066)	9,920,321
Net cash (outflow) from other operating activities	**(464,155,622)**	(300,221,192)
Total cash inflow / (outflow) from all operating activities	**240,720,306**	1,442,259,588
Investment activities		
Fixed Capital expenditure	5,046,377	3,793,425
Sale proceeds of Fixed Assets	1,812,720	1,099,789
Acquisition of investments	(4,551,020,075)	(1,799,178,251)
Rental income received - net of expenses	46,386,718	43,335,874
Dividend income received	251,241,921	328,976,473
Interest income on bank deposits	105,222,700	96,601,299
Investment income received - net of expenses	449,585,826	412,492,599
Sale proceeds of investments	4,339,099,913	1,816,120,202
Total cash (outflow) from investment activities	**647,376,100**	903,241,410
Financing activities		
Surplus paid	-	-
Dividend paid	(655,525,936)	(734,978,425)
Total cash (outflow) from financing activities	**(655,525,936)**	(734,978,425)
Net cash (outflow) from all activities	**232,570,470**	1,610,522,573
Cash and cash equivalents at beginning of the year	2,706,379,444	2,014,444,834
Cash and cash equivalents at end of the period	2,938,949,914	3,624,967,407

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

(Farzana Munaf)	(Taufique Habib)	(Attaullah A. Rasheed)
Chief Financial Officer	Director	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.

	2014 (Rupees)	2013 (Rupees)
Reconciliation to profit and loss account		
Operating cash flows	240,720,306	1,442,259,588
Depreciation expense		
-Investment property	(476,330)	(1,533,089)
-Fixed assets	(6,765,625)	(5,795,808)
Exchange gain	(19,452,154)	143,631,752
Other income	-	-
Rental income	40,417,260	36,580,291
Pension officers expense	(24,687,000)	(17,863,000)
Pension employees expense	(13,692,000)	(7,968,000)
Medical expense	(16,768,000)	(15,365,000)
Gratuity expense	(1,056,000)	(384,000)
Compensated absences	(5,400,000)	(3,959,000)
Provision for outstanding claims	(447,202,490)	43,620,894
Provision for unearned premium	414,269,755	471,973,391
Prepaid reinsurance	(345,300,676)	(917,318,738)
Provision for employee benefits	(4,938,236)	(8,906,308)
Dividend income	388,705,345	479,842,505
Investment income	330,800,789	346,070,401
Interest income	105,222,700	96,601,299
Amortization of premium	2,678,201	2,404,730
Gain on sale of investment	2,068,812	11,452,667
(Decrease)/Increase in operating assets other than cash	241,325,400	(992,373,807)
Decrease/(Increase) in operating liabilities	55,907,046	52,567,719
	936,377,103	1,155,538,487
Other adjustments:		
Provision for impairment in value of investment	-	-
Income tax paid	288,875,616	274,516,292
	288,875,616	274,516,292
Profit/(Loss) before taxation	1,225,252,719	1,430,054,779
Provision for taxation	(317,751,920)	(316,579,136)
Profit/(Loss) after taxation *Rupees*	907,500,799	1,113,475,643

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	50,817	90,209
Current and other accounts	2,713,899,097	2,874,877,198
Deposit maturing within 12 months	225,000,000	750,000,000
Rupees	2,938,949,914	3,624,967,407

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

(Farzana Munaf)	(Taufique Habib)	(Attaullah A. Rasheed)
Chief Financial Officer	Director	Director

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Pakistan Reinsurance Company Limited
Condensed Interim Statement of Premium (Unaudited)
For the period of three months ended September 30, 2014

Class	Premium Written	Unearned premium reserve Opening	Unearned premium reserve Closing	Premium earned	Re-insurance Ceded	Prepaid Reinsurance Premium ceded Opening	Prepaid Reinsurance Premium ceded Closing	Re-insurance expense	Three months ended Sep 30, 2014 Aggregate Net Premium revenue	Three months ended Sep 30, 2013 Aggregate Net Premium revenue
	(A)	(B)	(C)	(D=A+B-C)	(E)	(F)	(G)	(H=E+F-G)	(I=D-H)	
	Rupees									
Business underwritten inside Pakistan										
Facultative										
Fire	713,580,818	723,470,456	991,695,185	445,356,089	275,355,120	348,766,381	410,795,732	213,325,769	232,030,320	202,902,458
Marine Cargo	9,237,991	5,474,210	4,618,996	10,093,206	-	-	-	-	10,093,206	11,666,400
Marine Hull	13,168,836	98,494,933	75,406,929	36,256,840	4,688,906	54,435,345	40,301,149	18,823,102	17,433,738	24,048,132
Accident	52,119,801	86,970,073	96,284,210	42,805,664	-	-	-	-	42,805,664	35,580,726
Aviation	170,984,881	399,470,822	287,299,519	283,156,184	88,052,317	336,590,906	187,706,513	236,936,710	46,219,474	39,737,959
Engineering	353,872,175	688,198,593	689,606,756	352,464,012	181,140,836	498,204,471	434,528,503	244,816,804	107,647,208	131,281,983
Total	**1,312,964,502**	**2,002,079,087**	**2,144,911,595**	**1,170,131,995**	**549,237,179**	**1,237,997,103**	**1,073,331,897**	**713,902,385**	**456,229,610**	**445,217,658**
Treaty	1,307,836,786	1,653,448,596	1,942,867,930	1,018,417,453	476,022,812	359,123,758	567,357,933	267,788,637	750,628,816	761,632,104
Grand Total	**2,620,801,288**	**3,655,527,683**	**4,087,779,524**	**2,188,549,447**	**1,025,259,991**	**1,597,120,861**	**1,640,689,830**	**981,691,022**	**1,206,858,425**	**1,206,849,762**

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

(Farzana Munaf)
Chief Financial Officer

(Taufique Habib)
Director

(Attaullah A. Rasheed)
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 of nine months ended September 30, 2014

Class	Premium Written (A)	Unearned premium reserve Opening (B)	Unearned premium reserve Closing (C)	Premium earned (D=A+B-C)	Re-insurance Ceded (E)	Prepaid Reinsurance Premium ceded Opening (F)	Prepaid Reinsurance Premium ceded Closing (G)	Re-insurance expense (H=E+F-G)	2014 Aggregate Net Premium revenue (I=D-H)	2013 Aggregate Net Premium revenue
	---Rupees---									
Business underwritten inside Pakistan										
Facultative										
Fire	1,472,734,644	836,819,945	991,695,185	1,317,859,404	704,753,132	387,805,080	410,795,732	681,762,480	636,096,924	603,863,288
Marine Cargo	42,522,251	10,040,553	4,618,996	47,943,809	-	-	-	-	47,943,809	41,390,581
Marine Hull	116,035,927	71,360,408	75,406,929	111,989,406	62,371,990	37,575,492	40,301,149	59,646,333	52,343,073	78,650,486
Accident	136,963,111	78,715,398	96,284,210	119,394,299	-	-	-	-	119,394,299	100,295,886
Aviation	218,071,415	910,779,804	287,299,519	841,551,700	110,594,179	801,369,181	187,706,513	724,256,847	117,294,853	126,061,561
Engineering	960,891,738	721,563,721	689,606,756	992,848,703	610,684,207	511,651,888	434,528,503	687,807,592	305,041,111	378,894,059
Total	**2,947,219,086**	**2,629,279,829**	**2,144,911,595**	**3,431,587,321**	**1,488,403,508**	**1,738,401,641**	**1,073,331,897**	**2,153,473,252**	**1,278,114,069**	**1,329,155,861**
Treaty	3,066,125,847	1,872,769,450	1,942,867,930	2,996,027,368	1,045,045,441	247,588,865	567,357,933	725,276,373	2,270,750,995	2,055,929,524
Grand Total	**6,013,344,933**	**4,502,049,279**	**4,087,779,524**	**6,427,614,688**	**2,533,448,949**	**1,985,990,506**	**1,640,689,830**	**2,878,749,625**	**3,548,865,063**	**3,385,085,385**

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

(Farzana Munaf)
Chief Financial Officer

(Taufique Habib)
Director

(Attaullah A. Rasheed)
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 of three months ended September 30, 2014

Class	Claims Paid (A)	Outstanding Claims Opening (B)	Outstanding Claims Closing (C)	Claims Expense (D=A+C-B)	Reinsurance and other recoveries Received (E)	Reinsurance and other recoveries in respect of outstanding claims Opening (F)	Reinsurance and other recoveries in respect of outstanding claims Closing (G)	Reinsurance and other recoveries Revenue (H=E+G-F)	Three months ended Sep 30, 2014 Aggregate Net claim expenses (I=D-H)	Three months ended Sep 30, 2013 Aggregate Net claim expenses
	Rupees									
Business underwritten inside Pakistan										
Facultative										
Fire	44,014,153	552,451,735	917,057,535	408,619,953	-	136,468,099	136,468,099	-	408,619,953	133,362,869
Marine Cargo	3,272,504	33,138,107	33,328,720	3,463,117	-	-	-	-	3,463,117	13,256,731
Marine Hull	-	52,086,797	36,865,580	(15,221,217)	-	14,439,139	5,395,453	(9,043,686)	(6,177,531)	79,989
Accident	2,162,912	131,387,158	139,862,696	10,638,450	-	-	-	-	10,638,450	33,685,621
Aviation	52,022,091	89,214,613	92,758,392	55,565,870	30,051,776	54,274,549	56,750,125	32,527,352	23,038,518	73,508,540
Engineering	32,880,425	202,575,070	182,896,457	13,201,812	39,442,922	122,687,816	88,910,623	5,665,729	7,536,083	185,571,239
Total	**134,352,085**	**1,060,853,480**	**1,402,769,380**	**476,267,985**	**69,494,698**	**327,869,603**	**287,524,300**	**29,149,395**	**447,118,590**	**439,464,989**
Treaty	694,983,529	1,533,991,153	1,621,745,257	782,737,633	239,422,820	1,204,892,282	1,261,489,367	296,019,905	486,717,728	465,536,629
Grand Total	**829,335,614**	**2,594,844,633**	**3,024,514,637**	**1,259,005,618**	**308,917,518**	**1,532,761,885**	**1,549,013,667**	**325,169,300**	**933,836,318**	**905,001,618**

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

(Farzana Munaf)
Chief Financial Officer

(Taufique Habib)
Director

(Attaullah A. Rasheed)
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 of nine months ended September 30, 2014

Class	Claims Paid (A)	Provision for outstanding claims: Opening (B)	Provision for outstanding claims: Closing (C)	Claims Expense (D=A+C-B)	Reinsurance and other recoveries Received (E)	Reinsurance and other recoveries in respect of outstanding claims: Opening (F)	Reinsurance and other recoveries in respect of outstanding claims: Closing (G)	Reinsurance and other recoveries Revenue (H=E+G-F)	Net claim expenses (I=D-H) 2014 Aggregate	Net claim expenses 2013 Aggregate
	---Rupees---									
Business underwritten inside Pakistan										
Facultative										
Fire	122,097,439	476,137,341	917,057,535	563,017,633	-	136,468,099	136,468,099	-	563,017,633	193,883,813
Marine Cargo	19,238,376	39,074,138	33,328,720	13,492,958	-	-	-	-	13,492,958	27,764,117
Marine Hull	19,100,675	61,811,334	36,865,580	(5,845,079)	13,695,279	14,442,587	5,395,453	4,648,145	(10,493,224)	21,336,762
Accident	11,819,610	110,641,028	139,862,696	41,041,278	-	-	-	-	41,041,278	29,947,357
Aviation	52,278,368	61,809,888	92,758,392	83,226,872	30,276,160	59,056,879	56,750,125	27,969,406	55,257,466	92,097,487
Engineering	94,535,713	222,710,921	182,896,457	54,721,249	47,529,192	122,687,816	88,910,623	13,751,999	40,969,250	276,600,544
Total	**319,070,181**	**972,184,650**	**1,402,769,380**	**749,654,911**	**91,500,631**	**332,655,381**	**287,524,300**	**46,369,550**	**703,285,361**	**641,630,080**
Treaty	1,851,467,861	1,597,547,135	1,621,745,257	1,875,665,983	455,195,457	1,208,777,924	1,261,489,367	507,906,900	1,367,759,083	1,329,432,290
Grand Total	**2,170,538,042**	**2,569,731,785**	**3,024,514,637**	**2,625,320,894**	**546,696,088**	**1,541,433,305**	**1,549,013,667**	**554,276,450**	**2,071,044,444**	**1,971,062,370**

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

(Farzana Munaf)
Chief Financial Officer

(Taufique Habib)
Director

(Attaullah A. Rasheed)
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 of three months ended September 30, 2014

Class	Commission paid or payable (A)	Deferred Commission Opening (B)	Deferred Commission Closing (C)	Net commission expense (D=A+B-C)	Other management expenses (E)	Underwriting expense (F=D+E)	Commission from reinsurers (G)	Commission income unearned Opening (H)	Commission income unearned Closing (I)	Net commission retrocession (J=G+H-I)	Three months ended Sep 30 2014 Aggregate Net underwriting expense (K=F-J)	Three months ended Sep 30 2013 Aggregate Net underwriting expense
	---Rupees---											
Business underwritten inside Pakistan												
Facultative												
Fire	79,560,540	80,651,196	112,239,369	47,972,367	20,448,624	68,420,991	13,707,010	23,511,886	21,407,122	15,811,774	52,609,217	30,805,066
Marine Cargo	1,580,284	1,138,274	790,142	1,928,416	3,265,833	5,194,249	-	-	-	-	5,194,249	4,925,164
Marine Hull	1,607,452	10,756,455	8,297,585	4,066,322	2,311,614	6,377,936	1,055,004	8,929,683	6,704,902	3,279,785	3,098,151	2,647,916
Accident	5,771,180	9,502,479	10,578,531	4,695,128	5,999,805	10,694,933	-	-	-	-	10,694,933	6,263,452
Aviation	889,216	1,167,316	1,507,169	549,363	6,517,667	7,067,030	-	1,027,347	606,425	420,922	6,646,108	3,041,818
Engineering	13,999,062	27,896,320	27,789,041	14,106,341	10,173,362	24,279,703	14,563,854	24,139,614	25,998,750	12,704,718	11,574,985	4,367,060
Total	**103,407,734**	**131,112,040**	**161,201,837**	**73,317,937**	**48,716,905**	**122,034,842**	**29,325,868**	**57,608,530**	**54,717,199**	**32,217,199**	**89,817,643**	**52,050,476**
Treaty	249,210,953	360,989,708	408,185,964	202,014,697	51,040,157	253,054,854	208,532	132,732	226,700	114,564	252,940,290	291,032,004
Grand Total	**352,618,687**	**492,101,748**	**569,387,801**	**275,332,634**	**99,757,062**	**375,089,696**	**29,534,400**	**57,741,262**	**54,943,899**	**32,331,763**	**342,757,933**	**343,082,480**

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

(Farzana Munaf)
Chief Financial Officer

(Taufique Habib)
Director

(Attaullah A. Rasheed)
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 of nine months ended September 30, 2014

Class	Commission paid or payable (A)	Deferred Commission Opening (B)	Deferred Commission Closing (C)	Net commission expense (D=A+B-C)	Other management expenses (E)	Underwriting expense (F=D+E)	Commission from reinsurers (G)	Commission income unearned Opening (H)	Commission income unearned Closing (I)	Net commission retrocession (J=G+H-I)	2014 Aggregate Net underwriting expense (K=F-J)	2013 Aggregate
	---Rupees---											
Business underwritten inside Pakistan												
Facultative												
Fire	155,029,668	95,306,645	##########	138,096,944	70,989,290	209,086,234	37,734,084	41,325,138	21,407,122	57,652,100	151,434,134	95,829,514
Marine Cargo	9,641,355	2,264,145	790,142	11,115,358	12,844,127	23,959,485	-	-	-	-	23,959,485	16,305,008
Marine Hull	12,943,912	8,065,439	8,297,585	12,711,766	8,441,896	21,153,662	10,247,867	6,985,873	6,704,902	10,528,838	10,624,824	9,627,487
Accident	14,737,155	9,307,221	10,578,531	13,465,845	19,657,761	33,123,606	-	-	-	-	33,123,606	17,764,485
Aviation	2,206,059	716,978	1,507,169	1,415,868	20,738,490	22,154,358	1,233,042	708,884	606,425	1,335,501	20,818,857	7,795,126
Engineering	40,371,709	27,308,699	27,789,041	39,891,367	36,414,002	76,305,369	35,939,775	25,946,372	25,998,750	35,887,397	40,417,972	10,367,062
Total	**234,929,858**	**142,969,127**	**161,201,837**	**216,697,148**	**169,085,566**	**385,782,714**	**85,154,768**	**74,966,267**	**54,717,199**	**105,403,836**	**280,378,878**	**157,688,682**
Treaty	642,935,008	352,896,625	408,185,964	587,645,669	213,660,100	801,305,769	388,532	175,445	226,700	337,277	800,968,492	915,064,694
Grand Total	**877,864,866**	**495,865,752**	**569,387,801**	**804,342,817**	**382,745,666**	**1,187,088,483**	**85,543,300**	**75,141,712**	**54,943,899**	**105,741,113**	**1,081,347,370**	**1,072,753,376**

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

(Farzana Munaf)
Chief Financial Officer

(Taufique Habib)
Director

(Attaullah A. Rasheed)
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 of nine months ended September 30, 2014

	Three months period ended Sep 30,		Nine months period ended Sep 30,	
	2014	2013	**2014**	2013
	Rupees	Rupees	**Rupees**	Rupees
Income from trading investments				
Held-for-trading	**-**	17,792	**-**	3,846,787
Dividend income	**331,965,968**	349,162,139	**388,705,345**	479,842,505
	331,965,968	349,179,931	**388,705,345**	483,689,292
Income from non-trading investments				
Held-to-maturity				
Return on Government Securities	**63,040,757**	89,888,711	**248,908,453**	260,228,050
Return on other fixed income securities and deposits	**31,182,946**	36,463,254	**105,222,700**	96,601,299
Income on treasury bills	**29,339,686**	17,170,249	**85,026,712**	73,914,837
Amortization of premium on Pakistan Investment Bond	**423,065**	542,981	**2,678,201**	2,404,730
	123,986,454	144,065,195	**441,836,066**	433,148,916
Gain on sale of investments				
Available-for-sale	**-**	9,481	**2,068,812**	7,605,880
Gain on revaluation of investments				
Held-for-trading	**(2,438,968)**	8,255,459	**2,387,166**	17,024,735
	453,513,454	501,510,066	**834,997,389**	941,468,823
Less: Investment related expenses	**(2,017,762)**	(1,729,386)	**(5,521,542)**	(5,097,221)
Net investment income	**451,495,692**	499,780,680	**829,475,847**	936,371,602

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

(Farzana Munaf)	(Taufique Habib)	(Attaullah A. Rasheed)
Chief Financial Officer	Director	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, 2014 (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 Karachi and Lahore Stock Exchanges.

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 3rd Quarter 2014, 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 30th October, 2014 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**

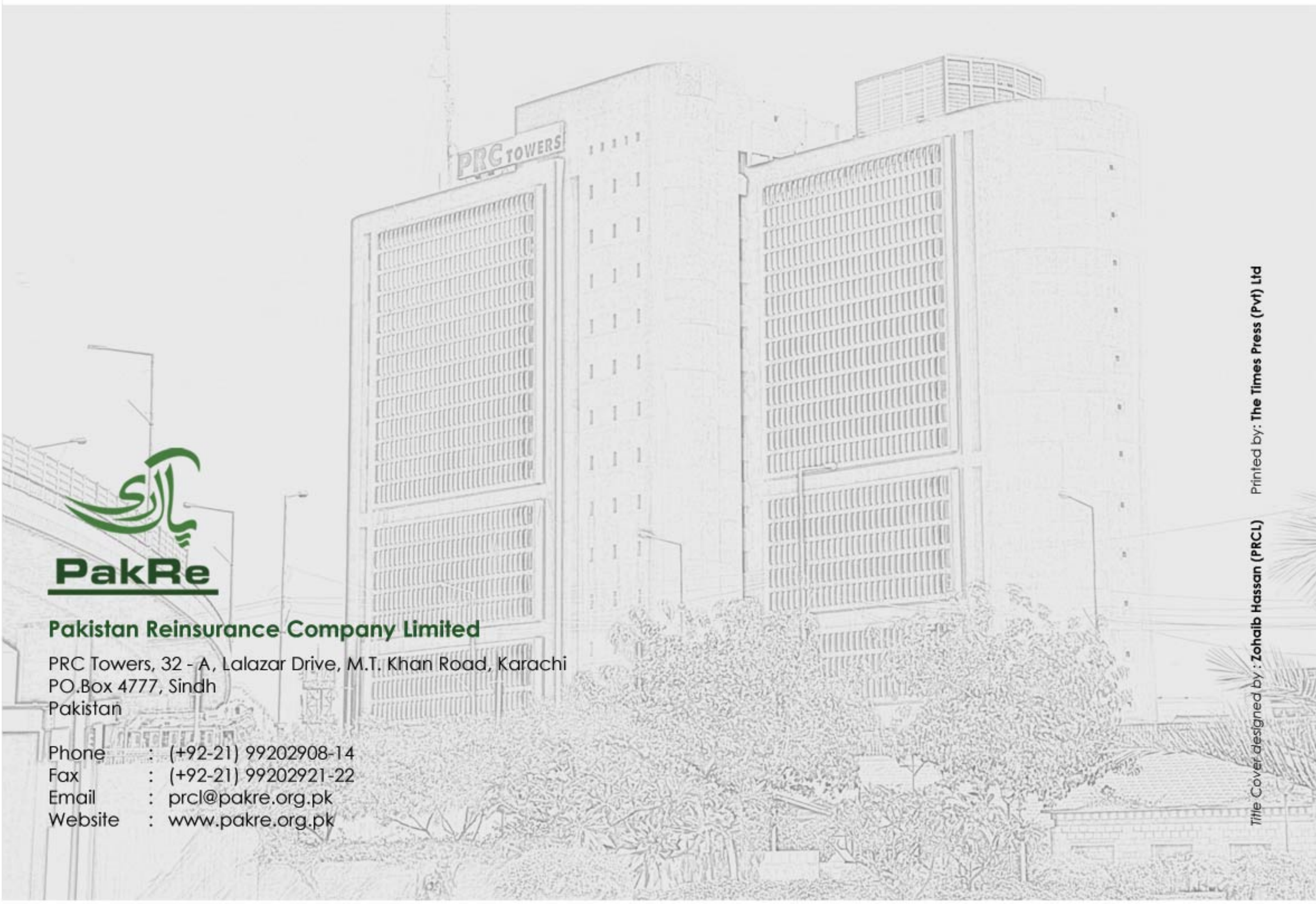
There have been no significant change in the contingent liabilities since last published financial statements.

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

(Farzana Munaf)	(Taufique Habib)	(Attaullah A. Rasheed)
Chief Financial Officer	Director	Director

Karachi October 30, 2014

Simply Secure



PakRe

Pakistan Reinsurance Company Limited

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