

FOR THE PERIOD ENDED MARCH 31, 2015 - UNAUDITED

1. STATUS AND NATURE OF BUSINESS

East West Insurance Company Limited (the Company) was incorporated as a Public Limited Company in the year 1983 under the Companies Act, 1913 (now the Companies Ordinance, 1984). The Head Office of the company is situated at 4th Floor, E.F.U House (Qamar House), M.A.Jinnah Road, Karachi and the shares of the Company are quoted on the Karachi Stock Exchange. The Company is engaged in the general insurance business.

2. BASIS OF PRESENTATION

These Financial Statements are un-audited and are being presented in terms of Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the format prescribed under Insurance Rules 2002 and with the requirements of the International Accounting Standard-34 "Interim Financial Reporting".

3. BASIS OF MEASUREMENT

These financial statements have been prepared under historical cost convention.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

- (i) These Financial Statements are un-audited and are being submitted to shareholders as required by SRO No.764 (1) 2001 dated: November 5, 2001 of the Securities and Exchange Commission of Pakistan.
- (ii) The accounting policies adopted for the preparation of these Financial Statements are consistent with the policies applied in the preparation of the preceding annual financial statements of the Company.
- (iii) The interim financial report has been prepared in compliance with IAS-34 as adopted by the Securities and Exchange Commission of Pakistan.

5. AUTHORIZATION FOR ISSUE

These Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors on April 28, 2015.

6. GENERAL

- (i) Figures have been rounded off to the nearest thousand of rupees.
- (ii) Previous year's figures have been re-arranged and re-grouped wherever necessary for the purpose of comparison.

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi: 28th April, 2015

Board of Directors & Management	3
Directors' Report to the Shareholders.....	4 - 5
Balance Sheet.....	6
Profit & Loss Account	7
Statement of Comprehensive Income.....	8
Statement of Changes in Equity.....	9
Statement of Investment Income.....	10
Statement of Cash Flows.....	11 - 12
Statement of Premiums	13
Statement of Claims	14
Statement of Expenses	15
Notes to the Financial Statements.....	16

FOR THE PERIOD ENDED MARCH 31, 2015 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

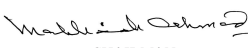
(Rupees in '000)

Class of Business	Commission expenses				Other Management Expenses	Underwriting Expense	* Commission from Reinsurers	March 31,	
	Commission paid or payable	Deferred Commission		Net Commission Expense				2015 Net underwriting expense	2014 Net underwriting expense
		Opening	Closing						
Direct and Facultative									
Fire and property damage	22,563	15,487	13,126	24,924	12,253	37,177	6,874	30,303	27,132
Marine, aviation and transport	3,896	2,572	1,659	4,809	4,502	9,311	3,956	5,355	5,031
Motor	2,979	2,715	2,215	3,479	8,699	12,178	2,146	10,032	9,257
Miscellaneous	22,746	19,612	16,542	25,816	11,224	37,040	8,256	28,784	22,297
Sub-total	52,184	40,386	33,542	59,028	36,678	95,706	21,232	74,474	63,717
Treaty Proportional	-	-	-	-	-	-	-	-	-
Grand-total	52,184	40,386	33,542	59,028	36,678	95,706	21,232	74,474	63,717

Note: The company does not underwrite business outside Pakistan

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

The annexed notes form an integral part of these Financial Statements


 CHAIRMAN


 MANAGING DIRECTOR
 & CHIEF EXECUTIVE OFFICER


 DIRECTOR


 DIRECTOR

Karachi: 28th April, 2015

EAST WEST INSURANCE CO., LTD. - QUARTERLY REPORT MARCH 2015

FOR THE PERIOD ENDED MARCH 31, 2015 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

(Rupees in '000)

Class of Business	Claims			Reinsurance / Recoveries				March 31,		
	Claims Paid	Outstanding claims		Claims Expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	2015 Net Claims expenses	2014 Net Claims expenses
		Opening	Closing			Opening	Closing			
Direct and Facultative										
Fire and property damage	36,463	56,259	51,562	31,766	18,450	30,676	27,456	15,230	16,536	11,955
Marine, aviation and transport	15,626	11,436	9,652	13,842	5,688	6,462	4,524	3,750	10,092	11,019
Motor	31,896	8,714	8,452	31,634	2,887	1,200	-	1,687	29,947	24,498
Miscellaneous	42,487	131,968	128,560	39,079	16,745	97,888	95,562	14,419	24,660	12,899
Sub-total	126,472	208,377	198,226	116,321	43,770	136,226	127,542	35,086	81,235	60,371
Treaty Proportional	-	-	-	-	-	-	-	-	-	-
Grand-total	126,472	208,377	198,226	116,321	43,770	136,226	127,542	35,086	81,235	60,371

Note: The company does not underwrite business outside Pakistan.
The annexed notes form an integral part of these Financial Statements



CHAIRMAN



MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR

Karachi: 28th April, 2015

CHIEF JUSTICE (R) MIAN MAHBOOB AHMAD	...	Chairman
NAVED YUNUS	...	Managing Director & Chief Executive Officer
JAVED YUNUS	...	Executive Director (Marketing)
PERVEZ YUNUS	...	Executive Director (Operations)
MAHEEN YUNUS	...	Director
UMEED ANSARI	...	Director
AHSAN MAHMOOD ALVI FCA England & Wales	...	Director
TULU JAVED YUNUS, CPA	...	Director
SHABBIR ALI KANCHWALA	...	Director Finance / Company Secretary
ENGR. KAZIM RAZA	...	Director Operations
SAJJAD ZAFAR	...	Regional Director
IFTIKHAR HUSSAIN	...	Regional Director
MUHAMMAD FAYYAZ KHOKHAR	...	Regional Director
JAN MOHAMMAD	...	Regional Director
AUDIT COMMITTEE		
UMEED ANSARI	...	Chairman
MAHEEN YUNUS	...	Member
AHSAN MAHMOOD ALVI FCA England & Wales	...	Member
ENGR. KAZIM RAZA	...	Member
JOHRY LAL, FCCA	...	Secretary
KHALID LAW ASSOCIATES	...	Legal Advisor
GRANT THORNTON ANJUM RAHMAN Chartered Accountants	...	Auditors
BDO EBRAHIM & CO. Chartered Accountants	...	Tax Advisor
AFNAN TAX CONSULTANTS		
BEMA ASSOCIATES (PVT) LTD. 515, EFU House, M.A.Jinnah Road, Karachi.	...	Shares Registrar
IFS RATING	A (Single A) Stable Outlook
WEBSITE	...	www.eastwestinsurance.com.pk
BANKERS	...	Allied Bank Limited Askari Bank Limited Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited National Bank of Pakistan Limited NIB Bank Limited Summit Bank Limited The Bank of Punjab Limited United Bank Limited The Karakoram Co. Operative Bank Ltd.

Your Directors are pleased to present their report together with un-audited Quarterly Financial Statements for the period ended March 31, 2015.

The statistic covers the annexed Financial Statements comprising:

- (i) Balance Sheet;
- (ii) Profit and loss account;
- (iii) Statement of comprehensive income;
- (iv) Statement of changes in equity;
- (v) Statement of Cash flows;
- (vi) Statement of premiums;
- (vii) Statement of Claims;
- (viii) Statement of Expenses;
- (ix) Statement of Investment Income.

We are confident that this information would adequately apprise the valued shareholders about the performance of their Company.

The working results of the company for the period ended March 31, 2015 are as under: -

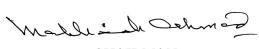
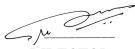

	(Rupees in '000)
	(Unaudited)
Profit before tax	60,408
Taxation	
Current	(10,000)
Deferred	(5,047)
Profit for the period	<u>45,361</u>
Profit and loss appropriation account:	
Balance at beginning of the year	163,410
Profit for the period	45,361
Balance unappropriated at the end of the period	<u>208,771</u>

FOR THE PERIOD ENDED MARCH 31, 2015 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class of Business	Premium			Reinsurance			March 31,			
	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2015	2014
		Opening	Closing			Opening	Closing		Net Premium revenue	Net Premium revenue
(Rupees in '000)										
Direct and Facultative										
Fire and property damage	134,874	83,151	81,452	136,573	67,167	60,577	59,548	68,196	68,377	56,410
Marine, aviation and transport	45,695	15,872	14,742	46,825	21,573	9,091	8,965	21,699	25,126	23,481
Motor	59,848	37,249	36,762	60,335	11,622	18,625	18,456	11,791	48,544	40,692
Miscellaneous	136,562	148,955	147,523	137,994	75,636	138,179	138,451	75,364	62,630	42,443
Sub-total	<u>376,979</u>	<u>285,227</u>	<u>280,479</u>	<u>381,727</u>	<u>175,998</u>	<u>226,472</u>	<u>225,420</u>	<u>177,050</u>	<u>204,677</u>	<u>163,026</u>
Treaty Proportional	-	-	-	-	-	-	-	-	-	-
Grand-total	<u>376,979</u>	<u>285,227</u>	<u>280,479</u>	<u>381,727</u>	<u>175,998</u>	<u>226,472</u>	<u>225,420</u>	<u>177,050</u>	<u>204,677</u>	<u>163,026</u>

Note: The company does not underwrite business outside Pakistan.
The annexed notes form an integral part of these Financial Statements

 CHAIRMAN	 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER	 DIRECTOR	 DIRECTOR
---	---	---	---

Karachi: 28th April, 2015

(Rupees in '000)

	March 31, 2015	March 31, 2014
Reconciliation to the Profit and Loss Account		
Operating cash flows	(25,499)	(9,904)
Depreciation expense	(2,755)	(2,798)
Profit on disposal of fixed assets	7,746	283
Investment income	6,230	7,490
Dividend income	21	1,202
Gain on disposal of Investment securities	7,900	11,063
Other income	2,886	1,610
Increase in assets other than cash	16,247	31,318
Increase / (Decrease) in operating liabilities	32,585	(2,002)
Profit for the period	<u>45,361</u>	<u>38,262</u>

The annexed notes form an integral part of these Financial Statements


CHAIRMAN


MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR


Karachi: 28th April, 2015

(Rupees in '000)

March, 31 2015 March, 31 2014
----- (Unaudited) -----

Gross premium	376,979	285,892
Net premium	204,677	163,026
Underwriting results	48,968	38,936
Investment income	16,503	19,680
Profit before tax	60,408	45,442
Profit for the period	45,361	38,262
Earnings per share-basic & diluted (Rupees)	1.13	0.95

On behalf of the Board of Directors



Naved Yunus
Managing Director & Chief Executive Officer

Karachi: April 28th 2015

BALANCE SHEET

FORM GA

AS AT MARCH 31, 2015

	(Rupees in '000)	
	March 31, 2015	December 31, 2014
	(UNAUDITED)	(AUDITED)
SHARE CAPITAL AND RESERVES		
Authorised capital 50,000,000 (2014: 50,000,000) ordinary shares of Rs. 10 each	500,000	500,000
Issued, subscribed and paid-up-capital	401,502	401,502
Reserves and Retained earning		
Retained Earning	208,771	163,410
General reserves	100,000	100,000
TOTAL SHARE HOLDER'S EQUITY	710,273	664,912
LIABILITIES		
Underwriting provisions		
Provision for outstanding claims (including IBNR)	198,226	208,377
Provision for unearned premium	280,479	285,227
Commission income unearned	76,285	64,052
Total underwriting provision	554,990	557,656
Deferred Liabilities		
Deferred Taxation	18,120	13,073
Creditors and Accruals		
Premium received in advance	6,174	23,594
Amount due to other insurers / reinsurers	15,826	47,131
Taxation-Provision less payments	39,220	32,324
Others creditors and accruals	62,176	55,736
	123,396	158,785
Other liabilities		
Due to Directors - unsecured and interest free	4,944	4,527
TOTAL LIABILITIES	701,450	734,041
TOTAL EQUITY AND LIABILITIES	1,411,723	1,398,953
ASSETS		
Cash and Bank Deposits		
Cash and other equivalents	105	149
Current and other accounts	23,495	37,832
Deposits maturing in 12 months	31,000	44,500
Total cash and bank deposits	54,600	82,481
Investments	700,653	679,402
Investments Properties	48,777	50,149
Current Assets - Other		
Premium due but unpaid	28,114	28,654
Amount due from other insurers / reinsurers	38,459	51,166
Accrued investment income	3,169	1,778
Reinsurance recoveries against outstanding claims	127,542	136,226
Deferred commission expense	33,542	40,386
Prepaid reinsurance premium ceded	225,420	226,472
Advances, deposits and receivables	93,295	48,645
Prepayments and other	426	394
	549,967	533,721
Fixed Assets - Tangible		
Office Premises	6,744	6,830
Furniture & Fixtures	6,733	6,887
Electric Fittings & Equipments	7,761	7,793
Computers	1,385	1,270
Office Equipment	2,772	2,843
Vehicles	32,263	27,504
	57,658	53,127
Intangible		
Computer Software	68	73
TOTAL ASSETS	1,411,723	1,398,953

The annexed notes form an integral part of these Financial Statements

			
CHAIRMAN	MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR

Karachi: 28th April, 2015

STATEMENT OF CASH FLOWS

FORM GC

FOR THE PERIOD ENDED MARCH 31, 2015 - UNAUDITED

	(Rupees in '000)	
	March 31, 2015	March 31, 2014
Operating Cash Flows		
Underwriting activities		
Premium received	360,100	273,268
Reinsurance premium paid	(194,595)	(95,918)
Claims paid	(126,473)	(108,577)
Reinsurance and other recoveries received	43,771	42,323
Commission paid	(52,184)	(45,222)
Commission received	33,466	24,306
Underwriting payments	(42,758)	(48,429)
Net cash from underwriting activities	21,327	41,751
Other operating activities		
Income tax paid	(3,104)	(658)
Other operating (payments) / receipts	(43,722)	(50,997)
Net cash used in other operating activities	(46,826)	(51,655)
Total cash from all operating activities	(25,499)	(9,904)
Investing activities		
Dividend income	21	1,202
Profit/return received	6,230	7,490
Other income received	2,886	1,610
Payment for investment	(525,891)	(251,819)
Proceeds from disposal of investment	512,541	251,648
Fixed capital expenditure	(6,669)	(5,091)
Proceeds from disposal of fixed assets	8,500	283
Total cash (used in) / from investing activities	(2,382)	5,323
Financing activities		
Loan received from directors - unsecured and interest free	-	-
Loan repaid to directors - unsecured and interest free	-	(9)
Total cash (used in) financing activities	-	(9)
Net increase / (decrease) in cash and cash equivalent	(27,881)	(4,590)
Cash and cash equivalent at the beginning of the year	82,481	35,820
Cash and cash equivalent at the end of the period	54,600	31,230

STATEMENT OF INVESTMENT INCOME

FORM GG

FOR THE PERIOD ENDED MARCH 31, 2015 - UNAUDITED

(Rupees in '000)

	March 31, 2015	March 31, 2014
Income from trading investment		
Held for trading		
Gain / (Loss) on trading	6,956	-
Dividend income	982	-
	<u>7,939</u>	<u>-</u>
Income from non-trading investment		
Available- for- sale		
Dividend income	-	1,201
Return on government securities	1,940	1,787
Return on other fixed income securities and deposits	1,591	5,608
Amortisation of premium and discount - net	115	164
	<u>3,646</u>	<u>8,760</u>
Gain on sale of non-trading investment		
Available- for- sale	944	11,063
Gain on revaluation of investment		
Held for trading	4,151	-
Less: Investment related expenses	(177)	(143)
Investment income - net	<u>16,503</u>	<u>19,680</u>

The annexed notes form an integral part of these Financial Statements

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi: 28th April, 2015

PROFIT AND LOSS ACCOUNT

FORM GB

FOR THE PERIOD ENDED MARCH 31, 2015 - UNAUDITED

(Rupees in '000)

	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	March 31, 2015	March 31, 2014
Revenue Account							
Net Premium Revenue	68,377	25,126	48,544	62,630	-	204,677	163,026
Net Claims	(16,536)	(10,092)	(29,947)	(24,660)	-	(81,235)	(60,371)
Management Expenses	(12,253)	(4,502)	(8,699)	(11,224)	-	(36,678)	(34,865)
Net Commission	(18,050)	(853)	(1,333)	(17,560)	-	(37,796)	(28,852)
Underwriting results	<u>21,539</u>	<u>9,678</u>	<u>8,565</u>	<u>9,186</u>	<u>-</u>	<u>48,968</u>	<u>38,938</u>
Investment income - net						16,503	19,680
Rental income						2,881	1,658
Other income						7,751	236
General and administrative expenses						(15,695)	(15,070)
Profit before tax						<u>60,408</u>	<u>45,442</u>
Taxation							
Current						(10,000)	(5,500)
Deferred						(5,047)	(1,680)
Profit for the period						<u>45,361</u>	<u>38,262</u>
Profit and Loss appropriation account							
Balance at beginning of the year						163,410	94,283
Profit for the period						45,361	38,262
Balance unappropriated at the end of the period						<u>208,771</u>	<u>132,545</u>
Earning per share - basic and diluted						<u>1.13</u>	<u>0.95</u>

The annexed notes form an integral part of these Financial Statements

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi: 28th April, 2015

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED MARCH 31, 2015 - UNAUDITED

(Rupees in '000)

	March 31, 2015	March 31, 2014
Profit for the period	45,361	38,262
Other comprehensive income		
- item that may be reclassified to profit and loss account in future	-	-
- item that will never be reclassified to profit and loss account	-	-
Total comprehensive income for the period	<u>45,361</u>	<u>38,262</u>

The annexed notes form an integral part of these Financial Statements

 CHAIRMAN
 MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi: 28th April, 2015

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED MARCH 31, 2015 - UNAUDITED

(Rupees in '000)

	Issued, subscribed and paid up Capital	Retained Earning	General Reserve	Total shareholders equity
Balance as at January 01, 2014	365,002	94,283	100,000	559,285
Total comprehensive income for the period ended March 31, 2014	-	38,262	-	38,262
Other comprehensive income	-	-	-	-
Balance as at March 31, 2014	365,002	132,545	100,000	597,547
Total comprehensive income for the Nine months ended December 31, 2014	-	103,865	-	103,865
Other comprehensive income	-	-	-	-
Transaction with owners				
10% Cash dividend	-	(36,500)	-	(36,500)
Issue of 10% bonus shares	36,500	(36,500)	-	-
Balance as at December 31, 2014	401,502	163,410	100,000	664,912
Total comprehensive income for the period ended March 31, 2015	-	45,361	-	45,361
Other comprehensive income	-	-	-	-
Balance as at March 31, 2015	<u>401,502</u>	<u>208,771</u>	<u>100,000</u>	<u>710,273</u>

The annexed notes form an integral part of these Financial Statements

 CHAIRMAN
 MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi: 28th April, 2015

EAST WEST INSURANCE CO., LTD. - QUARTERLY REPORT MARCH 2015