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## BOARD OF DIRECTORS & MANAGEMENT

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
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. B-1, Shafiq Plaza 255/A, Sarwar Shaheed Road, Karachi.	...	Shares Registrar
IFS RATING	....	A (Single A) Stable Outlook
WEBSITE	...	<a href="http://www.eastwestinsurance.com.pk">www.eastwestinsurance.com.pk</a>
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 The Karakoram Co. Operative Bank Ltd. United Bank Limited

## DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS

Your Directors are pleased to present their report together with un-audited Half Yearly Financial Statements for the period ended June 30, 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 financial highlight of the company for the period ended June 30, 2015 are as under: -

	(Rupees in '000) (unaudited)
Profit before tax	103,835
Less: Taxation for the period	(26,655)
Profit for the period	<u>77,180</u>
Profit and loss appropriation account:	
Balance at beginning of the year	163,409
Profit for the period	77,180
Interim cash dividend	(40,150)
Balance unappropriated at the end of the period	<u>200,440</u>

	(Rupees in '000)	
	June, 30 2015	June, 30 2014
	----- (Unaudited) -----	
Gross premium	852,841	618,324
Net premium	454,521	350,989
Underwriting results	91,463	68,290
Investment income	31,157	63,510
Profit before tax	103,835	102,858
Profit for the period	77,180	76,178
Earnings per share (Rupees)	1.92	1.90

On behalf of the Board of Directors



Naved Yunus  
Managing Director & Chief Executive

Karachi: August 31, 2015

AUDITOR'S REPORT TO THE MEMBERS

Introduction

We have reviewed the accompanying

- (i) condensed interim balance sheet
- (ii) condensed interim profit and loss account
- (iii) condensed interim statement of comprehensive income
- (iv) condensed interim statement of changes in equity
- (v) condensed interim statement of cash flows
- (vi) condensed interim statement of premiums
- (vii) condensed interim statement of claims
- (viii) condensed interim statement of expenses
- (ix) condensed interim statement of investment income

and the notes to the condensed interim financial statements of East West Insurance Company Limited (the Company) as at June 30, 2015, and for the six months period ended (here-in-after referred to as the "condensed interim financial statements"). Management of the company is responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan, for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as of and for six months period ended June 30, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the three months period ended June 30, 2015 and June 30, 2014 in the condensed interim financial statements have not been reviewed and we do not express conclusion thereon, as we are required to review only the cumulative figures for the six months period ended June 30, 2015.

*Anjum Asim Shahid Rahman*

Anjum Asim Shahid Rahman  
Chartered Accountants  
Muhammad Shaukat Naseeb

AS AT JUNE 30, 2015

	Note	June 30, 2015 (Unaudited)	December 31, 2014 (Audited)
(Rupees in '000)			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital 50,000,000 (December 31, 2014: 50,000,000) ordinary shares of Rs. 10 each		500,000	500,000
Issued, subscribed and paid-up share capital		401,502	401,502
Retained earnings		200,440	163,410
General reserves		100,000	100,000
Shareholders' equity		701,942	664,912
<b>LIABILITIES</b>			
Underwriting provisions			
Provision for outstanding claims(including IBNR)		205,559	208,377
Provision for unearned premium		316,197	285,227
Commission income unearned		93,781	64,052
Total underwriting provision		615,537	557,656
Deffered Liabilities			
Deffered taxation		15,400	13,073
Creditors and Accruals			
Premium received in advance		7,081	23,594
Amount due to other insurers / reinsurers		6,961	47,131
Taxation-net of provision		50,102	32,324
Others creditors and accruals	4	109,068	55,736
		173,212	158,785
Other Liabilities			
Due to directors - unsecured and interest free		7,768	4,527
<b>TOTAL LIABILITIES</b>		<b>811,917</b>	<b>734,041</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,513,859</b>	<b>1,398,953</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	5		
<b>ASSETS</b>			
Cash and Bank Deposits			
Cash and other equivalents		152	149
Current and other accounts		45,192	37,832
Deposits maturing in 12 months		1,000	44,500
Total cash and bank deposits		46,344	82,481
Investments	6	700,754	679,402
Investments properties		48,457	50,149
Other Assets			
Premium due but unpaid - net	8	36,443	28,655
Amount due from other insurers / reinsurers		57,440	51,166
Accrued investment income		1,711	1,778
Reinsurance recoveries against outstanding claims		112,459	136,226
Deferred commission expense		36,465	40,386
Prepaid reinsurance premium ceded		271,163	226,472
Advances, deposits and other receivables	9	87,334	48,645
Prepayments		331	394
Total other assets		603,346	533,721
Fixed Assets			
Tangible & Intangible	10		
Office Premises		62,297	6,830
Furniture & Fixtures		6,561	6,887
Electric fittings & equipments		7,699	7,793
Computers equipments		1,680	1,270
Office equipment		2,716	2,843
Vehicles		33,943	27,504
Computer software		62	73
		114,958	53,200
<b>TOTAL ASSETS</b>		<b>1,513,859</b>	<b>1,398,953</b>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

*Muhammad Shaukat Naseeb*  
CHAIRMAN

*Abdul Wahid*  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

*Abdul Wahid*  
DIRECTOR

*Abdul Wahid*  
DIRECTOR

## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FORM GB

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2015 - UNAUDITED

		(Rupees in '000)					
Note	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Six Months Ended June 30,	
						2015 Total	2014 Total
						<b>REVENUE ACCOUNT</b>	
	160,800	54,899	100,884	137,938	-	454,521	350,989
	(42,874)	(25,832)	(65,140)	(61,451)	-	(195,297)	(145,721)
	(27,569)	(9,412)	(17,297)	(23,649)	-	(77,927)	(62,986)
	(49,515)	(1,670)	(4,657)	(33,992)	-	(89,834)	(73,992)
	<u>40,842</u>	<u>17,985</u>	<u>13,790</u>	<u>18,846</u>	<u>-</u>	<u>91,463</u>	<u>68,290</u>
						31,157	63,510
						5,157	3,936
						10,474	4,132
						(32,297)	(34,911)
						(2,119)	(2,099)
						<u>12,372</u>	<u>34,568</u>
						103,835	102,858
						(24,328)	(15,170)
						(2,327)	(11,510)
						<u>(26,655)</u>	<u>(26,680)</u>
						<u>77,180</u>	<u>76,178</u>
						163,410	94,283
						77,180	76,178
						(40,150)	-
						<u>200,440</u>	<u>170,461</u>
						1.92	1.90

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

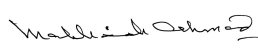
Karachi : August 31, 2015

## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FORM GB

FOR THE QUARTER ENDED JUNE 30, 2015 - UNAUDITED

		(Rupees in '000)					
Note	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	Quarter Ended June 30,	
						2015 Total	2014 Total
						<b>REVENUE ACCOUNT</b>	
	92,423	29,773	52,340	75,308	-	249,844	187,964
	(26,338)	(15,740)	(35,193)	(36,791)	-	(114,062)	(85,350)
	(15,316)	(4,910)	(8,598)	(12,425)	-	(41,249)	(28,121)
	(31,465)	(817)	(3,324)	(16,432)	-	(52,038)	(45,141)
	<u>19,304</u>	<u>8,306</u>	<u>5,225</u>	<u>9,660</u>	<u>-</u>	<u>42,495</u>	<u>29,352</u>
						14,654	43,829
						2,276	2,234
						2,723	3,940
						(16,601)	(19,840)
						(2,119)	(2,099)
						<u>933</u>	<u>28,064</u>
						43,428	57,416
						(14,327)	(9,670)
						2,719	(9,829)
						<u>(11,608)</u>	<u>(19,499)</u>
						<u>31,820</u>	<u>37,917</u>
						0.79	0.94

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2015 - UNAUDITED

	(Rupees in '000)			
	Six months period ended		Quarter ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Profit for the period	77,180	76,178	31,820	37,917
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>77,180</u>	<u>76,178</u>	<u>31,820</u>	<u>37,917</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2015 - UNAUDITED

	(Rupees in '000)			
	Issued, Subscribed and Paid-up share capital	Revenue Retained Earning	Reserve 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 June 30, 2014	-	76,178	-	76,178
Balance as at June 30, 2014	365,002	170,461	100,000	635,463
Total comprehensive income for the period from July 01, 2014 to December 31, 2014	-	65,949	-	65,949
Transactions with owners				
Dividend paid (10%)	-	(36,500)	-	(36,500)
Issue of bonus shares (10%)	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 June 30, 2015	-	77,180	-	77,180
Transactions with owners				
Interim dividend paid (10%)	-	(40,150)	-	(40,150)
Balance as at June 30, 2015	<u>401,502</u>	<u>200,440</u>	<u>100,000</u>	<u>701,942</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

## CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME FORM GG

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2015 - UNAUDITED

	(Rupees in '000)			
	Six Months Ended		Quarter Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Income from trading investments				
Held for trading				
Gain on trading	11,455	-	4,499	-
Dividend income	1,574	-	591	-
	13,029	-	5,090	-
Income from non-trading investments				
Available-for-sale				
Dividend income	-	1,549	-	348
Return on government securities	3,899	3,349	1,959	1,562
Return on other fixed income securities and deposits	3,318	1,468	1,727	721
Amortisation of premium and discount - net	757	470	642	306
	7,974	6,836	4,328	2,937
Gain on sale of non-trading investment				
Available-for-sale	944	57,679	-	41,755
Gain on revaluation of investment				
Held for trading	9,581	-	5,430	-
Provision for impairment in value of investment				
Available-for-sale	-	(720)	-	(720)
Less: Investment related expenses	(370)	(285)	(194)	(143)
Investment Income - net	31,158	63,510	14,654	43,829

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

## CONDENSED INTERIM STATEMENT OF CASH FLOWS FORM GG

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2015 - UNAUDITED

	(Rupees in '000)	
	June 30, 2015	June 30, 2014
OPERATING ACTIVITIES		
<i>Underwriting activities</i>		
Premium received	828,540	592,282
Reinsurance premiums ceded	(458,488)	(289,790)
Claims paid	(277,929)	(238,129)
Reinsurance and other recoveries received	103,582	108,501
Commission paid	(146,536)	(109,881)
Commission received	90,352	50,372
Underwriting payments	(52,213)	(74,543)
	87,308	
Net cash generated from underwriting activities		38,812
<i>Other operating activities</i>		
Income tax paid	(6,550)	(1,195)
Other operating payments	(38,626)	(3,626)
Net cash used in other operating activities	(45,176)	(4,821)
Total cash generated from all operating activities	42,132	33,991
INVESTING ACTIVITIES		
Profit / Return received	18,825	6,071
Other income received	5,158	5,598
Investment made	(727,322)	(1,230,316)
Proceeds from disposal of investment	718,369	1,215,156
Fixed capital expenditure	(67,524)	(10,544)
Proceeds from disposal of fixed assets	11,875	3,237
Total cash flows used in investing activities	(40,619)	(10,798)
FINANCING ACTIVITIES		
Loan received from Directors	61,750	385
Loan repaid to Directors	(59,250)	(9)
Dividend paid	(40,150)	-
Total cash (used in) / generated from financing activities	(37,650)	376
Net cash (decrease) / increase in cash and cash equivalent	(36,137)	23,569
Cash and cash equivalents at beginning of the year	82,481	35,820
Cash and cash equivalents at end of the period	46,344	59,389

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

**CONDENSED INTERIM STATEMENT OF PREMIUMS FORM GD**

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2015 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

(Rupees in '000)

Class of Business	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Six Months Ended June 30,	
		Opening	Closing			Opening	Closing		2015 Net Premium revenue	2014 Net Premium revenue
Direct and Facultative										
Fire and property damage	311,422	83,151	110,849	283,724	151,073	60,577	88,726	122,924	160,800	128,351
Marine, aviation and transport	108,544	15,872	19,986	104,430	48,106	9,091	7,666	49,531	54,899	51,669
Motor	126,468	37,249	37,519	126,198	44,016	18,625	37,327	25,314	100,884	72,782
Miscellaneous	306,408	148,955	147,843	307,520	168,847	138,179	137,444	169,582	137,938	98,187
<b>Total</b>	<b>852,842</b>	<b>285,227</b>	<b>316,197</b>	<b>821,872</b>	<b>412,042</b>	<b>226,472</b>	<b>271,163</b>	<b>367,351</b>	<b>454,521</b>	<b>350,989</b>
Treaty Proportional										
	-	-	-	-	-	-	-	-	-	-
<b>Grand-total</b>	<b>852,842</b>	<b>285,227</b>	<b>316,197</b>	<b>821,872</b>	<b>412,042</b>	<b>226,472</b>	<b>271,163</b>	<b>367,351</b>	<b>454,521</b>	<b>350,989</b>

Note: The company does not underwrite business outside Pakistan

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

(Rupees in '000)

	June 30, 2015	June 30, 2014
Reconciliation to the Profit and Loss Account		
Operating cash flows	42,132	33,991
Depreciation expense	(6,057)	(5,698)
Gain on disposal of fixed assets	10,474	2,470
Investment income	18,825	6,071
Gain on sale of Available-for-sale Investment	12,399	57,679
Provision of impairment in value of available for sale investments	-	(720)
Other income	5,157	5,598
Increase in assets other than cash	69,626	65,368
Decrease in operating liabilities	(75,376)	(88,581)
<b>Profit for the period</b>	<b>77,180</b>	<b>76,178</b>

Definition of cash

Cash comprises cash in hand, policy stamps, bank balances and other deposits which are readily convertible into cash in hand and which are used in the cash management function on a day to day basis.

Cash for the purpose of statement of cash flows consist of:

	June 30, 2015	June 30, 2014
	152	16
Cash and other equivalents	45,192	19,269
Current and other accounts	1,000	40,104
Deposits maturing within 12 months	46,344	59,389

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

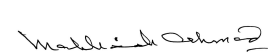
  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

## CONDENSED INTERIM STATEMENT OF PREMIUMS FORM GD

FOR THE QUARTER ENDED JUNE 30, 2015 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

(Rupees in '000)

Class of Business	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Quarter Ended June 30,	
		Opening	Closing			Opening	Closing		2015 Net Premium revenue	2014 Net Premium revenue
Direct and Facultative										
Fire and property damage	176,548	81,452	110,849	147,151	83,906	59,548	88,726	54,728	92,423	71,941
Marine, aviation and transport	62,849	14,742	19,986	57,605	26,533	8,965	7,666	27,832	29,773	28,189
Motor	66,620	36,762	37,519	65,863	32,394	18,456	37,327	13,524	52,340	32,090
Miscellaneous	169,846	147,523	147,843	169,526	93,211	138,451	137,444	94,218	75,308	55,744
Total	475,863	280,479	316,197	440,145	236,043	225,420	271,163	190,301	249,844	187,964
Treaty Proportional										
Grand-total	475,863	280,479	316,197	440,145	236,043	225,420	271,163	190,300	249,844	187,964

Note: The company does not underwrite business outside Pakistan

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

## CONDENSED INTERIM STATEMENT OF CLAIMS FORM GE

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2015 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

(Rupees in '000)

Class of Business	Claims Paid	Outstanding claims		Claims Expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Six Months Ended June 30,	
		Opening	Closing			Opening	Closing		2015 Net Claims expense	2014 Net Claims expense
Direct and Facultative										
Fire and property damage	78,441	56,259	63,403	85,585	42,848	30,676	30,539	42,711	42,874	27,155
Marine, aviation and transport	36,159	11,436	17,867	42,590	12,224	6,462	10,996	16,758	25,832	24,548
Motor	66,459	8,714	14,624	72,369	8,429	1,200	-	7,229	65,140	45,794
Miscellaneous	96,870	131,968	109,665	74,567	40,080	97,888	70,924	13,116	61,451	48,224
Total	277,929	208,377	205,559	275,111	103,581	136,226	112,459	79,814	195,297	145,721
Treaty Proportional										
Grand-total	277,929	208,377	205,559	275,111	103,581	136,226	112,459	79,814	195,297	145,721

Note: The company does not underwrite business outside Pakistan.

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015



## CONDENSED INTERIM STATEMENT OF CLAIMS FORM GE

FOR THE QUARTER ENDED JUNE 30, 2015 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

(Rupees in '000)

Class of Business	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	Quarter Ended June 30,	
		Opening	Closing			Opening	Closing		2015 Net Claims expenses	2014 Net Claims expenses
Fire and property damage	41,978	51,562	63,403	53,819	24,398	27,456	30,539	27,481	26,338	15,200
Marine, aviation and transport	20,534	9,652	17,867	28,749	6,537	4,524	10,996	13,009	15,740	13,529
Motor	34,563	8,452	14,624	40,735	5,542	-	-	5,542	35,193	21,295
Miscellaneous	54,382	128,560	109,665	35,487	23,334	95,562	70,924	(1,304)	36,791	35,326
<b>Total</b>	<b>151,457</b>	<b>198,226</b>	<b>205,559</b>	<b>158,790</b>	<b>59,811</b>	<b>127,542</b>	<b>112,459</b>	<b>44,728</b>	<b>114,062</b>	<b>85,350</b>
Treaty Proportional										
Grand-total	151,457	198,226	205,559	158,790	59,811	127,542	112,459	44,728	114,062	85,350

Note: The company does not underwrite business outside Pakistan.  
The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

## CONDENSED INTERIM STATEMENT OF EXPENSES FORM GF

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2015 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

(Rupees in '000)

Class of Business	Commission paid or payable	Deferred Commission		Net Commission Expense	Other Management Expenses	Underwriting Expenses	* Commission from Reinsurance	Six Months Ended June 30,	
		Opening	Closing					2015 Net underwriting expense	2014 Net underwriting expense
Direct and Facultative									
Fire and property damage	71,365	15,487	16,578	70,274	27,569	97,843	20,759	77,084	67,879
Marine, aviation and transport	14,659	2,572	3,221	14,010	9,412	23,422	12,340	11,082	16,092
Motor	9,987	2,715	3,867	8,835	17,297	26,132	4,178	21,954	16,813
Miscellaneous	50,525	19,612	12,799	57,338	23,649	80,987	23,346	57,641	36,194
<b>Total</b>	<b>146,536</b>	<b>40,386</b>	<b>36,465</b>	<b>150,457</b>	<b>77,927</b>	<b>228,384</b>	<b>60,623</b>	<b>167,761</b>	<b>136,978</b>
Treaty Proportional									
Grand-total	146,536	40,386	36,465	150,457	77,927	228,384	60,623	167,761	136,978

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 1 to 16 form an integral part of these condensed interim financial statements.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

## CONDENSED INTERIM STATEMENT OF EXPENSES FORM GF

FOR THE QUARTER ENDED JUNE 30, 2015 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

(Rupees in '000)

Class of Business	Commission paid or payable	Deferred Commission		Net Commission Expense	Other Management Expenses	Underwriting Expenses	* Commission from Reinsurance	Quarter Ended June 30,	
		Opening	Closing					2015 Net underwriting expense	2014 Net underwriting expense
Direct and Facultative									
Fire and property damage	48,802	13,126	16,578	45,350	15,316	60,666	13,885	46,781	40,747
Marine, aviation and transport	10,763	1,659	3,221	9,201	4,910	14,111	8,384	5,726	11,063
Motor	7,008	2,215	3,867	5,356	8,598	13,954	2,032	11,921	7,554
Miscellaneous	27,779	16,542	12,799	31,522	12,425	43,947	15,090	28,859	13,898
Total	94,352	33,542	36,465	91,429	41,249	132,678	39,391	93,287	73,262
Treaty Proportional									
Grand-total	94,352	33,542	36,465	91,429	41,249	132,678	39,391	93,287	73,262

Note: 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 1 to 16 form an integral part of these condensed interim financial statements.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

## NOTES TO THE CONDENSED INTERIM FINANCIAL REPORTS

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2015 - UNAUDITED

### 1. STATUS AND NATURE OF BUSINESS

East West Insurance Company Limited (the Company) was incorporated as a Public Limited Company in 1983 under the Companies Act, 1913, the shares of Company are listed on the Karachi Stock Exchange. The Company is engaged in the general insurance business and operates through 53 (2014: 55) branches in Pakistan. The registered office of the Company is situated at 27, Regal Plaza, Jinnah Road, Quetta. The principal place of business is situated at Office # B-401-404, 4th Floor, Lakson Square Building No. 03, Sarwar Shaheed Road, Karachi.

### 2. BASIS OF PREPARATION

#### 2.1 Statement Of Compliance

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of International Accounting Standards 34 "Interim Financial Reporting", provisions of and directives issued under the companies ordinance 1984, the Insurance Ordinance 2000 and the SEC (Insurance) Rules 2002. Wherever the requirements of companies ordinance 1984, the Insurance Ordinance 2000 and the SEC (Insurance) Rules differs with the requirement of IAS, the requirements of the former prevail.

The disclosure made in these condensed interim financial statements has been limited based on the format prescribed by Securities and Exchange Commission of Pakistan vide Circular No 7 of 2003 and International Accounting Standard (IAS) 34 "Interim Financial Reporting" and does not include all the information required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the Company's annual financial statements for the year ended 31, December 2014.

#### 2.2 Basis Of Measurement

These condensed interim financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at fair value or amortized cost as applicable.

These condensed interim financial statements have been prepared following accrual basis of accounting except for cash flow information.

#### 2.3 Functional and Presentation Currency

These condensed interim financial statements have been prepared and presented in Pakistan Rupees, which is the Company's functional and presentation currency. Figures have been rounded off to the nearest rupee.

#### 2.4 Use of significant accounting estimates and judgments

The basis and methods used for critical accounting estimates and judgements adopted in these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2014.

(Rupees in '000)

## 2.5 New / Revised Standards, amendments and interpretations

New / revised standards, amendments and interpretations that are mandatory for accounting period beginning on or after January 1, 2015 are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial statements are same as those applied in the preparation of the annual financials statements for the year ended December 31, 2014.

4. OTHER CREDITORS AND ACCRUALS	June 30, 2015	December 31, 2014
Federal excise duty	1,713	1,405
Federal insurance fee	823	294
Withholding tax	4,035	725
Dividend Payable	35,557	3
Sundry creditors	55,656	44,144
Workers welfare fund	11,284	9,165
	<u>109,068</u>	<u>55,736</u>

## 5. CONTINGENCIES AND COMMITMENTS

There is no contingency and commitment as at June 30, 2015 (December 31, 2014: Nil).

6. INVESTMENTS	Note	June 30, 2015	December 31, 2014
At fair value through profit and loss held-for-trading		571,696	541,845
Available -for- sale			
Marketable securities		17,348	22,464
Government securities		79,065	78,673
Term finance certificates - listed/unlisted		32,645	36,420
	6.1	<u>700,754</u>	<u>679,402</u>

6.1 The fair value of available-for-sale investment is Rs.133.343 million/- (December 31, 2014:Rs.138.612 million). Available for sale investments are stated at lower of cost or market value ( market value being taken as lower if the reduction is other than temporary) as required by the Securities and Exchanges Commission Rules, 2002. However, the International Accounting Standard 39 "Financial Instruments, Recognition and Measurement" requires that these instruments should be measured at fair value. Had these instruments been measured at fair value, their carrying values as at June 30, 2015 would have been lower by Rs. 4.285 million (December 31, 2014 higher by Rs. 2.986 million).

(Rupees in '000)

## 7. INVESTMENTS PROPERTIES

Investment Property comprises of three properties having market value of Rs 167.5 million as at June 30, 2015 (December 2014: 128.87 million). The valuations of these have been carried out in March 2015 by independent valuers M/s Intikhab Alam & Co and M/s Zafar Iqbal & Co.

Rental income from investment properties amounts to Rs. 4.29 million (June 2014: 3.936 million) and has been recorded net of depreciation in condensed interim profit and loss account.

8. PREMIUM DUE BUT UNPAID - Net	June 30, 2015	December 31, 2014
Unsecured		
Considered good	36,443	30,009
Provision for doubtful	-	-
Written off during the year	-	(1,355)
	<u>36,443</u>	<u>28,654</u>
9. ADVANCES, DEPOSITS AND OTHER RECEIVABLES		
Unsecured and Considered Good		
Advances	66,000	35,522
Deposits	5,305	2,505
Other receivables	16,029	10,618
	<u>87,334</u>	<u>48,645</u>

## 10. FIXED ASSETS - Tangibles and Intangible

The details of additions and disposals during the six month period ended June 30, 2015 are as follows:

	Additions (at cost)		Disposals (at NBV)	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Tangibles				
Office premises	56,484	-	621	-
Furniture & fixtures	19	117	-	-
Electric fittings & equipments	304	166	-	-
Computers equipments	670	63	-	-
Office equipment	15	422	-	-
Vehicles	10,033	5,281	331	768
	-	-	-	-
Intangible				
Computer software	-	64	-	-
	<u>67,525</u>	<u>6,113</u>	<u>952</u>	<u>768</u>

			(Rupees in '000)	
11. OTHER INCOME	June 30, 2015	June 30, 2014		
Gain on sale of fixed assets	2,525	2,470		
Gain on sale of investment property	7,949	-		
Others	-	4,132		
	<u>10,474</u>	<u>6,602</u>		

12. DIVIDEND		
Number of shares of Rs 10 each	<u>401,502</u>	<u>365,002</u>
Dividend per share	<u>10%</u>	<u>-</u>
Dividend paid	<u>40,150</u>	<u>-</u>

During the six month period ended 30 June, 2015 Board of Directors announced interim dividend of Rs. 1 per share 10% on ordinary shares ( 30 June, 2014 : Nil).

13. EARNINGS PER SHARE - basic and diluted	Six months period ended		Three months period ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	----- Rupees in ('000) -----			
Profit for the period	<u>77,180</u>	<u>76,178</u>	<u>31,819</u>	<u>37,916</u>
	----- Number of shares -----			
Weighted average number of shares of Rs. 10 each	<u>40,150,254</u>	<u>40,150,254</u>	<u>40,150,254</u>	<u>40,150,254</u>
	----- Rupees -----			
Earnings per share	<u>1.92</u>	<u>1.90</u>	<u>0.79</u>	<u>0.94</u>

- 13.1 There is no dilutive effect on basic earning per share of the company.
- 13.2 The number of shares for the prior period have been adjusted with the bonus factor.
14. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of associated companies, entities under common control, entities with common Directors, major shareholders and key management personnel of the Company. Transactions with related parties are carried out at arm's length basis except for compensation to key management personnel which is carried out on basis of employment terms and conditions. The transactions and balances with related parties other than those which have been disclosed elsewhere in thses condensed interim financial statements are as follows:

			(Rupees in '000)	
			Six Months Period Ended June 30,	
			June 30, 2015	June 30, 2014
Loan received from directors			61,750	385
Loan repaid to directors			59,250	9
Remuneration to key management personnel			2,090	2,050
Investment in associated company			13,514	-
Cash dividend			15,591	-

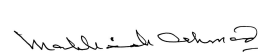
#### 15. SEGMENT REPORTING

The following is a schedule of class of business wise assets and liabilities:

	Fire and Property Damage		Marine Aviation and Transport		Motor		Miscellaneous		Total	
	June 2015 Un-audited	Dec 2014 Audited	June 2015 Un-audited	Dec 2014 Audited	June 2015 Un-audited	Dec 2014 Audited	June 2015 Un-audited	Dec 2014 Audited	June 2015 Un-audited	Dec 2014 Audited
Segment assets	187,657	190,275	65,407	70,845	76,208	67,135	184,637	207,850	513,909	536,104
Unallocated corporate assets									999,950	862,849
Consolidated total assets									1,513,859	1,398,953
Segment Liabilities	229,895	223,027	80,129	83,039	93,361	78,690	226,194	243,626	629,579	628,381
Unallocated corporate liabilities									182,338	105,660
Consolidated total liabilities									811,917	734,041
									----- Six months period ended -----	
									June 30, 2015	June 30, 2014
Capital Expenditure	-	-	-	-	-	-	-	-	67,524	10,544
Depreciation and amortization	-	-	-	-	-	-	-	-	6,057	5,698

#### 16. GENERAL

- 16.1 This condensed interim financial information was authorised for issue in the board of directors meeting held on August 31, 2015 .
- 16.2 The figures for the quarter and six month period ended June 30, 2015 have been rounded off to the nearest rupee.

  
CHAIRMAN

  
MANAGING DIRECTOR  
& CHIEF EXECUTIVE

  
DIRECTOR

  
DIRECTOR

Karachi : August 31, 2015

## PATTERN OF SHAREHOLDINGS

### PATTERN OF SHAREHOLDINGS AS AT JUNE 30, 2015

Number of Shareholders	Shareholding		Total Shares Held	Percentage
	From	To		
273	1	1000	6,467	0.0161
3	1,001	2,000	5,250	0.0131
1	2,001	3,000	2,420	0.0060
1	6,001	7,000	6,642	0.0165
1	10,001	11,000	10,970	0.0273
1	11,001	12,000	11,054	0.0275
2	12,001	13,000	24,381	0.0607
3	14,001	15,000	44,936	0.1119
1	15,001	16,000	15,122	0.0377
2	16,001	17,000	33,118	0.0825
2	17,001	18,000	35,559	0.0886
1	19,001	20,000	19,210	0.0478
1	21,001	22,000	21,144	0.0527
1	22,001	23,000	22,364	0.0557
2	23,001	24,000	47,466	0.1182
1	26,001	27,000	26,482	0.0660
1	27,001	29,000	28,328	0.0706
3	29,001	31,000	91,555	0.2280
4	31,001	33,000	130,710	0.3256
1	34,001	36,000	35,822	0.0892
1	35,001	37,000	36,417	0.0907
1	36,001	38,000	37,812	0.0942
1	37,001	39,000	38,012	0.0947
3	38,001	40,000	115,222	0.2870
3	39,001	41,000	119,906	0.2986
1	40,001	47,000	46,363	0.1155
2	45,001	58,000	104,364	0.2599
1	57,001	133,000	132,105	0.3290
1	132,001	800,000	782,689	1.9494
1	214,001	1,400,000	1,353,050	3.3700
1	300,001	1,600,000	1,586,501	3.9514
1	421,001	1,800,000	1,756,194	4.3741
1	950,001	1,900,000	1,809,545	4.5069
1	1,200,001	1,916,000	1,915,987	4.7720
1	1,300,001	1,935,000	1,932,188	4.8124
1	1,400,001	2,000,000	1,989,136	4.9542
1	1,500,001	2,100,000	2,004,907	4.9935
1	1,800,001	2,400,000	2,379,396	5.9262
1	1,900,001	2,600,000	2,577,597	6.4199
1	2,100,001	3,000,000	2,968,206	7.3927
2	2,400,001	3,100,000	6,140,388	15.2935
1	2,700,001	3,200,000	3,102,364	7.7269
1	3,200,001	3,300,000	3,227,630	8.0389
1	3,300,001	3,400,000	3,375,302	8.4067
<b>335</b>			<b>40,150,254</b>	<b>100.0000</b>

Categories of Shareholders	Number	Shares Held	Percentage
CEO, Directors and their spouses and minor childrens	14	28,954,048	72.1142
Joint Stock Companies, Insurance Companies, Investment Companies & Modarabas	1	2,420	0.0060
Individuals	320	12,193,786	27.8794
<b>Total</b>	<b>335</b>	<b>40,150,254</b>	<b>100.0000</b>

#### Information as required under the Code of Corporate Governance

Categories of Shareholders	No. of Shareholders	Shares Held	Percentage
<b>Associated Company</b>			
M/s. East West Life Assurance Co., Ltd.	1	2,420	0.0060
<b>CEO, Directors, their Spouses and Minor Childrens</b>			
Chief Justice ( R ) Mian Mahboob Ahmed	1	1,624	0.0040
Javed Yunus	1	3,102,364	7.7269
Pervez Yunus	1	3,066,511	7.6376
Naved Yunus	1	2,968,206	7.3927
Maheen Yunus	1	2,375,302	8.4068
Tulu J. Yunus	1	3,073,877	7.6559
Umeed Ansari	1	605	0.0015
Ahsan Mahmood Alvi	1	550	0.0014
Ambreen Yunus	1	3,227,630	8.0389
Rubina Yunus	1	1,989,136	4.9542
Samina Yunus	1	2,004,907	4.9935
Shamaila Yunus	1	2,577,597	6.4199
Samad M. Yunus	1	1,756,194	4.3741
Anum M. Yunus	1	1,809,545	4.5069
<b>Individual</b>	<b>320</b>	<b>12,193,786</b>	<b>27.8797</b>
<b>Total</b>	<b>335</b>	<b>40,150,254</b>	<b>100.0000</b>