

FOR THE PERIOD ENDED MARCH 31, 2016 - 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 401-404, Block 'B', 4th Floor, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi and the shares of the Company are quoted on the Pakistan 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 27, 2016.

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: 27th April, 2016

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FOR THE PERIOD ENDED MARCH 31, 2016 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

(Rupees in '000)

Class of Business	Commission expenses			Net Commission Expense	Other Management Expenses	Underwriting Expense	* Commission from Reinsurers	March 31,	
	Commission paid or payable	Deferred Commission						2016 Net underwriting expense	2015 Net underwriting expense
		Opening	Closing						
Direct and Facultative									
Fire and property damage	33,516	12,883	12,545	33,854	9,999	43,853	19,103	24,750	30,303
Marine, aviation and transport	9,426	5,930	7,611	7,745	3,853	11,598	4,893	6,705	5,355
Motor	9,513	4,574	3,212	10,875	6,660	17,535	1,003	16,533	10,032
Miscellaneous	36,256	13,007	11,466	37,797	7,757	45,554	26,686	18,868	28,784
Sub-total	88,711	36,394	34,834	90,271	28,269	118,540	51,685	66,855	74,474
Treaty Proportional	-	-	-	-	-	-	-	-	-
Grand-total	88,711	36,394	34,834	90,271	28,269	118,540	51,685	66,855	74,474

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: 27th April, 2016

EAST WEST INSURANCE CO., LTD. - QUARTERLY REPORT MARCH 2016

FOR THE PERIOD ENDED MARCH 31, 2016 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

(Rupees in '000)

Class of Business	Claims			Reinsurance / Recoveries				March 31,		
	Claims Paid	Outstanding claims		Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	2016 Net Claims expenses	2015 Net Claims expenses	
		Opening	Closing		Claims Expenses	Opening				Closing
Direct and Facultative										
Fire and property damage	42,236	47,342	44,876	39,770	16,412	20,961	18,452	13,903	25,867	16,536
Marine, aviation and transport	18,479	26,149	22,452	14,782	5,327	11,500	10,255	4,082	10,700	10,092
Motor	28,629	18,482	17,745	27,892	3,642	3,516	2,550	2,676	25,216	29,947
Miscellaneous	39,212	164,949	163,479	37,742	20,476	80,442	76,590	16,624	21,118	24,660
Sub-total	128,556	256,922	248,552	120,186	45,857	116,419	107,847	37,285	82,901	81,235
Treaty Proportional	-	-	-	-	-	-	-	-	-	-
Grand-total	128,556	256,922	248,552	120,186	45,857	116,419	107,847	37,285	82,901	81,235

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: 27th April, 2016

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
ENGR. KAZIM RAZA B.SC. (Engineering, UET)	...	Director
SHABBIR ALI KANCHWALA	...	Director Finance / Company Secretary
SAJJAD ZAFAR	...	Regional Director
IFTIKHAR HUSSAIN	...	Regional Director
MUHAMMAD FAYYAZ KHOKHAR	...	Regional Director
JAN MOHAMMAD	...	Regional Director
AUDIT COMMITTEE		
AHSAN MAHMOOD ALVI FCA England & Wales	...	Chairman
JAVED YUNUS	...	Member
UMEED ANSARI	...	Member
ENGR. KAZIM RAZA	...	Member
JOHRY LAL, FCCA	...	Secretary
KHALID LAW ASSOCIATES	...	Legal Advisor
BDO EBRAHIM & CO. Chartered Accountants	...	Auditors
BDO EBRAHIM & CO. Chartered Accountants	...	Tax Advisor
AFNAN TAX CONSULTANTS		
THK ASSOCIATES (PVT) LTD. 2nd Floor, State Life Building No. 3, Dr. Ziauddin Ahmed 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, 2016.

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, 2016 are as under: -

(Rupees in '000)
(Unaudited)

Profit before tax	61,773
Less: Taxation	(9,045)
Profit for the period	<u>52,728</u>

Profit and loss appropriation account:

Balance at beginning of the year	204,324
Profit for the period	52,728
Balance unappropriated at the end of the period	<u>257,052</u>

FOR THE PERIOD ENDED MARCH 31, 2016 - UNAUDITED

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

(Rupees in '000)

Class of Business	Premium			Reinsurance			March 31,			
	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2016 Net Premium revenue	2015 Net Premium revenue
		Opening	Closing			Opening	Closing			
Direct and Facultative										
Fire and property damage	155,256	135,790	133,451	157,595	72,127	71,936	61,751	82,312	75,283	68,377
Marine, aviation and transport	51,259	26,277	25,513	52,023	23,633	10,866	11,485	23,014	29,009	25,126
Motor	69,687	41,272	41,789	69,170	9,259	15,082	5,318	19,023	50,147	48,544
Miscellaneous	152,285	165,583	146,548	171,320	88,875	126,890	102,846	112,919	58,401	62,630
Sub-total	428,487	368,922	347,301	450,108	193,894	224,774	181,400	237,268	212,840	204,677
Treaty Proportional	-	-	-	-	-	-	-	-	-	-
Grand-total	428,487	368,922	347,301	450,108	193,894	224,774	181,400	237,268	212,840	204,677

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: 27th April, 2016

(Rupees in '000)

	March 31, 2016	March 31, 2015
Reconciliation to the Profit and Loss Account		
Operating cash flows	15,748	(25,499)
Depreciation expense	(3,849)	(2,755)
Profit on disposal of fixed assets	96	7,746
Investment income	1,723	6,230
Dividend income	529	21
Gain on disposal of Investment securities	11,040	7,900
Other income	2,074	2,886
(Decrease) / Increase in assets other than cash	(12,052)	16,247
Increase / (Decrease) in operating liabilities	37,419	32,585
Profit for the period	<u>52,728</u>	<u>45,361</u>

The annexed notes form an integral part of these Financial Statements


CHAIRMAN


MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR

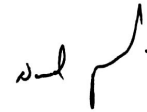
Karachi: 27th April, 2016

(Rupees in '000)

March, 31 2016 March, 31 2015
----- (Unaudited) -----

Gross premium	428,487	376,979
Net premium	212,840	204,677
Underwriting results	63,084	48,968
Investment income - net of depreciation	15,246	16,503
Profit before tax	61,773	60,408
Profit for the period	52,728	45,361
Earnings per share-basic & diluted (Rupees)	1.17	1.00

On behalf of the Board of Directors



Naved Yunus
Managing Director & Chief Executive Officer

Karachi: April 27th 2016

BALANCE SHEET

FORM GA

AS AT MARCH 31, 2016

(Rupees in '000)

	March 31, 2016 (UNAUDITED)	December 31, 2015 (AUDITED)
EQUITY AND LIABILITIES		
Share Capital and Reserves		
Authorised share capital	500,000	500,000
Issued, subscribed and paid-up-capital	451,690	451,690
Reserves and Retained earning		
Retained earnings	257,052	204,324
General reserves	100,000	100,000
TOTAL SHARE HOLDER'S EQUITY	808,742	756,014
LIABILITIES		
Underwriting provisions		
Provision for outstanding claims (including IBNR)	248,552	256,922
Provision for unearned premium	347,301	368,922
Commission income unearned	30,464	42,587
Total underwriting provision	626,317	668,431
Deferred Liabilities		
Deferred Taxation	34,794	34,247
Creditors and Accruals		
Premium received in advance	737	1,776
Amount due to other insurers / reinsurers	18,626	14,840
Taxation-Provision less payments	49,757	44,229
Others creditors and accruals	41,136	45,648
	110,256	106,493
Other liabilities		
Due to Directors	5,568	10,085
TOTAL LIABILITIES	776,935	819,256
TOTAL EQUITY AND LIABILITIES	1,585,677	1,575,270
ASSETS		
Cash and Bank Deposits		
Cash and other equivalents	111	4
Current and other accounts	22,133	14,840
Deposits maturing within 12 months	21,000	52,100
Total cash and bank deposits	43,244	66,944
Investments	893,297	845,817
Investments Properties	49,936	50,568
Current Assets - Other		
Premium due but unpaid - net	50,322	41,928
Amount due from other insurers / reinsurers	80,693	35,050
Accrued investment income	3,924	1,969
Reinsurance recoveries against outstanding claims	107,847	116,419
Deferred commission expense	34,834	36,394
Prepaid reinsurance premium ceded	181,400	224,774
Advances, deposits and receivables	18,926	33,515
Prepayments and other	357	307
	478,303	490,356
Fixed Assets		
Tangible		
Office Premises	57,395	58,122
Furniture & Fixtures	12,987	10,916
Electric Fittings & Equipments	12,569	12,813
Computers	1,575	1,684
Office Equipment	2,657	2,726
Vehicles	31,315	32,923
	118,498	119,184
Intangible		
Computer Software	49	51
Capital work in progress	2,350	2,350
TOTAL ASSETS	1,585,677	1,575,270

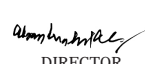
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CHAIRMAN


MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER


DIRECTOR



DIRECTOR

Karachi: 27th April, 2016

STATEMENT OF CASH FLOWS

FORM GC

FOR THE PERIOD ENDED MARCH 31, 2016 - UNAUDITED

(Rupees in '000)

	March 31, 2016	March 31, 2015
Operating Cash Flows		
Underwriting activities		
Premium received	419,053	360,100
Reinsurance premium paid	(235,749)	(194,595)
Claims paid	(128,556)	(126,473)
Reinsurance and other recoveries received	45,857	43,771
Commission paid	(88,712)	(52,184)
Commission received	39,562	33,466
Underwriting payments	(47,274)	(42,758)
Net cash from underwriting activities	4,181	21,327
Other operating activities		
Income tax paid	(2,971)	(3,104)
Other operating receipts / (payments)	14,538	(43,722)
Net cash used in other operating activities	11,567	(46,826)
Total cash from all operating activities	15,748	(25,499)
Investing activities		
Dividend income	529	21
Profit/return received	1,723	6,230
Other income received	2,074	2,886
Payment for investment	(327,855)	(525,891)
Proceeds from disposal of investment	291,414	512,541
Fixed capital expenditure	(2,527)	(6,669)
Proceeds from disposal of fixed assets	96	8,500
Total cash used in investing activities	(34,546)	(2,382)
Financing activities		
Loan received from directors	923	-
Loan repaid to directors	(5,825)	-
Total cash used in financing activities	(4,902)	-
Net increase / (decrease) in cash and cash equivalent	(23,700)	(27,881)
Cash and cash equivalent at the beginning of the year	66,944	82,481
Cash and cash equivalent at the end of the period	43,244	54,600

STATEMENT OF INVESTMENT INCOME

FORM GG

FOR THE PERIOD ENDED MARCH 31, 2016 - UNAUDITED

(Rupees in '000)

	March 31, 2016	March 31, 2015
Income from trading investment		
Held for trading		
Gain / (Loss) on trading	2,919	6,957
Dividend income	529	982
	<u>3,448</u>	<u>7,939</u>
Income from non-trading investment		
Available- for- sale		
Dividend income	-	-
Return on government securities	2,020	1,940
Return on other fixed income securities and deposits	1,909	1,591
Amortisation of premium and discount - net	(49)	115
	<u>3,880</u>	<u>3,646</u>
Gain on sale of non-trading investment		
Available- for- sale	-	944
Gain on revaluation of investment		
Held for trading	8,121	4,151
Less: Investment related expenses	(203)	(177)
Investment income	<u>15,246</u>	<u>16,503</u>

The annexed notes form an integral part of these Financial Statements

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi: 27th April, 2016

PROFIT AND LOSS ACCOUNT

FORM GB

FOR THE PERIOD ENDED MARCH 31, 2016 - UNAUDITED

(Rupees in '000)

	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty	March 31, 2016	March 31, 2015
Revenue Account							
Net Premium Revenue	75,283	29,009	50,147	58,401	-	212,840	204,677
Net Claims	(25,867)	(10,700)	(25,216)	(21,118)	-	(82,901)	(81,235)
Management Expenses	(9,999)	(3,853)	(6,660)	(7,757)	-	(28,269)	(36,678)
Net Commission	(14,751)	(2,852)	(9,872)	(11,111)	-	(38,586)	(37,796)
Underwriting results	<u>24,666</u>	<u>11,605</u>	<u>8,399</u>	<u>18,415</u>	<u>-</u>	<u>63,084</u>	<u>48,968</u>
Investment income						15,246	16,503
Rental income - net of depreciation						2,074	2,264
Other income						96	7,751
General and administrative expenses						(18,727)	(15,078)
						<u>(1,311)</u>	<u>11,440</u>
Profit before tax						61,773	60,408
Taxation							
Current						(8,500)	(10,000)
Deferred						(545)	(5,047)
						<u>(9,045)</u>	<u>(15,047)</u>
Profit for the period						<u>52,728</u>	<u>45,361</u>
Profit and Loss appropriation account							
Balance at beginning of the year						204,324	163,410
Profit for the period						52,728	45,361
Balance unappropriated at the end of the period						<u>257,052</u>	<u>208,771</u>
Earning per share - basic and diluted						1.17	1.00

The annexed notes form an integral part of these Financial Statements

 CHAIRMAN
 MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi: 27th April, 2016

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED MARCH 31, 2016 - UNAUDITED

(Rupees in '000)

	March 31, 2016	March 31, 2015
Profit for the period	52,728	45,361
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>52,728</u>	<u>45,361</u>

The annexed notes form an integral part of these Financial Statements

 CHAIRMAN
 MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi: 27th April, 2016

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED MARCH 31, 2016 - UNAUDITED

(Rupees in '000)

	Issued, subscribed and paid up capital	Retained earnings	General reserve	Total shareholders equity
Balance as at January 01, 2015	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	401,502	208,771	100,000	710,273
Total comprehensive income for the Nine months ended December 31, 2015	-	85,891	-	85,891
Other comprehensive income	-	-	-	-
Transaction with owners				
10% Cash dividend	-	(40,150)	-	(40,150)
Issue of 12.5% bonus shares	50,188	(50,188)	-	-
Balance as at December 31, 2015	451,690	204,324	100,000	756,014
Total comprehensive income for the period ended March 31, 2016	-	52,728	-	52,728
Other comprehensive income	-	-	-	-
Balance as at March 31, 2016	<u>451,690</u>	<u>257,052</u>	<u>100,000</u>	<u>808,742</u>

The annexed notes form an integral part of these Financial Statements

 CHAIRMAN
 MANAGING DIRECTOR
& CHIEF EXECUTIVE OFFICER
 DIRECTOR
 DIRECTOR

Karachi: 27th April, 2016