

**ADAMJEE INSURANCE COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET**  
**AS AT 30 JUNE 2011**

	(Unaudited) 30 June 2011	(Audited) 31 December 2010
	---- (Rupees in thousand) ----	
<b>Share capital and reserves</b>		
Authorized share capital	1,500,000	1,500,000
Paid-up share capital	1,237,045	1,237,045
Retained earnings	8,766,408	8,634,106
Reserves	1,165,745	1,163,848
	9,932,153	9,797,954
<b>Total equity</b>	11,169,198	11,034,999
<b>Underwriting provisions</b>		
Provision for outstanding claims (including IBNR)	7,193,363	7,980,409
Provision for unearned premium	4,606,328	5,017,435
Commission income unearned	260,339	305,434
Total underwriting provisions	12,060,030	13,303,278
<b>Deferred liabilities</b>		
Deferred taxation	132,933	68,353
Staff retirement benefits	21,333	17,326
<b>Creditors and Accruals</b>		
Premiums received in advance	131,349	75,329
Amounts due to other insurers / reinsurers	1,136,905	1,581,965
Accrued expenses	94,322	147,995
Other creditors and accruals	1,661,369	1,520,732
	3,023,945	3,326,021
<b>Borrowings</b>		
Liabilities against assets subject to finance lease	80,316	107,637
<b>Other liabilities</b>		
Unclaimed dividends	34,704	29,121
<b>Total liabilities</b>	15,353,261	16,851,736
<b>CONTINGENCIES AND COMMITMENTS</b>	6	
<b>TOTAL EQUITY AND LIABILITIES</b>	26,522,459	27,886,735

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

DIRECTOR

DIRECTOR

MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

	(Unaudited) 30 June 2011	(Audited) 31 December 2010
	---- (Rupees in thousand) ----	
<b>Cash and bank deposits</b>		
Cash and other equivalents	71,196	59,393
Current and other accounts	944,966	1,060,597
Deposits maturing within 12 months	988,977	1,584,827
	2,005,139	2,704,817
<b>Loans</b>		
To employees	25,282	22,086
<b>Investments</b>	7	9,406,998
<b>Current assets- others</b>		
Premiums due but unpaid	8	4,212,127
Amounts due from other insurers / reinsurers	9	841,334
Salvage recoveries accrued	204,910	99,636
Premium and claim reserves retained by cedants	23,252	23,252
Accrued investment income	18,817	33,445
Reinsurance recoveries against outstanding claims	5,732,868	6,253,202
Taxation - payments less provision	73,578	43,697
Deferred commission expense	515,302	512,222
Prepayments	1,782,109	1,829,112
Sundry receivables	322,774	317,071
	13,727,071	14,651,443
<b>Fixed Assets - Tangible &amp; Intangible Owned</b>		
Land and buildings	279,432	281,472
Furniture and fixtures	65,332	62,289
Motor vehicles	205,940	197,252
Machinery and equipment	278,279	316,190
Computers and related accessories	48,220	52,270
Intangible asset - computer software	44,843	48,475
	922,046	957,948
<b>Leased</b>		
Motor vehicles	112,645	143,443
<b>TOTAL ASSETS</b>	26,522,459	27,886,735

**ADAMJEE INSURANCE COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED 30 JUNE 2011**

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Quarter ended 30 June 2011	Quarter ended 30 June 2010
------(Rupees in thousand)-----							
<b>Revenue account</b>							
Net premium revenue	331,269	200,208	732,505	471,779	-	1,735,761	1,708,894
Net claims	(196,542)	(112,785)	(567,615)	(324,754)	-	(1,201,696)	(1,120,519)
Expenses	(67,650)	(43,590)	(139,218)	(99,407)	-	(349,865)	(293,760)
Net commission	(23,828)	(35,948)	(62,549)	(12,429)	-	(134,754)	(134,755)
<b>Underwriting result</b>	<b>43,249</b>	<b>7,885</b>	<b>(36,877)</b>	<b>35,189</b>	<b>-</b>	<b>49,446</b>	<b>159,860</b>
Investment income						247,121	2,208
Rental income						165	164
Other income						52,200	33,104
						348,932	195,336
General and administration expenses						(276,658)	(138,664)
Exchange loss-net						(43)	(193)
Finance charge on lease rentals						(6,150)	(4,875)
<b>Profit before tax</b>						<b>66,081</b>	<b>51,604</b>
Provision for taxation							
- Current						13,444	(11,968)
- Deferred						(50,489)	11,492
<b>Profit after tax</b>						<b>29,036</b>	<b>51,128</b>
------(Rupees)-----							
<b>Earnings per share - basic and diluted</b>						<b>0.23</b>	<b>0.41</b>

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Half Year ended 30 June	Half Year ended 30 June
------(Rupees in thousand)-----							
<b>Revenue account</b>							
Net premium revenue	648,991	510,914	1,525,335	1,035,335	-	3,720,575	3,431,086
Net claims	(432,424)	(233,038)	(1,109,041)	(739,627)	-	(2,514,130)	(2,187,274)
Expenses	(115,868)	(90,453)	(249,556)	(185,049)	-	(640,926)	(601,619)
Net commission	(50,238)	(85,000)	(131,210)	467	-	(265,981)	(249,921)
<b>Underwriting result</b>	<b>50,461</b>	<b>102,423</b>	<b>35,528</b>	<b>111,126</b>	<b>-</b>	<b>299,538</b>	<b>392,272</b>
Investment income						445,605	223,383
Rental income						330	718
Other income						87,579	71,013
						833,052	687,386
General and administration expenses						(392,746)	(291,452)
Exchange gain-net						251	207
Finance charge on lease rentals						(9,872)	(10,223)
<b>Profit before tax</b>						<b>430,685</b>	<b>385,918</b>
Provision for taxation							
- Current						(48,246)	(98,721)
- Deferred						(64,580)	11,492
<b>Profit after tax</b>						<b>317,859</b>	<b>298,689</b>
<b>Profit and loss appropriation account</b>							
<b>Balance at the commencement of the period</b>						8,634,106	8,520,042
Profit after tax for the period						317,859	298,689
Final dividend for the year ended 31 December 2010 Re 1.5 per share (2009: Re. 1.5 per share)						(185,557)	(168,688)
Issue of bonus shares for the year ended 31 December 2010 Nil (2009:10 percent)						-	(112,459)
<b>Balance unappropriated profit at the end of the period</b>						<b>8,766,408</b>	<b>8,537,584</b>
------(Rupees)-----							
<b>Earnings per share - basic and diluted</b>						<b>2.57</b>	<b>2.41</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

DIRECTOR

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MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)  
FOR THE HALF YEAR ENDED 30 JUNE 2011

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Quarter ended 30 June 2011	Quarter ended 30 June 2010
------(Rupees in thousand)-----							
<b>Revenue account</b>							
Net premium revenue	326,573	188,269	486,738	466,485	-	1,468,065	1,393,327
Net claims	(196,522)	(111,741)	(400,249)	(324,322)	-	(1,032,834)	(957,057)
Expenses	(66,937)	(41,759)	(100,956)	(98,608)	-	(308,260)	(258,457)
Net commission	(24,273)	(34,586)	(36,449)	(12,125)	-	(107,433)	(115,473)
<b>Underwriting result</b>	<b>38,841</b>	<b>183</b>	<b>(50,916)</b>	<b>31,430</b>	<b>-</b>	<b>19,538</b>	<b>62,340</b>
Investment income						247,121	2,208
Rental income						165	164
Other income						47,530	25,635
						314,354	90,347
General and administration expenses						(246,247)	(119,900)
Exchange loss-net						(46)	(193)
Finance charge on lease rentals						(6,150)	(4,875)
<b>Profit before tax</b>						<b>61,911</b>	<b>(34,621)</b>
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Half Year ended 30 June 2011	Half Year ended 30 June 2010
------(Rupees in thousand)-----							
<b>Revenue account</b>							
Net premium revenue	639,835	486,753	997,887	1,025,265	-	3,149,740	2,818,165
Net claims	(431,659)	(231,933)	(769,947)	(738,647)	-	(2,172,186)	(1,862,728)
Expenses	(114,640)	(87,212)	(178,793)	(183,698)	-	(564,343)	(533,362)
Net commission	(50,840)	(81,156)	(77,247)	1,016	-	(208,227)	(208,038)
<b>Underwriting result</b>	<b>42,696</b>	<b>86,452</b>	<b>(28,100)</b>	<b>103,936</b>	<b>-</b>	<b>204,984</b>	<b>214,037</b>
Investment income						445,605	223,383
Rental income						330	718
Other income						71,810	57,617
						722,729	495,755
General and administration expenses						(350,780)	(254,990)
Exchange gain-net						248	207
Finance charge on lease rentals						(9,872)	(10,223)
<b>Profit before tax</b>						<b>362,325</b>	<b>230,749</b>

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ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)  
FOR THE HALF YEAR ENDED 30 JUNE 2011

BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Quarter ended 30 June 2011	Quarter ended 30 June 2010
------(Rupees in thousand)-----							
<b>Revenue account</b>							
Net premium revenue	4,696	11,939	245,767	5,294	-	267,696	315,567
Net claims	(20)	(1,044)	(167,366)	(432)	-	(168,862)	(163,462)
Expenses	(713)	(1,831)	(38,262)	(799)	-	(41,605)	(35,303)
Net commission	445	(1,362)	(26,100)	(304)	-	(27,321)	(19,282)
<b>Underwriting result</b>	<b>4,408</b>	<b>7,702</b>	<b>14,039</b>	<b>3,759</b>	<b>-</b>	<b>29,908</b>	<b>97,520</b>
Other income						4,670	7,469
						34,578	104,989
General and administration expenses						(30,411)	(18,764)
Exchange gain-net						3	-
<b>Profit before tax</b>						<b>4,170</b>	<b>86,225</b>

	Fire and Property Damage	Marine, Aviation and Transport	Motor	Miscellaneous	Treaty	Half Year ended 30 June 2011	Half Year ended 30 June 2010
------(Rupees in thousand)-----							
<b>Revenue account</b>							
Net premium revenue	9,156	24,161	527,448	10,070	-	570,835	612,921
Net claims	(765)	(1,105)	(339,094)	(980)	-	(341,944)	(324,546)
Expenses	(1,228)	(3,241)	(70,763)	(1,351)	-	(76,583)	(68,257)
Net commission	602	(3,844)	(53,963)	(549)	-	(57,754)	(41,883)
<b>Underwriting result</b>	<b>7,765</b>	<b>15,971</b>	<b>63,628</b>	<b>7,190</b>	<b>-</b>	<b>94,554</b>	<b>178,235</b>
Other income						15,769	13,396
						110,323	191,631
General and administration expenses						(41,966)	(36,462)
Exchange gain-net						3	-
<b>Profit before tax</b>						<b>68,360</b>	<b>155,169</b>

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**ADAMJEE INSURANCE COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)**

	(Unaudited) Half year ended 30 June 2011	(Unaudited) Half year ended 30 June 2010	(Unaudited) Quarter ended 30 June 2011	(Unaudited) Quarter ended 30 June 2010
----- (Rupees in thousand) -----				
<b>Profit for the period</b>	317,859	298,689	29,036	51,128
<b>Other comprehensive income:</b>				
Effect of translation of net investment in foreign branches	1,897	22,057	(9,467)	4,452
<b>Total comprehensive income for the period</b>	<u>319,756</u>	<u>320,746</u>	<u>19,569</u>	<u>55,580</u>

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\_\_\_\_\_  
**CHAIRMAN**

\_\_\_\_\_  
**DIRECTOR**

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**DIRECTOR**

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**MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER**

**ADAMJEE INSURANCE COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE HALF YEAR ENDED 30 JUNE 2011**

	Share Capital	Capital Reserves			Revenue Reserves		Total	
	Issued, subscribed and paid-up	Reserve for issue of bonus shares	Reserve for exceptional losses	Investment fluctuation reserve	Exchange translation reserve	General reserve		Retained earnings
	(Rupees in thousand)							
<b>Balance as at 31 December 2009</b>	<b>1,124,586</b>	<b>-</b>	<b>22,859</b>	<b>3,764</b>	<b>173,424</b>	<b>936,500</b>	<b>8,520,042</b>	<b>10,781,175</b>
Total comprehensive income for the half year 30 June 2010	-	-	-	-	22,057	-	298,689	320,746
Final dividend for the year ended 31 December 2009 @ 15 % (Rupee 1.5 per share)	-	-	-	-	-	-	(168,688)	(168,688)
Transferred to reserve for issue of bonus shares	-	112,459	-	-	-	-	(112,459)	-
Issue of bonus shares for the year ended 31 December 2009 @ 10 %	112,459	(112,459)	-	-	-	-	-	-
<b>Balance as at 30 June 2010</b>	<b>1,237,045</b>	<b>-</b>	<b>22,859</b>	<b>3,764</b>	<b>195,481</b>	<b>936,500</b>	<b>8,537,584</b>	<b>10,933,233</b>
<b>Balance as at 31 December 2010</b>	<b>1,237,045</b>	<b>-</b>	<b>22,859</b>	<b>3,764</b>	<b>200,725</b>	<b>936,500</b>	<b>8,634,106</b>	<b>11,034,999</b>
Total comprehensive income for the half year ended 30 June 2011	-	-	-	-	1,897	-	317,859	319,756
Final dividend for the year ended 31 December 2010 @ 15% (Rupees 1.5 per share)	-	-	-	-	-	-	(185,557)	(185,557)
<b>Balance as at 30 June 2011</b>	<b>1,237,045</b>	<b>-</b>	<b>22,859</b>	<b>3,764</b>	<b>202,622</b>	<b>936,500</b>	<b>8,766,408</b>	<b>11,169,198</b>

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**ADAMJEE INSURANCE COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)**

	Half Year ended 30 June 2011	Half Year ended 30 June 2010
<b>Operating Cash Flows</b>		
--- (Rupees in thousand) ---		
<b>a) Underwriting activities</b>		
Premiums received	5,999,282	5,934,078
Reinsurance premiums paid	(2,600,027)	(2,186,342)
Claims paid	(5,058,440)	(3,186,438)
Surrenders paid	(28,886)	(59,718)
Reinsurance and other recoveries received	2,304,426	711,008
Commissions paid	(589,584)	(576,225)
Commissions received	328,646	370,086
Other underwriting payments	(569,996)	(392,818)
<b>Net cash (used in) / flow from underwriting activities</b>	<b>(214,579)</b>	<b>613,631</b>
<b>b) Other operating activities</b>		
Income tax paid	(78,127)	(73,246)
General and management expenses paid	(408,992)	(234,583)
Loans advanced	(13,551)	(13,086)
Loan repayments received	28,022	19,894
Other receipts	15,732	4,168
<b>Net cash used in other operating activities</b>	<b>(456,916)</b>	<b>(296,853)</b>
<b>Total cash (used in) / flow from all operating activities</b>	<b>(671,495)</b>	<b>316,778</b>
<b>Investment activities</b>		
Profit/ return received	77,181	65,936
Return on Pakistan Investment Bonds	7,596	7,113
Income received on TFCs	10,390	13,214
Dividends received	311,404	261,632
Income received on rent	330	3,085
Payments for investments	(2,047,831)	(3,304,331)
Proceeds from disposal of investments	1,843,133	3,612,124
Fixed capital expenditure - Tangible assets	(60,060)	(73,197)
Fixed capital expenditure - Intangible assets	(4,467)	(533)
Proceeds from disposal of fixed assets	51,310	19,864
<b>Total cash flow from investing activities</b>	<b>188,986</b>	<b>604,907</b>
<b>Financing activities</b>		
Dividends paid	(179,975)	(166,143)
Payments on finance lease	(37,194)	(22,578)
<b>Total cash used in financing activities</b>	<b>(217,169)</b>	<b>(188,721)</b>
<b>Net cash (used in) / inflow from all activities</b>	<b>(699,678)</b>	<b>732,964</b>
Cash at the beginning of the period	2,699,993	2,152,653
<b>Cash at the end of the period</b>	<b>2,000,315</b>	<b>2,885,617</b>

	Half Year ended 30 June 2011	Half Year ended 30 June 2010
<b>Reconciliation to Profit and Loss Account</b>		
--- (Rupees in thousand) ----		
Operating cash flows	(671,495)	316,778
Depreciation expense	(91,808)	(86,647)
Provision for gratuity	(4,008)	(3,245)
Other income - bank deposits	63,355	65,494
Profit on disposal of fixed assets	20,552	1,559
Finance charge on lease obligations	(9,872)	(10,223)
Rental income	330	718
(Decrease) / Increase in assets other than cash	(913,620)	1,006,499
Decrease / (Increase) in liabilities other than running finance	1,125,548	(614,630)
	(481,018)	676,303
<b>Others</b>		
Profit on sale of investments	191,283	26,430
Amortization expense	(8,665)	(5,757)
Decrease / (Increase) in unearned premium	411,107	(574,449)
Amortization of income on Government Securities - net	-	2,160
Gain on sale of mutual fund units	-	58,873
Return on Pakistan Investment Bonds	6,491	7,474
Decrease in loans	(14,471)	(6,808)
Income tax paid	78,127	73,246
Provision for diminution in value of investments	(74,266)	(129,518)
Dividend income	307,329	245,479
Income on Treasury Bills	2,845	-
Other income - TFCs	11,923	12,485
	911,703	(290,385)
<b>Profit before taxation</b>	<b>430,685</b>	<b>385,918</b>

#### Definition of cash

Cash comprises of cash in hand, bank balances excluding Rupees 4.824 million (2010: Rupees 4.824 million) held under lien, and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

	Half Year ended 30 June 2011	Half Year ended 30 June 2010
<b>Cash for the purposes of the Statement of Cash Flows consists of:</b>		
--- (Rupees in thousand) ----		
Cash and other equivalent	71,196	378
Current and other accounts	944,966	1,360,177
Deposits maturing within 12 months	984,153	1,525,062
<b>Total cash and cash equivalents</b>	<b>2,000,315</b>	<b>2,885,617</b>

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CHAIRMAN

DIRECTOR

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MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER



**ADAMJEE INSURANCE COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)**  
**BUSINESS UNDERWRITTEN INSIDE PAKISTAN**

	Half Year ended 30 June 2011	Half Year ended 30 June 2010
	--- (Rupees in thousand) ----	
<b>Operating Cash Flows</b>		
<b>a) Underwriting activities</b>		
Premiums received	5,296,775	4,959,045
Reinsurance premiums paid	(2,324,329)	(1,914,757)
Claims paid	(4,468,631)	(2,729,104)
Surrenders paid	(27,807)	(58,550)
Reinsurance and other recoveries received	2,112,822	555,348
Commissions paid	(514,559)	(481,170)
Commissions received	291,505	334,240
Other underwriting payments	(512,243)	(341,687)
<b>Net cash (used in) / flow from underwriting activities</b>	<b>(146,467)</b>	<b>323,365</b>
<b>b) Other operating activities</b>		
Income tax paid	(78,127)	(73,246)
General and management expenses paid	(368,005)	(189,659)
Loans advanced	(12,762)	(12,156)
Loan repayments received	25,965	17,107
Other receipts	2,624	2,620
<b>Net cash used in other operating activities</b>	<b>(430,305)</b>	<b>(255,334)</b>
<b>Total cash (used in) / flow from all operating activities</b>	<b>(576,772)</b>	<b>68,031</b>
<b>Investment activities</b>		
Profit/ return received	60,970	54,313
Return on Pakistan Investment Bonds	7,596	7,113
Income received on TFCs	10,390	13,214
Dividends received	311,404	261,632
Income received on rent	330	3,085
Payments for investments	(2,047,831)	(3,304,331)
Proceeds from disposal of investments	1,843,133	3,612,124
Fixed capital expenditure - Tangible assets	(59,451)	(73,197)
Fixed capital expenditure - Intangible assets	(4,025)	(533)
Proceeds from disposal of fixed assets	51,311	19,760
<b>Total cash flow from investing activities</b>	<b>173,827</b>	<b>593,180</b>
<b>Financing activities</b>		
Dividends paid	(179,975)	(166,143)
Payments on finance lease	(37,194)	(22,578)
<b>Total cash used in financing activities</b>	<b>(217,169)</b>	<b>(188,721)</b>
<b>Net cash (used in) / inflow from all activities</b>	<b>(620,114)</b>	<b>472,490</b>
Cash at the beginning of the period	1,536,471	1,240,605
<b>Cash at the end of the period</b>	<b>916,357</b>	<b>1,713,095</b>

Half Year ended 30      Half Year ended  
June 2011                  30 June 2010

--- (Rupees in thousand) ----

**Reconciliation to Profit and Loss Account**

Operating cash flows	(576,772)	68,031
Depreciation expense	(90,334)	(85,069)
Other income - bank deposits	48,882	53,520
Profit on disposal of fixed assets	20,552	1,684
Finance charge on lease obligations	(9,872)	(10,223)
Rental income	330	718
(Decrease) / Increase in assets other than cash	(1,044,619)	864,543
Decrease / (Increase) in liabilities other than running finance	1,202,033	(455,573)
	(449,800)	437,631

**Others**

Profit on sale of investments	191,283	26,429
Amortization expense	(8,665)	(5,757)
Decrease / (Increase) in unearned premium	310,261	(492,803)
Amortisation of income on Government Securities - net	-	2,160
Gain on sale of mutual fund units	-	58,874
Profit on Pakistan Investment Bonds	6,491	7,474
Decrease in loans	(13,203)	(4,951)
Income tax paid	78,127	73,246
Provision for diminution in value of investments	(74,266)	(129,518)
Dividend, investment and other income	307,329	245,479
Income on Treasury Bills	2,845	
Other Income - TFCs	11,923	12,485
	812,125	(206,882)
	<u>362,325</u>	<u>230,749</u>

**Profit before taxation**

**Definition of cash**

Cash comprises of cash in hand, bank balances excluding Rupees 4.824 million (2010: Rupees 4.824 million) held under lien, and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

Half Year ended 30      Half Year ended  
June 2011                  30 June 2010

--- (Rupees in thousand) ----

**Cash for the purposes of the Statement of Cash Flows consists of:**

Cash and other equivalent	70,481	145
Current and other accounts	841,358	338,115
Deposits maturing within 12 months	4,518	1,374,835
<b>Total cash and cash equivalents</b>	<u>916,357</u>	<u>1,713,095</u>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

DIRECTOR

DIRECTOR

MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

**ADAMJEE INSURANCE COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)**  
**BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN**

	Half Year ended 30 June 2011	Half Year ended 30 June 2010
	------(Rupees in thousand)-----	
<b>Operating Cash Flows</b>		
<b>a) Underwriting activities</b>		
Premiums received	702,507	975,033
Reinsurance premiums paid	(275,698)	(271,585)
Claims paid	(589,809)	(457,334)
Surrenders paid	(1,079)	(1,168)
Reinsurance and other recoveries received	191,604	155,660
Commissions paid	(75,025)	(95,055)
Commissions received	37,141	35,846
Other underwriting payments	(57,753)	(51,131)
<b>Net cash (used in) / flow from underwriting activities</b>	<b>(68,112)</b>	<b>290,266</b>
<b>b) Other operating activities</b>		
Income tax refund/ (paid)	-	-
General and management expenses paid	(40,987)	(44,924)
Loans advanced	(789)	(930)
Loan repayments received	2,057	2,787
Other receipts	13,108	1,548
<b>Net cash used in other operating activities</b>	<b>(26,611)</b>	<b>(41,519)</b>
<b>Total cash (used in) / flow from all operating activities</b>	<b>(94,723)</b>	<b>248,747</b>
<b>Investment activities</b>		
Profit/ return received	16,211	11,623
Return on Pakistan Investment Bonds	-	-
Income received on TFCs	-	-
Dividends received	-	-
Payments for investments	-	-
Proceeds from disposal of investments	-	-
Fixed capital expenditure - Tangible assets	(609)	-
Fixed capital expenditure - Intangible assets	(442)	-
Proceeds from disposal of fixed assets	-	104
<b>Total cash flow from investing activities</b>	<b>15,160</b>	<b>11,727</b>
<b>Financing activities</b>		
Dividends paid	-	-
Payments on finance lease	-	-
<b>Total cash flow from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net cash (used in) / inflow from all activities</b>	<b>(79,563)</b>	<b>260,474</b>
Cash at the beginning of the period	1,163,522	912,048
<b>Cash at the end of the period</b>	<b>1,083,959</b>	<b>1,172,522</b>

**Half Year ended 30    Half Year ended 30**  
**June 2011                    June 2010**

-----**(Rupees in thousand)**-----

**Reconciliation to Profit and Loss Account**

Operating cash flows	(94,723)	248,747
Depreciation expense	(1,474)	(1,578)
Provision for gratuity	(4,008)	(3,245)
Other income - bank deposits	14,473	11,974
Profit on disposal of fixed assets	-	(125)
Finance charge on lease obligations	-	-
Rental income	-	-
Increase in assets other than cash	130,999	141,956
Increase in liabilities other than running finance	(76,485)	(159,057)
	<b>(31,218)</b>	<b>238,672</b>

**Others**

Profit on sale of investments	-	-
Amortization expense	-	-
Decrease / (Increase) in unearned premium	100,846	(81,646)
Amortisation of income on Government Securities - net	-	-
Gain on sale of mutual fund units	-	-
Return on Pakistan Investment Bonds	-	-
(Decrease) in loans	(1,268)	(1,857)
Income tax paid	-	-
Gratuity paid	-	-
(Provision) / Reversal for diminution in value of investments	-	-
Dividend, investment and other income	-	-
Deposits paid	-	-
Other income-TFCs	-	-
	<b>99,578</b>	<b>(83,503)</b>
	<b>68,360</b>	<b>155,169</b>

**Profit before taxation**

**Definition of cash**

Cash comprises of cash in hand, bank balances excluding Rupees Nil (2010: Rupees Nil) held under lien, and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

**Half Year ended 30    Half Year ended 30**  
**June 2011                    June 2010**

--- **(Rupees in thousand)** ---

**Cash for the purposes of the Statement of Cash Flows consists of:**

Cash and other equivalent	715	233
Current and other accounts	103,609	1,022,062
Deposits maturing within 12 months	979,635	150,227
<b>Total cash and cash equivalents</b>	<b>1,083,959</b>	<b>1,172,522</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

**CHAIRMAN**

**DIRECTOR**

**DIRECTOR**

**MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER**

ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS  
FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2011	Quarter ended 30 June 2010
------(Rupees in thousand)-----										
<b>Direct and facultative</b>										
Fire and property damage	1,081,995	1,815,920	1,794,848	1,103,067	826,916	1,159,559	1,214,677	771,798	331,269	220,995
Marine, aviation and transport	353,498	79,373	93,785	339,086	134,726	23,836	19,684	138,878	200,208	260,044
Motor	824,337	1,683,521	1,682,633	825,225	83,267	168,339	158,886	92,720	732,505	835,313
Miscellaneous	588,226	1,095,724	1,035,062	648,888	235,298	202,169	260,358	177,109	471,779	392,542
<b>Total</b>	<b>2,848,056</b>	<b>4,674,538</b>	<b>4,606,328</b>	<b>2,916,266</b>	<b>1,280,207</b>	<b>1,553,903</b>	<b>1,653,605</b>	<b>1,180,505</b>	<b>1,735,761</b>	<b>1,708,894</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>2,848,056</b>	<b>4,674,538</b>	<b>4,606,328</b>	<b>2,916,266</b>	<b>1,280,207</b>	<b>1,553,903</b>	<b>1,653,605</b>	<b>1,180,505</b>	<b>1,735,761</b>	<b>1,708,894</b>

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2011	Half Year ended 30 June 2010
------(Rupees in thousand)-----										
<b>Direct and facultative</b>										
Fire and property damage	1,997,785	1,977,580	1,794,848	2,180,517	1,374,993	1,371,210	1,214,677	1,531,526	648,991	580,770
Marine, aviation and transport	723,825	57,988	93,785	688,028	184,599	12,199	19,684	177,114	510,914	490,786
Motor	1,640,293	1,760,996	1,682,633	1,718,656	176,877	175,330	158,886	193,321	1,525,335	1,693,453
Miscellaneous	1,231,782	1,220,871	1,035,062	1,417,591	426,828	215,786	260,358	382,256	1,035,335	666,077
<b>Total</b>	<b>5,593,685</b>	<b>5,017,435</b>	<b>4,606,328</b>	<b>6,004,792</b>	<b>2,163,297</b>	<b>1,774,525</b>	<b>1,653,605</b>	<b>2,284,217</b>	<b>3,720,575</b>	<b>3,431,086</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>5,593,685</b>	<b>5,017,435</b>	<b>4,606,328</b>	<b>6,004,792</b>	<b>2,163,297</b>	<b>1,774,525</b>	<b>1,653,605</b>	<b>2,284,217</b>	<b>3,720,575</b>	<b>3,431,086</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

DIRECTOR

DIRECTOR

MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS  
FOR THE HALF YEAR ENDED 30 JUNE 2011(UNAUDITED)

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2011	Quarter ended 30 June 2010
(Rupees in thousand)										
<b>Direct and facultative</b>										
Fire and property damage	1,057,779	1,772,964	1,748,945	1,081,798	808,018	1,126,810	1,179,603	755,225	326,573	215,053
Marine, aviation and transport	344,952	59,252	78,575	325,629	133,061	21,061	16,762	137,360	188,269	247,643
Motor	509,684	970,724	986,155	494,253	6,340	2,531	1,356	7,515	486,738	542,479
Miscellaneous	570,646	1,077,303	1,008,341	639,608	225,005	194,968	246,850	173,123	466,485	388,152
<b>Total</b>	<b>2,483,061</b>	<b>3,880,243</b>	<b>3,822,016</b>	<b>2,541,288</b>	<b>1,172,424</b>	<b>1,345,370</b>	<b>1,444,571</b>	<b>1,073,223</b>	<b>1,468,065</b>	<b>1,393,327</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>2,483,061</b>	<b>3,880,243</b>	<b>3,822,016</b>	<b>2,541,288</b>	<b>1,172,424</b>	<b>1,345,370</b>	<b>1,444,571</b>	<b>1,073,223</b>	<b>1,468,065</b>	<b>1,393,327</b>

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2011	Half Year ended 30 June 2010
(Rupees in thousand)										
<b>Direct and facultative</b>										
Fire and property damage	1,958,998	1,928,688	1,748,945	2,138,741	1,347,701	1,330,808	1,179,603	1,498,906	639,835	568,255
Marine, aviation and transport	695,471	43,918	78,575	660,814	181,848	8,975	16,762	174,061	486,753	467,508
Motor	1,044,121	955,232	986,155	1,013,198	14,370	2,297	1,356	15,311	997,887	1,124,240
Miscellaneous	1,203,924	1,204,439	1,008,341	1,400,022	412,350	209,257	246,850	374,757	1,025,265	658,162
<b>Total</b>	<b>4,902,514</b>	<b>4,132,277</b>	<b>3,822,016</b>	<b>5,212,775</b>	<b>1,956,269</b>	<b>1,551,337</b>	<b>1,444,571</b>	<b>2,063,035</b>	<b>3,149,740</b>	<b>2,818,165</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>4,902,514</b>	<b>4,132,277</b>	<b>3,822,016</b>	<b>5,212,775</b>	<b>1,956,269</b>	<b>1,551,337</b>	<b>1,444,571</b>	<b>2,063,035</b>	<b>3,149,740</b>	<b>2,818,165</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

DIRECTOR

DIRECTOR

MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PREMIUMS  
FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)

BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2011	Quarter ended 30 June 2010
(Rupees in thousand)										
<b>Direct and facultative</b>										
Fire and property damage	24,216	42,956	45,903	21,269	18,898	32,749	35,074	16,573	4,696	5,942
Marine, aviation and transport	8,546	20,121	15,210	13,457	1,665	2,775	2,922	1,518	11,939	12,401
Motor	314,653	712,797	696,478	330,972	76,927	165,808	157,530	85,205	245,767	292,834
Miscellaneous	17,580	18,421	26,721	9,280	10,293	7,201	13,508	3,986	5,294	4,390
<b>Total</b>	<b>364,995</b>	<b>794,295</b>	<b>784,312</b>	<b>374,978</b>	<b>107,783</b>	<b>208,533</b>	<b>209,034</b>	<b>107,282</b>	<b>267,696</b>	<b>315,567</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>364,995</b>	<b>794,295</b>	<b>784,312</b>	<b>374,978</b>	<b>107,783</b>	<b>208,533</b>	<b>209,034</b>	<b>107,282</b>	<b>267,696</b>	<b>315,567</b>

Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2011	Half Year ended 30 June 2010
(Rupees in thousand)										
<b>Direct and facultative</b>										
Fire and property damage	38,787	48,892	45,903	41,776	27,292	40,402	35,074	32,620	9,156	12,515
Marine, aviation and transport	28,354	14,070	15,210	27,214	2,751	3,224	2,922	3,053	24,161	23,278
Motor	596,172	805,764	696,478	705,458	162,507	173,033	157,530	178,010	527,448	569,213
Miscellaneous	27,858	16,432	26,721	17,569	14,478	6,529	13,508	7,499	10,070	7,915
<b>Total</b>	<b>691,171</b>	<b>885,158</b>	<b>784,312</b>	<b>792,017</b>	<b>207,028</b>	<b>223,188</b>	<b>209,034</b>	<b>221,182</b>	<b>570,835</b>	<b>612,921</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>691,171</b>	<b>885,158</b>	<b>784,312</b>	<b>792,017</b>	<b>207,028</b>	<b>223,188</b>	<b>209,034</b>	<b>221,182</b>	<b>570,835</b>	<b>612,921</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

DIRECTOR

DIRECTOR

MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS  
FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)

Class	Total 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	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2011	Quarter ended 30 June 2010
----- (Rupees in thousand) -----										
<b>Direct and facultative</b>										
Fire and property damage	718,882	3,916,347	4,736,133	1,538,668	341,821	3,285,485	4,285,790	1,342,126	196,542	170,295
Marine, aviation and transport	125,878	392,935	409,960	142,903	1,117	165,932	194,933	30,118	112,785	124,562
Motor	673,805	1,533,231	1,626,923	767,497	115,067	1,092,515	1,177,330	199,882	567,615	574,882
Miscellaneous	1,007,968	978,884	400,015	429,099	521,583	696,963	279,725	104,345	324,754	250,320
<b>Total</b>	<b>2,526,533</b>	<b>6,821,397</b>	<b>7,173,031</b>	<b>2,878,167</b>	<b>979,588</b>	<b>5,240,895</b>	<b>5,937,778</b>	<b>1,676,471</b>	<b>1,201,696</b>	<b>1,120,059</b>
<b>Treaty</b>										
Proportional	-	20,332	20,332	-	-	-	-	-	-	460
<b>Total</b>	<b>-</b>	<b>20,332</b>	<b>20,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460</b>
<b>Grand Total</b>	<b>2,526,533</b>	<b>6,841,729</b>	<b>7,193,363</b>	<b>2,878,167</b>	<b>979,588</b>	<b>5,240,895</b>	<b>5,937,778</b>	<b>1,676,471</b>	<b>1,201,696</b>	<b>1,120,519</b>

Class	Total 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	Net claims expense	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2011	Half Year ended 30 June 2010
----- (Rupees in thousand) -----										
<b>Direct and facultative</b>										
Fire and property damage	1,952,057	4,893,957	4,736,133	1,794,233	1,410,759	4,334,740	4,285,790	1,361,809	432,424	373,109
Marine, aviation and transport	279,121	426,065	409,960	263,016	1,117	166,072	194,933	29,978	233,038	222,673
Motor	1,394,815	1,540,738	1,626,923	1,481,000	189,782	995,153	1,177,330	371,959	1,109,041	1,131,605
Miscellaneous	1,420,638	1,099,317	400,015	721,336	558,857	856,873	279,725	(18,291)	739,627	459,427
<b>Total</b>	<b>5,046,631</b>	<b>7,960,077</b>	<b>7,173,031</b>	<b>4,259,585</b>	<b>2,160,515</b>	<b>6,352,838</b>	<b>5,937,778</b>	<b>1,745,455</b>	<b>2,514,130</b>	<b>2,186,814</b>
<b>Treaty</b>										
Proportional	-	20,332	20,332	-	-	-	-	-	-	460
<b>Total</b>	<b>-</b>	<b>20,332</b>	<b>20,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460</b>
<b>Grand Total</b>	<b>5,046,631</b>	<b>7,980,409</b>	<b>7,193,363</b>	<b>4,259,585</b>	<b>2,160,515</b>	<b>6,352,838</b>	<b>5,937,778</b>	<b>1,745,455</b>	<b>2,514,130</b>	<b>2,187,274</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

DIRECTOR

DIRECTOR

MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER



ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS  
FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Total 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	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2011	Quarter ended 30 June 2010
(Rupees in thousand)										
<b>Direct and facultative</b>										
Fire and property damage	718,770	3,913,940	4,733,704	1,538,534	341,726	3,283,402	4,283,688	1,342,012	196,522	170,268
Marine, aviation and transport	125,878	382,080	398,063	141,861	1,117	165,930	194,933	30,120	111,741	119,131
Motor	421,669	435,503	408,866	395,032	1,426	88,319	81,676	(5,217)	400,249	416,892
Miscellaneous	1,005,861	977,934	399,043	426,970	519,897	696,822	279,573	102,648	324,322	250,306
<b>Total</b>	<b>2,272,178</b>	<b>5,709,457</b>	<b>5,939,676</b>	<b>2,502,397</b>	<b>864,166</b>	<b>4,234,473</b>	<b>4,839,870</b>	<b>1,469,563</b>	<b>1,032,834</b>	<b>956,597</b>
<b>Treaty</b>										
Proportional	-	20,332	20,332	-	-	-	-	-	-	460
<b>Total</b>	<b>-</b>	<b>20,332</b>	<b>20,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460</b>
<b>Grand Total</b>	<b>2,272,178</b>	<b>5,729,789</b>	<b>5,960,008</b>	<b>2,502,397</b>	<b>864,166</b>	<b>4,234,473</b>	<b>4,839,870</b>	<b>1,469,563</b>	<b>1,032,834</b>	<b>957,057</b>

Class	Total 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	Net claims expense	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2011	Half Year ended 30 June 2010
(Rupees in thousand)										
<b>Direct and facultative</b>										
Fire and property damage	1,943,716	4,888,290	4,733,704	1,789,130	1,403,669	4,329,886	4,283,688	1,357,471	431,659	371,932
Marine, aviation and transport	278,722	414,872	398,063	261,913	1,117	166,070	194,933	29,980	231,933	217,034
Motor	830,722	468,010	408,866	771,578	1,426	81,471	81,676	1,631	769,947	813,910
Miscellaneous	1,415,471	1,098,068	399,043	716,446	554,723	856,497	279,573	(22,201)	738,647	459,392
<b>Total</b>	<b>4,468,631</b>	<b>6,869,240</b>	<b>5,939,676</b>	<b>3,539,067</b>	<b>1,960,935</b>	<b>5,433,924</b>	<b>4,839,870</b>	<b>1,366,881</b>	<b>2,172,186</b>	<b>1,862,268</b>
<b>Treaty</b>										
Proportional	-	20,332	20,332	-	-	-	-	-	-	460
<b>Total</b>	<b>-</b>	<b>20,332</b>	<b>20,332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460</b>
<b>Grand Total</b>	<b>4,468,631</b>	<b>6,889,572</b>	<b>5,960,008</b>	<b>3,539,067</b>	<b>1,960,935</b>	<b>5,433,924</b>	<b>4,839,870</b>	<b>1,366,881</b>	<b>2,172,186</b>	<b>1,862,728</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

DIRECTOR

DIRECTOR

MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CLAIMS  
FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)

BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

Class	Total 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	Net claims expense	
		Opening	Closing			Opening	Closing		Quarter ended 30 June 2011	Quarter ended 30 June 2010
(Rupees in thousand)										
<b>Direct and facultative</b>										
Fire and property damage	112	2,407	2,429	134	95	2,083	2,102	114	20	27
Marine, aviation and transport	-	10,855	11,897	1,042	-	2	-	(2)	1,044	5,431
Motor	252,136	1,097,728	1,218,057	372,465	113,641	1,004,196	1,095,654	205,099	167,366	157,990
Miscellaneous	2,107	950	972	2,129	1,686	141	152	1,697	432	14
<b>Total</b>	<b>254,355</b>	<b>1,111,940</b>	<b>1,233,355</b>	<b>375,770</b>	<b>115,422</b>	<b>1,006,422</b>	<b>1,097,908</b>	<b>206,908</b>	<b>168,862</b>	<b>163,462</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>254,355</b>	<b>1,111,940</b>	<b>1,233,355</b>	<b>375,770</b>	<b>115,422</b>	<b>1,006,422</b>	<b>1,097,908</b>	<b>206,908</b>	<b>168,862</b>	<b>163,462</b>

Class	Total 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	Net claims expense	
		Opening	Closing			Opening	Closing		Half Year ended 30 June 2011	Half Year ended 30 June 2010
(Rupees in thousand)										
<b>Direct and facultative</b>										
Fire and property damage	8,341	5,667	2,429	5,103	7,090	4,854	2,102	4,338	765	1,177
Marine, aviation and transport	399	11,193	11,897	1,103	-	2	-	(2)	1,105	5,639
Motor	564,093	1,072,728	1,218,057	709,422	188,356	913,682	1,095,654	370,328	339,094	317,695
Miscellaneous	5,167	1,249	972	4,890	4,134	376	152	3,910	980	35
<b>Total</b>	<b>578,000</b>	<b>1,090,837</b>	<b>1,233,355</b>	<b>720,518</b>	<b>199,580</b>	<b>918,914</b>	<b>1,097,908</b>	<b>378,574</b>	<b>341,944</b>	<b>324,546</b>
<b>Treaty</b>										
Proportional	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>578,000</b>	<b>1,090,837</b>	<b>1,233,355</b>	<b>720,518</b>	<b>199,580</b>	<b>918,914</b>	<b>1,097,908</b>	<b>378,574</b>	<b>341,944</b>	<b>324,546</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

DIRECTOR

DIRECTOR

MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES  
FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 June 2011	Quarter ended 30 June 2010
(Rupees in thousand)									
<b>Direct and facultative</b>									
Fire and property damage	177,568	259,742	290,411	146,899	67,650	214,549	123,071	91,478	75,728
Marine, aviation and transport	56,137	5,818	15,894	46,061	43,590	89,651	10,113	79,538	97,786
Motor	66,658	165,529	154,965	77,222	139,218	216,440	14,673	201,767	190,300
Miscellaneous	38,387	59,826	54,032	44,181	99,407	143,588	31,752	111,836	64,701
<b>Total</b>	<b>338,750</b>	<b>490,915</b>	<b>515,302</b>	<b>314,363</b>	<b>349,865</b>	<b>664,228</b>	<b>179,609</b>	<b>484,619</b>	<b>428,515</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>338,750</b>	<b>490,915</b>	<b>515,302</b>	<b>314,363</b>	<b>349,865</b>	<b>664,228</b>	<b>179,609</b>	<b>484,619</b>	<b>428,515</b>

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Half Year ended 30 June 2011	Half Year ended 30 June 2010
(Rupees in thousand)									
<b>Direct and facultative</b>									
Fire and property damage	322,887	259,844	290,411	292,320	115,868	408,188	242,082	166,106	171,010
Marine, aviation and transport	100,520	11,662	15,894	96,288	90,453	186,741	11,288	175,453	178,606
Motor	154,858	162,226	154,965	162,119	249,556	411,675	30,909	380,766	389,426
Miscellaneous	64,537	78,490	54,032	88,995	185,049	274,044	89,462	184,582	112,498
<b>Total</b>	<b>642,802</b>	<b>512,222</b>	<b>515,302</b>	<b>639,722</b>	<b>640,926</b>	<b>1,280,648</b>	<b>373,741</b>	<b>906,907</b>	<b>851,540</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>642,802</b>	<b>512,222</b>	<b>515,302</b>	<b>639,722</b>	<b>640,926</b>	<b>1,280,648</b>	<b>373,741</b>	<b>906,907</b>	<b>851,540</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

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CHIEF EXECUTIVE OFFICER

ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES  
FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)

BUSINESS UNDERWRITTEN INSIDE PAKISTAN

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 June 2011	Quarter ended 30 June 2010
------(Rupees in thousand)-----									
<b>Direct and facultative</b>									
Fire and property damage	174,762	250,891	282,353	143,300	66,937	210,237	119,027	91,210	75,914
Marine, aviation and transport	55,049	4,402	14,979	44,472	41,759	86,231	9,886	76,345	92,858
Motor	43,454	73,992	80,637	36,809	100,956	137,765	360	137,405	140,467
Miscellaneous	37,714	57,868	52,271	43,311	98,608	141,919	31,186	110,733	64,691
<b>Total</b>	<b>310,979</b>	<b>387,153</b>	<b>430,240</b>	<b>267,892</b>	<b>308,260</b>	<b>576,152</b>	<b>160,459</b>	<b>415,693</b>	<b>373,930</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>310,979</b>	<b>387,153</b>	<b>430,240</b>	<b>267,892</b>	<b>308,260</b>	<b>576,152</b>	<b>160,459</b>	<b>415,693</b>	<b>373,930</b>

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Half Year ended 30 June 2011	Half Year ended 30 June 2010
------(Rupees in thousand)-----									
<b>Direct and facultative</b>									
Fire and property damage	316,562	250,919	282,353	285,128	114,640	399,768	234,288	165,480	171,106
Marine, aviation and transport	97,971	9,004	14,979	91,996	87,212	179,208	10,840	168,368	166,686
Motor	89,237	69,412	80,637	78,012	178,793	256,805	765	256,040	291,066
Miscellaneous	62,723	76,871	52,271	87,323	183,698	271,021	88,339	182,682	112,542
<b>Total</b>	<b>566,493</b>	<b>406,206</b>	<b>430,240</b>	<b>542,459</b>	<b>564,343</b>	<b>1,106,802</b>	<b>334,232</b>	<b>772,570</b>	<b>741,400</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>566,493</b>	<b>406,206</b>	<b>430,240</b>	<b>542,459</b>	<b>564,343</b>	<b>1,106,802</b>	<b>334,232</b>	<b>772,570</b>	<b>741,400</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

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MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

ADAMJEE INSURANCE COMPANY LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF EXPENSES  
FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)

BUSINESS UNDERWRITTEN OUTSIDE PAKISTAN

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Quarter ended 30 June 2011	Quarter ended 30 June 2010
(Rupees in thousand)									
<b>Direct and facultative</b>									
Fire and property damage	2,806	8,851	8,058	3,599	713	4,312	4,044	268	(186)
Marine, aviation and transport	1,088	1,416	915	1,589	1,831	3,420	227	3,193	4,928
Motor	23,204	91,537	74,328	40,413	38,262	78,675	14,313	64,362	49,833
Miscellaneous	673	1,958	1,761	870	799	1,669	566	1,103	10
<b>Total</b>	<b>27,771</b>	<b>103,762</b>	<b>85,062</b>	<b>46,471</b>	<b>41,605</b>	<b>88,076</b>	<b>19,150</b>	<b>68,926</b>	<b>54,585</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>27,771</b>	<b>103,762</b>	<b>85,062</b>	<b>46,471</b>	<b>41,605</b>	<b>88,076</b>	<b>19,150</b>	<b>68,926</b>	<b>54,585</b>

Class	Commissions paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					Half Year ended 30 June 2011	Half Year ended 30 June 2010
(Rupees in thousand)									
<b>Direct and facultative</b>									
Fire and property damage	6,325	8,925	8,058	7,192	1,228	8,420	7,794	626	(96)
Marine, aviation and transport	2,549	2,658	915	4,292	3,241	7,533	448	7,085	11,920
Motor	65,621	92,814	74,328	84,107	70,763	154,870	30,144	124,726	98,360
Miscellaneous	1,814	1,619	1,761	1,672	1,351	3,023	1,123	1,900	(44)
<b>Total</b>	<b>76,309</b>	<b>106,016</b>	<b>85,062</b>	<b>97,263</b>	<b>76,583</b>	<b>173,846</b>	<b>39,509</b>	<b>134,337</b>	<b>110,140</b>
<b>Treaty</b>									
Proportional	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>76,309</b>	<b>106,016</b>	<b>85,062</b>	<b>97,263</b>	<b>76,583</b>	<b>173,846</b>	<b>39,509</b>	<b>134,337</b>	<b>110,140</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

CHAIRMAN

DIRECTOR

DIRECTOR

MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER

**ADAMJEE INSURANCE COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME**  
**FOR THE HALF YEAR ENDED 30 JUNE 2011 (UNAUDITED)**

Quarter ended 30 June 2011	Quarter ended 30 June 2010	Half Year ended 30 June 2011	Half Year ended 30 June 2010
----------------------------------	----------------------------------	------------------------------------	------------------------------------

------(Rupees in thousand)-----

**Income from non-trading investments**

**Available-for-sale**

Return on fixed income securities	-	-	-	2,160
Return on Term Finance Certificates	5,949	6,121	11,923	12,485
Return on Pakistan Investments Bonds	2,500	3,872	6,491	7,474
Return on Treasury bills	-	-	2,845	-
Dividend income				
- associated undertakings	105,740	58,159	175,819	132,467
- others	26,535	16,993	131,510	113,012
	132,275	75,152	307,329	245,479
	140,724	85,145	328,588	267,598
Gain on sale of 'available-for-sale' investments				
- associated undertakings	7,483	18,587	17,563	58,874
- others	76,561	23,372	173,720	26,429
	84,044	41,959	191,283	85,303
	224,768	127,104	519,871	352,901
(Provision) / Reversal for impairment in value of available-for-sale' investment	19,508	(124,896)	(74,266)	(129,518)
<b>Net investment income</b>	<b>244,276</b>	<b>2,208</b>	<b>445,605</b>	<b>223,383</b>

The annexed notes form an integral part of this unconsolidated condensed interim financial information.

\_\_\_\_\_  
**CHAIRMAN**

\_\_\_\_\_  
**DIRECTOR**

\_\_\_\_\_  
**DIRECTOR**

\_\_\_\_\_  
**MANAGING DIRECTOR &  
 CHIEF EXECUTIVE OFFICER**

**ADAMJEE INSURANCE COMPANY LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION**  
**FOR THE HALF YEAR ENDED 30 JUNE 2011**

**1 THE COMPANY AND ITS OPERATIONS**

Adamjee Insurance Company Limited (the company) is a public limited company incorporated in Pakistan on 28 September 1960 under the Companies Act, 1913 (now the Companies Ordinance, 1984). The company is listed on all the stock exchanges in Pakistan and is engaged in the non-life insurance business.

The registered office of the Company is situated at ISE Tower, 55-B, Jinnah Avenue, Blue Area, Islamabad .

- 1.1** The Company also operates branches in the United Arab Emirates (UAE), the Kingdom of Saudi Arabia (KSA) and the Export Processing Zone (EPZ). The branch in the KSA has closed down its operations and is in "run-off" status with effect from 01 October 2003. During the period, the Company has opened its new branch office in Abu-Dahbi to extend its operations.

**2 BASIS OF PREPARATION**

**a) Statement of Compliance**

This unconsolidated condensed interim financial report of the company for the six months period ended 30 June 2011 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002. In case where requirements differ, the provisions of or directives of Companies Ordinance, 1984 the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 shall prevail.

The SECP has allowed insurance companies to defer the application of International Accounting Standard -39 (IAS - 39) 'Financial Instruments: Recognition and Measurement' in respect of "Investment available -for- sale" until suitable amendments have been made in the law. Accordingly, the requirements of IAS - 39, to the extent allowed by the SECP, have not been considered in the preparation of this unconsolidated interim condensed financial information.

**b) Presentation**

These unconsolidated condensed interim financial information represents separate unconsolidated condensed interim financial information of Adamjee Insurance Company Limited, prepared in accordance with the format prescribed by Insurance Division of SECP in its Circular No. 7 of 2003 dated 27 August 2003. The consolidated condensed interim financial information of the group is being issued separately.

**3 BASIS OF MEASUREMENT**

This unconsolidated condensed interim financial information has been prepared under the historical cost convention except that obligations under certain employee benefits are measured at present value.

**4 ACCOUNTING POLICIES AND COMPUTATION METHODS**

The accounting policies and the methods of computation adopted in the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the unconsolidated financial statements for the year ended 31 December 2010.

**5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

Judgments and estimates made by the management in the preparation of this unconsolidated condensed interim financial information are the same as those applied to the preceding annual published financial statements of the company for the year ended 31 December 2010.

## 6 CONTINGENCIES AND COMMITMENTS

### 6.1 Contingencies

The income tax assessments of the company have been finalized up to and including the tax year 2009. However, the company has filed appeals in respect of certain assessment years mainly on account of following:

- (i) The Deputy Commissioner of Income Tax (DCIT) has finalized assessments for the assessment year 1999-2000 by taxing capital gains at the full rate of 33%. The aggregate tax liability assessed by the DCIT amounted to Rupees 48.205 million against which the company has made a total provision of Rupees 44.141 million resulting in a shortfall of Rupees 4.064 million. The company filed appeals with the Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal (ITAT) which were decided against the company. Consequently the company has filed an appeal before the Honorable High Court of Sindh and the petition is fixed for regular hearing;
- ii) The Additional Commissioner / Taxation Officer has reopened assessments for the assessment years 2000-2001 and 2001-2002 by taxing bonus shares received by the company during the above mentioned periods resulting in an additional tax liability of Rupees 14.907 million. An appeal was filed before the Commissioner of Income Tax (Appeals) who cancelled the amended order passed by the Additional Commissioner and allowed relief to the company but the Tax Department filed an appeal before the ITAT against the order of the Additional Commissioner, which has been decided in favor of the company. However, the company again received a notice from additional commissioner for reassessment of the case. The company has filed a constitutional petition in Sindh High Court against such order.
- iii) While finalizing the assessment for the assessment year 2002-2003, DCIT has reduced the business loss for the year by Rupees 88.180 million by adjusting the dividend income against this loss. The company maintains that it is entitled to carry the gross loss forward for adjustment against the future taxable income and dividend income for the year should be taxed separately at reduced rate. The appeals of the company in this respect have been rejected by the Commissioner of Income Tax (Appeals), the ITAT and the Sindh High Court. The company has now filed a reference application with the Supreme Court of Pakistan. The management is confident that the matter will eventually be decided in favor of the company and has consequently not made any provision against the additional tax liability of Rupees 26.455 million which may arise in this respect.
- iv) The Tax Authorities have also amended the assessments for tax years 2003 to 2007 on the ground that the company has not apportioned management and general administration expenses against capital gain and dividend income. The company has filed constitution petition in the High Court of Sindh against the amendment in the assessment order. The company may be liable to pay Rupees 5.881 million in the event of decision against the company, out of which Rupees 2.727 million has been provided by the company resulting in a shortfall of Rupees 3.154 million.
- v) The Taxation Officer has passed an order in the tax year 2005 and 2006 under section 221 of the Income Tax Ordinance, 2001 (the Ordinance) levying minimum tax liability aggregating to Rupees 38.358 million. An appeal had been filed before the Commissioner of Income Tax (Appeals) who upheld the order of the Taxation Officer. The Company has filed an appeal before ITAT which is pending to be heard.
- vi) The company received a notice from Additional Commissioner Inland Revenue pertaining to the assessment of tax year 2008. Among others, the Additional Commissioner raised issues pertaining to avoidance of tax on capital gains on listed securities. However, the company filed a constitutional petition in Sindh High Court against such order and the court has granted stay in this regard.

Pending resolution of the above-mentioned appeals filed by the company, no provision has been made in this unconsolidated condensed interim financial information for the aggregate amount of Rupees 86.938 million (31 December 2010: 88.201 million) as the management is confident that the eventual outcome of the above matters will be in favor of the company.

### 6.2 Commitments

There were no capital or other commitments as at 30 June 2011 (31 December 2010: Nil)



	(Unaudited) 30 June 2011	(Audited) 31 December 2010
<b>7 INVESTMENTS</b>		
<b>In related parties</b>		
	----- (Rupees in thousand) -----	
<b>Available-for-sale</b>		
Marketable securities	6,293,557	5,724,324
Less: Provision for impairment in value of investments	(6,510)	-
	6,287,047	5,724,324
Investment in Subsidiary - Adamjee Life Assurance Company Limited	294,065	294,065
Investment in Associates		
- Lalpir Power Limited	412,796	412,796
- Pakgen Power Limited	355,448	412,796
	768,244	825,592
	7,349,356	6,843,981
<b>Others</b>		
<b>Available-for-sale</b>		
Marketable securities	2,728,642	2,973,083
Less: Provision for impairment in value of investments	(477,821)	(410,066)
	2,250,821	2,563,017
Fixed income investments	130,099	-
	2,380,920	2,563,017
	9,730,276	9,406,998
At 30 June 2011, the fair value of available-for-sale securities was Rupees 11,136.373 million (31 December 2010: Rupees 10,003.082 million).		
<b>7.1 Reconciliation of provision for impairment in value of investments</b>		
Opening provision	410,066	541,300
Charge / (reversal) for the period / year	74,265	(128,882)
Provision written off during the period	-	(2,352)
Closing provision	484,331	410,066
<b>8 PREMIUMS DUE BUT UNPAID - Unsecured</b>		
Considered good	4,212,127	4,546,222
Considered doubtful	307,275	199,015
	4,519,402	4,745,237
Less: Provision for doubtful balances	(307,275)	(199,015)
	4,212,127	4,546,222
<b>8.1 Reconciliation of provision for doubtful balances</b>		
Opening provision	199,015	119,530
Exchange loss	-	274
Charge for the period / year	110,000	86,867
Written off during the period / year	-	(7,656)
Bad debts recovered	(1,740)	-
Closing provision	307,275	199,015

	(Unaudited) 30 June 2011	(Audited) 31 December 2010
<b>9 AMOUNTS DUE FROM OTHER INSURERS/ REINSURERS - Unsecured</b>	------(Rupees in thousand)-----	
Considered good	841,334	993,584
Considered doubtful	70,000	30,000
	<u>911,334</u>	<u>1,023,584</u>
Less: Provision for doubtful balances	(70,000)	(30,000)
	<u>841,334</u>	<u>993,584</u>

**9.1 Reconciliation of provision for doubtful balance**

Opening provision	30,000	30,000
Charge for the period / year	40,000	-
Closing provision	<u>70,000</u>	<u>30,000</u>

**10 FIXED ASSETS**

**10.1** The following capital expenditure was incurred during the period:

**Owned**

Land and building	7,529	116,039
Furniture and fixtures	8,590	39,914
Motor vehicles	30,486	80,004
Machinery and equipment	8,477	34,750
Computer and related accessories	4,978	21,355
	<u>60,060</u>	<u>292,062</u>
Intangible asset - computer software	4,467	23,152

**Leased**

Motor vehicles	-	-
	<u>64,527</u>	<u>315,214</u>

**10.2** The following are the written down values of fixed assets disposed of during the period:

**Owned**

Building	2,633	618
Furniture and fixtures	585	616
Motor vehicles	6,228	40,536
Machinery and equipment	560	1,555
Computer and related accessories	404	123

**Leased**

Motor vehicles	20,348	22,999
	<u>30,758</u>	<u>66,447</u>

**11 TRANSACTIONS WITH RELATED PARTIES**

The company has related party relationships with its subsidiary company, associates, employee benefit plans, key management personnel and other parties. Transactions are entered into with such related parties for the issuance of policies to and disbursements of claims incurred by them and payment of rentals for the use of premises rented from them. There are no transactions with key management personnel other than their terms of employment.

Investment in related parties have been disclosed in note 7 to this interim financial information. Other transactions with related parties are summarised as follows:

	(Unaudited) 30 June 2011	(Unaudited) 30 June 2010
	----- (Rupees in thousand) -----	
Premium underwritten	481,611	590,509
Premium received	528,694	520,358
Premium ceded	2,022	541
Claims paid	1,119,634	248,939
Rent paid	5,408	5,289
Dividends received	174,473	132,467
Dividend paid	66,157	60,126

	Number of shares	
Bonus shares received	2,326,338	2,114,852
Bonus shares issued	-	4,008,442

Following balances are due to / from staff retirement benefit funds:	31 DECEMBER 2010	
Receivable from Staff Gratuity Fund	43,818	53,818
Receivable from Employees Provident Fund	1,467	1,737

During the period an amount of Rupees 10.348 million (30 June 2010: 10.048 million) has been charged to profit and loss account in respect of the companies contributions to the Employees Provident Fund.

## 12 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors of the company in their meeting held on 30 August 2011 proposed an interim cash dividend for the half year ended 30 June 2011 @ 10% Rs.1.0/- share (2010: @ 10% Rs 1.0/- share). This unconsolidated condensed interim financial information for the half year ended 30 June 2011 does not include the effect of this appropriation which will be accounted for in the unconsolidated financial statements for the year ending 31 December 2011.

### 13 SEGMENT REPORTING

Class of business wise revenue and results have been disclosed in the profit and loss account prepared in accordance with the requirements of the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following is a schedule of class of business wise assets and liabilities:

2011														Aggregate
Fire and property damage		Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated corporate assets / liabilities		Total		
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	

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(Rupees in thousand)  
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#### OTHER INFORMATION

<b>Segment assets</b>	7,270,032	93,887	767,852	39,403	976,148	2,075,325	1,515,523	50,365	-	-	-	-	10,529,555	2,258,980	12,788,535
Unallocated assets	-	-	-	-	-	-	-	-	-	-	12,614,926	1,118,998	12,614,926	1,118,998	13,733,924
<b>Total assets</b>	<b>7,270,032</b>	<b>93,887</b>	<b>767,852</b>	<b>39,403</b>	<b>976,148</b>	<b>2,075,325</b>	<b>1,515,523</b>	<b>50,365</b>	<b>-</b>	<b>-</b>	<b>12,614,926</b>	<b>1,118,998</b>	<b>23,144,481</b>	<b>3,377,978</b>	<b>26,522,459</b>
<b>Segment liabilities</b>	6,902,728	69,610	569,488	36,680	1,533,818	2,137,899	1,624,769	38,099	20,332	-	-	-	10,651,135	2,282,288	12,933,423
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	653,755	1,766,083	653,755	1,766,083	2,419,838
<b>Total liabilities</b>	<b>6,902,728</b>	<b>69,610</b>	<b>569,488</b>	<b>36,680</b>	<b>1,533,818</b>	<b>2,137,899</b>	<b>1,624,769</b>	<b>38,099</b>	<b>20,332</b>	<b>-</b>	<b>653,755</b>	<b>1,766,083</b>	<b>11,304,890</b>	<b>4,048,371</b>	<b>15,353,261</b>

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2010  
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2010														Aggregate
Fire and property damage		Marine, Aviation and Transport		Motor		Miscellaneous		Treaty		Unallocated corporate assets / liabilities		Total		
Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	Inside Pakistan	Outside Pakistan	

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(Rupees in thousand)  
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#### OTHER INFORMATION

<b>Segment assets</b>	7,696,091	120,913	638,440	59,835	1,044,736	2,408,230	2,197,241	34,218	2,939	-	-	-	11,579,447	2,623,196	14,202,643
Unallocated assets	-	-	-	-	-	-	-	-	-	-	12,377,969	1,306,123	12,377,969	1,306,123	13,684,092
<b>Total assets</b>	<b>7,696,091</b>	<b>120,913</b>	<b>638,440</b>	<b>59,835</b>	<b>1,044,736</b>	<b>2,408,230</b>	<b>2,197,241</b>	<b>34,218</b>	<b>2,939</b>	<b>-</b>	<b>12,377,969</b>	<b>1,306,123</b>	<b>23,957,416</b>	<b>3,929,319</b>	<b>27,886,735</b>
<b>Segment liabilities</b>	7,390,948	101,729	553,040	57,001	1,606,681	2,625,138	2,571,549	33,551	20,936	-	-	-	12,143,154	2,817,419	14,960,573
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	1,697,063	194,100	1,697,063	194,100	1,891,163
<b>Total liabilities</b>	<b>7,390,948</b>	<b>101,729</b>	<b>553,040</b>	<b>57,001</b>	<b>1,606,681</b>	<b>2,625,138</b>	<b>2,571,549</b>	<b>33,551</b>	<b>20,936</b>	<b>-</b>	<b>1,697,063</b>	<b>194,100</b>	<b>13,840,217</b>	<b>3,011,519</b>	<b>16,851,736</b>

(Unaudited) (Audited)  
30 June 31 December  
2011 2010

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(Rupees in thousand)  
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Capital expenditure

64,527 315,214

#### **14 AUTHORISATION FOR ISSUE**

This unconsolidated condensed interim financial information has been approved and authorised for issue on 30 August 2011 by the Board of Directors of the company.

#### **15 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. However no significant reclassification has been made during the period.

#### **16 GENERAL**

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.

\_\_\_\_\_  
**CHAIRMAN**

\_\_\_\_\_  
**DIRECTOR**

\_\_\_\_\_  
**DIRECTOR**

\_\_\_\_\_  
**MANAGING DIRECTOR &  
CHIEF EXECUTIVE OFFICER**