

Moving Beyond

Accounts for the half year ended
30 JUNE 2012 (Unaudited)

Jubilee General Insurance Company Limited
(formerly New Jubilee Insurance Company Limited)

Corporate Information

Chairman of the Board of Directors	Towfiq H. Chinoy	(Non-Executive Director)
Directors	Akbarali Hashwani Sadruddin Hashwani Masood Noorani Akbarali Pesnani John Joseph Metcalf R. Zakir Mahmood Aly Noormahomed Rattansey	(Non-Executive Director) (Non-Executive Director) (Non-Executive Director) (Non-Executive Director) (Non-Executive Director) (Non-Executive Director) (Non-Executive Director)
President & Managing Director (Chief Executive)	Tahir Ahmed	(Executive Director)
Company Secretary	Atiq Anwar Mahmudi	
Auditors	Ernst & Young Ford Rhodes Sidat Hyder	
Legal Advisor	SurrIDGE & Beecheno	
Bankers	Habib Bank Limited Standard Chartered Bank (Pakistan) Ltd. United Bank Limited Soneri Bank Limited Faysal Bank Limited Bank Alfalah Limited MCB Bank Limited	
Share Registrar	THK Associates (Pvt) Ltd Ground Floor, State Life Building No. 3, Dr. Ziauddin Ahmed Road, Karachi. Tel: 35689021, 35686658	
Head Office / Registered Office	2nd Floor, Jubilee Insurance House I. I. Chundrigar Road, Karachi, Pakistan UAN : (92-21) 111 - 654 - 111 Tel : (92-21) 32416022-26 Fax : (92-21) 32416728 , 32438738 E-Mail : info@jubileegeneral.com.pk Website : www.jubileegeneral.com.pk	

Directors' Review

The Board of Directors is pleased to present the un-audited financial statements of the Company for the six month ended 30th June, 2012.

Business Overview:

The results for the first six months are summarized below:

	2012 30th June	2011 30th June
	(Rupees '000)	
Premium written	3,435,053	3,095,941
Net premium revenue	1,462,074	1,340,831
Underwriting result	103,286	100,347
Investment income	351,085	285,759
Other Income/Charge	4,960	(300)
Profit before tax	458,859	373,551
Profit after tax	399,285	295,971

The business environment is challenging. GDP growth is projected to be between 3 and 4% in 2012-2013 well below the target of 4.3%. New Private sector investment continues to be on a declining trend for the 4th consecutive year. Nevertheless, the Company has increased its written premium by 11% mainly due to 11% growth in Fire and 129% in Liability class of business. The Company's net premium has also increased by 9%.

With positive contributions from all classes (except Accident & Health), the Company by the grace of Allah has posted underwriting profit of Rs.103 million (2011: Rs.100 million). Investment income has also increased by 23% to Rs.351 million (2011: Rs.286 million) mainly due to capital gain on sale of securities.

Future Outlook:

The business environment is likely to remain challenging. However, we are hopeful of maintaining our progress.



Towfiq H. Chinoy
Chairman

Karachi: August 29, 2012

AUDITOR'S REPORT TO MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying

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

and notes to the financial statements of **Jubilee General Insurance Company Limited [formerly New Jubilee Insurance Company Limited]** for the six-month period ended **30 June 2012** (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquires, 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 the 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 interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



Chartered Accountants

Date: 29 August 2012

Karachi

04 Interim Condensed Balance Sheet

as at 30 June 2012

	Note	30 June	31 December
		2012 (Unaudited)	2011 (Audited)
(Rupees in '000)			
Share capital and reserves			
Authorised share capital: 150,000,000 (2011: 100,000,000) Ordinary shares of Rs.10 each		<u>1,500,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up share capital [118,646,560 (2011: 98,872,133) Ordinary shares of Rs.10 each]		1,186,465	988,721
Retained earnings		449,688	874,764
Reserves		2,009,384	1,679,384
		3,645,537	3,542,869
Underwriting provisions			
Provision for outstanding claims (including IBNR)		1,847,925	1,832,124
Provision for unearned premium		2,604,459	1,832,586
Commission Income unearned		102,902	67,916
Total underwriting provisions		4,555,286	3,732,626
Deferred liabilities			
Staff retirement benefits		759	900
Creditors and accruals			
Premium received in advance		29,997	54,237
Amount due to other insurers / reinsurers		626,289	506,764
Accrued expenses		84,651	32,379
Taxation-provision less payments		128,165	114,769
Other creditors and accruals	7	486,507	394,535
		1,355,609	1,102,684
Other liabilities			
Deposits and other payables		754,217	570,936
Unclaimed dividend		30,944	24,820
		785,161	595,756
TOTAL LIABILITIES		6,696,815	5,431,966
TOTAL EQUITY AND LIABILITIES		10,342,352	8,974,835
CONTINGENCIES			

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The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.

Interim Condensed Balance Sheet

as at 30 June 2012

	Note	30 June	31 December
		2012 (Unaudited)	2011 (Audited)
(Rupees in '000)			
Cash and bank deposits			
Cash and other equivalents		4,896	4,348
Current and other accounts		618,952	849,765
Deposits maturing within 12 months		80,302	113,248
		704,150	967,361
Loans to employees		875	849
Investments	9	5,298,690	4,937,313
Investment properties	10	150,265	144,765
Deferred taxation		36,116	36,233
Current assets - others			
Premium due but unpaid		1,422,509	821,123
Amount due from other insurers / reinsurers		148,004	76,994
Reinsurance recoveries due but unpaid		49,223	50,504
Salvage recoveries accrued		40,332	33,835
Accrued investment income		25,338	10,460
Reinsurance recoveries against outstanding claims		721,815	746,168
Deferred commission expense		213,597	155,739
Prepayments	11	1,368,619	863,001
Sundry receivables		52,020	30,566
		4,041,457	2,788,390
Fixed assets			
Tangible and intangible			
Buildings	12	6,459	6,390
Furniture and fixtures		29,880	26,933
Office equipment		58,298	50,537
Computer equipment		8,646	9,071
Vehicles		5,291	4,266
Computer softwares		2,225	2,727
		110,799	99,924
TOTAL ASSETS		10,342,352	8,974,835



Towfiq H. Chinoy
Chairman



Akbarali Hashwani
Director



Aly Noormahomed Rattansej
Director



Tahir Ahmed
Managing Director
(Chief Executive)

06 Interim Condensed Profit and Loss Account (Unaudited)

for the six months period ended 30 June 2012

		Three months period ended 30 June							2012	2011
		Fire and property	Marine, aviation and transport	Motor	Liability	Accident and health	Others	Treaty	Aggregate	Aggregate
Note		(Rupees in '000)								
Revenue account										
	Net premium revenue	143,983	110,551	194,878	12,775	134,714	119,156	(11)	716,046	677,769
Less:										
	Net claims	68,560	57,904	101,167	(2,528)	118,187	85,872	(88)	429,074	405,386
	Expenses	36,712	28,142	49,328	3,248	34,076	30,097	-	181,603	166,856
	Net commission	25,260	19,756	17,115	(1,141)	4,312	(4,872)	-	60,430	59,629
	Underwriting result	13,451	4,749	27,268	13,196	(21,861)	8,059	77	44,939	45,898
Investment income										
	Rental income								145,718	128,990
	Return on bank deposits								26,172	23,875
	Other income / charges								11,604	10,088
	General and administration expenses								3,255	(218)
	Share in profit of an associate								(12,215)	(12,212)
									7,542	3,747
	Profit before tax								182,076	154,270
	Provision for taxation - current - deferred								(21,623)	(37,924)
									(110)	(2,317)
	Profit after tax								(21,513)	(40,241)
									205,502	159,927
		Six months period ended 30 June							2012	2011
		Fire and property	Marine, aviation and transport	Motor	Liability	Accident and health	Others	Treaty	Aggregate	Aggregate
Note		(Rupees in '000)								
Revenue account										
	Net premium revenue	322,882	241,263	383,684	27,245	261,864	225,142	(6)	1,462,074	1,340,831
Less:										
	Net claims	170,625	105,842	241,520	1,267	225,796	123,333	(93)	868,290	799,767
	Expenses	79,612	59,487	94,604	6,718	64,567	55,513	-	360,501	322,399
	Net commission	57,568	41,011	33,322	(1,678)	7,772	(8,000)	2	129,997	118,318
	Underwriting result	15,077	34,923	14,238	20,938	(36,271)	54,296	85	103,286	100,347
Investment income										
	Rental income								278,297	219,096
	Return on bank deposits								50,107	45,734
	Other income / charges								22,681	20,929
	General and administration expenses								4,960	(300)
	Share in profit of an associate								(18,688)	(20,903)
									17,616	8,648
	Profit before tax								354,973	273,204
	Provision for taxation - current - deferred								(58,857)	(75,117)
									(117)	(2,463)
	Profit after tax								(58,974)	(77,580)
	Profit and loss appropriation account :								399,285	295,971
	Balance at commencement of six months period								874,764	533,514
	Profit after tax for the six months period								399,285	295,971
	Transfer to general reserves								(230,000)	(100,000)
	Transfer to special reserves								(100,000)	-
	Issuance of bonus shares: 2012: Rs.2(20%) per share for the year 2011[2011:Rs.2.5(25%) per share for the year 2010]								(197,744)	(197,744)
	Final cash dividend 2012: Rs.3(30%) per share for the year 2011[2011:Rs.2(20%) per share for the year 2010]								(296,617)	(158,195)
									(425,076)	(159,968)
	Balance at end of six months period								449,688	373,546
	Earnings per share of Rs. 10 each - basic and diluted (note 16)								3.37	2.49
		Rupees								

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansay
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed **Statement of Comprehensive Income** (Unaudited) 07

for the six months period ended 30 June 2012

	Three months period ended 30 June		Six months period ended 30 June	
	2012	2011	2012	2011
	(Rupees in '000)			
Net profit for the period	205,502	159,927	399,285	295,971
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>205,502</u>	<u>159,927</u>	<u>399,285</u>	<u>295,971</u>

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.



Tawfiq H. Chinoy
Chairman



Akbarali Hashwani
Director



Aly Noormahomed Rattansey
Director



Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Statement of Cash Flows (Unaudited)

for the six months period ended 30 June 2012

	2012	2011
	(Rupees in '000)	
Operating cash flows		
(a) Underwriting activities		
Premiums received	2,809,427	2,430,784
Reinsurance premiums paid	(1,578,435)	(1,219,972)
Claims paid	(1,153,423)	(1,058,653)
Reinsurance and other recoveries received	249,061	332,642
Commissions paid	(234,207)	(204,745)
Commissions received	133,782	134,403
Other underwriting payments (management expenses)	(304,617)	(264,324)
Net cash (outflow) / inflow from underwriting activities	(78,412)	150,135
(b) Other operating activities		
Income tax paid	(45,461)	(59,520)
General and administration expenses paid	(9,523)	(13,433)
Other operating payments	(473,578)	(396,256)
Other operating receipts	650,773	561,978
Loans advanced	(781)	(894)
Loans repayment received	799	778
Net cash inflow from other operating activities	122,229	92,653
Total cash inflow from all operating activities	43,817	242,788
Investment activities		
Profit / return received	43,131	56,201
Dividends received	48,271	44,796
Rentals received - net of expenses	72,614	62,632
Payments for purchase of investments / investment property	(4,033,007)	(3,011,220)
Proceeds from disposal of investments	3,875,267	2,295,491
Fixed capital expenditure	(24,413)	(14,053)
Proceeds from disposal of fixed assets	1,102	2,723
Total cash (outflow) from investing activities	(17,035)	(563,430)
Financing activities		
Dividends paid	(290,493)	(154,872)
Total cash (outflow) from financing activities	(290,493)	(154,872)
Net cash (outflow) from all activities	(263,711)	(475,514)
Cash at beginning of six months period	967,061	974,483
Cash at end of six months period	703,350	498,969

Interim Condensed Statement of Cash Flows (Unaudited) - continued

for the six months period ended 30 June 2012

	2012	2011
	(Rupees in '000)	
Reconciliation to profit and loss account		
Operating cash flows	43,817	242,788
Depreciation / amortisation expense	(12,376)	(12,031)
(Loss) on disposal of fixed assets	(60)	(361)
Profit on disposal of investments	200,853	135,135
Dividend income	49,011	52,539
Rental income	50,107	45,734
Other investment income	68,730	60,999
Increase in assets other than cash	1,231,348	979,041
(Increase) in liabilities other than running finance	(1,232,145)	(1,207,873)
Profit after taxation	399,285	295,971

Definition of cash

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

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

Cash and bank deposits

Cash and other equivalents

Cash	897	541
Policy stamps and bond papers in hand	3,999	3,980
	4,896	4,521

Current and other accounts

Current accounts	150,847	108,866
PLS savings accounts	468,105	360,582
	618,952	469,448

Deposits maturing within 3 months (encashable on demand)

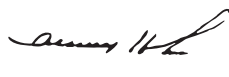
Term deposits*	79,502	25,000
	703,350	498,969

*These do not include term deposits amounting to Rs.0.8 million (2011: Rs.0.3 million) placed under lien and those deposits having maturity exceeding three months amounting to Rs.Nil (2011: Rs. 1.10 million).

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.



Towfiq H. Chinoy
Chairman



Akbarali Hashwani
Director



Aly Noormahomed Rattansej
Director



Tahir Ahmed
Managing Director
(Chief Executive)

10 **Interim Condensed Statement of Changes in Equity** (Unaudited)
for the six months period ended 30 June 2012

	Share capital	Reserves				Total reserves	Total
	Issued, subscribed and paid-up	Capital reserve	Revenue reserves				
		Reserve for exceptional losses	General reserves	Special reserve *	Retained earnings		
(Rupees in '000)							
Balance as at 01 January 2011	790,977	9,384	1,570,000	-	533,514	2,112,898	2,903,875
Changes in equity for the six months period ended 30 June 2011							
Profit after tax for the six months period	-	-	-	-	295,971	295,971	295,971
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	295,971	295,971	295,971
Final cash dividend at Rs.2 (20%) per share for the year 2010					(158,195)	(158,195)	(158,195)
Issuance of bonus shares @ 1 share for every 4 shares held	197,744	-	-	-	(197,744)	(197,744)	-
Transfer to general reserve	-	-	100,000	-	(100,000)	-	-
Balance as at 30 June 2011	<u>988,721</u>	<u>9,384</u>	<u>1,670,000</u>	<u>-</u>	<u>373,546</u>	<u>2,052,930</u>	<u>3,041,651</u>
Balance as at 01 January 2012	988,721	9,384	1,670,000	-	874,764	2,554,148	3,542,869
Changes in equity for the six months period ended 30 June 2012							
Profit after tax for the six months period	-	-	-	-	399,285	399,285	399,285
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	399,285	399,285	399,285
Final cash dividend at Rs.3(30%) per share for the year 2011	-	-	-	-	(296,617)	(296,617)	(296,617)
Issuance of bonus share @ 1 share for every 5 shares held	197,744	-	-	-	(197,744)	(197,744)	-
Transfer to general reserve	-	-	230,000	-	(230,000)	-	-
Transfer to spacial reserve	-	-	-	100,000	(100,000)	-	-
Balance as at 30 June 2012	<u>1,186,465</u>	<u>9,384</u>	<u>1,900,000</u>	<u>100,000</u>	<u>449,688</u>	<u>2,459,072</u>	<u>3,645,537</u>

* This represents special reserve created for meeting catastrophic losses and dividend equalisation in future.

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansej
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Statement of Premiums (Unaudited)

for the six months period ended 30 June 2012

Business underwritten inside Pakistan

Class	Three months period ended 30 June									2012 Net premium revenue	2011 Net premium revenue
	Premiums written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses			
		Opening	Closing			Opening	Closing				
(Rupees in '000)											
Direct and facultative											
1. Fire and property damage	258,505	720,491	639,766	339,230	129,440	423,314	357,507	195,247	143,983	158,625	
2. Marine, aviation and transport	149,974	64,057	82,529	131,502	23,566	7,978	10,593	20,951	110,551	134,581	
3. Motor	216,193	400,678	415,706	201,165	(316)	15,738	9,135	6,287	194,878	171,201	
4. Liability	28,822	238,970	182,277	85,515	12,775	221,207	161,242	72,740	12,775	11,825	
5. Accident and health	127,466	257,612	250,364	134,714	-	-	-	-	134,714	115,147	
6. Miscellaneous	408,068	1,062,595	1,033,817	436,846	252,503	873,379	808,192	317,690	119,156	86,390	
Total	1,189,028	2,744,403	2,604,459	1,328,972	417,968	1,541,616	1,346,669	612,915	716,057	677,769	
Treaty											
7. Proportional / non-proportional	(11)	-	-	(11)	-	-	-	-	(11)	-	
Grand total	1,189,017	2,744,403	2,604,459	1,328,961	417,968	1,541,616	1,346,669	612,915	716,046	677,769	

Class	Six months period ended 30 June									2012 Net premium revenue	2011 Net premium revenue
	Premiums written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses			
		Opening	Closing			Opening	Closing				
(Rupees in '000)											
Direct and facultative											
1. Fire and property damage	799,036	541,229	639,766	700,499	439,533	295,591	357,507	377,617	322,882	321,472	
2. Marine, aviation and transport	308,157	54,798	82,529	280,426	39,277	10,479	10,593	39,163	241,263	259,524	
3. Motor	498,419	314,329	415,706	397,042	10,240	12,253	9,135	13,358	383,684	338,685	
4. Liability	266,561	69,816	182,277	154,100	239,891	48,206	161,242	126,855	27,245	21,046	
5. Accident and health	294,459	217,769	250,364	261,864	-	-	-	-	261,864	227,561	
6. Miscellaneous	1,268,427	634,645	1,033,817	869,255	969,019	483,286	808,192	644,113	225,142	172,544	
Total	3,435,059	1,832,586	2,604,459	2,663,186	1,697,960	849,815	1,346,669	1,201,106	1,462,080	1,340,832	
Treaty											
7. Proportional / non-proportional	(6)	-	-	(6)	-	-	-	-	(6)	(1)	
Grand total	3,435,053	1,832,586	2,604,459	2,663,180	1,697,960	849,815	1,346,669	1,201,106	1,462,074	1,340,831	

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansej
Director


Tahir Ahmed
Managing Director
(Chief Executive)

12 Interim Condensed Statement of Claims (Unaudited)

for the six months period ended 30 June 2012

Business underwritten inside Pakistan

Class	Three months period ended 30 June									2012 Net claims expense	2011 Net claims expense
	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			
		Opening	Closing			Opening	Closing				
(Rupees in '000)											
Direct and facultative											
1. Fire and property damage	102,833	463,586	535,475	174,722	18,500	91,511	179,173	106,162	68,560	74,089	
2. Marine, aviation and transport	52,410	312,516	339,983	79,877	14,887	105,140	112,226	21,973	57,904	71,871	
3. Motor	129,672	288,898	248,520	89,294	9,761	67,593	45,959	(11,873)	101,167	98,705	
4. Liability	1,238	14,263	10,662	(2,363)	921	7,464	6,708	165	(2,528)	775	
5. Accident and health	122,568	66,548	62,167	118,187	-	-	-	-	118,187	89,762	
6. Miscellaneous	266,068	794,731	651,118	122,455	194,154	575,652	418,081	36,583	85,872	70,182	
Total	674,789	1,940,542	1,847,925	582,172	238,223	847,360	762,147	153,010	429,162	405,384	
Treaty											
7. Proportional / non-proportional	(88)	-	-	(88)	-	-	-	-	(88)	2	
Grand total	674,701	1,940,542	1,847,925	582,084	238,223	847,360	762,147	153,010	429,074	405,386	

Class	Six months period ended 30 June									2012 Net claims expense	2011 Net claims expense
	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			
		Opening	Closing			Opening	Closing				
(Rupees in '000)											
Direct and facultative											
1. Fire and property damage	202,216	437,454	535,475	300,237	30,138	79,699	179,173	129,612	170,625	158,970	
2. Marine, aviation and transport	92,248	293,415	339,983	138,816	19,576	98,828	112,226	32,974	105,842	135,052	
3. Motor	258,132	248,230	248,520	258,422	10,469	39,526	45,959	16,902	241,520	205,577	
4. Liability	1,984	9,782	10,662	2,864	1,350	6,461	6,708	1,597	1,267	2,757	
5. Accident and health	225,039	61,410	62,167	225,796	-	-	-	-	225,796	175,122	
6. Miscellaneous	373,897	781,833	651,118	243,182	257,257	555,489	418,081	119,849	123,333	122,287	
Total	1,153,516	1,832,124	1,847,925	1,169,317	318,790	780,003	762,147	300,934	868,383	799,765	
Treaty											
7. Proportional / non-proportional	(93)	-	-	(93)	-	-	-	-	(93)	2	
Grand total	1,153,423	1,832,124	1,847,925	1,169,224	318,790	780,003	762,147	300,934	868,290	799,767	

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansay
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Interim Condensed Statement of Expenses (Unaudited)

for the six months period ended 30 June 2012

Business underwritten inside Pakistan

Class	Three months period ended 30 June							2012 Net underwriting expense	2011 Net underwriting expense
	Commission paid or payable	Deferred commission Opening	Deferred commission Closing	Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers*		
(Rupees in '000)									
Direct and facultative									
1. Fire and property damage	36,060	93,409	88,531	40,938	36,712	77,650	15,678	61,972	66,998
2. Marine, aviation and transport	24,753	9,494	13,914	20,333	28,142	48,475	577	47,898	56,291
3. Motor	20,354	34,639	37,568	17,425	49,328	66,753	310	66,443	56,546
4. Liability	2,044	4,018	3,788	2,274	3,248	5,522	3,415	2,107	2,995
5. Accident and health	4,490	8,492	8,670	4,312	34,076	38,388	-	38,388	31,213
6. Miscellaneous	19,735	66,518	61,126	25,127	30,097	55,224	29,999	25,225	12,442
Total	107,436	216,570	213,597	110,409	181,603	292,012	49,979	242,033	226,485
Treaty									
7. Proportional / non-proportional	-	-	-	-	-	-	-	-	-
Grand Total	107,436	216,570	213,597	110,409	181,603	292,012	49,979	242,033	226,485

Class	Six months period ended 30 June							2012 Net underwriting expense	2011 Net underwriting expense
	Commission paid or payable	Deferred commission Opening	Deferred commission Closing	Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers*		
(Rupees in '000)									
Direct and facultative									
1. Fire and property damage	111,133	65,688	88,531	88,290	79,612	167,902	30,722	137,180	132,484
2. Marine, aviation and transport	46,975	8,956	13,914	42,017	59,487	101,504	1,006	100,498	105,641
3. Motor	42,567	29,016	37,568	34,015	94,604	128,619	693	127,926	110,099
4. Liability	4,616	3,738	3,788	4,566	6,718	11,284	6,244	5,040	4,866
5. Accident and health	10,366	6,076	8,670	7,772	64,567	72,339	-	72,339	61,042
6. Miscellaneous	70,992	42,265	61,126	52,131	55,513	107,644	60,131	47,513	26,585
Total	286,649	155,739	213,597	228,791	360,501	589,292	98,796	490,496	440,717
Treaty									
7. Proportional / non-proportional	2	-	-	2	-	2	-	2	-
Grand Total	286,651	155,739	213,597	228,793	360,501	589,294	98,796	490,498	440,717

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

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansej
Director


Tahir Ahmed
Managing Director
(Chief Executive)

14 **Interim Condensed Statement of Investment Income** (Unaudited)
for the six months period ended 30 June 2012

	Three months period ended 30 June		Six months period ended 30 June	
	2012	2011	2012	2011
	(Rupees in '000)		(Rupees in '000)	
Income from non-trading investments				
Held to maturity investments				
Return on government securities	18,506	15,386	31,305	31,686
Return on term finance certificates	3,714	2,795	6,608	5,615
Amortisation of (premium) / discount	122	(515)	224	(1,318)
	<u>22,342</u>	<u>17,666</u>	<u>38,137</u>	<u>35,983</u>
Available-for-sale				
Dividend income				
Related parties	-	-	4,196	8,167
Others	5,474	10,757	44,815	44,372
	<u>5,474</u>	<u>10,757</u>	<u>49,011</u>	<u>52,539</u>
	<u>27,816</u>	<u>28,423</u>	<u>87,148</u>	<u>88,522</u>
Gain on sale of non-trading investments	125,943	102,628	200,853	135,135
Provision for Impairment in value of available-for-sale securities	(6,379)	(404)	(6,379)	(1,263)
Investment related expenses	(1,662)	(1,657)	(3,325)	(3,298)
Net investment income	<u>145,718</u>	<u>128,990</u>	<u>278,297</u>	<u>219,096</u>

The annexed notes from 1 to 18 form an integral part of these interim condensed financial statements.


Towfiq H. Chinoy
Chairman


Akbarali Hashwani
Director


Aly Noormahomed Rattansey
Director


Tahir Ahmed
Managing Director
(Chief Executive)

Notes to the Interim Condensed Financial Statements (Unaudited)

for the six months period ended 30 June 2012

1. STATUS AND NATURE OF BUSINESS

- 1.1 Jubilee General Insurance Company Limited [formerly New Jubilee Insurance Company Limited] (the Company) is a public limited company incorporated in Pakistan on 16 May 1953. The Company is listed on the Karachi and Lahore stock exchanges and is engaged in general insurance business. The registered office of the Company is situated at 2nd Floor, Jubilee Insurance House, I. I. Chundrigar Road, Karachi.
- 1.2 The Company has changed its corporate name from "New Jubilee Insurance Company Limited" to "Jubilee General Insurance Company Limited" from 17 October 2011 to create a strong brand identity. The change of name has been approved by the shareholders in their meeting held on 23 April 2011 and the Certificate of Incorporation on Change of Name has been issued by the Securities and Exchange Commission of Pakistan on 17 October 2011.

2. STATEMENT OF COMPLIANCE

These interim condensed financial statements of the Company for the six months period ended 30 June 2012 are unaudited and have 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. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

The disclosures made in these interim condensed financial statements have, however, been limited based on a format prescribed by the Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003 and International Accounting Standard 34, Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these interim condensed financial statements should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2011.

Further, during the period, following new / revised standards became effective:

Standard Or Interpretation	Effective date (accounting periods beginning on or after)
IFRS 7 - Financial Instruments: Disclosures - (Amendment)	01 July 2011
IAS 12 - Income Taxes (Amendment) - Recovery of underlying Assets	01 January 2012

The adoption of above standards did not have any material impact on the Company's financial statements.

3. BASIS OF MEASUREMENT

These interim condensed financial statements have been prepared under historical cost convention.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these interim condensed financial statements, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual financial statements as at and for the year ended 31 December 2011.

5. SIGNIFICANT ACCOUNTING POLICIES AND RISK MANAGEMENT

The accounting policies and the methods of computation adopted in the preparation of these interim condensed financial statements are the same as those applied in the preparation of the annual audited financial statements for the year ended 31 December 2011. The financial and insurance risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended 31 December 2011.

6. PREMIUM DEFICIENCY RESERVE

No provision has been made as the unearned premium reserve for each class of business as at six months period ended is adequate to meet the expected future liability after reinsurance from claims and other expenses, expected to be incurred after the balance sheet date in respect of policies in force at the balance sheet date.

	30 June 2012 (Unaudited)	31 December 2011 (Audited)
	(Rupees in '000)	
7. OTHER CREDITORS AND ACCRUALS		
Federal excise duty	76,119	21,177
Federal insurance fee	5,492	1,242
Workers' welfare fund	27,023	17,858
Tax deducted at source	1,073	571
Premiums and commissions payable	361,792	329,217
Payable to Commercial General Union International Insurance (CGUII)	-	7,428
Claims payable	304	4,237
Stale cheques payable	10,119	8,466
Miscellaneous	4,585	4,339
	486,507	394,535
8. CONTINGENCIES - Taxation		

Status of contingencies remain unchanged as disclosed in the annual financial statements as of 31 December 2011.

	Note	30 June 2012 (Unaudited)	31 December 2011 (Audited)
		(Rupees in '000)	
9. INVESTMENTS			
In related partie			
Investment in an associate			
Jubilee Life Insurance Company Limited [4,032,766 shares (2011: 4,032,766 shares)]	9.1	87,425	81,907
Available-for-sale - quoted equity securities / mutual funds		554,079	554,079
		641,504	635,986
Others			
Held to maturity			
Government securities	9.2	600,388	298,633
Term finance certificates - quoted	9.3	131,602	83,479
Available-for-sale			
Quoted equity securities / mutual funds		3,929,075	3,916,715
Less: Provision for impairment in value of investments		(6,379)	-
		3,922,696	3,916,715
Unquoted equity securities			
- Matiyari Sugar Mills Limited [715,000 shares (2011: 715,000 shares)]	9.4	2,500	2,500
		5,298,690	4,937,313
9.1 Investment in an associate			
Balance at the beginning of the period / year		81,907	69,041
Share in profit upto 31 March (2011: 30 September)		17,616	18,916
Less: Dividend received		(12,098)	(6,050)
		5,518	12,866
Closing balance		87,425	81,907

- 9.2 These include Pakistan Investment Bonds of face value amounting to Rs.122.7 million (2011: Rs.100 million) which are placed with State Bank of Pakistan under section 29 of the Insurance Ordinance, 2000.
- 9.3 During the current period, the Company has acquired TFCs of Pakistan Mobile Communications Limited (PMCL) and Karachi Electric Supply Company Limited (KESC) amounting to Rs.30 million (profit rate of 6 months KIBOR plus 2.65% per annum) and Rs.20 million (profit rate of 14.75% per annum) respectively. Both the TFCs are maturing on 30 June 2015.
- 9.4 Market value of investments except for unquoted securities as at 30 June 2012 amounted to Rs.5,935.43 million (2011: Rs. 5,416.03 million).

10. INVESTMENT PROPERTIES

The market value of the investment properties as per valuations carried out by professional valuers in 2011 is Rs.1,591.09 million. The management of the Company has ascertained that there is no material change in the valuation of the investment properties upto 30 June 2012.

	30 June	31 December
	2012 (Unaudited)	2011 (Audited)
(Rupees in '000)		
11. PREPAYMENTS		
Prepaid reinsurance premium ceded	1,346,669	849,815
Rent	12,731	10,450
Miscellaneous expenses	9,219	2,736
	1,368,619	863,001

12. FIXED ASSETS - Tangible and intangible

Additions during the six months period ended 30 June 2012 amounted to Rs. 24.41 million (2011: Rs.14.05 million) while disposals had a cost of Rs. 4.70 million (2011: Rs.10.44 million) and written down value of Rs. 1.16 million (2011: Rs.3.08 million).

	Three months period ended 30 June		Six months period ended 30 June	
	2012 (Unaudited)	2011 (Unaudited)	2012 (Unaudited)	2011 (Unaudited)
(Rupees in '000)				
13. OTHER INCOME / CHARGES				
Income from financial assets / liabilities				
Exchange gain / (loss)	2,934	128	4,740	(6)
Return on loans to employees	23	20	44	39
Others	236	12	236	28
Income from non-financial assets				
Gain / (loss) on sale of fixed assets	62	(378)	(60)	(361)
	3,255	(218)	4,960	(300)

14. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of companies having common directorship, associates, directors, key management personnel and retirement benefit funds. The transactions and balances with related parties, other than those which have been disclosed elsewhere in these interim condensed financial statements, are as follows:

	Three months period ended 30 June		Six months period ended 30 June	
	2012 (Unaudited)	2011 (Unaudited)	2012 (Unaudited)	2011 (Unaudited)
	(Rupees in '000)		(Rupees in '000)	
Companies having common directorship				
Insurance premium:				
Balance at beginning of the period	327,727	308,674	301,006	244,085
Insurance premium written (including government levies administrative surcharge and policy stamps)	133,598	147,029	234,918	247,447
Received / adjusted during the period	(176,871)	(147,950)	(251,470)	(183,779)
Balance at end of the period	284,454	307,753	284,454	307,753
Insurance commission paid	494	318	619	252
Insurance claims paid	52,955	40,144	80,822	63,240
Purchases of goods and services	1,390	1,350	4,433	2,981
Dividend income	-	1,969	4,196	8,167
Dividend received from associate	12,098	-	12,098	6,050
Dividend paid	189,544	102,396	189,544	102,396
Rent income	7,209	6,937	14,418	13,791
Investment in shares / mutual funds other than associate	500,000	502,605	500,000	552,605
Disposal of shares / mutual funds other than associate	516,144	357,091	516,144	426,491
Director's fee	60	-	100	20
Donations	150	834	455	834
Others				
Insurance premium:				
Balance at beginning of the period	50	62	122	31
Insurance premium written (including government levies administrative surcharge and policy stamps)	39	66	43	97
Received / adjusted during the period	-	(35)	(76)	(35)
Balance at end of the period	89	93	89	93
Director's fee	500	280	1,300	900
Dividend paid	6,456	5,927	6,456	5,927
Contributions / provision for staff retirement benefit plans	5,553	5,654	11,081	11,342
Remuneration to key management personnel	7,339	6,870	12,979	12,865

15. 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.

30 June 2012 (Unaudited)									
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Treaty	Unallocated assets	Total
(Rupees in '000)									
Segment assets	1,051,251	307,287	334,141	265,461	167,934	1,816,075	-	-	3,942,149
Unallocated assets	-	-	-	-	-	-	-	6,400,203	6,400,203
Total assets	1,051,251	307,287	334,141	265,461	167,934	1,816,075	-	6,400,203	10,342,352

31 December 2011 (Audited)									
	Fire and property damage	Marine, aviation and transport	Motor	Liability	Accident and health	Miscellaneous	Treaty	Unallocated assets	Total
(Rupees in '000)									
Segment assets	681,071	236,269	220,322	110,501	99,324	1,386,690	-	-	2,734,177
Unallocated assets	-	-	-	-	-	-	-	6,240,658	6,240,658
Total assets	681,071	236,269	220,322	110,501	99,324	1,386,690	-	6,240,658	8,974,835

16. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period by the weighted average number of shares as at the period end as follows:

	Three months period ended 30 June		Six months period ended 30 June	
	2012	2011	2012	2011
	(Rupees in '000)		(Rupees in '000)	
Profit after tax for the period	205,502	159,927	399,285	295,971
	(Number in '000)		(Number in '000)	
Weighted average number of shares of Rs.10 each	118,647	118,647	118,647	118,647
	(Rupees)		(Rupees)	
Basic earnings per share of Rs. 10 each - basic and diluted	1.73	1.35	3.37	2.49

16.1 No figure for diluted earnings per share has been presented as the Company has not issued any instrument which would have an impact on earnings per share when exercised.

16.2 The number of shares for the prior period has also been adjusted for the effect of bonus shares issued during the current period.

17. DATE OF AUTHORISATION FOR ISSUE

These interim condensed financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 29 August 2012.

18. GENERAL

- 18.1** Figures of the profit and loss account for the quarters ended 30 June 2012 and 30 June 2011 have not been subjected to limited scope review by the auditors as they are only required to review half-yearly figures.
- 18.2** Figures in these interim condensed financial statements have been rounded off to the nearest thousand of rupees, unless otherwise stated.



Towfiq H. Chinoy
Chairman



Akbarali Hashwani
Director



Aly Noormahomed Rattansey
Director



Tahir Ahmed
Managing Director
(Chief Executive)

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