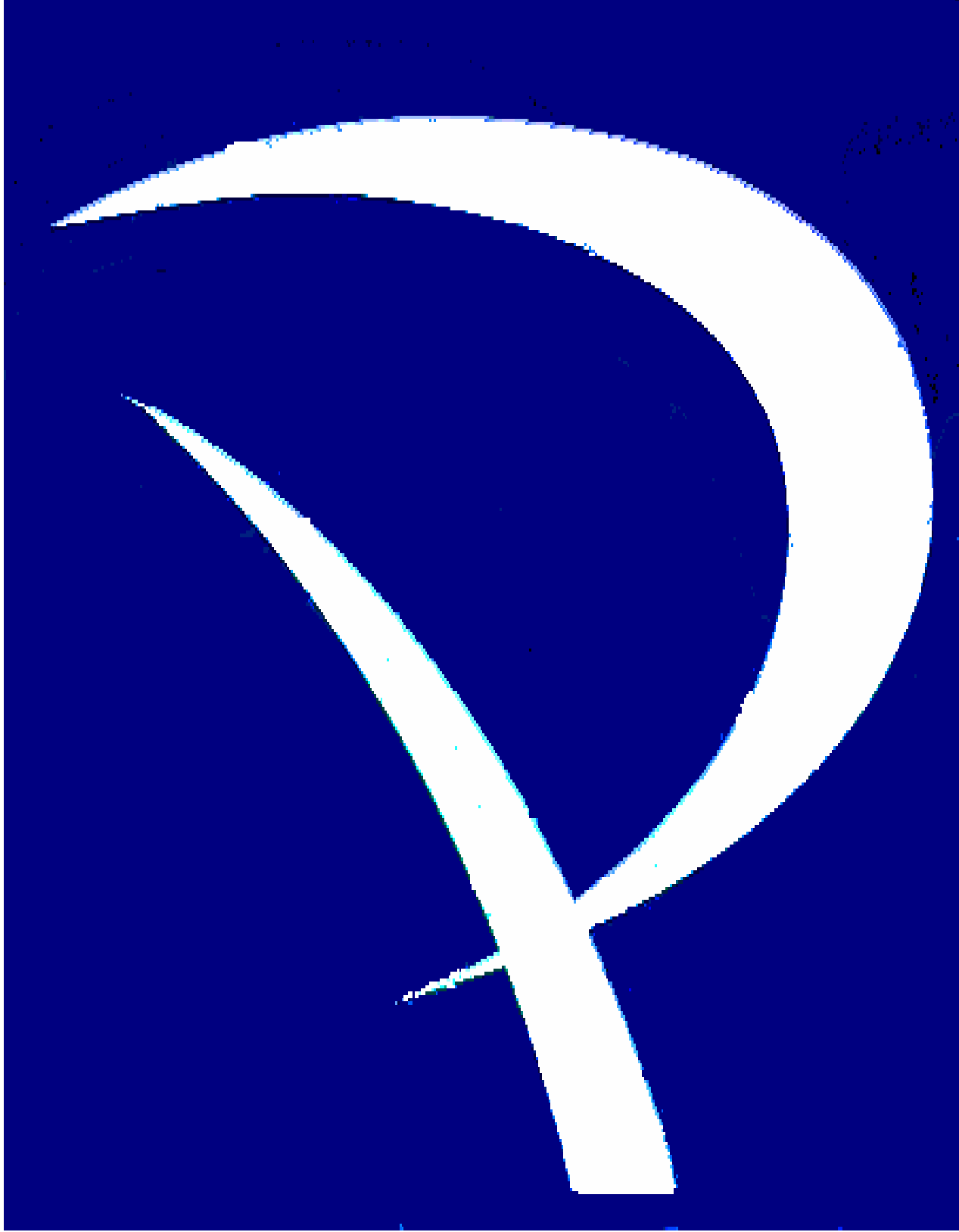


54th

ANNUAL REPORT
2002-2005



PREMIER INSURANCE

Premier Insurance Company of Pakistan Limited

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Premier Insurance Company of Pakistan Limited

Vision Statement

Our vision is to provide the highest level of service in general insurance and strive to become a market leader with a prestigious profile.

Mission Statement

Our Business

We are a company underwriting general insurance business including underwriting fire, property, marine, motor and other risks of our clients.

We are committed to become the leading organization in the insurance sector building an excellent reputation among our clients with the objective of maximizing returns for all the stakeholders.

Our Strengths

Financial viability and security we provide our clients and reinsurers in order to safeguard their interests.

Our Strategy

To enhance our corporate image by providing high quality products and services to our policy holders.

To provide an excellent working environment to our employees affording them every opportunity to growth and career developments.

Our Values

We take pride in adhering to ethical business practices and in being a good corporate citizen.

We respect our people and endeavor to provide them opportunities to realize their full potential.

We recognize our responsibility to our stakeholders and to society.

Premier Insurance Company of Pakistan Limited

Because we care.....

Our commitment to serve extends beyond our stakeholders to the society where our collective present and future is at stake. Being a socially responsible corporate citizen is one of our core values and we continue to assist various causes that alleviate human misery and uplift the quality of life, healthcare and education for our less privileged compatriots.

Among those that received assistance from the company during 2005 were:

The Citizens Foundation (TCF)

Towards earthquake relief and provision of quality education to children in the economically deprived urban and rural neighborhoods across Pakistan.

Layton Rahmatulla Benevolent Trust (LRBT)

For free, state of the art eye care accounting for 30% of all eye OPD and 26% of all eye surgery across the country.

Sind Institute of Urology & Transplantation (SIUT)

Towards earthquake relief and free, modern urology treatment and care.

Marie Adelaide Leprosy Centre (MALC)

For rehabilitation and care for leprosy sufferers.

The Kidney Centre

For free, comprehensive treatment of kidney related ailments.

Patient's Aid Foundation (PAF)

Towards construction, modernization and provision of various facilities, including a Blood Bank, at and around the Jinnah Hospital where 75% of Karachi's medical emergencies are handled.

We are grateful to our business associates for making these humble contributions possible and allowing us to be a company with a heart.

Premier Insurance Company of Pakistan Limited

Notice of Annual General Meeting

Notice is hereby given that the 54th Annual General Meeting of the company will be held at Institute of Chartered Accountants of Pakistan (ICAP) Auditorium, at Chartered Accountants Avenue, Clifton, Karachi, on Friday, April 21, 2006 at 09:00 a.m. to transact the following business:

1. To confirm the minutes of the Extraordinary General Meeting held on June 15, 2005;
2. To receive and consider the audited accounts of the company for the year ended December 31, 2005, the report of the Auditors thereon and the report of the directors;
3. To approve the payment of a cash dividend @ 20% i.e. Re 1 per ordinary share of Rs 5 each, and the issuance of bonus shares @ 20% i.e. 1 ordinary share for every 5 ordinary shares held, out of the profit for the year ended December 31, 2005, as recommended by the directors;
4. To appoint Anjum Asim Shahid Rahman, Chartered Accountants, as auditors for the year 2006 and to fix their remuneration;
5. To transact any other business with the permission of the Chair.

By Order of the Board

Syed Nadeem Husain Abbas
Company Secretary

Karachi, March 20, 2006

NOTES

- i) The Share Transfer Books of the company shall remain closed from Saturday, April 15, 2006 to Friday, April 21, 2006 (both days inclusive). Transfers received in order at our Registrar Ferguson Associates (Pvt) Limited, State Life Building No. 1-A, I.I. Chundrigar Road, Karachi, Pakistan by the close of business on Friday, April 14, 2006 will be treated in time for this purpose.
- ii) As per the Articles of Association of the company, any fractional entitlements to bonus shares shall be consolidated and disposal proceeds distributed to the shareholders according to their fractional entitlements.
- iii) A member entitled to attend and vote at the above meeting may appoint a proxy to attend and vote on his behalf. No person shall act as a proxy (except for a corporation) unless he is entitled to be present and vote in his own right. Instrument appointing proxy must be deposited at the Registered Office of the company at least 48 hours before the time of the meeting.
- iv) Shareholders whose shares are deposited with Central Depository Company (CDC) are requested to bring their original National Identity Card and account number in CDC for verification.
- v) CDC account holders will further have to follow the guidelines as laid down in Circular No.1, dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.
- vi) Shareholders are requested to notify our Registrar immediately of any change in their addresses.

Premier Insurance Company of Pakistan Limited

Company Information

Board of Directors

Maqbul Ahmad
Abid Javed Akber
Khalid Bashir
Zahid Bashir (Chairman)
Nadeem Maqbool
Khurram Mazhar
Fakhir Rahman (Chief Executive)
Shaukat Shafi

Advisor

A. U. Siddiqui

Company Secretary

Syed Nadeem Husain Abbas

Audit Committee

Maqbul Ahmad (Chairman)
Abid Javed Akber
Khalid Bashir
Nadeem Maqbool
Shaukat Shafi

Auditors

Mushtaq and Company
Chartered Accountants

Legal Advisors

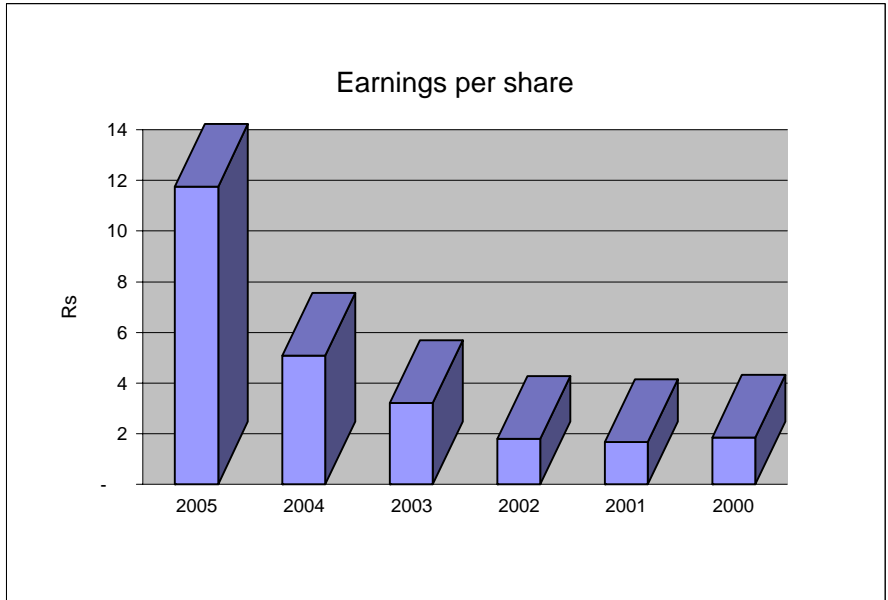
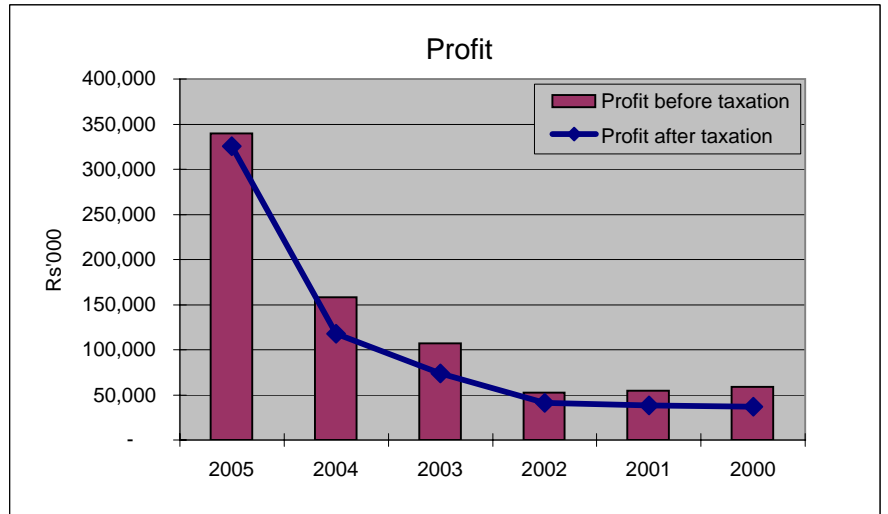
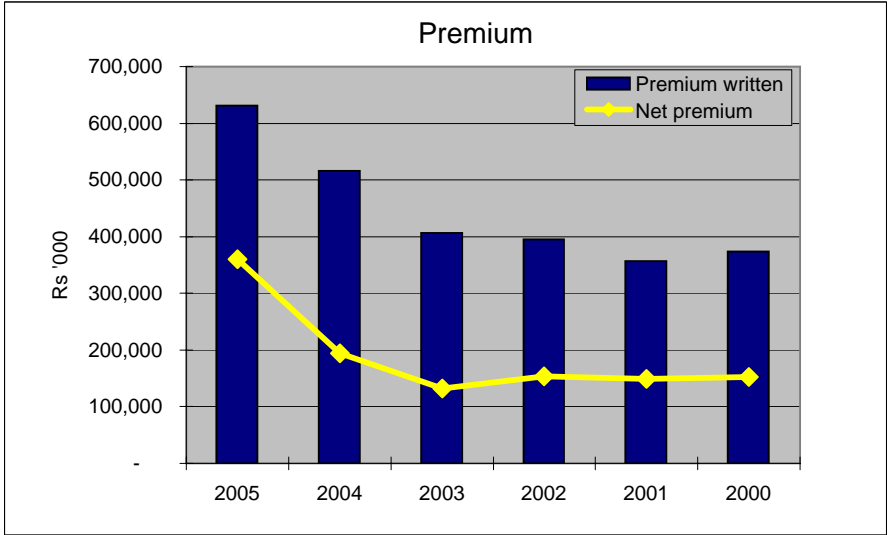
Arfin & Co.
Advocates

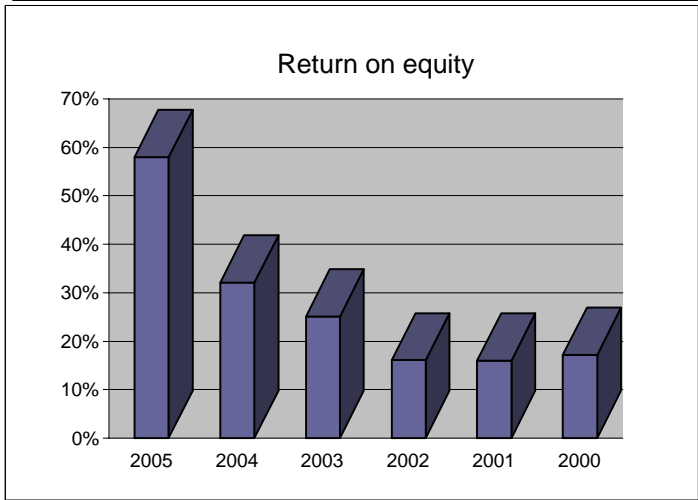
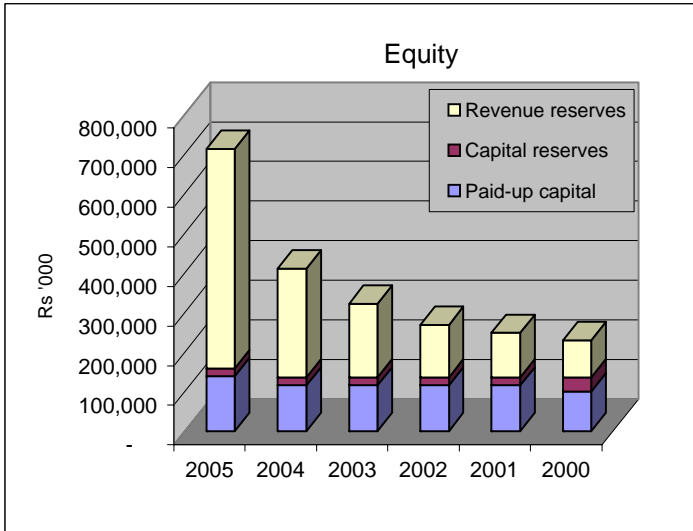
Registered & Head Office

State Life Building No. 2A, 5th Floor
Wallace Road, Karachi-74000, Pakistan.
Phones: (21) 2416331-4 (PABX)
Fax : (21) 2416572
Email : prinscop@super.net.pk

Registrar

Ferguson Associates (Pvt) Limited
State Life Building No. 1-A
I.I. Chundrigar Road
Karachi, Pakistan





Premier Insurance Company of Pakistan Limited

Key Operating and Financial Data

(Amounts in Rupees '000)

	2005	2004	2003	2002	2001	2000
Paid-up capital	138,533	115,444	115,444	115,444	115,444	100,386
Capital reserves	19,675	19,675	19,675	19,675	19,675	34,733
Revenue reserves	554,587	275,327	186,751	132,987	112,923	93,814
Total reserves	574,262	295,002	206,426	152,662	132,598	128,547
Total equity	712,795	410,446	321,870	268,106	248,042	228,933
Total assets	1,738,274	1,486,848	1,098,495	916,429	705,761	512,985
Premium written	631,393	515,851	406,908	395,517	356,650	373,925
Net premium	360,164	194,601	132,095	153,605	148,885	151,977
Investment income	341,996	165,462	118,753	36,408	34,616	23,716
Profit before taxation	339,438	158,437	106,967	52,235	54,636	58,751
Profit after taxation	325,438	117,437	73,967	41,448	38,249	36,985
Return on equity* (%)	57.95%	32.07%	25.07%	16.06%	16.04%	17.13%
Book value per share** (Rs)	25.73	17.78	13.94	11.61	10.74	11.40
Earnings per share** (Rs)	11.75	5.09	3.20	1.80	1.66	1.84
Cash dividend (%)	20%	20%	25%	17.5%	15%	10%
Stock dividend (Bonus - %)	20%	20%	-	-	-	15%

* Return based on average equity for the year

** Book value / earnings based on shares in issue at year end

Premier Insurance Company of Pakistan Limited

Report of the directors to the members

The directors are pleased to present the 54th Annual Report of the company together with the audited accounts for the year ended December 31, 2005.

Review

(Amounts in Rupees '000)

	2005	2004
Premium written	631,393	515,851
Net premium	360,164	194,601
Underwriting result	41,152	29,846
Investment income	341,996	165,462
Profit before taxation	339,438	158,437
Profit after taxation	325,438	117,437

Following 2004 when premium written crossed the Rs 0.5 billion landmark, the top line grew by another Rs 116 million (23%) to Rs 631 million in premium written. Net premium rose by Rs 166 million (85%) over 2004, with a 38% increase in underwriting result to Rs 41 million (2004: Rs 30 million). Although all business classes contributed to the growth, motor business had a disproportionately high share, particularly in the net premium retained.

The relatively high share, and claims ratio, of motor business, as well as lower net commission income, restricted the growth in underwriting profit. In 2005, while the overall claims ratio was 62%, excluding motor this was 26% (2004: 52% and 39% respectively). A marked improvement in these ratios is reflected in the fourth quarter underwriting profit of Rs 28 million. Commission income reduced consequent to the significant losses suffered by the industry, and its reinsurers, in 2004 and early 2005.

Investment income increased by Rs 177 million (107%) to Rs 342 million (2004: Rs 166 million). Removal of the discriminatory capital gains taxation regime for insurance companies finally provided us the opportunities long available to every other investor in the country. Our investment strategy was re-aligned to optimize total returns on our investments. As a result, while dividend income declined to Rs 37 million (2004: Rs 54 million), realized gains increased to Rs 299 million (2004: 114 million). Better treasury management yielded an incremental Rs 3 million on bank deposits (2005: Rs 6 million ; 2004: Rs 3 million). Further, the previously outsourced investment management function was replaced by in-house expertise (2004 Cost: Rs 4 million). Unrealized gains at December 31, 2005 amounted to Rs 754 million; these are not reflected in the balance sheet, as also the significant dividends declared after the year-end on these holdings.

To give perspective to the foregoing, excluding treasury operations, our realized yield on equities was 94% on average cost and 29% on average market value at risk. Including unrealized gains, the total return was 186% on average cost and 58% on average market value at risk. Thus our equity investment operations well outperformed not only the fixed income market but also the benchmark KSE 100 index which returned 43% on the 2005 average index and 54% on the year's opening index.

Total expenses were well controlled despite the growth in business volumes, dropping to 36% (2004: 61%) of net premium revenue. These include discretionary performance and profit based HR and other costs such as an additional Rs 20 million allowance for doubtful receivables.

Profit before taxation increased by Rs 181 million to Rs 339 million (2004: Rs 158 million) and after taxation by Rs 208 million to Rs 325 million (2004: Rs 117 million).

Earnings per ordinary share of Rs 5 were Rs 11.75, almost three times the 2004 EPS of Rs 4.24 (as adjusted for bonus shares issued in 2005).

Appropriation of Profit

(Amounts in Rupees '000)

Profit after taxation for the year	325,438
Unappropriated profit brought forward	59,977

	385,415

Appropriations:

- payment of cash dividend @ 20% (2004)	(23,089)
- issue of bonus shares @ 20% (2004)	(23,089)

	339,237
- transfer to general reserve (2005)	(150,000)

Unappropriated profit carried forward	189,237
	=====
Proposed cash dividend @ 20% (2005)	
Proposed bonus issue @ 20% (2005)	

Outlook for the Current Year

In our last Annual Report, we had pointed to generally positive macro-economic indicators with deregulation and privatization expanding the private sector, helped by a stable currency and government policy. Also anticipated were moderate inflation and monetary tightening. However, the present trends in current account and fiscal deficits, falling forex reserves, rising inflation and interest rates, largely related to petroleum prices, are likely to decelerate the economic engine.

Nevertheless, new opportunities will arise for the insurance industry, as also new challenges. Principal among these challenges is the intense competition among the industry players, multiplied by new entrants with more expected. While normally competition breeds efficiency and benefits the economy, we are experiencing the contrary. Premium rates are being cut, discounts, accommodations and credit allowed beyond reason. Use of tied selling, arbitrary per risk limits and delisting by financial institutions have also emerged as indirect means of limiting fair competition.

Such top-line driven business policies will erode insurer strength over time by weakening cash flows, margins, risk management, as well as hardening the reinsurance market.

Strangely, the magnitude of inherent risk exposures relative to insurer equity, solvency margins and similar benchmarks for shock absorption capacity are apparently of little concern to otherwise astute clients and others concerned with insurer strength.

On our part, however, we remain committed to manage and grow our business prudently and ethically while continuing to add to our financial strength and claims settlement ability. During 2005, JCR-VIS assigned the company a conservative Insurer Financial Strength (IFS) Rating of A (Single A) with Stable Outlook. A credit line of Rs 200 million from a commercial bank has also been arranged to enhance our funding options.

As an insurance company, we recognize the inherent volatility of the business and, therefore, will continue to give due attention to our investment operations to optimize value and security for all our stakeholders.

Corporate Financial Reporting

The Board has taken all necessary steps to comply with the requirements of the Code of Corporate Governance (the Code) included in the listing regulations of the stock exchanges in Pakistan, and is pleased to declare the following as required by the Code:

- The financial statements prepared by the management of the company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- The company has maintained proper books of account.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgement.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no doubt about the company's ability to continue as a going concern.
- There has been no material departure from the best practice of Corporate Governance as detailed in the listing regulations.
- Key operating and financial data for the last 6 years is annexed with the report.
- The value of investments based on the audited accounts of the Provident Fund as at December 31, 2004 was Rs 20 million.
- During 2005 six meetings of the Board, were held, with at least one in each quarter, and were attended as follows:

Name of Director	Meeting attended
Mr Maqbul Ahmad	5
Mr Rahat-ul-Ain	1 (out of 1 during his tenure)
Mr Abid Javed Akber	1 (out of 1 during his tenure)
Mr Khalid Bashir	3
Mr Zahid Bashir (Chairman)	6
Mr Nadeem Maqbool	5
Mr Khurram Mazhar	2
Mr Shaukat Shafi	6

Leave of absence was granted to directors unable to attend a meeting.

The directors, CEO, CFO, Company Secretary, executives and their spouses and minor children, had no transactions in the shares of the company except:

- Mr Maqbul Ahmad, director, disposed of 136,119 shares
- Mr Nadeem Maqbool, director, acquired 45,373 shares

Compliance with the Code of Corporate Governance

The requirements of the Code set out by the stock exchanges in their listing regulations, relevant for the year ended December 31, 2005, have been duly complied with. A statement to this effect is annexed with the report.

Statement of Ethics and Business Practices

The Board has adopted a Statement of Ethics and Business Practices. All employees are informed of this statement and are required to observe these rules of conduct in relation to business and regulations.

Board Committees

The audit committee, comprising non-executive members of the Board, held six meetings during the year. The committee's terms of reference were determined by the Board in accordance with the guidelines provided in the listing regulations.

The Board constituted underwriting, claims settlement and reinsurance & co-insurance committees met as required during the year.

Appointment of Auditors

As recommended by the audit committee, the directors propose that Anjum Asim Shahid Rahman, Chartered Accountants, be appointed auditors of the company for the year ending December 31, 2006.

Categories of Members / Pattern of Shareholding

A statement of categories of members and a pattern of shareholding of the company is annexed.

The directors, CEO, CFO, Company Secretary and their spouses and minor children have no holding other than reported.

Acknowledgement

The directors acknowledge the dedication of the company's employees, particularly the IT upgrade team, thank all our business associates and shareholders for their confidence in the company, and our regulator for their guidance and support.

On behalf of the Board

Zahid Bashir
Chairman

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited

Statement of compliance with the best practices of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance (the Code) contained in the listing regulations of Karachi, Lahore and Islamabad stock exchanges for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance. The company has applied the principles contained in the Code in the following manner:

1. The company encourages representation of independent non-executive directors and directors representing minority interests on its Board. Except the Chief Executive, the Board comprises non-executive directors.
2. The directors have confirmed that none of them is serving as a director in more than ten listed companies, including this company.
3. All the resident directors of the company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. One casual vacancy occurred which was duly filled in by the Board.
5. The company has prepared a 'Statement of Ethics and Business Practices', which has been signed by all the directors and employees of the company.
6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company, which are being documented in great detail. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and the Board met at least once every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The directors of the company are experienced in various businesses, including insurance and are well aware of their duties and responsibilities. However, all directors continue to be encouraged to attend specialized orientation course at company expense.
10. The directors' report for the year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
11. The financial statements of the company were duly endorsed by the CEO and the CFO before approval of the Board.
12. The directors, CEO and executives do not hold any interest in the shares of the company other than that disclosed in the categories of members.
13. The company has complied with all the financial reporting requirements of the Code.
14. The Board has formed an audit committee which comprises five members, all of whom are non-executive directors including the Chairman of the committee.
15. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the company and as required by the Code. The terms of reference of the committee have been formed and advised to the committee for compliance.
16. The Board has also appointed an underwriting committee, a claims committee and a reinsurance and co-insurance committee.
17. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
18. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed the IFAC guidelines in this regards.
19. We confirm that all other material principles contained in the Code have been complied with.

Zahid Bashir
Chairman

Karachi, March 20, 2006

Review Report to the Members on Statement of Compliance with the Code of Corporate Governance

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of **Premier Insurance Company of Pakistan Limited** to comply with the Listing Regulation No.37, Chapter No. XIII and section No.36 of the Karachi, Lahore and Islamabad Stock Exchanges respectively where the company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the company personnel and review of various documents prepared by the company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all control and effectiveness of such internal controls.

Based on our review nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the company for the year ended December 31, 2005.

MUSHTAQ & COMPANY
Chartered Accountants

Karachi: March 20, 2006

Auditors' Report to the Members

We have audited the annexed financial statements comprising:

- i. balance sheet;
- ii. profit and loss account;
- iii. statement of changes in equity;
- iv. cash flow statement;
- v. statement of premium;
- vi. statement of claims;
- vii. statement of expenses; and
- viii. statement of investment income;

of **Premier Insurance Company of Pakistan Limited** as at 31 December 2005 together with the notes forming part thereof, for the year then ended.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the International Accounting Standards as applicable in Pakistan and the requirements of the Insurance Ordinance, 2000 (XXXIX of 2000) and the Companies Ordinance, 1984 (XLVII of 1984). Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the International Standards on Auditing as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as, evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion

- a) proper books of accounts have been kept by the company as required by the Insurance Ordinance, 2000 and the Companies Ordinance, 1984;
- b) the financial statements together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000 and the Companies Ordinance, 1984, and accurately reflect the books and records of the Company and are further in accordance with accounting policies consistently applied.
- c) the financial statements together with the notes thereon present fairly, in all material respects, the state of the Company's affairs as at 31 December 2005 and of profit, its cash flows and changes in equity for the year then ended in accordance with approved accounting standards as applicable in Pakistan and give the information required to be disclosed by the Insurance Ordinance, 2000 and Companies Ordinance, 1984 and information required to be disclosed by the Insurance Ordinance, 2000 and Companies Ordinance, 1984 and
- d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of the Ordinance.

The financial statements of the company for the year ended December 31, 2004 were audited by another firm of Chartered Accountants who expressed an unqualified opinion thereon vide their report March 29, 2005.

MUSHTAQ & COMPANY
Chartered Accountants

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited

Balance Sheet as at December 31, 2005

(Amounts in Rupees '000)

	2005	2004		2005	2004
Share capital and reserves			Cash and bank deposits		
Authorised share capital 40,000,000 ordinary shares of Rs 5/- each	<u>200,000</u>	<u>200,000</u>	Cash and other equivalents	2,858	2,258
Paid-up share capital	6 138,533	115,444	Current and other accounts	104,628	97,204
Retained earnings	189,237	59,977	Deposits maturing within 12 months	<u>198,193</u>	<u>150,634</u>
Reserves	7 <u>385,025</u>	<u>235,025</u>			
	712,795	410,446	Loans		
Underwriting provisions			To employees	14 214	228
Provision for outstanding claims (including IBNR)	290,801	342,256	Investments	15 562,265	244,358
Provision for unearned premium	341,877	322,790			
Commission income unearned	<u>38,331</u>	<u>56,082</u>	Other assets		
Total underwriting provisions	671,009	721,128	Premium due but unpaid	16 273,942	383,028
Deferred liability			Amounts due from other insurers / reinsurers unsecured, considered good	168,873	100,780
Staff retirement benefits	8 7,433	7,658	Accrued investment income	17 4,584	8,713
Liabilities against assets subject to finance lease			Reinsurance recoveries against outstanding claims	144,078	233,711
	9 3,635	1,581	Deferred commission expense	46,366	44,928
Creditors and accruals			Prepayments	18 154,466	169,556
Current maturity of lease finance	1,670	672	Sundry receivables	19 <u>10,022</u>	<u>2,664</u>
Amounts due to other insurers / reinsurers	110,292	171,384			
Accrued expenses	5,989	5,465		802,331	943,380
Taxation - provision less payments	70,757	55,381	Fixed assets - tangible		
Other creditors and accruals	10 <u>151,932</u>	<u>110,584</u>	Land and buildings	31,927	7,773
	340,640	343,486	Furniture, fixtures and office equipment	5,081	3,902
Other liabilities			Motor vehicles	24,717	24,136
Dividend payable	11 2,762	2,549	Capital work in progress	<u>6,060</u>	<u>12,975</u>
				67,785	48,786
TOTAL EQUITY AND LIABILITIES	<u>1,738,274</u>	<u>1,486,848</u>	TOTAL ASSETS	<u>1,738,274</u>	<u>1,486,848</u>
CONTINGENCIES AND COMMITMENTS	12				

The annexed notes form an integral part of these financial statements.

Zahid Bashir
Chairman

Shaukat Shafi
Director

Nadeem Maqbool
Director

Fakhir Rahman
Chief Executive

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited

Profit and Loss Account

For the year ended December 31, 2005

(Amounts in Rupees '000)

						2005	2004	
	Note	Fire and property	Marine, aviation & transport	Motor	Others	Treaty	Aggregate	Aggregate
Revenue accounts								
Net premium revenue		101,183	27,614	220,038	6,720	4,609	360,164	194,601
Net claims		(15,678)	(9,090)	(188,163)	(8,488)	(3,938)	(225,357)	(100,711)
Expenses	21	(24,382)	(6,654)	(53,022)	(1,619)	(1,111)	(86,788)	(81,124)
Net commission		5,678	3,261	(18,915)	3,918	(809)	(6,867)	17,080
Underwriting result		<u>66,801</u>	<u>15,131</u>	<u>(40,062)</u>	<u>531</u>	<u>(1,249)</u>	<u>41,152</u>	<u>29,846</u>
Investment income							341,996	165,462
Gain on disposal of fixed assets							115	827
General and administration expenses							(43,825)	(37,698)
Profit before tax							<u>339,438</u>	<u>158,437</u>
Provision for taxation	22						(14,000)	(41,000)
Profit after tax							<u>325,438</u>	<u>117,437</u>
Profit and loss appropriation account								
Balance at commencement of year							59,977	41,401
Profit after tax for the year							325,438	117,437
Cash dividend for 2004 at 20% (2003: 25%)							(23,089)	(28,861)
Bonus shares for 2004 at 20% (2003: Nil)							(23,089)	-
Transfer to general reserve							(150,000)	(70,000)
Balance unappropriated profit at the end of the year							<u>189,237</u>	<u>59,977</u>
Earnings per share - basic and diluted (in rupees)	23						<u>11.75</u>	<u>4.24</u>

The annexed notes form an integral part of these financial statements.

Zahid Bashir
Chairman

Shaukat Shafi
Director

Nadeem Maqbool
Director

Fakhir Rahman
Chief Executive

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited

Statement of Changes in Equity
For the year ended December 31, 2005

(Amounts in Rupees '000)

	Share capital	Reserves					Total reserves	Total equity
	Issued, subscribed and paid-up	Capital reserves		Revenue reserves				
		Reserve for exceptional losses	Devaluation reserve	General reserve	Reserve for bad and doubtful debts	Unappropriated profit		
Balance as at December 31, 2003	115,444	19,490	185	145,000	350	41,401	206,426	321,870
Cash dividend for the year ended December 31, 2003 declared subsequent to the year end	-	-	-	-	-	(28,861)	(28,861)	(28,861)
Profit after tax for 2004	-	-	-	-	-	117,437	117,437	117,437
Transferred to general reserve	-	-	-	70,000	-	(70,000)	-	-
Balance as at December 31, 2004	115,444	19,490	185	215,000	350	59,977	295,002	410,446
Cash dividend for the year ended December 31, 2004 declared subsequent to the year end	-	-	-	-	-	(23,089)	(23,089)	(23,089)
Bonus shares for the year ended December 31, 2004 declared subsequent to the year end	-	-	-	-	-	(23,089)	(23,089)	(23,089)
Bonus shares issued	23,089	-	-	-	-	-	-	23,089
Profit after tax for 2005	-	-	-	-	-	325,438	325,438	325,438
Transferred to general reserve	-	-	-	150,000	-	(150,000)	-	-
Balance as at December 31, 2005	138,533	19,490	185	365,000	350	189,237	574,262	712,795

Appropriations for cash dividend and issue of bonus shares made by the directors subsequent to the year ended December 31, 2005 are disclosed in note 29 of these financial statements.

The annexed notes form an integral part of these financial statements

Zahid Bashir
Chairman

Shaukat Shafi
Director

Nadeem Maqbool
Director

Fakhir Rahman
Chief Executive

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited

Statement of Cash Flows

For the year ended December 31, 2005

(Amounts in Rupees '000)

	2005	2004
Operating cash flows		
a) Underwriting activities		
Premium received	702,314	435,297
Reinsurance premium paid	(298,568)	(224,468)
Claims paid	(500,916)	(210,116)
Reinsurance and other recoveries received	245,080	111,933
Commissions paid	(129,946)	(54,055)
Commissions received	58,615	83,801
Net cash flow from underwriting activities	76,579	142,392
b) Other operating activities		
Income tax paid	1,376	(24,725)
General management expenses paid	(86,788)	(81,124)
Other operating payments	(261)	(1,864)
Advances, deposits and sundry receivables	(6,934)	(1,227)
Other liabilities and accruals	89,975	5,283
Net cash used in other operating activities	(2,632)	(103,657)
Total cash flow from operating activities	73,947	38,735
Investment activities		
Investment income	47,402	44,281
Payments for investments	(953,008)	(1,006,324)
Proceeds from disposal of investments	933,824	1,042,302
Fixed capital expenditure	(23,099)	(13,770)
Proceeds from disposal of fixed assets	844	3,348
Total cash flow from investing activities	5,963	69,837
Financing activities		
Dividends paid	(22,876)	(28,271)
Payments on finance leases	(1,451)	(2,038)
Total cash used in financing activities	(24,327)	(30,309)
Total cash flow from all activities	55,583	78,263
Cash at the beginning of the year	250,096	171,833
Cash at the end of the year	305,679	250,096
Reconciliation to profit and loss account		
Operating cash flows	73,947	38,735
Depreciation expense	(8,356)	(4,472)
Investment income	341,996	165,462
Profit on disposal of fixed assets	115	827
(Decrease) / Increase in assets other than cash	(133,400)	170,304
Decrease / (Increase) in liabilities other than running finance	51,136	(253,419)
Profit after taxation	325,438	117,437

The annexed notes form an integral part of these financial statements.

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Chairman

Shaukat Shafi
Director

Nadeem Maqbool
Director

Fakhir Rahman
Chief Executive

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited

**Statement of Premium
For the year ended December 31, 2005**

(Amounts in Rupees '000)

Business underwritten inside Pakistan

										2005	2004	
Class		Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	Net premium revenue	
			Opening	Closing			Opening	Closing				
Direct and Facultative	1	Fire and property damage	241,999	147,450	140,156	249,293	141,900	106,664	100,454	148,110	101,183	74,261
	2	Marine, aviation and transport	69,254	38,589	35,949	71,894	36,947	25,167	17,834	44,280	27,614	21,168
	3	Motor	264,173	103,419	131,848	235,744	9,931	10,777	5,002	15,706	220,038	94,582
	4	Miscellaneous	55,956	28,736	33,926	50,766	48,698	25,801	30,453	44,046	6,720	2,762
		Total	<u>631,382</u>	<u>318,194</u>	<u>341,879</u>	<u>607,697</u>	<u>237,476</u>	<u>168,409</u>	<u>153,743</u>	<u>252,142</u>	<u>355,555</u>	<u>192,773</u>
Treaty	5	Proportional	11	4,596	(2)	4,609	-	-	-	-	4,609	1,828
		Grand Total	<u>631,393</u>	<u>322,790</u>	<u>341,877</u>	<u>612,306</u>	<u>237,476</u>	<u>168,409</u>	<u>153,743</u>	<u>252,142</u>	<u>360,164</u>	<u>194,601</u>

The annexed notes form an integral part of these financial statements.

Zahid Bashir
Chairman

Shaukat Shafi
Director

Nadeem Maqbool
Director

Fakhir Rahman
Chief Executive

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited

Statement of Claims

For the year ended December 31, 2005

(Amounts in Rupees '000)

Business underwritten inside Pakistan

									2005	2004		
Class		Outstanding claims			Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	Net claims expense	
		Claims paid	Opening	Closing			Opening	Closing				
Direct and Facultative	1	Fire and property damage	217,540	172,677	105,330	150,193	188,285	125,979	72,209	134,515	15,678	26,589
	2	Marine, aviation and transport	48,810	43,896	50,171	55,085	41,995	31,794	35,794	45,995	9,090	4,722
	3	Motor	157,513	43,383	85,434	199,564	11,501	5,040	4,940	11,401	188,163	61,257
	4	Miscellaneous	76,489	80,119	44,311	40,681	71,956	70,898	31,135	32,193	8,488	7,667
		Total	<u>500,352</u>	<u>340,075</u>	<u>285,246</u>	<u>445,523</u>	<u>313,737</u>	<u>233,711</u>	<u>144,078</u>	<u>224,104</u>	<u>221,419</u>	<u>100,235</u>
Treaty	5	Proportional	564	2,181	5,555	3,938	-	-	-	-	3,938	476
		Grand Total	<u>500,916</u>	<u>342,256</u>	<u>290,801</u>	<u>449,461</u>	<u>313,737</u>	<u>233,711</u>	<u>144,078</u>	<u>224,104</u>	<u>225,357</u>	<u>100,711</u>

The annexed notes form an integral part of these financial statements.

Zahid Bashir
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Director

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Director

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Chief Executive

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited

Statement of Expenses

For the year ended December 31, 2005

(Amounts in Rupees '000)

Business underwritten inside Pakistan

								2005	2004		
<u>Class</u>		<u>Commission paid or payable</u>	<u>Opening deferred commission</u>	<u>Closing deferred commission</u>	<u>Net commission expense</u>	<u>Other management expenses</u>	<u>Underwriting expenses</u>	<u>Commission from reinsurers</u>	<u>Net underwriting expense</u>	<u>Net underwriting expense</u>	
Direct and Facultative	1	Fire and property damage	42,016	24,941	24,335	42,622	24,382	67,004	48,300	18,704	17,625
	2	Marine, aviation and transport	11,773	6,505	6,112	12,166	6,654	18,820	15,427	3,393	(497)
	3	Motor	25,212	9,868	12,583	22,497	53,022	75,519	3,582	71,937	46,173
	4	Miscellaneous	5,538	2,958	3,358	5,138	1,619	6,757	9,056	(2,299)	(878)
		Total	84,539	44,272	46,388	82,423	85,677	168,100	76,365	91,735	62,423
Treaty	5	Proportional	131	656	(22)	809	1,111	1,920	-	1,920	1,621
		Grand Total	84,670	44,928	46,366	83,232	86,788	170,020	76,365	93,655	64,044

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

The annexed notes form an integral part of these financial statements.

Zahid Bashir
Chairman

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Director

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Director

Fakhir Rahman
Chief Executive

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited

Statement of Investment Income For the year ended December 31, 2005

(Amounts in Rupees '000)

	2005	2004
Income from non-trading investments		
Held to maturity		
Return on government securities	-	9
Return on bank deposits	6,356	2,681
Return on term finance certificates	163	163
	<u>6,519</u>	<u>2,853</u>
Available for sale		
Dividend Income	37,085	53,527
Gain on sale of investments	298,723	113,735
Investment management expenses	(331)	(4,653)
	<u>341,996</u>	<u>165,462</u>

The annexed notes form an integral part of these financial statements.

Zahid Bashir
Chairman

Shaukat Shafi
Director

Nadeem Maqbool
Director

Fakhir Rahman
Chief Executive

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited

Notes to the Financial Statements for the Year ended December 31, 2005

1. STATUS AND NATURE OF BUSINESS

Premier Insurance Company of Pakistan Limited (the company) was incorporated as a public limited company in Pakistan in May 1952 and is engaged in general insurance business. The shares of the company are listed on the Karachi, Lahore and Islamabad stock exchanges. The registered office of the company is situated at State Life Building No.2A, 5th Floor, Wallace Road, Karachi.

2. BASIS OF PRESENTATION

These financial statements have been prepared on the format of financial statements issued by Securities and Exchange Commission of Pakistan (SECP) through Securities and Exchange Commission (Insurance) Rules, 2002 vide S.R.O. 938 dated December 12, 2002.

3. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Insurance Ordinance, 2000, the Companies Ordinance, 1984 and approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Accounting Standards (IAS) as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Insurance Ordinance, 2000, the Companies Ordinance, 1984 or directives issued by SECP differ with the requirements of these standards, the requirements of Insurance Ordinance, 2000, Companies Ordinance, 1984 or the requirements of the said directives take precedence.

4. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Premium

Premium revenue is recognized after taking into account the unearned portion of premium written during the year. The unearned portion of premium income is recognized as a liability.

Reinsurance premium is recognized as expense after taking into account that portion of premium ceded during the year which has been deferred and is recognized as a prepayment.

The company has adopted the twenty-fourths method to account for the liability for unearned premium and the prepaid reinsurance premium ceded.

Pakistan Reinsurance Company Limited (PRCL) retrocession business is consistently booked on the basis of their statements for the first two quarters of the current year and the last two quarters of the previous year.

5.2 Claims

A liability for outstanding claims is recognized in respect of all claims incurred as at the balance sheet date which represents the estimates of the claims intimated or assessed before the end of the accounting year and measured at the undiscounted value of expected future payments.

Provision for outstanding claims include amounts in relation to unpaid reported claims, claims incurred but not reported (IBNR), and expected claims settlement costs.

Provision for IBNR is the management's estimate of the cost of settling claims incurred but not reported at the balance sheet date.

Reinsurance recoveries against outstanding claims and salvage recoveries are recognized as an asset and measured at the amount expected to be received.

5.3 Commissions

Commission expense incurred in obtaining and recording policies is deferred and recognized as an asset in correlation with unearned premium revenue that will be recognized in the subsequent reporting periods.

Commission and other forms of revenue (apart from recoveries) from reinsurers are recognized as unearned income and brought to profit and loss account as revenue in accordance with the pattern of recognition of the reinsurance premium to which they relate.

5.4 Premium deficiency reserve

The Securities and Exchange Commission (Insurance) Rules, 2002 require a premium deficiency reserve to be maintained, if required.

The management considers that no additional reserve is required to be maintained to meet expected future liability, after reinsurance, from claims and other expenses, expected to be incurred after the balance sheet date in respect of policies, in all classes of business, in force at the balance sheet date. In management's opinion, the amount carried for unearned premium is sufficient to meet this requirement.

5.5 Staff retirement benefits

Defined benefits plan

The company operates an unfunded gratuity scheme covering all eligible employees. Provision is made on the basis of actuarial valuation carried out as at December 31, 2005 in accordance with IAS-19, Employee Benefits.

Defined contribution plan

The company contributes to a recognized provident fund scheme which covers all eligible employees. Equal contributions are made to the fund by the company and the eligible employees under the scheme.

Compensated absences

Compensated absences are accounted for in the year in which the absences are earned based on actuarial valuation.

5.6 Taxation

Current

Provision for taxation is based on taxable income at the current rates of tax after taking into account applicable tax credits, rebates and exemptions available, if any.

Deferred

The company accounts for deferred taxation, if any, on all material temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

5.7 Investments

All investments are initially recognized at cost, being the fair value of the consideration given and include transaction costs. Subsequently, these are recognized and classified as follows:

5.7.1 Held for trading

Quoted investments which are acquired principally for the purpose of generating profit from short-term fluctuations in price or are part of a portfolio for which there is a recent actual pattern of short-term profit taking are classified as held for trading.

Subsequent to initial recognition these are re-measured at fair value by reference to quoted market prices with the resulting gain or loss being included in net profit or loss for the period in which it arises.

5.7.2 Available for sale

Investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity, changes in interest rates, equity prices or exchange rates are classified as available for sale.

Quoted

Subsequent to initial recognition at cost, quoted investments are stated at the lower of cost or market value in accordance with the requirements of the S.R.O. 938 issued by the SECP in December, 2002.

Under the requirements of IAS-39, Financial Instruments: Recognition and Measurement, the investments of the company would have been higher by Rs 754 million (2004: Rs 740.3 million) and the corresponding amount would have either increased the profits or a revaluation reserve by the same amount subject to the accounting policy adopted by the company.

Unquoted

Unquoted investments are recorded at cost less impairment, if any.

5.7.3 Held to maturity

Investments with fixed maturity, where management has both the intent and the ability to hold to maturity, are classified as held to maturity.

Subsequently, these are measured at amortised cost. Any premium paid or discount availed on acquisition of held to maturity investments is deferred and amortised over the term of investment.

These are reviewed for impairment at year end and any losses arising from impairment in value are charged to the profit and loss account.

5.8 Fixed assets

Operating fixed assets

These are stated at cost less accumulated depreciation and impairment, if any. Depreciation is charged to income applying the reducing balance method.

Normal repairs and maintenance are charged to income as and when incurred whereas major renewals and replacements are capitalized.

Gain or loss on disposal of fixed assets is taken to profit and loss account.

Assets acquired under finance lease are initially recorded at the lower of present value of minimum lease payments under the lease agreement and the fair value of the leased assets. The related obligation under finance lease less financial charges allocated to future periods is shown as a liability. Financial charges are allocated to accounting periods in a manner so as to provide a constant periodic rate of charge on the outstanding liability. Leased assets are depreciated on the same basis as owned assets.

Capital work in progress

Capital work in progress is stated at cost. Transfers are made to operating assets when the assets are available for use.

Impairment

The carrying amounts of fixed assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the related assets are written down to the estimated recoverable amount and the impairment loss is charged to income.

5.9 Revenue recognition

Underwriting result

The earned premium less reinsurance, claims, commission and allocable expenses of management are reflected in the profit and loss account as the underwriting result for each class of insurance business undertaken.

Dividend income

Dividend income is recognized when the right to receive such dividend is established.

Gain / loss on disposal of investments

Gain / loss on disposal of investments is taken to the profit and loss account on transaction date.

Return on bank accounts and term finances

Return on bank accounts, Term Finance Certificates and government securities is accounted for on accrual basis.

5.10 Proposed dividend

Dividend distributions (including stock dividend) are recognized as a liability in the period in which the dividends are approved.

5.11 Expenses of management

Expenses of management are allocated to classes of business as appear equitable to management.

5.12 Transfer pricing

The majority of the transactions with associated undertakings / related parties represent insurance transactions. These transactions are on arm's length basis using "comparable uncontrolled price method".

5.13 Foreign currency translation

Transactions in foreign currencies are recorded at the rate on the transaction date.

Monetary assets and liabilities in foreign currencies are retranslated at the exchange rate at the balance sheet date. Exchange differences are taken to the profit and loss account.

5.14 Segment reporting

The company's business segments are reported according to the nature of cover provided.

The perils covered under fire and property insurance include losses caused by fire, riot and strike, explosion, earthquake, atmospheric disturbance, aircraft damage, flood, electric fluctuation and impact.

Marine insurance covers cargo risk, war risk and damages occurring in inland transit.

Motor insurance provides comprehensive vehicle coverage and indemnity against third party loss.

Miscellaneous insurance includes cover against burglary, loss of cash in safe and cash in transit, personal accident, money, engineering losses and other coverage.

5.15 Financial instruments

Financial assets and liabilities are recognized at the time when the company becomes a party to the contractual provisions of the instrument. Any gains or losses on derecognition of financial assets and financial liabilities are taken to the profit and loss account.

5.16 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability are offset and the net amount reported in the balance sheet if the company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.17 Zakat

Zakat deductible compulsorily under the Zakat and Ushr Ordinance, 1980 is accounted for in the year of deduction.

(Amounts in Rupees '000)

	Note	2005	2004
6. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
400,000	Ordinary shares of Rs. 5 each fully paid in cash	2,000	2,000
27,306,536	Ordinary shares of Rs. 5 each issued as fully paid bonus shares	136,533	113,444
<u>27,706,536</u>		<u>138,533</u>	<u>115,444</u>
7. RESERVES			
Capital reserves			
Reserve for exceptional losses	7.1	19,490	19,490
Devaluation reserve	7.2	185	185
		19,675	19,675
Revenue reserves			
General reserve	7.3	365,000	215,000
Reserves for bad and doubtful debts		350	350
		365,350	215,350
		<u>385,025</u>	<u>235,025</u>

7.1 Reserve for exceptional losses

This was created at 10% of premium income net of reinsurance till 1978 in terms of the repealed Income Tax Act, 1922.

7.2 Devaluation reserve

Consequent upon the devaluation of the Pakistani Rupee in 1972, security deposit with the Government of Lebanon and balances with overseas banks had been converted at the new rates of exchange. This had resulted in an increase in value, which was transferred to capital reserve in 1973.

(Amounts in Rupees '000)

	Note	2005	2004
7.3 General reserve			
Balance at the beginning of the year		215,000	145,000
Transfer from profit and loss account		150,000	70,000
		<u>365,000</u>	<u>215,000</u>
Balance at the end of the year		<u>365,000</u>	<u>215,000</u>
8. STAFF RETIREMENTS BENEFITS			
Gratuity	8.1	3,862	3,908
Employees compensated absences	8.3	3,571	3,750
		<u>7,433</u>	<u>7,658</u>
8.1 Movement in the net liability recognized in the balance sheet			
Opening net liability		3,908	3,796
Expense for the year	8.2	325	795
		<u>4,233</u>	<u>4,591</u>
Payments during the year		(371)	683
		<u>3,862</u>	<u>3,908</u>
8.2 Expense recognized in the profit and loss account			
Current service cost		230	536
Interest cost		205	287
Net actuarial gain recognized in the year		(110)	(28)
		<u>325</u>	<u>795</u>
8.3 Movement in the net liability recognized in the balance sheet			
Opening net liability		3,750	-
Expenses for the year	8.4	439	3,750
		<u>4,189</u>	<u>3,750</u>
Payment during the year		(618)	-
		<u>3,571</u>	<u>3,750</u>
8.4 Expense recognized in the profit and loss account			
Current service cost		426	-
Interest cost		300	-
Net actuarial gain recognized in the year		(287)	-
		<u>439</u>	<u>-</u>

(Amounts in Rupees '000)

2005 2004

Principal actuarial assumptions

Following are a few important actuarial assumptions used in the benefits' valuation

Discount rate	9%	8%
Expected rate of increase in salary	8%	7%
Average expected remaining working life of employees	10 years	10 years

9. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASES

Minimum lease payments		
Up to one year	2,039	827
More than one year but less than five years	3,964	1,713
	6,003	2,540
Less: Financial charges not yet due		
Up to one year	369	155
More than one year but less than five years	329	132
	698	287
Present value of minimum lease payments	5,305	2,253
Payable within one year	(1,670)	(672)
Payable after one year but less than five years	3,635	1,581

This represents finances obtained under lease arrangement for vehicles. The total minimum lease payments are payable in monthly installments over a period of 60 months. The internal rate of return of 7.42% to 8.55% (2004: 7.42% to 8.10%) per annum is used as discounting factor. Taxes, repairs and insurance costs are to be borne by lessee. The lessee can exercise purchase option at the end of the lease term by adjusting the deposit amount.

2005 2004

10. CREDITORS, ACCRUED AND OTHER LIABILITIES

Creditors for investments	85,408	3,444
Commissions payable	46,549	91,825
Central excise duty	1,300	3,379
Federal insurance fee	100	1,203
Tax deducted at source	720	418
Advance recoveries	1,109	741
Miscellaneous	16,746	9,574
	151,932	110,584

11. DIVIDEND PAYABLE

Unclaimed dividend	2,762	2,549
	2,762	2,549

12. CONTINGENCIES AND COMMITMENTS

There are no material contingencies at the balance sheet date.

Commitments for capital expenditure amount to Rs 7.3 million (2004: 12.9 million)

(Amounts in Rupees '000)

	Note	2005	2004
13. CASH AND BANK DEPOSITS			
Cash and other equivalents			
Cash		2,374	2,143
Stamps in hand		484	115
		2,858	2,258
Current and other accounts			
Current accounts	13.1	104,258	96,834
Statutory deposit with State Bank of Pakistan		370	370
		104,628	97,204
Deposits maturing within 12 months			
Term deposits		198,193	150,634
		305,679	250,096

13.1 Includes an amount of Rs 10.2 million held against final settlement of an insurance claim.

14. LOANS

Unsecured - considered good

Employees - temporary advances		214	228
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15. INVESTMENTS

Available for sale

Quoted shares (market value: Rs 1,233,522 [2004: Rs 954,082])	15.1	484,046	216,154
Unquoted shares	15.2	54,645	24,645
Mutual funds - quoted (market value: Rs 26,805 [2004: Rs 4,619])	15.3	22,219	2,204
		560,910	243,003

Held to maturity

Term Finance Certificates - quoted (market value: Rs 1,355 [2004: Rs 1,355])	15.4	1,355	1,355
		1,355	1,355
		562,265	244,358

All investments have a face value of Rs 10 per share / certificate unless stated otherwise.

Available for sale

Number of shares / certificates

Name of entity

	2005	2004		2005	2004
15.1 Quoted					
Associated Undertakings					
	750,428	619,928	Crescent Commercial Bank Limited	6,905	4,957
	333	15,333	Crescent Jute Products Limited	1	46
	51,381	42,818	Crescent Steel & Allied Products Limited	2,270	2,270
	-	107,000	Crescent Sugar Mills & Distillery Limited	-	634

(Amounts in Rupees '000)

Available for sale

<u>Number of shares / certificates</u>		<u>Name of entity</u>		
2005	2004		2005	2004
-	198,000	First Equity Modaraba	-	4,091
292	70,292	Jubilee Spinning & Weaving Mills Limited	1	183
12,694,721	7,450,876	PICIC Limited	206,163	130,505
57,500	62,500	Shakarganj Mills Limited	1,266	1,582
53,125	53,125	Shakarganj Mills Limited (8.5% commulative preference shares redeemable after 5 years of issue, convertible after every financial year of investee)	531	531
280,000	280,000	Suraj Cotton Mills Limited	8,064	6,772
Others				
-	46,925	Abamco Stock Market Fund	-	600
35,000	25,000	Askari Commercial Bank Limited	3,789	2,361
45,540	29,500	Attock Refinery Limited	4,941	2,619
20,000	-	Attock Petroleum Limited	6,094	-
50,000	50,000	Bahawalpur Textile Mills Limited	500	500
68	2,068	Bata Pakistan Limited	1	36
15,000	-	Bank Alfalah Limited	1,011	-
-	11,400	Blessed Textile Mills Limited	-	108
86,854	72,379	Central Insurance Company Limited	7,996	258
6,500	50,000	Pakistan Cement Company Limited	57	448
15,000	-	Callmate Telips Telecom Limited	1,182	-
165	100,322	Crescent Leasing Corporation Limited	1	364
-	50,250	D.G. Khan Cement Company Limited	-	2,712
108,499	109,999	Dawood Hercules Chemicals Limited	19,595	532
18,369	21,836	Dawood Lawerncepur Limited	343	448
41,500	25,000	Engro Chemical Pakistan Limited	4,577	2,428
20,000	25,000	Fauji Fertilizer Bin Qasim Limited	776	763
171,353	23,000	Fauji Fertilizer Company Limited	16,896	2,663
87,200	100,000	Faysal Bank Limited	4,087	3,968
132,941	106,353	Glaxo Smithkline Pakistan Limited	17,706	365
313,500	101,000	Hub Power Company Limited	8,991	3,114
-	36,000	Ibrahim Fibres Limited	-	337
81,600	-	ICI Pakistan Limited	9,959	-
31,600	-	Indus Motor Company Limited	4,388	-
-	13,750	Kohinoor Textile Mills Limited	-	323
5,000	5,000	KSB Pumps Company Limited	21	21
20,000	-	Kot Addu Power Company Limited	790	-
-	50,375	Lucky Cement Limited	-	1,827
35,500	40,000	Maple Leaf Cement Factory Limited	1,353	1,318
-	19,600	Mari Gas Company Limited	-	1,941
12,000	-	Maple Leaf Cement Factory Limited (Preference Shares)	120	-
15,000	-	Muslim Commercial Bank Limited	2,369	-
-	30,000	National Bank of Pakistan	-	1,683
37,600	17,000	National Refinery Limited	9,645	213
4,000	4,000	New Jubilee Life Insurance Company Limited	83	83
16,350	-	Nishat (Chunian) Limited	1,642	-
-	141,077	Oil & Gas Development Company Limited	-	8,963
36,750	-	Packages Limited	6,577	-
-	190,000	Pak Telecommunicaton Company Limited	-	8,530
24,500	10,000	Pakistan Oil Fields Limited	8,539	2,485
-	25,000	Pakistan Petroleum Limited	-	3,068
35,431	17,865	Pakistan Refinery Limited	9,951	105
371,800	603,600	Pakistan Reinsurance Company Limited	18,634	221
206,800	193,800	Pakistan State Oil Company Limited	43,962	943
242,000	-	PICIC Commercial Bank Limited	9,540	-
500,000	-	PICIC Energy Fund (Pre IPO subscription - provisionally listed)	5,000	-

(Amounts in Rupees '000)

Available for sale

<u>Number of shares / certificates</u>		<u>Name of entity</u>			
2005	2004		Note	2005	2004
210,000	-	PICIC Growth Fund		9,391	-
26,391	75,391	PICIC Investment Fund		459	1,311
20,000	-	Pak Suzuki Motor Company Limited		3,204	-
57,472	133,772	Security Papers Limited		2,521	76
4,500	24,500	Service Textile Limited		32	173
37,938	47,115	Shabbir Tiles & Ceramics Limited (Face value Rs 5 per share)		101	151
9,210	368	Shaheen Cotton Mills Limited		91	3
26,077	18,242	Shell Pakistan Limited		11,930	2,202
-	60,099	Sui Northern Gas Pipelines Limited		-	3,623
-	30,000	Sui Southern Gas Company Limited		-	696
<u>17,122,788</u>	<u>11,636,458</u>			<u>484,046</u>	<u>216,154</u>

15.2 Unquoted

Associated Undertakings

400,000	400,000	Crescent Powertec Limited Break-up value 2005: Rs 58.18 (2004: Rs 55.70) per audited accounts for the year ended June 30, 2004 Equity held : 8% Chief Executive : Mr Ahsan Bashir		4,000	4,000
5,000,000	2,000,000	Suraj Fabrics Limited Subscription towards share capital of the newly formed company Chief Executive: Mr Adil Bashir	15.2.1	50,000	20,000

15.2.1 Suraj Cotton Mills Limited has entered into an agreement with Suraj Fabrics Limited to acquire its assets and liabilities subsequent to the balance sheet date. Both are associated companies and formalities and procedures for completing the transactions are in process.

Others

9,966	9,966	Akber Textile Mills Limited		-	-
517	517	Burma Soap & Oil Industries Limited		5	5
101,572	101,572	Central Cotton Mills Limited		214	214
1,000	1,000	Chemphor Pakistan Limited		-	-
353,040	353,040	Crescent Bahuman Limited		-	-
10,000	10,000	Electric Lamps Manufacturing Pakistan Limited		-	-
250,000	250,000	Fazal Sugar Mills Limited		-	-
113	113	H.M. Silk Mills Limited		1	1
100	100	Hyderabad Tanning & Shoe Manufacturing Company Ltd.		-	-
6,745	6,745	Investment Corporation of Pakistan		425	425
75,000	75,000	Sibaac Cotton Mills Limited		-	-
<u>6,208,053</u>	<u>3,208,053</u>			<u>54,645</u>	<u>24,645</u>

Amounts in Rupees '000)

Available for sale

	Number of shares / certificates		Name of entity	Note		
	2005	2004			2005	2004
15.3 Mutual funds (unit trusts)						
	195,350	-	United Money Market Fund		20,015	-
	123,500	123,500	N.I.T. Units		2,204	2,204
	<u>318,850</u>	<u>123,500</u>			<u>22,219</u>	<u>2,204</u>

Held to maturity

15.4 Term Finance Certificates	No. of certificates	Profit rate per annum	Profit payment	Maturity date	2005	2004
Crescent Leasing Corporation Limited. (Face value of Rs 100 per certificate)	15	12%	Semi-annually	Sept. 2007	<u>1,355</u>	<u>1,355</u>

16. PREMIUM DUE BUT UNPAID

Unsecured, considered good						
- Associated undertakings				16.1	155,347	183,053
- Others					118,595	199,975
					<u>273,942</u>	<u>383,028</u>
Unsecured, considered doubtful						
- Associated undertakings					35,000	20,000
- Others					25,000	20,000
					<u>60,000</u>	<u>40,000</u>
					<u>333,942</u>	<u>423,028</u>
Provision for doubtful balances					60,000	40,000
					<u>273,942</u>	<u>383,028</u>

16.1 The maximum balance at the end of any month receivable from associated undertakings was Rs 190 million (2004: Rs 203 million)

17. ACCRUED INVESTMENTS INCOME

Return on bank deposits and term finances	3,099	1,790
Dividend receivable	1,485	6,923
	<u>4,584</u>	<u>8,713</u>

18. PREPAYMENTS

Prepaid premium to insurers / reinsurers	153,743	168,409
Others	723	1,147
	<u>154,466</u>	<u>169,556</u>

(Amounts in Rupees '000)

	Note	2005	2004
19. SUNDRY RECEIVABLES			
Lease deposits		764	344
Other deposits		2,536	1,106
Miscellaneous receivables		6,722	1,214
		<u>10,022</u>	<u>2,664</u>

20. FIXED ASSETS

Tangible assets

Description	Cost		As at Dec 31, 2005	Accumulated as at Jan 1, 2005	Depreciation Charge for the year/ (disposals)/ Adjustments	Accumulated as at Jan 1, 2005	Written down vale as at Dec 31, 2005	Depreciation rate on written down value % per annum
	As at Jan 1, 2005	Additions/ (disposals)/ Adjustments						
Owned								
Land and buildings (Office premises)	14,341	25,835	40,176	6,508	1,681	8,249	31,927	5
Computer accessories	4,312	1,829	6,141	2,851	693	3,544	2,597	30
Office equipment	5,375	204	5,579	3,678	180	3,858	1,721	10
Furniture and fixture	3,973	98	4,071	3,230	78	3,308	763	10
Vehicles	36,087	2,049 (900)	37,236	14,016	4,607 (640)	17,983	9,253	20
	64,088	30,015 (900)	93,203	30,343	7,239 (640)	36,942	56,261	
Leased								
Vehicles	3,444	4,985 (785)	7,644	1,379	1,117 (956)	2,180	5,464	20
	3,444	4,985 (785)	7,644	1,379	1,117 (956)	2,180	5,464	
2005	67,532	35,000 (1,685)	100,847	31,722	8,356 (956)	39,122	61,725	
2004	59,919	13,620 (6,007)	67,532	30,401	4,472 (3,152)	31,721	35,811	

Capital work in progress represents payments on account of office improvements / acquisition of premises.

20.1 Disposal of fixed assets

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Book value</u>	<u>Sale proceeds</u>	<u>Gain/ (loss)</u>	<u>Mode of disposal</u>	<u>Buyer's name</u>	<u>Address</u>
Depreciation								
Honda Motorcycle	59	5	54	59	5	Policy	Mr Irshad Hussain (Employee)	Lahore
Honda Motorcycle	63	46	17	63	46	Policy	Mr Muhammad Akram (Employee)	Lahore
Honda City	785	316	469	500	31	Negotiation	Mr Saeedullah Khan	Lahore
Yamaha Motorcycle	20	3	17	20	3	Policy	Mrs Bella Manuel (Employee)	Karachi
Honda Motorcycle	77	52	25	77	52	Policy	Mr Syed Zafar Ali (Employee)	Lahore
Toyota Corolla	681	534	147	125	(22)	Negotiation	Mr Zahoor ur Rehman (Employee)	Lahore
	<u>1,685</u>	<u>956</u>	<u>729</u>	<u>844</u>	<u>115</u>			

(Amounts in Rupees '000)

	Note	2005	2004
21. MANAGEMENT EXPENSES			
Underwriting expenses			
Salaries, wages and benefits		59,655	54,356
Rent, taxes etc.		1,956	1,295
Communications		4,285	4,384
Printing and stationery		2,361	2,276
Travelling and entertainment		4,928	5,157
Repairs and maintenance		998	1,201
Legal and professional		3,325	3,143
Advertisement		643	469
Lease finance charges		452	515
Others		8,185	8,328
		<u>86,788</u>	<u>81,124</u>
General and administration expenses			
Depreciation	20	8,356	4,472
Bonus, retirement & other benefits		12,708	10,457
Provision for doubtful receivables		20,000	20,000
Others		2,761	2,769
		<u>43,825</u>	<u>37,698</u>
Total		<u><u>130,613</u></u>	<u><u>118,822</u></u>

21.1 DONATIONS

Charitable donations during the year amounted to Rs 3.6 million (2004: Rs 2.8 million) and did not include any donee in which any director or his spouse had any interest except for Rs 1.5 million to the Patient Aid Foundation. Mr Zahid Bashir, Chairman of the Board, is also the Chairman of the Board of Governors of the donee.

22. TAXATION

Current

For the year	<u>14,000</u>	<u>41,000</u>
--------------	---------------	---------------

Deferred

There are no significant timing differences at the balance sheet date.

22.1 Tax charge reconciliation

	%	%
Applicable tax rate	35.0	35.0
Effect of expenses that may not be allowable, net of exemptions / rebates	(27.7)	0.9
Effect of dividend income taxed at a lower rate	(3.3)	(10.2)
	<u>(31.0)</u>	<u>(9.3)</u>
Average effective tax rate charged to profit and loss account	<u>4.0</u>	<u>25.7</u>

(Amounts in Rupees '000)

	2005	2004
23. EARNINGS PER SHARE		
Profit after tax for the year	325,438	117,437
Weighted average number of shares	27,706,536	27,706,536
Basic earnings per share of Rs 5 each	11.75	4.24

The company has not issued any instrument which would dilute its basic earnings per share when exercised.

24. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	<u>Chief Executive</u>		<u>Directors</u>		<u>Executives</u>		<u>Total</u>	
	2005	2004	2005	2004	2005	2004	2005	2004
Managerial remuneration	4,908	4,475	4,113	2,480	3,927	1,229	12,948	8,184
Retirement benefits	409	396	102	207	222	60	733	663
Housing and utilities	942	863	1,156	698	1,723	359	3,821	1,920
Bonus	-	-	-	-	689	471	689	471
Meeting fees	-	-	230	235	-	-	230	235
Others	-	175	725	697	-	-	725	872
	6259	5,909	6,326	4,317	6,561	2,119	19,146	12,345
	1	1	7	7	5	2		

The chief executive a director and executives have the free use of company cars and residential telephones for business purposes.

An executive means an employee whose basic salary during the year exceeds Rs 500,000 (2004: Rs 500,000)

25. FINANCIAL INSTRUMENTS

25.1 YIELD / MARK UP RATE RISK

Yield / mark up rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market yield/mark up rates. Sensitivity to yield / mark up rate risk arises from mismatches of financial assets and liabilities that mature or reprice in a given period. The company manages these mismatches through risk management strategies where significant changes in gap position can be adjusted. The company is exposed to yield/ mark up rate risk in respect of the following:

	<u>Exposed to yield/mark-up risk</u>				<u>Not exposed to yield/mark-up risk</u>			Total
	Effective yield/mark-up rate %	Maturity within one year	Maturity After one Year	Sub Total	Maturity within one year	Maturity After one year	Sub Total	
Financial assets								
Cash and bank deposits	1.25 – 11.25	198,193	-	198,193	107,116	370	107,486	305,679
Loans to employees	-	-	-	-	214	-	214	214
Investments	-	20,015	1,355	21,370	-	540,895	540,895	562,265
Premium due but unpaid	-	-	-	-	273,942	-	273,942	273,942
Amount due from other insurer / reinsurers	-	-	-	-	168,873	-	168,873	168,873
Accrued investment income	-	3,089	-	3,099	1,485	-	1,485	4,584
Reinsurance recoveries	-	-	-	-	144,078	-	144,078	144,078
Sundry receivables	-	-	-	-	6,722	3,300	10,022	10,022
		221,307	1,355	222,662	702,430	544,565	1,246,995	1,469,657

(Amounts in Rupees '000)

	Effective yield/mark-up rate %	Exposed to yield/mark-up risk			Not exposed to yield/mark-up risk			Total
		Maturity within one year	Maturity After one Year	Sub Total	Maturity within one year	Maturity After one year	Sub Total	
Financial liabilities								
Provision for outstanding claims	-	-	-	-	290,801	-	290,801	290,801
Staff retirement benefits	-	-	-	-	-	7,433	7,433	7,433
Liabilities against assets subject to finance lease	7.42 – 8.55	1,670	3,635	5,305	-	-	-	5,305
Amount due to other insurer / reinsurers	-	-	-	-	110,292	-	110,292	110,292
Accrued expenses	-	-	-	-	5,989	-	5,989	5,989
Other creditors and accruals	-	-	-	-	151,932	-	151,932	151,932
Dividend payable	-	-	-	-	2,762	-	2,762	2,762
		1,670	3,635	5,305	561,776	7,433	569,209	574,514
Total yield / markup rate risk sensitivity gap 2005		219,637	(2,280)	217,357	140,654	537,132	677,786	895,143
Total yield / markup rate risk sensitivity gap 2005		151,752	(226)	151,526	192,738	237,165	429,903	581,429

25.2 Credit risk and concentration of credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Concentration of credit risk arises when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The company attempts to control credit risk by monitoring credit exposure, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

25.3 Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer or factors affecting all securities traded in the market.

The company's investments are exposed to market risk. Market risk is limited by diversification of the portfolio and active monitoring of capital markets.

25.4 Reinsurance risk

Reinsurance ceded does not relieve the company of its obligation to policy holders and as a result the company remains liable for the portion of outstanding claims reinsured to the extent that a reinsurer fails to meet obligations under the reinsurance agreements. In common with other insurance companies, in order to minimize the financial exposure arising from large claims, the company, in the normal course of business, enters into agreements with other parties for reinsurance purposes. To minimise reinsurance risk, reinsurance arrangements are diversified and with reputable parties.

25.5 Fair value of financial instruments

The carrying value of the financial instruments reported in the financial statements approximate their fair value except that investments have significantly higher market values as stated in note 15.

(Amounts in Rupees '000)

	2005	2004
26. AUDITORS' REMUNERATION		
Audit fee	45	45
Review reports	70	70
Taxation advisory services	450	200
	<u>565</u>	<u>315</u>
27. TRANSACTIONS WITH ASSOCIATED UNDERTAKINGS		
Premium written	94,429	77,137
Claims paid	81,740	20,557
Commission paid	7,004	6,409
Dividend received	15,725	24,041
Dividend paid	1,865	2,223
Investment made	30,000	20,000
Investment management services	-	4,326

Transactions with associated undertakings are in the normal course of business at rates and terms consistent with the market.

28. NUMBER OF EMPLOYEES

The company employed 187 (2004: 178) employees at the end of the year.

29. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on March 20, 2006 has proposed a cash dividend of 20% (2004: 20%). In addition, the directors have also announced a bonus issue of 20% (2004: 20%), which will be issued out of the unappropriated profit. These appropriations will be approved in the forthcoming Annual General Meeting. The financial statements for the year ended December 31, 2005 do not include the effect of these appropriations which will be accounted for in the financial statements for the year ending December 31, 2006 as follows:

Transfer from unappropriated profit to proposed dividend	27,707
Transfer from unappropriated profit for issue of bonus shares	27,707

30. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on March 20, 2006 by the directors of the company.

31. GENERAL

Figures of the prior year have been rearranged wherever necessary for the purpose of comparison.

All amounts have been rounded to the nearest thousand Rupees.

Zahid Bashir
Chairman

Shaukat Shafi
Director

Nadeem Maqbool
Director

Fakhir Rahman
Chief Executive

Karachi: March 20, 2006

Premier Insurance Company of Pakistan Limited
Pattern of Shareholding as at December 31, 2005

Number of Shareholders	Shareholding		Total Shares Held
	From	To	
607	1	100	16,822
522	101	500	134,905
242	501	1000	181,240
449	1001	5000	1,094,361
139	5001	10000	1,022,703
45	10001	15000	557,397
44	15001	20000	769,501
34	20001	25000	757,352
22	25001	30000	608,499
11	30001	35000	357,629
15	35001	40000	566,066
9	40001	45000	383,850
7	45001	50000	333,497
6	50001	55000	316,227
5	55001	60000	280,946
4	60001	65000	248,746
1	65001	70000	69,264
3	70001	75000	218,373
4	75001	80000	305,833
7	80001	85000	587,682
4	85001	90000	353,617
1	90001	95000	92,785
4	95001	100000	393,944
3	110001	115000	339,947
4	115001	120000	474,083
1	125001	130000	129,552
1	130001	135000	130,894
4	135001	140000	552,033
1	140001	145000	140,022
1	150001	155000	151,830
1	155001	160000	157,462
1	165001	170000	166,238
2	170001	175000	346,208
2	175001	180000	360,000
1	180001	185000	180,577
3	190001	195000	575,313
2	200001	205000	401,453
1	205001	210000	209,760
1	215001	220000	216,428
1	225001	230000	227,058
1	235001	240000	237,230
1	245001	250000	245,739
2	270001	275000	542,324
1	275001	280000	277,064
1	285001	290000	287,295
1	290001	295000	292,395
1	310001	315000	311,484
1	325001	330000	330,000
1	350001	355000	354,594
1	380001	385000	384,249
1	400001	405000	404,966
1	420001	425000	421,503
1	465001	470000	466,747
1	510001	515000	513,280
2	520001	525000	1,042,292
1	535001	540000	539,373
1	680001	685000	680,596
1	685001	690000	685,762
1	725001	730000	727,234
1	1550001	1555000	1,552,814
1	2995001	3000000	2,999,498
2,238			27,706,536

Premier Insurance Company of Pakistan Limited

Pattern of Shareholding as at December 31, 2005 Additional Information

Categories of Shareholders	Shares Held	Percentage
Associated companies, undertakings & related parties		
Crescent Boards Ltd.	38,647	0.14
Crescent Jute Products Ltd.	20,606	0.07
Crescent Sugar Mills & Distillery Ltd.	166,238	0.60
First Elite Capital Modaraba	41,715	0.15
Jubilee Spinning & Weaving Mills Ltd.	6,661	0.02
Muhammad Amin Muhammad Bashir Ltd.	120	-
Shakarganj Mills Ltd.	55,256	0.20
The Crescent Textile Mills Ltd.	77,576	0.28
Shams Textile Mills Ltd.	404,966	1.46
Crescent Powertec	1,552,814	5.61
Suraj Cotton Mills Limited	330,000	1.19
Directors, CEO and their spouses & minor Children		
Mr. Zahid Bashir (Director)	537,511	1.94
Mr. Khalid Bashir (Director)	13,935	0.05
Mr. Maqbul Ahmad (Director)	680,596	2.46
Mr. Shaukat Shafi (Director)	563,791	2.03
Mr. Khurram Mazhar (Director)	116,366	0.42
Mr. Nadeem Maqbool (Director)	63,807	0.23
Mrs.Tanveer Khalid (w/o. Mr.Khalid Bashir)	87,853	0.32
Mrs.Khawar Maqbul (w/o. Mr.Maqbul Ahmad)	421,503	1.52
Mrs.Zahida Shaukat (w/o.Mr.Shaukat Shafi)	262,139	0.95
Mrs.Nazia (w/o.Mr.Nadeem Maqbool)	110,824	0.40
Others		
Individuals	17,692,728	63.86
Investment Companies	194,038	0.70
Insurance Companies	230,173	0.83
Joint Stock Companies	657,358	2.37
Modaraba Companies	3,694	0.01
Financial Institutions	94,498	0.34
Administrator Abandoned Properties, Government of Pakistan	151,830	0.55
Dawood Foundation	11,022	0.04
HBL A/c.Muhammad Amin Wakf Estate	18,415	0.07
Muhammad Amin Wakf Estate	89,900	0.32
Australasia Bank Ltd.	1,644	0.01
Habib Bank Limited	3,714	0.01
Islamabad Stock Exchange (G) Limited	4,800	0.02
State Life Insurance Corporation of Pakistan	2,999,798	10.83
	27,706,536	100.00

Premier Insurance Company of Pakistan Limited

Locations

KARACHI

Head Office:
State Life Building No. 2A
5th Floor, Wallace Road
Phones: (021) 2416331-3
Fax: (021) 2416572

QUETTA

43-Regal Plaza
2nd Floor, Circular Road
Phones: (081) 842883

PESHAWAR

Rehman Building
Saddar Road Cantt
Phones: (091) 5273757
Fax: (091) 5277809

BHAWALPUR

1/A, Model Town "B"
Saraiki Chowk
Phones: (0621) 2875468
Fax: (0621) 2875458

RAHIM YAR KHAN

17, Shahi Road
Phones: (068) 5870751

SIALKOT

Fazal Market
Mujahid Road
Phones: (052) 4586268
Fax: (052) 4588526

VEHARI

23-B, Ghalla Mandi
Phones: (067) 3361801

HAROONABAD

Niab Cottege 61
Madina Colony
Phones: (063) 2006105
Fax: (063) 2252053

GUJRANWALA

Block "L" Trust Plaza G.T. Road
Phones: (055) 3859718-19
Fax: (055) 3256432

LAHORE

North Zone Office:
23, Shahrah-e-Quaid-e-Azam
P. O. Box No. 355
Phones: (042) 7230602-5
Fax: (042) 7235557
Cable: "PRINSCOP" Lahore

Hafeez Centre, Gulberg

Phones: (042) 5874271/5873636
Fax: (042) 5750749

DERA GHAZI KHAN

House No.60, St. No. 1, Block "B"
P. O. Box No. 12
Phones: (064) 2471233

FAISALABAD

Regency Arcade, 949, Mall Road
P. O. Box No. 105
Phones: (041) 2632211-13
Fax: (041) 2617802

MULTAN

Hasan Arcade, Nusrat Road
Multan Cantt.
Phones: (061) 4515007 – 4515009 - 4585006
Fax: (061) 4587143

RAWALPINDI

32, Service Plaza
The Mall
Phones: (051) 5562113, 5568907
Fax: (051) 5566900

ISLAMABAD

Masco Plaza
64-E, Blue Area
Jinnah Avenue
Phones: (051) 2270134, 2270135, 2876967
Fax: (051) 2829654

SAHIWAL

Room No.1, Sattar Complex
Stadium Road
Phones: (040) 4220918
Fax: (040) 4220790