



PREMIER  
INSURANCE

Interim Financial Report  
for the three month period ended  
March 31, 2011  
(Unaudited)





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## PREMIER INSURANCE LIMITED

### Company Information

#### Board of Directors

Syed Arshad Ali  
Khalid Bashir  
Zahid Bashir (Chairman)  
Imran Maqbool  
Nadeem Maqbool  
Khurram Mazhar  
Shams Rafi  
Fakhir Rahman (Chief Executive)

#### Company Secretary

Afroz Quraishi

#### Audit Committee

Khalid Bashir (Chairman)  
Imran Maqbool  
Nadeem Maqbool

#### Auditors

Ernst & Young Ford Rhodes Sidat Hyder  
Chartered Accountants

#### Legal Advisors

Arfin & Company  
Advocates

#### Registered & Head Office

5th Floor, State Life Building No. 2A  
Wallace Road, Karachi-74000, Pakistan  
Phones : (21) 32416331-4  
Fax : (21) 32416572  
Email : [info@pil.com.pk](mailto:info@pil.com.pk)  
Website : [www.pil.com.pk](http://www.pil.com.pk)

#### Registrar

FAMCO Associates (Pvt) Limited  
Ground Floor, State Life Building No.1-A  
I.I.Chundrigar Road, Karachi-74000, Pakistan



## Report of the Directors to the Members

The directors are pleased to present the unaudited interim financial report of the company for the three months ended March 31, 2011.

### Review

(Amounts in Rupees millions)

	2011	2010
Premium written	150.5	115.0
Net premium	103.7	88.3
Underwriting result	4.7	16.5
Investment income	43.3	37.8
Profit before taxation	39.8	46.4
Profit after taxation	34.1	39.8

All business classes contributed to the 31% growth in our written premium, with a 17% increase in net premium reflecting the timing and retention mix of the business written. However the claims, acquisition and other costs outpaced this growth to reduce the underwriting result.

Investment income rose by 15% to help profit before and after taxation from a rather mixed first quarter. The earnings per ordinary share were Rs 0.56 per ordinary share of Rs 5 each for the three months ended March 31, 2011 (comparable to Rs 1.12 per ordinary share of Rs 10 each).

### Outlook

As very recently stated in our last report, the multiple uncertainties around the overall business environment preclude the presentation of a reliable outlook for the whole year. However, all the company's stakeholders can be assured of our best efforts on their behalf. These efforts will be supported by one of the strongest equity bases and solvency ratios in the industry and an IFS Rating of "A" with Stable Outlook, denoting "high capacity to meet policyholder and contract obligations".

### Acknowledgement

The directors acknowledge the dedication of the company's employees, thank all our business associates and members for their confidence reposed in the company, and our regulators for their guidance and support.

On behalf of the Board

Zahid Bashir  
Chairman

Karachi: April 29, 2011



## PREMIER INSURANCE LIMITED

### Condensed Interim Balance Sheet

As at March 31, 2011

(Amounts in Rupees '000)	Note	Unaudited March 31, 2011	Audited December 31, 2010
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised share capital			
Rs 100,000,000 ordinary shares of Rs 5 each		<u>500,000</u>	<u>500,000</u>
Issued subscribed and paid-up capital			
60,564,269 ordinary shares of Rs.5 each		302,821	302,821
Retained earnings		303,957	269,812
Reserves		1,270,025	1,270,025
<b>Shareholders' equity</b>		<b>1,876,803</b>	<b>1,842,658</b>
<b>Underwriting provisions</b>			
Provision for outstanding claims (including IBNR)		327,005	339,603
Provision for unearned premium		327,372	386,246
Commission income unearned		36,776	43,641
<b>Total underwriting provisions</b>		<b>691,153</b>	<b>769,490</b>
<b>Deferred liability</b>			
Staff retirement benefits		23,035	23,079
<b>Creditors and accruals</b>			
Amounts due to other insurers / reinsurers		89,213	117,981
Accrued expenses		15,344	15,359
Taxation - provision less payments		116,676	116,482
Other creditors and accruals	8	207,047	208,531
		<b>428,280</b>	<b>458,353</b>
<b>Other liabilities</b>			
Unclaimed dividend		7,688	7,700
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>3,026,959</u></b>	<b><u>3,101,280</u></b>
<b>CONTINGENCIES AND COMMITMENTS</b>	9		

THREE MONTHS 2011



(Amounts in Rupees '000)	Note	Unaudited March 31, 2011	Audited December 31, 2010
<b>ASSETS</b>			
<b>Cash and bank deposits</b>			
Cash and other equivalents		1,476	443
Current and other accounts		108,991	148,158
Deposits maturing after 12 months		5,246	5,246
		<b>115,713</b>	<b>153,847</b>
<b>Loans to employees</b>		<b>1,530</b>	<b>1,706</b>
<b>Investments</b>	10	<b>1,371,006</b>	<b>1,343,391</b>
<b>Investment properties</b>		<b>55,692</b>	<b>55,825</b>
<b>Other assets</b>			
Premium due but unpaid		422,467	439,701
Amounts due from other insurers / reinsurers - unsecured, considered good		350,272	333,027
Accrued investment income		5,393	10,826
Accrued salvage recoveries		7,448	8,260
Reinsurance recoveries against outstanding claims		197,041	209,006
Deferred commission expense		51,793	58,538
Prepayments		183,996	219,062
Sundry receivables		12,283	15,558
		<b>1,230,693</b>	<b>1,293,978</b>
<b>Fixed assets</b>			
<b>Tangible</b>			
Land and buildings		146,094	146,164
Furniture, fixtures and office equipment		22,365	22,770
Motor vehicles		49,177	51,391
Capital work in progress		31,810	30,072
<b>Intangible</b>			
Computer software		2,879	2,136
		<b>252,325</b>	<b>252,533</b>
<b>TOTAL ASSETS</b>		<b><u>3,026,959</u></b>	<b><u>3,101,280</u></b>

Zahid Bashir  
Chairman

Nadeem Maqbool  
Director

Imran Maqbool  
Director

Fakhir Rahman  
Chief Executive



# PREMIER INSURANCE LIMITED

## Condensed Interim Profit and Loss Account (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

	Fire and property	Marine, aviation & transport	Motor	Others	Treaty	2011 Aggregate	2010 Aggregate
<b>Revenue accounts</b>							
Net premium revenue	34,230	14,977	48,406	6,111	-	103,724	88,293
Net claims	(361)	(3,951)	(34,188)	(7,025)	-	(45,525)	(31,584)
Expenses	(14,388)	(6,295)	(20,348)	(2,569)	-	(43,600)	(35,529)
Net commission	(5,220)	(1,197)	(5,734)	2,251	1	(9,899)	(4,687)
<b>Underwriting result</b>	<u>14,261</u>	<u>3,534</u>	<u>(11,864)</u>	<u>(1,232)</u>	<u>1</u>	<u>4,700</u>	<u>16,493</u>
Investment income						43,318	37,781
Gain on disposal of fixed assets						2	587
Rental income						681	85
Other income						511	348
General and administration expenses						(9,450)	(8,869)
<b>Profit before tax</b>						<u>39,762</u>	<u>46,425</u>
Provision for taxation						(5,617)	(6,640)
<b>Profit after tax</b>						<u>34,145</u>	<u>39,785</u>
<b>Profit and loss appropriation account</b>							
Balance at commencement of year						269,812	240,992
Profit after tax for the period						34,145	39,785
<b>Balance unappropriated profit at the end of the period</b>						<u>303,957</u>	<u>280,777</u>
<b>Earnings per share - basic and diluted (in Rupees)</b>					Note 14	<u>0.56</u>	<u>0.66</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial report.

Zahid Bashir  
Chairman

Nadeem Maqbool  
Director

Imran Maqbool  
Director

Fakhir Rahman  
Chief Executive



## Condensed Interim Statement of Comprehensive Income (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

	2011	2010
Net profit for the period	34,145	39,785
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>34,145</u>	<u>39,785</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial report.

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Chairman

Nadeem Maqbool  
Director

Imran Maqbool  
Director

Fakhir Rahman  
Chief Executive





# PREMIER INSURANCE LIMITED

## Condensed Interim Statement of Changes in Equity (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

	Share capital Issued, subscribed and paid-up	Capital reserves			Reserves			Total reserves	Total equity
		Reserve for exceptional losses	Devaluation reserve	Reserve for issue of bonus shares	Revenue reserves				
					General reserve	Reserve for bad and doubtful debts	Unappropriated profit		
Balance as at January 1, 2010	263,323	19,490	185	-	1,250,000	350	240,992	1,511,017	1,774,340
Profit for the three month period ended March 31, 2010	-	-	-	-	-	-	39,785	39,785	39,785
Balance as at March 31, 2010	263,323	19,490	185	-	1,250,000	350	280,777	1,550,802	1,814,125
Profit for the nine month period ended December 31, 2010	-	-	-	-	-	-	81,198	81,198	81,198
Cash dividend for the year ended December 31, 2009	-	-	-	-	-	-	(52,665)	(52,665)	(52,665)
Bonus shares for the year ended December 31, 2009	-	-	-	39,498	-	-	(39,498)	-	-
Bonus shares issued	39,498	-	-	(39,498)	-	-	-	(39,498)	-
Balance as at December 31, 2010	302,821	19,490	185	-	1,250,000	350	269,812	1,539,837	1,842,658
Profit for the three month period ended March 31, 2011	-	-	-	-	-	-	34,145	34,145	34,145
<b>Balance as at March 31, 2011</b>	<b>302,821</b>	<b>19,490</b>	<b>185</b>	<b>-</b>	<b>1,250,000</b>	<b>350</b>	<b>303,957</b>	<b>1,573,982</b>	<b>1,876,803</b>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial report.

Zahid Bashir  
Chairman

Nadeem Maqbool  
Director

Imran Maqbool  
Director

Fakhir Rahman  
Chief Executive



## Condensed Interim Statement of Cash Flows (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

	2011	2010
<b>OPERATING CASH FLOWS</b>		
a) Underwriting activities		
Premium received	150,457	128,749
Reinsurance premium paid	(98,367)	(37,549)
Claims paid	(118,351)	(69,015)
Reinsurance and other recoveries received	72,193	33,204
Commissions paid	(27,695)	(25,295)
Commissions received	15,917	11,367
Net cash (used in) / flow from underwriting activities	(5,846)	41,461
b) Other operating activities		
Income tax paid	(5,423)	(843)
General management expenses paid	(43,600)	(35,529)
Other operating payments	(5,205)	(3,182)
Advances, deposits and sundry receivables	1,861	(308)
Other liabilities and accruals	(546)	(6,630)
Net cash used in other operating activities	(52,913)	(46,492)
<b>Total cash used in operating activities</b>	<b>(58,759)</b>	<b>(5,031)</b>
<b>INVESTMENT ACTIVITIES</b>		
Investment income received	40,386	6,464
Payments for investments	(150,817)	(1,080,805)
Proceeds from disposal of investments	133,026	1,066,219
Fixed capital expenditure	(4,413)	(12,371)
Proceeds from disposal of fixed assets	1,130	1,387
Rental income received	814	225
Other income received	511	348
<b>Total cash flow from / (used in) investing activities</b>	<b>20,637</b>	<b>(18,533)</b>
<b>FINANCING ACTIVITIES</b>		
Dividends paid	(12)	(11)
<b>Total cash used in financing activities</b>	<b>(12)</b>	<b>(11)</b>
<b>Total cash used in all activities</b>	<b>(38,134)</b>	<b>(23,575)</b>
Cash and cash equivalents at beginning of the period	148,601	215,332
<b>Cash and cash equivalents at the end of the period</b>	<b>110,467</b>	<b>191,757</b>



## PREMIER INSURANCE LIMITED

### Condensed Interim Statement of Cash Flows (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

	2011	2010
<b>Reconciliation to profit and loss account</b>		
Operating cash flows	(58,759)	(5,031)
Depreciation expense	(3,493)	(2,850)
Investment income	43,318	37,781
Profit on disposal of fixed assets	2	587
Rental income	681	85
Other income	511	348
Decrease in assets other than cash	(56,579)	(42,206)
Decrease in liabilities	108,464	51,071
<b>Profit after taxation</b>	<u>34,145</u>	<u>39,785</u>

#### Definition of cash

Cash comprises cash in hand, stamps in hand, current and saving accounts and short-term deposits.

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

#### Cash and other equivalents

Cash	1,056	646
Stamps in hand	420	313
	1,476	959

#### Current and other accounts

Current accounts	6,660	184,118
Savings accounts	102,331	3,183
	108,991	187,301

Deposits maturing within 12 months	-	3,497
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<b>Total cash and cash equivalents</b>	<u>110,467</u>	<u>191,757</u>
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The annexed notes from 1 to 16 form an integral part of this condensed interim financial report.

Zahid Bashir  
Chairman

Nadeem Maqbool  
Director

Imran Maqbool  
Director

Fakhir Rahman  
Chief Executive



## Condensed Interim Statement of Premium (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

### Business underwritten inside Pakistan

Class	Premium written	Unearned premium reserve		Premium earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2011	2010
		Opening	Closing			Opening	Closing		Net premium revenue	Net premium revenue
Direct and Facultative										
1 Fire and property damage	64,633	182,302	157,743	89,192	38,188	125,713	108,939	54,962	<b>34,230</b>	29,858
2 Marine, aviation and transport	32,699	20,985	17,147	36,537	19,021	18,390	15,851	21,560	<b>14,977</b>	10,291
3 Motor	41,064	115,965	105,140	51,889	2,104	8,506	7,127	3,483	<b>48,406</b>	42,036
4 Miscellaneous	12,072	66,995	47,343	31,724	10,286	59,680	44,353	25,613	<b>6,111</b>	6,112
Total	<u>150,468</u>	<u>386,247</u>	<u>327,373</u>	<u>209,342</u>	<u>69,599</u>	<u>212,289</u>	<u>176,270</u>	<u>105,618</u>	<b><u>103,724</u></b>	<u>88,297</u>
Treaty										
5 Proportional	-	(1)	(1)	-	-	-	-	-	-	(4)
Grand Total	<u>150,468</u>	<u>386,246</u>	<u>327,372</u>	<u>209,342</u>	<u>69,599</u>	<u>212,289</u>	<u>176,270</u>	<u>105,618</u>	<b><u>103,724</u></b>	<u>88,293</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial report.

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Chairman

Nadeem Maqbool  
Director

Imran Maqbool  
Director

Fakhir Rahman  
Chief Executive



## PREMIER INSURANCE LIMITED

### Condensed Interim Statement of Claims (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

Business underwritten inside Pakistan

Class	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	2011	2010
		Opening	Closing			Opening	Closing		Net claims expense	Net claims expense
Direct and Facultative										
1 Fire and property damage	56,188	135,527	107,541	28,202	50,479	101,413	78,775	27,841	361	2,600
2 Marine, aviation and transport	8,513	56,327	60,027	12,213	4,874	36,368	39,756	8,262	3,951	1,038
3 Motor	30,189	53,066	57,336	34,459	30	695	936	271	34,188	24,233
4 Miscellaneous	23,461	89,626	97,044	30,879	16,810	70,530	77,574	23,854	7,025	3,456
Total	118,351	334,546	321,948	105,753	72,193	209,006	197,041	60,228	45,525	31,327
Treaty										
5 Proportional	-	5,057	5,057	-	-	-	-	-	-	257
Grand Total	118,351	339,603	327,005	105,753	72,193	209,006	197,041	60,228	45,525	31,584

The annexed notes from 1 to 16 form an integral part of this condensed interim financial report.

Zahid Bashir  
Chairman

Nadeem Maqbool  
Director

Imran Maqbool  
Director

Fakhir Rahman  
Chief Executive



## Condensed Interim Statement of Expenses (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

### Business underwritten inside Pakistan

Class	Commission paid or payable	Opening deferred commission	Closing deferred commission	Net commission expense	Other management expenses	Underwriting expenses	2011		2010
							Commission from reinsurers	Net underwriting expense	Net underwriting expense
Direct and Facultative									
1 Fire and property damage	13,655	33,322	29,673	17,304	14,388	31,692	12,084	19,608	14,398
2 Marine, aviation and transport	5,753	3,767	3,097	6,423	6,295	12,718	5,226	7,492	4,871
3 Motor	5,159	15,314	14,437	6,036	20,348	26,384	302	26,082	20,963
4 Miscellaneous	1,369	6,136	4,586	2,919	2,569	5,488	5,170	318	(14)
Total	25,936	58,539	51,793	32,682	43,600	76,282	22,782	53,500	40,218
Treaty									
5 Proportional	-	(1)	-	(1)	-	(1)	-	(1)	(2)
Grand Total	25,936	58,538	51,793	32,681	43,600	76,281	22,782	53,499	40,216

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

The annexed notes from 1 to 16 form an integral part of this condensed interim financial report.

Zahid Bashir  
Chairman

Nadeem Maqbool  
Director

Imran Maqbool  
Director

Fakhir Rahman  
Chief Executive



## PREMIER INSURANCE LIMITED

### Condensed Interim Statement of Investment Income (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

	2011	2010
<b>Income from non-trading investments</b>		
<b>Held to maturity</b>		
Return on bank deposits	2,762	4,504
<b>Available for sale</b>		
Dividend income	32,197	3,402
Gain on sale of investments	8,365	29,883
	40,562	33,285
Investment management expenses	(6)	(8)
<b>Investment income</b>	<u>43,318</u>	<u>37,781</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial report.

Zahid Bashir  
Chairman

Nadeem Maqbool  
Director

Imran Maqbool  
Director

Fakhir Rahman  
Chief Executive



## Notes to the Condensed Interim Financial Report (unaudited)

For the three month period ended March 31, 2011

### 1. STATUS AND NATURE OF BUSINESS

Premier Insurance 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 5th Floor, State Life Building No.2A, Wallace Road, Karachi.

### 2. STATEMENT OF COMPLIANCE

This condensed interim financial report of the company for the three month period ended March 31, 2011 has been prepared in accordance with the requirements of the International Accounting Standard 34 - (IAS 34): Interim Financial Reporting, provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules have been followed.

The company follows the format of financial statements prescribed by the SECP through SEC (Insurance) Rules, 2002 vide its Circular No.7 of 2003 dated August 27, 2003 and IAS 34. Other new standards, amendments and interpretations that were mandatory for accounting periods beginning on or after January 1, 2011 and are not considered to be relevant or to have any significant effect on the company, are not detailed in this condensed interim financial report.

### 3. BASIS OF PRESENTATION

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

This condensed interim financial report has been prepared following accrual basis of accounting except for cash flow information.

This condensed interim financial report has been prepared and presented in Pakistani Rupees, which is the company's functional and presentation currency.

### 4. ACCOUNTING POLICIES

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

### 5. ESTIMATES AND JUDGMENTS

Preparation of the condensed interim financial report requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the condensed interim financial report, the significant judgments made by the management in applying the company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2010.





**Notes to the Condensed Interim Financial Report (unaudited)**

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

**6. FINANCIAL AND INSURANCE RISK MANAGEMENT**

The company's financial and insurance risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended December 31, 2010.

**7. PREMIUM DEFICIENCY RESERVE**

No provision has been made as the unearned premium reserve for each class of business as at three month 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.

	Unaudited March 31, 2011	Audited December 31, 2010
<b>8. OTHER CREDITORS AND ACCRUALS</b>		
Commission payable	169,402	171,161
Federal excise duty	5,530	11,065
Federal insurance fee	371	181
Advance recoveries	262	254
Others	31,482	25,870
	<u>207,047</u>	<u>208,531</u>

**9. CONTINGENCIES AND COMMITMENTS**

**CONTINGENCIES**

A departmental order has been received for payment of income tax amounting to Rs 37.7 million for the tax year 2005, against which a writ was filed in the Honorable High Court of Sindh. A restraint order has been passed by the Honorable High Court. The management does not consider any additional provisioning to be required in this regard.

**COMMITMENTS**

Commitments for capital expenditure amount to Rs 22.5 million (December 31, 2010: Rs 21.3 million).



## Notes to the Condensed Interim Financial Report (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

	Unaudited March 31, 2011	Audited December 31, 2010
<b>10. INVESTMENTS</b>		
<b>Available for sale</b>		
<b>Related Parties</b>		
Quoted shares (market value: Rs 39,589 [2010: Rs 40,177])	33,692	33,692
Unquoted shares	4,000	4,000
	<u>37,692</u>	<u>37,692</u>
<b>Others</b>		
Quoted shares (market value: Rs173,254 [2010: Rs 150,416])	187,206	160,056
Unquoted shares	115,203	115,203
Mutual funds (market value: Rs 1,033,498 [2010: Rs 1,031,524])	1,030,905	1,030,440
	<u>1,333,314</u>	<u>1,305,699</u>
	<u>1,371,006</u>	<u>1,343,391</u>

**10.1** Mutual funds include Rs 24.1 million (2010: Rs 24.1 million) placed as statutory deposit with the State Bank of Pakistan (market value: Rs 32.7 million [2010: Rs 31.2 million]).

### 11. FIXED ASSETS

During the period, the company expended Rs 4.4 million (2010: Rs 12.4 million) on acquisition of fixed assets with disposals at cost of Rs 4.2 million (2010: Rs 2.7 million).

### 12. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated companies, entities under common control, entities with common directors, major shareholders, directors, key management personnel and funded employee retirement benefit scheme.



# PREMIER INSURANCE LIMITED

## Notes to the Condensed Interim Financial Report (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

Transactions and balances with related parties, including remuneration and retirement benefits, are as follows:

	March 31, 2011	March 31, 2010
<b>Associated undertakings</b>		
Premium written	7,672	4,360
Claims paid	9,159	1,992
Commission paid	2,094	4,172
Dividend received	45	-
Claims outstanding	25,456	13,948
Premium receivable	123,563	106,796
<b>Others</b>		
Premium receivable	-	61
Rent received	225	225
Other payables	68	1,141
Remuneration and retirement benefit to key personnel	15,098	10,471

Transactions with related parties are in the normal course of business at rates and terms consistent with the market. Other related party transactions such as those relating to key management personnel and retirement plans are in accordance with terms of employment and company policy.

### 13. SEGMENT REPORTING

The following presents segment assets and liabilities information for the three month period ended March 31, 2011 and December 31, 2010.

	Fire and property		Marine, aviation & transport		Motor		Miscellaneous		Total	
	March 31, 2011	December 31, 2010	March 31, 2011	December 31, 2010	March 31, 2011	December 31, 2010	March 31, 2011	December 31, 2010	March 31, 2011	December 31, 2010
Segment assets	549,365	596,972	226,657	178,401	240,752	225,635	188,517	259,813	1,205,291	1,260,821
Unallocated corporate assets									1,821,668	1,840,459
Consolidated total assets									3,026,959	3,101,280
Segment liabilities	330,811	395,168	101,159	99,915	187,876	200,202	160,520	192,186	780,366	887,471
Unallocated corporate liabilities									369,790	371,151
Consolidated total liabilities									1,150,156	1,258,622



## Notes to the Condensed Interim Financial Report (unaudited)

For the three month period ended March 31, 2011

(Amounts in Rupees '000)

### 14. EARNINGS PER SHARE - basic and diluted

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

	<b>March 31, 2011</b>	March 31, 2010
Profit after tax for the period	<u>34,145</u>	<u>39,785</u>
Weighted average number of shares	<u>60,564,269</u>	<u>60,564,269</u>
Basic earnings per share of Rs.5 each - Rupees	<u>0.56</u>	<u>0.66</u>

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

Earnings per share for the corresponding period have been adjusted for the effect of subsequent issue of bonus shares during 2010.

### 15. DATE OF AUTHORIZATION OF ISSUE

This condensed interim financial report was authorized for issue on April 29, 2011 by the directors of the company.

### 16. GENERAL

All amounts have been rounded off to the nearest thousand Rupees.

Zahid Bashir  
Chairman

Nadeem Maqbool  
Director

Imran Maqbool  
Director

Fakhir Rahman  
Chief Executive



## PREMIER INSURANCE LIMITED

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