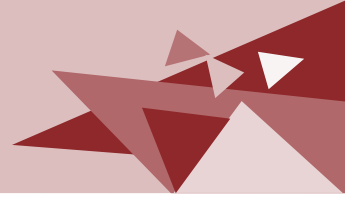




Half Year Report  
January - June  
**2015**





## VISION

The Vision of askari general insurance company limited is to be amongst the leading insurance companies of the country with the clear perception of upholding the principles of corporate governance and making agico a profitable and growth oriented insurance company while creating insurance awareness and culture.

## MISSION

To become a leading insurance company by providing client friendly services through highly motivated team of dedicated professionals and ensuring progressive return to the shareholders.

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# Corporate Information

## Chairman

Lt Gen Khalid Rabbani (Retd)

## President & CE

Mr. Abdul Waheed

## Board of Directors

Maj Gen Syed Taqi Naseer Rizvi (Retd)

Brig Irfan Azam (Retd)

Brig M. Ibrahim Khan (Retd)

Mr. Farrukh Iqbal Khan

Mr. M.A. Ghazali Marghoob

Mr. Abdul Hai Mahmood Bhaimia

Mr. Shahid Hussain Syed

## Chief Financial Officer

Mr. Suleman Khalid

## Company Secretary

Mr. Faizan Zafar

## Head of Internal Audit

Mr. Rizwan Saeed

## Executive Committee

Maj Gen Syed Taqi Naseer Rizvi (Retd)

Chairman

Brig M. Ibrahim Khan (Retd)

Member

Mr. Abdul Waheed

Member

## Audit Committee

Brig M. Ibrahim Khan (Retd)

Chairman

Brig Irfan Azam (Retd)

Member

Mr. Farrukh Iqbal Khan

Member

## Human Resource and Remuneration (HR&R) Committee

Brig Irfan Azam (Retd)

Chairman

Mr. Farrukh Iqbal Khan

Member

Mr. Abdul Waheed

Member

## Underwriting Committee

Brig M. Ibrahim Khan (Retd)

Chairman

Mr. Abdul Waheed

Member

Mrs. Samina Khan

Member

## Claim Settlement Committee

Mr. M.A. Ghazali Marghoob

Chairman

Mr. Abdul Waheed

Member

Dr. M. Abbas Zaidi

Member

Mr. Athar Alam

Member

## Reinsurance &

## Co-Insurance Committee

Maj Gen Syed Taqi Naseer Rizvi (Retd)

Chairman

Mr. Abdul Waheed

Member

Mr. Sohail Khalid

Member

## External Auditors

KPMG Taseer Hadi & Co.

Chartered Accountants

Islamabad

## Legal Advisors

Hassan Kaunain Nafees

## Bankers

Askari Bank Ltd.

Askari Islamic Bank Ltd.

Habib Bank Ltd.

Bank Islami Ltd.

Bank Alfalah Ltd.

Summit Bank Ltd.

Soneri Bank Ltd.

Silk Bank Ltd.

Faysal Bank Ltd.

Bank Al Habib Ltd.

## Registrar & Share Transfer Office

THK Associates (Private) Limited

Ground Floor, State Life Building No. 3

Dr. Zia ud Din Ahmad Road,

Karachi 75530, PO Box 8533

Ph: +92-21-111 000 322

Fax: +92-21-35655595

## Registered Office/Head Office

3rd Floor, AWT Plaza, The Mall,

Rawalpindi, Pakistan.

Ph: +92-51-9028101-2

Fax: +92-51-9272424

Email: info@agico.com.pk



## Head Office

Askari general insurance co ltd  
3rd Floor, AWT Plaza  
The Mall, Rawalpindi  
Tel. No. 051-9028101 & 102  
Fax No. 051-9272424  
agicoho@agico.com.pk

## Abbottabad

Askari general insurance co ltd  
Room No. 10 & 11, 2nd Floor  
Silk Plaza, Mansehra Road, Abbottabad.  
Tel No. 0992-342439  
Fax No. 0992-342440  
agicoabt@agico.com.pk

## Bahawalpur

Askari general insurance co ltd  
2nd Floor, Shahab Plaza, Chowk One Unit,  
Bahawalpur  
Tel No. 062-2284201  
Fax No. 062-2284203  
agicobwp@agico.com.pk

## Faisalabad -I

Askari general insurance co ltd  
2nd Floor, Platinum Centre, Kotwali Road,  
Faisalabad  
Tel No. 041-2412302-5  
Fax No. 041-2412301  
agicofsd@agico.com.pk

## Faisalabad-II

Askari general insurance co ltd  
Office No. 13-16, 1st Floor, Kohinoor One Plaza  
Jaranwala Road, Faisalabad  
Tel No. 041-8501862-4  
Fax No. 041-8501861  
agicofsd2@agico.com.pk

## Faisalabad-III

Askari general insurance co ltd  
Office No. 401, 3rd Floor, Business Center  
Civil lines, Faisalabad.  
Tel No. 041-2408561-2  
Fax No. 041-2408563  
Agicofsd3@agico.com.pk

## Gujranwala

Askari general insurance co ltd  
1st Floor, Al-Azhar Plaza, Opp. Iqbal High School  
Ghallah Mandi, GT Road, Gujranwala  
Tel No. 055-3856324  
Fax No. 055-3856325  
agicogrw@agico.com.pk

## Hyderabad

Askari general insurance co ltd  
1st Floor, Gul Centre, Thandi Sarak, Hyderabad  
Tel No. 022-2729689  
Fax No. 022-2783976  
agicohyd@agico.com.pk

## Islamabad

Askari general insurance co ltd  
11-West Jinnah Avenue, Blue Area, Islamabad  
Tel No. 051-2270471-3  
Fax No. 051-2279566  
agicoisb@agico.com.pk

## Karachi (Corporate)

Askari general insurance co ltd  
Office No.G-167, Mezzanine Floor, Marium Center  
Khalid Bin Waleed Road, Karachi.  
Tel No. 0213-34323541-3

## Karachi-I

Askari general insurance co ltd  
Office No. G-167, Mezzanine Floor, Marium Center  
Khalid Bin Waleed Road, Karachi.  
Tel No. 0213-4306701-6  
Fax No. 0213-4306709  
agicokch@agico.com.pk

## Karachi-II

Askari general insurance co ltd  
3rd Floor, AWT Plaza, I.I. Chundrigar Road, Karachi  
Tel No. 0213-2273513-5  
Fax No. 0213-2214332  
agicokch2@agico.com.pk

## Karachi-III

Askari general insurance co ltd  
Clifton Branch  
401, 4th Floor, Shaheen Centre  
Near Schone Circle, Clifton  
Karachi.  
Tel No. 0213-5308112-4

## Lahore-I

Askari General Insurance Co. Ltd  
Office # 718-19, 7th Floor,  
Al-Hafeez Shopping Mall  
Main Boulevard, Gulberg 111,  
Lahore  
Tel No. 042-35774929  
042-35774956  
042-35774996

## Lahore-II

Askari general insurance co ltd  
Office No. 106, 1st Floor, Lateef Centre, Ichra  
100-Ferozpur Road, Lahore  
Tel No. 0423-7502327-9  
Fax No. 0423-7502330  
Agicolhr3@agico.com.pk

## Multan

Askari general insurance co ltd  
Golden Heights, Nusrat Road, Multan  
Tel No. 061-4547842  
Fax No. 061-4547862  
agicomtn@agico.com.pk

## Peshawar

Askari general insurance co ltd  
6th Floor, State Life Building  
The Mall, Peshawar Cantt  
Tel No. 091-5284768  
Fax No. 091-5284769  
agicopsc@agico.com.pk

## Rawalpindi-II

Askari general insurance co ltd  
2nd Floor, National Business Centre, Murree Road  
Shamsabad, Rawalpindi  
Tel No. 051-9292082-5  
Fax No. 051-9292086  
agicorwp@agico.com.pk

## Rawalpindi-III

Askari general insurance co ltd  
1st Floor, Feroz Sons Building, Harding Road  
Saddar, Rawalpindi  
Tel No. 051-9273661-3  
Fax No. 051-9273660  
agicorwp3@agico.com.pk

## Sialkot

Askari general insurance co ltd  
1st Floor, Oberoi Cooperative Building, Paris Road,  
Sialkot  
Tel No. 052-4582381  
Fax No. 052-4582382  
agicoslt@agico.com.pk

# Directors' Report to the Shareholders

For the six months period ended 30 June 2015

We are pleased to inform that your Company continued its growth in financial performance over the first half of year 2015 and reported a net profit after tax of Rs. 107 million for the half year ended June 30, 2015 with an EPS of Rs. 2.75.

## Overview

Your Company performed considerably better than the corresponding period and ultimately achieved much better net profit after tax. This was made possible with a significant contribution from the Investment income.

## Operational Results

The key comparative financial figures for the half year ended 30th June 2015 and 2014 are as follows:

	(Rupees in Millions) 30th June	
	2015	2014
Gross premium written	1,030	864
Net premium revenue	526	465
Underwriting Profit	146	107
Investment and other income	74	69
Profit after Tax	107	85
Earnings per Share (Rs)	2.75	2.20

## Noteworthy milestones:

### Window Takaful Operator License

The company was granted license to undertake the Window Takaful Operations by the Securities and Exchange Commission of Pakistan on August 10th 2015. We are hopeful that this will contribute considerably towards the growth of the Company.

### ISO 9001-2008 Certification

We are pleased to inform our valued shareholders that askari general insurance company limited is now an ISO 9001-2008 certified company. This is indicative of our commitment towards quality service.

### Substantial Acquisition by Army Welfare Trust

Army Welfare Trust has offered to purchase shares of the Company from Askari Bank Limited. The public announcement of the offer was made on July 14th 2015. The acquisition process is expected to be completed by mid of October 2015.

## Future Outlook:

After achieving remarkable results in all Key Performance Indicators, we are confident of maintaining the steady growth throughout the remaining fiscal period.

## Acknowledgements:

We would like to take this opportunity to thank our Regulators and the Insurance Association of Pakistan for their continuous support and guidance, our valued reinsurers and other stakeholders for posing trust and confidence in us.

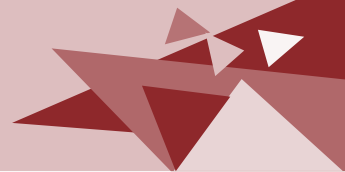
The Directors also place on record their appreciation for the hard work, diligence and commitment of the employees towards enhanced performance of the Company.

For and on behalf of the Board

Lt Gen Khalid Rabbani (Retd)  
Chairman

Rawalpindi  
August 24, 2015

# Auditors' report to the members on review of interim financial information



**KPMG Taseer Hadi & Co.**  
Chartered Accountants  
Sixth Floor, State Life Building No. 5  
Jinnah Avenue, Blue Area  
Islamabad, Pakistan

Telephone + 92 (51) 282 3558  
+ 92 (51) 282 5956  
Fax + 92 (51) 282 2671  
Internet [www.kpmg.com.pk](http://www.kpmg.com.pk)

## Introduction

We have reviewed the accompanying

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

and the notes to the financial information of askari general insurance company limited ("the Company") as at 30 June 2015 and for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

## Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at and for the half year ended 30 June 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

## Other matters

The figures for the quarter ended 30 June 2015 and 30 June 2014 in the interim financial information have not been reviewed and we do not express a conclusion thereon

Islamabad  
24 August, 2015

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Riaz Pesnani

# Condensed Interim Balance Sheet (Unaudited)

As at 30 June 2015

	Note	Unaudited June 30, 2015	Audited December 31, 2014
Rupees '000			
<b>Share Capital and Reserves</b>			
Authorized share capital 100,000,000 (2014: 100,000,000) ordinary shares of Rs. 10 each		1,000,000	1,000,000
Paid up share capital		388,344	388,344
Retained earnings		423,295	316,533
Reserves		74,658	74,658
		886,297	779,535
<b>Underwriting Provisions</b>			
Provision for outstanding claims (including IBNR)		320,135	357,316
Provision for unearned premium		977,305	895,426
Commission income unearned		84,907	92,028
		1,382,347	1,344,770
<b>Deferred Liability</b>			
Staff compensated absences		16,353	15,132
<b>Creditors and Accruals</b>			
Premium received in advance		20,926	16,159
Amounts due to other insurers / reinsurers		125,161	164,534
Accrued expenses		22,810	18,985
Taxation - provision less payments		5,705	-
Other creditors and accruals	8	174,070	144,065
		348,672	343,743
<b>Borrowing</b>			
Liabilities against assets subject to finance lease	9	22,202	-
<b>Other Liabilities</b>			
Unclaimed dividend		827	830
Others		19,269	13,939
		20,095	14,769
<b>TOTAL LIABILITIES</b>		<b>1,789,669</b>	<b>1,718,413</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,675,966</b>	<b>2,497,948</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	15		

The annexed notes 1 to 19 form an integral part of these financial statements.



Abdul Waheed  
President & Chief Executive



Brig M Ibrahim Khan (Retd)  
Director



# Condensed Interim Balance Sheet (Unaudited)

As at 30 June 2015



	Note	Unaudited June 30, 2015	Audited December 31, 2014
Rupees '000			
<b>Cash and Bank Deposits</b>			
Cash and other equivalents		1,170	1,062
Current and other accounts		199,171	132,907
Total Cash and Bank		200,341	133,969
<b>Advances to Employees</b>		3,128	1,586
Investments	10	1,023,664	1,014,304
Investment Property	11	46,396	47,051
Deferred Taxation		11,023	3,941
<b>Current Assets - Others</b>			
Premium due but unpaid - unsecured, considered good	12	479,824	425,640
Amounts due from other insurers / reinsurers - unsecured	13	126,061	149,669
Salvage recoveries accrued		6,332	9,632
Accrued investment income		4,280	2,583
Reinsurance recoveries against outstanding claims - unsecured, considered good		139,677	146,802
Taxation - payment less provision		-	6,800
Deferred commission expense		74,647	59,330
Prepayments		443,841	421,647
Sundry receivables		30,058	25,674
		1,304,720	1,247,777
<b>Fixed Assets</b>			
Furniture and fixtures	14	7,624	7,588
Computer and office equipment		9,294	6,624
Motor vehicles		32,746	3,993
Tracking devices		31,264	15,630
Leasehold improvements		2,075	2,485
Software license		1,842	2,461
Capital work in progress		1,850	10,540
		86,695	49,321
<b>TOTAL ASSETS</b>		<b>2,675,966</b>	<b>2,497,948</b>

Maj Gen Syed Taqi Naseer Rizvi (Retd)  
Director

Lt Gen Khalid Rabbani (Retd)  
Chairman

# Condensed Interim Profit & Loss Account / Statement of Comprehensive Income (Unaudited)

For the six months period ended 30 June 2015

	Quarter ended 30 June					2014 Aggregate
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident and Health	Miscellaneous	
Revenue Account	Rupees '000					
Net premium revenue	12,263	12,987	179,769	40,963	19,466	228,265
Net claims	(11,337)	(10,366)	(65,126)	(42,160)	(6,953)	(135,020)
Expenses	(2,097)	(2,153)	(43,030)	(7,089)	(3,285)	(61,674)
Net commission	7,517	523	(12,071)	11,311	7,131	16,733
Underwriting Results	6,346	991	59,542	3,025	16,358	50,303
Other Income and Expenses						
Investment income						35,126
Rental income						497
Other income						659
Profit on bank deposits						2,220
Share of profit in associated company						2,629
Finance cost						(140)
General and administration expenses						(48,437)
Profit before tax						3,847
Provision for taxation						54,150
Profit after tax						(8,829)
Other comprehensive income for the period						45,321
Total comprehensive income for the period						-
						49,984
						49,984



Abdul Waheed  
President & Chief Executive



Brig M Ibrahim Khan (Retd)  
Director



Maj Gen Syed Taqi Naseer Rizvi (Retd)  
Director



Lt Gen Khalid Rabbani (Retd)  
Chairman

# Condensed Interim Profit & Loss Account / Statement of Comprehensive Income (Unaudited)

For the six months period ended 30 June 2015

	Half year ended 30 June					2014 Aggregate
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident and Health	Miscellaneous	
<b>Revenue Account</b>	Rupees '000					
Net premium revenue	25,371	30,980	346,820	79,544	42,899	464,908
Net claims	(18,639)	(18,013)	(150,929)	(82,523)	(20,607)	(271,239)
Expenses	(4,782)	(5,839)	(85,734)	(14,992)	(8,085)	(121,998)
Net commission	17,019	250	(22,746)	22,481	13,288	34,896
Underwriting Results	18,970	7,378	87,411	4,510	27,494	145,764
<b>Other Income and Expenses</b>						
Investment income						
Rental income						
Other income						
Profit on bank deposits						
Share of profit in associated company						
Finance cost						
General and administration expenses						
Profit before tax						
Provision for taxation						
Profit after tax						
Other comprehensive income for the period						
Total comprehensive income for the period						
Profit and loss appropriation account						
Balance at commencement of the period						
Profit after tax for the period						
Balance of unappropriated profit at end of the period						
Earning per share - basic and diluted (Note 18)						

The annexed notes 1 to 19 form an integral part of these financial statements.



Abdul Waheed  
President & Chief Executive



Brig M Ibrahim Khan (Retd)  
Director

Maj Gen Syed Taqi Naseer Rizvi (Retd)  
Director



Lt Gen Khalid Rabbani (Retd)  
Chairman

# Condensed Interim Statement of Cash Flows (Unaudited)

For the six months period ended 30 June 2015

	Unaudited June 30, 2015	Unaudited June 30, 2014
	Rupees '000	
<b>Operating Cash Flows</b>		
<b>a) Underwriting activities:</b>		
Premium received	983,042	727,326
Reinsurance premium paid	(168,994)	(251,032)
Claims paid	(545,375)	(425,307)
Reinsurance and other recoveries received	9,570	125,870
Commission paid	(57,175)	(46,406)
Commission received	13,861	73,374
Other underwriting payments (management expenses)	(105,845)	(109,180)
<b>Net cash flow from underwriting activities</b>	<b>129,083</b>	<b>94,646</b>
<b>b) Other operating activities:</b>		
Income tax paid	(21,333)	(9,213)
General management expenses paid	(80,375)	(67,141)
Net operating receipts	8,299	6,048
Advances to employees	(1,542)	(789)
<b>Net cash used in other operating activities</b>	<b>(94,951)</b>	<b>(71,095)</b>
<b>Total cash flow generated from all operating activities</b>	<b>34,133</b>	<b>23,551</b>
<b>Investment activities:</b>		
Profit / return received	5,082	6,101
Dividends received	3,570	712
Payments for investments	(644,813)	(519,655)
Proceeds from disposal of investments	696,018	506,635
Redemption of term finance certificates	-	3,118
Fixed capital expenditure	(28,407)	(8,557)
Proceeds from disposal of fixed assets	932	-
<b>Total cash generated from/(used in) in investing activities</b>	<b>32,382</b>	<b>(11,646)</b>
<b>Financing activities:</b>		
Financial charges paid	(140)	-
Dividend paid	(3)	-
<b>Total cash generated from financing activities</b>	<b>(143)</b>	<b>-</b>
<b>Net cash generated from all activities</b>	<b>66,372</b>	<b>11,905</b>
Cash at beginning of the period	133,969	119,602
<b>Cash at end of the period</b>	<b>200,341</b>	<b>131,507</b>

The annexed notes 1 to 19 form an integral part of these financial statements.



Abdul Waheed  
President & Chief Executive



Brig M Ibrahim Khan (Retd)  
Director

Condensed Interim Statement of Cash Flows (Unaudited)  
For the six months period ended 30 June 2015



	Unaudited June 30, 2015	Unaudited June 30, 2014
	Rupees '000	
<b>Reconciliation to Profit and Loss Account:</b>		
Operating cash flows	34,133	23,551
Depreciation expense	(13,223)	(13,966)
Financial Charges	(140)	-
Gain on disposal of fixed assets	265	231
Increase in assets other than cash	63,588	86,923
Increase in liabilities other than running finance	(43,352)	(68,359)
Unrealized gain on investments, held for trading	713	33,029
Dividend income	3,570	712
Investment income	20,761	11,524
Profit on bank deposits	3,639	4,005
Share of profit in associated company	3,765	4,937
Income tax provision	(26,756)	(18,047)
Gain on trading	38,466	11,724
Tax paid	21,333	9,213
<b>Profit after taxation</b>	<b>106,762</b>	<b>85,478</b>

**Definition of cash :**

Cash comprises of cash in hand, bank balances, stamp in hand and short term placements with banks which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

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

	2015	2014
	Rupees '000	
<b>Cash and other equivalents</b>		
Cash in hand	887	739
Stamp in hand	283	255
	<u>1,170</u>	<u>994</u>
<b>Current and other accounts</b>		
On current accounts	14,924	11,199
On deposit accounts	184,247	119,314
	<u>199,171</u>	<u>130,513</u>
<b>Total</b>	<b>200,341</b>	<b>131,507</b>

The annexed notes 1 to 19 form an integral part of these financial statements.

Maj Gen Syed Taqi Naseer Rizvi (Retd)  
Director

Lt Gen Khalid Rabbani (Retd)  
Chairman

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

For the six months period ended 30 June 2015

	Share Capital Issued, subscribed and paid up	Reserves		Retained earnings	Total reserves	Total equity
		Share premium	General reserve			
Rupees '000						
Balance as at 01 January 2014	388,344	4,658	70,000	155,474	230,131	618,475
Total comprehensive income for the period	-	-	-	85,478	85,478	85,478
Balance as at 30 June 2014	<u>388,344</u>	<u>4,658</u>	<u>70,000</u>	<u>240,952</u>	<u>315,609</u>	<u>703,953</u>
Balance as at 01 January 2015	388,344	4,658	70,000	316,533	391,191	779,535
Total comprehensive income for the period	-	-	-	106,762	106,762	106,762
Balance as at 30 June 2015	<u>388,344</u>	<u>4,658</u>	<u>70,000</u>	<u>423,295</u>	<u>497,953</u>	<u>886,297</u>

The annexed notes 1 to 19 form an integral part of these financial statements.



Abdul Waheed  
President & Chief Executive



Brig M Ibrahim Khan (Retd)  
Director



Maj Gen Syed Taqi Naseer Rizvi (Retd)  
Director



Lt Gen Khalid Rabbani (Retd)  
Chairman

# Condensed Interim Statement of Premiums (Unaudited)

For the six months period ended 30 June 2015

Business underwritten inside Pakistan

Class of Business

Class of Business	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expense	2015 Net premium revenue	2014 Net premium revenue
		Opening	Closing			Opening	Closing			
Quarter ended 30 June										
Rupees '000										
<b>Direct and facultative</b>										
Fire and property damage	76,720	136,799	148,720	64,799	66,266	111,285	125,014	52,537	12,263	10,587
Marine, aviation and transport	32,228	16,630	18,651	30,208	17,265	10,225	10,270	17,220	12,987	12,611
Motor	234,074	359,369	405,572	187,870	1,555	17,967	11,421	8,101	179,769	150,322
Accident and health	129,253	195,888	224,173	100,968	76,957	117,574	134,526	60,005	40,963	36,025
Miscellaneous	37,661	240,962	180,189	98,433	23,964	204,763	149,759	78,967	19,466	18,719
<b>Grand total</b>	<b>509,936</b>	<b>949,648</b>	<b>977,305</b>	<b>482,278</b>	<b>186,006</b>	<b>461,814</b>	<b>430,990</b>	<b>216,830</b>	<b>265,448</b>	<b>228,265</b>
Half year ended 30 June										
Rupees '000										
<b>Direct and facultative</b>										
Fire and property damage	151,793	125,952	148,720	129,025	124,479	104,190	125,014	103,655	25,371	22,940
Marine, aviation and transport	69,145	21,311	18,651	71,806	38,584	12,512	10,270	40,826	30,980	33,566
Motor	441,172	328,840	405,572	364,440	8,737	20,304	11,421	17,620	346,820	295,995
Accident and health	178,980	242,033	224,173	196,840	106,546	145,276	134,526	117,295	79,544	71,205
Miscellaneous	188,811	177,289	180,189	185,911	164,535	128,236	149,759	143,012	42,899	41,202
<b>Grand total</b>	<b>1,029,901</b>	<b>895,426</b>	<b>977,305</b>	<b>948,022</b>	<b>442,881</b>	<b>410,516</b>	<b>430,990</b>	<b>422,408</b>	<b>525,614</b>	<b>464,908</b>

The annexed notes 1 to 19 form an integral part of these financial statements.



Abdul Waheed  
President & Chief Executive



Brig M Ibrahim Khan (Retd)  
Director



Maj Gen Syed Taqi Naseer Rizvi (Retd)  
Director



Lt Gen Khalid Rabbani (Retd)  
Chairman

# Condensed Interim Statement of Claims (Unaudited)

For the six months period ended 30 June 2015

Business underwritten inside Pakistan

Class of Business	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	2015 Net claims expense	2014 Net claims expense
		Opening	Closing			Opening	Closing			
Quarter ended 30 June										
Rupees '000										
<b>Direct and facultative</b>										
Fire and property damage	18,307	39,519	59,115	37,903	11,611	30,472	45,428	26,566	11,337	2,190
Marine, aviation and transport	4,700	32,041	55,718	28,378	3,385	25,979	40,606	18,012	10,366	6,030
Motor	74,268	120,007	113,282	67,542	4,298	2,724	842	2,417	65,126	73,093
Accident and health	101,803	38,948	42,546	105,400	61,082	23,369	25,527	63,240	42,160	46,945
Miscellaneous	24,158	57,410	49,474	16,222	14,059	32,063	27,273	9,269	6,953	4,763
<b>Grand total</b>	<b>223,236</b>	<b>287,925</b>	<b>320,135</b>	<b>255,446</b>	<b>94,435</b>	<b>114,607</b>	<b>139,677</b>	<b>119,505</b>	<b>135,942</b>	<b>133,020</b>
<b>Half year ended 30 June</b>										
<b>Rupees '000</b>										
<b>Direct and facultative</b>										
Fire and property damage	43,758	45,193	59,115	57,681	28,439	34,825	45,428	39,042	18,639	7,531
Marine, aviation and transport	35,644	39,356	55,718	52,007	24,836	31,449	40,606	33,994	18,013	12,706
Motor	177,627	136,611	113,282	154,298	3,361	834	842	3,370	150,929	162,333
Accident and health	215,376	51,614	42,546	206,308	129,226	30,968	25,527	123,785	82,523	83,698
Miscellaneous	72,969	84,543	49,474	37,900	38,746	48,726	27,273	17,293	20,607	4,971
<b>Grand total</b>	<b>545,375</b>	<b>357,316</b>	<b>320,135</b>	<b>508,194</b>	<b>224,609</b>	<b>146,802</b>	<b>139,677</b>	<b>217,484</b>	<b>290,710</b>	<b>271,239</b>

The annexed notes 1 to 19 form an integral part of these financial statements.



Abdul Waheed  
President & Chief Executive



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Director



Maj Gen Syed Taqi Naseer Rizvi (Retd)  
Director



Lt Gen Khalid Rabbani (Retd)  
Chairman



# Condensed Interim Statement of Expenses (Unaudited)

For the six months period ended 30 June 2015

Business underwritten inside Pakistan

Class of Business	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expenses	Commission from reinsurers*	2015 Net underwriting expense	2014 Net underwriting expense
		Opening	Closing						
Quarter ended 30 June									
Rupees '000									
Direct and facultative									
Fire and property damage	9,415	18,381	18,832	8,964	2,097	11,060	16,480	(5,420)	(4,874)
Marine, aviation and transport	5,211	2,688	2,651	5,247	2,153	7,401	5,771	1,630	1,699
Motor	15,511	27,484	29,762	13,232	43,030	56,262	1,161	55,101	51,703
Accident and health	14,712	5,451	16,241	3,923	7,089	11,012	15,233	(4,222)	(1,072)
Miscellaneous	2,451	8,246	7,161	3,536	3,285	6,822	10,667	(3,845)	(2,515)
Grand total	47,299	62,250	74,647	34,902	57,655	92,557	49,313	43,244	44,941
Half year ended 30 June									
Rupees '000									
Direct and facultative									
Fire and property damage	19,350	16,995	18,832	17,513	4,782	22,294	34,532	(12,237)	(9,879)
Marine, aviation and transport	12,043	3,259	2,651	12,651	5,839	18,490	12,901	5,589	5,964
Motor	29,741	25,157	29,762	25,136	85,734	110,870	2,389	108,480	99,899
Accident and health	16,416	7,131	16,241	7,307	14,992	22,299	29,788	(7,489)	(3,270)
Miscellaneous	7,975	6,788	7,161	7,602	8,085	15,688	20,890	(5,203)	(5,612)
Grand total	85,525	59,330	74,647	70,208	119,432	189,640	100,500	89,140	87,102

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

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Director



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Chairman

# Condensed Interim Statement of Investment Income (Unaudited)

For the six months period ended 30 June 2015

	Quarter ended 30 June		Half year ended 30 June	
	2015	2014	2015	2014
	Rupees '000			
<b>Income from trading Investments</b>				
Gain on trading	11,493	11,133	38,466	11,724
Dividend income	214	294	214	549
	11,707	11,427	38,680	12,273
<b>Income from non-trading investments</b>				
Return on government securities	1,180	1,182	2,329	2,119
Return on other fixed income securities	408	484	811	1,002
	1,587	1,665	3,141	3,121
<b>Available for sale investments</b>				
Dividend income	3,031	12	3,356	163
Gain on sale of investments	6,082	7,663	17,620	8,451
	9,113	7,676	20,976	8,614
Unrealized gain on re-measurement of investments held for trading	713	14,369	713	33,029
Investment related expense	-	(11)	-	(49)
<b>Net investment income</b>	<b>23,120</b>	<b>35,126</b>	<b>63,510</b>	<b>56,989</b>

The annexed notes 1 to 19 form an integral part of these financial statements.



Abdul Waheed  
President & Chief Executive



Brig M Ibrahim Khan (Retd)  
Director



Maj Gen Syed Taqi Naseer Rizvi (Retd)  
Director



Lt Gen Khalid Rabbani (Retd)  
Chairman



## 1 THE COMPANY AND ITS BUSINESS

askari general insurance company limited ("the Company") was incorporated under the Companies Ordinance, 1984 as a public limited company on 12 April 1995. The Company is engaged in non-life insurance business comprising of fire, marine, motor, health and miscellaneous. The Company commenced its commercial operations on 15 October 1995. Shares of the Company are quoted on Karachi, Lahore and Islamabad Stock Exchanges. The registered office and principal place of business of the Company is located at AWT Plaza, Rawalpindi. The Company has 19 branches in Pakistan. Army Welfare Trust (AWT) directly and indirectly holds a significant portion of the Company's equity.

## 2 BASIS OF PREPARATION

This condensed interim financial information for the six months period ended 30 June 2015 is unaudited but subject to review by the auditors and is being submitted to the shareholders in accordance with the listing regulations of Karachi, Lahore and Islamabad Stock Exchange and Section 245 of the Companies Ordinance, 1984. This condensed interim financial information is prepared in accordance with the requirements of International Accounting Standard 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984, Insurance Ordinance, 2000 and SEC (Insurance) Rules 2002 in the format prescribed by Insurance Division of Securities and Exchange Commission of Pakistan (SECP) vide its circular No.7 of 2003 dated 27 August 2003. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984, Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 shall prevail.

This condensed interim financial information does not include all of the information and disclosures required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December 2014. Comparative balance sheet is extracted from annual audited financial statements for the year ended 31 December 2014 whereas comparative for condensed interim profit and loss account/statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, condensed interim statement of premiums, condensed interim statement of claims, condensed interim statement of expenses and condensed interim statement of investment income are stated from unaudited condensed interim financial information for the half year ended 30 June 2014.

## 3 BASIS OF MEASUREMENT

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments which are carried at their fair values and obligations under certain employee benefits which are measured at their present values. Figures have been rounded off to the nearest rupee.

## 4 ACCOUNTING POLICIES AND COMPUTATION METHOD

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 31 December 2014 except following new policy adopted during the period:

### 4.1 Fixed Assets - Leased

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance lease. Assets acquired by way of finance lease are stated at amounts equal to the lower of their fair value and the present value of minimum lease payments at the inception of the lease less accumulated depreciation and impairment losses, if any. Outstanding obligations under the lease less finance charges allocated to future periods are shown as liability. Depreciation on assets held under finance lease is charged in a manner consistent with that for depreciable assets which are owned by the Company.

# Notes to the Condensed Interim Financial Information (Unaudited)

For the six months period ended 30 June 2015

## 5 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended 31 December 2014.

## 6 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgment made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied in the preparation of the financial statements for the year ended 31 December 2014.

## 7 PREMIUM DEFICIENCY RESERVE

During the period, management has reviewed the results of each class of business and considers that no additional reserve is required to be created as the unearned premium reserve for each class of business as at the period end 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 the policies in force at the balance sheet date.

## 8 OTHER CREDITORS AND ACCRUALS

	Unaudited June 30, 2015	Audited December 31, 2014
	Rupees '000	
Agents' commission payable	85,977	62,506
Security deposit against bond insurance	40,681	41,437
Payable to staff gratuity fund	10,280	7,729
Tax deducted at source	1,856	2,019
Federal excise duty / Federal insurance fee	27,572	23,022
Workers' welfare fund	2,753	2,753
Payable against tracker devices and monitoring expenses	4,951	4,598
	<u>174,070</u>	<u>144,065</u>



9 LIABILITIES AGAINST ASSETS  
SUBJECT TO FINANCE LEASE - secured

	Notes	Unaudited June 30, 2015	Audited December 31, 2014
		Rupees '000	
Present value of minimum lease payments		22,546	-
Present value of minimum lease payments		(344)	-
Repayments during the period / year		22,202	-
Current portion		(5,229)	-
		<u>16,973</u>	<u>-</u>

During the period, the Company has acquired lease finance facility of Rs. 100 million at markup rate of six months' KIBOR+1% per annum. Security deposit equivalent to 20% of the principal amount is offered for this lease finance arrangement and leased vehicles are in the name of the Company.

		Unaudited June 30, 2015	Audited December 31, 2014
		Rupees '000	
10 INVESTMENTS			
Held to maturity - Government securities	10.1	40,269	40,255
Loans and receivables - Certificate of investments		35,996	34,527
Provision for impairment		(16,218)	(16,218)
		19,778	18,309
Investments at fair value through profit and loss - Held for trading (equity securities and mutual funds)		691,178	749,223
Available for sale - Quoted	10.2	189,897	125,630
Investment in associated companies		82,543	80,888
		<u>1,023,664</u>	<u>1,014,304</u>

10.1 Government Securities include Pakistan Investment Bonds (PIBs) of Rs. 40.27 million (31 December 2014: Rs. 40.25 million) with market value of Rs. 45.50 million as at 30 June 2015 (31 December 2014: Rs 44.15 million). PIBs are deposited with the State Bank of Pakistan to comply with the requirements of the Section 29(2) of the Insurance Ordinance, 2000.

10.2 At 30 June 2015, the fair value of available-for-sale securities was Rs.183.43 million (31 December 2014: Rs. 127.65 million). As per the company's accounting policy, available-for-sale investments are stated at lower of cost or market value (market value being taken as lower if the fall is other than temporary. However, International Accounting Standard (IAS) 39, "Financial Instruments: Recognition and measurements" dealing with the recognition and measurement of financial instruments requires that these instruments should be measured at fair value. Accordingly, had these investments been measured at fair value, their carrying value as on 30 June 2015 would have been lower by Rs. 6.51 million (31 December 2014: Higher by Rs. 2.02 million).

# Notes to the Condensed Interim Financial Information (Unaudited)

For the six months period ended 30 June 2015

## 11 INVESTMENT PROPERTY

This represents the carrying amount of two offices in Islamabad Stock Exchange building, classified as investment property based on the management intention to hold the property for earning rental income and/ or capital appreciation.

		Unaudited June 30, 2015	Audited December 31, 2014
	Note	Rupees '000	
Cost		52,400	52,400
Depreciation			
Balance at beginning of the year		5,349	4,039
Depreciation for the period / year		655	1,310
		6,004	5,349
Carrying value		46,396	47,051

## 12 PREMIUM DUE BUT UNPAID - unsecured, considered good

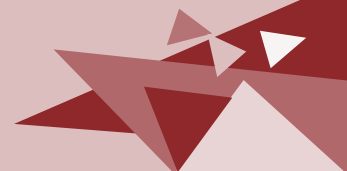
Considered good		479,824	425,640
Considered doubtful		17,320	9,037
		497,144	434,677
Less: Provision against doubtful balance	12.1	(17,320)	(9,037)
		479,824	425,640

### 12.1 Movement of provision during the period

Balance at beginning of the year		9,037	9,037
Provision made during the period		8,283	-
Balance at end of the period		17,320	9,037

## 13 AMOUNTS DUE FROM OTHER INSURERS / REINSURERS

Considered good		126,061	149,669
Considered doubtful		10,402	10,402
		136,462	160,070
Provision for doubtful balances		(10,402)	(10,402)
		126,061	149,669



	Unaudited June 30, 2015	Audited December 31, 2014
	Rupees '000	
<b>14 FIXED ASSETS</b>		
<b>Tangible and Intangible</b>		
Opening written down value	38,781	52,932
Additions during the period / year		
- Furniture, fixtures and office equipment	4,806	3,689
- Motor vehicles	30,812	1,647
- Leasehold improvements	-	239
- Software licenses	-	254
- Tracking devices	23,680	8,577
	59,299	14,405
	98,080	67,337
Written down value of disposals	(667)	(1,526)
Depreciation for the period / year	(12,568)	(27,030)
	84,845	38,781
Capital work in progress	1,850	10,540
Closing written down value	86,695	49,321

**15 CONTINGENCIES AND COMMITMENT**

There is no change in contingencies and commitment as reported in the annual financial statements of the Company for the year ended 31 December 2014.

# Notes to the Condensed Interim Financial Information (Unaudited)

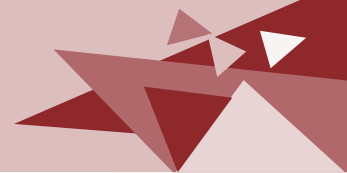
For the six months period ended 30 June 2015

## 16 SEGMENT REPORTING

The following table presents revenue and profit information regarding segments for the period ended 30 June, 2015 and 31 December 2014 and estimated information regarding certain assets and liabilities of the segments as at 30 June 2015 and 31 December 2014.

	Fire and property damage		Marine, aviation and transport		Motor		Accident and Health		Miscellaneous		TOTAL	
	Unaudited 30 June 2015	Audited 31 December 2014	Unaudited 30 June 2015	Audited 31 December 2014	Unaudited 30 June 2015	Audited 31 December 2014	Unaudited 30 June 2015	Audited 31 December 2014	Unaudited 30 June 2015	Audited 31 December 2014	Unaudited 30 June 2015	Audited 31 December 2014
	Rupees '000											
<b>REVENUE</b>												
Net premium revenue	25,371	49,996	30,980	59,612	346,820	621,372	79,544	150,660	42,899	89,810	525,614	971,450
Segment result	18,970	48,837	7,378	26,071	87,411	76,206	4,510	(259)	27,494	58,948	145,764	209,802
Investment income												
Rental income											63,510	125,959
Other income											1,292	3,069
Profit on bank deposits											1,575	3,167
Share of profit in associated company											3,639	7,897
Finance cost											3,765	10,441
Unallocated general and administration expenses											(140)	-
Profit before tax											(85,888)	(158,118)
Provision for taxation											(12,246)	(7,585)
Profit after tax											133,517	202,217
<b>OTHER INFORMATION</b>												
Segment assets	168,202	186,809	69,461	83,944	516,612	464,892	276,095	276,189	238,017	239,077	1,268,387	1,250,911
Unallocated corporate assets											1,407,580	1,247,038
Consolidated total assets											2,675,966	2,497,948
Segment liabilities	252,430	211,515	94,105	80,565	696,492	643,292	340,067	372,143	304,520	349,511	1,687,615	1,657,026
Unallocated corporate liabilities											102,055	61,387
Consolidated total liabilities											1,789,669	1,718,413
Capital expenditure	2,862	300	3,495	358	39,128	8,654	8,974	904	4,840	539	59,299	10,754
Unallocated capital expenditure												
Depreciation and amortization	97	147	119	175	9,376	20,988	305	442	164	263	10,061	22,014
Non-cash expenses other than depreciation / amortization	-	303	-	361	-	3,766	-	913	-	544	-	5,888
Unallocated depreciation and amortization											3,162	6,326





17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

	Unaudited June 30, 2015	Audited December 31, 2014
	—————Rupees '000 —————	
Balances at end of the period		
Associates:		
Premium due:		
Balance at beginning of the period / year	47,944	44,739
Insurance premium written (including government levies, administrative surcharge and policies stamps)	64,211	308,825
Receipts during the period / year	(74,542)	(305,620)
Balance at end of the period / year	<u>37,612</u>	<u>47,944</u>
Balance in bank accounts at end of the period / year	<u>152,387</u>	<u>77,374</u>
Investments at end of the period / year	<u>82,543</u>	<u>80,888</u>
Other balances due	<u>677</u>	<u>4,240</u>
Transactions during the period		
Associates:		
Insurance premium written (including govt levies, administrative surcharge and policies stamps)	64,211	144,907
Profit on deposit accounts	1,814	1,521
Bank charges	359	307
Insurance claims paid	54,860	45,491
Purchase of listed securities including brokerage fee	83,514	50,171
Sale of listed securities including brokerage fee	79,210	49,248
Services acquired	6,953	4,888
Others:		
Directors' fees	277	319
Remuneration to key personnel	12,397	10,420
Contribution/ provision for staff retirement benefit plans	6,608	5,626



18 EARNINGS PER SHARE - BASIC AND DILUTED

	Unaudited Quarter ended 30 June		Unaudited Half year ended 30 June	
	2015	2014	2015	2014
	Rupees '000			
Profit after tax (Rupees)	49,984	45,321	106,762	85,478
Weighted average number of shares	38,834	38,834	38,834	38,834
Earnings per share (Rupees)	1.29	1.17	2.75	2.20

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

19 GENERAL

- 19.1 Army Welfare Trust, currently holding 31.99% shares of the Company is in the process of acquiring Askari Bank Limited's 27.18% shareholding in the Company at a price of Rs. 25.50 per share. The public announcement of offer was made on 14 July 2015 in accordance with the requirements of the Listed Companies (Substantial Acquisition of Voting Shares and Take-overs) Ordinance, 2002 and the acquisition process is expected to be completed by mid October 2015.
- 19.2 This condensed interim financial information has been authorised for issue on 24 August 2015 by the Board of Directors of the Company.

Abdul Waheed  
President & Chief Executive

Brig M Ibrahim Khan (Retd)  
Director

Maj Gen Syed Taqi Naseer Rizvi (Retd)  
Director

Lt Gen Khalid Rabbani (Retd)  
Chairman

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