



Pakistan Reinsurance Company Limited

QUARTERLY ACCOUNTS

(Un-Audited)

For the 1st Quarter ended

March 31, 2012

Reinsuring your Future



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Vision

To be a leading provider of reinsurance and risk management services in the region

Mission

To provide secure reinsurance capacity and outstanding risk management advice in a profitable manner and to conduct our business in a dependable and professional manner with the highest standards of customer service.

In fulfilling this mission, PRCL is committed to:-

- Providing its clients, and particularly insurance companies in Pakistan, with comprehensive insurance, reinsurance, financial and business services of the highest quality and value.
- Maintaining financial strength and stability through prudent business decisions and sound operations based on state of the art information technology.
- Taking a long-term view of business relationships.
- Practicing the highest standards of integrity and professionalism.
- Investing continuously in knowledge required to support business decisions and long-term business strategy formulation.
- Achieving consistent, long-term financial growth and profitability for its shareholders.
- Attracting retaining and developing capable and dedicated employees who in turn contribute to the growth of the company and share its success.

Corporate Information-2012

BOARD OF DIRECTORS OF PRCL

MR. MUNAWAR OPEL
CHAIRMAN

MR. ABDUL KABIR KAZI
DIRECTOR

DR. MASUMA HASAN
DIRECTOR

MRS. YASMIN SAUD
DIRECTOR

MR. MUMTAZ ALI RAJPER
DIRECTOR

KHAWAJA MAHMOOD-UR-REHMAN
DIRECTOR

MR. TAUFIQUE HABIB
DIRECTOR

MR. SIKANDAR MAHMOOD
DIRECTOR

MR. SHAHZAD F. LODHI
COMPANY SECRETARY

SENIOR MANAGEMENT

MR. FIDA HUSSAIN SAMOO
EXECUTIVE DIRECTOR (RE)

MR. AYAZ HUSSAIN M. GAD
EXECUTIVE DIRECTOR (BD/RE)

MRS. FARZANA MUNAF
EXECUTIVE DIRECTOR/CFO

MRS. GHAZALA IMRAN
REGIONAL DIRECTOR (NZO)

MR. SHAHZAD F. LODHI
COMPANY SECRETARY/GENERAL MANAGER

AUDIT COMMITTEE

MRS. YASMIN SAUD
CHAIRPERSON OF THE COMMITTEE,

MR. ABDUL KABIR KAZI
MEMBER

MR. MUMTAZ ALI RAJPER
MEMBER

MR. TAUFIQUE HABIB
MEMBER

MR. SHAHZAD F. LODHI
SECRETARY OF THE COMMITTEE

LEGAL ADVISOR

Mr. Ali Mumtaz Shaikh
M/s. Mumtaz & Associates

AUDITORS

Mr. Mohammad Shaukat Naseeb,
Senior Partner,
ANJUM ASIM SHAHID RAHMAN
CHARTERED ACCOUNTANT
1st and 3rd floor,
Modern Motors House,
Beaumont Road,
Karachi – 75530

BANKERS

National Bank of Pakistan
Bank Al-Habib Limited

SHARE REGISTRAR

Central Depository Company of Pakistan Limited (CDC),
CDC House, 99=B, Block-B, SMCHS,
Main Shahre-e-Faisal,
Karachi-74400, Pakistan
Ph: (92-21) 111-111-500

REGISTERED OFFICES

Pakistan Reinsurance Company Limited Towers,
32-A, Lalazar Drive,
M.T. Khan Road, P.O. Box: 4777,
Karachi, Pakistan
Tel: (92-21) 99202908-15
Telex: (92-21) 20428
Telefax: (92-21)99202920-22
E-mail: prcl@pakre.org.pk
Website: www.pakre.org.pk

ZONAL OFFICE

State Life Building,
1st Floor, 15-A, Davis Road,
Lahore.

COMMITTEES OF THE BOARD OF PRCL

AUDIT COMMITTEE

- | | |
|--|------------------------------|
| 1. Mrs. Yasmin Saud | Chairperson of the Committee |
| 2. Mr. Abdul Kabir Kazi | Member |
| 3. Mr. Mumtaz Ali Rajper | Member |
| 4. Mr. Taufique Habib | Member |
| 5. Mr. Shahzad F. Lodhi, Company Secretary | Secretary of the Committee |

UNDERWRITING COMMITTEE

- | | |
|--|------------------------------------|
| 1. Mr. Munawar Opel, Chairman, PRCL | Chairman of the Committee |
| 2. Mr. Ayaz Hussain M. Gad, E.D.(BD), PRCL | Member |
| 3. Mrs. Farzana Munaf, CFO/E.D., PRCL | Member |
| 4. Mr. Fida Hussain Samoo, E.D.(Re), PRCL | Member/ Secretary of the Committee |

REINSURANCE COMMITTEE

- | | |
|---|------------------------------------|
| 1. Mr. Munawar Opel, Chairman, PRCL | Chairman of the Committee |
| 2. Mr. Abdul Kabir Kazi | Member |
| 3. Khawaja Mahmood –Ur- Rehman | Member |
| 4. Mr. Taufique Habib | Member |
| 5. Mr. Ayaz Hussain M. Gad, E.D.(B.D) ,PRCL | Member |
| 6. Mr. Fida Hussain Samoo, E.D. (Re) ,PRCL | Member/ Secretary of the Committee |

CLAIM SETTLEMENT COMMITTEE

- | | |
|--|-----------------------------------|
| 1. Mr. Sikander Mahmood | Chairman of the Committee |
| 2. Mr. Munawar Opel, Chairman, PRCL | Member |
| 3. Mr. Ayaz Hussain M. Gad, E.D.(BD) ,PRCL | Member |
| 4. Mrs. Farzana Munaf, CFO/E.D. ,PRCL | Member |
| 5. Mr. Fida Hussain Samoo, E.D. (Re) | Member/Secretary of the Committee |

INVESTMENT COMMITTEE

- | | |
|---------------------------------------|-----------------------------------|
| 1. Mrs. Yasmin Saud | Chairperson of the Committee |
| 2. Mr. Munawar Opel, Chairman, PRCL | Member |
| 3. Mr. Mumtaz Ali Rajper | Member |
| 4. Khawaja Mahmood –Ur- Rehman | Member |
| 5. Mr. Taufique Habib | Member |
| 6. Mr. Sikander Mahmood | Member |
| 7. Mrs. Farzana Munaf, CFO/E.D. ,PRCL | Member/Secretary of the Committee |

HUMAN RESOURCE COMMITTEE

- | | |
|--|-----------------------------------|
| 1. Mr. Abdul Kabir Kazi | Chairman of the Committee |
| 2. Mr. Munawar Opel, Chairman, PRCL | Member |
| 3. Dr. Masuma Hasan | Member |
| 4. Mr. Mumtaz Ali Rajper | Member |
| 5. Mr. Shahzad F. Lodhi, Company Secretary | Member/Secretary of the Committee |

PAKISTAN REINSURANCE COMPANY LIMITED

Directors' Report to the Shareholders

THE SHAREHOLDERS,
Pakistan Reinsurance Co. Ltd.,

On behalf of the Board of Directors of PRCL, I am pleased to present the un-audited financial statements of the Company for the 1st Quarter ended March 31st, 2012.

Review of business activities

The financial statements for the Quarter reflect the treaty business return received from 31 insurance companies out of 32 and these returns received in PRCL by due date (21st April, 2012) as per the amendment made in PIC (Compulsory Surplus Reinsurance) Regulations, 1978 as well as facultative business as per record of the company. The only insurance company from whom the treaty return had not been received till the time of finalization of Accounts was Credit Insurance Company, (NZO based company).

The Financial Results of the Company indicate that the Gross Premium for the period was Rs.1,761 Million, Net Premium before unearned Premium Reserve was Rs.1,004 Million and Net Premium after accounting for the effect of Premium Reserve adjustment was Rs.1,027 Million. The Gross Premium, Net Premium before unearned Premium Reserve and Net Premium after Premium Reserve for the corresponding period of the last year were Rs.1,356 Million, Rs.933 Million and Rs.823 Million, respectively.

The Net claims, Net Commission and Management Expenses have aggregated to Rs.907 Million for the current Quarter, as compared to Rs.717 Million for the 1st Quarter, 2011. Besides, the income from investment including rental and other income for the period was recorded at Rs.222 Million, as compared to Rs.200 Million in the corresponding period of last year.

The profit before tax for the 1st Quarter ended March 31st, 2012, was Rs.337 Million, as compared to Rs.293 Million in the 1st Quarter ended March 31st, 2011, showing increase of 15%.

The profit after tax for the 1st Quarter ended March 31st, 2012, was Rs.237 Million, as compared to Rs.215 Million in the 1st Quarter ended March 31st, 2011, showing increase of 10%.

The management is taking steps and making all out efforts to ensure good results by way of accepting good business.

We are pleased to inform you that Pakistan Reinsurance Company Limited (PRCL) has received 28th Corporate Excellence Award of the Management Association of Pakistan (MAP) on April 10th, 2012, in "Non-Life Insurance Category" of "Insurance Sector".

On behalf of the Board of Directors, I would like to place on record, the sincere appreciation for the former Chairperson of PRCL Mrs. Rukhsana Saleem for her prudent, professional and diligent guidance that helped in achievement of such tremendous goals and targets of the Company

In the end, I would also like to thank all insurance companies, their Chairmen, Directors, Officers and staff for the co-operation extended by them in running the affairs of the company.

For and on behalf
of the Board of Directors

(Munawar Opel)
Chairman/Chief Executive

Karachi: 27th April, 2012

Pakistan Reinsurance Company Limited
Condensed Interim Balance Sheet
As At March 31, 2012 (Unaudited)

	Note	March 31 2012 Unaudited Rupees	December 31 2011 Audited Rupees
Share capital and reserves			
Authorized Share Capital		25,000,000,000	25,000,000,000
2,500,000,000 (2011 : 2,500,000,000) Ordinary shares of Rs. 10 each)			
Issued share capital		3,000,000,000	3,000,000,000
Retained earnings		1,535,456,065	1,298,302,385
Reserve for exceptional losses		281,000,000	281,000,000
General reserve		1,777,419,085	1,777,419,085
		3,593,875,150	3,356,721,470
Shareholders' equity		6,593,875,150	6,356,721,470
LIABILITIES			
Underwriting provisions			
- Provision for outstanding claims (including IBNR)		1,044,598,894	753,313,736
- Provision for unearned premium		3,848,702,606	3,887,859,030
- Commission income unearned		81,750,951	34,803,842
Total underwriting provisions		4,975,052,451	4,675,976,608
Deferred liability - employee benefits		161,145,107	166,827,000
Long term deposits		14,309,567	14,222,217
Creditors and accruals			
Amount due to other insurers/reinsurers		1,381,538,085	1,285,062,959
Premium and claim reserves retained from retrocessionaires		496,866,663	26,587,143
Other creditors and accruals		26,028,434	24,006,780
Accrued expenses		5,905,171	6,675,968
Taxation - net		342,287,775	266,688,886
Retention money payable		6,480,973	6,480,973
		2,259,107,101	1,615,502,709
Other liabilities		-	-
Dividend payable		46,510,026	47,473,992
Surplus profit payable		1,212,602	1,212,602
		47,722,628	48,686,594
Total liabilities		7,457,336,854	6,521,215,128
TOTAL EQUITY AND LIABILITIES		14,051,212,004	12,877,936,598

CONTINGENCIES

The annexed notes 1 to 7 form an integral part of these financial statements.

(Farzana Munaf)
Chief Financial Officer

(Munawar Opel)
Chief Executive

(Abdul Kabir Kazi)
Director

(Taufique Habib)
Director

	Note	March 31 2012 Unaudited Rupees	December 31 2011 Audited Rupees
ASSETS			
Cash and Bank deposits			
Cash and other equivalents		86,082	67,433
Current and other accounts		989,435,222	747,195,690
Deposits maturing within 12 months		850,000,000	850,000,000
		1,839,521,304	1,597,263,123
Loans to employees		53,914,256	56,634,060
Investments		6,294,651,377	5,792,680,783
Investment properties		39,445,753	39,995,716
Deferred taxation		-	-
Current assets - others			
Amount due from other insurers/reinsurers		2,948,843,688	2,541,621,198
Premium and claim reserves retained by cedants		24,107,397	25,469,400
Accrued investment income		160,392,313	203,234,134
Sundry receivables		318,924,401	280,026,129
Prepayments		1,848,374,419	1,861,689,863
Deferred commission expense		466,724,406	429,568,319
Stock of stationery		961,776	714,126
		5,768,328,400	5,342,323,169
Fixed assets			
Tangible			
Land and building		19,791,483	20,039,175
Furniture, fixture, books and office equipment		14,514,028	14,956,522
Electrical installations, airconditioning plant and lifts		7,191,514	6,582,395
Motor vehicles		13,853,889	7,461,655
		55,350,914	49,039,747
Assets relating to Bangladesh		-	-
		-	-
TOTAL ASSETS		14,051,212,004	12,877,936,598

Pakistan Reinsurance Company Limited
Condensed Interim Profit and Loss Account
For the quarter ended March 31, 2012 (Unaudited)

Note	Facultative							Treaty	Mar 31, 2012 Aggregate	Mar 31, 2011 Aggregate
	Fire	Marine Cargo	Marine Hull	Accident	Aviation	Engineering				
----- Rupees -----										
Revenue account										
Net premium revenue	175,503,238	8,934,218	18,643,589	16,784,516	42,722,154	97,144,335	667,112,746	1,026,844,796	822,862,784	
Less:										
Net claims	150,146,779	299,408	(111,247)	19,466,422	94,996	47,113,323	411,827,399	628,837,080	479,516,953	
Expenses	2,416,210	1,767,402	584,896	1,423,032	2,168,784	1,330,805	54,043,845	63,734,974	51,225,944	
Net commission	37,371,017	1,889,694	3,153,675	2,009,105	159,669	(82,226)	169,742,421	214,243,355	185,680,509	
Underwriting results	(14,430,768)	4,977,714	15,016,265	(6,114,043)	40,298,705	48,782,433	31,499,081	120,029,387	106,439,378	
Investment income - net								211,509,734	184,791,234	
Rental income - net								10,846,185	13,159,958	
Exchange (loss) / gain								2,930,072	(5,336,110)	
Other income								157,902	1,744,982	
General and administration expenses								(7,851,080)	(7,492,821)	
								217,592,813	186,867,243	
Profit before tax								337,622,200	293,306,621	
Income tax expense										
- Current								(100,468,520)	(78,793,443)	
- Deferred								-	-	
								(100,468,520)	(78,793,443)	
Profit after tax								237,153,680	214,513,178	
Profit and loss appropriation account										
Balance at the commencement of period								1,298,302,385	1,353,489,422	
Profit after tax for the period								237,153,680	214,513,178	
Balance of unappropriated profit at the end of the period								1,535,456,065	1,568,002,600	
Earnings per share - basic and diluted								0.79	0.72	

The annexed notes 1 to 7 form an integral part of these financial statements.

(Farzana Munaf)
Chief Financial Officer

(Munawar Opel)
Chief Executive

(Abdul Kabir Kazi)
Director

(Taufique Habib)
Director

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Comprehensive Income
For the quarter ended March 31, 2012 (Unaudited)

	Mar 31, 2012 Rupees	Mar 31, 2011 Rupees
Profit for the period	237,153,680	214,513,178
Other comprehensive income	-	-
Total comprehensive income for the period	<u>237,153,680</u>	<u>214,513,178</u>

The annexed notes 1 to 7 form an integral part of these financial statements.

(Farzana Munaf)
Chief Financial Officer

(Munawar Opel)
Chief Executive

(Abdul Kabir Kazi)
Director

(Taufique Habib)
Director

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Changes in Equity
For the quarter ended March 31, 2012 (Unaudited)

	Share capital	Reserves			Total	
	Issued subscribed and paid-up	Reserve for exceptional losses	Revenue reserves			Total reserves
			Retained earnings	General reserve		
	----- Rupees -----					
Balance as at December 31, 2010	3,000,000,000	281,000,000	1,353,489,422	1,777,419,085	3,130,908,507	6,411,908,507
Total Comprehensive income for three months	-	-	214,513,178	-	214,513,178	214,513,178
Transactions with owners						
Balance as at March 31, 2011	3,000,000,000	281,000,000	1,568,002,600	1,777,419,085	3,345,421,685	6,626,421,685
Balance as at December 31, 2011	3,000,000,000	281,000,000	1,298,302,385	1,777,419,085	3,075,721,470	6,356,721,470
Total Comprehensive income for three months	-	-	237,153,680	-	237,153,680	237,153,680
Transactions with owners						
Balance as at March 31, 2012	3,000,000,000	281,000,000	1,535,456,065	1,777,419,085	3,312,875,150	6,593,875,150

The annexed notes 1 to 7 form an integral part of these financial statements.

(Farzana Munaf)
Chief Financial Officer

(Munawar Opel)
Chief Executive

(Abdul Kabir Kazi)
Director

(Taufique Habib)
Director

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Cash Flows
For the quarter ended March 31, 2012 (Unaudited)

	Mar 31, 2012	Mar 31, 2011
	(Rupees)	(Rupees)
Operating Cash Flows:		
Underwriting activities:-		
Premium received	1,353,506,836	1,454,864,960
Reinsurance premium paid	(657,447,349)	(755,052,830)
Claims paid	(496,482,179)	(455,138,529)
Reinsurance and other recoveries received	158,930,257	6,651,079
Commission paid	(276,888,292)	(262,592,324)
Commission received	72,435,959	47,845,600
Premium and claim reserves retained from retrocessionaires/withheld by ceding companies	471,641,523	11,199,583
Expenses paid	(63,734,974)	(51,225,944)
Net cash inflows from underwriting activities	561,961,781	(3,448,405)
Other Operating Activities		
Income tax paid	(24,869,631)	(12,011,785)
General management expenses paid	(7,851,080)	(7,492,821)
Loans disbursed-net	2,719,804	5,433,184
Other receipts/(payments) - sundry debtors	(46,362,570)	42,151,343
Other payments - staff contribution	-	-
Net cash (outflow) from other operating activities	(76,363,477)	28,079,921
Total cash inflow / (outflow) from all operating activities	485,598,304	24,631,516
Investment activities		
Fixed Capital expenditure	(5,761,204)	(1,104,947)
Acquisition of investments	(1,251,745,022)	(1,154,337,164)
Rental income received - net of expenses	6,276,411	7,246,989
Dividend income received	9,937,962	9,774,399
Interest income on bank deposits	34,964,959	29,511,043
Investment income received - net of expenses	211,676,051	86,721,063
Sale proceeds of investments	752,274,686	437,653,309
Total cash (outflow) from investment activities	(242,376,157)	(584,535,308)
Financing activities		
Surplus paid	-	-
Dividend paid	(963,966)	(447,017)
Total cash (outflow) from financing activities	(963,966)	(447,017)
Net cash (outflow) from all activities	242,258,181	(560,350,809)
Cash and cash equivalents at beginning of the year	1,597,263,123	2,416,631,453
Cash and cash equivalents at end of the period	1,839,521,304	1,856,280,644

The annexed notes 1 to 7 form an integral part of these financial statements.

(Farzana Munaf)
Chief Financial Officer

(Munawar Opel)
Chief Executive

(Abdul Kabir Kazi)
Director

(Taufique Habib)
Director

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Premium
For the quarter ended March 31, 2012 (Unaudited)

Class	Premium Written (A)	Unearned premium reserve		Premium earned (D=A+B-C)	Re-insurance Ceded (E)	Prepaid Reinsurance Premium ceded		Re-insurance expense (H=E+F-G)	Mar 31, 2012	Mar 31, 2011
		Opening (B)	Closing (C)			Opening (F)	Closing (G)		Aggregate	Aggregate
-----R u p e e s-----										
Business underwritten inside Pakistan										
Facultative										
Fire	428,145,254	678,671,607	783,946,558	322,870,303	230,897,729	295,884,725	379,415,389	147,367,065	175,503,238	98,124,754
Marine Cargo	9,260,319	4,304,059	4,630,160	8,934,218	-	-	-	-	8,934,218	7,512,940
Marine Hull	17,706,570	38,393,238	37,456,219	18,643,589	-	-	-	-	18,643,589	12,683,988
Accident	38,198,037	25,323,035	46,736,556	16,784,516	-	-	-	-	16,784,516	21,410,885
Aviation	9,968,202	1,075,066,951	773,410,531	311,624,622	6,156,859	939,205,134	676,459,525	268,902,468	42,722,154	44,029,590
Engineering	309,423,786	631,818,390	663,519,901	277,722,275	207,925,895	399,203,182	426,551,137	180,577,940	97,144,335	58,421,801
Total	812,702,168	2,453,577,280	2,309,699,925	956,579,523	444,980,483	1,634,293,041	1,482,426,051	596,847,473	359,732,050	242,183,958
Treaty	948,027,158	1,434,281,750	1,539,002,681	843,306,227	311,872,064	219,850,917	355,529,500	176,193,481	667,112,746	580,678,826
Grand Total	1,760,729,326	3,887,859,030	3,848,702,606	1,799,885,750	756,852,547	1,854,143,958	1,837,955,551	773,040,954	1,026,844,796	822,862,784

The annexed notes 1 to 7 form an integral part of these financial statements.

(Farzana Munaf)
Chief Financial Officer

(Munawar Opel)
Chief Executive

(Abdul Kabir Kazi)
Director

(Taufique Habib)
Director

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Claims
For the quarter ended March 31, 2012 (Unaudited)

Class	Claims Paid (A)	Provision for outstanding claims		Claims Expense (D=A+C-B)	Reinsurance and other recoveries Received (E)	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries Revenue (H=E+G-F)	Mar 31, 2012	Mar 31, 2011
		Opening (B)	Closing (C)			Opening (F)	Closing (G)		Aggregate	Aggregate
									Net claim expenses (I=D-H)	
-----R u p e e s-----										
Business underwritten inside Pakistan										
Facultative										
Fire	39,721,207	362,809,531	377,203,202	54,114,878	-	165,000,000	68,968,099	(96,031,901)	150,146,779	69,412,488
Marine Cargo	3,118,070	19,295,929	16,477,267	299,408	-	-	-	-	299,408	498,417
Marine Hull	-	16,512,486	16,401,239	(111,247)	-	-	-	-	(111,247)	67,904
Accident	1,065,774	27,238,090	45,638,738	19,466,422	-	-	-	-	19,466,422	6,131,168
Aviation	3,306,058	94,778,261	91,700,210	228,007	3,083,169	89,719,743	86,769,585	133,011	94,996	391,152
Engineering	75,674,047	790,514,199	458,256,633	(256,583,519)	25,662,030	735,680,067	406,321,195	(303,696,842)	47,113,323	6,914,686
Total	122,885,156	1,311,148,496	1,005,677,289	(182,586,051)	28,745,199	990,399,810	562,058,879	(399,595,732)	217,009,681	83,415,815
Treaty	373,597,023	1,216,913,980	1,431,288,533	587,971,576	130,185,058	779,396,930	825,356,049	176,144,177	411,827,399	396,101,138
Grand Total	496,482,179	2,528,062,476	2,436,965,822	405,385,525	158,930,257	1,769,796,740	1,387,414,928	(223,451,555)	628,837,080	479,516,953

The annexed notes 1 to 7 form an integral part of these financial statements.

(Farzana Munaf)
Chief Financial Officer

(Munawar Opel)
Chief Executive

(Abdul Kabir Kazi)
Director

(Taufique Habib)
Director

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Expenses
For the quarter ended March 31, 2012 (Unaudited)

Class	Deferred Commission		Net commission expense (D=A+B-C)	Other management expenses (E)	Underwriting expense (F=D+E)	Commission from reinsurers (G)	Commission income unearned		Net commission retrocession (J=G+H-I)	Mar 31, 2012	Mar 31, 2011	
	Commission paid or payable (A)	Opening (B)					Closing (C)	Opening (H)		Closing (I)	Aggregate	Aggregate
											Net underwriting expense (K=F-J)	
											-----R u p e e s-----	
Business underwritten inside Pakistan												
Facultative												
Fire	40,676,424	90,949,256	87,793,641	43,832,039	2,416,210	46,248,249	165,863	10,213,429	3,918,270	6,461,022	39,787,227	20,162,316
Marine Cargo	1,927,972	925,708	963,986	1,889,694	1,767,402	3,657,096	-	-	-	-	3,657,096	2,757,364
Marine Hull	3,028,209	6,441,591	6,316,125	3,153,675	584,896	3,738,571	-	-	-	-	3,738,571	2,542,508
Accident	4,820,622	2,977,429	5,788,946	2,009,105	1,423,032	3,432,137	-	-	-	-	3,432,137	4,258,865
Aviation	887,358	1,784,519	1,810,025	861,852	2,168,784	3,030,636	1,051,286	1,341,759	1,690,862	702,183	2,328,453	1,576,830
Engineering	16,305,832	20,881,129	27,228,526	9,958,435	1,330,805	11,289,240	10,948,718	21,417,111	22,325,168	10,040,661	1,248,579	898,830
Total	67,646,417	123,959,632	129,901,249	61,704,800	9,691,129	71,395,929	12,165,867	32,972,299	27,934,300	17,203,866	54,192,063	32,196,713
Treaty	209,241,875	305,608,687	336,823,157	178,027,405	54,043,845	232,071,250	60,270,092	1,831,543	53,816,651	8,284,984	223,786,266	204,709,740
Grand Total	276,888,292	429,568,319	466,724,406	239,732,205	63,734,974	303,467,179	72,435,959	34,803,842	81,750,951	25,488,850	277,978,329	236,906,453

The annexed notes 1 to 7 form an integral part of these financial statements.

(Farzana Munaf)
Chief Financial Officer

(Munawar Opel)
Chief Executive

(Abdul Kabir Kazi)
Director

(Taufique Habib)
Director

Pakistan Reinsurance Company Limited
Condensed Interim Statement of Investment Income
For the quarter ended March 31, 2012 (Unaudited)

	Mar 31, 2012	Mar 31, 2011
	Rupees	Rupees
Income from trading investments		
Net gain on sale of 'held-for-trading' investments	-	1,563,727
Dividend income	<u>53,953,956</u>	<u>93,883,251</u>
	53,953,956	95,446,978
Income from non-trading investments		
Held-to-maturity		
Return on Government Securities	67,978,600	41,009,246
Return on other fixed income securities and deposits	34,964,959	29,511,043
Income on treasury bills	38,800,257	20,242,660
Amortization of premium on Pakistan Investment Bond	2,500,259	(38,507)
	144,244,075	90,724,442
Net gain on sale of 'available for sale' investments	-	54,679
Loss on revaluation of investments		
Held-for-trading	14,590,781	(562,289)
	<u>212,788,812</u>	<u>185,663,810</u>
Less: Investment related expenses	(1,279,078)	(872,576)
Net investment income	<u>211,509,734</u>	<u>184,791,234</u>

The annexed notes 1 to 7 form an integral part of these financial statements.

(Farzana Munaf)
Chief Financial Officer

(Munawar Opel)
Chief Executive

(Abdul Kabir Kazi)
Director

(Taufique Habib)
Director

PAKISTAN REINSURANCE COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED MARCH 31, 2012 (UNAUDITED)

1 The Company and its Operations

- 1.1 Pakistan Reinsurance Co. Ltd., (“the Company”) was incorporated on March 30, 2000, under the Companies Ordinance, 1984. The object of the Company is the development of insurance and reinsurance business in Pakistan and to carry on reinsurance business.

The registered office of the company is located at PRC Towers, 32-A, Lalazar Drive, M.T. Khan Road, Karachi. Its shares are quoted on Karachi and Lahore Stock Exchanges.

- 1.2 In order to mitigate the impact of discontinuation of compulsory cession with effect from 01 January 2005, the Company has developed a corporate plan and adopting necessary measures for independently undertaking reinsurance business as per its strategy to continue to operate profitably in the year 2008 onward.

2 Significant Accounting Policies

These financial statements have been prepared in accordance with the requirements of S.R.O 938 issued by the Securities and Exchange Commission of Pakistan, in December, 2002, the Insurance Ordinance 2000, the requirements of Companies Ordinance, 1984 and approved accounting standards as applicable in Pakistan.

3 Quarterly Returns for Compulsory Surplus Treaties

PRC receives compulsory surplus reinsurance business from all insurance companies doing general insurance business as provided in Section 42(2) of the Insurance Ordinance 2000. Because of the nature of business of PRCL, the preparation of its accounts depend on the returns from ceding insurance companies. The time prescribed for submission of returns as per amendment made in PIC/PRC (Compulsory Surplus Reinsurance) Regulations 1978, is twenty one days after the close of the Quarter in case of 1st & 3rd Quarters.

For the 1st Quarter 2012, PRC received returns from 31 general insurance companies out of 32 and these return received in PRCL by due date and as such above accounts have been prepared by incorporating only these returns. The rest of the business reflects facultative business as per record of the Company.

4 Date of Authorization for issue

These financial statements have been authorized for issue on 27th April, 2012 by the Board of Directors of the Company.

5 Corresponding Figures

Corresponding figures have been re-grouped wherever necessary for the purpose of comparison.

6 **Contingencies**

There have been no significant change in the contingent liabilities since last published financial statements.

7 All figures have been rounded off to the nearest rupees.

(Farzana Munaf)
Chief Financial Officer

(Munawar Opel)
Chief Executive

(Abdul Kabir Kazi)
Director

(Taufique Habib)
Director

Karachi April 27, 2012



Pakistan Reinsurance Company Limited

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