

R/UIC/4076/18

March 22, 2018

Through PUCAR

The General Manager
Pakistan Stock Exchange Ltd.
StockExchangeBuilding
Stock Exchange Road
KARACHI.

Dear Sir,

FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2017

We have to inform that the meeting of the Board of the Company's Directors was held at Head Office Lahore on Thursday, the March 22, 2018 at 11.00 a.m. The Annual Financial Statements were considered and approved. The Financial Results for the year ended December 31, 2017 along with comparative figures for the last five (5) years are as follows:-

Rupees in Million					
Conventional Insurance	2017	2016	2015	2014	2013
Gross Premium	4,163.546	3,781.741	3,062.158	2,474.744	1723.743
Net Premium	2,678.708	2,473.432	2,151.784	1,536.703	1108.541
Net Incurred Claims	1,287.193	934.519	742.329	419.432	323.083
Management Expenses	921.226	797.738	628.696	377.599	286.871
Reserves for Un-expired Risks	1581.500	1490.001	1,389.096	1,426.683	877.885
Reserves	46.491	105.234	68.124	725.023	478.516
Under-writing Profits	221.312	509.741	150.961	36.988	34.648
Investment Income	67.205	73.106	68.430	63.404	34.689
Profit Before Tax	487.345	357.960	679.588	507.936	290.554
Paid up Capital	2,001.552	1,803.200	1,288.000	920.000	701.943
Window Takaful Operations	2017	2016	2015	2014	2013
				5 Months	
Participants' Takaful Fund	5.748	50.407	2.397	1.441	
Gross Contribution	962.597	528.990	503.605	123.727	-
Retained Contribution	687.025	405.111	115.365	3.387	-
Net Incurred Claims	205.643	191.097	129.048	2.396	-
(Deficit) from PTF Fund	61.387	33.903	18.425	0.885	-
Waqf Money	0.500	0.500	0.500	0.500	-
Total Operators' Fund	394.360	198.938	129.077	78.456	-
Management Expenses	107.297	92.278	91.125	20.824	-
Net profit	199.069	49.204	69.794	28.456	-
Statutory Fund-OPF	50.00	50.000	50.000	50.000	-

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REGISTERED OFFICE

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Abdullah Haroon Road, Saddar, Karachi - 74400.

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CASH DIVIDEND

It is recommended by the Board that no cash dividend will be paid.

ISSUE OF BONUS SHARES

It is recommended by the Board to capitalize the sum of Rs.260,201,760/= for issue of Bonus Shares@ 13% in proportion of 13 shares for every 100 shares. Auditor's Certificate U/s.6 (iii) of the Companies (Issue of Capital) Rules, 1996 is enclosed.

ANNUAL GENERAL MEETING

The 58th Annual General Meeting of the Company will be held on Monday the April 30, 2018 at 09.00 a.m. at ICAP Auditorium, ICAP Institute, Chartered Accountants Avenue Clifton, Karachi.

BOOK CLOSURE

The Board decided that Share Transfer Books of the Company will remain closed from 24.04.2018 to 30.04.2018 (both days inclusive). Transfers received at the Company's Registered Office, Karachi by the close of business on April 23, 2018 will be treated as being in time for the purpose to determine entitlement to Bonus Shares and to attend the meeting.

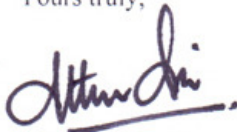
PROFIT & LOSS ACCOUNT WITH CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME AND EARNING PER SHARE

A copy of Profit & Loss Accounts and Condensed Interim Statement of Comprehensive Income which also shows Appropriation and earnings per share for the year ended December 31, 2017 is also enclosed.

We will be sending 200 copies of printed accounts for distribution amongst the members of the Exchange 21 days before the date of AGM.

With best regards

Yours truly,



(Athar A.Khan)
Company Secretary

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 2017

	Note	2017 Rupees	2016 Rupees Re-stated
Net insurance premium	24	2,678,707,848	2,473,431,973
Net insurance claims	25	(1,287,193,319)	(934,519,161)
Premium deficiency		(17,032,362)	3,565,422
Net Commission and other acquisition costs	26	(231,943,707)	(234,999,746)
Insurance claims and acquisition expenses		(1,536,169,388)	(1,165,953,485)
Management expenses	27	(921,226,383)	(797,737,785)
Underwriting results		221,312,077	509,740,703
Investment income	28	67,204,706	73,106,092
Rental income	29	2,404,078	2,142,000
Other income	30	46,982,668	30,387,428
Other expenses	31	(8,869,947)	(19,455,575)
Results of operating activities		329,033,582	595,920,648
Finance cost	32	(5,374,936)	(10,430,384)
Share of loss from associate		(35,382,354)	(276,733,384)
Profit from Window Takaful Operations		199,068,982	49,203,557
Profit before tax		487,345,274	357,960,437
Income tax expense	33	(195,061,095)	(79,512,518)
Profit after tax		292,284,179	278,447,919
Earnings (after tax) per share - Rupees			
- basic and diluted (Restated)	34	1.46	1.39

The annexed notes 1 to 46 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2017

	2017 Rupees	2016 Rupees Re-stated
Profit for the year	292,284,179	278,447,919
Other comprehensive income/ (loss) for the year		
Items to be re-classified to profit and loss account in subsequent period:		
Unrealized (loss)/gain on revaluation of available for sale investments	(24,679,530)	31,466,937
Realized loss/(gain) on revaluation of available for sale investments	(31,500,721)	5,609,878
Share of other comprehensive (loss)/income from takaful		
Unrealized (loss)/gain on revaluation of available for sale investments	(2,529,313)	33,929
Realized (gain) on revaluation of available for sale investments	(33,929)	-
	(58,743,493)	37,110,744
Items not to be re-classified to profit and loss account in subsequent period:		
Actuarial gain on defined benefit plan	-	6,300,427
Incremental depreciation net of deferred tax	834,940	819,301
Share of other comprehensive income from takaful	-	1,623,490
	834,940	8,743,218
Share of other comprehensive gain loss from associate	(613,431)	(696,374)
Total comprehensive income for the year	233,762,195	323,605,507

The annexed notes 1 to 46 form an integral part of these financial statements.




March 20, 2018

Ref: Audit/U-18/17

Company Secretary
The United Insurance Company of Pakistan Limited
204, 2nd Floor, Madina City Mall
Abdullah Haroon Road, Saddar
Karachi.

Dear Sir

CERTIFICATE ON ISSUE OF BONUS SHARES AS REQUIRED UNDER RULE 6 (III) OF THE COMPANIES (ISSUE OF CAPITAL) RULES, 1996

We have been requested to provide you with a certificate on the issue of bonus shares by The United Insurance Company of Pakistan Limited as required under Rule 6 (iii) of the Companies (Issue of Capital) Rules, 1996.

Scope of Certificate

The management of the company intends to issue 13% bonus shares to its shareholders on the basis of reserves declared for the financial year ended December 31, 2017. The requirements for issue of bonus shares are provided under Rule 6 of the Companies (Issue of Capital) Rules, 1996. These rules requires the company to comply with the prescribed conditions and obtain a certificate from the auditor certifying that,-

- a) the free reserves retained after the issue of bonus shares are not less than fifteen percent of the increased paid up capital of the company; and
- b) all contingent liabilities have been deducted while calculating the minimum residual reserve of fifteen percent.

Management Responsibility

It is responsibility of the management to ensure compliance with the conditions prescribed under Rule 6 of the Companies (Issue of Capital) Rules, 1996, for issue of bonus shares.

Auditor's Responsibility

Our responsibility is to certify the compliance of the conditions prescribed under Rule 6(iii) of the Companies (Issue of Capital) Rules, 1996, in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below;

- a) Recalculated minimum balance (i.e. 15% of enhanced paid up capital) of free reserve required for issuance of 13% bonus shares as of December 31, 2017.
- b) Ensure that free reserves only include an amount which, having been set aside out of revenue or other surpluses after adjustment of all intangible or fictitious assets, is free and that is not retained to meet any diminution in value of assets, specific liability, contingency or commitment known to exist at the date of the balance sheet, but does not include-
 - i. reserves created as a result of re-valuation of fixed assets;
 - ii. goodwill reserve;

- iii. depreciation reserve to the extent of ordinary depreciation or otherwise as admissible under the Income Tax Ordinance, 2001(XLIX of 2001);
 - iv. development allowance reserve created under the provisions of the Income Tax Ordinance, 2001(XLIX of 2001);
 - v. provisions for taxation to the extent of the deferred or current liability of the company;
 - vi. capital redemption reserve; and
 - vii. unrealized capital gain.
- c) Ensure the free reserves (as arrived at in point (b) above) are not less than 15 percent of the increased paid up capital of the company after issue of proposed bonus shares.
- d) No contingent liability has been reported in the financial statements for the year ended December 31, 2017, and therefore, has no effect on determination of free reserves.

Certificate

Based on procedures mentioned above, we certify that-

- a) The free reserves retained after the issue of bonus shares (Rs. 260,201,760/-) are not less than 15% of the increased paid up capital (Rs. 2,261,753,760/-) of the company; and
- b) All contingent liabilities have been deducted while calculating the minimum residual reserve of 15%.

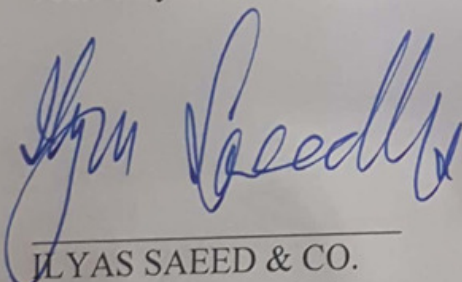
Other Matter

The certificate is based on initialed financial statements for the year ended December 31, 2017.

Restriction on use and distribution

This certificate is issued in relation to Rule 6 (iii) of the Companies (Issue of Capital) Rules, 1996, and is not be used or distributed for any other purpose. This certificate is restricted to the facts stated herein and is not a certificate of assurance.

Yours truly



ILYAS SAEED & CO.
Chartered Accountants.
Place: Lahore