

CONDENSED INTERIM FINANCIAL STATEMENTS

(UN-AUDITED)

**FOR THE HALF YEAR ENDED
30TH JUNE, 2009**



Pakistan Reinsurance Company Limited

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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

BOARD OF DIRECTORS

MRS. RUKHSANA SALEEM
CHAIRPERSON

MR. FAZAL-I-QADAR
DIRECTOR

SYED ARSHAD ALI
DIRECTOR

MR. JAVED SYED
DIRECTOR

MR. SAIFUDDIN NOORUDDIN ZOOMKAWALA
DIRECTOR

DR. MASUMA HASAN
DIRECTOR

MR. ABDUL HAMID DAGIA
DIRECTOR

SENIOR MANAGEMENT

MR. ASGHAR IMAM KHALID
EXECUTIVE DIRECTOR / CIA

MRS. FARZANA MUNAF
CHIEF FINANCIAL OFFICER/E.D.

MR. FIDA HUSSAIN SAMOO
EXECUTIVE DIRECTOR (RE)

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

MRS. YASMIN SAUD
EXECUTIVE DIRECTOR (HR/ADMN.)

MRS. GHAZALA IMRAN
REGIONAL DIRECTOR (NZO)

MR. SHAHZAD F. LODHI
SECRETARY/GENERAL MANAGER

MR. ANZARUL HASAN HASHMI
MANAGER (AVIATION/TRAINING)

MR. RAHMATULLAH KHILJI
MANAGER (INTERNAL AUDIT)

SYED TAHIR ALI
MANAGER (DPD)

MR. IMTIAZ HUSSAIN QURESHI
MANAGER (I.T.)

MR. IRFAN SATTAR KHAN
MANAGER (FIRE/MARINE)

MRS. ERUM NADEEM
MANAGER (LEGAL)

AUDIT COMMITTEE

MR. ABDUL HAMID DAGIA
CHAIRMAN

MR. FAZAL-I-QADAR
MEMBER

SYED ARSHAD ALI
MEMBER

MR. SHAHZAD F. LODHI
SECRETARY OF THE COMMITTEE

AUDITORS

ANJUM ASIM SHAHID RAHMAN
CHARTERED ACCOUNTANT

HEAD OFFICE

PRC TOWERS, 32-A, LALAZAR DRIVE,
M.T. KHAN ROAD,
P.O. BOX: 4777, KARACHI-PAKISTAN
Tel: (29-21) 99202908-15
Telex: 20428 PAKRE PK,
TELEFAX (92-21) 99202920-22
E-mail: prcl@pakre.org.pk
Website: www.pakre.org.pk

ZONAL OFFICE

17-A/1, BLOCK: E-1,
GULBERG-III,
LAHORE

BANKERS

NATIONAL BANK OF PAKISTAN
BANK AL-HABIB 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 half year ended June 30, 2009.

Review of business activities

The financial statements for the half year ended June 30, 2009 reflect the treaty business return received from 32 insurance companies out of 33, all these returns received in PRCL by 26-7-2009 as per the amendment made in PIC (Compulsory Surplus Reinsurance) Regulations, 1978 as well as facultative business as per record of the company. The company from whom the returns has not been received till the time of finalization of Accounts is East West Insurance Company Limited.

The Financial Results of the Company indicate that the Gross Premium for the period was Rs.2,036 million, Net Premium before unearned Premium Reserve was Rs.1,152 million and Net Premium after accounting for the effect of Premium Reserve adjustment was Rs.1,010 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.1,480 million, Rs.802 million and Rs.978 million respectively.

The Net claims, Net Commission and Management Expenses have aggregated to Rs.842 million for the half year ended June 30, 2009 as compared to Rs.833 million for the half year ended June 30, 2008. Besides, the income from investment including rental and other income for the period was recorded at Rs.288 million as compared to Rs.245 million in the corresponding period of last year.

At 31st December, 2008, fall in the value of investments classified as available for sale was Rs.2,650 million which was considered as temporary and accordingly not recognized in annual financial statements for the year ended 31st December, 2008 in view of the exemption available under circular no.3/2009 dated 16th February, 2009 issued by Securities and Exchange Commission of Pakistan (SECP).

Moreover, as per the said circular, fall in the value of available for sale investments as at 31st December, 2008 (considered as temporary) is required to be recognized for impairment on quarterly basis (twenty five percent in each quarter) after any adjustment /effect for price movements during each quarter through profit and loss account during the calendar year ending 31st December 2009. Accordingly, the fall in value of Rs.1,128 million has been recognized in these half yearly financial statements.

Net Profit before tax and after tax for the half year ended June 30, 2009, before recognition of impairment loss of Rs.1,128 million as explained above, would have been Rs.462 million and Rs.454 million respectively as compared to net profit before tax and after tax of Rs.394 million and Rs.291 million for the corresponding period of the last year. However, the profits for the current quarter after recognition of impairment loss were converted into net loss before tax and after tax for Rs.666 million and Rs.674 million respectively.

The Board places on record its sincerest appreciation to the outgoing Directors Mr. Ali Jehangir Siddiqui and Mr. Munaf Ibrahim (Alternate Director) to whom we are indebted for their prudent, professional and diligent guidance in making our investment activities related decisions.

The Board also wishes to record its appreciation for the contribution and services rendered by late Mr. Sikandar Hayat Jamali who expired on July 25, 2009. May Allah rest his soul in peace and give courage to the members of bereaved family to bear this loss. The Board also extends a warm welcome to Mr. Zafar Iqbal as a new member on the Board of Directors.

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

In the end, I would 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

(Rukhsana Saleem)
Chairperson/Chief Executive

Karachi: 28th August, 2009

AUDITOR'S REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying:

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

of **Pakistan Reinsurance Company Limited** (the company) as at June 30, 2009 together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information"), for the half year then ended.

Management is responsible for the preparation and presentation of this condensed 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 condensed interim financial information based on our review. The condensed interim financial statements of the company for the half year ended June 30, 2008 and financial statements of the company for the year ended December 31, 2008 were reviewed and audited by another firm of chartered accountants who through their reports dated August 27, 2008 and May 7, 2009 expressed a qualified conclusion and opinion thereon. The figures of the condensed interim profit and loss account, condensed interim statement of changes in equity, condensed interim statement of premium, condensed interim statement of claims, condensed interim statement of expenses and condensed interim statement of investment income for the quarters ended June 30, 2009 and 2008 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2009.

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.

Basis for Qualified Conclusion

- a) As per the condensed interim financial information for the half year period ended June 30, 2009, balances of Rs. 1,116.57 million (net of provision of Rs. 386 million) and Rs. 698.63 million were respectively "Due from" and "Due to" other persons and bodies carrying on insurance business. As explained in note 6.1 and 9 to the condensed interim financial information, the company is in process of reconciling these balances with these persons and bodies.

Further, as explained in note 6.2 to the condensed interim financial information, contingent liabilities include certain claims amounting to Rs. 54.68 million which were reversed by the company in previous years due to the reason that appropriate documentation for substantiating these claims was not provided.

Pending reconciliation of differences with these persons and bodies, adjustments if any, required in these balances could not be quantified and consequently we are unable to verify these balances.

- b) As per the condensed interim financial information for the half year ended June 30, 2009, the balances in respect of premium and claim reserves retained by ceding companies amounted to Rs. 49.60 million and balances in respect of premium and claim reserves retained from retrocessionaires amounted to Rs. 40.49 million. The company is in the process of reconciling these balances with various insurance companies.

Pending reconciliation of balances with other companies, adjustments, if any, required in these balances could not be quantified and consequently we are unable to verify these balances.

Qualified Conclusion

Based on our review, except for the matters, referred in the preceding paragraphs (a) and (b) and the extent to which this may affect the annexed condensed interim financial information, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and half year ended June 30, 2009 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Karachi

Anjum Asim Shahid Rahman
Chartered Accountants

Dated: 28th August, 2009

Balance Sheet (unaudited)

As at June 30, 2009

	Note	(Un-audited) June 30, 2009	(Audited) December 31, 2008
Rupees			
SHARE CAPITAL AND RESERVES			
Authorized Share Capital 2,500,000,000 ordinary shares of Rs. 10 each (2008: 2500,000,000 ordinary shares of Rs. 10 each)		25,000,000,000	25,000,000,000
Issued, subscribed & paid up share capital		3,000,000,000	3,000,000,000
Retained earnings		783,050,961	2,207,325,305
Exceptional losses reserve		281,000,000	281,000,000
General reserve		1,777,419,085	1,777,419,085
		2,841,470,046	4,265,744,390
Total equity		5,841,470,046	7,265,744,390
UNDERWRITING PROVISIONS			
Provision for outstanding claims (including IBNR)		735,472,241	886,971,628
Provision for unearned premium		2,296,455,542	2,719,013,239
Commission income unearned		38,453,393	28,967,567
Total underwriting provisions		3,070,381,176	3,634,952,434
DEFERRED LIABILITY - EMPLOYEE BENEFITS		108,685,447	94,652,000
LONG TERM DEPOSITS		18,666,432	18,492,361
CREDITORS AND ACCRUALS			
Amount due to other persons and bodies carrying on insurance business	9	698,639,275	1,237,841,171
Premium and claim reserves retained from retrocessionaires		40,490,923	35,883,859
Other creditors and accruals		62,734,009	65,367,624
Taxation - provision less payments		135,065,194	163,273,005
Retention money payable		6,413,383	6,413,383
		943,342,784	1,508,779,042
OTHER LIABILITIES			
Dividend payable		706,096,671	4,625,108
Surplus profit payable		1,213,842	1,213,842
		707,310,513	5,838,950
Total liabilities		4,848,386,352	5,262,714,787
Total equity and liabilities		10,689,856,398	12,528,459,177
CONTINGENCIES	6		

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

Balance Sheet (unaudited)

As at June 30, 2009

	Note	(Un-audited) June 30, 2009	(Audited) December 31, 2008
Rupees			
CASH AND BANK DEPOSITS			
Cash and other equivalents		53,423	40,567
Current and other accounts		1,535,483,473	789,891,017
Deposits maturing within 12 months		101,700,000	2,046,700,000
		1,637,236,896	2,836,631,584
Loans - secured and unsecured (considered good)			
- to employees		47,600,545	53,006,109
INVESTMENTS	7	5,765,787,932	5,458,934,939
INVESTMENT PROPERTIES		46,350,445	47,753,289
DEFERRED TAXATION		151,660,579	151,660,579
OTHER ASSETS			
Amount due from persons and bodies carrying on insurance business	9	1,116,578,365	1,539,015,089
Premium and claim reserves retained by cedants		49,608,603	45,822,333
Accrued investment income		51,390,220	52,601,260
Sundry receivables		203,686,784	205,100,973
Prepaid reinsurance ceded		1,269,415,948	1,834,148,187
Deferred commission expense		299,606,694	262,891,638
Stock of stationery		333,916	224,511
		2,990,620,530	3,939,803,991
FIXED ASSETS - tangible			
Land and buildings		23,250,443	22,849,153
Furniture, fixtures, books and office equipment		13,846,933	14,117,603
Motor vehicles		13,502,095	3,701,930
		50,599,471	40,668,686
Assets relating to Bangladesh		-	-
Total assets		10,689,856,398	12,528,459,177

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Profit and Loss Account (unaudited)

For the quarter and half year ended June 30, 2009

	Quarter ended June 30,							2009	2008
	Rupees							Aggregate	(Restated) Aggregate
	Fire	Marine Cargo	Facultative Marine Hull	Accident	Aviation	Engineering	Treaty		
Revenue account									
Net premium revenue	90,187,489	3,662,964	10,044,374	11,199,094	21,953,435	52,854,366	333,922,586	523,824,308	491,152,177
Net claims	137,848,856	4,084,453	729,733	(2,452,723)	(86,660)	6,175,269	55,794,681	202,093,609	216,837,476
Expenses	1,417,608	1,043,017	399,143	1,154,135	1,405,561	1,032,669	98,507,511	104,959,644	60,580,243
Net commission	20,099,303	997,391	1,593,725	1,507,239	(321,871)	1,982,356	107,721,100	133,579,243	121,651,372
Underwriting result	(69,178,278)	(2,461,897)	7,321,773	10,990,443	20,956,405	43,664,072	71,899,294	83,191,812	92,083,086
Investment income								137,625,047	60,089,972
Rental income								13,272,290	12,815,768
Exchange gain								9,976,315	31,257,577
Other income								4,459,865	1,794,512
General and administration expenses								(11,888,954)	(12,117,510)
Provision for workers welfare fund								-	(7,960,754)
Impairment in the value of investment								(565,503,667)	-
								(412,059,104)	85,879,565
(Loss) / Profit before tax								(328,867,292)	177,962,651
Taxation - Current								(65,789,898)	55,651,808
- Deferred								-	-
(Loss) / Profit after tax								(65,789,898)	55,651,808
								(263,077,394)	122,310,843

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Profit and Loss Account (unaudited)

For the quarter and half year ended June 30, 2009

Note	Half year ended June 30,							2009	2008
	Facultative							Aggregate	(Restated)
	Fire	Marine Cargo	Marine Hull	Accident	Aviation	Engineering	Treaty		Aggregate
	Rupees								(Restated)
Revenue account									
Net premium revenue	180,445,776	10,359,679	20,266,294	21,958,252	43,586,290	101,964,724	630,934,121	1,009,515,136	977,870,300
Net claims	64,324,271	761,684	(56,934)	(652,177)	2,736,454	10,718,864	353,013,188	430,845,350	501,393,408
Expenses	2,855,242	2,104,507	814,195	2,384,232	2,375,337	2,113,803	133,933,296	146,580,612	95,056,826
Net commission	40,271,913	2,091,089	3,214,585	2,899,833	(522,252)	3,715,231	212,024,678	263,695,077	236,486,037
Underwriting result	72,994,350	5,402,399	16,294,448	17,326,364	38,996,751	85,416,826	(68,037,041)	168,394,097	144,934,029
Investment income - net								255,779,402	217,773,018
Rental income - net								26,801,877	22,406,505
Exchange gain								21,859,072	32,514,422
Other income								5,286,001	4,616,833
General and administration expenses								(16,491,082)	(20,102,919)
Provision for workers welfare fund								-	(7,960,754)
Impairment in the value of investment								(1,127,973,579)	-
								(834,738,309)	249,247,105
(Loss) / Profit before tax								(666,344,212)	394,181,134
Taxation - Current								(7,930,132)	103,187,808
- Deferred								-	-
								(7,930,132)	103,187,808
(Loss) / Profit after tax								(674,274,344)	290,993,326
Profit and loss appropriation account:									
Balance at commencement of the period								2,207,325,305	3,781,099,406
Profit after tax for the period								(674,274,344)	290,993,326
Final cash dividend paid								(750,000,000)	-
Issuance of bonus shares								-	(2,459,999,140)
Balance of unappropriated profit at end of the period								783,050,961	1,612,093,592
(Loss) / Earning per share	13							(2.25)	0.97

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Cash Flow Statement (unaudited)

For the half year ended June 30, 2009

	Half year ended June 30, 2009 (Rupees)	Half year ended June 30, 2008 (Rupees) (Restated)
OPERATING CASHFLOW		
<i>Underwriting activities</i>		
Premium received	2,458,814,625	1,536,235,444
Reinsurance premium paid	(1,402,031,047)	(606,682,985)
Claims paid	(1,116,456,979)	(1,485,405,187)
Reinsurance and other recoveries received	534,112,242	930,947,609
Commission paid	(331,910,344)	(276,075,824)
Commission received	40,986,037	27,889,540
Deposits received from ceding companies	820,794	130,762,114
Expenses paid	(146,580,612)	(95,056,826)
Net cash flows from underwriting activities	37,754,716	162,613,885
<i>Other Operating Activities</i>		
Income tax paid	(36,137,943)	(110,624,675)
General management expenses paid	(16,491,082)	(20,102,919)
Loans recovered / (disbursed) from employees	5,405,564	3,119,816
Other receipts/(payments) - sundry debtors	12,878,687	(1,025,748)
Net cash flows from other operating activities	(34,344,774)	(128,633,526)
Total cash flow from all operating activities	3,409,942	33,980,359
<i>Investment activities</i>		
Fixed capital expenditure / (disposed)	(8,527,941)	2,683,753
Purchase of Investments	(2,256,433,458)	(1,345,141,312)
Rent received	28,033,089	24,226,501
Dividend received	53,328,090	104,452,698
Interest income on bank deposits	115,251,959	36,545,372
Investment income received	43,069,220	36,344,609
Proceeds from sale of Investments	871,002,848	1,074,388,936
Total cash flow from investment activities	(1,154,276,193)	(66,499,443)
<i>Financing activities</i>		
Dividend paid	(48,528,437)	-
Total cash flows from financing activities	(48,528,437)	-
Net cash flow from all activities	(1,199,394,688)	(32,519,084)
Cash and cash equivalents at beginning of the period	2,836,631,584	1,021,123,719
Cash and cash equivalents at end of the period	1,637,236,896	988,604,635

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

Condensed Interim Cash Flow Statement (unaudited)

For the half year ended June 30, 2009

	Half year ended June 30, 2009 (Rupees)	Half year ended June 30, 2008 (Rupees) (Restated)
Reconciliation to profit and loss account		
Operating cash flows	3,409,942	33,980,359
Depreciation expense	4,240,431	3,004,377
Exchange gain	(21,859,072)	(32,514,422)
Reversal of provision	(3,696,530)	0
Rental income	(28,033,089)	(24,737,130)
Pension officers expense	9,870,000	5,560,000
Pension staff expense	16,780,000	80,500
Medical expense	14,996,000	3,846,164
Gratuity expense	20,000	(9,069,000)
Leave encashment	3,390,000	1,816,000
Provision for outstanding claims	151,499,387	(53,064,170)
Provision for unearned premium	422,557,697	823,873,265
Prepaid reinsurance ceded	(564,732,239)	(647,554,980)
Provision for employee benefits	(14,033,447)	7,811,779
Dividend income	(49,360,384)	(97,951,652)
Investment income	(79,086,764)	(43,198,874)
Interest income	(115,251,959)	0
Amortization of premium on PIBs	2,587,554	4,298,337
Gain on sale of investment	(16,096,670)	(252,610)
Increase in operating assets other than cash	389,856,786	343,359,595
Decrease in operating liabilities	370,709,667	190,694,689
	497,767,310	509,982,227
Other adjustments:		
Decrease in provision for diminution in value of investments	-	7,823,582
Provision for impairment in value of investments	(1,127,973,579)	(13,000,000)
Income tax paid	(36,137,943)	(110,624,675)
	(1,164,111,522)	(115,801,093)
(Loss)/Profit before taxation	(666,344,212)	394,181,134
Provision for taxation	(7,930,132)	(103,187,808)
(Loss)/Profit after taxation	(674,274,344)	290,993,326

Definition of cash

Cash comprises of cash in hand, policy stamps, postage stamps, revenue stamps, bank balances and other deposits, which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

	June 30, 2009 (Rupees)	June 30, 2008 (Rupees)
Cash and cash equivalents		
Cash and other equivalent	53,423	27,249
Current and other accounts	1,535,483,473	477,589,004
Deposit maturing within 12 months	101,700,000	510,988,382
	1,637,236,896	988,604,635

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Statement of Changes in Equity (unaudited)

For the half year ended June 30, 2009

	Share capital Issued, subscribed and paid-up	Exceptional losses reserve	Revenue reserves		Total
			General reserve	Retained earnings	
	Rupees				
Balance as at January 01, 2008	540,000,860	281,000,000	1,777,419,085	3,781,099,406	6,379,519,351
Issue of bonus shares 2007: @ 455.55%	2,459,999,140	-	-	(2,459,999,140)	-
Total recognized income and expense for the half year ended June 30, 2008	-	-	-	290,993,326	290,993,326
Balance as at June 30, 2008 - Restated	3,000,000,000	281,000,000	1,777,419,085	1,612,093,592	6,670,512,677
Balance as at January 01, 2009	3,000,000,000	281,000,000	1,777,419,085	2,207,325,305	7,265,744,390
Final cash dividend 2008: Rs.2.50 @ 25% (2007 : Nil) per share	-	-	-	(750,000,000)	(750,000,000)
Total recognized income and expense for the half year ended June 30, 2009	-	-	-	(674,274,344)	(674,274,344)
Balance as at June 30, 2009	3,000,000,000	281,000,000	1,777,419,085	783,050,961	5,841,470,046

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Statement of Premium (unaudited)

For the quarter and half year ended June 30, 2009

	Quarter ended June 30,								2009	2008
	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)	Aggregate Net Premium revenue (I=D-H)	Aggregate Net Premium revenue (Restated)
		Opening (B)	Closing (C)			Opening (F)	Closing (G)			
					Rupees					
Business underwritten inside Pakistan										
Facultative										
Fire	64,734,402	444,930,103	326,656,038	183,008,467	7,835,574	250,277,033	165,291,629	92,820,978	90,187,489	71,847,481
Marine Cargo	4,332,936	1,496,496	2,166,468	3,662,964	-	-	-	-	3,662,964	11,076,636
Marine Hull	11,108,753	16,090,798	17,155,177	10,044,374	-	-	-	-	10,044,374	6,609,446
Accident	8,655,509	25,540,325	22,996,740	11,199,094	-	-	-	-	11,199,094	10,356,299
Aviation	11,605,809	814,102,943	500,452,692	325,256,060	8,691,921	759,977,714	465,367,010	303,302,625	21,953,435	15,138,237
Engineering	199,560,246	421,045,126	424,832,036	195,773,336	174,650,425	302,290,009	334,021,464	142,918,970	52,854,366	36,722,250
Total	299,997,655	1,723,205,791	1,294,259,151	728,944,295	191,177,920	1,312,544,756	964,680,103	539,042,573	189,901,722	151,750,349
Treaty	605,587,254	908,309,156	1,002,196,391	511,700,019	182,304,423	300,208,855	304,735,845	177,777,433	333,922,586	339,401,828
Grand Total	905,584,909	2,631,514,947	2,296,455,542	1,240,644,314	373,482,343	1,612,753,611	1,269,415,948	716,820,006	523,824,308	491,152,177

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Statement of Premium (unaudited)

For the quarter and half year ended June 30, 2009

		Half year ended June 30,							2009	2008
	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)	Aggregate Net Premium (I=D-H)	Aggregate Net Premium Restated
		Opening (B)	Closing (C)			Opening (F)	Closing (G)			
Rupees										
Business underwritten inside Pakistan										
Facultative										
Fire	326,408,238	357,297,525	326,656,038	357,049,725	208,990,587	132,904,991	165,291,629	176,603,949	180,445,776	137,486,290
Marine Cargo	7,325,929	7,403,730	2,166,468	12,563,191	-	2,203,512	-	2,203,512	10,359,679	20,173,646
Marine Hull	15,912,147	21,509,324	17,155,177	20,266,294	-	-	-	-	20,266,294	12,774,640
Accident	17,543,081	27,411,911	22,996,740	21,958,252	-	-	-	-	21,958,252	20,601,132
Aviation	49,541,078	1,097,006,029	500,452,692	646,094,415	40,833,352	1,027,041,783	465,367,010	602,508,125	43,586,290	30,754,611
Engineering	337,059,106	467,648,684	424,832,036	379,875,754	282,396,827	329,535,667	334,021,464	277,911,030	101,964,724	77,049,096
Total	753,789,579	1,978,277,203	1,294,259,151	1,437,807,631	532,220,766	1,491,685,953	964,680,103	1,059,226,616	378,581,015	298,839,415
Treaty	1,282,588,322	740,736,036	1,002,196,391	1,021,127,967	352,467,457	342,462,234	304,735,845	390,193,846	630,934,121	679,030,885
Grand Total Rupees	2,036,377,901	2,719,013,239	2,296,455,542	2,458,935,598	884,688,223	1,834,148,187	1,269,415,948	1,449,420,462	1,009,515,136	977,870,300

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Statement of Claims (unaudited)

For the quarter and half year ended June 30, 2009

		Quarter ended June 30,							2009	2008
Claims Paid (A)	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)	Aggregate Net claim expenses (I=D-H)	Aggregate Net claim expenses	
	Opening (B)	Closing (C)			Opening (F)	Closing (G)				
Rupees										
Business underwritten inside Pakistan										
Facultative										
Fire	20,942,781	199,208,674	316,114,749	137,848,856	-	68,968,099	68,968,099	-	137,848,856	12,059,583
Marine Cargo	3,876,095	9,751,788	9,708,296	3,832,603	-	251,850	-	(251,850)	4,084,453	5,171,695
Marine Hull	312,511	10,530,172	10,947,394	729,733	-	-	-	-	729,733	1,421,021
Accident	2,965,490	7,368,745	1,950,532	(2,452,723)	-	-	-	-	(2,452,723)	134,624
Aviation	9,143,945	67,954,296	54,294,301	(4,516,050)	8,784,314	65,563,607	52,349,903	(4,429,390)	(86,660)	687,299
Engineering	129,140,089	167,831,986	165,411,640	126,719,743	120,544,474	116,250,000	116,250,000	120,544,474	6,175,269	75,440,989
Total	166,380,911	462,645,661	558,426,912	262,162,162	129,328,788	251,033,556	237,568,002	115,863,234	146,298,928	94,915,211
Treaty	387,315,100	1,526,050,284	1,159,256,318	20,521,134	149,860,346	924,824,880	739,690,987	(35,273,547)	55,794,681	121,922,265
Grand Total	553,696,011	1,988,695,945	1,717,683,230	282,683,296	279,189,134	1,175,858,436	977,258,989	80,589,687	202,093,609	216,837,476

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Statement of Claims (unaudited)

For the quarter and half year ended June 30, 2009

		Half year ended June 30,							2009	2008
Claims Paid (A)	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)	Aggregate Net claim expenses (I=D-H)	Aggregate Net claim expenses	
	Opening (B)	Closing (C)			Opening (F)	Closing (G)				
Rupees										
Business underwritten inside Pakistan										
Facultative										
Fire	74,556,744	326,347,222	316,114,749	64,324,271	-	68,968,099	68,968,099	-	64,324,271	7,376,104
Marine Cargo	5,856,574	15,055,036	9,708,296	509,834	-	251,850	-	(251,850)	761,684	12,694,547
Marine Hull	312,511	11,316,839	10,947,394	(56,934)	-	-	-	-	(56,934)	1,414,708
Accident	4,556,108	7,158,817	1,950,532	(652,177)	-	-	-	-	(652,177)	(864,303)
Aviation	180,938,913	173,980,107	54,294,301	61,253,107	174,503,774	168,337,024	52,349,903	58,516,653	2,736,454	1,232,989
Engineering	129,792,304	163,940,606	165,411,640	131,263,338	120,544,474	116,250,000	116,250,000	120,544,474	10,718,864	89,994,930
Total	396,013,154	697,798,627	558,426,912	256,641,439	295,048,248	353,806,973	237,568,002	178,809,277	77,832,162	111,848,975
Treaty	720,443,825	1,615,299,812	1,159,256,318	264,400,331	239,063,994	1,067,367,838	739,690,987	(88,612,857)	353,013,188	389,544,433
Grand Total	1,116,456,979	2,313,098,439	1,717,683,230	521,041,770	534,112,242	1,421,174,811	977,258,989	90,196,420	430,845,350	501,393,408

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Statement of Expense (unaudited)

For the quarter and half year ended June 30, 2009

		Quarter ended June 30,									2009	2008
Commission paid or payable (A)	Deferred Commission		Net commission expense (D=A+B-C)	Other management expenses (E)	Underwriting expense (F=D+E)	Commission from reinsurers (G)	Opening (H)	Closing (I)	Net commission retrocession (J=G+H-I)	Aggregate Net underwriting expense	Aggregate Net underwriting expense	
	Opening (B)	Closing (C)								(K=F-J)	Restated	
												Rupees
Business underwritten inside Pakistan												
Facultative												
Fire	12,850,706	55,066,432	43,332,651	24,584,487	1,417,608	26,002,095	391,780	12,887,596	8,794,192	4,485,184	21,516,911	14,897,728
Marine Cargo	1,355,367	319,707	677,683	997,391	1,043,017	2,040,408	-	-	-	-	2,040,408	2,845,725
Marine Hull	1,933,153	2,460,622	2,800,050	1,593,725	399,143	1,992,868	-	-	-	-	1,992,868	1,572,612
Accident	1,461,891	3,332,363	3,287,015	1,507,239	1,154,135	2,661,374	-	-	-	-	2,661,374	2,550,134
Aviation	781,242	1,837,962	1,753,041	866,163	1,405,561	2,271,724	1,213,314	2,505,128	2,530,408	1,188,034	1,083,690	565,859
Engineering	10,485,146	23,388,115	23,295,816	10,577,445	1,032,669	11,610,114	10,897,856	18,493,114	20,795,881	8,595,089	3,015,025	(641,450)
Total	28,867,505	86,405,201	75,146,256	40,126,450	6,452,133	46,578,583	12,502,950	33,885,838	32,120,481	14,268,307	32,310,276	21,790,608
Treaty	140,078,184	194,256,002	224,460,438	109,873,748	98,507,511	208,381,259	5,056,842	3,428,718	6,332,912	2,152,648	206,228,611	160,441,007
Grand Total	168,945,689	280,661,203	299,606,694	150,000,198	104,959,644	254,959,842	17,559,792	37,314,556	38,453,393	16,420,955	238,538,887	182,231,615

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Statement of Expense (unaudited)

For the quarter and half year ended June 30, 2009

		Half year ended June 30,									2009	2008
Commission paid or payable (A)	Deferred Commission		Net commission expense (D=A+B-C)	Other management expenses (E)	Underwriting expense (F=D+E)	Commission from reinsurers (G)	Opening (H)	Closing (I)	Net commission retrocession (J=G+H-I)	Aggregate Net underwriting expense (K=F+J)	Aggregate Net underwriting expense (Restated)	
	Opening (B)	Closing (C)										
	Rupees											
Business underwritten inside Pakistan												
Facultative												
Fire	36,617,267	55,564,844	43,332,651	48,849,460	2,855,242	51,704,702	12,974,558	4,397,181	8,794,192	8,577,547	43,127,155	27,197,186
Marine Cargo	1,994,781	939,255	677,683	2,256,353	2,104,507	4,360,860	-	165,264	-	165,264	4,195,596	5,247,867
Marine Hull	2,601,653	3,412,982	2,800,050	3,214,585	814,195	4,028,780	-	-	-	-	4,028,780	2,816,040
Accident	2,612,466	3,574,382	3,287,015	2,899,833	2,384,232	5,284,065	-	-	-	-	5,284,065	4,876,749
Aviation	1,883,421	1,512,231	1,753,041	1,642,611	2,375,337	4,017,948	2,833,706	1,861,565	2,530,408	2,164,863	1,853,085	2,055,605
Engineering	19,459,872	24,059,217	23,295,816	20,223,273	2,113,803	22,337,076	19,050,211	18,253,712	20,795,881	16,508,042	5,829,034	(1,732,526)
Total	65,169,460	89,062,911	75,146,256	79,086,115	12,647,316	91,733,431	34,858,475	24,677,722	32,120,481	27,415,716	64,317,715	40,460,921
Treaty	266,740,884	173,828,727	224,460,438	216,109,173	133,933,296	350,042,469	6,127,562	4,289,845	6,332,912	4,084,495	345,957,974	291,081,942
Grand Total	331,910,344	262,891,638	299,606,694	295,195,288	146,580,612	441,775,900	40,986,037	28,967,567	38,453,393	31,500,211	410,275,689	331,542,863

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Condensed Interim Statement of Investment Income (unaudited)

For the quarter and half year ended June 30, 2009

	Quarter ended June 30, 2009	Quarter ended June 30, 2008	Half yearly ended June 30, 2009	Half yearly ended June 30, 2008
	Rupees			
Income from non-trading investments				
<i>Held to maturity</i>				
Return on Government Securities	36,367,170	18,707,293	58,655,680	43,198,874
Return on other fixed income securities and deposits	25,501,258	26,840,685	115,251,959	36,545,372
Income on treasury bills	20,283,108	26,537,839	20,431,084	50,480,246
Amortization of premium on Pakistan Investment Bonds (PIBs)	(1,237,682)	(2,158,882)	(2,587,554)	(4,298,337)
<i>Available for sale</i>				
Dividend income	41,297,780	1,769,040	49,360,384	97,951,652
Gain on sale of available for sale investments	16,096,290	249,296	16,096,670	252,610
Gain on revaluation of available for sale investments	-	-	-	7,823,582
Provision for impairment in value of available for sale investments	-	(13,000,000)	-	(13,000,000)
Gain on revaluation of investment classified at fair value through profit or loss	-	1,724,222	-	-
	138,307,924	60,669,493	257,208,223	218,953,999
Less: investment related expenses	(682,877)	(579,521)	(1,428,821)	(1,180,981)
Net investment income	137,625,047	60,089,972	255,779,402	217,773,018

The annexed notes from 1 to 15 form an integral part of these condensed interim financial information.

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director

Notes to the Condensed Interim Financial Statements (unaudited)

For the half year ended June 30, 2009

1. STATUS AND NATURE OF BUSINESS

Pakistan Reinsurance Company Limited ("the company" or "PRCL") 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, Lalazaar Drive, Maulvi Tamizuddin Khan Road, Karachi. Its shares are quoted on Karachi and Lahore Stock Exchanges.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements i.e 'interim financial information' have been prepared in accordance with the approved accounting standards as applicable in Pakistan, requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) as are notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2002 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2002 or the requirements of the said directives shall prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of International Accounting Standard 34 (IAS-34): "Interim Financial Reporting" and in accordance with the format prescribed under SEC (Insurance) Rules, 2002.

These condensed interim financial statements are unaudited but have been reviewed by the external auditors of the company.

During the current period, International Accounting Standard 1 (Revised), Presentation of Financial Statements (IAS 1) became effective from January 1, 2009. The application of this standard has resulted in certain increased disclosures only. Other new standards, amendments and interpretations that were mandatory for accounting periods beginning on or after January 1, 2009 and are not considered to be relevant or have any significant effect on the company's operations, are not detailed in these condensed interim financial statements.

3. BASIS OF PRESENTATION

These condensed interim financial statements have been prepared under the historical cost convention except for available for sale investments, which have been stated at fair value, cashflow information and employee benefits are measured at present value.

4. ACCOUNTING POLICIES

The accounting policies applied in the preparation of the condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the company for the year ended December 31, 2008.

5. ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial statements 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 expenses. Actual results may differ from these estimates.

Notes to the Condensed Interim Financial Statements (unaudited)

For the half year ended June 30, 2009

In preparing these condensed interim financial statements, the significant judgments made by management in applying the company's accounting policies and the key sources of estimating uncertainty were the same as those applied to the annual financial statements as at and for the year ended December 31, 2008.

6 CONTINGENCIES

6.1 As explained in note 9, the company is in process of getting confirmations and reconciling balances of amount due to and due from other persons and bodies carrying on insurance business and have identified reconciling items of Rs. 128.61 million upto June 30, 2009 in respect of balance outstanding at June 30, 2008 (December 31, 2008: Rs. 133.54 million), which have not yet been agreed and settled with these insurance companies. Consequently, the impact of possible adjustments on these balances and Profit and Loss account could not be quantified.

6.2 The company has reversed certain claims lodged by insurance companies estimated at Rs. 54.68 million in previous years due to the reason that appropriate documentation for substantiating these claims was not provided by the ceding companies.

There is a possibility that the company may become liable to pay this amount in case if ceding companies ultimately manage to provide the relevant supporting documents. However, these include a claim of Rs. 6.36 million against which the company had also made a counter claim of Rs. 20.72 million.

6.3 The company has certain disputes with National Construction Company Limited (NCCL) and other consultant / contractors, over the certification of final bills and breach of contract in relation to the construction of PRC Towers respectively.

NCC has filed a counter claim of Rs. 133.6 million against the company for financial loss and loss of goodwill against the original claim filed by the company amounting to Rs. 105.9 million for breach of contract for the construction of PRC Towers. In relation to the dispute with the consultants/ contractors the total work as certified by company's consultants amounted to Rs. 200.76 million against the total contract price of Rs. 208.94 million and the asset capitalized amounted to Rs. 191.92 million only.

The company has not made any provision against these claims, as it does not anticipate any liability in respect of these claims.

6.4 Case related to Export Credits Guarantee Scheme (ECGS)

Decrees have been awarded against the company in two cases amounted to Rs. 31.92 million, pertaining to the export credit guarantees issued by ECGS. The management is of the view that the said matter relates to ECGS and the company has no responsibility for any liability in this respect. It further, contends that no liability will arise for the ECGS from such cases. The Scheme has been abolished by the Federal Government and also the accounts relevant to the Scheme have been transferred by the company.

6.5 The company is a defendant in a case filed by Commercial Union for a claim of Rs. 50 million. Pending the ultimate outcome of the decision, no provision has been made in the condensed interim financial statements in this respect by the company.

Notes to the Condensed Interim Financial Statements (unaudited)

For the half year ended June 30, 2009

7	INVESTMENTS	Note	Un-audited June 30, 2009	Audited Dec 31, 2008
			Rupees	
	Held to maturity			
	Defence Saving Certificates (DSCs)		450,285,760	418,733,328
	Pakistan Investment Bonds (PIBs)		962,106,041	491,126,397
	Treasury Bills		755,372,184	-
			2,167,763,985	909,859,725
	Available for sale			
	Ordinary shares - listed and unlisted	7.1	828,823,517	1,779,874,785
	National Investment Trust units		2,769,200,430	2,769,200,429
			3,598,023,947	4,549,075,214
			5,765,787,932	5,458,934,939
7.1	Investment in listed and unlisted companies			
	Cost of investments in listed and unlisted companies		1,971,850,151	1,794,927,840
	Less: Provision for diminution in value:			
	Balance brought forward from last year		15,053,055	22,876,637
	Provision / (Reversal) made during the period		1,127,973,579	(7,823,582)
			1,143,026,634	15,053,055
			828,823,517	1,779,874,785

The market value of investments as at June 30, 2009 was Rs. 7.656 billion (December 31, 2008: Rs.5.284 billion).

8 INVESTMENTS PROPERTIES

The market value of the investment properties is Rs. 859.632 million, as per valuation carried out by an independent value in 2008.

9 AMOUNT DUE FROM AND DUE TO OTHER PERSONS AND BODIES CARRYING ON INSURANCE BUSINESS

The company has gross due from balance of Rs. 1,502.57 million (Rs. 1,116.57 million net of provision for doubtful balances) and total due to balance of Rs. 698.63 million as at June 30, 2009. The company prepared reconciliations for parties representing due from balances of Rs. 346.81 million and due to balance of Rs. 180.46 million as at June 30, 2008. These reconciliations highlighted an unreconciled net difference of Rs. 128.61 million (December 31, 2008: Rs. 133.54 million), which has been disclosed as contingency in note 6.1.

Notes to the Condensed Interim Financial Statements (unaudited)

For the half year ended June 30, 2009

10 ADDITIONS AND DELETIONS IN FIXED ASSETS

Details of the cost of fixed assets that have been acquired/disposed off are as follows:

	Additions	Disposals
	Rupees	
Land and buildings	1,081,334	-
Furniture, fixture, books and office equipment	1,021,310	-
Motor vehicles	10,437,000	-
	<u>12,539,644</u>	<u>-</u>

11 RELATED PARTY TRANSACTIONS

Related parties comprise associated companies, entities with common directors, directors, key management personnel and retirement benefit funds. Transactions with related parties are carried out on commercial terms.

	Quarter ended June 30 2009	2008	Half year ended June 30 2009	2008
	Rupees			
Insurance premium written during the period	112,631,668	167,721,342	231,423,521	333,009,466
Insurance claims paid	(65,774,158)	(272,036,758)	(136,213,470)	(503,308,399)
Insurance commission paid	51,185,907	(44,813,672)	(37,822,515)	(87,373,595)
Premium paid	1,571	10,055	2,513	9,958
Insurance commission received	(892)	(4,541)	(1,050)	(4,507)
Insurance claims received	91,736	743,264	284,130	742,881
Premium (received) / claims paid - net	(2,067,710)	(350,905,403)	(2,067,710)	(875,018,517)
Dividend income	-	-	-	10,560,000
Dividend paid	228,827,652	-	228,827,652	-
Bonus shares issued	-	770,468,550	-	770,468,550
Contributions / Provisions for staff retirement benefits plan	45,072,000	16,800,000	45,072,000	16,800,000
Remuneration to key personnel	4,621,745	3,961,092	8,381,379	6,672,626

The transactions with related parties are in the normal course of business at contracted rates and terms determined on commercial terms.

Profit oriented state-controlled entities - various	Quarter ended June 30 2009	2008	Half year ended June 30 2009	2008
	Rupees			
Insurance premium written	259,145,634	352,622,354	586,693,849	785,195,808
Insurance claim paid	(296,987,768)	(65,193,647)	(556,421,100)	(291,576,193)
Commission paid	(78,871,418)	(5,174,064)	(19,305,527)	(10,385,651)
Premium (received) / claims paid - net	(397,389,125)	46,006,365	(1,234,436,836)	70,192,941
Rent income	5,777,368	4,483,816	11,554,736	8,967,632

Notes to the Condensed Interim Financial Statements (unaudited)

For the half year ended June 30, 2009

12 SEGMENT REPORTING

Class of businesswise revenue and results have been disclosed in the statement of premium and profit and loss account, respectively, prepared in accordance with the requirements of Insurance Ordinance, 2000 and the SECP (Insurance) Rules, 2002.

13 (LOSS) / EARNING PER SHARE - basic

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

	Quarter ended June 30		Half year ended June 30	
	2009	2008 Restated	2009	2008 Restated
(Loss) / Profit after tax for the period (Rupees)	(263,077,394)	122,310,843	(674,274,344)	290,993,326
Weighted average number of ordinary shares	300,000,000	300,000,000	300,000,000	300,000,000
(Loss) / Earning per share - basic (Rupees)	(0.88)	0.41	(2.25)	0.97

No diluted earnings per share has been presented as the company has not issued any instrument which would have an impact on earnings per share when exercised.

The number of shares for the prior period have also been adjusted for the effect of bonus shares issued during the current period.

14 DATE OF AUTHORIZATION OF ISSUE

These condensed interim financial statements have been authorized for issue in the Board of Directors meeting held on August 28, 2009.

15 GENERAL

The figures for the year ended December 31, 2007 were restated in published financial statements for the year ended December 31, 2008. Consequent to such restatement, the management has restated the comparative amount of quarter and half year ended June 30, 2008 in these condensed interim financial information.

The figures in these condensed interim financial statements have been rounded off to the nearest rupees.

Farzana Munaf
Chief Financial Officer

Rukhsana Saleem
Chief Executive

Abdul Hamid Dagia
Director

Syed Arshad Ali
Director





PakRe

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