

Quarterly Accounts  
for the Period Ending  
March 31st, 2016  
(Un-Audited)

*Join us for a  
Rising Future*



**EAST WEST LIFE**  
ASSURANCE COMPANY LIMITED





# **QUARTERLY FINANCIAL REPORT**

## **FOR THE PERIOD ENDING MARCH 31, 2016**

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**BOARD OF DIRECTORS AND COMPANY INFORMATION**

<b>Chief Justice (R) Mian Mahboob Ahmad</b>	<b>Chairman</b>
<b>Maheen Yunus, CPCU</b>	<b>Chief Executive Officer (CEO)</b>
<b>Umeed Ansari</b>	<b>Directors</b>
<b>Mohsin Ali Kanchwala</b>	
<b>Javed Yunus</b>	
<b>Pervez Yunus</b>	
<b>Naved Yunus</b>	
<b>Omar P. Yunus</b>	
<b>Sohail Nazeer</b>	<b>Company Secretary</b>
<b>Shujat Siddiqui, MA, FIA, FPSA</b>	<b>Appointed Actuary</b>
<b>Akhtar &amp; Hasan (Private) Limited</b>	<b>Consulting Actuaries</b>
<b>Saiyed Younus Saeed</b>	<b>Legal Advisor</b>
<b>BDO Ebrahim &amp; Company</b> Chartered Accountants	<b>Auditor</b>
<b>THK Associates (Pvt) Limited</b> 2nd Floor, State Life Building No. 3, Dr. Ziauddin Ahmed Road, Karachi, Pakistan. Phone: (021) 35693094-95 Fax: (92-21) 35655595	<b>Share Registrar</b>
<b>28 Regal Plaza, M.A. Jinnah Raod,</b> Quetta, Pakistan. Phone: (081) 2822913, 2821397 Fax: (92-81) 2621460	<b>Registered Office</b>
<b>Room No. 802, 8th Floor, Lakson</b> Square Building No. 1, Opp. Karachi Press Club, Karachi, Pakistan. Phone: (021) 35630421, 35630422, 35630423 Fax: (92-21) 35630429	<b>Head Office</b>
<b>www.eastwestlifeco.com</b>	<b>Website</b>
<b>info@eastwestlifeco.com</b>	<b>E-Mail</b>



## MANAGEMENT AND BANKERS

**Maheen Yunus, CPCU** Chief Executive Officer (CEO)

**Imran Ali Dodani** Chief Operating Officer (COO)

**Sohail Nazeer** Chief Financial Officer (CFO)  
and Company Secretary

**Sheikh Khalid Mehmood** General Manager / Zonal Head

**Dr. Muhammad Aslam** Chief Medical Officer (CMO)  
MBBS, MD(USA), FCPS (Part 1)

**Nauman Mughal** Deputy General Managers

**Aqeel Ansari**

**Sana-ul-Haq Hashmi**

**Tanveer Iqbal** Assistant General Managers

**Naveed Ashraf**

**Anjum Ghazali**

**Ajaz Hussain**

**Allied Bank Limited** Bankers

**Summit Bank Limited**

**MCB Bank Limited**

**The Bank of Punjab**

**Habib Bank Limited**

**Askari Bank Limited**

**NIB Bank Limited**

**Bank Al-Habib Limited**

**JS Bank Limited**

**The Karakoram Co-Operative Bank Ltd.**

**Apna Microfinance Bank Limited**

**Bank Al-Falah Limited**

**Sindh Bank Limited**

## **COMMITTEES**

### **Executive Committee**

*Pervez Yunus*  
*Maheen Yunus, CPCU*  
*Naved Yunus*  
*Javed Yunus*  
*Sohail Nazeer, Secretary*

### **Audit Committee**

*Umeed Ansari*  
*Naved Yunus*  
*Pervez Yunus*  
*Mohsin Ali Kanchwala*  
*Muhammad Amir Khan, Secretary*

### **Underwriting Committee**

*Pervez Yunus*  
*Mohsin Ali Kanchwala*  
*Javed Yunus*  
*Ajaz Hussain, Secretary*

### **Claim Committee**

*Javed Yunus*  
*Naved Yunus*  
*Mohsin Ali Kanchwala*  
*Saleha Usman, Co-Secretary*

### **Reinsurance Committee**

*Naved Yunus*  
*Maheen Yunus, CPCU*  
*Mohsin Ali Kanchwala*  
*Sana-ul-Haq Hashmi, Secretary*

### **Investment Committee**

*Mohsin Ali Kanchwala*  
*Naved Yunus*  
*Maheen Yunus, CPCU*  
*Sohail Nazeer, Secretary*

### **Human Resource & Remuneration Committee**

*Naved Yunus*  
*Pervez Yunus*  
*Imran Ali Dodani*  
*Anjum Ghazali, Secretary*



## OUR MISSION, VISION AND PRINCIPLE VALUES

### OUR MISSION

- To* provide high quality, competitive insurance products and services through qualified, professional and committed salespersons.
- To* maintain financial strength for the benefit of our corporate and individual insurers, shareholders, agents/salespersons and employees.
- To* earn and protect public trust of the communities where we live and work by supporting good works and contributing to charities.
- To* create a challenging environment and develop a sense of accomplishment for our employees through tools and training to achieve personal growth and contribute to our organization.
- To* serve the nation by increasing the rate of literacy through our East West Life Educational Security Schemes for children and their parents.
- To* provide the right solutions that are in tune with our customer's needs, while facing up to the emerging challenges in the industry.
- To* help individuals and families financially realize their hopes and dreams and be there when they need us most.
- To* develop awareness of insurance need, build confidence in the insurance industry and also to develop the concept of saving.
- To* innovate and develop ideas to design new products for our valued corporate and individual clients to effectively meet their ever-changing needs.

### OUR VISION

Our vision is to be the number one provider of wide-ranging insurance solutions to all of Pakistan, a goal we will attain while observing the principal values that have served us well since inception.

### OUR PRINCIPLE VALUES

- S*afety and Security through expansion, development and profitability.
- E*xceptional and flexible product-line to meet the needs of our clients.
- R*espect and consideration for our policyholders, agents and employees.
- V*ision as well as action to achieve our mission.
- I*ntegrity and honesty in every aspects of our organization.
- C*ommunity improvement through participation.
- E*xcellent service.



## DIRECTORS' REVIEW TO THE SHAREHOLDERS

The Board of Directors of East West Life Assurance Company Limited is pleased to present the un-audited accounts for the first quarter ended March 31st, 2016.

The after tax loss for the period ended March 31st, 2016 amounts to Rs.2,612,173 compared to a loss of Rs. 5,122,207 during the corresponding period of 2015. This after tax loss has been calculated after taking into account the results of both Shareholders' Fund and Statutory Funds as detailed hereunder:

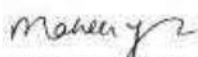
	For the Quarter Ended	
	March 31st, 2016	March 31st, 2015
	Rupees	Rupees
<b>OPERATING INCOME</b>		
Premium Less Reinsurances	4,900,522	7,558,383
Net Investment Income	7,438,296	10,678,798
Total Net Income	12,338,818	18,237,181
<b>OPERATING EXPENSES</b>		
Claims, Including Bonuses,		
Net of Reinsurance Recoveries	10,713,022	17,959,351
Management Expenses Less Recoveries	9,957,391	14,909,493
Total Claims & Expenditure	20,670,413	32,868,844
<b>Excess of Income Over Claims and Expenditure</b>	<b>(8,331,595)</b>	<b>(14,631,663)</b>
Movement in Policyholders' Liability	5,749,759	9,553,085
<b>(Loss)/Profit Before Taxation</b>	<b>(2,581,836)</b>	<b>(5,078,578)</b>
Taxation	(30,337)	(43,629)
<b>(Loss)/Profit After Taxation</b>	<b>(2,612,173)</b>	<b>(5,122,207)</b>

As shown above, the primary reason for the loss experienced during the 1st quarter of 2016 is the sizable decrease of more than 35% in premiums of the company's Statutory Funds, which is primarily limited to the corporate portfolio that has experienced a drop of almost 72% during the first 3 months of the year. This drastic drop has been somewhat mitigated through a decrease of approximately 37% in the claims and expenditure of the company. The company's management has decided to focus on completely revamping its marketing department strategy to tackle the lackluster premium income results achieved. This will also include reviewing our rating and underwriting standards with the company's actuaries as well as underwriting personnel to pinpoint the reasons for the drastic decrease in premium income along with implementation of steps that will allow our company to achieve higher business volume in the near future.

Needless to say, your company continues to closely monitor the market situation and believes that its business model as well as prudent risk management practice, coupled with a strong customer base with deep client relationship will give it a long term competitive advantage. The company always aggressively pursues new opportunities and ensures adequate internal preparedness to take maximum advantage of such opportunities.

At this time, we would like to express our appreciation to the Government of Pakistan, Ministry of Commerce, and Securities and Exchange Commission of Pakistan (SECP) for their invaluable assistance and guidance. Your directors would also like to place on record their appreciation for the tremendous contribution made by the officers, staff and field force towards the development of the company. Finally, we would like to thank our clients for their confidence reposed in your company.

For and on behalf of the Board of Directors,

  
**Maheen Yunus, CPCU**  
Chief Executive Officer (CEO)

Karachi: April 27, 2016





**INTERIM CONDENSED BALANCE SHEET  
AS AT MARCH 31, 2016 (Un-Audited)**

Figures in Rupees

Note	Shareholders' Fund	Statutory Funds			Aggregate	
		Ordinary Life	Universal Life	Accidental & Health	March 31, 2016	Dec. 31, 2015
		Un-Audited				Audited
<b>Share Capital and Reserves</b>						
Authorized Share Capital	600,000,000	-	-	-	600,000,000	600,000,000
Issued, Subscribed And Paid-Up Share Capital	594,291,500	-	-	-	594,291,500	594,291,500
Accumulated Deficit 6	(398,519,358)	-	-	-	(398,519,358)	(394,609,283)
	195,772,142	-	-	-	195,772,142	199,682,217
<b>Balance of Statutory Fund [Including Policyholders' Liabilities 2016: Rs.203,515 Million (2015: Rs.209,264 Million)]</b>						
	-	13,822,157	193,085,964	4,046,319	210,954,440	215,406,297
<b>Deferred Liabilities</b>						
Outstanding Gratuity	9,055	77,195	-	-	86,250	86,250
<b>Creditors and Accruals</b>						
Outstanding Claims	-	19,520,642	58,785,418	6,392,037	84,698,097	91,361,089
Premiums Received in Advance	-	-	15,394,652	-	15,394,652	14,960,914
Amount Due to Other Insurers / Reinsurers	-	2,001,054	1,051,056	-	3,052,110	2,879,505
Accrued Expenses	1,031,498	2,403,472	8,894,413	254,395	12,583,778	13,136,867
Agent's Balances	-	752,380	2,641,735	151,670	3,545,785	4,126,898
Other Creditors and Accruals	23,866	75,438	19,208	22,663	141,175	35,096
	1,055,364	24,752,986	86,786,482	6,820,765	119,415,597	126,500,369
<b>TOTAL LIABILITIES</b>	<b>1,064,419</b>	<b>38,652,338</b>	<b>279,872,446</b>	<b>10,867,084</b>	<b>330,456,287</b>	<b>341,992,916</b>
<b>TOTAL EQUITY AND LIABILITIES</b>						
	196,836,561	38,652,338	279,872,446	10,867,084	526,228,429	541,675,133

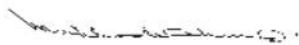
The annexed notes form an integral part of these accounts.

Dated: April 27, 2016

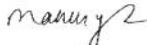
Figures in Rupees

Note	Shareholders' Fund	Statutory Funds			Aggregate	
		Ordinary Life	Universal Life	Accidental & Health	March 31, 2016	Dec. 31, 2015
		Un-Audited			Audited	
<b>Cash and Bank Deposits</b>						
Cash in Hand	-	-	1,687	-	1,687	4,667
Current and Other Accounts	5,247,917	14,828,455	56,157,269	80,204	76,313,845	104,132,048
Deposits Maturing Within 12 Months	-	-	90,000,000	-	90,000,000	85,000,000
	<b>5,247,917</b>	<b>14,828,455</b>	<b>146,158,956</b>	<b>80,204</b>	<b>166,315,532</b>	<b>189,136,715</b>
<b>Loans Secured Against Life Insurance Policies</b>	-	4,225,789	5,199,287	-	9,425,076	9,358,262
<b>Unsecured Loans To Employees</b>	60,098	477,588	59,298	-	596,984	591,720
<b>Investments</b>	8					
Government Securities	131,071,336	17,308,544	101,930,226	7,813,572	258,123,678	257,544,891
Listed Equities and Mutual Funds	32,549,018	-	15,248,301	-	47,797,319	47,554,351
	<b>163,620,354</b>	<b>17,308,544</b>	<b>117,178,527</b>	<b>7,813,572</b>	<b>305,920,997</b>	<b>305,099,242</b>
<b>Current Assets - Other</b>						
Premiums Due But Unpaid	-	-	423,275	492,458	915,733	1,461,902
Amount Due From Other Insurer and Reinsurer	-	612,800	2,654,784	-	3,267,584	2,952,479
Taxation	4,588,516	-	-	-	4,588,516	4,094,738
Prepayments	-	-	8,000	-	8,000	81,210
Sundry Receivables	50,000	1,199,162	8,009,700	2,480,850	11,739,712	4,238,028
Investment Income Accrued	1,820,290	-	180,619	-	2,000,909	3,091,900
Stationery	264,266	-	-	-	264,266	267,308
	<b>6,723,072</b>	<b>1,811,962</b>	<b>11,276,378</b>	<b>2,973,308</b>	<b>22,784,720</b>	<b>16,187,565</b>
<b>Fixed Assets</b>						
<b>Tangible</b>						
Furniture, Fixtures, Office Equipment and Vehicles	21,185,120	-	-	-	21,185,120	21,301,629
<b>Intangible Assets</b>						
Software	-	-	-	-	-	-
	<b>21,185,120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,185,120</b>	<b>21,301,629</b>
<b>TOTAL ASSETS</b>	<b>196,836,561</b>	<b>38,652,338</b>	<b>279,872,446</b>	<b>10,867,084</b>	<b>526,228,429</b>	<b>541,675,133</b>

The annexed notes form an integral part of these accounts.



Chairman



Chief Executive Officer



Director



Director



**INTERIM CONDENSED PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER ENDING MARCH 31, 2016**

Figures in Rupees

	Note	Quarter Ended	
		March 31, 2016	March 31, 2015
<b>Investment Income Not Attributable to Statutory Funds</b>			
Return on Government Securities		2,813,264	3,557,498
Return on Other Fixed Income Securities and Deposits		220,429	805,372
Amortization of Discount/Premium Relative to Par		181,893	179,894
Dividend Income		330,000	279,600
Gain on Sale of Investment		-	90,663
<b>Net Investment Income</b>		<b>3,545,586</b>	<b>4,913,027</b>
Expenses Not Attributable to Statutory Funds		(3,025,324)	(4,156,318)
<b>Profit Before Tax</b>		<b>520,262</b>	<b>756,709</b>
Taxation		(30,337)	(43,629)
<b>Profit After Tax</b>		<b>489,925</b>	<b>713,080</b>
<b>Earning Per Share</b>		<b>0.008</b>	<b>0.012</b>

The annexed notes form an integral part of these accounts.

Chairman

Chief Executive Officer

Director

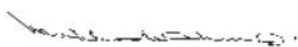
Director

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER ENDING MARCH 31, 2016**

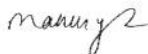
Figures in Rupees

	Share Capital	Accumulated Surplus/(Deficit)			Total
		Accumulated Surplus/(Loss)	Capital Contributed to Statutory Fund	Sub Total	
<b>Balance as at January 01, 2015</b>	594,291,500	(84,743,643)	(279,055,426)	(363,799,069)	<b>230,492,431</b>
Net Profit for the Period	-	713,080	-	713,080	<b>713,080</b>
Capital Contributed to Statutory Fund	-	-	(7,675,000)	(7,675,000)	<b>(7,675,000)</b>
<b>Balance as at March 31, 2015</b>	594,291,500	(84,030,563)	(286,730,426)	(370,760,989)	<b>223,530,511</b>
<b>Balance as at January 01, 2016</b>	594,291,500	(84,903,857)	(309,705,426)	(394,609,283)	<b>199,682,217</b>
Net Profit for the Period	-	489,925	-	489,925	<b>489,925</b>
Capital Contributed to Statutory Fund	-	-	(4,400,000)	(4,400,000)	<b>(4,400,000)</b>
<b>Balance as at March 31, 2016</b>	594,291,500	(84,413,932)	(314,105,426)	(398,519,358)	<b>195,772,142</b>

The annexed notes form an integral part of these accounts.



Chairman



Chief Executive Officer



Director



Director



**INTERIM CONDENSED CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDING MARCH 31, 2016**

Figures in Rupees

		Statutory Funds			Aggregate	
	Shareholders' Fund	Ordinary Life	Universal Life	Accidental & Health	March 31, 2016	March 31, 2015
Operating Cash Flows						
a) Underwriting Activities						
Premium Received	-	-	4,102,138	1,888,906	5,991,044	46,833,777
Net Reinsurance Premium received/(paid)	-	-	-	-	-	3,557,134
Claims Paid	-	(3,466,085)	(9,439,951)	(2,416,303)	(15,322,339)	(16,896,242)
Surrenders Paid	-	(51,740)	(2,317,040)	-	(2,368,780)	(1,550,759)
Commission Paid	-	-	(945,513)	(227,273)	(1,172,786)	(1,587,196)
Net Cash Flow						
Underwriting Activities	-	(3,517,825)	(8,600,366)	(754,670)	(12,872,861)	30,356,714
b) Other Operating Activities						
Income Tax Paid	(524,115)	-	-	-	(524,115)	(754,448)
General Management Expenses Paid	(2,451,850)	(1,796,664)	(10,106,039)	(2,262,749)	(16,617,302)	(15,791,570)
Net Cash (Used In)						
Other Operating Activities	(2,975,965)	(1,796,664)	(10,106,039)	(2,262,749)	(17,141,417)	(16,546,018)
Total Cash (Used In)/Generated						
From All Operating Activities	(2,975,965)	(5,314,489)	(18,706,405)	(3,017,419)	(30,014,278)	13,810,696
Investment Activities						
Profit/ Return Received	2,714,398	-	1,716,947	-	4,431,345	4,738,101
Dividend Received	579,687	-	-	-	579,687	279,600
Payments for Investments	(71,524,818)	-	(86,186,682)	-	(157,711,500)	(306,810,091)
Proceeds From Disposal of Investments	73,175,112	-	87,232,888	-	160,408,000	285,869,350
Fixed Capital Expenditure	(514,437)	-	-	-	(514,437)	-
Total Cash Flow From						
Investing Activities	4,429,942	-	2,763,153	-	7,193,095	(15,923,040)



Figures in Rupees

	Shareholders' Fund	Statutory Funds			Aggregate	
		Ordinary Life	Universal Life	Accidental & Health	March 31, 2016	March 31, 2015
Financing Activities						
Capital Contribution from Shareholder Fund	(4,400,000)	-	1,700,000	2,700,000	-	-
Total Cash Flow From Financing Activities	(4,400,000)	-	1,700,000	2,700,000	-	-
Net Cash Inflow / Outflow From All Activities	(2,946,023)	(5,314,489)	(14,243,252)	(317,419)	(22,821,183)	(2,112,344)
Cash at the Beginning of the Period	8,193,940	20,142,944	160,402,208	397,623	189,136,715	207,318,652
Cash at the End of the Period	5,247,917	14,828,455	146,158,956	80,204	166,315,532	205,206,308

### Reconciliation to Profit and Loss Account

Operating Cash flows	(30,014,278)	13,810,696
Depreciation Expense	(630,946)	(738,967)
Investment Income	7,438,296	10,613,404
Increase/(Decrease) in Assets Other than Cash	7,760,224	(32,008,568)
(Increase)/Decrease in Liabilities Other than Running Finance	12,834,531	3,201,228
Surplus/(Deficit) of Statutory Funds	3,102,098	5,835,287
<b>(Loss)/Profit After Taxation</b>	<b>489,925</b>	<b>713,080</b>

The annexed notes form an integral part of these accounts.

Chairman

Chief Executive Officer

Director

Director





**INTERIM CONDENSED REVENUE ACCOUNT (UN-AUDITED)  
FOR THE QUARTER ENDING MARCH 31, 2016**

Figures in Rupees

Note	Statutory Funds			Aggregate	
	Ordinary Life	Universal Life	Accidental & Health	March 31, 2016	March 31, 2015
<b>Income</b>					
Premiums Less Reinsurances	-	3,157,609	1,742,913	4,900,522	7,558,383
Net Investment Income	193,583	3,611,739	87,388	3,892,710	5,765,771
<b>Total Net Income</b>	<b>193,583</b>	<b>6,769,348</b>	<b>1,830,301</b>	<b>8,793,232</b>	<b>13,324,154</b>
<b>Claims and Expenditure</b>					
Claims, Including Bonuses, Net of Reinsurance Recoveries	807,595	8,588,688	1,316,739	10,713,022	17,959,351
Management Expenses Less Recoveries	1,666,532	3,858,244	1,407,291	6,932,067	10,753,175
<b>Total Claims and Expenditure</b>	<b>2,474,127</b>	<b>12,446,932</b>	<b>2,724,030</b>	<b>17,645,089</b>	<b>28,712,526</b>
<b>Excess/(Deficit) of Income Over Claims and Expenditure</b>	<b>(2,280,544)</b>	<b>(5,677,584)</b>	<b>(893,729)</b>	<b>(8,851,857)</b>	<b>(15,388,372)</b>
Add: Policyholders' Liabilities at Beginning of Period	12,853,870	196,409,514	1,391	209,264,775	242,915,719
Less: Policyholders' Liabilities at End of Period	10,664,347	192,850,669	-	203,515,016	233,362,634
	2,189,523	3,558,845	1,391	5,749,759	9,553,085
<b>Surplus/(Deficit)</b>	<b>(91,021)</b>	<b>(2,118,739)</b>	<b>(892,338)</b>	<b>(3,102,098)</b>	<b>(5,835,287)</b>
<b>Movement in Policyholders' Liabilities</b>	<b>(2,189,523)</b>	<b>(3,558,845)</b>	<b>(1,391)</b>	<b>(5,749,759)</b>	<b>(9,553,085)</b>
<b>Transfer To or From Shareholders' Fund</b>					
-Capital Contribution from Shareholders' Fund	-	1,700,000	2,700,000	4,400,000	7,675,000
-Capital Contribution to Shareholders' Fund	-	-	-	-	-
-Transfer of Surplus to Shareholders' Fund	-	-	-	-	-
<b>Net Transfer To or From Shareholders' Fund</b>	<b>-</b>	<b>1,700,000</b>	<b>2,700,000</b>	<b>4,400,000</b>	<b>7,675,000</b>
Balance of Statutory Fund at Beginning of Period	16,102,701	197,063,548	2,240,048	215,406,297	247,312,438
<b>Balance of Statutory Fund at End of Period</b>	<b>13,822,157</b>	<b>193,085,964</b>	<b>4,046,319</b>	<b>210,954,440</b>	<b>239,599,066</b>
<b>Represented by:</b>					
Capital Contributed by Shareholders' Fund	159,205,426	146,800,000	8,100,000	314,105,426	286,730,426
Accumulated (Deficit)	(156,047,616)	(146,564,705)	(4,053,681)	(306,666,002)	(280,493,994)
	3,157,810	235,295	4,046,319	7,439,424	6,236,432
Policyholders' Liabilities	10,664,347	192,850,669	-	203,515,016	233,362,634
<b>BALANCE OF STATUTORY FUND</b>	<b>13,822,157</b>	<b>193,085,964</b>	<b>4,046,319</b>	<b>210,954,440</b>	<b>239,599,066</b>

The annexed notes form an integral part of these accounts.

Chairman

Chief Executive Officer

Director

Director





## INTERIM CONDENSED STATEMENT OF PREMIUMS (UN-AUDITED) FOR THE QUARTER ENDING MARCH 31, 2016

Figures in Rupees

	Statutory Funds			Aggregate	
	Ordinary Life	Universal Life	Accidental & Health	March 31, 2016	March 31, 2015
<b>Gross Premiums</b>					
Regular Premium Individual Policies*					
First Year	-	227,249	-	227,249	675,323
Second Year Renewal	-	341,900	-	341,900	377,689
Subsequent Year Renewal	-	2,765,889	-	2,765,889	3,632,231
Single Premium Individual Policies	-	-	-	-	-
Group Policies	-	-	1,742,913	1,742,913	6,157,029
<b>Total Gross Premiums</b>	-	<b>3,335,038</b>	<b>1,742,913</b>	<b>5,077,951</b>	<b>10,842,272</b>
<b>Less: Reinsurance Premiums Ceded</b>					
On Individual Life First Year Business	-	-	-	-	(5,783)
On Individual Life Second Year Business	-	(4,488)	-	(4,488)	(13,465)
On Individual Life Renewal Business	-	(172,941)	-	(172,941)	(223,543)
On Group Policies	-	-	-	-	(3,041,098)
	-	<b>(177,429)</b>	-	<b>(177,429)</b>	<b>(3,283,889)</b>
<b>Net Premiums</b>	-	<b>3,157,609</b>	<b>1,742,913</b>	<b>4,900,522</b>	<b>7,558,383</b>

\* Individual policies are those underwritten on an individual basis and includes joint life policies underwritten.

The annexed notes form an integral part of these accounts.

Chairman

Chief Executive Officer

Director

Director



**INTERIM CONDENSED STATEMENT OF CLAIMS (UN-AUDITED)  
FOR THE QUARTER ENDING MARCH 31, 2016**

Figures in Rupees

	Statutory Funds			Aggregate	
	Ordinary Life	Universal Life	Accidental & Health	March 31, 2016	March 31, 2015
<b>Gross Claims</b>					
Claims Under Individual Policies					
By Death	31,581	1,099,562	-	1,131,143	784,094
By Insured Event Other Than Death	-	-	-	-	-
By Maturity	561,792	2,306,304	-	2,868,096	3,469,322
By Surrender	109,188	5,182,822	-	5,292,010	1,819,769
<b>Total Gross Individual Policy Claims</b>	<b>702,561</b>	<b>8,588,688</b>	<b>-</b>	<b>9,291,249</b>	<b>6,073,185</b>
Claims Under Group Policies					
By Death	420,139	-	-	420,139	9,610,121
By Insured Event Other Than Death	-	-	1,316,739	1,316,739	9,493,760
<b>Total Gross Group Policy Claims</b>	<b>420,139</b>	<b>-</b>	<b>1,316,739</b>	<b>1,736,878</b>	<b>19,103,881</b>
<b>Total Gross Claims</b>	<b>1,122,700</b>	<b>8,588,688</b>	<b>1,316,739</b>	<b>11,028,127</b>	<b>25,177,066</b>
<b>Less: Reinsurance Recoveries</b>					
On Group Life Claims	(315,105)	-	-	(315,105)	(7,217,715)
<b>Net Claims</b>	<b>807,595</b>	<b>8,588,688</b>	<b>1,316,739</b>	<b>10,713,022</b>	<b>17,959,351</b>

The annexed notes form an integral part of these accounts.

Chairman

Chief Executive Officer

Director

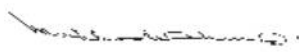
Director

### INTERIM CONDENSED STATEMENT OF EXPENSES (UN-AUDITED) FOR THE QUARTER ENDING MARCH 31, 2016

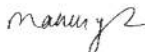
Figures in Rupees

	Statutory Funds			Aggregate	
	Ordinary Life	Universal Life	Accidental & Health	March 31, 2016	March 31, 2015
<b>Acquisition Costs</b>					
Remuneration to Insurance Intermediaries on Individual Policies:					
Commission on First Year Premiums	-	161,127	-	161,127	424,091
Commission on Second Year Premiums	-	37,001	-	37,001	34,306
Commission on Subsequent Renewal Premiums	-	92,119	-	92,119	120,249
Other Benefits to Insurance Intermediaries	-	301,426	-	301,426	286,509
Remuneration to Insurance Intermediaries on Group Policies:					
Commission	-	-	-	-	973,041
	-	<b>591,673</b>	-	<b>591,673</b>	<b>1,838,196</b>
Branch Overhead	-	294,104	-	294,104	317,948
Other Acquisition Cost					
Policy Stamps	-	5,000	-	5,000	5,000
<b>Total Acquisition Cost</b>	-	<b>890,777</b>	-	<b>890,777</b>	<b>2,161,144</b>
<b>Administration Expenses</b>					
Salaries and Other Benefits	872,863	1,793,217	940,931	3,607,011	4,622,093
Travelling Expenses	47,085	207,647	37,585	292,317	356,956
Actuary's Fees	225,000	157,500	45,000	427,500	427,500
Advertisements	-	-	-	-	37,200
Printing and Stationary	10,386	18,625	10,386	39,397	139,044
Rental	20,303	93,168	20,303	133,774	126,267
	<b>1,175,637</b>	<b>2,270,157</b>	<b>1,054,205</b>	<b>4,499,999</b>	<b>5,709,060</b>
Other Management Expenses	490,895	702,134	353,086	1,546,115	3,119,230
<b>Gross Management Expenses</b>	<b>1,666,532</b>	<b>3,863,068</b>	<b>1,407,291</b>	<b>6,936,891</b>	<b>10,989,434</b>
Commission From Reinsurers	-	(4,824)	-	(4,824)	(236,259)
<b>Net Management Expenses</b>	<b>1,666,532</b>	<b>3,858,244</b>	<b>1,407,291</b>	<b>6,932,067</b>	<b>10,753,175</b>

The annexed notes form an integral part of these accounts.



Chairman



Chief Executive Officer



Director



Director



**INTERIM CONDENSED STATEMENT OF INVESTMENT INCOME (UN-AUDITED)  
FOR THE QUARTER ENDING MARCH 31, 2016**

Figures in Rupees

	Statutory Funds			Aggregate	
	Ordinary Life	Universal Life	Accidental & Health	March 31, 2016	March 31, 2015
<b>Investment Income</b>					
On Government Securities	193,583	1,293,029	87,388	1,574,000	2,926,272
On Other Fixed Income Securities and Deposits	-	1,616,773	-	1,616,773	1,713,141
Amortization of Premium	-	1,130	-	1,130	-
Amortization of Discount	-	-	-	-	1,118
Other Miscellaneous Income	-	15,839	-	15,839	65,394
	<b>193,583</b>	<b>2,926,771</b>	<b>87,388</b>	<b>3,207,742</b>	<b>4,705,925</b>
<b>Gain on Sale of Investments</b>	-	684,968	-	684,968	1,059,846
<b>Total Investment Income</b>	<b>193,583</b>	<b>3,611,739</b>	<b>87,388</b>	<b>3,892,710</b>	<b>5,765,771</b>
<b>Net Investment Income</b>	<b>193,583</b>	<b>3,611,739</b>	<b>87,388</b>	<b>3,892,710</b>	<b>5,765,771</b>

The annexed notes form an integral part of these accounts.

Chairman

Chief Executive Officer

Director

Director

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDING MARCH 31, 2016**

**1. STATUS AND NATURE OF BUSINESS**

East West Life Assurance Company Limited (the company) was incorporated in Pakistan on August 18, 1992 as a public limited company under the Companies Ordinance, 1984. Its shares are quoted on Karachi Stock Exchange. The company commenced life insurance operations on February 22, 1993 after registration with Controller of Insurance on February 14, 1993. The addresses of its registered and principal office are 57 Regal Plaza, M.A. Jinnah Road, Quetta and 802, 8th Floor, Lakson Square Building No.1, Karachi, respectively. The company is engaged in life insurance business. In accordance with the requirements of Insurance Ordinance, 2000. The company has established shareholders' fund and following statutory funds in respect of its each class of life insurance business:

Ordinary life;  
Universal life; and  
Accident and health.

**2. BASIS OF PRESENTATION**

These financial statements have been prepared on the format of financial statements issued by Securities and Exchange Commission of Pakistan (SECP) through Securities and Exchange Commission (Insurance) Rules, 2002 (the Rules).

**3. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Boards as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, Insurance Ordinance, 2000 and the Rules. In case the requirements differ, the provisions or directives under the Companies Ordinance, 1984, Insurance Ordinance, 2000 and the Rules, shall prevail.

**4. BASIS OF MEASUREMENT**

The financial statements have been prepared under the historical cost convention except for certain financial assets and liabilities which are stated at fair value or amortized cost as applicable.

**5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted in the preparation of these financial statements are in line with the audited annual accounts for the year ended December 31st, 2015.



## 6. ANALYSIS OF ACCUMULATED SURPLUS/(DEFICIT) AS SHOWN IN BALANCE SHEET

Accumulated Deficit in  
Statement of Changes in Equity  
Ignoring Effect of Capital Transfers  
at Start of Period

Un-Audited March 31, 2016	Audited Dec 31, 2015
Rupees	Rupees

(84,903,857)	(84,743,643)
--------------	--------------

Add: Profit in Profit & Loss Account for the Period

489,925	(160,214)
---------	-----------

<b>(84,413,932)</b>	<b>(84,903,857)</b>
---------------------	---------------------

Less: Accumulated Net Capital Transferred in Statutory Funds

(314,105,426)	(309,705,426)
---------------	---------------

**Total Accumulated Deficit as Shown in Balance Sheet**

<b>(398,519,358)</b>	<b>(394,609,283)</b>
----------------------	----------------------

## 7. MOVEMENTS IN STATUTORY FUNDS

	Statutory Funds			Aggregate	
	Ordinary Life	Universal Life	Accidental & Health	Un-Audited March 31, 2016	Un-Audited March 31, 2015
	(Rupees)				
<b>Policyholders' Liabilities</b>					
Balance at Beginning of the Period	12,853,870	196,409,514	1,391	209,264,775	242,915,719
Increase / (Decrease) During the Period	(2,189,523)	(3,558,845)	(1,391)	(5,749,759)	(9,553,085)
<b>Balance at End of the Period</b>	<b>10,664,347</b>	<b>192,850,669</b>	<b>-</b>	<b>203,515,016</b>	<b>233,362,634</b>
<b>Capital Contributed By Shareholders' Fund</b>					
Balance at the Beginning of the Period	159,205,426	145,100,000	5,400,000	309,705,426	279,055,426
Capital Contributed During the Period	-	1,700,000	2,700,000	4,400,000	7,675,000
<b>Balance at End of the Period</b>	<b>159,205,426</b>	<b>146,800,000</b>	<b>8,100,000</b>	<b>314,105,426</b>	<b>286,730,426</b>
<b>Accumulated Deficit</b>					
Balance at the Beginning of the Period	(155,956,595)	(144,445,966)	(3,161,343)	(303,563,904)	(274,658,707)
Deficit Allocated in Respect of the Period	(91,021)	(2,118,739)	(892,338)	(3,102,098)	(5,835,287)
<b>Balance at End of the Period</b>	<b>(156,047,616)</b>	<b>(146,564,705)</b>	<b>(4,053,681)</b>	<b>(306,666,002)</b>	<b>(280,493,994)</b>



### 8. INVESTMENTS

	Note	Shareholders' Fund	Statutory Funds			Un-Audited March 31, 2016	Audited December 31, 2015
			Ordinary Life	Universal Life	Accidental & Health		
			(Rupees)				
Government Securities	8.1	131,071,336	17,308,544	101,930,226	7,813,572	258,123,678	257,544,891
Listed Equities	8.2	32,549,018	-	15,248,301	-	47,797,319	47,554,351
		163,620,354	17,308,544	117,178,527	7,813,572	305,920,997	305,099,242

#### 8.1 Government Securities

##### Held to Maturity

10 Years Pakistan Investment Bonds	19,926,076	-	-	-	19,926,076	19,788,789
10 Years Pakistan Investment Bonds	1,988,137	-	-	-	1,988,137	1,986,913
10 Years Pakistan Investment Bonds	3,834,490	-	-	-	3,834,490	3,824,921
10 Years Pakistan Investment Bonds	15,726,344	-	-	-	15,726,344	15,713,677
10 Years Pakistan Investment Bonds	-	-	1,193,614	-	1,193,614	1,193,245
10 Years Pakistan Investment Bonds	9,582,477	-	580,758	-	10,163,235	10,149,917
10 Years Pakistan Investment Bonds	7,982,824	-	-	-	7,982,824	7,974,235
03 Months Treasury Bills	-	-	-	-	-	-
06 Months Treasury Bills	-	17,308,544	73,783,853	7,813,572	98,905,969	196,913,194
12 Months Treasury Bills	72,030,988	-	26,372,001	-	98,402,989	-
	<u>131,071,336</u>	<u>17,308,544</u>	<u>101,930,226</u>	<u>7,813,572</u>	<u>258,123,678</u>	<u>257,544,891</u>

The particulars of investments are as follows:

	Amount in Rupees	Maturity	Principal Repayment	Coupon Percentage	Coupon Payment
<b>Held to Maturity</b>					
10 Years Pakistan Investment Bonds	19,926,076	May 2016	On Maturity	9.6%	Semi-Annually
10 Years Pakistan Investment Bonds	1,988,137	August 2018	On Maturity	12%	Semi-Annually
10 Years Pakistan Investment Bonds	3,834,490	July 2020	On Maturity	12%	Semi-Annually
10 Years Pakistan Investment Bonds	15,726,344	August 2021	On Maturity	12%	Semi-Annually
10 Years Pakistan Investment Bonds	1,193,614	July 2020	On Maturity	12%	Semi-Annually
10 Years Pakistan Investment Bonds	10,163,235	July 2020	On Maturity	12%	Semi-Annually
10 Years Pakistan Investment Bonds	7,982,824	July 2022	On Maturity	12%	Semi-Annually
06 Months Treasury Bills	98,905,969	May 2016	On Maturity	6.37%	On Maturity
06 Months Treasury Bills	98,402,989	July 2016	On Maturity	6.15%	On Maturity
	<u>258,123,678</u>				

#### 8.2 Listed Equities and Mutual Fund

Shareholders' Fund	Statutory Funds			Un-Audited March 31, 2016	Audited Dec. 31, 2015
	Ordinary Life	Universal Life	Accidental & Health		
	----- (Rupees) -----				
<b>Available For Sale</b>					
Listed equities	32,549,018	-	-	32,549,018	40,948,480
Mutual fund	-	-	15,248,301	15,248,301	15,005,333
Provision for impairment	-	-	-	-	(8,399,462)
	<u>32,549,018</u>	<u>-</u>	<u>15,248,301</u>	<u>47,797,319</u>	<u>47,554,351</u>





## 9. TRANSACTION WITH RELATED PARTIES

The related parties comprises East West Insurance Company Limited (Associated Company), directors of the company, key management personnel, associated undertakings, entities with common directors, statutory funds and employees' funds. Following are the balances and transactions with related parties.

	March 31, 2016			December 31, 2015		
	Providend Fund	Key Management Personnel	Associated Companies & Common Directorship	Providend Fund	Key Management Personnel	Associated Companies & Common Directorship
<b>Transactions</b>						
Payment made for settlement	-	-	-	3,650,000	-	-
Contribution During the period	199,465	-	-	866,182	-	-
<b>Balances</b>						
Investment	-	-	280,518	-	-	280,518

## 10. DATE OF ISSUE

These financial statements are authorised for issue on April 27, 2016 by the Board of Directors of the Company.

## 11. CORRESPONDING FIGURES

Previous figures have been rearranged and reclassified wherever necessary for the purpose of comparison.

			
Chairman	Chief Executive Officer	Director	Director



## *Plan ahead to Protect your Bright Future*

All of us dream the same dreams and start making plans accordingly, but life is never short of surprises.

Let **East West Life** take the worry out of your saving and insurance needs. Our comprehensive range of **Life Insurance, Health Insurance and Investment Solutions** let you protect your family while giving you real peace of mind.



**EAST WEST LIFE**

ASSURANCE COMPANY LIMITED

A Member of East West Group of Companies

Head Office: Room No. 802, 8th Floor, Lakson Square, Building No. 1, Opp. Press Club, Karachi, Pakistan.

Tel: (021) 35630421, 35630422, 35630423 Fax: (021) 35630429 E-mail: info@eastwestlifeco.com



## BRANCH NETWORK

### Lahore

*Punjab Zone\**

2nd Floor, Naqi Arcade,

71-Shahrah-e-Quaid-e-Azam, Lahore.

Tel.: (042) 36370717

Fax: (92-42) 36370711

E-Mail: lahore.zone@eastwestlifeco.com

### Sialkot

Office No-3, 2nd Floor,

Sharif Centre, Fateh Garh,

Agency Chowk, Defence Road,

Sialkot.

Tel.: (052) 3560260

### Sahiwal

1st Floor, Mansha Plaza,

Lahore Commercial Centre,

Near General Bus Stand, G. T. Road, Sahiwal.

Mobile: (0346) 7505655

### Multan

2nd Floor, Ghaffar Plaza, Bohra Street,

Multan Cantt., Multan.

Tel.: (061) 4504345

### Layyah

1st Floor of Khan Plaza,

Main Choubara Road, Layyah.

Tel.: (060) 6410372

### Rawalpindi

*Corporate / Group Marketing\**

55-A, Bank Road, Rawalpindi Cantt., Rawalpindi.

Tel.: (051) 5514322 Fax: (92-51) 5564809

E-Mail: rawalpindi.zone@eastwestlifeco.com

### Gujrat

1st Floor, Jabbar Centre, Opp. Allied Bank Limited,

Faisal Plaza, G.T. Road, Gujrat City, Gujrat.

Tel.: (053) 3535658

### Chakwal

1st Floor,

Bait-ul-Mukarram Masjid,

Talagang Road, Chakwal.

Tel.: (0543) 553226

### Jhelum

F-1, 3rd Floor, Shabbir Plaza,

Shandar Chowk, Jhelum.

Tel.: (0544) 623261

### Bhimber (Azad Kashmir)

Ch. Barkat Plaza,

Samahni Road,

Bhimber (A.K.).

Tel.: (058650) 43551

**Note:** Besides the company's head office (stated on page number 2), and the group marketing office in Rawalpindi shown on this page, corporate (group life and group health) insurance services are also offered at the above individual life sales offices marked with an asterisk (\*).



## ***Fly** without **Worries***

Everybody agree that efficient, skillful and cooperative efforts of both employer and employees are essential for the growth and profitability of any business operation. Satisfied employees, assured of a secure financial future of their families, tend to be more loyal to the organization and apply fully and devotedly to the work entrusted to them.

Our **Group Life** and **Health** insurance policies are ideal to manage employee growth. Being generous and customizable, our policies are the preferred choice for the corporate client interested in providing the best cover to the employees and their families.



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**EAST WEST LIFE**  
ASSURANCE COMPANY LIMITED

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Opp. Karachi Press Club, Karachi-Pakistan.  
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E-mail: [info@eastwestlifeco.com](mailto:info@eastwestlifeco.com) Website: [www.eastwestlifeco.com](http://www.eastwestlifeco.com)