

The United Insurance Company of Pakistan Ltd.

Member

United International Group

REGISTERED OFFICE:
204, 2nd Floor, Madina City Mall,
Abdullah Haroon Road,
Saddar, Karachi.
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Website : www.theunitedinsurance.com

R/UIC/3825/17

April 06, 2017

Fax: 111-573-329

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

Dear Sir,

FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2016

We have to inform you that the Board of Directors of our company in their meeting held on Thursday, April 06, 2017 at 11:00 (a.m.) at Head Office, Lahore were considered and approved the Annual Financial Statements.

The Financial Results for the year ended December 31, 2016 along with comparative figures for the last five (5) years are as follows:-

Rupees in Million

Conventional Insurance	2016	2015	2014	2013	2012
Gross Premium	3,781,741	3,062,158	2,474,743	1,723,743	1,422,914
Retained Premium	2,473,432	2,151,784	1,536,703	1,108,541	783,340
Net Incurred Claims	934,519	742,329	419,432	323,083	245,413
Management Expenses	503,683	423,519	377,599	286,871	201,896
Reserves for Un-expired Risks	1,490,002	1,389,096	1,426,683	877,885	670,989
Reserves	752,193	957,010	725,023	478,516	347,712
Under-writing Profits	803,795	779,657	629,074	436,881	302,862
Investment Income	77,994	60,729	63,404	34,689	41,167
Profit Before Tax	362,848	679,588	507,936	290,554	187,484
Paid up Capital	1,803,200	1,288,000	920,000	701,943	570,685
Window Takaful Operations	2016	2015	2014		
			5 Months		
Participants' Takaful Fund					
Gross Contribution	528,990	503,605	123,727	-	-
Retained Contribution	193,515	115,365	3,387	-	-
Net Incurred Claims	191,097	129,048	2,396	-	-
(Deficit) from PTF Fund	(33,903)	(18,425)	0,885		
WAQF/PTF Fund	0,500	0,500	0,500		
Operators' Fund				-	-
Management Expenses	69,089	74,726	16,033	-	-
Net profit	49,204	69,794	28,456	-	-
Statutory Fund	50,000	50,000	50,000	-	-



R/UIC/3825/17

April 06, 2017

CASH DIVIDEND

It is recommended by the Board to pay 10% Cash Dividend.

ISSUE OF BONUS SHARES

It is recommended by the Board to capitalize the sum of Rs. 198,352,000/- for issue of Bonus Shares @ 11% in proportion of 11 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 57th Annual General Meeting of the Company will be held on Saturday the April 29, 2017 at 11.00 (a.m.) at Royal Palm Golf & Country Club, 52-Canal Bank Road, Lahore. Permission from SECP has been obtained vide its letter # ID/OSM/United/2016/8457 dated February 14, 2017. (Copy enclosed for reference and record).

BOOK CLOSURE DATES

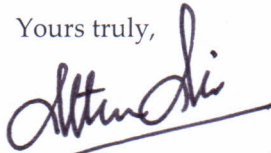
The Board decided that the Share Transfer Books of the Company will remain closed from 22.04.2017 to 29.04.2017 (both days inclusive). Transfers received in order at the Company's Registered Office, Karachi at the close of business on April 21, 2017, will be treated as being in time for the purpose to determine entitlement to Dividend/Bonus Shares and to attend the meeting.

**PROFIT & LOSS ACCOUNT WITH APPROPRIATION
AND EARNING PER SHARE**

A copy of Profit and Loss Account statement which also shows Appropriation and earnings per share for the year ended December 31, 2016 is also enclosed.

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

Yours truly,



(Athar A. Khan)

Company Secretary



THE UNITED INSURANCE COMPANY OF PAKISTAN LIMITED
**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Note	Fire and property damage	Marine aviation and transport	Motor	Crop	Miscellaneous	2016	2015
----- Rupees -----								
REVENUE ACCOUNT								
Net premium revenue		350,367,395	155,710,160	629,861,387	433,190,506	904,302,525	2,473,431,973	2,151,783,888
Net claims		(176,093,241)	(42,811,234)	(264,487,969)	(41,906,570)	(409,220,147)	(934,519,161)	(742,328,636)
Change in premium deficiency reserve		-	-	-	-	3,565,422	3,565,422	(5,261,422)
Management expenses	28	(82,398,096)	(23,270,285)	(207,354,559)	(55,968,783)	(134,691,439)	(503,683,162)	(423,518,859)
Net commission		(71,394,510)	(13,920,341)	(53,498,420)	(76,164,966)	(20,021,509)	(234,999,746)	(201,017,842)
UNDERWRITING RESULT		20,481,548	75,708,300	104,520,439	259,150,187	343,934,852	803,795,326	779,657,129
Investment income						77,994,098	60,728,726	
Rental Income						2,142,000	1,392,000	
Other income	29					30,387,428	21,388,587	
Share of loss from associate	21.1.2					(276,733,384)	(10,992,111)	
Profit from window takaful operations	22.1					49,203,557	69,794,020	
General and administration expenses	30					(302,954,545)	(230,324,358)	
Car Ijarah expense						(10,569,751)	-	
Finance charge on lease rentals						(10,416,286)	(12,055,625)	
						(440,946,883)	(100,068,761)	
Profit before provision for taxation						362,848,443	679,588,368	
Provision for taxation	31					(79,512,518)	(59,562,592)	
Profit for the year						283,335,925	620,025,776	
PROFIT AND LOSS APPROPRIATION ACCOUNT								
Balance at commencement of the year						881,893,837	649,907,057	
Total comprehensive income for the year						291,382,769	618,986,780	
Profit available for appropriation						1,173,276,606	1,268,893,837	
Issuance of bonus shares (2016: Rs. 4.0 (40%) per share for the year 2015)						(515,200,000)	(368,000,000)	
Qarz-e-hasna returned from/ (provided to) Participants' Takaful Fund						19,000,000	(19,000,000)	
Balance of unappropriated profit at end of the year						677,076,606	881,893,837	
Earning per share								
- basic and diluted (Restated)	32					1.57	3.44	

The annexed notes from 1 to 43 form an integral part of these financial statements.

Attundhi



RSM Avais Hyder Liaquat Nauman

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AA/98/17

March 30, 2017

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 11% bonus shares to its shareholders on the basis of results declared for the financial year ended December 31, 2016. 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.



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Other Offices at:
Karachi : 92 (21) 3565 5975-6
Faisalabad : 92 (41) 854 1165/854 1965
Islamabad : 92 (51) 235 6041-2
Quetta : 92 (81) 282 9809
Peshawar : 92 (91) 527 8310/527 7205
Kabul : 93 (799) 058155

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 11% bonus shares as of December 31, 2016.
- b) Ensured 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 it 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 revaluation 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;
 - iv) development allowance reserve created under the provisions of the Income Tax Ordinance, 2001;
 - v) provision for taxation to the extent of the deferred or current liability of the company;
 - vi) capital redemption reserve; and
 - vii) unrealized capital gain.
- c) Ensured the free reserves (as arrived at in point (b) above) are not less than fifteen 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, 2016, 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. 198,352,000/-) are not less than fifteen per cent of the increased paid up capital (Rs. 2,001,552,000/-) of the company; and
- b) All contingent liabilities have been deducted while calculating the minimum residual reserve of fifteen percent.

Other Matter

This certificate is based on initialed financial statements for the year ended December 31, 2016.

A handwritten signature in blue ink, appearing to be 'RSM', is located in the bottom right corner of the page.

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 to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein and is not a certificate of assurance.

RSM

Yours truly



RSM AVAIS HYDER LIAQUAT NAUMAN
Chartered Accountants
Place: Lahore



SECP

INSURANCE DIVISION

Islamabad

By Courier

ID/OSM /United /2016/ 8457

February 14, 2017

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

Sub: Approval for change in place other than registered Office under section 158(2) of the Companies Ordinance, 1984 for holding Company's Annual General Meeting.

Please refer to the subject application No. R/UIC/3792/2017 dated February 10, 2017 of The United Insurance Company of Pakistan Limited ("Company") whereby it is requested for grant of permission to hold the Annual General Meeting ("AGM") of the Company at Lahore instead of Karachi where the registered office of the Company is located.

2. In this connection, I am directed to convey that the competent authority has acceded to your request and has allowed the Company to hold its AGM at Lahore.

Hina Gul
Additional Joint Director (Insurance)