



Century Insurance

A LAKSON GROUP COMPANY

n e w W A Y S



QUARTERLY REPORT
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011
(UN-AUDITED)

A person in a dark suit is holding a tablet. The tablet screen displays a grid of hexagons, a world map, and various icons like a double-headed arrow, a speech bubble, and an envelope. The background is a light blue gradient.

CENTURY INSURANCE AT A GLANCE

- Century Insurance is a Lakson Group Company.
- Operating since 1989, dealing in all areas of general insurance business.
- One of the premier general insurance companies of Pakistan.
- Rated "A" with stable outlook which signifies High Financial Capacity to meet Policyholders and contract obligations.
- Paid-up capital of Rs. 457 million, which is 83% higher than the Government specified threshold.
- Twice awarded 'Top 25 Companies Award' of the Karachi Stock Exchange.
- Very strong Reinsurance treaty arrangements with world renowned reinsurers.
- Client base consists of prestigious local and foreign corporates.

"PROMPT SETTLEMENT OF CLAIMS & CUSTOMERS' SATISFACTION
ARE CENTURY'S TOP PRIORITY"



OUR VISION

To be an Organisation known for integrity and ethical behaviour and fully dedicated to our clients, business partners, shareholders and employees, providing exceptional quality service and committed to achieve excellence in all areas of its operations.

OUR MISSION

- To become a Company of choice to our valued clients, stakeholders and employees.
- To maximize growth and profitability of the Company and provide excellent financial returns to its valued shareholders.
- The Company's culture should be known for its integrity and ethical behaviour.
- The Company to be known as one of the best insurance companies of the Country.

CONTENTS

- 03 Corporate Information
- 04 Directors' Review
- 06 Balance Sheet
- 08 Profit and Loss Accounts
- 09 Statement of Comprehensive Income
- 10 Statement of Changes in Equity
- 11 Statement of Cash Flows
- 13 Statement of Premiums
- 14 Statement of Claims
- 15 Statement of Expenses
- 16 Statement of Investment Income
- 17 Notes to the Financial Information

CORPORATE INFORMATION

Board of Directors

Mr. Iqbal Ali Lakhani - Chairman
Mr. Zulfiqar Ali Lakhani
Mr. Amin Mohammed Lakhani
Mr. Tasleemuddin A. Batlay
Mr. A. Aziz H. Ebrahim
Mr. Muhammad Abdul Qadir
Mr. Mohammad Hussain Hirji - Chief Executive

Advisor

Mr. Sultan Ali Lakhani

Chief Financial Officer

Mr. Sabza Ali Pirani

Company Secretary

Mr. Mansoor Ahmed

Audit Committee

Mr. Zulfiqar Ali Lakhani (Chairman)
Mr. Amin Mohammed Lakhani
Mr. Tasleemuddin A. Batlay

Underwriting Committee

Mr. Tasleemuddin A. Batlay (Chairman)
Mr. Mohammad Hussain Hirji
Mr. Afzal-ur-Rahman

Claim Settlement Committee

Mr. Amin Mohammed Lakhani (Chairman)
Mr. Mohammad Hussain Hirji
Mr. Afzal-ur-Rahman

Reinsurance & Co-Insurance Committee

Mr. Zulfiqar Ali Lakhani (Chairman)
Mr. Mohammad Hussain Hirji
Mr. Afzal-ur-Rahman
Ms. Madiha Khalid

External Auditors

M/s. KPMG Taseer Hadi & Co.
Chartered Accountants

Bankers

Allied Bank Limited
Bank Al-Habib Limited
Citibank, N.A.
Habib Bank Limited
Habib Metropolitan Bank Limited

HSBC Bank Middle East Limited
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
NIB Bank Limited
Standard Chartered Bank (Pakistan) Limited

Shares Registrar

M/s. FAMCO Associates (Pvt) Ltd.
State Life Building No. 1-A, 1st Floor, I.I.Chundrigar
Road, Karachi.

Registered & Corporate Office

Lakson Square, Building No. 2, Sarwar Shaheed
Road, Karachi-74200.

Head Office

11th Floor, Lakson Square, Building No. 3, Sarwar
Shaheed Road, Karachi-74200.

Karachi Marketing Office

10th Floor, Lakson Square, Building No. 3, Sarwar
Shaheed Road, Karachi-74200.

Lahore Branch

Suite No. 209, Eden Centre, 43-Jail Road,
Lahore.

Islamabad Branch

Office No. 6, Mezzanine Floor, Kashmir Plaza,
Jinnah Avenue, Blue Area,
Islamabad.

Rawalpindi Branch

Suite No. 3, 1st Floor, Majeed Plaza, Bank Road,
Rawalpindi.

Faisalabad Branch

1st Floor, FM Plaza, 15-D, Peoples Colony,
Faisalabad.

Sialkot Branch

1st Floor, Karim Plaza, Iqbal Town, Defence Road,
Sialkot.

Website: www.cicl.com.pk
UAN: 111-111-717

DIRECTORS' REVIEW

On behalf of the Board of Directors, I am pleased to present to you the un-audited financial statements for the nine-month period ended 30 September 2011.

General Review

The underwriting results of all core business segments of the Company were profitable and contributed significantly to the bottom line. As compared to 3QFY10, the gross written premium has increased by Rs. 59 million (16%) though the net premium actually decreased by Rs. 8 million (5%). Net claims for 3QFY11 have decreased by Rs. 23 million (28%) as compared to the same period last year and underwriting profit has increased by Rs. 5 million (8%). Investment and other income were lower by Rs. 14 million resulting in a decrease in profit after tax of 15 million. Earnings per share stood at Rs. 0.86.

Operating Results

The comparative financial highlights for the nine-month period ended 30 September 2011 and 2010 are presented below:-

Rupees in millions (except for EPS)	30 Sep 2011	30 Sep 2010	Increase / (Decrease)	
			Amount	%
Gross written premium	432	373	59	16
Net premium	167	175	(8)	(5)
Underwriting profit	65	60	5	8
Investment & other income	36	51	(14)	(28)
Profit before tax	52	67	(15)	(22)
Profit after tax	40	55	(15)	(27)
Total assets	1,436	1,312	124	9
Paid-up capital	457	457	-	-
Total equity	955	907	49	5
Earnings per share (EPS) Rs.	0.86	1.20	(0.33)	(28)

As compared to 3QFY10, the gross premium in Fire, Marine and Miscellaneous business classes has increased by Rs. 45 million (31%), Rs. 14 million (25%) and Rs. 6.5 million (8%) respectively. However, the gross premium in Motor business class has decreased by Rs. 6.4 million i.e. 7%. Overall, all business segments have witnessed positive underwriting results during the period under review.

Also, during the period under review, the Company has recorded investment and other income of Rs. 36 million as compared to Rs. 51 million in the previous year. Your company will continue to place emphasis on generating a significant portion of its investment income from sustainable sources such as fixed income and dividends.

Future Outlook

The management of your Company is making concerted efforts to increase its market share and profitability and we are hopeful that this will result in enhancing shareholders' equity in the future.

Acknowledgments

The Directors of your Company would like to take this opportunity to thank the Securities and Exchange Commission of Pakistan (SECP), Insurance Association of Pakistan (IAP), State Bank of Pakistan (SBP), banks and financial institutions for their continued support and cooperation.

The Directors would also like to express their gratitude and appreciation for the support provided by our valued reinsurers.

We also thank our shareholders, who continue to place their trust and confidence in the Company and assure them of our best efforts to ensure optimum utilization of their investment in the Company.

Finally the Directors also wish to place on record their appreciation of the devotion, loyalty and hard work of the officers and members of the staff towards the growth of the Company and success of its operations.



Iqbal Ali Lakhani
Chairman

Karachi: 24 October 2011

CONDENSED INTERIM BALANCE SHEET

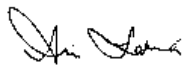
AS AT 30 SEPTEMBER 2011


	Note	Un-audited 30 September 2011	Audited 31 December 2010
		(Rupees)	
Share capital and reserves			
Authorized share capital [50,000,000 (31 December 2010: 50,000,000) ordinary shares of Rs.10 each]		500,000,000	500,000,000
Paid-up share capital		457,243,660	457,243,660
Retained earnings		125,169,444	131,365,194
Reserves		373,024,260	373,024,260
		955,437,364	961,633,114
Underwriting provisions			
Provision for outstanding claims (including IBNR)		93,270,316	100,129,274
Provision for unearned premium		200,217,327	134,453,913
Commission income unearned		31,980,755	18,925,026
Total underwriting provisions		325,468,398	253,508,213
Deferred liabilities			
Staff retirement benefits		1,357,167	-
Creditors and accruals			
Premiums received in advance		1,469,621	4,146,578
Amount due to other insurers / reinsurers	6	87,147,870	55,179,287
Accrued expenses		3,009,515	3,671,215
Other creditors and accruals	7	61,130,946	51,857,776
		152,757,952	114,854,856
Other liabilities			
Unclaimed dividend		793,483	470,974
TOTAL LIABILITIES		480,377,000	368,834,043
TOTAL EQUITY AND LIABILITIES		1,435,814,364	1,330,467,157
CONTINGENCY AND COMMITMENT	8		

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

	Note	Un-audited 30 September 2011	Audited 31 December 2010
		(Rupees)	
Cash and bank deposits			
Cash and other equivalents		5,654,385	1,849,180
Current and other accounts		62,758,294	85,210,677
		68,412,679	87,059,857
Investments	9	851,530,716	840,031,282
Deferred taxation		2,203,471	3,063,779
Current assets - others			
Premiums due but unpaid - unsecured		139,719,974	90,538,623
Amount due from other insurers / reinsurers		93,819,435	76,954,600
Reinsurance recoveries due but unpaid		7,094,735	10,036,487
Salvage recoveries accrued		5,570,000	6,923,000
Accrued investment income		4,135,204	3,451,981
Reinsurance recoveries against outstanding claims		30,385,227	38,934,607
Taxation - net		31,746,242	23,620,476
Deferred commission expense		21,362,520	13,140,306
Prepayments		126,591,252	85,901,593
Sundry receivables	10	4,475,328	6,219,559
		464,899,917	355,721,232
Fixed assets	11		
Tangible and intangible			
Office improvement		6,643,580	7,671,864
Furniture and fixtures		3,318,647	3,847,141
Office equipment		1,848,889	1,997,589
Computer and related accessories		1,031,163	1,520,200
Motor vehicles		31,481,293	28,579,204
Capital work in progress		3,794,000	-
Computer software		650,009	975,009
		48,767,581	44,591,007
TOTAL ASSETS		1,435,814,364	1,330,467,157


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Tasleemuddin A. Batlay
Director


Mohammad Hussain Hirji
Director & Chief Executive

CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED)

FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

Three months period ended 30 September 2011

	Fire and property	Marine aviation and transport	Motor	Miscellaneous	30 September 2011 Aggregate	30 September 2010 Aggregate
(Rupees)						
Revenue account						
Net premium revenue	8,118,042	11,978,227	23,564,858	5,657,596	49,318,723	58,189,665
Net claims	(1,632,887)	(1,850,074)	(8,179,258)	(6,981,957)	(18,644,176)	(28,385,511)
Expenses	(5,532,301)	(2,567,591)	(3,794,709)	(5,334,449)	(17,229,050)	(15,435,196)
Net commission	4,697,581	149,500	(1,515,589)	856,331	4,187,823	2,151,334
Underwriting result	5,650,435	7,710,062	10,075,302	(5,802,479)	17,633,320	16,520,292
Net investment income					11,003,984	11,431,875
Other income - net					2,864,696	2,240,206
General and administration expenses					(17,282,963)	(15,708,749)
Share of profit of associates - net					444,635	760,423
Profit before tax					14,663,672	15,244,047
Taxation - net					(2,558,772)	(1,311,209)
Profit after tax					12,104,900	13,932,838

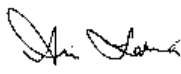
Nine months period ended 30 September 2011

	Fire and property	Marine aviation and transport	Motor	Miscellaneous	30 September 2011 Aggregate	30 September 2010 Aggregate
(Rupees)						
Revenue account						
Net premium revenue	24,823,496	41,971,335	72,771,423	27,760,613	167,326,867	175,371,298
Net claims	(5,968,518)	(4,840,614)	(32,630,719)	(15,146,273)	(58,586,124)	(81,461,553)
Expenses	(22,850,771)	(8,742,004)	(10,302,495)	(10,357,417)	(52,252,687)	(44,242,033)
Net commission	13,610,993	(677,121)	(4,357,121)	307,355	8,884,106	10,719,618
Underwriting result	9,615,200	27,711,596	25,481,088	2,564,278	65,372,162	60,387,330
Net investment income					24,139,810	40,052,465
Other income - net					7,787,630	6,384,877
General and administration expenses					(49,210,510)	(43,961,614)
Share of profit of associates - net					880,348	300,646
Reversal in value of investment in associates					3,299,280	3,813,129
Profit before tax					52,268,720	66,976,833
Taxation - current					(11,879,796)	(12,450,965)
- deferred					(860,308)	244,280
					(12,740,104)	(12,206,685)
Profit after tax					39,528,616	54,770,148
Profit and loss appropriation account						
Balance at commencement of the nine months period					131,365,194	21,732,162
Profit after tax for the period					39,528,616	54,770,148
Final cash dividend of Re. 1 (10%) (2009: Nil) per share					(45,724,366)	-
Balance of unappropriated profit at end of the nine months period					125,169,444	76,502,310
Basic earnings per share of Rs. 10 each (note - 13)					0.86	1.20

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.



Iqbal Ali Lakhani
Chairman



Amin Mohammed Lakhani
Director



Tasleemuddin A. Batlay
Director



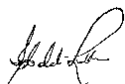
Mohammad Hussain Hijri
Director & Chief Executive

CONDENSED INTERIM STATEMENT of COMPREHENSIVE INCOME (UN-AUDITED)

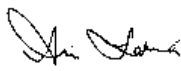
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

	Three months period ended		Nine months period ended	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
	(Rupees)			
Profit after tax	12,104,900	13,932,838	39,528,616	54,770,148
Other comprehensive income				
Share of associate reserve	(970)	-	-	-
Total comprehensive income for the period	12,103,930	13,932,838	39,528,616	54,770,148

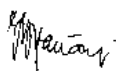
The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.



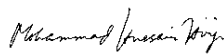
Iqbal Ali Lakhani
Chairman



Amin Mohammed Lakhani
Director



Tasleemuddin A. Batlay
Director



Mohammad Hussain Hirji
Director & Chief Executive

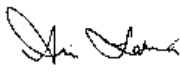
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

	Share capital		Reserves		Total reserves	Total
	Issued, subscribed and paid-up	Capital reserves	Revenue reserves			
		Share premium	General reserve	Retained earnings		
(Rupees)						
Balance as at 01 January 2010	457,243,660	254,024,260	119,000,000	21,732,162	394,756,422	852,000,082
Changes in equity for the nine months period ended 30 September 2010						
Total comprehensive income for the nine months period ended 30 September 2010	-	-	-	54,770,148	54,770,148	54,770,148
Balance as at 30 September 2010	457,243,660	254,024,260	119,000,000	76,502,310	449,526,570	906,770,230
Balance as at 01 January 2011	457,243,660	254,024,260	119,000,000	131,365,194	504,389,454	961,633,114
Changes in equity for the nine months period ended 30 September 2011						
Total comprehensive income for the nine months period ended 30 September 2011	-	-	-	39,528,616	39,528,616	39,528,616
Transactions with owners recorded directly in equity - distributions						
Final cash dividend of Re.1 (10%) for the year ended 31 December 2010	-	-	-	(45,724,366)	(45,724,366)	(45,724,366)
Balance as at 30 September 2011	457,243,660	254,024,260	119,000,000	125,169,444	498,193,704	955,437,364

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Tasleemuddin A. Batlay
Director


Mohammad Hussain Hirji
Director & Chief Executive

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

	30 September 2011	30 September 2010
	(Rupees)	
Operating cash flows		
(a) Underwriting activities		
Premiums received	361,092,191	290,693,470
Reinsurance premiums paid	(204,523,853)	(147,923,446)
Claims paid	(82,633,355)	(118,608,601)
Reinsurance and other recoveries received	27,740,322	70,676,316
Commissions paid	(39,299,259)	(25,906,255)
Commissions received	59,825,429	39,368,439
Net cash inflow from underwriting activities	122,201,475	108,299,923
(b) Other operating activities		
Income tax paid	(21,574,507)	(27,439,991)
General management expenses paid	(94,369,325)	(78,636,157)
Other operating receipts / (payments)	6,383,703	(1,477,303)
Net cash (outflow) from other operating activities	(109,560,129)	(107,553,451)
Total cash inflow from all operating activities	12,641,346	746,472
Investment activities		
Profit / return received	16,584,288	15,858,029
Dividends received	12,077,215	11,331,139
Payments for investments	(170,525,467)	(590,000,000)
Proceeds from disposal of investments	166,272,470	554,374,033
Fixed capital expenditure	(10,384,866)	(9,508,090)
Proceeds from disposal of fixed assets	89,693	1,424,000
Total cash inflow / (outflow) from investing activities	14,113,333	(16,520,889)
Financing activities - dividends paid	(45,401,857)	-
Net cash outflow from all activities	(18,647,178)	(15,774,417)
Cash at beginning of the period	87,059,857	75,313,774
Cash at end of the period	68,412,679	59,539,357

	30 September 2011	30 September 2010
	(Rupees)	
Reconciliation to profit and loss account		
Operating cash flows	12,641,346	746,472
Depreciation / amortization expense	(6,104,086)	(4,819,826)
(Loss) / profit on disposal of fixed assets	(14,930)	202,960
Profit on disposal of investments	16,769,379	22,088,863
Dividend income	13,544,656	14,151,485
Investment and other income	7,185,839	14,777,367
Increase in assets other than cash	106,726,860	112,867,559
(Increase) in liabilities other than running finance	(111,220,448)	(105,244,732)
Profit after taxation	<u>39,528,616</u>	<u>54,770,148</u>

Definition of cash

Cash comprises of cash in hand, policy stamps, bond papers, cheques in hand, 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.

Cash for the purposes of the Statement of Cash Flows consists of:

Cash and bank deposits

Cash and other equivalents

- Cash
- Policy stamps and bond papers in hand
- Cheques in hand

69,650	116,466
584,760	551,171
4,999,975	-
<u>5,654,385</u>	<u>667,637</u>

Current and other accounts

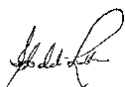
- Current accounts
- Savings accounts

3,032,704	2,475,747
59,725,590	56,395,973
<u>62,758,294</u>	<u>58,871,720</u>

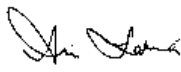
Cash and bank deposits as per balance sheet

<u>68,412,679</u>	<u>59,539,357</u>
-------------------	-------------------

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.



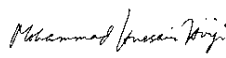
Iqbal Ali Lakhani
Chairman



Amin Mohammed Lakhani
Director



Tasleemuddin A. Batlay
Director



Mohammad Hussain Hirji
Director & Chief Executive

CONDENSED INTERIM STATEMENT of PREMIUMS (UN-AUDITED)

FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

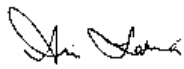
Business underwritten inside Pakistan

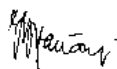
Class	Three months period ended 30 September 2011									
	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses	Net premium revenue	
		Opening	Closing			Opening	Closing		30 September 2011	30 September 2010
----- (Rupees) -----										
Direct and facultative										
1. Fire and property damage	42,751,694	109,410,260	97,687,677	54,474,277	35,525,455	105,697,176	94,866,396	46,356,235	8,118,042	9,502,935
2. Marine, aviation and transport	20,162,277	7,497,142	5,871,486	21,787,933	6,809,602	6,270,030	3,269,926	9,809,706	11,978,227	10,805,333
3. Motor	30,249,074	42,772,217	48,307,467	24,713,824	1,496,096	1,792,993	2,140,123	1,148,966	23,564,858	27,333,134
4. Miscellaneous	43,233,280	22,987,560	48,350,697	17,870,143	12,408,982	24,310,740	24,507,175	12,212,547	5,657,596	10,548,263
Grand total	136,396,325	182,667,179	200,217,327	118,846,177	56,240,135	138,070,939	124,783,620	69,527,454	49,318,723	58,189,665

Class	Nine months period ended 30 September 2011									
	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium		Reinsurance expenses	Net premium revenue	
		Opening	Closing			Opening	Closing		30 September 2011	30 September 2010
----- (Rupees) -----										
Direct and facultative										
1. Fire and property damage	188,900,026	66,190,779	97,687,677	157,403,128	163,574,027	63,872,001	94,866,396	132,579,632	24,823,496	18,828,655
2. Marine, aviation and transport	72,267,355	3,803,449	5,871,486	70,199,318	29,219,302	2,278,607	3,269,926	28,227,983	41,971,335	33,060,021
3. Motor	85,167,437	40,277,343	48,307,467	77,137,313	4,233,891	2,272,122	2,140,123	4,365,890	72,771,423	84,572,672
4. Miscellaneous	85,621,459	24,182,342	48,350,697	61,453,104	41,879,760	16,319,906	24,507,175	33,692,491	27,760,613	38,909,950
Grand total	431,956,277	134,453,913	200,217,327	366,192,863	238,906,980	84,742,636	124,783,620	198,865,996	167,326,867	175,371,298

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Tasleemuddin A. Batlay
Director


Mohammad Hussain Hirji
Director & Chief Executive

CONDENSED INTERIM STATEMENT of CLAIMS (UN-AUDITED)

FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

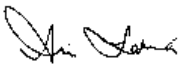
Business underwritten inside Pakistan

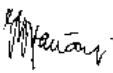
Class	Three months period ended 30 September 2011									
	Claims paid	Outstanding claims		Claims expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		30 September 2011	30 September 2010
(Rupees)										
Direct and facultative										
1. Fire and property damage	2,146,013	8,851,120	9,275,663	2,570,556	648,500	3,135,197	3,424,366	937,669	1,632,887	6,796,616
2. Marine, aviation and transport	1,840,453	5,725,969	5,934,638	2,049,122	1,007,104	2,331,364	1,523,308	199,048	1,850,074	(552,940)
3. Motor	12,010,362	37,801,205	35,863,041	10,072,198	2,705,210	2,753,515	1,941,245	1,892,940	8,179,258	15,647,939
4. Miscellaneous	321,413	34,327,572	42,196,974	8,190,815	227,055	22,514,505	23,496,308	1,208,858	6,981,957	6,493,896
Grand total	<u>16,318,241</u>	<u>86,705,866</u>	<u>93,270,316</u>	<u>22,882,691</u>	<u>4,587,869</u>	<u>30,734,581</u>	<u>30,385,227</u>	<u>4,238,515</u>	<u>18,644,176</u>	<u>28,385,511</u>

Class	Nine months period ended 30 September 2011									
	Claims paid	Outstanding claims		Claims expenses	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Net claims expense	
		Opening	Closing			Opening	Closing		30 September 2011	30 September 2010
(Rupees)										
Direct and facultative										
1. Fire and property damage	18,114,139	18,863,299	9,275,663	8,526,503	13,271,410	14,137,791	3,424,366	2,557,985	5,968,518	9,954,806
2. Marine, aviation and transport	5,154,397	5,019,060	5,934,638	6,069,975	1,995,350	2,289,297	1,523,308	1,229,361	4,840,614	2,775,045
3. Motor	46,655,469	44,687,644	35,863,041	37,830,866	7,319,902	4,061,000	1,941,245	5,200,147	32,630,719	45,233,583
4. Miscellaneous	12,709,360	31,559,271	42,196,974	23,347,053	3,150,991	18,446,519	23,496,308	8,200,780	15,146,273	23,498,119
Grand total	<u>82,633,355</u>	<u>100,129,274</u>	<u>93,270,316</u>	<u>75,774,397</u>	<u>25,737,653</u>	<u>38,934,607</u>	<u>30,385,227</u>	<u>17,188,273</u>	<u>58,586,124</u>	<u>81,461,553</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Tasleemuddin A. Batlay
Director


Mohammad Hussain Hirji
Director & Chief Executive

CONDENSED INTERIM STATEMENT of EXPENSES (UN-AUDITED)

FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

Business underwritten inside Pakistan

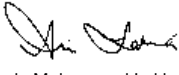
Class	Three months period ended 30 September 2011								
	Commission paid or payable	Deferred commission		Net commission expenses	Other commission management expenses	Underwriting expenses	Commission from reinsurers*	Net underwriting expense	
		Opening	Closing					30 September 2011	30 September 2010
	a	b	c	d=a+b-c	e	f=d+e	g	h=f-g	
(Rupees)									
Direct and facultative	-----								
1. Fire and property damage	7,494,488	14,027,214	14,181,119	7,340,583	5,532,301	12,872,884	12,038,164	834,720	815,092
2. Marine, aviation and transport	2,945,138	1,122,315	879,344	3,188,109	2,567,591	5,755,700	3,337,609	2,418,091	2,621,702
3. Motor	1,729,350	2,990,085	3,196,416	1,523,019	3,794,709	5,317,728	7,430	5,310,298	5,102,695
4. Miscellaneous	2,603,764	2,043,942	3,105,641	1,542,065	5,334,449	6,876,514	2,398,396	4,478,118	4,744,373
Grand total	<u>14,772,740</u>	<u>20,183,556</u>	<u>21,362,520</u>	<u>13,583,776</u>	<u>17,229,050</u>	<u>30,822,826</u>	<u>17,781,599</u>	<u>13,041,227</u>	<u>13,283,862</u>


Class	Nine months period ended 30 September 2011								
	Commission paid or payable	Deferred commission		Net commission expenses	Other commission management expenses	Underwriting expenses	Commission from reinsurers*	Net underwriting expense	
		Opening	Closing					30 September 2011	30 September 2010
	a	b	c	d=a+b-c	e	f=d+e	g	h=f-g	
(Rupees)									
Direct and facultative	-----								
1. Fire and property damage	24,541,686	8,944,498	14,181,119	19,305,065	22,850,771	42,155,836	32,916,058	9,239,778	7,481,556
2. Marine, aviation and transport	10,531,389	574,190	879,344	10,226,235	8,742,004	18,968,239	9,549,114	9,419,125	4,832,452
3. Motor	5,865,570	1,708,788	3,196,416	4,377,942	10,302,495	14,680,437	20,821	14,659,616	14,245,708
4. Miscellaneous	7,261,836	1,912,830	3,105,641	6,069,025	10,357,417	16,426,442	6,376,380	10,050,062	6,962,699
Grand total	<u>48,200,481</u>	<u>13,140,306</u>	<u>21,362,520</u>	<u>39,978,267</u>	<u>52,252,687</u>	<u>92,230,954</u>	<u>48,862,373</u>	<u>43,368,581</u>	<u>33,522,415</u>


* Commission from reinsurers is arrived at after taking the impact of opening and closing unearned commission.

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Tasleemuddin A. Batlay
Director


Mohammad Hussain Hirji
Director & Chief Executive

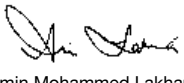
CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UN-AUDITED)


FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

	Three months period ended		Nine months period ended	
	30 September 2011	30 September 2010	30 September 2011	30 September 2010
	(Rupees)			
Income from trading investments				
Gain on sale of trading investments	280,715	-	767,551	1,204,761
Dividend income	1,382,863	1,270,548	4,765,653	3,346,295
Unrealized gain on re-measurement of securities to fair value	1,370,985	3,587,036	4,146,167	582,137
	3,034,563	4,857,584	9,679,371	5,133,193
Income from non-trading investments				
<i>Held to maturity</i>				
Return on Government Securities	2,754,605	2,945,982	8,663,297	10,452,707
Return on other fixed income securities and deposits				
- Term finance certificates	465,130	563,158	1,439,705	1,660,349
<i>Available for sale</i>				
Dividend income	2,146,107	3,362,390	8,779,003	10,805,190
	5,365,842	6,871,530	18,882,005	22,918,246
Gain on sale of non-trading investments - net	10,132,583	-	16,001,828	20,884,102
Provision for impairment in value of available for sale securities - Net	(6,930,986)	-	(19,030,588)	(8,213,518)
Investments related expenses	(598,018)	(297,239)	(1,392,806)	(669,558)
Net investments income	11,003,984	11,431,875	24,139,810	40,052,465

The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Tasleemuddin A. Batlay
Director


Mohammad Hussain Hirji
Director & Chief Executive

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

1. STATUS AND NATURE OF BUSINESS

Century Insurance Company Limited (the Company) is a public limited company incorporated in Pakistan on 10 October 1985 under the Companies Ordinance, 1984. The Company is listed on the Karachi and Lahore Stock Exchanges. The Company is engaged in general insurance business. The registered office of the Company is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi.

2. BASIS OF PRESENTATION

These condensed interim financial information are un-audited and are being submitted to shareholders as required under section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi and Lahore Stock Exchanges. These condensed interim financial information have been prepared in accordance with the Approved Accounting Standards as applicable in Pakistan for Interim Financial Reporting and in the format prescribed by the Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003.

The condensed interim financial information do not include all the information and disclosures as required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2010.

These condensed interim financial information have been presented in Pakistani Rupees, which is also the functional currency of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed in these condensed interim financial information are same as compared with the annual financial statements of the Company for the year ended 31 December 2010.

4. ESTIMATES

The preparation of condensed interim financial information 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 expense. Actual results may differ from these estimates.

In preparing these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2010.

5. INSURANCE AND FINANCIAL RISK MANAGEMENT

The Company's insurance and financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended 31 December 2010.

6. AMOUNT DUE TO OTHER INSURERS / REINSURERS

	Un-audited 30 September 2011	Audited 31 December 2010
	(Rupees)	
Foreign reinsurers	19,939,190	19,387,797
Local reinsurers	60,262,712	35,179,189
Co-insurers	6,945,968	612,301
	<u>87,147,870</u>	<u>55,179,287</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

Note	Un-audited 30 September 2011	Audited 31 December 2010
7. OTHER CREDITORS AND ACCRUALS	(Rupees)	
Federal excise duty	3,821,812	3,232,289
Federal insurance fees	491,436	214,251
Retention money	151,277	151,277
Commission payable	46,349,670	41,221,525
Cheques payable	1,206,527	920,754
Workers' welfare fund	3,288,197	4,112,986
Margin deposits	2,877,280	536,949
Others	2,944,747	1,467,745
	<u>61,130,946</u>	<u>51,857,776</u>

8. CONTINGENCY AND COMMITMENT

Contingency

For the Tax Year 2010, the Additional Commissioner Audit Division-II has passed the amended order under section 122(5A) of the Income Tax Ordinance, 2001 and treated Unearned Commission Income as taxable and adjusting it with Deferred Commission Expense. The Company with other insurance companies has filed an appeal before the CIR(A) against the disallowances which is pending adjudication.

Commitment

Outstanding letter of credit	675,550	676,750
------------------------------	---------	---------

9. INVESTMENTS

In related parties

Investments in associates - equity accounting *	9.1	18,728,203	14,711,269
---	-----	------------	------------

Others

Investment at fair value through profit and loss- held for trading

Quoted shares	103,593,545	80,347,356	
---------------	-------------	------------	--

Held to maturity

Government securities *	64,909,122	88,107,815	
-------------------------	------------	------------	--

Term Finance Certificates - quoted *	14,241,196	15,241,074	
--------------------------------------	------------	------------	--

	79,150,318	103,348,889	
--	------------	-------------	--

Available for sale - quoted *

Less: Provision for impairment (net of reversals)	9.2	789,841,655	792,018,636
---	-----	-------------	-------------

	(139,783,005)	(150,394,868)	
--	---------------	---------------	--

	650,058,650	641,623,768	
--	-------------	-------------	--

	<u>851,530,716</u>	<u>840,031,282</u>	
--	--------------------	--------------------	--

* The market value of investments as at 30 September 2011 was Rs. 815.40 million (31 December 2010: Rs. 799.30 million).

9.1 The result of associates have been recorded based on latest available annual financial statements for the year ended 30 June 2011.

9.2 Provision for impairment-net of reversal

Opening provision	150,394,868	159,651,293	
-------------------	-------------	-------------	--

Less: - Charge / (reversals) during the period - net	19,030,588	(9,256,425)	
--	------------	-------------	--

- Realized on disposals	(29,642,451)	-	
-------------------------	--------------	---	--

Closing provision	<u>139,783,005</u>	<u>150,394,868</u>	
-------------------	--------------------	--------------------	--

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

	Un-audited 30 September 2011	Audited 31 December 2010
.....(Rupees).....		
10 . SUNDRY RECEIVABLES		
Profit on bank deposits - saving accounts	880,669	577,477
Security deposits	851,031	717,334
Advance to employees	2,029,692	1,723,535
Advance against expenses	90,000	659,925
Receivable against sale of shares	456,758	1,703,040
Others	167,178	838,248
	4,475,328	6,219,559
11 . FIXED ASSETS - Tangible and intangible		
Opening written down value	44,591,007	42,636,050
Add: Additions during the period / year - at cost		
- Office improvement	55,823	206,600
- Furniture and fixtures	-	142,818
- Office equipment	177,643	309,951
- Computer equipment and related accessories	114,500	1,107,081
- Motor vehicles	6,242,900	9,326,900
- Computer software	-	1,300,000
	6,590,866	12,393,350
Less: Written down value of deletion	104,206	3,790,699
Depreciation / amortization for the period / year	6,104,086	6,647,694
	6,208,292	10,438,393
Add: Capital work in progress	3,794,000	-
Closing written down value	48,767,581	44,591,007

12 . TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of associated companies, companies under common control, companies with common directors, major shareholders, employees' retirement benefit plans, directors and key management personnel. All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. Transactions with the key management personnel are made under their terms of employment / entitlements. Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes and actuarial advice. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial information, are as follows:

	Un-audited		Un-audited	
	Three months period ended		Nine months period ended	
Transactions with related parties	30 September 2011	30 September 2010	30 September 2011	30 September 2010
.....(Rupees).....				
Premium written	25,243,952	18,497,564	192,509,686	166,563,045
Commission expense	3,496,907	2,488,491	24,499,594	22,585,823
Claims paid	2,795,645	3,462,754	6,748,899	14,064,775
Bonus shares received (face value)	1,743	-	1,743	-
Dividend received	162,692	-	162,692	136,431
Expenses	3,076,948	2,020,759	9,028,720	6,870,480
Contribution to / provision for staff benefit plans	1,222,459	1,047,695	3,691,548	3,206,158
Remuneration to key management personnel	10,138,613	8,293,467	29,637,076	25,557,049

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2011

13 . EARNINGS PER SHARE - BASIC AND DILUTED

	Un-audited	
	30 September 2011	30 September 2010
Profit after tax for the period	39,528,616	54,770,148
	(Rupees)	
Weighted average number of ordinary shares	45,724,366	45,724,366
	(Number)	
Earnings per share - basic and diluted	0.86	1.20
	(Rupees)	

13.1 No figure for 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.

14 . OPERATING SEGMENTS

Class of business wise revenue and results have been disclosed in the condensed interim statement of premiums and condensed interim profit and loss account respectively, prepared in accordance with the requirements of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following table presents information regarding segment assets and liabilities as at 30 September 2011 and 31 December 2010.

	Fire and property damage		Marine, aviation and transport		Motor		Miscellaneous		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	Un-audited 30 Sep 2011	Audited 31 Dec 2010
	(Rupees in 000's)									
Segment assets	112,472	86,954	5,673	5,142	7,278	8,042	51,109	36,679	176,531	136,817
Unallocated corporate assets									1,259,283	1,193,650
Consolidated corporate assets									1,435,814	1,330,467
Segment liabilities	132,617	100,527	12,899	9,605	84,173	84,967	95,779	58,409	325,468	253,508
Unallocated corporate liabilities									154,909	115,326
Consolidated corporate liabilities									480,377	368,834

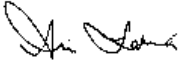
15 . DATE OF AUTHORIZATION FOR ISSUE


These condensed interim financial information were authorized for issue by the Board of Directors on 24 October 2011.

16 . GENERAL

All figures have been rounded off to the nearest of rupees, except otherwise stated.


Iqbal Ali Lakhani
Chairman


Amin Mohammed Lakhani
Director


Tasleemuddin A. Batlay
Director


Mohammad Hussain Hirji
Director & Chief Executive

BRANCH NETWORK

Head Office:

11th Floor, Lakson Square,
Building No. 3, Sarwar Shaheed Road,
Karachi-74200.
Tel: (021) 35671603, 35657445-9 (5 Lines)
Fax: (021) 35671665
Email: info@cicl.com.pk

Karachi Marketing Office:

10th Floor, Lakson Square,
Building No. 3, Sarwar Shaheed Road,
Karachi-74200.
Tel: (021) 35698550
Fax: (021) 35689518

Islamabad Branch:

Office No. 6, Mezzanine Floor,
Kashmir Plaza, Jinnah Avenue, Blue Area,
Islamabad.
Tel: (051) 2801327-29
Fax: (051) 2870228

Lahore Branch:

Suite No. 209, Eden Centre,
43-Jail Road, Lahore.
Tel: (042) 37590500, 37567390, 37552177, 37539048
Fax: (042) 37567881

Rawalpindi Branch:

Suite No. 3, 1st Floor, Majeed Plaza,
Bank Road, Rawalpindi.
Tel: (051) 5512251-52
Fax: (051) 5110996

Faisalabad Branch:

1st Floor, FM Plaza,
15-D, Peoples Colony,
Faisalabad.
Tel: (041) 8554450-52
Fax: (041) 8554453

Sialkot Branch:

1st Floor, Karim Plaza
Iqbal Town, Defence Road,
Sialkot.
Tel: (052) 3241704-07
Fax: (052) 3241703

UAN: 111-111-717

Website: www.cicl.com.pk



Century Insurance

111-111-717
www.cicl.com.pk