

Chairman's and Directors' Report

I am pleased to present the Directors' Report and Chairman's Review of State Life Insurance Corporation of Pakistan along with condensed interim financial statements (un-audited) for the nine months period ended September 30, 2016.

FINANCIAL PERFORMANCE:

During the period under review, financial performance of the Corporation remained satisfactory. An overview of the performance of State Life during the current nine months period of 2016 as compared for the same period last year is given hereunder:

- 1.1 Total Income of the State Life during the current nine months period was Rs. 91,638 million as against Rs. 86,233 million in the preceding period, registering an increase of 6.3%
- 1.2 Management expenses for the nine months ended September 30, 2016 were Rs.14,860 million as compared to Rs. 13,089 million in the previous period showing an increase of 13.5%. Overall management expense ratio to total premium income for the current nine months is 32.45% as against 30.96% for the last period.
- 1.3 Payments to policyholders in the nine months period were Rs. 24,458 million as against Rs. 22,838 million in the corresponding period, showing an increase of 7%.
- 1.4 Total amount of statutory funds as at September 30, 2016 is Rs. 577,756 million as against Rs. 499,344 million in the corresponding period, showing an increase of 15.7%.
- 1.5 The earnings per share for the nine months period is Rs. 28.53 which is 31.4% higher than the corresponding figure of Rs. 21.72 during the same period last year.

2. BUSINESS PORTFOLIO WISE PERFORMANCE:

2.1 INDIVIDUAL LIFE BUSINESS – PAKISTAN'S OPERATIONS:

First year gross premium income under Individual Life policies, during the current nine month is Rs. 8,689 million as compared to Rs. 8,682 million in the last corresponding period, resulting increase of 0.10%. Gross renewal premium was Rs. 31,484 million in the current nine months period whereas it was Rs. 27,849 million in the corresponding period resulting in an increase of 13%.

2.2 INDIVIDUAL LIFE BUSINESS – OVERSEAS OPERATIONS:

First year gross premium income under Individual Life policies, for the nine months was Rs.188 million as compared to Rs. 211 million in the last corresponding period, showing a decrease of 11%. Gross renewal premium during the nine months ended September 30, 2016 was Rs.771 million as compared to Rs. 823 million in corresponding period, showing a decrease of 6%.

