



# Swan Insurance Company Limited

Condensed Unaudited Financial Statements - First quarter ended March 31, 2012

The Directors are pleased to present the condensed unaudited financial statements of the Group and the Company for the quarter ended 31<sup>st</sup> March 2012.

## (a) Basis of Accounting

The condensed unaudited financial statements comply with the International Financial Reporting Standards (IFRS) and are prepared under the historical cost convention except that:

- (i) available-for-sale financial assets are stated at fair value.
- (ii) held-to-maturity investments, loans and receivables and relevant financial assets and financial liabilities are carried at amortised cost.

## (b) Income Tax

Current tax rate on the profit for the period is at 15%. (2011: 15%).

## (c) Operations

### (i) Short-Term

The operational results were satisfactory despite the difficult pricing conditions and the adverse claims experience in some classes of business. The Company continues to focus on keeping a well balanced book of business and seizing attractive opportunities both in the local and regional markets.

## (ii) Long-Term

The premium income increased satisfactorily during the 1<sup>st</sup> quarter as compared to the corresponding period in 2011.

## (d) Investments

The Group's equity portfolios recorded variable performances during a quarter of rising global stockmarkets and declining local indices. As for the fixed income portfolio, investments realised satisfactory returns despite the prevailing low interest rates.

For and on behalf of the Board of Directors

Swan Group Corporate Services Limited  
Secretary

15 May 2012

## 1. Statements of Financial Position

### ASSETS

#### Non-current assets

Property and equipment  
Investment in subsidiary companies  
Investment in associated company and joint venture  
Investment in financial assets  
Other non-current assets

#### Current assets

Life business assets  
Total assets

### EQUITY AND LIABILITIES

#### Capital and reserves (attributable to owners of the parent)

Share capital  
Reserves  
Owners' interest  
Non-Controlling Interest  
Total equity

Life assurance fund  
Technical Provisions  
Non-current liabilities

#### Current liabilities

Total equity and liabilities

Net assets per share (Rs/cst)

Number of shares used in calculation

THE GROUP	
Unaudited as at 31 <sup>st</sup> Mar 2012	Audited as at 31 <sup>st</sup> Dec 2011
Rs'000	Rs'000
84,937	86,703
-	-
60,557	44,824
619,715	545,452
118,214	115,493
883,423	792,472
1,560,401	1,455,737
21,068,335	20,586,765
23,512,159	22,834,974
35,857	35,857
1,162,150	1,107,998
1,198,007	1,143,855
73,459	64,924
1,271,466	1,208,779
21,068,335	20,586,765
960,869	846,767
36,141	36,129
22,065,345	21,469,661
175,348	156,534
23,512,159	22,834,974
167.05	159.50

THE COMPANY	
Unaudited as at 31 <sup>st</sup> Mar 2012	Audited as at 31 <sup>st</sup> Dec 2011
Rs'000	Rs'000
84,759	86,517
80,220	80,220
500	500
641,496	559,441
118,214	115,493
925,189	842,171
1,384,342	1,279,901
-	-
2,309,531	2,122,072
35,857	35,857
1,102,448	1,049,868
1,138,305	1,085,725
-	-
1,138,305	1,085,725
-	-
960,869	846,767
35,967	35,967
996,836	882,734
174,390	153,613
2,309,531	2,122,072
158.73	151.40
7,171,346	7,171,346

## 2. Income Statements

Gross premiums  
Net earned premiums  
Profit before taxation  
Taxation  
Profit for the period  
Profit attributable to:  
Owners of the parent  
Non-Controlling Interest

Earnings per share (Rs/cst)

Number of shares used in calculation

THE GROUP	
Quarter Ended 31 <sup>st</sup> Mar 2012	Quarter Ended 31 <sup>st</sup> Mar 2011
Rs'000	Rs'000
926,083	792,038
680,499	528,017
49,763	44,628
(6,786)	(6,657)
42,977	37,971
41,793	37,518
1,184	453
5.83	5.23

THE COMPANY	
Quarter Ended 31 <sup>st</sup> Mar 2012	Quarter Ended 31 <sup>st</sup> Mar 2011
Rs'000	Rs'000
386,576	378,913
148,309	130,999
47,117	44,353
(6,752)	(6,653)
40,365	37,700
40,365	37,700
5.63	5.26
7,171,346	7,171,346

## 3. Statements of Comprehensive Income

Profit for the period  
Other comprehensive income for the period  
Total comprehensive income for the period

Total comprehensive income attributable to:  
Owners of the parent  
Non-Controlling Interest

THE GROUP	
Quarter Ended 31 <sup>st</sup> Mar 2012	Quarter Ended 31 <sup>st</sup> Mar 2011
Rs'000	Rs'000
42,977	37,971
12,223	(3,207)
55,200	34,764
54,152	33,854
1,048	910
55,200	34,764

THE COMPANY	
Quarter Ended 31 <sup>st</sup> Mar 2012	Quarter Ended 31 <sup>st</sup> Mar 2011
Rs'000	Rs'000
40,365	37,700
12,215	(3,295)
52,580	34,405
52,580	34,405
-	-
52,580	34,405

## 4. Statements of Changes in Equity

### Attributable to owners of the parent

### (a) THE GROUP

Balance at 1<sup>st</sup> January 2012  
Total comprehensive income for the period  
Consolidation adjustment  
Balance at 31<sup>st</sup> March 2012

Balance at 1<sup>st</sup> January 2011  
Total comprehensive income for the period  
Balance at 31<sup>st</sup> March 2011

### (b) THE COMPANY

Balance at 1<sup>st</sup> January 2012  
Total comprehensive income for the period  
Balance at 31<sup>st</sup> March 2012

Balance at 1<sup>st</sup> January 2011  
Total comprehensive income for the period  
Balance at 31<sup>st</sup> March 2011

Share Capital Rs'000	Fair value reserves Rs'000	Revaluation and other reserves Rs'000	Proprietors' fund Rs'000	Retained Earnings Rs'000	Total Rs'000	Non-Controlling Interest Rs'000	Total Equity Rs'000
35,857	102,396	12,090	49,063	944,449	1,143,855	64,924	1,208,779
-	12,215	(1,420)	1,564	41,793	54,152	1,048	55,200
-	-	-	-	-	-	7,487	7,487
35,857	114,611	10,670	50,627	986,242	1,198,007	73,459	1,271,466
35,857	150,730	49,321	(32,214)	809,557	1,013,251	50,853	1,064,104
-	(3,295)	(585)	216	37,518	33,854	910	34,764
35,857	147,435	48,736	(31,998)	847,075	1,047,105	51,763	1,098,868
35,857	102,396	28,719	-	918,753	1,085,725	-	1,085,725
-	12,215	-	-	40,365	52,580	-	52,580
35,857	114,611	28,719	-	959,118	1,138,305	-	1,138,305
35,857	150,730	28,719	-	783,394	998,700	-	998,700
-	(3,295)	-	-	37,700	34,405	-	34,405
35,857	147,435	28,719	-	821,094	1,033,105	-	1,033,105

## 5. Statements of Cash Flows

Net cash generated from operating activities  
Net cash generated from investing activities  
Net cash used in financing activities  
(Decrease)/Increase in cash and cash equivalents

Movement in cash and cash equivalents

At 1<sup>st</sup> January  
(Decrease)/Increase  
Effect of exchange rate changes  
At 31<sup>st</sup> March

THE GROUP	
Quarter Ended 31 <sup>st</sup> Mar 2012	Quarter Ended 31 <sup>st</sup> Mar 2011
Rs'000	Rs'000
24,295	7,535
17,802	23,752
(60,927)	-
(18,830)	31,287
381,247	272,119
(18,830)	31,287
492	(27)
362,909	303,379

THE COMPANY	
Quarter Ended 31 <sup>st</sup> Mar 2012	Quarter Ended 31 <sup>st</sup> Mar 2011
Rs'000	Rs'000
24,206	7,422
17,802	23,752
(60,927)	-
(18,919)	31,174
353,072	269,573
(18,919)	31,287
509	204
334,662	300,951

## 6. Segment Information - (Group)

### Quarter ended 31<sup>st</sup> March 2012

Gross premiums  
Net earned premiums  
Underwriting surplus

### Quarter ended 31<sup>st</sup> March 2011

Gross premiums  
Net earned premiums  
Underwriting surplus

Life Rs'000	Casualty Rs'000	Property Rs'000	Total Rs'000
539,507	267,219	119,357	926,083
532,190	121,731	26,578	680,499
-	52,909	32,574	85,483
413,125	248,699	130,214	792,038
397,018	102,501	28,498	528,017
-	49,233	29,851	79,084

Swan Group

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