Delta Life Insurance Company Limited

Delta Life Tower, Plot # 37, Road # 90, Gulshan Circle-2, Dhaka-1212, PABX: 09613666000, Website:www.deltalife.org

HALF YEARLY FINANCIAL STATEMENTS-2018

Dear Shareholder(s),

We are pleased to present the un-audited half yearly (Q2) Financial Statements of Delta Life Insurance Co. Ltd. for the quarter ended on June 30, 2018 as per Securities and Exchange Commission (SEC), Notification No. SEC/CMRRCD/2008-183/Admin/03-34 dated September 27, 2009. Accordingly these Financial Statements have already been sent to the Securities and Exchange Commission and Stock Exchange.

Consolidated Balance Sheet (Un-Audited) As at June 30, 2018

PARTICULARS	30.06.2018 Taka	31.12.2017 Taka	Growth (%)
SHARE CAPITAL AND LIABILITIES			
Authorized Capital			
50,00,00,000 Ordinary Shares of Tk. 10 each	5,000,000,000	5,000,000,000	
Issued, Subscribed and Paid-up			
12,37,50,000 Ordinary Shares of Tk. 10 each fully paid up	1,237,500,000	1,237,500,000	
Dividend Equalisation Reserve	1,000,000	1,000,000	
Life Insurance Fund	36,515,640,572	36,742,205,130	(0.62)
Retained Earnings (DLIC Securities)	95,964,664	71,818,168	33.62
Fair Value Change Account	2,642,700,775	3,880,453,203	(31.90)
Non-Controlling Interest (Minority Interest)	64	63	1.59
Liabilities and Provisions			
Estimated liabilities in respect of outstanding claims, whether due or intimated	18,179,871	83,907,280	(78.33)
Amount due to other persons or bodies carrying on insurance business	66,705,905	65,548,408	1.77
Sundry Creditors & Provisions	1,701,992,601	1,619,092,604	5.12
Reserve for Unexpired Risk	86,637,115	135,959,591	(36.28)
Premium Deposits	23,151,195	22,535,200	2.73
	1,896,666,687	1,927,043,083	(1.58)
	42,389,472,762	43,860,019,647	(3.35)
PROPERTY AND ASSETS			
Loan			
On Insurer's Policies within their surrender value	749,119,437	725,889,129	3.20
Statutory Deposit with Bangladesh Bank (BGTB)	15,000,000	15,000,000	-
Investment			
Bangladesh Govt. Treasury Bond (BGTB)	11,355,033,075	11,920,033,076	(4.74)
Shares Listed on Stock Exchanges	12,123,984,678	13,528,381,202	(10.38)
Debentures, Bonds, Mutual Fund and Other Investments	1,068,770,263	1,083,903,341	(1.40)
Investment Property	1,583,931,893	1,605,818,769	(1.36)
	26,131,719,909	28,138,136,388	(7.13)
DSE Membership	320,200,000	320,200,000	-
Preliminary Expenses	385,790	514,387	(25.00)
Agents' Balance	43,839	82,590	(46.92)
Outstanding Premium	-	581,886,551	(100.00)
Interest, Dividends and Rents Accruing But Not Due	1,104,385,945	1,034,491,366	6.76
Advances And Deposits	1,909,238,896	1,861,163,895	2.58
Sundry Debtors	126,786,181	128,032,725	(0.97)
Cash and Bank Balances			
Fixed Deposit Receipts (FDRs)	10,006,452,698	8,825,506,407	13.38
Cash and Bank Balance	1,318,857,799	1,532,339,619	(13.93)
	11,325,310,497	10,357,846,026	9.34
Other Accounts			
Fixed Assets (At Cost Less Depreciation) & Capital Work in Progress	692,110,509	686,892,329	0.76
Stamps, Printing and Stationery in Hand	15,171,759	9,884,261	53.49
	42,389,472,762	43,860,019,647	(3.35)

Consolidated Life Revenue and Profit or Loss and Other Comprehensive Income Account (Un-Audited) For the Half Yearly ended on June 30, 2018

PARTICULARS	Jan-Jun'18 Taka	Jan-Jun'17 Taka	Growth %	Apr-Jun'18 Taka	Apr-Jun'17 Taka	Growth %
Balance of Fund at the beginning of the year (DLICL)	36,742,205,130	34,702,479,378	5.88	36,400,940,794	35,107,674,707	3.68
Balance of Retained Earnings at the beginning of the year (DLIC Securities)	71,818,170	47,810,423	50.21	71,838,016	64,669,167	11.09
Non-Controlling Interest (Minority Interest)	1	1		-	-	
Adjustment made during the Year	135,959,591	119,737,637	13.55	-	-	-
Premium Less Re-Insurance						
First Year Premium {(Ordinary Life, (OL)}	291,005,528	290,510,428		143,757,008	144,333,528	
First Year Premium {(Gono-Grameen,(GN-GRB)}	213,718,380	238,164,155		109,061,545	133,579,422	
	504,723,908	**528,674,583**	**(4.53)**	**252,818,553**	**277,912,950**	**(9.03)**
Renewal Premium (OL)	895,020,310	790,634,810		448,464,100	393,658,474	
Renewal Premium (GN-GRB)	788,814,164	822,761,823		470,781,904	485,298,310	
	1,683,834,474	**1,613,396,633**	**4.37**	**919,246,004**	**878,956,784**	**4.58**
Group Life Insurance Premium	146,977,875	131,693,003		91,970,961	80,474,073	
Group Health Insurance Premium	165,289,221	98,774,396		108,920,735	54,820,266	
	312,267,096	**230,467,399**	**35.49**	**200,891,696**	**135,294,339**	**48.48**
Gross Premium	2,500,825,478	2,372,538,615	5.41	1,372,956,253	1,292,164,073	6.25
Reinsurance Premium	(42,576,680)	(36,202,975)		(18,845,493)	(17,888,552)	
Net Premium	2,458,248,798	2,336,335,640	5.22	1,354,110,760	1,274,275,521	6.27
Interest, dividends, rents & capital gain (loss)	1,172,054,212	1,936,573,416	(39.48)	810,040,073	928,155,541	(12.73)
Other Income (Late fees, Alteration fees etc.)	5,726,743	11,164,908	(48.71)	1,863,594	7,220,835	(74.19)
Total	40,586,012,645	39,154,101,403	3.66	38,638,793,237	37,381,995,771	3.36
EXPENSES						
Claims & Surrenders (Less Re-Insurance)	2,804,670,918	2,874,767,036	(2.44)	1,197,611,531	1,455,171,310	(17.70)
Commission to Insurance Agents & Allowances (other than Agents)	309,581,977	328,922,178	(5.88)	187,377,753	185,282,809	1.13
Administrative Expenses	457,896,396	381,782,179	19.94	273,197,297	210,541,346	29.76
Reserve for Unexpired Risk	86,637,115	63,482,348	36.47	55,737,730	34,930,430	59.57
Provision for Income Tax (DLIC Securities)	6,245,999	16,807,675	(62.84)	3,888,688	7,729,890	(49.69)
Dividend	309,375,000	247,500,000	25.00	309,375,000	247,500,000	25.00
Sub-Total	3,974,407,405	3,913,261,416	1.56	2,027,187,999	2,141,155,785	(5.32)
Balance of Retained Earnings at the end of the period (DLIC Securities)	95,964,667	79,024,676	21.44	95,964,667	79,024,676	21.44
Non-Controlling Interest (Minority Interest)	1	1		-	-	
Balance of the Fund at the end of the period as shown in the Balance Sheet (DLICL)	36,515,640,572	35,161,815,310	3.85	36,515,640,572	35,161,815,310	3.85
Total	40,586,012,645	39,154,101,403	3.66	38,638,793,237	37,381,995,771	3.36

CONSOLIDATED CASH FLOWS STATEMENT (Un-Audited) For the Period ended on June 30, 2018

PARTICULARS	30.06.2018 Taka	30.06.2017 Taka
Cash flows from Operating Activities		
Collection from Premium	3,082,712,029	2,830,522,514
Other Income received	4,139,578	11,141,631
Payments for Operating activities	(795,670,613)	(584,016,052)
Reinsurance Premium Paid	(41,419,183)	(31,253,622)
Cash flows from Operating Activities before claims & tax payment	**2,249,761,811**	**2,226,394,471**
Payment for Claims	(2,870,398,327)	(2,955,767,893)
Source Tax (Income Tax) deducted	(107,030,936)	(96,583,325)
Net cash flows from operating activities	**(727,667,452)**	**(825,956,747)**
Cash flows from Investing Activities		
Investment made	746,644,097	(58,240,897)
Acquisition of Fixed Assets	(30,105,354)	(45,994,773)
Addition of Investment Property	(9,294,100)	(13,500)
Loan against Policies Paid	(115,904,469)	(111,056,079)
Loan against Policies realized	92,674,161	106,030,580
Other Loans realized	133,078	446,413
Interest, dividends & rents received	1,102,159,633	1,867,026,805
Proceeds from sale of Fixed Assets	1,587,165	4,981,375
Net cash flows from investing activities	**1,787,894,211**	**1,763,179,924**
Cash flows from Financing Activities		
Dividend Paid	(92,762,288)	(182,629,837)
Net cash flows from financing activities	**(92,762,288)**	**(182,629,837)**
Net increase/(decrease) in Cash & Cash equivalents	967,464,471	754,593,340
Cash and Cash equivalents at the beginning of the period	10,357,846,026	9,183,790,336
Cash and Cash equivalents at the end of the period	11,325,310,497	9,938,383,676

Consolidated Statement of Changes in Shareholders' Equity As at June 30, 2018

Particulars	Share Capital	Share Premium	Dividend Equalization Reserve	Other Reserve	Retained Earnings	Non-Controlling Interest	Total
Balance as on 01 January 2018	1,237,500,000	-	1,000,000	-	71,818,168	63	1,310,318,231
Addition during the period	-	-	-	-	24,146,496	1	24,146,497
Balance as on 30th June 2018	**1,237,500,000**	**-**	**1,000,000**	**-**	**95,964,664**	**64**	**1,334,464,728**

Some Selected Explanatory Notes in the preparation of interim financial statements (BAS 34, Para 16):

Same policies and practices pertain to the users-focus area of significants have been adopted in the interim un-audited financial statements in the same manner as those are applied in the preparation of annual audited financial statements of our Company. Namely:

Accounting Policy:

Accounting policies adopted for interim financial reports are the same as adopted for most recent audited accounts (that is financial statements 2017). Provision for Income Tax (Parent Company) is considered at the end of the year.

Preliminary expenses incurred by the company's fully owned subsidiary "DLIC Securities Ltd." will be written off over the period of five years commencing from 2015.

Seasonality of interim operation:

The company's business is not heavily seasonal.

Unusual and Extra Ordinary items:

There were no Extra Ordinary items, the nature and amount of which can affect the assets, liabilities, net income or cash flows because of their nature, size or incidents.

Changes in estimates:

There were no significant amounts of changes in estimates reported in the prior financial year which have material effects in the current interim report.

Dividend Paid:

The company did not pay any dividend to its shareholders for the interim period.

However, as proposed and recommended by the Board of Directors, the shareholders approved the dividend of @ 25% Cash for each share of Tk. 10 each to the tune of Tk. 309,375,000 on the paid-up capital of Tk. 1,237,500,000/- at the 32nd Annual General Meeting for the year 2017 held on 21st June 2018.

Event after the reporting period:

There were no material events subsequent to the end of the interim period that have not been reflected in the interim financial statements except the event that has been mentioned above under "Dividend Paid".

Impact of major events, activities and circumstances:

There were no changes in the composition of the enterprise during the interim period.

Material changes in Contingent Liabilities:

There were no material changes in contingent liabilities of the company since the last Annual Balance Sheet date.

Life Fund:

Life fund of Delta Life Insurance Company Ltd. accumulated to Tk. 3,651.56 crore compared to Tk. 3,674.22 crore as on 31 December 2017. It has declined to the extent of Tk. 22.66 crore, even though there is a 5.21% increase in Net Premium Income. The reason for such decline in life fund was because of rebalancing of the company's capital market portfolio during these 06 (six) months. The capital market portfolio is under a restructuring plan of offloading less profitable shares and realizing losses of investments made earlier periods and investing the sale proceeds in shares that we see will be more lucrative. Management is expecting that this decline will be reversed by the year end.

The interim period of Jan-June'17 figures have been regrouped, rearranged and reclassified wherever necessary.

sd/-	sd/-	sd/-	sd/-	sd/-
Company Secretary	CFO	CEO	Director	Chairman

The detail of of the published Half Yearly fianancial statements is available in the website of Delta Life Insurance Company Ltd. The Address of the website is www.deltalife.org