

Independent Auditors' Report to the Members of East West Life Assurance Company Limited

We have audited the annexed financial statements comprising of:

- (i) Balance Sheet;
- (ii) Profit and Loss Account;
- (iii) Statement of Changes in Equity;
- (iv) Statement of Cash Flows;
- (v) Revenue Account;
- (vi) Statement of Premiums;
- (vii) Statement of Claims;
- (viii) Statement of Expenses; and
- (ix) Statement of Investment Income;

of East West Life Assurance Company Limited ('the Company') as at December 31, 2010 together with the notes forming part thereof for the year then ended.

It is the responsibility of the Company's Board of Directors to establish and maintain a system of internal control, and prepare and present the financial statements in conformity with the approved International Accounting Standards as applicable in Pakistan and the requirements of the Insurance Ordinance, 2000 (XXXIX of 2000) and the Companies Ordinance, 1984 (XLVII of 1984). Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the International Standards on Auditing as applicable in Pakistan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as, evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion. In our opinion:

- (a) proper books of accounts have been kept by the Company as required by the Insurance Ordinance, 2000;
- (b) the financial statements together with the notes thereon have been drawn up in conformity with the Insurance Ordinance, 2000 and the Companies Ordinance, 1984, and accurately reflect the books and records of the Company and are further in accordance with accounting policies consistently applied;
- (c) the financial statements together with the notes thereon present fairly, in all material respects, the state of the Company's affairs as at December 31, 2010 in accordance with approved accounting standards as applicable in Pakistan and the information required to be disclosed by the Insurance Ordinance, 2000 and the Companies Ordinance, 1984;
- (d) the apportionment of assets, liabilities, revenues and expenses between two or more funds has been performed in accordance with the advice of the appointed actuary; and
- (e) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Karachi
Date: March 8th, 2011

Anjum Asim Shahid Rahman

Anjum Asim Shahid Rahman
Chartered Accountants
Muhammad Shaukat Naseeb

