

JCR-VIS Credit Rating Company Limited

Affiliate of Japan Credit Rating Agency, Ltd.

Press Release

JCR-VIS assigns IFS Rating of A+ to EFU Life Assurance Ltd

Karachi, January 22, 2007: JCR-VIS Credit Rating Co. Ltd. (JCR-VIS) has assigned an Insurer Financial Strength (IFS) rating of A+ (Single A Plus) to EFU Life Assurance Ltd (EFU Life). The outlook on the assigned rating is 'Stable'. This is the first announcement of a rating assigned to a life insurance company in Pakistan by any rating agency.

EFU Life started its operations in 1992. It has established itself as a significant player in the life insurance sector of Pakistan, with business growth having picked up pace, particularly during the last five years. The Unit linked insurance products have been the largest contributor to business growth and is the company's major business line with schemes offering a combination of life insurance and investments/ savings features focusing on Education, Savings and Retirement. The returns on investments/savings are linked to performance of funds under management, with each fund being earmarked against a distinct pool of liabilities under each product. The company's investment portfolios have performed well over the years. The capitalization and liquidity measures stood strong with assets and liabilities being well matched.

The company has registered strong profitability in the last few years which is expected to improve further given the growth prospects of the industry. EFU Life is well positioned to increase its business volumes and enhance market share on account of its comprehensive product range, sizeable agency force and emphasis on persistency and productivity measures. The company plans to further diversify distribution channels by also accessing business through bancassurance.

The rating also takes into account the quality and stability of the company's senior management as well as the team comprising of experienced and qualified professionals which includes actuaries, accountants and underwriters. The company's strength also emanates from the strong franchise of its major sponsors and re-insurers that have been associated with the company for a long period of time.

For further information on this rating announcement, please contact Mr. Syed Ziauddin Ahmed (Ext: 223) or Ms. Sabeen Saleem (Ext: 222) at 5671822/5671833/5680996 or fax to 5681105/5671600.

Faheem Ahmad
President & CEO

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