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Company Information

Board of Directors

Yusuf H. Shirazi
Chairman

Feroz Rizvi
Director

Isphanyar M. Bhandara
Director

Ali H. Shirazi
Director

Frahim Ali Khan
Director

Jawaid Iqbal Ahmed
Director

Arshad P. Rana
Chief Executive Officer

Muhammad Afzal
Company Secretary

Audit Committee

Feroz Rizvi
Chairman

Ali H. Shirazi
Member

Frahim Ali Khan
Member

Muhammad Afzal
Secretary

Saleem Mahmood Akhtar
Chief Internal Auditor

Human Resource & Remuneration Committee

Isphanyar M. Bhandara
Chairman

Ali H. Shirazi
Member

Arshad P. Rana
Member

Qudsia Naheed
Secretary

Investment Committee

Ali H. Shirazi
Chairman

Frahim Ali Khan
Member

Arshad P. Rana
Member

Rashid Amin
Member

Muhammad Afzal
Secretary

Information Technology (IT) Committee

Ali H. Shirazi
Chairman

Frahim Ali Khan
Member

Arshad P. Rana
Member

Abdul Razzaq Ghauri
Secretary

Underwriting Committee

Frahim Ali Khan
Chairman

Arshad P. Rana
Member

Muhammad Saeed
Member

Athar Maqsood Paracha
Secretary

Company Information

Claims Settlement Committee

Frahim Ali Khan
Chairman

Arshad P. Rana
Member

Athar Maqsood Paracha
Member

Muhammad Saeed
Secretary

Reinsurance & Co-insurance Committee

Frahim Ali Khan
Chairman

Arshad P. Rana
Member

Muhammad Saeed
Member

Syed Nasir Hussain
Secretary

Management Committee

Arshad P. Rana
Chief Executive

Nisar Zaman Khan
Head of Marketing & Sales

Rashid Amin
Chief Financial Officer

Muhammad Saeed
Head of Claims

Qudsia Naheed
Vice President (Admin & HR)

Abdul Razzaq Ghauri
Vice President (IT)

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.
Agha Faisal Barrister at Law

Tax Advisor

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Share Registrar

Hameed Majeed Associates (Pvt) Limited
H. M. House, 7 - Bank Square,
Shahrah-e-Quaid-e-Azam, Lahore
Tel: (92-42) 37235081-82
Fax: (92-42) 37358817

Bankers

Allied Bank Limited
Bank Alfalah Limited
The Bank of Punjab
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
NIB Bank Limited
Standard Chartered Bank (Pakistan) Limited
Summit Bank Limited
United Bank Limited

Registered & Head Office

3 - Bank Square,
Shahrah-e-Quaid-e-Azam, Lahore
Tel: (92-42) 37320542-43,
37310658, 37322271, 73
Fax: (92-42) 37234742
Email: info@atlasinsurance.com.pk
Website: www.atlasinsurance.com.pk

Chairman's Review

It gives me great pleasure to present the un-audited accounts of your Company for the nine months period ended September 30, 2014.

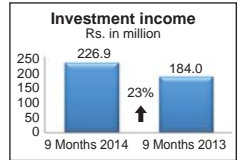
The Economy

The Pakistan economy encountered several challenges to achieve economic stability which despite various difficulties is showing signs of improvement. Economic growth has picked up owing to reforms initiated by the government. Improvement in energy supply facilitated increased industrial production which also contributed to GDP growth of 4.14% in FY 14 compared to growth of 3.70% in FY 13. Industrial growth was based on a sharp turnaround in construction, electricity generation, gas distribution and better performance of large-scale manufacturing. Economic success stemmed also from higher remittances, capital and financial inflow, renewed support from development partners and issuance of USD 2 billion Eurobond, which helped stabilize the currency and rebuild foreign exchange reserves to USD 13.611 billion by August end.

Despite lower inflation and higher growth, the State Bank of Pakistan left its key policy rate unchanged at 10 percent in September. The overseas Pakistani workers' remittances continued to grow and increased to USD 2.978 billion during the period July to August 2014 as compared to USD 2.644 billion in the same period last year, up 13%. Trade deficit however increased sharply from USD 2.675 billion to USD 4.159 billion during July-Aug 2014 as imports grew by 15% to USD 7.908 billion and exports decreased by 11% to USD 3.749 billion. Tax collections recorded 14% improvement in first quarter FY 15 and the Federal Board of Revenue (FBR) collected Rs. 549 billion against Rs. 481 billion tax in the same period last year. After evolving a consensus to club the fourth and fifth reviews, IMF delegation is scheduled to hold talks with Pakistan earlier next month. On successful completion of reviews, government is expected to draw USD 1.1 billion by coming December from IMF under extended finance facility to help buttress the foreign exchange reserves and stabilize balance of payments.

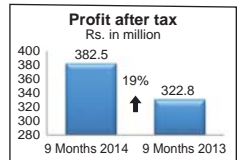
The Company

The Company performed well during the period under review. The gross premium grew to Rs. 1.213 billion as against Rs. 1.028 billion for the same period last year, up 18%. The net premium increased to Rs. 644.642 million as against Rs. 546.640 million. Continued sound underwriting policies followed by the Company resulted in increased underwriting profit of Rs. 271.312 million compared to Rs. 251.759 million in the same period last year, up 8%. The Company as a result of its continued prudent investment management realized capital gain of Rs. 146.990 million up to September 30, 2014. Investment income during the period under review increased by 23% to Rs. 226.958 million compared to Rs. 183.990 million in the same period last year. The Company earned profit before tax of Rs. 479.518 million against Rs. 427.752 million in the same period last year. After providing for tax, the profit after tax stood at Rs. 382.554 million compared to Rs. 322.817 million in the same period last year, up 19%.



Future Outlook

The Pakistan economy has displayed resilience over the years. However, energy shortfall, law and order situation, deficit finance and trade imbalance continue to be challenges for the government. The recent floods may also have some adverse impact. Prudent policy decisions by the policy makers of the country will make the economy climb on the trajectory of higher economic growth. Continuation of economic reforms and efforts to improve security environment would improve business confidence and help revive private investment. With Company's continued emphasis on prudent underwriting policies and discipline in business operations, the management of your Company is well equipped to meet the challenges ahead and is confident that the targets set for the year will be achieved.



ع مانگ تیری ستاروں سے بھر دیں گے ہم

(We will continue to add value to the performance)

Acknowledgement

I would like to thank the Board of Directors, the Chief Executive Officer and his team for their efforts, dedication and sincerity of purpose. I would also express my gratitude to all the reinsurers, our valued clients, banks and SECP for their support and guidance to the Company.

Yusuf H. Shirazi

Directors' Report

The directors have pleasure in submitting the quarterly report of the Company together with the un-audited financial statements for the period ended September 30, 2014.

September 30, 2014 **September 30, 2013**
(Rupees in thousand)

The overall business figures are:

Net premium	644,642	546,640
Net claims	170,511	128,701
Investment and other income	241,581	208,062
Net commission	36,274	43,229
Expenses of management	239,093	209,409

Financial results are as follows:

Profit before tax	479,518	427,752
Less: Provision for taxation	96,964	104,935
Profit after tax	382,554	322,817

Chairman's review

The accompanying Chairman's review deals with the performance of the Company during the period and future outlook. The directors of the Company endorse the contents of the review.

We express our deep appreciation and thanks to our valued clients, bankers, reinsurers and SECP for the cooperation extended to us.

We also commend the dedicated services rendered by the Company's officers, staff and field force.

For and on behalf of the
Board of Directors



Arshad P. Rana
Chief Executive

Lahore: October 29, 2014

Pattern of Shareholding

As at September 30, 2014

Number of shareholders	Shareholding		Share held
	From	To	
242	1	100	6,774
201	101	500	51,965
119	501	1000	86,327
309	1001	5000	770,031
135	5001	10000	940,081
59	10001	15000	732,081
33	15001	20000	567,947
16	20001	25000	354,550
25	25001	30000	685,165
16	30001	35000	520,821
6	35001	40000	226,164
7	40001	45000	301,249
6	45001	50000	287,681
2	50001	55000	103,330
6	55001	60000	337,971
6	60001	65000	372,673
1	65001	70000	65,572
4	70001	75000	285,228
6	75001	80000	471,026
2	80001	85000	166,195
3	90001	95000	280,275
1	95001	100000	96,000
1	100001	105000	102,500
3	105001	110000	328,400
1	115001	120000	116,879
1	120001	125000	120,840
1	125001	130000	130,000
1	130001	135000	130,541
2	140001	145000	280,512
1	145001	150000	149,672
2	150001	155000	300,051
1	155001	160000	157,278
1	165001	170000	169,000
1	175001	180000	176,803
1	200001	205000	203,926
1	245001	250000	250,000
1	260001	265000	261,990
1	280001	285000	280,579
1	340001	345000	340,949
1	450001	455000	452,152
1	455001	460000	457,029
1	1280001	1285000	1,282,824
1	1925001	1930000	1,929,336
1	1975001	1980000	1,978,915
1	6920001	6925000	6,923,144
1	22,065,001	22,070,000	22,068,013
1	23,860,001	23,865,000	23,860,942
<u>1,234</u>			<u>70,161,381</u>

Shareholders' Information |

As at September 30, 2014

Categories of shareholders	Shares held	Percentage %
Director, Chief Executive and their spouse and minor children	94,010	0.13%
Associated Companies, undertakings and related parties	54,781,436	78.08%
NIT and ICP	753	0.00%
Banks, Development Finance Institutions Non-Banking Financial Institutions	214,340	0.31%
Insurance Companies	2,227,415	3.17%
Modaraba and Mutual Funds	3,000	0.00%
Shareholders holding 10% and above	45,928,955	65.46%
General Public:		
a. Local	10,757,975	15.33%
b. Foreign	-	0.00%
Others:		
Joint Stock Companies	254,166	0.36%
Trusts	18,744	0.03%
Others	1,809,542	2.58%

Condensed Interim

As at

Note	September 30, 2014 (Unaudited) (Rupees in thousand)	December 31, 2013 (Audited) (Rupees in thousand)
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Share capital and reserves

Authorised share capital 80,000,000 (December 31, 2013: 80,000,000) ordinary shares of Rs.10 each	800,000	800,000
Issued, subscribed and paid up capital 70,161,381 (December 31, 2013: 63,783,074) ordinary shares of Rs.10 each	701,614	637,831
Reserves	421,064	344,064
Retained earnings	378,991	456,136
	1,501,669	1,438,031

Underwriting provisions

Provision for outstanding claims (including IBNR)	327,870	309,529
Provision for unearned premium	711,767	732,848
Commission income unearned	72,768	62,925
Total underwriting provisions	1,112,405	1,105,302

Creditors and accruals

Premium received in advance	9,732	8,052
Amounts due to other insurers / reinsurers	274,023	236,671
Accrued expenses	88,584	77,023
Taxation - provision less payments	11,492	30,488
Other creditors and accruals	72,198	77,869
	456,029	430,103

Other liabilities

Deposits against performance bonds	8,894	9,453
Unclaimed dividends	31,494	31,847
	40,388	41,300

TOTAL LIABILITIES	1,608,822	1,576,705
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TOTAL EQUITY AND LIABILITIES	3,110,491	3,014,736
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CONTINGENCIES AND COMMITMENTS

7

The annexed notes from 1 to 16 form an integral part of this interim financial information.

Balance Sheet

September 30, 2014

Note	September 30, 2014 (Unaudited) (Rupees in thousand)	December 31, 2013 (Audited) (Rupees in thousand)
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Cash and bank deposits

Cash and other equivalents	416	112
Current and other accounts	154,523	162,051

12	154,939	162,163
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Loans to employees - secured considered good

212	162
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Investments

8	1,715,368	1,550,372
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Deferred taxation

15,877	20,257
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Current assets - others

Premiums due but unpaid	362,843	260,165
Amounts due from other insurers / reinsurers	137,943	110,557
Salvage recoveries accrued	5,385	6,810
Accrued investment income	14,977	348
Reinsurance recoveries against outstanding claims	228,636	236,457
Deferred commission expense	58,446	63,673
Prepayments	353,196	533,695
Sundry receivables	6,702	13,937

1,168,128	1,225,642
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Fixed assets**Tangible**

Freehold land	1,168	1,168
Building on freehold land	11,367	11,809
Furniture and fixtures	2,717	2,937
Office equipments	9,702	10,561
Computers - owned	8,142	7,620
Motor vehicles - owned	19,282	19,761

9	52,378	53,856
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Intangible

Computer software	3,589	2,284
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TOTAL ASSETS	3,110,491	3,014,736
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Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Profit and Loss Account (Unaudited)

For the nine months period ended September 30, 2014

Note	Three months period ended September 30					2014	2013
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty		
(Rupees in thousand)							
Revenue account							
	35,974	86,775	81,134	29,984	-	233,867	203,235
	(500)	(12,183)	(36,197)	(15,772)	-	(64,652)	(51,900)
	(12,877)	(24,364)	(32,951)	(10,207)	-	(80,399)	(74,082)
	9,076	9,078	(7,907)	2,060	-	12,307	17,408
	<u>31,673</u>	<u>59,306</u>	<u>4,079</u>	<u>6,065</u>	<u>-</u>	<u>101,123</u>	<u>94,661</u>
Underwriting result							
						75,014	77,553
						1,685	1,639
						2,742	4,315
						(71)	(70)
						(10,279)	(12,724)
						69,091	70,713
						170,214	165,374
						(40,501)	(38,437)
						<u>129,713</u>	<u>126,937</u>
							Restated
						1.85	1.81

Note	Nine months period ended September 30					2014	2013
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty		
(Rupees in thousand)							
Revenue account							
	94,340	239,361	228,918	82,023	-	644,642	546,640
	(2,931)	(26,386)	(105,706)	(35,488)	-	(170,511)	(128,701)
	(54,892)	(63,327)	(89,267)	(31,607)	-	(239,093)	(209,409)
	26,007	24,974	(22,186)	7,479	-	36,274	43,229
	<u>62,524</u>	<u>174,622</u>	<u>11,759</u>	<u>22,407</u>	<u>-</u>	<u>271,312</u>	<u>251,759</u>
Underwriting result							
						226,958	183,990
						5,037	4,833
						9,586	19,239
						(319)	(277)
						(33,056)	(31,792)
						208,206	175,993
						479,518	427,752
						(96,964)	(104,935)
						<u>382,554</u>	<u>322,817</u>
Profit and loss appropriation account							
						456,136	362,371
						382,554	322,817
						(77,000)	(43,000)
						(318,916)	(212,610)
						(63,783)	(106,305)
						<u>378,991</u>	<u>323,273</u>
							Restated
						5.45	4.60

The annexed notes from 1 to 16 form an integral part of this interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the nine months period ended September 30, 2014

	Nine months period ended September 30,		Three months period ended September 30,	
	2014	2013	2014	2013
	(Rupees in thousand)		(Rupees in thousand)	
Profit for the period	382,554	322,817	129,713	126,937
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>382,554</u>	<u>322,817</u>	<u>129,713</u>	<u>126,937</u>

The annexed notes from 1 to 16 form an integral part of this interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Changes In Equity (Unaudited)

For the nine months period ended September 30, 2014

	Issued, subscribed and paid-up capital	Reserves				General reserve	Retained earnings	Total
		Capital reserve	Reserve for exceptional losses	Investment fluctuation reserve	Reserve for issue of bonus shares			
(Rupees in thousand)								
Balance as at January 01, 2013 (Audited)	531,526	2,251	2,164	3,000	-	293,649	362,371	1,194,961
Final dividend for the year ended December 31, 2012 @ 40% (Rs. 4 per share)	-	-	-	-	-	-	(212,610)	(212,610)
Transfer to general reserve	-	-	-	-	-	43,000	(43,000)	-
Transfer to reserve for bonus shares	-	-	-	-	106,305	-	(106,305)	-
Issue of bonus shares @ 20%	106,305	-	-	-	(106,305)	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	322,817	322,817
Balance as at September 30, 2013 (Un-audited)	<u>637,831</u>	<u>2,251</u>	<u>2,164</u>	<u>3,000</u>	<u>-</u>	<u>336,649</u>	<u>323,273</u>	<u>1,305,168</u>
Balance as at January 01, 2014 (Audited)	637,831	2,251	2,164	3,000	-	336,649	456,136	1,438,031
Final dividend for the year ended December 31, 2013 @ 50% (Rs. 5 per share)	-	-	-	-	-	-	(318,916)	(318,916)
Transfer to general reserve	-	-	-	-	-	77,000	(77,000)	-
Transfer to reserve for bonus shares	-	-	-	-	63,783	-	(63,783)	-
Issue of bonus shares @ 10%	63,783	-	-	-	(63,783)	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	382,554	382,554
Balance as at September 30, 2014 (Un-audited)	<u>701,614</u>	<u>2,251</u>	<u>2,164</u>	<u>3,000</u>	<u>-</u>	<u>413,649</u>	<u>378,991</u>	<u>1,501,669</u>

The annexed notes from 1 to 16 form an integral part of this interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Cash Flow Statement (Unaudited)

For the nine months period ended September 30, 2014

	Note	September 30, 2014	September 30, 2013
(Rupees in thousand)			
Operating cash flows			
Underwriting activities			
Premiums received		1,111,663	867,566
Reinsurance premiums paid		(458,507)	(414,794)
Claims paid		(212,938)	(202,634)
Reinsurance and other recoveries received		53,888	93,412
Commission paid		(64,633)	(54,420)
Commission received		130,403	113,413
Other underwriting payments		(478)	(763)
Other underwriting receipts		13,572	12,030
Net cash inflow from underwriting activities		572,970	413,810
Other operating activities			
Income tax paid		(111,580)	(87,733)
General and management expenses paid		(265,460)	(285,760)
Loans - net		(50)	(6)
Net cash outflow from other operating activities		(377,090)	(373,499)
Total cash inflow / from all operating activities		195,880	40,311
Investment activities			
Profit / return received		13,870	25,283
Dividends received		63,892	43,365
Rentals received		6,865	5,183
Payments for purchase of investments		(955,996)	(715,716)
Proceeds from disposal of investments		995,342	761,179
Payments against purchase of fixed assets		(7,384)	(6,414)
Payment against purchase of intangible assets		(2,387)	(2,372)
Proceeds from disposal of fixed assets		2,282	17,408
Total cash inflow from investing activities		116,484	127,916
Financing activities			
Dividends paid		(319,269)	(204,999)
Financial charges paid		(319)	(277)
Total cash out flow from financing activities		(319,588)	(205,276)
Net cash inflow / (outflow) from all activities		(7,224)	(37,049)
Cash and cash equivalents at the beginning of the period		162,163	282,013
Cash and cash equivalents at the end of the period	12	154,939	244,964

Reconciliation of operating cash flows to profit and loss account is given as note 12.1 to the interim financial information.

The annexed notes from 1 to 16 form an integral part of this interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Premiums (Unaudited)

For the nine months period ended September 30, 2014

Three months period ended September 30

Business underwritten inside Pakistan

Direct and facultative	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2014	2013
		Opening	Closing			Net premium revenue				
(Rupees in thousand)										
Class										
Fire and property damage	62,314	292,483	228,284	126,513	46,796	192,436	148,693	90,539	35,974	28,601
Marine, aviation and transport	130,746	48,503	47,584	131,665	44,306	17,528	16,944	44,890	86,775	82,793
Motor	116,159	188,370	211,873	92,656	28,953	9,607	27,038	11,522	81,134	67,219
Miscellaneous	52,657	258,193	224,026	86,824	31,353	182,533	157,046	56,840	29,984	24,622
Total	361,876	787,549	711,767	437,658	151,408	402,104	349,721	203,791	233,867	203,235
Treaty	-	-	-	-	-	-	-	-	-	-
Grand total	361,876	787,549	711,767	437,658	151,408	402,104	349,721	203,791	233,867	203,235

Nine months period ended September 30

Business underwritten inside Pakistan

Direct and facultative	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2014	2013
		Opening	Closing			Net premium revenue				
(Rupees in thousand)										
Class										
Fire and property damage	327,019	257,456	228,284	356,191	199,377	211,167	148,693	261,851	94,340	69,457
Marine, aviation and transport	376,786	38,291	47,584	367,493	132,749	12,327	16,944	128,132	239,361	226,953
Motor	321,024	146,943	211,873	256,094	48,146	6,068	27,038	27,176	228,918	181,286
Miscellaneous	187,957	290,158	224,026	254,089	97,969	231,143	157,046	172,066	82,023	68,944
Total	1,212,786	732,848	711,767	1,233,867	478,241	460,705	349,721	589,225	644,642	546,640
Treaty	-	-	-	-	-	-	-	-	-	-
Grand total	1,212,786	732,848	711,767	1,233,867	478,241	460,705	349,721	589,225	644,642	546,640

The annexed notes from 1 to 16 form an integral part of this interim financial information.


Arshad P. Rana
 Chief Executive


Ali H. Shirazi
 Director


Feroz Rizvi
 Director


Yusuf H. Shirazi
 Chairman

Condensed Interim Statement of Claims (Unaudited)

For the nine months period ended September 30, 2014

T h r e e m o n t h s p e r i o d e n d e d S e p t e m b e r 3 0										
Business underwritten inside Pakistan	Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	2014	2013
		Opening	Closing			Opening	Closing		Net claims expense	
Direct and facultative	(R u p e e s i n t h o u s a n d)									
Class										
Fire and property damage	3,051	166,472	142,488	(20,933)	2,657	162,324	138,234	(21,433)	500	1,214
Marine, aviation and transport	28,092	69,620	64,931	23,403	14,982	51,767	48,005	11,220	12,183	6,310
Motor	36,061	77,966	74,277	32,372	3,884	20,311	12,602	(3,825)	36,197	31,469
Miscellaneous	18,269	40,243	42,394	20,420	5,436	30,583	29,795	4,648	15,772	12,907
Total	85,473	354,301	324,090	55,262	26,959	264,985	228,636	(9,390)	64,652	51,900
Treaty	-	3,780	3,780	-	-	-	-	-	-	-
Grand total	85,473	358,081	327,870	55,262	26,959	264,985	228,636	(9,390)	64,652	51,900


N i n e m o n t h s p e r i o d e n d e d S e p t e m b e r 3 0										
Business underwritten inside Pakistan	Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	2014	2013
		Opening	Closing			Opening	Closing		Net claims expense	
Direct and facultative	(R u p e e s i n t h o u s a n d)									
Class										
Fire and property damage	28,449	169,503	142,488	1,434	25,420	165,151	138,234	(1,497)	2,931	3,600
Marine, aviation and transport	39,788	41,075	64,931	63,644	23,589	34,336	48,005	37,258	26,386	20,997
Motor	97,563	56,994	74,277	114,846	6,251	9,713	12,602	9,140	105,706	72,374
Miscellaneous	55,651	38,177	42,394	59,868	21,842	27,257	29,795	24,380	35,488	31,730
Total	221,451	305,749	324,090	239,792	77,102	236,457	228,636	69,281	170,511	128,701
Treaty	-	3,780	3,780	-	-	-	-	-	-	-
Grand total	221,451	309,529	327,870	239,792	77,102	236,457	228,636	69,281	170,511	128,701

The annexed notes from 1 to 16 form an integral part of this interim financial information.


Arshad P. Rana
 Chief Executive


Ali H. Shirazi
 Director


Feroz Rizvi
 Director


Yusuf H. Shirazi
 Chairman

Condensed Interim Statement of Expenses (Unaudited)

For the nine months period ended September 30, 2014

Three months period ended September 30

Business underwritten inside Pakistan

Direct and facultative	Commissions paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expense	Commissions from reinsurers	2014	2013
		Opening	Closing					Net underwriting expense	
(Rupees in thousand)									
Class									
Fire and property damage	12,463	17,407	20,818	9,052	12,877	21,929	18,128	3,801	(3,917)
Marine, aviation and transport	4,699	2,027	1,494	5,232	24,364	29,596	14,310	15,286	10,767
Motor	7,421	18,874	17,455	8,840	32,951	41,791	933	40,858	46,422
Miscellaneous	3,953	21,199	18,679	6,473	10,207	16,680	8,533	8,147	3,402
Total	28,536	59,507	58,446	29,597	80,399	109,996	41,904	68,092	56,674
Treaty	-	-	-	-	-	-	-	-	-
Grand total	28,536	59,507	58,446	29,597	80,399	109,996	41,904	68,092	56,674

Nine months period ended September 30

Business underwritten inside Pakistan

Direct and facultative	Commissions paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expense	Commissions from reinsurers	2014	2013
		Opening	Closing					Net underwriting expense	
(Rupees in thousand)									
Class									
Fire and property damage	31,738	15,606	20,818	26,526	54,892	81,418	52,533	28,885	15,187
Marine, aviation and transport	14,058	1,804	1,494	14,368	63,327	77,695	39,342	38,353	39,296
Motor	25,071	16,588	17,455	24,204	89,267	113,471	2,018	111,453	83,812
Miscellaneous	8,193	29,675	18,679	19,189	31,607	50,796	26,668	24,128	27,885
Total	79,060	63,673	58,446	84,287	239,093	323,380	120,561	202,819	166,180
Treaty	-	-	-	-	-	-	-	-	-
Grand total	79,060	63,673	58,446	84,287	239,093	323,380	120,561	202,819	166,180

Note:


Commission from reinsurers is arrived at after taking impact of opening and closing unearned commission.

The annexed notes from 1 to 16 form an integral part of this interim financial information.


Arshad P. Rana
 Chief Executive


Ali H. Shirazi
 Director


Feroz Rizvi
 Director


Yusuf H. Shirazi
 Chairman

Condensed Interim Statement of Investment Income (Unaudited)

For the nine months period ended September 30, 2014

	Nine months ended September 30,		Three months ended September 30,	
	2014	2013	2014	2013
	(Rupees in thousand)		(Rupees in thousand)	
Income from non-trading investments				
Held to maturity				
Return on fixed income securities and deposits	5,958	4,878	2,634	1,808
Available for sale				
Dividend income	76,847	54,255	20,101	17,090
Gain on sale of available for sale investments	147,455	125,383	52,466	58,901
Less: Investment related expenses	(465)	(526)	(187)	(246)
Impairment in value of available for sale investments	(2,837)	-	-	-
Net investment income	<u>226,958</u>	<u>183,990</u>	<u>75,014</u>	<u>77,553</u>

The annexed notes from 1 to 16 form an integral part of this interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Notes to the Interim Financial Information (Unaudited)

For the nine months period ended September 30, 2014

1. Legal status and nature of business

Atlas Insurance Limited (the Company) was incorporated as a public limited Company in Lahore on September 06, 1934 and is listed on Lahore and Karachi stock exchanges. The Company is engaged in general insurance business. The registered office of the Company is situated at 3-Bank Square, Lahore.

2. Statement of compliance

This interim financial information of the Company for the nine months period ended September 30, 2014 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 have been followed.

The disclosures made in this interim financial information have, however, been limited based on the format prescribed by the Securities and Exchange Commission of Pakistan (SECP) in its Circular No. 7 of 2003 and International Accounting Standard 34, Interim Financial Reporting. They do not include all the information required for full annual financial statements, and this interim financial information should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2013.

3. Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of this interim financial information are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended December 31, 2013 except as follows:

3.1 New and amended standards and interpretations

The Company has adopted the following amended IFRS which became effective during the period:

- IAS 32 – Financial Instruments: Presentation – (Amendment) - Offsetting Financial Assets and Financial Liabilities
- IAS 36 – Impairment of Assets – (Amendment) - Recoverable Amount Disclosures for Non-Financial Assets
- IAS 39 – Financial Instruments: Recognition and Measurement – (Amendment) - Novation of Derivatives and Continuation of Hedge Accounting
- IFRIC 21 – Levies
- IFAS 3 – Profit and Loss Sharing on Deposits

The adoption of the above amendments to accounting standards and interpretations did not have any material effect on this interim financial information.

4. Basis of measurement

This interim financial information has been prepared under historical cost convention.

5. Accounting estimates and judgments

In preparing this interim financial information, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are the same as those applied in the annual financial statements as at and for the year ended December 31, 2013.

6. Financial risk management

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2013.

7. Contingencies and commitments

7.1 Contingencies

There has been no significant change in the contingencies since the date of preceding published annual financial statements.

7.2 Commitments

The amount of future payment under operating lease and the period in which these payments will become due are as follows:

Note	September 30, 2014 (Unaudited) (Rupees in thousand)	December 31, 2013 (Audited)
	38,701	34,979
	31,213	30,087
	-	-
	<u>69,914</u>	<u>65,066</u>

8. Investments

Held to maturity

Pakistan Investment Bonds (PIBs)	75,938	-
Market Treasury Bills (MTBs)	-	69,622
	8.1 75,938	69,622

Available for sale

Mutual funds	794,891	781,970
Quoted shares	844,539	698,780
	<u>1,639,430</u>	<u>1,480,750</u>
	<u>1,715,368</u>	<u>1,550,372</u>
Aggregate market value of investments	<u>2,953,136</u>	<u>2,541,982</u>

8.1 This represents carrying amount of PIBs and MTBs placed as statutory deposit with the State Bank of Pakistan in accordance with the requirements of Section 29(2)(a) of the Insurance Ordinance, 2000.

September 30, 2014 (Unaudited) (Rupees in thousand)	December 31, 2013 (Audited)
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9. Fixed assets

Tangible

Opening net book value	53,856	65,576
Add: Additions during the period / year	7,385	10,014
	61,241	75,590
Less:		
Disposals during the period / year (at book value)	2,292	11,846
Depreciation charged during the period / year	6,571	9,888
	8,863	21,734
	<u>52,378</u>	<u>53,856</u>

Intangible

Opening net book value	2,284	851
Addition	2,387	2,371
Amortization charged during the period / year	(1,082)	(938)
	<u>3,589</u>	<u>2,284</u>

10. Basic and diluted earnings per share

The earnings per share in the corresponding periods have been restated to take into account the effect of bonus shares issued during the current period. Prior to this restatement, the earnings per share were Rs. 5.06 and Rs. 1.99 for the nine months and three month period ended September 30, respectively.

**Nine months period ended
September 30**

2014	2013
(Unaudited)	
(Rupees in thousand)	

11. Provision for taxation

Current	98,451	106,929
Deferred	(1,487)	(1,994)
	<u>96,964</u>	<u>104,935</u>

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

**Nine months period ended
September 30**

2014	2013
(Unaudited)	
(Rupees in thousand)	

12. Cash and cash equivalents at the end of the period

For the purposes of cash flow statement cash includes:

Cash and other equivalents	416	328
Current and other accounts	154,523	244,636
	<u>154,939</u>	<u>244,964</u>

12.1 Reconciliation to profit and loss account

Operating cash flows	195,880	40,311
Depreciation expense	(6,571)	(7,377)
Amortization of intangible assets	(1,076)	(673)
Profit on disposal of fixed assets	(10)	6,688
Financial charges	(319)	(277)
Provision for doubtful debts	(10,335)	(10,027)
Increase in assets other than cash	110,815	171,378
Increase in liabilities other than borrowings	(42,439)	(101,731)
Other adjustments		
- Decrease in provision for unearned premium	(89,903)	33,569
- Increase in commission income unearned	(9,843)	(5,504)
- Investment income	226,958	183,990
- Rental and other income	14,623	17,384
- Decrease in provision for commission expense deferred	(5,226)	(4,914)
	<u>382,554</u>	<u>322,817</u>

13. Transactions with related parties

Related parties comprise associated undertakings, other related group companies, directors of the Company and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. The period end balances and transactions with related parties are as follows:

Related parties	Period end balances	September 30,	December 31,
		2014 (Unaudited)	2013 (Audited)
		(Rupees in thousand)	
	Provision for outstanding claims (including IBNR)	241,097	175,871
	Premium received in advance	3,434	-
	Premium due but unpaid	150,760	178,585

		Nine months period ended September 30	
		2014	2013
		(Unaudited)	
		(Rupees in thousand)	
	Transactions during the year		
	Premium underwritten	621,896	544,037
	Premium collected	667,450	616,247
	Claims paid	68,778	51,053
	Assets purchased	5,843	2,327
	Assets sold	875	-
	Rent received	3,820	3,735
	Rent paid	1,260	1,496
	Expenses paid	1,050	645
	Donations	4,450	4,360
	Dividend paid	249,007	166,004
	Dividend received	35,282	21,460
	Investments purchased	657,386	441,400
	Investments sold	687,630	486,933
Post employment benefit plans	Transactions during the year		
	Expense charged	12,431	10,497
Key management personnel	Compensation	91,536	69,498

Contributions to and accruals in respect of staff retirement plans are made in accordance with actuarial valuation / terms of contribution plan.

14. Segment reporting

There has been no change in the basis of segmentation or the measurement basis of segment profit or loss since December 31, 2013. Class of business wise revenue and results have been disclosed in the condensed interim statement of premiums and profit and loss account, respectively are prepared in accordance with the requirements of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002.

Segment wise assets and liabilities are as follows:

	Fire & property damage		Marine, aviation & transport		Motor		Miscellaneous		Total	
	Sep. 30, 2014 (Un-audited)	Dec. 31, 2013 (Audited)	Sep. 30, 2014 (Un-audited)	Dec. 31, 2013 (Audited)	Sep. 30, 2014 (Un-audited)	Dec. 31, 2013 (Audited)	Sep. 30, 2014 (Un-audited)	Dec. 31, 2013 (Audited)	Sep. 30, 2014 (Un-audited)	Dec. 31, 2013 (Audited)
	(R u p e e s i n t h o u s a n d)									
Segment assets	329,952	315,998	340,422	370,431	237,229	221,552	235,371	257,627	1,142,974	1,165,608
Unallocated assets									1,967,517	1,849,128
Consolidated total assets									3,110,491	3,014,736
Segment liabilities	424,064	401,420	403,180	419,609	277,638	250,139	303,158	322,374	1,408,040	1,393,542
Unallocated liabilities									200,782	183,163
Consolidated total liabilities									1,608,822	1,576,705

15. Date of authorization for issue

This interim financial information was authorized for issue by the Board of Directors of the Company on October 29, 2014.

16. General

Figures in these interim financial information have been rounded off to the nearest thousand rupees unless otherwise specified.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

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RASHID AMIN Chief Financial Officer	Direct:	(042) 37234757
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MUHAMMAD SAEED Head of Claims	Direct:	(042) 37323270
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QUDSIA NAHEED Vice President (Admin/HR)	Direct:	(042) 37245348
	Extension:	303
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JAWAID IRSHAD
Manager Motor
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MUHAMMAD AFZAL
Company Secretary
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