



Quarterly Report
September 30, 2013



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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

Underwriting Committee

Frahim Ali Khan
Chairman

Arshad P. Rana
Member

Muhammad Saeed
Member

Syed Ali Munem Shamsi
Secretary

Company Information

Claims Settlement Committee

Frahim Ali Khan
Chairman

Arshad P. Rana
Member

Syed Ali Munem Shamsi
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

Qudsia Naheed
Vice President (Admin & HR)

Muhammad Saeed
Vice President (Claims)

Abdul Razaq Ghauri
Vice President (IT)

Syed Ali Munem Shamsi
Vice President (Underwriting)

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.
Ch. Maqsood Hassan Advocate
Agha Faisal Barrister at Law

Tax Advisor

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Registrar and Share Transfer Office

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
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, 2013.

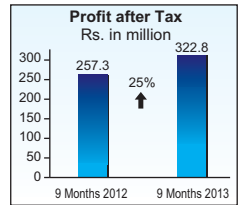
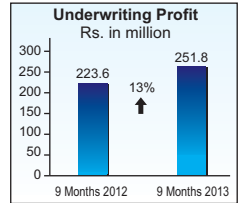
The Economy

The Pakistan economy is facing multiple challenges such as current account deficit, budget deficit, rising inflation and complex law and order situation. Despite these pressures certain developments may prove vital for the long term economic stability of Pakistan. The foreign direct investment started showing signs of improvement and increased to USD 105.4 million in July to August 2013 as compared to the same period last year, up 101%. The IMF in September 2013 agreed to extend a loan of USD 6.6 billion under 3-year Extended Fund Facility (EFF) for Pakistan. This helped ease pressure on the foreign exchange reserves of the country which reached USD 9.9 billion by end of August 2013 as well as on Rupee which lost 6.7% of its value in interbank market since start of the fiscal year 2013-14. Going forward it may also facilitate mobilization of resources from other donors as well.

The State Bank of Pakistan considering the rise in inflation and devaluation pressure on the Rupee increased the interest rates from 9% to 9.5% in September 2013. The overseas Pakistani workers remittances continued to grow and increased to USD 2,637 million during the period July to August 2013 as compared to USD 2,464 million in the same period last year, up 7%. The balance of trade deficit reduced slightly by 3% from USD 3,400 million to USD 3,295 million during July-Aug 2013 as imports grew by 0.54% to USD 7,386 billion and exports grew by 3.6% to USD 4,091 billion. Pakistan paid two installments under standby arrangement worth USD 393 million in August 2013 and USD 193 million in September 2013 to IMF. In September 2013 Pakistan received USD 540 million from IMF under extended finance facility to help buttress the foreign exchange reserves and stabilize balance of payments.

The Company

The Company continued to show improved results as the gross premium underwritten grew by 23% to Rs. 1,028.4 million from Rs. 837.2 million in the same period last year. The net premium increased to Rs. 546.6 million as against Rs. 444.8 million. Sound underwriting policies followed by the company resulted in increased underwriting profit of Rs. 251.8 million compared to Rs. 223.6 million in the same period last year, up 13%. The Company as a result of its prudent investment management and its preference to invest in stocks with strong fundamentals earned Rs. 184.0 million income from investment compared to Rs. 134.3 million in the same period last year. The Company earned profit before tax of Rs. 427.8 million against Rs. 345.9 million in the same period last year. After providing for tax, the profit after tax stood at Rs. 322.8 million compared to Rs. 257.3 million in the same period last year, up 25%.



Future Outlook

Despite several economic and geo-political challenges, given its geographical location and its rich human and natural resources Pakistan has great potential to support the economy. The challenge for the government however remains in controlling its fiscal and current deficits by taking bold fiscal measures and taking concrete steps in improving law and order situation in the country. The revenue mobilization through increasing tax to GDP ratio remains one of the key factors in improving the overall economic situation of Pakistan. Similarly, plugging in leakage of fiscal resources through privatization of loss making state owned enterprises remains a key challenge. With well calculated decisions the economy of the country can climb on the trajectory of economic growth.

عق پرواز ہے دونوں کی اسی ایک فضا میں
 کرگس کا جہاں اور ہے شائیں کا جہاں اور
 (Determination leads to the heights as desired)

The management of your Company will avail all the opportunities existing in the market to maintain its growth momentum and generate consistent return for its shareholders.

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, 2013.

September 30, 2013 **September 30, 2012**
(Rupees in thousand)

The overall business figures are:

Net premium	546,640	444,761
Net claims	128,701	89,976
Investment and other income	208,062	146,045
Net commission	43,229	42,275
Expenses of management	209,409	173,430

Financial results are as follows:

Profit before tax	427,752	345,943
Less: Provision for taxation	104,935	88,628
Profit after tax	322,817	257,315

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 26, 2013

Condensed Interim

As at

Note	September 30, 2013 (Unaudited)	December 31, 2012 (Audited)
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(Rupees in thousand)

Share capital and reserves

Authorised share capital 80,000,000 (December 31, 2012: 80,000,000) ordinary shares of Rs.10 each	800,000	800,000
Issued, subscribed and paid up capital 63,783,074 (December 31, 2012: 53,152,562) ordinary shares of Rs.10 each	637,831	531,526
Reserves	344,064	301,064
Retained earnings	323,273	362,371
	1,305,168	1,194,961

Underwriting provisions

Provision for outstanding claims (including IBNR)	364,436	200,912
Provision for unearned premium	741,844	775,413
Commission income unearned	73,699	68,195
Total underwriting provisions	1,179,979	1,044,520

Creditors and accruals

Premium received in advance	4,820	5,572
Amounts due to other insurers / reinsurers	247,425	257,751
Accrued expenses	52,884	55,042
Taxation - provision less payments	11,479	-
Other creditors and accruals	76,128	115,214
	392,736	433,579

Other liabilities

Deposits against performance bonds	1,865	2,361
Unclaimed dividends	32,733	25,122
	34,598	27,483

TOTAL LIABILITIES

1,607,313	1,505,582
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TOTAL EQUITY AND LIABILITIES

2,912,481	2,700,543
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CONTINGENCIES AND COMMITMENTS

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

Balance Sheet

September 30, 2013

Note	September 30, 2013 (Unaudited) (Rupees in thousand)	December 31, 2012 (Audited)
Cash and bank deposits		
	328	68
	244,636	281,945
12	244,964	282,013
Loans to employees - secured considered good		
	176	170
Investments		
8	1,342,838	1,255,886
Deferred taxation		
	9,605	8,941
Current assets - others		
	329,782	229,835
	121,022	98,884
	6,410	8,535
	12,507	2,783
	271,941	121,248
	62,406	67,320
	424,385	533,080
	-	6,387
	27,628	19,034
	1,256,081	1,087,106
Fixed assets		
Tangible		
9	1,168	1,168
	11,965	12,431
	3,020	3,202
	10,859	11,788
	8,197	6,312
	21,059	30,675
	56,268	65,576
Intangible		
9	2,549	851
TOTAL ASSETS	2,912,481	2,700,543



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, 2013

Three months period ended September 30							
Note	Fire and property	Marine, aviation and transport	Motor	Miscellaneous	Treaty	2013	2012
(Rupees in thousand)							
Revenue account							
	28,601	82,793	67,219	24,622	-	203,235	165,087
	(1,214)	(6,310)	(31,469)	(12,907)	-	(51,900)	(36,304)
	(5,942)	(19,509)	(43,711)	(4,920)	-	(74,082)	(61,391)
	9,859	8,742	(2,711)	1,518	-	17,408	17,512
	<u>31,304</u>	<u>65,716</u>	<u>(10,672)</u>	<u>8,313</u>	<u>-</u>	<u>94,661</u>	<u>84,904</u>
Underwriting result							
						77,553	42,790
						1,639	1,360
						4,315	2,136
						(70)	(40)
						(12,724)	(7,766)
						<u>70,713</u>	<u>38,480</u>
						165,374	123,384
						(38,437)	(30,746)
						<u>126,937</u>	<u>92,638</u>
Profit before taxation							
Profit after taxation							
Basic and diluted earnings per share							
- Rupees	10					1.99	Restated 1.45

Nine months period ended September 30							
Note	Fire and property	Marine, aviation and transport	Motor	Miscellaneous	Treaty	2013	2012
(Rupees in thousand)							
Revenue account							
	69,457	226,953	181,286	68,944	-	546,640	444,761
	(3,600)	(20,997)	(72,374)	(31,730)	-	(128,701)	(89,976)
	(44,707)	(62,587)	(71,738)	(30,377)	-	(209,409)	(173,430)
	29,520	23,291	(12,074)	2,492	-	43,229	42,275
	<u>50,670</u>	<u>166,660</u>	<u>25,100</u>	<u>9,329</u>	<u>-</u>	<u>251,759</u>	<u>223,630</u>
Underwriting result							
						183,990	134,315
						4,833	4,063
						19,239	7,667
						(277)	(270)
						(31,792)	(23,462)
						<u>175,993</u>	<u>122,313</u>
						427,752	345,943
						(104,935)	(88,628)
						<u>322,817</u>	<u>257,315</u>
Profit after taxation							
Profit and loss appropriation account							
Balance at commencement of the period							
						362,371	301,917
						322,817	257,315
						(43,000)	(36,000)
						(212,610)	(177,175)
						(106,305)	(88,588)
Balance unappropriated profit at the end of the period							
						<u>323,273</u>	<u>257,469</u>
Basic and diluted earnings per share							
- Rupees	10					5.06	Restated 4.03

The annexed notes 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, 2013

	Nine months period ended September 30,		Three months period ended September 30,	
	2013	2012	2013	2012
	(Rupees in thousand)		(Rupees in thousand)	
Profit for the period	322,817	257,315	126,937	92,638
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>322,817</u>	<u>257,315</u>	<u>126,937</u>	<u>92,638</u>

The annexed notes 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, 2013

	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, 2012 (Audited)	442,938	2,251	2,164	3,000	-	257,649	301,917	1,009,919
Final dividend for the year ended December 31, 2011 @40% (Rs. 4 per share)	-	-	-	-	-	-	(177,175)	(177,175)
Transfer to general reserve	-	-	-	-	-	36,000	(36,000)	-
Transfer to reserve for bonus shares	-	-	-	-	88,588	-	(88,588)	-
Issue of bonus shares @ 20%	88,588	-	-	-	(88,588)	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	257,315	257,315
Balance as at September 30, 2012 (Un-audited)	<u>531,526</u>	<u>2,251</u>	<u>2,164</u>	<u>3,000</u>	<u>-</u>	<u>293,649</u>	<u>257,469</u>	<u>1,090,059</u>
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>

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, 2013

	Note	September 30, 2013	September 30, 2012
(Rupees in thousand)			
Operating cash flows			
Underwriting activities			
Premiums received		867,566	857,265
Reinsurance premiums paid		(414,794)	(351,157)
Claims paid		(202,634)	(201,901)
Reinsurance and other recoveries received		93,412	92,533
Commission paid		(54,420)	(46,139)
Commission received		113,413	97,132
Other underwriting payments		(763)	(1,926)
Other underwriting receipts		12,030	11,100
Net cash inflow from underwriting activities		413,810	456,907
Other operating activities			
Income tax paid		(87,733)	(82,984)
General and management expenses paid		(285,760)	(201,904)
Loans - net		(6)	103
Net cash outflow from other operating activities		(373,499)	(284,785)
Total cash inflow from all operating activities		40,311	172,122
Investment activities			
Profit / return received		25,283	11,274
Dividends received		43,365	29,385
Rentals received		5,183	5,375
Payments for purchase of investments		(715,716)	(988,573)
Proceeds from disposal of investments		761,179	1,054,590
Payments against purchase of fixed assets		(6,414)	(22,264)
Payment against purchase of intangible assets		(2,372)	-
Proceeds from disposal of fixed assets		17,408	6,790
Total cash inflow from investing activities		127,916	96,577
Financing activities			
Dividends paid		(204,999)	(172,533)
Financial charges paid		(277)	(270)
Total cash out flow from financing activities		(205,276)	(172,803)
Net cash (outflow) / inflow from all activities		(37,049)	95,896
Cash and cash equivalents at the beginning of the period		282,013	54,591
Cash and cash equivalents at the end of the period	12	244,964	150,487

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, 2013

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	2013	2012
		Opening	Closing			Opening	Closing			
(Rupees in thousands)										
Class										
Fire and property damage	44,813	234,726	180,796	98,743	31,719	156,248	117,825	70,142	28,601	26,522
Marine, aviation and transport	122,985	46,243	45,689	123,539	41,080	15,407	15,741	40,746	82,793	68,336
Motor	95,239	140,585	164,778	71,046	7,325	5,238	8,736	3,827	67,219	53,846
Miscellaneous	34,537	397,652	350,581	81,608	27,902	308,063	278,979	56,986	24,622	16,365
Total	297,574	819,206	741,844	374,936	108,026	484,956	421,281	171,701	203,235	165,069
Treaty	-	-	-	-	-	-	-	-	-	18
Grand total	297,574	819,206	741,844	374,936	108,026	484,956	421,281	171,701	203,235	165,087

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	2013	2012
		Opening	Closing			Opening	Closing			
(Rupees in thousands)										
Class										
Fire and property damage	253,041	217,074	180,796	289,319	161,608	176,079	117,825	219,862	69,457	73,402
Marine, aviation and transport	355,440	28,163	45,689	337,914	121,172	5,530	15,741	110,961	226,953	175,651
Motor	246,779	116,542	164,778	198,543	21,007	4,986	8,736	17,257	181,286	150,327
Miscellaneous	173,111	413,634	350,581	236,164	102,303	343,896	278,979	167,220	68,944	45,370
Total	1,028,371	775,413	741,844	1,061,940	406,090	530,491	421,281	515,300	546,640	444,750
Treaty	-	-	-	-	-	-	-	-	-	11
Grand total	1,028,371	775,413	741,844	1,061,940	406,090	530,491	421,281	515,300	546,640	444,761

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, 2013

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										
Direct and facultative	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	2013	2012
		Opening	Closing			Opening	Closing		Net claims expense	
(R u p e e s i n t h o u s a n d)										
Class										
Fire and property damage	10,006	99,460	168,722	79,268	8,866	95,103	164,291	78,054	1,214	2,375
Marine, aviation and transport	25,810	81,733	73,584	17,661	17,689	65,704	59,366	11,351	6,310	4,214
Motor	22,458	55,307	67,936	35,087	3,510	8,508	8,616	3,618	31,469	23,473
Miscellaneous	21,486	50,766	50,414	21,134	11,803	43,244	39,668	8,227	12,907	6,242
Total	79,760	287,266	360,656	153,150	41,868	212,559	271,941	101,250	51,900	36,304
Treaty	-	3,780	3,780	-	-	-	-	-	-	-
Grand total	79,760	291,046	364,436	153,150	41,868	212,559	271,941	101,250	51,900	36,304


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										
Direct and facultative	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	2013	2012
		Opening	Closing			Opening	Closing		Net claims expense	
(R u p e e s i n t h o u s a n d)										
Class										
Fire and property damage	27,347	36,740	168,722	159,329	24,499	33,061	164,291	155,729	3,600	4,880
Marine, aviation and transport	63,969	60,700	73,584	76,853	42,956	46,466	59,366	55,856	20,997	12,440
Motor	74,250	60,983	67,936	81,203	11,476	11,263	8,616	8,829	72,374	51,963
Miscellaneous	48,583	38,709	50,414	60,288	19,348	30,458	39,668	28,558	31,730	20,693
Total	214,149	197,132	360,656	377,673	98,279	121,248	271,941	248,972	128,701	89,976
Treaty	-	3,780	3,780	-	-	-	-	-	-	-
Grand total	214,149	200,912	364,436	377,673	98,279	121,248	271,941	248,972	128,701	89,976

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, 2013

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	2013	2012
		Opening	Closing						
Class	(Rupees in			thousand)					
Fire and property damage	9,355	14,568	15,366	8,557	5,942	14,499	18,416	(3,917)	1,569
Marine, aviation and transport	4,028	1,115	1,807	3,336	19,509	22,845	12,078	10,767	17,725
Motor	5,756	8,677	11,172	3,261	43,711	46,972	550	46,422	21,186
Miscellaneous	2,734	37,689	34,061	6,362	4,920	11,282	7,880	3,402	3,399
Total	21,873	62,049	62,406	21,516	74,082	95,598	38,924	56,674	43,879
Treaty	-	-	-	-	-	-	-	-	-
Grand total	21,873	62,049	62,406	21,516	74,082	95,598	38,924	56,674	43,879

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	2013	2012
		Opening	Closing						
Class	(Rupees in			thousand)					
Fire and property damage	24,566	11,649	15,366	20,849	44,707	65,556	50,369	15,187	14,919
Marine, aviation and transport	11,734	1,739	1,807	11,665	62,587	74,252	34,956	39,296	46,502
Motor	15,881	8,862	11,172	13,571	71,738	85,309	1,497	83,812	49,906
Miscellaneous	7,586	45,070	34,061	18,596	30,377	48,973	21,088	27,885	19,829
Total	59,767	67,320	62,406	64,681	209,409	274,090	107,910	166,180	131,156
Treaty	-	-	-	-	-	-	-	-	(1)
Grand total	59,767	67,320	62,406	64,681	209,409	274,090	107,910	166,180	131,155

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, 2013

	Nine months ended September 30,		Three months ended September 30,	
	2013	2012	2013	2012
	(Rupees in thousand)		(Rupees in thousand)	
Income from non-trading investments				
Held to maturity				
Return on fixed income securities and deposits	4,878	4,507	1,808	1,509
Available for sale				
Dividend income	54,255	33,610	17,090	9,633
Gain on sale of available for sale investments	125,383	96,753	58,901	31,870
Less: Investment related expenses	(526)	(555)	(246)	(222)
Net investment income	<u>183,990</u>	<u>134,315</u>	<u>77,553</u>	<u>42,790</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 Condensed Interim Financial Information (Unaudited)

For the nine months period ended September 30, 2013

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, 2013 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, 2012.

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, 2012 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 1	Presentation of Financial Statements - Presentation of items of other comprehensive income (Amendment)
IAS 19	Employee Benefits - (Revised)
IFRS 7	Financial instruments : Disclosures - (Amendment) -Amendments enhancing disclosures about offsetting of financial assets and financial liabilities
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

The adoption of the above amendments did not have any effect on this interim financial information.

Further, certain new standards have been issued by IASB which are effective for accounting periods beginning on or after January 01, 2013 but are yet to be notified by the SECP for the purpose of applicability in Pakistan

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, 2012.

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, 2012.

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

Nil (December 31, 2012: Nil)

8. Investments

Held to maturity

Pakistan Investment Bonds (PIBs)
Market Treasury Bills (MTBs)

Note	September 30, 2013 (Unaudited) (Rupees in thousand)	December 31, 2012 (Audited) (Rupees in thousand)
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Available for sale

Mutual funds
Quoted shares

Investments at cost

Aggregate market value of investments

	-	8,000
	74,684	49,246
8.1	74,684	57,246
	599,964	581,836
	668,190	616,804
	1,268,154	1,198,640
	1,342,838	1,255,886
	2,044,273	1,606,544

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, 2013 (Unaudited) (Rupees in thousand)	December 31, 2012 (Audited) (Rupees in thousand)
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9. Fixed assets

Tangible

Opening net book value
Add: Additions during the period / year

Less:
Disposals during the period / year (at book value)
Depreciation charged during the period / year

Intangible

Opening net book value
Addition
Amortization charged during the period / year

	65,576	45,492
	8,786	32,851
	74,362	78,343
	10,717	3,636
	7,377	9,131
	18,094	12,767
	56,268	65,576
	851	1,417
	2,372	-
	(674)	(566)
	2,549	851

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. 4.84 and Rs. 1.74 for the nine months and three months period ended September 30, 2012 respectively.

Nine months period ended
September 30, 2013 **September 30, 2012**
(Unaudited) **(Unaudited)**
(Rupees in thousand)

11. Provision for taxation

Current	106,929	88,055
Deferred	(1,994)	573
	104,935	88,628

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

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

For the purposes of cash flow statement cash includes:

Cash and other equivalents	328	312
Current and other accounts	244,636	150,175
	244,964	150,487

12.1 Reconciliation to profit and loss account

Operating cash flows	40,311	172,122
Depreciation expense	(7,377)	(6,170)
Amortization of intangible assets	(673)	(224)
Profit on disposal of fixed assets	6,688	540
Financial charges	(277)	(270)
Provision for doubtful debts	(10,027)	(8,132)
Increase / (decrease) in assets other than cash	171,378	(103,027)
(Decrease) / increase in liabilities other than borrowings	(101,731)	44,496
Other adjustments		
- Increase in provision for unearned premium	33,569	13,951
- Increase in commission income unearned	(5,504)	(6,784)
- Investment income	183,990	134,315
- Rental and other income	17,384	11,190
- Decrease / (increase) in provision for commission expense deferred	(4,914)	5,308
	322,817	257,315

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, other than remuneration under the terms of employment are as follows:

Related Parties	September 30, 2013 December 31, 2012	
	(Unaudited) (Audited) (Rupees in thousand)	
	Period end balances	
Provision for outstanding claims (including IBNR)	188,232	33,327
Premium received in advance	-	144
Premium due but unpaid	214,120	163,843

**Nine months period ended
September 30, September 30,
2013 2012
(Unaudited) (Unaudited)
(Rupees in thousand)**

Transactions during the year			
Premium underwritten		544,037	449,406
Premium collected		616,247	623,426
Claims paid		51,053	48,950
Assets purchased		2,327	15,782
Rent received		3,735	1,008
Rent paid		1,496	828
Expenses paid		645	202
Donations		4,360	3,500
Dividends paid		166,004	120,871
Dividends received		21,460	15,364
Investments purchased		441,400	604,900
Investments sold		486,933	728,450
Post employment benefit plans			
Transactions during the year			
Expense charged		9,733	9,342

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

Remuneration to Chief Executive and certain executives were paid in accordance with terms of their employment.

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, 2012. 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 requirement of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002.

Segment wise assets and liabilities as of September 30, 2013 are as follows:

	Fire & property damage		Marine, aviation & transport		Motor		Engineering		Miscellaneous		Total	
	Sep. 30, 2013	Dec. 31, 2012	Sep. 30, 2013	Dec. 31, 2012	Sep. 30, 2013	Dec. 31, 2012	Sep. 30, 2013	Dec. 31, 2012	Sep. 30, 2013	Dec. 31, 2012	Sep. 30, 2013	Dec. 31, 2012
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	(Rupees in thousand)											
Segment assets	330,382	366,453	385,674	334,673	226,722	203,320	-	38,997	269,683	112,659	1,212,661	1,056,302
Unallocated assets											1,699,820	1,644,241
Consolidated total assets											2,912,481	2,700,543
Segment liabilities	416,631	454,229	435,849	414,836	255,290	252,020	-	48,339	335,144	139,892	1,442,914	1,309,316
Unallocated liabilities											164,399	196,266
Consolidated total liabilities											1,607,313	1,505,582

15. Date of authorization for issue

This interim financial information was authorized for issue by the Board of Directors of the Company on October 26, 2013.

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

COMPANY OFFICES

HEAD OFFICE

3 Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	PABX:	(042) 37320542, 37320543, 37310658, 37322271, 37322273
	Fax:	(042) 37234742
ARSHAD P. RANA Chief Executive Officer	Direct:	(042) 37234812
	Fax:	(042) 37116260
Nisar Zaman Khan Head of Marketing and Sales	Direct:	(042) 37358360
	Extension:	404
RASHID AMIN Chief Financial Officer	Direct:	(042) 37234757
	Extension:	403
QUDSIA NAHEED Vice President (Admin/HR)	Direct:	(042) 37245348
	Extension:	303
MUHAMMAD SAEED Vice President (Claims)	Direct:	(042) 37323270
	Extension:	304
ABDUL RAZZAQ GHAURI Vice President (IT)	Extension:	402
SYED ALI MUNEM SHAMSI Vice President (Underwriting)	Direct:	(042) 37323229
	Extension:	302
SALEEM MEHMOOD Chief Internal Auditor	Extension:	428

NORTH ZONE OFFICES & BRANCHES

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MUHAMMAD MUNIR QAZI Chief Manager	Gulberg Branch Office No. 335, 3rd Floor, Land Mark Plaza, Jail Road, Lahore.	(042) 35775733-4 Fax: (042) 35714514
CH. TAYYAB HUSSAIN Chief Manager	City Branch 3 - Bank Square, Shahrah-e-Quaid-e-Azam, Lahore.	(042) 37212365-6, 37312858, 37312868, 37230558-9 Fax: (042) 37212367
MUHAMMAD IJAZ Deputy Chief Manager	Al-Noor Branch Al-Noor Building, 43-Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	(042) 37358805 Fax: (042) 37237343
KH. MUHAMMAD NADEEM Branch Manager	Napier Road Branch Nairobi Mansion Napier Road, Lahore.	(042) 37352560 Fax: (042) 37358190

MUHAMMAD WASIM PURI
Branch Manager

Mall Road Branch
Hafeez Chambers,
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Lahore.

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CH. ZEESHAN AHMED
Branch Manager

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Chief Manager

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MANZAR ALI NAQVI
Manager

FAISALABAD

MUHAMMAD ASIF AKRAM
Branch Manager

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RANA SAGHIR AHMAD
Manager

SIALKOT

REHAN NAZIR GHUMAN
Branch Manager

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ISLAMABAD

AASIM MAJEED
Branch Manager

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SAQIB MAQSOOD
Chief Manager

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Fax: (061) 4786198

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Fax: (055) 8020719

SOUTH ZONE OFFICE

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35369395-6

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ARSHAD P. RANA
Chief Executive Officer

Direct:

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MUHAMMAD IMRAN Asst. Vice President (Non Motor)	Extension:	217
JAWAID IRSHAD Manager Motor	Extension:	215
MUHAMMAD AFZAL Company Secretary	Extension:	202

SOUTH ZONE BRANCHES

KARACHI

M. FAROOQ KANDLAWALA Circle Chief, Karachi Circle - I	Tower Branch State Life Building No. 7 Room No. 101, 1st Floor G. Allana Road, Karachi.	(021) 32316503, 32201471 Fax: (021) 32315248
ABDUL AZIZ Chief Manager	Corporate Branch 1/10, Arkey Square, 1st Floor, Shahrah-e-Liaquat, Karachi	(021) 32421030, 32422911 Fax: (021) 32421387
IMRAN SATTAR Chief Manager	Plaza Branch 3/3 Rimpa Plaza M.A. Jinh Road, Karachi.	(021) 32729339, 32720852 Fax: (021) 32749004
INAYAT ULLAH Branch Manager	New Challi Branch 1st Floor, Room No. 106-107, Rehmani Chamber, Altaf Hussain Road, Karachi.	(021) 32218286, 32218288 Fax: (021) 32218264
AJAZ TUFAIL Branch Manager	NCB-II Branch Ground Floor, Federation House, Abdullah Shah Ghazi Road, Main Clifton, Karachi.	(021) 35378806-7 35369394-6 Fax: (021) 35378515

HYDERABAD

ZAFAR AHMAD GHOURI Circle Chief, Hyderabad Circle	Plot No. 466, Mezzanine Floor, Al-Abbas Plaza, Saddar, Hyderabad.	(022) 2782659, 2782660 Fax: (022) 2786410
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SUKKUR

ABDUL MAJEED QURESHI Chief Manager	Near Public School, Military Road, Sukkur.	(071) 5631056 Fax: (071) 5631057
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Atlas Insurance Limited

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