

**HALF YEARLY
REPORT
June 30, 2008**



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COMPANY INFORMATION**BOARD OF DIRECTORS**

Chairman	Yusuf H. Shirazi
Chief Executive	Arshad P. Rana
Directors	Ali H. Shiraz
	Frahim Ali Khan
	Kamal A. Chinoy
	Muhammad Faruque
	Omar Saeed
Company Secretary	Muhammad Afzal

AUDIT COMMITTEE

Chairman	Omar Saeed
Members	Ali H. Shirazi
	Frahim Ali Khan
Secretary	Muhammad Afzal
Chief Internal Auditor	Saleem Mahmood Akhtar

INVESTMENT COMMITTEE

Chairman	Frahim Ali Khan
Members	Iftikhar H. Shirazi
	Arshad P. Rana
Secretary	Muhammad Zafar Riaz

UNDERWRITING COMMITTEE

Chairman	Frahim Ali Khan
Members	Arshad P. Rana
	Muhammad Munir
Secretary	Qudsia Naheed

CLAIMS SETTLEMENT COMMITTEE

Chairman	Frahim Ali Khan
Members	Arshad P. Rana
	Muhammad Munir
Secretary	Qudsia Naheed

COMPANY INFORMATION

REINSURANCE & CO-INSURANCE COMMITTEE

Chairman	Frahim Ali Khan
Members	Arshad P. Rana Muhammad Munir
Secretary	Qudsia Naheed

MANAGEMENT COMMITTEE

Chief Executive	Arshad P. Rana
Chief Financial Officer	Muhammad Zafar Riaz
Senior Vice President (Operations)	Muhammad Munir
Vice President (Admin. & HR)	Qudsia Naheed

Auditors	A. F. Ferguson & Co. Chartered Accountants
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Legal Advisors	Mohsin Tayebaly & Co. Ch. Maqsood Advocate Agha Faisal Barrister at Law
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Tax Advisor	Ford Rhodes Sidat Hyder & Co. Chartered Accountants
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Registrar and Share Transfer Office	Hameed Majeed Associates (Pvt.) Ltd. H. M. House, 7 - Bank Square Shahrah-e-Quaid-e-Azam, Lahore Telephone: (92-42) 7235081-82 Fax: (92-42) 7358817
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Bankers	Allied Bank Limited Atlas Bank Limited Bank Alfalah Limited Habib Bank Limited MCB Bank Limited National Bank of Pakistan Standard Chartered Bank (Pakistan) Limited United Bank Limited
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Registered & Head Office	3-Bank Square, Shahrah-e-Quaid-e-Azam, Lahore Telephone: (92-42) 7320542-43, 7322271, 73, 7310658 Fax: (92-42) 7234742 Email: info@atlasinsurance.com.pk Website: www.atlasinsurance.com.pk
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CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited accounts of your company for the half year ended June 30, 2008.

The Economy

In spite of continued absence of the traditional sense of direction for sometimes, the GDP growth, last year, was 5.8 percent. The service sector growth was 8.2 percent, large manufacturing sector over 5% and agriculture 1.5%. Despite slow growth in agriculture and reduced crops size, the cash flow was quite improved due to escalation in commodity prices. The remittance was record high at US\$ 6.5 billion. The financial sector including insurance grew 17% as against 15% in the last year. The revenue collection improved to Rs.1,545.50 bn against the target of Rs.1,476 bn. Exports during first ten months increased to \$15.26 bn against \$13.85 bn in the same period last year, up 10.2%. Imports grew to \$32 bn compared to \$25 bn in the last year, up 28.3%. It was on the back of these developments, among others, that the per capita income crossed the US dollar 1,000 mark.

There are however, issues like food inflation and increase in price of oil - over all inflation - but it is an international phenomenon. One cannot escape the international impact. In fact, sooner it is absorbed - prudently indeed, the better. On the other hand, local inflation caused by increase in oil prices and rupee devaluation, will serve as incentive for localization vis a vis import - at the cost of higher deficit financing and current account.

The Pakistan economy, however, is inherently viable. According to a research from 1951 up to date, the average GDP growth has been 5.14 percent despite several changes in systems and governments. This also shows the country's entrepreneurialism, professionalism and workmanship. With right sense of direction, GDP growth has been higher - up to 7 percent.

The Company Results

The gross premium rose to Rs.516.17m during the half year ended June 30, 2008 against Rs.417.48m for the same period of the previous year, up 23.64%. The net premium also grew to Rs.244.69m against Rs.220.27m for the same period last year, up 11.09%. The underwriting profit stood at Rs.57.48m against Rs.71.07m of the same period last year. The decline in the underwriting profit was due to higher claims in the fire and motor segment during the period. However, the management of your company has initiated appropriate measures in order to control the claim ratio in future. The investment income during the period was Rs.92.59m against Rs.82.34m of the same period last year. The bank deposits and investments stood at Rs.1.05 bn against Rs.1.22 bn of the last year end.

The profit before tax stood at Rs.150.35m against Rs.154.23m of the same period last year. After tax provision of Rs.19.06m, the profit after tax stood at Rs.131.29m against Rs.129.31m of the same period last year.

ALL has credit rating of 'A' plus from PACRA, several awards by ICAP and Karachi Stock Exchange as top 25 companies. The company has again won the ICAP award on the basis of last year's accounts - the only insurance company, like in the previous years.



Future Outlook

The economy is encountered with a challenge of inflation, investment, rupee value and above all the momentum of economic activity. Insurance industry contributes in the growth of the economy. It will continue playing its role in whatsoever circumstances. In order to maintain the growth and meet the new challenge, the insurance industry is increasing penetration in the market by introducing new products, improving service and increasing their network. The management of your company is fully equipped in seizing the opportunities available in the market and continue to maintain the growth momentum:

ع کیا چھینے گا غنچہ سے کوئی ذوق شکر قند

(Entrepreneurial ability and management always grows and grows better)

Acknowledgment

I would like to thank the Board of Directors, the Group Executive Committee, and the Chief Executive Officer, Mr. Arshad P. Rana, and his team for their efforts, dedication and sincerity of purpose. I also express my gratitude to all the reinsurers, our valued clients, banks and SECP for their trust and confidence reposed in your company.

Yusuf H. Shirazi

DIRECTORS' REPORT

The Directors have pleasure in submitting the Half Yearly Report of the Company together with the Un-audited Accounts reviewed by the auditors and the Auditor's Report for the period ended June 30, 2008.

	June 30, 2008	June 30, 2007
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(Rupees in thousand)

The overall business figures are:

Net premium	244,688	220,267
Net claims	135,778	102,130
Investment and other income	98,674	96,249
Net commission	17,522	13,094
Expenses of management	68,952	60,159

Financial results are as follows:

Profit before tax	150,351	154,233
Less: Provision for taxation	19,063	24,926
Profit after tax	131,288	129,307

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 THE BOARD OF DIRECTORS



ARSHAD P. RANA
Chief Executive

Lahore: August 26, 2008



AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim financial information comprising:

- (i) condensed interim balance sheet;
- (ii) condensed interim profit and loss account;
- (iii) condensed interim statement of changes in equity;
- (iv) condensed interim cash flow statement;
- (v) condensed interim statement of premium;
- (vi) condensed interim statement of claims;
- (vii) condensed interim statement of expenses; and
- (viii) condensed interim statement of investment income

of Atlas Insurance Limited as at June 30, 2008 together with the notes forming part thereof for the half year then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account, condensed interim statement of premium, condensed interim statement of claims, condensed interim statement of expenses and condensed interim statement of investment income for the quarters ended June 30, 2008 and 2007 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2008.

Scope of Review

We Conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquires, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standard on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we don not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half year ended June 30, 2008 is not prepared, in all material respects, in accordance with the Insurance Ordinance, 2000 and approved accounting standards as applicable in Pakistan.

Lahore: August 26, 2008

A.F. FERGUSON & CO.
Chartered Accountants

CONDENSED INTERIM AS AT		
Note	June 30, 2008	December 31, 2007
(Rupees in thousand)		
Share capital and reserves		
Authorised share capital 50,000,000 (2007: 50,000,000) ordinary shares of Rs.10 each	500,000	500,000
Issued, subscribed and paid up capital 26,844,729 (2007: 20,649,792) ordinary shares of Rs.10 each	268,447	206,497
Retained earnings	131,381	410,592
Reserves	557,064	353,064
	956,892	970,153
Underwriting provisions		
Provision for outstanding claims (including IBNR)	321,702	194,099
Provision for unearned premium	389,775	316,655
Commission income unearned	33,721	24,295
	745,198	535,049
Deferred tax liability	4,816	2,474
Creditors and accruals		
Premium received in advance	8,858	67,111
Amounts due to other insurers/reinsurers	117,286	95,362
Accrued expenses	14,936	21,235
Taxation - provision less payments	-	6,792
Other creditors and accruals	27,470	21,074
	168,550	211,574
Other liabilities		
Deposits against performance bonds	1,391	1,391
Unclaimed dividends	9,455	12,793
	10,846	14,184
Contingencies and commitments	4	
	1,886,302	1,733,434

**BALANCE SHEET (UNAUDITED)
JUNE 30, 2008**

Note	June 30, 2008	December 31, 2007
(Rupees in thousand)		
Cash and Bank Deposits		
Cash and other equivalents	170	21
Current and other accounts	91,429	200,759
	91,599	200,780
Loans to employees - secured considered good	576	724
Investments	5	913,301
1,010,747		
Other assets		
Premiums due but unpaid - unsecured	157,118	85,620
Amounts due from other insurers/reinsurers	168,566	59,830
Salvage recoveries accrued	12,787	10,412
Accrued investment income	3,810	3,136
Reinsurance recoveries against outstanding claims	223,341	121,881
Commission expense deferred	19,059	18,236
Income tax recoverable	6,820	-
Prepayments	183,090	162,242
Sundry receivables	56,448	17,001
	831,039	478,358
Fixed assets		
Tangible		
6		
Land and buildings	17,074	4,551
Furniture, fixtures and office equipments	12,267	11,085
Motor vehicles	19,685	16,628
	49,026	32,264
Capital work in progress	-	9,415
Intangible		
Computer software	761	1,146
	1,886,302	1,733,434

The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2008

Quarter ended June 30, 2008							Quarter ended June 30, 2008	Quarter ended June 30, 2007
Note	Fire and property	Marine, aviation and transport	Motor	others including miscellaneous	Treaty	(Rupees in thousand)		
Revenue account								
	9,397	40,609	72,459	4,881	(23)	127,323	121,380	
	(3,614)	(3,297)	(54,375)	(2,311)	(6)	(63,603)	(57,359)	
	(2,509)	(11,179)	(19,691)	(1,384)	-	(34,764)	(30,599)	
	7,237	3,734	(5,048)	3,416	-	9,339	7,092	
	<u>10,511</u>	<u>29,867</u>	<u>(6,655)</u>	<u>4,602</u>	<u>(29)</u>	<u>38,295</u>	<u>40,514</u>	
Underwriting result								
Investment income						64,413	27,715	
Rental income						282	423	
Other income						1,986	6,862	
Financial charges						(138)	(246)	
General and administration expenses						(662)	(9,330)	
						<u>65,881</u>	<u>25,424</u>	
Profit before taxation						104,176	65,938	
Provision for taxation						(4,683)	(12,607)	
Profit after taxation						<u>99,493</u>	<u>53,331</u>	
Basic earning per share - Rupees						<u>3.71</u>	<u>1.99</u>	

Half year ended June 30, 2008							Half year ended June 30, 2008	Half year ended June 30, 2007
Note	Fire and property	Marine, aviation and transport	Motor	others including miscellaneous	Treaty	(Rupees in thousand)		
Revenue account								
	26,604	68,075	143,189	6,843	(23)	244,688	220,267	
	(8,351)	(5,199)	(118,534)	(3,688)	(6)	(135,778)	(102,130)	
	(7,510)	(19,174)	(40,300)	(1,967)	-	(68,952)	(60,159)	
	12,905	9,360	(10,346)	5,603	-	17,522	13,094	
	<u>23,648</u>	<u>53,062</u>	<u>(25,991)</u>	<u>6,791</u>	<u>(29)</u>	<u>57,480</u>	<u>71,072</u>	
Underwriting result								
Investment income						92,594	82,338	
Rental income						564	685	
Other income						5,516	13,226	
Financial charges						(236)	(321)	
General and administration expenses						(5,567)	(12,767)	
						<u>92,871</u>	<u>83,161</u>	
Profit before taxation						150,351	154,233	
Provision for taxation						(19,063)	(24,926)	
Profit after taxation						<u>131,288</u>	<u>129,307</u>	
Profit and loss appropriation account								
Balance at commencement of the year						410,592	301,590	
Profit after taxation for the half year						131,288	129,307	
Final dividend for 2007 @ Rs.7 per share (2006: Rs.7 per share)						(144,549)	(111,191)	
Transfer to general reserve						(204,000)	(142,000)	
Transfer to reserve for issue of bonus shares						(61,950)	(47,653)	
Balance unappropriated profit at the end of the period						<u>131,381</u>	<u>130,053</u>	
Basic earning per share - Rupees						<u>4.89</u>	<u>4.82</u>	

The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2008

	Note	June 30, 2008	June 30, 2007
(Rupees in thousand)			
Operating cash flows			
Underwriting activities			
Premiums received		331,735	340,188
Reinsurance premiums paid		(193,744)	(121,576)
Claims paid		(250,790)	(132,524)
Reinsurance and other recoveries received		72,245	28,208
Commissions paid		(21,968)	(17,776)
Commissions received		48,762	40,753
Other underwriting payments		(142)	(266)
Other underwriting receipts		6,145	4,454
Net cash (out flow)/inflow from underwriting activities		(7,757)	141,461
Other operating activities			
Income tax paid		(30,333)	(29,130)
General and management expenses paid		(70,196)	(69,794)
Net cash outflow from other operating activities		(100,529)	(98,924)
Total cash (out flow)/inflow from all operating activities		(108,286)	42,537
Investment activities			
Profit/return received		5,128	13,669
Dividends received		10,653	10,479
Rentals received		289	379
Loan repayments received - net		148	85
Payments for purchase of investments		(359,456)	(182,733)
Proceeds from disposal of investments		537,758	371,462
Short term placements - net		(37,368)	(137,138)
Fixed capital expenditure		(11,705)	(8,960)
Proceeds from disposal of fixed assets		1,781	171
Total cash inflow from investing activities		147,228	67,414
Financing activities			
Dividends paid		(147,887)	(111,328)
Financial charges paid		(236)	(321)
Lease rentals paid		-	(61)
Total cash outflow from financing activities		(148,123)	(111,710)
Net cash outflow from all activities		(109,181)	(1,759)
Cash at the beginning of the period		200,780	75,573
Cash at the end of the period	8	91,599	73,814

Reconciliation of operating cash flows to profit and loss account is given as note 8.1 to the condensed interim financial information.

The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF PREMIUM (UNAUDITED)
 FOR THE HALF YEAR ENDED JUNE 30, 2008

		Q u a r t e r e n d e d			J u n e 3 0 , 2 0 0 8						
Business underwritten inside Pakistan		Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium		Reinsurance expense	Quarter ended June 30, 2008	Quarter ended June 30, 2007
Direct and facultative			Opening	Closing			Opening	Closing		Net premium revenue	
		(R u p e e s i n t h o u s a n d)									
Class											
Fire and property damage		91,993	94,877	134,139	52,731	58,042	82,592	97,300	43,334	9,397	9,797
Marine, aviation and transport		63,615	16,189	22,808	56,996	19,317	7,651	10,581	16,387	40,609	41,098
Motor		85,959	145,284	157,363	73,880	2,126	33	738	1,421	72,459	67,802
Others including miscellaneous		14,680	96,890	75,465	36,105	10,195	94,792	73,763	31,224	4,881	2,664
Total		<u>256,247</u>	<u>353,240</u>	<u>389,775</u>	<u>219,712</u>	<u>89,680</u>	<u>185,068</u>	<u>182,382</u>	<u>92,366</u>	<u>127,346</u>	<u>121,361</u>
Treaty		(23)	-	-	(23)	-	-	-	-	(23)	19
Grand total		<u>256,224</u>	<u>353,240</u>	<u>389,775</u>	<u>219,689</u>	<u>89,680</u>	<u>185,068</u>	<u>182,382</u>	<u>92,366</u>	<u>127,323</u>	<u>121,380</u>

		H a l f y e a r e n d e d			J u n e 3 0 , 2 0 0 8						
Business underwritten inside Pakistan		Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium		Reinsurance expense	Half year ended June 30, 2008	Half year ended June 30, 2007
Direct and facultative			Opening	Closing			Opening	Closing		Net premium revenue	
		(R u p e e s i n t h o u s a n d)									
Class											
Fire and property damage		136,694	103,601	134,139	106,156	90,267	86,585	97,300	79,552	26,604	17,674
Marine, aviation and transport		139,425	9,574	22,808	126,191	62,954	5,743	10,581	58,116	68,075	65,395
Motor		169,348	133,936	157,363	145,921	3,470	-	738	2,732	143,189	131,575
Others including miscellaneous		70,725	69,544	75,465	64,804	63,496	68,228	73,763	57,961	6,843	5,604
Total		<u>516,192</u>	<u>316,655</u>	<u>389,775</u>	<u>443,072</u>	<u>220,187</u>	<u>160,556</u>	<u>182,382</u>	<u>198,361</u>	<u>244,711</u>	<u>220,248</u>
Treaty		(23)	-	-	(23)	-	-	-	-	(23)	19
Grand total		<u>516,169</u>	<u>316,655</u>	<u>389,775</u>	<u>443,049</u>	<u>220,187</u>	<u>160,556</u>	<u>182,382</u>	<u>198,361</u>	<u>244,688</u>	<u>220,267</u>

The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)
 FOR THE HALF YEAR ENDED JUNE 30, 2008

Business underwritten inside Pakistan	Q u a r t e r e n d e d			J u n e 3 0 , 2 0 0 8			Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Quarter ended June 30, 2008	Quarter ended June 30, 2007
	Claims paid	Outstanding claims		Claims expense	Opening	Closing		Opening	Closing			
Direct and facultative	(R u p e e s i n										t h o u s a n d)	
Class												
Fire and property damage	44,687	105,473	166,140	105,354	42,783	98,750	157,707	101,740			3,614	3,367
Marine, aviation and transport	2,857	38,127	48,974	13,704	1,926	27,848	36,329	10,407			3,297	2,636
Motor	46,142	60,094	68,304	54,352	(22)	80	79	(23)			54,375	50,782
Others including miscellaneous	862	23,622	34,504	11,744	517	20,310	29,226	9,433			2,311	533
Total	<u>94,548</u>	<u>227,316</u>	<u>317,922</u>	<u>185,154</u>	<u>45,204</u>	<u>146,988</u>	<u>223,341</u>	<u>121,557</u>			<u>63,597</u>	<u>57,318</u>
Treaty	7	3,781	3,780	6	-	-	-	-			6	41
Grand total	<u>94,555</u>	<u>231,097</u>	<u>321,702</u>	<u>185,160</u>	<u>45,204</u>	<u>146,988</u>	<u>223,341</u>	<u>121,557</u>			<u>63,603</u>	<u>57,359</u>

Business underwritten inside Pakistan	H a l f y e a r e n d e d			J u n e 3 0 , 2 0 0 8			Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Half year ended June 30, 2008	Half year ended June 30, 2007
	Claims paid	Outstanding claims		Claims expense	Opening	Closing		Opening	Closing			
Direct and facultative	(R u p e e s i n										t h o u s a n d)	
Class												
Fire and property damage	132,264	84,692	166,140	213,712	126,299	78,645	157,707	205,361			8,351	3,748
Marine, aviation and transport	11,923	37,303	48,974	23,594	8,448	26,382	36,329	18,395			5,199	7,699
Motor	98,983	48,775	68,304	118,512	(19)	82	79	(22)			118,534	90,009
Others including miscellaneous	3,420	19,548	34,504	18,376	2,234	16,772	29,226	14,688			3,688	633
Total	<u>246,590</u>	<u>190,318</u>	<u>317,922</u>	<u>374,194</u>	<u>136,962</u>	<u>121,881</u>	<u>223,341</u>	<u>238,422</u>			<u>135,772</u>	<u>102,089</u>
Treaty	7	3,781	3,780	6	-	-	-	-			6	41
Grand total	<u>246,597</u>	<u>194,099</u>	<u>321,702</u>	<u>374,200</u>	<u>136,962</u>	<u>121,881</u>	<u>223,341</u>	<u>238,422</u>			<u>135,778</u>	<u>102,130</u>

The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED)
 FOR THE HALF YEAR ENDED JUNE 30, 2008

	Q u a r t e r e n d e d			J u n e 3 0 , 2 0 0 8				Quarter ended June 30, 2008	Quarter ended June 30, 2007	
	Commissions Paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expense	Commissions from reinsurers			Net underwriting expense
		Opening	Closing							
	(R u p e e s i n			t h o u s a n d)						
Business underwritten inside Pakistan										
Direct and facultative										
Class										
Fire and Property Damage	4,027	6,137	6,883	3,281	2,509	5,790	10,518	(4,728)	(3,137)	
Marine, Aviation and Transport	1,927	968	715	2,180	11,179	13,359	5,914	7,445	6,716	
Motor	6,600	8,744	10,278	5,066	19,691	24,757	18	24,739	19,806	
Others including miscellaneous	383	1,308	1,183	508	1,384	1,892	3,924	(2,032)	84	
Total	12,937	17,157	19,059	11,035	34,764	45,799	20,374	25,425	23,469	
Treaty	-	-	-	-	-	-	-	-	38	
Grand total	12,937	17,157	19,059	11,035	34,764	45,799	20,374	25,425	23,507	

	H a l f y e a r e n d e d			J u n e 3 0 , 2 0 0 8				Half year ended June 30, 2008	Half year ended June 30, 2007	
	Commissions Paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expenses	Commissions from reinsurers			Net underwriting expense
		Opening	Closing							
	(R u p e e s i n			t h o u s a n d)						
Business underwritten inside Pakistan										
Direct and facultative										
Class										
Fire and Property Damage	7,153	5,920	6,883	6,190	7,510	13,700	19,095	(5,395)	(5,776)	
Marine, Aviation and Transport	3,784	863	715	3,932	19,174	23,106	13,292	9,814	10,684	
Motor	10,199	10,459	10,278	10,380	40,300	50,680	34	50,646	41,783	
Others including miscellaneous	1,502	994	1,183	1,313	1,967	3,280	6,916	(3,636)	336	
Total	22,638	18,236	19,059	21,815	68,952	90,767	39,337	51,430	47,027	
Treaty	-	-	-	-	-	-	-	-	38	
Grand total	22,638	18,236	19,059	21,815	68,952	90,767	39,337	51,430	47,065	

Note:

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

The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



 Arshad P. Rana
 Chief Executive



 Muhammad Faruque
 Director



 Omar Saeed
 Director



 Yusuf H. Shirazi
 Chairman

CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2008

Half year ended June 30,	Half year ended June 30,	Quarter ended June 30,	Quarter ended June 30,
2008	2007	2008	2007

(Rupees in thousand)

Income from non-trading investments

Held to maturity

Return on fixed income securities and
bank and other deposits

344	435	147	220
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Available for sale

Dividend income

11,394	10,748	3,856	2,676
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Gain on sale of non-trading investments

89,635	73,440	68,400	25,785
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Provision For diminution in value of investments

(7,074)	-	(7,074)	-
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Less: Investment related expenses

(1,705)	(2,285)	(916)	(966)
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Net investment income

<u>92,594</u>	<u>82,338</u>	<u>64,413</u>	<u>27,715</u>
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The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2008

	Share capital	Capital reserve	Reserve for exceptional losses	Reserve for issue of bonus shares	General reserve	Investment fluctuation reserve	Retained earnings	Total
(Rupees in thousand)								
Balance as at January 1, 2007	158,844	2,251	2,164	-	203,649	3,000	301,590	671,498
Final dividend @ Rs.7 per share	-	-	-	-	-	-	(111,191)	(111,191)
Transfer to general reserve	-	-	-	-	142,000	-	(142,000)	-
Transfer to reserve for bonus shares	-	-	-	47,653	-	-	(47,653)	-
Issue of bonus shares	47,653	-	-	(47,653)	-	-	-	-
Net profit for the half year	-	-	-	-	-	-	129,307	129,307
Balance as at June 30, 2007	206,497	2,251	2,164	-	345,649	3,000	130,053	689,614
Net profit for the half year	-	-	-	-	-	-	280,539	280,539
Balance as at January 1, 2008	206,497	2,251	2,164	-	345,649	3,000	410,592	970,153
Final dividend @ Rs.7 per share	-	-	-	-	-	-	(144,549)	(144,549)
Transfer to general reserve	-	-	-	-	204,000	-	(204,000)	-
Transfer to reserve for bonus shares	-	-	-	61,950	-	-	(61,950)	-
Issue of bonus shares	61,950	-	-	(61,950)	-	-	-	-
Net profit for the half year	-	-	-	-	-	-	131,288	131,288
Balance as at June 30, 2008	268,447	2,251	2,164	-	549,649	3,000	131,381	956,892

The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2008

1. Legal status and nature of business

Atlas Insurance Limited (Formerly Muslim Insurance Company Limited) was incorporated as a public limited company in Lahore on September 6, 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. Basis of preparation

The condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan, the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002.

Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2002 or directives issued by the Securities and Exchange Commission of Pakistan (SECP) differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, the Insurance Ordinance, 2000, the SEC (Insurance) Rules, 2002 or the requirements of the said directives take precedence.

The disclosures made in the condensed interim financial information, have been limited based on the requirements of International Accounting Standard (IAS) 34, "Interim Financial Reporting" and in accordance with the format prescribed under SEC (Insurance) Rules, 2002. The condensed interim financial information is unaudited.

3. Basis of measurement

These financial statements have been prepared by applying the same accounting policies as adopted in the preparation of the preceding annual published financial statement of the company for the year ended December 31, 2007.

4. Contingencies and commitments

4.1 Contingencies

Nil (2007: Nil)

4.2 Commitments

Nil (2007: 5.41 million)

5. Investments

Held to maturity

Term finance certificates

June 30,	December 31,
2008	2007
(Rupees in thousand)	

1,497

6,594

Available for sale

Mutual funds

Quoted shares

Unquoted shares

57,427	141,574
861,451	862,579
500	500
919,378	1,004,653
920,875	1,011,247

Less: Provision for diminution in the value of investments

(7,574)

(500)

913,301

1,010,747

Aggregate market value of investments

899,891

1,186,578

	June 30, 2008	December 31, 2007
	(Rupees in thousand)	
6. Fixed assets		
Opening book value	32,264	18,177
Add: Additions during the period	20,871	19,395
	53,135	37,572
Less: Disposal during the period (at book value)	983	428
Depreciation charged during the period	3,126	4,880
	4,109	5,308
	49,026	32,264

	June 30, 2008	June 30, 2007
	(Rupees in thousand)	
7. Provision for taxation		
Current - for the period	16,721	24,498
Deferred - for the period	2,342	428
	19,063	24,926

Provision for taxation has been made on an estimated basis.

8. Cash at the end of the period

For the purposes of cash flow statement cash includes:

Cash and other equivalents	170	200
Current and other accounts	91,429	73,614
	91,599	73,814

8.1 Reconciliation to profit and loss account

Operating cash flows	(108,286)	42,537
Depreciation expense	(3,126)	(1,922)
Financial charges	(236)	(321)
Increase in assets other than cash	285,170	143,335
(Increase) in liabilities other than borrowings	(80,375)	(85,522)
Others		
- (Increase) in provision for unearned premium	(51,294)	(53,977)
- (Increase) in commission income unearned	(9,426)	(12,412)
- Investment income	99,668	95,309
- Rental and other income	6,080	940
- Increase in provision for Commission expense deferred	823	1,910
- Amortization expense	(636)	(570)
- Provision for diminution in the value of investments	(7,074)	-
	131,288	129,307

9. Transactions with related parties

Related parties comprise of associated entities, entities under common control, entities with common directors, major shareholders, directors and key management personnel. The transactions with related parties, other than remuneration under the terms of employment are as follows:

	<u>June 30,</u> 2008	<u>June 30,</u> 2007
	(Rupees in thousand)	
Premium underwritten	273,497	205,191
Premium collected	166,669	142,897
Claims paid	24,118	22,748
Lease rentals	-	64
Vehicles purchased	1,864	7,170
Rent received	289	410
Rent paid	1,051	955
Interest received	4,938	1,915
Fee received	-	3,403
Brokerage paid for purchase of shares	1,221	1,216
Brokerage paid for sale of shares	1,704	4,138
Donations	1,600	5,467
Dividend paid	53,379	41,061

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.

10. Date of authorization for issue

The condensed interim financial information was authorized for issue on August 26, 2008 by the Board of Directors of the company.

11. General

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. 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.6.30 and Rs.2.58 for the half year and quarter ended June 30, 2007 respectively.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

COMPANY OFFICES

HEAD OFFICE

3 Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	PABX: Fax:	7320542, 7320543, 7310658, 7322271, 7322273 7234742
ARSHAD P. RANA Chief Executive Officer	Direct: Extension:	7234812 501
MUHAMMAD ZAFAR RIAZ Chief Financial Officer	Direct: Extension:	7234757 403
MUHAMMAD MUNIR Sr. Vice President (Operations)	Direct: Extension:	7314241 304
QUDSIA NAHEED Vice President (Admin/HR)	Direct: Extension:	7245348 303
FAKHER-U-ZAMAN KHAN Vice President (Coordinator)	Extension:	302
SALEEM MEHMOOD Chief Internal Auditor	Extension:	428

NORTH ZONE OFFICES & BRANCHES

LAHORE

AZHAR M. PIRACHA Circle Chief, Lahore Circle - I	City Branch 3 - Bank Square, Shahrah-e-Quaid-e-Azam, Lahore.	7212365-6, 7312858, 7312868, 7230558-9 Fax: 7212367
MUHAMMAD MUNIR QAZI Chief Manager	Fatima Jinnah Road Branch 1st Floor, Nawa-i-Waqat Building, Fatima Jinnah Road, Lahore.	6271320, 6364906 Fax: 6371186
MUHAMMAD IJAZ Deputy Chief Manager	Al-Noor Branch Al-Noor Building, 43-Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	7358805 Fax: 7237343
KH. MUHAMMAD NADEEM Branch Manager	Napier Road Branch Nairobi Mansion Napier Road, Lahore.	7352560 Fax: 7358190
ZAFAR HUSSAIN JAMAL Branch Manager	Mall Road Branch Hafeez Chambers, 85- Shahrah-e-Quaid-e-Azam, Lahore.	6305595, 6271663 Fax: 6369576
MUHAMMAD WASIM PURI Branch Manager	Faisal Town Branch 753 - C, Faisal Town, Lahore.	5173551-2 Fax: 5173557

RAWALPINDI

MAHMOOD AHMED Chief Manager	101/13, Bank Road, Hotel Building, P.O. Box 119, Rawalpindi.	5563413 Fax: 5798083
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MANZAR ALI NAQVI Manager	101/13, Bank Road, Grand Hotel Building, P.O. Box 119, Rawalpindi.	5563413 Fax: 5798083
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FAISALABAD BRANCH - II

IRSHAD FARRUKH BHATTI Circle Chief, Faisalabad Circle	123-B, People's Colony No. 1, D - Ground, Faisalabad.	8721256, 8734176 Fax: 8732499
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ASIF AKRAM Branch Manager	123-B, People's Colony No. 1, D - Ground, Faisalabad.	8721256, 8734176 Fax: 8732499
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FAISALABAD BRANCH - I

RANA SAGHIR Branch Manager	Chartered Bank Chambers Railway Road, Faisalabad.	2647194 Fax: 2635080
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SAHIWAL

SALEEM TAHIR Acting Incharge	147-Railway Road, Sahiwal. Fax: 4224344	4466044
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MULTAN

GHULAM ALI Acting Incharge	Atlas Honda Building Azmat Wasti Road, Multan.	4544494
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SIALKOT

REHAN NAZIR GHUMAN Branch Manager	Office No.7, 1st Floor, Mughal Plaza, Kutchery Road, Sialkot.	4264195, 4594520 Fax: 4290095
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GUJRANWALA

AMJAD RAFIQ DHILLO Branch Manager	2nd Floor, Al-Azhar Plaza, G. T. Road, Gujranwala.	3847118 Fax: 3847074
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ISLAMABAD

HALEEMA SHAHID Acting Incharge	Office No. 2 & 3, 3rd Floor, MBCIT Mall Plaza, I-8 Markaz, Islamabad.	4861830
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SOUTH ZONE OFFICE

Ground Floor, Federation House, Shahrah-e-Firdousi, Main Clifton, Karachi.	PABX:	5378806-7 5369394-6 Fax: 5378515
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ARSHAD P. RANA Chief Executive Officer	Direct: Extension:	5378757 201
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MIRZA NADEEM BAIG Vice President Marketing (South)	Extension:	218
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JAWAID IRSHAD Manager Motor	Extension:	215
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MUHAMMAD IMRAN Asst. Vice President Claims & U/W	Extension:	217
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MUHAMMAD AFZAL Company Secretary	Extension:	202
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SOUTH ZONE BRANCHES

KARACHI

ABDUL AZIZ Chief Manager	Corporate Branch 1/10, Arkey Square, 1st Floor, Shahrah-e-Liaquat, Karachi	2421030, 2422911 Fax: 2421387
M. FAROOQ KANDLAWALA Circle Chief, Karachi Circle - I	Tower Branch State Life Building No. 7 Room No. 101, 1st Floor G. Allana Road, Karachi.	2201471 2316503, 2315248 Fax: 2315248
IMRAN SATTAR Deputy Chief Manager	Plaza Branch 3/3 Rimpa Plaza M.A. Jinah Road, Karachi.	2729339 Fax: 2720858
TARIQ NASIM Chief Manager	New Challi Branch 1st Floor, Room No. 106-107, Rehmani Chamber, Altaf Hussain Road, Karachi.	2218286, 2218288 Fax: 2610280

HYDERABAD

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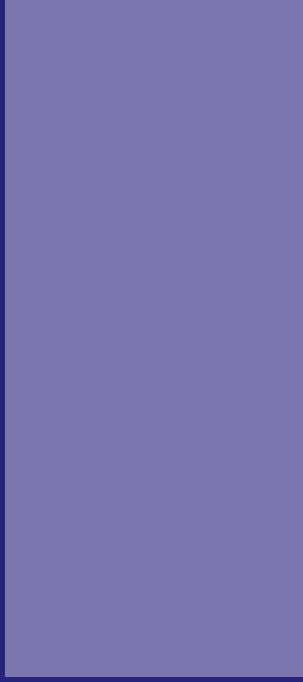
SUKKUR

ABDUL MAJEED QURESHI Chief Manager	Shalimar Complex, Mezzanine Floor, Minara Road, Sukkur.	5625965 Fax: 5625977
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Email: info@atlasinsurance.com.pk **Website:** www.atlasinsurance.com.pk