

**QUARTERLY
REPORT
September 30, 2008**



CONTENTS

Company Information	2
Chairman's Review	4
Directors' Report	5
Balance Sheet	6
Profit and Loss Account	8
Statement of Cash Flow	9
Statement of Changes in Equity	10
Statement of Premiums	12
Statement of Claims	14
Statement of Expenses	16
Statement of Investment Income	18
Notes to the Financial Statements	19
Company Offices	22

COMPANY INFORMATION**BOARD OF DIRECTORS**

Chairman	Yusuf H. Shirazi
Chief Executive	Arshad P. Rana
Directors	Ali H. Shirazi
	Azam Faruque
	Frahim Ali Khan
	Kamal A. Chinoy
	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 Afzal

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 (Acting)	Muhammad Aasim Gul
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 period ended September 30, 2008.

The Economy

Pakistan's economy showed resilience in face of a global slowdown in economic activity. It managed to register a growth of 5.8 percent last year in spite of deteriorating law and order situation and continued politico - economic uncertainty in the country. During the period, the inflationary pressures continued to increase in the face of rising fuel prices and an unprecedented increase in the commodity prices. Pak rupee lost almost 30% against the US dollar as trade balance turned sharply negative. Exports and Imports during the first quarter of the year increased to \$5.27bn and \$10.82bn respectively against \$4.46bn and \$8.06bn of the last year for the same period leading to the trade deficit of \$5.55bn against \$3.60bn of last year. Foreign exchange reserves declined to \$7.75bn on October 10, 2008 from \$11.28bn at the commencement of fiscal year 2008-09. Total foreign direct investment during the first quarter of current fiscal year increased by 9.5% to \$1.11bn and remittances during the same period surged 25% to \$1.88bn against \$1.50bn over the corresponding period last year.

The Company Results

The gross premium rose to Rs.695.87m against Rs.594.52m of the previous year for the same period up, 17.05%. The net premium also increased to Rs.376.51m against Rs.330.35m of the same period last year, up 13.97%. The underwriting profit posted at Rs.114.01m against Rs.107.07m of the corresponding period last year, reflecting an increase of 6.48%. The investment income during the period was Rs.109.75m against Rs.116.09m of the last year. The value of short term placements, bank deposits and investments stood at Rs.1.09bn against Rs.1.22bn of the last year end. This was mainly due to steep decline in the stock market index.

The profit before tax stood at Rs.225.46m against Rs.224.19m of same period last year. After tax provision of Rs.41.01m, the profit after tax stood at Rs.184.45m against Rs.183.80m of the last year for the same period.

Future Outlook

The economy is passing through tough period. Deficit finance, trade imbalance and inflation have been running high leading to sharp downslide in rupee value. The next quarter will be another challenging period as slowing down of economic activities internationally may have its own implications on our economy as well. Despite these problems we are optimistic about the future. An average GDP growth rate of around 5 percent since 1951 is expected to be still achievable during the current financial year. The Insurance industry has played a significant role in the development of the economy over the years and will keep contributing towards economic revival. The changing situation shall however demand greater professionalism for better performance at all levels of management with quality of service being the key to success. I am confident that management of your company is fully aware of this situation and is prepared to meet the challenges ahead:

عز شائیں کا جہاں اور

(Let there be a horizon beyond horizon)

Acknowledgment

I would like to thank the Board of Directors, the Group Executive Committee and the Chief Executive Officer 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 Quarterly Report of the Company together with the unaudited accounts for the financial period ended September 30, 2008.

	<u>September 30,</u> 2008	<u>September 30,</u> 2007
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(Rupees in thousand)

The overall business figures are:

Net premium	376,507	330,349
Net claims	181,189	152,802
Investment and other income	120,477	136,158
Net commission	28,239	20,377
Expenses of management	109,550	90,857

Financial results are as follows:

Profit before tax	225,460	224,190
Less: Provision for taxation	41,010	40,393
Profit after tax	184,450	183,797

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: October 24, 2008

	Note	CONDENSED INTERIM AS AT	
		September 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		184,543	353,064
Reserves		557,064	410,592
		1,010,054	970,153
Underwriting provisions			
Provision for outstanding claims (including IBNR)		290,951	194,099
Provision for unearned premium		334,562	316,655
Commission income unearned		30,177	24,295
		655,690	535,049
Deferred tax liability		5,987	2,474
Creditors and accruals			
Premium received in advance		9,988	67,111
Amounts due to other insurers / reinsurers		92,978	95,362
Accrued expenses		29,454	21,235
Taxation - provision less payments		-	6,792
Other creditors and accruals		30,283	21,074
		162,703	211,574
Other liabilities			
Deposits against performance bonds		1,391	1,391
Unclaimed dividends		9,319	12,793
		10,710	14,184
Contingencies and commitments	4	-	-
		1,845,144	1,733,434

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

	Note	BALANCE SHEET (UNAUDITED) SEPTEMBER 30, 2008	
		September 30, 2008	December 31, 2007
(Rupees in thousand)			
Cash and bank deposits			
Cash and other equivalents		399	21
Current and other accounts		57,591	200,759
		57,990	200,780
Loans to employees - secured considered good		493	724
Investments	5	915,065	1,010,747
Current assets - others			
Premiums due but unpaid		185,255	85,620
Amounts due from other insurers / reinsurers		118,109	59,830
Salvage recoveries accrued		12,261	10,412
Accrued investment income		11,935	3,136
Reinsurance recoveries against outstanding claims		199,076	121,881
Commission expense deferred		16,985	18,236
Income tax recoverable		1,805	-
Prepayments		145,659	162,242
Sundry receivables		130,957	17,001
		822,042	478,358
Fixed assets			
Tangible	6		
Land and buildings		16,674	4,551
Furniture and fixtures		13,899	11,085
Motor vehicles - owned		18,535	16,628
		49,108	32,264
Capital work in progress		-	9,415
Intangible			
Computer software		446	1,146
		1,845,144	1,733,434


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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2008

Quarter ended September 30, 2008							Quarter ended Sep. 30, 2008	Quarter ended Sep. 30, 2007
	Fire and property	Marine, aviation and transport	Motor	Others including miscellaneous	Treaty	(Rupees in thousand)		
Revenue account								
Net premium revenue	9,091	45,991	70,956	5,779	-	131,817	110,082	
Net claims	(421)	(287)	(43,824)	(885)	6	(45,411)	(50,672)	
Expenses	(2,912)	(14,004)	(21,943)	(1,740)	-	(40,599)	(30,699)	
Net commission	5,720	7,574	(4,914)	2,337	-	10,717	7,282	
Underwriting result	<u>11,478</u>	<u>39,274</u>	<u>275</u>	<u>5,491</u>	<u>6</u>	56,524	35,993	
Investment income						17,150	33,750	
Rental income						326	286	
Other income						4,327	994	
Financial charges						(81)	(136)	
General and administration expenses						(3,140)	(5,810)	
						18,582	29,084	
Profit before taxation						75,106	65,077	
Provision for taxation						(21,947)	(15,467)	
Profit after taxation						53,159	49,610	
Basic earning per share - Rupees						1.98	1.85	

Nine months ended September 30, 2008							Nine months ended Sep. 30, 2008	Nine months ended Sep. 30, 2007
Note	Fire and property	Marine, aviation and transport	Motor	Others including miscellaneous	Treaty	(Rupees in thousand)		
Revenue account								
Net premium revenue	35,696	114,066	214,146	12,622	(23)	376,507	330,349	
Net claims	(8,772)	(5,486)	(162,358)	(4,573)	-	(181,189)	(152,802)	
Expenses	(10,422)	(33,178)	(62,243)	(3,707)	-	(109,550)	(90,858)	
Net commission	18,625	16,934	(15,269)	7,940	9	28,239	20,377	
Underwriting result	<u>35,127</u>	<u>92,336</u>	<u>(25,724)</u>	<u>12,282</u>	<u>(14)</u>	114,007	107,066	
Investment income						109,744	116,090	
Rental income						890	971	
Other income						9,843	19,097	
Financial charges						(317)	(457)	
General and administration expenses						(8,707)	(18,577)	
						111,453	117,124	
Profit before taxation						225,460	224,190	
Provision for taxation	7					(41,010)	(40,393)	
Profit after taxation						184,450	183,797	
Basic earning per share - Rupees						6.87	6.85	

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2008

	Note	<u>September 30,</u> 2008	<u>September 30,</u> 2007
(Rupees in thousand)			
Operating cash flows			
Underwriting activities			
Premiums received		555,424	503,212
Reinsurance premiums paid		(323,515)	(221,371)
Claims paid		(314,336)	(196,680)
Reinsurance and other recoveries received		144,133	70,455
Commissions paid		(31,636)	(24,595)
Commissions received		40,753	65,451
Other underwriting payments		(146)	(266)
Other underwriting receipts		9,149	4,562
Net cash flow from underwriting activities		79,826	200,768
Other operating activities			
Income tax paid		(43,484)	(65,800)
General and management expenses paid		(116,399)	(90,493)
Net cash outflow from other operating activities		(159,883)	(156,293)
Total cash (out flow) / inflow from all operating activities		(80,057)	44,475
Investment activities			
Profit / return received		9,068	16,997
Dividends received		18,783	18,111
Rentals received		964	841
Loan repayment received		476	-
Payments for purchase of investments		(361,047)	(369,062)
Proceeds from disposal of investments		537,758	395,709
Short term placements - net		(101,323)	(14,612)
Fixed capital expenditure		(20,863)	(13,738)
Proceeds from disposal of fixed assets		1,791	413
Total cash inflow from investing activities		85,606	34,659
Financing activities			
Dividends paid		(148,022)	(111,373)
Financial charges paid		(317)	(457)
Lease rentals paid		-	(132)
Total cash out flow from financing activities		(148,339)	(111,962)
Net cash outflow from all activities		(142,790)	(32,828)
Cash at the beginning of the period		200,780	75,573
Cash at the end of the period	8	57,990	42,745

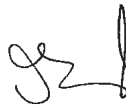
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Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2008

	Share capital	Capital reserve	Reserve for exceptional losses	Reserve for issue of bonus shares	General reserve	Investment fluctuation reserve	Retained earnings	Total
	(R u p e e s i n t h o u s a n d)							
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 period	-	-	-	-	-	-	183,797	183,797
Balance as at September 30, 2007	206,497	2,251	2,164	-	345,649	3,000	184,543	744,104
Net profit for the period	-	-	-	-	-	-	226,049	226,049
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 period	-	-	-	-	-	-	184,450	184,450
Balance as at September 30, 2008	<u>268,447</u>	<u>2,251</u>	<u>2,164</u>	<u>-</u>	<u>549,649</u>	<u>3,000</u>	<u>184,543</u>	<u>1,010,054</u>

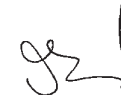
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Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF PREMIUM (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2008

		Q u a r t e r e n d e d			S e p t e m b e r 3 0 , 2 0 0 8				Quarter ended	Quarter ended
		Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium		Reinsurance expense	Net premium revenue
			Opening	Closing			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	35,101	134,139	114,886	54,354	25,183	97,300	77,220	45,263	9,091	10,482
Marine, aviation and transport	77,294	22,808	27,663	72,439	25,820	10,581	9,953	26,448	45,991	23,737
Motor	57,273	157,363	142,093	72,543	2,200	738	1,351	1,587	70,956	72,980
Others including miscellaneous	10,028	75,465	49,920	35,573	7,978	73,763	51,947	29,794	5,779	2,884
Total	179,696	389,775	334,562	234,909	61,181	182,382	140,471	103,092	131,817	110,083
Treaty	-	-	-	-	-	-	-	-	-	(1)
Grand total	179,696	389,775	334,562	234,909	61,181	182,382	140,471	103,092	131,817	110,082

		N i n e m o n t h s e n d e d			S e p t e m b e r 3 0 , 2 0 0 8				Nine months ended	Nine months ended
		Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium		Reinsurance expense	Net premium revenue
			Opening	Closing			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	171,795	103,601	114,886	160,511	115,450	86,585	77,220	124,815	35,696	28,156
Marine, aviation and transport	216,719	9,574	27,663	198,630	88,774	5,743	9,953	84,564	114,066	89,132
Motor	226,621	133,937	142,093	218,465	5,670	-	1,351	4,319	214,146	204,555
Others including miscellaneous	80,753	69,544	49,920	100,377	71,474	68,228	51,947	87,755	12,622	8,488
Total	695,888	316,656	334,562	677,983	281,368	160,556	140,471	301,453	376,530	330,331
Treaty	(23)	-	-	(23)	-	-	-	-	(23)	18
Grand total	695,865	316,656	334,562	677,960	281,368	160,556	140,471	301,453	376,507	330,349

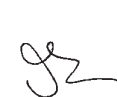
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Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2008

		Q u a r t e r e n d e d			S e p t e m b e r 3 0 , 2 0 0 8				Quarter ended	Quarter ended	
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	Sep. 30, 2008	Sep. 30, 2007
Direct and facultative			Opening	Closing			Opening	Closing			
Class		(R u p e e s i n			t h o u s a n d)			Net claims expense			
Fire and property damage	8,878	166,140	136,055	(21,207)	8,694	157,707	127,385	(21,628)	421	839	
Marine, aviation and transport	6,957	48,974	49,008	6,991	5,178	36,329	37,855	6,704	287	7,359	
Motor	49,587	68,304	62,542	43,825	-	79	80	1	43,824	41,997	
Others including miscellaneous	1,320	34,504	39,565	6,381	966	29,226	33,756	5,496	885	477	
Total	66,742	317,922	287,170	35,990	14,838	223,341	199,076	(9,427)	45,417	50,672	
Treaty	(7)	3,780	3,781	(6)	-	-	-	-	(6)	-	
Grand total	66,735	321,702	290,951	35,984	14,838	223,341	199,076	(9,427)	45,411	50,672	

		N i n e m o n t h s e n d e d			S e p t e m b e r 3 0 , 2 0 0 8				Nine months ended	Nine months ended	
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	Sep. 30, 2008	Sep. 30, 2007
Direct and facultative			Opening	Closing			Opening	Closing			
Class		(R u p e e s i n			t h o u s a n d)			Net claims expense			
Fire and property damage	141,142	84,692	136,055	192,505	134,993	78,645	127,385	183,733	8,772	4,587	
Marine, aviation and transport	18,880	37,303	49,008	30,585	13,626	26,382	37,855	25,099	5,486	15,058	
Motor	148,570	48,775	62,542	162,337	(19)	82	80	(21)	162,358	132,006	
Others including miscellaneous	4,740	19,548	39,565	24,757	3,200	16,772	33,756	20,184	4,573	1,110	
Total	313,332	190,318	287,170	410,184	151,800	121,881	199,076	228,995	181,189	152,761	
Treaty	-	3,781	3,781	-	-	-	-	-	-	41	
Grand total	313,332	194,099	290,951	410,184	151,800	121,881	199,076	228,995	181,189	152,802	

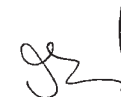
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Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2008

	Q u a r t e r e n d e d			S e p t e m b e r 3 0 , 2 0 0 8				Quarter ended	Quarter ended
	Commissions	Deferred commission		Net	Other	Underwriting	Commissions	Sep. 30, 2008	Sep. 30, 2007
	Paid or	Opening	Closing	commission	management	expense	from	Net underwriting expense	
	payable	(R u p e e s i n		expenses	expenses		reinsurers		
		t h o u s a n d)							
Business underwritten inside Pakistan									
Direct and facultative									
Class									
Fire and property damage	3,268	6,883	6,983	3,168	2,912	6,080	8,888	(2,808)	(5,195)
Marine, aviation and transport	1,919	715	885	1,749	14,004	15,753	9,323	6,430	3,731
Motor	2,674	10,278	8,002	4,950	21,943	26,893	36	26,857	24,749
Others including miscellaneous	518	1,183	1,115	586	1,740	2,326	2,923	(597)	124
Total	8,379	19,059	16,985	10,453	40,599	51,052	21,170	29,882	23,409
Treaty	-	-	-	-	-	-	-	-	9
Grand total	8,379	19,059	16,985	10,453	40,599	51,052	21,170	29,882	23,418

	N i n e m o n t h s e n d e d			S e p t e m b e r 3 0 , 2 0 0 8				Nine months	Nine months
	Commissions	Deferred commission		Net	Other	Underwriting	Commissions	Sep. 30, 2008	Sep. 30, 2007
	Paid or	Opening	Closing	commission	management	expense	from	Net underwriting expense	
	payable	(R u p e e s i n		expenses	expenses		reinsurers		
		t h o u s a n d)							
Business underwritten inside Pakistan									
Direct and facultative									
Class									
Fire and property damage	10,421	5,920	6,983	9,358	10,422	19,780	27,983	(8,203)	(10,971)
Marine, aviation and transport	5,703	863	885	5,681	33,178	38,859	22,615	16,244	14,415
Motor	12,873	10,468	8,002	15,339	62,243	77,582	70	77,512	66,533
Others including miscellaneous	2,020	994	1,115	1,899	3,707	5,606	9,839	(4,233)	458
Total	31,017	18,245	16,985	32,277	109,550	141,827	60,507	81,320	70,435
Treaty	-	-	-	-	-	-	(9)	(9)	47
Grand total	31,017	18,245	16,985	32,277	109,550	141,827	60,498	81,311	70,482

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



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED)
FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2008

	Nine months ended September 30, 2008	Nine months ended September 30, 2007	Quarter ended September 30, 2008	Quarter ended September 30, 2007
--	---	---	---	---

(Rupees in thousand)

Income from non-trading investments

Held to maturity

Return on fixed income securities and
bank and other deposits

	386	647	42	210
--	-----	-----	----	-----

Available for sale

Dividend income

	28,502	33,825	17,108	23,077
--	--------	--------	--------	--------

Gain on sale of non-trading investments

	89,635	84,308	-	10,868
--	--------	--------	---	--------

Provision for diminution in the value of investments

	(7,074)	-	-	-
--	---------	---	---	---

Less: Investment related expenses

	(1,705)	(2,690)	-	(405)
--	---------	---------	---	-------

Net investment income

	<u>109,744</u>	<u>116,090</u>	<u>17,150</u>	<u>33,750</u>
--	----------------	----------------	---------------	---------------

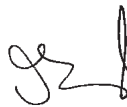
The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED) FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 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 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.

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 statements 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: Nil)

5. Investments

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

Held to maturity		
Term finance certificates	1,497	6,594
Available for sale		
Mutual funds	57,598	141,574
Quoted shares	863,044	862,579
Unquoted shares	500	500
	921,142	1,004,653
	922,639	1,011,247
Less: Provision for diminution in the value of investments	(7,574)	(500)
	915,065	1,010,747
Aggregate market value of investments	657,939	1,186,578

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

6. Fixed assets

Opening book value	32,264	18,177
Add: Additions during the period	22,909	19,395
	55,173	37,572
Less: Disposal during the period (at book value)	983	428
Depreciation charged during the period	5,081	4,880
	6,064	5,308
	49,109	32,264

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

7. Provision for taxation

Current - for the period	37,497	39,754
Deferred - for the period	3,513	639
	41,010	40,393

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	399	708
Current and other accounts	57,591	42,037
	57,990	42,745

8.1 Reconciliation to profit and loss account

Operating cash flows	(80,057)	44,293
Depreciation expense	(5,082)	(3,183)
Financial charges	(317)	(457)
Increase in assets other than cash	220,759	154,736
(Increase) in liabilities other than borrowings	(45,910)	(99,033)
Others		
- (Increase) in provision for unearned premium	(17,907)	(32,299)
- (Increase) in commission income unearned	(5,882)	(21,035)
- Investment income	116,818	134,667
- Rental and other income	10,733	1,491
- Increase in provision for commission expense deferred	(1,251)	5,475
- Amortization expense	(380)	(858)
- Provision for diminution in the value of investments	(7,074)	-
	184,450	183,797

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 employments are as follows:

	<u>September 30,</u> 2008	<u>September 30,</u> 2007
	(Rupees in thousand)	
Premium underwritten	341,950	270,950
Premium collected	207,522	188,740
Claims paid	34,708	30,048
Lease rentals	-	133
Vehicles purchased	2,078	7,218
Rent received	434	525
Rent paid	1,629	264
Interest received	5,449	2,505
Fee received	-	4,715
Brokerage paid for purchase of shares	1,231	2,526
Brokerage paid for sale of shares	1,704	5,150
Donations	2,240	7,699
Dividend paid	53,379	41,061
Dividend received	11,474	12,755

The transactions were carried out at the arm's length in accordance with the policies of the company.

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

Remunerations 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 October 24, 2008 by the Board of Directors of the company.

11. General

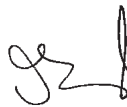
Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. The earnings per share in the corresponding periods have been restated to take account of the effect of bonus shares issued during the current period. Prior to this restatement, the earnings per share were Rs.8.60 and Rs.2.20 for the nine months and quarter ended September 30, 2007 respectively.



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

COMPANY OFFICES
HEAD OFFICE

3 Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	PABX:	7320542, 7320543, 7310658, 7322271 7322273
	Fax:	7234742
ARSHAD P. RANA Chief Executive Officer	Direct:	7234812
	Extension:	501
MUHAMMAD AASIM GUL Chief Financial Officer (Acting)	Extension:	410
MUHAMMAD MUNIR Sr. Vice President (Operations)	Direct:	7314241
	Extension:	304
QUDSIA NAHEED Vice President (Admin/HR)	Direct:	7245348
	Extension:	303
FAKHER-U-ZAMAN KHAN Vice President (Coordinator)	Extension:	302
SALEEM MAHMOOD 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, Grand Hotel Building, P.O. Box 119, Rawalpindi.	5563413 Fax: 5798083
MANZAR ALI NAQVI Manager	101/13, Bank Road, Grand Hotel Building, P.O. Box 119, Rawalpindi.	5563413 Fax: 5798083

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Circle Chief, Faisalabad Circle D - Ground, Faisalabad. Fax: 8732499

ASIF AKRAM 123-B, People's Colony No. 1, 8721256, 8734176
Branch Manager D - Ground, Faisalabad. Fax: 8732499

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Branch Manager Railway Road, Faisalabad. Fax: 2635080

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Acting Incharge Fax: 4224344

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Acting Incharge Azmat Wasti Road, Multan.

SIALKOT

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

GUJRANWALA

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

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

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Shahrah-e-Firdousi, Main Clifton, 5369394-6
Karachi. Fax: 5378515

ARSHAD P. RANA Direct: 5378757
Chief Executive Officer Extension: 201

MIRZA NADEEM BAIG Extension: 218
Vice President Marketing (South)

MUHAMMAD IMRAN Extension: 217
Asst. Vice President Claims & U/W

JAWAID IRSHAD Extension: 215
Manager Motor

MUHAMMAD AFZAL Extension: 202
Company Secretary

SOUTH ZONE BRANCHES

KARACHI

ABDUL AZIZ Corporate Branch 2421030, 2422911
Chief Manager 1/10, Arkey Square, 1st Floor, Shahrah-e-Liaquat, Karachi Fax: 2421387

M. FAROOQ KANDLAWALA
Circle Chief, Karachi Circle - I

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2316503, 2315248
Fax: 2315248

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Fax: 2720858

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Chief Manager

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2218286, 2218288
Fax: 2610280

HYDERABAD

ZAFAR AHMAD GHOURI
Circle Chief, Hyderabad Circle

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Hyderabad.

2782659, 2782660
Fax: 2786410

SUKKUR

ABDUL MAJEED QURESHI
Chief Manager

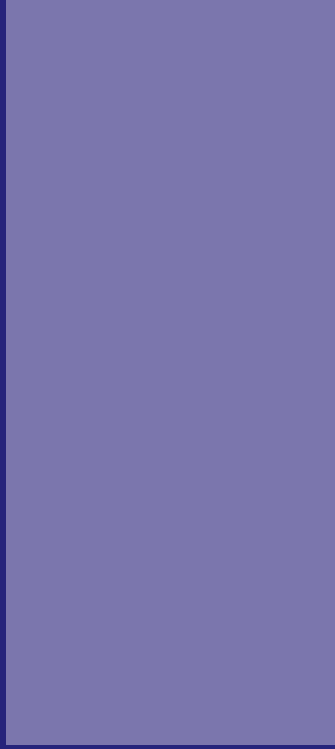
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Fax: 5625977

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