

**HALF YEARLY
REPORT
June 30, 2009**



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COMPANY INFORMATION**BOARD OF DIRECTORS**

Chairman	Yusuf H. Shirazi
Director	Azam Faruque
	Kamal A. Chinoy
	Omar Saeed
	Ali H. Shirazi
	Frahim Ali Khan
Chief Executive	Arshad P. Rana
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	Ali H. Shirazi
Members	Frahim Ali Khan
	Arshad P. Rana
	Aamer Waqar Chaudhry
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	Aamer Waqar Chaudhry
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) 37235081-82 Fax: (92-42) 37358817
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Bankers	Allied Bank Limited Atlas Bank Limited Bank Alfalah Limited Habib Bank Limited MCB Bank Limited National Bank of Pakistan Silk Bank Limited Soneri Bank Limited 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) 37320542-43, 37322271, 73 Fax: (92-42) 37234742 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, 2009.

The Economy

Pakistan's economy is slowly stabilizing. The affect of the challenges at both internal and external fronts necessitated some remedial actions by the government, which as a result curtailed the growth momentum with real GDP growth rate reduced to 2%. Agriculture sector registered strong growth of 4.7%. Among the other two major components of the economy, manufacturing sector witnessed negative growth of 3.3% against the targeted growth of 6.1%, while service sector experienced slower growth of 3.6% against the target of 6.1% during the year under review.

The economic managers took policy measures and embarked upon an International Monetary Fund macro-economic stabilization program to arrest heightened inflation and deteriorating external balances. The three tranche payments to date have enhanced foreign reserves to \$11.85 billion and eased the balance of payment crisis. Further due to record foreign remittances and stellar performance of the agriculture sector, farmers' disposable income has increased.

The Company Results

Due to the prevailing economic environment the company decided to follow a cautious and prudent underwriting policy. Consequently, despite a decline in the gross premium, Rs.465.76 million during the period under consideration, as against Rs.516.17 million for the corresponding period last year, the underwriting profit stood at Rs.60.73 million, 5% higher than last year.

Taking advantage of a recovering stock market, the company realized capital gains of Rs.26.31 million in the second quarter of the year 2009. The investment income as of June 30, 2009 stood at Rs.43.14 million. After providing for tax provisions of Rs.24.43 million, the profit after tax for the period has been stated at Rs.82.84 million as against Rs.131.29 million for the same period last year.

During the second quarter the paid up capital of the company rose to Rs.335.56 million from Rs.268.45 million of last year, due to successful issuance of bonus shares. With vigilant and close monitoring of cash flows, the cash and bank deposits of the company also increased to Rs.209.57 million from Rs.91.60 million for the same period last year.

It is my pleasure to report that once again your company has won the prestigious "Best Corporate Report Award 2008". This is the third consecutive year that the company has won this award.



Future Outlook

The economy has shown signs of recovery and will continue to do so. The insurance industry has always played a significant role in the development of the economy over the years and will keep contributing towards economic revival. The management of your company is fully equipped to tackle the prevailing challenges and is confident that the set targets for the year 2009 will be achieved:

ستاروں سے آگے جہاں اور بھی ہیں
(There is a world beyond the world)

Acknowledgement

I would like to thank the Board of Directors, 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 reinsurers, our valued clients, banks and SECP for their continued help, support and guidance. I am also thankful to the shareholders 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, 2009.

	<u>June 30,</u> 2009	<u>June 30,</u> 2008
	(Rupees in thousand)	
The overall business figures are:		
Net premium	224,801	244,688
Net claims	95,394	135,778
Investment and other income	56,309	98,674
Net commission	13,585	17,522
Expenses of management	82,262	68,952
Financial results are as follows:		
Profit before tax	107,266	150,351
Less: Provision for taxation	24,425	19,063
Profit after tax	82,841	131,288

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 21, 2009

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, 2009 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, 2009 and 2008 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2009.

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 inquiries, 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 Standards 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 do 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, 2009 is not prepared, in all material respects, in accordance with the Insurance Ordinance, 2000 and approved accounting standards as applicable in Pakistan.

Lahore: August 21, 2009



A.F. FERGUSON & CO.
Chartered Accountants

**CONDENSED INTERIM
AS AT**

	Note	June 30, 2009	December 31, 2008
(Rupees in thousand)			
Share capital and reserves			
Authorized share capital 50,000,000 (2008: 50,000,000) ordinary shares of Rs.10 each		500,000	500,000
Issued, subscribed and paid up capital 33,555,911 (2008: 26,844,729) ordinary shares of Rs.10 each		335,559	268,447
Retained earnings		84,125	(199,492)
Reserves		222,064	557,064
		641,748	626,019
Underwriting provisions			
Provision for outstanding claims (including IBNR)		226,198	237,509
Provision for unearned premium		366,190	277,432
Commission income unearned		45,227	25,770
		637,615	540,711
Deferred tax liability		1,072	1,873
Creditors and accruals			
Premium received in advance		7,098	4,845
Amounts due to other insurers / reinsurers		135,127	91,353
Accrued expenses		27,805	19,729
Taxation - provision less payments		4,158	6,067
Other creditors and accruals		45,236	34,926
		219,424	156,920
Other liabilities			
Deposits against performance bonds		1,391	1,391
Unclaimed dividends		13,043	13,049
		14,434	14,440
Contingencies and commitments	4		
TOTAL EQUITY AND LIABILITIES		1,514,293	1,339,963

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

BALANCE SHEET (UNAUDITED) JUNE 30, 2009

	Note	June 30, 2009	December 31, 2008
(Rupees in thousand)			
Cash and bank deposits			
Cash and other equivalents		246	12
Current and other accounts		148,325	165,917
Deposits maturing within twelve months		61,000	30,000
		209,571	195,929
Loans to employees - secured considered good		331	465
Investments	5	567,271	494,201
Other assets			
Premiums due but unpaid - unsecured		225,565	108,620
Amounts due from other insurers / reinsurers		105,302	93,286
Salvage recoveries accrued		11,198	12,578
Accrued investment income		9,044	1,232
Reinsurance recoveries against outstanding claims		140,033	155,410
Commission expense deferred		21,504	20,569
Prepayments		164,623	105,616
Sundry receivables		11,569	102,761
		688,838	600,072
Fixed assets			
Tangible	6		
Land and buildings		16,048	16,430
Furniture, fixtures and office equipments		13,860	13,755
Motor vehicles		18,374	19,111
		48,282	49,296
TOTAL ASSETS		1,514,293	1,339,963



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Kamal A. Chinoy
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2009

	Quarter ended June 30, 2009					Quarter ended June 30, 2009	Quarter ended June 30, 2008
	Fire and property	Marine, aviation and transport	Motor	others including miscellaneous	Treaty		
	(Rupees in thousand)						
Revenue account							
Net premium revenue	14,520	31,633	62,068	4,942	-	113,163	127,323
Net claims	(401)	(2,310)	(32,779)	(2,948)	-	(38,438)	(63,603)
Expenses	(5,739)	(12,351)	(24,524)	(1,833)	-	(44,447)	(34,764)
Net commission	7,400	1,224	(4,221)	1,122	-	5,525	9,339
Underwriting result	<u>15,780</u>	<u>18,196</u>	<u>544</u>	<u>1,283</u>	<u>-</u>	<u>35,803</u>	<u>38,295</u>
Investment income						32,512	64,413
Rental income						432	282
Other income						5,598	1,986
Financial charges						(160)	(138)
General and administration expenses						(5,271)	(662)
						<u>33,111</u>	<u>65,881</u>
Profit before taxation						68,914	104,176
Provision for taxation						(13,841)	(4,683)
Profit after taxation						<u>55,073</u>	<u>99,493</u>
Basic earnings per share - Rupees						<u>1.64</u>	<u>2.96</u>

	Note	Half year ended June 30, 2009					Half year ended June 30, 2009	Half year ended June 30, 2008
		Fire and property	Marine, aviation and transport	Motor	others including miscellaneous	Treaty		
		(Rupees in thousand)						
Revenue account								
Net premium revenue		29,025	59,868	130,504	5,405	(1)	224,801	244,688
Net claims		(786)	(4,166)	(85,811)	(4,261)	(370)	(95,394)	(135,778)
Expenses		(10,819)	(21,876)	(47,594)	(1,973)	-	(82,262)	(68,952)
Net commission		13,744	5,647	(8,867)	3,061	-	13,585	17,522
Underwriting result		<u>31,164</u>	<u>39,473</u>	<u>(11,768)</u>	<u>2,232</u>	<u>(371)</u>	<u>60,730</u>	<u>57,480</u>
Investment income							43,139	92,594
Rental income							854	564
Other income							12,316	5,516
Financial charges							(267)	(236)
General and administration expenses							(9,506)	(5,567)
							<u>46,536</u>	<u>92,871</u>
Profit before taxation							107,266	150,351
Provision for taxation	7						(24,425)	(19,063)
Profit after taxation							<u>82,841</u>	<u>131,288</u>
Profit and loss appropriation account								
Balance at commencement of the year							(199,492)	410,592
Profit after taxation for the half year							82,841	131,288
Transfer from / (to) general reserve							335,000	(204,000)
Final dividend for 2008 @ Rs.2.5 per share (2007: Rs.7 per share)							(67,112)	(144,549)
Transfer to reserve for issue of bonus shares							(67,112)	(61,950)
							<u>84,125</u>	<u>131,381</u>
Balance unappropriated profit at the end of the period								
Basic earnings per share - Rupees							<u>2.47</u>	<u>3.91</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



Kamal A. Chinoy
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2009

	Note	June 30, 2009	June 30, 2008
(Rupees in thousand)			
Operating cash flows			
Underwriting activities			
Premiums received		306,657	331,735
Reinsurance premiums paid		(167,073)	(193,744)
Claims paid		(137,622)	(250,790)
Reinsurance and other recoveries received		67,802	72,245
Commissions paid		(19,111)	(21,968)
Commissions received		55,848	48,762
Other underwriting payments		(291)	(142)
Other underwriting receipts		5,598	6,145
Net cash inflow / (out flow) from underwriting activities		111,808	(7,757)
Other operating activities			
Income tax paid		(27,135)	(30,333)
General and management expenses paid		(69,439)	(70,196)
Net cash outflow from other operating activities		(96,574)	(100,529)
Total cash inflow / (out flow) from all operating activities		15,234	(108,286)
Investment activities			
Profit / return received		8,190	5,128
Dividends received		12,465	10,653
Rentals received		584	289
Loan repayments received - net		134	148
Payments for purchase of investments		(83,484)	(359,456)
Proceeds from disposal of investments		70,025	537,758
Short term placements - net		59,733	(37,368)
Fixed capital expenditure		(3,580)	(11,705)
Proceeds from disposal of fixed assets		1,726	1,781
Total cash inflow from investing activities		65,793	147,228
Financing activities			
Dividends paid		(67,118)	(147,887)
Financial charges paid		(267)	(236)
Total cash out flow from financing activities		(67,385)	(148,123)
Net cash inflow/ (outflow) from all activities		13,642	(109,181)
Cash at the beginning of the period		195,929	200,780
Cash at the end of the period	8	209,571	91,599


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


Azam Faruque
Director


Kamal A. Chinoy
Director


Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF PREMIUM (UNAUDITED)
 FOR THE HALF YEAR ENDED JUNE 30, 2009

		Q u a r t e r e n d e d			J u n e 3 0 , 2 0 0 9				Q u a r t e r e n d e d	Q u a r t e r e n d e d	
Business underwritten inside Pakistan		Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium		Reinsurance expense	June 30, 2009	June 30, 2008
Direct and facultative			Opening	Closing			Opening	Closing		Net premium revenue	
Class		(R u p e e s i n t h o u s a n d)									
Fire and property damage		98,424	114,206	155,685	56,945	74,837	90,973	123,385	42,425	14,520	9,397
Marine, aviation and transport		56,349	15,594	24,044	47,899	20,523	5,733	9,990	16,266	31,633	40,609
Motor		89,530	132,628	153,342	68,816	7,873	799	1,924	6,748	62,068	72,459
Others including miscellaneous		24,959	22,547	33,119	14,387	20,802	17,085	28,442	9,445	4,942	4,881
Total		<u>269,262</u>	<u>284,975</u>	<u>366,190</u>	<u>188,047</u>	<u>124,035</u>	<u>114,590</u>	<u>163,741</u>	<u>74,884</u>	<u>113,163</u>	<u>127,346</u>
Treaty		-	-	-	-	-	-	-	-	-	(23)
Grand total		<u>269,262</u>	<u>284,975</u>	<u>366,190</u>	<u>188,047</u>	<u>124,035</u>	<u>114,590</u>	<u>163,741</u>	<u>74,884</u>	<u>113,163</u>	<u>127,323</u>


		H a l f y e a r e n d e d			J u n e 3 0 , 2 0 0 9				H a l f y e a r e n d e d	H a l f y e a r e n d e d	
Business underwritten inside Pakistan		Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium		Reinsurance expense	June 30, 2009	June 30, 2008
Direct and facultative			Opening	Closing			Opening	Closing		Net premium revenue	
Class		(R u p e e s i n t h o u s a n d)									
Fire and property damage		168,382	96,034	155,685	108,731	136,479	66,612	123,385	79,706	29,025	26,604
Marine, aviation and transport		102,906	18,094	24,044	96,956	37,176	9,902	9,990	37,088	59,868	68,075
Motor		160,098	132,207	153,342	138,963	9,304	1,079	1,924	8,459	130,504	143,189
Others including miscellaneous		34,371	31,097	33,119	32,349	29,127	26,259	28,442	26,944	5,405	6,843
Total		<u>465,757</u>	<u>277,432</u>	<u>366,190</u>	<u>376,999</u>	<u>212,086</u>	<u>103,852</u>	<u>163,741</u>	<u>152,197</u>	<u>224,802</u>	<u>244,711</u>
Treaty		(1)	-	-	(1)	-	-	-	-	(1)	(23)
Grand total		<u>465,756</u>	<u>277,432</u>	<u>366,190</u>	<u>376,998</u>	<u>212,086</u>	<u>103,852</u>	<u>163,741</u>	<u>152,197</u>	<u>224,801</u>	<u>244,688</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


 Kamal A. Chinoy
 Director


 Yusuf H. Shirazi
 Chairman

CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)
 FOR THE HALF YEAR ENDED JUNE 30, 2009

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 9			Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims	Reinsurance and other recoveries revenue	Quarter ended June 30, 2009	Quarter ended June 30, 2008			
	Claims paid	Outstanding claims		Claims expense	Opening	Closing						Opening	Closing	Net claims expense
		Opening	Closing											
Direct and facultative														
Class		(R u p e e s i n		t h o u s a n d)										
Fire and property damage	11,919	88,976	82,028	4,971	10,874	83,281	76,977	4,570	401	3,614				
Marine, aviation and transport	5,804	35,907	41,360	11,257	4,314	28,134	32,767	8,947	2,310	3,297				
Motor	38,987	66,149	63,650	36,488	3,709	1,402	1,402	3,709	32,779	54,375				
Others including miscellaneous	3,499	30,312	35,379	8,566	1,984	25,253	28,887	5,618	2,948	2,311				
Total	60,209	221,344	222,417	61,282	20,881	138,070	140,033	22,844	38,438	63,597				
Treaty	-	3,781	3,781	-	-	-	-	-	-	6				
Grand total	60,209	225,125	226,198	61,282	20,881	138,070	140,033	22,844	38,438	63,603				

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 9			Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims	Reinsurance and other recoveries revenue	Half year ended June 30, 2009	Half year ended June 30, 2008			
	Claims paid	Outstanding claims		Claims expense	Opening	Closing						Opening	Closing	Net claims expense
		Opening	Closing											
Direct and facultative														
Class		(R u p e e s i n		t h o u s a n d)										
Fire and property damage	30,054	102,742	82,028	9,340	28,137	96,560	76,977	8,554	786	8,351				
Marine, aviation and transport	11,640	36,481	41,360	16,519	8,669	29,083	32,767	12,353	4,166	5,199				
Motor	88,603	61,590	63,650	90,663	4,856	1,406	1,402	4,852	85,811	118,534				
Others including miscellaneous	7,511	32,915	35,379	9,975	5,188	28,361	28,887	5,714	4,261	3,688				
Total	137,808	233,728	222,417	126,497	46,850	155,410	140,033	31,473	95,024	135,772				
Treaty	370	3,781	3,781	370	-	-	-	-	370	6				
Grand total	138,178	237,509	226,198	126,867	46,850	155,410	140,033	31,473	95,394	135,778				

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Kamal A. Chinoy
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED)
 FOR THE HALF YEAR ENDED JUNE 30, 2009

		Q u a r t e r e n d e d			J u n e 3 0 , 2 0 0 9					
Business underwritten inside Pakistan		Commissions	Deferred commission		Net	Other	Underwriting	Commissions	Quarter ended	Quarter ended
Direct and facultative		Paid or payable	Opening	Closing	commission expenses	management expenses	expense	from reinsurers	June 30, 2009	June 30, 2008
		(R u p e e s i n			t h o u s a n d)			Net underwriting expense		
Class										
Fire and Property Damage		5,422	9,232	10,118	4,536	5,739	10,275	11,936	(1,661)	(4,728)
Marine, Aviation and Transport		2,503	741	1,069	2,175	12,351	14,526	3,399	11,127	7,445
Motor		3,989	9,015	8,711	4,293	24,524	28,817	72	28,745	24,739
Others including miscellaneous		857	1,506	1,606	757	1,833	2,590	1,879	711	(2,032)
Total		<u>12,771</u>	<u>20,494</u>	<u>21,504</u>	<u>11,761</u>	<u>44,447</u>	<u>56,208</u>	<u>17,286</u>	<u>38,922</u>	<u>25,425</u>
Treaty		-	-	-	-	-	-	-	-	-
Grand total		<u>12,771</u>	<u>20,494</u>	<u>21,504</u>	<u>11,761</u>	<u>44,447</u>	<u>56,208</u>	<u>17,286</u>	<u>38,922</u>	<u>25,425</u>

		H a l f y e a r e n d e d			J u n e 3 0 , 2 0 0 9					
Business underwritten inside Pakistan		Commissions	Deferred commission		Net	Other	Underwriting	Commissions	Half year ended	Half year ended
Direct and facultative		Paid or payable	Opening	Closing	commission expenses	management expenses	expenses	from reinsurers	June 30, 2009	June 30, 2008
		(R u p e e s i n			t h o u s a n d)			Net underwriting expense		
Class										
Fire and Property Damage		9,965	8,663	10,118	8,510	10,819	19,329	22,254	(2,925)	(5,395)
Marine, Aviation and Transport		4,459	376	1,069	3,766	21,876	25,642	9,413	16,229	9,814
Motor		7,969	9,733	8,711	8,991	47,594	56,585	124	56,461	50,646
Others including miscellaneous		1,346	1,797	1,606	1,537	1,973	3,510	4,598	(1,088)	(3,636)
Total		<u>23,739</u>	<u>20,569</u>	<u>21,504</u>	<u>22,804</u>	<u>82,262</u>	<u>105,066</u>	<u>36,389</u>	<u>68,677</u>	<u>51,430</u>
Treaty		-	-	-	-	-	-	-	-	-
Grand total		<u>23,739</u>	<u>20,569</u>	<u>21,504</u>	<u>22,804</u>	<u>82,262</u>	<u>105,066</u>	<u>36,389</u>	<u>68,677</u>	<u>51,430</u>

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



Kamal A. Chinoy
 Director



Yusuf H. Shirazi
 Chairman

CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2009

	Half year ended June 30, 2009	Half year ended June 30, 2008	Quarter ended June 30, 2009	Quarter ended June 30, 2008
--	--	--	--------------------------------------	--------------------------------------

(Rupees in thousand)

Income from non-trading investments

Held to maturity

Return on fixed income securities and
bank and other deposits

1,607	344	836	147
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Available for sale

Dividend income

15,221	11,394	7,739	3,856
--------	--------	-------	-------

Gain on sale of non-trading investments

26,815	89,635	24,017	68,400
--------	--------	--------	--------

Provision for diminution in value of investments

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

Less: Investment related expenses

(504)	(1,705)	(80)	(916)
-------	---------	------	-------

Net investment income

<u>43,139</u>	<u>92,594</u>	<u>32,512</u>	<u>64,413</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



Kamal A. Chinoy
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2009

	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, 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
Net loss for the half year	-	-	-	-	-	-	(330,873)	(330,873)
Balance as at January 1, 2009	268,447	2,251	2,164	-	549,649	3,000	(199,492)	626,019
Transfer from general reserve	-	-	-	-	(335,000)	-	335,000	-
Final dividend @ Rs.2.5 per share	-	-	-	-	-	-	(67,112)	(67,112)
Transfer to reserve for bonus shares	-	-	-	67,112	-	-	(67,112)	-
Issue of bonus shares	67,112	-	-	(67,112)	-	-	-	-
Net profit for the half year	-	-	-	-	-	-	82,841	82,841
Balance as at June 30, 2009	335,559	2,251	2,164	-	214,649	3,000	84,125	641,748

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Kamal A. Chinoy
Director



Yusuf H. Shirazi
Chairman

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2009**

1. Legal status and nature of business

Atlas Insurance 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.

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 statements of the company for the year ended December 31, 2008.

4. Contingencies and commitments

4.1 Contingencies

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

4.2 Commitments

Nil (2008: Nil)

<u>June 30,</u>	<u>December 31,</u>
2009	2008
(Rupees in thousand)	

5. Investments

Held to maturity
Treasury bills

25,374

-

Available for sale
Mutual funds
Quoted shares

93,084

448,813

43,084

451,117

541,897

494,201

567,271

494,201

Aggregate market value of investments

574,671

524,032

	June 30, 2009	December 31, 2008
	(Rupees in thousand)	
6. Fixed assets		
Opening book value	49,296	32,264
Add: Additions during the period	3,580	25,136
	52,876	57,400
Less: Disposals during the period (at book value)	1,048	986
Depreciation charged during the period	3,546	7,118
	4,594	8,104
	48,282	49,296

	June 30, 2009	June 30, 2008
	(Rupees in thousand)	
7. Provision for taxation		
Current - for the period	25,226	16,721
Deferred - for the period	(801)	2,342
	24,425	19,063

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.

8. Cash at the end of the period

For the purposes of cash flow statement cash includes:

Cash and other equivalents	246	170
Current and other accounts	148,325	91,429
Deposits maturing within 12 months	61,000	-
	209,571	91,599

8.1 Reconciliation to profit and loss account

Operating cash flows	15,234	(108,286)
Depreciation expense	(3,546)	(3,126)
Financial charges	(267)	(236)
Provision for doubtful debts	(4,601)	-
Increase in assets other than cash	117,765	285,170
Increase in liabilities other than borrowings	(50,662)	(80,375)
Others		
- Increase in provision for unearned premium	(28,869)	(51,294)
- Increase in commission income unearned	(19,457)	(9,426)
- Investment income	43,139	99,668
- Rental and other income	13,170	6,080
- Increase in provision for commission expense deferred	935	823
- Amortization expense	-	(636)
- Provision for diminution in value of investments	-	(7,074)
	82,841	131,288

9. Transactions with related parties

Related parties comprise 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> 2009	<u>June 30,</u> 2008
	(Rupees in thousand)	
Premium underwritten	231,923	273,497
Premium collected	137,546	166,669
Claims paid	18,145	24,118
Vehicles purchased	-	1,864
Rent received	354	289
Rent paid	1,156	1,051
Interest received	6,034	4,938
Brokerage paid for purchase of shares	125	1,221
Brokerage paid for sale of shares	504	1,704
Donations	1,055	1,600
Dividends paid	45,778	53,379
Dividends received	4,027	-

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 21, 2009 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 4.89 and Rs 3.71 for the half year and quarter ended June 30, 2008 respectively.



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Kamal A. Chinoy
Director



Yusuf H. Shirazi
Chairman

COMPANY OFFICES

HEAD OFFICE

3 Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	PABX:	37320542, 37320543, 37310658, 37322271, 37322273
	Fax:	37234742
ARSHAD P. RANA Chief Executive Officer	Direct:	37234812
	Extension:	501
AAMER WAQAR CHAUDHRY Chief Financial Officer	Direct:	37234757
	Extension:	403
MUHAMMAD MUNIR Sr. Vice President (Operations)	Direct:	37314241
	Extension:	304
QUDSIA NAHEED Vice President (Admin/HR)	Direct:	37245348
	Extension:	303
MUHAMMAD ASHRAF BHATTI Vice President (Underwriting)	Extension:	304
MUHAMMAD IQBAL Vice President (Marketing - North)	Extension:	404
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.	37212365-6, 37312858, 37312868, 37230558-9 Fax: 37212367
MUHAMMAD MUNIR QAZI Chief Manager	Fatima Jinnah Road Branch 1st Floor, Nawa-i-Waqat Building, Fatima Jinnah Road, Lahore.	36271320, 36364906 Fax: 36371186
MUHAMMAD IJAZ Deputy Chief Manager	Al-Noor Branch Al-Noor Building, 43-Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	37358805 Fax: 37237343
KH. MUHAMMAD NADEEM Branch Manager	Napier Road Branch Nairobi Mansion Napier Road, Lahore.	37352560 Fax: 37358190
ZAFAR HUSSAIN JAMAL Branch Manager	Mall Road Branch Hafeez Chambers, 85- Shahrah-e-Quaid-e-Azam, Lahore.	36305595, 36271663 Fax: 36369576
MUHAMMAD WASIM PURI Branch Manager	Faisal Town Branch 753 - C, Faisal Town, Lahore.	35173551-2 Fax: 35173557

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MAHMOOD AHMED
Chief Manager

101/13, Bank Road,
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5563413
Fax: 5798083

MANZAR ALI NAQVI
Manager

FAISALABAD BRANCH - II

IRSHAD FARRUKH BHATTI
Circle Chief, Faisalabad Circle

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8721256, 8734176
Fax: 8732499

ASIF AKRAM
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RANA SAGHIR
Branch Manager

Chartered Bank Chambers
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SAHIWAL

SALEEM TAHIR
Acting Incharge

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4466044
Fax: 4224344

MULTAN

GHULAM ALI
Acting Incharge

Atlas Honda Building
Azmat Wasti Road, Multan.

4544494

SIALKOT

REHAN NAZIR GHUMAN
Branch Manager

Office No.7, 1st Floor, Mughal Plaza,
Kutchery Road, Sialkot.

4264195, 4594520
Fax: 4290095

GUJRANWALA

AMJAD RAFIQ DHILLO
Branch Manager

2nd Floor, Al-Azhar Plaza,
G. T. Road, Gujranwala.

3847118
Fax: 3847074

SOUTH ZONE OFFICE

Ground Floor, Federation House,
Abdullah Shah Ghazi Road,
Main Clifton, Karachi.

PABX:

35378806-7
35369394-6
Fax: 35378515

ARSHAD P. RANA
Chief Executive Officer

Direct:
Extension:

35378757
201

MUHAMMAD IMRAN
Asst. Vice President Claims & U/W

Extension:

217

JAWAID IRSHAD
Manager Motor

Extension:

215

MUHAMMAD AFZAL
Company Secretary

Extension:

202

SOUTH ZONE BRANCHES

KARACHI

ABDUL AZIZ Chief Manager	Corporate Branch 1/10, Arkey Square, 1st Floor, Shahrah-e-Liaquat, Karachi	32421030, 32422911 Fax: 32421387
M. FAROOQ KANDLAWALA Circle Chief, Karachi Circle - I	Tower Branch State Life Building No. 7 Room No. 101, 1st Floor G. Allana Road, Karachi.	32201471 32316503 Fax: 32315248
IMRAN SATTAR Deputy Chief Manager	Plaza Branch 3/3 Rimpa Plaza M.A. Jinah Road, Karachi.	32729339, 32720852 Fax: 32749004
TARIQ NASIM Chief Manager	New Challi Branch 1st Floor, Room No. 106-107, Rehmani Chamber, Altif Hussain Road, Karachi.	32218286, 32218288 Fax: 32218264
MUHAMMAD SHAHID Branch Manager	Zamzama Branch Kanta Bai Building, 18 - C, Zamzama Commercial Lane No. 1, Phase - V, DHA, Karachi.	35830131, 35835902 Fax: 35835733
HYDERABAD		
ZAFAR AHMAD GHOURI Circle Chief, Hyderabad Circle	Plot No. 466, Mezzanine Floor, Al-Abbas Plaza, Saddar, Hyderabad.	2782659, 2782660 Fax: 2786410
SUKKUR		
ABDUL MAJEED QURESHI Chief Manager	Shalimar Complex, Mezzanine Floor, Minara Road, Sukkur.	5625965 Fax: 5625977

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