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**COMPANY INFORMATION****BOARD OF DIRECTORS**

|                   |                    |
|-------------------|--------------------|
| Chairman          | Yusuf H. Shirazi   |
| Chief Executive   | Arshad P. Rana     |
| Directors         | Ali H. Shirazi     |
|                   | Frahim Ali Khan    |
|                   | Jawaid Iqbal Ahmed |
|                   | Muhammad Faruque   |
|                   | Omar Saeed         |
| Company Secretary | Qudsia Naheed      |

**AUDIT COMMITTEE**

|                        |                       |
|------------------------|-----------------------|
| Chairman               | Omar Saeed            |
| Members                | Frahim Ali Khan       |
|                        | Jawaid Iqbal Ahmed    |
| Secretary              | Qudsia Naheed         |
| 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<br>Muhammad Munir |
| Secretary | Qudsia Naheed                    |

### MANAGEMENT COMMITTEE

|                                    |                     |
|------------------------------------|---------------------|
| Chief Executive                    | Arshad P. Rana      |
| Chief Financial Officer            | Muhammad Zafar Riaz |
| Senior Vice President (Operations) | Muhammad Munir      |
| Company Secretary                  | Qudsia Naheed       |

**Auditors** A. F. Ferguson & Co.  
Chartered Accountants

**Legal Advisors** Mohsin Tayebaly & Co.  
Ch. Maqsood Advocate  
Agha Faisal Barrister at Law

**Tax Advisor** Ford Rhodes Sidat Hyder & Co.  
Chartered Accountants

**Bankers** Allied Bank Ltd.  
Atlas Bank Ltd.  
Bank Alfalah Ltd.  
Habib Bank Ltd.  
MCB Bank Ltd.  
National Bank of Pakistan  
Standard Chartered Bank  
United Bank Ltd.

**Registered & Head Office** 3-Bank Square,  
Shahrah-e-Quaid-e-Azam, Lahore.  
Telephone: (92-42) 7320542-43, 7322271,73  
Fax: (92-42) 7234742  
Email: info@atlasinsurance.com.pk  
Website: www.atlasinsurance.com.pk

## **CHAIRMAN'S REVIEW**

It is my pleasure to present the financial statements of your company for the half year ended June 30, 2007.

### **The Economy**

The Economy witnessed robust growth during 2006-07. The GDP growth accelerated to 7.0 percent in 2006-07 as against the revised estimates of 6.6 percent last year and 7.0 percent target for the year. The acceleration in growth during 2006-07 was driven by the continued momentum in the agriculture, manufacturing and services sectors.

Agriculture registered a sharp recovery with a growth of 5.0 percent, on the back of highest ever production of wheat and impressive increase in sugarcane production. The key driver was the timely winter rains in the rabbi season and higher availability of agriculture credit.

The overall industrial production continued its growth momentum during the year under review. Overall manufacturing recorded an impressive and broad based growth of 8.45 percent, against last year's growth of 9.9 percent. The robust performance of the industrial sector was largely led by higher levels of liquidity in the banking system, stable exchange rate, low inflation and stronger domestic demand, which was partially offset by the unprecedented rise in metal and oil prices.

During 2006-07, the growth in the service sector was 8.0 percent as compared to last corresponding period of 9.6 percent. The service sector continued to be the key driver of economic activity in the country, contributing nearly three-fifth of the real GDP growth of 7.0 percent. The sub sectors of banking and insurance witnessed particularly strong growth.

Pakistan economy has exhibited a higher trend of inflation during the last three years. A sustained level of high economic growth over the year has increased the levels of income which has resulted in a surge in domestic demand. The pass through effect of the unprecedented increase in international oil and food prices is forcing the upward inflationary pressure.

A strong private sector development strategy is needed to enhance the competitiveness of the private sector. The strategy should focus on enforcing regulatory measures, removing irritants to the private sector growth and improving the country's physical & social infrastructure.

### **The Company Results**

The Company performed well during the period under review. The gross premium at Rs.417.48m against Rs.349.09m of the previous year for the same period up, 19.59%. The net premium increased to Rs.220.27m against Rs.157.26m of the same period last year, up 40.07%. The underwriting profit posted at Rs.71.07m against Rs.79.61m of the last year reflecting decline of 10.73% while profit before tax stood at Rs.154.23m against Rs.161.96m of same period last year portraying reduction of 4.77%.

The decline in underwriting profit leading to decrease in Net Profit is mainly due to increase in motor claim ratio to 48.39% against 39.50% of the last year for the same period besides change in portfolio mix. However, the management of your company is well aware of the fact and is taking appropriate measures to minimize the losses. The management is confident that by the year end the underwriting results will be improved by continuing review and further analysis of underwriting policies and moving towards introduction of some new lines of products.

The Investment income rose to Rs.95.31m against Rs.86.60m of the last year. The value of short term placements, bank deposits and investments stood at Rs.858.91m against Rs.639.53m of the last year end. The market value of investment registered at Rs.778.86m against Rs.721.82m of the last year end.

After tax provision of Rs.24.93m, the profit after tax stood at Rs.129.31m against Rs.132.15m of the last year for the same period.

## Future Outlook

Pakistan's economic and financial position has strengthened considerably in recent years due to rapid economic progress and achievement of economic growth at average of over 7.5%. During the last four years Pakistan continues to maintain its position as one of the fastest growing in the Asian economies. The major contribution towards achievement of the GDP growth of 7% during the current financial year was due to good performance of service sector specially banking, insurance, besides agriculture sector.

Keeping in view the growing trade activities, increased industrialization, and relatively growing awareness of insurance products, it is expected that insurance sector will be one of the fastest growing sector in our country.

The market for insurance sector is conducive and I am confident that your management is well equipped to seize the opportunities and increase market share of your company.

ع نیا زمانہ نئے صبح و شام پیدا کر

(let us continue to add value to the mother earth day in day out)

## Acknowledgment

I would like to thank the Board of Directors, the Group President, Mr. Aamir H. Shirazi, the Group Director, Mr. Frahim Ali Khan, 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 Unaudited Accounts reviewed by the auditors and the Auditor's Report for the period ended June 30, 2007.

| <u>June 30,</u><br>2007 | <u>June 30,</u><br>2006 |
|-------------------------|-------------------------|
|-------------------------|-------------------------|

(Rupees in thousand)

### The overall business figures are:

|                             |         |         |
|-----------------------------|---------|---------|
| Net premium                 | 220,267 | 157,257 |
| Net claims                  | 102,130 | 48,471  |
| Investment and other income | 96,249  | 87,928  |
| Net commission              | 13,094  | 18,440  |
| Expenses of management      | 60,159  | 47,617  |

### Financial results are as follows:

|                              |         |         |
|------------------------------|---------|---------|
| Profit before tax            | 154,233 | 161,959 |
| Less: Provision for taxation | 24,926  | 29,805  |
| Profit after tax             | 129,307 | 132,154 |

### 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 24, 2007

## **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, 2007 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, 2007 and 2006 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2007.

### **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 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 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, 2007 is not prepared, in all material respects, in accordance with the Insurance Ordinance, 2000 and approved accounting standards as applicable in Pakistan.

Lahore: August 24, 2007



**A.F. FERGUSON & CO.**  
Chartered Accountants

**CONDENSED INTERIM  
AS AT**

|   | Note | June 30,<br>2007<br>(Rupees in thousand) | December 31,<br>2006<br>(Rupees in thousand) |
|---|------|--|--|
| <b>Share capital and reserves</b>   |      |  |  |
| Authorised share capital<br>50,000,000 (2006: 50,000,000) ordinary shares of Rs.10 each               |      | 500,000                                  | 500,000                                      |
| Issued, subscribed and paid up capital<br>20,649,791 (2006: 15,884,455) ordinary shares of Rs.10 each |      | 206,497                                  | 158,844                                      |
| Retained earnings   |      | 130,053                                  | 301,590                                      |
| Reserves  |      | 353,064                                  | 211,064                                      |
|   |      | 689,614                                  | 671,498                                      |
| <b>Underwriting provisions</b>  |      |  |  |
| Provision for outstanding claims (including IBNR)   |      | 180,225                                  | 116,712                                      |
| Provision for unearned premium  |      | 330,574                                  | 241,327                                      |
| Commission income unearned  |      | 30,126                                   | 17,714                                       |
|   |      | 540,925                                  | 375,753                                      |
| Deferred tax liability  |      | 2,489                                    | 2,061  |
| <b>Creditors and accruals</b>   |      |  |  |
| Premium received in advance   |      | 4,241                                    | 552  |
| Amounts due to other insurers/reinsurers  |      | 106,389                                  | 84,486                                       |
| Accrued expenses  |      | 13,928                                   | 16,780                                       |
| Taxation - provision less payments  |      | 14,672                                   | 19,304                                       |
| Other creditors and accruals  |      | 15,159                                   | 11,991                                       |
|   |      | 154,389                                  | 133,113                                      |
| <b>Other liabilities</b>  |      |  |  |
| Deposits against performance bonds  |      | 1,391                                    | 1,391  |
| Unclaimed dividends   |      | 7,393                                    | 7,530  |
| Liabilities against assets subject to finance lease   |      | 68                                       | 129  |
|   |      | 8,852                                    | 9,050  |
| Contingencies and commitments   | 4    |  |  |
|   |      | 1,396,269                                | 1,191,475                                    |

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

**BALANCE SHEET (UNAUDITED)  
JUNE 30, 2007**

|   | Note | June 30,<br>2007<br>(Rupees in thousand) | December 31,<br>2006<br>(Rupees in thousand) |
|---|------|--|--|
| <b>Cash and Bank Deposits</b>                     |      |  |  |
| Cash and other equivalents                        |      | 200                                      | 12   |
| Current and other accounts                        |      | 73,614                                   | 75,561                                       |
|   |      | 73,814                                   | 75,573                                       |
| Loans to employees - secured considered good      |      | 884                                      | 969  |
| Investments                                       | 5    | 574,953                                  | 674,805                                      |
| <b>Other assets</b>                               |      |  |  |
| Premiums due but unpaid - unsecured               |      | 157,333                                  | 94,405                                       |
| Amounts due from other insurers/reinsurers        |      | 60,200                                   | 42,814                                       |
| Salvage recoveries accrued                        |      | 13,685                                   | 6,300  |
| Accrued investment income                         |      | 2,811                                    | 2,542  |
| Reinsurance recoveries against outstanding claims |      | 129,991                                  | 77,535                                       |
| Commission expense deferred                       |      | 14,276                                   | 12,366                                       |
| Prepayments                                       |      | 120,933                                  | 86,986                                       |
| Sundry receivables                                |      | 219,167                                  | 95,246                                       |
|   |      | 718,396                                  | 418,194                                      |
| <b>Fixed assets</b>                               |      |  |  |
| <b>Tangible</b>                                   |      |  |  |
|   | 6    |  |  |
| Land and buildings                                |      | 4,640                                    | 4,730  |
| Furniture, fixtures and office equipment          |      | 5,606                                    | 4,649  |
| Motor vehicles - owned                            |      | 15,837                                   | 9,032  |
| Motor vehicles - leased                           |      | 173                                      | (234)  |
|   |      | 26,256                                   | 18,177                                       |
| Capital work in progress                          |      | 250                                      | 1,471  |
| <b>Intangible</b>                                 |      |  |  |
| Computer software                                 |      | 1,716                                    | 2,286  |
|   |      | 1,396,269                                | 1,191,475                                    |



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, 2007

| Quarter ended June 30, 2007             |                   |                                |                |                                |             |                      | Quarter ended June 30, 2007 | Quarter ended June 30, 2006 |
|---|-------------------|--------------------------------|----------------|--------------------------------|-------------|----------------------|-----------------------------|-----------------------------|
| Note                                    | Fire and property | Marine, aviation and transport | Motor          | others including miscellaneous | Treaty      | (Rupees in thousand) |                             |                             |
| <b>Revenue account</b>                  |                   |                                |                |                                |             |                      |                             |                             |
|   | 9,797             | 41,098                         | 67,802         | 2,664                          | 19          | 121,380              | 91,034                      |                             |
|   | (3,367)           | (2,636)                        | (50,782)       | (533)                          | (41)        | (57,359)             | (28,370)                    |                             |
|   | (2,593)           | (10,579)                       | (16,733)       | (694)                          | -           | (30,599)             | (27,057)                    |                             |
|   | 5,730             | 3,863                          | (3,073)        | 610                            | (38)        | 7,092                | 8,951                       |                             |
| <b>Underwriting result</b>              | <u>9,567</u>      | <u>31,746</u>                  | <u>(2,786)</u> | <u>2,047</u>                   | <u>(60)</u> | <u>40,514</u>        | <u>44,558</u>               |                             |
| Investment income                       |                   |                                |                |                                |             | 34,352               | 8,203                       |                             |
| Rental income                           |                   |                                |                |                                |             | 423                  | 219                         |                             |
| Other income                            |                   |                                |                |                                |             | 225                  | 3,068                       |                             |
| Financial charges                       |                   |                                |                |                                |             | (246)                | (338)                       |                             |
| General and administration expenses     |                   |                                |                |                                |             | (9,330)              | (2,781)                     |                             |
|   |                   |                                |                |                                |             | 25,424               | 8,371                       |                             |
| Profit before taxation                  |                   |                                |                |                                |             | 65,938               | 52,929                      |                             |
| Provision for taxation                  |                   |                                |                |                                |             | (12,607)             | (15,844)                    |                             |
| Profit after taxation                   |                   |                                |                |                                |             | 53,331               | 37,085                      |                             |
| <b>Basic earning per share - Rupees</b> |                   |                                |                |                                |             | <u>2.58</u>          | <u>1.80</u>                 |                             |

| Half Year ended June 30, 2007                                   |                   |                                |              |                                |             |                      | Half year ended June 30, 2007 | Half year ended June 30, 2006 |
|---|-------------------|--------------------------------|--------------|--------------------------------|-------------|----------------------|-------------------------------|-------------------------------|
| Note  | Fire and property | Marine, aviation and transport | Motor        | others including miscellaneous | Treaty      | (Rupees in thousand) |                               |                               |
| <b>Revenue account</b>  |                   |                                |              |                                |             |                      |                               |                               |
|   | 17,674            | 65,395                         | 131,575      | 5,604                          | 19          | 220,267              | 157,257                       |                               |
|   | (3,748)           | (7,699)                        | (90,009)     | (633)                          | (41)        | (102,130)            | (48,471)                      |                               |
|   | (4,976)           | (17,850)                       | (35,777)     | (1,556)                        | -           | (60,159)             | (47,617)                      |                               |
|   | 10,752            | 7,166                          | (6,006)      | 1,220                          | (38)        | 13,094               | 18,440                        |                               |
| <b>Underwriting result</b>                                      | <u>19,702</u>     | <u>47,012</u>                  | <u>(217)</u> | <u>4,635</u>                   | <u>(60)</u> | <u>71,072</u>        | <u>79,609</u>                 |                               |
| Investment income   |                   |                                |              |                                |             | 95,309               | 86,601                        |                               |
| Rental income   |                   |                                |              |                                |             | 685                  | 437                           |                               |
| Other income  |                   |                                |              |                                |             | 255                  | 890                           |                               |
| Financial charges   |                   |                                |              |                                |             | (321)                | (427)                         |                               |
| General and administration expenses                             |                   |                                |              |                                |             | (12,767)             | (5,151)                       |                               |
|   |                   |                                |              |                                |             | 83,161               | 82,350                        |                               |
| Profit before taxation  |                   |                                |              |                                |             | 154,233              | 161,959                       |                               |
| Provision for taxation  | 7                 |                                |              |                                |             | (24,926)             | (29,805)                      |                               |
| Profit after taxation   |                   |                                |              |                                |             | 129,307              | 132,154                       |                               |
| <b>Profit and loss appropriation account</b>                    |                   |                                |              |                                |             |                      |                               |                               |
| <b>Balance at commencement of the year</b>                      |                   |                                |              |                                |             | 301,590              | 255,059                       |                               |
| Profit after taxation for the half year                         |                   |                                |              |                                |             | 129,307              | 132,154                       |                               |
| Final dividend for 2006 @ Rs.7 per share (2006: Rs.7 per share) |                   |                                |              |                                |             | (111,191)            | (85,532)                      |                               |
| Transfer to general reserve                                     |                   |                                |              |                                |             | (142,000)            | (132,000)                     |                               |
| Transfer to reserve for issue of bonus shares                   |                   |                                |              |                                |             | (47,653)             | (36,656)                      |                               |
| <b>Balance unappropriated profit at the end of the period</b>   |                   |                                |              |                                |             | <u>130,053</u>       | <u>133,025</u>                |                               |
| <b>Basic earning per share - Rupees</b>                         |                   |                                |              |                                |             | <u>6.30</u>          | <u>6.44</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, 2007

|  | Note | June 30,<br>2007     | June 30,<br>2006 |
|--|------|----------------------|------------------|
|  |      | (Rupees in thousand) |                  |
| <b>Operating cash flows</b>                                    |      |                      |                  |
| <b>Underwriting activities</b>                                 |      |                      |                  |
| Premiums received  |      | 340,188              | 267,364          |
| Reinsurance premiums paid                                      |      | (121,576)            | (139,684)        |
| Claims paid  |      | (132,524)            | (68,661)         |
| Reinsurance and other recoveries received                      |      | 28,208               | 12,624           |
| Commissions paid   |      | (17,776)             | (12,961)         |
| Commissions received   |      | 40,753               | 40,311           |
| Other underwriting payments                                    |      | (266)                | -                |
| Other underwriting receipts                                    |      | 4,454                | 31               |
| <b>Net cash flow from underwriting activities</b>              |      | <b>141,461</b>       | <b>99,024</b>    |
| <b>Other operating activities</b>                              |      |                      |                  |
| Income tax paid  |      | (29,130)             | (14,080)         |
| General and management expenses paid                           |      | (69,794)             | (50,755)         |
| <b>Net cash outflow from other operating activities</b>        |      | <b>(98,924)</b>      | <b>(64,835)</b>  |
| <b>Total cash flow from all operating activities</b>           |      | <b>42,537</b>        | <b>34,189</b>    |
| <b>Investment activities</b>                                   |      |                      |                  |
| Profit/return received   |      | 13,669               | 1,842            |
| Dividends received   |      | 10,479               | 6,726            |
| Rentals received   |      | 379                  | 437              |
| Loan repayments received - net                                 |      | 85                   | 31               |
| Payments for purchase of investments                           |      | (182,733)            | (701,570)        |
| Proceeds from disposal of investments                          |      | 371,462              | 451,564          |
| Short term placements - net                                    |      | (137,138)            | 114,251          |
| Fixed capital expenditure                                      |      | (8,960)              | (2,224)          |
| Proceeds from disposal of fixed assets                         |      | 171                  | 671              |
| <b>Total cash inflow / (outflow) from investing activities</b> |      | <b>67,414</b>        | <b>(128,272)</b> |
| <b>Financing activities</b>                                    |      |                      |                  |
| Dividends paid   |      | (111,328)            | (85,567)         |
| Financial charges paid   |      | (321)                | (427)            |
| Lease rentals paid   |      | (61)                 | (274)            |
| <b>Total cash flow from financing activities</b>               |      | <b>(111,710)</b>     | <b>(86,268)</b>  |
| <b>Net cash outflow from all activities</b>                    |      | <b>(1,759)</b>       | <b>(180,351)</b> |
| <b>Cash at the beginning of the period</b>                     |      | <b>75,573</b>        | <b>185,876</b>   |
| <b>Cash at the end of the period</b>                           | 8    | <b>73,814</b>        | <b>5,525</b>     |

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, 2007

|                                       |                | Q u a r t e r e n d e d             |                          |                | J u n e 3 0 , 2 0 0 7 |                   |                             |               |                     |                             |                             |
|---------------------------------------|----------------|-------------------------------------|--------------------------|----------------|-----------------------|-------------------|-----------------------------|---------------|---------------------|-----------------------------|-----------------------------|
| Business underwritten inside Pakistan |                | Premiums written                    | Unearned premium reserve |                | Premiums earned       | Reinsurance ceded | Prepaid reinsurance Premium |               | Reinsurance expense | Quarter ended June 30, 2007 | Quarter ended June 30, 2006 |
| 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              | 89,700         | 87,107                              | 129,274                  | 47,533         | 59,590                | 74,437            | 96,291                      | 37,736        | 9,797               | 949                         |                             |
| Marine, aviation and transport        | 51,631         | 15,713                              | 19,121                   | 48,223         | 15,215                | 5,507             | 13,597                      | 7,125         | 41,098              | 53,615                      |                             |
| Motor                                 | 86,834         | 149,218                             | 166,612                  | 69,440         | 1,638                 | -                 | -                           | 1,638         | 67,802              | 35,458                      |                             |
| Others including miscellaneous        | 11,936         | 10,070                              | 15,567                   | 6,439          | 8,382                 | 5,905             | 10,512                      | 3,775         | 2,664               | 1,016                       |                             |
| <b>Total</b>                          | <b>240,101</b> | <b>262,108</b>                      | <b>330,574</b>           | <b>171,635</b> | <b>84,825</b>         | <b>85,849</b>     | <b>120,400</b>              | <b>50,274</b> | <b>121,361</b>      | <b>91,038</b>               |                             |
| Treaty                                | 19             | -                                   | -                        | 19             | -                     | -                 | -                           | -             | 19                  | (4)                         |                             |
| <b>Grand total</b>                    | <b>240,120</b> | <b>262,108</b>                      | <b>330,574</b>           | <b>171,654</b> | <b>84,825</b>         | <b>85,849</b>     | <b>120,400</b>              | <b>50,274</b> | <b>121,380</b>      | <b>91,034</b>               |                             |

|                                       |                | H a l f y e a r e n d e d           |                          |                | J u n e 3 0 , 2 0 0 7 |                   |                             |                |                     |                               |                               |
|---------------------------------------|----------------|-------------------------------------|--------------------------|----------------|-----------------------|-------------------|-----------------------------|----------------|---------------------|-------------------------------|-------------------------------|
| Business underwritten inside Pakistan |                | Premiums written                    | Unearned premium reserve |                | Premiums earned       | Reinsurance ceded | Prepaid reinsurance Premium |                | Reinsurance expense | Half year ended June 30, 2007 | Half year ended June 30, 2006 |
| 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              | 133,599        | 87,980                              | 129,274                  | 92,305         | 98,714                | 72,208            | 96,291                      | 74,631         | 17,674              | 2,646                         |                               |
| Marine, aviation and transport        | 95,681         | 11,991                              | 19,121                   | 88,551         | 29,567                | 7,186             | 13,597                      | 23,156         | 65,395              | 88,046                        |                               |
| Motor                                 | 172,646        | 128,817                             | 166,612                  | 134,851        | 3,276                 | -                 | -                           | 3,276          | 131,575             | 64,699                        |                               |
| Others including miscellaneous        | 15,539         | 12,539                              | 15,567                   | 12,511         | 11,683                | 5,736             | 10,512                      | 6,907          | 5,604               | 1,870                         |                               |
| <b>Total</b>                          | <b>417,465</b> | <b>241,327</b>                      | <b>330,574</b>           | <b>328,218</b> | <b>143,240</b>        | <b>85,130</b>     | <b>120,400</b>              | <b>107,970</b> | <b>220,248</b>      | <b>157,261</b>                |                               |
| Treaty                                | 19             | -                                   | -                        | 19             | -                     | -                 | -                           | -              | 19                  | (4)                           |                               |
| <b>Grand total</b>                    | <b>417,484</b> | <b>241,327</b>                      | <b>330,574</b>           | <b>328,237</b> | <b>143,240</b>        | <b>85,130</b>     | <b>120,400</b>              | <b>107,970</b> | <b>220,267</b>      | <b>157,257</b>                |                               |

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, 2007

| 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 7                     |   |                |  | Quarter ended<br>June 30, 2007 | Quarter ended<br>June 30, 2006 |
|---------------------------------------|-------------------------|--------------------|----------------|----------------|---|---|----------------|--|--------------------------------|--------------------------------|
|                                       | 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 |                                |                                |
| Direct and facultative                |                         | Opening            | Closing        |                |   | Opening   | Closing        |  |                                |                                |
|                                       |                         | ( R u p e e s i n  |                |                | t h o u s a n d )                         |   |                |  |                                |                                |
| <b>Class</b>                          |                         |                    |                |                |   |   |                |  |                                |                                |
| Fire and property damage              | 20,480                  | 26,177             | 71,505         | 65,808         | 19,227                                    | 24,234  | 67,448         | 62,441                                   | 3,367                          | 686                            |
| Marine, aviation and transport        | 12,374                  | 55,268             | 56,314         | 13,420         | 9,999                                     | 44,345  | 45,130         | 10,784                                   | 2,636                          | 1,460                          |
| Motor                                 | 54,683                  | 32,762             | 28,748         | 50,669         | (41)                                      | 212   | 140            | (113)                                    | 50,782                         | 25,832                         |
| Others including miscellaneous        | 1,424                   | 17,829             | 19,877         | 3,472          | 1,108                                     | 15,442  | 17,273         | 2,939                                    | 533                            | 193                            |
| <b>Total</b>                          | <b>88,961</b>           | <b>132,036</b>     | <b>176,444</b> | <b>133,369</b> | <b>30,293</b>                             | <b>84,233</b>   | <b>129,991</b> | <b>76,051</b>                            | <b>57,318</b>                  | <b>28,171</b>                  |
| Treaty                                | 41                      | 3,781              | 3,781          | 41             | -   | -   | -              | -  | 41                             | 199                            |
| <b>Grand total</b>                    | <b>89,002</b>           | <b>135,817</b>     | <b>180,225</b> | <b>133,410</b> | <b>30,293</b>                             | <b>84,233</b>   | <b>129,991</b> | <b>76,051</b>                            | <b>57,359</b>                  | <b>28,370</b>                  |

| 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 7                     |   |                |  | Half year ended<br>June 30, 2007 | Half year ended<br>June 30, 2006 |
|---------------------------------------|---------------------------|--------------------|----------------|----------------|---|---|----------------|--|----------------------------------|----------------------------------|
|                                       | 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 |                                  |                                  |
| Direct and facultative                |                           | Opening            | Closing        |                |   | Opening   | Closing        |  |                                  |                                  |
|                                       |                           | ( R u p e e s i n  |                |                | t h o u s a n d )                         |   |                |  |                                  |                                  |
| <b>Class</b>                          |                           |                    |                |                |   |   |                |  |                                  |                                  |
| Fire and property damage              | 24,709                    | 27,865             | 71,505         | 68,349         | 22,953                                    | 25,800  | 67,448         | 64,601                                   | 3,748                            | 919                              |
| Marine, aviation and transport        | 16,726                    | 44,578             | 56,314         | 28,462         | 11,787                                    | 36,154  | 45,130         | 20,763                                   | 7,699                            | 3,618                            |
| Motor                                 | 83,550                    | 22,451             | 28,748         | 89,847         | (90)                                      | 212   | 140            | (162)                                    | 90,009                           | 43,304                           |
| Others including miscellaneous        | 1,922                     | 18,037             | 19,877         | 3,762          | 1,225                                     | 15,369  | 17,273         | 3,129                                    | 633                              | 431                              |
| <b>Total</b>                          | <b>126,907</b>            | <b>112,931</b>     | <b>176,444</b> | <b>190,420</b> | <b>35,875</b>                             | <b>77,535</b>   | <b>129,991</b> | <b>88,331</b>                            | <b>102,089</b>                   | <b>48,272</b>                    |
| Treaty                                | 41                        | 3,781              | 3,781          | 41             | -   | -   | -              | -  | 41                               | 199                              |
| <b>Grand total</b>                    | <b>126,948</b>            | <b>116,712</b>     | <b>180,225</b> | <b>190,461</b> | <b>35,875</b>                             | <b>77,535</b>   | <b>129,991</b> | <b>88,331</b>                            | <b>102,130</b>                   | <b>48,471</b>                    |

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, 2007

|                                | Q u a r t e r e n d e d           |                     |               | J u n e 3 0 , 2 0 0 7         |                                 |                         |                                   | Quarter ended<br>June 30, 2007      | Quarter ended<br>June 30, 2006 |
|--------------------------------|-----------------------------------|---------------------|---------------|-------------------------------|---------------------------------|-------------------------|-----------------------------------|-------------------------------------|--------------------------------|
|                                | Commissions<br>Paid or<br>payable | Deferred commission |               | Net<br>commission<br>expenses | Other<br>management<br>expenses | Underwriting<br>expense | Commissions<br>from<br>reinsurers |                                     |                                |
| Direct and facultative         |                                   | Opening             | Closing       |                               |                                 |                         |                                   | ( R u p e e s i n t h o u s a n d ) |                                |
| Class                          |                                   |                     |               |                               |                                 |                         |                                   |                                     |                                |
| Fire and property damage       | 2,772                             | 5,237               | 5,366         | 2,643                         | 2,593                           | 5,236                   | 8,373                             | (3,137)                             | (4,232)                        |
| Marine, aviation and transport | 1,604                             | 584                 | 635           | 1,553                         | 10,579                          | 12,132                  | 5,416                             | 6,716                               | 10,264                         |
| Motor                          | 3,488                             | 6,739               | 7,154         | 3,073                         | 16,733                          | 19,806                  | -                                 | 19,806                              | 12,245                         |
| Others including miscellaneous | 1,044                             | 382                 | 1,121         | 305                           | 694                             | 999                     | 915                               | 84                                  | (241)                          |
| <b>Total</b>                   | <b>8,908</b>                      | <b>12,942</b>       | <b>14,276</b> | <b>7,574</b>                  | <b>30,599</b>                   | <b>38,173</b>           | <b>14,704</b>                     | <b>23,469</b>                       | <b>18,036</b>                  |
| Treaty                         | 38                                | -                   | -             | 38                            | -                               | 38                      | -                                 | 38                                  | -                              |
| <b>Grand total</b>             | <b>8,946</b>                      | <b>12,942</b>       | <b>14,276</b> | <b>7,612</b>                  | <b>30,599</b>                   | <b>38,211</b>           | <b>14,704</b>                     | <b>23,507</b>                       | <b>18,036</b>                  |

|                                | H a l f y e a r e n d e d         |                     |               | J u n e 3 0 , 2 0 0 7         |                                 |                          |                                   | Half year<br>ended<br>June 30, 2007 | Half year<br>ended<br>June 30, 2006 |
|--------------------------------|-----------------------------------|---------------------|---------------|-------------------------------|---------------------------------|--------------------------|-----------------------------------|-------------------------------------|-------------------------------------|
|                                | Commissions<br>Paid or<br>payable | Deferred commission |               | Net<br>commission<br>expenses | Other<br>management<br>expenses | Underwriting<br>expenses | Commissions<br>from<br>reinsurers |                                     |                                     |
| Direct and facultative         |                                   | Opening             | Closing       |                               |                                 |                          |                                   | ( R u p e e s i n t h o u s a n d ) |                                     |
| Class                          |                                   |                     |               |                               |                                 |                          |                                   |                                     |                                     |
| Fire and property damage       | 5,164                             | 5,585               | 5,366         | 5,383                         | 4,976                           | 10,359                   | 16,135                            | (5,776)                             | (7,258)                             |
| Marine, aviation and transport | 3,413                             | 513                 | 635           | 3,291                         | 17,850                          | 21,141                   | 10,457                            | 10,684                              | 14,060                              |
| Motor                          | 7,253                             | 5,907               | 7,154         | 6,006                         | 35,777                          | 41,783                   | -                                 | 41,783                              | 22,743                              |
| Others including miscellaneous | 1,289                             | 361                 | 1,121         | 529                           | 1,556                           | 2,085                    | 1,749                             | 336                                 | (438)                               |
| <b>Total</b>                   | <b>17,119</b>                     | <b>12,366</b>       | <b>14,276</b> | <b>15,209</b>                 | <b>60,159</b>                   | <b>75,368</b>            | <b>28,341</b>                     | <b>47,027</b>                       | <b>29,107</b>                       |
| Treaty                         | 38                                | -                   | -             | 38                            | -                               | 38                       | -                                 | 38                                  | 70                                  |
| <b>Grand total</b>             | <b>17,157</b>                     | <b>12,366</b>       | <b>14,276</b> | <b>15,247</b>                 | <b>60,159</b>                   | <b>75,406</b>            | <b>28,341</b>                     | <b>47,065</b>                       | <b>29,177</b>                       |

**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, 2007

|  | Half year<br>ended<br>June 30,<br>2007 | Half year<br>ended<br>June 30,<br>2006 | Quarter<br>ended<br>June 30,<br>2007 | Quarter<br>ended<br>June 30,<br>2006 |
|--|--|--|--------------------------------------|--------------------------------------|
|--|--|--|--------------------------------------|--------------------------------------|

( Rupees in thousand )

**Income from non-trading investments**

| <b>Held to maturity</b>                                       |               |               |               |              |
|---|---------------|---------------|---------------|--------------|
| Return on fixed income securities and bank and other deposits | 2,350         | 1,060         | 1,335         | 280          |
| <b>Available for sale</b>                                     |               |               |               |              |
| Dividend income   | 10,748        | 9,270         | 2,676         | 3,138        |
| Income on reverse repo transactions                           | 11,056        | 10,743        | 5,522         | 3,140        |
| Gain on sale of non-trading investments                       | 73,440        | 68,361        | 25,785        | 1,645        |
| Less: Investment related expenses                             | (2,285)       | (2,833)       | (966)         | -            |
| <b>Net investment income</b>                                  | <b>95,309</b> | <b>86,601</b> | <b>34,352</b> | <b>8,203</b> |

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, 2007

|                                      | Share<br>capital      | Capital<br>reserve  | Reserve for<br>exceptional<br>losses | Reserve<br>for issue of<br>bonus shares | General<br>reserve    | Investment<br>fluctuation<br>reserve | Retained<br>earnings  | Total                 |
|--------------------------------------|-----------------------|---------------------|--------------------------------------|---|-----------------------|--------------------------------------|-----------------------|-----------------------|
| ( Rupees in thousand )               |                       |                     |                                      |   |                       |                                      |                       |                       |
| Balance as at January 1, 2006        | 122,188               | 2,251               | 2,164                                | -                                       | 71,649                | 3,000                                | 255,059               | 456,311               |
| Final dividend @ Rs 7 per share      | -                     | -                   | -                                    | -                                       | -                     | -                                    | (85,532)              | (85,532)              |
| Transfer to general reserve          | -                     | -                   | -                                    | -                                       | 132,000               | -                                    | (132,000)             | -                     |
| Transfer to reserve for bonus shares | -                     | -                   | -                                    | 36,656                                  | -                     | -                                    | (36,656)              | -                     |
| Issue of bonus shares                | 36,656                | -                   | -                                    | (36,656)                                | -                     | -                                    | -                     | -                     |
| Net profit for the half year         | -                     | -                   | -                                    | -                                       | -                     | -                                    | 132,154               | 132,154               |
| Balance as at June 30, 2006          | <u>158,844</u>        | <u>2,251</u>        | <u>2,164</u>                         | <u>-</u>                                | <u>203,649</u>        | <u>3,000</u>                         | <u>133,025</u>        | <u>502,933</u>        |
| Net profit for the half year         | -                     | -                   | -                                    | -                                       | -                     | -                                    | 168,565               | 168,565               |
| Balance as at January 1, 2007        | <u>158,844</u>        | <u>2,251</u>        | <u>2,164</u>                         | <u>-</u>                                | <u>203,649</u>        | <u>3,000</u>                         | <u>301,590</u>        | <u>671,498</u>        |
| 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          | <u><u>206,497</u></u> | <u><u>2,251</u></u> | <u><u>2,164</u></u>                  | <u><u>-</u></u>                         | <u><u>345,649</u></u> | <u><u>3,000</u></u>                  | <u><u>130,053</u></u> | <u><u>689,614</u></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

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**  
FOR THE HALF YEAR ENDED JUNE 30, 2007

**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.

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, 2006.

**4. Contingencies and commitments**

**4.1 Contingencies**

Nil (2006: Nil)

**4.2 Commitments**

Commitments for capital expenditure amount to Rs. 5.58 million (2006: Nil)

**5. INVESTMENTS**

|   | <u>June 30,</u><br>2007 | <u>December 31,</u><br>2006 |
|---|-------------------------|-----------------------------|
|   | (Rupees in thousand)    |                             |
| <b>Held to maturity</b>                                   |                         |                             |
| Term finance certificates                                 | 6,965                   | 7,335                       |
| <b>Available for sale</b>                                 |                         |                             |
| Mutual funds  | 77,525                  | 77,525                      |
| Quoted shares   | 490,463                 | 589,945                     |
| Unquoted shares   | 500                     | 500                         |
|   | <u>568,488</u>          | <u>667,970</u>              |
|   | <u>575,453</u>          | <u>675,305</u>              |
| Less: Provision for diminution in the value of shares     | (500)                   | (500)                       |
|   | <u>574,953</u>          | <u>674,805</u>              |
| Aggregate market value of investments as on June 30, 2007 | <u>778,857</u>          | <u>721,820</u>              |



|  | June 30,<br>2007     | December 31,<br>2006 |
|--|----------------------|----------------------|
|  | (Rupees in thousand) |                      |
| <b>6. Fixed assets</b>                           |                      |                      |
| Opening book value                               | 18,177               | 15,626               |
| Add: Additions during the period                 | 10,180               | 7,786                |
|  | 28,357               | 23,412               |
| Less: Disposal during the period (at book value) | 179                  | 2,088                |
| Depreciation charged during the period           | 1,922                | 3,147                |
|  | 2,101                | 5,235                |
|  | 26,256               | 18,177               |

|                                  | June 30,<br>2007     | June 30,<br>2006 |
|----------------------------------|----------------------|------------------|
|                                  | (Rupees in thousand) |                  |
| <b>7. Provision for taxation</b> |                      |                  |
| Current - for the period         | 24,498               | 29,800           |
| Deferred - for the period        | 428                  | 5                |
|                                  | 24,926               | 29,805           |
|                                  |                      |                  |

Provision for taxation has been made on an estimated basis.

|  |        |       |
|--|--------|-------|
| <b>8. Cash at the end of the period</b>                |        |       |
| For the purposes of cash flow statement cash includes: |        |       |
| Cash and other equivalents                             | 200    | 108   |
| Current and other accounts                             | 73,614 | 5,417 |
|  | 73,814 | 5,525 |
|  |        |       |

### 8.1 Reconciliation to profit and loss account

|   |          |          |
|---|----------|----------|
| Operating cash flows                                    | 42,537   | 34,189   |
| Depreciation expense                                    | (1,922)  | (1,465)  |
| Financial charges                                       | (321)    | (427)    |
| Increase in assets other than cash                      | 143,335  | 77,146   |
| (Increase) in liabilities other than borrowings         | (85,522) | (3,033)  |
| Others  |          |          |
| - (Increase) in provision for unearned premium          | (53,977) | (53,344) |
| - (Increase) in commission income unearned              | (12,412) | (11,040) |
| - Investment income                                     | 95,309   | 86,601   |
| - Rental and other income                               | 940      | 1,327    |
| - Increase in provision for Commission expense deferred | 1,910    | 2,200    |
| - Amortization expense                                  | (570)    | -        |
|   | 129,307  | 132,154  |
|   |          |          |

## 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 :

|                                       | June 30,<br>2007     | June 30,<br>2006 |
|---------------------------------------|----------------------|------------------|
|                                       | (Rupees in thousand) |                  |
| Premium underwritten                  | 205,191              | 209,515          |
| Premium collected                     | 142,897              | 146,697          |
| Claims paid                           | 22,748               | 15,972           |
| Lease rentals                         | 64                   | 292              |
| Vehicles purchased                    | 7,170                | 918              |
| Rent received                         | 410                  | 207              |
| Interest received                     | 1,915                | 1,250            |
| Fee received                          | 3,403                | 4,722            |
| Brokerage paid for purchase of shares | 1,216                | 4,510            |
| Brokerage paid for sale of shares     | 4,138                | 4,297            |
| Donations                             | 5,467                | -                |

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 24, 2007 by the Board of Directors of the company.

## 11. General

Corresponding figures have been rearranged, 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. 8.32 and Rs. 2.33 for the half year and quarter ended June 30, 2006 respectively.



Arshad P. Rana  
Chief Executive



Muhammad Faruque  
Director



Omar Saeed  
Director



Yusuf H. Shirazi  
Chairman

## COMPANY OFFICES

### HEAD OFFICE

|  |                       |   |
|--|-----------------------|---|
| 3 Bank Square<br>Shahrah-e-Quaid-e-Azam, Lahore.     | PABX:<br>Fax:         | 7320542, 7320543<br>7322271, 7322273<br>7234742 |
| ARSHAD P. RANA<br>Chief Executive Officer            | Direct:<br>Extension: | 7234812, 7310658<br>301                         |
| MUHAMMAD ZAFAR RIAZ<br>Chief Financial Officer       | Direct:<br>Extension: | 7234757<br>307                                  |
| MUHAMMAD MUNIR<br>Senior Vice President (Operations) | Direct:<br>Extension: | 7314241<br>309                                  |
| QUDSIA NAHEED<br>Company Secretary                   | Direct:<br>Extension: | 7245348<br>325                                  |
| SALEEM MEHMOOD<br>Chief Internal Auditor             | Extension:            | 302   |

### NORTH ZONE OFFICES & BRANCHES

#### LAHORE

|  |   |  |
|--|---|--|
| AZHAR M. PIRACHA<br>Vice President                 | City Branch<br>3 - Bank Square,<br>Shahrah-e-Quaid-e-Azam,<br>Lahore.                         | 7230558-59<br>7212365-6, 7312858,<br>7312868<br>Fax: 7212367 |
| MUHAMMAD MUNIR QAZI<br>Chief Manager               | Fatima Jinnah Road Branch<br>1st Floor, Nawa-i-Waqat Building,<br>Fatima Jinnah Road, Lahore. | 6271320, 6364906<br>Fax: 6371186                             |
| KHALID MAHMOOD<br>MUHAMMAD IJAZ<br>Branch Managers | Al-Noor Branch<br>Alnoor Building, 43-Bank Square<br>Shahrah-e-Quaid-e-Azam, Lahore.          | 7358805<br>Fax: 7237343                                      |
| KH. MUHAMMAD NADEEM<br>Branch Manager              | Napier Road Branch<br>Nairobi Mansion<br>Napier Road, Lahore.                                 | 7352560<br>Fax: 7358190                                      |
| ZAFAR HUSSAIN JAMAL<br>Branch Manager              | Mall Road Branch<br>Hafeez Chambers,<br>85- Shahrah-e-Quaid-e-Azam,<br>Lahore.                | 6305595<br>Fax: 6369576                                      |

#### RAWALPINDI

|                                |  |                         |
|--------------------------------|--|-------------------------|
| MAHMOOD AHMED<br>Chief Manager | 101/13, Bank Road,<br>Grand Hotel Building,<br>P.O. Box 119, Rawalpindi. | 5563413<br>Fax: 5798083 |
| MANZAR ALI NAQVI<br>Manager    | 101/13, Bank Road,<br>Grand Hotel Building,<br>P.O. Box 119, Rawalpindi. | 5563413<br>Fax: 5798083 |

#### FAISALABAD BRANCH - II

|   |  |                                  |
|---|--|----------------------------------|
| IRSHAD FARRUKH BHATTI<br>Vice President | 123-B, People's Colony No. 1,<br>D - Ground, Faisalabad. | 8721256, 8734176<br>Fax: 8732499 |
|---|--|----------------------------------|

#### FAISALABAD BRANCH - I

|                               |  |                         |
|-------------------------------|--|-------------------------|
| RANA SAGHIR<br>Branch Manager | Chartered Bank Chambers<br>Railway Road, Faisalabad. | 2647194<br>Fax: 2635080 |
|-------------------------------|--|-------------------------|

#### SAHIWAL

|                                       |                            |                         |
|---------------------------------------|----------------------------|-------------------------|
| HABIB-UR-REHMAN CH.<br>Branch Manager | 147-Railway Road, Sahiwal. | 4466044<br>Fax: 4224344 |
|---------------------------------------|----------------------------|-------------------------|

**MULTAN**

|                               |   |         |
|-------------------------------|---|---------|
| Ghulam Ali<br>Acting Incharge | Atlas Honda Building<br>Azmat Wasti Road, Multan. | 4544494 |
|-------------------------------|---|---------|

**SIALKOT**

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

**GUJRANWALA**

|                                 |   |                         |
|---------------------------------|---|-------------------------|
| Tahir Hussain<br>Branch Manager | 2nd Floor, Al-Azhar Plaza,<br>G. T. Road, Gujranwala. | 3847118<br>Fax: 3847074 |
|---------------------------------|---|-------------------------|

**ISLAMABAD**

|                               |   |
|-------------------------------|---|
| NASIR SAEED<br>Branch Manager | Office# 2 & 3, 3rd Floor,<br>MBCIT Mall Plaza,<br>I-8 Markaz, Islamabad |
|-------------------------------|---|

**SOUTH ZONE OFFICE**

|   |       |                      |
|---|-------|----------------------|
| Ground Floor, Federation House,<br>Shahrah-e-Firdousi, Main Clifton,<br>Karachi | PABX: | 5378806-7            |
|   | Fax:  | 5369394-6<br>5378515 |

|   |         |         |
|---|---------|---------|
| ARSHAD P. RANA<br>Chief Executive Officer | Direct: | 5378757 |
|---|---------|---------|

|                                       |            |     |
|---------------------------------------|------------|-----|
| JAWAID IRSHAD<br>Manager Motor Claims | Extension: | 215 |
|---------------------------------------|------------|-----|

|   |            |     |
|---|------------|-----|
| MUHAMMAD IMRAN<br>AVP Claims & Underwriting | Extension: | 217 |
|---|------------|-----|

**SOUTH ZONE BRANCHES**
**KARACHI**

|  |  |                                  |
|--|--|----------------------------------|
| ABDUL AZIZ<br>Assistant Vice President | Corporate Branch<br>1/10, Arkey Square, 1st Floor,<br>Shahrah-e-Liaquat, Karachi | 2421030, 2422911<br>Fax: 2421387 |
|--|--|----------------------------------|

|  |  |   |
|--|--|---|
| M. FAROOQ KANDLAWALA<br>Assistant Vice President | Tower Branch<br>State Life Building No. 7<br>Room No. 101, 1st Floor<br>G. Allana Road, Karachi. | 2201471<br>2316503, 2315248<br>Fax: 2315248 |
|--|--|---|

|                                |  |                         |
|--------------------------------|--|-------------------------|
| IMRAN SATTAR<br>Branch Manager | Plaza Branch<br>3/3 Rimpia Plaza<br>M.A. Jinah Road,<br>Karachi. | 2729339<br>Fax: 2720858 |
|--------------------------------|--|-------------------------|

|                              |   |                                  |
|------------------------------|---|----------------------------------|
| TARIQ NASIM<br>Chief Manager | New Challi Branch<br>1st Floor, Room# 106-107,<br>Rehmani Chamber,<br>Altaf Hussain Road,<br>Karachi. | 2218286, 2218288<br>Fax: 2610280 |
|------------------------------|---|----------------------------------|

**HYDERABAD**

|  |  |                                  |
|--|--|----------------------------------|
| ZAFAR AHMAD GHOURI<br>Assistant Vice President | Akbar Chambers, Saddar,<br>P.O. Box: 284, Hyderabad. | 2782659, 2782660<br>Fax: 2786410 |
|--|--|----------------------------------|

**SUKKUR**

|  |   |                         |
|--|---|-------------------------|
| ABDUL MAJEED QURESHI<br>Assistant Vice President | Mezannine Floor,<br>Shalimar Complex,<br>Minara Road, Sukkur. | 5625965<br>Fax: 5625977 |
|--|---|-------------------------|