

**QUARTERLY
REPORT**
September 30, 2007



CONTENTS

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

COMPANY INFORMATION**BOARD OF DIRECTORS**

Chairman	Yusuf H. Shirazi
Chief Executive	Arshad P. Rana
Directors	Ali H. Shirazi
	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 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
--------------------	--

Registrar and Share Transfer Office	Hameed Majeed Associates (Pvt) Ltd. H. M. House, 7 - Bank Square Shahrah-e-Quaid-e-Azam, Lahore Telephone: (92-42) 7235081-82 Fax: (92-42) 7358817
--	--

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, 7310658 Fax: (92-42) 7234742 Email: info@atlasinsurance.com.pk Website: www.atlasinsurance.com.pk
-------------------------------------	---

CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited accounts of your company for the period ended September 30, 2007.

The Economy

Economic progress during the first quarter of the year remained stable despite increased political and other related activities in the country. Exports and Imports during the first quarter of the year increased to \$4.46bn and \$8.06bn respectively against \$4.25bn and \$7.42bn of the last year for the same period leading to the trade deficit of \$3.6bn against \$3.17bn of last year. Inflation for the first two months was at 6.4% compared to 8.3% during the corresponding period of last year. Foreign exchange reserves reached to \$16.34bn on Oct 14, 2007 from \$15.6bn at the start of the current year. Total foreign direct investment during the first two months of the fiscal year surged 22% to \$460m. At the same time, remittances increased 22% to \$1.501bn during first quarter of the year against \$1.23bn over same period last year.

The Company Results

The Company performed quite well during the period under review. The gross premium at Rs.594.54m against Rs.520.53m of the previous year for the same period was up, 14.22%. The net premium increased to Rs.330.35m against Rs.242.27m of the same period last year, up 36.36%. The underwriting profit posted Rs.107.07m against Rs.114.23m of the corresponding period last year reflecting a decline of 6.27% mainly due to increase in claims and change in portfolio mix of the company. The management is well aware of the fact and taking measures to overcome the increase in claim through appropriate controls over underwriting policies. The management is confident that by the year end the underwriting results will improve.

On the other hand, the investment income rose to Rs.134.67m against Rs.114.76m of the last year for the same period. The value of short term placements, bank deposits and investments stood at Rs.860.28m against Rs.823.38m of the last year end. The market value of investment was at Rs.944.01m against Rs.809.13m of the end last year.

The profit before tax stood at Rs.224.19m against Rs.222.69m of the same period last year. After tax provision of Rs.40.39m, the profit after tax stood at Rs.183.80m against Rs.177.60m of the last year for the same period.

Future Outlook

The stock market is attaining new heights with new record touching KSE Index at 14787 on October 19, 2007. Inflow of the foreign investment is helping to further strengthen the economic activities in the country. It is expected that Pakistan economy will further grow. The financial sector including Insurance industry is contributing positively towards development of the Pakistan economy and the management of your company is well equipped to seize the opportunities and increase market share of the company:

عزیزوں را بکمند آور اے ہمت مردانہ

(Let us continue to look beyond horizons)

Acknowledgment

I would like to thank the Board of Directors for their guidance and support and would like to express appreciation for the dedication, professionalism and sincere efforts of the management team. I would also like to thank the reinsurers, valued clients, banks and SECP for their support, guidance and governance, the financial institutions and customers for their patronage and the shareholders for the trust and confidence they have reposed in your company.



Yusuf H. Shirazi

DIRECTORS' REPORT

The Directors have pleasure in submitting the Quarterly Report of the Company together with the Financial Statements for the period ended September 30, 2007.

	<u>September 30,</u> 2007	<u>September 30,</u> 2006
--	------------------------------	------------------------------

(Rupees in thousand)

The overall Business figures are:

Net premium	330,349	242,276
Net claims	152,802	85,467
Investment and other income	136,158	116,605
Net commission	20,377	28,723
Expenses of management	90,857	71,302

Financial results are as follows:

Profit before tax	224,192	222,685
Less: Provision for taxation	40,393	45,088
Profit after tax	183,799	177,597

Chairman's Review

The accompanying Chairman's Review deals with the performance of the Company during the period and future outlook. The Directors of the Company endorse the contents of the review.

We express our deep appreciation and thanks to our valued clients, bankers, reinsurers and SECP for the cooperation extended to us.

We also commend the dedicated services rendered by the Company's officers, staff and field force.

FOR THE BOARD OF DIRECTORS



ARSHAD P. RANA
Chief Executive

Lahore: October 25, 2007

**CONDENSED INTERIM
AS AT**

	<u>Notes</u>	<u>September 30,</u> 2007	<u>December 31,</u> 2006
(Rupees in thousand)			
Share Capital and Reserves			
Authorised share capital 50,000,000 (2006: 50,000,000) ordinary shares of Rs.10 each		500,000	500,000
Issued, subscribed and paid up capital 20,649,791 (2006: 15,884,455) ordinary shares of Rs.10 each		206,497	158,844
Retained earnings		184,543	301,590
Reserves		353,064	211,064
		744,104	671,498
Underwriting provisions			
Provision for outstanding claims (including IBNR)		185,873	116,712
Provision for unearned premium		327,156	241,327
Commission income unearned		38,749	17,714
		551,778	375,753
Deferred tax liability		2,700	2,061
Creditors and accruals			
Premium received in advance		4,446	552
Amounts due to other insurers/reinsurers		103,540	84,486
Accrued expenses		22,047	16,780
Taxation - provision less payments		5,626	19,304
Other creditors and accruals		18,843	11,991
		154,502	133,113
Other liabilities			
Deposits against performance bonds		1,391	1,391
Unclaimed dividends		7,348	7,530
Liabilities against assets subject to finance lease		-	129
		8,739	9,050
Contingencies and commitments	4		
		1,461,823	1,191,475

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

BALANCE SHEET (UNAUDITED)
SEPTEMBER 30, 2007

	Notes	September 30, 2007	December 31, 2006
(Rupees in thousand)			
Cash and bank deposits			
Cash and other equivalents		708	12
Current and other accounts		42,037	75,561
		42,745	75,573
Loans to employees - secured considered good		804	969
Investments	5	729,923	674,805
Other assets			
Premiums due but unpaid - unsecured		122,598	94,405
Amounts due from other insurers/reinsurers		99,615	42,814
Salvage recoveries accrued		13,435	6,300
Accrued investment income		17,942	2,542
Reinsurance recoveries against outstanding claims		132,319	77,535
Commission expense deferred		17,842	12,366
Prepayments		140,586	86,986
Sundry receivables		113,639	95,246
		657,976	418,194
Fixed assets			
Tangible	6		
Land and buildings		4,596	4,730
Furniture, fixtures and office equipments		8,361	4,649
Motor vehicles - owned		15,574	9,032
Motor vehicles - leased		163	(234)
		28,694	18,177
Capital work in progress		-	1,471
Intangible			
Computer software		1,681	2,286
		1,461,823	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 FINANCIAL PERIOD ENDED SEPTEMBER 30, 2007

Quarter ended September 30, 2007							Quarter ended Sep. 30, 2007	Quarter ended Sep. 30, 2006
Notes	Fire and property	Marine, aviation and transport	Motor	others including miscellaneous	Treaty	(Rupees in thousand)		
Revenue account								
	10,482	23,737	72,980	2,884	(1)	110,082	85,019	
	(839)	(7,359)	(41,997)	(477)	-	(50,672)	(36,996)	
	(2,983)	(6,720)	(20,086)	(910)	-	(30,699)	(23,685)	
	8,178	2,989	(4,663)	787	(9)	7,282	10,283	
	<u>14,838</u>	<u>12,647</u>	<u>6,234</u>	<u>2,284</u>	<u>(10)</u>	<u>35,993</u>	<u>34,621</u>	
						39,358	27,442	
						286	338	
						265	897	
						(136)	(108)	
						(5,810)	(2,464)	
						33,963	26,105	
						69,956	60,726	
						(15,467)	(15,283)	
						54,489	45,443	
						<u>2.64</u>	<u>2.20</u>	

Nine months ended September 30, 2007							Nine months ended Sep. 30, 2007	Nine months ended Sep. 30, 2006
Notes	Fire and property	Marine, aviation and transport	Motor	others including miscellaneous	Treaty	(Rupees in thousand)		
Revenue account								
	28,156	89,132	204,555	8,488	18	330,349	242,276	
	(4,587)	(15,058)	(132,006)	(1,110)	(41)	(152,802)	(85,467)	
	(7,959)	(24,570)	(55,863)	(2,466)	-	(90,858)	(71,302)	
	18,930	10,155	(10,670)	2,009	(47)	20,377	28,723	
	<u>34,540</u>	<u>59,659</u>	<u>6,016</u>	<u>6,921</u>	<u>(70)</u>	<u>107,066</u>	<u>114,230</u>	
						134,667	114,756	
						971	775	
						520	1,074	
						(457)	(535)	
						(18,577)	(7,615)	
						117,124	108,455	
						224,190	222,685	
						(40,393)	(45,088)	
						183,797	177,597	
						<u>8.90</u>	<u>8.60</u>	

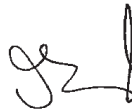
The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director




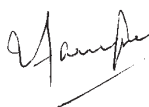
Yusuf H. Shirazi
Chairman


CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED) FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2007


	<u>Notes</u>	<u>September 30,</u> 2007	<u>September 30,</u> 2006
		(Rupees in thousand)	
Operating cash flows			
Underwriting activities			
Premiums received		503,212	452,840
Reinsurance premiums paid		(221,371)	(231,557)
Claims paid		(196,680)	(121,873)
Reinsurance and other recoveries received		70,455	29,567
Commissions paid		(24,595)	(19,779)
Commissions received		65,451	45,471
Other underwriting payments		(266)	-
Other underwriting receipts		4,562	11,243
Net cash flow from underwriting activities		200,768	165,912
Other operating activities			
Income tax paid		(65,800)	(49,454)
General and management expenses paid		(90,493)	(75,026)
Net cash outflow from other operating activities		(156,293)	(124,480)
Total cash flow from all operating activities		44,475	41,432
Investment activities			
Profit/return received		16,997	2,259
Dividends received		18,111	11,151
Rentals received		841	775
Payments for purchase of investments		(369,062)	(740,497)
Proceeds from disposal of investments		395,709	487,908
Short term placements - net		(14,612)	143,584
Fixed capital expenditure		(13,738)	(4,466)
Proceeds from disposal of fixed assets		413	1,013
Total cash inflow / (outflow) from investing activities		34,659	(98,273)
Financing activities			
Dividends paid		(111,373)	(85,567)
Financial charges paid		(457)	(535)
Lease rentals paid		(132)	(419)
Total cash flow from financing activities		(111,962)	(86,521)
Net cash outflow from all activities		(32,828)	(143,362)
Cash at the beginning of the period		75,573	185,876
Cash at the end of the period	8	42,745	42,514

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 FINANCIAL PERIOD ENDED SEPTEMBER 30, 2007

	Share capital	Capital reserve	Reserve for exceptional losses	Reserve for issue of bonus shares	General reserve	Investment fluctuation reserve	Retained earnings	Total
	(R u p e e s i n t h o u s a n d)							
Balance as at January 1, 2006	122,188	2,251	2,164	-	71,649	3,000	255,059	456,311
Final dividend @ Rs.7 per shar	-	-	-	-	-	-	(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 period	-	-	-	-	-	-	222,685	222,685
Balance as at September 30, 2006	158,844	2,251	2,164	-	203,649	3,000	223,556	593,464
Net profit for the period	-	-	-	-	-	-	78,034	78,034
Balance as at January 1, 2007	158,844	2,251	2,164	-	203,649	3,000	301,590	671,498
Final dividend @ Rs.7 per share	-	-	-	-	-	-	(111,191)	(111,191)
Transfer to general reserve	-	-	-	-	142,000	-	(142,000)	-
Transfer to reserve for bonus shares	-	-	-	47,653	-	-	(47,653)	-
Issue of bonus shares	47,653	-	-	(47,653)	-	-	-	-
Net profit for the period	-	-	-	-	-	-	183,797	183,797
Balance as at September 30, 2007	<u>206,497</u>	<u>2,251</u>	<u>2,164</u>	<u>-</u>	<u>345,649</u>	<u>3,000</u>	<u>184,543</u>	<u>744,104</u>

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



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF PREMIUM (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2007

		Q u a r t e r e n d e d			S e p t e m b e r 3 0 , 2 0 0 7				Quarter ended	Quarter ended	
Business underwritten inside Pakistan	Direct and facultative	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium		Reinsurance expense	Net premium revenue	
			Opening	Closing			Opening	Closing			
		(R u p e e s i n			t h o u s a n d)						
Class											
	Fire and property damage	59,163	129,274	135,769	52,668	52,737	96,291	106,842	42,186	10,482	4,805
	Marine, aviation and transport	52,067	19,121	26,026	45,162	22,686	13,597	14,858	21,425	23,737	31,315
	Motor	50,009	166,612	141,784	74,837	1,857	-	-	1,857	72,980	44,088
	Others including miscellaneous	15,819	15,567	23,577	7,809	11,372	10,512	16,959	4,925	2,884	4,811
	Total	<u>177,058</u>	<u>330,574</u>	<u>327,156</u>	<u>180,476</u>	<u>88,652</u>	<u>120,400</u>	<u>138,659</u>	<u>70,393</u>	<u>110,083</u>	<u>85,019</u>
	Treaty	(1)	-	-	(1)	-	-	-	-	(1)	-
	Grand total	<u>177,057</u>	<u>330,574</u>	<u>327,156</u>	<u>180,475</u>	<u>88,652</u>	<u>120,400</u>	<u>138,659</u>	<u>70,393</u>	<u>110,082</u>	<u>85,019</u>

		N i n e m o n t h s e n d e d			S e p t e m b e r 3 0 , 2 0 0 7				Nine months ended	Nine months ended	
Business underwritten inside Pakistan	Direct and facultative	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium		Reinsurance expense	Net premium revenue	
			Opening	Closing			Opening	Closing			
		(R u p e e s i n			t h o u s a n d)						
Class											
	Fire and property damage	192,762	87,980	135,769	144,973	151,451	72,208	106,842	116,817	28,156	7,451
	Marine, aviation and transport	147,748	11,991	26,026	133,713	52,253	7,186	14,858	44,581	89,132	119,361
	Motor	222,655	128,817	141,784	209,688	5,133	-	-	5,133	204,555	108,787
	Others including miscellaneous	31,358	12,539	23,577	20,320	23,055	5,736	16,959	11,832	8,488	6,681
	Total	<u>594,523</u>	<u>241,327</u>	<u>327,156</u>	<u>508,694</u>	<u>231,892</u>	<u>85,130</u>	<u>138,659</u>	<u>178,363</u>	<u>330,331</u>	<u>242,280</u>
	Treaty	18	-	-	18	-	-	-	-	18	(4)
	Grand total	<u>594,541</u>	<u>241,327</u>	<u>327,156</u>	<u>508,712</u>	<u>231,892</u>	<u>85,130</u>	<u>138,659</u>	<u>178,363</u>	<u>330,349</u>	<u>242,276</u>

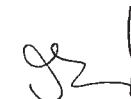
The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2007

		Q u a r t e r e n d e d			S e p t e m b e r 3 0 , 2 0 0 7						
Business underwritten inside Pakistan		Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Quarter ended Sep. 30, 2007	Quarter ended Sep. 30, 2006
Direct and facultative			Opening	Closing			Opening	Closing			
Class		(R u p e e s i n t h o u s a n d)									
Fire and property damage		32,350	71,505	67,189	28,034	31,162	67,448	63,481	27,195	839	1,700
Marine, aviation and transport		4,878	56,314	66,616	15,180	1,953	45,130	50,998	7,821	7,359	6,667
Motor		42,766	28,748	27,962	41,980	-	140	123	(17)	41,997	28,266
Others including miscellaneous		1,938	19,877	20,325	2,386	1,465	17,273	17,717	1,909	477	363
Total		<u>81,932</u>	<u>176,444</u>	<u>182,092</u>	<u>87,580</u>	<u>34,580</u>	<u>129,991</u>	<u>132,319</u>	<u>36,908</u>	<u>50,672</u>	<u>36,996</u>
Treaty		-	3,781	3,781	-	-	-	-	-	-	-
Grand total		<u>81,932</u>	<u>180,225</u>	<u>185,873</u>	<u>87,580</u>	<u>34,580</u>	<u>129,991</u>	<u>132,319</u>	<u>36,908</u>	<u>50,672</u>	<u>36,996</u>

		N i n e m o n t h s e n d e d			S e p t e m b e r 3 0 , 2 0 0 7						
Business underwritten inside Pakistan		Claims paid	Outstanding claims		Claims expense	Reinsurance and other recoveries received	Reinsurance and other recoveries in respect of outstanding claims		Reinsurance and other recoveries revenue	Nine months ended Sep. 30, 2007	Nine months ended Sep. 30, 2006
Direct and facultative			Opening	Closing			Opening	Closing			
Class		(R u p e e s i n t h o u s a n d)									
Fire and property damage		57,059	27,865	67,189	96,383	54,115	25,800	63,481	91,796	4,587	2,619
Marine, aviation and transport		21,604	44,578	66,616	43,642	13,740	36,154	50,998	28,584	15,058	10,285
Motor		126,316	22,451	27,962	131,827	(90)	212	123	(179)	132,006	71,570
Others including miscellaneous		3,860	18,037	20,325	6,148	2,690	15,369	17,717	5,038	1,110	794
Total		<u>208,839</u>	<u>112,931</u>	<u>182,092</u>	<u>278,000</u>	<u>70,455</u>	<u>77,535</u>	<u>132,319</u>	<u>125,239</u>	<u>152,761</u>	<u>85,268</u>
Treaty		41	3,781	3,781	41	-	-	-	-	41	199
Grand total		<u>208,880</u>	<u>116,712</u>	<u>185,873</u>	<u>278,041</u>	<u>70,455</u>	<u>77,535</u>	<u>132,319</u>	<u>125,239</u>	<u>152,802</u>	<u>85,467</u>

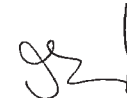
The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Muhammad Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman


CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2007

		Q u a r t e r e n d e d		S e p t e m b e r 3 0 , 2 0 0 7				Quarter ended	Quarter ended	
		Commissions Paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expense	Commissions from reinsurers	Sep. 30, 2007	Sep. 30, 2006
			Opening	Closing					Net underwriting expense	
		(R u p e e s i n		t h o u s a n d)						
Business underwritten inside Pakistan										
Direct and facultative										
Class										
Fire and property damage	3,076	5,366	5,893	2,549	2,983	5,532	10,727	(5,195)	(5,099)	
Marine, aviation and transport	1,661	635	1,123	1,173	6,720	7,893	4,162	3,731	3,601	
Motor	7,225	7,154	9,694	4,685	20,086	24,771	22	24,749	14,623	
Others including miscellaneous	434	1,121	1,132	424	910	1,334	1,210	124	278	
Total	12,396	14,276	17,842	8,831	30,699	39,530	16,121	23,409	13,402	
Treaty	9	-	-	9	-	9	-	9	-	
Grand total	12,405	14,276	17,842	8,840	30,699	39,539	16,121	23,418	13,402	

		N i n e m o n t h s e n d e d		S e p t e m b e r 3 0 , 2 0 0 7				Nine months	Nine months	
		Commissions Paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expenses	Commissions from reinsurers	ended	ended
			Opening	Closing					Net underwriting expense	
		(R u p e e s i n		t h o u s a n d)						
Business underwritten inside Pakistan										
Direct and facultative										
Class										
Fire and property damage	8,240	5,585	5,893	7,932	7,959	15,891	26,862	(10,971)	(12,357)	
Marine, aviation and transport	5,074	513	1,123	4,464	24,570	29,034	14,619	14,415	17,661	
Motor	14,478	5,908	9,694	10,692	55,863	66,555	22	66,533	37,366	
Others including miscellaneous	1,723	359	1,132	951	2,466	3,417	2,959	458	(160)	
Total	29,515	12,365	17,842	24,039	90,858	114,897	44,462	70,435	42,509	
Treaty	47	-	-	47	-	47	-	47	70	
Grand total	29,562	12,365	17,842	24,086	90,858	114,944	44,462	70,482	42,579	


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 FINANCIAL PERIOD ENDED SEPTEMBER 30, 2007

Nine months ended September 30, 2007	Nine months ended September 30, 2006	Quarter ended September 30, 2007	Quarter ended September 30, 2006
---	---	---	---

(Rupees in thousand)

Income from non-trading investments

Held to maturity

Return on fixed income securities and
bank and other deposits

3,289	1,457	939	397
-------	-------	-----	-----

Available for sale

Dividend income

33,825	28,664	23,077	19,394
--------	--------	--------	--------

Income on reverse repo transactions

15,935	15,342	4,879	3,886
--------	--------	-------	-------

Gain on sale of non-trading investments

84,308	73,885	10,868	5,524
--------	--------	--------	-------

Less: Investment related expenses

(2,690)	(4,592)	(405)	(1,759)
---------	---------	-------	---------

Net investment income

<u>134,667</u>	<u>114,756</u>	<u>39,358</u>	<u>27,442</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 FINANCIAL PERIOD ENDED SEPTEMBER 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.

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

Nil (2006: Nil)

September 30, December 31,
2007 2006
(Rupees in thousand)

5. Investments

Held to maturity

Term finance certificates

6,780

7,335

Available for sale

Mutual funds

70,489

77,525

Quoted shares

648,144

589,945

Unquoted shares

500

500

719,133

667,970

725,913

675,305

Less: Provision for diminution in the value of shares

(500)

(500)

725,413

674,805

Aggregate market value of investments as on September 30, 2007

944,151

721,820

September 30, December 31,
2007 2006
(Rupees in thousand)

6. Fixed assets

Opening book value	18,177	15,626
Add: Additions during the period	14,036	7,786
	32,213	23,412
Less: Disposal during the period (at book value)	328	2,088
Depreciation charged during the period	3,191	3,147
	3,519	5,235
	28,694	18,177

September 30, September 30,
2007 2006
(Rupees in thousand)

7. Provision for taxation

Current - for the period	39,754	45,080
Deferred - for the period	639	8
	40,393	45,088

Provision for taxation has been made on an estimated basis and is subject to adjustment at year end.

8. Cash at the end of the period

For the purposes of cash flow statement cash includes:		
Cash and other equivalents	708	108
Current and other accounts	42,037	5,417
	42,745	5,525

8.1 Reconciliation to profit and loss account

Operating cash flows	44,293	34,189
Depreciation expense	(3,183)	(1,878)
Financial charges	(457)	(535)
Increase in assets other than cash	154,736	145,568
(Increase) in liabilities other than borrowings	(99,033)	(39,498)
Others		
- (Increase) in provision for unearned premium	(32,299)	(63,263)
- (Increase) in commission income unearned	(21,035)	(8,627)
- Investment income	134,667	105,632
- Rental and other income	1,491	2,980
- Increase in provision for commission expense deferred	5,475	3,029
- Amortization expense	(858)	-
	183,797	177,597

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 :

	September 30, 2007	September 30, 2006
	(Rupees in thousand)	
Premium underwritten	270,950	276,293
Premium collected	188,740	236,992
Claims paid	30,048	28,581
Lease rentals	133	444
Vehicles purchased	7,218	3,023
Rent received	525	311
Rent paid	264	242
Interest received	2,505	836
Fee received	4,715	9,124
Brokerage paid for purchase of shares	2,526	4,750
Brokerage paid for sale of shares	5,150	4,592
Donations	7,699	-
Dividend received	12,755	6,961

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

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

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

10. Date of authorization for issue

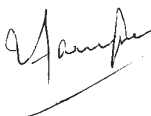
The condensed interim financial information was authorized for issue on October 25, 2007 by the Board of Directors of the company.

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 account of the effect of bonus shares issued during the current period. Prior to this restatement, the earnings per share were Rs.11.18 and 2.86 for the nine months and quarter ended September 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 Shahrah-e-Quaid-e-Azam, Lahore.	PABX:	7320542, 7320543 7322271, 7322273 7310658
	Fax:	7234742
ARSHAD P. RANA Chief Executive Officer	Direct:	7234812
	Extension:	301
MUHAMMAD ZAFAR RIAZ Chief Financial Officer	Direct:	7234757
	Extension:	403
MUHAMMAD MUNIR Senior Vice President (Operations)	Direct:	7314241
	Extension:	309
QUDSIA NAHEED Company Secretary	Direct:	7245348
	Extension:	303
SALEEM MEHMOOD Chief Internal Auditor	Extension:	428

NORTH ZONE OFFICES & BRANCHES
LAHORE

AZHAR M. PIRACHA Vice President	City Branch 3 - Bank Square, Shahrah-e-Quaid-e-Azam, Lahore.	7230558-9, 7312868 7212365-6, 7312858, Fax: 7212367
MUHAMMAD MUNIR QAZI Chief Manager	Fatima Jinnah Road Branch 1st Floor, Nawa-i-Waqat Building, Fatima Jinnah Road, Lahore.	6271320, 6364906 Fax: 6371186
KHALID MAHMOOD MUHAMMAD IJAZ Branch Managers	Al-Noor Branch Alnoor Building, 43-Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	7358805 Fax: 7237343
KH. MUHAMMAD NADEEM Branch Manager	Napier Road Branch Nairobi Mansion Napier Road, Lahore.	7352560 Fax: 7358190
ZAFAR HUSSAIN JAMAL Branch Manager	Mall Road Branch Hafeez Chambers, 85- Shahrah-e-Quaid-e-Azam, Lahore.	6305595, 6271663 Fax: 6369576

RAWALPINDI

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

FAISALABAD BRANCH - II

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

FAISALABAD BRANCH - I

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

SAHIWAL

HABIB-UR-REHMAN CH. Branch Manager	147-Railway Road, Sahiwal.	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

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

ISLAMABAD

NASIR SAEED
Branch Manager Office No. 2 & 3, 3rd Floor,
MBCIT Mall Plaza,
I-8 Markaz, Islamabad 2874088

SOUTH ZONE OFFICE

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

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

JAWAID IRSHAD
Manager Motor Claims Extension: 215

MUHAMMAD IMRAN
AVP Claims & Underwriting Extension: 217

SOUTH ZONE BRANCHES

KARACHI

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

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

IMRAN SATTAR
Branch Manager Plaza Branch
3/3 Rimpa Plaza
M.A. Jinah Road,
Karachi. 2729339
Fax: 2720852

TARIQ NASIM
Chief Manager New Challi Branch
1st Floor, Room# 106-107,
Rehmani Chamber,
Altaf Hussain Road,
Karachi. 2218286, 2218288
Fax: 2218264

HYDERABAD

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

SUKKUR

ABDUL MAJEED QURESHI
Assistant Vice President Mezzanine Floor,
Shalimar Complex,
Minara Road, Sukkur. 5625965
Fax: 5625977

Printed Matter

BOOK POST

UNDER CERTIFICATE OF POSTING



If undelivered, please return to:

Atlas Insurance Ltd.

3-Bank Square, Shahrah-e-Quaid-e-Azam, Lahore-54000

Ph: (92-42) 7320542-3, 7322271, 7322273, 7310658 **Fax:** (92-42) 7234742

Email: info@atlasinsurance.com.pk **Website:** www.atlasinsurance.com.pk