

**QUARTERLY
REPORT**
September 30, 2009



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COMPANY INFORMATION**BOARD OF DIRECTORS**

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

AUDIT COMMITTEE

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

INVESTMENT COMMITTEE

Chairman	Ali H. Shirazi
Members	Frahim Ali Khan
	Arshad P. Rana
	Aamer Waqar Chaudhry
Secretary	Muhammad Afzal

UNDERWRITING COMMITTEE

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

CLAIMS SETTLEMENT COMMITTEE

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

COMPANY INFORMATION

REINSURANCE & CO-INSURANCE COMMITTEE

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

MANAGEMENT COMMITTEE

Chief Executive	Arshad P. Rana
Chief Financial Officer	Aamer Waqar Chaudhry
Technical Adviser (Operations)	Muhammad Munir
Vice President (Admin & HR)	Qudsia Naheed
Vice President (Marketing)	Muhammad Iqbal

Auditors	A. F. Ferguson & Co. Chartered Accountants
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Legal Advisors	Mohsin Tayebaly & Co. Ch. Maqsood Advocate Agha Faisal Barrister at Law
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Tax Advisor	Ford Rhodes Sidat Hyder & Co. Chartered Accountants
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Registrar and Share Transfer Office	Hameed Majeed Associates (Pvt) Ltd. H. M. House, 7 - Bank Square Shahrah-e-Quaid-e-Azam, Lahore Telephone: (92-42) 37235081-82 Fax: (92-42) 37358817
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Bankers	Allied Bank Limited Atlas Bank Limited Bank Alfalah Limited Habib Bank Limited MCB Bank Limited National Bank of Pakistan Silk Bank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited United Bank Limited
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Registered & Head Office	3-Bank Square, Shahrah-e-Quaid-e-Azam, Lahore. Telephone: (92-42) 37320542-43, 37322271,73 Fax: (92-42) 37234742 Email: info@atlasinsurance.com.pk Website: www.atlasinsurance.com.pk
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CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited accounts for the period ended September 30, 2009.

The Economy

Pakistan's economy is gradually moving towards recovery as the economic indicators have improved during the past one year. Not only have the country's foreign exchange reserves crossed \$14 billion other indicators have also shown reasonable growth during the period under review. Inflation eased to a 20 month low in August 2009, dropping to 10.69%. The downward trend in inflation started in October 2008 after touching an all time high of over 25%. The government is now projecting single digit inflation by December 2009.

The trade deficit has narrowed by 39% during the first two months of this quarter and remittances are being received in record amounts. Foreign portfolio investment is sustaining the bullish trend in the Stock Market while a noticeable pickup in credit finance to the agriculture sector has increased economic activity. Moreover a substantial recovery in industrial production is also a positive development. Greater focus on alleviating electricity shortages and the stressed fiscal position will put Pakistan economy on the growth path once again.

The Company Results

The company continuously followed its cautious and prudent underwriting policy. The careful selection of business in the given law and order situation has resulted in decline of 10.86% in the gross premium - Rs.620.28 million as compared to Rs.695.89 million of the same period last year. The net premium was Rs.331.45 million as against Rs.376.51 million of the corresponding period last year. While the underwriting profit stood at Rs.95.85 million as against Rs.114.01 million of the same period last year.

Due to the rising trend in the stock market, your company was able to realize capital gain to the tune of Rs.75.34 million. The investment income as at September 30, 2009 stood at Rs.101.98 million as compared to Rs.109.74 million of the corresponding period last year. Your company's cash position is healthy. Cash balances rose significantly to Rs. 381.79 million as against Rs.57.99 million of the same period last year.

The profit before tax posted at Rs.204.86 million as against Rs.225.46 million for the same period last year. After providing for taxes to the tune of Rs.39.65 million, the profit after tax stood at Rs.165.21 million as against Rs.184.45 million of the corresponding period last year.

It is my pleasure to report that The Pakistan Credit Rating Agency (PACRA) has maintained the Insurer Financial Strength (IFS) rating of your company at "A+" which denotes company's strong capacity to meet policyholder and contract obligations.

Future Outlook

Though the economy is showing signs of improvement, its progress may be checked by the widening fiscal deficit and worsening security conditions. The changing situation demands greater professionalism at all levels of management with quality of service holding the key to success. By continuing to adopt prudent policies and discipline in business operations, the management of your company is equipped to meet the challenges ahead.

ہم کعبہ مے پیچھے ہے، کلیسامرے آگے

(We have the potential to succeed in all circumstances)

Acknowledgement

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



Yusuf H. Shirazi

DIRECTORS' REPORT

The directors have pleasure in submitting the quarterly report of the Company together with the unaudited accounts for the financial period ended September 30, 2009.

September 30, September 30,
2009 2008
(Rupees in thousand)

The overall business figures are:

Net premium	331,447	376,507
Net claims	136,719	181,189
Investment and other income	123,511	120,477
Net commission	22,748	28,239
Expenses of management	121,629	109,550

Financial results are as follows:

Profit before tax	204,856	225,460
Less: Provision for taxation	39,651	41,010
Profit after tax	165,205	184,450

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 26, 2009

**CONDENSED INTERIM
AS AT**

	Note	September 30, 2009	December 31, 2008
(Rupees in thousand)			
Share capital and reserves			
Authorised share capital 50,000,000 (2008: 50,000,000) ordinary shares of Rs.10 each		500,000	500,000
Issued, subscribed and paid up capital 33,555,911 (2008: 26,844,729) ordinary shares of Rs.10 each		335,559	268,447
Retained earnings		166,489	(199,492)
Reserves		222,064	557,064
		724,112	626,019
Underwriting provisions			
Provision for outstanding claims (including IBNR)		250,569	237,509
Provision for unearned premium		321,110	277,432
Commission income unearned		37,297	25,770
		608,976	540,711
Deferred tax liability		1,608	1,873
Creditors and accruals			
Premium received in advance		11,509	4,845
Amounts due to other insurers / reinsurers		167,356	91,353
Accrued expenses		38,381	19,729
Taxation - provision less payments		6,712	6,067
Other creditors and accruals		52,504	34,926
		276,462	156,920
Other liabilities			
Deposits against performance bonds		1,391	1,391
Unclaimed dividends		13,005	13,049
		14,396	14,440
Contingencies and commitments	4		
TOTAL EQUITY AND LIABILITIES		<u>1,625,554</u>	<u>1,339,963</u>

**BALANCE SHEET (UNAUDITED)
SEPTEMBER 30, 2009**

	Note	September 30, 2009	December 31, 2008
(Rupees in thousand)			
Cash and bank deposits			
Cash and other equivalents		273	12
Current and other accounts		321,512	165,917
Deposits maturing within twelve months		60,000	30,000
		381,785	195,929
Loans to employees - secured considered good		263	465
Investments	5	555,044	494,201
Other assets			
Premiums due but unpaid - unsecured		163,098	108,620
Amounts due from other insurers / reinsurers		120,103	93,286
Salvage recoveries accrued		12,968	12,578
Accrued investment income		4,019	1,232
Reinsurance recoveries against outstanding claims		159,397	155,410
Deferred commission expense		17,572	20,569
Prepayments		154,122	105,616
Sundry receivables		10,650	102,761
		641,929	600,072
Fixed assets			
Tangible			
Land and buildings		15,786	16,430
Furniture, fixtures and office equipments		13,309	9,131
Motor vehicles - owned		17,438	23,735
		46,533	49,296
TOTAL ASSETS		<u>1,625,554</u>	<u>1,339,963</u>

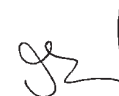
The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2009

	Quarter ended September 30, 2009					Quarter ended Sep. 30, 2009	Quarter ended Sep. 30, 2008
	Fire and property	Marine, aviation and transport	Motor	Others including miscellaneous	Treaty		
	(Rupees in thousand)						
Revenue account							
Net premium revenue	10,348	31,170	62,625	2,504	(1)	106,646	131,817
Net claims	(4,726)	37	(36,055)	(951)	370	(41,325)	(45,411)
Expenses	(3,886)	(11,530)	(23,006)	(943)	-	(39,365)	(40,599)
Net commission	8,701	2,936	(4,119)	1,645	-	9,163	10,717
Underwriting result	<u>10,437</u>	<u>22,613</u>	<u>(555)</u>	<u>2,255</u>	<u>369</u>	<u>35,119</u>	<u>56,524</u>
Investment income						58,841	17,150
Rental income						491	326
Other income						7,870	4,327
Financial charges						(107)	(81)
General and administration expenses						(4,623)	(3,140)
						62,472	18,582
Profit before taxation						97,591	75,106
Provision for taxation						(15,226)	(21,947)
Profit after taxation						82,365	53,159
Basic earning per share - Rupees						2.45	1.58

Note	Nine months ended September 30, 2009					Nine months ended Sep. 30, 2009	Nine months ended Sep. 30, 2008
	Fire and property	Marine, aviation and transport	Motor	Others including miscellaneous	Treaty		
	(Rupees in thousand)						
Revenue account							
Net premium revenue	39,370	91,039	193,129	7,909	-	331,447	376,507
Net claims	(5,512)	(4,129)	(121,865)	(5,212)	-	(136,718)	(181,189)
Expenses	(14,707)	(33,406)	(70,600)	(2,916)	-	(121,629)	(109,550)
Net commission	22,445	8,583	(12,986)	4,706	-	22,748	28,239
Underwriting result	<u>41,596</u>	<u>62,087</u>	<u>(12,322)</u>	<u>4,487</u>	<u>-</u>	<u>95,848</u>	<u>114,007</u>
Investment income						101,980	109,744
Rental income						1,345	890
Other income						20,186	9,843
Financial charges						(374)	(317)
General and administration expenses						(14,129)	(8,707)
						109,008	111,453
Profit before taxation						204,856	225,460
Provision for taxation	7					(39,651)	(41,010)
Profit after taxation						165,205	184,450
Basic earning per share - Rupees						4.92	5.50

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2009

	Note	September 30, 2009	September 30, 2008
(Rupees in thousand)			
Operating cash flows			
Underwriting activities			
Premiums received		526,848	555,424
Reinsurance premiums paid		(209,656)	(323,515)
Claims paid		(180,080)	(314,336)
Reinsurance and other recoveries received		58,954	144,133
Commissions paid		(28,400)	(31,636)
Commissions received		69,037	40,753
Other underwriting payments		(291)	(146)
Other underwriting receipts		7,894	9,149
Net cash inflow from underwriting activities		244,306	79,826
Other operating activities			
Income tax paid		(39,271)	(43,484)
General and management expenses paid		(100,329)	(116,399)
Net cash outflow from other operating activities		(139,600)	(159,883)
Total cash inflow / (outflow) from all operating activities		104,706	(80,057)
Investment activities			
Profit / return received		22,734	9,068
Dividends received		20,381	18,783
Rentals received		886	964
Loan repayment received - net		202	476
Payments for purchase of investments		(127,833)	(361,047)
Proceeds from disposal of investments		174,244	537,758
Short term placements - net		59,733	(101,323)
Fixed capital expenditure		(4,138)	(20,863)
Proceeds from disposal of fixed assets		2,471	1,790
Total cash inflow from investing activities		148,680	85,606
Financing activities			
Dividends paid		(67,156)	(148,022)
Financial charges paid		(374)	(317)
Total cash outflow from financing activities		(67,530)	(148,339)
Net cash inflow / (outflow) from all activities		185,856	(142,790)
Cash at the beginning of the period		195,929	200,780
Cash at the end of the period	8	381,785	57,990

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2009

	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, 2008	206,497	2,251	2,164	-	345,649	3,000	410,592	970,153
Final dividend @ Rs.7 per share	-	-	-	-	-	-	(144,549)	(144,549)
Transfer to general reserve	-	-	-	-	204,000	-	(204,000)	-
Transfer to reserve for bonus shares	-	-	-	61,950	-	-	(61,950)	-
Issue of bonus shares	61,950	-	-	(61,950)	-	-	-	-
Net profit for the period	-	-	-	-	-	-	184,450	184,450
Balance as at September 30, 2008	268,447	2,251	2,164	-	549,649	3,000	184,543	1,010,054
Net profit for the period	-	-	-	-	-	-	(384,035)	(384,035)
Balance as at January 1, 2009	268,447	2,251	2,164	-	549,649	3,000	(199,492)	626,019
Final dividend @ Rs.2.5 per share	-	-	-	-	-	-	(67,112)	(67,112)
Transfer from general reserve	-	-	-	-	(335,000)	-	335,000	-
Transfer to reserve for bonus shares	-	-	-	67,112	-	-	(67,112)	-
Issue of bonus shares	67,112	-	-	(67,112)	-	-	-	-
Net profit for the period	-	-	-	-	-	-	165,205	165,205
Balance as at September 30, 2009	335,559	2,251	2,164	-	214,649	3,000	166,489	724,112

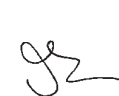
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Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF PREMIUM (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2009

		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 9				Quarter ended	Quarter ended
		Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium		Reinsurance expense	Net premium revenue
			Opening	Closing			Opening	Closing		
		(R u p e e s i n			t h o u s a n d)					
Business underwritten inside Pakistan										
Direct and facultative										
Class										
Fire and property damage	37,128	155,685	133,225	59,588	33,002	123,385	107,147	49,240	10,348	9,091
Marine, aviation and transport	51,475	24,044	18,222	57,297	23,658	9,990	7,521	26,127	31,170	45,991
Motor	41,082	153,342	126,638	67,786	5,260	1,924	2,023	5,161	62,625	70,956
Others including miscellaneous	24,846	33,119	43,025	14,940	19,879	28,442	35,885	12,436	2,504	5,779
Total	154,531	366,190	321,110	199,612	81,799	163,741	152,576	92,964	106,647	131,817
Treaty	(1)	-	-	(1)	-	-	-	-	(1)	-
Grand total	154,530	366,190	321,110	199,611	81,799	163,741	152,576	92,964	106,646	131,817

		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 9				Nine months ended	Nine months ended
		Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium		Reinsurance expense	Net premium revenue
			Opening	Closing			Opening	Closing		
		(R u p e e s i n			t h o u s a n d)					
Business underwritten inside Pakistan										
Direct and facultative										
Class										
Fire and property damage	205,507	96,034	133,225	168,316	169,482	66,612	107,147	128,947	39,370	35,696
Marine, aviation and transport	154,380	18,095	18,222	154,253	60,834	9,902	7,521	63,215	91,039	114,066
Motor	201,180	132,207	126,638	206,749	14,564	1,079	2,023	13,620	193,129	214,146
Others including miscellaneous	59,217	31,097	43,025	47,289	49,006	26,259	35,885	39,380	7,909	12,622
Total	620,285	277,433	321,110	576,608	293,885	103,852	152,576	245,161	331,447	376,530
Treaty	-	-	-	-	-	-	-	-	-	(23)
Grand total	620,285	277,433	321,110	576,608	293,885	103,852	152,576	245,161	331,447	376,507

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CLAIMS (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2009

Business underwritten inside Pakistan	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 9				Quarter ended Sep. 30, 2009	Quarter ended Sep. 30, 2008
	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)					
Class										
Fire and property damage	(4,042)	82,028	101,424	15,354	(4,464)	76,977	92,069	10,628	4,726	421
Marine, aviation and transport	4,134	41,360	34,547	(2,679)	2,683	32,767	27,442	(2,642)	(37)	287
Motor	33,956	63,650	67,148	37,454	1	1,402	2,800	1,399	36,055	43,824
Others including miscellaneous	2,228	35,379	43,669	10,518	1,368	28,887	37,086	9,567	951	885
Total	<u>36,276</u>	<u>222,417</u>	<u>246,788</u>	<u>60,647</u>	<u>(412)</u>	<u>140,033</u>	<u>159,397</u>	<u>18,952</u>	<u>41,695</u>	<u>45,417</u>
Treaty	(370)	3,781	3,781	(370)	-	-	-	-	(370)	(6)
Grand total	<u>35,906</u>	<u>226,198</u>	<u>250,569</u>	<u>60,277</u>	<u>(412)</u>	<u>140,033</u>	<u>159,397</u>	<u>18,952</u>	<u>41,325</u>	<u>45,411</u>

Business underwritten inside Pakistan	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 9				Nine months ended Sep. 30, 2009	Nine months ended Sep. 30, 2008
	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)					
Class										
Fire and property damage	26,012	102,742	101,424	24,694	23,673	96,560	92,069	19,182	5,512	8,772
Marine, aviation and transport	15,774	36,481	34,547	13,840	11,352	29,083	27,442	9,711	4,129	5,486
Motor	122,559	61,590	67,148	128,117	4,858	1,406	2,800	6,252	121,865	162,358
Others including miscellaneous	9,739	32,915	43,669	20,493	6,556	28,361	37,086	15,281	5,212	4,573
Total	<u>174,084</u>	<u>233,728</u>	<u>246,788</u>	<u>187,144</u>	<u>46,439</u>	<u>155,410</u>	<u>159,397</u>	<u>50,426</u>	<u>136,718</u>	<u>181,189</u>
Treaty	-	3,781	3,781	-	-	-	-	-	-	-
Grand total	<u>174,084</u>	<u>237,509</u>	<u>250,569</u>	<u>187,144</u>	<u>46,439</u>	<u>155,410</u>	<u>159,397</u>	<u>50,426</u>	<u>136,718</u>	<u>181,189</u>

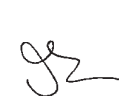
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Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF EXPENSES (UNAUDITED)
 FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2009

		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 9				Quarter ended	Quarter ended	
		Commissions Paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expense	Commissions from reinsurers	Sep. 30, 2009	Sep. 30, 2008
			Opening	Closing						
		(R u p e e s i n		t h o u s a n d)						
Business underwritten inside Pakistan										
Direct and facultative										
Class										
Fire and Property Damage	3,627	10,118	9,050	4,695	3,886	8,583	13,396	(4,813)	(2,808)	
Marine, Aviation and Transport	1,506	1,069	529	2,046	11,530	13,576	4,982	8,594	6,430	
Motor	2,126	8,711	6,631	4,206	23,006	27,212	87	27,125	26,857	
Others including miscellaneous	544	1,606	1,367	783	943	1,726	2,428	(702)	(597)	
Total	7,803	21,504	17,577	11,730	39,365	51,097	20,893	30,204	29,882	
Treaty	-	-	-	-	-	-	-	-	-	
Grand total	7,803	21,504	17,577	11,730	39,365	51,097	20,893	30,204	29,882	

		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 9				Nine months	Nine months	
		Commissions Paid or payable	Deferred commission		Net commission expenses	Other management expenses	Underwriting expense	Commissions from reinsurers	Sep. 30, 2009	Sep. 30, 2008
			Opening	Closing						
		(R u p e e s i n		t h o u s a n d)						
Business underwritten inside Pakistan										
Direct and facultative										
Class										
Fire and Property Damage	13,592	8,663	9,050	13,205	14,707	27,912	35,650	(7,738)	(8,203)	
Marine, Aviation and Transport	5,965	376	529	5,812	33,406	39,218	14,395	24,823	16,244	
Motor	10,095	9,733	6,631	13,197	70,600	83,797	211	83,586	77,512	
Others including miscellaneous	1,890	1,797	1,367	2,320	2,916	5,236	7,026	(1,790)	(4,233)	
Total	31,542	20,569	17,577	34,534	121,629	156,163	57,282	98,881	81,320	
Treaty	-	-	-	-	-	-	-	-	(9)	
Grand total	31,542	20,569	17,577	34,534	121,629	156,163	57,282	98,881	81,311	

Note:

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

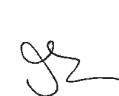
The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



 Arshad P. Rana
 Chief Executive



 Azam Faruque
 Director



 Omar Saeed
 Director



 Yusuf H. Shirazi
 Chairman

CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UNAUDITED)
FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2009

	Nine months ended September 30, 2009	Nine months ended September 30, 2008	Quarter ended September 30, 2009	Quarter ended September 30, 2008
--	---	---	---	---

(Rupees in thousand)

Income from non-trading investments

Held to maturity

Return on fixed income securities

3,922	386	2,315	42
-------	-----	-------	----

Available for sale

Dividend income

22,718	28,502	7,497	17,108
--------	--------	-------	--------

Gain on sale of non-trading investments

76,447	89,635	49,632	-
--------	--------	--------	---

Provision for diminution in the value of investments

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

Less: Investment related expenses

(1,107)	(1,705)	(603)	-
---------	---------	-------	---

Net investment income

101,980	109,744	58,841	17,150
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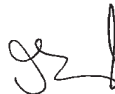
The annexed notes 1 to 11 form an integral part of the condensed interim financial information.



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE FINANCIAL PERIOD ENDED SEPTEMBER 30, 2009**

1. Legal status and nature of business

Atlas Insurance Limited was incorporated as a public limited company in Lahore on September 6, 1934 and is listed on Lahore and Karachi stock exchanges. The company is engaged in general insurance business. The registered office of the company is situated at 3 - Bank Square, Lahore.

2. Basis of preparation

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

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

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

3. Basis of measurement

These financial statements have been prepared by applying the same accounting policies as adopted in the preparation of the preceding annual published financial statements of the company for the year ended December 31, 2008.

4. Contingencies and commitments

4.1 Contingencies

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

4.2 Commitments

Nil (2008: Nil)

September 30, December 31,
2009 2008
 (Rupees in thousand)

5. Investments

Held to maturity

Pakistan Investment Bonds

36,389

-

Available for sale

Mutual funds

98,238

43,084

Quoted shares

420,417

451,117

518,655

494,201

555,044

494,201

Aggregate market value of investments

598,282

524,032

September 30, December 31,
2009 2008
(Rupees in thousand)

6. Fixed assets

	<u>September 30,</u> 2009	<u>December 31,</u> 2008
Opening book value	49,296	32,264
Add: Additions during the period	4,150	25,136
	<u>53,446</u>	<u>57,400</u>
Less: Disposal during the period (at book value)	1,525	986
Depreciation charged during the period	5,388	7,118
	<u>6,913</u>	<u>8,104</u>
	<u>46,533</u>	<u>49,296</u>

September 30, September 30,
2009 2008
(Rupees in thousand)

7. Provision for taxation

	<u>September 30,</u> 2009	<u>September 30,</u> 2008
Current - for the period	38,043	37,497
Deferred - for the period	1,608	3,513
	<u>39,651</u>	<u>41,010</u>

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:

	<u>September 30,</u> 2009	<u>September 30,</u> 2008
Cash and other equivalents	273	399
Current and other accounts	321,512	57,591
Deposits maturing within twelve months	60,000	-
	<u>321,785</u>	<u>57,990</u>

8.1 Reconciliation to profit and loss account

Operating cash flows	104,706	(80,057)
Depreciation expense	(5,387)	(5,082)
Financial charges	(374)	(317)
Provision for doubtful debts	(6,115)	-
Increase in assets other than cash	145,839	220,759
(Increase) in liabilities other than borrowings	(187,498)	(45,910)
Others		
- Decrease / (increase) in provision for unearned premium	5,047	(17,907)
- (Increase) in commission income unearned	(11,527)	(5,882)
- Investment income	101,980	116,818
- Rental and other income	21,531	10,733
- Increase in provision for commission expense deferred	(2,997)	(1,251)
- Amortization expense	-	(380)
- Provision for diminution in the value of investment	-	(7,074)
	<u>165,205</u>	<u>184,450</u>

9. Transactions with related parties

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

	<u>September 30,</u> 2009	<u>September 30,</u> 2008
	(Rupees in thousand)	
Premium underwritten	294,677	341,950
Premium collected	282,642	207,522
Claims paid	26,276	34,708
Lease rentals	125	-
Vehicles purchased	79	2,078
Rent received	531	434
Rent paid	1,745	1,629
Interest received	13,521	5,449
Provident fund	3,411	2,950
Gratuity funds	375	450
Brokerage paid for purchase of shares	524	1,231
Brokerage paid for sale of shares	1,107	1,704
Donations	2,005	2,240
Dividends paid	45,778	53,379
Dividends received	5,242	11,474

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 26, 2009 by the Board of Directors of the company.

11. General


Corresponding figures have been re arranged, wherever necessary, for the purpose of comparison. The earnings per share in the corresponding periods have been restated to take account of the effect of bonus shares issued during the current period. Prior to this restatement, the earnings per share were Rs.6.87 and Rs.1.98 for the nine months and quarter ended September 30, 2008 respectively.



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

COMPANY OFFICES
HEAD OFFICE

3 Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	PABX: Fax:	37320542, 37320543, 37310658 37322271, 37322273 37234742
ARSHAD P. RANA Chief Executive Officer	Direct: Extension:	37234812 501
AAMER WAQAR CHAUDHRY Chief Financial Officer	Direct: Extension:	37234757 403
MUHAMMAD MUNIR Technical Adviser (Operations)	Direct: Extension:	37314241 404
QUDSIA NAHEED Vice President (Admin/HR)	Direct: Extension:	37245348 303
MUHAMMAD ASHRAF BHATTI Vice President (Underwriting)	Extension:	304
MUHAMMAD IQBAL Vice President (Marketing)	Extension:	302
SALEEM MAHMOOD Chief Internal Auditor	Extension:	428

NORTH ZONE OFFICES & BRANCHES
LAHORE

AZHAR M. PIRACHA Circle Chief, Lahore Circle - I	City Branch 3 - Bank Square, Shahrah-e-Quaid-e-Azam, Lahore.	37212365-6, 37312858, 37312868, 37230558-9 Fax: 37212367
MUHAMMAD MUNIR QAZI Chief Manager	Fatima Jinnah Road Branch 1st Floor, Nawa-i-Waqt Building, Fatima Jinnah Road, Lahore.	36271320, 36364906 Fax: 36371186
MUHAMMAD IJAZ Deputy Chief Manager	Al-Noor Branch Al-Noor Building, 43-Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	37358805 Fax: 37237343
KH. MUHAMMAD NADEEM Branch Manager	Napier Road Branch Nairobi Mansion Napier Road, Lahore.	37352560 Fax: 37358190
ZAFAR HUSSAIN JAMAL Branch Manager	Mall Road Branch Hafeez Chambers, 85- Shahrah-e-Quaid-e-Azam, Lahore.	36305595, 36271663 Fax: 36369576
MUHAMMAD WASIM PURI Branch Manager	Faisal Town Branch 753 - C, Faisal Town, Lahore.	35173551-2 Fax: 35173557

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

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Branch Manager

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4544494

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Chief Executive Officer

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201

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Asst. Vice President Claims & U/W

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217

JAWAID IRSHAD
Manager Motor

Extension:

215

MUHAMMAD AFZAL
Company Secretary

Extension:

202

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