



Half Yearly Report
June 30, 2015

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Company Information

Board of Directors

Yusuf H. Shirazi
Chairman

Feroz Rizvi
Director

Isphanyar M. Bhandara
Director

Tariq Amin
Director

Ali H. Shirazi
Director

Jawaid Iqbal Ahmed
Director

Arshad P. Rana
Chief Executive

Muhammad Afzal
Company Secretary

Audit Committee

Feroz Rizvi
Chairman

Ali H. Shirazi
Member

Jawaid Iqbal Ahmed
Member

Muhammad Afzal
Secretary

Saleem Mahmood Akhtar
Chief Internal Auditor

Human Resource & Remuneration Committee

Isphanyar M. Bhandara
Chairman

Ali H. Shirazi
Member

Arshad P. Rana
Member

Qudsia Naheed
Secretary

Investment Committee

Ali H. Shirazi
Chairman

Arshad P. Rana
Member

Rashid Amin
Member

Muhammad Afzal
Secretary

Information Technology (IT) Committee

Ali H. Shirazi
Chairman

Arshad P. Rana
Member

Abdul Razzaq Ghauri
Secretary

Underwriting Committee

Ali H. Shirazi
Chairman

Arshad P. Rana
Member

Muhammad Saeed
Member

Syed Irtiza Kazmi
Secretary

Company Information

Claims Settlement Committee

Ali H. Shirazi
Chairman

Arshad P. Rana
Member

Syed Irtiza Kazmi
Member

Muhammad Saeed
Secretary

Reinsurance & Co-insurance Committee

Ali H. Shirazi
Chairman

Arshad P. Rana
Member

Syed Irtiza Kazmi
Member

Syed Nasir Hussain
Secretary

Management Committee

Arshad P. Rana
Chief Executive

Nisar Zaman Khan
Head of Marketing & Sales

Rashid Amin
Chief Financial Officer

Muhammad Saeed
Head of Claims

Qudsia Naheed
Head of HR & Admin

Abdul Razzaq Ghauri
Vice President (IT)

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.
Agha Faisal Barrister at Law
Dugal Chambers

Tax Advisor

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Share Registrar

Hameed Majeed Associates (Pvt) Limited
H. M. House, 7-Bank Square,
Shahrah-e-Quaid-e-Azam, Lahore
Tel: (92-42) 37235081-82
Fax: (92-42) 37358817

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
The Bank of Punjab
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
NIB Bank Limited
Summit Bank Limited

Registered & Head Office

3-Bank Square,
Shahrah-e-Quaid-e-Azam, Lahore
Tel: (92-42) 37320542-43,
37322271, 73, 37310658
Fax: (92-42) 37234742
E mail: info@atlasinsurance.com.pk
Website: www.atlasinsurance.com.pk

Chairman's Review

It gives me great pleasure to present the un-audited accounts of your Company for the half year ended June 30, 2015.

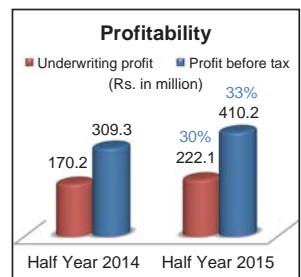
The Economy

The national indicators of economic growth have strengthened further. The recently closed fiscal year 2014-2015 reflected a growth rate of 4.2% against 4.0% of last fiscal year, 2013-14. This was the highest growth rate in the last three years. Strong capital inflows and remittances, lower oil prices and improvement in the law & order situation, supported business confidence and investment spending which contributed in strengthening country's economy. Government has set a very ambitious GDP growth rate target of 5.5% for the fiscal year 2015-16 as it sees a phase of economic growth after achieving stabilization in the previous two fiscal years. The long term plan envisages progress in implementing macroeconomic and structural reforms to support fiscal policy, alleviate energy shortage, restructure and privatize loss making public enterprises. Foreign exchange reserves, after receiving USD 706 million from World Bank, increased home remittances, issuance of Sukuks, decrease in import bill for oil, privatization proceeds and receipt of the tranche from the donors, substantially increased to USD 18.2 billion, as compared to USD 13.8 billion of last year. Inflation was recorded at 5.8% during fiscal year 2014-15 against 8.3% in the last year enabling State Bank to reduce discount rate from 10% in July 2014 to 7% in July 2015. All major sectors provided support to improve economic growth. Agricultural sector grew by 2.9% as against 2.1% of last year, Industrial sector by 3.6% compared to 5.8% of last year and service sector registered growth of 4.95% against 4.29% of last year mainly due to progress in financial service sector, aided by heavy government borrowings and increase in money supply.

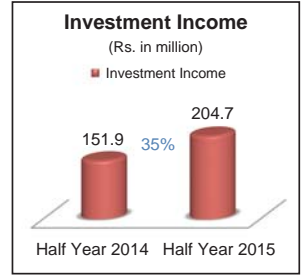
Overseas Pakistani workers remitted USD 18.45 billion during FY15, showing a significant growth of 16.5% compared to USD 15.84 billion received in the preceding year. Investor confidence has further improved with recent upgrades in outlook by international rating agencies. Resultantly the Karachi Stock Exchange registered 16% growth during FY15 and KSE-100 index crossed 34,000 points during the first half of CY15.

The Company

The Company performed well during the period under review. The gross premium underwritten reached Rs. 1.065 billion against Rs. 850.91 million for the same period last year, posting 25% growth. The net premium also rose to Rs. 476.90 million against Rs. 410.78 million of last year. Sound underwriting policies resulted in increased underwriting profit of Rs. 222.09 million compared to Rs. 170.19 million in the same period last year, up 30%. Investment at cost stood at Rs. 1.837 billion (market value Rs. 3.759 billion). The Company as a



result of its prudent investment management and its preference to invest in stocks with strong fundamentals earned Rs. 204.71 million income from investment compared to Rs. 151.94 million in the same period last year. The Company earned profit before tax of Rs. 410.24 million against Rs. 309.30 million in the same period last year, up 33%. After providing for tax, the profit after tax stood at Rs. 321.83 million compared to Rs. 252.84 million in the same period last year.



Future Outlook

Despite the fragile global economic recovery and consequently subdued global trade, economic reforms initiated by the government narrowed the budget deficits and rebuilt the exchange reserves. Foreign direct investment in infrastructure sector is expected in coming years by way of China-Pakistan economic corridor. Government has made some headway in improving the economy by making serious efforts to overcome energy shortage and improve law & order situation in the country. The outlook is for moderate growth, lower inflation and a stable external position underpinned by low oil prices. These projections are based on progress in the government extensive program of macroeconomic and structural reforms, as well as manageable political, security and energy challenges.

The management of your Company is well equipped to avail all the opportunities existing in the market to maintain its growth momentum and generate consistent returns for its shareholders:

مُنونِ دِل دے کر بنگھاریں گے رُخِ بَرگِ مَکَلاب
ہم نے نگلشن کے تحفظ کی قسم کھائی ہے

(Our heart and mind are dedicated to grow bigger and better)

Acknowledgement

I would like to thank the Board of Directors, Mr. Arshad P. Rana, Chief Executive Officer and his team for their efforts, dedication and sincerity of purpose. I would also express my gratitude to all the reinsurers, our valued clients, banks and SECP for their support and guidance to the Company.

Yusuf H. Shirazi

Directors' Report

The directors have pleasure in submitting the half yearly report of the Company together with the un-audited accounts reviewed by the auditors and the auditors report for the period ended June 30, 2015.

<u>June 30,</u> <u>2015</u>	<u>June 30,</u> <u>2014</u>
(Rupees in thousand)	

The overall business figures are:

Net premium	476,897	410,775
Net claims	107,128	105,859
Investment and other income	216,170	162,140
Net commission	32,071	23,967
Expenses of management	179,750	158,694

Financial results are as follows:

Profit before tax	410,237	309,304
Less: Provision for taxation	88,407	56,463
Profit after tax	321,830	252,841

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 and on behalf of the
Board of Directors



Arshad P. Rana
Chief Executive

Lahore: August 26, 2015

Pattern of Shareholding

As at June 30, 2015

Number of shareholders	Shareholding		Shares held
	From	To	
242	1	100	6,875
220	101	500	64,156
137	501	1000	108,399
317	1001	5000	824,974
126	5001	10000	891,042
63	10001	15000	795,822
26	15001	20000	442,498
20	20001	25000	446,341
23	25001	30000	629,037
15	30001	35000	484,628
10	35001	40000	387,399
5	40001	45000	215,442
7	45001	50000	332,937
3	50001	55000	153,530
8	55001	60000	454,047
2	60001	65000	124,679
1	65001	70000	65,572
5	70001	75000	358,276
3	75001	80000	236,526
3	80001	85000	246,695
3	90001	95000	280,275
3	95001	100000	292,948
1	100001	105000	102,500
4	105001	110000	438,400
1	110001	115000	115,000
1	115001	120000	116,879
1	120001	125000	122,000
1	125001	130000	130,000
1	130001	135000	130,541
2	140001	145000	280,512
1	145001	150000	149,672
1	165001	170000	166,500
1	170001	175000	173,001
1	175001	180000	176,803
1	200001	205000	203,926
2	260001	265000	522,490
1	280001	285000	280,579
1	295001	300000	300,000
1	340001	345000	340,949
1	450001	455000	452,152
1	1355001	1360000	1,357,029
1	1925001	1930000	1,929,336
1	1975001	1980000	1,978,915
1	6920001	6925000	6,923,144
1	22065001	22070000	22,068,013
1	23860001	23865000	23,860,942
<u>1,271</u>			<u>70,161,381</u>

Shareholders' Information

As at June 30, 2015

Categories of shareholders	Shares held	Holding %
Director, Chief Executive and their spouse and minor children	96,509	0.14%
Associated Companies, undertakings and related parties	54,781,436	78.08%
NIT and ICP	753	0.00%
Banks, Development Finance Institutions Non-Banking Financial Institutions	479,000	0.68%
Insurance Companies	2,145,415	3.06%
Modaraba and Mutual Funds	3,000	0.00%
Shareholders holding 10% and above	45,928,955	65.46%
General Public :		
a. Local	11,057,228	15.76%
b. Foreign	-	0.00%
Others:		
Joint Stock Companies	151,254	0.22%
Trusts	18,744	0.03%
Others	1,428,042	2.04%

Auditors' Report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying:

- (i) condensed interim balance sheet;
- (ii) condensed interim profit and loss account;
- (iii) condensed interim statement of comprehensive income;
- (iv) condensed interim cash flow statement;
- (v) condensed interim statement of changes in equity;
- (vi) condensed interim statement of premiums;
- (vii) condensed interim statement of claims;
- (viii) condensed interim statement of expenses; and
- (ix) condensed interim statement of investment income

and notes to the condensed interim financial information of Atlas Insurance Limited (the Company) as at June 30, 2015 and for the six months period then ended (here-in-after referred to as 'interim financial information'). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.



Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Engagement Partner: Mohammed Junaid

Lahore

Date: August 26, 2015

Condensed Interim

As at

Note	June 30, 2015	December 31, 2014
	(Unaudited)	(Audited)
	(Rupees in thousand)	

Share capital and reserves

Authorised share capital 80,000,000 (December 31, 2014: 80,000,000) ordinary shares of Rs.10 each	800,000	800,000
Issued, subscribed and paid up capital 70,161,381 (December 31, 2014: 70,161,381) ordinary shares of Rs.10 each	701,614	701,614
Reserves	545,064	421,064
Retained earnings	321,686	544,824
	1,568,364	1,667,502

Underwriting provisions

Provision for outstanding claims (including IBNR)	363,990	276,994
Provision for unearned premium	813,112	718,802
Commission income unearned	77,170	61,432
Total underwriting provisions	1,254,272	1,057,228

Creditors and accruals

Premium received in advance	16,756	56,429
Amounts due to other insurers / reinsurers	268,641	315,070
Accrued expenses	79,760	83,726
Taxation - provision less payments	15,819	16,648
Other creditors and accruals	97,597	92,842

Other liabilities

Deposits against performance bonds	19,879	13,404
Unclaimed dividends	53,637	41,170
	73,516	54,574

TOTAL LIABILITIES	1,806,361	1,676,517
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TOTAL EQUITY AND LIABILITIES	3,374,725	3,344,019
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CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 15 form an integral part of this interim financial information.

Balance Sheet

June 30, 2015

	Note	June 30, 2015 (Unaudited) (Rupees in thousand)	December 31, 2014 (Audited)
Cash and bank deposits			
Cash and other equivalents		569	176
Current and other accounts		156,449	432,994
		157,018	433,170
Loans to employees - secured considered good		178	194
Investments	8	1,837,257	1,868,597
Deferred taxation		20,298	17,410
Current assets - others			
Premiums due but unpaid		402,566	145,497
Amounts due from other insurers / reinsurers		160,594	179,594
Salvage recoveries accrued		4,935	5,685
Accrued investment income		8,432	3,807
Reinsurance recoveries against outstanding claims		262,886	179,685
Deferred commission expense		54,706	50,608
Prepayments		391,213	381,794
Sundry receivables		14,205	26,126
		1,299,537	972,796
Fixed assets			
Tangible			
	9		
Freehold land		1,168	1,168
Building on freehold land		10,938	11,219
Furniture and fixtures		2,531	2,666
Office equipments		10,674	9,549
Computers - owned		8,932	7,412
Motor vehicles - owned		24,382	17,233
		58,625	49,247
Intangible			
	9		
Computer software		1,812	2,605
TOTAL ASSETS		3,374,725	3,344,019



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Profit and Loss Account (Unaudited)

For the six months period ended June 30, 2015

	Three months period ended June 30					2015	2014
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty		
	(Rupees in thousand)						
Revenue account							
Net premium revenue	36,486	84,627	82,041	36,344	-	239,498	220,776
Net claims	(1,487)	821	(35,052)	(19,058)	-	(54,776)	(57,067)
Expenses	(23,769)	(20,768)	(37,152)	(15,245)	-	(96,934)	(85,758)
Net commission	8,271	12,119	(6,732)	4,797	-	18,455	11,881
Underwriting result	<u>19,501</u>	<u>76,799</u>	<u>3,105</u>	<u>6,838</u>	<u>-</u>	<u>106,243</u>	<u>89,832</u>
Investment income						149,307	83,153
Rental income						1,716	1,676
Other income						2,198	2,794
Financial charges						(257)	(177)
General and administration expenses						(14,019)	(10,960)
						138,945	76,486
Profit before taxation						245,188	166,318
Provision for taxation						(48,377)	(23,206)
Profit after taxation						<u>196,811</u>	<u>143,112</u>
Basic and diluted earnings per share - Rupees						<u>2.81</u>	<u>2.04</u>

Note	Six months period ended June 30					2015	2014
	Fire and property damage	Marine, aviation and transport	Motor	Miscellaneous	Treaty		
	(Rupees in thousand)						
Revenue account							
Net premium revenue	78,506	164,277	165,360	68,754	-	476,897	410,775
Net claims	(4,408)	(2,694)	(69,358)	(30,668)	-	(107,128)	(105,859)
Expenses	(36,748)	(36,606)	(61,446)	(44,950)	-	(179,750)	(158,694)
Net commission	17,962	19,551	(13,100)	7,658	-	32,071	23,967
Underwriting result	<u>55,312</u>	<u>144,528</u>	<u>21,456</u>	<u>794</u>	<u>-</u>	<u>222,090</u>	<u>170,189</u>
Investment income						204,712	151,944
Rental income						3,432	3,352
Other income						8,026	6,844
Financial charges						(307)	(248)
General and administration expenses						(27,716)	(22,777)
						188,147	139,115
Profit before taxation						410,237	309,304
Provision for taxation	10					(88,407)	(56,463)
Profit after taxation						<u>321,830</u>	<u>252,841</u>
Profit and loss appropriation account							
Balance at commencement of the period						544,824	456,136
Profit after taxation for the six month ended June 30						321,830	252,841
Transfer to general reserve						(124,000)	(77,000)
Final dividend for 2014 @ Rs. 6 per share (2013: Rs. 5 per share)						(420,968)	(318,916)
Transfer to reserve for issue of bonus shares						-	(63,783)
Balance unappropriated profit at the end of the period						<u>321,686</u>	<u>249,278</u>
Basic and diluted earnings per share - Rupees						<u>4.59</u>	<u>3.60</u>

The annexed notes from 1 to 15 form an integral part of this interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the six months period ended June 30, 2015

	Six months period ended June 30, 2015 (Rupees in thousand)		Three months period ended June 30, 2015 (Rupees in thousand)	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Profit for the period	321,830	252,841	196,811	143,112
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>321,830</u>	<u>252,841</u>	<u>196,811</u>	<u>143,112</u>

The annexed notes from 1 to 15 form an integral part of this interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Changes In Equity (Unaudited)

For the six months period ended June 30, 2015

	Issued, subscribed and paid-up capital	Capital Reserve			Revenue Reserve			Total
		Capital reserve	Reserve for exceptional losses	Reserve for issue of bonus shares	General reserve	Investment fluctuation reserves	Retained earnings	
(Rupees in thousand)								
Balance as at January 01, 2014 (Audited)	637,831	2,251	2,164	-	336,649	3,000	456,136	1,438,031
Final dividend for the year ended December 31, 2013 @ 50% (Rs. 5 per share)	-	-	-	-	-	-	(318,916)	(318,916)
Transfer to general reserve	-	-	-	-	77,000	-	(77,000)	-
Transfer to reserve for bonus shares	-	-	-	63,783	-	-	(63,783)	-
Issue of bonus shares @ 10%	63,783	-	-	(63,783)	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	252,841	252,841
Balance as at June 30, 2014 (Un-audited)	<u>701,614</u>	<u>2,251</u>	<u>2,164</u>	<u>-</u>	<u>413,649</u>	<u>3,000</u>	<u>249,278</u>	<u>1,371,956</u>
Balance as at January 01, 2015 (Audited)	701,614	2,251	2,164	-	413,649	3,000	544,824	1,667,502
Final dividend for the year ended December 31, 2014 @ 60% (Rs. 6 per share)	-	-	-	-	-	-	(420,968)	(420,968)
Transfer to general reserve	-	-	-	-	124,000	-	(124,000)	-
Total comprehensive income for the period	-	-	-	-	-	-	321,830	321,830
Balance as at June 30, 2015 (Unaudited)	<u>701,614</u>	<u>2,251</u>	<u>2,164</u>	<u>-</u>	<u>537,649</u>	<u>3,000</u>	<u>321,686</u>	<u>1,568,364</u>

The annexed notes from 1 to 15 form an integral part of this interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Cash Flow Statement (Unaudited)

For the six months period ended June 30, 2015

Note	June 30, 2015	June 30, 2014
	(Rupees in thousand)	
Operating cash flows		
Underwriting activities		
Premiums received	763,865	733,487
Reinsurance premiums paid	(499,683)	(294,800)
Claims paid	(180,912)	(127,464)
Reinsurance and other recoveries received	32,610	52,265
Commission paid	(67,580)	(45,607)
Commission received	109,092	90,517
Other underwriting payments	(809)	(967)
Other underwriting receipts	8,970	8,857
Net cash inflow from underwriting activities	165,553	416,288
Other operating activities		
Income tax paid	(92,124)	(54,944)
General and management expenses paid	(177,657)	(175,586)
Loans - net	6,491	(68)
Net cash outflow from other operating activities	(263,290)	(230,598)
Total cash (outflow) / inflow from all operating activities	(97,737)	185,690
Investment activities		
Profit / return received	11,940	7,579
Dividends received	67,170	56,713
Rentals received	4,754	5,094
Payments for purchase of investments	(1,116,982)	(664,831)
Proceeds from disposal of investments	1,276,980	780,139
Payments against purchase of fixed assets	(20,627)	(5,931)
Payment against purchase of intangible assets	-	(2,387)
Proceeds from disposal of fixed assets	7,158	2,270
Total cash inflow from investing activities	230,393	178,646
Financing activities		
Dividends paid	(408,501)	(319,238)
Financial charges paid	(307)	(248)
Total cash out flow from financing activities	(408,808)	(319,486)
Net cash (outflow) / inflow from all activities	(276,152)	44,850
Cash and cash equivalents at the beginning of the period	433,170	162,163
Cash and cash equivalents at the end of the period	157,018	207,013

Reconciliation of operating cash flows to profit and loss account is given as note 11.1 to this interim financial information.

The annexed notes from 1 to 15 form an integral part of this interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Premiums (Unaudited)

For the six months period ended June 30, 2015

T h r e e m o n t h s p e r i o d e n d e d J u n e 3 0										
Business underwritten inside Pakistan										
Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		2015	2014
(R u p e e s i n t h o u s a n d)										
Direct and facultative										
Fire and property damage	158,146	284,330	310,827	131,649	82,188	218,056	205,081	95,163	36,486	33,301
Marine, aviation and transport	135,685	39,665	38,532	136,818	48,711	15,482	12,002	52,191	84,627	81,216
Motor	136,794	191,483	223,875	104,402	33,164	17,322	28,125	22,361	82,041	76,001
Miscellaneous	88,814	283,438	239,878	132,374	16,233	223,509	143,712	96,030	36,344	30,258
Total	519,439	798,916	813,112	505,243	180,296	474,369	388,920	265,745	239,498	220,776
Treaty	-	-	-	-	-	-	-	-	-	-
Grand total	519,439	798,916	813,112	505,243	180,296	474,369	388,920	265,745	239,498	220,776


S i x m o n t h s p e r i o d e n d e d J u n e 3 0										
Business underwritten inside Pakistan										
Class	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	Net premium revenue	
		Opening	Closing			Opening	Closing		2015	2014
(R u p e e s i n t h o u s a n d)										
Direct and facultative										
Fire and property damage	255,945	319,703	310,827	264,821	166,563	224,833	205,081	186,315	78,506	58,366
Marine, aviation and transport	254,729	42,610	38,532	258,807	90,984	15,548	12,002	94,530	164,277	152,586
Motor	240,823	186,302	223,875	203,250	45,519	20,496	28,125	37,890	165,360	147,784
Miscellaneous	313,432	170,187	239,878	243,741	200,177	118,522	143,712	174,987	68,754	52,039
Total	1,064,929	718,802	813,112	970,619	503,243	379,399	388,920	493,722	476,897	410,775
Treaty	-	-	-	-	-	-	-	-	-	-
Grand total	1,064,929	718,802	813,112	970,619	503,243	379,399	388,920	493,722	476,897	410,775

The annexed notes from 1 to 15 form an integral part of this interim financial information.


Arshad P. Rana
Chief Executive


Ali H. Shirazi
Director


Feroz Rizvi
Director


Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Claims (Unaudited)

For the six months period ended June 30, 2015

T h r e e m o n t h s p e r i o d e n d e d J u n e 3 0										
Business underwritten inside Pakistan										
Class	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	Net claims expense	
		Opening	Closing			Opening	Closing		2015	2014
(R u p e e s i n t h o u s a n d)										
Direct and facultative										
Fire and property damage	28,671	153,927	162,558	37,302	26,289	147,384	156,910	35,815	1,487	966
Marine, aviation and transport	26,537	68,931	58,414	16,020	21,464	53,055	48,432	16,841	(821)	13,118
Motor	29,378	72,801	77,931	34,508	2,309	11,472	8,619	(544)	35,052	32,151
Miscellaneous	21,440	42,601	61,307	40,146	4,597	32,434	48,925	21,088	19,058	10,832
Total	106,026	338,260	360,210	127,976	54,659	244,345	262,886	73,200	54,776	57,067
Treaty	-	3,780	3,780	-	-	-	-	-	-	-
Grand total	106,026	342,040	363,990	127,976	54,659	244,345	262,886	73,200	54,776	57,067


S i x m o n t h s p e r i o d e n d e d J u n e 3 0										
Business underwritten inside Pakistan										
Class	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	Net claims expense	
		Opening	Closing			Opening	Closing		2015	2014
(R u p e e s i n t h o u s a n d)										
Direct and facultative										
Fire and property damage	34,902	91,668	162,558	105,792	31,883	87,409	156,910	101,384	4,408	2,431
Marine, aviation and transport	36,687	71,429	58,414	23,672	27,258	54,712	48,432	20,978	2,694	14,203
Motor	68,459	69,984	77,931	76,406	8,912	10,483	8,619	7,048	69,358	69,509
Miscellaneous	41,614	40,133	61,307	62,788	10,276	27,081	48,925	32,120	30,668	19,716
Total	181,662	273,214	360,210	268,658	78,329	179,685	262,886	161,530	107,128	105,859
Treaty	-	3,780	3,780	-	-	-	-	-	-	-
Grand total	181,662	276,994	363,990	268,658	78,329	179,685	262,886	161,530	107,128	105,859

The annexed notes from 1 to 15 form an integral part of this interim financial information.


Arshad P. Rana
Chief Executive


Ali H. Shirazi
Director


Feroz Rizvi
Director


Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Expenses (Unaudited)

For the six months period ended June 30, 2015

Three months period ended June 30

Business underwritten inside Pakistan

Class	Commission paid or payable	Deffered commission		Net commission expense	Other management expense	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					2015	2014
(Rupees in thousands)									
Direct and facultative									
Fire and property damage	15,008	22,449	26,726	10,731	23,769	34,500	19,002	15,498	13,013
Marine, aviation and transport	3,955	1,573	1,190	4,338	20,768	25,106	16,457	8,649	11,349
Motor	11,916	16,218	19,355	8,779	37,152	45,931	2,047	43,884	39,988
Miscellaneous	3,441	11,494	7,435	7,500	15,245	22,745	12,297	10,448	9,527
Total	34,320	51,734	54,706	31,348	96,934	128,282	49,803	78,479	73,877
Treaty	-	-	-	-	-	-	-	-	-
Grand total	34,320	51,734	54,706	31,348	96,934	128,282	49,803	78,479	73,877

Six months period ended June 30

Business underwritten inside Pakistan

Class	Commission paid or payable	Deffered commission		Net commission expense	Other management expense	Underwriting expense	Commission from reinsurers	Net underwriting expense	
		Opening	Closing					2015	2014
(Rupees in thousands)									
Direct and facultative									
Fire and property damage	28,055	19,454	26,726	20,783	36,748	57,531	38,745	18,786	25,084
Marine, aviation and transport	8,510	1,494	1,190	8,814	36,606	45,420	28,365	17,055	23,067
Motor	20,965	15,419	19,355	17,029	61,446	78,475	3,929	74,546	70,595
Miscellaneous	7,851	14,241	7,435	14,657	44,950	59,607	22,315	37,292	15,981
Total	65,381	50,608	54,706	61,283	179,750	241,033	93,354	147,679	134,727
Treaty	-	-	-	-	-	-	-	-	-
Grand total	65,381	50,608	54,706	61,283	179,750	241,033	93,354	147,679	134,727

Note:


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

The annexed notes from 1 to 15 form an integral part of this interim financial information.


Arshad P. Rana
Chief Executive


Ali H. Shirazi
Director


Feroz Rizvi
Director


Yusuf H. Shirazi
Chairman

Condensed Interim Statement of Investment Income (Unaudited)

For the six months period ended June 30, 2015

	Six months period ended June 30, 2015 (Rupees in thousand)		Three months period ended June 30, 2015 (Rupees in thousand)	
	June 30, 2014	June 30, 2014	June 30, 2014	June 30, 2014
Income from non-trading investments				
Held to maturity				
Return on fixed income securities and deposits	4,305	3,324	2,211	1,688
Available for sale				
Dividend income	71,750	56,746	50,041	37,477
Gain on sale of available for sale investments	136,989	94,989	95,775	46,920
Less: Investment related expenses	(268)	(278)	(118)	(95)
Impairment in value of available for sale investments	(8,064)	(2,837)	1,398	(2,837)
Net investment income	<u>204,712</u>	<u>151,944</u>	<u>149,307</u>	<u>83,153</u>

The annexed notes from 1 to 15 form an integral part of this interim financial information.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

Notes to the Interim Financial Information (Unaudited)

For the six months period ended June 30, 2015

1. Legal status and nature of business

Atlas Insurance Limited (the Company) was incorporated as a public limited Company in Lahore on September 06, 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. Statement of compliance

This interim financial information of the Company for the six month period ended June 30, 2015 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. In case where requirements differ, the provisions of directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002 have been followed.

The disclosures made in this interim financial information have, however, been limited based on the format prescribed by the Securities and Exchange Commission of Pakistan (SECP) in its Circular No. 7 of 2003 and International Accounting Standard 34, Interim Financial Reporting. They do not include all the information required for full annual financial statements and therefore, should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2014.

3. Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of this interim financial information are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended December 31, 2014 except as follows:

3.1 New and amended standards and interpretations

The Company has adopted the following amendment to IFRSs which became effective for the current period:

IFRS 10 - Consolidated Financial Statements

IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities (Amendment)

IFRS 11 - Joint Arrangements

IFRS 12 - Disclosure of Interests in Other Entities

IFRS 13 - Fair Value Measurement

IAS 19 - Employee Benefits – (Amendment) - Defined Benefit Plans: Employee Contributions

The adoption of the above amendment to accounting standards did not have any effect on the condensed interim financial statements.

In addition to the above standards and interpretations, improvements to various accounting standards have also been issued by the IASB and are generally effective for current period. The Company expects that such improvements to the standards do not have any impact on the Company's financial statements for the period.

4. Basis of measurement

This interim financial information has been prepared under historical cost convention.

5. Accounting estimates and judgments

In preparing this interim financial information, the estimates / judgments and associated assumptions made by management in applying the Company's accounting policies and reported amounts of assets, liabilities, income and expenses are principally same as those applied in the annual financial statements as at and for the year ended December 31, 2014.

6. Financial risk management

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2014.

7. Contingencies and commitments

7.1 Contingencies

- 7.1.1** The Commissioner Inland Revenue issued orders under section 122(5A) creating a cumulative demand of Rs. 59,722 thousand for tax years 2009, 2010, 2011, 2012, 2013 and 2014 on the basis that dividend and rental income should be taxed at general rates instead of reduced rates. The Company filed appeals before Commissioner Inland Revenue (Appeal) against the orders of Additional Commissioner Inland Revenue, which upheld the appeals. Resultantly, the Company filed appeals before Appellate Tribunal Inland Revenue (ATIR) seeking resolution of pending adjudication against the orders of Commissioner Inland Revenue which are pending adjudication.

The matter is still undecided, no provision has been made in these financial statements as the management is confident that the eventual outcome of the above matter will be in favor of the Company.

7.1.2 Other contingencies

	<u>June 30,</u> 2015 (Unaudited) (Rupees in thousand)	<u>December 31,</u> 2014 (Audited)
Claims against the Company not acknowledged as debt.	13,344	13,344

7.2 Commitments

The amount of future payments under operating lease and the period in which these payments will become due are as follows:

	<u>June 30,</u> 2015 (Unaudited) (Rupees in thousand)	<u>December 31,</u> 2014 (Audited)
Not later than one year	25,136	40,363
Later than one year but not later than five years	21,798	22,597
Later than five years	-	-
	<u>46,934</u>	<u>62,960</u>

Note	<u>June 30,</u> 2015 (Unaudited) (Rupees in thousand)	<u>December 31,</u> 2014 (Audited)
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8. Investments

Held to maturity

Pakistan Investment Bonds (PIBs)	8.1	75,275	75,182
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Available for sale

Mutual funds		760,137	926,726
Quoted shares		1,001,845	866,689
		1,761,982	1,793,415
		<u>1,837,257</u>	<u>1,868,597</u>
Aggregate market value of investments		<u>3,758,614</u>	<u>3,729,566</u>

- 8.1 This represents carrying amount of PIBs placed as statutory deposit with the State Bank of Pakistan in accordance with the requirements of Section 29(2)(a) of the Insurance Ordinance, 2000.

<u>June 30,</u> 2015 (Unaudited) (Rupees in thousand)	<u>December 31,</u> 2014 (Audited)
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9. Fixed assets

Tangible

Opening net book value	49,247	53,856
Add: Additions during the period / year	20,627	7,668
	69,874	61,524
Less:		
Disposals during the period / year (at book value)	6,813	3,356
Depreciation charged during the period / year	4,436	8,921
	11,249	12,277
	<u>58,625</u>	<u>49,247</u>

Intangible

Opening net book value	2,605	2,284
Addition	-	2,387
Amortization charged during the period / year	(793)	(2,066)
	<u>1,812</u>	<u>2,605</u>

Six months period ended
June 30, 2015 **June 30, 2014**
(Unaudited) (Unaudited)
(Rupees in thousand)

10. Provision for taxation

Current tax		
- For the year	74,194	53,570
- Prior years	17,101	-
Deferred tax	91,295	53,570
	(2,888)	2,893
	<u>88,407</u>	<u>56,463</u>

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

Six months period ended
June 30, 2015 **June 30, 2014**
(Unaudited) (Unaudited)
(Rupees in thousand)

11. Cash and cash equivalents at the end of the period

For the purposes of cash flow statement cash includes:

Cash and other equivalents	569	309
Current and other accounts	156,449	206,704
	<u>157,018</u>	<u>207,013</u>

11.1 Reconciliation to profit and loss account

Operating cash flows	(97,737)	185,690
Depreciation expense	(4,436)	(4,212)
Amortization of intangible assets	(793)	(691)
Profit / (Loss) on disposal of fixed assets	345	(3)
Financial charges	(307)	(248)
Provision for doubtful debts	(10,081)	(8,265)
Increase in assets other than cash	325,906	115,867
Decrease / (Increase) in liabilities other than borrowings	(2,613)	(68,108)
Other adjustments		
- Decrease in provision for unearned premium	(84,788)	(113,303)
- Increase in commission income unearned	(15,738)	(11,860)
- Investment income	204,712	151,944
- Rental and other income	11,458	10,196
- Decrease in provision for commission expense deferred	(4,098)	(4,166)
Profit after taxation	<u>321,830</u>	<u>252,841</u>

12. Transactions with related parties

Related parties comprise associated undertakings, other related group companies, directors of the Company and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. The period end balances and transactions with related parties are as follows:

	<u>June 30,</u> 2015 (Unaudited)	<u>December 31,</u> 2014 (Audited)
	(Rupees in thousand)	
Associated companies		
Period end balances		
Provision for outstanding claims (including IBNR)	147,688	109,722
Premium received in advance	1,544	52,842
Premium due but unpaid	283,050	47,332
	<u>June 30,</u> 2015 (Unaudited)	<u>June 30,</u> 2014 (Unaudited)
	(Rupees in thousand)	
Transactions during the year		
Premium underwritten	462,950	481,874
Premium collected	304,954	479,404
Claims paid	57,066	32,030
Assets purchased	14,734	5,843
Assets sold	1,454	-
Rent received	2,546	2,546
Rent paid	895	814
Expenses paid	178	669
Donations	4,041	3,150
Dividends paid	328,689	249,007
Dividends received	39,431	31,867
Investments purchased	841,734	502,600
Investments sold	1,085,052	594,079
Post employment benefit plans		
Transactions during the year		
Expense charged	6,581	6,691
Key management personnel		
Transactions during the year		
Compensation	49,912	51,829

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

13. Segment reporting

There has been no change in the basis of segmentation or the measurement basis of segment profit or loss since December 31, 2014. Class of business wise revenue and results have been disclosed in the condensed interim statement of premiums and profit and loss account, respectively are prepared in accordance with the requirement of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002.

Segment wise assets and liabilities are as follows:

	Fire & property damage		Marine, aviation & transport		Motor		Miscellaneous		Total	
	June 30, 2015 (Unaudited)	Dec. 31, 2014 (Audited)	June 30, 2015 (Unaudited)	Dec. 31, 2014 (Audited)	June 30, 2015 (Unaudited)	Dec. 31, 2014 (Audited)	June 30, 2015 (Unaudited)	Dec. 31, 2014 (Audited)	June 30, 2015 (Unaudited)	Dec. 31, 2014 (Audited)
	(R u p e e s i n t h o u s a n d)									
Segment assets	542,102	270,945	215,009	278,160	175,399	197,668	342,097	193,694	1,274,607	940,467
Unallocated assets									2,100,118	2,403,552
Consolidated total assets									3,374,725	3,344,019
Segment liabilities	605,296	437,236	185,233	414,741	371,939	291,314	397,080	313,164	1,559,548	1,456,455
Unallocated liabilities									246,813	220,062
Consolidated total liabilities									1,806,361	1,676,517

14. Date of authorization for issue

This interim financial information was authorized for issue by the Board of Directors of the Company on August 26, 2015.

15. General

15.1 Figures for the three month period ended June 30, 2015 and June 30, 2014 have not been subject to limited scope review by the statutory auditors, as they are only required to review half yearly figures.

15.2 Figures in this interim financial information have been rounded off to the nearest thousand rupees unless otherwise specified.



Arshad P. Rana
Chief Executive



Ali H. Shirazi
Director



Feroz Rizvi
Director



Yusuf H. Shirazi
Chairman

COMPANY OFFICES**HEAD OFFICE**

3-Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	PABX:	(042) 37320542, 37323252, 37310658, 37322271 37322273
	Fax:	(042) 37234742
ARSHAD P. RANA Chief Executive Officer	Direct:	(042) 37234812
	Fax:	(042) 37116260
NISAR ZAMAN KHAN Head of Marketing and Sales	Direct:	(042) 37358360
	Extension:	404
RASHID AMIN Chief Financial Officer	Direct:	(042) 37234757
	Extension:	403
MUHAMMAD SAEED Head of Claims	Direct:	(042) 37323270
	Extension:	304
QUDSIA NAHEED Head of HR & Admin	Direct:	(042) 37245348
	Extension:	303
ABDUL RAZZAQ GHAURI Vice President (IT)	Direct:	(042) 37314241
	Extension:	402
SALEEM MEHMOOD Chief Internal Auditor	Extension:	428

NORTH ZONE OFFICES & BRANCHES**LAHORE**

CH. TAYYAB HUSSAIN Circle Chief, Lahore Circle - I	City Branch 3 - Bank Square, Shahrah-e-Quaid-e-Azam, Lahore.	(042) 37212365-6, 37312858, 37312868, 37230558-9 Fax: (042) 37212367
MUHAMMAD MUNIR QAZI Chief Manager	Gulberg Branch Office No. 335, 3rd Floor, Land Mark Plaza, Jail Road, Lahore	(042) 35775733-4 Fax: (042) 35714514
MUHAMMAD IJAZ Chief Manager	Al-Noor Branch Al-Noor Building, 43-Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	(042) 37237343 Fax: (042) 37358805
KH. MUHAMMAD NADEEM Branch Manager	Napier Road Branch Nairobi Mansion Napier Road, Lahore.	(042) 37358190 Fax: (042) 37352560

MUHAMMAD WASIM PURI Branch Manager	Mall Road Branch Hafeez Chambers, 85- Shahrah-e-Quaid-e-Azam, Lahore.	(042) 36305595, 36370838 Fax: (042) 36369576
---------------------------------------	--	---

CH. ZEESHAN AHMED Branch Manager	Main Boulevard Branch Office No-6, 2nd Floor, Al-Hafeez View, 67-D/1, Sir Syed Road, Gulberg-III, Lahore	(042) 35784309, 37034673 Fax: (042) 35784310
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RAWALPINDI

MAHMOOD AHMED Chief Manager	101/13, Bank Road, Grand Hotel Building, P.O. Box 119, Rawalpindi.	(051) 5563413, 5516546 Fax: (051) 5798083
MANZAR ALI NAQVI Manager		

FAISALABAD

MUHAMMAD ASIF AKRAM Chief Manager	Faisalabad Branch 123-B, People's Colony No. 1, D - Ground, Faisalabad.	(041) 8721256, 8734176 8546338, 8735080 Fax: (041) 8732499
--------------------------------------	---	--

Irshad Farrukh Bhatti Deputy Chief Manager	Busniess Center Branch Room No. 6, Ground Floor, The Business Center, New Civil Lines Faisalabad.	(041) 2619978, 2629978 Fax: (041) 2409978
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SIALKOT

REHAN NAZIR GHUMAN Branch Manager	27-Paris Road, Sialkot	(052) 4594520, 4264195 Fax: (052) 4290095
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ISLAMABAD

AASIM MAJEED Deputy Chief Manager	Office No. 4, 4th Floor, Sector F-7/G-7 Channab Center, Jinnah Avenue, Blue Area, Islamabad.	(051) 2347047, 48 Fax: (051) 2804115
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MULTAN

Ghulam Ali Office Incharge	Atlas Honda Building Azmat Wasti Road, Multan.	(061) 4544494 Fax: (061) 4544494
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SOUTH ZONE OFFICE

Ground Floor, Federation House, Abdullah Shah Ghazi Road, Main Clifton, Karachi.	PABX: Fax:	(021) 35378806-7 35369394-6 (021) 35378515
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ARSHAD P. RANA Chief Executive Officer	Direct:	(021) 35378757
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MUHAMMAD AFZAL
Company Secretary Extension: 202

SOUTH ZONE BRANCHES

KARACHI

M. FAROOQ KANDLAWALA
Circle Chief, Karachi Circle - I
Tower Branch
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HYDERABAD

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SUKKUR

ABDUL MAJEED QURESHI
Chief Manager
Near Public School,
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