

**QUARTERLY
REPORT
March 31, 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	11
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 Manager Technical	Muhammad Munir
Company Secretary	Qudsia Naheed

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

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

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

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

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

CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited accounts of your company for the 1st Quarter ended March 31, 2007.

The Economy

The economy is likely to achieve a growth of above 6.5%. Imports during the nine months ending March 31, 2007 rose to \$22.42 billion from \$20.69 billion of the corresponding period, up 8%. The exports in the same period lagged behind - \$12.44 billion against \$12.01 billion, up 4%. As a result the trade deficit rose to a record high of \$9.95 billion. Revenue collection during the period, however, improved to Rs.585.60 billion, up 20%. Foreign investment including privatization proceeds of \$133.20 million rose to \$5.56 billion against \$3.32 billion, up 67%. The foreign exchange reserves stood at \$13.62 billion. The inflation at 7.7% remains above the target of 6.5%. The agriculture sector is expected to perform well and so is the service sector. The economy on the whole is doing above the mark!

The Company Results

The Company's growth has been satisfactory during the period under review. The gross premium increased to Rs.177.36 million against Rs.151.21 million of the previous year for the same period up, 17.29%. The net premium also grew to Rs.98.89 million against Rs.66.22 million of the same period last year, up 49%. The underwriting profit, however, stood at Rs.30.56 million against Rs.35.05 million of the same period last year. The investment income was Rs.60.96 million against Rs.75.37 million of the same period last year. The short term placements, bank deposits and investments stood at Rs.874.44 million against Rs.823.38 million of the last year end. The profit before tax was Rs.88.30 million against Rs.109.03 million of the same period last year. After the tax provision of Rs.12.32 million, the profit after tax stood at Rs.75.98 million - a good performance on the whole.

Future Outlook

Pakistan economy is doing well and the Insurance industry is capitalizing the available opportunities in the growing market. The direct premium of the insurance industry has grown by an average of over 22% per annum during the last five years. Your management is also fully geared to seize the opportunity. It is reorganizing itself and introducing new products to respond to the market demand and share the prosperity.

لَيْسَ لِلْإِنْسَانِ إِلَّا مَا سَعَى

(One gets what one deserves)

Acknowledgment

I would like to thank the Board of Directors, the Group President, Mr. Aamir H. Shirazi, the Group Director, Mr. Frahim Ali Khan, the Group Executive Committee, and the Chief Executive Officer, Mr. Arshad P. Rana and his team for their efforts, dedication and sincerity of purpose. I also express my gratitude to all the reinsurers, our valued clients, banks and SECP for their trust and confidence reposed in your company.



Yusuf H. Shirazi

DIRECTORS' REPORT

The Directors have pleasure in submitting the Quarterly Report of the Company together with the Financial Statements for the period ended March 31, 2007.

	March 31, 2007	March 31, 2006
	(Rupees in thousand)	

The overall business figures are:

Net premium	98,887	66,222
Net claims	44,771	20,101
Investment and other income	61,249	76,437
Net commission	6,002	9,489
Expenses of management	29,560	20,560

Financial Results are as follows:

Profit before tax	88,296	109,028
Less: Provision for taxation	12,319	13,961
Profit after tax	75,977	95,067
Un-appropriated profit brought forward	301,590	255,059
Profit available for appropriation	377,567	350,126
Appropriations:		
Proposed dividend	111,191	-
Transfer to reserves for bonus shares	47,653	-
Transfer to reserves	142,000	-
	300,844	-
Balances carried to balance sheet	76,723	350,126

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: April 26, 2007

BALANCE SHEET

Note	March 31, 2007 (Un-audited) (Rupees in thousand)	December 31, 2006 (Audited)
Share Capital and Reserves		
Authorized share capital	500,000	500,000
Paid-up share capital	206,497	158,844
Retained earnings	76,723	301,590
Reserves	353,064	211,064
	636,284	671,498
Underwriting Provisions		
Provision for outstanding claims (including IBNR)	135,817	116,712
Provision for unearned premium	262,108	241,327
Commission income unearned	22,824	17,714
Total underwriting provisions	420,749	375,753
Deferred Liability		
Deferred taxation	2,115	2,061
Creditors and Accruals		
Premiums received in advance	524	552
Amounts due to other insurers/reinsurers	81,957	84,486
Accrued expenses	20,245	16,780
Taxation - provision less payments	16,869	19,304
Other creditors	7,852	11,991
	127,447	133,113
Other Liabilities		
Deposits against performance bonds	1,391	1,391
Dividend	118,711	7,530
Obligations against assets subject to finance lease	99	129
	120,201	9,050
TOTAL LIABILITIES	670,512	519,977
TOTAL EQUITY AND LIABILITIES	1,306,796	1,191,475
CONTINGENCIES AND COMMITMENTS	4	-

AS AT MARCH 31, 2007

Note	March 31, 2007 (Un-audited) (Rupees in thousand)	December 31, 2006 (Audited)
Cash and Bank Deposits		
Cash and other equivalent Current and other accounts	215 35,006	12 75,561
	35,221	75,573
Loans		
To employees	975	969
Investments	6	536,279
6	536,279	674,805
Current Assets - Other		
Premiums due but unpaid	146,019	94,405
Amounts due from other insurers/reinsurers	50,552	42,814
Salvage recoveries accrued	12,300	6,300
Accrued investment income	3,666	2,542
Reinsurance recoveries against outstanding claims	84,233	77,535
Deferred commission expense	12,940	12,366
Prepayments	86,922	86,986
Sundry receivables	315,695	95,246
	712,327	418,194
Fixed Assets		
Tangible		
Land and buildings	4,685	4,730
Furniture, fixtures and office equipments	4,846	4,649
Motor vehicles	10,462	8,798
	19,993	18,177
Capital work in progress	-	1,471
Intangible	2,001	2,286
TOTAL ASSETS	1,306,796	1,191,475

The annexed notes from 1 to 10 form an integral part of these financial statements.



Arshad P. Rana
Chief Executive



Omar Saeed
Director



Muhammad Faruque
Director



Yusuf H. Shirazi
Chairman

PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2007

(Restated)

Note	Quarter ended March 31, 2007				Quarter ended March 31, 2006	
	Fire and property	Marine, aviation and transport	Motor act	Misc.	March 31, 2007 aggregate	March 31, 2006 aggregate
(Rupees in thousand)						
Revenue Account						
Net premium revenue	7,877	24,297	63,773	2,940	98,887	66,222
Net claims	(381)	(5,063)	(39,227)	(100)	(44,771)	(20,101)
Expenses	(2,383)	(7,271)	(19,044)	(862)	(29,560)	(20,560)
Net commission	5,022	3,303	(2,934)	612	6,003	9,489
Underwriting Result	10,135	15,266	2,568	2,590	30,559	35,050
Investment income					60,957	75,368
Rental income					262	218
Other income					30	851
General and administration expenses					(3,512)	(2,459)
Profit Before Tax					88,296	109,028
Provision for taxation	7				(12,319)	(13,961)
Profit After Tax					75,977	95,067
Profit and loss appropriation account						
Profit after tax for the period					75,977	95,067
Balance at commencement of year					301,590	255,059
Proposed dividend					(111,191)	-
Transfer to reserves for bonus shares					(47,653)	-
Transfer to reserves					(142,000)	-
					746	255,059
Balance unappropriated profit at the end of the period					76,723	350,126
Earnings Per Share - Basic					3.68	4.60

The annexed notes from 1 to 10 form an integral part of these financial statements.



Arshad P. Rana
Chief Executive



Omar Saeed
Director



Muhammad Faruque
Director



Yusuf H. Shirazi
Chairman

STATEMENT OF CASH FLOWS (UN-AUDITED)
 FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2007

	March 31, 2007	March 31, 2006
	(Rupees in thousand)	
Operating Cash Flows		
a) Underwriting activities		
Premiums received	125,769	98,593
Reinsurance premiums paid	(68,730)	(82,521)
Claims paid	(37,946)	(35,172)
Reinsurance and other recoveries received	5,582	16,575
Commissions paid	(8,211)	(5,538)
Commissions received	18,747	14,734
Net cash flow from underwriting activities	35,211	6,671
b) Other operating activities		
Income tax paid	(14,753)	(6,846)
General management expenses paid	(29,459)	(24,573)
Other operating (payments) / receipts	3,147	1,706
Loans advanced	(183)	(283)
Loans repayments received	160	221
Net cash flow from other operating activities	(41,088)	(29,775)
Total cash flow from all operating activities	(5,877)	(23,104)
Investment activities		
Profit / return received	1,761	1,553
Dividends received	6,203	2,240
Rentals received	262	218
Payments made for investments	(9,492)	(583,128)
Short term placements	(229,940)	36,601
Proceeds from disposal of investments	199,655	390,150
Fixed capital expenditures	(2,809)	(527)
Proceeds from disposal of fixed assets	-	660
Total cash inflow / (outflow) from investing activities	(34,360)	(152,233)
Financing activities		
Dividends paid	(10)	(35)
Financial charges paid	(75)	(89)
Payments on finance leases	(30)	(104)
Total cash flow from financing activities	(115)	(228)
Net cash (outflow) / inflow from all activities	(40,352)	(175,565)
Cash at the beginning of the year	75,573	185,876
Cash at the end of the period	35,221	10,311

Reconciliation to Profit and Loss Account

	<u>March 31,</u> 2007	<u>March 31,</u> 2006
	(Rupees in thousand)	
Operating cash flows	(5,877)	(23,104)
Depreciation expense	(836)	(662)
Amortization of intangible assets / deferred cost	(285)	-
Gain on disposal of fixed assets	-	620
Increase in assets other than cash	171,880	81,819
Increase in liabilities other than running finance	(152,596)	(30,067)
Other adjustments		
Gain on disposal of investments	46,337	63,883
Gratuity	(128)	(125)
Gratuity paid	426	33
Dividend income	8,072	6,132
Interest income	1,015	780
Income on reverse repo transactions	5,534	2,873
Taxes paid	14,753	6,846
Provision for taxation	(12,318)	(13,961)
Profit after taxation	<u>75,977</u>	<u>95,067</u>

Definition of cash

Cash comprise of cash in hand, bank balances and other deposits which are readily convertible to cash and which are used in the cash management function on a day-to-day basis.

Cash for the purpose of the Statement of Cash Flows consists of:

Cash and other equivalent		
Cash and stamps in hand	215	49
Current and other account		
Current accounts	35,006	18,707
	<u>35,221</u>	<u>18,756</u>

The annexed notes from 1 to 10 form an integral part of these financial statements.



Arshad P. Rana
Chief Executive



Omar Saeed
Director



Muhammad Faruque
Director



Yusuf H. Shirazi
Chairman

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
 FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2007

	Share Capital	Capital Reserves			Revenue Reserves			Total
	Issued, subscribed and paid up	Capital reserve	Reserve for exceptional losses	Reserve for issue of bonus shares	General reserve	Investment fluctuation reserve	Retained earnings	
	(Rupees in thousand)							
Balance as on January 01, 2006	122,188	2,251	2,164	-	71,649	3,000	255,059	456,311
Net profit for the period	-	-	-	-	-	-	95,067	95,067
Balance as on March 31, 2006 - restated	<u>122,188</u>	<u>2,251</u>	<u>2,164</u>	<u>-</u>	<u>71,649</u>	<u>3,000</u>	<u>350,126</u>	<u>551,378</u>
Balance as on January 01, 2007	158,844	2,251	2,164	-	203,649	3,000	301,590	671,498
Final dividend for the year 2006	-	-	-	-	-	-	(111,191)	(111,191)
Transfer to general reserve	-	-	-	-	142,000	-	(142,000)	-
Transfer to reserve for bonus shares	-	-	-	47,653	-	-	(47,653)	-
Bonus shares issued during the year	47,653	-	-	(47,653)	-	-	-	-
Net profit for the period	-	-	-	-	-	-	75,977	75,977
Balance as on March 31, 2007	<u>206,497</u>	<u>2,251</u>	<u>2,164</u>	<u>-</u>	<u>345,649</u>	<u>3,000</u>	<u>76,723</u>	<u>636,284</u>

The annexed notes from 1 to 10 form an integral part of these financial statements.



Arshad P. Rana
Chief Executive



Omar Saeed
Director



Muhammad Faruque
Director



Yusuf H. Shirazi
Chairman

STATEMENT OF PREMIUMS (UN-AUDITED)
 FINANCIAL PERIOD ENDED MARCH 31, 2007

		Q u a r t e r e n d e d			M a r c h 3 1 , 2 0 0 7						
Business underwritten inside Pakistan		Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium ceded		Reinsurance expense	Net premium revenue	Quarter ended March 31, 2006 Net premium revenue
Class	Opening		Closing	Closing			Opening	Closing			
		(R u p e e s i n			t h o u s a n d)						
Direct and facultative											
	Fire and property damage	43,899	87,980	87,107	44,772	39,124	72,208	74,437	36,895	7,877	1,697
	Marine, aviation and transport	44,050	11,991	15,713	40,328	14,352	7,186	5,507	16,031	24,297	34,430
	Motor act	85,812	128,817	149,218	65,411	1,638	-	-	1,638	63,773	29,241
	Miscellaneous	3,603	12,539	10,070	6,072	3,301	5,736	5,905	3,132	2,940	854
	Total	177,364	241,327	262,108	156,583	58,415	85,130	85,849	57,696	98,887	66,222
Treaty											
	Proportional										
	Fire	-	-	-	-	-	-	-	-	-	-
	Marine	-	-	-	-	-	-	-	-	-	-
	Miscellaneous	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Grand Total	177,364	241,327	262,108	156,583	58,415	85,130	85,849	57,696	98,887	66,222

The annexed notes from 1 to 10 form an integral part of these financial statements.



Arshad P. Rana
Chief Executive



Omar Saeed
Director



Muhammad Faruque
Director



Yusuf H. Shirazi
Chairman

STATEMENT OF CLAIMS (UN-AUDITED)
 FINANCIAL PERIOD ENDED MARCH 31, 2007

		Q u a r t e r e n d e d			M a r c h 3 1 , 2 0 0 7					Quarter ended	
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	Net claims expense	March 31, 2006
Class			Opening	Closing			Opening	Closing			Net claims expense
		(R u p e e s i n t h o u s a n d)									
Direct and facultative	Fire and property damage	4,229	27,865	26,177	2,541	3,726	25,800	24,234	2,160	381	233
	Marine, aviation and transport	4,352	44,578	55,268	15,042	1,788	36,154	44,345	9,979	5,063	2,158
	Motor act	28,867	22,451	32,762	39,178	(49)	212	212	(49)	39,227	17,472
	Miscellaneous	498	18,037	17,829	290	117	15,369	15,442	190	100	238
	Total	37,946	112,931	132,036	57,051	5,582	77,535	84,233	12,280	44,771	20,101
Treaty	Proportional										
	Fire	-	1,756	1,756	-	-	-	-	-	-	-
	Marine	-	1,939	1,939	-	-	-	-	-	-	-
	Miscellaneous	-	86	86	-	-	-	-	-	-	-
	Total	-	3,781	3,781	-	-	-	-	-	-	-
	Grand Total	37,946	116,712	135,817	57,051	5,582	77,535	84,233	12,280	44,771	20,101

The annexed notes from 1 to 10 form an integral part of these financial statements.



Arshad P. Rana
Chief Executive



Omar Saeed
Director



Muhammad Faruque
Director



Yusuf H. Shirazi
Chairman

STATEMENT OF EXPENSES (UN-AUDITED)
 FINANCIAL PERIOD ENDED MARCH 31, 2007

		Q u a r t e r e n d e d			M a r c h 3 1 , 2 0 0 7			Q u a r t e r e n d e d		
								M a r c h 3 1 , 2 0 0 6		
Business underwritten inside Pakistan		Commissions paid or payable	Opening deferred commission	Closing deferred commission	Net commission expense	Other management expenses	Underwriting expense	Commissions from reinsurers	Net underwriting expense	Net underwriting expense
Class		(R u p e e s i n t h o u s a n d)								
Direct and facultative	Fire and property damage	2,392	5,585	5,237	2,740	2,383	5,123	7,762	(2,639)	(3,026)
	Marine, aviation and transport	1,809	513	584	1,738	7,271	9,009	5,041	3,968	3,796
	Motor act	3,765	5,908	6,739	2,934	19,044	21,978	-	21,978	10,498
	Miscellaneous	245	359	382	222	862	1,084	834	250	(197)
	Total	<u>8,211</u>	<u>12,365</u>	<u>12,942</u>	<u>7,634</u>	<u>29,560</u>	<u>37,194</u>	<u>13,637</u>	<u>23,557</u>	<u>11,071</u>
Treaty	Proportional									
	Fire	-	-	-	-	-	-	-	-	-
	Marine	-	-	-	-	-	-	-	-	-
	Miscellaneous	-	-	-	-	-	-	-	-	-
	Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Grand Total	<u>8,211</u>	<u>12,365</u>	<u>12,942</u>	<u>7,634</u>	<u>29,560</u>	<u>37,194</u>	<u>13,637</u>	<u>23,557</u>	<u>11,071</u>

The annexed notes from 1 to 10 form an integral part of these financial statements.



Arshad P. Rana
Chief Executive



Omar Saeed
Director



Muhammad Faruque
Director



Yusuf H. Shirazi
Chairman

STATEMENT OF INVESTMENT INCOME (UN-AUDITED)
FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2007

	Quarter ended	
	<u>March 31,</u> 2007	<u>March 31,</u> 2006
	(Rupees in thousand)	
Held - to - Maturity		
Return on fixed income securities and deposits	1,015	780
Available - for - Sale		
Dividend income		
Others	8,072	6,132
Income on reverse repo transactions	5,534	4,573
Gain on sale of investments	47,655	66,716
Less: Investment related expenses	1,319	2,833
Net Investment Income	<u>60,957</u>	<u>75,368</u>

The annexed notes from 1 to 10 form an integral part of these financial statements.



Arshad P. Rana
Chief Executive



Omar Saeed
Director



Muhammad Faruque
Director



Yusuf H. Shirazi
Chairman

NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2007

1. STATUS AND NATURE OF BUSINESS

Atlas Insurance Limited was incorporated as a public limited company in Pakistan on September 06, 1935 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

These financial statements are un-audited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi and Lahore Stock Exchanges. These financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan and in the format prescribed by the Securities and Exchange Commission of Pakistan in its Circular No. 7 of 2003.

These financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2006.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those followed in the preparation of the financial statements of the Company for the year ended December 31, 2006.

4. CONTINGENCIES AND COMMITMENTS

The Company, at period end, has no contingencies and commitments.

5. ADDITION / DELETIONS

Following additions and deletions have been made in the fixed assets during the period ended March 31, 2007:

	<u>Additions</u>	<u>Deletions</u>
	(Rupees in thousand)	
Vehicles	2,353	333
Furniture fixtures and Office equipments	167	-
Computers	289	-
	2,809	333

6. INVESTMENTS

	<u>Note</u>	<u>March 31,</u> 2007	<u>December 31,</u> 2006
(Rupees in thousand)			
Held - to - Maturity			
Term Finance Certificates		7,150	7,335
Available - For - Sale			
Mutual funds	6.1	77,525	77,525
Quoted shares		451,604	589,945
Unquoted shares		500	500
		529,629	667,970
		536,779	675,305
Less : Provision for diminution in the value of shares		500	500
Cost of shares of concerns incorporated in Pakistan		536,279	674,805
Aggregated market value of Investments		598,198	721,820

6.1 This includes 28,000 (2006: 28,000) units held as Statutory Deposit with State Bank of Pakistan under section 29 of the Insurance Ordinance, 2000.

7. TAXATION

Provision for taxation has been calculated on estimated basis and is subject to adjustments at year end.

8. 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 employment are as follows:

	<u>March 31,</u> 2007	<u>March 31,</u> 2006
(Rupees in thousand)		
Premium underwritten	69,129	86,097
Premium collected	47,807	65,959
Claims paid	7,662	17,832
Lease rentals	32	115
Vehicles purchased	2,472	918
Rent received	104	104
Interest received	883	1,250
Fee received	1,678	-
Brokerage paid	1,419	7,362

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

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

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

9. SEGMENT REPORTING

The Company has four primary business segments for reporting purpose namely Fire, Marine, Motor and Miscellaneous.

Assets and liabilities, wherever possible, have been assigned to the following segments based on specific identification or allocated on the basis of gross premium earned by the segments.

Fire		Marine		Motor		Miscellaneous		Total	
Mar. 31, 2007	Dec. 31, 2006	Mar. 31, 2007	Dec. 31, 2006	Mar. 31, 2007	Dec. 31, 2006	Mar. 31, 2007	Dec. 31, 2006	Mar. 31, 2007	Dec. 31, 2006

(R u p e e s i n t h o u s a n d)

Revenue

Premiums earned	<u>44,772</u>	<u>138,777</u>	<u>40,328</u>	<u>237,967</u>	<u>65,411</u>	<u>165,994</u>	<u>6,072</u>	<u>16,573</u>	<u>156,583</u>	<u>559,311</u>
Segment Results	<u>10,135</u>	<u>26,907</u>	<u>15,266</u>	<u>128,610</u>	<u>2,568</u>	<u>(5,140)</u>	<u>2,590</u>	<u>4,618</u>	<u>30,559</u>	<u>154,995</u>

Investment income									60,957	210,879
Rental income									262	1,022
Other income									30	6,901
General and administration expenses									(3,512)	(15,091)
									<u>57,737</u>	<u>203,711</u>
Profit before tax									88,296	358,706
Provision for tax									(12,319)	(57,987)
Net profit									<u>75,977</u>	<u>300,719</u>

Other Information

Segment assets	147,324	132,313	98,672	105,088	95,317	27,656	25,340	34,827	366,653	299,884
Unallocated corporate assets									940,143	891,591
Consolidated total assets									<u>1,306,796</u>	<u>1,191,475</u>

Segment liabilities	135,325	138,724	93,275	96,527	221,632	169,555	31,041	39,111	481,273	443,916
Unallocated corporate liabilities									189,239	76,061
Consolidated total liabilities									<u>670,512</u>	<u>519,977</u>

Capital expenditure										
-according to above ratios	<u>695</u>	<u>1,947</u>	<u>698</u>	<u>3,504</u>	<u>1,359</u>	<u>1,557</u>	<u>57</u>	<u>779</u>	<u>2,809</u>	<u>7,786</u>

Depreciation/Amortization										
-according to above ratios	<u>207</u>	<u>1,073</u>	<u>208</u>	<u>1,931</u>	<u>404</u>	<u>858</u>	<u>17</u>	<u>429</u>	<u>836</u>	<u>4,290</u>

10. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on April 26, 2007 in accordance with a resolution of Board of Directors of the Company.



Arshad P. Rana
Chief Executive



Omar Saeed
Director



Muhammad Faruque
Director



Yusuf H. Shirazi
Chairman

COMPANY OFFICES
HEAD OFFICE

3 Bank Square Shahrah-e-Quaid-e-Azam, Lahore.	PABX: Fax:	7320542, 7320543 7322271, 7322273 7234742
ARSHAD P. RANA Chief Executive Officer	Direct: Extension:	7234812 301
MUHAMMAD ZAFAR RIAZ Chief Financial Officer	Direct: Extension:	7234757 307
MUHAMMAD MUNIR Sr. Manager Technical	Direct: Extension:	7314241 309
QUDSIA NAHEED Company Secretary	Direct: Extension:	7245348 325
SALEEM MEHMOOD Chief Internal Auditor	Extension:	302

NORTH ZONE OFFICES & BRANCHES
LAHORE

AZHAR M. PIRACHA Chief Manager	City Branch 3 - Bank Square, Shahrah-e-Quaid-e-Azam, Lahore.	7212365-6, 7312858, 7312868 Fax: 7212367
MUHAMMAD MUNIR QAZI Chief Manager	Fatima Jinnah Road Branch 1st Floor, Nawa-i-Waqat Building, Fatima Jinnah Road, Lahore.	6271320, 6364906 Fax: 6371185
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 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 Chief Manager	123-B, People's Colony No. 1, D - Ground, Faisalabad.	8721256, 8734176 Fax: 8732499
--	--	----------------------------------

FAISALABAD BRANCH - I

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

SAHIWAL

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

MULTAN

BASHIR AHMED GHAURI Branch Manager	Atlas Honda Building Azmat Wasti Road, Multan.	4544494
---------------------------------------	---	---------

SIALKOT

REHAN NAZIR GHUMAN Branch Incharge	Office No. 7, 1st Floor, Mughal Plaza, Kutchery Road, Sialkot.	4264195 Fax: 4290095
---------------------------------------	--	-------------------------

GUJRANWALA

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

SOUTH ZONE OFFICE

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

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

JAWAID IRSHAD Manager Motor Claims	Extension:	215
---------------------------------------	------------	-----

MUHAMMAD IMRAN Manager Fire & Marine Claims	Extension:	217
--	------------	-----

ALI ASGHAR Manager Underwriting	Extension:	216
------------------------------------	------------	-----

SOUTH ZONE BRANCHES

KARACHI

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

M. FAROOQ KANDLAWALA Chief Manager	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: 2720858
--------------------------------	---	-------------------------

HYDERABAD

ZAFAR AHMAD GHOURI Chief Manager	Akbar Chambers, Saddar, P.O. Box: 284, Hyderabad.	2782659, 2782660 Fax: 2786410
-------------------------------------	--	----------------------------------

SUKKUR

ABDUL MAJEED QURESHI Chief Manager	Mezannine 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 **Fax:** (92-42) 7234742

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