

**QUARTERLY
REPORT
March 31, 2009**



CONTENTS

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

COMPANY INFORMATION
BOARD OF DIRECTORS

Chairman	Yusuf H. Shirazi
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
Member	Arshad P. Rana
	Muhammad Munir
Secretary	Qudsia Naheed

REINSURANCE & CO-INSURANCE COMMITTEE

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

COMPANY INFORMATION

MANAGEMENT COMMITTEE

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

Auditors A. F. Ferguson & Co.
Chartered Accountants

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

Tax Advisor Ford Rhodes Sidat Hyder & Co.
Chartered Accountants

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

Bankers AlBaraka Islamic Bank
Allied Bank Limited
Atlas Bank Limited
Bank Alfalah Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan.
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

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, 2009.

The Economy

The Pakistan economy is steadily improving and has remained immune to the global economic recession. The quarter ending March 31, 2009, saw a marked improvement in terms of fiscal deficit, easing of pressure on the balance of payment and reduction in the inflations figures. The fiscal deficit of the country, which stood at 1.9% of GDP during the first half as a result of cut in subsidies and restrained expenditures by the government, is on course for meeting the full year target of 4.2% set by IMF as part of the macroeconomic stabilization program for Pakistan. Also, the direct tax collection during the July-February period has increased to Rs.704 billion from Rs.585 billion during the corresponding period last year, depicting a rise of about 20% despite economic slowdown.

On the monetary front, the tight monetary policy stance of the central bank by raising the discount rate to 15% has helped to control the surging M2 growth, which equaled 2.87% only during the July 1 - March 14 period in FY09 as compared to a growth of 7.61% during the same period last year. SBP projection that the inflation is to slow sharply in the final quarter of FY08-09 no doubt is good news. Controlled inflation may usher in era of lower interest rate and easy credit availability.

The support pledged by friends of Pakistan including the US has helped bring back confidence vital for growth in any economy. The affects have started to show as the stock market sentiment is now largely bullish. Foreign Exchange Reserves have crossed US \$11 billion and a bumper wheat crop is expected to provide a big boost to demand in the economy.

In the overall perspective, the stabilization measures have put the economy on the recovery path and the economic prospects going forward appear to be quite bright.

The Company Results

For the quarter under review, the gross premium was recorded at Rs.196.5 million as against Rs.259.9 million for the same period last year. This decrease in premium is due to the management's cautious underwriting policy to counteract an uncertain economic environment. The net premium, however, has declined by only 5% - Rs.111.6 million as against Rs.117.4 million for the same period last year. Significantly, the underwriting profit stands at Rs.25.3 million as compared to Rs.19.1 million for the same period last year, an increase of 32%. The increase in underwriting profitability is a reflection of the prudent underwriting policy of your company in this challenging environment. The stock market has shown some signs of recovery but the company decided against booking any capital gain in the first quarter. Hence, there has been a decline in income from investment, which stands at Rs.9.9 million as compared to Rs.28.2 million for the same period last year. The cash and bank deposits have increased considerably from Rs.54.9 million to Rs.187.6 million for the period under review. The profit before tax is Rs.37.9 million as against Rs.46.2 million for the same period last year. After taking into account tax provisions of Rs.10.6 million, the profit after tax stands at Rs.27.3 million as against Rs.31.8 million for the same period last year.

Future Outlook

The economy has passed its worst phase. The bleak global economic outlook means that Pakistan's economic revival must perforce focus on fostering local and regional demands. Moreover, lowering inflation and limiting the twin deficits i.e. current account and trade deficit, in particular are key to enable a smooth transition from a stabilization economic framework to one focused on reviving growth. The recent trends in macroeconomic variables are quite encouraging. With a prudent approach and implementation of well-designed policies in business operations, the management of the company is confident that the targets set for the year 2009 will be achieved.

محبت مجھے اُن جوانوں سے ہے
ستاروں پہ جو ڈالتے ہیں کمنڈ

(We look forward to beyond horizon)

Acknowledgment

I would like to thank the Board of Directors, 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 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 un-audited financial statements for the period ended March 31, 2009.

	March 31, 2009	March 31, 2008
	(Rupees in thousand)	
The overall business figures are:		
Net premium	111,641	117,368
Net claims	56,585	72,175
Investment and other income	16,996	31,993
Net commission	8,062	8,181
Expenses of management	37,814	34,189
Financial results are as follows:		
Profit before tax	37,957	46,175
Less: provision for taxation	10,584	14,380
Profit after tax	27,373	31,795
Un-appropriated (loss) / profit brought forward	(199,492)	410,592
(Loss) / profit available for appropriation	(172,119)	442,387
Appropriations:		
Final dividend	-	(144,549)
Transfer to reserves for bonus shares	-	(61,950)
Transfer from / (to) reserves	335,000	(204,000)
	335,000	(410,499)
Balances carried to balance sheet	162,881	31,888

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 22, 2009

	CONDENSED INTERIM AS AT		
	Note	March 31, 2009 (Un-audited) (Rupees in thousand)	December 31, 2008 (Audited) (Rupees in thousand)
Share capital and reserves			
Authorized 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 26,844,729 (2008: 26,844,729) ordinary shares of Rs.10 each		268,447	268,447
Reserves		222,064	557,064
Retained earnings		162,881	(199,492)
		653,392	626,019
Underwriting provisions			
Provision for outstanding claims (including IBNR)		225,125	237,509
Provision for unearned premium		284,975	277,432
Commission income unearned		32,400	25,770
Total underwriting provisions		542,500	540,711
Deferred taxation		1,998	1,873
Creditors and accruals			
Premiums received in advance		5,029	4,845
Amounts due to other insurers / reinsurers		55,832	91,353
Accrued expenses		32,147	19,729
Taxation - provision less payments		2,970	6,067
Other creditors and accruals		34,867	34,926
		130,845	156,920
Other liabilities			
Deposits against performance bonds		1,391	1,391
Unclaimed dividends		13,049	13,049
		14,440	14,440
TOTAL LIABILITIES		689,783	713,944
CONTINGENCIES AND COMMITMENTS	4		
TOTAL EQUITY AND LIABILITIES		1,343,175	1,339,963

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

**BALANCE SHEET (UN-AUDITED)
MARCH 31, 2009**

	Note	March 31, 2009 (Un-audited) (Rupees in thousand)		December 31, 2008 (Audited) (Rupees in thousand)	
Cash and bank deposits					
Cash and other equivalent		191		12	
Current and other accounts		66,449		165,917	
Deposits maturing within twelve months		121,000		30,000	
		187,640		195,929	
Loans to employees - secured considered good		358		465	
Investments	6	536,765		494,201	
Current assets - others					
Premiums due but unpaid		162,141		108,620	
Amounts due from other insurers / reinsurers		100,004		93,286	
Salvage recoveries accrued		12,978		12,578	
Accrued investment income		8,180		1,232	
Reinsurance recoveries against outstanding claims		138,070		155,410	
Deferred commission expense		20,501		20,569	
Prepayments		116,667		105,616	
Sundry receivables		11,659		102,761	
		570,200		600,072	
Fixed assets					
Tangible					
Land and buildings		16,239		16,430	
Furniture and fixtures		2,716		2,758	
Office equipments		6,337		6,373	
Computers - owned		4,974		4,624	
Motor vehicles - owned		17,944		19,111	
		48,210		49,296	
TOTAL ASSETS		1,343,175		1,339,963	



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2009

Note	Quarter ended March 31, 2009				Quarter ended	Quarter ended
	Fire and property	Marine, aviation and transport	Motor	Miscellaneous	March 31, 2009 aggregate	March 31, 2008 aggregate
(Rupees in thousand)						
Revenue account						
Net premium revenue	14,505	28,236	68,436	464	111,641	117,368
Net claims	(385)	(1,856)	(53,032)	(1,313)	(56,585)	(72,175)
Expenses	(5,080)	(9,525)	(23,070)	(140)	(37,814)	(34,189)
Net commission	6,344	4,423	(4,646)	1,940	8,062	8,181
Underwriting result	<u>15,385</u>	<u>21,279</u>	<u>(12,311)</u>	<u>951</u>	<u>25,303</u>	<u>19,185</u>
Investment income					9,856	28,181
Rental income					422	282
Other income					6,718	3,530
Financial charges					(107)	(98)
General and administration expenses					(4,235)	(4,905)
Profit before tax					<u>37,957</u>	<u>46,175</u>
Provision for taxation	7				(10,584)	(14,380)
Profit after tax					<u>27,373</u>	<u>31,795</u>
Profit and loss appropriation account						
Profit after tax for the period					27,373	31,795
Balance at commencement of the year					(199,492)	410,592
Final dividend for 2007 @ Rs.7 per share (2006: Rs.7 per share)					-	(144,549)
Transfer to reserves for issue of bonus shares					-	(61,950)
Transfer from / (to) general reserves					335,000	(204,000)
					135,508	93
Balance unappropriated profit at the end of the period					<u>162,881</u>	<u>31,888</u>
Earnings per share - basic					<u>1.02</u>	<u>1.18</u>

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
 FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2009

	Issued, subscribed and paid up capital	Reserves				Investment fluctuation reserve	Retained earnings	Total
		Capital reserve	Reserve for exceptional losses	Reserve for issue of bonus shares	General reserve			
(Rupees in thousand)								
Balance as on January 1, 2008	206,497	2,251	2,164	-	345,649	3,000	410,592	970,153
Final dividend for the year ended Dec. 31, 2007 @ 70% (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 loss for the year	-	-	-	-	-	-	(199,585)	(199,585)
Balance as at December 31, 2008	268,447	2,251	2,164	-	549,649	3,000	(199,492)	626,019
Net profit for the period	-	-	-	-	-	-	27,373	27,373
Transfer from general reserve	-	-	-	-	(335,000)	-	335,000	-
Balance as on March 31, 2009	268,447	2,251	2,164	-	214,649	3,000	162,881	653,392

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2009

	March 31, 2009 (Rupees in thousand)	March 31, 2008 (Rupees in thousand)
Operating cash flows		
Underwriting activities		
Premiums received	132,105	120,027
Reinsurance premiums paid	(120,095)	(199,321)
Claims paid	(79,078)	(156,660)
Reinsurance and other recoveries received	22,342	48,512
Commissions paid	(10,900)	(11,020)
Commissions received	21,303	25,862
Other underwriting payments	(201)	(24)
Other underwriting receipts	2,545	2,824
Net cash flow from underwriting activities	(31,979)	(169,800)
Other operating activities		
Income tax paid	(13,556)	(15,645)
General management expenses paid	(36,404)	(40,704)
Loans advanced	(62)	(148)
Loans repayments received	107	63
Net cash flow from other operating activities	(49,915)	(56,434)
Total cash flow from all operating activities	(81,894)	(226,234)
Investment activities		
Profit / return received	4,387	1,757
Dividends received	3,503	8,629
Rental income received	256	282
Payments for purchase of investments	(58,674)	(55,432)
Short term placements - net	104,940	11,907
Proceeds from disposal of investments	18,482	116,298
Payments against purchase of assets	(899)	(3,803)
Proceeds from disposal of fixed assets	1,717	801
Total cash inflow from investing activities	73,712	80,439
Financing activities		
Financial charges paid	(107)	(98)
Total cash flow from financing activities	(107)	(98)
Net cash (outflow) from all activities	(8,289)	(145,893)
Cash at the beginning of the year	195,929	200,780
Cash at the end of the period	187,640	54,887

Reconciliation to Profit and Loss Account

	March 31, 2009 (Rupees in thousand)	March 31, 2008 (Rupees in thousand)
Operating cash flows	(81,894)	(226,234)
Depreciation	(1,770)	(1,449)
Amortization	-	(285)
Financial charges	(107)	(98)
Profit on disposal of fixed assets	521	266
Provision for doubtful debts	(1,940)	(2,566)
(Increase) / decrease in assets other than cash	(106,427)	297,938
Decrease / (increase) in liabilities other than borrowings	24,161	(94,562)
Other adjustments		
- (Increase) in provision for unearned premium	(3,195)	(12,072)
- (Increase) in commission income unearned	(6,630)	(6,897)
- (Increase) in provision for deferred commission expenses	(68)	(1,071)
- Income on investments and current and other deposits	198,301	75,333
- Rental income	422	282
- Other income	5,999	3,210
Profit after taxation	27,373	31,795

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 purposes of the Statement of Cash Flows consists of:

Cash and other equivalents	191	302
Current and other accounts	66,449	54,585
Deposits maturing within twelve months	121,000	-
	187,640	54,887

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



 Arshad P. Rana
Chief Executive



 Azam Faruque
Director



 Omar Saeed
Director



 Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF PREMIUMS (UN-AUDITED)
 FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2009

		Q u a r t e r e n d e d			M a r c h 3 1 , 2 0 0 9					Quarter ended March 31, 2008	
Business underwritten inside Pakistan		Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance Premium ceded		Reinsurance expense	Net premium revenue	Net premium revenue
Class			Opening	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	69,958	96,034	114,206	51,786	61,642	66,612	90,973	37,281	14,505	17,207
	Marine, aviation and transport	46,557	18,095	15,594	49,058	16,653	9,902	5,733	20,822	28,236	27,466
	Motor	70,568	132,207	132,628	70,147	1,431	1,079	799	1,711	68,436	70,732
	Miscellaneous	9,412	31,097	22,547	17,962	8,325	26,259	17,085	17,499	464	1,963
	Total	196,495	277,433	284,975	188,953	88,051	103,852	114,590	77,313	111,641	117,368
Treaty											
	Fire and property damage	-	-	-	-	-	-	-	-	-	-
	Marine, aviation and transport	-	-	-	-	-	-	-	-	-	-
	Miscellaneous	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-
	Grand Total	196,495	277,433	284,975	188,953	88,051	103,852	114,590	77,313	111,641	117,368

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF CLAIMS (UN-AUDITED)
 FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2009

		Q u a r t e r e n d e d			M a r c h 3 1 , 2 0 0 9					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, 2008
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	18,135	102,742	88,976	4,369	17,263	96,560	83,281	3,984	385	4,737	
Marine, aviation and transport	5,836	36,481	35,907	5,262	4,355	29,083	28,134	3,406	1,856	1,902	
Motor	49,616	61,590	66,149	54,175	1,147	1,406	1,402	1,143	53,032	64,159	
Miscellaneous	4,012	32,915	30,312	1,409	3,204	28,361	25,253	96	1,313	1,377	
Total	77,599	233,728	221,344	65,215	25,969	155,410	138,071	8,630	56,585	72,175	
Treaty											
Fire and property damage	-	1,756	1,756	-	-	-	-	-	-	-	
Marine, aviation and transport	-	1,939	1,939	-	-	-	-	-	-	-	
Miscellaneous	-	86	86	-	-	-	-	-	-	-	
Total	-	3,781	3,781	-	-	-	-	-	-	-	
Grand Total	77,599	237,509	225,125	65,215	25,969	155,410	138,071	8,630	56,585	72,175	

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF EXPENSES (UN-AUDITED)
 FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2009

		Q u a r t e r e n d e d		M a r c h 3 1 , 2 0 0 9						Q u a r t e r e n d e d
		Commissions	Deferred commission		Net commission	Other management	Underwriting	Commissions	Net	Quarter ended
Business underwritten inside Pakistan		paid or payable	Opening	Closing	expense	expenses	expense	from reinsurers	underwriting	March 31,
Class									expense	2008
		(R u p e e s i n		t h o u s a n d)						Net underwriting
									expense	Net underwriting
Direct and facultative										
	Fire and property damage	4,543	8,663	9,232	3,974	5,080	9,054	10,318	(1,264)	(668)
	Marine, aviation and transport	1,956	376	741	1,591	9,525	11,116	6,014	5,102	2,369
	Motor	3,980	9,733	9,015	4,698	23,070	27,768	52	27,716	25,910
	Miscellaneous	489	1,797	1,506	780	140	919	2,719	(1,800)	(1,604)
	Total	10,968	20,569	20,495	11,042	37,814	48,856	19,104	29,752	26,007
Treaty										
	Fire and property damage	-	-	-	-	-	-	-	-	-
	Marine, aviation and transport	-	-	-	-	-	-	-	-	-
	Miscellaneous	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-
	Grand Total	10,968	20,569	20,495	11,042	37,814	48,856	19,104	29,752	26,007

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM STATEMENT OF INVESTMENT INCOME (UN-AUDITED)
 FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2009

	Quarter ended	
	<u>March 31,</u> 2009	<u>March 31,</u> 2008
	(Rupees in thousand)	
Income from non-trading investments		
Held - to - maturity		
Return on fixed income securities and deposits	-	197
Available - for - sale		
Dividend income		
- from others	7,482	7,538
Gain on sale of available for sale investments	2,798	21,235
Less: Investment related expenses	424	789
Net investment income	<u>9,856</u>	<u>28,181</u>

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



Arshad P. Rana
Chief Executive



Azam Faruque
Director



Omar Saeed
Director



Yusuf H. Shirazi
Chairman

CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2009

1. The company and its operations

Atlas Insurance Limited was incorporated as a public limited company 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. 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. 07 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, 2008.

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, 2008.

4. Contingencies and commitments

Contingencies

The Additional Commissioner / Taxation Officer has amended the deemed assessment for the tax year 2003 by allocating certain expenditure to dividend income resulting in an additional tax liability of Rs.945 thousand. The company has filed an appeal before the Commissioner of Income Tax (Appeals) which is currently pending for adjudication.

Pending resolution of the above mentioned appeals filed by the company, no provision has been made in these financial statements of Rs.945 thousand as the management is confident that the eventual outcome of the above matter will be in favour of the company. (2008: Nil)

Commitments

The company, at period end, has no commitments. (2008: Nil)

5. Additions / deletions

Following additions and deletions have been made in the fixed assets during the period ended March 31, 2009:

	<u>Additions</u>	<u>Deletions</u>
	(Rupees in thousand)	
Vehicles	-	1,196
Furniture, fixtures and office equipments	151	-
Computers	748	-
	899	1,196

6. Investments

	Notes	<u>March 31,</u> 2009	<u>December 31,</u> 2008
(Rupees in thousand)			
Held - to - maturity			
Treasury bills	6.1	25,374	-
Available - for - sale			
Mutual funds	6.2	43,084	57,598
Quoted shares		468,307	863,043
Unquoted shares		500	500
		511,891	921,141
		537,265	921,141
Less: provision for diminution in the value of shares		500	426,940
Cost of shares		536,765	494,201
Aggregated market value of investments		503,770	523,527

6.1 This represents statutory deposit having face value of Rs.27 million, pledged in the IPS account of Habib Bank Limited, maintained with the State Bank of Pakistan under Section 29 of the Insurance Ordinance, 2000.

6.2 This includes 28,000 (2008: 28,000) units held as statutory deposit with the 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 the 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> 2009	<u>March 31,</u> 2008
(Rupees in thousand)		
Premium underwritten	98,170	141,901
Premium collected	61,883	40,142
Claims paid	9,122	16,845
Vehicles purchased	-	1,813
Rent received	162	145
Rent paid	578	525
Other income	4,233	3,165
Brokerage paid	424	789
Donation	350	460

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 the 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, 2009	Dec. 31, 2008	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2009	Dec. 31, 2008
	(R u p e e s i n t h o u s a n d)									
Revenue										
Premiums earned	51,786	208,119	49,058	268,773	70,147	292,163	17,962	131,547	188,953	900,602
Segment results	15,385	46,720	21,279	127,245	(12,311)	(28,493)	951	12,914	25,303	158,386
Investment income									9,856	(305,174)
Rental income									422	1,328
Other income									6,718	19,089
Financial charges									(107)	(507)
General and administration expenses									(4,235)	(14,116)
									12,654	(299,380)
Profit / (loss) before tax									37,957	(140,994)
Provision for tax									(10,584)	(58,591)
Net profit / (loss)									27,373	(199,585)
OTHER INFORMATION										
Segment assets	209,859	218,493	57,562	99,617	38,116	90,296	47,129	85,909	352,665	494,315
Unallocated corporate assets									990,509	845,648
Consolidated total assets									1,343,175	1,339,963
Segment liabilities	224,816	241,556	66,669	88,767	218,828	225,569	57,010	82,408	567,323	638,300
Unallocated corporate liabilities									775,852	701,663
Consolidated total liabilities									1,343,175	1,339,963
Capital expenditure										
-according to above ratios	320	5,809	213	7,501	323	8,154	43	3,672	899	25,136
Depreciation / amortization										
-according to above ratios	630	1,910	419	2,466	636	2,681	85	1,207	1,770	8,264

10. Date of authorization for issue

The condensed interim financial information was authorized for issue on April 22, 2009 by the Board of Directors of the company.



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:	7320542, 7320543, 7310658 7322271, 7322273 7234742
ARSHAD P. RANA Chief Executive Officer		Direct: 7234812 Extension: 501
AAMER WAQAR CHAUDHRY Chief Financial Officer		Direct: 7234757 Extension: 403
MUHAMMAD MUNIR Sr. Vice President (Operations)		Direct: 7314241 Extension: 304
QUDSIA NAHEED Vice President (Admin/HR)		Direct: 7245348 Extension: 303
MUHAMMAD ASHRAF BHATTI Vice President (Underwriting)		Extension: 304
SALEEM MEHMOOD 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.	7212365-6, 7312858, 7312868, 7230558-9 Fax: 7212367
MUHAMMAD MUNIR QAZI Chief Manager	Fatima Jinnah Road Branch 1st Floor, Nawa-i-Waqat Building, Fatima Jinnah Road, Lahore.	6271320, 6364906 Fax: 6371186
MUHAMMAD IJAZ Deputy Chief Manager	Al-Noor Branch Al-Noor 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.	7325260 Fax: 7358190
ZAFAR HUSSAIN JAMAL Branch Manager	Mall Road Branch Hafeez Chambers, 85- Shahrah-e-Quaid-e-Azam, Lahore.	6305595, 6271663 Fax: 6369576
MUHAMMAD WASIM PURI Branch Manager	Faisal Town Branch 753 - C, Faisal Town, Lahore.	5173551-2 Fax: 5173557

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 Circle Chief, Faisalabad Circle	123-B, People's Colony No. 1, D - Ground, Faisalabad.	8721256, 8734176 Fax: 8732499
FAISALABAD BRANCH - I RANA SAGHIR Branch Manager	Chartered Bank Chambers Railway Road, Faisalabad.	2647194 Fax: 2635080
SAHIWAL SALEEM TAHIR Acting Incharge	147-Railway Road, Sahiwal.	4466044 Fax: 4224344
MULTAN GHULAM ALI Acting Incharge	Atlas Honda Building Azmat Wasti Road, Multan.	4544494
SIALKOT REHAN NAZIR GHUMAN Branch Manager	Office No. 7, 1st Floor, Mughal Plaza, Kutchery Road, Sialkot.	4264195, 4594520 Fax: 4290095
GUJRANWALA AMJAD RAFIQ DHILLO Branch Manager	2nd Floor, Al-Azhar Plaza, G. T. Road, Gujranwala.	3847118 Fax: 3847074
SOUTH ZONE OFFICE		
Ground Floor, Federation House, Abdullah Shah Ghazi Road, Main Clifton, Karachi.	PABX: Fax:	5378806-7 5369395-6 5378515
ARSHAD P. RANA Chief Executive Officer	Direct: Extension:	5378757 201
MIRZA NADEEM BAIG Vice President Marketing (South)	Extension:	218
MUHAMMAD IMRAN Asst. Vice President Claims & U/W	Extension:	217
JAWAID IRSHAD Manager Motor	Extension:	215
MUHAMMAD AFZAL Company Secretary	Extension:	202

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
Circle Chief, Karachi Circle - I

Tower Branch
State Life Building No. 7
Room No. 101, 1st Floor
G. Allana Road, Karachi.

2201471
2316503, 2315248
Fax: 2315248

IMRAN SATTAR
Deputy Chief Manager

Plaza Branch
3/3 Rimpa Plaza
M.A. Jinah Road,
Karachi.

2729339
Fax: 2720858

TARIQ NASIM
Chief Manager

New Challi Branch
1st Floor, Room No.106-107,
Rehmani Chamber,
Altaf Hussain Road,
Karachi.

2218286, 2218288
Fax: 2610280

HYDERABAD

ZAFAR AHMAD GHOURI
Circle Chief, Hyderabad Circle

Plot No. 466,
Mezzanine Floor,
Al-Abbas Plaza, Saddar,
Hyderabad.

2782659, 2782660
Fax: 2786410

SUKKUR

ABDUL MAJEED QURESHI
Chief Manager

Shalimar Complex,
Mezzanine Floor,
Minara Road, Sukkur.

5625965
Fax: 5625977

Printed Matter

BOOK POST

UNDER CERTIFICATE OF POSTING



If undelivered, please return to:

Atlas Insurance Ltd.

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

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

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