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Vision

The vision of the
askari general insurance company limited
is to be amongst the leading insurance companies of the Country
with the clear perception of
upholding the principles of
corporate governance and making
agico
a profitable and growth oriented insurance company
while creating insurance awareness and culture.

Mission

To become a leading insurance company
by providing client friendly services
through highly motivated team of dedicated professionals
and
ensuring progressive return to the shareholders

CORPORATE INFORMATION

Chairman	Lt. General (Retd.) Imtiaz Hussain
Directors	Maj. Gen. (Retd.) Saeed Ahmed Khan Brig. (Retd.) Javed Qayum Brig. (Retd.) Mushtaq Ahmad Malik Mr. Abdul Waheed Syed Suhail Ahmad Rizvi Mr. Abdul Hai Mahmood Bhaimia
Audit Committee	Mr. Abdul Waheed Chairman Syed Suhail Ahmad Rizvi Member Brig. (Retd.) Mushtaq Ahmad Malik Member
President & Chief Executive	Mr. Mohammad Hussain Hirji
Chief Financial Officer	Mr. Jamil Ahmed (ACA)
Company Secretary	Mr. Waseemullah
Internal Auditor	Syed Imran Abid Bukhari
Legal Advisor	Mr. Farrukh Karim Qureshi
Bankers	Askari Bank Limited Habib Bank Limited Standard Chartered Bank (Pakistan) Limited Arif Habib Bank Limited Soneri Bank Limited Silkbank Limited
Registrar and Share Transfer Office	THK Associates (Private) Limited Ground Floor, State Life Building No. 3 Dr. Zia ud Din Ahmad Road, Karachi-75530, P.O. Box 8533 UAN: 111-000-322 Fax: 021-5655595
Registered Office/Head Office	4th Floor, AWT Plaza, The Mall, Rawalpindi, Pakistan Tel: 051-9272425-7 Fax: 051-9272424 Website: www.agico.com.pk

BRANCH NETWORK

Head Office (051)

(Underwriting / Reinsurance Deptt.)

askari insurance house,
32- A, Hyder Road, Rawalpindi Cantt.
Ph: 5700901-2, Fax: 9273660
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Rawalpindi (051)

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Rawalpindi (051)

2nd Floor, National Business Centre,
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Ph: 9290479, 9290489, Fax: 9290499
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Islamabad (051)

11-West, Jinnah Avenue,
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Ph: 2279565, 2270471-3, Fax: 2279566
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Jhelum (0544)

1st Floor, Soldier Plaza,
Civil Line, Jhelum.
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Lahore (042)

3rd Floor, Al-Malik Plaza,
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Ph: 6308633-4, 6287780, Fax: 6308635
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Lahore (042)

2nd Floor, Al-Malik Plaza,
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Gujranwala (055)

1st Floor, Al-Azhar Plaza,
Opp. Iqbal High School,
Ghala Mandi, G.T. Road, Gujranwala.
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Karachi (021)

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Quetta (081)

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Sargodha (0483)

43-44, Rehman Business Centre,
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Abbotabad (0992)

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Faisalabad (041)

2nd Floor, Platinum Centre,
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Multan (061)

Golden Heights, Near High Court,
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Peshawar (091)

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Bahawalpur (0622)

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Hyderabad (022)

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Directors' Report to the Shareholders

The Directors are pleased in presenting the un-audited financial statements of the Company for the first quarter ended March 31, 2010.

The key financial figures are as follows:

	(Rupees in Million)	
	31 March	
	2010	2009
Gross Premium	522	250
Net Premium Revenue	182	190
Underwriting Profit	23	11
Investment income/(loss)	13	(16)
Profit/(loss) before Tax	12	(21)
Profit/(loss) after Tax	11	(21)
Basic earning per Share (Rs)	0.54	(1.02)

During the period under review, the Company's Gross Premium rose by 109% and the underwriting profit also rose by the same percentage over the corresponding period last year. All classes of business have shown growth and improvement in results with the exception of Marine whose underwriting result decreased from Rs. 8 million (restated) in 1st quarter 2009 to Rs. 2 million in 1st quarter 2010. As premium volumes increase in the months to come the results of this class of business are expected to improve as well.

Due to a prudent investment policy, the investment income of the Company increased by 181% i.e., from an investment loss of Rs. 16 million in the 1st quarter of 2009 to an investment profit of Rs. 13 million in the 1st quarter of 2010.

We hope that with the continuous commitment and hard work of the staff and confidence shown by our valued shareholders and clients we shall, Inshallah, show still better results in future.

We would also like to thank the Securities and Exchange Commission of Pakistan, our reinsurers and our valued shareholders for their continuing guidance and support.

For and on behalf of the Board



**Lt. Gen. (Retd.) Imtiaz Hussain
Chairman**


**Rawalpindi
27 April 2010**

Condensed Interim Balance Sheet (Unaudited)

As at 31 March 2010


	Unaudited 31 March 2010 (Rupees)	Audited 31 December 2009 (Rupees)		Unaudited 31 March 2010 (Rupees)	Audited 31 December 2009 (Rupees)
Share Capital and Reserves	500,000,000	500,000,000			
Authorised share capital					
50,000,000 Ordinary shares of Rs. 10/- each					
Share Capital	203,774,920	203,774,920		369,828	306,475
Retained earnings	1,071,942	(10,021,303)		67,841,897	112,470,799
Reserves	74,657,681	74,657,681		500,000	1,500,000
	279,504,543	268,411,298		68,711,725	114,277,274
			Cash and bank deposits		
			Cash and other equivalents	369,828	306,475
			Current and other accounts	67,841,897	112,470,799
			Deposits maturing within 12 months	500,000	1,500,000
				68,711,725	114,277,274
			Advances to employees - secured, considered good	4,544,694	4,197,435
Underwriting provisions	235,393,613	261,489,677			
Provision for outstanding claims (including IBNR)	691,089,122	485,793,190			
Provision for unearned premium	60,567,032	29,304,827			
Commission income unearned	987,049,767	776,587,694			
Total underwriting provisions			Investments	594,841,965	413,606,523
			Other assets		
			Premiums due but unpaid - unsecured, considered good	225,275,450	144,129,463
			Amounts due from other insurers/reinsurers	42,542,320	28,707,468
			- unsecured, considered good	13,175,785	17,063,285
			Salvage recoveries accrued	5,196,667	4,988,832
			Accrued investment income	81,586,668	76,151,749
			Reinsurance recoveries against outstanding	1,950,621	2,689,458
			claims - unsecured, considered good	54,191,456	41,598,471
			Taxation - provision less payment	388,662,842	172,988,982
			Deferred commission expense	25,655,787	8,173,889
			Prepayments - prepaid reinsurance premium ceded	5,243,726	36,534,584
			- others	843,481,322	533,026,181
			Sundry receivables		
			Fixed assets - tangible and intangible		
			Leasehold improvements	8,568,066	8,929,887
			Furniture and fixtures	8,539,898	8,758,870
			Computer and office equipment	18,012,514	11,920,550
			Motor vehicles	39,557,844	41,639,836
			Capital work in progress	57,182,500	55,571,000
			Software license	3,629,112	3,823,528
				135,489,934	130,643,671
				1,647,069,640	1,195,751,084
TOTAL LIABILITIES	1,367,565,097	927,339,786			
TOTAL EQUITY AND LIABILITIES	1,647,069,640	1,195,751,084			
CONTINGENCIES AND COMMITMENT					

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.


 Muhammad Hussain Hirji
 President & Chief Executive


 Abdul Waheed
 Director


 Maj. Gen. (Retd.) Saeed Ahmed Khan
 Director


 Lt. Gen. (Retd.) Imtiaz Hussain
 Chairman


Condensed Interim Profit & Loss Account (Unaudited)

For the first quarter ended 31 March 2010

(Amount in Rupees)


Revenue account	Note	Fire & property damage	Marine, aviation and transport	Motor	Accident and Health	Miscellaneous	31 March 2010 Aggregate	31 March 2009 Aggregate
Net Premium revenue		13,366,772	5,882,164	107,066,712	50,051,622	5,446,974	181,814,244	190,318,884
Net claims		(3,627,839)	(2,390,546)	(72,601,525)	(36,178,350)	(1,369,805)	(116,168,065)	(133,857,147)
Expenses		(2,772,675)	(1,220,140)	(22,208,892)	(10,382,229)	(1,129,868)	(37,713,804)	(35,036,750)
Net commission		1,143,315	32,008	(8,066,274)	434,250	1,412,589	(5,044,112)	(10,047,996)
Underwriting result		<u>8,109,573</u>	<u>2,303,486</u>	<u>4,190,021</u>	<u>3,925,293</u>	<u>4,359,890</u>	22,888,263	11,376,991
Investment income/(loss)							12,919,279	(15,697,858)
Other income							13,364	1,173,761
Profit on bank deposits							1,905,499	647,610
Share of profit in associated company							498,787	284,209
Finance cost							(35,329)	(74,969)
General and administration expenses							(25,655,255)	(18,578,316)
Profit/(loss) before Workers' Welfare Fund							(10,353,655)	(32,245,563)
Workers' Welfare Fund							12,534,608	(20,868,572)
Profit/(loss) before tax							(250,692)	-
Provision for taxation							12,283,916	(20,868,572)
Profit/(loss) after tax							(1,190,671)	(10,018)
							11,093,245	(20,878,590)
Profit and Loss Appropriation Account								
Balance at commencement of the period							(10,021,303)	17,523,626
Profit/(loss) after tax for the period							11,093,245	(20,878,590)
Balance of unappropriated profit/(loss) at end of the period							1,071,942	(3,354,964)
Earning/(loss) per share - basic and diluted	12						0.54	(1.02)

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 President & Chief Executive


 Abdul Waheed
 Director


 Maj. Gen. (Retd.) Saeed Ahmed Khan
 Director


 Lt. Gen. (Retd.) Imtiaz Hussain
 Chairman

Condensed Interim Statement of Cash Flows (Unaudited)

For the first quarter ended 31 March 2010

Operating Cash Flows**a) Underwriting activities:**

	2010 (Rupees)	2009 (Rupees)
Premiums received	511,256,557	189,165,930
Reinsurance premium paid	(234,836,486)	(47,272,665)
Claims paid	(183,926,899)	(127,860,427)
Reinsurance and other recoveries received	24,112,179	6,220,034
Commissions paid	(19,090,132)	(29,069,145)
Commissions received	29,127,864	11,646,593
Other underwriting payments (management expenses)	(34,213,262)	(32,294,119)
Net cash flow from underwriting activities	92,429,821	(29,463,799)

b) Other operating activities:

Income tax paid	(451,834)	(290,858)
General management expenses paid	(23,130,838)	(18,057,065)
Other operating receipts	50,164,581	74,380
Advances to employees	(347,259)	(592,844)
Other payments on operating assets	(15,467,486)	(2,163,564)
Net cash used in other operating activities	10,767,164	(21,029,951)

Total cash flow from all operating activities

103,196,985 (50,493,750)

Investment activities:

Profit/return received	5,724,465	4,528,191
Dividends received	36,680	100,175
Payments for investments	(683,427,318)	(22,008,784)
Proceeds from disposal of investments	536,301,371	20,990,722
Redemptions of Term Finance Certificates	2,946,820	1,057,220
Fixed capital expenditure	(9,847,030)	(8,767,438)
Proceeds from disposal of fixed assets	7,735	1,661,078
Total cash used in investing activities	(148,257,277)	(2,438,836)

Financial charges paid	(35,329)	(74,969)
Payment of lease rentals	(469,928)	(248,943)

Total cash used in financing activities

(505,257) (323,912)

Net cash used in all activities

(45,565,549) (53,256,498)

Cash at the beginning of the period

114,277,274 85,107,892

Cash at end of the period

68,711,725 31,851,394

Reconciliation to Profit and Loss Account:

	2010 (Rupees)	2009 (Rupees)
Operating cash flows	103,196,985	(50,493,750)
Depreciation expense	(4,993,036)	(4,524,255)
Financial charges	(35,329)	(74,969)
Profit on disposal of fixed assets	-	444,810
Increase in assets other than cash	339,035,136	59,871,153
Increase in liabilities other than running finance	(440,695,238)	(11,616,381)
Un-realized gain on investments, held for trading	1,491,990	2,026,752
Provision for diminution in value of investment	64,450,236	(23,120,389)
Dividend income	1,465,698	1,009,669
Investment (loss)/income	(53,307,669)	5,084,806
Profit on bank deposits	1,905,499	647,610
Share of profit in associated company	498,787	284,209
Income tax provision	(1,190,672)	(10,018)
Loss on trading	(1,180,976)	(698,695)
Tax paid	451,834	290,858
	11,093,245	(20,878,590)

Profit/(loss) after taxation

11,093,245 (20,878,590)

Definition of cash:


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

	2010 (Rupees)	2009 (Rupees)
--	------------------	------------------

Cash for the purpose of the statement of cash flows consist of:

Cash in hand	350,633	204,554
Stamps in hand	19,195	103,401
Cash and other equivalents	369,828	307,955
On current accounts	10,669,790	13,182,593
On deposit accounts	57,172,107	16,860,846
Current and other accounts	68,211,725	30,043,439
Deposits maturing within 12 months	500,000	1,500,000
	68,711,725	31,851,394

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.



Mohammad Hussain Hirji
President & Chief Executive



Abdul Waheed
Director



Maj. Gen. (Retd.) Saeed Ahmed Khan
Director



Lt. Gen. (Retd.) Imtiaz Hussain
Chairman

Condensed Interim Statement of Premiums (Unaudited)


For the first quarter ended 31 March 2010

Business underwritten inside Pakistan

(Amount in Rupees)

Class of Business	Premiums Written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance Expense	31 March 2010 Net premium revenue	31 March 2009 Net premium revenue
		Opening	Closing			Opening	Closing			
Direct and facultative										
Fire and property damage	155,518,848	116,279,525	192,205,487	79,592,886	144,074,996	95,877,541	173,726,423	66,226,114	13,366,772	11,068,378
Marine, aviation and transport	16,245,579	12,132,578	11,634,016	16,744,141	11,263,813	9,193,837	9,595,673	10,861,977	5,882,164	9,657,811
Motor	126,235,427	186,836,389	201,728,260	111,343,556	2,373,383	7,126,586	5,223,125	4,276,844	107,066,712	101,629,226
Health	98,629,820	132,091,832	156,508,883	74,212,769	75,316,927	30,946,055	82,101,835	24,161,147	50,051,622	63,583,897
Miscellaneous	124,985,184	38,452,866	129,012,476	34,425,574	117,149,423	29,844,963	118,015,786	28,978,600	5,446,974	4,380,062
Total	521,614,858	485,793,190	691,089,122	316,318,926	350,178,542	172,988,982	388,662,842	134,504,682	181,814,244	190,319,374
Treaty-Non-proportional	-	-	-	-	-	-	-	-	-	(490)
Grand total	521,614,858	485,793,190	691,089,122	316,318,926	350,178,542	172,988,982	388,662,842	134,504,682	181,814,244	190,318,884

The annexed note 1 to 14 form an integral part of these condensed interim financial statements




Mohammad Hussain Hirji
President & Chief Executive



Abdul Waheed
Director



Maj. Gen. (Retd.) Saeed Ahmed Khan
Director



Lt. Gen. (Retd.) Imtiaz Hussain
Chairman

Condensed Interim Statement Of Claims (Unaudited)


For the first quarter ended 31 March 2010

Business underwritten inside Pakistan

(Amount in Rupees)

Class of Business	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	31 March 2010 Net claims expense	31 March 2009 Net claim expense
		Opening	Closing			Opening	Closing			
Direct and facultative										
Fire and property damage	12,264,721	45,681,208	41,407,913	7,991,426	8,368,191	38,269,418	34,264,814	4,363,587	3,627,839	3,210,000
Marine, aviation and transport	9,779,810	21,796,176	16,628,940	4,612,574	7,483,815	14,933,466	9,671,679	2,222,028	2,390,546	777,310
Motor	86,508,937	120,988,885	109,646,557	75,166,609	3,067,643	3,449,569	2,947,010	2,565,084	72,601,525	73,640,760
Health	72,592,643	66,551,836	61,686,624	67,727,431	15,827,587	14,220,409	29,941,903	31,549,081	36,178,350	54,998,872
Miscellaneous	2,780,788	6,471,572	6,023,579	2,332,795	1,480,615	5,278,887	4,761,262	962,990	1,369,805	1,009,770
Total	183,926,899	261,489,677	235,393,613	157,830,835	36,227,851	76,151,749	81,586,668	41,662,770	116,168,065	133,636,712
Treaty-Non-proportional	-	-	-	-	-	-	-	-	-	220,435
Grand total	183,926,899	261,489,677	235,393,613	157,830,835	36,227,851	76,151,749	81,586,668	41,662,770	116,168,065	133,857,147

The annexed note 1 to 14 form an integral part of these condensed interim financial statements




Mohammad Hussain Hirji
President & Chief Executive



Abdul Waheed
Director



Maj. Gen. (Retd.) Saeed Ahmed Khan
Director



Lt. Gen. (Retd.) Imtiaz Hussain
Chairman

Condensed Interim Statement Of Expenses (Unaudited)

For the first quarter ended 31 March 2010


Business underwritten inside Pakistan

(Amount in Rupees)

Class of Business	Commission paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expenses	Commission from reinsurers*	31 March 2010 Net underwriting expense	31 March 2009 Net underwriting expense
		Opening	Closing						
Direct and facultative									
Fire and property damage	14,079,686	13,902,793	19,356,768	8,625,711	2,772,675	11,398,386	9,769,026	1,629,360	5,252,248
Marine, aviation and transport	3,259,707	1,005,320	1,627,389	2,637,638	1,220,140	3,857,778	2,669,646	1,188,132	(1,248,270)
Motor	9,751,029	14,830,429	16,106,719	8,474,739	22,208,892	30,683,631	408,465	30,275,166	25,381,483
Health	5,469,146	8,307,561	9,022,280	4,754,427	10,382,229	15,136,656	5,188,677	9,947,979	12,860,414
Miscellaneous	7,111,609	3,552,368	8,078,300	2,585,677	1,129,868	3,715,545	3,998,266	(282,721)	2,839,164
Total	39,671,177	41,598,471	54,191,456	27,078,192	37,713,804	64,791,996	22,034,080	42,757,916	45,085,039
Treaty-Non-proportional	-	-	-	-	-	-	-	-	(294)
Grand total	39,671,177	41,598,471	54,191,456	27,078,192	37,713,804	64,791,996	22,034,080	42,757,916	45,084,745

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

The annexed note 1 to 14 form an integral part of these condensed interim financial statements




Mohammad Hussain Hirji
President & Chief Executive



Abdul Waheed
Director



Maj. Gen. (Retd.) Saeed Ahmed Khan
Director



Lt. Gen. (Retd.) Imtiaz Hussain
Chairman

Condensed Interim Statement of Investment Income (Unaudited)

For the first quarter ended 31 March 2010

(Amount in Rupees)

Income from trading investments

	31 March 2010	31 March 2009
Loss on trading	(1,180,976)	(698,696)
Dividend income	36,680	100,175
	(1,144,296)	(598,521)

Income from non- trading investments**Held to maturity investments**

	31 March 2010	31 March 2009
Return on Government Securities	500,000	635,025
Return on other fixed income securities	3,526,801	4,616,019
	4,026,801	5,251,044

Available for sale investments

	31 March 2010	31 March 2009
Dividend income	1,429,018	909,494
Loss on sale	(57,334,470)	-
	(55,905,452)	909,494

Unrealized profit on re-measurement of investments at fair value through profit and loss

1,491,990 2,026,752

Reversal of impairment/(impairment loss) in available for sale investments

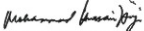
64,450,236 (23,120,389)

Investment related expenses

- (166,238)

Net investment income/(loss)**12,919,279 (15,697,858)**

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.



Mohammad Hussain Hirji
President & Chief Executive



Abdul Waheed
Director

Condensed Interim Statement Of Changes In Equity (Unaudited)

For the first quarter ended 31 March 2010


(Amount in Rupees)

	Share Capital Issued, Subscribed and paid up	Reserves		Total Reserves	Total equity	
		Capital reserve Share Premium	Revenue reserve General reserve Retained earnings			
Balance as at 01 January 2009	203,774,920	4,657,681	70,000,000	17,523,626	92,181,307	295,956,227
Loss for the period	-	-	-	(20,878,590)	(20,878,590)	(20,878,590)
Total comprehensive income	-	-	-	(20,878,590)	(20,878,590)	(20,878,590)
Balance as at 31 March 2009	203,774,920	4,657,681	70,000,000	(3,354,964)	(71,302,717)	275,077,637
Balance as at 01 January 2010	203,774,920	4,657,681	70,000,000	(10,021,303)	64,636,378	268,411,298
Profit for the period	-	-	-	11,093,245	11,093,245	11,093,245
Total comprehensive income	-	-	-	11,093,245	11,093,245	11,093,245
Balance as at 31 March 2010	203,774,920	4,657,681	70,000,000	1,071,942	75,729,623	279,504,543

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.



Maj. Gen. (Retd.) Saeed Ahmed Khan
Director



Lt. Gen. (Retd.) Imtiaz Hussain
Chairman

Notes To The Financial Statements (Unaudited)

For the first quarter ended 31 March 2010

1. The Company and its operations

askari general insurance company limited ("the Company") was incorporated under the Companies Ordinance, 1984 as a public limited company on 12 April 1995. The Company is engaged in non-life insurance business comprising of fire, marine, motor, health and miscellaneous. The Company commenced its commercial operations on 15 October 1995. Shares of the Company are quoted on Karachi, Lahore and Islamabad Stock Exchanges. The registered office and principal place of business of the Company is located at AWT Plaza, Rawalpindi. The Company has 19 branches in Pakistan. Army Welfare Trust (AWT) directly and indirectly holds a significant portion of the Company's equity.

2. Basis for preparation

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard- 34 - "Interim Financial Reporting " and in the format prescribed by Insurance Division of Securities and Exchange Commission of Pakistan (SECP) in its Circular No.7 of 2003 dated 27 August 2003 and are being submitted to the shareholders in accordance with the listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and Section 245 of the Companies Ordinance, 1984 and being presented in condensed form.

These condensed interim financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2009. Comparative balance sheet is extracted from annual audited financial statements for the year ended 31 December 2009 whereas comparative for condensed interim profit and loss account, condensed interim statement of changes in equity, condensed interim cash flow statement, condensed interim statement of premium, condensed interim statement of claims, condensed interim statement of expenses and condensed interim statement of investment income are stated from unaudited condensed interim financial statements for the three months' period ended 31 March 2009.

3. Accounting policies and estimates

Accounting policies, related judgments, estimates and assumptions adopted for the preparation of these condensed interim financial statements are the same as those applied in preparation of the annual financial statements of the Company for the year ended 31 December 2009.

4. Premium deficiency reserve

During the period, management has reviewed the results of each class of business and considers that no additional reserve is required to be created as the unearned premium reserve for each class of business as at the period end is adequate to meet the expected future liability after reinsurance from claims and other expenses, expected to be incurred after the balance sheet date in respect of the policies in force at the balance sheet date.

5. Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended 31 December 2009.

6. Others

	(Unaudited) 31 March 2010 (Rupees)	(Audited) 31 December 2009 (Rupees)
Agents' commission payable	44,568,923	23,001,948
Security deposit against bond insurance	37,558,512	35,162,260
Staff gratuity fund	2,676,343	661,028
Tax deducted at source	1,515,540	1,253,667
Federal Excise Duty/ Federal Insurance Fee	45,385,291	8,099,367
Workers' Welfare fund	963,276	712,584
Others	3,456,244	2,646,732
	<u>136,124,129</u>	<u>71,537,586</u>

7. Investments**Note**

These represent the following:

Held to maturity	- Government Securities	7.1	25,000,000	25,000,000
	- Term Finance Certificate - Quoted	7.1	114,000,460	116,947,280
	- Certificate of Investments (COIs)		7,895,749	13,090,749
Investments at fair value through profit and loss				
- Held for trading (equity securities)			19,772,716	19,483,473
Available for sale	- Quoted		404,010,329	224,421,097
Investment in associated company-equity method			24,162,711	14,663,924
			<u>594,841,965</u>	<u>413,606,523</u>

- 7.1 Government Securities include Pakistan Investment Bonds of Rs. 25 million (31 December 2009: Rs. 25 million) with market value of Rs.25.43 million as at 31 March 2010 (31 December 2009: Rs 26.02 million). Market value of Term Finance Certificates as at 31 March 2010 was Rs. 101.79 million (31 December 2009: Rs. 114.06 million).

8. Fixed assets

	(Unaudited) 31 March 2010 (Rupees)	(Audited) 31 December 2009 (Rupees)
Fixed assets - tangible & intangible		
Opening written down value	75,072,671	75,444,532
Add: Additions during the period/year		
- Furniture, fixtures and office equipment	7,826,926	6,217,668
- Motor vehicles	-	6,720,046
- Leasehold improvements	408,605	4,371,277
- Software licence	-	3,888,334
	<u>83,308,202</u>	<u>96,641,857</u>
Less: Written down value of deletions	(7,735)	(2,065,655)
Deprecation for the period/year	<u>(4,993,033)</u>	<u>(19,503,531)</u>
Closing written down value	78,307,434	75,072,671
Capital work in progress	<u>57,182,500</u>	<u>55,571,000</u>
	<u><u>135,489,934</u></u>	<u><u>130,643,671</u></u>

9. Contingency and commitment

There is no change in contingency and commitment as reported in the Financial Statement for the year ended 31 December 2009.

10. Transactions with related parties

Balances at the end of the period

Associates:

	(Unaudited) 31 March 2010 (Rupees)	(Audited) 31 December 2009 (Rupees)
Premium due		
Balance at beginning of the period/year	8,739,383	5,901,898
Insurance premium written (including government levies, administrative surcharge and policies stamps)	24,017,252	51,504,502
Receipts during the period/year	(5,685,080)	(48,667,017)
Balance at end of the period/year	<u>27,071,555</u>	<u>8,739,383</u>
Balances in bank accounts	<u>20,117,807</u>	<u>33,117,527</u>
Investments	<u>24,162,711</u>	<u>20,158,924</u>
Commission Payable	<u>530,535</u>	<u>1,457,110</u>
Other Balances due	<u>22,579</u>	<u>1,215,504</u>

Transactions during the period

Associates:

	(Unaudited) 31 March 2010 (Rupees)	(Unaudited) 31 March 2009 (Rupees)
Insurance premium written	21,147,427	22,244,790
Profit on deposit accounts	858,106	301,194
Bank charges	182,645	224,175
Interest Income	6,397	228,575
Insurance commission expense	216,501	30,800
Insurance Claims paid	14,721,997	3,450,170
Purchase of listed securities including brokerage fee	5,881,774	218,603
Sale of listed securities including brokerage fee	5,901,964	209,020
Services acquired	1,651,776	2,113,903
Others		
Contribution to employees' funds	2,314,880	2,861,734

11. SEGMENT REPORTING

Class of business wise revenue and results have been disclosed in the condensed interim statement of premiums and condensed interim profit and loss account respectively, prepared in accordance with the requirements of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following table presents information regarding segment assets, liabilities as at 31 March 2010 and 31 December 2009, unallocated capital expenditures and non-cash expenses during the period.

(Amount in Rupees)

	Fire & property damage		Marine, aviation & transport		Motor		Accident & Health		Miscellaneous		Treaty - Non-proportional		TOTAL	
	Unaudited 31 Mar 2010	Audited 31 Dec 2009	Unaudited 31 Mar 2010	Audited 31 Dec 2009	Unaudited 31 Mar 2010	Audited 31 Dec 2009	Unaudited 31 Mar 2010	Audited 31 Dec 2009	Unaudited 31 Mar 2010	Audited 31 Dec 2009	Unaudited 31 Mar 2010	Audited 31 Dec 2009	Unaudited 31 Mar 2010	Audited 31 Dec 2009
Segment assets	58,245,942	33,030,098	25,631,632	25,760,096	466,545,063	281,068,332	218,100,815	183,785,598	23,735,284	15,005,008	-	(328)	792,258,736	538,648,804
Unallocated corporate assets													854,810,903	657,102,280
Consolidated total assets													<u>1,647,069,639</u>	<u>1,195,751,084</u>
Segment liabilities	95,860,887	53,400,600	42,184,415	41,647,004	767,837,587	454,410,323	358,949,257	297,130,854	39,063,415	24,258,978	-	(530)	1,303,895,561	870,847,229
Unallocated corporate liabilities													63,669,536	56,492,557
Consolidated total liabilities													<u>1,367,565,097</u>	<u>927,339,786</u>
Capital expenditure	587,013	1,179,026	258,320	919,519	4,701,928	10,032,870	2,198,061	6,560,316	239,209	535,611	-	(12)	7,984,531	19,227,330
Unallocated capital expenditure													<u>57,182,500</u>	<u>55,571,000</u>
Depreciation	367,082	1,195,962	161,538	932,728	2,940,297	10,176,992	1,374,532	6,654,555	149,586	543,305	-	(12)	<u>4,993,035</u>	<u>19,503,530</u>

12. Earning/(loss) per share - Basic and diluted

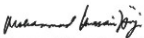
	<u>31 March 2010</u> (Rupees)	<u>31 March 2009</u> (Rupees)
Profit/(Loss) after tax for the period	11,093,245	(20,878,590)
Weighted average number of shares	20,377,492	20,377,492
Earning/(loss) per share (Rs)	0.54	(1.02)

13. Authorization for issue

These Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors on 27 April 2010 at Rawalpindi.

14. General

Figures have been rounded off to the nearest rupee.




Mohammad Hussain Hirji
President & Chief Executive



Abdul Waheed
Director



Maj. Gen. (Retd.) Saeed Ahmed Khan
Director



Lt. Gen. (Retd.) Imtiaz Hussain
Chairman