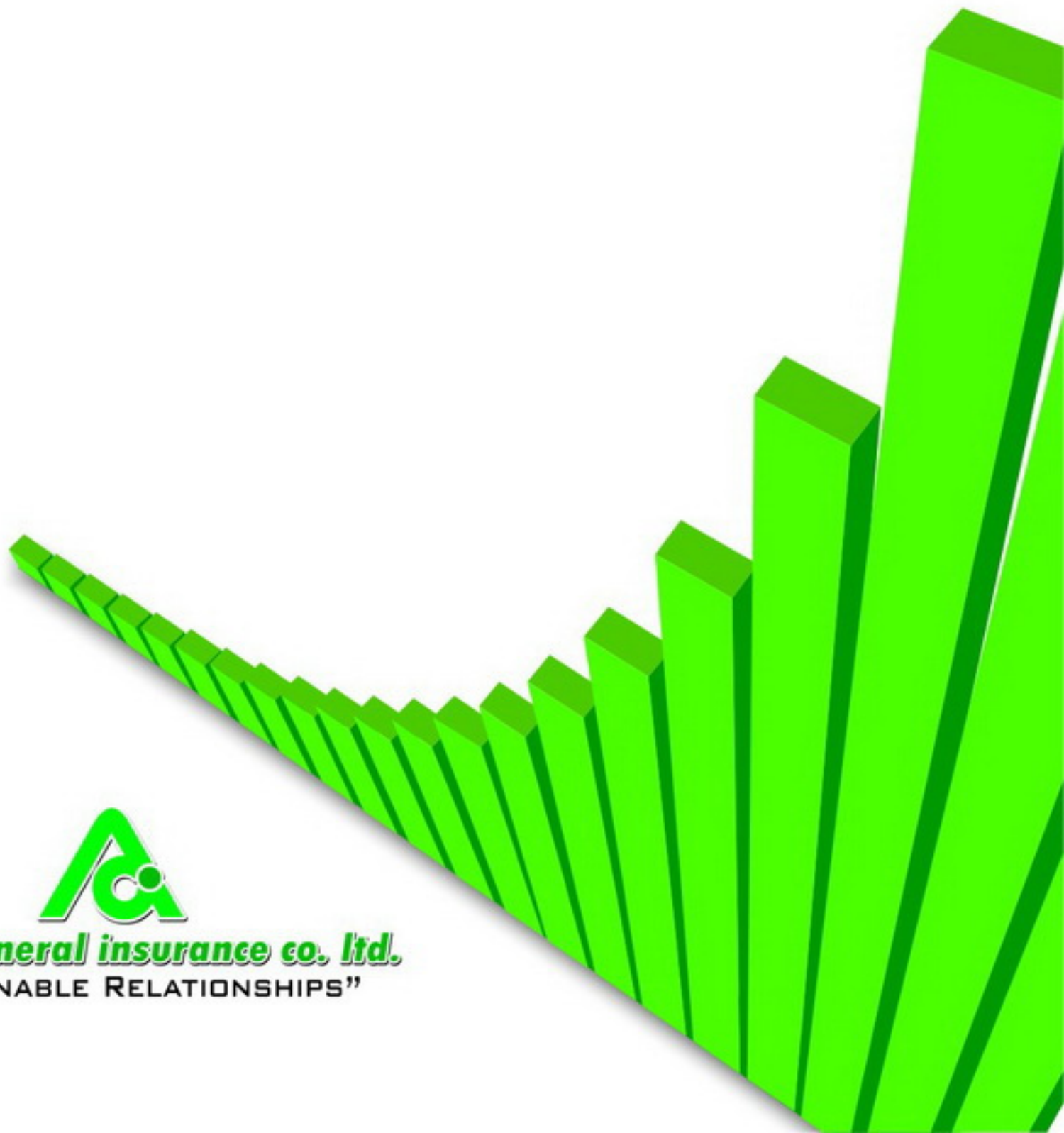


askari

HALF YEARLY REPORT
(Unaudited) June 30, 2010



askari general insurance co. ltd.
"SUSTAINABLE RELATIONSHIPS"

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



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CORPORATE INFORMATION

Chairman	Lt. Gen. Imtiaz Hussain (Retd.)
Directors	Maj. Gen. Saeed Ahmed Khan (Retd.) Brig. Javed Qayum (Retd.) Brig. Mushtaq Ahmad Malik (Retd.) Syed Suhail Ahmad Rizvi Mr. Abdul Hai Mehmood Bhaimia Mr. Ejaz Ahmed Khan
President & Chief Executive	Mr. Abdul Waheed
Company Secretary	Mr. Waseemullah
Chief Financial Officer	Mr. Jamil Ahmed (ACA)
Internal Auditor	Syed Imran Abid Bukhari
Auditors	M. Yousuf Adil Saleem & Company Chartered Accountants
Legal Advisors	Mr. Farrukh Karim Qureshi
Bankers	Askari Bank Limited Habib Bank Limited Standard Chartered (Pakistan) Limited Arif Habib Bank Limited Soneri Bank Limited Silk Bank 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

Directors' Report to the Shareholders

On behalf of the Board of Directors, it gives me pleasure to present you the un-audited financial statements of the Company for the half year ended June 30, 2010.

General Review

The performance of your Company has improved both in terms of underwriting results and overall profitability. As compared to HY09, underwriting profits and net profit after tax for HY10 are higher by 77% and 146% respectively. The Earnings per share (EPS) has also improved from Rs. (1.91) to Rs. 0.88 in HY10.

The management has implemented a new ERP system to improve quality and operational efficiency. The management has also plans to maximize the use of IT and strengthen internal controls which will help the Company to control its operational cost and increase profitability. The management is pursuing to increase the capital base and strengthen financial capabilities so that it can underwrite large risks.

Operational Results

The key comparative financial figures for the half year ended 30 June 2010 and 2009 are as follows:

	Half year ended June	
	2010	2009
	(Rupees in Million)	
Gross Premium revenue	906	644
Net Premium Revenue	357	398
Underwriting Profit	43	24
Investment and Other Income/(loss)	29	(25)
Profit/(loss) After tax	18	(39)
Total assets	1,679	1,196
Total equity	286	268
Basic earning per share (Rs)	0.88	(1.91)

As evident from the above figures your Company has improved its performance in all areas of its operations. The gross premium has witnessed growth with an overall increase by 41%. Due to focussed allocation of funds and effective risk management your Company has recorded Rs. 29 million investment income as compared to a loss of Rs. 25 million in the corresponding period. Your Company will continue to invest prudently to increase the profitability of the Company.

Acknowledgments

We would like to take this opportunity to thank the Securities and Exchange Commission of Pakistan (SECP), Insurance Association of Pakistan (IAP), for their continuous support and guidance.

We would also like to thank and appreciate the support provided by our valued reinsurers.

We would also thank our stakeholders, who continue to place their trust and confidence in your Company and assure them of our best services as we remain committed to do our utmost to ensure the best utilization of their investment in the Company.

The Directors also wish to place on record their appreciation for the devotion, loyalty and hard work of the officers and members of the staff towards the growth of the Company.

For and on behalf of the Board

Lt. Gen. Imtiaz Hussain (Retd.)
Chairman

August 26, 2010
Rawalpindi

Independent Auditors' Report on Review of Condensed Interim Financial Information to the Members*Introduction*

We have reviewed the accompanying:

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

of askari general insurance company limited ('the Company') as at 30 June 2010 for the six-month period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures for the quarter ended 30 June 2010 have not been reviewed as we are required to review only the cumulative figures for the half year ended 30 June 2010.

Scope of Review

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

Conclusion

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

Other matters

The interim financial information for the half year ended 30 June 2009, and financial statements for the year ended 31 December 2009 were reviewed / audited by another firm of Chartered Accountants who expressed unqualified opinion in their review / audit reports dated 27 August 2009 and 02 April 2010 respectively.

August 26, 2010
Islamabad

Chartered Accountants
Engagement Partner:
Mohammed Saleem

Condensed Interim Balance Sheet (Unaudited)

As at 30 June 2010

	Note	Unaudited 30 June 2010 (Rupees)	Audited 31 December 2009 (Rupees)
Share Capital and Reserves			
Authorized share capital 50,000,000 ordinary shares of Rs. 10 each		500,000,000	500,000,000
Paid up share capital		203,774,920	203,774,920
Reserves		74,657,681	74,657,681
Retained earnings		7,851,117	(10,021,303)
		286,283,718	268,411,298
Underwriting provisions			
Provision for outstanding claims (including IBNR)		297,987,917	261,489,677
Provision for unearned premium		726,862,196	485,793,190
Commission income unearned		73,169,600	29,304,827
Total underwriting provisions		1,098,019,713	776,587,694
Creditors and accruals			
Premium received in advance		15,167,598	6,947,085
Amounts due to other insurers/reinsurers		166,264,744	56,211,135
Accrued expenses		4,010,943	2,205,507
		185,443,285	65,363,727
Borrowing			
Liabilities against assets subject to finance lease		-	722,297
Deferred liability-staff compensated absences		13,056,171	12,294,231
Other liabilities			
Unclaimed dividend		830,102	834,251
Others	8	95,130,518	71,537,586
		95,960,620	72,371,837
TOTAL LIABILITIES		1,392,479,789	927,339,786
TOTAL EQUITY AND LIABILITIES		1,678,763,507	1,195,751,084

CONTINGENCIES AND COMMITMENT

11

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.



Abdul Waheed
President & Chief Executive

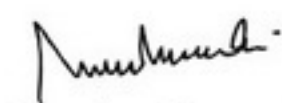
Syed Suhail Ahmad Rizvi
Director

Condensed Interim Balance Sheet (Unaudited)

As at 30 June 2010

	Note	Unaudited 30 June 2010 (Rupees)	Audited 31 December 2009 (Rupees)
Cash and bank deposits			
Cash and other equivalents		244,998	306,475
Current and other accounts		195,917,415	112,470,799
Deposits maturing within 12 months		500,000	1,500,000
		196,662,413	114,277,274
Advances to employees - secured, considered good		4,483,101	4,197,435
Investments	9	352,446,359	413,606,523
Other assets			
Premium due but unpaid - unsecured, considered good		278,714,115	144,129,463
Amounts due from other insurers/reinsurers - unsecured, considered good		40,326,876	28,707,468
Salvage recoveries accrued		20,287,785	17,063,285
Accrued investment income		5,095,874	4,988,832
Reinsurance recoveries against outstanding claims - unsecured, considered good		97,026,965	76,151,749
Taxation - payments less provision		3,050,940	2,689,458
Deferred commission expense		53,425,881	41,598,471
Prepayments - prepaid reinsurance premium ceded		441,917,312	172,988,982
- others		19,796,257	8,173,889
Sundry receivables		33,055,897	36,534,584
		992,697,903	533,026,181
Fixed assets - tangible and intangible	10		
Lease hold improvements		7,982,679	8,929,887
Furniture and fixtures		8,374,603	8,758,870
Computer and office equipment		18,144,533	11,920,550
Motor vehicles		36,544,626	41,639,836
Capital work in progress		57,992,595	55,571,000
Software license		3,434,695	3,823,528
		132,473,731	130,643,671
		1,678,763,507	1,195,751,084


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


Lt. Gen. Imtiaz Hussain (Retd.)
Chairman

Condensed Interim Profit & Loss Account (Unaudited)

For the half year ended 30 June 2010

Note

	Fire & property Damage	Marine, Aviation & Transport	Motor	Accident & Health	Miscellaneous	2010 Aggregate	2009 Aggregate
Quarter ended 30 June							
Revenue Account							
Net Premium revenue	10,624,481	6,797,001	101,909,750	51,863,140	4,040,256	175,234,628	207,368,256
Net claims	(7,547,769)	(2,538,862)	(59,809,211)	(46,489,620)	136,445	(116,249,017)	(143,889,646)
Expenses	(2,377,461)	(1,501,661)	(22,651,509)	(11,495,532)	(906,730)	(38,932,893)	(35,723,993)
Net commission	2,555,736	658,343	(7,195,482)	1,250,044	2,537,532	(193,827)	(13,738,496)
Underwriting results	3,254,987	3,414,821	12,253,548	(4,871,968)	5,807,503	19,858,891	14,016,121
Investment income/(loss)						11,722,539	(12,275,996)
Other income						217,684	305,494
Profit on bank deposits						1,272,665	807,721
Share of profit in associated company						-	148,237
Finance cost						(259)	(65,993)
General and administrative expenses						(26,868,373)	(20,671,337)
Profit/(loss) before Workers' Welfare Fund						(13,655,744)	(31,751,874)
Workers' Welfare Fund						6,203,147	(17,735,753)
Profit/(loss) before tax						(124,063)	(226,533)
Provision for taxation						6,079,084	(17,962,286)
Profit/(loss) after tax						700,092	(9,828)
Other comprehensive income for the period						6,779,176	(17,972,114)
Total comprehensive income for the period						-	-
Earnings/(loss) per share-basic and diluted						6,779,176	(17,972,114)
						0.33	(0.88)

Half year ended 30 June

Revenue Account							
Net Premium revenue	23,991,253	12,679,165	208,976,462	101,914,762	9,487,230	357,048,872	397,687,140
Net claims	(11,175,608)	(4,929,408)	(132,410,736)	(82,667,970)	(1,233,360)	(232,417,082)	(277,746,793)
Expenses	(5,150,136)	(2,721,801)	(44,860,402)	(21,877,761)	(2,036,598)	(76,646,698)	(71,991,432)
Net commission	3,699,051	690,351	(15,261,756)	1,684,294	3,950,121	(5,237,939)	(23,786,492)
Underwriting results	11,364,560	5,718,307	16,443,568	(946,675)	10,167,393	42,747,153	24,162,423
Investment income/(loss)						25,140,605	(27,973,854)
Other income						231,048	1,479,255
Profit on bank deposits						3,178,164	1,455,331
Share of profit in associated company						-	432,446
Finance cost						(35,588)	(140,962)
General and administrative expenses						(52,523,628)	(38,018,963)
Profit/(loss) before Workers' Welfare Fund						(24,009,399)	(62,766,747)
Workers' Welfare Fund						18,737,754	(38,604,324)
Profit/(loss) before tax						(374,755)	(226,533)
Provision for taxation						18,362,999	(38,830,857)
Profit/(loss) after tax						(490,579)	(19,846)
Other comprehensive income for the period						17,872,420	(38,850,703)
Total comprehensive income for the period						-	-
Profit and loss appropriation account						17,872,420	(38,850,703)
Balance at commencement of the period						(10,021,303)	17,523,626
Profit/(loss) after tax for the period						17,872,420	(38,850,703)
Balance of unappropriated (loss)/profit at end of the period						7,851,117	(21,327,077)
Earnings/(loss) per share - basic and diluted						0.88	(1.91)

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.



Abdul Wahed
President & Chief Executive



Syed Suhail Ahmad Rizvi
Director



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



Lt. Gen. Imtiaz Hussain (Retd.)
Chairman


Condensed Interim Statement of Cash Flows (Unaudited)

For the half year ended 30 June 2010

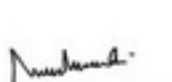
	2010 (Rupees)	2009 (Rupees)
Operating Cash Flows		
a) Underwriting activities:		
Premium received	772,957,555	575,201,722
Reinsurance premium paid	(414,480,499)	(181,461,757)
Claims paid	(302,690,546)	(281,141,885)
Reinsurance and other recoveries received	54,013,369	30,318,510
Commission paid	(51,091,860)	(46,408,915)
Commission received	58,606,268	26,840,163
Other underwriting payments (management expenses)	(69,903,134)	(64,587,449)
Net cash flow from underwriting activities	47,411,153	58,760,389
b) Other operating activities:		
Income tax paid	(852,062)	(748,035)
General management expenses paid	(47,145,390)	(35,712,578)
Other operating receipts	23,947,743	4,420,603
Advances to employees	(285,666)	(876,428)
Other payments on operating assets	(17,268,155)	(1,711,071)
Net cash used in other operating activities	(41,603,530)	(34,627,509)
Total cash flow from all operating activities	5,807,623	24,132,880
Investing activities:		
Profit/return received	11,172,024	12,810,614
Dividends received	274,255	198,455
Payments for investments	(1,046,772,675)	(65,437,901)
Proceeds from disposal of investments	1,118,340,627	45,324,395
Redemption of Term Finance Certificates	6,357,660	11,956,060
Fixed capital expenditure	(13,238,759)	(16,709,473)
Proceeds from disposal of fixed assets	1,206,418	2,482,854
Total cash flow from/(used in) investing activities	77,339,550	(9,374,996)
Financing activities:		
Dividend paid	(4,149)	-
Financial charges paid	(35,588)	(140,962)
Payment of lease rentals	(722,297)	(560,851)
Total cash used in financing activities	(762,034)	(701,813)
Net cash generated from all activities	82,385,139	14,056,071
Cash at beginning of the period	114,277,274	85,107,892
Cash at end of the period	196,662,413	99,163,963

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.


 Abdul Waheed
 President & Chief Executive


 Syed Suhail Ahmad Rizvi
 Director


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


 Lt. Gen. Imtiaz Hussain (Retd.)
 Chairman

Condensed Interim Statement of Cash Flows (Unaudited)

For the half year ended 30 June 2010

	2010 (Rupees)	2009 (Rupees)
Reconciliation to Profit and Loss Account:		
Operating cash flows	5,807,623	24,132,880
Depreciation expense	(10,316,366)	(9,688,403)
Financial charges	(35,588)	(140,962)
Profit on disposal of fixed assets	114,085	710,304
Increase in assets other than cash	459,488,864	142,601,943
Increase in liabilities other than running finance	(465,866,449)	(171,108,577)
Un-realized (loss)/gain on investments, held for trading	(1,210,786)	3,106,051
Provision for diminution in value of investment	-	(43,877,647)
Dividend income	2,517,752	2,922,038
Investment income	25,307,558	10,540,119
Profit on bank deposits	3,178,164	1,455,331
Share of profit in associated company	-	432,446
Income tax provision	(490,580)	(19,846)
(Loss) on trading	(1,473,920)	(664,415)
Tax paid	852,062	748,035
Profit/(loss) after taxation	17,872,420	(38,850,703)

Definition of cash:

Cash comprises of cash in hand, bank balances, stamps in hand and other deposits which are readily convertible to cash in hand 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 consist of:

	2010 (Rupees)	2009 (Rupees)
Cash and other equivalents		
Cash in hand	166,428	143,824
Stamps in hand	78,570	72,191
	<u>244,998</u>	<u>216,015</u>
Current and other accounts		
Current accounts	10,391,550	16,785,619
Deposit accounts	185,525,865	80,662,329
	<u>195,917,415</u>	<u>97,447,948</u>
Deposits maturing within 12 months		
Fixed and term deposit accounts	500,000	1,500,000
Total cash and cash equivalents	196,662,413	99,163,963

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.



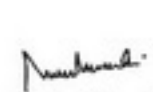
Abdul Waheed
President & Chief Executive



Syed Suhail Ahmad Rizvi
Director



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




Lt. Gen. Imtiaz Hussain (Retd.)
Chairman

Condensed Interim Statement of Premiums (Unaudited)

For the half year ended 30 June 2010

Business underwritten inside Pakistan												
Class of Business	Premiums Written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance Expense	2010 Net premium revenue	2009 Net premium revenue		
		Opening	Closing			Opening	Closing					
(Rupees)												
Quarter ended 30 June												
Direct and facultative												
Fire and property damage	59,046,181	192,205,487	168,194,778	83,056,890	44,495,609	173,726,423	145,789,623	72,432,409	10,624,481	12,410,623		
Marine, aviation and transport	21,723,093	11,634,016	10,156,631	23,200,478	13,025,649	9,595,673	6,217,845	16,403,477	6,797,001	14,664,140		
Motor	98,987,935	201,728,260	196,580,693	104,135,502	1,615,593	5,223,125	4,612,966	2,225,752	101,909,750	104,050,643		
Accident and Health	107,805,839	156,508,883	186,190,312	78,124,410	72,929,007	82,101,835	128,769,572	26,261,270	51,863,140	69,768,952		
Miscellaneous	96,954,040	129,012,476	165,739,782	60,226,734	94,697,998	118,015,786	156,527,306	56,186,478	4,040,256	6,473,990		
Total	384,517,088	691,089,122	726,862,196	348,744,014	226,763,856	388,662,842	441,917,312	173,509,386	175,234,628	207,368,348		
Treaty-Non-proportional	-	-	-	-	-	-	-	-	-	(92)		
Grand Total	384,517,088	691,089,122	726,862,196	348,744,014	226,763,856	388,662,842	441,917,312	173,509,386	175,234,628	207,368,256		
Half year ended 30 June												
Direct and facultative												
Fire and property damage	214,565,029	116,279,525	168,194,778	162,649,776	188,570,605	95,877,541	145,789,623	138,658,523	23,991,253	23,353,241		
Marine, aviation and transport	37,968,672	12,132,578	10,156,631	39,944,619	24,289,462	9,193,837	6,217,845	27,265,454	12,679,165	24,960,759		
Motor	225,223,362	186,836,389	196,580,693	215,479,058	3,988,976	7,126,586	4,612,966	6,502,596	208,976,462	206,822,203		
Accident and Health	206,435,659	132,091,832	186,190,312	152,337,179	148,245,934	30,946,055	128,769,572	50,422,417	101,914,762	132,128,038		
Miscellaneous	221,939,224	38,452,866	165,739,782	94,652,308	211,847,421	29,844,963	156,527,306	85,165,078	9,487,230	10,423,481		
Total	906,131,946	485,793,190	726,862,196	665,062,940	576,942,398	172,988,982	441,917,312	308,014,068	357,048,872	397,687,722		
Treaty-Non-proportional	-	-	-	-	-	-	-	-	-	(582)		
Grand Total	906,131,946	485,793,190	726,862,196	665,062,940	576,942,398	172,988,982	441,917,312	308,014,068	357,048,872	397,687,140		

The annexed note 1 to 16 from an integral part of this condensed interim financial information


Abdul Waheed
President & Chief Executive


Syed Suhail Ahmad Rizvi
Director


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


Lt. Gen. Imtiaz Hussain (Retd.)
Chairman

Condensed Interim Statement Of Claims (Unaudited)

For the half year ended 30 June 2010

Business underwritten inside Pakistan										
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	2010 Net claims expense	2009 Net claims expense
		Opening	Closing			Opening	Closing			
(Rupees)										
Quarter ended 30 June										
Direct and facultative	7,436,491	41,407,913	65,505,392	31,533,970	6,484,199	34,264,814	51,766,816	23,986,201	7,547,769	3,457,246
Fire and property damage										
Marine, aviation and transport	10,600,593	16,628,940	12,867,925	6,839,578	6,993,074	9,671,679	6,979,321	4,300,716	2,538,862	1,538,476
Motor	37,701,827	109,646,557	132,829,577	60,884,847	501,030	2,947,010	3,521,616	1,075,636	59,809,211	68,673,065
Accident and Health	61,338,174	61,686,624	80,696,354	80,347,904	33,827,688	29,941,903	29,972,499	33,858,284	46,489,620	67,717,555
Miscellaneous	1,686,562	6,023,579	6,088,669	1,751,652	1,862,646	4,761,262	4,786,713	1,888,097	(136,445)	2,496,078
Total	118,763,647	235,393,613	297,987,917	181,357,951	49,668,637	81,586,668	97,026,965	65,108,934	116,249,017	143,882,420
Treaty-Non-proportional	-	-	-	-	-	-	-	-	-	7,226
Grand total	118,763,647	235,393,613	297,987,917	181,357,951	49,668,637	81,586,668	97,026,965	65,108,934	116,249,017	143,889,646
Half year ended 30 June										
Direct and facultative	19,701,212	45,681,208	65,505,392	39,525,396	14,852,390	38,269,418	51,766,816	28,349,788	11,175,608	6,667,246
Fire and property damage										
Marine, aviation and transport	20,380,403	21,796,176	12,867,925	11,452,152	14,476,889	14,933,466	6,979,321	6,522,744	4,929,408	2,315,786
Motor	124,210,764	120,988,885	132,829,577	136,051,456	3,568,673	3,449,569	3,521,616	3,640,720	132,410,736	142,313,825
Accident and Health	133,930,817	66,551,836	80,696,354	148,075,335	49,655,275	14,220,409	29,972,499	65,407,365	82,667,970	122,716,427
Miscellaneous	4,467,350	6,471,572	6,088,669	4,084,447	3,343,261	5,278,887	4,786,713	2,851,087	1,233,360	3,505,848
Total	302,690,546	261,489,677	297,987,917	339,188,786	85,896,488	76,151,749	97,026,965	106,771,704	232,417,082	277,519,132
Treaty-Non-proportional	-	-	-	-	-	-	-	-	-	227,661
Grand total	302,690,546	261,489,677	297,987,917	339,188,786	85,896,488	76,151,749	97,026,965	106,771,704	232,417,082	277,746,793

The annexed note 1 to 16 from an integral part of this condensed interim financial information


Abdul Wahid
President & Chief Executive


Syed Suhail Ahmad Rizvi
Director


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


Lt. Gen. Imtiaz Hussain (Retd.)
Chairman


Condensed Interim Statement Of Expenses (Unaudited)


For the half year ended 30 June 2010

Business underwritten inside Pakistan	Commission paid or payable	Deferred commission	Net commission expense	Other management expenses	Underwriting expense	Commission from reinsurers*	2010 Net underwriting expense	2009 Net underwriting expense
Class of Business		Opening	Closing					
Direct and facultative	(Rupees)							
	Quarter ended 30 June							
Fire and property damage	6,147,914	19,356,768	16,961,125	8,543,557	2,377,461	10,921,018	11,099,293	2,972,862
Marine, aviation and transport	4,050,267	1,627,389	2,040,152	3,637,504	1,501,661	5,139,165	4,295,847	4,514,217
Motor	6,159,174	16,106,719	14,904,868	7,361,025	22,651,509	30,012,534	165,543	26,991,943
Accident and Health	5,072,073	9,022,280	9,469,514	4,624,839	11,495,532	16,120,371	5,874,883	15,658,105
Miscellaneous	5,637,856	8,078,300	10,050,222	3,665,934	906,730	4,572,664	6,203,466	556,080
Total	27,067,284	54,191,456	53,425,881	27,832,859	38,932,893	66,765,752	27,639,032	50,693,207
Treaty-Non-proportional	-	-	-	-	-	-	-	(27)
Grand total	27,067,284	54,191,456	53,425,881	27,832,859	38,932,893	66,765,752	27,639,032	50,693,180
Direct and facultative	Six months ended 30 June							
Fire and property damage	20,227,600	13,902,793	16,961,125	17,169,268	5,150,136	22,319,404	20,868,319	4,956,174
Marine, aviation and transport	7,309,974	1,005,320	2,040,152	6,275,142	2,721,801	8,996,943	6,965,493	5,269,305
Motor	15,910,203	14,830,429	14,904,868	15,835,764	44,860,402	60,696,166	574,008	54,468,139
Accident and Health	10,541,219	8,307,561	9,469,514	9,379,266	21,877,761	31,257,027	11,063,560	30,454,328
Miscellaneous	12,749,465	3,552,368	10,050,222	6,251,611	2,036,598	8,288,209	10,201,732	630,320
Total	66,738,461	41,598,471	53,425,881	54,911,051	76,646,698	131,557,749	49,673,112	95,778,266
Treaty-Non-proportional	-	-	-	-	-	-	-	(342)
Grand total	66,738,461	41,598,471	53,425,881	54,911,051	76,646,698	131,557,749	49,673,112	95,777,924

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

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.


Abdul Waheed
President & Chief Executive


Syed Suhail Ahmad Rizvi
Director


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


Lt. Gen. Imtiaz Hussain (Retd.)
Chairman

Condensed Interim Statement of Investment Income (Unaudited)

For the half year ended 30 June 2010

(Amount in Rupees)

	Quarter ended 30 June		Half year ended 30 June	
	2010	2009	2010	2009
Income from trading investments				
(Loss)/gain on trading	(292,944)	34,281	(1,473,920)	(664,415)
Dividend income	237,575	98,280	274,255	198,455
	(55,369)	132,561	(1,199,665)	(465,960)
Income from non trading investments				
Return on Government Securities	500,001	498,631	1,000,001	1,133,656
Return on other fixed income securities	3,574,101	4,703,567	7,100,902	9,319,586
	4,074,102	5,202,198	8,100,903	10,453,242
Available for sale investments				
Dividend income	814,479	1,814,089	2,243,497	2,723,583
Gain on sale	9,592,103	253,115	17,206,656	253,115
	10,406,582	2,067,204	19,450,153	2,976,698
Un-realized (loss)/profit on re-measurement of investments at fair value through profit and loss	(2,702,776)	1,079,299	(1,210,786)	3,106,051
Provision for impairment in available for sale investments	-	(20,757,258)	-	(43,877,647)
Investment related expenses	-	-	-	(166,238)
Net investment income/(loss)	<u>11,722,539</u>	<u>(12,275,996)</u>	<u>25,140,605</u>	<u>(27,973,854)</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

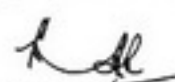
Condensed Interim Statement of Changes in Equity (Unaudited)


For the half year ended 30 June 2010

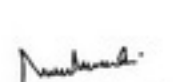
	Share Capital	Reserves			
	Issued, Subscribed and paid up	Capital reserve Share Premium	Revenue reserve General reserve	Retained earnings	Total
	(Rupees)				
Balance as at 01 January 2009	203,774,920	4,657,681	70,000,000	17,523,626	295,956,227
Loss for the period	-	-	-	(38,850,703)	(38,850,703)
Other comprehensive income	-	-	-	-	-
Balance as at 30 June 2009	<u>203,774,920</u>	<u>4,657,681</u>	<u>70,000,000</u>	<u>(21,327,077)</u>	<u>257,105,524</u>
Balance as at 01 January 2010	203,774,920	4,657,681	70,000,000	(10,021,303)	268,411,298
Profit for the period	-	-	-	17,872,420	17,872,420
Other comprehensive income	-	-	-	-	-
Balance as at 30 June 2010	<u>203,774,920</u>	<u>4,657,681</u>	<u>70,000,000</u>	<u>7,851,117</u>	<u>286,283,718</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.


 Abdul Waheed
 President & Chief Executive


 Syed Suhail Ahmad Rizvi
 Director


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


 Lt. Gen. Imtiaz Hussain (Retd.)
 Chairman

Notes to the Condensed Interim Financial Information (Unaudited)

For the half year ended 30 June 2010

1. The Company and its business

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 of preparation

This condensed interim financial information is unaudited but subject to review by the auditors and is 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 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) vide its circular N0.7 of 2003 dated 27 August 2003.

This condensed interim financial information do not include all of the information and disclosures required for the annual financial statements and should be read in conjunction with the annual audited 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 statement of cash flows, 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 information for the half year ended 30 June 2009.

3. Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments which are carried at their fair values and obligations under certain employee benefit which are measured at their present values.

4. Accounting policies and computation method

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 31 December 2009.

5. Financial risk management

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

6. Significant accounting estimates and judgements

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgment made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied in the preparation of the financial statements for the year ended 31 December 2009.

7. Standards, interpretations and amendments to published approved accounting standards that are effective during the current period

The following standards, amendments and interpretations of approved accounting standards became effective during the period, however these do not have significant impact on the Company's financial information.

- Revised IFRS 3- Business combination	(effective 01 July 2009)
- Amended IAS 27- Consolidated and separate financial statements	(effective 01 July 2009)
- Amendments to IFRS 5- Non-current assets held for sale and discontinued	(effective 01 July 2009)
- Amendments to IAS 39- Financial instruments: recognition and measurement eligible hedged items	(effective 01 July 2009)
- IFRIC 17- Distributions of non cash assets to owners	(effective 01 July 2009)
- Amendments to IFRS 2- Share-based payments and IFRS 3 business combinations	(effective 01 July 2009)
- Amendments to IAS 38- Intangible assets	(effective 01 July 2009)
- Amendments to IFRIC 9- Reassessment of embedded derivatives	(effective 01 July 2009)
- Amendments to IFRIC 16- Hedges of a net investment in a foreign operations	(effective 01 July 2009)
- Amendments to IFRS 5- Non-current assets held for sale and discontinued operations	(Effective 01 January 2010)
- Amendments to IFRS 8- Operating segments	(Effective 01 January 2010)
- Amendments to IAS 1- Presentation of financial statements	(Effective 01 January 2010)
- Amendments to IAS 7- Statement of cash flows	(Effective 01 January 2010)
- Amendments to IAS 17- Leases	(Effective 01 January 2010)
- Amendments to IAS 36- Impairment of assets	(Effective 01 January 2010)
- Amendments to IAS 39- Financial instruments	(Effective 01 January 2010)
- Amendments to IFRS 2- Share-based payments, group cash-settled shares-based payment transactions	(Effective 01 January 2010)
- Amendments to IAS 32- Financial Instruments: presentation-classification of rights	(Effective 01 January 2010)

8. Others	(Unaudited) 30 June 2010 (Rupees)	(Audited) 31 December 2009 (Rupees)
Agent's commission payable	35,301,004	23,001,948
Security deposit against bond insurance	39,868,502	35,162,260
Staff gratuity fund	-	661,028
Tax deducted at source	892,894	1,253,667
Central Excise Duty/Federal Insurance Fee	13,537,678	8,099,367
Workers' Welfare fund	1,087,339	712,584
Others	4,443,101	2,646,732
	95,130,518	71,537,586

9. Investments	Note	30 June 2010 (Rupees)	31 December 2009 (Rupees)
These represent the following:			
Held to maturity - Government Securities	9.1	25,000,000	25,000,000
- Term Finance Certificate - Quoted	9.1	110,589,620	116,947,280
- Certificate of Investments (COIs)		16,218,441	21,713,441
		151,808,061	163,660,721
Less: Provision for impairment		(8,622,692)	(8,622,692)
		143,185,369	155,038,029
Investments at fair value through profit and loss -			
Held for trading (equity securities)		16,794,294	19,483,473
Available for sale - Quoted		194,491,925	291,183,925
Less: Provision for impairment in the value of investments		(2,025,229)	(66,762,828)
		192,466,696	224,421,097
Investment in associated company-equity method		-	14,663,924
		352,446,359	413,606,523

9.1 Government Securities include Pakistan Investment Bonds (PIBs) of Rs. 25 million (31 December 2009: Rs. 25 million) with market value of Rs. 21.84 million as at 30 June 2010 (31 December 2009: Rs 26.02 million). PIBs are deposited with the State Bank of Pakistan to comply with the requirements of the Section 29(2) of the Insurance Ordinance, 2000. Market value of Term Finance Certificates as at 30 June 2010 was Rs. 105.34 million (31 December 2009: Rs. 114.06 million).

9.2 At 30 June 2010, the fair value of available-for-sale securities was Rs. 191.63 million (2009: Rs. 224.61 million). As per the company's accounting policy, available-for-sale investments are stated at lower of cost or market value (market value being taken as lower if the fall is other than temporary. However, International Accounting Standards (IASs) 39, "Financial Instruments: Recognition and measurements" dealing with the recognition and measurement of financial instruments requires that these instruments should be measured at fair value. Accordingly, had these investments been measured at fair value, their carrying value as on June 30, 2010 would have been lowered by Rs. 0.84 million (2009: Nil).

10. Fixed assets

tangible and intangible

Opening written down value

Add: Additions during the period/year

- Furniture, fixtures and office equipment

- Motor vehicles

- Leasehold improvements

- Software licence

Less: Written down value of disposals

Depreciation for the period/year

Closing written down value

Capital work in progress

(Unaudited)
30 June 2010
(Rupees)(Audited)
31 December 2009
(Rupees)

75,072,671

75,444,532

10,186,959

6,217,668

-

6,720,046

630,205

4,371,277

-

3,888,334

10,817,164

21,197,325

85,889,835

96,641,857

(1,092,333)

(2,065,655)

(10,316,365)

(19,503,531)

74,481,137

75,072,671

57,992,595

55,571,000

132,473,732

130,643,671

11. Contingencies and commitment

There is no change in contingencies and commitment as reported in the annual financial statement of the Company for the year ended 31 December 2009.

12. Transactions and balances with related parties(Unaudited)
30 June 2010
(Rupees)(Audited)
31 December 2009
(Rupees)**Balances at the end of the period****Associates:**

Premium due

Balance at the beginning of the period/year

Insurance premium written (including government levies, administrative surcharge and policies stamps)

Receipts during the period/year

Balance at end of the period/year

Balances in bank accounts

Investments

Commission payable

Other balances due

8,739,383

5,901,898

46,357,791

51,504,502

(48,977,797)

(48,667,017)

6,119,377

8,739,383

47,718,926

43,315,637

-

20,158,924

377,730

314,034

2,745

6,455

(Unaudited)
30 June 2010
(Rupees)(Unaudited)
30 June 2009
(Rupees)**Transactions during the period****Associates:**

Insurance premium written

Profit on deposit accounts

Bank charges

Interest income

Insurance commission expense

Insurance claims paid

Purchase of listed securities including brokerage fee

Sale of listed securities including brokerage fee

Services acquired

Others

Contribution to employees' funds

38,253,233

24,834,388

1,618,386

677,272

314,012

451,668

6,397

459,414

63,416

184,573

29,167,987

7,290,690

7,294,230

655,753

7,296,522

660,960

3,343,552

2,812,303

6,538,096

5,929,648

13. SEGMENT REPORTING

	Fire & property damage		Marine, aviation & transport		Motor		Accident & Health		Miscellaneous		Treaty - Non-proportional		TOTAL	
	Unaudited 30 June 2010	Audited 31 Dec 2009	Unaudited 30 June 2010	Audited 31 Dec 2009	Unaudited 30 June 2010	Audited 31 Dec 2009	Unaudited 30 June 2010	Audited 31 Dec 2009	Unaudited 30 June 2010	Audited 31 Dec 2009	Unaudited 30 June 2010	Audited 31 Dec 2009	Unaudited 30 June 2010	Audited 31 Dec 2009
	(Rupees)													
Segment assets	61,240,623	33,030,099	32,365,128	25,760,096	533,438,115	281,068,331	260,149,962	183,785,598	24,217,321	15,005,008	-	(328)	911,411,149	538,648,804
Unallocated corporate assets													767,352,358	657,102,280
Consolidated total assets													<u>1,678,763,507</u>	<u>1,195,751,084</u>
Segment liabilities	89,295,741	53,400,600	47,192,010	41,647,004	777,812,985	454,410,323	379,328,009	297,130,854	35,311,588	24,258,978	-	(530)	1,328,940,333	870,847,229
Unallocated corporate liabilities													63,539,456	56,492,557
Consolidated total liabilities													<u>1,392,479,789</u>	<u>927,339,786</u>
Capital expenditure	726,840	1,179,026	384,128	919,519	6,331,158	10,032,870	3,087,613	6,560,316	287,425	535,611	-	(12)	10,817,164	19,227,330
Unallocated capital expenditure													<u>57,992,595</u>	<u>55,571,000</u>
Depreciation	693,189	1,195,962	366,344	932,728	6,038,046	10,176,992	2,944,667	6,654,555	274,119	543,305	-	(12)	10,316,365	19,503,530

14. Earnings/(loss) per share - basic and diluted	(Unaudited) Quarter ended 30 June		(Unaudited) Half year ended 30 June	
	2010 (Rupees)	2009 (Rupees)	2010 (Rupees)	2009 (Rupees)
Profit/(loss) after tax (Rupees)	6,779,176	(17,792,114)	17,872,420	(38,850,703)
Weighted average number of shares	20,377,492	20,377,492	20,377,492	20,377,492
Earning/(loss) per share (Rs)	0.33	(0.88)	0.88	(1.91)

15. Authorization for issue

This condensed interim financial information has been approved and authorized for issue on August 26, 2010 by the Board of Directors of the company at Rawalpindi.

16. General

Figures have been rounded off to the nearest rupee



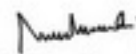
Abdul Waheed
President & Chief Executive



Syed Suhail Ahmad Rizvi
Director



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



Lt. Gen. Imtiaz Hussain (Retd.)
Chairman

BRANCH NETWORK

Head Office (051)**(Underwriting / Reinsurance Deptt.)**

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