

Financial Statements

For The Third Quarter Ended September 30, 2010



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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. 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

Summit 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

BRANCH NETWORK

Head Office (051)

(Underwriting / Reinsurance Deptt.)

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Rawalpindi (051)

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Lahore-II (042)

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Gujranwala (055)

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Karachi-I (021)

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Karachi-II (021)

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Abbotabad (0992)

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Faisalabad (041)

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Peshawar (091)

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Bahawalpur (0622)

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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 third quarter of 2010 and nine months ended 30 September 2010.

General Review

The performance of your Company has improved both in terms of underwriting results and overall profitability. As compared to first nine months of 2009, underwriting profits and net profit after tax for first nine months of 2010 are higher by 222% and 148% respectively. The Earnings per share (EPS) has also improved from Rs. (2.61) to Rs. 1.24 in first nine months of 2010.

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 quarter ended 30 September 2010 and 2009 are as follows:

	Nine months ende	ed September 30
	2010	2009
	(Rupees in	Million)
Gross Premium	1,157	891
Net Premium Revenue	503	600
Underwriting Profit	73	23
Investment and other income/(loss)	39	(15)
Profit/(loss) after Tax	25	(53)
Total assets	1,653	1,347
Total equity	294	243
Basic earning per share (Rs)	1.24	(2.61)

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 30%. Due to focussed allocation of funds and effective risk management your Company has recorded Rs. 35 million investment income as compared to a loss of Rs. 19 million in the corresponding period. Your Company will continue to invest prudently to increase the profitability of the Company.

Acknowledgements

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

October 19, 2010 Lt. Gen. Imtiaz Hussain (Retd.) Rawalpindi Chairman

Condensed Interim Balance Sheet (Unaudited)

As at 30 September 2010 Share Capital and Reserves Authorised share capital	Note	Unaudited 30 September 2010 (Rupees)	Audited 31 December 2009 (Rupees)		Note	Unaudited 30 September 2010 (Rupees)	Audited 31 December 2009 (Rupees)
50,000,000 Ordinary shares of Rs. 10/- each		500,000,000	500,000,000	Cash and bank deposits			
Paid up share capital Retained earnings Reserve		203,774,920 15,298,287 74,657,681 293,730,888	203,774,920 (10,021,303) 74,657,681 268,411,298	Cash and other equivalents Current and other accounts Deposits maturing within 12 months		527,192 40,380,645 500,000 41,407,837	306,475 112,470,799 1,500,000 114,277,274
Name of the Control o				Advances to employees - secured, considered good		2,977,652	4,197,435
Underwriting provisions Provision for outstanding claims (including IBNR) Provision for unearned premium Commission income unearned		294,975,037 634,648,593 66,273,254	261,489,677 485,793,190 29,304,827	Investments Other assets	8	483,978,206	413,606,523
Total underwriting provisions		995,896,884	776,587,694	Premium due but unpaid - unsecured, considered good Amounts due from other insurers/reinsurers - unsecured.		284,913,718	144,129,463
Creditors and accruals				considered good		95,568,521	28,707,468
Premium received in advance Amounts due to other insurers/reinsurers		12,691,145 233,437,491	6,947,085 56,211,135	Salvage recoveries accrued Accrued investment income		17,508,710 7,014,497	17,063,285 4,988,832
Accrued expenses		5,551,916	2,205,507	Reinsurance recoveries against outstanding			
Borrowing		251,680,552	65,363,727	claims - unsecured, considered good Taxation - provision less payment		132,962,700 2,575,492	76,151,749 2,689,458
Liabilities against assets subject to finance lease		-	722,297	Deferred commission expense		53,963,028	41,598,471
Deferred liability - staff compensated absences		13,117,398	12,294,231	Prepayments - prepaid reinsurance premium ceded		371,718,751 15,524,962	172,988,982 8,173,889
Deferred hability - staff compensated absences		13,117,376	12,294,231	Sundry receivables		15,060,181	36,534,584
Other liabilities Unclaimed dividend		830,102	834,251	Fixed assets - tangible & intangible	9	996,810,560	533,026,181
Others	7	97,750,642	71,537,586	Leasehold improvements	9	7,487,380	8,929,887
		98,580,744	72,371,837	Furniture and fixtures		8,337,851	8,758,870
				Computer and office equipment Motor vehicles		16,608,681 34,514,367	11,920,550 41,639,836
				Capital work in progress		58,064,080	55,571,000
TOTAL LIABILITIES		1,359,275,578	927,339,786	Software license		2,819,852 127,832,211	3,823,528 130,643,671
TOTAL EQUITY AND LIABILITIES		1,653,006,466	1,195,751,084			1,653,006,466	1,195,751,084

CONTINGENCY AND COMMITMENT

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

Abdul Waheed President & Chief Executive

Ejaz Ahmed Khan Director







Condensed Interim Profit & Loss Account (Unaudited)

or the period ended 30 September 2010	Fire & property damage	Marine, aviation and transport	Motor	Accident and Health (Rupees)	Miscellaneous	2010 Aggregate	2009 Aggregate
Note				rter ended 30 Septembe			
Net Premium revenue Net claims Expenses Net commission Underwriting results vestment income ther income/(loss) offi on bank deposits tare of profit in associated company nance cost eneral and administration expenses ordit/(loss) before Workers' Welfare Fund orkers' Welfare Fund ordit/(loss) before tax voision for texation	9,316,801 (16,330,869) (2,643,162) 3,012,126 (6,645,104)	8,104,118 (5,159,374) (2,140,96) 208,024 1,011,772	98,098,268 (37,417,842) (26,987,831) (7,307,077) 26,385,518	26,058,721 (20,958,634) (8,065,011) 7,465,505 4,500,581	4,232,146 (1,053,622) (1,173,412) 3,178,145 5,183,257	145,810,054 (80,920,341) (41,010,412) 6,556,723 30,436,024 9,724,174 61,149 927,370 (32,537,333) (21,824,640) 8,611,384 (172,228) 8,439,156 (991,986)	202,694,988 (146,131,79) (144,922,747) (13,041,218 (1,401,768 (1,828,577) (102,388 (54,368 (22,29),088 (12,947,615) (14,349,338) (14,349,338) (7,350
rofit/(loss) after tax						7,447,170	(14,356,733
arning/(loss) per share-basic and diluted						0.37	(0.70)
			Nine n	nonths ended 30 Septem			
Net Premium revenue Net claims Expenses Net commission Underwriting results vestment income ther income roff to bank deposits tare of profit in associated company nance cost	33,308,054 (27,506,477) (7,793,298) 6,711,177 4,719,456	20,783,283 (10,088,782) (4,862,797) 898,375 6,730,079	307,074,730 (169,828,578) (71,848,233) (22,568,833) 42,829,086	127,973,483 (103,626,604) (29,942,772) 9,149,799 3,553,906	13,719,376 (2,286,982) (3,210,010) 7,128,266 15,350,650	502,858,926 (313,337,423) (117,657,110) 1,318,784 73,183,177 34,864,779 292,197 4,105,534 (35,588) (85,069,961) (45,834,039)	600,382,036 (423,878,584 (116,915,153 (36,827,655) 22,760,644 (19,190,177 980,764 2,465,603 534,826 (195,330 (60,310,048 (75,714,362
vofit/(loss) before Workers' Welfare Fund 'orfit/(loss) before tax 'ovision for taxation 'offit/(loss) after tax 'offit and loss appropriation account Balance at commencement of the period Profit/(loss) after tax for the period Balance of unappropriated profit/(loss) at end of the period						27,349,138 (546,983) 26,802,155 (1,482,565) 25,319,590 (10,021,303) 25,319,590 15,298,287	(52,953,718 (226,533 (53,180,251) (27,196 (53,207,447) 17,523,626 (53,207,447) (35,683,821)
arning/(loss) per share - basic and diluted						1.24	(2.61)

The annexed notes 1 to 15 form an integral part of these condensed interim financial statement

Abdul Waheed President & Chief Executive Ejaz Ahmed Kh

Maj. Gen. Saeed Ahmed Khan (Retd.) Director Lt. Gen. Imtiaz Hussain (Retd.

Condensed Interim Statement of Cash Flows (Unaudited)

For the period ended 30 September 2010

Tot the period chaca so september 2010		
	2010	2009
Operating Cash Flows	(Rupees)	(Rupees)
a) Underwriting activities:		
Premium received	961,495,000	814,379,631
Reinsurance premium paid	(439,557,641)	(259,199,654)
Claims paid	(456,857,158)	(413,673,413)
Reinsurance and other recoveries received	70,323,676	37,449,188
Commission paid	(70,350,440)	(77,843,281)
Commission received	64,103,308	61,551,382
Other underwriting payments (management expenses)	(107,166,447)	(104,850,892)
Net cash flow from underwriting activities	21,990,298	57,812,961
b) Other operating activities:		
Income tax paid	(1,368,600)	(1,482,641)
General management expenses paid	(76,304,049)	(56,245,143)
Other operating receipts	23,794,030	1,049,518
Advances to employees	1,219,783	(388,046)
Other receipts on operating assets	4,970,717	5,901,467
Net cash used in other operating activities	(47,688,119)	(51,164,845)
Total cash flow from all operating activities	(25,697,821)	6,648,116
Investment activities:		
Profit/return received	14,263,987	17,216,995
Dividends received	400,434	2,035,798
Payments for investments	(1,346,799,947)	(137,236,297)
Proceeds from disposal of investments	1,290,470,492	74,724,668
Redemptions of Term Finance Certificates	8,238,000	13,906,560
Fixed capital expenditure	(14,227,966)	(19,902,555)
Proceeds from disposal of fixed assets	1,245,418	2,042,534
Total cash flow used in investing activities	(46,409,582)	(47,212,297)
Dividend paid	(4,149)	-
Financial charges paid	(35,588)	(195,330)
Payment of lease rentals	(722,297)	(884,384)
Total cash used in financing activities	(762,034)	(1,079,714)
Net cash used in all activities	(72,869,437)	(41,643,895)
Cash at beginning of the period	114,277,274	85,107,892
Cash at end of the period	41,407,837	43,463,997
F. Control of the Con	, , , , , , ,	

	2010	2009
	(Rupees)	(Rupees)
Reconciliation to Profit and Loss Account:		
Operating cash flows	(25,697,821)	6,648,116
Depreciation expense	(15,901,166)	(14,592,051)
Financial charges	(35,588)	(195,330)
Profit on disposal of fixed assets	107,158	93,270
Increase in assets other than cash	461,424,410	153,006,029
Increase in liabilities other than running finance	(433,433,751)	(183,433,179)
Un-realized (loss)/gain on investments, held for trading	(1,876,224)	7,759,498
Provision for dimunition in value of investment	-	(48,183,947)
Dividend income	7,620,703	6,588,668
Investment income	30,601,615	15,658,009
Profit on bank deposits	4,105,534	2,465,603
Share of profit in associated company	-	534,826
Income tax provision	(1,482,565)	(27,196)
Loss on trading of shares	(1,481,315)	(1,012,405)
Tax paid	1,368,600	1,482,641
Profit after taxation	25,319,590	(53,207,448)

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 in hand	423,633	143,824
Stamps in hand	103,559	72,191
Cash and other equivalents	527,192	216,015
On Current accounts	4,199,900	16,785,619
On Deposit accounts	36,180,745	80,662,329
Current and other accounts	40,380,645	97,447,948
Deposits maturing within 12 months	500,000	1,500,000
	41,407,837	99,163,963

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.



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



Condensed Interim Statement of Premiums (Unaudited)

For the period ended 30 September 2010

Business underwritten inside Pakistan	Premiums	Unearned prem	nium reserve	Premiums	Reinsurance	Prepaid rein		Reinsurance	2010	2009		
CI AD I	Written	Opening	Closing	earned	ceded	premium		Expense	Net premium revenue	Net premium		
Class of Business					(D	Opening	Closing			revenue		
Direct and facultative	(Rupees) Ouarter ended 30 September											
Fire and property damage	38,808,241	168,194,778	131,593,123	75,409,896	34,632,645	145,789,623	114,329,173	66,093,095	9,316,801	10,825,688		
Marine, aviation and transport	17,294,655	10,156,631	7,370,226	20,081,060	10,807,794	6,217,845	5,048,697	11,976,942	8,104,118	6,543,953		
Motor	102,562,864	196,580,693	198,594,416	100,549,141	1,883,468	4,612,966	4,045,561	2,450,873	98,098,268	105,972,731		
Health	28,693,599	186,190,312	137,889,627	76,994,284	20,430,490	128,769,572	98,264,499	50,935,563	26,058,721	75,735,223		
Miscellaneous	63,783,321	165,739,782	159,201,201	70,321,902	59,593,271	156,527,306	150,030,821	66,089,756	4,232,146	3,617,393		
Total	251,142,680	726,862,196	634,648,593	343,356,283	127,347,668	441,917,312	371,718,751	197,546,229	145,810,054	202,694,988		
Treaty-Non-proportional		-	-	-		-	-	-		-		
Grand total	251,142,680	726,862,196	634,648,593	343,356,283	127,347,668	441,917,312	371,718,751	197,546,229	145,810,054	202,694,988		
Direct and facultative					Nine months end	ed 30 September						
Fire and property damage	253,373,270	116,279,525	131,593,123	238,059,672	223,203,250	95,877,541	114,329,173	204,751,618	33,308,054	34,178,929		
Marine, aviation and transport	55,263,327	12,132,578	7,370,226	60,025,679	35,097,256	9,193,837	5,048,697	39,242,396	20,783,283	31,504,712		
Motor	327,786,226	186,836,389	198,594,416	316,028,199	5,872,444	7,126,586	4,045,561	8,953,469	307,074,730	312,794,934		
Health	235,129,258	132,091,832	137,889,627	229,331,463	168,676,424	30,946,055	98,264,499	101,357,980	127,973,483	207,863,261		
Miscellaneous	285,722,545	38,452,866	159,201,201	164,974,210	271,440,692	29,844,963	150,030,821	151,254,834	13,719,376	14,040,874		
Total	1,157,274,626	485,793,190	634,648,593	1,008,419,223	704,290,066	172,988,982	371,718,751	505,560,297	502,858,926	600,382,710		
Treaty - Non-proportional		-	-			-	-			(674)		
Grand total	1,157,274,626	485,793,190	634,648,593	1,008,419,223	704,290,066	172,988,982	371,718,751	505,560,297	502,858,926	600,382,036		

The annexed notes 1 to 15 from an integral part of these condensed interim financial statements.

Abdul Waheed President & Chief Executive Ejaz Ahmed Khan Director Maj. Gen. Saeed Ahmed Khan (Retd.) Director Lt. Gen. Imtiaz Hussain (Retd.) Chairman



Condensed Interim Statement of Claims (Unaudited)

For the period ended 30 September 2010

Business underwritten inside Pakistan	Claims	Outstandin	g claims	Claims	Reinsurance and other	Reinsurance and o		Reinsurance and other	2010	2009
Class of Business	Paid -	Opening	Closing	Expense	Recoveries	Opening	Closing	Recoveries	Net claims expense	Net claims expense
Direct and facultative					Received (Ru			Revenue		
					Quarter ended	1 30 September				
Fire and property demage	13,887,472	65,505,392	102,538,578	50,920,658	13,304,529	51,766,816	73,052,076	34,589,789	16,330,869	4,814,999
Marine, aviation and transport	2,182,617	12,867,925	18,276,101	7,590,793	854,263	6,979,321	8,556,477	2,431,419	5,159,374	4,884,008
Motor	71,187,458	132,829,577	99,867,248	38,225,129	385,757	3,521,616	3,943,146	807,287	37,417,842	57,813,340
Health	65,230,463	80,696,354	64,852,426	49,386,535	19,703,407	29,972,499	38,696,993	28,427,901	20,958,634	77,647,227
Miscellaneous	1,678,602	6,088,669	9,440,684	5,030,617	49,700	4,786,713	8,714,008	3,976,995	1,053,622	972,358
Total	154,166,612	297,987,917	294,975,037	151,153,732	34,297,656	97,026,965	132,962,700	70,233,391	80,920,341	146,131,932
Treaty-Non-proportional	-	-	-	-	-	170	-	-	-	(141)
Grand total	154,166,612	297,987,917	294,975,037	151,153,732	34,297,656	97,026,965	132,962,700	70,233,391	80,920,341	146,131,791
Direct and facultative					Nine months end	led 30 September				<u> </u>
Fire and property demage	33,588,684	45,681,208	102,538,578	90,446,054	28,156,919	38,269,418	73,052,076	62,939,577	27,506,477	11,482,245
Marine, aviation and transport	22,563,020	21,796,176	18,276,101	19,042,945	15,331,152	14,933,466	8,556,477	8,954,163	10,088,782	7,199,794
Motor	195,398,222	120,988,885	99,867,248	174,276,585	3,954,430	3,449,569	3,943,146	4,448,007	169,828,578	200,127,165
Health	199,161,280	66,551,836	64,852,426	197,461,870	69,358,682	14,220,409	38,696,993	93,835,266	103,626,604	200,363,654
Miscellaneous	6,145,952	6,471,572	9,440,684	9,115,064	3,392,961	5,278,887	8,714,008	6,828,082	2,286,982	4,478,206
Total	456,857,158	261,489,677	294,975,037	490,342,518	120,194,144	76,151,749	132,962,700	177,005,095	313,337,423	423,651,064
Treaty-Non-proportional		1-1	-	-	-	-	-	-	-	227,520
Grand total	456,857,158	261,489,677	294,975,037	490,342,518	120,194,144	76,151,749	132,962,700	177,005,095	313,337,423	423,878,584

The annexed notes 1 to 15 from an integral part of these condensed interim financial statements.

Abdul Waheed President & Chief Executive Ejaz Ahmed Khan Director Maj. Gen. Saeed Ahmed Khan (Retd.) Director

Lt. Gen. Imtiaz Hussain (Retd.) Chairman



Condensed Interim Statement of Expenses (Unaudited)

For the period ended 30 September 2010

Business underwritten inside Pakistan Class of Business	Commission	Deferred cor	nmission	Net commission	Other	Underwriting	Commission	2010 Net	2009 Net
Direct and facultative	paid or payable	Opening	Closing	expense	management expenses	expense	from reinsurers*	underwriting expense	underwriting expense
				Quai	rter ended 30 Septe	mber			
Fire and property damage	6,567,530	16,961,125	15,460,883	8,067,772	2,643,162	10,710,934	11,079,898	(368,964)	2,832,760
Marine, aviation and transport	3,342,802	2,040,152	1,474,047	3,908,907	2,140,996	6,049,903	4,116,931	1,932,972	1,194,616
Motor	8,053,481	14,904,868	15,458,745	7,499,604	26,987,831	34,487,435	192,527	34,294,908	31,419,328
Health	4,019,202	9,469,514	8,983,237	4,505,479	8,065,011	12,570,490	11,970,984	599,506	22,495,916
Miscellaneous	7,248,470	10,050,222	12,586,116	4,712,576	1,173,412	5,885,988	7,890,721	(2,004,733)	22,345
Total	29,231,485	53,425,881	53,963,028	28,694,338	41,010,412	69,704,750	35,251,061	34,453,689	57,964,965
Treaty-Non-proportional	-	1-1	0=0	n -	-	-	- :	(=)	-
Grand total	29,231,485	53,425,881	53,963,028	28,694,338	41,010,412	69,704,750	35,251,061	34,453,689	57,964,965
Direct and facultative				Nine m	onths ended 30 Sep	tember			
Fire and property damage	26,795,130	13,902,793	15,460,883	25,237,040	7,793,298	33,030,338	31,948,217	1,082,121	7,788,934
Marine, aviation and transport	10,652,776	1,005,320	1,474,047	10,184,049	4,862,797	15,046,846	11,082,424	3,964,422	6,463,921
Motor	23,963,684	14,830,429	15,458,745	23,335,368	71,848,233	95,183,601	766,535	94,417,066	85,887,467
Health	14,560,421	8,307,561	8,983,237	13,884,745	29,942,772	43,827,517	23,034,544	20,792,973	52,950,244
Miscellaneous	19,997,935	3,552,368	12,586,116	10,964,187	3,210,010	14,174,197	18,092,453	(3,918,256)	652,665
Total	95,969,946	41,598,471	53,963,028	83,605,389	117,657,110	201,262,499	84,924,173	116,338,326	153,743,231
Treaty-Non-proportional	-	-	-	-	-	-	-	-	(423)
Grand total	95,969,946	41,598,471	53,963,028	83,605,389	117,657,110	201,262,499	84,924,173	116,338,326	153,742,808

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

The annexed notes 1 to 15 from an integral part of these condensed interim financial statements.

Abdul Waheed President & Chief Executive Ejaz Ahmed Khar Director Maj. Gen. Saeed Ahmed Khan (Retd.) Director Lt. Gen. Imtiaz Hussain (Retd.) Chairman

Condensed Interim Statement of Investment Income (Unaudited)

For the period ended 30 September 2010

			(Amou	int in Rupees)
	Quarter ended 30 September		Nine mont 30 Sept	
	2010	2009	2010	2009
Income from trading investments				
Loss on trading	(7,395)	(347,991)	(1,481,315)	(1,012,405)
Dividend income	126,179	73,500	400,434	271,955
	118,784	(274,491)	(1,080,881)	(740,450)
Income from non trading investments				
Return on Government Securities	500,001	504,110	1,500,002	1,637,766
Return on other fixed income securities	3,583,214	4,367,968	10,684,116	13,687,554
,	4,083,215	4,872,078	12,184,118	15,325,320
Available for sale investments				
Dividend income	4,976,772	3,593,130	7,220,269	6,316,713
Gain/(loss) on sale	1,210,841	(4,059,566)	18,417,497	(47,684,098)
Un-realized (loss)/gain on re-measurement of	6,187,613	(466,436)	25,637,766	(41,367,385)
investments at fair value through profit and loss	(665,438)	4,653,447	(1,876,224)	7,759,498
Investment related expenses		(922)		(167,160)
Net investment income/(loss)	9,724,174	8,783,676	34,864,779	(19,190,177)

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

Condensed Interim Statement of Changes in Equity (Unaudited)

For the period ended 30 September 2010

Share Capital		Total	Total		
	Capital reserve			Reserves	equity
Subscribed and paid up			Retained earnings		
		····· (Rup	oees) ·····		
203,774,920	4,657,681	70,000,000	17,523,626	92,181,307	295,956,227
_	2	-	(53,207,447)	(53,207,447)	(53,207,447)
-	-	-	(53,207,447)	(53,207,447)	(53,207,447)
203,774,920	4,657,681	70,000,000	(35,683,821)	38,973,860	242,748,780
203,774,920	4,657,681	70,000,000	(10,021,303)	64,636,378	268,411,298
-	-	(*)	25,319,590	25,319,590	25,319,590
-	-	-	25,319,590	25,319,590	25,319,590
203,774,920	4,657,681	70,000,000	15,298,287	89,955,968	293,730,888
	Capital Issued, Subscribed and paid up 203,774,920 203,774,920	Capital Susued, Capital reserve Subscribed and paid up Premium	Capital Susued, Subscribed and paid up Share Premium Free Capital reserve Revenue Capital reserve Capi	Reserves Subscribed Share and paid up Premium Foundation Premium Premium	Capital Issued, Subscribed and paid up Capital reserve Freenium Reserves Revenue reserve General Retained reserve learnings Retained reserve learnings 203,774,920 4,657,681 70,000,000 17,523,626 92,181,307 - - - (53,207,447) (53,207,447) - - - (53,207,447) (53,207,447) 203,774,920 4,657,681 70,000,000 (35,683,821) 38,973,860 203,774,920 4,657,681 70,000,000 (10,021,303) 64,636,378 - - - 25,319,590 25,319,590 - - - 25,319,590 25,319,590

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.





Notes to the Condensed Interim Financial Statements (Unaudited)

For the period ended 30 September 2010

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.

Basis of presentation

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 nine months' period ended 30 September 2009.

Accounting policies

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.

Estimates

The preparation of condensed interm financial statements 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 these condensed interim financial statements, the significant judgment made by management in applying the Company, accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December, 2009

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.

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.

Others	Note	(Unaudited) 30 September 2010 (Rupees)	(Audited) 31 December 2009 (Rupees)
Agents' commission payable		41,827,072	23,001,948
Security deposit against bond insurance		39,699,780	35,162,260
Staff gratuity fund		-	661,028
Staff provident fund		67,144	-
Tax deducted at source		880,604	1,253,667
Federal Excise Duty/ Federal Insurance Fee		8,882,481	8,099,367
Workers' Welfare fund		1,259,567	712,584
Others		5,133,994	2,646,732
		97,750,642	71,537,586

Investments

7.

These represent		

TH V CSUMCIECS				
These represent the	following:			
Held to maturity	- Government Securities	8.1	25,000,000	25,000,000
	- Term Finance Certificate - Quoted	8.1	108,709,281	116,947,280
	- Certificate of Investments (COIs)		16,218,441	21,713,441
			149,927,722	163,660,721
Less: Provision for	impairment		(8,622,692)	(8,622,692)
			141,305,030	155,038,029
Investments at fair	value through profit and loss -			
Held for tra	ding (equity securities)		16,118,925	19,483,473
Available for sale	- Quoted	8.2	328,579,480	305,847,849
Less: Provision for	impairment in the value of investment		(2,025,229)	(66,762,828)
	ap on ♠ contra tector sections of the contra tector is the C Profession (1996) is all the contra tector in the contra tector in the contra tector is a contract tector in the contract tector in the contract tector is a contract tector in the contract tector in the contract tector is a contract tector in the contract tec		326,554,251	239,085,021
			483,978,206	413,606,523

Government Securities include Pakistan Investment Bonds (PIBs) of Rs. 25 million (31 December 2009: Rs. 25 million) with market value of Rs. 21.18 million as at 30 September 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 September 2010 was Rs, 104.21 million (31 December 2009; Rs, 114.06 million).

8.2 At 30 Septemeber 2010, the fair value of available-for-sale securities was Rs. 322.54 million (31 December 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 September 30, 2010 would have been lowered by Rs. 4.01 million (2009: Nil).

Fixed assets

9.1

1	Fixed assets - tangible & intangible	30 September 2010 (Rupees)	31 December 2009 (Rupees)
	Opening written down value	75,072,671	75,444,532
	Add: Additions during the period/year		
	 Furniture, fixtures and office equipment 	10,811,281	6,217,668
	- Motor vehicles	-	6,720,046
	 Leasehold improvements 	923,605	4,371,277
	- Software Licence	(- C	3,888,334
		86,807,557	96,641,857
	Less: Written down value of deletions	(1,138,259)	(2,065,655)
	Deprecation for the period/year	(15,901,167)	(19,503,531)
	Closing written down value	69,768,131	75,072,671
	Capital work in progress	58,064,080	55,571,000
		127,832,211	130,643,671

(Unaudited)

(Andited)

10. Contingency & commitment

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

1.	Transactions and balances with related parties	(Unaudited) 30 September	(Audited) 31 December
	Balances at the end of the period Associates:	2010 (Rupees)	2009 (Rupees)
	Premium due		
	Balance at the beginning of the period/year	8,739,383	5,901,898
	Insurance premium written (including government levies, administrative surcharge and policies stamps)	49,474,036	51,504,502
	Receipts during the period/year	(46,030,578)	(48,667,017)
	Balance at end of the period/year	12,182,841	8,739,383
	Balances in bank accounts	14,018,004	43,315,637
	Investments	15,000,000	20,158,924
	Commission payable	674,773	314,034
	Other balances due	4,034	6,455

Transactions during the period Associates:	(Unaudited) 30 September 2010 (Rupees)	(Unaudited) 30 September 2009 (Rupees)
Insurance premium written	47,402,221	34,229,581
Profit on deposit accounts	2,281,873	1,111,030
Bank charges	419,899	689,691
Interest income	-	700,487
Insurance commission expense	674,773	282,120
Insurance claims paid	45,249,280	16,711,411
Purchase of listed securities including brokerage fee	7,430,222	5,293,924
Sale of listed securities including brokerage fee	7,435,835	5,269,568
Services acquired	5,922,773	6,372,483
Others		
Contribution to employees' funds	10,572,168	10,249,343

12. SEGMENT REPORTING

Class of business wise revenue and results have been disclosed in the condensed interim statement of premium and condensed interim profit and loss account, respectively, prepared in accordance with the requirement of Insurance Ordinance, 2000 and the SEC (Insurance) Rules, 2002. The following table presents estimated information regarding certain assets and liabilities of the segments as at 30 September 2010 and 31 December 2009.

(Amount in Rupees)

	Fire & property damage		age Marine, aviation & transport		Motor		Accident & Health		Miscellaneous		Treaty - Non- proportional		TOTAL	
	Unaudited 30 Sep 2010	Audited 31 Dec 2009	Unaudited 30 Sep 2010	Audited 31 Dec 2009	Unaudited 30 Sep 2010	Audited 31 Dec 2009	Unaudited 30 Sep 2010	Audited 31 Dec 2009	Unaudited 30 Sep 2010	Audited 31 Dec 2009	Unaudited 30 Sep 2010	Audited 31 Dec 2009	Unaudited 30 Sep 2010	Audited 31 Dec 2009
Segment assets	62,256,389	33,030,099	38,846,225	25,760,096	573,956,194	281,068,331	239,196,411	183,785,598	25,643,012	15,005,008	-	(328)	939,898,231	538,648,804
Unallocated corporate assets													713,879,747	657,102,280
Consolidated total assets													1,653,777,978	1,195,751,084
Segment liabilities	85,746,798	53,400,600	53,503,575	41,647,004	790,519,758	454,410,323	329,449,340	297,130,854	35,318,562	24,258,978	1-1	(530)	1,294,538,033	870,847,229
Unallocated corporate liabilities													65,509,058	56,492,557
Consolidated total liabilities													1,360,047,091	927,339,786
Capital expenditure	777,288	1,179,026	485,006	919,519	7,166,000	10,032,870	2,986,432	6,560,316	320,160	535,611	-	(12)	11,734,886	19,227,330
Unallocated capital expenditure													58,064,080	55,571,000
Depreciation	1,053,251	1,195,962	657,199	932,728	9,710,172	10,176,992	4,046,717	6,654,555	433,828	543,305	-	(12)	15,901,167	19,503,530

Earning/(loss) per share - basic and diluted

(Unaudited) Quarter ended 30 September

(Unaudited) Nine months ended 30 September 2010 2009

Profit/(loss) after tax (Rupees) Weighted average number of shares Earning/(loss) per share (Rs)

7,447,168 (14,356,733) 25,319,590 (53,207,447) 20,377,492 20,377,492 20,377,492 20,377,492 (0.70)0.37 1.24 (2.61) Authorization for issue

These Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors on 19 October, 2010 at Rawalpindi.

15. General

Figures have been rounded off to the nearest rupee.

Abdul Waheed President & Chief Executive

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

Lt. Gen. Imtiaz Hussain (Retd.)

Chairman

QUARTERLY REPORT

(Unaudited) September 30, 2010



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