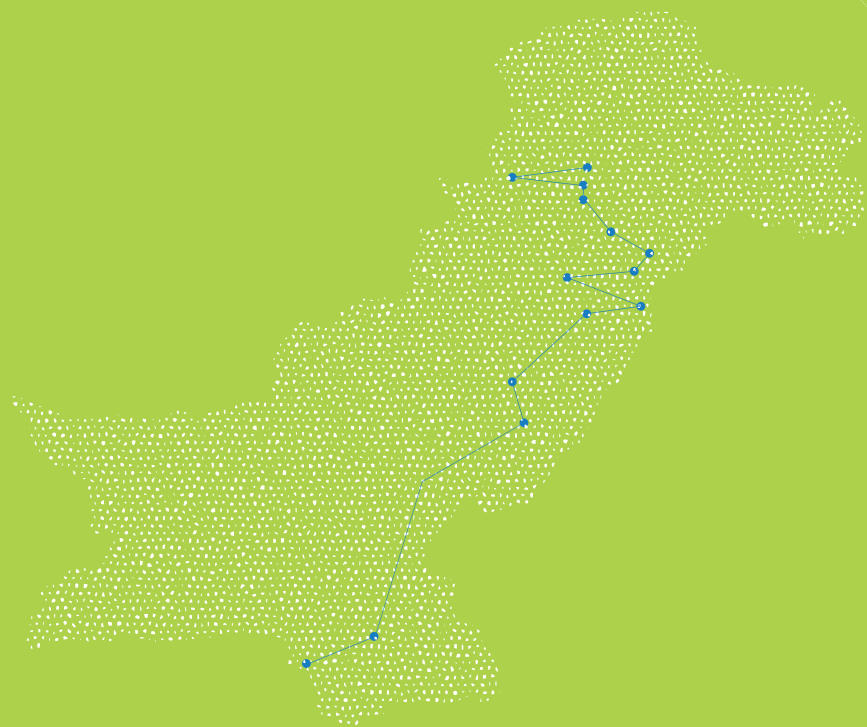


## SUSTAINABLE RELATIONSHIPS



**Head Office**  
4th Floor, AWT Plaza,  
The Mall, Rawalpindi, Pakistan  
**P** +92-51-927 2425-7  
**F** +92-51-927 2424  
**E** info@agico.com.pk



## Contents

1) Corporate Information .....	03
2) Directors' Report .....	04
3) Balance Sheet .....	05
4) Profit and Loss Account .....	06
5) Statement of Cash Flows .....	07
6) Statement of Premiums .....	08
7) Statement of Claims .....	09
8) Statement of Expenses .....	10
9) Statement of Investment Income .....	11
10) Statement of Changes in Equity .....	11
11) Notes to the Financial Information .....	12
12) Branch Network .....	16

## 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.)	Bankers	Askari Bank Ltd. Habib Bank Ltd. Standard Chartered Bank (Pakistan) Ltd. Summit Bank Ltd. Soneri Bank Ltd. Silk Bank Ltd. Faysal Bank Ltd.
Directors	Maj. Gen. Saeed Ahmed Khan (Retd.) Brig. Javed Qayum (Retd.) Brig. Tariq Sher (Retd.) Syed Suhail Ahmad Rizvi Mr. Abdul Hai Mehmood Bhaimia Mr. Farrukh Iqbal Khan Mr. Khawaja Muhammad Iqbal	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: +92-21-111-000-322 Fax: +92-21-35655595
President & Chief Executive	Mr. Abdul Waheed		
Chief Financial Officer	Mr. Jamil Ahmed		
Company Secretary	Mr. Suleman Khalid		
Internal Auditor	Mr. Sajid Aziz Satti	Registered Office/ Head Office	4th Floor, AWT Plaza, The Mall Rawalpindi, Pakistan Tel: 051-9272425-7 Fax: 051-9272424 Website: <a href="http://www.agico.com.pk">www.agico.com.pk</a>
Auditors	M. Yousuf Adil Saleem & Company Chartered Accountants		
Legal Advisor	Hassan Kaunain Nafees		

## Directors' Report to the Shareholders

The Directors are pleased to present the un-audited financial statements of the Company for the 3<sup>rd</sup> quarter of 2011 and nine months ended September 30<sup>th</sup>, 2011.

### General Review

The glooming political and security situation in the country continues to keep the overall industry progress under pressure.

Your Company recorded positive growth both in underwriting results and overall profitability. As compared to the corresponding period last year, underwriting profits and net profit after tax for nine months ended are higher by 37% and 92% respectively.

The overall focus of the Company remained on managing its business portfolio to secure greater profitability. Client portfolio of health business was specifically addressed which brought fruitful results. The Company issued further bonus shares at the rate of 10% of the paid up capital as at 30<sup>th</sup> June 2011. After this bonus issue, the Company's paid up capital now stands at Rs.308 million exceeding the minimum capital requirements of the SECP for the year 2011 end.

### Operational Results

The key comparative performance figures for the nine months ended 30<sup>th</sup> September 2011 and 2010 are as follows:

	Rupees in Millions	
	30th September	
	2011	2010
Net premium revenue	450	503
Underwriting Profit	100	73
Investment and other income	50	39
Profit after Tax	48	25
Earnings per Share (Rs)	1.56	0.97

As evident from the above figures your Company has improved substantially in overall profitability, both at underwriting stage and at the Profit after tax. Your Company has recorded Rs.100 million underwriting profit as compared to Rs. 73 million in the corresponding period which is a remarkable increase.

Company's equity increased by Rs. 99 million which is mainly because of the Rights Issue of Rs. 51 million during the period and the profits of Rs. 48 million made in the current period. The Company's investment portfolio now stands at Rs. 572 million as compared to Rs. 458 million at the start of this period.

### Future Outlook

Being able to bring a very positive growth in key performance indicators in the nine months of year 2011, we target to improve it further to the close of this year.

### Acknowledgements

We would like to take this opportunity to thank our Regulators and the Insurance Association of Pakistan for their continuous support and guidance, our valued reinsurers and other stakeholders for posing trust and confidence in us.

We appreciate the hard work and commitment of the employees of the Company in making the growth of the Company possible in this challenging era.

For and on behalf of the Board

Lt. Gen. Imtiaz Hussain (Retd.)  
Chairman

Rawalpindi  
25 October 2011

*askari general insurance co. ltd.*

**Condensed Interim Balance Sheet (Unaudited)  
As at 30 September 2011**

	30 September 2011	31 December 2010
Note	-----Rupees-----	
<b>Share Capital and Reserves</b>		
Authorized share capital 50,000,000 (2010: 50,000,000) ordinary shares of Rs. 10 each	<u>500,000,000</u>	<u>500,000,000</u>
Paid up share capital	308,209,561	203,774,920
Retained earnings	31,546,632	37,396,866
Reserves	74,657,681	74,657,681
	<u>414,413,874</u>	<u>315,829,467</u>
Deposit against issue of shares	-	3,380
	<u>414,413,875</u>	<u>315,832,847</u>
<b>Underwriting Provisions</b>		
Provision for outstanding claims (including IBNR)	297,070,400	290,047,171
Provision for unearned premium	497,791,466	491,774,350
Commission income unearned	44,934,295	51,197,107
Total underwriting provisions	<u>839,796,161</u>	<u>833,018,628</u>
<b>Deferred Liability-Staff Compensated Absences</b>	<u>9,736,561</u>	<u>6,950,909</u>
<b>Creditors and Accruals</b>		
Premium received in advance	5,351,074	7,858,779
Amounts due to other insurers/reinsurers	133,623,910	181,930,127
Accrued expenses	10,481,915	5,386,633
Taxation - provision less payments	5,600,581	1,951,780
Other creditors and accruals	127,885,404	92,930,965
	<u>282,942,884</u>	<u>290,058,284</u>
<b>Other Liabilities</b>		
Unclaimed dividend	830,102	830,102
Others	14,923,238	7,242,791
	<u>15,753,340</u>	<u>8,072,893</u>
<b>TOTAL LIABILITIES</b>	<u>1,148,228,945</u>	<u>1,138,100,714</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,562,642,820</u>	<u>1,453,933,561</u>

**CONTINGENCIES AND COMMITMENTS**

13

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
**Abdul Waheed**  
President & Chief Executive

  
**Syed Suhail Ahmed Rizvi**  
Director

	30 September 2011	31 December 2010
Note	-----Rupees-----	
<b>Cash and Bank Deposits</b>		
Cash and other equivalents	559,811	445,754
Current and other accounts	31,471,460	90,305,675
Deposits maturing within 12 months	-	500,000
	<u>32,031,271</u>	<u>91,251,429</u>
<b>Advances to Employees</b>	<u>2,486,701</u>	<u>2,158,634</u>
<b>Investments</b>	9 <u>572,153,646</u>	<u>457,771,860</u>
<b>Investment Property</b>	10 <u>51,308,333</u>	<u>52,290,833</u>
<b>Deferred Taxation</b>	<u>877,003</u>	<u>877,003</u>
<b>Current Assets - Others</b>		
Premium due but unpaid - unsecured, considered good	295,855,566	220,880,356
Amounts due from other insurers/ reinsurers - unsecured, considered good	104,794,430	84,449,817
Salvage recoveries accrued	14,071,726	9,244,425
Accrued investment income	4,845,548	3,656,399
Reinsurance recoveries against outstanding claims - unsecured, considered good	140,530,897	144,981,912
Deferred commission expense	37,790,276	43,459,633
Prepayments		
- prepaid reinsurance premium ceded	198,868,697	259,609,763
- others	15,034,919	7,964,538
Sundry receivables	46,228,374	27,689,156
	<u>858,020,433</u>	<u>801,935,999</u>
<b>Fixed Assets</b>		
<b>Tangible and Intangible</b>		
Leasehold improvements	7,986,847	6,907,555
Furniture and fixtures	7,813,181	8,288,277
Computer and office equipment	12,894,813	15,323,057
Motor vehicles	6,181,132	7,801,256
Tracking devices	2,171,348	-
Capital work in progress	5,614,856	6,281,797
Software license	3,103,256	3,045,861
	<u>45,765,433</u>	<u>47,647,803</u>
<b>TOTAL ASSETS</b>	<u>1,562,642,820</u>	<u>1,453,933,561</u>

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

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

**Condensed Interim Profit & Loss Account (Unaudited)**  
**For the period ended 30 September 2011**

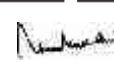
	Fire and Property Damage	Marine, Aviation and Transport	Motor	Accident and Health	Miscellaneous	2011 Aggregate	2010 Aggregate
<b>Revenue Account</b>	<b>Quarter ended 30 September</b>						
<b>Note</b>	<b>Rupees</b>						
Net premium revenue	9,289,978	8,152,852	105,533,003	19,511,234	11,694,184	<b>154,181,251</b>	145,810,054
Net claims	(1,996,548)	(2,333,969)	(59,621,477)	(14,045,718)	(3,055,418)	<b>(81,053,130)</b>	(80,920,341)
Expenses	(2,462,244)	(2,156,772)	(27,951,444)	(5,169,170)	(3,058,180)	<b>(40,797,810)</b>	(41,010,412)
Net commission	2,349,239	1,155,608	(6,102,620)	6,491,223	1,059,585	<b>4,953,035</b>	6,556,723
<b>Underwriting Results</b>	<b>7,180,425</b>	<b>4,817,719</b>	<b>11,857,462</b>	<b>6,787,569</b>	<b>6,640,171</b>	<b>37,283,346</b>	<b>30,436,024</b>
Investment income						<b>13,341,328</b>	9,724,174
Other income						<b>267,530</b>	61,149
Profit on bank deposits						<b>883,429</b>	927,370
Share of profit in associated company						<b>1,401,707</b>	-
General and administration expenses						<b>(32,956,142)</b>	(32,709,561)
<b>Profit before tax</b>						<b>(17,062,148)</b>	(21,996,868)
Provision for taxation						<b>20,221,198</b>	8,439,156
<b>Profit after tax</b>						<b>(2,637,862)</b>	(991,986)
Other comprehensive income for the period						<b>17,583,336</b>	7,447,170
<b>Total comprehensive income for the period</b>						<b>17,583,336</b>	7,447,170
<b>Earning per share - basic and diluted</b>						<b>0.58</b>	0.26
<b>Revenue Account</b>	<b>Nine Months ended 30 September</b>						
<b>Note</b>	<b>Rupees</b>						
Net premium revenue	27,972,510	23,672,622	313,616,044	58,288,857	26,359,832	<b>449,909,866</b>	502,858,926
Net claims	(10,140,350)	(9,702,060)	(182,596,935)	(40,257,063)	(4,949,765)	<b>(247,646,173)</b>	(313,337,423)
Expenses	(7,151,568)	(6,052,241)	(80,180,379)	(14,902,371)	(6,739,264)	<b>(115,025,823)</b>	(117,657,110)
Net commission	6,029,533	3,680,206	(21,058,324)	20,157,384	4,300,227	<b>13,109,025</b>	1,318,784
<b>Underwriting Results</b>	<b>16,710,125</b>	<b>11,598,527</b>	<b>29,780,406</b>	<b>23,286,807</b>	<b>18,971,030</b>	<b>100,346,895</b>	<b>73,183,177</b>
Investment income						<b>39,357,900</b>	34,864,779
Other income						<b>4,568,864</b>	292,197
Profit on bank deposits						<b>2,931,716</b>	4,105,534
Share of profit in associated company						<b>3,202,098</b>	-
Finance cost						<b>(93,187,191)</b>	(85,607,944)
General and administration expenses						<b>(43,126,613)</b>	(46,381,022)
<b>Profit before tax</b>						<b>57,220,282</b>	26,802,155
Provision for taxation						<b>(9,579,605)</b>	(1,482,565)
<b>Profit after tax</b>						<b>47,640,677</b>	25,319,590
Other comprehensive income for the period						<b>-</b>	-
<b>Total comprehensive income for the period</b>						<b>47,640,677</b>	<b>25,319,590</b>
<b>Profit and loss appropriation account</b>							
Balance at commencement of the period						<b>37,396,866</b>	(10,021,303)
Profit after tax for the period						<b>47,640,677</b>	25,319,590
Issuance of Bonus Shares						<b>(53,490,911)</b>	-
<b>Balance of unappropriated profit at end of the period</b>						<b>31,546,632</b>	<b>15,298,287</b>
<b>Earnings per share - basic and diluted</b>						<b>1.56</b>	<b>0.97</b>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
**Abdul Waheed**  
 President & Chief Executive

  
**Syed Suhail Ahmed Rizvi**  
 Director

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

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



**Condensed Interim Statement of Cash Flows (Unaudited)**  
**For the period ended 30 September 2011**

	2011 -----Rupees-----	2010
<b>Operating Cash Flows</b>		
<b>a) Underwriting activities:</b>		
Premium received	762,017,207	961,495,000
Reinsurance premium paid	(270,443,010)	(439,557,641)
Claims paid	(394,723,468)	(456,857,158)
Reinsurance and other recoveries received	73,128,174	70,323,676
Commission paid	(63,097,231)	(70,350,440)
Commission received	53,119,978	64,103,308
Other underwriting payments (management expenses)	(108,588,189)	(107,166,447)
<b>Net cash flow from underwriting activities</b>	<b>51,413,461</b>	<b>21,990,298</b>
<b>b) Other operating activities:</b>		
Income tax paid	(5,930,803)	(1,368,600)
General management expenses paid	(85,299,026)	(76,304,049)
Other operating receipts	5,060,007	28,764,747
Advances to employees	(328,067)	1,219,783
<b>Net cash used in other operating activities</b>	<b>(86,497,888)</b>	<b>(47,688,119)</b>
<b>Total cash used in all operating activities</b>	<b>(35,084,428)</b>	<b>(25,697,821)</b>
<b>Investment activities:</b>		
Profit/return received	13,150,655	14,263,987
Dividends received	948,506	400,434
Payments for investments	(214,085,321)	(1,346,799,947)
Proceeds from disposal of investments	115,501,877	1,290,470,492
Redemption of term finance certificates	14,274,460	8,238,000
Fixed capital expenditure	(9,082,903)	(14,227,966)
Proceeds from disposal of fixed assets	4,216,646	1,245,418
<b>Total cash used in investing activities</b>	<b>(75,076,080)</b>	<b>(46,409,582)</b>
<b>Financing activities</b>		
Dividend paid	-	(4,149)
Proceeds against issue of shares	50,940,350	-
Financial charges paid	-	(35,588)
Payment of lease rentals	-	(722,297)
<b>Total cash flow from / (used in) financing activities</b>	<b>50,940,350</b>	<b>(762,034)</b>
<b>Net cash used in all activities</b>	<b>(59,220,158)</b>	<b>(72,869,437)</b>
<b>Cash at beginning of the period</b>	<b>91,251,429</b>	<b>114,277,274</b>
<b>Cash at end of the period</b>	<b>32,031,271</b>	<b>41,407,837</b>

  
**Abdul Waheed**  
 President & Chief Executive

  
**Syed Suhail Ahmed Rizvi**  
 Director

**Reconciliation to Profit and Loss Account:**

Operating cash flows	(35,084,428)	(25,697,821)
Depreciation expense	(10,179,231)	(15,901,166)
Financial charges	-	(35,588)
Profit on disposal of fixed assets	2,317,502	107,158
Increase in assets other than cash	55,223,351	461,424,410
(Increase) in liabilities other than running finance	(6,479,430)	(433,433,751)
Un-realized gain/(loss) on investments, held for trading	683,929	(1,876,224)
Dividend income	21,180,717	7,620,703
Investment income	22,296,301	30,601,615
Profit on bank deposits	2,931,716	4,105,534
Share of profit in associated company	3,202,098	-
Income tax provision	(9,579,604)	(1,482,565)
(Loss) on trading	(4,803,047)	(1,481,315)
Tax paid	5,930,803	1,368,600
<b>Profit after taxation</b>	<b>47,640,677</b>	<b>25,319,590</b>


**Definition of cash :**

Cash comprises of cash in hand, bank balances, stamp in hand and short term placements with banks which are readily convertible to cash in hand and which are used in the cash management function on a day-to-day basis.

	2011 -----Rupees-----	2010
<b>Cash for the purpose of the statement of cash flows consist of:</b>		
<b>Cash and other equivalents</b>		
Cash in hand	520,313	423,633
Stamp in hand	39,498	103,559
	<b>559,811</b>	<b>527,192</b>
<b>Current and other accounts</b>		
On current accounts	10,885,980	4,199,900
On deposit accounts	20,585,480	36,180,745
	<b>31,471,460</b>	<b>40,380,645</b>
<b>Deposit maturing within 12 months</b>		
Fixed and term deposit accounts	-	500,000
	<b>32,031,271</b>	<b>41,407,837</b>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

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

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



**Condensed Interim Statement of Premiums (Unaudited)**  
**For the period ended 30 September 2011**
**Business underwritten inside Pakistan**

Class of business	Premiums written	Unearned premium reserve		Premiums earned	Reinsurance ceded	Prepaid reinsurance premium ceded		Reinsurance expense	2011 Net premium revenue	2010 Net premium revenue
		Opening	Closing			Opening	Closing			
	Quarter ended 30 September									
-----Rupees-----										
Direct and facultative										
Fire and property damage	53,043,137	79,090,493	90,462,646	41,670,984	39,052,323	63,949,191	70,620,508	32,381,006	9,289,978	9,316,801
Marine, aviation and transport	17,417,618	29,274,242	18,711,497	27,980,363	13,132,356	23,898,603	17,203,448	19,827,511	8,152,852	8,104,118
Motor	96,198,720	226,127,735	214,437,560	107,888,895	2,351,710	4,933,390	4,929,208	2,355,892	105,533,003	98,098,268
Accident and health	41,181,077	121,411,472	110,078,643	52,513,906	24,307,234	76,395,640	67,700,202	33,002,672	19,511,234	26,058,721
Miscellaneous	29,259,653	67,110,315	64,101,120	32,268,848	18,791,297	40,198,698	38,415,331	20,574,664	11,694,184	4,232,146
Total	237,100,205	523,014,257	497,791,466	262,322,996	97,634,920	209,375,522	198,868,697	108,141,745	154,181,251	145,810,054
-----										
Nine Months ended 30 September										
-----Rupees-----										
Direct and facultative										
Fire and property damage	136,130,234	96,395,947	90,462,646	142,063,535	105,272,525	79,439,008	70,620,508	114,091,025	27,972,510	33,308,054
Marine, aviation and transport	86,227,120	10,571,876	18,711,497	78,087,499	62,741,374	8,876,951	17,203,448	54,414,877	23,672,622	20,783,283
Motor	354,635,789	180,200,619	214,437,560	320,398,848	7,940,824	3,771,188	4,929,208	6,782,804	313,616,044	307,074,730
Accident and health	178,934,086	104,627,556	110,078,643	173,482,999	107,296,896	75,597,447	67,700,201	115,194,141	58,288,857	127,973,483
Miscellaneous	96,547,490	99,978,352	64,101,120	132,424,722	52,555,052	91,925,169	38,415,331	106,064,890	26,359,832	13,719,376
Total	852,474,719	491,774,350	497,791,466	846,457,603	335,806,671	259,609,763	198,868,696	396,547,737	449,909,865	502,858,926

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
**Abdul Waheed**  
President & Chief Executive

  
**Syed Suhail Ahmed Rizvi**  
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 2011**

**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	2011 Net claims expense	2010 Net claims expense
		Opening	Closing			Opening	Closing			
	Quarter ended 30 September									
-----Rupees-----										
Direct and facultative										
Fire and property damage	10,975,084	49,732,007	54,340,659	15,583,736	8,052,977	35,676,500	41,210,711	13,587,188	1,996,548	16,330,869
Marine, aviation and transport	581,936	41,347,213	51,918,161	11,152,884	2,385,458	27,559,536	33,992,993	8,818,915	2,333,969	5,159,374
Motor	68,432,126	93,889,254	93,503,551	68,046,423	7,273,091	4,846,931	5,998,786	8,424,946	59,621,477	37,417,842
Accident and health	26,166,966	64,384,722	83,671,173	45,453,417	25,186,648	44,256,611	50,477,662	31,407,699	14,045,718	20,958,634
Miscellaneous	4,348,433	16,199,462	13,636,856	1,785,827	2,338,603	12,458,939	8,850,745	(1,269,591)	3,055,418	1,053,622
Total	110,504,545	265,552,658	297,070,400	142,022,287	45,236,777	124,798,517	140,530,897	60,969,157	81,053,130	80,920,341
-----Rupees-----										
Nine Months ended 30 September										
-----Rupees-----										
Direct and facultative										
Fire and property damage	44,048,898	64,758,914	54,340,659	33,630,643	29,338,433	47,058,851	41,210,711	23,490,293	10,140,350	27,506,477
Marine, aviation and transport	27,845,036	49,739,177	51,918,161	30,024,020	19,991,347	33,662,380	33,992,993	20,321,960	9,702,060	10,088,782
Motor	206,200,347	95,786,047	93,503,551	203,917,851	18,077,705	2,755,575	5,998,786	21,320,916	182,596,935	169,828,578
Accident and health	108,132,649	67,764,871	83,671,173	124,038,951	85,714,074	52,409,848	50,477,662	83,781,888	40,257,063	103,626,604
Miscellaneous	8,496,538	11,998,161	13,636,856	10,135,233	5,429,981	9,095,258	8,850,745	5,185,468	4,949,765	2,286,982
Total	394,723,468	290,047,170	297,070,400	401,746,698	158,551,540	144,981,912	140,530,897	154,100,525	247,646,173	313,337,423

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
**Abdul Waheed**  
 President & Chief Executive

  
**Syed Suhail Ahmed Rizvi**  
 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 2011**
**Business underwritten inside Pakistan**

Class of business	Commission Paid or payable	Deferred commission		Net commission expense	Other management expenses	Underwriting expenses	Commission from reinsurer*	2011 Net underwriting expense	2010 Net underwriting expense
		Opening	Closing						
Quarter ended 30 September									
Rupees									
Direct and facultative									
Fire and property damage	5,928,053	13,228,113	13,409,168	5,746,998	2,462,244	8,209,242	8,096,237	113,005	(368,964)
Marine, aviation and transport	2,156,414	3,351,751	1,477,060	4,031,105	2,156,772	6,187,877	5,186,713	1,001,164	1,932,972
Motor	3,264,497	16,148,462	13,113,792	6,299,167	27,951,444	34,250,611	196,547	34,054,064	34,294,908
Accident and health	410,155	5,829,900	4,480,609	1,759,446	5,169,170	6,928,616	8,250,669	(1,322,053)	599,506
Miscellaneous	988,045	7,004,950	5,309,647	2,683,348	3,058,180	5,741,528	3,742,933	1,998,595	(2,004,733)
Total	12,747,164	45,563,176	37,790,276	20,520,064	40,797,810	61,317,874	25,473,099	35,844,776	34,453,689
Nine Months ended 30 September									
Rupees									
Direct and facultative									
Fire and property damage	19,731,240	12,756,469	13,409,168	19,078,541	7,151,568	26,230,109	25,108,074	1,122,035	1,082,121
Marine, aviation and transport	11,985,007	2,000,533	1,477,060	12,508,480	6,052,241	18,560,721	16,188,686	2,372,035	3,964,422
Motor	20,684,152	14,030,005	13,113,792	21,600,365	80,180,379	101,780,744	542,041	101,238,703	94,417,066
Accident and health	7,280,242	6,048,235	4,480,609	8,847,868	14,902,371	23,750,239	29,005,252	(5,255,013)	20,792,973
Miscellaneous	7,910,714	8,624,391	5,309,647	11,225,458	6,739,264	17,964,722	15,525,685	2,439,037	(3,918,256)
Total	67,591,355	43,459,633	37,790,276	73,260,712	115,025,823	188,286,535	86,369,737	101,916,798	116,338,326


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

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
**Abdul Waheed**  
 President & Chief Executive

  
**Syed Suhail Ahmed Rizvi**  
 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 2011**

	Quarter ended 30 September		Nine Months ended 30 September	
	2011	2010	2011	2010
	-----Rupees-----			
<b>Income from trading investments</b>				
Gain/(Loss) on trading	2,185	(7,395)	(4,803,047)	(1,481,315)
Dividend income	270,717	126,179	948,506	400,434
	272,902	118,784	(3,854,541)	(1,080,881)
<b>Income from non-trading investments</b>				
Return on government securities	641,782	500,001	1,847,380	1,500,002
Return on other fixed income securities	3,196,890	3,583,214	9,560,708	10,684,116
	3,838,672	4,083,215	11,408,088	12,184,118
<b>Available for sale investments</b>				
Dividend income	353,329	4,976,772	20,232,211	7,220,269
Gain on sale of investments	9,984,733	1,210,841	10,888,213	18,417,407
	10,338,062	6,187,613	31,120,424	25,637,676
<b>Unrealized profit/(loss) on re-measurement of investments at fair value through profit and loss</b>	(1,108,308)	(665,438)	683,929	(1,876,224)
<b>Net investment income</b>	<u>13,341,328</u>	<u>9,724,174</u>	<u>39,357,900</u>	<u>34,864,689</u>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

  
**Abdul Waheed**  
 President & Chief Executive


  
**Syed Suhail Ahmed Rizvi**  
 Director

**Condensed Interim Statement of Changes in Equity (Unaudited)**  
**For the period ended 30 September 2011**

	Share capital Issued, subscribed and paid up	Reserves		Total reserves	Retained earnings	Deposit against issue of shares	Total equity
		Share premium	General reserve				
	-----Rupees-----						
Balance as at 01 January 2010	203,774,920	4,657,681	70,000,000	74,657,681	(10,021,303)	-	268,411,298
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	-	25,319,590	-	25,319,590
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	25,319,590	-	25,319,590
Balance as at 30 September 2010	<u>203,774,920</u>	<u>4,657,681</u>	<u>70,000,000</u>	<u>74,657,681</u>	<u>15,298,287</u>	<u>-</u>	<u>293,730,888</u>
Balance as at 01 January 2011	203,774,920	4,657,681	70,000,000	74,657,681	37,396,866	3,380	315,832,847
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	-	47,640,677	-	47,640,677
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	47,640,677	-	47,640,677
<b>Owners' equity</b>							
Issuance of right shares	50,943,730					(3,380)	50,940,350
Issuance of Bonus shares	53,490,911				(53,490,911)		-
Total transactions with owners	104,434,641	-	-	-	(53,490,911)	(3,380)	50,940,350
<b>Balance as at 30 September 2011</b>	<u>308,209,561</u>	<u>4,657,681</u>	<u>70,000,000</u>	<u>74,657,681</u>	<u>31,546,633</u>	<u>-</u>	<u>414,413,875</u>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

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

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

## Notes to the Condensed Interim Financial Information (Unaudited) For the period ended 30 September 2011

### 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 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. This condensed interim financial information of the Company for the nine months ended 30 September 2011 has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984, the Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984, Insurance Ordinance, 2000 and SEC (Insurance) Rules, 2002 have been followed.

This condensed interim financial information is presented 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. This condensed interim financial information do not include all the information and disclosures required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December 2010.

### 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 benefits 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 2010 in addition to the following:

Company has added Tracking Devices in its Fixed Assets during the period. These Tracking Devices are accounted for under the same policy of the Company as it stands for other Fixed Assets as applied in the preparation of financial statements for the year ended 31 December 2010. Depreciation is charged on Tracker Devices over the Straight Line method at the rate of 33.33% as these are considered to have a useful life of 3 years.

### 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 2010.

### 6 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

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 2010.

### 7 PREMIUM DEFICIENCY RESERVE

No provision has been made as the unearned premium reserve for each class of business as at the period ended 30 September 2011 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.

### 8 OTHER CREDITORS AND ACCRUALS

	(Unaudited) 30 September 2011	(Audited) 31 December 2010
	----- (Rupees) -----	
Agents' commission payable	40,663,018	37,175,661
Security deposit against bond insurance	49,753,154	42,919,831
Staff gratuity fund payable	-	30,005
Staff Provident fund payable	1,077,628	16,782
Tax deducted at source	3,571,020	1,741,235
Federal Excise Duty/ Federal Insurance Fee	30,510,150	9,246,158
Workers' Welfare fund	2,310,434	1,801,293
	<u>127,885,404</u>	<u>92,930,965</u>

**9 INVESTMENTS**

		(Unaudited) 30 September 2011	(Audited) 31 December 2010
	Note	------(Rupees)-----	
These represent the following:			
Held to maturity			
- Government Securities	9.1	34,588,891	25,000,000
- Term Finance Certificate - Quoted	9.1	91,930,580	106,205,040
- Certificate of Investments (COIs)		17,693,466	16,218,441
		144,212,937	147,423,481
Less: Provision for impairment		(11,128,415)	(11,128,415)
		133,084,522	136,295,066
Investments at fair value through profit and loss- Held for trading (equity securities)		13,846,480	18,500,929
Available for sale - Quoted	9.2	373,346,374	289,425,214
Less: Provision for impairment in the value of investments		-	(2,025,229)
		373,346,374	287,399,985
Investment in associated company-equity method		51,876,270	15,575,880
		572,153,646	457,771,860

**9.1** Government Securities include Pakistan Investment Bonds (PIBs) of Rs. 34.58 million (31 December 2010: Rs. 25 million) with market value of Rs. 32.18 million as at 30 September 2011 (31 December 2010: Rs. 21.22 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 2011 was Rs. 89.65 million (31 December 2010: Rs. 101.77 million).

**9.2** At 30 September 2011, the fair value of available-for-sale securities was Rs. 373.52 million (31 December 2010: Rs. 288.32 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, 2011 would have been higher by Rs. 0.17 million (31 December 2010: 0.92 million).

**10 INVESTMENT PROPERTY**

This represents the carrying amount of two offices in Islamabad Stock Exchange building, classified as investment property based on the management intention to hold the property for earning rental income and/or capital appreciation.a

**Cost**

Opening Balance of Carrying value	52,400,000	-
Addition during the period/year	-	52,400,000
	52,400,000	52,400,000

**Depreciation**

Balance at the beginning of the period/year	109,167	-
Charge for the period/year	982,500	109,167
	1,091,667	109,167

**Carrying value**

	51,308,333	52,290,833
--	------------	------------

**11 FIXED ASSETS****Tangible and Intangible****Opening written down value**

	41,366,006	75,072,671
Add: Additions during the period/ year		
- Furniture, fixtures and office equipment	2,017,578	11,152,941
- Motor vehicles	1,813,912	70,000
- Tracking Devices	2,520,168	-
- Leasehold improvements	3,385,547	1,168,180
- Software License	705,645	-
	10,442,850	12,391,121
	51,808,856	87,463,792
Less: Written down value of disposals	(2,461,544)	(27,373,860)
Deprecation for the period/ year	(9,196,735)	(18,723,926)
Closing written down value	40,150,577	41,366,006
Capital work in progress	5,614,856	6,281,797
	45,765,433	47,647,803

## 12 SEGMENT REPORTING

	Fire and property damage		Marine, aviation and transport		Motor		Accident and health		Miscellaneous		Total	
	Unaudited 30 Sep 2011	Audited 31 Dec 2010	Unaudited 30 Sep 2011	Audited 31 Dec 2010	Unaudited 30 Sep 2011	Audited 31 Dec 2010	Unaudited 30 Sep 2011	Audited 31 Dec 2010	Unaudited 30 Sep 2011	Audited 31 Dec 2010	Unaudited 30 Sep 2011	Audited 31 Dec 2010
	-----Rupees-----											
Segment assets	48,361,093	36,655,429	40,927,107	21,182,994	542,204,296	344,891,432	100,774,400	123,630,311	45,572,970	15,059,354	777,839,866	541,419,520
Unallocated corporate assets											784,802,954	912,514,041
Consolidated total assets											<u>1,562,642,820</u>	<u>1,453,933,561</u>
Segment liabilities	65,278,803	72,389,448	55,244,254	41,833,511	731,878,556	681,113,312	136,027,366	244,152,922	61,515,335	29,740,160	1,049,944,314	1,069,229,353
Unallocated corporate liabilities											98,284,631	68,871,361
Consolidated total liabilities											<u>1,148,228,945</u>	<u>1,138,100,714</u>
Capital expenditure	605,054	789,425	512,046	456,205	6,783,614	7,427,709	1,260,806	2,662,548	570,172	324,324	<u>9,731,692</u>	<u>11,660,211</u>
Unallocated capital expenditure											<u>5,614,856</u>	<u>6,281,797</u>
Depreciation and amortization	571,794	1,275,047	483,899	736,843	6,410,711	11,996,931	1,191,498	4,300,438	538,828	523,834	<u>9,196,730</u>	<u>18,833,093</u>



**13 CONTINGENCIES AND COMMITMENT**

There is no change in contingencies and commitment as reported in the annual financial statements of the company for the year ended 31 December 2010.

<b>14 TRANSACTIONS AND BALANCES WITH RELATED PARTIES</b>	<b>(Unaudited) 30 September 2011</b>	<b>(Audited) 31 December 2010</b>
<b>Balances at end of the period</b>		
	------(Rupees)-----	
<b>Premium due:</b>		
Balance at beginning of the period/ year	10,085,287	8,739,383
Insurance premium written (including government levies, administrative surcharge and policies stamps)	80,181,764	64,819,434
Receipts during the period/ year	(60,824,895)	(63,473,530)
Balance at end of the period/ year	29,442,156	10,085,287
Balance in Bank accounts	25,495,073	43,279,786
Investment	51,876,270	155,758,800
Commission payable	1,353,689	118,3415
Payable on account of other services	9,956,865	-
Receivable on account of other services	5,795,875	-
	<b>(Unaudited) 30 September 2011</b>	<b>(Audited) 31 September 2010</b>
	------(Rupees)-----	
<b>Transactions during the period</b>		
<b>Associates:</b>		
Insurance premium written	67,311,273	47,402,221
Profit on deposit accounts	2,456,184	2,281,873
Investment made	34,500,000	-
Bank charges	746,443	419,899
Insurance commission expense	688,217	674,773
Insurance claims paid	20,909,088	45,249,280
Purchase of listed securities including brokerage fee	14,670,450	7,430,222
Sale of listed securities including brokerage fee	14,988,606	7,435,835
Bonus shares issued - numbers	1,321,598	-
Services acquired	14,652,515	5,922,773
Services rendered	7,828,500	-
<b>Others</b>		
Directors' fees	210,000	325,000
Remuneration to key personnel	7,668,882	5,797,800
Contributions/ provision for staff retirement benefit plans	10,801,764	10,572,168

  
Abdul Waheed  
President & Chief Executive

  
Syed Suhail Ahmed Rizvi  
Director

**15 EARNING PER SHARE - BASIC AND DILUTED**

	<b>(Unaudited) Quarter ended 30 September 2011</b>	<b>2010</b>	<b>(Unaudited) Nine Months ended 30 September 2011</b>	<b>2010</b>
Profit after tax (Rupees)	17,583,336	6,779,176	47,640,677	25,319,590
		<b>(Restated)</b>		<b>(Restated)</b>
Weighted average number of shares outstanding at beginning of the period	27,669,416	20,751,783	20,377,492	20,377,492
Effect of right issue	-	-	4,744,738	374,291
Effect of bonus issue	2,801,905	5,349,091	5,349,091	5,349,091
Weighted average number of shares outstanding at end of the period	30,471,321	26,100,874	30,471,321	26,100,874
	0.58	0.26	1.56	0.97

**16 AUTHORIZATION FOR ISSUE**

This condensed interim financial information has been approved and authorized for issue on 25 October, 2011 by the Board of Directors of the Company.


**17 GENERAL**

**17.1** Corresponding figure, wherever necessary, has been rearranged and reclassified to reflect more appropriate presentation of events and transactions.

Significant re-classification made is as follows:  
Workers' welfare fund amounting to Rs. 546,983 has been reclassified to general and administration expenses for better presentation and disclosure.

**17.2** Figures have been rounded off to the nearest Pak rupee.

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

  
Lt. Gen. Imtiaz Hussain (Retd.)  
Chairman

## Branch Network

**Head Office (051)**

(Underwriting /Claims Deptt., askari health)  
276-A, Peshawar Road, Rawalpindi Cantt  
Ph: 5125053-4, 5125017, 5125019  
Fax: 5125056, 5124918  
e-mail: [agicoho@agico.com.pk](mailto:agicoho@agico.com.pk)

**Rawalpindi-II (051)**

2nd Floor, National Business Centre,  
Shamsabad, Murree Road, Rawalpindi  
Ph: 9290479, 9290489, Fax: 9290499  
e-mail: [agicorwp@agico.com.pk](mailto:agicorwp@agico.com.pk)

**Rawalpindi-III (051)**

1st/3rd Floor, Sam Plaza, Unit No.40/10+11  
Bank Road, Saddar, Rawalpindi  
Ph: 9273661-2, Fax: 9273660  
e-mail: [agicorwp3@agico.com.pk](mailto:agicorwp3@agico.com.pk)

**Islamabad-I (051)**

11-West Jinnah Avenue,  
Blue Area, Islamabad  
Ph: 2279565, 2270471-3, Fax: 2279566  
e-mail: [agicoisb@agico.com.pk](mailto:agicoisb@agico.com.pk)

**Islamabad-II (051)**

11-West Jinnah Avenue,  
Blue Area, Islamabad  
Ph: 2279565, 2270471-3, Fax: 2279566  
e-mail: [agicoisb@agico.com.pk](mailto:agicoisb@agico.com.pk)

**Jhelum (0544)**

1st Floor, Soldier Plaza,  
Civil Line, Jhelum  
Ph: 9270339, Fax: 9270374  
e-mail: [agicojlm@agico.com.pk](mailto:agicojlm@agico.com.pk)

**Lahore-I (0423)**

914-C, Shouk Chowk, Faisal Town,  
Mulana Shoukat Ali Road, Lahore  
Ph: 5161545-7, Fax: 5160222  
e-mail: [agicolhr@agico.com.pk](mailto:agicolhr@agico.com.pk)

**Lahore-II (0423)**

Office # 106, 1st Floor, Lateef Centre Ichra,  
100-Ferozpur Road, Lahore  
Ph: 7502327-29, Fax: 7502330  
e-mail: [agicolhr3@agico.com.pk](mailto:agicolhr3@agico.com.pk)

**Gujranwala (055)**

1st Floor, Al-Azhar Plaza, Opp. Iqbal High School,  
Ghala Mandi, G.T. Road, Gujranwala  
Ph: 3856324, 3734326, Fax: 3856325  
e-mail: [agicogrw@agico.com.pk](mailto:agicogrw@agico.com.pk)

**Sialkot (052)**

1st Floor, Oberoi Co-Operative Building,  
Paris Road, Sialkot  
Ph: 4582381, Fax: 4582382  
e-mail: [agicoslt@agico.com.pk](mailto:agicoslt@agico.com.pk)

**Karachi-I (0213)**

Marium Centre, Plot No. 167-G,  
Mezzanine Floor,  
Khalid Bin Waleed Road, Karachi.  
Ph: 4306704-6, Fax: 4306709-10  
e-mail: [agicokch@agico.com.pk](mailto:agicokch@agico.com.pk)

**Karachi-II (0213)**

3rd Floor, AWT Plaza,  
I.I. Chundrigar Road, Karachi  
Ph: 2273513-5, Fax: 2214332  
e-mail: [agicokch2@agico.com.pk](mailto:agicokch2@agico.com.pk)

**Sargodha (0483)**

43-44, Rehman Business Centre,  
2nd Floor, University Road, Sargodha  
Ph: 768559-61, Fax: 768579  
e-mail: [agicosgd@agico.com.pk](mailto:agicosgd@agico.com.pk)

**Abbottabad (0992)**

Room-10, Silk Plaza,  
Mansehra Road, Abbotabad  
Ph: 342439, Fax: 342440  
e-mail: [agicoabt@agico.com.pk](mailto:agicoabt@agico.com.pk)

**Faisalabad-I (041)**

2nd Floor, Platinum Centre,  
Kotwali Road, Faisalabad  
Ph: 2412302-5, Fax: 2412301  
e-mail: [agicofsd@agico.com.pk](mailto:agicofsd@agico.com.pk)

**Faisalabad-II (041)**

13-16, 1st Floor, Kohinoor One Plaza,  
Jaranwala Road, Faisalabad.  
Ph: 8501862-3, Fax: 8501861  
e-mail: [asif.majeed@agico.com.pk](mailto:asif.majeed@agico.com.pk)

**Multan (061)**

Golden Heights, Near High Court,  
Nusrat Road, Multan Cantt  
Ph: 4547842, Fax: 4547862  
e-mail: [agicomtn@agico.com.pk](mailto:agicomtn@agico.com.pk)

**Peshawar (091)**

6th Floor, State Life Building,  
The Mall, Peshawar Cantt  
Ph: 5284768, 5272058, Fax: 5284769  
e-mail: [agicopsc@agico.com.pk](mailto:agicopsc@agico.com.pk)

**Bahawalpur (0622)**

2nd Floor, Shahab Plaza,  
Chowk one unit, Bahawalpur  
Ph: 284201, Fax: 284203  
e-mail: [agicobwp@agico.com.pk](mailto:agicobwp@agico.com.pk)

**Hyderabad (022)**

1st Floor, Gul Centre,  
Thandi Sarak, Hyderabad  
Ph: 2729689, Fax: 2783976  
e-mail: [agicohyd@agico.com.pk](mailto:agicohyd@agico.com.pk)