

The Board of Directors is pleased to present before you the un-audited financial statements of the Company for the six months ended 30th June, 2011.

Business Overview:

The results for the first six months are summarized below:

	2011 30 June	2010 30 June
	(Rupees in '000)	
Premium Written	3,095,941	2,414,288
Net Premium	1,340,831	1,226,150
Underwriting Result	100,347	57,731
Investment Income	285,759	231,210
Other Charges/Income	(300)	9,644
Profit before tax	373,551	296,002
Profit after tax	295,971	231,846

The disturbed law and order situation in the country and Karachi in particular coupled with the severe economic slump and financial turbulence in the USA and Europe impacted the business environment. Despite these challenges, the Company's written premium increased by 28%, on the back of growth in Fire: 34%, Marine: 8%, Motor: 21%, Health & Accident: 32% and Miscellaneous: 42%.

With positive contribution from all classes of business, the Company by the grace of Allah has recorded underwriting profit of Rs. 100 million (2010; Rs 58 million). Investment income also increased by 24% to Rs. 286 million due to higher income from government securities, dividends and capital gains.

Future Outlook:

Due to the volatile economic scenario which prevails in the western world and the unsatisfactory conditions prevailing within Pakistan, the business outlook for the second half for the year is not cheerful. However, we are hopeful of maintaining the progress.



Towfiq H. Chinoy
Chairman

Karachi: August 25, 2011