



ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given to the shareholders of Atlantic Insurance Company Public Ltd to attend the Annual General Meeting that will be held at the Company's Headquarters at 15 Esperidon Street, 2001 Strovolos, on Wednesday 2 June 2010, at 5.00 p.m.

The agenda of the meeting is:

1. To consider and approve the Directors' Report and the Financial Statements of the Group for the year ended 31 December 2009.
2. To approve the Board of Directors proposal for the payment of dividend.
3. To elect members of the Board of Directors.
4. To fix the remuneration of the members of the Board of Directors.
5. To appoint the auditors and fix their remuneration.
6. Other matters.

By order of the Board of Directors,

Andreas Pirishis
Secretary

A shareholder entitled to attend and vote at the above General Meeting, is entitled to appoint a proxy to attend and vote on his behalf. The proxy need not be a member of the Company.

The enclosed form of proxy must be completed and deposited at the Company's registered office at 15 Esperidon Street, 2001 Strovolos, at least 48 hours before the time fixed for the Meeting.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given to the shareholders of Atlantic Insurance Company Public Ltd that an Extraordinary General Meeting will be held on Wednesday 2 June 2010, at 5.30 p.m., immediately after the conclusion of the Annual General Meeting, to approve the following resolution.

Special resolution

That the Board of Directors be authorized and is hereby authorized to implement a buy- back programme , in accordance with the provisions of the Companies Act 2 /2002 (Revised) and the provisions of the Commission Regulation (EC) 2273/2003 of the European Committee. The shares may be acquired either in the market or through a private agreement.

By order of the Board of Directors,

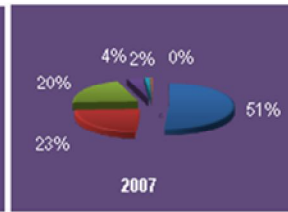
Andreas Pirishis
Secretary

A shareholder entitled to attend and vote at the above General Meeting, is entitled to appoint a proxy to attend and vote on his behalf. The proxy need not be a member of the Company. .

The enclosed form of proxy must be completed and deposited at the Company's registered office at 15 Esperidon Street, 2001 Strovolos, at least 48 hours before the time fixed for the Meeting.

HISTORICAL FINANCIAL INFORMATION

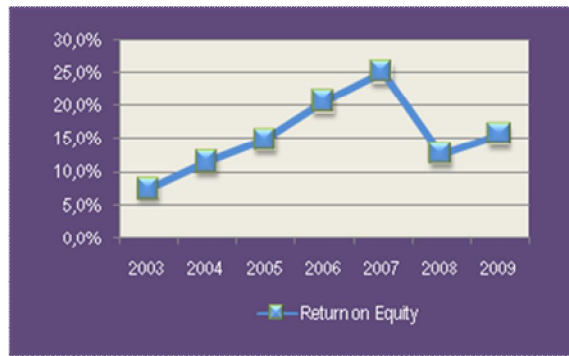
Gross Written Premiums by Insurance class



Claims Ratio



Return on Equity



Profits, Assets, Liabilities and Shareholders' Interest



ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

EXTRACT FROM THE CONSOLIDATED FINANCIAL STATEMENTS 2009

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ATLANTIC INSURANCE COMPANY PUBLIC LIMITED**OFFICERS AND PROFESSIONAL ADVISERS****Board of Directors**

Emilios Pyrishis Chairman and Managing Director
Andreas Pirishis Vice Chairman
Andreas Frangoullis
George Pyrishis
Charalambos Alexandrou
Nina Pyrishis
Panayiotis Mallis
Triantafyllos Lysimachou (Appointed on 30th April 2009)
Marios Savvides (Appointed on 30th April 2009)

Registered office

15 Esperidon street
Atlantic Building
CY-2001 Strovolos

Secretary

Andreas Pirishis

Auditors

Joannides + Co Limited
Approved Accountants
13 Ayiou Prokopiou street
CY-2406 Engomi,
Lefkosia

Legal advisers

L. Papaphilippou & Co.

Bankers

Bank of Piraeus (Cyprus) Limited
Bank of Cyprus Public Limited
Marfin Popular Bank Public Limited
Hellenic Bank Public Limited

Company registration number: 20008

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED**CHAIRMAN'S STATEMENT**

The circulation of the financial statements of the Group gives me the opportunity to communicate with you and inform you about the financial results and the general course and prospects of our Company. 2009 was a difficult year as a result of the international financial crisis and the intense competition which prevailed in the local insurance market. Nevertheless Atlantic, at the back of proper strategic planning and the commitment of its human resources managed to overcome the difficulties and to achieve satisfactory results even under adverse economic conditions.

During the year consolidated profits attributable to the shareholders rose significantly to €4,59 million as compared with €3,75 million in 2008, recording an annual increase of 22,6%.

Gross written premiums and policy fees grew by 5% and reached €22,88 million compared to €21,80 million in 2008. Net earned premiums increased by 2,8% from €16,80 million in 2008 to €17,28 million.

Profit from operations declined by 12,4% and amounted to €4,87 million compared to €5,55 million in the previous year. The reduction is mainly attributable to the increase of claim payments which rose to €9,49 million from €8,46 million in 2008. Following the rise in claims payable the claims ratio rose to 54,9% (2008: 50,4%). Despite the increase the company's loss ratio remains significantly lower than the average industry ratio.

Operational costs remained at levels similar to the previous year and amounted to €4,11 million (2008:€4,10 million), confirming the management's ability to exercise tight cost control. The improvement in the Group's profitability was attributable to a large extent on the reduction in loss on sale and revaluation of investments which amounted to €0,74 million in comparison with €2,09 million in 2008. The loss includes transfer of €0,87 million from the fair value reserve in respect of realised loss on available for sale investments, deficit on revaluation of investment properties of €0,44 million and profit on sale and revaluation of investments held for trading of €0,57 million.

The Group's net assets grew from €27,96 million to €30,58 million and the return on equity rose to 15,7% from 12,8% in 2008.

The Board of Directors after taking into account the financial results of 2009 and the prospects of the Group's profitability during the current year it decided to propose for approval at the Annual General Meeting of the Company the payment of a dividend of 9 cent per share (2008: 9 cent)

Following the strategic alliance of the Company with Piraeus Bank (Cyprus) Ltd, on 4 March 2009 Atlantic Insurance signed an agreement for the appointment of Piraeus (Cyprus) Insurance Agency Ltd as an insurance agent of Atlantic Insurance Co Public Ltd. The management of the Company considers the cooperation of the Company with the Piraeus Group as extremely satisfactory and believes that the strategic alliance will further enhance the growth of the Group's operations.

The management considers that the current year will be at least as difficult for the local insurance market as the previous year. Nevertheless the management is confident that with the adoption of appropriate strategic planning, the results of the Group for 2010 will, in the absence of any unforeseen events, be better than those of the previous year. The fundamental strategic objectives of the Group are effective risk management, sustainability of a healthy financial position, selective and careful growth of operations in the insurance and financial sectors and the achievement of satisfactory profitability. The Group will also persist the continuing technological upgrading of its services and the training of its personnel in the use of new technologies aiming at the improvement of the quality of its services and the enhancement of productivity.

Finally, I would like to express my warm and sincere gratitude to our shareholders, customers and associates for their loyalty and trust towards our Company during all these years and to assure them that within the frames of collectiveness and transparency we will continue our successful course with the same prudence and systematic approach that has characterised our Company during all the years of its existence. I would also like to thank and congratulate the management and the personnel of ATLANTIC for their devotion and contribution to the Company.

Emilios Pyrishis
Chairman

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

DIRECTORS' REPORT

The Board of Directors of Atlantic Insurance Company Public Limited (the "Company") submits its Annual Report and the audited consolidated financial statements of the holding Company and its subsidiaries (the "Group") for the year ended 31 December 2009.

Principal activities

The principal activities of the Group are the undertaking of insurance business of the classes of Accident and Medical, Motor, Aviation, Marine and Goods Transportation, Fire and other Property Damage, General Liability, Credit and Guarantees and miscellaneous general business, the possession of land with the intention of its division into plots and their disposal and the provision of financial, consultancy and brokerage services. During the year there were no changes in the Group's activities.

Branches

The Company provides insurance services through its headquarters that are located in Nicosia and its branches which are located in the cities of Lamaka, Limassol and Paphos.

Review of the developments, position and results of activities

During the year consolidated profits attributable to the shareholders rose significantly to €4,59 million as compared with €3,75 million in 2008, recording an annual increase of 22,6%.

Gross written premiums and policy fees grew by 5% and reached €22,88 million compared to €21,80 million in 2008. Net earned premiums increased by 2,8% from €16,80 million in 2008 to €17,28 million.

Profit from operations declined by 12,4% and amounted to €4,87 million compared to €5,55 million in the previous year. The reduction is mainly attributable to the increase of claim payments which rose to €9,49 million from €8,46 million in 2008. Following the rise in claims payable the claims ratio rose to 54,9% (2008: 50,4%). Despite the increase the company's loss ratio remains significantly lower than the average industry ratio.

Operational costs remained at levels similar to the previous year and amounted to €4,11 million (2008:€4,10 million), confirming the management's ability to exercise tight cost control. The improvement in the Group's profitability was attributable to a large extent on the reduction in loss on sale and revaluation of investments which amounted to €0,74 million in comparison with €2,09 million in 2008. The loss includes transfer of €0,87 million from the fair value reserve in respect of realised loss on available for sale investments, deficit on revaluation of investment properties of €0,44 million and profit on sale and revaluation of investments held for trading of €0,57 million.

The Group's net assets grew from €27,96 million to €30,58 million and the return on equity rose to 15,7% from 12,8% in 2008.

Financial results

As shown on page 5 of the financial statements, net profit attributable to the shareholders rose significantly to €4,59 million as compared with €3,75 million in 2008, showing an annual increase of 22,6% for the year ended 31 December 2009. Profit for the year is transferred to reserves.

Dividend

The Board of Directors has decided to propose for approval at the Annual General Meeting of the Company the payment of a dividend of 9 cents per share (2008: 9 cents).

Significant risks and uncertainties

The most significant risks that the Group is exposed to are described in note 30 of the consolidated and separate financial statements of the Company.

Prospects

The Board of Directors after taking into consideration the progress of operations of the Company and its subsidiaries during the year and following a review of the prospects and financial information to date, believes that the current year will be equally difficult to the previous year but nevertheless hopes that the results of the Group for 2010 will, in the absence of any unforeseen events, be better than those of the previous year.

Tangible Fixed Assets

Capital expenditure for tangible fixed assets amounted to €267 thousand as shown in note 12 of the financial statements.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

DIRECTORS' REPORT (continued)

Investment in subsidiary undertakings

On 22 December 2009 Atlantic Securities Ltd, a subsidiary of Atlantic Consultancy Services Ltd, issued 225.000 shares which were allotted to agents and associates of the company in accordance with an incentives provision scheme. As a result of the issue the shareholding of Atlantic Consultancy Services Ltd in the share capital of the company was reduced to 80% and the effective interest of Atlantic Insurance Company Public Ltd in Atlantic Securities Ltd was reduced from 75,1% to 60,1%.

Share Capital

The authorised share capital of the Holding Company amounts to €85.000.000 divided into 250.000.000 ordinary shares of a nominal value of €0,34 each. The issued share capital of the Company amounts to €13.297.030 divided into 39.108.912 ordinary shares of a nominal value of €0,34 each. All the titles of the Company are listed in the Cyprus Stock Exchange and there are neither any restrictions in the transferability of the titles of the Company nor any known agreements between shareholders that may imply restrictions in the transferability of the titles and/or the voting rights.

The Extraordinary General Meeting of the Company which took place on 10 June 2009 approved the following Special Resolution:

“That the Board of Directors be authorized and is hereby authorized to implement a buy- back programme , in accordance with the provisos of the Companies Act 2 /2002 (Revised) and the provisos of the Commission Regulation (EC) 2273/2003 of the European Committee. The shares may be acquired either in the market or through a private agreement.”

The Company did not acquire any own shares during the year.

No other change in the capital structure of the Company took place during the year.

Major shareholders and Directors' Holdings

The shareholders owning directly or indirectly more than 5% of the share capital of the Company on 31 December 2009 and on the date of approval of the financial statements were:

	31 December 2009	15 April 2010
	%	%
Emilios Pyrishis	31,61	31,61
Piraeus Bank (Cyprus) Ltd	21,70	21,70
Andreas Frangoullis	18,84	18,84
Administrator of the will of the deceased Nicos Marathovouniotis	5,96	5,96

The number of shares and the percentage holding in the share capital of the Company owned by the members of the Board, their spouses or minor children and companies in which they hold directly or indirectly more than 20% of the voting shares, in accordance with Article 60 (4) of the Cyprus Stock Exchange Law and Regulations, on 31 December 2009 and on 15 April 2010, date of approval of the financial statements, were:

	Number of Shares	31 December 2009 %	Number of shares	15 April 2010 %
Emilios Pyrishis	6.984.963	17,86	6.984.963	17,86
Andreas Pirishis	20.000	0,05	20.000	0,05
Andreas Frangoullis	7.366.607	18,84	7.366.607	18,84
George Pyrishis	4.455.971	11,39	4.455.971	11,39
Nina Pyrishi	922.641	2,36	922.641	2,36
Panayiotis Mallis	45.549	0,12	45.549	0,12
Charalambos Alexandrou	5.000	0,01	5.000	0,01
Marios Savvides	165.074	0,42	165.074	0,42
Triantafyllos Lysimachou	-	-	-	-

Related party transactions

There were no significant contracts in force by the year end or by the date of approval of the financial statements to which shareholders owning directly or indirectly more than 5% of the share capital of the Company and members of the Board and the management of the Company, their spouses or minor children have or had direct or indirect material interest, with the exception of the contracts of employment of executive directors and the agreement for the appointment of Piraeus (Cyprus) Insurance Agency Ltd as an insurance agent of Atlantic

Insurance Co Public Ltd as mentioned in note 29 of the financial statements.

Post balance events

There were no significant post balance events affecting the understanding of the financial statements.

Corporate Governance

At present the Board of Directors has partly adopted the Code of Corporate Governance issued by the Cyprus Stock Exchange. The Corporate Governance Report of the Board is shown on pages 6 and 11 of the consolidated financial statements and also includes the relevant information required by Article 5 of Directive OD190-2007-04 which was issued in accordance with the provision of Law 190(1)/2007 on Transparency Requirements.

Board of Directors

The Board of Directors consists of the members shown on page 1. All directors served on the board for the whole year except from Messrs Triantafyllos Lysimachou and Marios Savvides who were appointed on 30 April 2009. According to the Articles of the Company's Association Messrs Andreas Pirishis, Andreas Frangoullis and Panayiotis Mallis retire from the Board, but being eligible offer themselves for re-election. An election will take place for the filling in of the vacant positions. There were no significant changes in the allocation of the responsibilities or the compensation of the Board of Directors.

Auditors

The Auditors of the Company Joannides + Co Limited have expressed their willingness to continue to provide their services. A resolution authorizing the Board of Directors to determine their remuneration will be submitted into the next Annual General Meeting.

By order of the Board of Directors,

Emilios Pyrishis
Chairman

Nicosia
15 April 2010

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2009

	2009	2008
	€'000	€'000
Income from operations		
Gross premiums	22.146	21.052
Policy fees	738	746
Share of reinsurers' premiums	(5.580)	(4.761)
Net premiums	17.304	17.037
Transfer to unearned premiums	(27)	(256)
Net earned premiums	17.277	16.781
Other operating income from insurance operations	999	1.050
Operating income from brokerage and financial services	2.761	3.033
	21.037	20.864
Expenses		
Claims payable	9.488	8.455
Commission payable for insurance operations	1.121	1.030
Commission payable for brokerage and financial services	1.450	1.730
Administrative expenses	4.111	4.095
	16.170	15.310
Profit from operations	4.867	5.554
Loss on sale and revaluation of investments	(742)	(2.095)
Other investment income	172	288
Net finance income	1.145	948
Profit before taxation	5.442	4.694
Taxation	(617)	(605)
Profit after taxation	4.825	4.089
Minority interest	(233)	(343)
Profit attributable to the shareholders	4.592	3.746
Earnings per share (cent)	11,74	9,58

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2009

	2009	2008
	€'000	€'000
Profit for the year	4.592	3.746
Other recognised gains		
Surplus on revaluation of immovable property	1.231	-
Deferred tax on surplus revaluation of immovable property	(145)	5
Tax on deemed distribution	(32)	-
Bonus issue of subsidiary undertaking's shares to minority	(464)	-
Fair value gain /(loss) on financial assets available for sale	84	(3.253)
Transfer to profit and loss for the year of realised loss on financial assets available for sale	871	-
	1.545	(3.248)
Total comprehensive income for the year	6.137	498

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2009

	2009	2008
	€'000	€'000
Non-current assets		
Tangible fixed assets	7.939	6.731
Investment properties	5.887	6.298
Financial assets available for sale	4.272	3.934
Total non-current assets	18.098	16.963
Current assets		
Debtors and other receivables	16.576	14.434
Financial assets held for trading	3.043	3.304
Cash and bank balances	24.407	21.783
Total current assets	44.026	39.521
Total assets	62.124	56.484
Equity		
Share capital	13.297	13.297
Reserves	17.280	14.663
Equity attributable to shareholders	30.577	27.960
Minority interest	1.627	971
Total equity	32.204	28.931
Non-current liabilities		
Deferred taxation	548	406
	548	406
Current liabilities		
Outstanding claims and provision for unearned premiums	19.442	17.568
Bank overdrafts and short-term loans	17	2.584
Other Liabilities	9.913	6.995
	29.372	27.147
Total equity and liabilities	62.124	56.484

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2009

	Share Capital €'000	Share Premium €'000	Difference on conversion of share capital €'000	Revaluation reserve €'000	Fair value reserve €'000	Profit and loss account €'000	Total €'000	Minority interest €'000	Total Equity €'000
Balance 1 January 2008	13.364	1.898	-	2.242	1.352	11.735	30.591	1.184	31.775
Deferred tax on revaluation of immovable property	-	-	-	5	-	-	5	-	5
Transfer of excess depreciation on revaluation of buildings	-	-	-	(11)	-	11	-	-	-
Deferred tax on excess depreciation	-	-	-	1	-	(1)	-	-	-
Difference on conversion of share capital to euro	(67)	-	67	-	-	-	-	-	-
Fair value loss on financial assets available for sale	-	-	-	-	(3.253)	-	(3.253)	-	(3.253)
Reduction of minority interest due to reduction of minority share	-	-	-	-	-	-	-	(552)	(552)
Dividends received	-	-	-	-	-	-	-	(4)	(4)
Dividend paid	-	-	-	-	-	(3.129)	(3.129)	-	(3.129)
Profit for the year	-	-	-	-	-	3.746	3.746	343	4.089
Balance 31 December 2008	13.297	1.898	67	2.237	(1.901)	12.362	27.960	971	28.931
Balance 1 January 2009	13.297	1.898	67	2.237	(1.901)	12.362	27.960	971	28.931
Surplus on revaluation of immovable property	-	-	-	1.231	-	-	1.231	-	1.231
Deferred tax on surplus revaluation of immovable property	-	-	-	(144)	-	-	(144)	-	(144)
Transfer of excess depreciation on revaluation of buildings	-	-	-	(11)	-	11	-	-	-
Deferred tax on excess depreciation	-	-	-	1	-	(1)	-	-	-
Issue of shares of subsidiary to minority shareholders	-	-	-	-	-	-	-	82	82
Bonus issue of subsidiary undertaking's shares to minority	-	-	-	-	-	(465)	(465)	465	-
Dividends received	-	-	-	-	-	-	-	(124)	(124)
Tax on deemed distribution	-	-	-	-	-	(32)	(32)	-	(32)
Fair value gain on financial assets available for sale	-	-	-	-	84	-	84	-	84
Transfer to profit and loss for the year of realised loss on financial assets available for sale	-	-	-	-	871	-	871	-	871
Dividend paid	-	-	-	-	-	(3.520)	(3.520)	-	(3.520)
Profit for the year	-	-	-	-	-	4.592	4.592	233	4.825
Balance 31 December 2009	13.297	1.898	67	3.314	(946)	12.947	30.577	1.627	32.204

Gains or losses on the revaluation of financial assets available for sale are recognised in equity.

Share premium reserve, revaluation reserve and fair value reserve are not available for distribution.

ATLANTIC INSURANCE COMPANY PUBLIC LIMITED

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2009

	2009	2008
	€'000	€'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year before taxation	5.442	4.694
<i>Adjustments for:</i>		
Loss on sale and revaluation of investments	742	2.095
Depreciation	290	286
Interest received	(1.251)	(1.050)
Dividends received	(116)	(233)
Interest paid	106	102
Profit from operations before changes in working capital	5.213	5.894
Increase in debtors and other receivables	(2.142)	(1.354)
Increase /(decrease) in liabilities and provisions	4.859	(2.329)
Cash flow from operations	7.930	2.211
Interest paid	(106)	(102)
Taxation paid	(715)	(601)
Net cash flow from operating activities	7.109	1.508
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments	(7.615)	(10.676)
Sale of investments	8.147	8.143
Purchase of investment properties	(30)	(1.925)
Purchase of tangible fixed assets	(267)	(1.401)
Increase in holding of subsidiary undertaking	-	(420)
Receipts from sale of tangible fixed assets	-	2
Interest received	1.251	1.050
Dividends received	116	233
Net cash flow from /(for) investing activities	1.602	(4.994)
CASH FLOW FOR FINANCING ACTIVITIES		
Dividend paid	(3.520)	(3.129)
Net cash flow for financing activities	(3.520)	(3.129)
Net increase /(decrease) in cash and cash equivalents	5.191	(6.615)
Cash and cash equivalents at the beginning of the year	19.199	25.814
Cash and cash equivalents at the end of the year	24.390	19.199
Cash and cash equivalents consist of:		
Cash and bank balances	24.407	21.783
Bank overdrafts and short-term loans	(17)	(2.584)
	24.390	19.199