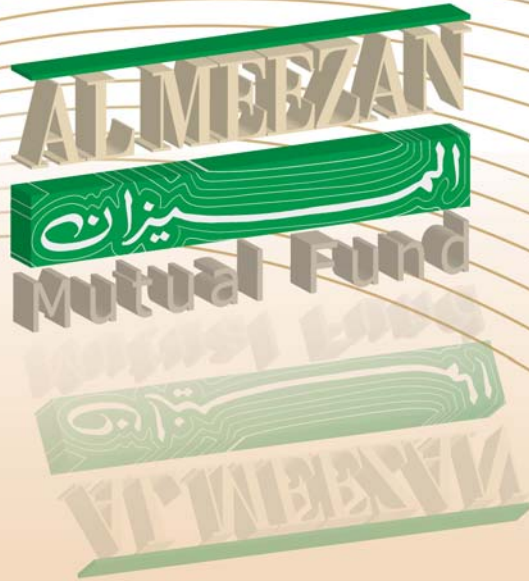


**AL MEEZAN**  
  
Mutual Fund

**Quarterly Report**  
**September 30, 2009**



**Al Meezan**  
Investment Management Ltd.  
A Subsidiary of Meezan Bank

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## Our Vision

*To set standards of best practices and performance for the industry through efficient asset allocation & security selection.*

## Our Mission

*To be the leading mutual fund in the industry, outperforming the bench mark on a consistent basis, and providing shareholders with the best combination of current income and future growth on a risk adjusted basis.*

## FUND INFORMATION

### BOARD OF DIRECTORS

Mr. Irfan Siddiqui  
Mr. Mohammad Shoaib, CFA  
Mr. Ariful Islam  
Mr. Nabil Daudur Rahman  
Mr. Imran Iqbal Panjwani  
Mr. Muhammad Asad  
Syed Owais Wasti

Chairman  
Chief Executive

### AUDIT COMMITTEE

Mr. Ariful Islam  
Mr. Imran Iqbal Panjwani  
Mr. Muhammad Asad

Chairman

### CFO & COMPANY SECRETARY

Syed Owais Wasti

### MANAGEMENT COMPANY

Al Meezan Investment Management Limited

### AUDITORS

A.F.Ferguson & Co. Chartered Accountants  
Statelife Building No.1-C., I.I.Chundrigar Road,  
P.O.Box 4716, Karachi:74000, Pakistan.

### SHARIAH ADVISOR

Meezan Bank Limited

### CUSTODIAN

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block B, S.M.C.H.S.,  
Main Shahrah-e-Faisal, Karachi, Pakistan.

### BANKERS

AlBaraka Islamic Bank  
Bank AL Habib Limited  
Bank Alfalah Limited  
BankIslami Pakistan Limited  
Habib Metropolitan Bank Limited  
Meezan Bank Limited  
MCB Bank Limited  
Dawood Islamic Bank Limited  
National Bank of Pakistan

### REGISTERED OFFICE

Ground Floor, Block "B", Finance & Trade Centre,  
Shahrah-e-Faisal, Karachi 74400, Pakistan  
Phone: (9221) 3563 0722-26, 111 MEEZAN  
Fax: (9221) 3567 6143, 3563 0808  
Web site: [www.almeezangroup.com](http://www.almeezangroup.com)  
E-mail: [marketing@almeezangroup.com](mailto:marketing@almeezangroup.com)

### SHARE REGISTRAR

THK Associates (Pvt.) Limited  
Ground Floor, State Life Building-3,  
Dr. Ziauddin Ahmed Road, Karachi 75530  
P.O. Box No. 8533  
Phone: (9221) 111-000-322  
Fax: (9221) 3565 5595

## DIRECTORS' REPORT

The Board of Directors of Al Meezan Mutual Fund Limited (AMMF) is pleased to present the un-audited financial statements of fund for the quarter ended September 30, 2009.

### **Economic Review**

Pakistan has shown gradual recovery and improvement on the macroeconomic front in the first quarter of fiscal year 2010. Rising year-on-year inflation which averaged 20% last year, eased off to 10.12% at the end of current quarter. Release of IMF tranche and improved balance of trade numbers provided impetus to the economy. As a result, foreign exchange reserves increased from US\$ 11.89 billion in June 2009 to US\$ 14.49 billion at the end of September 2009. This helped in stabilizing rupee against US dollar with the rupee depreciating by only 2% in the period under review. Moreover, remittance inflows made new records, with the first quarter fiscal year 2010 figure totaling US\$ 2.3 billion, providing support to the balance of payment situation. On domestic front, Government of Pakistan has almost achieved the collection target for the quarter of Rs. 270 billion which also helped in providing relief to the government borrowing.

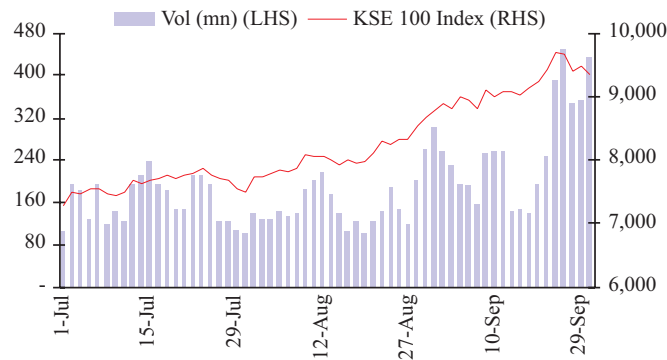
To stabilize the economy and in view of the declining inflation, State Bank reduced the policy rate by 100 bps to 13%. Moreover to meet IMF requirements, the central bank introduced an interest rate corridor, providing a reverse repo facility at 300bps below the repo rate. This helped in maintaining overnight interbank rates within a close band of 11.5% to 12.5%.

### **Equity Market Review**

The market witnessed a turnaround in the first quarter ended September 30, 2009 as KSE-100 Index appreciated 2,188 points to close the quarter at 9,350 marking 31% improvement from 7,162 levels on June 30, 2009. This was the highest return posted by the KSE-100 index in single quarter since calendar year 2002. This is in sharp contrast to the same period last year when the equity market fell by 24.9%. There was a substantial increase in daily average volume to 188.6 million shares as compared to 66 million shares during the corresponding period last year, an increase of 186%.

At the beginning of the quarter, there was uncertainty about the discount rate cut by the Central Bank in the monetary policy statement which was scheduled on July 25, 2009 but was later delayed to August 15, 2009. This delay caused some concern in the market regarding any possible discount rate cut and the release of IMF third tranche. However, the market soon recovered in the beginning of August with the disbursement of IMF tranche, continuous decline in the CPI inflation and improved balance of trade numbers. Moreover, better than expected corporate results were another booster for the market.

Later in August 2009, 100bps cut in discount rate coupled with improvement in Pakistan's rating by Moody's and Standard & Poor improved the foreigners' confidence in Pakistan's stock market. Hence, the quarter witnessed a net foreign inflow of US\$ 235 million as compared to a net outflow of US\$ 445 million in the fiscal year 2009. As a result of these inflows, the market broke the critical level of 9,000 and reached to the highest level of 9,700.



However, towards the end of the quarter, the market underwent marginal technical correction due to below expectations development in the Friend of Democratic Pakistan (FoDP) meeting in New York and KSE-100 index closed the quarter at the level of 9,350. During the same period, KMI-30, the benchmark index, appreciated by 28.18% to close at 13,600.

#### Performance Review

The return on KSE - Meezan Index 30 serves as the benchmark for Al Meezan Mutual Fund (AMMF). During the quarter ended September 30, 2009, the NAV of AMMF increased by 28.33% as compared to the benchmark which appreciated by 28.18%.

The Fund, during the period ended September 30, 2009 earned a total income of Rs. 338 million, up from a loss of Rs. 491 million in the same period last year. The income for the period comprised primarily of un-realized gain on re-measurement of investments of Rs. 271 million and realized gain on sale of investments of Rs. 42 million. The dividend income for the period was Rs. 24 million, where as profit on saving accounts with banks stood at Rs. 1.3 million. After accounting for expenses of Rs. 8.6 million, net income for the period was Rs. 330 million which translates into an earnings per share (EPS) of Rs. 2.40 for the quarter ended September 30, 2009.

The net assets of the fund as on September 30, 2009 stood at Rs. 1,508 million. The net asset value (NAV) of the fund which was Rs. 8.54 per share as on June 30, 2009 appreciated by 28.33% to Rs. 10.96 as on September 30, 2009.

## **Outlook**

After a turbulent 2008, Pakistan's economy has seen a steady turnaround in the year 2009 and all major economic indicators are pointing to greater stability ahead. The S&P rating upgrade has accelerated a pickup in foreign investment in Pakistan's equity market. Since June 2009, when KSE-100 index entered the MSCI Frontier Index, nearly US\$ 235 million has flowed into the stock market, reversing 18 months of capital flight. The significant build up of forex reserves has also improved confidence in country's ability in meeting its commitments. The credit default swap (CDS) on Pakistan 5 year sovereign bond has come down to 650 bps from a peak of 5,000 bps in October 2008.

The medium term economic and equity outlook depends on the materialization of pledged aid and key fiscal reforms to raise taxes and reduce subsidies. The KSE-100 index is currently trading at a P/E multiple of around 7.8, which is at a discount of 35% to the regional markets and offers potential upside. Global equity markets, particularly emerging markets have shown strong performance in the last quarter amid early signs of global economic recovery.

## **Acknowledgement**

We take this opportunity to thank our valued investors for reposing faith in Al Meezan Investments and making it the largest Shariah compliant asset management company in Pakistan. We also thank the regulator, Securities and Exchange Commission of Pakistan, Central Depository Company of Pakistan and management of Karachi Stock Exchange for all their support and guidance. We also take this opportunity to thank the members of the Shariah Supervisory Board of Meezan Bank for their continued guidance and support on Shariah aspects of fund management.

For and on behalf of the Board

Date: October 21, 2009  
Karachi.

**Mohammad Shoib, CFA**  
Chief Executive

**CONDENSED INTERIM STATEMENT  
OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2009**

		(Unaudited) September 30, 2009	(Audited) June 30, 2009
	Note	(Rupees in '000)	
<b>Assets</b>			
Balances with banks	5	99,866	35,681
Investments - available for sale	6	93,884	30,113
Investments at fair value through profit or loss	7	1,302,678	1,092,185
Receivable against sale of investments		-	9,103
Dividend receivable		14,649	10,015
Advances, deposits, prepayments and other receivables		7,610	8,001
<b>Total assets</b>		<b>1,518,687</b>	1,185,098
<b>Liabilities</b>			
Payable to Al Meezan Investment Management Limited - management company of the Fund		2,482	1,029
Payable to the Central Depository Company of Pakistan Limited - custodian of the Fund		56	46
Payable to the Securities and Exchange Commission of Pakistan		1,579	1,243
Payable to Meezan Bank Limited - shariah adviser of the Fund		-	434
Payable against purchase of investments		704	2,539
Accrued expenses and other liabilities		2,764	2,084
Unclaimed dividend		3,540	3,549
<b>Total liabilities</b>		<b>11,125</b>	10,924
<b>Net assets</b>		<b>1,507,562</b>	1,174,174
<b>Shareholders' equity</b>			
Authorised share capital 150,000,000 (June 30, 2008: 150,000,000) ordinary shares of Rs 10 each		1,500,000	1,500,000
Issued, subscribed and paid-up share capital 137,539,986 (June 30, 2008: 137,539,986) ordinary shares of Rs. 10 each		1,375,400	1,375,400
Unappropriated income/ (loss)		104,849	(224,797)
Surplus on revaluation of investments		27,313	23,571
		<b>1,507,562</b>	1,174,174
Net assets value per share (Rupees)		<b>10.96</b>	8.54

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Management Company)**

Chief Executive

Director

**CONDENSED INTERIM INCOME STATEMENT**  
FOR THE QUARTER ENDED SEPTEMBER 30, 2009

	September 30,	
	2009	2008
	(Rupees in '000)	
<b>Income</b>		
Net realised gain/ (loss) on sale of investments	42,102	(19,059)
Dividend income	24,015	16,760
Profit on savings accounts with banks	1,333	773
	67,450	(1,526)
Unrealised gain/ (loss) on re-measurement of investments at fair value through profit or loss (net)	270,787	(489,759)
	270,787	(489,759)
<b>Total income/ (loss)</b>	<b>338,237</b>	<b>(491,285)</b>
<b>Expenses</b>		
Remuneration to Al Meezan Investment Management Limited - management company of the Fund	7,085	7,548
Remuneration to Central Depository Company of Pakistan Limited - custodian of the Fund	201	188
Annual fee to Securities and Exchange Commission of Pakistan	337	377
Shariah advisory fee to Meezan Bank Limited - shariah adviser of the Fund	-	63
Auditors' remuneration	146	98
Fees and subscription	32	32
Brokerage	625	241
Legal and professional charges	58	56
Bank and settlement charges	107	23
Printing expenses	-	8
Reversal of Advance tax	-	355
<b>Total expenses</b>	<b>8,591</b>	<b>8,989</b>
<b>Net income/ (loss)</b>	<b>329,646</b>	<b>(500,274)</b>
Earnings/ (loss) per share - basic (Rupees)	8 <b>2.40</b>	<b>(3.64)</b>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited**  
**(Management Company)**

**Chief Executive**

**Director**

**CONDENSED INTERIM  
DISTRIBUTION STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**

	September 30, 2009      2008 (Rupees in '000)	
Unappropriated (loss)/ income brought forward	(224,797)	487,925
Net income/ (loss) for the period	329,646	(500,274)
Unappropriated income/ (loss) carried forward	<u>104,849</u>	<u>(12,349)</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Management Company)**

**Chief Executive**

**Director**

**CONDENSED INTERIM STATEMENT OF MOVEMENT  
IN EQUITY AND RESERVES PER SHARE  
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**

	September 30,	
	2009	2008
	(Rupees)	
Net assets value per share at the beginning of the period	<b>8.54</b>	13.86
Net realised gain/ (loss) on sale of investments	<b>0.31</b>	(0.14)
Dividend income	<b>0.17</b>	0.12
Profit on savings accounts with banks	<b>0.01</b>	0.01
Unrealised gain/ (loss) on re-measurement of investments at fair value through profit or loss (net)	<b>1.97</b>	(3.56)
Operating expenses	<b>(0.07)</b>	(0.07)
Net income/(loss) for the period (based on weighted average number of shares outstanding)	<b>2.39</b>	(3.64)
Net changes in surplus on revaluation of available for sale investments	<b>0.03</b>	(0.09)
Net assets value per share at the end of the period	<b>10.96</b>	10.13

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Management Company)**

**Chief Executive**

**Director**

**CONDENSED INTERIM STATEMENT  
OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**

	Share capital	((Loss) / Unappropriated profit	Surplus / (deficit) on revaluation of investments	Total
	----- (Rupees in '000) -----			
<b>Balance as at July 1, 2008</b>	1,375,400	487,925	43,091	1,906,416
Net (loss) for the quarter ended September 30, 2008	-	(500,274)	-	(500,274)
(Loss) on revaluation of available for sale investments	-	-	(12,925)	(12,925)
<b>Balance as at September 30, 2008</b>	<u>1,375,400</u>	<u>(12,349)</u>	<u>30,166</u>	<u>1,393,217</u>
<b>Balance as at July 1, 2009</b>	1,375,400	(224,797)	23,571	1,174,174
Net income for the quarter ended September 30, 2009	-	329,646	-	329,646
Surplus on revaluation of available for sale investments			3,742	3,742
<b>Balance as at September 30, 2009</b>	<u>1,375,400</u>	<u>104,849</u>	<u>27,313</u>	<u>1,507,562</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Management Company)**

**Chief Executive**

**Director**

**CONDENSED INTERIM  
CASH FLOW STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**

	September 30,	
	2009	2008
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income / (loss)	329,646	(500,274)
<b>Adjustments for non-cash items</b>		
Dividend income	(24,015)	(16,760)
Profit on savings accounts with banks	(1,333)	(773)
Unrealised (gain) / loss on re-measurement of investments at fair value through profit or loss (net)	(270,787)	489,759
	33,511	(28,048)
<b>(Increase) / decrease in assets</b>		
Investments - available for sale	(60,029)	-
Investments at fair value through profit or loss	60,294	(5,244)
Receivable against sale of investments	9,103	-
Deposits and prepayments	(110)	185
	9,258	(5,059)
<b>Increase / (decrease) in liabilities</b>		
Payable to Al Meezan Investment Management Limited - management company of the Fund	1,453	(809)
Payable to Central Depository Company of Pakistan Limited Limited - custodian of the Fund	10	(28)
Payable to Securities and Exchange Commission of Pakistan	336	(1,690)
Payable to Meezan Bank Limited - shariah adviser of the Fund	(434)	63
Payable against purchase of investments	(1,835)	-
Accrued expenses and other liabilities	680	48
	210	(2,416)
Cash generated from / (used in) operations	42,979	(35,523)
Dividend received	19,381	25,809
Profit received on savings accounts with banks	1,834	2,944
	64,194	(6,770)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(9)	(1)
Net cash (outflow) from financing activities	(9)	(1)
Net (decrease) in cash and cash equivalents during the period	64,185	(6,771)
Cash and cash equivalents at the beginning of the period	35,681	63,366
Cash and cash equivalents at the end of the period	99,866	56,595

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.

**For Al Meezan Investment Management Limited  
(Management Company)**

**Chief Executive**

**Director**

**NOTES TO THE CONDENSED  
INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2009**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Al Meezan Mutual Fund Limited (the Fund) was incorporated in Pakistan on July 13, 1995 as a public limited company under the Companies Ordinance, 1984 having its registered office Finance and Trade Centre, Shahrah-e-Faisal, Karachi. The Fund is listed on the Karachi Stock Exchange.
- 1.2 The Fund is registered as an 'investment company' under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) vide License no. NBFC -II\11 AMMFL-IC-04\05 issued by the Securities and Exchange Commission of Pakistan (SECP). On November 21, 2007 the Non-Banking Finance Companies and Notified Entities Regulations, 2007 (NBFC Regulations, 2007) were notified which are now superseded by the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations, 2008) issued through S.R.O. 1203(I)/2008 on November 21, 2008.
- 1.3 The Fund has an agreement with Al Meezan Investment Management Limited (AMIML), an associated undertaking, to provide asset management services.
- 1.4 The objective of the Fund is to carry on the business of a closed-end mutual fund and to invest its assets in securities, which are listed or proposed to be listed on the stock exchanges.

**2. BASIS OF MEASUREMENT**

The transaction undertaken by the Fund in accordance with the process prescribed under the shariah guidelines issued by the shariah adviser are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of approved accounting standards as applicable in Pakistan.

**3. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with the requirements of approved accounting standards as applicable in Pakistan, the Companies Ordinance, 1984, the NBFC Rules, NBFC Regulations, 2007, NBFC Regulations, 2008 and the directives issued by the SECP. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984, the NBFC Rules and NBFC Regulations, 2007, NBFC Regulations, 2008 and the said directives differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984, the NBFC Rules and NBFC Regulations, 2007, NBFC Regulations, 2008 and the said directives take precedence.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of these condensed interim financial statements and the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2009.

September  
30, 2009                  June  
30, 2009  
(Rupees in '000)

## 5. BALANCES WITH BANKS

On current accounts	1,033	1,876
On savings accounts	98,833	33,805
	99,866	35,681

## 6. INVESTMENTS - AVAILABLE FOR SALE

### 6.1 Shares of listed companies - available for sale

Name of the investee company	As at July 1, 2009	Purchases during the period	Bonus / rights issue	Sales during the period	As at September 30, 2009	Carrying value as at September 30, 2009	Market value as at September 30, 2009	Unrealised loss as at September 30, 2009	Percentage of market value of total investment
	Number of shares				Rupees in '000				
<b>Sector / companies</b>									
<b>Oil and gas marketing company</b>									
Pakistan State Oil Company Limited	1,043	-	-	1,043	-	-	-	-	-
<b>Oil and gas exploration companies</b>									
Oil & Gas Devp. Company Limited	-	130,000	-	-	130,000	14,410	13,960	(450)	0.15
Pakistan Petroleum Limited	-	65,000	13,000	-	78,000	14,704	14,741	37	0.16
<b>Fertilizer</b>									
Fauji Fertilizer Company Limited	343,769	-	-	-	343,769	23,984	35,322	11,338	0.38
Fauji Fertilizer Bin Qasim Limited	-	1,300,000	-	-	1,300,000	31,352	29,861	(1,491)	0.32
					84,450	93,884	9,434		
Total cost of investments - available for sale						67,168			

## 7. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

### 7.1 Shares of listed companies - held for trading

Name of the investee company	As at July 1, 2009	Purchases during the period	Bonus / rights issue	Sales during the period	As at September 30, 2009	Carrying value as at September 30, 2009	Market value as at September 30, 2009	Unrealised loss as at September 30, 2009	Percentage of market value of total investment
	Number of shares				Rupees in '000				
<b>Commercial banks</b>									
Meezan Bank Limited (an associate of the fund)	1,978,707	-	-	-	1,978,707	21,766	27,801	6,035	0.02
<b>Textile composite</b>									
Nishat Mills Limited	264,255	240,000	-	75,000	429,255	17,710	28,550	10,840	0.02
<b>Jute</b>									
Thal Limited (note 7.2)	223,300	1,000	-	1,000	223,300	17,317	27,557	10,240	0.02
<b>Cement</b>									
Attock Cement Company Limited	191,600	-	-	1,500	190,100	13,349	16,381	3,032	0.01
Lucky Cement Limited	505,700	285,690	-	375,000	416,390	26,015	31,204	5,189	0.02
D G Khan Cement Company Limited	720	-	-	720	-	-	-	-	-
									0.04
<b>Power generation &amp; distribution</b>									
The Hub Power Company Limited	3,186,000	102,760	-	-	3,288,760	89,391	103,234	13,843	0.08

Name of the investee company	As at July 1, 2009	Purchases during the period	Bonus / rights issue	Sales during the period	As at September 30, 2009	Carrying value as at September 30, 2009	Market value as at September 30, 2009	Unrealised loss as at September 30, 2009	Percentage of market value of total investment
	Number of shares				Rupees in '000				
<b>Oil &amp; gas marketing companies</b>									
Pakistan State Oil Company Limited	331,300	71,000	-	25,957	376,343	83,140	117,837	34,697	0.09
Sui Northern Gas Pipelines Limited	232,200	-	-	232,200	-	-	-	-	-
									<b>0.09</b>
<b>Oil &amp; gas exploration companies</b>									
Oil & Gas Development Company Limited	1,687,300	107,000	-	755,676	1,038,624	82,452	111,528	29,075	0.09
Pakistan Oilfields Limited	553,500	188,951	-	51,000	691,451	109,922	144,244	34,322	0.11
Pakistan Petroleum Limited	556,071	49,500	110,954	82,800	633,725	99,146	119,768	20,622	0.09
									<b>0.29</b>
<b>Automobile assembler</b>									
Indus Motor Company Limited	196,092	-	-	25,000	171,092	18,430	29,982	11,552	0.02
Pak Suzuki Motor Company Limited	185,980	-	-	-	185,980	12,628	16,188	3,560	0.01
									<b>0.04</b>
<b>Automobile parts &amp; accessories</b>									
Agriauto Industries Limited (note 7.2)	708,960	-	-	-	708,960	23,140	40,588	17,448	0.03
<b>Technology &amp; communication</b>									
Pakistan Telecommunication Company Limited "A"	4,126,200	-	-	730,000	3,396,200	58,550	67,890	9,340	0.05
<b>Fertilizer</b>									
Engro Chemical Pakistan Limited	526,393	-	-	526,393	-	-	-	-	-
Fauji Fertilizer Company Limited	1,278,227	381,190	-	-	1,659,417	146,374	170,505	24,131	0.13
Fauji Fertilizer Bin Qasim Limited	2,870,500	298,061	-	-	3,168,561	56,497	72,782	16,285	0.06
									<b>0.19</b>
<b>Pharmaceutical</b>									
Glaxo SmithKline (Pakistan) Limited	43,906	-	-	-	43,906	5,260	4,556	(704)	0.00
<b>Chemicals</b>									
ICI Pakistan Limited	416,600	-	-	22,000	394,600	55,343	70,566	15,223	0.05
Sitara Chemical Industries Limited	62,460	-	-	-	62,460	9,744	11,443	1,699	0.01
									<b>0.06</b>
<b>Paper &amp; Board</b>									
Packages Limited	488,987	-	-	-	488,987	76,791	79,504	2,713	0.06
<b>Glass &amp; Ceramics</b>									
Ghani Glass Limited	36,922	-	-	-	36,922	2,105	2,292	187	0.00
<b>Miscellaneous</b>									
Tri-Pack Films Limited	68,300	-	-	-	68,300	6,822	8,279	1,457	0.01
						<b>1,031,892</b>	<b>1,302,679</b>	<b>270,787</b>	
<b>Total cost of investments - held for trading</b>									<b>1,258,689</b>

7.2 All shares have a nominal value of Rs 10 each except for shares of Agriauto Industries Limited & Thal Limited which have a face value of Rs 5 each.

7.3 Net assets are as defined in Regulation 66 of NBFC Regulations, 2008.

7.4 190,000 shares of Oil & Gas Development Company Limited having market value of Rs 20.4022 million (June 30, 2009: 14.942 million) have been pledged as collateral in favour of National Clearing Company of Pakistan Limited (NCCPL) against exposure margins and mark-to-market losses.

	September 30, 2009	2008
	(Rupees in '000)	
<b>8. EARNINGS / (LOSS) PER SHARE</b>		
Net profit / (loss) for the period	<u>329,646</u>	<u>(500,274)</u>
	(in numbers)	
Weighted average number of ordinary shares outstanding during the period	<u>137,539,986</u>	<u>137,539,986</u>
	(Rupees)	
Earnings / (Loss) per share	<u>2.40</u>	<u>(3.64)</u>

**9. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

The connected person include AMIML being the management company, CDC being the custodian, MBL being the shariah adviser and holding company of the management company, Pakistan Kuwait Investment Company (Private) Limited and Meezan Islamic Fund, Meezan Islamic Income Fund, Meezan Balanced Fund, Meezan Tahaffuz Pension Fund and Meezan Capital Protected Fund - I, being the funds under the common management of the management company.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the management company and the custodian is determined in accordance with the provisions of NBFC Rules and Regulations.

	(Unaudited) September 30, 2009	(Audited) June 30, 2009
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited</b> <b>- management company of the Fund</b>		
Remuneration payable	<u>2,482</u>	<u>1,029</u>
Investment of 23,205,692 shares (June 30, 2009: 23,205,692 shares)	<u>144,804</u>	<u>120,670</u>
<b>Central Depository Company of Pakistan</b> <b>Limited - custodian of the Fund</b>		
Remuneration payable	<u>56</u>	<u>46</u>
<b>Meezan Bank Limited - shariah adviser of the Fund</b>		
Balances with bank	<u>2,284</u>	<u>1,928</u>
Remuneration payable	<u>-</u>	<u>434</u>
Investment in 1,978,707 shares (June 30, 2009: 1,978,707 shares)	<u>27,801</u>	<u>21,766</u>
Investment of 5,561,607 shares (June 30, 2009: 5,561,607 shares)	<u>34,704</u>	<u>28,920</u>

	(Unaudited) September 30, 2009	(Audited) June 30, 2009
	(Rupees in '000)	
<b>Meezan Islamic Fund</b>		
Investment of 19,570,700 shares (June 30, 2009: 19,570,700 shares)	<u>122,121</u>	<u>101,768</u>
<b>Pakistan Kuwait Investment Company (Private) Limited</b>		
Investment of 16,895,690 shares (June 30, 2009: 16,895,690 shares)	<u>105,429</u>	<u>87,858</u>
<b>Directors and officers</b>		
Investment of 349,440 shares (June 30, 2009: 349,440 shares)	<u>2,181</u>	<u>1,817</u>
	<b>For the quarter ended September 30,</b>	
	<b>2009</b>	<b>2008</b>
	(Rupees in '000)	
<b>Al Meezan Investment Management Limited</b>		
- management company of the Fund Remuneration for the period	<u>7,085</u>	<u>7,548</u>
<b>Central Depository Company of Pakistan Limited</b>		
- custodian of the Fund Remuneration for the period	<u>201</u>	<u>188</u>
<b>Meezan Bank Limited - shariah adviser of the Fund</b>		
Profit on deposit accounts with bank	<u>1</u>	<u>193</u>
Shariah advisory fee for the period	<u>-</u>	<u>63</u>

#### 10. DATE OF AUTHORISATION

These condensed interim financial statements have been authorised for issue on October 21, 2009 by the board of directors of the Fund.

**For Al Meezan Investment Management Limited  
( Management Company)**

**Chief Executive**

**Director**

**STATEMENT OF THE INCOME & EXPENDITURE OF THE  
MANAGEMENT COMPANY IN RELATION TO THE FUND  
FOR THE PERIOD ENDED SEPTEMBER 30, 2009**

September 30,  
2009                      2008  
(Rupees in '000)

**INCOME**

Remuneration from Al Meezan Mutual Fund Limited	7,085	7,437
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**OPERATING EXPENSES**

Salaries and other benefits	1,099	1,494
Motor vehicle running expenses	46	44
Fees and subscription	101	34
Insurance expense	29	15
Printing and stationery	33	71
Communication	107	65
Depreciation	155	209
Travelling and conveyance	13	27
Entertainment	5	8
Legal and professional charges	63	48
Repair and maintenance	13	8
Office supplies	16	8
Training and development	9	14
Rent, rates and taxes	169	187
Utilities	15	30
Miscellaneous expenses	8	4
	<u>1,881</u>	<u>2,266</u>
<b>OPERATING PROFIT</b>	<u><u>5,204</u></u>	<u><u>5,171</u></u>

Note: Other revenue and expenditure not related to the Fund has not been included in the above statement.



**Pure. Profit.**

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